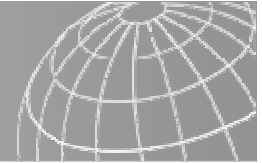


# The Snowball effects of the WCD in the international arena –

## *Discursive, normative and regulatory effects 10 years after*

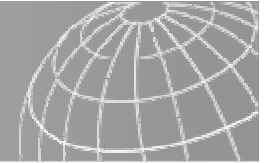
**Cathleen Seeger and Dr. Klaus Dingwerth**





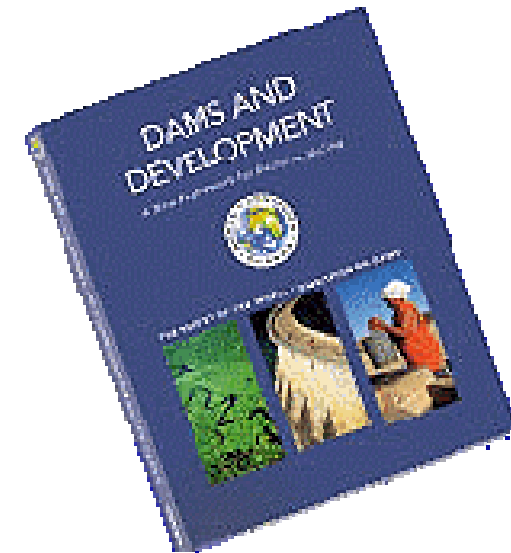
## Overview

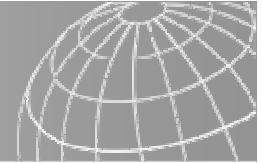
- Assumption
- Conceptualization of effects
- Discursive effects
- Normative effects
- Regulatory effects
- Monetary effects
- Outlook/Conclusions



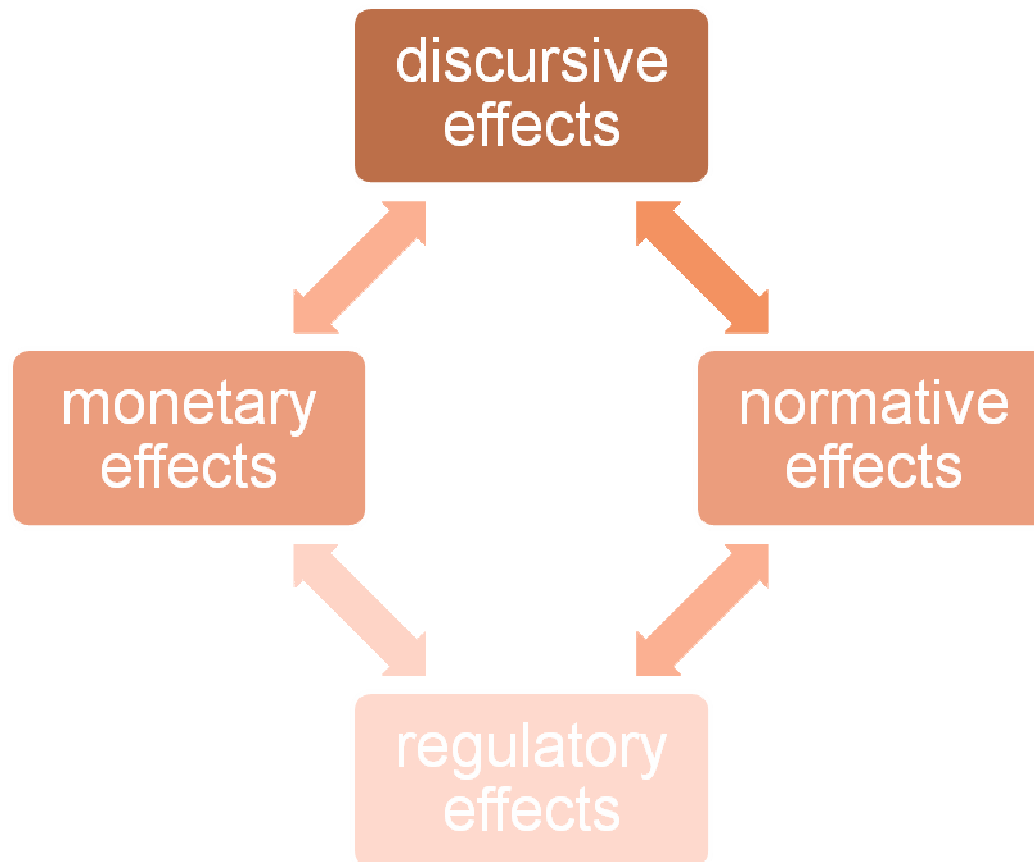
## Assumption

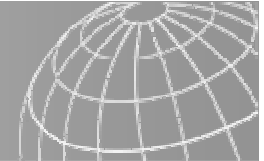
The discursive, normative, regulatory and monetary effects of the WCD process and its report are only now starting to have measurable impacts.





