



MOVIMENTO DOS ATINGIDOS POR BARRAGENS – MAB

Secretaria Nacional

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Brasília, 02 June, 2005

Mr. Enrique V. Iglesias

President, Inter-American Development Bank
C.C. Members of Board of Executive Directors
Washington, D.C.

Dear Mr. Iglesias;

We are farmers, artisanal gold miners, fisher folk, and riverbank dwellers, expelled from our homes and work areas by the construction of the Cana Brava Hydroelectric dam, in Goiás state. We are carrying out a demonstration in protest at the Brazilian headquarters of the IDB. We want the Inter-American Development Bank to take concrete and immediate measures to resolve the serious problems affecting our families, as a result of the construction of this dam that your bank financed.

We are tired of waiting. Three years ago, the hydroelectric dam was already in operation and the dam-affected population lived in a situation of total desperation. The Suez-Tractebel company refused to negotiate with us. The IDB, through its Social Audit, Independent Monitoring Report, Independent Inspection Mechanism, among others, is already aware of some of the innumerable problems that exist and of Tractebel's negligence in failing to resolve these social problems. Despite this fact, nothing has been done. Our legal system is incapable of guaranteeing justice and it works in favor of corporate interests. The Brazilian government, afraid of scaring off investors, refuses to intermediate the conflict and it wishes to transform our families in "clients receiving handouts".

Tractebel has been one of the multinationals that has gained most as a result of the wave of privatizations of public services. Various communities have mobilized against the efforts of this company to control water and energy resources. At the same time, there are accusations of scandals and bribes to officials of various national governments by Tractebel, in order they could better achieve their objectives. The recent announcement that Tractebel has paid off its loan to the IDB for construction of Cana Brava ahead of schedule, in order to free itself from obligations to comply with bank policies did not surprise us. Despite this fact, neither Tractebel, nor the Brazilian government nor the IDB are exempt from responsibility regarding the situation in the region. If there is no solution found for the problems these organs have created, conflicts will increase, driven by the reality of desperation and violence which will get out of control.

We demand that the Inter-American Development Bank take steps to solve the situation, regarding the following points:

- **The immediate resettlement of the 580 affected families who were ignored by Tractebel:** These resettlements should be in areas of good soils, and of at least the minimum size recommended in Brazilian law. The lands should be acquired in the region where we currently live. Each resettled family should have a house, whose size should be determined in accordance with the number of members in the family. The house should have good-quality electricity and running water. There should be roads, a warehouse to stockpile our produce, and tools for each lot. A community center should be built, with a school, a space to hold celebrations, a church, a cemetery plot, a football field, and a health post.
- **Temporary monthly support for the 986 affected families until they are able to return to self-sufficiency:** The dam took away the jobs and income of 986 families. For this reason, they need monthly support of US\$125 to buy medicine, clothes, books and school supplies, to pay the electricity bill, and to be able to rent a house until the new houses are ready.
- **Subsidized agricultural credits to permit the 986 affected families to return to their prior level of production:** The dam promised to bring development to the region, but instead the communities got poorer. Each family should receive a subsidized credit of US\$1,250 per family so that they may invest in production in 2005 (planting crops, raising fish in the reservoir, buying cattle, buying equipment, buying fruit seedlings, etc.)
- **A review of compensation:** The criteria utilized to define the values for compensation to dam-affected families must be immediately made public, as well as the value of these compensations. With these figures available, a tri-partite commission should be formed (MAB + Federal government + IDB/Tractebel) in order to review and correct errors. We demand that the company provide a list of all families who were denied their right to compensation, as well as the reasons for denying them indemnification.
- **Recuperation and development of the communities and towns affected by the dam:** A public and participatory project for development in the region affected by Cana Brava dam, with the availability of an investment fund managed by the affected families themselves. The project should take into account the problems caused by the construction of the dam, such as the isolation of diverse communities partially affected, who were left without roads, ferries, transportation, etc; the appearance of various diseases; the death of hundreds of animals due to an attack of rabies spread by bats and other animals, which did not take place before the dam was built. Dozens of children who should be in school are not, because the dam cut off their communities from access to schools. In the town of Cavalcante alone, 50 dam-affected children cannot attend school, and another 100 can only attend sporadically.

- **Immediate public access to all documents regarding studies and investigations carried out by the IDB or by Tractebel regarding Cana Brava dam.**
- **An agreement to contract a technical team to provide agricultural, social, and health technical assistance to all affected families.**

We will await your reply.

Sincerely,

Nazareth Pereira

Manoel Leite de Oliveira

Leduino Domingues do Nascimento

Coraci Dias Ferreira

Wanderleia Narciso Vasconcelos Mendes

Agenor Costa e Silva

For MAB's coordination at Cana Brava dam

Support groups: Ação Brasileira pela Nutrição e Direitos Humanos (ABRANDH); Comissão de Direitos Humanos e Minorias da Câmara dos Deputados; Federação de Órgãos para Assistência Educacional e Social (FASE); Food First Information and Action Network (FIAN Brasil); Fórum Brasileiro de Segurança Alimentar (FBSAN); Fórum de Entidades Nacionais de Direitos Humanos (FENDH); Instituto de Estudos Sócio-Ambientais (IESA); Instituto de Estudos Socioeconômicos (INESC); Movimento dos Pequenos Agricultores (MPA); Movimento dos Trabalhadores Rurais Sem Terra (MST); Projeto Relatores Nacionais em Direitos Humanos Econômicos Sociais e Culturais (DHESC); Plataforma Brasileira de Direitos Humanos Econômicos, Sociais e Culturais; Movimento Nacional de Direitos Humanos (MNDH); Equipe de Conservacionistas Santa Cruz (ECOSC); Justiça Global; Terra de Direitos; Comissão Pastoral da Terra (CPT); Pastoral da Juventude Rural (PJR); Fórum Nacional pela Reforma Agrária e Justiça no Campo; Rede Brasil sobre Instituições Financeiras Multilaterais; Fórum Brasileiro de ONGs e Movimentos Sociais para o Meio Ambiente e Desenvolvimento (Fboms); Via Campesina; Movimento de Mulheres Camponesas (MMC); Federação dos Estudantes de Agronomia (Feab); Rede Nacional de Advogados Populares (Renap); Rede Social de Justiça e Direitos Humanos; Conferência Nacional dos Bispos do Brasil (CNBB); Fórum Carajás.