

A Critical Juncture for Peace, Democracy, and the Environment: Sudan and the Merowe/Hamadab Dam Project

Report from a Visit to Sudan and a Fact-Finding Mission to the Merowe Dam Project
22 February – 1 March 2005

Published by Peter Bosshard (International Rivers Network)
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Executive Summary

On 11/12 April 2005, international donors pledged \$4.5 billion over three years to support the peace and reconstruction process in Sudan. The peace agreement between the Sudanese government and the Southern rebel movement, together with the generous international support, offers the prospect of ending a brutal civil war that has ravaged the South of Sudan for more than 40 years.

As foreign aid and private investment begin to flow into Sudan again, it is important that social, environmental, and human rights standards are upheld, and that civil society can play an active role in defining development priorities, establishing safeguard standards, assessing project options, and monitoring projects.

The authors of this report had the chance to visit Sudan for an intensive program of meetings in February 2005. They met with representatives of the Sudanese government, civil society, academia, and foreign embassies. They also had the chance to conduct a fact-finding mission to the first resettlement site of the Merowe/Hamadab Dam Project.

This report summarizes the main findings of the NGO visit. It contains some general reflections on the development process in Sudan's electricity sector, and summarizes the environmental, social and archaeological impacts of the Merowe/Hamadab Dam Project. Although resettlement for the dam project has only just started, the poverty rate in the affected communities is already soaring, affected people feel betrayed by broken promises and a lack of consultation, and tensions are increasing. Furthermore, the environmental impacts of the project have never been properly assessed, and the project has never been certified by the competent Sudanese authorities. On this last score, the project violates Sudanese law.

In the past, large, centralized projects had massive social and environmental problems, did not benefit the wider population, and have contributed to Sudan's civil war. The Merowe Dam Project is a test case of how the government and developers have learned from past experiences. The report concludes with a series of recommendations on how to address the serious problems of the Merowe Dam Project, and how to ensure a balanced, participatory and sustainable development strategy for Sudan's electricity sector.

1. Introduction

On 9 January 2005, the Government of Sudan and the Sudanese People's Liberation Movement (SPLM) signed the Naivasha Accord. This peace agreement offers the prospect of ending a brutal civil war that has ravaged the South of Sudan for more than 40 years.

After years of political and economic isolation, Sudan can anticipate receiving large amounts of Western development assistance and private foreign investment. On 11/12 April 2005, international donors pledged aid packages to the amount of \$4.5 billion for Southern and Northern Sudan over three years at a conference in Oslo. The World Bank will open a new office in Khartoum after more than ten years of absence, and will coordinate the donors' trust funds for Sudan. Once again, Sudan will be open for business with Western companies.

At this critical juncture, it is important that the peace accord forms the basis of a political process that extends beyond a ceasefire and a wealth-sharing agreement between two armed groups. The armed conflicts in Darfur and other regions must be stopped immediately. As part of the peace process, decision-making processes should be democratized, and the space for Sudan's civil society should be widened. As foreign aid and investment start flowing into the country, the rule of law, the rights of the communities affected by development projects and the environment should be protected.

Peter Bosshard of International Rivers Network (IRN) and Nicholas Hildyard of The Corner House visited Sudan on 22 February – 1 March 2005, as the guests of the Environmentalists' Society, a Sudanese non-governmental organization. The purpose of their visit was to explore how Sudanese and international NGOs can better work together in this new era of Sudan's development. Together with representatives of the Environmentalists' Society, The Corner House and IRN met with a member of the Sudanese government, government officials, academics, NGOs, and staff of foreign embassies. The NGOs also made a fact-finding mission to the first resettlement site of the Merowe/Hamadab Dam Project¹, which they consider to be a test case for future infrastructure development in Sudan.

Nicholas Hildyard and Peter Bosshard would like to thank the Environmentalists' Society for its warm and supportive hospitality. They would also like to thank all their contacts in Sudan for taking the time to meet with them and for sharing information and discussing issues of mutual

¹ The dam project was originally called the Hamadab Project, and subsequently renamed as the Merowe Project. The affected communities claim that the name was changed in order to justify the granting of project benefits to the Merowe area, which is not affected by the project. Many people insist that the project still be called the Hamadab Project.

interest. This report reflects the opinions of International Rivers Network and The Corner House. The two organizations are responsible for any errors of fact or judgment that the report may contain.