## Conceptualization of Effects





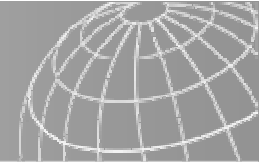
## Discursive effects

- Changes in the way we think and talk about large dams, e.g. concept of „free, prior and informed consent“ (FPIC), transboundary dimension
- NGO use WCD as a discursive frame of reference

### CITIZENS' GUIDE TO THE WORLD COMMISSION ON DAMS



By Aviva Imhof, Susanne Wong and Peter Bosshard  
Published by International Rivers Network



## Normative effects

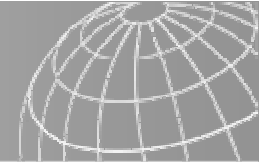
### WCD recommendations as a norm reference

- WCD SP as a compliance check for dam projects, but not legally binding
- Introduction of new concepts (FPIC)

### WCD process as a role model for norm setting processes

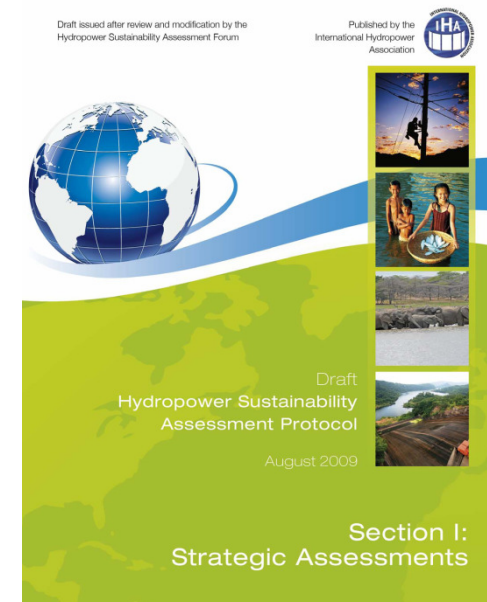
- Mining, Minerals and Sustainable Development Process
- Global Reporting Initiative
- EITI
- ...

