

# Critical juncture for peace, democracy and the environment

by Peter Bosshard and Nick Hildyard

*In Sudan, large projects, pipelines and agricultural schemes have created social and ethnic tensions and fuelled conflicts contributing to humanitarian disasters. As the peace process triggers expectations of new infrastructure investment, will human rights and the environment be considered?*

In a country of some 40 million people only 700,000 are electricity users and 70% of electricity is used in the Khartoum area. The Joint Assessment Mission's cluster on infrastructure called for massive investment to dramatically increase Sudan's generation capacity. The JAM's electrification master plan centres on four major hydropower projects in south Sudan. Of the \$506m investment, JAM proposes that only 5% be allocated to mini and micro hydropower plants and solar installations to provide power for water pumps, health posts, schools and other community facilities. According to the JAM, a framework will be put in place to "ensure the effective application of the World Bank's safeguard policies" but JAM is silent on which institution will prepare the framework and how civil society can participate.

The manner in which the Merowe/Hamadab Dam Project in northern Sudan - the largest hydropower project under development in Africa - is now being implemented casts doubts on the commitment of the authorities or international investors to international norms. As noted in FMR21<sup>1</sup>, the dam is likely to rapidly fill with sediment washed down river by erosion in Ethiopia, to become infested with water hyacinths, to cause significant daily fluctuations of downstream water levels (with major impacts on small farmers) and to spread waterborne diseases. More than 50,000 people living along the Nile will be displaced. The 174-kilometre-long reservoir will inundate an area rich in history and antiquities dating back 5,000 years to the ancient Nubian civilisation.

The total cost of the Merowe Project is currently estimated at \$1.2bn. In addition to the Sudanese government, the main funders of the dam include China, the Arab Fund for Economic and Social Development and the governments of Saudi Arabia, Kuwait, Abu Dhabi and Oman. Since many problems of the project have not yet been resolved, it is impossible to gauge the project's final cost. China's export credit agency, the China Exim Bank, has a record of funding socially and environmentally destructive projects. The environmental impacts of the project have never been properly assessed, and an environmental impact assessment has yet to be approved by the Ministry of the Environment - a clear violation of Sudanese law.

Resettlement for the dam project has only just started but already the poverty rate in the affected communities is soaring. Those forced to relocate to the bleak resettlement site at El Multaga were promised free water, electricity and fertilisers for a two-year transition period but free access to most of these services has not been provided. Soils are too thin to enable re-settlers to grow produce for the market, thus weakening the financial independence of women cultivators. Their health is suffering as they are no longer able to grow vegetables. Farmers are left in a bind, many relying on remittances from family members or spending the compensation money that they have received to make ends meet. The project authorities are trying to minimise the number of affected people who are entitled to receive compensation and rehabilitation support. Date palms remain productive for a century, but those who have lost

them are only being given compensation equivalent to the value of four years' production.

Tensions are high. At the end of May 2005 Sudan's energy minister said he would support the release of democratically-elected community members held in detention following a peaceful December 2004 protest if they accepted the project's terms of resettlement. This indicates that the detainees are innocent, and were being kept hostage to put pressure on those they represent. On 30 June, on the 16th anniversary of the coup that brought the current government to power, the detainees were released.

The Merowe/Hamadab Dam remains a litmus test of whether the basic rights of affected people and the environment will be safeguarded in future infrastructure projects. The international community's support for Sudan's reconstruction is welcome but donors must ensure that social and environmental standards are respected. Instead of the JAM priorities much more should be invested in off-grid rural electrification schemes. Decentralised infrastructure development would not only reduce poverty but also help keep peace. Large centralised electricity, petroleum and irrigation schemes are controlled by the government and have massive negative social and environmental impacts. Deciding on Sudan's development priorities should not be left to the government and Western donors. Sudan's civil society must be allowed to play a role.

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