2. Sudan's electricity sector

So far, Sudan's electricity generating capacity is very small. It consists of about 760 megawatts of thermal power, and about 320 megawatts of hydropower capacity. In a country with a population of close to 40 million, the national power utility has only 700,000 customers. About 70% of the electricity is consumed in the Khartoum area. Except for some large, export-oriented agricultural schemes, rural areas do not have access to electricity.

The technically feasible potential of hydropower in Sudan is estimated at 5,000 megawatts. (The general experience is that such estimates tend to be over-optimistic.) The largest project under construction is the Merowe/Hamadab dam with a planned capacity of 1,250 megawatts. The government is currently also installing 30 megawatts at the Jebel Aulia irrigation project; plans to add 50 megawatts to the capacity of the Sennar dam; and has large expansion plans in the thermal power sector. The increased power generated will at least partly be exported. The Nile Basin Initiative has identified building an Ethiopia-Sudan interconnection as a fast-track project of its Eastern Nile Subsidiary Action Programme.

In early 2005, the so-called Joint Assessment Mission (JAM) of the Sudanese government, the SPLM and Western donors completed an evaluation of the country's development needs and options. This assessment identified a need for reconstruction and development of \$7.8 billion through 2007. International donors have been asked to contribute a total of \$2.66 billion, and have responded generously to this request.

The JAM included a so-called cluster on infrastructure.² This cluster evaluated the needs in the transport, electricity, and urban services sectors, particularly in the southern part of the country. It called for investment of \$506 million in specific projects in the electricity sector. The proposed projects primarily include the following:

- Within two years, the national grid is to be expanded to Darfur and Kordofan states. During the same period, almost 20 Southern cities are to be electrified through local grids, based on diesel plants.
- An electrification master plan will assess four potential hydropower sites in South Sudan with an estimated capacity of 200-700 megawatts, respectively. The more attractive of two sites on the Bahr El Jebel River will be selected for a feasibility study. With less emphasis, the plan will also evaluate the potential of wind energy and natural gas. The master plan will prepare the groundwork for a sizeable hydropower investment program in South Sudan from 2007 onwards. A new power grid will need to be constructed in this region at the same time.

² Sudan Joint Assessment Mission, Cluster 6, Infrastructure, Final Review Draft Sector Reports, February 25, 2005

- Finally, the JAM report proposes to finance mini and micro hydropower plants for local grids and solar installations for 1000 villages within two years. This project will for example supply electricity for water pumps, health posts, schools, mosques and churches. It will take up \$25 million of the \$506 million proposed for projects in the electricity sector.

Western governments and international institutions have agreed to set up joint trust funds to support the projects proposed by the JAM. These trust funds will be coordinated by the World Bank. An Environmental and Social Safeguards Framework will be adopted for the operations financed by the trust funds. According to the JAM report on infrastructure, the Safeguards Framework will “ensure the effective application of the World Bank’s safeguard policies” (p. 157). The report is silent on which institution will prepare this Framework, and how civil society can participate in the process.

According to the JAM report, the “proposed emergency reconstruction operations will neither support environmental Category (A) subprojects, nor subprojects requiring land acquisition affecting 200 or more people” (p. 157). Major new infrastructure projects will however be financed after the two-year emergency reconstruction period.

For recommendations regarding the development of Sudan’s electricity sector, see Section 9 of this report.

3. The Merowe/Hamadab Dam Project

The Merowe/Hamadab Dam Project is the largest hydropower project that is currently being developed in Africa. Once it is completed, a dam with a height of 67 meters on the fourth cataract of the Nile in North Sudan will create a reservoir with a length of 174 kilometres and a surface area of 476 square kilometres. The reservoir will displace about 50,000 people. (The project’s Environmental Impact Assessment states that the reservoir will have a reach of 200 kilometres. This would affect a larger number of people, particularly on the island of Mugrat.)

The purpose of the Merowe Dam is to generate hydropower with an installed capacity of 1,250 megawatts. The project is expected to be completed between 2007 and 2009. It will roughly double Sudan’s power generating capacity. According to the Environmental Impact Assessment, the project includes an irrigation component. There is uncertainty, however, as to whether or not the irrigation component will proceed, with Sudanese government officials giving different views.

