

Lead Piece

Mr Prime Minister, do we really deserve the Tragic TVA Deal?



Almost exactly a year ago, on Nov 21, '04, Prime Minister Dr Man Mohan Singh, speaking about the flood problems of Brahmaputra Valley at a function in Guwahati said: "It is worth considering whether we need to establish a cohesive, autonomous, self-contained entity on the lines of the Tennessee Valley Authority of the USA or the Damodar Valley Corporation to address this perennial problem. It could be called the Brahmaputra Valley Authority or the North-East Valley Authority. This body would develop the river areas to provide effective flood control, generate electricity, provide irrigation facilities and develop infrastructure. Given managerial and financial autonomy with top class manpower, and backed up by Parliamentary sanction, such a body would be the instrument for transforming the region. It could be the instrument for providing a "New Deal" for Assam. We will apply our minds to the creation of such an institution."

It was surprising that not many people took serious note of profound implications of these words of the Prime Minister. Possibly many thought that he was only doing some loud thinking and before taking a momentous decision to take up TVA style projects, there would be wide spread consultations. Others possibly thought that he was thinking of TVA only as a basin level institution and the TVA style development.

However, the real intent of the Union govt became clear when recently the World Bank came out with some documents, commissioned to it by Govt of India's Dept of North East Region, about charting out course for TVA style development across whole of North East India. The World Bank's report *India's Water Economy: Bracing for a Turbulent Future* quoted the Prime Minister's call mentioned above to push for "major water infrastructure" in the North East Region. In fact that report went on to reveal that the Damodar Valley Corporation, inspired by the TVA model, was "the very first Bank-financed project" in India. The report, quite significantly for the new project, goes on to say, "From the bank's perspective this was (and would be today) and ideal project". We do not need clearer signal, do we, to tell us who is behind this advocacy for TVA style development in NE India.

But what is shocking is that the PM has seems to have bought this WB line uncritically and ill informed, it seems. Understandably, this invited strong protests from the people across the NE region. But strangely, ignoring the protests and concerns expressed therein, the meeting called by the WB, in which govt of India and various state govt officials participated, among others, continued.

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WCD + 5

On November 16, 2000, the report of the World Commission on Dams was released in London by Nelson Mandela, one of the global icons of democracy and liberty in 20th century. On completion of five years of that historic occasion, *International Rivers Network* has brought together messages from the former members of the Commission, in addition to other activities. These messages are remarkable in many senses as they take stock of what has happened or not happened since the publication of the report and how we can use the report in future. It is clear that, this arguably the most significant report on issues around large dams in the last century has left a huge impact already and is bound to remain very relevant in decades to come. SANDRP has remained involved in the WCD process right from the inception of the commission. *Dams, Rivers & People* feels privileged to publish these messages.



Prof. KADER ASMAL

former Chairperson of the World Commission on Dams

Minister of Water Affairs, 1994 – 1999;

Minister of Education, 1999 – 2004, Government of South Africa

"The WCD urges governments, NGOs, businesses, professional associations, aid agencies, utilities and affected peoples to practise what we preach because we preach only what we have practised ourselves. We listened to all sides. We reviewed alternatives. We balanced ideal against possible and made our decision to sign this report with confidence. We exclude only one development option: inaction. The cost of conflict is too high."

I said those words as Chair of the World Commission on Dams to an illustrious audience gathered to celebrate the launch of our final report, *Dams and Development: A New Framework for Decision-Making*. I am pleased to note, five years later, that there has been much "action." Indeed, the lifespan of this report has already been longer than most other international commissions, and it is gratifying that the ideas we put forward are still being actively considered, debated, and adopted. But, I fear, inaction and conflict are still our adversaries.

I speak from the perspective of having served in a Southern government, from the perspective of having had the responsibility of trying to meet the needs of millions of poor people with little access to basic water, sanitation, health, or education services. Yes, we need infrastructure of all kinds, which may include dams. But we need the right kind of infrastructure to meet our needs. And we don't want to repeat the mistakes of the past, with the enormous human suffering, environmental destruction, and financial indebtedness they have involved. My continent has experienced far too much of that.

I believe that the WCD report offers a cookbook of sorts for how to make the right infrastructure choices to meet

people's needs. I say cookbook, because a good cook adapts the recipe to suit her or his tastes, to match the ingredients she or he may have available, to tweak the methods to fit his or her own cultural or culinary preferences. I have said time and again that the WCD report is not a "cookie cutter" approach that can simply be implanted into national legislation. I have said that the 26 "guidelines for good practice" we recommended are not "Capital G" for written regulations, but rather "small g" for a set of best-practice ideas to follow based on our two-plus years of exhaustive analysis of what has succeeded and failed with regard to the planning, management and operation of large dams and their alternatives. It is a cookbook that can be adapted through consideration, dialogue and experimentation.

The WCD urges governments, NGOs, businesses, professional associations, aid agencies, utilities and affected peoples to practise what we preach because we preach only what we have practised ourselves.

The South African multi-stakeholder process to consider the WCD report at a country level has demonstrated that the report provides a useful and practical basis for decision-making in the water and power sectors. More than 100 chefs representing different constituencies have successfully adapted the WCD's recipes to the South African context, and have created a level of mutual trust that will allow them to resolve future problems in a collaborative spirit.

It is positive that an increasing number of governments and international institutions have subscribed to the Core Values and Strategic Priorities put forward in our report. Yet, conflict and polarization remain around the best way to proceed to meet the needs of the billion-plus people who remain without access to basic water services. While we debate, financing and action on the ground stalls, and people suffer and die.

I personally found the process innovative and rigorous. I myself learned the tremendous value of bringing

“stakeholders” together, of bringing all affected people and views to the table and crafting priorities and agreements for a better way forward. While my tenure as Chair of the WCD ended five years ago, my invitation still stands: to my colleagues in governments and development agencies, in the private sector and civil society around the world: Take Action!

I invite you to benefit from the collective ideas put forward in the WCD report, initiate your own national dialogues on how best to adapt and implement the ideas to your context, and focus on taking specific action to create truly sustainable human development for all.



L.C. Jain

***Former Vice Chair, World Commission on Dams,
Former Member of Planning Commission and High Commissioner to South
Africa, Govt of India***

WCD has served its main purpose which was to open the mind to a possibility that Dams could hurt people, their livelihood and life support resources and environment; and that they were not an unquestioned or the only solution in all situations. The information and evidence furnished by WCD has for the first time encouraged authorities to look critically at the necessity and applicability of a large dam in a given situation.

WCD has broadened the outlook and is an invitation to all concerned to make informed choices after a close look at all options and in consultation with all stakeholders.

In some parts of the world WCD report is already being put to duty. In some other countries there is hesitation or indifference to it. In some others are hostile to it. That suggests that they need more to reflect. In such cases it is worthwhile for all concerned to persist with persuasion and prayer.



Prof. JOSE GOLDEMBERG

***Secretary for the Environment of the State of São Paulo
Former Secretary of Science and Technology for the Federal Govt of Brazil***

The statement I can make about WCD+5 is a personal testimony of something that happened recently which proves that our Report had indeed influenced national/international policies on building new dams. As you know, there is an urgent need to expand electricity production in Brazil and there are several groups pushing a variety of options: coal, gas, fuel oil, nuclear biomass and HYDRO. All the fossil fuel options have serious environmental shortcomings.

To my great surprise (and satisfaction) I was visited in my office by a group of investors which tried to impress me on the advantages of the HYDRO option over the others as long as the WCD guidelines were followed.

This is a radical change from the posture of such investors in the past and a great recognition of the importance of our work.



Dr. JUDY HENDERSON

Former Chair, Oxfam International, Australia

The impact of the WCD report has been far broader than water and energy projects and has reached out to areas not originally envisaged in the establishment of the Commission. The WCD process of global multi-stakeholder engagement in policy development has provided a model for a number of different processes at an international and national level. For example in my own direct experience, the Global Reporting Initiative, a global process to develop an internationally accepted framework for sustainability

reporting, has been modelled on the WCD. In addition, the principles developed through the WCD process of stakeholder identification and engagement, in particular the Risks and Rights approach to implementing stakeholder participation, as well as the principle of benefit-sharing, have been taken forward in the broader field of large infrastructure development and other global processes which have impacts on marginalised communities. I am sure that the influence of the WCD will continue in a very positive way for some years to come.



DEBORAH MOORE

Executive Director of the Green Schools Initiative, U.S.A.

Collaboration is key. Five years later, I am most gratified that the WCD strategic principles and, to some degree, the guidelines have become the de-facto international standard for dams, whether or not they have been formally adopted by all dam-building institutions. In fact, many organizations have adopted the report, are using its recommendations, and are creating national-level processes to consider the report, with more joining them. I have been pleased that communities and grassroots organizations around the world see that the WCD's report, which could be seen as a dry policy document, is relevant to their lives and are using it as a tool to create change in their own situations. And I am excited by several processes that are creating opportunities for the WCD's recommendations to be tested and implemented, including the European Union's law and "Linking Directive" establishing methods for how hydropower dams will be considered to receive "carbon offset credits" and the multi-stakeholder process in South Africa to adapt and integrate the WCD report into national policies.

Since the report's release, I am most disappointed by the lack of on-the-ground implementation of new approaches recommended by the WCD and by how quickly the open-minded spirit during the WCD process returned to polarization, with most of the interests retreating to the "absolutes" of their positions. My hope had been that the WCD's analysis – showing how large dams had not performed as promised and how enormous the potential was for meeting needs by improving the performance of existing dams and implementing non-dam alternatives – would lead to major global support from NGOs, the private sector, development agencies, and governments for massive increases in investments for small-scale, community-based water, electricity, and agriculture projects and rehabilitation of existing dam projects.

While the U.N. Millennium Development Goals do include important targets for water supply and

Why does the World Bank rekindle its support for what are now superficially dubbed "high risk, high reward" dams, when the WCD report shows that time and time again these projects are "high risk, low reward" and when so many "low risk, high reward" projects go unfunded?

sanitation, why, for example, has the global water community not adopted specific and proactive goals and timetables for getting 15 million hectares of small farms under low-cost drip irrigation in 15 years, as the NGO International Development Enterprises has called for? And why, for example, does the World Bank rekindle its support for what are now superficially dubbed "high risk, high reward" dams, when the WCD report shows that time and time again these projects are "high risk, low reward" and when so many "low risk, high reward" projects go unfunded?

In my own work during the last five years, I learned from the WCD the deep meaning and value of bringing people together to collaborate on resolving complex conflicts. I helped facilitate the Global Water Scoping Process examining private sector participation (PSP) in water supply and sanitation, which led to the current country-based Global Review of PSP initiative. I am now leading the Green Schools Initiative to bring together parents, teachers, students, and education policymakers to address the environmental health and sustainability problems at schools in the U.S., which consume huge amounts of resources, expose millions of kids and adults to toxics daily, and operate under tight financial constraints. To be honest, the continued fighting about dams seems a waste of precious resources, time, spirit, and personal energy – much less a waste of rivers and people's lives – at a time when we could be collaborating on bringing to fruition some fantastic, innovative solutions. The WCD process showed me that collaboration can work, that agreement on complex issues can be reached, but it takes hard work, trust, a suspension of cynicism, shared goals, and respect for the different skills people bring to the effort.

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I encourage all of us to recognize that "we all live downstream" – that our collective health and livelihoods are inextricably intertwined – and I invite all of us to redouble our efforts to work together on mutually beneficial solutions.



MEDHA PATKAR

Narmada Bachao Andolan, India

Beyond the WCD: Towards a New Political Reality? Five years have passed since the release of the Report of World Commission on

Dams at the hands of Nelson Mandela, in London, November 2000. The report came out within weeks after the Indian Supreme Court had given a verdict endorsing the controversial giant dam the Sardar Sarovar Project - on the Narmada river, and allowing it to proceed ahead with some conditions.

The report also came out also within days after the SSP affected people, along with those affected by the mining, social forestry, had come to streets in Delhi to confront the then President of the World Bank, Mr. Wolfenson on the Bank's role in pushing ahead the SSP. They got a promise that the Bank would not again enter into the project again. He too was present at the London function of realising the WCD report. I remember, at that time I felt that WCD would have little effect or influence to help the ongoing struggles against the unjust development.

Today, analysing the process of the Dams and Development Project along with the situation regarding the large dams and the water sector planning across the world, I have the same feeling, yet with some difference and a hope. The Report was supposed to be the basis for resolution of conflict between state and its people on the issue of large dams, and laying down the options. But it has not played that major role. However, since the banks, builders, policy makers, planners and their plans have not yet changed, and since the conflict around large dams have further aggravated, this report becomes all the more important and relevant. Issues such as notions about water management, choice of technology, rights to and control over water resources, the unit of planning- river basin or inter-river basin, equity in water use, social and environmental impacts and rehabilitation, as well as the options assessment all are now recognised as critical issues, in the context of the natural disasters today than they were thought to be 5 years back.

In this context, the Report can be and should be much more important guide for the future. Its contribution and value can be two-fold: one, the process of participatory, democratic, multi-stakeholder dialogue in the WCD and after; and this should be advanced further at various levels - national, regional and local. Second, the WCD report that successfully brought together people and organizations at opposite ends of the dams debate, the potential which can be applied, perhaps with an interim process of further operationalization, to ongoing

controversial dams and water conflicts in various countries. While in some countries, such as South Africa, Sweden and Nepal, the process of review and multi-stakeholder dialogue based on the WCD report has begun, there seems to be no strong case made as yet for its application to a crisis-situation. This shows a lack of political will on the part of various governments and states. The situation in a 'democratic' country like India, indeed, is very serious. A nexus of vested interests, which have been pushing the flawed development paradigm, have ignored, criticised, reviled the report

and questioned the very purpose of such an exercise! It is imperative that the Commissioners and the famous members join hands to take the Report to the civil society with vigour and urgency.

