



የኢትዮጵያ ፌዴራላዊ ዲሞክራሲያዊ ሪፐብሊክ  
 በተዘጋጅቶ መንግሥት የቀረጸ መልዕክተኛ ጽ/ቤት  
 ጳጳሽ

*Federal Democratic Republic of Ethiopia  
 Permanent Mission to the United Nations  
 Geneva*

133/2011-A

24 August 2011

The Permanent Mission of the Federal Democratic Republic of Ethiopia to the United Nations Office at Geneva and other International Organisations in Switzerland presents its compliments to the Office of the United Nations High Commissioner for Human Rights and has the honour to forward herewith the Ethiopian Government's reply to the communication from the Special Rapporteur on the Rights of Indigenous Peoples, dated 13 July 2011, regarding the concern over the Gibe III Hydroelectric Project and the Impact Assessment Study.

The Permanent Mission of the Federal Democratic Republic of Ethiopia to the United Nations Office at Geneva and other International Organisations in Switzerland avails itself of this opportunity to renew to the Office of the United Nations High Commissioner for Human Rights the assurances of its highest consideration.

Enclosure



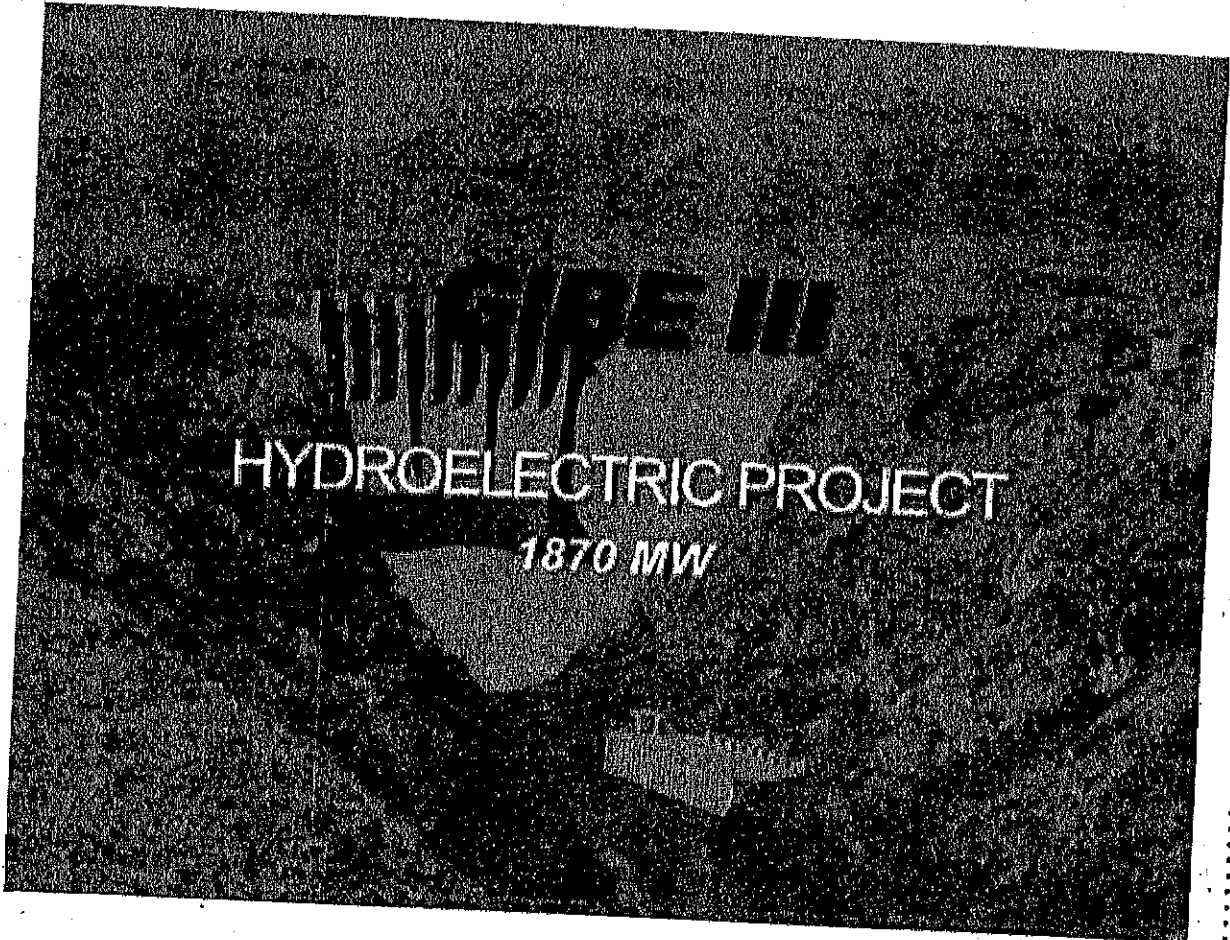
The Office of the United Nations  
 High Commissioner for Human Rights  
 Geneva

**OHCHR REGISTRY**

**30 AUG 2011**

Recipients: S/D  
DF (incl.)  
 .....  
 .....

**ETHIOPIAN ELECTRIC POWER CORPORATION**

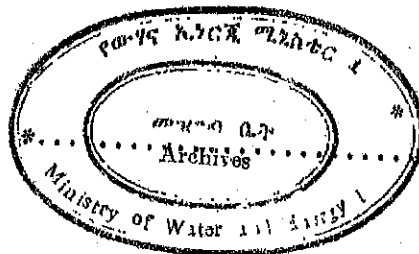


**GIBE III**  
**HYDROELECTRIC PROJECT**  
**1870 MW**

REACTION TO THE CONCERNS RAISED BY  
THE UN HIGH COMMISSION FOR HUMAN RIGHTS

ON

**GIBE III ESIA ISSUES**



March 2011

Addis Ababa

## List of Acronyms

FDRE	Federal democratic Republic of Ethiopia
EEPCo	Ethiopian Electric Power Corporation
GoE	Government of Ethiopia
EIA	Environment Impact Assessment
ESIA	Environment & Social Impact Assessment
ESMMP	Environmental & Social Management and Monitoring Plan
RAP	Resettlement Action Plan
EMP	Environmental Management Plan
EMU	Environmental Monitoring Unit
UEAP	Universal Electricity Access Program
EPA	Environmental Protection Authority
EIB	European Investment Bank
AfDB	African Development Bank
WB	World Bank
PAP	Project Affected Population
PAs	Peasant Associations
NGOs	Non Governmental Organizations
CS - CAFE	Citizens' Solidarity for Campaign Against Famine in Ethiopia
SNNPR	Southern Nations Nationalities & Peoples Regional



## EEPCo's Reaction to the concerns Raised by the UN High Commission for Human Rights

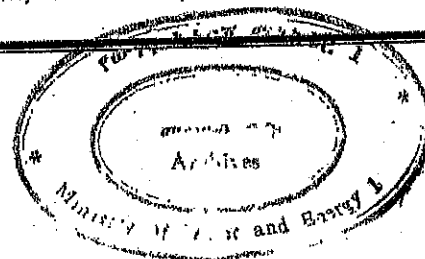
### 1. General Background

Ethiopia has a huge potential for hydropower development. This potential is estimated about 45,000 MW generation capacities. However, so far the utilization of this potential is limited to 2000 MW (less than 6 %). Despite the availability of the huge hydropower potential, currently, access to electricity in Ethiopia is 35-40 % - the lowest level in the world. In most of the rural part of the country where 80 million Ethiopians live, only insignificant numbers of households have access to electricity. And as a matter of fact, the capital city of the country, Addis Ababa, has been hit by power blackouts time and again. So far we have only able to connect about two million customers to the National Grid. The fast growing economy of the country and the high population growth has also caused high demand for electricity which results in annual demand growth of about 24%.

