

# Navigating the Ethics of Stakeholder Involvement: A Case Study of Ethiopia's Gibe III Dam on the Omo-Gibe River Basin

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(2407 words without references)

## 1 Introduction

The development of dams is often the subject of huge controversies. Due to the complex nature of river basin systems, the introduction of any control mechanisms by a party will produce much spillover effects to its neighbouring regions within the watershed. Dams must be managed carefully with an understanding of the various technical, environmental, social, economic, and geo-political implications it induces.

### 1.1 Background

The Omo-Gibe Basin is one of the 12 basins in Ethiopia. The basin spans over 79,000 km<sup>2</sup> and encompasses parts of all 4 regional states. It is home to 7 million inhabitants, of which lowland pastoralists account for a significant portion. It is characterized by diverse landscapes ranging from wet highland areas with an annual average rainfall of 1200mm to relatively dry lowlands averaging 500mm.

The basin currently accounts for 45% of the current hydropower supply of Ethiopia with the Gibe hydropower plants (Gibe I, II, III) and over 100,000 ha of large-scale irrigation. To accommodate its growth potential, Ethiopia is designing more hydropower dams (Gibe IV and V) and 150,000 ha for large-scale irrigation development.

### 1.2 Problem Context

Such developments dealing with large-scale irrigators and reservoir operations pose numerous implications for water security within the country and downstream countries:

On a national level, issues emerged with the Gibe III dam. The shift in seasonal flooding patterns, a direct result of dam operations, has greatly affected flood retreat agriculture - a farming practice that relies on seasonal flooding for irrigation (Pertaub et al, 2019). The reduced water flow has led to a shortage, impacting the livelihoods of pastoralists along the Omo River who depend on farming and fishing (Avery, 2014). This decline in water levels also has broader implications, affecting groundwater recharge and potentially causing long-term problems for local communities and ecosystems, like subsidence and the drying up of aquatic environments (African Resources Working Group, 2009).

Beyond national conflicts, the dam constructions upstream have caused tensions with downstream countries like Kenya. Lake Turkana has faced low water levels as a result of Ethiopian dam operations and this has increased the salinity of the water, impacting the drinking water supply and fish habitats crucial to the lives of indigenous communities in the region (Avery & Eng, 2012).

Much of these conflicts are also attributed to the planning and approval process and there are already several accusations in areas of contracting, and impact assessments (Greste, 2009).

### 1.3 The Ethical Dilemma and Research Questions

Considering the countless negative statements surrounding the past dam projects (especially the Gibe III Dam), this prompts a clear ethical dilemma—whether these dams should at all be commissioned considering the trade-offs made and the insufficiencies in the stakeholder management process.

The motivation for analysing past projects also has significant relevance to the present considering how Ethiopia is in the process of constructing Gibe IV and V and negotiating its operational plans.

As such, these are the following research questions:

(RQ1) Were the trade-offs made for the Gibe III project at all justified?

(RQ2) In what ways was the stakeholder involvement process insufficient in the planning process?

(RQ3) Finally, what are the possible suggestions and recommendations to take in future dam projects?

## **2 Assessment and Analysis**

In this section, I discuss the ethical framework to be used to answer the research questions and will explain my motivation.

Concerning Research Question 1, I intend to focus on more consequentialist views towards the trade-offs made in the Gibe III project. I draw insights from various ethical lenses such as Utilitarianism and Distributive Justice to discuss if the resultant trade-offs are justified.

In contrast, Research Question 2 intends to understand the Gibe III project from a non-consequential ethical lens. More specifically it uses procedural justice to understand the processes of decision making used by which outcomes are made. Additionally, the lens of rights ethics is included to present a meta-perspective on the responsibility to maintain justice.

Finally, in Research Question 3, I will summarize based on the findings in the analysis, suggestions on how to better manage future dam projects (Gibe IV and V) in the Omo-Gibe River Basin.

## **3 Analysis of Trade-offs for the Hydroelectric Project**

### 3.1 Context: Understanding the Main Trade-offs

The main motivation behind the Gibe III Dam was primarily centred on addressing key national development goals. As stated in the original project assessment by the European Investment Bank, African Development Bank and World Bank Group (2008), the primary developmental objective would be to increase its population access to electricity rates – from 25% in 2008 to 50% by 2010. This project is enticing as Ethiopia has massive hydropower potential, possibly the highest in Africa. This hydropower generation was also intended to be an additional source of income for the country through exporting energy to subregions like Kenya and Sudan.