On the occasion of the 5th anniversary of the Report's release, we must take stock of the situation and carefully counter criticism of the report. We must chart out a future plan of action to carve out the right space for our democratic dialogue and alternative path.

However, the post-WCD process is not fully carried out either at national or international level, which becomes a challenging task ahead. The national level multi-stakeholder dialogue or a similar commission- viz: a National Commission on Dams could go a long way. Some of the participant organizations active during the WCD process seem to be shying away, while some others focus on solely on the strategic priorities & core values proposed in the report. However, no stakeholders should be allowed to avoid the holistic framework of the WCD guidelines and recommendations, or hamper the spirit of the WCD. Those who still stand by the WCD process and future process of evolving the best option must take it on themselves to keep the report alive.

The World Bank also was a partner in the process since its inception and it could have used the opportunity to review its own policies and practices by using the WCD recommendations. But this has not happened and, in fact, there is further conflict since Bank is assisting projects in violation of the own policies and manuals and the laws of the land. Instead of facilitating dialogue and 'best practices' it has endorsed and strengthened the conventional development politics.

When the WCD was formed, there was already trend towards the overarching corporatisation of water and electricity sectors. The Report recommended further democratisation, options assessment and optimisation of the existing dams, which may lead to sustainable and

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equitable water utilization and development planning. But, today these are seen as impediments for the market oriented and market-driven policies, which the governments and global agencies propagate. The World Bank is one of the main actors in financing the privatisation, against which the people all over India have been fighting, asserting their rights and refusing merely to bear costs. It is this incongruity, which needs to be questioned and a firm position needs to be taken. Here the WCD Report falls short of realizing its full potential. My dissent note in the Report indicated this gap, which is still to be filled.

All the interest groups, partners, stake-holders, who carried forward the WCD process up to the DDP, must now strive to take the debate forward for the effective intervention to realize the process laid down by the Report. Engaging the civil society and the

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The commencement of Phase 2 of the UNEP Dams and Development Project (www.unep-dams.org) in February 2005 shows that the

WCD process continues today and will continue into the future. Phase 1 began in November 2001 to promote a “dialogue on improving decision-making, planning and management of dams and their alternatives based on the World Commission on Dams (WCD) core values and strategic priorities” (DDP website). A 13 member steering committee was formed to represent the various stakeholder groups and over time the original WCD forum was increased to over 100 members, including 55 from the initial 68 member WCD forum.

The UNEP DDP is only one of a number of initiatives that have brought together people from all sides of the dams’ debate in an effort to correct serious and unacceptable flaws that continue to characterize the planning and implementation of large dams. It is important to emphasize this point in addition to analyzing the difficulties still to be overcome. I would like to mention three initiatives in which I have been personally involved since the release of WCD Report.

The first concerns the Nam Theun 2 dam that is currently under construction in Laos where the key partners are governed by the safety net policies of the World Bank and the ADB “with significant voluntary compliance with the World Commission on Dams guidelines” (Volume 1 of the March 2003 Project Environmental Assessment and Management Plan). One requirement is that living standards of households undergoing resettlement must be improved; another is the creation of a Watershed Management and

State, all of them should be equipped to deal with the areas of divergence in such matter, on the basis of principles enunciated through the WCD. The attempts should be not only to harp on the ‘good practice’ examples; the real test is how to deal with the ‘bad practices’- and this question should not be pushed under the carpet. As long as water and water management is caught up in conflicting claims and demands, and the communities bear the impact, the WCD recommendations must provide a way forward.

The WCD process, started with much hope, must not be allowed to end in despair due to increasing conflicts, injustice, destruction and despair. The principles & rare convergence of views must be used to usher in more egalitarian, democratic, just social & political reality.

Projection Authority responsible for the conservation and development of the 3,445 km² upper catchment.

The second activity involved the World Bank’s Dams Planning and Management Action Plan for improving the quality of the Bank’s dam-related operations “by building on the core values and strategic priorities of the WCD Report.” Actions implemented are important not just because of their utility for operations improvement but also because they at least partially offset the Bank management’s negative assessment of the WCD report

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and their serious and unacceptable weakening of the Bank’s safety net policies related to people resettled and indigenous people involved in Bank-financed projects.

Especially during 2002 and 2003, Bank task forces completed a number of WCD follow-on studies in

two of which I participated. One demonstrated why it is so important for planners to consider the potential multiplier effects of large dams. The other resulted in an important publication on Stakeholder Involvement in Options Assessment: Promoting Dialogue in Meeting Water and Energy Needs: A Source Book which expanded the WCD rights and risks framework to include responsibilities.

The third activity revolves around Asit Biswas, President of the Third World Centre for Water Management and Chief Editor of The International Journal of Water Resources Development. Though a critic of the WCD process, Asit Biswas has been playing a very important role in organizing conferences and workshops for the improved planning and implementation of large dams that are intended to bring together senior officials in such organizations as ICOLD, IHA, and ICID with people like myself who have

expertise relating to the ongoing unnecessary and unacceptable environmental and social costs of dams.

Looking to the future, large dams far too often are not only seriously flawed but are also unsustainable. Yet they remain a necessary development option, at least for the immediate future, to meet certain basic human needs. That is a tragedy but it is also a fact. In addressing social and environmental costs, a future requirement should be making affected people project beneficiaries rather than merely trying to restore their pre-project living standards a strategy known to impoverish the majority. And the most equitable and responsible way to help them become beneficiaries is to allow them the opportunity to become project



ACHIM STEINER

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In looking back over the 5 years that have passed since the launch of the WCD report three

observations may be worth recalling:

(i) A global report of this nature cannot provide final answers to specific projects and local contexts. It should be judged by whether it has empowered and catalyzed local responses, dialogues and innovations.

(ii) While many had hoped that the WCD process and report could resolve the dams debate this has not happened. But it has emerged and remained as a key touchstone for virtually all stakeholders in the debate. Had the World Bank chosen a different response strategy this could have given the report an even

Judging by the number of countries and processes which use the WCD report even now the WCD clearly achieved its objective.

shareholders.

In regard to environmental costs, mainstream dams should only be a last resort and where necessary should be designed, as should dams on major tributaries, to release environmental flows. As for civic society and especially national and international NGOs, they have yet to realize their potential for the capacity building that is essential if dam affected people are to become genuine participants in options assessment & should a dam be selected in its planning, implementation, monitoring & especially in its benefits.

greater scope for conflict resolution - but it didn't - and that is an opportunity lost which many regret today.

(iii) The WCD's Rights and Risks approach remains one of the core concepts which merits further attention. The recent work by Bird, Mehta and Haas with IUCN is expanding this concept to include a third "R" - Responsibilities - should be developed further as it is of relevance to many development and infrastructure projects.

The WCD report is very much a "live document" in the fifth year as in this WCD process itself which continues to be cited and studied across the globe as our example for multi-stakeholder based public policy dialogues.

Swedish Multistakeholder Dialogue on WCD recommendations During 2004-5 a dialogue process among a broad group of stakeholders – industry, govt, academics and NGOs – is taking place in Sweden . The purpose is to develop a common policy on large-scale water infrastructure development and is a national level follow-up initiative to discuss the recommendations from the World Commission on Dams. Sweden played a significant role in the success of the WCD initiative providing important financial support and various Swedish stakeholders monitored and participated in its work. After the launch of the WCD report four of the Swedish stakeholders declared their support for the WCD recommendations: SIDA, the national ODA agency, construction company Skanska and NGOs Swedish Society for Nature Conservation and WWF-Sweden. The remaining parties either took a "non-position" or held contrary views. A difficult situation arose because of the lack of coherence among crucial stakeholders on the momentous issue on what regulatory frameworks should guide Swedish involvement in and support for dam building and other large-scale infrastructure in the developing world.

(Since a moratorium on domestic large dam building in was declared by the Swedish parliament in 1987 no new dams have been launched in Sweden. However, engineering companies and consultants frequently are awarded contracts for dam building in the developing world and Sida and EKN still provides financing for water infrastructure projects abroad.) For example EKN was ready to provide guarantees to the Ugandan govt in 2002 in support of the controversial Bujagali dam. Sida rejected a proposal to give bilateral aid to the very same project quoting their not being 100 % compliant with Sida's position on the WCD recommendations. Other examples of this lack of common standards abounded and fears of a "Race to the bottom" –situation arose when future recipients of Swedish support for dam building could "shop around" among different agencies and companies to find out who had the "lowest" WCD standards and were ready to accept a project proposal that those with a higher level of WCD compliance won't have accepted.

Goran Ek (SSNC, this is an edited version of a larger paper.)

MINISTRY OF ENVIRONMENT & FORESTS SERVED WITH DEATH CERTIFICATE

In a daring demonstration of strength, over 200 participants in the Campaign for Environmental Justice – India (CEJ-I), entered the highly secure Central Government Offices complex in New Delhi and held a dharna at the Paryavaran Bhavan, headquarters of the Ministry of Environment and Forests (MoEF) for over five hours from the commencement of office hours.

The participation in this Campaign for Environment Justice – India involved representation from across India. Project affected communities due to Sethusamudram ship canal and Sterlite Industries from Tamil Nadu, Polavaram dam in Andhra Pradesh, Vedanta Alumina Refinery and Bauxite mining in Orissa, Narmada dam evictees, communities threatened by dam building and mining in the North Eastern states of Manipur, Assam, Arunachal Pradesh, mining affected communities from Rajasthan, Jindal Steel affected from Chattisgarh, etc. were present. Similar struggles against destructive dam, thermal power, infrastructure, industrial and such other issues were represented by a host of NGOs & movements.

The main purpose of entering Paryavaran Bhavan was to demand the scrapping of the proposed reform of the EIA Notification and the draft National Environmental Policy, formulated without any public consultation by Dr Pradipto Ghosh, Secretary, Ministry of Environment & Forests. Dr Ghosh is on record that he has formulated these policy and legislative reforms in consultation with the World Bank, not the Indian Parliament or any of the Legislatures and Local Elected Bodies. Not a single consultation has been held in any part of the country with local communities and elected representatives, even as Dr Ghosh has been very busy attending consultations organized by industrial and corporate lobbies such as the Confederation of Indian Industry & FICCI.

Entering Paryavaran Bhavan at 10 am, the CEJ-I protestors sat down in the lobby and demanded that Shri. Namo Narain Meena, Union Minister of State for Forests and Dr. Ghosh come down to receive the Death Certificate issued by the people of India. Neither Shri. Meena or Dr. Ghosh had the courage to meet the wide representation of CEJ-I. Carrying a symbolic corpse of the MoEF around the CGO Complex, the CEJ-I representative performed the last rites of MoEF replete with lamenting and chest beating.

CEJ-I representatives will now meet the Prime Minister to serve on the Govt of India this Death Certificate of the Union Ministry of Environment & Forests.

The Death Certificate is a symbolic gesture to announce that MoEF is dead within the context, spirit and letter of the Environment Protection Act by which it has been constituted. In the past few years, especially

during the term of Dr. Ghosh, the Ministry has actively cleared high impact projects such as dams, mining, infrastructure developments, and highly polluting industries without any adherence with the Environmental Clearance processes as mandated by law.

Instead, MoEF has colluded with investors in violating every section of the EIA Notification, in particular, and accorded environmental clearance even when its own Forest Departments and Regional Offices have actively refused to extend such permissions.

Shri. A. Raja, Union Minister for Environment and Forests and Dr. Ghosh are primarily responsible for such complicity in violating the law. As a result the Ministry has become an agent of delivering highly destructive decisions that has displaced thousands of peoples from tribal and rural communities unconstitutionally, and led to the destruction of forests, rivers, coastal, desert and mountain ecosystems across this country.

In our meeting with the Prime Minister we will demand that Dr. Ghosh must be sacked for illegally formulating law and policy that would have fundamental and devastating repercussions on the environment, forests, and peoples of India. We also demand that Shri. A. Raja, Union Minister for Environment and Forests must resign for not performing per his mandated task of holding the Ministry within conformance with the law.

The representatives of CEJ-I declared that they will not observe 14 November 2005 as Children's Day given that MoEF has failed to ensure a world secure enough for children today and in future. The Death Certificate issued presents an opportunity to the Prime Minister to reconstitute MoEF in the true spirit & letter of the EPA.

The Tamil Nadu delegation has invited development-impacted communities from around the country to congregate in Perumbalur, Tamil Nadu, constituency of Shri. A. Raja to inform his electorate that the Minister has pledged the nation's natural resources to private and multinational corporations. Since the key decision makers of Shri. Raja's Ministry refused to meet the CEJ-I participants, a decision was taken to accord similar treatment to him when he visits his constituency.

Press Blocked from entering CGO Complex In a highly questionable move, Dr. Ghosh instructed the CISF forces who guard the CGO complex from allowing the Press to enter to cover the event. This is unprecedented when the CISF allowed a mere Secretary of a Ministry to direct it from blocking entry to the media, in total abrogation of legal and constitutional provisions protecting the press. We demand that action must be initiated against Dr. Ghosh and the CISF

Paryavaran Bhavan official Shri. S. P. Ram for blatantly abrogating press freedom.

MoEF Suno On 13 November, CEJ-I held a Public Hearing on Stocktaking of Environmental Impact Assessment Notification and Environmental Clearance Process in India at the Constitution Club. Over 25 cases involving all sectors were presented before an experienced panel involving Justice (Retd) Sukumaran, Supreme Court; Mr. Ramaswamy Iyer, former-Secretary, Ministry of Water Resources; Usha Ramanathan, legal researcher; H. Mahadevan, National Council Member, CPI and Deputy Gen. Sec. AITUC; G. Devarajan, Secretary (Central Cmt.), Forward Bloc; Dr. K. Krishnasamy, Puthiya Thamizhagam; Jairam Ramesh, MP (Rajya Sabha) and Member, National Advisory Council; Mahua Raichowdhury, NDTV Journalist; Shekar Singh, Centre for Equity Studies; Nilotpal Basu, MP (Rajya Sabha), CPI (M); Ashok

Ghosh, Member (National Working Cmt), RSP and State Sec., United Trades Union Congress.