As effective development and management of hydropower is central to the quest for sustainable development and meaningful economic growth to the country's industrial and agricultural development, and to improve the above mentioned situations, the Government of Ethiopia has given utmost importance and commitment to the power sector and has committed itself to develop the power generating capacity of the country through harnessing the huge water resources potential available in the country. To this end, it has launched an ambitious plan to increase the current electric energy supply from 8000-10,000MW within the next five years.

Accordingly, the Ethiopian Electric Power Corporation (EEPCo) has embarked on energy production through construction of huge hydropower plants. One of these plants is the Gibe III Hydroelectric Project with an installed capacity of 1,870 MW and an annual energy production of 6,500 GWh. Currently, about 41.5 per cent of the total construction works including preparatory works of the Project is accomplished.

This additional energy is believed to ensure the satisfaction of the ever increasing domestic demand with reliable supply as well as supporting the country's Universal Electrification Access Program (UEAP). By exporting via the regional interconnection system, the country will significantly benefit



from the foreign currency through sales of electricity to the neighboring countries as well as contributing to the regional economic integration.

In light of the present world energy crisis, interconnection of the regional electric energy networks is the best alternative to displace expensive thermal generation in the regional as well as the international power markets.

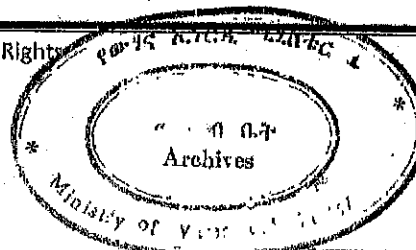
To this end, Ethiopia, by developing the untapped and environmentally friendly hydro resources for electricity, has devised a strategy for accelerating cross-border electricity trading with the neighbouring countries and further to the other nearby countries to spur regional economic growth.

## 2. ESIA Studies

In addition to the technical designs and studies, Environmental and Social Impact Assessments (ESIA) have been conducted on the basis of the requirements and guidelines of the Environmental Protection Authority (EPA) of Ethiopia and International Standards and policies. The following Documents are Prepared:

- i. Environmental & Social Impact Assessment;
- ii. ESIA Additional Study on Downstream Impact;
- iii. Public Consultation & Disclosure Plan;
- iv. Relocation Action Plan;
- v. Environmental Management Plan;
- vi. ESIA & RAP for Transmission Lines; and
- vii. Archaeological Studies

The ESIA documents have been reviewed by environmentalists, sociologists, and other professionals from EPA, JP Morgan, AfDB, USAID and the World Bank. Approval has been obtained from the EPA and the Environmental Monitoring Unit (EMU) of EEPCo.



Also, the Executive summaries of the studies had been posted on AfDB's website for the mandatory 120-days public disclosure. Currently, the final versions of the documents are posted on Project's website (<http://www.gibe3.com.et>).

### 3. Project Benefits

Some of the major benefits of the Gibe III Hydroelectric Project are summarized as:

#### 3.1 General Benefits

- More energy production for local consumption and investment
- Improvement of living standards for the surrounding population
  - Small Scale Irrigation Schemes (Solar, Diesel...)
  - Modern fishing technology
  - Provision of infrastructure developments like water supply, electricity, roads to the surrounding areas.
- The Project also foresees nationwide Job opportunities during the construction phase for more than 6,000 people- the lion share goes to the local area people. It creates about 430 million Euro (about 6 billion Birr) market for local businesses of manufacturing, finance, transport, hotels and other services.
- **Benefits to Women**
  - As women are culturally regarded as "responsible" for household energy consumption, they have to travel long distances to collect wood. This could be changed by provision of electricity to the rural area.
  - Both Women and men will benefit from the employment opportunities and convenient and safe access road facility.
  - More women will be engaged in income-generating activities by running shops, restaurants, bars and selling local products to construction camp workers.



### 3.2 Benefit to the Downstream Area

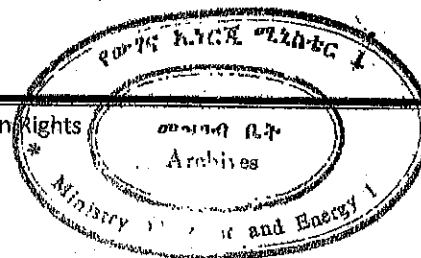
#### Flow Regulation (Flood Protection):

The Gibe III Dam is also believed to contribute positively to the downstream areas. Some of the envisaged benefits are summarized as:

- Flood regulation (avoidance of unregulated catastrophic events of seasonal flood). The presence of Gibe III Dam and the Reservoir will provide flood protection to the downstream flood prone areas. The 2006' floods, for example, have resulted in the death of hundreds of people and thousands of animals and dislocation of more than 15,000 populations in the Dasenech Wereda.

The above scenario had consumed a lot of resources to restore the health, education, shelter, water and sanitation, farming land, livestock, fishing, roads, and other facilities after the incidence.

- Reliable and timely water supply for the recession cultivation (prevention of wash-away of cultivations due to sudden and irregular floods)
- Reduction of evaporation losses in the flood plains
- Sustainable flow and positive hydrological balance to Lake Turkana which is characterized by high rate of fluctuations and level reduction at an alarming rate.
- Reduction of impacts due to extended drought periods. The presence of the Dam shall allow continuous and regulated flow to the downstream ecosystem.
- Sustainable development schemes like irrigation, fishery development, modern livestock production, etc that can positively change the lives of the downstream population are also envisaged as part of the Management plan.
- The presence of the Dam shall allow continuous and regulated flow to the downstream ecosystem system.



### 3.3 Regional Benefits

- Strategic partnership and economic integration in the region which will have significant contribution for regional economic cooperation and stability.
- Would help the neighboring countries shift from the expensive and insufficient thermal generation to hydro generation as the unit cost of the latter is lower than the alternatives.
- Accelerates cross-border electricity trading with the neighboring countries and further to other nearby countries.
- Hydropower counterbalances energy capacities and reduction of CO<sub>2</sub> emissions by thermal or other types of generation plants.. (About 4.5 million t/y of CO<sub>2</sub> emission).