The total cost of the Merowe Project is budgeted to reach \$1.2 billion. In addition to the Sudanese government, the main funders of the dam include the China Export Import Bank, the Arab Fund for Economic and Social Development, and the Development Funds of Saudi Arabia, Kuwait, Abu Dhabi, and the Sultanate of Oman. Since many problems of the project, including the resettlement of the affected communities, have not yet been resolved, it is impossible to gauge the project’s final cost at this point.

The dam and the transmission lines are mainly being constructed by Chinese companies. Sudanese contractors are involved in building the dam and the resettlement sites. Western companies are also involved in the project: Lahmeyer International of Germany manages the construction of the project; Alstom of France is supplying electro-mechanic equipment; and ABB of Switzerland is building transmission substations.

The Merowe Dam is currently under construction. The Corner House and International Rivers Network did not receive permission to visit the construction site. Together with representatives of the affected communities and the Environmentalists' Society, however, they were able to visit the project's first resettlement site at El Multaga.

4. Environmental problems

Dam building in Egypt and Sudan has caused severe environmental degradation in the past. These problems have never been independently evaluated. According to environmental experts in Sudan, the Merowe Dam is likely to have serious environmental impacts. These impacts include:

- sedimentation of the reservoir due to massive erosion in Ethiopia, among other factors;
- evaporation from the reservoir;
- infestation of the reservoir by water hyacinths;
- massive daily fluctuations of the water level downstream of the dam, with corresponding impacts on downstream agriculture;
- the spread of waterborne diseases.

In the late 1990s, Lahmeyer International asked the Institute of Environmental Studies of the University of Khartoum to prepare a comprehensive Environmental Impact Assessment (EIA) for the planned Merowe Dam. Lahmeyer did not finalize this assignment, and instead requested several environmental institutes and consultancies in Sudan to prepare preliminary studies on individual environmental impacts, and to bid for EIA contracts. These assignments were subsequently also withdrawn.

Lahmeyer International eventually prepared its own environmental assessment of the Merowe Dam in April 2002.³ The report is short, superficial, and incomplete. It does not address major issues such as sedimentation. And since Lahmeyer has a vested interest in the project, the assessment cannot be considered independent. Examples of bias in the report include attributing the resettlement problems affecting the project to the "uncooperative behaviour and exaggerated expectations" of the representatives of the affected communities (p. i-6).

Sudan has many environmental specialists who are well-qualified to undertake an environmental assessment, and International Rivers Network and The Corner House intend to commission an independent review of the report.

³ Lahmeyer International, Environmental Assessment Report for the Merowe Dam Project, April 2002

According to Sudan's Environmental Protection Act of 2000, all environmental feasibility studies need to be reviewed and certified by the Higher Council for Environment and Natural Resources. The Higher Council is the technical arm of Sudan's Ministry of Environment. Senior officials of the Merowe Dam Project Implementation Unit (MDPIU) confirmed that the environmental assessment of the Merowe Dam was never shared with the Higher Council, and that this body did not review and certify the document. The Merowe project in this respect violates Sudanese law.

In a conversation with IRN and the Corner House, the representatives of the MDPIU argued that because Lahmeyer is an international company, its environmental assessment must comply with international standards, and hence compliance with Sudanese law was not important. This argument is spurious.

For many years, the communities affected by the Merowe Dam, environmental experts in Sudan and even the government's Higher Council for Environment and Natural Resources had not been given access to Lahmeyer's environmental assessment. When The Corner House and IRN asked for a copy, the MDPIU immediately shared the report and other project documents. This act of transparency is positive. However, the documents have still not been disclosed to the Sudanese public, and the MDPIU needs to take immediate steps to ensure that it is accountable not only to international NGOs but, more importantly, to interested parties in Sudan.

5. Archeological impacts

The 174-kilometre-long reservoir will inundate an area rich in history and antiquities dating back 5,000 years, from the time of the ancient Nubian civilization that preceded Pharaonic Egypt. Only in the past few decades have archaeologists begun to discover the historical treasures of the region.