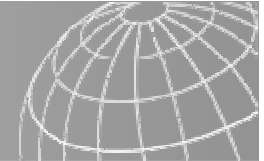




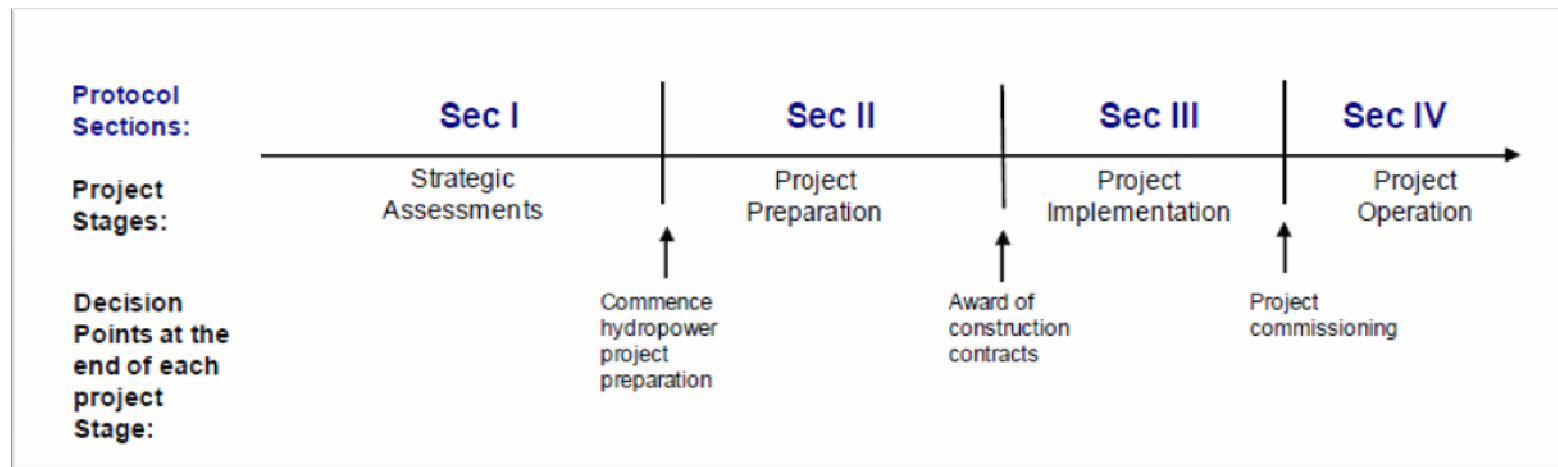
## Normative Effects – The HSAF

- Sustainable Assessment Protocol (developed by and for members of IHA)
- Hydropower Sustainable Assessment Forum (2008-2010) to develop a sustainability tool (Hydropower Sustainability Assessment Protocol)



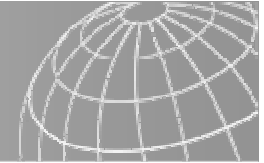


# Hydropower Sustainability Assessment Protocol



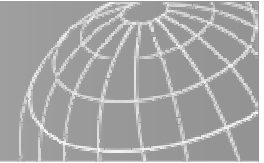
Section II Economic / Technical / Governance Aspects	Section II Social Aspects	Section II Environmental Aspects
Demonstrated Need	Social Impact Assessment	Environmental Impact Assessment
Governance	Social Management Plan	Environmental Management Plan
Transboundary Issues	Cultural Heritage	Catchment Management
Regulatory Approval	Indigenous Peoples & Ethnic Minorities	Reservoir Management
Site Selection and Design Optimisation	Public Health	Environmental Flows
Integrated Project Management	Resettlement	Biodiversity, Habitats & Protected Areas
Economic Viability	Affected Communities	Pest & Invasive Species
Financial Viability	Community Acceptance	Sedimentation and Erosion
Management of the Hydrological Resource	Asset & Community Safety	
Construction Management Plan	Labour and Working Conditions	
Procurement	Grievance and Dispute Resolution	
	Communications	
	Project Benefits	





## Regulatory Effects





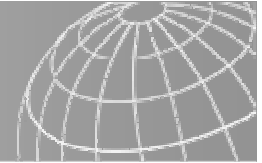
# Banks

## International Private Banks

- Equator Principles
- HSBC adopts WCD framework

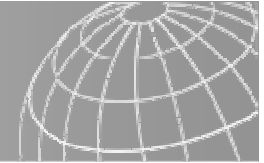
## Development Banks

- Review and revision of their safeguard systems











## Studies on the impacts of WCD in the safeguard systems

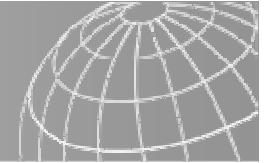
- Studies conducted by Dingwerth (2008) and Adelphi Research (2009) in cooperation with gtz
- Comparison WCD Strategic Priorities (SP) – Safeguards
- Differentiation of WCD SP and Safeguard Policies:
  - Safeguard Policies provide minimum requirements
  - WCD SP/Guidelines provide orientation for best practices



## Ample system

- Green: all 4-5 requirements are met
- green/tendency yellow: only 1 requirement is missing
- Yellow: two requirements are not met
- yellow,/tendency red: 3 requirements are not met /no information
- Red: only 1 or 0 requirements are met / no information

