

Chapter 10

Beyond the Commission –

An Agenda for Change



Our report has distilled more than two years of intense study, dialogue, and reflection by the World Commission on Dams (WCD), the WCD Secretariat, the WCD Forum, and hundreds of individual experts on every facet of the dams debate. It contains all the significant findings that result from this work and expresses everything that we, the Commission, feel is important to communicate to governments, the private sector, civil society actors, and affected peoples – in short, to the entire spectrum of participants in the dams debate.

The debate about dams began well before the Commission, and it will continue well beyond it. We hope that one of the lasting results of the WCD process will have been to change the tenor of that debate from one of lack of trust and destructive confrontation to co-operation, shared goals and more equitable development outcomes.

The Commission alone is ultimately responsible for the conclusions and recommendations presented here.

Dams and Development: A New Framework for Decision-Making provides a solid basis for assessing options for energy and water development, and for planning and implementing projects that can achieve the desired benefits without exacting an unacceptable cost for anyone affected, or for our environment. If all parties

now adopt, adapt, and implement our recommendations in good faith, much of the energy currently focused on the controversy surrounding large dams can be channelled into improving development outcomes on a co-operative and sustainable basis. But this will not happen unless the wider dams constituencies – those who entrusted us with the mandate two years ago and who created the Commission as a platform for dialogue – become the heirs of our work, go forth with it, and multiply its impact.

The evidence we present is compelling. We feel confident that the WCD Knowledge Base provides overwhelming support for the main messages in the report. We believe there can no longer be any justifiable doubt about the following:

- Dams have made an important and significant contribution to human development, and the benefits derived from them have been considerable.
- In too many cases an unacceptable, and often unnecessary and high price has been paid to secure those benefits, especially in social and environmental terms, by people displaced, by communi-

ties downstream, by taxpayers and by the natural environment.

- Lack of equity in the distribution of benefits has called into question the value of many dams in meeting water and energy development needs when compared with the alternatives.
- By bringing to the table all those whose rights are involved, and who bear the risks associated with different options for water and energy resources development, the conditions for a positive resolution of conflicts and competing interests are created.
- Negotiating outcomes will greatly improve the development effectiveness of water and energy projects by eliminating unfavourable projects at an early stage, and by offering as a choice only those options that key stakeholders agree represent the best ones to meet the needs in question.

The directions are clear. It is one thing, however, to see this. It is another to actively break through traditional boundaries of thinking, step into a different frame of mind and look at familiar issues from another perspective. This is what the Commission has had to do, and we have shown over two years that it works. We have seen similar constructive processes at work among many of the constituencies that have participated so actively in our work as they have come to understand what motivates other interest groups.

It is time now to bring the debate home. The controversy over dams has appropriately been raised to the international stage. A dissipation of that controversy, however, should allow decisions about fundamental water and energy development choices to be made at the most appropriate level. This

level is one where the voices of powerful international players and interests do not drown the many voices of those with a direct stake in the decisions to be taken. For this to work, all the actors have to make that commitment to step out of their familiar frame of reference. We recommend that all parties begin by using the report as the starting point for discussions, debates, internal reviews, and reassessments of existing procedures, and for an assessment of how they can address a changed reality.

Strategic Entry Points for Follow-up

Nobody can, of course, simply pick up the report and implement it in full. It is not a blueprint. This section proposes a number of entry points to help organisations identify immediate actions they might take in response to the Commission's report. Engaging through these entry points would initiate permanent changes to advance the principles, criteria, and guidelines in the report.

These entry points don't aim to be comprehensive. Instead, they illustrate the sorts of actions different constituencies can take that would, collectively, bring about a permanent shift in the debate over our water and energy future.

The Commission calls on all interested parties to recognise that its recommendations are in the enlightened self-interest of all concerned, and form a solid base for good faith negotiations around water and energy sector planning based on accepted norms and on the evidence in our Knowledge Base. We are aware that many organisations involved with dams, water and energy will have to review existing criteria and guidelines and adapt them in light of our report.

We urge all groups to study this report and discuss how to adopt or adapt its recommendations, bearing in mind that it results from consultations that, in terms of inclusiveness and breadth of scope, are beyond the reach of any individual interest group. In this way the report will serve as a common platform for all parties to develop forms of implementation appropriate to their context and status.