Archaeologists from the British Museum have stated of the Merowe site: "Very little archaeological work has ever been undertaken in this region but what has indicates the richness and diversity of human settlement from the Palaeolithic period onwards."

Several archaeological salvage projects have been carried out by Sudan's Antiquities Department and other institutions. While emergency salvage operations may help save some of the moveable cultural treasures (although not the archaeologically vital physical context in which they are found), the lack of any Cultural Heritage Management Plan creates a high risk that the dam's reservoir will drown ancient sites without them having been thoroughly studied and documented.

6. Social impacts

According to the MDPIU, the Merowe Dam Project will displace 9,500 families, or about 50,000 people, from their fertile lands in the Nile Valley. These people belong to the Hamadab, Amri and Manasir communities. Some 800 families of the Hamadab community – less than 10% of the

total number of affected people – have been resettled at the El Multaga resettlement site since June 2003.

According to official plans, the affected families were offered cash compensation for lost assets (primarily houses and date palms), a new house and a minimum of six fedans⁴ of land at the resettlement sites. They were offered an additional three fedans of land for every fedan that they lost in the Nile valley, and free services (such as water, electricity, and fertilizer) for two years after resettlement. Project officials claim that resettlement will improve the quality of life of the affected communities, and a representative of the Ministry of Electricity urged the foreign visitors to go and see the successes of the resettlement site with their own eyes.

In a marked contrast to such assurances, meetings with the committees of the affected communities and a visit to the El Multaga site revealed that the Merowe project has serious, unresolved social impacts. The problems include the following:

- **Entitlements:** The project authorities are trying to minimize the number of affected people who are entitled to receive compensation and rehabilitation support. For example, people who own houses but are not married receive only land plots, but no new houses. People who live outside the project area, or who have temporarily moved to other places as migrant labourers, but still own land or houses in the project area are not being compensated. This seriously disrupts family ties and creates tensions within the affected communities. Houses that were built after the 1999 census are not being compensated. People who refuse to move to the resettlement site within six months also lose their entitlements.
- **Compensation:** Affected people are primarily being compensated for the houses and date palms that they lose due to the project. Date palms – the main source of cash income for the farmers – can produce dates for up to 100 years. Yet the compensation proposed by the MDPIU for the trees only equals the value of four years' worth of harvest. The compensation that farmers (mainly women) receive for vegetable gardens is minimal. The farmers lose out further because compensation is to be paid in instalments over six years, and will not be adjusted to take account of inflation. This violates Sudan's Land Acquisition Act of 1930, which stipulates that land can only be expropriated after full compensation has been paid. So far, the families that were resettled at El Multaga have received six fedans of land each. However, the additional three fedans that they were promised for every fedan in the Nile Valley have not yet been developed and allocated.
- **Quality of land:** The El Multaga site is located in the desert. The MDPIU is providing support in removing the sand that covers many plots, and in irrigating the land. However, two years after resettlement, some 20% of the land has still not been cleared of sand; it is thus unavailable for production. And even with irrigation, the quality of the soil is so poor that farmers cannot sell their products on the market. They grow wheat for their own consumption, and fodder for camels that they sell to nomads at a very low price. Unlike in the Nile Valley, the farmers cannot grow vegetables, and so their diet has also suffered. Contrary to the original design of the sites – and the recommendations of Lahmeyer's Environmental Assessment report – no drainage canals have been built. This greatly increases the risk of water logging and salinity.

⁴ 1 fedan = 0.57 hectares

- **Housing:** While the villages in the Nile Valley are spread out, the houses in El Mutaga are built in closely packed regimented lines. The plots are small and cramped. There is no adequate sanitation, which will likely create health problems in the crowded settlements. Already, the resettlers report an increased rate of diphtheria and more virulent forms of malaria.

- **Services:** According to the environmental assessment, improving the “extremely low organic matter contents” of the soils at El Multaga “is a question of decades of time, not only a few years” (EA, p. 3-3). As a consequence, an official technical committee which assessed the resettlement options for the project recommended that resettlers receive free services (such as water, electricity etc.) for a period of three to five years to ease the transition process. Instead, the project authority promised free services for a period of only two years. Yet many of the promised services were not available when resettlers were first moved to El Multaga. Contrary to the promises they received, those moved have to pay for the electricity to irrigate their fields. They also have to pay for fertilizer through a credit scheme. The resettlers will have to fully pay for water, fertilizer and the removal of sand once the initial two year grace period is over.