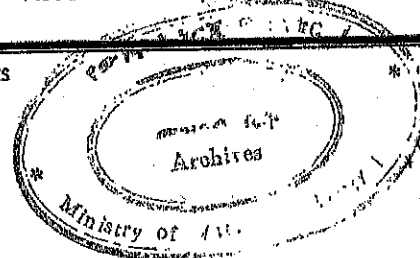
## 4. Detailed Clarifications to the Raised Concerns

### 4.1 Measures taken by the Government of Ethiopia to assess the social and environmental impacts of the Gibe III Dam

Most of the issues raised regarding the Gibe III Hydroelectric Project seem to originate from misunderstanding of the facts and are not supported by any kind of independent studies. The feasibility studies conducted for Gibe III Hydroelectric Project have proved that the Project is most attractive in technical, economic, social, and environmental aspects.

As part of the planning and prior to the implementation of the Gibe III Hydroelectric Project, detail Environmental and Social Impact Assessment studies have been conducted by independent international consultants who were recruited by EEPCo, the Project Executing Agency. During the study, the consultants have tried to cover the possible Project- Affected areas starting from the Dam and reservoir and further downstream to the end of Omo River, Lake Turkana.

The ESIA studies for the Gibe III Hydroelectric Project have been carried out within the framework of national and international environmental regulations, conventions, and standards applicable to the construction and operation of hydro power projects. Moreover, on the basis of the requirements of the Environmental Impact Assessment (EIA) guidelines of the



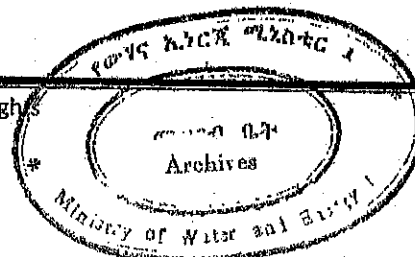


Environmental Protection Authority (EPA) of Ethiopia, adverse effects on the physical, biological, and socio-economic environments have been addressed and mitigation measures planned.

The legislative framework applicable to the Project is governed by the Federal Democratic Republic of Ethiopia (FDRE). Requirements of international financing institutions including the World Bank (WB), the African Development Bank (AfDB), the European Investment Bank (EIB), JP Morgan and other potential financiers are also considered. Environmentalists, sociologists, gender specialists and other pertinent professionals from these Institutions have visited the Project area several times and provided valuable inputs and comments on the draft ESIA documents. Moreover, the USAID had sent a mission and assessed all downstream areas, consulted the indigenous population and produced a site visit report.



The ESIA study reports are widely disclosed to the public through different ways. For instance, the AfDB, as part of the financing procedure has evaluated the reports and posted the executive summary on its website for the 120 days - mandatory public disclosure. Furthermore, the Project Office has posted all ESIA document on its website (<http://www.gibe3.com.et>). Please kindly refer to this website for further clarifications.



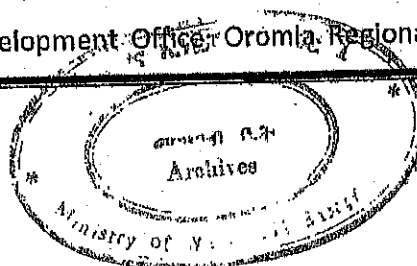
### Monitoring mechanisms to the possible impacts of the Dam construction

We have mentioned that preliminary ESIA studies have been conducted before the commencement of the project construction in July 2006. The findings of this study show that there are some impacts on the downstream community but the study clearly states that there are no immitigable impacts which could prohibit the development of the Project. The issues and concerns raised in the prelliminary assessments are well addressed and incorporated in the final documents.

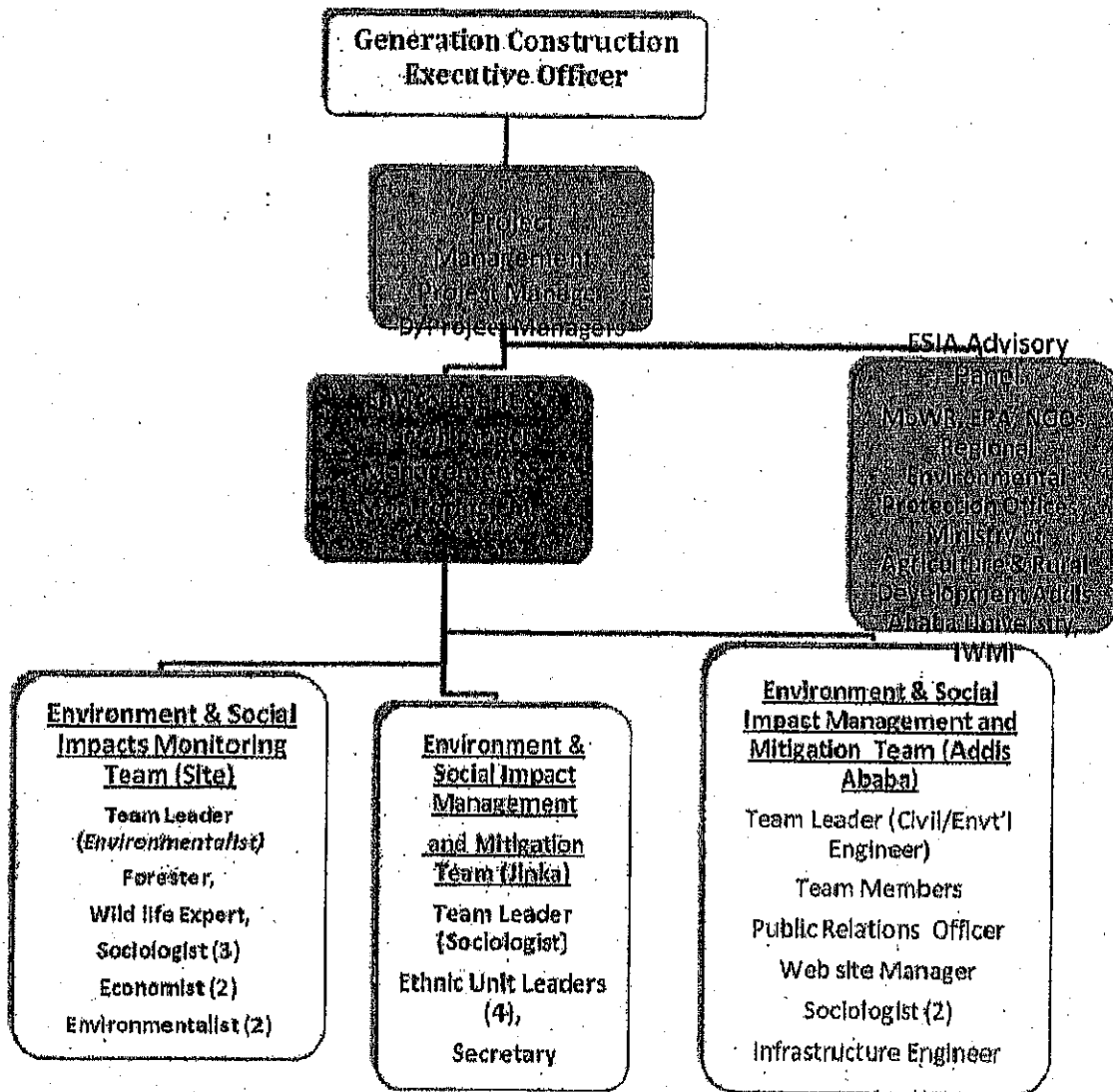
As clearly mentioned in the ESIA main report, the Environmental Management Plan (EMP) must be fully integrated with the overall Project Management and its effective planning and implementation will be EEPCo's overall responsibility. The major alm of the EMP is to develop an efficient implementation instrument and above all to be a dynamic support tool encompassing both the construction and post-construction phases.