For Campaign for Environmental Justice in India: Souparna Lahiri, Delhi Forum, Leo Saldanha/Bhargavi S. Rao, Environment Support Group, Bangalore, Madhumita Dutta/Nityanand Jayaraman, Corporate Accountability Desk (Delhi/Chennai), Kanchi Kohli/Manju Menon Kalpavriksh (Pune/Delhi), Ravindranath, River Basin Friends, Assam, Manshi Asher, NCAS, Pune, Ravi Rebba Pragada, Samatha, Hyderabad, Vimal Bhai, Matu People's Organisation, Uttaranchal, Rana Sengupta, Mines Labour People's Campaign, Jodhpur, Deepika D'souza/Arun/Bedoshruiti, Environmental Justice Initiative (Human Rights Law Network- Mumbai), Bharat Jairaj, Citizens' Action Group, Chennai and many other signatories (PR from Campaign for Environmental Justice in India, 141105)

Campaign for Environmental Justice in India

Death Certificate of Ministry of Environment & Forests

We, the people representing a wide range of tribal, rural and urban communities, the rivers and forests, wildlife and coastal regions, deserts and mountains, declare the Union Ministry of Environment and Forests dead as it has failed to protect our environment.

This death befell the Ministry by its own act of commission, omission and collusion in order to support the agenda of destructive development in India prescribed by agencies like the World Bank, IMF, and our own technocrats. Financed by grants from such institutions, Ministry officials have casually and carelessly given clearances to all and sundry, including to those investors with plans causing environmental destruction at any cost.

The cause for the Ministry's death is rigor mortis. Normally this condition visits the dead after death has occurred. But the Ministry suffers from a very rare disease of the living dead. The cause of which is its penchant to twist law and policy to advantage investors at any cost. A related cause was its compulsive habit of treating with disdain the simple and wise opinion of ordinary folks across the country, who have asked for that kind of development that would benefit all. That kind of development that would not compromise the survival of wildlife and its habitats, and the livelihoods of present and future generations.

We must not mourn this death, however. Instead we must celebrate this death. For the living dead are a terrible affliction on the truly living.

For this is an opportunity for us to create anew the kind of Ministry of Environment and Forests that this great country, with its wonderful diversity of ecosystems and peoples, deserve.

Delivering this Death Certificate to the Prime Minister of India, we present the Government of India an opportunity of bringing to life a Ministry of Environment and Forests that will uphold the law of the land and serve to protect the country's environment and human rights.

Issued on the approval of peoples' groups across India, by the Campaign for Environmental Justice – in India, following a Public Hearing entitled "MoEF Suno", 13th November 2005, at Delhi.

**Who takes decisions for large Dams?
How? Why? Who profits? Who pays?
Many questions, few answers**

“At the dawn of independence India relied, wistfully, on her high dam-builders... During this TVA phase of India’s economic development, a well-known Indian engineer used to proclaim off and on that he was going to build the highest dam in the world, suggesting implicitly a new yardstick for measuring national greatness – the height of a dam and the millions of cubic yards of concrete poured.”

Sudhir Sen (The first Chief Executive Officer of the Damodar Valley Corporation, called India’s TVA by many) *A Richer Harvest: New Horizons for Developing Countries*, Tata McGraw-Hill Publishing Co New Delhi, 1974

The above quote is remarkable for a number of reasons. It should be noted that Sen belonged to the mainstream official group of people that were at the helm during the first decade after independence in 1947. So this is not coming from somebody outside the system. Secondly, the “well-known Indian engineer” that Sen described here is Ayodhya Nath Khosla, who can be safely described as the first Engineer in Chief of Independent India (this title is used just to describe his position, it is true that no title like that existed). And lastly, the dam that is referred in the quote is the most famous icon of India’s dam building history, the Bhakra Dam.

The quote above is also remarkable because it in a nutshell reflects a reality about political economy of dam building in India. The people who took decisions about large dams in the initial years after Independence got away with a whole series of decisions about building large dams, for which they did not have to answer any questions. Sen goes on to say about Khosla and company, “That many engineers in India if left to themselves, like to build monuments to themselves regardless of the time and cost involved is a commonplace of history. India had yet to discover this.” These are strong words coming from someone who occupied a very senior position in the scheme of things then.

What this means is that many of the decisions about the large dams were not taken on merit and that people who took the decisions were not answerable in any real sense of the term. Well known scientist of W Bengal, Meghnad Saha said in Parliament in 1954 about AN Khosla, who was the first chairman of the Central Water, Irrigation and Navigation Commission, “The chairman of the CWINC was combining in himself the functions of Brahma, Vishnu and Maheshwar. He drew up the designs, he executed the schemes himself and as Secretary he passed the whole thing himself.”

But the responsibility for the decisions about these projects do not rest with Khosla alone. The politicians, the bureaucrats and the various other institutions were equally responsible for the decisions that lead to water resources development being centered around large dams. The then Prime Minister Jawaharlal Nehru himself said on Nov 17, 1958, while addressing the 29th

annual meeting of the Central Board of Irrigation and Power, “For some time past, however, I have been beginning to think that we are suffering from what we may call, *disease of gigantism*. We want to show that we can build big dams and do big things. This is a dangerous outlook developing in India... the idea of having big undertakings and doing big tasks for the sake of showing that we can do big things is not a good outlook at all.” It is another matter that Nehru could do little to reverse the trend of unaccountable decisions.

The trend that was thus established in 1950s has continued till today as far as decisions about water resources development is concerned. Nehru’s grandson and the then Prime Minister Rajiv Gandhi famously said in 1986 while addressing a conference of Irrigation Ministers, “The situation today is that since 1951, 246 big surface irrigation projects have been initiated. Only 66 out of these have been complete; 181 are still under construction. Perhaps, we can safely say that almost no benefit has come to the people from these projects. For 16 years, we have poured out money. The people have got nothing back, no irrigation, no water, no increase in production, no help in their daily life.” Rajiv Gandhi may have been off the mark about some of those numbers, but he was right on the spot about the end result. Unfortunately, these brave words did not get translated into any effective action to counter the situation.

The most glaring example in this regard in recent times is about how the river linking scheme is being pushed. Even today, it is known that for a number of proposed links even feasibility report is not ready. There has been no proper consultation with the people, even basic information is yet to be made available to people. The assessment of costs, benefits, impacts, options, nothing is known in detail. And yet, the President of India has been repeatedly advocating these proposals for over three years now. This advocacy started in his speech to the nation on August 14, 2002 and the most recent instance when he repeated this was in his address to the nation on August 14, 2005. The Supreme Court of India has also been pushing implementation of this scheme, though this is clearly beyond the mandate of the Supreme Court. Ramaswamy Iyer, former Secretary, Union Ministry of Water Resources has said, (The Hindu, Dec 14, 2004), “It is necessary to remind

the readers that in a sense the President of India and the Supreme Court are the originators of the ILR project. Meanwhile, the President continues to commend the project in his speeches on various occasions, and the Government of India is under an obligation to report periodically to the Supreme Court on the status of the project. Those two factors indirectly act as a kind of pressure on the Government..."

When NDA government was in power before May 2004, the Prime Minister AB Vajpayee, the deputy Prime Minister, the Vice President and Ministers concerned were pushing the project that has yet to pass the first stage of due process of decision making. With advocacy from all these high functionaries, will the due process have chance of considering the project on merit? The answer is clearly a big NO.

In fact when Vajpayee was Prime Minister, he seemed particularly favourable to large dams, as is clear from some of his actions listed below.

- **December 13, 1999** The PM laid the foundation stone for the 800 MW Parbati Hydel Power Project (stage II).
- **June 5, 2000** (WORLD ENVIRONMENT DAY) The PM lays Foundation stone of 800 MW Kol Hydel Power Dam in Himachal Pradesh.
- **March 4, 2001** He dedicated the Thein dam (Punjab) to the nation.
- **Launching of 50 000 MW hydropower initiative**
- Launching of Task Force on River Linking programme
- Ordering closure of Tunnel 3 & 4 of the Tehri Project, even as the people to be affected were yet to be resettled.
- Supporting and pushing for increase in height of Sardar Sarovar Dam even as the people to be affected were yet to be resettled as per legal requirements
- Pushing for the Indira Sagar Project, leading to submergence of over lakh people including those in Harsud Town and over a hundred villages, without due rehabilitation.
- Formulating National Resettlement and Rehabilitation policy without legal teeth and with just provisions, much diluted when compared with the R&R norms of say Sardar Sarovar Project

All these (and some other) actions collectively gave a big push to taking up big dams at an accelerated pace. When each of those projects involve hundreds of crores and in some cases thousands of crores, the one can understand the kind of benefits and perks that the various arms of the government would reap.

Another actor that has been playing an important role in pushing projects without justification is the World Bank. The WB may have directly funded only a small fraction of the large dams taken up in India, but it has played a significant role in shaping India's water resources

policies and programmes and pushing such projects. This it has done many times in violation of its own policies and in violation of Indian policies. For example, when the World Bank signed the agreements to fund the Sardar Sarovar Projects in 1985, the Ministry of Environment Forests had yet to give clearance to the project from environmental point of view and for diversion of forest land. In fact the agreement signed with the Bank and the dues that Indian government had to start paying for the same were used to put pressure on the Ministry of Environment and Forests to give clearance to the project even when the Ministry explicitly said that the project is not ready for clearance. In fact the World Bank agreement was used as a certificate of merit to push various clearances for the project.

The World Bank similarly pushed the Nathpa Jhakri Hydropower project in India without full consideration of all the costs, benefits and impacts of the project and signed an agreement to fund the project in 1988-89. The consequences of that are visible today, when the project had a time over run of over 7 years and cost overrun of over 358% over the projected cost. Moreover, the project is facing serious problems in terms of flash floods, the siltation leading to stoppage of power generation, and so on. So much so that the Parliamentary standing committee on energy issues, in a report tabled in Lok Sabha on August 18, 2005 has recommended a thorough enquiry into these issues.

Allain Duhangan Hydropower project in Himachal Pradesh is another instance where the World Bank (this time International Finance Commission, the private sector arm of the World Bank) was found guilty of pushing the project without adhering to its own norms and in fact based on falsehoods. In October 2003, IFC declared on its website that the project would go to the WB Board on Oct 31, 2003 and that all the necessary requirements including the Environmental Impact Assessment and the Public consultation has been completed. When SANDRP (South Asia Network on Dams, Rivers & People) along with the people from affected villages exposed that these were lies, the project had to be withdrawn from being taken to the Board. But the Bank seems to have learnt no lessons and it pushed the project through the Board a year later after paying some lip service to the concerns of the people, without even completing the EIA in all respects.

One fundamental problem is that there is no participatory bottom up decision making process that would help put in a sense of transparency and involvement of the local people in the decisions. Moreover even after completing about 4000 large projects, there is no credible comprehensive post fact assessment of performance of any large dam project. These factors have helped the system to go on even in face of big gaps between promises and performance.

What is shocking is that the authorities have found it difficult to adhere to even whatever little processes that is required today for people to participate in the decisions about projects. For example, the project authorities have been using various measures to scuttle the effective participation of the people in the public hearing process that has become mandatory since 1997 before any large project can be cleared. The quality of most of the EIAs that have become mandatory for large projects since 1994 is shameful. The Ministry of Environment and Forests, that is supposed to be responsible for these processes has been acting not only as a rubber stamp, but many times have been actively involved in helping the project authorities scuttle the due process.

The latest and most shocking instance in this regard came to light in March-April 2005 when the MEF gave clearance to the proposed Chamera III and Parbati III hydropower projects in Himachal Pradesh. The EIA notification require that the report of the public hearing for such projects should come to the MEF with inputs from the state Environment department and state Pollution Control Board. However, before the state government could take a decision about these projects, the MEF gave clearance to the projects, apparently under pressure from National Hydroelectric Power Corporation. The additional Secretary, department of Environment, Himachal Pradesh strongly protested in his letter dated April 25, 2005 to the secretary, MEF, "These decisions have serious ramifications as it is State Government and the inhabitants of the area who have to directly bear the brunt of environmental related problems. Moreover, the role of the State Government and the State Pollution Control Board as enunciated in the EIA Notification (and related clarifications) and enshrined in Article 48A of the Constitution of India has been apparently overlooked."

When the report of the World Commission on Dams was made public in November 2000, a golden opportunity was available to make some significant changes in the decision making process of water and power development projects. However, senior officers of the World Bank worked over time to ensure that a number of key developing country governments opposed the WCD recommendations and then the Bank used such opposition to justify non adoption of the recommendations in the Bank policies.

Only light in these dark surroundings is that at many projects people are becoming conscious of the serious adverse impacts of large dams and are giving a strong response to unjustifiable projects. It would of course take a long time before these responses are strong enough to counter the strong entrenched interests pushing large dams.

Himanshu Thakkar (SANDRP),
Published in *Agenda* (Oct '05) by

Centre for Communication and Development Studies, Pune

Continued from page 1

One would have thought that the Prime Minister has been well informed about the well documented reality of actual TVA experience in US itself and those of similar attempts at other places across the world, including that of Damodar Valley Corporation in India. DVC has failed to achieve almost each of the objectives it was set out for, and on the contrary, has made Damodar valley one of the most toxic places of India with one of the most impoverished local populations.

Some of the big failures of the DVC has been noted by the Bank document mentioned above, when it says, "the DVC ending up as basically a power generation company... In many was the Damodar Valley Project presaged half a century of Bank experience with water development and management in India, an experience in which the defining quality if the contrast between lofty aspiration and modest achievements." Damodar River itself has become one of the most polluted rivers and the Union govt has completely failed to address the problems of the river.