This section provides an illustrative list of short- and medium-term actions specific to individual stakeholder groups. The list is addressed to all stakeholders, including governments, the private sector, bilateral and multilateral funding agencies, professional associations, and civil society. By applying it they can immediately begin incorporating the content and spirit of the report in their own professional practices and help maintain the momentum for change generated by the work of the Commission. All groups should consider the following:

- **Active dissemination of the report**

Water and energy development interacts with many sectors and disciplines and involves a variety of actors. Assist, where you can, in translating the report into different languages, teaching materials, checklists, and other tools that will help shift gears from prescription to implementation. Help ensure that the report reaches as many of those concerned about the dams debate as possible. NGO and professional networks especially can help ensure that people affected by dams or those planning and managing dams worldwide have access to the Commission's report and recommendations in appropriate languages.

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We call on local media and publications of professional bodies to write and comment on the report and on its proposals for the future.

■ Review the report

The Commission recommends that all interested groups put in place an appropriate consultative process to review the report and propose a fitting response that will lead to effective implementation and incorporation of its recommendations in their respective policies. This may take place at the national

level by government initiative, at the regional level, or at the level of individual organisations. In some cases, such as the harmonisation of the social and environmental provisions of the Export Credit Guarantee Agencies or

professional associations, extensive international consultation will be essential.

Here are some questions that need answers.

- What are the reactions to the Commission's key proposals?
- How will these affect ongoing activities, immediately and in the long term?
- Which recommendations can be adopted? Why not all of the recommendations?
- What practices can be changed in response to the report?
- What national or international networks or organisations might help implement the recommendations?

The Commission welcomes a response from all parties concerning the proposals arising from the review processes. These will be posted on the WCD website (send to info@dams.org) and on any websites that follow uptake and implementation of the Commission's report.

■ Public pledges

Following such reviews, organisations and governments are urged to issue a public statement of support for the direction that the report takes. Beyond that general endorsement, make such pledges as specific as possible – for example, by endorsing the seven strategic priorities set out in Chapter 8. Governments and other organisations are further invited to report on what actions they have taken as a result of such reviews, and how their policies and actions have changed. These reports can also be sent to the WCD website (info@dams.org) to facilitate sharing of lessons and information.

■ Evaluation, monitoring, learning

The Commission has noted with dismay the absence of formal processes for evaluating the long-term performance and outcomes of large dams projects worldwide, despite the billions of dollars spent on them. This remains a huge gap in the process of learning from past good and bad practices, and has severely constrained the capacity of the sector to learn rapidly from experience, both nationally and internationally, and to promote adaptive management.

The Commission therefore urges all parties – national governments, aid agencies, financiers, professional associations, and private-sector consultants – to invest more resources in evaluating past performance through open, participatory processes that build on the Commission's case study methodology and adapt it to national circumstances. Evaluation should normally be undertaken every five to ten years as some impacts only emerge over time.

■ Review dams currently under development

The Commission recommends that public and private developers, financiers, and consultants involved in dams projects in all

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stages of the planning and development process give high priority to reviewing these proposals against the framework laid out in Chapter 9, and to adjusting procedures and adapting projects where necessary.

■ Promote capacity building

Adopting the recommendations of the Commission has implications for institutional capacity and financing to manage the transition in water and energy management that the Commission is recommending. Lack of capacity should not be an argument for not adopting the Commission's report. Capacity must be built if good outcomes are to be achieved, including strengthening civil society and particularly empowering women to make their voices heard. Bilateral and multilateral donors, national and international NGOs, are urged to support this transition in developing countries and wherever possible to offer support to international networks assisting in this process. Investing in the capacity and process for options assessment and decision-making should be seen as an investment in a long-term strategy of lowering the costs of future projects.

Taking the Initiative – Institutional Responses

This section contains recommendations addressed at specific stakeholders in the dams debate. They are not intended to provide a comprehensive list of what we expect, but instead to illustrate some of the salient actions that we believe each group should consider as it moves from debate over the report's thrust into actions to implement its provisions. They are entry points for follow-up. These recommendations result not only from the Commission's review of experience with past dams, but also from two years of analysis and dialogue

with many partners. They complement what lies in the body of the report.

