



**Friends
of the Earth**

Briefing note

AMEC and the Yusufeli Dam

The Yusufeli Dam - Background and Impacts

The Yusufeli dam and hydro-electric project is planned to be built on the Coruh river in North East Turkey. It would form part of a wider scheme on the Coruh river - the associated Artvin dam would be built later in a second phase, and two other dams at Borcka and Muratli form separate projects. The Yusufeli dam would take 7.8 years to construct and would have a generating capacity of 540 MW. Serious concerns have been raised over the dams environmental, human rights and cultural heritage impacts. Thousands of people will be forced to move, threatening their livelihoods and ways of life - but no resettlement plan has yet been made public and consultation has been minimal.

Who's behind the dam?

The Turkish Ministry of Energy and Natural resources authorised its General Directorate of State Hydroelectric Works (DSI) to carry out negotiations and agree contracts with the consortia. The consortium awarded the contract for Yusufeli and Artvin dams is led by Spie Batignolles TP. At the time that the contract was awarded, the consortium consisted of:-

The Civil Works Group: Spie Batignolles TP (France - leader); Abay TS (Belgium); Alstom Acec Energie (Belgium); ABB Generacion SA (Spain); Alstom Hydro SA (Spain); AMEC (UK).

AMEC was involved in the consortium until March 2002 when it withdrew from the project. AMEC still have a considerable interest, however, through its 46 per cent ownership of Spie. AMEC also has the option to purchase the remainder of Spie this year

The Electrical and Mechanical Group (Coruh Civil Contractors): ABB Alstom Power Hydraulique (France -Leader); BB Alstom Power Hydro (France); Spie Enertrans (France); Abay TS (Belgium); Alstom Acec Energi (Belgium); ABB Generacion SA (Spain); Alstom Hydro SA (Spain).

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Friends of the Earth Limited company number 1012357
Printed on paper made from 100 per cent post-consumer waste

April 2002

The Engineering and Consultancy Services Group: Coyne & Bellier (France - Leader); Dolsar Engineering (Turkey).

The project financing is being worked out by Paribas and Barclays in liaison with the French Administration, the other countries' financing entities and the Turkish Treasury. The total value of the project is US\$838m.

Impacts of the Dam

The Yusufeli project would directly affect 15,000 people, mostly Turkish citizens of Adjarian (Georgian) descent, forcing many of them from their homes. Up to another 15,000 people could also be indirectly affected. 18 towns and villages, including the town of Yusufeli, will be completely or partially submerged by the dam. Much cultural heritage would also be lost, including Yusufeli's historic Barhal church, Ishan fortress and church, Demirkent fortress and church, Cevreli-Meydan citadel and Kilickaya fortress.

The Yusufeli dam would also have negative impacts on the Coruh river and its surrounding environment which currently remains undisturbed. The area surrounding the river is rich in wildlife, including the threatened brown bear, wild boar, wolf, jackal, and pine marten.

Environmental Impact Assessment and Resettlement

Assessments and proposals for the construction of the four dams and hydro-electric power plants were based solely on technical and economic criteria. There are concerns that the environment and social impacts were not sufficiently assessed. In addition, assessments were carried out in 1985 and have not been updated to reflect changed conditions in the region.

As part of its application for export credits from the UK Export Credits Guarantee Department, AMEC, when still involved in the project, provided the UK Government with the Environmental Impact Assessment (EIA) and the Resettlement Action Plan (RAP) for Yusufeli. The ECGD has refused to release them, however, denying both the British public and locally affected communities their right to scrutinise and comment upon the environmental, social and economic impacts of the dam. Reports from the region suggest that resettlement is being pushed ahead without public consultation.

Dams elsewhere in Turkey, such as the Birecik and Ataturk dams, have been plagued by resettlement problems. These include lack of adequate consultation and significant numbers of those displaced being left worse off than before, in contravention of international standards.

The World Commission on Dams (WCD)

The World Commission on Dams (WCD) was set up by the World Bank and the International Union for the Conservation of Nature in 1997 "to review the performance of large dams and make recommendations for future planning of water and energy projects". The WCD's independence - reflected in its composition - is widely acknowledged. The Commission consisted of government representatives, industry leaders, academics with expertise in the energy and water sector, respected civil servants and members of the NGO community. A number of international companies also assisted the WCD in developing guidelines for the future of water and energy development.

The WCD published its report, Dams and Development, in November 2000. The WCD's report and conclusions are based on a consensus reached by the Commission. The WCD's guidelines are now widely acknowledged as the benchmark for international best practice and have been termed "a major milestone" in the dams debate. Further information on the WCD, including the report and guidelines, is available at <http://www.dams.org/>.

Friends of the Earth and the Ilisu Dam Campaign are calling on AMEC and Spie to formally adopt the principles and guidelines of the WCD. This would enable the companies to ensure that time and money are not wasted by becoming involved in unsustainable dam projects in the future and that they are contributing to sustainable development rather than supporting destructive projects at home and in other countries.