EEPCo has allocated sufficient budget and established institutional setup to implement the Environmental and Social Management and Monitoring Plan (ESMMP). The realization of the plan requires the collaboration of the Southern Nations Nationalities & Peoples Regional (SNNPR) State and all concerned stakeholders who have keen interest to play positive rôle. In line with this, the implementation of the Gibe III Hydroelectric Project is a well thought and planned development considered as a strategic tool for integrated economic growth for Africa. The presence of the Dam will assist to protect the downstream environment from excessive flooding and droughts as mentioned earlier.

Primarily, the Federal Environmental Protection Authority (EPA) is entrusted in the overall monitoring of the project's ESIA activities both during construction and operation. As the project owner, EEPCo has already established a Project Implementation & Monitoring Unit (PIMU) responsible for the implementation of the proposed mitigation measures recommended in the Environmental Management Plan. ESIA Advisory Panel who is responsible for the monitoring of EEPCo's implementation of the mitigation measures and advises the PIMU in the course of implementing the ESIA mitigation plans is established. The Panel has members drawn from Addis Ababa University, International Water Management Institute (IWMI), the EPA, Ministry of Water and Energy, Southern Nations Nationalities & Peoples (SNNP) Regional state Environmental Protection Bureau, SNNP Regional state Agricultural Development Office, Oromia Regional State

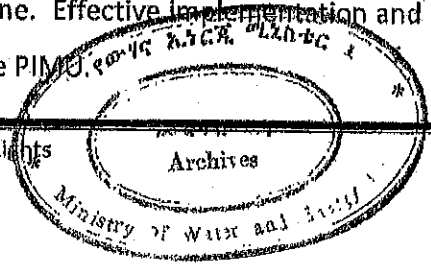


Environmental Protection Bureau, and CS – CAFÉ- a non-governmental organization that encompasses many other NGOs working in the area of environment and water resources. The organization structure of the PIMU is as shown in Fig 1. The PIMU has two sub units at the project site and at Jinka In the Omo Administration Zone. Effective Implementation and monitoring at all stages of the project is managed through the PIMU.



**Fig 1: Organization Structure Designed for Implementation of the recommended Projects**

The organization structure of the PIMU is as shown in Fig 1. The PIMU has two sub units at the project site and at Jinka In the Omo Administration Zone. Effective implementation and monitoring at all stages of the project will be managed through the PIMU.

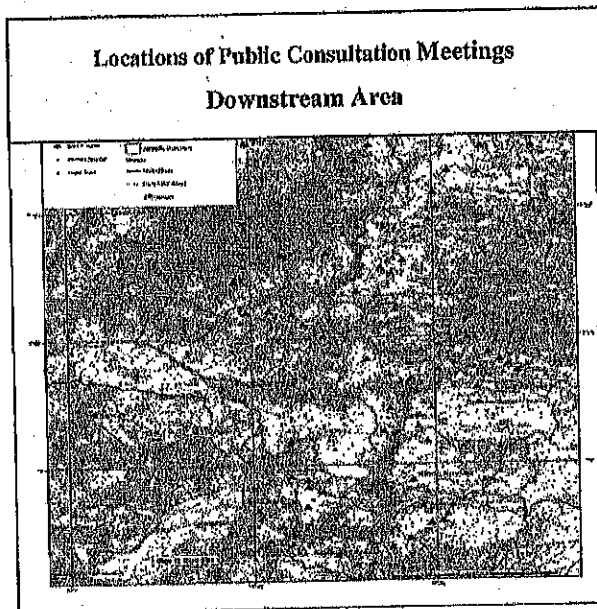
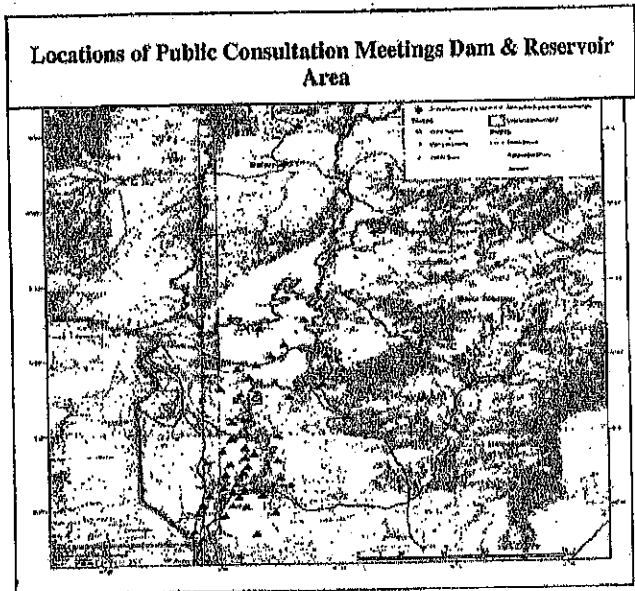


The PIMU has begun its task by forming team of experts who are engaged in the social and environmental activities. So far two Environmentalists, two Sociologists, Information Technology Expert, and Public Relations & Communication Expert are recruited for the unit.

**4.2 Measures Taken by Ethiopia to consult with the affected indigenous people in order to obtain their free and prior informed consent, in relation to the Gibe III Dam.**

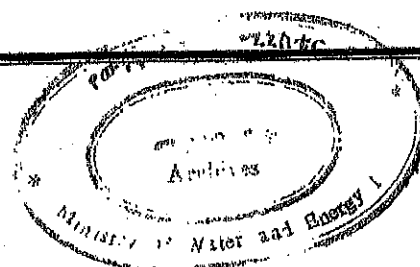
The FDRE Constitution article 92 of Chapter 10, describes that "People have the right to full consultation and to the expression of their views in the planning and implementation of environmental policies and projects that affect them directly". This concept has been strictly followed in the case of Gibe III Dam construction. The public consultation with all stakeholders was commenced during the feasibility stage and was designed and carried out in order to:

- Inform, and contribute to identifying potential impacts of the Project, either negative or positive or both, and prioritize the remedial measures for the identified impacts;



- Include the attitudes of the community and officials who will be affected by the Project so that their views and proposals are mainstreamed to formulate mitigation and benefit enhancement measures; and
- Increase public awareness and understanding of the project, and ensure its acceptance.