National governments

- Establish an independent, multi-stakeholder committee to address the unresolved legacy of past dams.
- Require a review of existing procedures and regulations concerning large dam projects.
- Develop a specific policy statement governing stakeholder participation in options assessment and planning, setting out the range of considerations that will be incorporated.
- Review legal, policy and institutional frameworks to assess and remove any bias against resource conservation, efficiency and decentralised options, and any hindrance to open participatory processes.
- Introduce and support a UN General Assembly resolution that welcomes the publication of the Commission's report, invites governments to accept and implement its recommendations and transmits the report to the Rio+10 process as a positive example of multi-stakeholder co-operation that can result in a substantial advance towards sustainable development.

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Line ministries

- Issue criteria and guidelines for promoting third party review and dispute resolution around large dam projects.
- Adopt the practice of time-bound licences for all dams, whether public or privately owned.

The WCD is a model that can be, if not replicated, then at least adapted to other similar controversial issues that are also at the interface of environment and development. These are polarised issues such as the future of biotechnology in development, or the role of large mines and extractive industry in development.

Frances Seymour, World Resources Institute

Civil society groups

National NGOs and international NGO networks

- Participate in cross-cutting partnerships with other actors on key issues.
- Gather, analyse and disseminate information widely to promote transparency and openness.
- Monitor compliance with agreements and assist any aggrieved party to seek resolution of outstanding disagreements or to seek recourse.
- Actively assist in identifying the relevant stakeholders for water and energy projects using the rights-and-risks approach.
- Contribute to the establishment of appropriate forums for stakeholders to enable them to identify, articulate and represent their legitimate rights.

Affected peoples' organisations

- Develop proposals for follow-up dialogue on the Commission's report with government authorities and project developers.
- Identify unresolved social and environmental impacts and convince the relevant authorities to take effective steps to address them.
- Develop support networks and partnerships to strengthen technical and legal capacity for needs and options assessment processes.

Professional associations and agencies

(International Commission on Large Dams, International Commission on Irrigation and

Drainage, International Hydropower Association, International Energy Agency, International Association for Impact Assessment.)

- Promote a culture of evaluation and self-reflection to ensure continuous learning from all aspects of large dam projects through adopting appropriate procedures.
- Extend national committees to include a consultative group of NGOs, environmental scientists and affected peoples' groups.
- Set up joint work programmes with these groups at the national and regional levels to learn from past experience.
- Develop processes for certifying compliance with WCD guidelines.
- Extend national and international databases, such as the ICOLD World Register of Dams, to include social and environmental parameters.

International Organisation for Standardisation (ISO)

- Explore the codification of the Commission's guidelines in a sector-specific guidance document or standard that incorporates social impact management as well as public reporting and negotiated decision-making. A high degree of developing country and civil society participation in the standards-setting process is needed to ensure legitimacy.

The private sector

Suppliers, contractors, developers, and consultants

- Publicise the acceptance of the Commission's principles, criteria and guidelines in corporate policy and company literature.
- Abide by the provisions of the anti-bribery convention of the Organisation

for Economic Co-operation and Development.

- Adopt integrity pacts for all contracts and procurement, as developed by Transparency International.
- Develop and adopt voluntary codes of conduct, management systems and certification procedures for best ensuring and demonstrating compliance with the Commission's guidelines, including, for example, through the ISO 14001 management system standard.
- For consulting companies, refine the use of the tools proposed by the Commission so they become standard industry practice. These include distributional analysis, multi-criteria analysis, risk and sensitivity analysis, rights-and-risks approach, and environmental flow assessments.
- Put in place mechanisms to ensure that designers of dams either participate in or at least receive evaluations of predicted social, environmental, financial, and economic performance five years after construction in order to learn from their experience. Make these evaluations available to the public.

Private financiers

- Develop criteria for innovative bonding systems for use in financing all options, including large dams, in the water resources and electric power sectors.
- Recognise the risk reduction opportunities inherent in proper options assessment and develop legally binding arrangements on environmental and social matters in assessing insurance, equity, and bond premiums.
- Incorporate the principles, criteria, and guidelines of the Commission in corpo-

rate social responsibility policies and statements.

- Use the Commission's guidelines as social and environmental screens for evaluating support for, and investment in, individual projects.