WCD Strategic priorities	World Bank	International Finance Corporation
<p><b>1. GAINING PUBLIC ACCEPTANCE</b></p> <p>a. Recognition of rights and assessment of risks</p> <p>b. Access to information and support for stakeholders' informed participation</p> <p>c. Demonstrable public acceptance of key decisions through negotiated agreements</p> <p>d. Free, prior and informed consent of indigenous and tribal peoples</p>	<p> a. No rights or entitlements based approach. Stakeholders are to be informed "as early as possible" and to be integrated into the EIA (86:6). But they are not included in the needs assessment.</p> <p> b. Social assessment report and indigenous peoples plan are to be made available (84:7,13). In case of highly sensitive projects, EIA and SIA must be publicly available (73:5). No information on legal support for stakeholders.</p> <p> c. Involvement of people in all project phases is required (70:2; 73:8). Negotiated agreements are not required, but it needs to "take into account the views of stakeholders" (70:2; 73:8).</p> <p> d. In the context of the social assessment information and consultation "resulting in broad community support" are required. "Free, prior and informed consultation" is required, but no consent is necessary (84: Article 1 and 11). The WB recommends that a SIA report be submitted to affected communities by the borrower; it is also available through the WB (83:7).</p>	<p> a. Rights and risks are to be identified by the client within the social and environmental review, but results are not published (55:3).</p> <p> b. "Informed participation involves organized and iterative consultation" (55:18). Information should be available in local language and appropriate manner (59:18). Action plans and reports are to be disclosed periodically and timely to affected communities in an adequate format (59:4, 24). A detailed disclosure policy should be respected (54:4-5).</p> <p> c. Good faith negotiations, i.g. for resettlement are strongly recommended, but not obligatory (59:106; 55:31). Informed participation and community engagement/ support are required (55:3 f.). Yet only "broad community support" is required, not the "consent" of the stakeholders.</p> <p> d. "Culturally appropriate development benefits" are to be searched for these groups; their free, prior and informed consultation is needed (55:5, 30). Other requirements relative to vulnerable groups also apply (see c).</p>

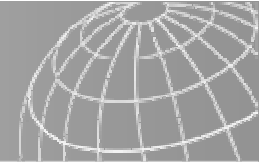


## Results: Green

- SP 1: Asian Development Bank (ADB)
- Free, prior and informed consent (FPIC) of indigenous people:

Consent of affected Indigenous People communities refers to a **collective expression** by the affected indigenous people communities, through individuals and/or their recognized representatives, of broad community support for the project activities listed in para. 30. Such broad community support may exist even if some individuals or groups object to the project activities.

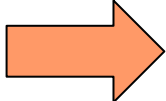
AND...

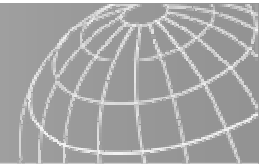


## Results: green

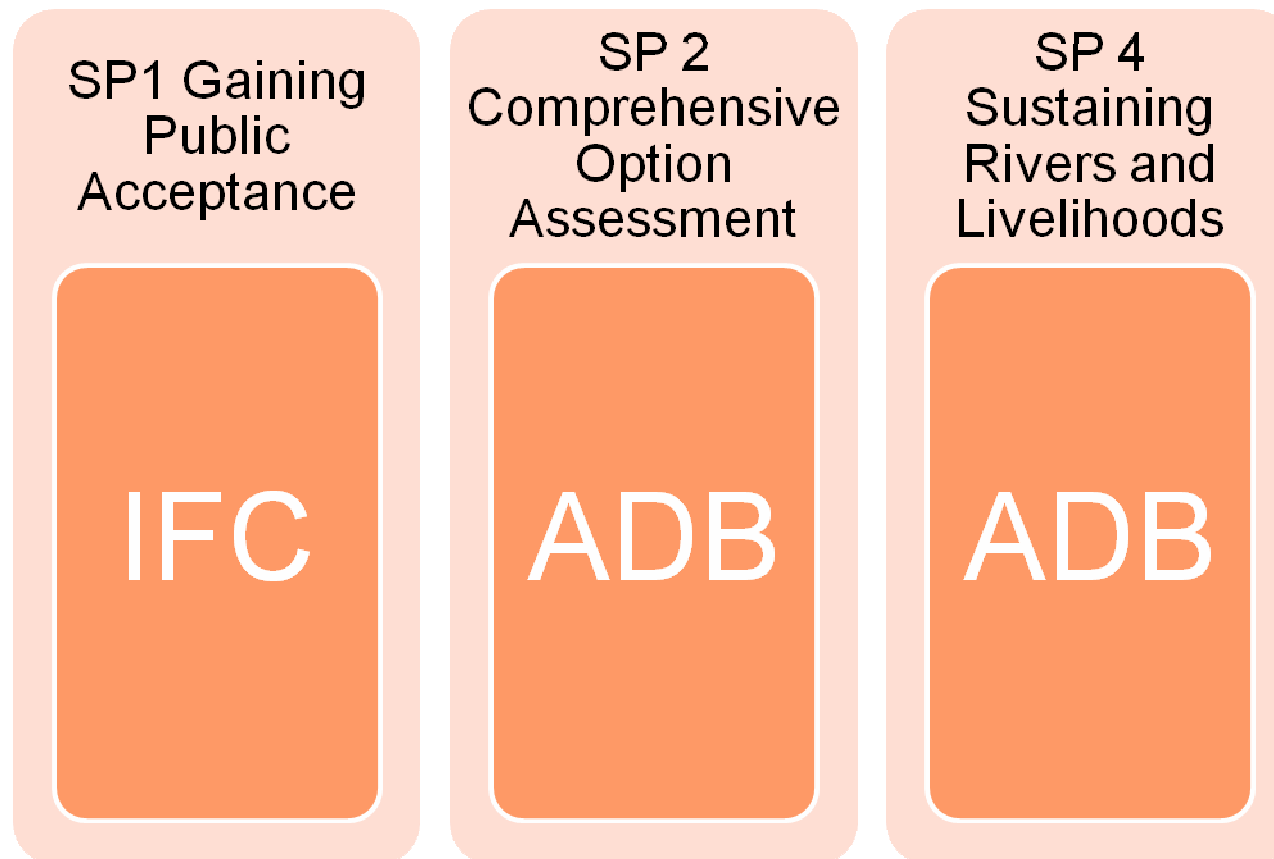
- In **deciding whether to proceed** with a project involving such project activities, the borrower/client **will seek the consent** of affected indigenous people communities.

