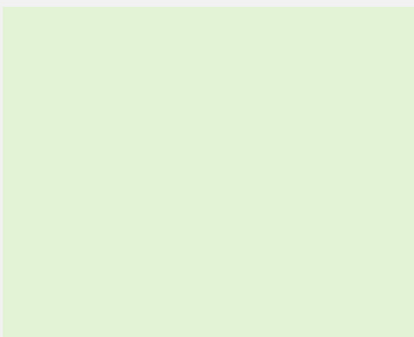
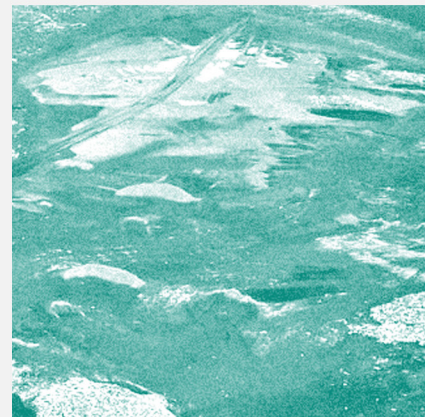
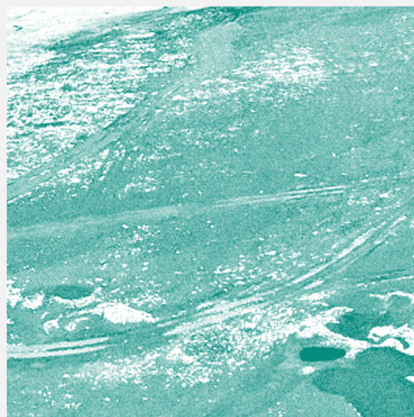


8 Hydropower Projects and Impacts on Cordillera Indigenous Peoples

International Indigenous Peoples' Movement for Self-Determination and Liberation



Introduction

This research is a continuation of the first private sector watch research¹ that focused on assessing the impacts of hydropower development projects on Indigenous Peoples (IPs) in Northeast India and the Philippines. Development projects in these countries are largely financed by the private sector through government partnerships with international financial institutions (IFIs), funding agencies and business corporations. In light of the energy transition, Indigenous Peoples' lands are being converted to renewable energy project sites, leading to massive social and environmental impacts on their lives, livelihood, and rights.

The previous research exposed how, in the implementation of hydropower dams and other development projects, IP rights have been violated. These include the displacement of IPs from their ancestral lands, loss of livelihoods, destruction of cultural sites, and degradation of the environment. One of the highlighted weaknesses is the lack of free, prior, and informed consent (FPIC) processes in relation to the projects. The blatant disregard of IP rights can be seen in the lack of transparency and limited participation of IPs in development processes. The previous research concluded that while these hydropower dams claim to be a step toward clean energy, the damage they actually cause to the environment, livelihoods and communities outweigh the perceived benefits.

This case study zeroes in on the Cordillera region in the Philippines, where there are over 96 energy projects and more than 100 large-scale mining applications.² The development effectiveness of these projects and the role of the private sector in them will be assessed according to the Kampala Principles and international statutes and conventions on the rights of Indigenous Peoples, such as the UN Declaration on the Rights of Indigenous Peoples. The impacts of these projects on IP groups will be discussed, alongside their collective resistance and response to these harmful initiatives.

Country Context

The Cordillera region is a landlocked and mountainous region in the northern part of Luzon, Philippines. The Cordillera Administrative Region (CAR) is composed of six provinces: Abra, Apayao, Benguet, Ifugao, Kalinga, and Mountain Province. The Cordillera Region is home to 33% of the Philippine Indigenous Peoples.³ Indigenous Peoples of the Cordillera Region are generally and collectively referred to as Igorots, with the literal meaning of “people from the mountains.”

While it can be said that the majority of the population in the Cordillera Region is considered Indigenous,⁴ no official figure on the exact population of Cordilleran

¹CPDE Indigenous Peoples Constituency. (2022). An Assessment of Select Hydropower Development Projects Affecting Indigenous Peoples in Northeast India and the Philippines. In Private Sector Watch: Global Synthesis Report. <https://csopartnership.org/resource/private-sector-watch-global-synthesis-report/>.