[It is indeed another mystery how the Union Ministry of Environment and Forests has completely failed in its duty in protecting the environment of the country and yet the Prime Minister is completely unconcerned about it. Today the MEF seems to have become an agent for environmental destruction. No wonder the corridors of the ministry rang with protesting slogans from hundreds of people from across India, representing lakhs of suffering people from the respective river valleys and states, on Nov 14, 2005, but neither the minister, nor the secretary bothered to even come down from their air conditioned chambers to listen to the issues raised by these people from far and wide corners of the country. The ministry corridors rang with demand to remove Mr Pradipto Ghosh from his post as secretary of the Ministry as he has been responsible for scores of decisions that have been most destructive for the environment, but those slogans do not seem to have reached the Prime Minister.]

It is clear that the PM and his advisors are not well informed about the tragic implications of DVC legacy. May be the PM and his advisors should tour the Damodar Valley, talk to the people at the grassroots and see what has been the toxic implications of the TVA style developments.

In any case the most undemocratic and dangerous exercise that the Union govt has started for the NE India should be stopped immediately. There are many better options for development of the region and no decision should be taken about the best option for development of the region without a fully democratic process involving people across the region.

Book review**Why do academics neglect issues of political economy?**

Ashok Gulati, Ruth Meinzen-Dick, K.V. Raju, Institutional Reforms in Indian Irrigation, Sage Publications India Pvt. Ltd., New Delhi, 2005, (322 pp., Hard back (US \$ 14.00 [outside India, Bhutan and Nepal, where the price is INR 595.00]), ISBN 0-7619-3311-5.

Water resources in India are becoming increasingly scarce under the combined impact of unsuitable policies and programmes, and increasing population, consumption, and urbanization. As well, the deteriorating state of the irrigation infrastructure and increasing pollution are putting significant stress on existing water resources. Investments in the irrigation sector in India are declining, as is the output per unit investment. The increasing incidence of conflicts and disagreements is a clear indicator of the increasing stress. These conflicts come in many forms and are between various parties and interest groups and include people versus the state, inter-state conflicts, centre-state conflicts, urban–rural conflicts, industry–agriculture conflicts, and urban versus agriculture areas, among others.

India has the world's largest irrigation infrastructure and that infrastructure is in bad shape and performing far below its optimum level. This book is about the institutional reforms in major- and medium-size irrigation projects in India, with specific emphasis on the financial aspects. To suggest reforms in India's rather complex irrigation sector, it is important to first understand the context and the political economy of that sector. Without that understanding any suggestions are likely to be ineffective at best.

The authors begin with their description of the problems in the first chapter interestingly entitled "Introduction: The Political Economy of Indian Canal Irrigation". This description however, leaves out some very important problems associated with India's irrigation sector. Such problems include those associated with the planning- and decision-making process and the lack of assessment to arrive at a least-cost option. As well as there is no discussion about transparency, accountability, participation, equity and sustainability as fundamental core values in the irrigation sector. These important issues should be at the heart of any discussion on political economy. Their exclusion from the authors' description of the problem does not help to reach any useful recommendations. The absence of such a critical outlook in the book leads to the use of some common assumptions that do not have a foundation of credible assessment. Moreover, any exercise in a critical evaluation of the irrigation sector in India cannot ignore the seminal report of the World Commission on Dams (WCD) that was made public in November 2000. The 15-page list of references has no mention of either the WCD report or any of the numerous excellent studies that are part of the WCD

knowledge base, including some on India's irrigation sector.

The book is not without its merits. The book goes from a macro-picture in Chapters 2 and 3 and gives some specific information about the states of Rajasthan and Karnataka and an analysis of the projects there, with information on some local experience within the project areas. This indeed is the book's strong point and provides a unique perspective linking national policies and practices to the local experience. The authors have selected Indira Gandhi Nahar Pariyojana and Chambal projects in Rajasthan. In Karnataka the Krishna Raja Sagar and Upper Krishna projects are selected for detailed analysis. Maps of the area and schematic presentations of the irrigation schemes being discussed would have helped the reader and enriched the assessment of these projects.

The book seeks to examine the potential (Chapters 4 and 7) and actual performance (Chapters 6 and 8) of various reforms that are underway, including Participatory Irrigation Management (PIM), Water Users Associations (WUAs), and other institutional reforms occurring, such as the introduction of specific "autonomous" organizations like that in the Upper Krishna Project in Karnataka (Chapter 5). From this analysis, the authors draw up recommendations in the final chapter entitled "Conclusions and Policy Recommendations".

The book stresses the need for greater accountability to govern the development and management of the irrigation systems in India. The authors hope that the study will contribute to the process of improving the physical and financial sustainability of irrigation sector. Unfortunately it does not seem likely that that hope will be realized. The final chapter has some interesting economic analysis of irrigation sector. The authors conclude that "Indian peasants have been paying a net implicit tax of nearly one-third the value of their agricultural produce, even after accounting for various subsidies on inputs, including irrigation. . . Indian agriculture emerges as a heavily taxed sector". In spite of this revelation, the authors go on to recommend the abolition of subsidies like those currently in place in the irrigation sector. Their argument is two-fold.

Firstly, the authors suggest that the current implicit taxation is not "economically efficient" for providing incentives for farmers to use water efficiently or for the irrigation agency to improve performance. This argument has limited merit because there are other important reasons for the low water use efficiency and poor performance of irrigation agencies. Lack of transparency, accountability and well-defined norms of transparency and sustainability are more dominant

reasons for this state of affairs. Secondly, they argue that, the abolition of all export restrictions under the liberalization of trade driven by the World Trade Organization “would improve the returns to farmers”. Such sweeping statements clearly ignore one of the most important aspects of irrigation in India—that of equity. It is possible that some of the bigger farmers, and in particular the contract farming companies, would benefit from such liberalization, but it is almost certain that most small farmers would not.

The recommendation made in the book that taking water pricing out of political corridors and putting it into the realm of professional non-governmental organizations has a counter argument. It is often the case that non-governmental organizations can be as prone to corruption as politicians but yet be less accountable than politicians. The book would have benefited from a detailed discussion on these fundamental issues.

The “participation” of farmers in PIM and WUAs is in name only, and these reforms have not shown any extraordinary results. These reforms talk about “participation” only after all the important decisions about the projects and their implementation and operation have been taken by someone other than the farmers themselves. It is amazing that even as the book discusses the experience with the Krishna Project (Chapters 5 and 9) and future projects (page 287), the authors do not recommend any participatory planning or decision-making process for determining the best option for water resources development in a given area. One would have thought that a book on Irrigation Sector Reform in India published in 2004–05 would also have discussed the implications of water-saving farming techniques like the System of Rice Intensification (SRI). As field experiments in several states by Agricultural Universities and others have shown, the SRI can increase yields by more than 50%, reduce water requirement by 50% or more, and has several other advantages. Consider the implications that adopting such a system would have in even half of the 24 million ha of irrigated paddy farms of India. Since paddy farming has the largest irrigated area of all crops planted in India the beneficial effects of adopting the SRI would be enormous. Unfortunately the book does not discuss such implications.

This book will be useful to those who are interested in getting an initial, general picture of India’s irrigation sector and trying to understand the mainstream institutional reforms that are being suggested. India’s irrigation sector surely needs far-reaching and effective reforms and it will need more critical literature to achieve beneficial results.

Himanshu Thakkar (SANDRP)

(Published in “Agriculture, Ecosystems and Environment”, Aug ‘05, www.elsevier.com/locate/agee)

World Bank Dammed on WCD Report As the fifth anniversary of the unveiling of the World Commission on Dams' final report passes this month, it's worthwhile to consider how the Commission's progenitor, the World Bank, has abused it. Dams and their reservoirs are the largest structures built by humans, and they are at the heart of the Bank's gigantic approach to development. The Bank exists to make large loans; small loans are demonstrably more effective, but the Bank has too much money and too little staff to make those. Instead, it whets the pot for private investment with a loan of, say, a few hundred million dollars, on the way to construction of a multi-billion-dollar dam. The dam's electricity is fed to mines and factories, and its stored water supplies cities and affluent farmers.

Never mind that the dam overwhelms its surroundings, causing massive social and environmental degradation. In the modern era, the Bank acknowledges the problems, writes voluminous reports about them, even grapples with them to a degree, but doesn't let them get in the way of building dams. As late as Sept 1999, 14 months before the Commission issued its final report, John Briscoe, Bank's senior water advisor lauded its "absolutely extraordinary process" and declared, "We have every confidence" that it will deliver "very good advice." Bank officials even spoke confidently of using the World Commission on Dams approach to launch yet another commission on oil, gas, and mining.

The Report was made public on Nov 16, 2000. Among many other findings, the Commission even challenged the conventional assumption that dams provide "clean" energy; on the contrary, it said, dam reservoirs, particularly shallow tropical ones, emit greenhouse gases released by vegetation rotting in reservoirs and carbon inflows from watersheds. In hopes of heading off future tragedies before they occurred, the Commission listed 26 recommendations to guide future dam construction. Some, such as examining cheaper and less destructive options before deciding on a dam, were commonsensical, while others, such as obtaining the consent of affected indigenous people, were matters of social justice.

The Bank took 13 months to issue a response, which touted its own policies, not the Commission's. Briscoe now charged that anti-dam activists "hijacked" the Commission process, and the Bank announced a new "high reward/high-risk" policy of renewed support for large dams. The WCD report has not suffered the fate of most commission reports, to fade quickly into oblivion. Now, five years since its unveiling, few institutions have embraced all the report's recommendations, but it has become a standard, a compilation of best practices, against which less rigorous approaches are measured. Unheeded but not forgotten, it hovers over dam projects as an admonition to dam builders in the name of human decency and environmental sanity. (Jacques Leslie, alternet.org on 231105)

DAMS**Uttaranchal not to construct any storage projects?**

The Chief Secretary of Uttaranchal, Mr. M Ramachandran announced in presence of state Chief Minister on Nov 21, 2005 that "The govt had also decided to tap hydropower without constructing big dams in future to avoid mass scale displacement of people". He was possibly misquoted as at the function where is supposed to have said that, Implementation Agreements were signed for taking up 14 large HEPs, all of which are likely to involve big dams as per the definition accepted by the World Commission on Dams. According to WCD, any dam of height greater than 15 m from the foundation is called a large dam. He possibly meant that Uttaranchal govt has decided not to build any large storage reservoir. This is welcome sign, though such a significant announcement, if the state is serious, should come as an official policy level announcement and not some statement at a function. (The Hindu 221105)

World Bank Impact? MP: Irrigation rates to go up 20% per annum?

According to a decision taken by Madhya Pradesh Cabinet on Nov 15, 2005, the irrigation rates will be increased at an average rate of 20% per annum, every year till 2009. The World Bank funded Water Resources Restructuring project in MP has put a condition that the operating and maintenance expenses of the irrigation projects must be fully recovered from the irrigation water rates. The rates will go up each year with effect from Nov 1. Farmers will pay Rs 6 crores extra this year after this increase. To get benefits from Govt of India's Accelerated Benefits Programme, the state government has decided to take up these reforms. One of the conditions for reforming states is to fix the irrigation rates such that the income is sufficient for proper maintenance of the dams and canals. Very few ministers were present at the meeting. (Dainik Bhaskar 161105, 171105)

Rajasthan: Irrigation vs Drinking water conflict The farmers in Mandana, near Ramganjmandi (the assembly constituency represented by BJP, where Alniya dam is situated in Kota dist) had expressed their resentment over the irrigation dept's decision to release water from the dam for irrigation as they felt that this could create drinking water crisis for them from January 2006. The farmers of Ladpura constituency, on the other hand, wanted the normal irrigation water flow as they were benefiting from this. The respective MLAs, both from BJP had taken up the case of the respective areas. The issue is said to have been resolved following meeting of the both in presence of the district collector. (The Hindu 171105)

➤ **IGC water to Nagaur** Rajasthan CM has announced a Rs 3 000 crore scheme for bringing the Indira Gandhi Canal waters to Nagaur district for a permanent solution to the problem of salinity and high fluorides. The govt has already sanctioned Rs 740 crores for the phase 1. (The Hindu 221105)

Santosh Mohan Deb is new WR Minister As part of the minor reshuffle of the Union Cabinet on Nov 18, 05, the Prime Minister gave additional charge of Water Resources to Minister of State (Independent Charge) Heavy Industries Minister Santosh Mohan Deb as PR Dasmunshi was shifted to I & B and Parliamentary Affairs. Giving water resources as an additional charge, for one, signifies the low priority that this government accords to Water Resources. More importantly, for some years now, Deb has been pushing the Tipaimukh Dam in Assam, without concern for niceties like proper environmental impact assessment, public hearings, state sanctions (Manipur and Mizoram that will be affected by the project are yet to give their approval), options assessment, viability (it's a very costly project), whether the project would do the things it is expected to do (flood control in Barak Valley) or its international dimensions (Bangladesh has been raising concerns about the impact of the project on its territory). If this is indeed the sign of perspectives of the new minister, than it is not a good sign for the water resources of the country. However, the nation will wait and watch before deciding if he has more pro people perspectives.