These consultations with the indigenous people of downstream and the PAs in the upstream area had been undertaken prior to the decision made to



proceed with the Project implementation. In any Project, having such inputs is mandatory and part of the requirement of the standards. The following methodologies were strictly followed in the public consultation process:

**Group Discussion:** Great care was taken to select groups, with samples taken from different villages, Woredas and zones, in such a way that attitudes and views of the entire communities and officials are well represented and incorporated. The samples have focused on economically active people, by selecting individuals randomly from the Project-Affected population, with different age categories ranging between the minimum of 20 and the maximum of 72 years of age.

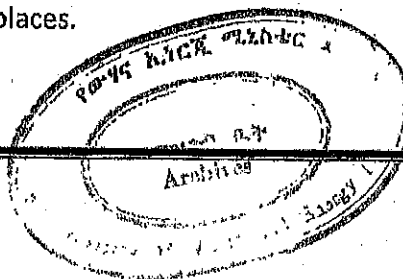
**Meetings:** Several meetings and discussions were held with members of the community, and their leaders, drawn from various sector offices at regional level. They were briefed and made to understand about the benefits and potential adverse impacts of the Project, along with the legal frameworks for implementing proper mitigation measures.

A Public Consultation was initiated in 2006, before the initial phase of the Project as well as in 2007, 2008, 2009 and 2010 during the course of the Project implementation. As part of this continuous process, a series of public consultations were carried out with Federal, Regional, Zonal, Wereda and local officials and institutions, Project-Affected Persons, community elders, the Omo and Mago National Parks, active NGOs in the area, and other pertinent parties.

The overall number of the participants in the consultative meetings drawn from administrative and community level were more than 1,749, consisting of 203 Zonal and Wereda officials, 409 kebele peasant associations council members, 869 community members who were consulted through community discussions, and 268 individual household heads who were consulted privately.

#### **Consultations at Federal and Regional Government Level**

**Consultation- Downstream Areas:** The downstream part of the Project is entirely situated within the Southern Nations Nationalities & Peoples Regional State (SNNPRS). The implementation of the Project will affect a total of four woredas within the South Omo Zone. Consultations were conducted with the identified stakeholders at the following places.



**South Omo Zonal Administration Office,**

- Dasenech; Selamago; Hammer; Nangatom Wereda Administration Offices; and
- Communities and Individuals from Mursi; Karo, Hammer, Nyangatom and Dasenech ethnic groups.

**Consultations with <sup>farmers</sup> Peasant Associations and Community Members:** Four major ethnic groups Mursi, Nyangatom, Karo and Daseanceh who are situated in the South Omo Zone were consulted.

Within the stated years, more than 700 community members and representatives have participated in the consultations. During every consultation, Minutes of Meetings were recorded and signed by all participants up on agreement.

**Consultation with Agro-pastoralist Community:** The study team held discussions with agro-pastoralist communities (upstream) of Orecha, Gorotancho, Cureyo, Lanre Gebaba, Lange and Ombolange Kebels of Soro Wereda reside along the Gibe River. The objectives of the consultations were to identify the views of these communities towards the Gibe III Hydroelectric Project and what they need to benefit from the project.

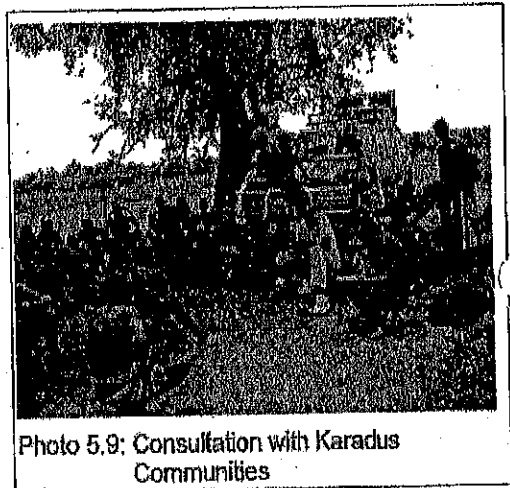


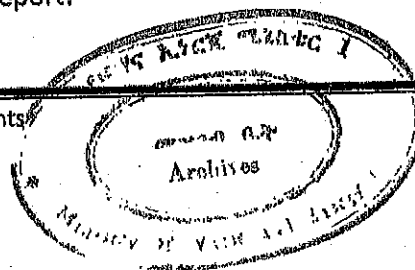
Photo 5.9: Consultation with Karadus Communities

**Consultations at Households Level:** Randomly selected individuals, from the different segments of the societies, around the future reservoir area were communicated. A total of 268 individuals representing 53 PAP were consulted.



Photo 5.10: Consultation with Mursi Communities

**Consultations with Wildlife Department (WCD) and Protected Areas Personnel :** The Wildlife Conservation Department of the Ministry of Agriculture and Rural Development (MoARD/WCD), is the responsible governmental body entrusted to oversee the Omo and Mago National Parks, has been consulted about the project and findings have been collected and mitigation measures are indicated on the ESIA report.



**Consultations with NGOs and other Organizations:** Farm Africa, Ethiopian Pastoralist Area Research and Development Association (EPARDA), Catholic Church and Refuge Trust are amongst associations actively involved in the socio- economic development activities in the Lower Omo area and these NGOs have been consulted about the Project and they have put their concerns, suggestions and comments on the studies. During the consultations, the community raised the issue of visiting the Project site in order to have a full package of information about the Project. Accordingly, the Office is ready to address their questions in the coming few weeks.

**Future Consultation and Disclosure Events**

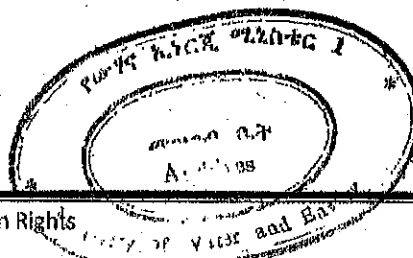
The next phase of public consultation indicates the future plan of action for conducting a



Photo 5.11: Consultation with Dasenech Communities near Lake Turkana

discourse program. As Public Consultation is part of disclosure of findings, consultative meetings and on-going consultations are built into the project implementation process. Many of the issues that were raised during the various consultations will be taken back to the stakeholders in due course of Project implementation. Results of the consultation will also be communicated to the stakeholders for feedback on the progress of the implementation of the Project. These would give the opportunity to provide the stakeholders with confidence and trust on the Project so that full commitment will be ensured. Thus, the future consultation events are planned to be carried out at different steps, within which various actions and engagement activities will be promoted and addressed.

The consultations have identified important issues and provided crucial inputs for further Public Consultation and Disclosure Plan (PCDP) for Gibe III Hydroelectric project. Moreover, during implementation of the proposed development plans, several discussions and consultations will be conducted with the indigenous population.



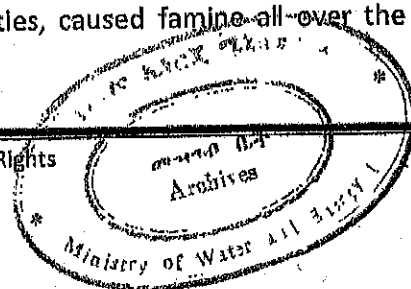
**4.3 The Proposed Measures adopted to mitigate any adverse impacts of the Dam construction on indigenous people of the lower Omo River Valley including in relation to the potential reduction of food resources and the possible resultant conflict among groups in the region.**

The Project-Affected population specially the indigenous people in South Omo valley have been addressed. Their strong attachments with the Omo River and the impacts of the proposed Dam on their economic and social environment have been clearly identified and reported on the ESIA: Additional Study to the Downstream Areas. (We recommend further reading for the whole build up of the studies, consultations and impact mitigations planned on the downstream area from the report on <http://www.gibe3.com.et>.)