- **Diversion of funds:** The affected communities believe that development funds that were approved for them were misappropriated and diverted to other, politically more powerful areas. They believe that the name of the project was changed from the “Hamadab Dam Project” to the “Merowe Dam Project” to justify the diversion of project funds for infrastructure services in Merowe, a major town in North Sudan that is located outside the area affected by the dam.

In the Nile Valley, the affected communities primarily rely on flooding by the Nile for irrigation and fertilizing, and do not need to buy many expensive inputs. They grow a wide variety of crops – including millet, wheat, and vegetables – for their own consumption, and dates for sale. At El Multaga, they have to pay for the inputs (and will soon have to pay for irrigation water), but are not able to sell their produce. This has also curbed the financial independence of women. The farmers are in a bind, and rely on the remittances from family members or spend the compensation money that they have received to make ends meet.

According to village leaders, the poverty rate at the El Multaga site has increased from 10% to 65% in less than two years. Some members of the community already depend on religious charity, which is a new phenomenon for these proud and independent farmers. If the project authorities stop providing water free of charge after the initial two-year period (that ends in June 2005), their situation will go from bad to worse.

El Multaga is one of several resettlement sites that the project authority has identified for the affected communities. The Amri people will be resettled at the Wadi El Muqadam site. The Manasir communities – the majority of the affected people – do not yet know where they will be resettled.

Representatives of the Merowe Dam Project Implementation Unit insist that they want to make the El Multaga site a success story. The soil quality in other sites is likely to be even worse than at El Multaga. Representatives of the Manasir community report that the site near the so-called Station No. 10, for example, is located in a sand desert without any shrubs or trees. The MPDIU

claims that a study on the soil quality at Wadi El Muqadam have been carried out, but has so far refused to share it with the Amri community.

So far, less than 10% of the people affected by the Merowe Dam have been resettled. According to the plans of the project authority, all other people will be resettled by 2007. The problems at El Multaga may be a harbinger of an even worse social and economic crisis in the near future.

In addition to displacing about 50,000 people, the Merowe Project will also affect communities living downstream of the dam. The peaking hours operation of the power plant will lead to daily downstream water fluctuations of up to 4.9 meters. This will severely impact the operation of the countless small irrigation pumps on the river banks. Daily massive “water walls” will also present a hazard for the people that work on the river banks (EA, p. 4-11).

7. Inappropriate decision-making procedures

All decisions regarding the project, including on resettlement and compensation, are being taken by the Merowe Dam Project Implementation Unit. If necessary, the project authority can directly issue bylaws that override earlier government decisions. This creates an inappropriate conflict of interest. The MDPIU has an interest in maximizing profits, and in minimizing expenditures on resettlement and compensation. Furthermore, the MPDIU has awarded contracts to its own construction company, which may also affect the quality of project implementation.

The affected Hamadab, Amri and Manasir communities have democratically selected committees that represent their interests. These committees were systematically sidelined throughout the decision-making process. After the government decided to move forward with the Merowe project, the government and the committees tried to negotiate a resettlement and compensation package in the late 1990s, but did not reach any agreement. The government appointed mediators, but these mediators never had a chance to make recommendations. Instead, the government issued a series of decrees on resettlement and compensation that were completely unacceptable to the affected communities. The National Assembly created a technical committee to resolve the conflicts, but the representatives of the elected committees were in a minority within this body, and their views were again sidelined.

The recommendations of the technical committee formed the basis of the government decrees on resettlement and compensation that were issued in 2002. These decrees – including the proposed resettlement sites – are not acceptable to the affected communities. Yet the MDPIU refuses to communicate with the committees, and to negotiate a compensation agreement that is acceptable to the communities. The authority also consistently refused to share project documents with the affected people.

The affected people are extremely frustrated about the ongoing process of deception and betrayal that they have experienced, and their pride as independent farmers has been offended. “We are poor farmers, but the project authority treats us as adversaries”, the resettlers say. The unilateral, top-down approach of the MDPIU has triggered many protests. On several occasions, the authorities used violence to quell these protests, and at least two members of the affected commu-

nities were shot and wounded. In December 2004, the authorities arrested and detained three members of the Manasir committee and one from the joint council of the three affected communities. A fifth has since been arrested and detained. The whereabouts of the detainees are unknown to their families and friends. They have not been brought before a court of justice.

