

CSO CASE STUDY 18

Title: The World Commission on Dams: shaping global policy through multi-stakeholder dialogue and evidence-based research

Country: Global

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Introduction to the case

The World Commission on Dams (WCD), an ambitious multi-stakeholder process to assess the history and future of large dams, and in particular their impact on development and affected communities, was convened in the late 1990s in response to increasing popular protests and a changing business environment. It gathered practitioners representing a diverse range of constituencies, including government, the industry and dam-affected people. Building on a knowledge base gathered through evidence-based research and stakeholder input, the commissioners strived to build consensus among those diverse constituencies, and produced findings and recommendations with the intention to shape global policymaking.

Often considered good practice in terms of process, the WCD also produced positive results and important lessons both in terms of policy, and civil society networking and strategising for influencing policy. However the policy change it generated was limited by the non-binding nature of its recommendations, and reluctance by some major actors to effectively implement them. The mixed response and lack of uptake by some national governments in particular, and international institutions such as the World Bank, have raised questions on the effectiveness of non-binding multi-stakeholder processes.

Type and extent of policy change

The WCD made a number of non-binding recommendations establishing a decision-making framework (including, for example, “gaining public acceptance”, “recognising entitlements and sharing benefits”). Though the response to the WCD was mixed, it did introduce some concepts that were previously largely ignored in debates around dam-building, such as the rights of affected communities and transparency of decision making. It also effectively changed the way some actors do business. Various influential actors in dam-building welcomed the recommendations in the final report of the WCD, incorporating them into their own standards. Skanska, a Swedish dam-building company, immediately endorsed the report. A few years after the report was published, HSBC Bank announced it would not finance dam operations that do not conform to the WCD framework.

At the institutional level, a Dams and Development Unit was created under the auspices of the United Nations Environment Programme, with a mandate to disseminate the report and support dialogues on the WCD's findings between governments, companies, NGOs and other stakeholders. South Africa launched a national WCD initiative which replicated the global process and incorporated WCD recommendations into relevant legislation and policies.

However, some major actors have rejected or only paid lip service to the report. Industry associations (such as the International Commission on Irrigation and Drainage and

International Commission on Large Dams) rejected the report. The response of key governments was also negative: China, India and Turkey dismissed the report's findings and recommendations. The World Bank's response was also mixed. The Bank said it would use the report "as a valuable reference to inform its decision-making process", which meant that it did not feel bound by the report's recommendations (though opinions within the Bank differed on this). The Bank indeed failed to incorporate those recommendations into its own policies and practices. This sent a strong negative signal, given that the Bank was one of the main sponsors of the process.

CSOs, on the other hand, have made ample use of the WCD's report to engage with governments, assess the development impact of dam projects, and sharpen their advocacy strategies. CSOs in Turkey and Uganda, for example, used the WCD recommendations to highlight problems with the Ilisu and Bujagali dams. At the international level, the WCD has yielded important lessons for CSOs on how to engage with other stakeholders, such as international financial institutions. CSOs tried to convince the World Bank to replicate the WCD exercise to discuss the impact of extractive industries and potential changes. But the dialogue process, known as the Extractive Industries Review, fell short of WCD standards in terms of process and stakeholder commitments.

Possible explanations for policy change

a) CSOs were in a strong position and well organised

CSOs were in a strong position due to growing protests against the impact of large dams and international financial institutions on their 50th anniversary. The World Bank, whose role was being challenged, found an acceptable civil society partner in the World Conservation Union (IUCN) to initiate the WCD process. Dam industry representatives were significantly less well organised than CSOs, and were not used to working together (partly because they are competitors). However they agreed to participate due to the growing risks and costs associated with the construction of large dams, which made it increasingly difficult to secure financing.

CSOs invested energy in shaping and feeding into the process, and promoting its outcome. They used their leverage to negotiate the commission's structure, composition and workings, and secure adequate representation. Several civil society members had the implicit mandate to reflect civil society views on the 12-member commission, and a broader consultative forum used as a 'sounding-board' also included CSOs. Co-operation between those CSOs inside and outside the process benefited from existing trust between civil society campaigners. Thanks to electronic communications CSOs were able to strategise promptly and effectively, despite language issues. They participated actively in the process (commenting on drafts, submitting testimonies, leaking information to the press), publicised and promoted the final report, and used it to influence the design of specific dam projects.

b) The use of evidence-based research

The WCD commissioned its own research: in-depth case studies on specific large dams, a cross-check survey of 150 large dams, thematic and country reviews, and submissions/

regional consultations. Teams of national consultants carried out the case studies (raising neutrality issues but ensuring knowledge of the local context). They were asked to seek both quantitative and qualitative information and to reflect the point of view of all stakeholders. This was achieved for example through multi-stakeholder review meetings. The most credible and substantial studies were those carried out by researchers combining interdisciplinary expertise with perceived political neutrality. Conflicts over knowledge control sometimes erupted as governments and industry associations proved to be wary about sharing dam-related data with the WCD.

The WCD committed early on in the process to adopt transparency and inclusiveness as the guiding principles of its work. It was crucial for the credibility of the Commission to appear to be gathering evidence in a balanced way, reflecting the perspective of the various stakeholders. Overall this proved to be successful, despite issues of resources, timeframe, language and access to communication channels.

To produce their final report Commissioners relied on the case studies, thematic reviews, dam survey and submissions/ regional consultations mentioned above. These were the four 'pillars' of a 'knowledge base' used by Commissioners to produce three thematic reports, which in turn formed the basis for the WCD's final report.

c) International factors:

Given that the WCD was a global process, many international factors were at play. One of those factors was the tension between global policy making and national sovereignty. Many governments were reluctant to engage in a process that would challenge their national legislation and practices. There were few concrete incentives given the non-binding nature of the recommendations (which made the response of international financial institutions such as the World Bank all the more crucial).

Another international factor that played a part in the process was civil society networking and alliances at the international level. Previous and ongoing campaigns against specific dams and international financial institutions (such as the World Bank and the IMF) meant that some level of trust among NGOs had been achieved, and that international networks and communication channels were already in place. There were some limits and challenges, however, such as languages issues, and a disparity of resources and access to policy-makers among Northern or international NGOs on the one hand and Southern, local NGOs on the other hand.

Lessons learned

The WCD is a key case of global policy-making through multi-stakeholder dialogue. The main lesson is that well-organised civil society coalitions can influence policy formulation by engaging in a dialogue with official and private stakeholders, even when initial views appear to differ strongly.

Other possible lessons include:

- although debating a controversial issue, participants in the WCD were able to reach a substantial consensus because they felt the concerns of their implicit constituency were reflected in the process (including through evidence-gathering);
- consensus among participants (in that case Commissioners) does not necessarily translate into a broad consensus among the constituencies they informally represent;
- building a solid, evidence-based knowledge base in a way that is acceptable and credible to stakeholders involved was instrumental as a first step towards achieving a constructive dialogue;
- while multi-stakeholder processes are an innovative way to shape policy, the non-binding nature of the WCD recommendations, key to getting a diverse range of stakeholders on board, also limited the eventual uptake, including by the World Bank who co-initiated the process;
- because governments are still the key actors for policy formulation and implementation, partial failure to get major, wary governments on board limited the impact of the multi-stakeholder exercise
- because of their knowledge of the political, cultural and environmental context, national researchers should be preferred to international consultants to carry out case studies feeding into a global policy formulation exercise. There is, however, a potential trade-off in terms of (actual or perceived) neutrality and objectivity.

Key background documents are available at www.dams.org and <http://www.wcdassessment.org/>