Bilateral aid agencies and multilateral development banks

- Develop programmes to help countries, especially those with a significant existing or potential dam population, formulate a response to the Commission's report and find ways to implement its recommendations.
- Ensure that any dam options for which financing is approved emerge from an agreed process of ranking alternatives and respect the Commission's guidelines.
- Accelerate the shift from project- to sector-based finance, especially through increasing financial and technical support for effective, transparent, and participatory needs and options assessment, and the financing of non-structural alternatives.
- Review the portfolio of past projects to identify those that may have underperformed or present unresolved issues and share in addressing the financial burden of such projects for borrower countries. This may include, for example, cancelling the outstanding debt related to them, converting debt repayment into development assistance targeting affected areas, or providing new support to help borrower countries address unresolved economic, social, and environmental problems.

The example of the WCD shows that establishing a basic measure of trust among actors in a conflict-ridden environment is time-consuming and costly, but launching a sustainable mechanism for consensus building and standards setting requires no less.

Wolfgang Reinicke and Francis Deng, *Critical Choices*

At the beginning many doubted the Commission's independence but if you've followed it closely, you will realise the Commission has done excellent work and its independence has been respected. There was a spirit of openness, of understanding, a dialogue between partners.

Aboubacry Mbodji, CODESEN, a coalition of NGOs concerned with development

- Review internal processes and operational policies in relation to the Commission's recommendations to determine changes needed in the selection of projects for lending portfolios; the appraisal process; and implementation, monitoring, and evaluation.

Export credit agencies

- Introduce and adopt common environmental, social and transboundary criteria for financial guarantees and

strengthen institutional capacity to appraise projects against such criteria.

- Improve co-ordination among agencies at the international level to ensure that dam projects refused by one agency are not accepted by others.
- Require private-sector applicants for dam projects to meet due diligence criteria or voluntary codes of conduct that conform to the Commission's recommendations.
- Promote consultation and information disclosure as normal procedure.

Intergovernmental organisations

The United Nations

- Facilitate the adoption of a General Assembly resolution on the Commission's findings and encourage the inclusion of the report in the Rio+10 process.

UN technical agencies

(World Health Organisation, Food and Agriculture Organisation, United Nations Development Programme, United Nations Educational, Scientific and Cultural Organisation, etc.)

- Review technical guidelines, norms, and practices regarding water and energy resources development to integrate the principles, guidelines, and criteria from the Commission's report.
- Provide support to improve national capacity for options assessment in developing countries.

United Nations Environment Programme

- Actively promote the results of the Commission in its co-ordinating and catalysing environmental work within the UN family of organisations.
- Examine how the Multilateral Environmental Agreements that it administers might serve to strengthen the spirit and advance the proposals of the Commission.

Academic and research bodies

- Assist in the evaluation of further dam case studies following WCD methodology.
- Undertake research on alternatives to dams such as demand side management and ensure these are available to decision-makers through the options assessment process.
- Assist in improving the WCD Knowledge Base as outlined in Box 10.1.

Continuing the Dialogue

The previous section identified a small selection of specific recommendations aimed at the major groups of participants in the dams debate. It focused on actions that could be taken immediately and that, in many cases, are specific to the target group they are directed at.

We choose not to go beyond this for two principal reasons. First, the Commission has

found that most problems associated with dams result from faults in the process of options assessment and decision-making on energy and water development choices. It follows that the solution lies in making improvements to the process – improvements that will make it more even-handed, equitable, transparent, and inclusive. How the process is designed and conducted will depend, to a large extent, on country or setting. There is no universally applicable model – only basic principles.

The second reason is more significant. Unlike other Commissions, whose reports were essentially aimed at governments or the international community, our report has a broad and diverse target. It is aimed equally at governments, international organisations, multinational companies, financiers, consultants, NGO networks, indigenous communities, and locally organised groups of people affected by dams. There is no natural heir to our work other than the complex and multi-faceted community of those concerned with dams issues.

It is appropriate that we seek to build no lasting international edifice but instead prefer to send our report for implementation where it belongs – to the regional, country, basin, community, and dam-specific level. We hope and expect that the report will lead to regional and national processes of dialogue, to discussions concerning specific projects or issues, to new research and training programmes, to new networks – in short, to a multiplicity of results and developments that are decentralised, dispersed, and highly diverse in character. We hope that they will include many new partnerships across sectors where earlier divides existed, connecting to understand differing interests and to identify shared objectives. This would be in keeping with the spirit of the Commission.