However, the main cost of this would be on the local indigenous population downstream of the river basin. The construction of the dam alters the water levels and fluvial processes, affecting the water supply and ecosystems that people in the lower Omo Valley rely on for their livelihoods.

### 3.2 Ethical Discussion: Utilitarianism as the Main Grounds of Assessments

From the very beginning, the nature of the assessment surrounding the hydropower project has been dominantly utilitarian – where if the overall utility from the construction of the Dam outweighs the negative consequences, it will be ethically justifiable. This can be seen from how the assessment plans revolve around a Cost and Benefit Analysis (CBA) where most of these costs and benefits are initially framed from an aggregated or “national” perspective. Statements in the project assessment mostly focused on implications and risks to actors such as Ethiopia, lenders, and regional countries.

Finally, it can also be further inferred that the grounds on which the hydroelectric project was approved were also utilitarian; the assessment was concluded on the basis that the costs of environmental mitigation are “marginal” to the benefits from the exploitation of the hydropower developments (EPPCO, 2008, p.22). The economic valuations of benefits greatly exceed the social and environmental costs.

### 3.3 Ethical Discussion: Deficiencies in Distributive Justice

In a contrasting light, if such assessments are argued from a distributive justice point of view, it would reap a different judgement. Distributive justice is often a “response” to utilitarianism where how the benefits and costs are distributed is a subject of importance (Doorn, 2019, p. 110). In this case, the act of prioritizing national interests over those of minority groups would be permissible in utilitarianism but not so in distributive justice to multiple extents.

This can be reasoned from the two distinct approaches of distributive justice, *Prioritarianism* and *Sufficientarianism*—where the former focuses on looking out for the most vulnerable as opposed to the latter which emphasizes a minimum threshold for all. (Doorn, 2019).

From a *Prioritarian* perspective, the ethical consequences of the construction of the dam are huge as it disproportionately burdens the least advantaged group of people in the region. This project does not only harm the livelihoods of the indigenous community but also contributes to worsening inequalities in the broader context of society. Overall, this decision of allowing the vulnerable to bear the costs is the antithesis of what a Prioritarian would like to achieve.

From a *Sufficientarian* perspective, the project is also not ethically justifiable. The pursuit of hydropower dams was intended to meet Ethiopia’s energy needs; however, it compromises the sustainability of crucial ecosystems and negatively impacts the access to water—all fundamental necessities for livelihoods in this region. In this light, the basic threshold remains not adequately safeguarded and is essentially conflicting with Sufficientarian values.

## **4 Analysis of Stakeholder Involvement in Planning Process**

### 4.1 Context: Summary of Stakeholder Process

As disclosed by the environmental and social impact assessment by the Ethiopian Electric Power Corporation (2008), it prides itself on having “initiated public consultations and disclosure from the outset and the project is committed to continuing the process throughout the project life” (p. 20). They mentioned how their consultation was designed to meet the interest at different administrative levels, from Federal, Regional, Zonal, and local officials – even community members and households, coined as “Project Affected Persons (APA)”, were included. The project emphasized its responsibility to “provide all stakeholders at all levels... with accurate and up-to-date information about its plans

operations” through methods such as a National Consultation Workshop and a permanent project website to facilitate stakeholder communication (EPPCO, 2008, p. 21).

#### 4.2 Ethical Discussion: A Lack of Procedural Justice in Existing Processes

It is indeed quite clear from these frames that the project wanted to invoke a sense of procedural justice in their impact assessments, where they focused on showing *transparency* in information as well as *informed consent*.

However, this image is heavily contested by the African Resources Working Group (ARWG) (2009), an independent group of scholars, who have highlighted major deficiencies of the stakeholder involvement in the EIA report by EPPCO.

Firstly, the ARWG hinted that the stakeholder involvement process was not an honest one. In their investigations, they found that the local officers conducting discussions were told to just fill out the forms by themselves in the office. Additionally, it was reported that multiple villages were completely uninformed about the Gibe III project and had no knowledge of its planning (ARWG, 2009). This is quite a contrast to their statements about how a continuous and robust consultation process was conducted.