²Cordillera Peoples Alliance. (2023, April 24). 39th Cordillera Day Central Statement. <https://cpaphils.org/39th-cd-central-statement.html>

³United Nations Development Programme. (2013, July 24). FAST Facts: Indigenous Peoples in the Philippines. <https://www.undp.org/philippines/publications/fast-facts-indigenous-peoples-philippines>

⁴Carifio, J. & International Fund for Agricultural Development (IFAD). (2012). Country Technical Notes on Indigenous Peoples' Issues: Republic of the Philippines. https://www.ifad.org/documents/38714170/40224860/philippines_ctn.pdf/ae0faa4a-2b65-4026-8d42-219db776c50d#:~:text=They%20currently%20total%20about%201.5,%20C%20Ibaloy%20C%20Isneg%20and%20Tinguian.

Indigenous Peoples can be confirmed. In general, there is a definite lack of public official information concerning Philippine Indigenous Peoples in surveys and administrative data. The Cordillera region is rich in natural resources. It is known for its forest and mineral resources of gold, copper, and manganese.⁵ It has long been regarded as a significant resource base for developing the mining, logging, and energy sectors.⁶ In terms of renewable energy projects, hydropower dams and geothermal projects have been proposed, constructed, or operated in the Cordillera Region.⁷

In the Philippines, the Cordillera region “possesses the country’s highest hydropower resource potential, largely due to its location at the headwaters of Luzon’s major rivers,” which “supply irrigation water to most of Central Luzon, Ilocos and Cagayan regions, making the CAR the watershed cradle of northern Luzon.”⁸ However, in 2012, the Cordillera watersheds were considered to be in a critical state, as only 37% of the region’s overall land area remains forested. With the deforestation of the region, the Agno, Chico, Abra and Magat rivers are drying up.⁹

There is a greater need, now more than ever, to expose the impacts of these hydropower development projects on Indigenous Peoples. Indigenous Peoples are not only disproportionately at risk of the intensifying climate crisis but also deliberately threatened by governments that seek to repress their resistance against destructive development projects. Indigenous rights defenders in the Philippines continue to experience violence covertly by judicial harassment through the criminalisation of their work and grassroots organisations, vilification, red-tagging or terrorist-tagging, and overtly through forced abductions and disappearances facilitated by state forces.

Overview of the Projects

Due to the natural resources and landscape of the Cordillera region, it is being tapped as a major energy source and producer by the government and its private sector partners. CAR has the capacity to supply 4,306 megawatts or 65% of the needed energy supply to the Luzon grid of the National Power Corporation (NPC).¹⁰ With this potential and the rising need for clean energy sources, the Philippine government puts stress on the construction and implementation of hydropower projects in the region. The following tables detail the various initiatives undertaken by the government with private sector entities in setting up hydropower projects in the region.

⁵Tartlet, R. K. (2010, April 2). The Cordillera People's Alliance: Mining and Indigenous Rights in the Luzon Highlands. Cultural Survival. <https://www.culturalsurvival.org/publications/cultural-survival-quarterly/cordillera-peoples-alliance-mining-and-indigenous-rights>

⁶Delina, L.L. (2020). Indigenous environmental defenders and the legacy of Macli-ing Dulag: Anti-dam dissent, assassinations, and protests in the making of Philippine energyscape. Elsevier Ltd.

⁷Public-Private Partnership Center, Republic of the Philippines. (n.d.). Bakun A/B and C Hydroelectric Power Plant. https://ppp.gov.ph/ppp_projects/bakun-a-b-and-c-hydroelectric-power-plant/

⁸Delina, L.L. (2020).

⁹Cordillera Peoples Alliance. (2016, March 21). Cordillera forests in peril. <https://cpaphils.wordpress.com/2016/03/21/cordillera-forests-in-peril/>

¹⁰Cordillera Peoples Alliance. (n.d.). Dams In The Cordillera. CPA Philippines. <https://cpaphils.org/campaigns/DAMS%20IN%20THE%20CORDILLERA.rtf>

Saltan D River Hydroelectric Power Project, Saltan E River Hydroelectric Power Project, and Mabaca River Hydroelectric Power Project

About the projects

All three hydroelectric power projects are dam projects to be constructed along the Saltan and Mabaca rivers in Kalinga. These projects are all awarded by the Department of Energy to JBD Water Power Incorporated (JWPI). The Saltan River D Project is a 49-megawatts plant, while Saltan River E can produce 45-megawatts and the Mabaca Project with 40-megawatts. These claim to contribute to renewable energy production and sustainable economic growth for the communities in the area.