In fact, this is already happening. Whether or not connected to the WCD process, the debate around dams continues. For example, policies and institutional responses are evolving, due to improved awareness, in Brazil, Sri Lanka, United Kingdom, Thailand and Nepal. Actors continue to respond with tailor-made solutions to local issues such as:

- proposals for a national commission on dams, modelled on the WCD;

Box 10.1 Priorities for strengthening the knowledge base

A major constraint the Commission faced was a lack of comparative data on the development effectiveness of large dams and the actual direct and indirect consequences of such dams on local, regional, and national development, and more specifically on affected people and environments. Much information is either not available or not shared by those who hold it. Detailed studies are needed that are comparative, comprehensive, integrated, long-term, cumulative, and adaptive. There are numerous areas about which the Commission found insufficient information on which to base strategic recommendations. The priorities for more information and understanding through specific research, data collection, monitoring, and evaluation include:

- Studies to compare the direct and indirect benefits and costs of multipurpose dams with alternative options.
- Research to inform strategic thinking on the cumulative impacts of a cascade of dams or interbasin transfers on river basin environments and populations and on local, regional and national development.
- Information on the potential for multiplier effects relating to food production, water use efficiency, poverty alleviation, and non-farm linkages of dam-supplied major irrigation projects with other irrigation and agriculture options.
- The impacts of main-stem and tributary dams on downstream ecosystems, including deltas and the livelihoods of people using those ecosystems.
- A better understanding of the extent to which managed floods can offset the impacts of dams on downstream ecosystems and livelihoods.
- Improved understanding of how dams impact on women and gender relationships.
- Improved understanding of how to influence rural-urban migration and the requirements of meeting needs through decentralised rural development compared to the challenge of servicing mega-cities for water and energy.
- Baseline studies of greenhouse gas emissions from pre-project rivers for comparison with emissions from post-project reservoirs on those rivers, to facilitate study of how the change from a natural to a human-modified system influences greenhouse gas emissions.
- In anticipation of global warming, research and strategic thinking on the impact of past periods of drought on the ability of large dams to deliver expected services in arid, semi-arid, and drought-prone areas.
- Identification of techniques for recharging aquifers on a larger scale as a storage technique for avoiding water loss through evaporation, and for improving conjunctive and sustainable use of surface and ground water.
- Development of improved policies and practices to ensure that cultural heritage is dealt with in the planning and implementation of dam projects, given the importance of river basins for the origins of human civilisation.

- multi-stakeholder workshops convened to receive a debriefing following the last meeting of the WCD Forum and to develop a national dialogue;
- independent mechanisms to review and resolve escalating conflicts on dam projects;
- reviews of export credit policies following controversy on particular dams; and
- reviews of dam safety and compensation policy for dam-affected people.

We expect that such examples will multiply as our report is disseminated and becomes part of the ongoing discourse about dams and development.

Unlike other Commissions, whose reports were essentially aimed at governments or the international community, our report has a broad and diverse target. It is aimed equally at governments, international organisations, multinational companies, financiers, consultants, NGO networks, indigenous communities, and locally organised groups of people affected by dams.

The debate about dams began well before the Commission, and it will continue well beyond it. We hope that one of the lasting results of the WCD process will have been to change the tenor of that debate from one of lack of trust and destructive confrontation to co-operation, shared goals and more equitable development outcomes. We must not, however, give the impression that the Commission has laid the dams debate to rest. Several important elements of that debate must continue in order to carry the discussion on dams forward in the context of meeting development goals.

For one thing, the Knowledge Base is not complete. Extensive as the information gathered, structured, and analysed by the Commission may be, there are still gaps in our knowledge, experience, and understanding. Many issues cannot finally be settled because the information

needed to resolve them is still not available. The process of information gathering, analysis, learning, consultation and review must go on (see Box 10.1).