Hirakud Affected yet to be resettled Orissa govt has accepted that the people displaced by Hirakud dam are yet to be fully resettled. A committee of the Legislative Assembly under Ramesh Chandra Patnaik has said that Rs 32 lakh will be distributed among the affected, as part of the outstanding compensation to the affected, 47 years after their displacement. (Deshbandu 141105)

Riverlinking News

More disputes over Chambal Water Sharing Another dispute has surfaced between Madhya Pradesh and Rajasthan over sharing of Chambal river waters, even as the two states struggle to resolve the differences over the proposed Parbati Kalisindh Chambal link. Current issue is sharing of water for the Rabi season. Part of Morena, Bhind and Sheopur districts of Madhya Pradesh gets water from water released by Rajasthan from Kota Barrage and recently MP had raised the issue with Rajasthan. However, the elected representatives of Rajasthan from Hadoti have warned that Rajasthan areas (Kota & Baran districts) cannot be deprived of water for the benefit of MP. The condition of the canals has seriously deteriorated and losses are much higher than assumed, said the secretary of the Chambal Control Board. MP CM has written to his Rajasthan counterpart to release MP's share of water from Kota barrage. (Dainik Bhaskar 161105, 221105)

SRI FOLLOW UP

Andhra incentive for SRI "We will leave no stone unturned in popularizing SRI", were the words from the AP CM, at Taramatipet in Ranga Reddy District. He announced a Rs 4 crore programme of training and demonstration of SRI under a pilot project jointly taken up by World Wide Fund for Nature and Acharya N G Ranga Agricultural University with 212 farmers in 10 districts. (The Hindu, 161105)

HYDROPOWER PROJECTS**Khab dam on Sutlej:
Remedy worse than the disease?**

The Sutlej Jal Vidhyut Nigam Ltd and other power developers in the Sutlej basin have come together under a forum to lobby hard for India's highest concrete gravity dam of India. The proposed 275 m high storage dam at Khab in Kinnaur district of HP on Sutlej river will cost over Rs 10 000 crores, half of the cost for the dam and rest for the 1020 MW hydropower station to be attached with it. The cost of power generation would be at an unviable level of Rs 6 per unit. The proposed dam is higher than the 225 m high Bhakra and 261 m high Tehri, the only dam in the world of greater height is the 285 m high Grand Dixiens Dam in Switzerland.

The main justification for the storage dam in place of the run of the river project planned earlier (with 22 km long tunnel) is that Sutlej is having very high silt load that is affecting current and would affect the planned projects in the basin. It is supposed to work as silt trap for the silt coming from Tibet from Sutlej and Spiti rivers. The reservoir of the proposed project would extend upto about 4 km short of the Indo China border at Shipki La. The reservoir is expected to trap about 12 MCM of silt that annual comes with Sutlej. It is also supposed to absorb the upto 74 MCM flash floods likely from bursting of lakes like the Parichu lake. The Sutlej Power Producer's forum expects the various developers in the basin to share the costs and expects the centre to help in formulating cost sharing rules. SJVN has prepared a pre feasibility report for the proposal.

There a large number of reasons why this seems like a remedy worse than the disease. Firstly, the planners are showing extreme short sightedness in going for such a high structure that would at best last about 30 years. What would happen thereafter? Secondly, the dam would not be able to trap silt from the vast catchment area of the Sutlej basin that will be downstream from the dam. That silt will affect the projects, as is happening presently. Thirdly, the project is to come up in highly seismic area and the risk of the dam disaster would be enormous. Fourthly, it is well known that the behavior of a glacier fed river like Sutlej is changing rather fast and it is not clear if the dam would be really useful in the region. Moreover the project will have all the extremely serious social and environmental impacts that such big reservoirs have. Lastly, the people of Sutlej basin have shown that they are against such projects, as has become clear from opposition to Karcham Wangtoo, Rampur and the proposed Khab and Luhri projects. It is clear that the big dam lobby, egged on the vested interests, have little concern for any of these issues, though. It would be best if this idea is killed in the bud, else the consequences are likely to be very serious indeed. (The Tribune 241105)

NHPC'S BAD TRACK RECORD

HC orders compensation for NHPC's Loktak affected In a significant judgement, the Imphal bench of Guwahati High Court has directed the respondents to pay adequate compensation to the petitioners whose agricultural land had been submerged due to of the NHPC's Loktak HEP. The counsel for the petitioners said that the petitioners are genuine pattadars of the submerged land which was used for agricultural purposes before the commissioning of the project. The respondents in the case are the State of Manipur represented by Revenue Commissioner and Power Commissioner, Loktak Hydro Electric Project through its chief engineer and National Hydro Electric Power Corp. Following the construction of Ithai Barrage and subsequent submersion of vast tract of agricultural lands and failure by the NHPC to provide compensation, a committee was instituted to asses the extent of damage caused by the Project and reviewed the conformity of the agreement between the State Govt and NHPC. Justice SN Sharma gave the ruling following a petition filed by project affected people.

It may be noted that a writ petition was filed in 1994 by the Loktak Project Affected Areas Action Committee and other petitioners at the Gawahati High Court asking the NHPC, to provide compensations for the submerged areas. The court in its ruling on July 22, 2002 directed the state govt to constitute an expert committee to identify genuine landowners of areas affected by the power project. Following the court directive, the state govt constituted a 13-member committee chaired by commissioner (revenue). The issue of compensating the farmers for the damaged agricultural lands had been gathering dust since the commissioning of the project in 1984. So for over over two decades after completion of the project, the affected people are still fighting for compensation for the land taken for the project. This reflects how little concern NHPC has for the people affected by its project. Who will compensate the agony that the affected people have gone through for over twenty years? How should NHPC be penalized for this? More importantly, can NHPC be trusted with responsibility of taking up any other hydropower project?

The reservoir has caused loss of about Rs 350 Millions worth of paddy each year at the rate of Rs 100 per Shangbai, a local measurement. In today's market price, at the rate of Rs 200 per Shangbai, the loss comes to around Rs 850 Millions per year. Manipur Farmers Organisation has been protesting against the adverse impacts of the Loktak HEP on the agricultural lands around the lake & on the environment.

The people who are directly affected have demanded either the opening of the Ithai sluice gates or a complete de-commissioning of the barrage itself. In a workshop attended by more then 100 participants from Loktak area that was organized by Loktak Development

Authority, a semi-govt organization set by the Govt as a result of peoples protest against the barrage, affected people have passed a resolution for opening the sluice gates at least 8 months a year. NHPC has so far refused to implement this demand.

It will be relevant to remind the readers of an earlier Hydro Monitor India release dated 27th October, where we had quoted from a recent report by the Comptroller and Auditors General of India which said about the Thoubal project, "the state govt had failed to adhere to the terms of sale agreement for acquisition of lands to be submerged on completion of the (Thoubal) dam. The project will submerge 1284.53 ha of land. The state govt could so far rehabilitate only two villages having population of 315 at a nearby settlement site and the fate of remaining four villages still remains undecided." (The Sanghai Express-Imphal 171105, Hydro Monitor India PR 181105)

NHPC agrees to address Parbati-II and Chamera-II impacts under threat of prosecution from HP NHPC has finally given an undertaking to the Himachal Pradesh govt that it will address the issues related to environmental impacts of the Parbati-II and Chamera-II projects as demanded by the state govt. For example, NHPC has assured that protection works would be provided at all the 15 sites pointed out by the state where muck from the Parbati-II had been dumped on hill slopes and nullahs in the Goarsa and Manikaran valleys, by February 2006. He informed that tenders for protection works amounting to over Rs 4 crores had already been invited. NHPC has also assured that it will abide by the recommendations of the state level environment clearance committee. HP's new secretary (Environment), S K Baldi said that the situation would be reviewed in February and further decisions taken. In May 2005 HP had served notice on the General Manager of NHPC to ensure compliance with its directions or face prosecution. Till environmental issues were settled to HP's satisfaction, NHPC would not be allowed to start work on Parbati-III and Chamera-III, NHPC has been told. The state pollution control board has stopped work on Chamera III in Oct '05 as soon as it was started. (The Tribune 171105)

J&K Projects

NHPC's Dulhasti HEP further delayed The Union Minister of Power has reviewed the progress of implementation of the languishing 390 MW Dulhasti HEP of the National Hydroelectric Power Corp in Jammu and Kashmir. The construction of this project which commenced in Nov, 1989 has witnessed numerous problems following the abandoning of construction work in 1992 by a French Consortium following the collapse of a tunnel leading to the Tunnel Boring Machine getting buried.

As per the revised commissioning schedule, the date for completion of the project was Dec, '03 and has been getting progressively delayed mainly on account of

geological problems and law and order issues. The Project is located in Doda District which has remained under night curfew most of the time. The works relating to dam, power house, tail-race tunnel and evacuation arrangements are completed. The work to be completed relates to the 10.58 km long head-race tunnel which passes through a major geological fault zone (termed as fossil valley). The excavation of the tunnel has been completed but considerable work by way of lining consisting of steel supports in areas of fault zones, strengthening weak zones and grouting in the tunnel remains. In this also over 80% of work is completed. The remaining work is extremely challenging in view of the high seepage of water in the tunnel through the fault zones.

The Minister expressed concern over any further delay. The Minister directed that NHPC should take all efforts to complete the project on a war footing and a detailed plan of action must be prepared expeditiously. During the Review Meeting it was also decided to strengthen the top level team. A senior officer with considerable experience in construction and commissioning of projects should closely oversee the construction work. Accordingly, Shri S.K. Dodeja, Chief Executive of Narmada Sagar Project, who has commissioned various projects in NHPC and NHDC has been deputed with instructions that he must spend at least two weeks in a month at Dulhasti. A few other senior officers are also being posted.

Minister would be talking to the J&K CM to provide necessary support for maintaining law and order in the project area. J&K Govt. has also been requested to depute a senior officer from the Labour Department to help maintain conducive working environment at the project site. The Minister directed that all efforts should be made to complete the project by March 31 '06. The Minister also desired that a daily progress report must be sent to the Ministry. (PIB 181105)

URI Review Completed: to be made public in Jan 06

The performance review of the NHPC's 480 MW URI HEP in J&K is completed and report was to be presented to the bilateral funder SIDA (who part funded the project) in last week of Nov '05. According to Mr Johnny Andersson, Programme Manager at SIDA, the current evaluation is "a standard independent post-project evaluation, which is routinely carried out after major Swedish funding programmes" and was started in August 2005. The project is being evaluated by the British consultant Scottwilson. Mr Andersson went on to say, "Although the evaluation does not include full environmental and social studies, it does review the environmental and social sustainability of the project." The URI project has also been evaluated by Haskoning India Pvt in 2001, though it is not clear why this was done. It is apparent that the SIDA review is neither a transparent nor a participatory exercise, as recommended by the World Commission on Dams. The

review is thus a lost opportunity. It could have been used to initiate post fact evaluations on the lines of WCD report and could have been made an open and transparent exercise.

The URI Project According to the TOR of the review provided by SIDA, the Uri Project is a run-of-the-river scheme, located down stream of the existing Lower Jhelum Power Station. The Project includes a barrage, above ground desilting basins, a 10.67 km head race tunnel, pressure shafts, an underground power house and a 2.06 km long tail race tunnel. The utilised head is 252 m, and the plant has an installed capacity of 480 MW in 4 units of 120 MW. The estimated yearly energy generation at the Plant is 2 663 GWh. If additional regulated water becomes available with the construction of the Wullar Barrage and the Kishenganga Hydroelectric Power Project, more units with another capacity of 480 MW could be installed in the Uri Plant in a second stage. Required preparations for the construction of a second stage have been made. The contracts for the project were signed with a Swedish consortium in Nov 1989, to be completed in 72 months. The four units were commissioned during Feb to May 1997, about 15 months behind schedule. The project suffered from a number of important problems, including insufficient downstream releases, impact on fisheries, high capital costs, allegations of corruption and lower than projected generation of power. It will be useful to see how independent and comprehensive the review is.

Kishenganga Talks fail, Pak threatens to go to WB

The talks between India and Pakistan in Nov '05 to resolve the dispute over India's plans to build the 330 MW Kishenganga HEP in Jhelum basin in India have failed and Pakistan have said that it will go to the World Bank for arbitration on the issue. Pakistan claims that, if completed, a tunnel from the Kishenganga to the Wuller lake will leave it facing a 27% water deficit. More importantly, Pakistan is worried about the impact this will have on its proposed \$ 1.6 Billion, 969 MW Neelum-Jhelum HEP. Talking about Pakistan's response over the Indian wish to divert Neelum River, he said India could not divert Neelum River at any point under the Indus Basin Treaty. Pakistan Indus commissioner added that Islamabad could still take it up with Delhi at a govt level before approaching the World Bank for mediation. Earlier a meeting between the Indus Basin commissioners of both countries to resolve Pakistan's objections over the Kishenganga project had already ended without any conclusion on May 10, 2005.

➤ **Kishenganga project** The project plans to dam the Kishenganga in the Gurez Valley creating a large reservoir from which a channel and a 27 km tunnel dug south through the North Kashmir mountain range, will re-direct the Kishenganga waters to the Wular Lake at Bandipur, where a power station will be built at the Wular barrage. The total distance by which the river will be diverted is 100 km. Kishenganga is a tributary that

flows into the Jhelum near Nowshera (close to Muzaffarabad). India informed Pakistan about the project in 1994. The Project envisages a concrete dam at Gurez at about 8,000 feet.

➤ **Pak's Neelum-Jhelum HEP** A French power sector firm Vinci has asked the govt to delay 969 MW Neelum-Jhelum hydropower project for three months, citing earthquake as the reason, while the officials want to start construction work without wasting further time. The project was initially approved by Ecneec on Dec 31, 1989 at a cost of Rs 15.012 B, which was revised at a total cost of Rs 84.5 B with FEC of Rs 46.7 B. Local component of cost was to be met from Wapda's resources while FEC through foreign aid. The estimate was later revised at Rs 95.36 B. The gross head of the project is 420 feet and the project will have a 17 km long tunnel by diverting water of Neelum River to Jhelum River. The Wapda invited expression of interests in June 2002. But the process was abandoned because of unsatisfactory response and that none of the firms indicated any financing arrangement. Subsequently, the Wapda started entertaining unsolicited proposals. (www.pakistanlink.com 211105, Greater Kashmir 221105)

Baglihar Dispute The neutral expert had convened a meeting of Pakistan and India in Geneva on October 19-21, in which he decided to give questionnaires to both the parties seeking their replies about the structure and design of the 450MW power project. Pakistan Indus Commissioner said that Pakistani engineers had submitted an alternative design for the Baglihar Dam to the World Bank-appointed neutral expert, Raymod Laffte. The alternative design has demonstrated how 450 megawatts can be generated by using the natural flow of the Chenab River, without violating the Indus treaty, and with minimum dislocations. (Dawn 151105, other sources)

UTTARANCHAL HYDRO

Implementation Agreements with central PSUs On Nov 21, 2005, the Uttaranchal govt signed implementation Agreements with a number of central power organizations, as per details given below.