Modality	Financing and project implementation
Instrument	No information available
Program Type	Public-private partnership (PPP)
Duration	Pre-development: 2019-2022 Development: 2023-2025 Operations: 2028 ¹¹
Budget	No public information available
Sector	Infrastructure, renewable energy
Development Partner(s)	The Department of Energy awarded the contract to JWPI and continues to oversee the operations of the company in regard to the construction of the project.

¹¹JBD Water Power Inc. (n.d.). 45.0 MW SALTAN e RIVER HPP (HSC No. 2020-03-852). <https://jbdwaterpower.com/45-0-mw-saltan-e-river-hpp-hsc-no-2020-03-852-province-of-kalinga-balbalan/>

Type of private sectors engaged	Large domestic corporation
Private sector partners	JBD Water Power Incorporated (JWPI)
Othe dev't partners	National Commission on Indigenous Peoples (NCIP), National Water Resources Board (NWRB)
Role of partners	JWPI is working with the NCIP to conduct the free, prior and informed consent (FPIC) procedure for the affected IP communities in the project site. The NWRB is responsible for granting water permits to entities that would be using water resources for their operations.
Monitoring	The Department of Energy is responsible for monitoring the operations of the JWPI in implementing the hydroelectric power project.
Results framework	No information available
Results	Tribes in the Kalinga province have vehemently opposed the construction of the hydroelectric power projects to be constructed along the Saltan and Cal-oan rivers. In August 2022, 200 representatives from the Salegseg, Poswoy, Dao-angan, Ab-aba-an and Limos tribes organised an assembly to register their opposition to the project. They have noted how the project will negatively impact their communities, livelihoods and environment, and how there is a lack of transparency regarding the project and its processes. The Pinukpuk Municipal Council also passed Resolution No. 22,series of 2022, in order to oppose the construction of the Saltan E River Hydroelectric Power Project, due to the damage it will bring to the people. ¹²
Evaluation	No information available

¹²Villanueva, R. (2022). Tribes reject large dams in Balbalan and Pinukpuk, Kalinga. Bulatlat. <https://www.bulatlat.com/2022/09/04/tribes-reject-large-dams-in-balbalan-and-pinukpuk-kalinga/>

Upper Tabuk Hydropower Project (UTHP)

About the project

The UTHP is an initiative promoted by the provincial local government unit of Kalinga (PLGU), with its private sector partners, DPJ Engineers and Consultants, and Tabuk Hydro Energy Corporation. The local government claims that the project will contribute to hydropower development and the lowering of electricity prices in Kalinga. The project will be located in Barangay Dupag and along the Tanudan River, one of the major tributaries of the Chico River.

The main components of the project include a concrete gravity dam, penstock intake tower, powerhouse, sediment flushing tunnel, sub-transmission line, access road and bridge. Upon construction, the power plant will have a capacity of 15 megawatts.¹³

Modality	Financing and project implementation
Instrument	No information available
Program Type	Public-private partnership (PPP)
Duration	The partnership agreement was signed in 2022, which is valid for 25 years and can be renewed for another 25 years. The agreement will also undergo periodic review every five years.
Budget	PHP 2.64 billion (approximately USD 46.55 million)
Sector	Infrastructure, renewable energy
Development Partner(s)	Provincial Local Government Unit of Kalinga (PLGU)
Type of private sectors engaged	Domestic corporations

¹³Balocnit, P. (2022, December 30). Upper Tabuk Hydropower Project to be implemented thru PPP. Philippine Information Agency. <https://pia.gov.ph/news/2022/12/30/upper-tabuk-hydropower-project-to-be-implemented-thru-ppp>.