As explained in the previous sections, the indigenous people will not be displaced due to the Dam. The Dam will bring about positive development projects to the downstream area. Projects that will improve their lives are envisaged in the Management Plan. To increase their meagre produces from the recession cultivation, which results in food aid dependency for most of the year, small scale irrigation schemes are designed and modern fishing facilities are foreseen. Among the envisaged social development plans, improvement of existing water supply and rural access roads, electricity, public health interventions, veterinary clinics and other infrastructure facilities will be provided in collaboration with the region and other actors in the area.

The major impacts associated with the downstream of Gibe III Dam are the regulation of the river flow both in the dry and wet seasons. The impacts are physical, biological and socio-economical in their context. According to the Downstream Area Additional Study, the impact of the Dam on the indigenous population is positive with respect to the regulation of the Omo river flow.

Some of the benefits identified include the possibility of flood control that guarantees flow regularity in the downstream section of the river including recession agriculture. In fact, large unregulated floods that result in severe damages to downstream communities, like the Dasenech catastrophic incidence in 2006 many lives and property were lost. Moreover, severe drought periods, such as the ones occurred in the mid eighties, caused famine all over the Lower Omo region.





The main mitigation measures proposed in the ESIA Management Plan include a set of physical infrastructure and managerial measures, standards and guidelines that will help to achieve a suitable river flow regulation. Implementation of the measures will minimise the damaging effect to the downstream environment as well as maintaining traditional socio-economic activities. In addition to safeguarding from disastrous floods and irregularities of flows, crop failures (one in three) due to insufficient water levels or excess flows that wash away the crops, and uncertain duration of occurrence to guarantee recession agriculture can be ensured.

Project Potential Impacts, most of which likely to be fully mitigated by the planned water released in terms of environmental flow, high flow and artificial floods of pre-set duration and magnitude, have also been identified on the natural and human local environment. Development of small scale irrigation in the area of the recession agriculture, infrastructure development, supporting fishery development, establishing health clinics, schools and other public facilities to the area are envisaged so that the people near Lake Turkana gets the best benefit from the project.

The river flow regulation includes provisions for a suitable environmental (base) flow, during the first reservoir impounding and during operation where the plant is not operational, which is a very rare case. A controlled flooding to maintain the traditional cultivation will be released during the high rainy season.

As far as the communities in the Dam and Reservoir area are concerned, it is said time and again that the Gibe III Hydroelectric Project is unique with respect to non - displacement of a single person within the 200 km<sup>2</sup> Reservoir area. This fact has made the Gibe III project exceptionally feasible.

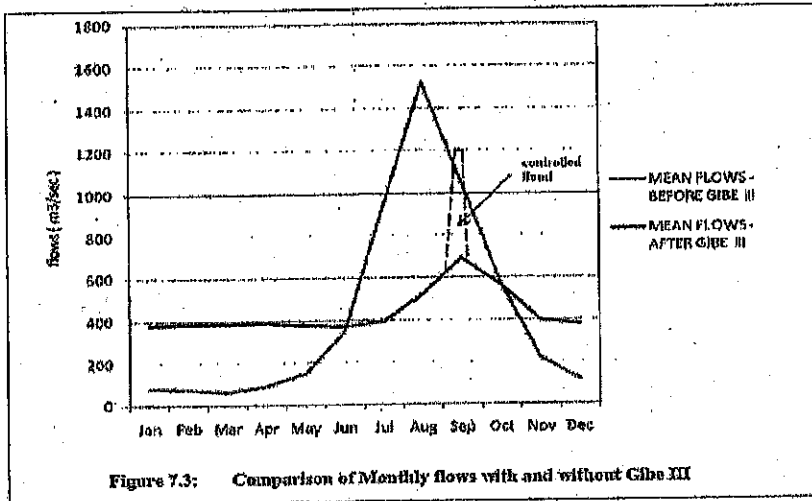
Even though, the Lake to be created by the 240 m high Dam is very huge with a volume of about 14 billion m<sup>3</sup>, the impounded water will be confined within the deep gorge and low land areas where there are no settlements due to malaria epidemic. The population live in the high lands and have small farming plots in the low land areas. In such cases, the individuals will be well compensated for the plots and produces they may lose.



## Proposed Mitigation Measures

### Flow Regulation

**River flow regulation for Environmental Protection:** An environmental flow, which is necessary to keep the Omo downstream aquatic and riverine environment healthy, is a prerequisite that has been kept into consideration throughout the ESIA studies. Such a planned water release is required in order to offset the impact of Dam-induced changed flows on downstream aquatic ecosystems; as

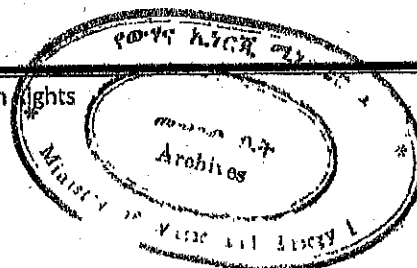


far as possible, planned environmental flow releases are designed to maintain the natural occurring flow regime whenever necessary.

In the unlikely event that the plant will not be in operation, a minimum ecological flow of 25 – 50 m<sup>3</sup>/sec will be released by

means of the outlet device in the powerhouse explicitly designed for the purpose. The outlet provided in the Dam allows releasing a flow of up to 60 m<sup>3</sup>/sec. A discharge of 25 m<sup>3</sup>/sec basically corresponds to the lowest monthly average dry season flows encountered during the period 1964-2001 (March 1973). This is considered more appropriate to guarantee the health status of the downstream lacustrine environments beyond and above the existing minimum environmental discharge requirement of 15 m<sup>3</sup>/sec as prescribed by the Employer's Requirements of the EPC Contract.

**Wet-season controlled flooding:** An artificial flooding having the same effect on soil moisture in the River banks is envisaged to maintain the cultural/traditional way of cultivation and grazing practice. A controlled flood release is foreseen from the reservoir during the month of September (or end of August) to coincide with the peak flows from the residual basin. This release is intended to reproduce the natural average floods conditions while limiting the downstream flooding to a required extent, in duration and in areas. The period corresponds to the last weeks of the natural hydrological floods and slightly varies each year depending on the contributions from the residual basin Gibe III - Turkana.



During the wet years (i.e. Inflows substantially higher than 14 million m<sup>3</sup>) or whenever the Inflows will be substantially higher than the outflows required for the energy production the duration of this flood can be substantially increased and the discharge might be also slightly increased up to maximum which will be assessed during the testing program. The proposed artificial flooding will take place during the major rainy season (July – Sept) for 7 to 10 days duration with sufficient quantity to attain the soil moisture through the middle level outlets @ 800 m.a.s.l.