Moreover the Commission, in the course of its work, generated a wealth of ideas for the future. These ranged from policy, regulatory and institutional tools to best practice experience at the community level. Many of these ideas inspired the principles and guidelines set out in our report. But there are also many that proved too detailed, too context-specific, or too untested to include here. They should not be lost. For example, the WCD Knowledge Base can be used to develop a series of practical tools in as many language versions as possible. Publishing a regular State of World Dams Report is another possible project. Ideas for national or international recourse mechanisms and co-ordinated monitoring of compliance include creating national dams inspection panels, developing a register of accredited independent experts for review panels, and establishing a system for assuring that individual dams or stages in dam projects conform with the Commission's guidance, through an independent and iterative verification process along the lines of the ISO 14001 third-party certification mechanism.

None of these follow-up ideas, nor much of what lies in the body of the report, will advance very far without a concerted and large-scale effort to build the necessary expertise and institutional capacity for implementing them. This point cannot be stressed enough. It is one thing to propose a model or set of actions that will sweep away the problems encountered in pursuing energy and water development, especially when dams are involved. It is quite another to put the solutions patiently in place. Calling upon developing countries to slot

proposals into a framework that does not exist, or that is incapable of accommodating them, is a recipe for frustration. The Commission is convinced that helping to build the capacity to consider fully all options for water and energy development is as important as implementing any choices that are made. Often the latter cannot take place without the former.

We hope that the momentum generated during the past three years – from the Gland meeting, through all the papers and reviews written for the Commission, to the actions taken to launch and disseminate the report – will be sufficient to carry the process forward. The establishment of the Commission opened an important space for debate and dialogue, and that space has been fully used. Further spaces must now be created and filled.

A Call to Action

The work of the World Commission on Dams is over. But the concerns that led to its establishment are still with us. Dams have too often left a legacy of social injustice and environmental damage, and that legacy does not disappear because we have identified a better way of doing things in future. Early and resolute action to address some of the issues arising from the past will go a long way to building the trust required to enable the different actors to work together. So, too, would an assurance to countries still at an early stage of economic development that the dams option will not be foreclosed before they have had a chance to examine their water and energy development choices within the context of their own development process.

The experience of the Commission demonstrates that common ground can be found

without compromising individual values or losing a sense of purpose. But it also demonstrates that all concerned parties must stay together if we are to resolve the issues surrounding water and energy resources development. It is a process with multiple heirs and no clear arbiter. We must move forward together or we will fail.

We do not assume, of course, that there will be no further disagreement. Dynamic debate leads frequently to better outcomes, as controversy can often be empowering. We do, however, believe that we will not turn the corner and put the principal conflicts around water and energy development behind us unless the participants in the debate decide to work together locally, nationally, and globally, in the spirit of the Commission.

The world never stands still. The context in which decisions on energy options and water development must be made is in constant evolution. Technology is advancing, democracy and governance reform is spreading, the market is changing and the demand for greater equity is growing more resolute and persistent. As noted in Chapter 1, this century will see increasing stress on water resources worldwide. The assessment of water and energy options and of the role dams play, increasingly takes place against a background of competing sectors and interests. Growing needs and a dwindling resource base, in both quantity and quality, will require many countries to fundamentally reassess their water management policies. We are convinced that business as usual will not prove to be a viable strategy.

Sri Lanka and other countries have already benefited from the WCD process... For example, Sri Lanka has appointed a committee to examine the grievances of dam-affected people and to compensate victims, as well as to take action on dam safety issues not undertaken earlier.

Tilak Ranaviraja, Ministry of Mahaweli Development

The work of the World Commission on Dams is over. But the concerns that led to its establishment are still with us. Early and resolute action to address some of the issues arising from the past will go a long way to building the trust required to enable the different actors to work together.

The Commission has not sought to divert these global trends or to predict their future scale and direction. We have, instead, tried to bring them together, in some form of harmony, on a score card that the range of actors in the debate can use. We believe this report is a milestone in the evolution of dams as a development option. We have conducted the first comprehensive and global review of the

performance of dams and their contribution to development. We have done this through an inclusive process that has brought all significant players into the debate. And we believe we have shifted the centre of gravity in the dams debate to one focused on options assessment and participatory decision-making. The rights-and-risks approach we propose will raise the importance of social and environmental dimensions of dams to a level once reserved for the economic dimension.

We have told our story. What happens next is up to you.