Private sector partners	The proponent of the project is DPJ Engineers and Consultants (DPJ), while the developer is Tabuk Hydro Energy Corporation (THE).
Othe dev't partners	Not applicable
Role of partners	The provincial local government of Kalinga will be providing 20% of the project's budget, and its private sector partners will be providing the rest of the 80%. With this, 80% of the project is also owned by DPJ and THE, who will be constructing, managing and operating the power plant. Both corporations have 80% of the voting rights and will also receive the majority of the profit produced by the plant. In addition to financing, the PLGU is responsible for overseeing the efficient and proper implementation and operation of the project. This includes having 20% voting rights and having access to financial statements.
Monitoring	The PLGU is responsible for the necessary oversight mechanisms to be established for the project.
Results framework	No information available
Results	This project was initially proposed in 2009, but did not have sufficient investment and faced opposition from the affected communities. DPJ has been involved since the initial proposal and was accused of not being transparent as it tried to pass the power plant as a small development when its size is categorised as a large dam. In 2017, more than a thousand people from various indigenous groups situated along the Chico River signed a petition against the project due to the impact it would have on their ancestral lands. Other groups supported the construction of the dam due to the benefits presented by the developers such as jobs, infrastructure and share of revenue. This created tensions among the various indigenous groups in the area. ¹⁴
Evaluation	No information available

¹⁴Lapniten, K. (2021, February 26). 'The river will bleed red': Indigenous Filipinos face down dam projects. Mongabay Environmental News. <https://news.mongabay.com/2021/02/the-river-will-bleed-red-indigenous-filipinos-face-down-dam-projects/>

Chico River Hydropower Project

About the project

The Chico River Hydropower Project is a run-of-river plant with a capacity of 52 megawatts. Construction will start in 2024 at its project site at Barangay Lucog, Tabuk, Kalinga, along the Chico River. The developer of the project is Karayan Hydropower Corporation, a joint venture of San Lorenzo Ruiz Builders & Developers Group and Union Energy. The project will entail the construction of a 65-meter dam, emergency spillways, tunnel, steel penstock, turbines and transmission line.¹⁵

Modality	Financing and project implementation
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Instrument	No information available
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Program Type	Public-private partnership (PPP)
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Duration	No information available
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Budget	PHP 5.18 billion (or USD 104 million)
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Sector	Infrastructure, renewable energy
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Development Partner(s)	No information available
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Type of private sectors engaged	Domestic corporations
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Private sector partners	Karayan Hydropower Corporation (Joint Venture of San Lorenzo Ruiz Builders & Development Groups Inc. and Union Energy Corporation)
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¹⁵Prime Infra. (2021, May 6). CHICO JVCO - Prime Infra. <https://primeinfra.ph/portfolio/chico-jvco/>

Othe dev't partners

No information available

Role of partners

Karayan Hydropower Corporation is responsible for the construction of the dam

Monitoring

No information available

Results framework

No information available

Results

The project was initially planned in 2007 by Karayan Hydropower Corporation (KHC) and was immediately rejected by Indigenous communities, as it will displace five communities and have massive negative environmental impact. KHC was accused of bribing the people with cash and gadgets if they endorsed the project, which led to its approval. However, in May 2017, more than 300 people mobilised in order to register their opposition to the dam project. In 2018, the NCIP suspended the FPIC proceedings due to the violations conducted by KHC against the affected communities.¹⁶

Evaluation

No information available

¹⁶Sanz, T. (2021, October 23). Karayan Dam in Chico River, Lucog, Kalinga, The Philippines. Environmental Justice Atlas. <https://ejatlas.org/conflict/karayan-dam-in-chico-river-lucog-kalinga>.

Adherence to the Kampala Principles

Although it is not without flaws, using the Kampala Principles to evaluate these private sector discussions regarding these development projects is a positive step forward. We also used the UN Declaration on Indigenous Peoples in evaluating the effects of PSE on IP in order to highlight the unique context of Indigenous Peoples.

Kampala Principle 1: Inclusive Country Ownership

The majority of the projects assessed in the research have utilised public-private partnerships (PPPs) as the modality in undertaking renewable energy projects. With this, there is a stress on the commercialisation and privatisation of renewable energy resources and infrastructure. These are further promoted by the policies and frameworks in place by the Philippine government in undertaking the energy transition.