- NHPC: Karmoli Lumti Tuli (55 MW), Garba Tawaghat (630 MW), Chungar Chal 240 MW, all Pithoragarh)
- NTPC: Rupsiabagar Khasiyabara (260 MW, Pithoragarh)
- NTPC Hydro: Lata Tapovan (162 MW, Joshimath)
- THDC: Karmoli (140 MW, Uttarkashi), Gohana Tal (60 MW, Chamoli), Jadhganga (50 MW, Uttarkashi), Maleri Jhelam (55 MW, Chamoli), Bonkang Bailing (330 MW, Pithoragah), Jhelam Tamak (60 MWW, Chamoli)
- SJVN: Jakhol Sankari (35 MW, Uttarkashi), Devsari Dam (300 MW, Chamoli), Devra Mori (33 MW, Uttarkashi).
- The 3 X 100 MW Devsari HEP is to have 90 m high dam, 6.75 long head race tunnel, 127 m deep surge shaft.

- The 3 X 11 MW Jhakol Sankari project on Supin River would have a 5.5 km deep surge shaft.
- The 35 MW Devra Mori project on Tons River would have a 5.5 km long head race tunnel, 38 m deep surge shaft. (The Economic Times 211105, UNI 221105)

Delhi HC order against NEAA: Reconsider Loharinag Pala petition; MEF criticized The Delhi High Court in an order on Sept 29, 2005, has cancelled the order of the National Environment Appellate Authority rejecting the petition challenging the environmental clearance to the 600 MW Loharinag Pala HEP in Uttaranchal. The HC order said that the NEAA order "is unsustainable and is quashed. The petitioners appeal shall revive. The Appellate Authority should now consider their appeal on merits and pass appropriate orders in accordance with law."

The Union Ministry of Environment and Forests had given clearance to the project on Feb 8, '05. An appeal challenging the order was filed with NEAA on April 1, 2005, but NEAA without hearing the appeal on merits, rejected it saying that the request for condonation for delay in filing the appeal 23 days beyond the mandatory 30 days after the clearance is unacceptable. Criticising the NEAA order of May 20, '05, the HC said, "The Appellate Authority has also overlooked that these petitioners deserve to be heard on merits as the order of clearance and setting up of the project was bound to affect a sizeable population in the area. As against this the Authority has adopted a very hyper-technical approach in rejecting the petitioners application for condonation of 23 days delay instead of dealing with their plea on merit."

The HC was also very critical of the Ministry of Environment and Forests and the order said, "While considering this matter it was noticed by this court that the Union of India has failed to constitute the National Environment Authority under the Act of 1997 and on the contrary allowed this Authority to become a one-man show when the statute prescribed its composition which requires a chairman, vice chairman and three Technical members... Given regard to the importance of the Authority created under the National Environment Authority ACT, it is appropriate to directed the union of India and all its concerned functionaries to take requisite steps for clearing the proposals related to the appointment of the chairman of the Appellate authority and other Technical Members and reconstitute the Authority within 45 days."

Contempt of Court Order The 45 days given by the HC expired on Nov 14, '05, but the orders are yet to be implemented, thus MEF is responsible for contempt of court order.

PRIVATE HYDRO

Tata Power sells stake in Alaknanda Hydro Tata Power has entered into an agreement to sell its entire

shareholding in the Alaknanda Hydro Power Company Pvt Ltd to GVK Hydel, a GVK group company. Tata Power has informed the Bombay Stock Exchange that it has received Rs 3.12 crores as compensation in the deal. Tata Power had acquired 100% equity in APHC from Synergies Hydro Asia, Mauritius in 2003-4 for a 330 MW Shrinagar HEP in Uttaranchal, which is at preliminary development stage. Tata Power said it is selling the shares as it wants to focus on other mega power projects it is involved in. The Hyderabad based GVK group has created a new GVK Power and Infrastructure Ltd, a holding company of GVK industries and Gauthami Power. (Business Line 171105)

Protests at Allain Duhangan HEP continues Even as the HP Chief Minister laid the foundation stone of IFC funded 192 MW AD HEP on Nov 21, 2005, the people to be affected by the project from Jagatsukh village continued protests against the project. They held posters and shouted slogans to show their anger at the chief minister for misleading them. The issues raised by the local communities remain unresolved. Very large numbers of police personnel were stationed to ensure that the CM does not face the protests, but even CM knew that people were protesting.

➤ **CM forced to change route** Due to the protest of the people, in fact the Chief Minister had to change his route, reported Tribune on Nov 23, '05. The people, including Mahila Mandal members stood on both sides of the road, passing through Jagatsukh, holding black flags. People voiced strong protest for the diversion of the Duhangan river as it was their main source of drinking and irrigation water and also was important for them for its cultural and religious significance. They demanded to talk to the CM, but were not allowed. The people from the Dhomya Ganga Sangharsh Samiti said that the company had felled over 300 trees, including some over 100 year old ones including 106 wild oak trees.

➤ **Finances** IFC (the private sector arm of the World Bank) is investing \$ 7 m in equity of the project and \$ 40 m offering as debt. The rest of the financing comes from IDFC, OBC, PNB, PSB, UTI and J&K Bank. LNJ Bhilwara will hold 45.5%, SN Power of Norway will hold 44.4% and IFC will hold 10% stake in the project. According to the developers the cost of power in the first year will be Rs 2.75 per unit in the first year. LNJ Bhilwara is looking to bid for two or more projects of 700-800 MW in HP.

➤ **Case in High Court** A case against the project, along with one from the project promoters continue in the High Court. People of Jagatsukh said that the company and the state government are guilty of contempt of court as they failed to protect the interest of the local people also the committee that the HC required them to constitute is yet to be formed.

➤ **Failure of IFC Ombudsman** It is clear that the IFC Ombudsman's office has completely failed in addressing the issues raised by the local people in the complaint filed by them with the CAO office. Even as all

the issues raised by the people remain unresolved, the project work has been started. (Business Standard 221105, Jagatsukh people)

Protest against Karcham Wangtoo HEP The Union Ministry of Environment and Forests have issued a clearance letter to the 1000 MW Karcham Wangtoo HEP on Sutlej river in Kinnaur district in Himachal Pradesh on Nov 9, '05 in complete violation of the environment norms, in face of bad quality EIA and putting aside the concerns of the local people. The local people continue to protest against the project. The people of Sapni village started protests against the project as soon the company started work after the issue of environment clearance. The district administration was forced to ask the company to stop work till the issues raised by people are resolved. The gram panchayats of Kacham, Tapri, Sapni and other nearby villages have already denied permission to the project developer Jaypee Karcham Hydro Corp. The amended Himachal Pradesh Transfer of Land (Regulation) Act 1968 makes it mandatory for the private investors to get consent of panchayats/ gram sabhas concerned before seeking clearances from the departments of the state govt to start work on the project. The NOC's granted by the Union and the state govts are illegal. (The Tribune 221105, 231105)

Foundation stone of Malana 2 The Chief Minister of Himachal Pradesh laid foundation stone of the 100 MW Malana 2 HEP, to be developed by Everest Power Company. The Rs 663 crore project in Beas valley in Kulu district is to be built upstream from the existing Malana 1 of Bhilwaras. It was claimed that the project will generate 428 MU power, but this is unlikely to be case, the project is likely to generate about half that amount. There were serious violations in the public hearing of the project and the EIA of the project was of very poor quality. In spite of representations to the authorities by SANDRP and others about the violations, the project was given clearance. (Dainik Bhaskar 231105)

China to export hydropower from Tibet to India? Speculation is mounting that the China will accelerate development of hydro resources in the Autonomous region of Tibet in order to boost export revenues by selling excess capacity to India. Comments attributed to senior figures in the China Electricity Council suggest that the Chinese authorities are exploring the large potential hydro capacity found in eastern Tibet. Tibet has a hydro potential estimated at 100 000 MW along major rivers such as the Lhasa and the Ni-yang-chu. India already has interconnection capacity with the neighbouring Himalayan kingdoms of Nepal and Bhutan, but there are plans to jointly set up a larger South Asian regional grid. (Waterpowermagazine.com 171105)

Hydropower is not green, clean energy Interestingly, a feature story in the New Scientist says that contrary to popular belief, hydropower can cause serious damage to the environment. It says that hydroelectric dams

produce significant levels of carbon dioxide and methane because up to 28 % of all artificial greenhouse gas emissions could be from rotting vegetation in dams. The story cites Philip Fearnside of Brazil's National Institute for Research in the Amazon, who estimates that the greenhouse effect from one Brazilian dam was 3.5 times what would have been produced if oil had been burned. "Everyone thinks hydro is very clean but this is not the case," says Eric Duchemin, a consultant for the Intergovernmental Panel on Climate Change, in the New Scientist story. (EnergyBiz Insider 231105)

WCD Update

OECD recognizes WCD In a decision on Nov 15, 2005, the OECD governments (these include Australia, Austria, Belgium, Canada, Czech Republic, Denmark, Finland, France, Germany, Greece, Hungary, Italy, Japan, Korea, Luxembourg, the Netherlands, Norway, Poland, Portugal, Slovak Republic, Spain, Sweden, Switzerland, the United Kingdom, the United States and the European Commission) decided, "that the standard practice is that such (hydropower) projects should in all material respects meet the requirements of the relevant aspects of all the World Bank Group Safeguard Policies. These countries and the European Commission also recognise the value of the relevant aspects of other international sources of guidance" including "the Core Values and Strategic Priorities of the World Commission on Dams Report". At their meeting on 16 November, the Participants to the Export Credit Arrangement endorsed this decision for Export credit agencies (www.oecd.org). It may be recalled that the export credit agencies of the OECD decided in spring to offer export credits for renewable energy projects on preferential financial terms. Against strong advocacy work by NGOs, they decided to include hydropower projects in this definition. At the same time, the OECD ECAs agreed to discuss whether the existing environmental guidelines of ECAs were sufficient in the case of hydropower projects, or needed to be strengthened. It took months of advocacy and a hard-hitting report ("A Trojan Horse for Large Dams") to achieve this progress. (IRN 171105)

EIB and EBRD to follow WCD The two biggest public banks in Europe, the European Investment Bank and the European Bank for Reconstruction and Development have announced that they will take into account the international standards for dam-building set by the World Commission on Dams. The EIB has told IRN that it will "align to" the recommendations of the WCD for any large dams from which it sources carbon credits. The EBRD has told IRN that any large hydro projects from which it sources carbon credits "will have been considered in relation to the WCD criteria and guidelines." However, neither of the institutions has translated these verbal commitments into binding obligations. The statements are not yet mandatory policies and are not reflected in the environmental policies of the institutions. (IRN 06x05)

AGRICULTURE

Water scarcity leads to migration in Chhatarpur Farmers have started migrating out of Naugaon area in Chhatarpur dist in MP due to scarcity of water and depletion of groundwater. Reports suggest that there was less than adequate rain in the area this year. (*Dainik Bhaskar* 181105)

PM wants Citizen Monitoring in Bharat Nirman The Prime Minister, in a letter to the Chief Ministers, has sought a number of welcome steps in the implementation of Bharat Nirman projects (The *Hindustan Times* 191105). These include a quarterly reviews of various components including irrigation projects, provision of power for villages and drinking water supply in all villages, citizens to be kept informed over the progress of the schemes through timely updates on the website, and in fact a move towards monitoring of the programmes by the citizens. It would indeed be a remarkable thing if this were to happen. Let us wait and watch.

ICAR's obsolete "Handbook of Agriculture National Farmers' bodies have come down heavily on the latest (2005) edition of "Handbook of Agriculture" published by ICAR. They showed how the book was in fact a reprint of its 1980 edition. They also criticized the ICAR website for containing non-information and outdated information. (BUSINESS LINE 211105)

Organic agriculture maintains lead According to a study by David Pimental, ecologist and agriculturist at Cornell University in New York, yields from organic agriculture can be compared with that from conventional methods, more so during the dry season. This was mainly due to the high water and nitrogen retention characteristics of crops grown organically. The study also said that the soil supporting organic crops are more efficient carbon sinks and also lessen the use of fossil fuels. Other benefits of organic farming include the 15-20 % more efficient water percolation. The world market for organic food ingredients is \$35 billion, and is growing at more than 8 percent a year. (AJPN Newsletter, 211105)

GROUNDWATER

ONGC to drill deep tubewells in desert Oil and Natural Gas Corp is planning to drill deserts to tap water for the scarcity areas. WAPCOS carried out feasibility study for the project and is now doing some test drilling in 13 districts of north-west Rajasthan. Beginning with Jaisalmer district, ONGC plans to drill 10-12 wells at a cost of Rs 1.2 crores within a month and water is to be transported through a network of underground pipes. ONGC will fund and execute project on its own. With the help of geo-satellites, the exploration team has marked huge freshwater aquifers in the paleo lows, which might have been fed by Vedic-age rivers. (Business Standard 241105)

FOOD MANAGEMENT

Only seven states feeding the nation? The Chairman of the Food Corporation of India has once again erroneously said (*Dainik Bhaskar* 191105) that seven states (Punjab, Haryana, Uttar Pradesh, Uttaranchal, Andhra Pradesh, Tamil Nadu and Chhatisgarh) are feeding the nation. Rest of the states, he said are not producing sufficient for their consumption. He said that it is necessary to ensure that states produce enough for their consumption so that the annual expense of Rs 3000 crores in transportation of foodgrains can be reduced. The main reason why he has made this erroneous claim is that he is only talking about the procurement that FCI does in these states, when procurement facilities are required in other states too. For example, it is well known that states like Orissa also produce surplus Rice, but they do not get the benefits of FCI procurement.