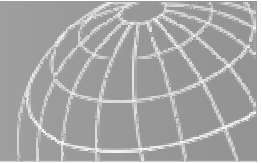
 Currently the highest standard

 Continious process where new developments need to be integrated

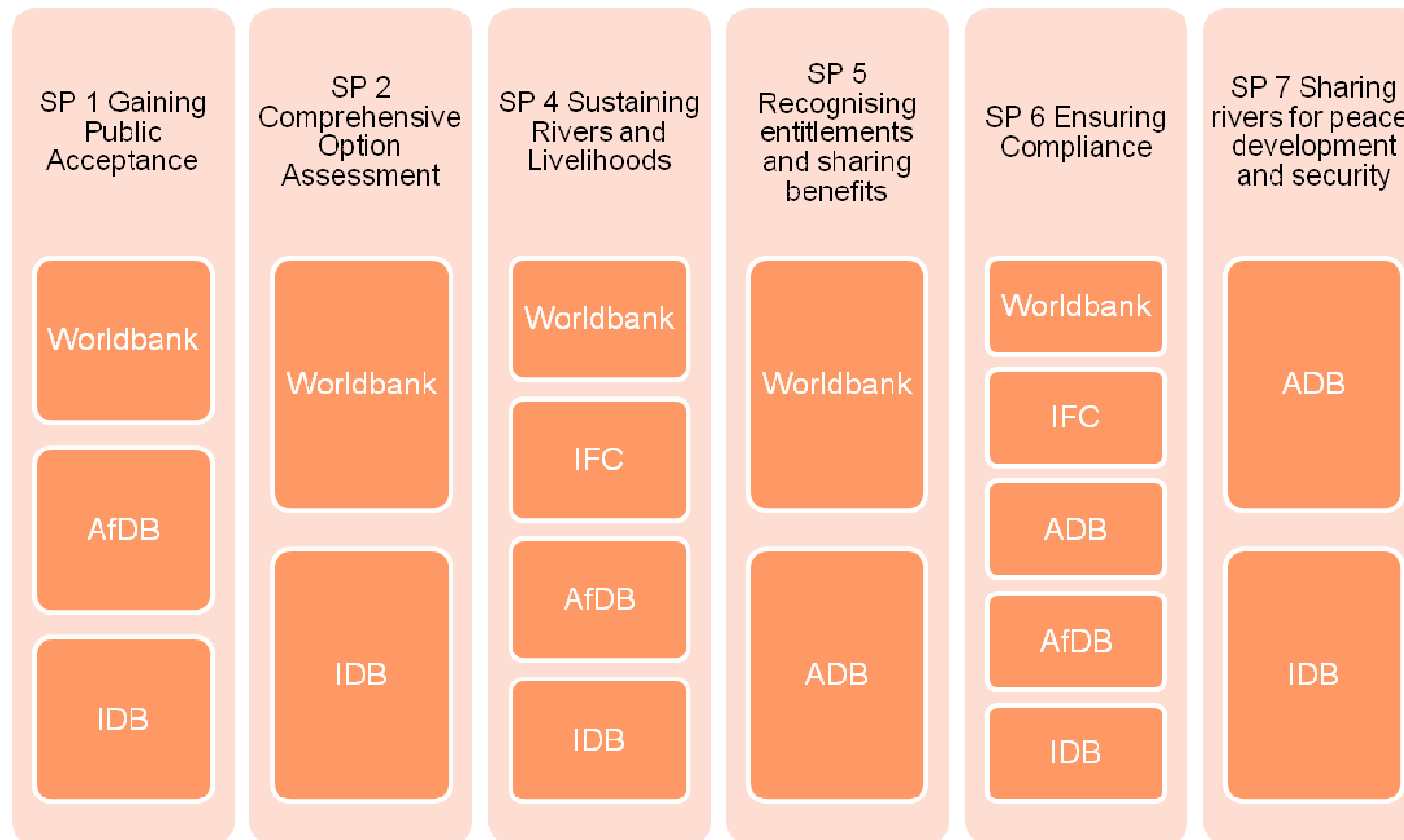


## Results: Yellow, tendency green

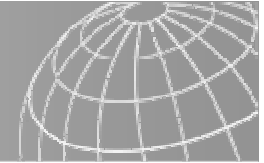




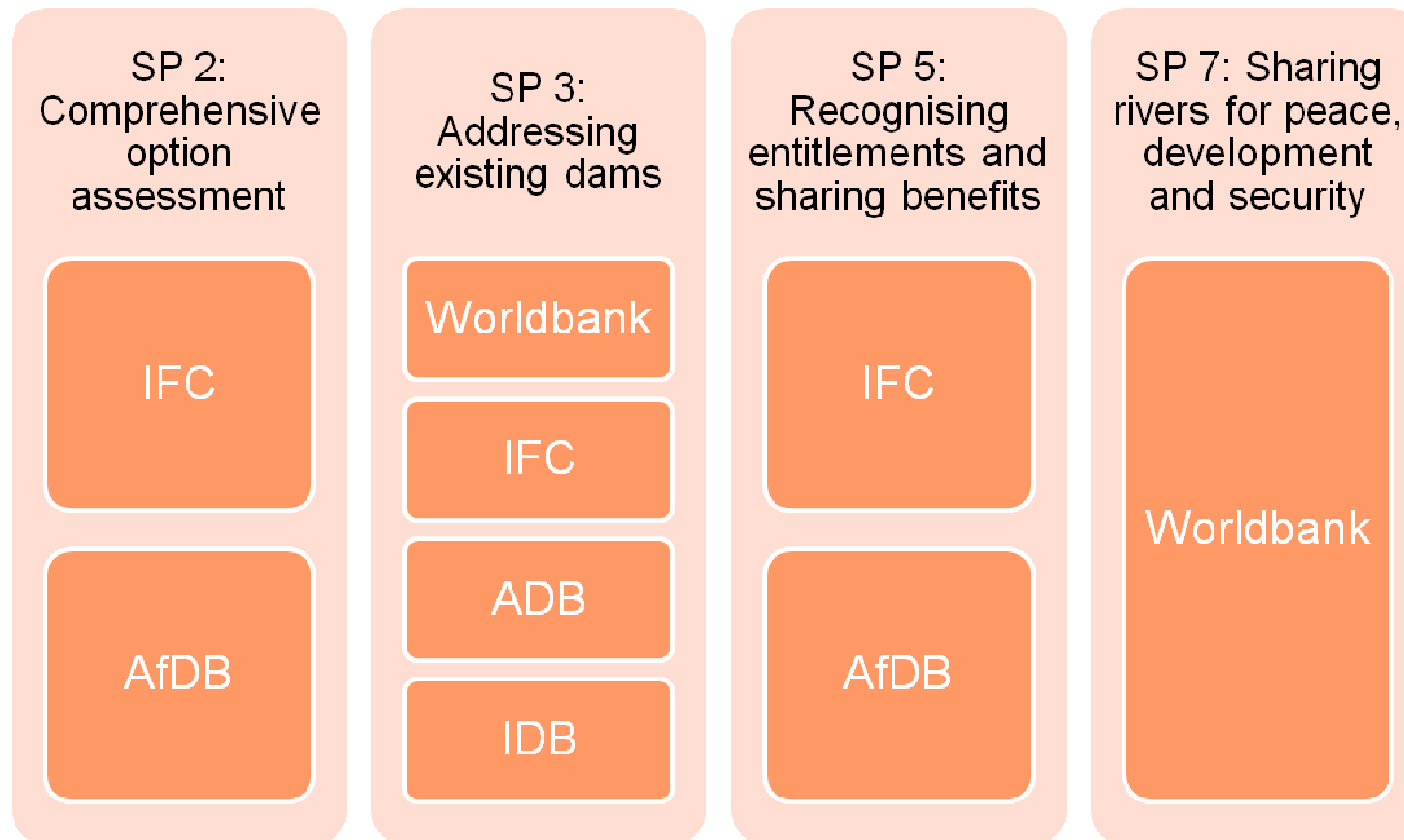
## Results: Yellow

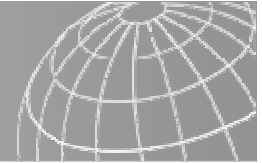






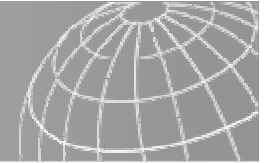
## Results: Yellow tendency red





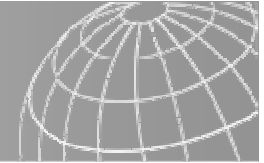
## Results: red

- AfDB:
  - SP 3 Addressing existing dams
  - SP 7 sharing rivers for peace, development and livelihoods



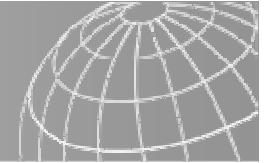
## Main Findings

- SP 1 „Gaining Public Acceptance“ is still an issue
  - Implementation experience of the requirements set by ADB?
  - Other banks to follow?
- Need and impact assessment:
  - often responsibility of national governments
  - Possibilities of improving existing dams (SP 3) are not considered
  - Vague language ( e.g. „reasonable alternatives“)