Secondly, they also highlighted how the analysis was heavily biased and incorrect, and hence, informed consent would not be possible. This comes from various aspects (ARWG, 2009) from errors in calculations (p. 12), exclusions of specific considerations e.g. seasonal flooding and salinity in Lake Turkana (p. 16), and even distortions of simulation results i.e. creating a downstream flood simulation for mitigation measures when it is proven to not be effective (p. 18). It appears that data was skewed in a certain way to downplay the costs borne by the Lower Omo indigenous communities.

#### 4.3 Ethical Discussion: Rights Ethics and The Duties in Stakeholder Involvement

After diving deeper into the intricacies of the planning process, it hints how the insufficiencies and lack of procedural justice in stakeholder involvement were unfortunately quite intentional. This then begs the question of whose responsibility this would be – as a means to understand who and what kind of call-to-action could be necessary. This can be seen from two main perspectives, forward-looking responsibilities and backward-looking responsibilities which essentially are responsibilities pre-incident and post-incident (Doorn, 2019).

The forward-looking responsibilities are undertaken by the government bodies; the Government of Ethiopia have the responsibility to secure the people’s rights to water and resources. Additionally, the government also has the responsibility of establishing the ethical oversight or foundations on which the legislation and enforcement of the planning processes should be based. They are accountable for creating an environment where transparent and inclusive stakeholder engagement can exist.

The backward-looking responsibilities are undertaken by the regulatory authorities, in this case, the EPPCO. They were the independent investigative bodies responsible for conducting thorough investigations on the trade-offs in the Gibe III project; if the investigations were wrong, they were to be blamed and were to be accountable (Doorn, 2019).

## 5 Discussion: Suggestions and Recommendations

### 5.1 Recommendations to Manage Trade-offs better

As illustrated by the analysis, we understand how the underlying reasoning for justifying hydropower is based on a utilitarian one and lacks in having distributive justice. However, it is also important to know that Utilitarianism and Distributive Justice are not mutually exclusive concepts and there is potential to incorporate elements of both.

Firstly, the decision-making of the project could include additional mechanisms that mitigate the lack of distributive justice, for example, compensation. This involves compensating those adversely affected by the project to address the imbalance in the distribution of benefits and burdens.

Implementing robust compensation schemes, backed by thorough assessments of the impact on local communities, can help rectify distributive injustices by providing affected parties i.e. indigenous communities, with tangible and fair payments for the changes imposed on their lives and livelihoods.

Secondly, fair distribution could be perceived as a form of utility. In this context, ensuring that the benefits of the hydropower project are distributed equitably among all stakeholders becomes a means of maximizing overall utility. Fair distribution contributes to social well-being and, in turn, enhances the overall utility derived from the project. This requires careful consideration of the needs and interests of diverse stakeholders, including local communities, and incorporating their perspectives into the decision-making process. Stakeholder participation and engagement can help identify priorities and preferences, contributing to a more just distribution of costs and benefits.

### 5.2 Recommendations to Improve Stakeholder Involvement

On the other hand, the stakeholder involvement process was subpar even though a great deal of effort was used to frame otherwise. It can be likewise inferred that procedural justice is seen as important but not treated seriously at all, or even seen potentially as a hindrance. From a realist point of view, trying to inculcate the value of justice in institutions is difficult, and hence, taking a lens of responsibilities provides a starting point to which interventions can be prescribed.

Firstly, there could be better ways to institutionalize certain ethical considerations within the Government of Ethiopia since they hold forward-looking responsibilities (in the form of obligations). For instance, there can be clear legislative foundations that secure the rights of the people it governs. Additionally, there can also be laws developed and enforced to set standards for stakeholder engagement in planning processes.

Secondly, Regulatory Authorities such as EEPKO could improve in their capacities since they hold backwards-looking responsibilities (to execute impact assessments). There can be investments in training programs, resources, and expertise to conduct better investigations and better facilitate stakeholder engagement processes.

## 6 Conclusion

Overall, this essay examines the critical trade-offs and the involvement of stakeholders that shape both the successes and failures of the Gibe III Dam project. Identifying the underlying values present (or implied) in the trade-offs and processes allows for a deeper comprehension of decision-making—from the dominant logic in water management decisions to the notions of legitimacy in government processes.

Additionally, alternative ethical theories are introduced to explore diverse management approaches for future dam operations. By evaluating the current status quo from various perspectives, the paper aims to identify potential solutions that can enhance the overall decision-making process. The objective is not to favour strength in one ethical dimension but rather to leverage a variety of ethical theories to improve the resilience and robustness of decisions.

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