FCI Privatisation: Contract to Adani FCI has awarded a contract to Adani Agri Logistics Pvt Ltd for creating the necessary facilities for cleaning, drying, transportation and storage of foodgrains in bulk silos on build own operate basis. FCI had proposed to create a bulk handling and storage capacity of about 5.5 lakh tones in the private sector through an approximate private investment of Rs 500 crores. FCI would guarantee 100% capacity utilization for the first 10 years and 75% for the next 10 years. (Business Standard 221105)

UP Rice Millers demand more levy The UP Rice Millers' Association has demanded that UP should increase the levy limit of lifting processed rice from the mills from current 60% to 75%. Without this, the Paddy from the state is going to neighbouring states like Punjab, Haryana and Uttaranchal Pradesh, they claim. They also claim that due to this, not only UP is losing trade tax, but it has created precarious situation for the 10 000 rice millers in UP, including 2 000 in the organized sector. (Business Standard 221105)

Malnutrition, Hunger According to NC Saxena, commissioner appointed by the Supreme Court on food security, hunger and acute malnutrition persist in India. Food availability has gone down from 510 gms per day in 1991 to 438 in 2003.

➤ Increase in unemployment is of particular concern: 1991-2001 saw population growing at 1.95% per year, 1993-1999 saw employment growing at 1.05% per year. According to NSS data, unemployment in India increased from 5.2% in 1987-88 to 7.1% in 1999-2000. The figures for rural areas were 4.6% and 7.2%.

➤ Indian agriculture is in serious crisis: stagnation, subsidies and reduced credit is what describes it bet. The index of agricultural production has remained around 175.7 (1981-82 = 100) or declined since 1996-7. Real agriculture wages rose at 4.68% during 1981-91 to 2.04 during 1991-9. Poorer states show no increase or even decline. (The Times of India, Hindu 241105)

WATER SUPPLY**ADB demands phase out of public taps in Kerala**

The Asian Development Bank has demanded a set of assurances from the State Govt, including phasing out of public taps, user fee for treatment of solid waste and sewage, hike in municipal revenue tax, for releasing financial assistance to the five municipal corps. The charter of demands of the ADB, along with the general guidelines regarding the projects that are to be implemented using the aid, was sent to the Mayors of the five corps last week. The ADB has sanctioned Rs 1 200 crores for Thiruvananthapuram, Kollam, Kochi, Thrissur and Kozhikode for programmes including drinking water system, urban transport, drainage and measures for solid waste treatment. The municipalities would get assistance from the urban development fund, which is to be formed as part of the ADB support programme. The State Govt should ensure that all the stand post public taps would be replaced by piped meter connection for all the residents of the cities by 2007 March, thus checking the loss of drinking water. Corp councils should decide to collect necessary tax for mobilising funds for the repair and maintenance of the drinking water distribution system. The deadline for the councils to take a decision to this effect is March 2008. The Kerala Water Authority should be authorised to hike the drinking water tariff from 2010 for mopping up resources for the maintenance and repair of the public distribution system of drinking water. KWA should be entrusted with the task of reducing the distribution of "non-remunerative drinking water," preventing the loss of water and disconnection of water supply on non-payment of water tariff. (The Hindu 171105)

ADB's blunder in Mangalore Asian Development Bank has admitted lapses in its Technical Assistance report, former mayor and corporator K Diwaker said on returning after participating in a 'Water for all' conference organized by ADB at Manila. He submitted a paper 'Mangalore water supply project, a blunder; how can ADB save its face', wherein he highlighted the lapses with documentary evidences. Diwaker also objected to ADB's policies and said they threatened the country's sovereignty and cultural identity. "I also objected to ADB's systematic design to convert natural resources into commercial commodities," he said. (The New Indian Express 231105)

Bangalore Campaign against Water Privatisation A mass campaign has been launched against water privatisation in Bangalore. USAID, ADB and IFC (World Bank group) are pushing for privatisation of water in Bangalore under the Rs 658.55 crores Greater Bangalore Water Supply and Sanitation Project. Strategically, it is being said by the proponents that only privatisation of Operation and Maintenance is being proposed. The meeting was chaired by Shri LC Jain, former Vice Chair of WCD and former member of Planning Commission. A study by the Alternative Law Forum has seen red in the manner in which a new component of privatisation of operation & maintenance

through "management contracts" is being proposed, which has already snowballed into a controversy in Delhi. ALF said that the GBWASP, a scheme to cover the 8 urban local bodies in Bangalore - Bommanahalli, Byatarayanapura, Dasarahalli, Krishnarajapuram, Mahadevarpura, Rajarajeshwarinagar, Yelahanka & Kengeri Town Municipal Council, to cover 1.3 m population spread over 240 sq km has seen massive cost escalation in the concept stage itself. Significantly, Janaagraha, a new Bangalore NGO has been roped in under what is called "Participatory Local Area Capital Expenditure", about which a number of questions are being raised. ALF questioned the idea of making a single organisation the custodian of people's participation. (The Hindu, The Times of India 221105, others)

Delhi Campaign against Water Privatisation The campaign has remained strong and the govt keeps saying that it has referred the issue to Planning Commission and awaits PC's response. It has referred the issue to a number of organizations like NCAER.

➤ **Massive attendance at Public Hearing** The public hearing organized by Parivartan on Oct 15 had the big hall of Gandhi Peace Foundation overflowing with people. However, the World Bank, the Delhi Jal Board and the Delhi govt did not come.

➤ **Aruna Roy declines WB invitation** Noted social worker Aruna Roy has criticized the WB India country director for inviting her to talk 'over a cup of tea'. She criticized the bank for not coming at the public hearing and asked it to change its public disclosure and public participation policies. It said that how can such a serious issue be discussed over a cup of tea when so many vital issues have been thrown up by the campaign about the Bank's less than fair and transparent role. She said that in stead of answering these, the bank has repeatedly reiterated its stand and if that is the objective than such a discussion will not be of any use. (The Hindu 251105, others)

RWH mandatory in HP urban areas The Himachal Pradesh govt has decided to make rainwater harvesting mandatory in towns and areas covered under the state Town and Country Planning Act. Hence forth no building plan will be approved without provision of a proper RWH structure in these areas. It would be ascertained before issuing the completion certificate that RWH structure has indeed been provided as planned. (The Tribune 231105)

LAKES Rajasthan lake given to private parties

Rajasthan govt has given the Jalmahal and Mansagar lake to KGK consortium on 99 year lease on Built Own Transfer lease. The Consortium will pay to state govt Rs 2.52 crores per year lease fees, to be increased 10% per annum, and in the process get right to use the 100 acre lake. It can use 12.5% of area for construction and it plans to build hotels, markets, tourist centers. Rs 400 crores will be spent in three phases. The project is bound to raise concerns about the use of public property for private profits. (Dainik Bhaskar 231105)

Summary of ADB Projects in India having significant water related components

PROJECT NAME	TYPE
Recently Completed Projects	
Karnataka Urban Infrastructure Development Project	Loan
Preparing the Integrated Urban Development in Madhya Pradesh Project	TA
Mahdya Pradesh Integrated Water Resources Management Strategy	TA
On-going Projects	
Tsunami Emergency Assistance (Sector) Project	Loan
Chattisgarh Irrigation Development Sector Project	Loan
Multisector Projects for Infrastructure Rehabilitation in Jammu and Kashmir	Loan
Urban Water Supply and Environmental Improvement in Madhya Pradesh	Loan
Gujarat Earthquake Rehabilitation and Reconstruction Project	Loan
Calcutta Environmental Improvement Project	Loan
Gujarat Power Sector Development Program	Loan
Karnataka Urban Development and Coastal Environmental Management Project	Loan
Rajasthan Urban Infrastructure Development Project	Loan
Empowerment for Improved Irrigation Management in Chattisgarh Water Users Association (Piggybacked to Loan 37056-01)	TA
Karnataka Urban Development III	TA
Preparation of the Jammu and Kashmir Urban Infrastructure Development Project (Piggybacked to Loan 2151)	TA
Capacity Building for Kerala sustainable Urban Development	TA
North Eastern Region Urban Development	TA
Chhattisgarh Irrigation Development Sector Project	TA
Kerala Sustainable Urban Development	TA
Preparing the Inland Waterway Sector Development Program	TA
Pipeline Projects	
Urban Water Supply and Environmental Improvement in Selected Cities	Loan
North East Region Urban Development (Phase II)	Loan
Assam Integrated Flood Control and River Erosion Mitigation	Loan
Uttaranchal Urban Development	Loan
Jammu and Kashmir Urban Development	Loan
North Eastern Region Urban Development - Phase I	Loan
Karnataka Urban Development III	Loan
Kerala Sustainable Urban Development	Loan
Urban Water Supply and Environmental Improvement in Selected Cities	TA
Hydropower Development	TA
Hydropower Sector Development (NHPC)	TA
Assam Integrated Flood Control and River Erosion Mitigation	TA
Small Hydropower Development	TA
Uttaranchal Urban Development	TA
Urban Management Support in North East Region	TA
Integrated Irrigation Development	TA
North East Region Urban Development (Phase II)	TA

(Source: Report of the ADB on India Water Policy Implementation Review meeting held in Delhi on Sept 28, 2005, www.adb.org)

Experimenting with the lives of the Poor

Chashma Right Bank Irrigation Project The Chashma Right Bank Irrigation Project (Based on the case study "Violation of ADB's Policies and Procedures in CRBIP: A Case Study", Oct '05) involved the construction of a 274-km canal along the Indus River beginning in 1978. It aimed to provide continuous irrigation supply; ensure efficient distribution of water; provide drainage and flood relief; improve access within the area; and strengthen agricultural support services.

The CRBIP turned out to be a three-stage project. In its first year of implementation, the project immediately ran into a lot of snags, undergoing delays and going beyond budget. In fact, the World Bank stopped disbursing its loan in 1979 due to the mounting costs. However, at the urging of the administration, Pakistan's Water and Power Development Authority undertook a lengthy process of redesigning the project. In 1984, with a reactivated loan from the ADB, the project started implementation again and was completed in 1986.

Reports say however that only 14 000 ha of the total command area of 140 000 ha, was newly irrigated thru CRBIP. Moreover, a project audit report states that cropping intensities would still have increased 100 % by project's end, even without the project. To add fuel to the unspectacular results, there were large seepage losses that caused water logging and harmed the crops. The Department of Agriculture reported that 40 000 ha became waterlogged as a result of Stage 1.

Notwithstanding the poor performance, ADB gave the go-ahead for Stage II work in 1987. By the time the second stage was finished in 1994, the Bank had already agreed to become the main financier of Stage III, providing 66 % of total project cost. The last stage was scheduled to be implemented from 1993 to 2002. However, there were major changes that took place, and the project was extended till 2009.

In the midst of implementation, two major design changes were decided that had major consequences on project targets, costs and outcomes. First, it was agreed to replace culverts and siphons with super passages in cross drainage works even though this would be more costly. Second, the alignment of the main canal was shifted further uphill to enable the use of the super passages for the crossing of flood flows from hill torrents. It was projected that the realignment of the main canal would expand the target irrigated area from 570 000 to 606 000 ha. The Bank agreed to the design changes, and even agreed to foot the bill for these with funds diverted from the National Drainage Program.

What happened was that the cross drainage works and flood carrier channels that comprised 50 % of the cost of the main canal not only failed to ensure safe drainage, but also caused the exact opposite of what

was intended. These structures brought on massive flooding in the area threatening human life and the livelihood of communities. In fact, the canal was breached thrice during the 2001 monsoon.

The CRBIP destroyed the centuries-old rowd-kohi (hill-torrent) irrigation system supporting a large number of the population in and around the project area. Its structures aggravated the flooding risk to the area, and cut off from the original source of irrigation more than 36 000 ha formerly irrigated by rowd-kohi, rendering them useless. The design changes fully approved and funded by the ADB led to grave damage to livelihood and property. By 1997, it had become clear that nine villages required relocation. Recent WAPDA estimates place this at 22 villages; whereas, locals would surely give a higher count. Moreover, besides the adverse social and environmental impact, the actual command area and cropping intensity has been much less than projected. About 8 000 ha has been destroyed due to the extensive network of flood carrier channels. A strong campaign is ongoing against the project.

Left Bank Outfall Drainage Project The largest water and drainage undertaking in Pakistan, the Left Bank Outfall Drainage Project (Based on the case study "Experimenting with the Lives of the Poor: ADB's Role in the Disaster of Coastal Communities in Pakistan" prepared by Zulfiqar Halepoto of the Forum for Conflict Resolution, Oct '05.) was implemented in two stages, first starting in 1986 and again 1997. With assistance from eight international donors, the project aimed at improving agriculture production and socio-economic conditions of coastal communities.

The project was started in 1986 with the grand aim of controlling water logging in 0.51 m ha by conveying saline effluent across 42 km of coastal zone to the Arabian Sea. This would be done through the construction of open surface drains pumped by tubewells, via a spinal drain & tidal link into the Sea.

80-85 % of the work was completed in 1999, seven years after target date, and at a Rs 22 m cost overrun from the original Rs 8 b. Still, the remaining work was targeted for completion in a follow-up program scheduled from 1998 to 2004. Meanwhile, upon the advice of IFIs involved in the project, the province of Sindh began undertaking required water sector policy reforms. This was to prepare for the transfer of management of LBOD to the Sindh Irrigation and Drainage Authority. Unfortunately for all, due to several technical problems, the project turned on its head. The drainage effluents did not go to the sea but started seeping into the land destroying internationally recognized wetlands. Innumerable problems arose: flooding, sea intrusion, loss of crops and agricultural

land, reduction of fish catch, and loss of lives. 20 000 Ha of agricultural land were wasted by salinity; 10,000 fishermen lost their livelihood; four vast wetlands have been degraded; and there is a shortage of drinking water due to seawater intrusion and mixing of effluent water in the sources of drinking water.