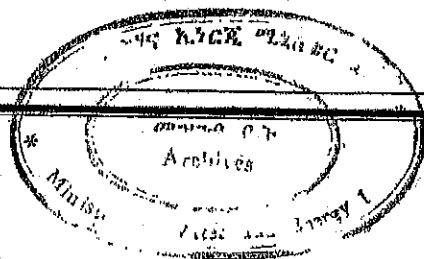
### **Additional Mitigation & Compensation Measures and Social Development Plans**

The Project area is one of the least developed in the country with poor communication and other development related Infrastructures. With the current Gibe III Hydroelectric Project it is planned to improve the food security in the downstream area where the agricultural products are not sufficient to sustain a family throughout the year. To improve this situation, development programs that include release of controlled flooding for recession agriculture, improvement in recession agriculture, improvements in rain fed agriculture; irrigated forage development, development and management in the delta, Improved livestock practices, and riverine woodlands vegetation are recommended in the mitigation plan.

Moreover, additional compensation measures such as community awareness program, information system, cooperative support, agriculture in-service training program, coordination measures for food, regular information meetings, conflict prevention and resolution training program, and Woreda level Institutions strengthening, are envisaged.

### **5. Concluding Remarks**

In line with the foregoing, EEPCo strongly suggests that the facts clearly indicated in the ESIA documents are well read and properly understood by all interested/concerned parties so that all misunderstandings will be clarified and therefore negative Impressions will be removed.



## Press Guide to Our Missions on Gilgel Gibe III project

It is to be recalled that preparations are reportedly underway by International Rivers, Survival International and their Kenyan outfit The Friends of Lake Turkana to stage demonstrations in various European cities in which our embassies are located on the 22<sup>nd</sup> of March. In light of the negative developments these groups are planning to highlight at those demonstrations and the media coverage these may draw, it is altogether fitting that our embassies make preparations to respond uniformly to possible queries that could be raised on the issue. The following press guide is intended to cover some of the major issues that need to be addressed.

### About the Project and its benefits

- The Gilgel Gibe III is an important project that will help Ethiopia achieve its rural electrification objectives and help the country to earn foreign exchange from the power exports to neighboring countries. It also offers several advantages to the country in terms of global economic growth, employment generation, environment improvement, development in roads, construction and communication, growth of new social activities along new roads and better health conditions correlated to the social growth.
- The control of annual water flows of Gilgel Gibe River will contribute to agriculture development by controlling water level variations during different seasons.
- In the project area, the main economic benefits will be the temporary but **considerable job opportunities for local population**: about 1000 temporary jobs will be available to skilled and unskilled labor. Most of wages earned by the workers will be spent in that zone; the local economy will experience growth. Contractors will spend money in acquiring goods and services benefiting the local economy too.
- **New roads will be built** to reach the power house and the tunnel adits, etc that will give boost to economic growth. Transportation companies, hotels and small service providers will take advantages of the situation thereby generating additional incomes for their benefits.
- Like other power generation projects, the Gil Gel Gibe III will assist the country in **meeting energy requirement from the year 2012**, as well as allow the country to save foreign exchange in import of fuels. The project will also benefit Ethiopia in saving the scarce forest reserves.

### The Campaign against Gilgel Gibe III

- The campaign against Gilgel Gibe III—and of course to any Hydro-Electric Project—comes mainly from Internal Rivers and Survival International—international NGOs whose business it is to campaign against the construction of such projects on the often false assumption that these will cause “destruction”

of the "traditional lifestyles of local communities." But the main thrust of the campaign comes from special interest groups who have consistently lobbied potential financiers and even succeeding in some instances. Following are the major issues they raise and the responses that will help address the position of the Ethiopian government.

#### **On measures adopted to mitigate the impact of the dam on indigenous Communities of the lower Omo River Valley**

- The major impact associated with the downstream of the dam is raised from the regulation of the river flow both in the dry and wet seasons. The impacts are physical, biological and socio-economical in their very nature.
- In the study, the main features of physical aspects testify an imbalance in the present Omo River hydrological regime due to both heavy deforestation in the upper watershed and erratic rainfalls contributing to higher peak floods. Sudden variations of water levels and frequent floods also cause destructive effects on human and animal life, private assets and public infrastructures particularly in the river delta.
- The study revealed that huge evaporation losses as a consequence of excessive uncontrolled flooding which further contributes to the current recession of Lake Turkana.
- The socio-economic environment has also been thoroughly reviewed by analyzing the existing information and data, as well as by utilizing specific instruments such as field surveys and questionnaires in order to get a sufficient and clear picture of prevailing conditions of local populations and their settlement patterns, ethnic composition, religious and gender issues, sources of conflicts, income and household conditions deriving from traditional agricultural, animal husbandry and fishing practices, and issues of food security.
- One of the project's well identified benefits on water resources is in the possibility to control flooding, thus guaranteeing regularity and yields of downstream human activities, including recession agriculture.
- As such, benefits include a regulatory effect on the hydrologic balance of the Omo River system and Lake Turkana, a diminished impact of unregulated catastrophic events (floods) on riverine human, animal, floral communities, habitats, the possibility to establish infrastructures and human activities, in particular settled agriculture, in many areas previously affected by unregulated floods of uncertain magnitude.
- The Project Potential Impacts, most of which likely to be fully mitigated by the planned water released in terms of environmental flow, high flow and artificial floods of pre-set duration and magnitude, have also been identified on the natural and human local environment.

- The planned river flow regulation includes provisions for a suitable environmental (base) flow, a high pulse flow, and occurrence of controlled flooding. Further, provision has also been made for a set of ancillary mitigation and compensation activities and other developmental actions to be implemented by EEPCo and local Authorities.

#### **On Consultations with the indigenous communities on the construction of the dam**

- The FDRE Constitution contains a number of articles relevant to the issue of environment in public development projects, and the general environment as a whole. As stated in the national policy, the principal objective of public consultation is highlighted under article 92 of Chapter 10, which could be read:
- "People have the right to full consultation and to the expression of their views in the planning and implementation of environmental policies and projects that affect them directly."
- Public consultation, therefore, plays a key role in bringing peoples' participation into project planning and implementation that affects the people directly.
- **A Public Consultation** was initiated in 2006, 2007 and 2008 during the initial phase of the Gibe III- Hydroelectric project. As part of this continuous process, a series of public consultations were carried out with federal, regional, zonal, Wereda and local officials, institutions, project-affected persons (PAPs), community elders and NGOs level.
- Discussion and interviews conducted with the local communities and their leaders indicate that **their attitude towards the project is positive**. Generally, all the consulted groups including local communities and their leaders have positive attitude towards the project. They firmly believe that such project contributes to the attainment of the local, regional and national development goals.

#### **On further consultation processes planned or under consideration**

- The next phase of public consultation indicates the future plan of action for conducting a discourse program. As Public Consultation is part of disclosure of findings, consultative meetings and on-going consultations should be built into the project implementation process. Many of the issues that were raised during the consultation will be taken back to the stakeholders in due course of project implementation.
- The consultation has identified important issues and provided crucial inputs for the preparation of this Public Consultation and Disclosure Plan (PCDP) for Gibe III Hydroelectric Project.

