

RESETTLEMENT, CONSULTATION AND COMMUNITY DEVELOPMENT: THE EXPERIENCE OF THE CAMPOS NOVOS HYDROPOWER PROJECT IN BRAZIL

The presentation by Ramon Ruediger, Social and Environmental Manager of Campos Novos Energia SA, is intended to show that projects that require involuntary resettlement can have a successful outcome that satisfies both the affected people and the project sponsors. It will focus on Campos Novos, a private sector hydropower project financed by the Inter-American Development Bank, which is located on the Canoas River in Santa Catarina, Southern Brazil. This region has felt the impact of three other major hydropower projects and a fourth is now under construction.

Large hydropower projects have been some of the most controversial operations in the history of the multilateral financing institutions, including the Inter-American Development Bank. Some projects have required the relocation of thousands of people and have generated heated debates; some have even led to investigation by the IDB's Independent Inspection Mechanism. The intention of the presentation is to show that with good planning, careful consultation, and above all commitment on the part of the project sponsor or executing agency, a resettlement program can lead to significant improvements in the standards of living and livelihoods of the people affected.

The presentation will focus on three main areas: first, on the process of consultation that led to the establishment of a Negotiating Council that represented the affected families and played a key role in defining the terms and procedures for resettlement. Second, it will discuss the social and agricultural extension programs that were critical to improving the living standards of the people that were relocated, and third it will present the Community Development Fund, an innovative approach designed to mitigate the indirect impacts of the project by fostering economic development through a range of productive and processing initiatives in the municipalities affected by the project. The presentation will also briefly look at the negotiations between the project sponsors, and the Brazilian Movement of Dam Affected People (MAB). Finally it will consider the role of the IDB's in the assessment and monitoring of the project

Ramon Ruediger has been managing social and environmental mitigation programs for major private sector hydropower projects since 1998. Before Campos Novos he was working on the Itá Hydropower Project and he is now an adviser to the Foz do Chapecó HPP. Before that he worked for Eletrosul, a public sector company responsible for generation and transmission in southern Brazil, managing the construction of hydropower projects, including the Ilha Grande HPP. From 1993 to 1995 he was Municipal Secretary of Public Works in the City of Blumenau.

The presentation should be of interest to Team Leaders, Investment Officers and other Bank staff working on hydropower and other large-scale energy projects in the public and private sectors. It will also be of interest to social and environmental specialists who are interested in experiences of consultation or who have to address the indirect and cumulative impacts of large scale infrastructure projects.