The Corner House and International Rivers Network will prepare a more detailed report on the findings of their fact-finding mission regarding the Merowe Dam Project in the near future. The recommendations regarding the project are summarized in Section 10 of this report.

8. The responsibility of the foreign investors

In November 2000, the broad-based, independent World Commission on Dams (WCD) published its ground-breaking report, *Dams and Development*.⁵ The report includes a new framework for decision-making on the development of the water and power sectors. While several specific recommendations of the report remain controversial, the seven Strategic Priorities of the WCD report have been widely accepted by governments, financial institutions, the dam industry, and civil society. They formulate today's international best practice for developing water and power projects.

The Merowe Dam violates at least five of the seven Strategic Priorities of the WCD (Gaining Public Acceptance, Comprehensive Options Assessment, Sustaining Rivers and Livelihoods, Recognising Entitlements, and Sharing Benefits, and Ensuring Compliance). A detailed analysis of these violations will follow in a further report.

The World Bank has adopted the most detailed social and environmental safeguard policies on issues such as environmental assessment and involuntary resettlement. The export credit agencies of the OECD and – within the area of project finance – 29 large private banks have made compliance with the World Bank's safeguard policies a requirement for their own lending. In future infrastructure projects that are supported from the international donors' trust funds, Sudan will have to comply with these safeguard policies.

According to a preliminary analysis prepared by The Corner House and International Rivers Network, the Merowe Dam violates the World Bank policies on Environmental Assessment (on 38 counts), on Natural Habitats (on 10 counts), on Involuntary Resettlement (on 12 counts), and on Cultural Property (on 3 counts). Again, a more detailed analysis will be published shortly.

In addition to the Sudanese government, the Merowe Dam Project is being financed by the China Export Import Bank and a series of Arab financial institutions. These institutions are currently financing many large infrastructure projects in Africa and throughout the global South. China's export credit agency in particular is financing dams and other infrastructure projects that are socially, environmentally and politically risky, including the Yeywa Dam in Burma, the Nam Mang 3 Dam in Laos, and the Adjaralla Dam in Togo. As the China Export Import Bank and Arab financial institutions are expanding their role internationally, they should adopt the social

⁵ Dams and Development, A New Framework for Decision Making, 16 November 2000

and environmental standards that the Chinese and Arab governments have supported within the World Bank and other institutions.

Already, multinational enterprises incorporated in OECD countries are obliged to comply with the OECD Guidelines on Multinational Enterprises. Lahmeyer International and Alstom, whose management services and equipment supply contracts are essential for the project, are expected to follow these Guidelines in the Merowe Dam Project. According to a preliminary analysis by The Corner House and International Rivers Network, the Merowe/Hamadab Dam is in breach of the OECD Guidelines because the project's environmental assessment fails to meet international standards; the EA has not been approved by the relevant government authority; the project has been planned and is being implemented with minimal consultation with affected communities; and the human rights of the affected people have been infringed.

9. Recommendations regarding Sudan's electricity sector

There is no question that electricity generation in Sudan will need to be expanded to support the country's social and economic development. However, it is less obvious what the priorities of an expanded electricity supply should be.

Historically, power generation in Sudan has always served the large cities, export-oriented agriculture, and the oil sector. Irrigation projects have focused on large, export-oriented agricultural schemes. In contrast, an effective poverty reduction strategy will need to focus on the rural poor. In Sudan, this will require developing small, off-grid sources of electricity.

The Joint Assessment Mission (JAM) report on infrastructure states correctly (p. 121):

“Extension of the grid and grid based generation capacity has its physical and economic limitations which will exclude thousands of villages and small towns in Sudan from electricity supply for the foreseeable future if alternatives involving utilisation of renewable resources, first and foremost utilisation of local smaller hydropower resources and photovoltaics are not presented.”

The JAM allocated \$25 million for the electrification of 1000 villages through off-grid sources. This is a very modest part of the \$506 million allocated to the electricity sector in total. The resources for rural electrification should be increased.