#### **Gibe III dam and the displacement of communities**

- The project affected Persons (PAPs) in terms of loss of assets and property are a total of 355 households, about 188.94 hectares of land, of which 138.7 is farmland, 47 residential housing units, and 71, 852 perennial crops and other trees.
- As a result, one of the most important points to note is that although the Gibe III project is one of the largest hydroelectric projects ever-undertaken in the country, the impact from the reservoir in terms of population displacement is very small. This is because the impounded water will be confined within the gorge of the river far from large population settlement areas.

#### **The dam's impact on the Omo River's natural flood cycle and potential economic collapse in the region**

- The dam will certainly replace the Omo River's natural flood. The Omo River natural flood has a large fluctuation due to various reasons such as climate change, degradation in the watershed and variable rainfall in the upper catchments. The dam will store the excess flood and hence a regulated flow will be available during turbine operation hours and environmental flow will be released during the complete stoppage of the plant which is a very rare phenomenon.
- The availability of continuous flow in the river course will enable the breeding of fishes in the lower Omo region, secure the continuation of the cultural recession agriculture practices in the area, secure the revival of grass lands for the pastoralist, and more importantly, protect the area from the frequent floods causing destructive effects on human and animal lives, private assets and public infrastructures particularly in the river delta.
- The ethnic groups, Dasenech, Karo, Hamar, Mursi, Murle, Mugugi and Nyangatom, all rely on flood recession and river delta cultivation as well as livestock for their subsistence. It is estimated that some 20,000 families are engaged in flood recession and cropping in the delta, on 12,000ha or so, meaning that 100,000 people could be affected. The annual crop production in the region only lasts for three to six months of consumption while the remaining is dependent on food aid. In addition to provision of continuous flow in the river system, the small scale Irrigation schemes proposed in the management plan will definitely improve the agricultural produces in the area.

#### **How many people and communities have been consulted in Ethiopia and Kenya?**

- The overall number of the consultative participants drawn from administrative and community level was more than 2,000 consisting of 203 zonal and Wereda officials, 409 kebele peasant associations council members, 869 community members and 268 individual household heads were consulted through community discussions..

- Full consultation has not been made on Kenya's side since it was out of scope of the project. The ESIA studies especially the downstream study report findings, indicate that the inflow to Lake Turkana will not be affected due to the emergence of the Gibe III dam.

#### **The project and potential ethnic conflicts in the region**

- No, because the main cause of conflicts is water scarcity, and hence when the Gibe III dam will be operational, the excessive floods will be regulated and a controlled flooding for adequate recession agriculture and grazing will be released in a manner that will revive the flow to stable condition. The current state of frequent drought due to prolonged dry season and excessive floods during wet seasons exacerbates the ethnic conflicts in the region. This is due to the low flow during the dry season and the high growth of population in the area in addition to the degradation of land and over grazing of the available grass land.
- The dry season flow of the Omo River will be higher than that of the current conditions due to the regulation and water shortage during the dry season will be permanently solved. The planned mitigation actions indicated on the ESIA studies of Gibe III Dam such as increasing fish farming, animal husbandry and small scale irrigation will stabilize the conflict in the area.

#### **Gibe III project and 'lack' of competitive bidding?**

- There are different methods of procurement such as International Competitive Bidding (ICB) (open, which may include prequalification, or short listing), and direct negotiation. ICB procedures for such big projects usually take at least 3 years.
- On the other hand, at the time of contract award, Salini Costruttori S.p.A had successfully completed the Gibe I Plant and was already working on GG II and Beles Projects.
- The basic study of Gibe III hydroelectric project has been initiated, and completed by the Italian company Salini Costruttori SpA. Salini Costruttori S.P.A has been working in Ethiopia for a long time in the energy sector. It has constructed the Gilgel-Gibe Hydroelectric Project (184 MW), which is currently operational, Gibe II hydroelectric Project (420MW) and Beles hydroelectric Project (460MW) which are at completion phase. Salini Costruttori S.P.A has a satisfactory accomplishment on all projects it has undertaken in Ethiopia / EEP Co. Salini has initiated the development of the Gibe III Hydroelectric Project (1870MW) and signed an MOU to undertake the preliminary study and basic design at its own expense.
- Based on these facts, the GoE has decided to proceed with the project and price negotiation continued. As to the evaluation of a competent independent consultant, the negotiated cost has been proven to be competitive by all standards



and reasonable based on competitive prices of similar projects that were executed between the two parties. When compared with projects currently under construction, the unit cost of energy production (2.86 Euro cents/ Kwh) for Gibe III Plant is found to be low. Moreover, the proposal presented by Salini Costruttori S.P.A found to be in line with EEPCo's /GoE's requirements in terms of technicality, cost and avoiding risks on cost increase on the construction.

#### **Assessments that support the viability of the project**

- The African Development Bank (AfDB) and the World Bank (WB) experts acknowledged Gibe III Hydroelectric Project is the best option in the power sector developments, and would boost the economic and social integrations among the Eastern African countries.
- On a wrap- up meeting held at the Sheraton Addis on October 17, 2009, after a thorough visit to the Gibe III hydroelectric project site, downstream and the Lake Turkana area, the experts affirmed that the project is extraordinarily important for the social and economic growth and wellbeing of the country as well as the region through provision of sustainable power to the Sudan, Kenya and Djibouti.

Among the comments made at the time:

- "In terms of power sharing, quite clearly Gibe III hydroelectric Project has a broader vision in enabling the neighboring countries work together to provide energy and to have greater access to energy that supports the economic growth and poverty reduction.", **Stephen F.Lintner**, Senior Technical Advisor for the World Bank, said.
- The Technical advisor further expressed his impression about the scope and size of the project, and added that he came to recognize the project's valuable impacts not only for the Ethiopian people but also for the regional economic growth.
- **Yogesh Vyas**, Lead Environmental Expert of the African Development Bank (AfDB), on his part noted that the Gibe III Hydroelectric Project is one of the best and exceptional projects in the power sector development in the world. The project "will not only serve the needs of Ethiopian people in terms of provision of electrical power as well as poverty reduction but also a hope for the region to serve Kenya, Sudan and Djibouti. And the location of the dam site and its geological nature is unique. It is an ideal for power development." Vyas said.
- Regarding the project's environmental and social impacts, according to Vyas, AfDB is dealing with issues of complaints through formal process led by its internal review mechanism. Vyas mentioned that **the complaints against the project stem from lack of awareness and proper information.**
- Likewise, **Carlo Boldo**, the Employer's Representative, said that the project is not only giving energy to people but also would enable to enhance in particular the socio-economic development of the downstream people. He also underlined that EEPCo is responsibly committed to take care of all the social and environmental

Issues up to its level best, for which, he added, WB, AfDB and EIB experts appreciated the ESIA documents prepared by the Consultants of EEPCo.