Belize: Another turn of the screw on the Chalillo dam project

In November 2001, a Belizean court had ruled in favour of the construction of a hydro-electric dam on the upper Macal river by Belize Electricity Limited (BEL), the majority of which is owned by Fortis, Inc. of St. John's, Newfoundland, Canada, (see WRM bulletins 44 and 54). The Belizean government has privatised its electricity industry, just keeping a minority share of BEL. Fortis Inc. is the owner of both the energy distribution company in Belize (Belize Electricity Limited, BEL) and the largest energy supplier in the country (Belize Electricity Company, BECOL). Between Fortis-BEL and Fortis-BECOL, Fortis companies generate 48% of the electricity sold in Belize, with the rest coming from a connection to the power grid in Mexico.

The huge concrete dam known as "Chalillo dam", is planned to be built across the upper Macal river, designated a "biogem" because of the range of habitats found in the area near the Maya mountains in the south-west of the country. If built, the dam would flood more than 1,000 hectares of the surrounding rain forest --site of many unexcavated Mesoamerican ruins--, destroying the foraging area for jaguars from the nearby reserve, as well as the unique riverbank feeding grounds for the Baird's tapir, Belize's national animal, listed as endangered by the International Conservation Union. The greatest fear of Belizean and international environmental organisations --which have enlisted the support of Hollywood stars Harrison Ford and Cameron Diaz-- is the loss of the Belizean scarlet macaw --a large colourful parrot--, of which there are no more than 150 left in the wild.

Fortis already operates another dam in Belize, the Mollejon. When it opened 10 years ago the company claimed it would supply more than enough electricity to meet the growing demands of the 250,000-strong Belizean population without the need for any further construction. A recently completed study of the Macal River shows that the Mollejon dam has probably caused eutrophication on the river. Villagers downstream from the dam have experienced water quality problems and skin rashes since the dam was built. The effects of a second upstream dam could exacerbate these problems.

Local people see no benefit from the mega-project but rather harmful impacts on their national heritage and hotspots, which has led to mounting opposition. Local conservationists have been working together with international groups including the Sierra Club of Canada, Probe International, [Newfoundland Group] and the Natural Resources Defense Council (NRDC) to protect the Macal River Valley. Belizeans also fear that the Chalillo dam would raise energy rates.

Fortis commissioned an environmental impact study from Amec, the British construction group. The hired scientists from the Natural History Museum in London concluded that much more work was needed in the region before the dam could proceed, but their recommendations were buried in an annexe of the final 1,500-page report. Colonel Alastair Rogers, a former Royal Marine and co-author of the assessment, now says the dam could be a disaster for the area. "Fortis claims that the bedrock of the area is granite. We believe that the presence of a large amount of porous rock such as limestone could render the dam useless. The forest would be flooded, but the water would drain away. You'd be left with all the negatives and none of the positives."

Those opposed to the new dam want the government to support the use of alternative, sustainable energy, such as the use of bagasse, a byproduct of the sugar manufacturing process which was once a major industry in Belize, or to buy in power from neighbouring countries, which could cost less over the long term.

The Belize Alliance of Conservation Non-Governmental Organisations (BACONGO) has challenged the project in the court. On March 31, Belize's Appeals court finally ruled denying BACONGO's challenge. The organisation has announced that it will appeal to the Privy Council in London, the highest court of appeal for cases in the British Commonwealth. BACONGO has also written to the Public Utility Commission of Belize to challenge the illegal status of Fortis' Belizian subsidiary, BECOL, which has been operating the existing Mollejan dam on the Macal River without a licence. All electric generators in Belize above 75 kilowatt capacity (BECOL's dam is about 3000 times bigger) are required to have a licence. According to Lois Young, the Belizean lawyer for BACONGO, this means that the company was breaking the law and breaking the terms of the original sale contract, with the knowledge of the Belize government. BACONGO also pointed out that the PUC cannot even consider the current application of Fortis/BECOL for permission to build Chalillo dam until BECOL obtains a licence. Under Belizean law, the PUC must fully consider economic, environmental, and social factors and should provide an opportunity for a public hearing.

Article based on information from: "Belizean macaws and tapirs threatened by dam project", Elizabeth Mistry, The Independent, http://news.independent.co.uk/world/environment/story.jsp?story=394439 ; "Canadian dam threatens jaguar habitat", http://www.ryakuga.org/belize/first.html ; "Fortis Profits at the Expense of Belizeans", "Belize groups to take Chalillo dam case to Privy Council in England", Stop Fortis!, http://www.stopfortis.org