OVERVIEW

IIED Natural Resources Group

**Project name:**
Global Water Initiative

**Project leader:**
Jamie Skinner

**Time frame:**
Ongoing from October 2008

**Cost:**
Approximately £400,000

**Objective:**
To improve development outcomes for people affected by the construction of the Kandadji Dam in Niger and learn lessons on policy and practice that can be applied across the ECOWAS region as a new wave of dams is designed and built.

PROJECT SUMMARY

A new generation of large dams is being built in West Africa. But frustration and resentment still linger from the region’s past dam projects, which struggled to adequately compensate displaced people and have no financial mechanisms to support long-term local development. For the Kandadji dam in Niger, the Global Water Initiative (GWI), funded by the Howard G. Buffett Foundation, set out in 2008 to accompany national authorities and local people in reaching a more socially acceptable outcome. With construction of Kandadji now underway, we have helped facilitate solutions for protecting local rights and sharing benefits. Niger is moving forward with a proposed local development fund backed by dam revenues.

THEORY OF CHANGE

The social impacts of large dams have long been condemned by some vocal NGOs. Yet dam developers do not set out to do deliberate harm. The challenge lies in solving problems that do not lend themselves to standard environmental and social impact assessment, which is usually done quickly to tight budgets and standard formats. GWI set out to influence policy and practice by identifying, along with the dam

Kandadji Dam, now under construction in Niger, will displace 38,000 people. Everything from homes to cemeteries, markets to mosques, must be moved to make way for a 300-square-kilometre reservoir. Previously, the country has never had to relocate more than 100 households for a public infrastructure project.

So although Niger, like any country, has the power to expropriate land and move people in the public interest, it has little experience doing this at scale. Nearby nations in West Africa, however, saw many large dams built from the 1960s to the 1990s, and expropriation has often had long and costly repercussions. A recent review by IIED and IUCN through the Global Water Initiative (GWI) found that decades later, officials are still hearing claims of inadequate compensation and complicated intergenerational grievances.

There are clear implications for a new wave of West African dams, including Kandadji, now being planned and constructed as a solution for renewable energy, agriculture and water supplies. In past cases, these national-level development gains have not usually been felt by people moved from the dam site. Dams seem to have been built despite local people, not for them.

Following World Bank guidelines, most dam projects have adopted a standard of compensating displaced people for lost assets and livelihoods. But our research suggested ways to do better. Through participatory processes, local people could become partners in the project, rather than being moved like chess pieces. And the displaced communities could receive a share of the dam’s benefits to boost local development. With the Kandadji dam project, GWI set out to learn more from the field by accompanying the process and helping Niger avoid some of the problems encountered elsewhere.

The right rights

The first step was to ensure the expropriation and compensation process was well-managed. For this there was a natural test group: 5,000 people living on the dam construction site had to be rapidly moved so that work could begin on schedule. As is often the case in public works projects, funding and assessment for construction had preceded that for social and environmental safeguards, and Niger was under pressure to start expropriations for which there were no detailed plans.

But this was also an opportunity to develop a protocol that could later be used with the 33,000 additional people living in the reservoir basin. Backed by the ministry of justice, GWI organised a workshop for legal experts to think through the tools, teams and procedures needed to get ready for the move.
The aim of the Natural Resources Group is to build partnerships, capacity and wise decision-making for fair and sustainable use of natural resources. Our priority in pursuing this purpose is on local control and management of natural resources and other ecosystems.

KEY LESSONS LEARNT & INNOVATIONS

- Personnel, skill and forethought are crucial for the administrative process of informing, registering, expropriating and resettling people. There is a danger of underpreparing and rushing this process when funds for public-works construction arrive before funds for environmental and social protection.
- Gaining local people's acceptance of relocation provisions will usually also take longer than planned, but their initial consent can prevent legally intractable problems — in this case, tension over land rights.
- Innovative schemes such as local development funds are feasible under existing national policies and legislation.

PARTNERS' VIEW

The detailed expropriation process, which is the task of the judiciary, was unplanned and no training or capacity was initially provided for. The consultation process supported by GWI has promoted an approach that has improved access to justice. This reflects the universal desire to ensure that the law and people's rights are respected, despite the challenges of the dam construction deadlines.

Aladoua Saadou
Expropriation Magistrate, 2010–2012, Tillabéri

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With a well-prepared legal and administrative team, the next step was to tackle the question of rights. This was a sticky legal problem: people were being moved from private land onto public land, and the government had to show that this constituted 'just and equitable' compensation as provided for by law. Full compensation of their loss would require granting the equivalent of private land rights. But for certain rights, such as the option to let fields lie fallow, the government objected. On the land in question, Niger had invested US$20,000 per hectare to install irrigation systems and wanted to see those improvements used for food production.

A high-level working group was convened to study this dilemma. But the key to resolving it was a participatory process involving the affected people. These farmers also had an interest in using the new irrigation systems, and after discussing the collective aspects — one farmer's decision not to plant can harm others using the same irrigation channels — they willingly agreed to forgo the right not to cultivate. Here, a social process solved a problem that seemed otherwise legally intractable.

Lifelong benefits

Finally, IIED helped draft a mechanism for sharing development benefits. In this proposal, three per cent of the dam's revenue (or around US$600,000 annually) feeds a local development fund to be spent on projects chosen by the affected communities. IIED research on this type of fund — controlled by local people rather than remote donors — has found it can be highly cost-effective as well as empowering.

And although locally controlled funding is unusual in development policy, Niger law — particularly a constitutional principle that natural resources belong to the people — already provides the basis for it. The proposed local fund has been accepted in principle by Kandadji's high commissioner and the World Bank-funded Independent Panel of Experts of the Niger Basin Authority, and interministerial consultation is ongoing. Once in place, the fund will assist displaced people with their evolving development needs for the lifetime of the dam — filling a crucial gap that emerged from our previous case studies.

Going forward, learning and systems from Niger's first wave of expropriations can be applied to the second wave — and to other large dams in West Africa. ECOWAS, the region's organisation for economic partnership, has been looking into the regional impacts of dam projects and recently agreed on benefit-sharing guidelines. Niger's experience may show how to apply these directives. And for IIED, lessons from Niger resonate with ongoing work across the institute — on local funds, land tenure, and especially on the practical win-win solutions that arise when local people are not the subjects of development plans, but active participants.