What happened was that after project completion, there was erosion of the Tidal Link Canal and deterioration of the Cholri Weir. Moreover, major storms in 1999 and 2003 accelerated the damage. Soon after the inoperative and incomplete LBOD was handed over to the Sindh Irrigation and Drainage Authority in 2002, the provincial authority proposed returning it to the national agency WAPDA for redesign and reconstruction. A strong ongoing campaign is also a feature of this project. (Source: *Running Dry: Does the ADB stand for "Water for all"?*, NGO Forum on ADB, Nov 18, 2005)

ADB's Water Privatisation project in Manila Manila Water's rate now read 700 % higher than in 1997, while Maynilad's has increased by 500 %. For the ADB to admit the serious flaws of the MWSS privatization deal - the largest of its kind in the Asia-Pacific region and the world - would be tantamount to making a strong political statement on the failure of water privatization. But the MWSS privatization has turned into just that - a failed undertaking that is privileging private enterprise at the expense of millions of consumers. (Sunstar, Manila 221105)

ADB to finance first private HEP in Pakistan The Asian Development Bank will provide a new US \$ 37.3 m loan to Pakistan to finance a 80 MW HEP downstream of the Mangla Dam on the Jhelum River in Pakistan held Kashmir. This is ADB's first ever assistance to a private EHP in Pakistan and the first such project to be developed in the region. The New Bong Escape Project, so-called because of its position on the escape channel from the existing Mangla power station, will be a "run-of-the-river" scheme. The power generated will feed into the national grid. The Project company, Laraib Energy Limited, is owned by a subsidiary of Ranhill Berhad, a Malaysian engineering and utility asset-owning company listed on the Kuala Lumpur Stock Exchange. The work is expected to begin shortly and is scheduled to begin generation by the early of 2009. The Project is "far enough from the epicenter (of recent massive earthquake in Kashmir) not to have been directly affected". Together with the ADB loan and the sponsor equity, the project is expected to be financed with loan facilities from the Islamic Development Bank and Pakistan commercial banks. The Project is the first private sector cofinancing between the ADB and the Islamic Development Bank. ADB's loan is without government guarantee and comes from ADB's ordinary capital resources. Interest is determined in accordance with ADB's LIBOR-based loan facility. The ADB loan is without govt guarantee and comes from the bank's ordinary capital resources. (ADB PR 231105, Daily Times 241105)

HARD TO SWALLOW Two recent reports, released within a couple of months of each other, threaten to turn conventional wisdom on its head by challenging the correlation between plants and water, which mankind has taken for granted for centuries. The first, by the UK-based tropical Forestry Research Programme, claims that trees have been 'overplayed' as a solution to the world's water problems. As if that is not shocking enough, it goes on to say that conversion of agricultural land into forests actually leads to a fall in water availability. The second, by the Indonesia-based Centre for International Forestry Research strikes at the root of the centuries-old assumption that deforestation is a major cause of floods. It scoffs at what is known as the 'sponge theory', calling it a 'historical erratum'. According to this theory, forests soak up water from the atmosphere and release them at leisure.

What one finds disturbing in the Indian context is the claim made in the FRP report. "Indian officials", it says, "appear open to rethinking water management practices based on research conducted by FRP-supported experts and are particularly interested in considering South Africa's water management successes". For the uninitiated, the 'success' referred to here pertains to the imposition of an 'interception levy' on tree planters on the grounds that it reduces surface run off. Even more disturbingly, the study claims that efforts to convert agricultural land into forests in Himachal Pradesh & MP had caused a 16-26% fall in water yields.

If this is true, than it is a cause for serious concern. The govt needs to put the report in the public arena and invite an open debate on it. Let those who have stuck to the 'myth' for so long also have their say. Let other scientists conduct further research to find out the veracity and limitations of the report. Till this is one, any attempt to undo the emphasis on creation and regeneration of forests will viewed with suspicion.

If recent experience is anything to go by, there are sound reasons for such suspicion. Orissa's experience of UK's Department for International Development, the organisation that has funded the FRP study, has been anything but encouraging. Under its sectoral reforms programme, DFID has been working vigorously towards ushering in privatisation of water. The consequences of the programme have been nothing short of disastrous.

The second report, commissioned by the Food and Agricultural Organisation of UN, appears to be part of the same exercise – underplaying the role of forests in water retention and flood control. Is there a pattern to all this? Given the propensity of international funding agencies to prepare the ground for large scale industrialisation, is it not possible that it is part of a design to undermine the forests? Why has the Indian govt not responded to the report so far as it promptly did when a UK study said, homoeopathy is no good?

Tapan Padhi (Edit in Waterwise July-Aug '05)

Power Options

Biomass Energy Potential in Punjab The Punjab Energy Development Agency says, "The state of Punjab has a large un-exploited biomass/ agro-residues resource sufficient to generate more than 500 MW of power." PEDA wants to harness this potential through private sector participation and has invited proposals (from domestic and international parties) for setting up the projects on Build, Own and Operate basis. Under Phase II, offers are invited for the following areas where the potential has been assessed as given below.

Taluka	District	Potential (MW)
Sunam	Sangrur	31
Ludhiana	Ludhiana	15
Nakodar	Jalandhar	12
Fatehgarh Sahib	Fatehgarh Sahib	11
Shahkot	Jalandhar	10
Phullour	Jalandhar	10
Patiala	Patiala	10
Ajnala	Amritsar	10
Jagraon	Ludhiana	10
Faridkot	Faridkot	9
Amlah	Fatehgarh Sahib	6
Anandpur Sahib	Roopnagar	5
Nihalsingh wala & Beghapurana	Moga	5
Samrala	Ludhiana	5
Abohar	Ferozepur	5
Phagwara	Kapurthala	5
Hoshiarpur-1	Hoshiarpur	4.5
Kharar	Ropar	2
Gurdaspur	Gurdaspur	2
TOTAL		167.5

(Tender notice in The Hindustan Times, 191105)

It is not clear how the potential has been assessed, what will be the impact of such projects on the agriculture, environment and why private sector participation is thought to be necessary or viable.

Orissa to formulate policy The proposal of the Orissa Science and Technology dept to formulate a policy for non conventional energy sources has been approved by the state Cabinet. Orissa has potential to generate 2290 MW from such sources. (BUSINESS LINE 211105)

POWER SECTOR

Delhi Privatisation in the dock In a significant move the Delhi consumer Redressal Forum on Nov 21, 2005 directed that power consumers would not be charged on the basis of electronic meters and that consumers can pay on the basis of past six months bill before installation of electronic meters. It took note of the fast running meters and the reports in the media that this was because of basic design deficiency in the meters in that the shared neutral wires lead to faster running meters for those using lower loads at any time. The private distribution companies knew that the neutrals are indeed shared in most cases. Then why did it install meters that were bound to show higher than actual consumption? This whole episode puts a question mark over the credibility of the private companies, the regulatory commission, the state govt, the central

Power Ministry and various other institutions and experts that were standing up in support of Privatisation of Power distribution in Delhi. The campaign run by People's Action with the Resident Welfare Associations in Delhi have been trying to raise these issues after being successful earlier in forcing the govt to roll back the tariff hike.

➤ On Nov 23, 2005, however, the Delhi High Court stayed the order of the consumer court saying that such an order will dry up the resources of the companies. Strangely, the govt has yet to intervene on such an important issue affecting millions of people. (The Hindu 221105, 231105, 241105 other reports)

Sad state: Planning Commission The Planning Commission Vice Chair Montek Singh Ahluwalia has said that the Power sector reforms have been unsatisfactory, SEBs have become weaker, the losses of SEBs remain far higher than projected, privatisation experience at best remains mixed and outlook is not very bright (Indian Express 191105). He said he was not sure if he would recommend privatisation of the sector. He said it was important that states carry out distribution reforms introduce open access before the mandated deadline of Jan 1, 2009. While a study estimated SEB losses to be around Rs 28 000 crores, a pilot study by the Planning Commission shows that the figure could be double that amount.

"Power for all by 2012" not possible: Industry According to Power Industry sources, the Prime Minister's aim of achieving "Power for all" by 2012 due to lack of progress in transmission, regulation and raw materials availability. The machinery and appliances market is growing at 14% per annum and that is not a bottleneck, say industry sources (RASHTIRYA SAHARA 211105)

ENVIRONMENT

Agitation against Sethusamudram Project A strong movement has been launched by the fishing people and others in Rameswaram, Nagapattinam, Cuddalore, Ramnad, Chennai, Tuticorin & Madurai districts of Tamil Nadu since over two years. The movement has exposed the violations of law in environment Impact Assessment by the now infamous NEERI, the violations in the public hearing process, and the violations in the environmental clearance process. In spite of the violations, the Ministry of Environment & Forests gave clearance to the project on March 31, '05. A petition was filed in the Chennai High Court, where the court, through its order on June 26, '05 asked the centre to appoint the chairman of the National Environment Appellate Authority within 30 days and directed that the NEAA should accept the petition challenging the clearance. The MEF has violated that order of the Chennai High Court. The movement has now filed a petition in the Supreme Court, where on Sept 26, '05, notices has been issued. On Nov 13-14, the movement people were present during the programme against the MEF in large numbers. (Movement Against SSCP)

WORLD WATER

Serious impact of Global Warming Mountain snows and alpine glaciers represent key reservoirs of fresh water for some 1.6 billion people worldwide. In 50 years, however, a warming planet is likely to disrupt many of these sources, leaving millions of people scrambling for additional supplies. While conservation, local water systems, and repairs to leaky water mains can help blunt the effects of these changes, efforts to adapt to shrinking snowpacks and vanishing glaciers are expected to require other changes in farming techniques, industrial practices, and lifestyles.

That's the warning a team of US scientists is issuing after reviewing field measurements and modeling studies that deal with the impact of global warming on alpine environments. Combined with a second, independent look at stream flows in key parts of the world, the studies are helping scientists fill in a picture of future freshwater supplies as the planet warms. (Both studies appeared in the journal *Nature* in mid Nov '05.)

A team led by Timothy Barnett at the Scripps Institution of Oceanography looked at regions that rely on snowmelt for at least 50 % of their water and lack the ability to store a year's worth of runoff. The principles involved are "exceedingly simple and uncontroversial," he says. "When it's warmer, you may have the same amount of precipitation, but more will be in the form of rain than snow. And if you have any snowpack in a warmer world, it's going to melt earlier." This can translate into less water in summer and fall.

One of the areas the team sees as most crucial is the region whose thirst is slaked by glaciers in the Himalayas and Hindu Kush mountains. Collectively, these mountain ranges hold the third largest mass of ice after Antarctica and Greenland. The rivers they feed provide much of the water for 50-60 % of the world's population. Yet China's latest survey of the mountains show that over the past 25 years, the glaciers are in wholesale retreat. "These results are really robust," says Christopher Milly, a researcher with the US Geological Survey working at the National Oceanic and Atmospheric Administration's Geophysical Fluid Dynamics Laboratory. That should ring alarm bells in India and South Asia.

Another study by scientists at the University of Wisconsin-Madison (US) says, "Those least able to cope and least responsible for the greenhouse gases that cause global warming are most affected. Herein lies an enormous global ethical challenge." (*Christian Science Monitor* 171105, *Business Line* 21105)

Global warming hits Himalayas Nawa Jigtar was working in the village of Ghat, in Nepal, when the sound of crashing sent him rushing out of his home. He emerged to see his herd of cattle being swept away by a wall of water. Jigtar and his fellow villagers were able to scramble to safety: 'If it had come at night, none of us

would have survived.' Ghat was destroyed when a lake, in the Himalayas burst its banks. Swollen with glacier meltwaters, its walls of rock & ice suddenly disintegrated. Several MCM water crashed down the mountain.

When Ghat was destroyed, in 1985, such incidents were rare - but not any more. Last week, scientists revealed that there has been a big jump in such catastrophes in the past two decades, the result of global warming. Himalayan glacier lakes are filling up with more and more melted ice and 24 of them are now poised to burst their banks in Bhutan, similar number at risk in Nepal. Himalayas is changing, as can be seen by Nepal's Khumbu glacier, where Hillary and Tenzing began their 1953 Everest expedition. It has retreated 3 miles since then. 95 % of Himalayan glaciers are shrinking - and that kind of ice loss has profound implications, not just for Nepal & Bhutan, but for surrounding nations, including China, India & Pakistan.

Eventually, the Himalayan glaciers will shrink so much their meltwaters will dry up, say scientists. Rivers fed by these melted glaciers - such as the Indus, Ganges, Brahmaputra, Yellow River and Mekong - will turn to trickles. Drinking and irrigation water will disappear. Hundreds of millions of people will be affected. 'There is a short-term danger of too much water coming out the Himalayas and a greater long-term danger of there not being enough,' said Dr Phil Porter, of the University of Hertfordshire. 'Either way, it is easy to pinpoint the cause: global warming.'

According to *Nature*, temperatures in the region have increased by more than 1C recently and are set to rise by a further 1.2C by 2050, and by 3C by the end of the century. This heating has already caused 24 of Bhutan's glacial lakes to reach 'potentially dangerous' status, according to govt officials. Nepal is similarly affected. 'A glacier lake catastrophe happened once in a decade 50 years ago,' said UK geologist John Reynolds, whose company advises Nepal. 'Five years ago, they were happening every three years. By 2010, a glacial lake catastrophe will happen every year.'

An example of the impact is provided by Luggye Tsho, in Bhutan, which burst its banks in 1994, sweeping 10 MCM water down the mountain. It struck Panukha, 50 miles away, killing 21 people. Now a nearby lake, below the Thorthormi glacier, is in imminent danger of bursting. That could release 50 MCM water, a flood reaching to north India 150 miles downstream.

Not only villages are under threat: Nepal has built an array of hydro-electric plants and these could be destroyed in coming years, warned Reynolds. 'A similar lake burst near Machu Picchu in Peru recently destroyed an entire hydro-electric plant. The same thing is waiting to happen in Nepal.' Even worse, when Nepal's glaciers melt, there could be no water for the plants. (<http://www.countercurrents.org> 221105)

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