- Implementation of basin-wide approaches and protection of ecosystems
  - Environmental data rarely exists, but prereqists of basin-wide approaches
  - Who is financing this?
  - IWRM as a concept missing in the WCD recommendation
  - Transboundary dimension still an issue for most banks



## Main findings

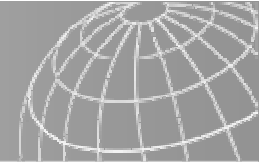
- Improving monitoring and compliance
  - Different requirements for monitoring and compliance procedures
  - Rarely require the involvement of independent agencies
  - Existing monitoring processes stop at the end of the project or loan phase
- AfDB poor performance – how to handle this?
- Implementation of Concept of Benefit Sharing?



## Donor

- BMZ: „Large-scale dam projects must meet the World Commission on Dams’ 2000 criteria as regards planning, construction and operation. The criteria should be applied analogously to smaller dams.”
- SIDA (Sweden): “The conclusions drawn in the WCD report are largely in line with SIDA’s regulations and guidelines laid down in various SIDA Policies.”

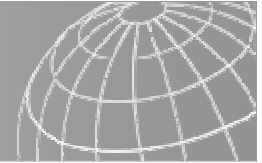




## Monetary Effects

- No studies available, difficult to measure
- WCD report: „Large dams have demonstrated a marked tendency towards schedule delay and significant cost overruns“ – still the case?
- social, cultural and environmental management plans and their implementation are requirements, but costs a lot – are dams more expensive compared to 10 years ago?





## Conclusion/Outlook

- WCD changed our thinking about dams and has thus significantly impacted discourses and norms.
- More and more institutions and organisations are adopting norms developed by WCD, but do not mention WCD explicitly.
- However, the transformation of norms into regulations are long-term processes that demand continuous support.
- A strong international recognized diffusion agent for implementing and reviewing the WCD results is still missing.
- The discussions about dams move on and new issues are becoming relevant (e.g. IWRM), which are not mentioned in the WCD report.

**We need to move on!**