
Philippines: Local people against the San Roque dam

The San Roque Dam is to be located on the lower Agno River of Pangasinan Province, in the Cordillera region of Luzon island in the Philippines. If built, San Roque would be the tallest dam --at 200 meters-- and largest private hydropower project in Asia, generating 345 megawatts of power. Electricity generated by the dam would be primarily used to power industrial activity and the burgeoning mining industry in northern Luzon. Preparation of the site began in 1998, and construction is slated for completion in 2004. San Roque is the third dam to be constructed on the Agno river: the first two, Binga and Ambuklao, were built in the 1950s.

The San Roque Power Corporation (SRPC) is owned by a Japanese trading company, Marubeni (41%); a subsidiary of US energy company Sith Energies Inc. (51%), which is 29% owned by Marubeni; and a Japanese utility company, Kansai Electric (7.5%). In 1997, the Philippines National Power Corporation (NPC) gave the SRPC the rights to build, operate and maintain the project for a period of 25 years. In return, the NPC has agreed to buy power for a price of P2.98 per kilowatt-hour. In April 1998, US-based Raytheon company won a \$700 million sub-contract to design and build the facility.

The project cost is estimated at US \$1.19 billion. In October 1998, JEXIM (the Export-Import Bank of Japan) approved a \$302 million loan to the private sector developers, and is considering an additional \$400 million loan to finance the Philippines National Power Corporation's contribution to the project. Other financing is expected to come from a consortium of Japanese commercial banks and equity provided by the project sponsors.

Project benefits are said to include irrigation of 87,000 hectares, water quality improvements due to reduced downstream siltation, and 50 percent reduction of floods which destroy crops during the rainy season. However, the two upstream dams, Binga and Ambuklao, have been plagued by excessive sedimentation due to logging and gold mining operations in the Agno watershed, resulting in more severe floods at the upper end of the reservoirs. There is no reason to believe that the situation will be any different at San Roque.

Over 160 families at the dam site in Pangasinan were forcibly displaced in early 1998 and for almost a year were living in desperate conditions at a temporary site. They were promised land, houses, alternative livelihood sources and social services, but instead the NPC distributed P10,000 per family as supposed compensation. Only in late January 1999 were 147 houses in the new resettlement site handed over to the displaced families. Another 402 families in Pangasinan will be required to relocate before the project is completed.

The project is fiercely opposed by thousands of indigenous Ibaloi peoples upstream of the dam site. NGOs in the region estimate that if the dam is built, more than 2,000 Ibaloi families in Itogon, Benguet will be adversely affected by the project. Many of the people facing resettlement were forced to move once before to make way for the Binga and Ambuklao dams upstream. The livelihoods of tens of thousands of downstream residents will be affected due to erosion and destruction of fisheries.

It is important to underscore that JEXIM's environmental guidelines state that people resettled by projects it funds must have given their consent. Given the strident opposition of the populations slated for resettlement, it appears that JEXIM's support for this project violates its own guidelines. Affected peoples have written to JEXIM in protest, to no avail.

Approximately 4,000 residents, municipal and barangay officials including the mayor of San Nicholas, Bagong Alyansang Makabayan - Central Luzon (BAYAN-CL) and the Cordillera Peoples Alliance (CPA) trooped to the municipal plaza and held a rally calling for the stoppage of the San Roque Dam project last September 30th, 2000 in San Nicholas, Pangasinan. The rally highlighted the failure of the Marubeni Company to meet the peoples' demands and conditionalities attached to the dam construction.

Local organizations have been campaigning for the total stoppage of the dam project because of its adverse social and environmental effects on the host community. Furthermore, they believe that the project will not benefit the Filipino people. Besides being a burden to the Filipino taxpayers, the \$1.2 billion dam will only serve the energy needs of the foreign mining companies who are out to exploit their natural resources. The project also violates the indigenous peoples and farmers rights over their lands.

Article based on information from: San Roque Hydropower and Irrigation Project, International Rivers Network, March 1999; Cordillera Peoples Alliance, Press Release 11/02/00