In Sudan, decentralized infrastructure development will not only reduce poverty, but also help keep peace. Large, centralized electricity, petroleum and irrigation schemes are controlled by the government. It is questionable whether any benefits of such schemes trickle down to the poor. On the other hand, the negative social and environmental impacts of large-scale projects are massive and tangible. The large-scale displacement from Wadi Halfa for the Aswan High Dam Project, the construction of the Jonglei canal, the discovery of oil and the subsequent construction of a refinery and pipeline have all contributed to Sudan's civil war. The Merowe Dam is only the latest example of how people affected by such projects are impoverished. In compari-

son, prioritising rural infrastructure development will contribute to a decentralization of the control over natural resources and power.

Deciding on Sudan's development priorities should not be left to the government and Western donors. Sudan's civil society should play a role in this process. Civil society groups should also be involved in the preparation of the Environmental and Social Safeguards Framework for future infrastructure projects (see Section 2). A civil society dialogue is already monitoring the implementation of the peace agreement. This dialogue should be supported.

As elaborated above, the World Commission on Dams has proposed a new framework for decision-making for the development of the water and power sectors. The Core Values and Strategic Priorities of this framework have been widely accepted. In several countries, broad-based multi-stakeholder processes have been initiated to discuss the recommendations of the World Commission on Dams and how they can be implemented within the national contexts. A national dialogue based on the WCD framework would also be very valuable in Sudan at this stage.

10. Recommendations regarding the Merowe Dam Project

A statement that the Manasir committee shared with International Rivers Network and The Corner House reads:

“As affected people we said to ourselves; well, if this project is really beneficial to the Sudan and there is no other alternative option, then let us accept the idea but on the condition that our full rights in just compensation for our property and resettlement in areas which we willingly propose and accept are fully honoured by the government. This implies that we should fully participate in planning, decision making and implementation of this project particularly in all matters pertaining to affected people.”

This statement seems to reflect a sentiment that is shared by many affected people. While the affected people are extremely frustrated about how they have so far been treated, their demands are very modest. Supporting the demands of the affected communities, The Corner House and International Rivers Network propose that the following measures be taken immediately:

- In accordance with Sudan's Environmental Protection Act of 2001, all environmental impacts of the project should be thoroughly, comprehensively and independently assessed in an Environmental Impact Assessment. This EIA and other relevant documents (such as the soil fertility studies) should be subject to public consultation and expert review. If adequate, the EIA should be certified by the Higher Council for Environment and Natural Resources.
- The affected people want to be respected both as individuals and as communities. The project authorities should re-engage in negotiations with the elected committees of the Hamadab, Amri and Manasir communities on all outstanding issues. The members of the Manasir community who were arrested and detained should be released immediately.

- The Merowe Dam Project Implementation Unit should not be responsible for the construction of the dam *and* for resettling and compensating affected people. A separate authority should be created to deal with resettlement and compensation.
- Compensation should be paid to all affected people. Compensation should be fully disbursed *before* displacement, rather than in instalments. The resettlers at El Multaga should receive the three fedans of land that they were promised for every fedan of land in the Nile Valley. All cases in which entitlements have been denied should be resolved.
- The resettlers should receive free services for a transition period of not only two, but five years. The sand that is covering many plots must be removed. The farmers should be provided food security until their new plots become productive.
- The value of all assets of the affected communities, and particularly the date palms, should be independently reassessed. As a consequence of the necessary reassessments, the project budget also needs to be reviewed.
- The various parties involved in the Merowe Dam Project – the Sudanese government and MPDIU, Lahmeyer International and Alstom, the China Export Import Bank and the other financiers – share the responsibility for resolving the project’s problems. All these actors should commit to complying with today’s international standards on environmental impact assessment, involuntary resettlement, and the protection and promotion of human rights.

At this stage, fundamental problems of the Merowe/Hamadab Dam Project have still not been resolved. As long as the measures proposed above have not been taken, The Corner House and International Rivers Network recommend that project construction be suspended.

About the publishers:

International Rivers Network links the environment and human rights. For 20 years, IRN has worked with local communities to protect their rivers and watersheds, and has encouraged sustainable methods of meeting needs for water, energy and flood management. IRN is based in the USA. www.irn.org, info@irn.org

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