

To:

Director  
Carlos Echeverría  
Inter-American Development Bank  
1300 New York Avenue, N.W.  
Washington, D.C. 20577

FROM:

Francisco Ureña Ortega [confidential information expurgated]

Donay Montero Fuentes [confidential information expurgated]

Wendy Ureña Montero [confidential information expurgated]

Henry Ureña Montero [confidential information expurgated]

Project description: Hydroelectric Power Project (PHR)

Country where the project was implemented: Costa Rica

The undersigned are: Francisco Ureña Ortega, a Costa Rican national, of legal age; Donay Montero Fuentes, a Costa Rican national, of legal age; Wendy Ureña Montero, a Costa Rican national, of legal age, and Henry Ureña Montero, a Costa Rican national, of legal age. **The Ureña Montero family authorizes Henry Ureña Montero as their representative in this complaint before the MICI.**

**Confidentiality is not being requested with respect to this complaint.**

I hereby file a formal complaint against the **Reventazón Hydroelectric Project**, located in the Province of Limón, Costa Rica.

My family's farm is located within the PHR's direct area of influence, and is adjacent to what is now the project's reservoir. As part of the project's execution, ICE expropriated some of our property. The farm consists of 14 hectares, and ICE took possession of 5 hectares of it. The land that ICE took possession of contained the water sources that supplied all of the farm's agricultural activity.

Within the area expropriated by ICE, we had a pumping and irrigation system for the entire farm. Now we have to transport water with animals and vehicles in order to be able to continue our small-scale dairy farming activities. This situation has cost us time and money that we did not have prior to the arrival of the Costa Rican Electricity Institute (ICE), and has adversely affected our

finances and lifestyle. On numerous occasions we tried to talk and remedy the situation with project representatives, but we were never heard.

Once the expropriation of our farm started, ICE offered 300 *colones* per square meter, after a long and expensive process, the expropriation price was raised to five hundred and fifty five *colones* per square meter. According to the law, expropriations must take market prices into account; however, this did not happen, since the market price is nearly 10 times higher than the price that was finally given to us for the land. At this point, if we wanted to purchase those 5 hectares with what they paid us, it would be impossible.

In addition to this problem, the rest of the farm lost all of its value since it was left without water supply "*a farm without water is useless.*" They now expropriated our land for a fraction of the market price, and the rest of our farm has no value whatsoever.

We are concerned and we are denouncing that in one of the properties that we have, along with the property of my brother, located in the higher part of the hill, ICE extracted material from the base, completely weakening the hill to the extent that my property has landslides and is on the verge of collapse. We cannot understand how an institution such as the ICE comes to wreak havoc and the entities in charge of monitoring them are turned a blind eye.

On the other hand, my family and I would like to denounce about the way in which the dam's reservoir was filled. ICE was supposed to remove all the trees from the area that was going to be filled with water. However, that was NEVER done, and now the entire mass of rotting trees in the water is producing greenhouse gases and mosquito infestations.

This same project is also harming the Lancaster wetlands, affecting and altering the flora and fauna of my community. In the event of a landslide issue, it would be an environmental catastrophe.

These problems were not mentioned to us prior to the implementation of the project, **although** there was supposed to be absolute transparency in the process.

ICE has come to my community and other communities to harm them, leaving them without sources of employment for my community and others. We are simple people with few resources, and they have made our situation worse.

**Efforts made to contact the CLL and MICI:** It was through a meeting held with representatives of the banks that financed the project whom heard my problem and provided information on how to contact them.

**We would like:** both phases of the investigation.

**In view of the above, we request:**

1. A review of the application of the Bank's Safeguard OP 710 with respect to the methodology and dynamic of the expropriation and resettlement, which in particular mentions the following:

*The objective of the policy is to minimize the disruption of the livelihood of people living in the project's area of influence [...]*

In addition, the technical studies of both the IDB and ICE refer to the reestablishment of living conditions. It is our understanding that the policies talk about an improvement in the quality of life of the affected families. In our case, it has worsened, not only with respect to the current conditions but also with respect to the land that we have left.

The document prepared by ICE on the Reestablishment of living conditions discusses the payment of a fair (market) price for the land as well as leaving communities in the same or better conditions, which DID NOT HAPPEN.

2. A review of the application of the policies on Risk and the legality of the extractions of material on our farms and what this extraction means in terms of harm to the remainder of the farm and to the environment.
3. A compliance review of the Environmental Safeguards with respect to the production of greenhouse gases produced by ICE's failure to comply with the order of the Environmental Impact Study to cut down ALL of the organic matter in the river prior to flooding. Likewise, a review of the noncompliance on the part of the independent institutions in charge of Monitoring the removal of those trees.
4. A compliance review of the Bank's Environmental Safeguards with respect to the adverse effects on cultural heritage and the critical habitat of the Lancaster Wetlands, which are a critical habitat for species and important to the migratory route of felines.
5. A review of any Environmental Safeguard not mentioned in this document, but that is pertinent to the abovementioned problems.

In general, we feel that ICE, in spite of having held innumerable meetings with the residents, did NOT inform us about the true adverse effects that the project would have on the residents and the communities. Transparency also did not happen.

We look forward for your kind reply.

Sincerely,

francisco Ureña