Initiatives are guided by the Philippine Renewable Energy Roadmap 2017-2040, which aims to increase renewable energy installed capacity to 20,000 MW through the acceleration of renewable energy positioning, creation of a conducive business environment, reliable and efficient infrastructure, and promotion of an enhanced research and development agenda.¹⁷

The laws and issuances surrounding hydropower projects in the Philippines include Republic Act No. 7156 (Mini-hydroelectric Power Incentive Act) enacted in 1991¹⁸ and Republic Act No. 9513 (Renewable Energy Act) passed in 2008.¹⁹ R.A. 7156 focused on encouraging investments in the hydropower sector by handing out incentives such as tax relaxations and privileges for corporations to develop potential hydroelectric sites. R.A. 9513 provides a more comprehensive government policy in relation to renewable energy sources.

These policies have not taken into account Indigenous Peoples' issues and concerns, such as threats to their ancestral lands, livelihoods and environment. This is due to the exclusion of Indigenous Peoples in the deliberation, creation, and execution of national development policies, programs, and processes.

According to the UN Declaration on the Rights of Indigenous Peoples, IPs are free to determine and decide on their development priorities. Additionally, they must be involved in the decision-making and processes relating to development initiatives on their ancestral lands as key development actors. However, governments and corporations have repeatedly violated their right to self-determination, and their right over their ancestral lands, territories, and resources.

¹⁷Department of Energy, Republic of the Philippines. (2017). Renewable Energy Roadmap 2017-2040. <https://www.doe.gov.ph/pep/renewable-energy-roadmap-2017-2040>

¹⁸Congress of the Philippines. (1991, September 12). Republic Act No. 7156. https://lawphil.net/statutes/repacts/ra1991/ra_7156_1991.html

¹⁹Republic of the Philippines. (2008, December 16). Republic Act No. 9513. Official Gazette of the Republic of the Philippines. <https://www.officialgazette.gov.ph/2008/12/16/republic-act-no-9513/>.

Kampala Principle 2: Results and Targeted Impact

Government and private sector entities claim that hydroelectric projects have been pursued in the Cordillera region in order to generate renewable energy and foster economic growth for indigenous communities. However, it can be seen that the construction of these infrastructures has caused disputes over land ownership and rights, uprooted IPs from their ancestral lands, destroyed cultural sites, impacted livelihoods, and degraded the environment.

Despite the demands by affected communities to stop these projects, governments and the corporate sector ignore IPs' concerns about their rights to land ownership, development, and self-determination. In order to continue building and operating these projects, Indigenous communities have been forcibly relocated and militarised by state forces in the name of development. Under harsh and repressive regimes, IP leaders, community members, and organisations continue to be targeted for judicial harassment, state abductions, and enforced disappearances.

Kampala Principle 3: Inclusive Partnership

Indigenous Peoples must be included and recognised as major development players in all development processes in order for governments, multilateral institutions, civil society, the private sector, and other stakeholders to work on development effectively. The discussion of development at the international, national, and local levels must take IP rights and issues into account. As of writing, the proposed dam projects discussed in the research did not receive the necessary documents from the National Commission on Indigenous Peoples (NCIP), which states that free, prior and informed consent has been obtained from the concerned IP communities.

Kampala Principle 4: Transparency and Accountability

As was already indicated in our previous research, one significant obstacle to completing our research was the lack of access to pertinent data regarding these development projects. Government agencies and private companies' lack of openness has an impact on how these development players are held responsible for the numerous instances of abuses of human and environmental rights.

It was evident that the private firms who funded the projects were not being watched over or held accountable. The monitoring studies and accountability systems that would have benefited Indigenous Peoples, who are directly impacted by many development projects that pose social and environmental concerns and challenges to their rights, are often not available.

Kampala Principle 5: Recognising, sharing and mitigating risks for all partners

To meet what it claims to be a rising energy demand, the Philippine government recognised the need for renewable energy sources. Despite the effects on local Indigenous populations and the environment, they view building large hydropower dams as the only way to address the energy issue. Governments at the national and local level, including business corporations have transgressed Indigenous communities' FPIC (free, prior, and informed consent) rights by doing this.

As part of the research, IPMSDL visited and consulted with affected communities in Kalinga last April 25, 2023. During the community consultation, Indigenous community leaders and members shared their experiences in participating in dialogues with local government officials.

In their dialogue with local government officials, Kalinga communities have expressed their concerns over the proposed height of the dams, particularly the Karayan and Saltan dams, and the large production of hydropower from these dams. Government officials claimed otherwise, that these dams are only “mini hydropower dams.” Community members have cited reports from the World Commission on Dams and the International Commission on Large Dams²⁰ that a dam structure with a height of 15 meters and containing more than 3 million cubic meters above is considered a large dam.

While the local government has made promises to support the position of the major population, whether or not the majority support or oppose dams, community members who are against the dams continue to face harassment. Roads near the proposed development project are painted with statements that threaten to kill those who oppose the dam projects.

Sumkad: Indigenous Peoples' Response

Apo Macliing Dulag, an Indigenous Cordilleran hero who fought against the entry of the destructive World Bank-funded Chico Dam project under former dictator Marcos Sr. and against Martial Law, said:

“ *Such arrogance to say that you own the land, when you are owned by it! How can you own that which outlives you? Only the people own the land because only the people live forever. Man is born to live. Apu Kabunian, lord of us all, gave us life and placed us in this world to live human lives. And where shall we obtain life? From the land. To work the land is an obligation, not merely a right. In tilling the land, you possess it. And so land is a grace that must be nurtured. Land is sacred. Land is beloved. From its womb springs our Kalinga life.* ”

The collective identity, culture and spiritual values of Indigenous Peoples are deeply rooted in their ancestral lands. For the Cordillera Indigenous Peoples land is life, given by the Creator and includes resources above and below the earth's surface. Loss of land defines the loss of many Indigenous communities, as land is fundamental to the ways of living of Indigenous Peoples.

To describe how the State violates the human rights of Indigenous Peoples during the development process, the Cordillera Indigenous Peoples used the term “development aggression.”²¹ Since then, it has been used to illustrate how development projects often result in the abuse of the collective and individual rights of Indigenous Peoples.

²⁰International Commission on Large Dams. (n.d). Definition of a large dam. https://www.icold-cigb.org/GB/dams/definition_of_a_large_dam.asp.

²¹Tauli-Corpuz, V. (2010). The Human Development Framework and Indigenous Peoples' Self-determined Development or Development with Culture and Identity. UN Permanent Forum on Indigenous Issues. <https://www.un.org/esa/socdev/unpfii/documents/E%20C.19%202010%20CRP.4.doc>

In 2022, as a collective response to these proposed destructive hydropower development projects, the Sumkad ti Umili para ti Matagoan, Karbengan, Aglawlaw, Daga ken Dayaw (SUMKADD) was formed. The term Sumkad is a Kalinga term that means to rise and resist. SUMKADD is a broad alliance of environmental defenders in Kalinga that seeks to defend their rivers, identity, and their ways of living.

Since then, SUMKADD has consolidated affected Indigenous communities and launched community consultations and assemblies to reach a consensus among affected community members. They were able to craft and file a petition against the JBD Water Power Inc. and its hydropower projects along the Saltan River in Kalinga. Resolutions against the JWPI dams were adopted by several barangays in Balbalan and the municipality of Pinukpuk as early as February 2022.



Conclusion and Recommendations

Destructive development projects, such as the ones being proposed in the Cordillera region, gravely affect Indigenous Peoples' ways of living, culture, and survival. We need a development framework that recognises the rights and concerns of the people and the assessment of risks. With this, development actors must:

- **Uphold Indigenous Peoples' rights to self-determination, which is fundamental for the economic, social, and cultural development of Indigenous Peoples. Implement the UN Declaration on the Rights of Indigenous Peoples and other relevant human rights mechanisms, in addition to the Kampala Principles.**
- **Ensure that the right to Free, Prior, and Informed Consent (FPIC) is fully recognised and applied in all activities and development projects on ancestral lands and territories. Furthermore, FPIC processes must respect Indigenous political institutions and structures and reflect the principles of transparency and accountability.**
- **Guarantee that private sector-led development projects are environmentally sustainable, address the actual needs of marginalised communities, and respect human rights.**
- **Respect Indigenous Peoples as equal partners in development cooperation. Ensure the full, effective, and meaningful participation of Indigenous Peoples in the discourse and decision-making on aid and development effectiveness at all levels.**
- **Strengthen the application of culturally sensitive approaches that recognise and respect Indigenous Peoples' ownership of land and territories, Indigenous Peoples' political systems, knowledge, positive values, and beliefs.**
- **Revoke policies and laws criminalising Indigenous Peoples' human rights defenders and contributing to brutal attacks on Indigenous Peoples and advocates.**