

Mr. Yong Soo Na, Chief Executive Officer  
Xe-Pian Xe-Namnoy Power Company (PNPC)  
6th Floor, Capital Tower, 23 Singha Rd., Ban Nongbone,  
Xaysettha District, Vientiane, Lao PDR

January 30<sup>th</sup>, 2013

Dear Mr. Yong Soo Na,

I am writing on behalf of International Rivers to raise specific questions and concerns about the Xe Pian-Xe Namnoy Hydropower Project. These concerns are based on discussions held during the past month with villagers near the Nam Kong, Houay Makchan and Xe Pian and Xe Namnoy rivers and Sekong River in Champasak and Attapeu, respectively. According to our recent correspondence with the Investment Specialist of the Asian Development Bank, Ms. Uy, it was suggested that PNPC, as the project developer, would be best positioned to answer questions from International Rivers.

We understand that initial environmental and social impact assessments have been completed and that further studies and village surveys are underway. International Rivers' site visit also confirmed that some SK Construction and Engineering Company camp sites are in the process of being set up in surrounding villages. As a result, village headmen in many of the above areas have expressed a sense of anxiety to us about the Xe Pian-Xe Namnoy Hydropower Project moving ahead without them yet being told of the full expected impact on their housing, agricultural land, surrounding forests, and diverse fish populations. They described to us the stresses that were caused by the relocation that they had to undergo in the late 1990s as a result of the original preparations for the Xe Pian-Xe Namnoy and Houay Ho dams.

In the resettlement zone, we saw first-hand that people continue to struggle to cope with a lack of access to sufficient food, water, and land. For example, there is only one functioning gravity-fed water pump serving the population during the dry season, and there is no access to functioning latrines. In addition, families have found that the shallow soil around their homes is inappropriate for growing vegetables, fruits or staple crops, and consistently attest to going hungry. Now, they report apprehensions about PNPC's plans when they do not know the full impacts or mitigation measures that will be taken to support any project-induced losses.

Following this field mission, I am requesting the following clarifications:

- Can you please outline specific timelines for the construction activities of each dam to be built for the PNPC Project?
- Can you please provide the timelines for completion of the EIA, SIA and RAP? Are you able to confirm whether all of these documents will be made available publicly as per the

national laws and policies of Lao PDR<sup>1</sup>, and if so, when? Furthermore, can you clarify whether the projects' transboundary impacts been assessed as the PNPC project will impact the Sekong River, which is shared with Cambodia?

- What are the processes and corresponding timelines in affected villages that PNPC intends to follow to clearly discuss the full scope of the impacts expected and livelihood restoration measures in a language which is accessible to the Nya Heun, Oi, Laven and other affected communities?
- Given that people in the consolidated resettlement zone near the Nam Kong still typically depend on the land along the Xe Pian and Xe Namnoy rivers, and report paying large sums of money to be recognized as title-owners, can you please clarify whether they will be compensated for project-induced losses of land, and whether that compensation will be land-for-land, as required under the provisions of the 2005 *Prime Minister's Decree On the Compensation and Resettlement of the Development Project*(Part III, Art. 6.2)?
- Will PNPC commit to supporting Ban Nam Hanh and Ban Thong Yao, two villages within the resettlement zone in Champasak that function under the same headman as Ban Latsasin? Villagers from the entire resettlement zone are confused because they understand that everyone – including those from Ban Nam Hanh and Ban Thong Yao -- were brought to the resettlement zone in anticipation of the impacts of both the Houay Ho and Xe Pian-Xe Namnoy dams. However, the populations from these two villages are currently excluded from those identified by PNPC to receive support and compensation, having been specifically differentiated from everyone else for unknown reasons. As you may be aware, people from surrounding villages outside of Ban Nam Hanh and Ban Thong Yao have now promised to wait until compensation is negotiated for everyone. Clarification is therefore requested on whether your company will include the families of Ban Nam Hanh and Ban Thong Yao in all supportive measures to be taken.
- What infrastructure will be offered to residents in the resettlement zone – such as latrines, pumps, electricity – given that their population has grown since they first moved there over ten years ago in anticipation of the project?

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<sup>1</sup> According to the *National Policy on Environmental and Social Sustainability of the Hydropower Sector*, the “project consultation reports, impact assessments, mitigation plans and monitoring reports [for all large hydropower projects] will be publicly disclosed.” Furthermore, the 2010 *Decree on Environmental Impact Assessment* states that it is the right and duty of project affected people and of other stakeholders “to receive information on (contained in) the report on the initial environmental examination, including...the report on environmental impact assessment” (Part II, Ch. 2, Article 7), and that it is the duty of the project developer “to facilitate the people who are (will be) directly affected by the investment project and other stakeholders in accessing the information [contained in the] ...environmental impact assessment” (Part VI, Article 31).

- Can you provide a list of all additional villages your company intends to move, with corresponding timelines, and specific details about where people will be expected to resettle?
- Does PNPC expect that villagers in Ban Langao Keng, Ban Langao Tai, Ban Khem Xang, or Ban Champao in Attapeu Province will lose paddy land or other assets? If so, how will these losses be communicated to them? How does PNPC intend to compensate people so that they will be able to recover from such losses?
- How does PNPC intend to compensate all villagers for the loss of fisheries they will experience as a result of the project, as per the requirements set out in “General Provisions” of the 2005 *Prime Minister’s Decree On the Compensation and Resettlement of the Development Project*, to “at least achieve full restoration of living standards to pre-project level”?

Given the urgency of the matters at hand as described by villagers to be affected by PNPC project development, we appreciate hearing from you in a timely manner. I can be reached by email at [tlee@internationalrivers.org](mailto:tlee@internationalrivers.org) or alternatively, by mail.

Thank you for your time.

Sincerely,



Tania Lee  
Lao Program Coordinator  
International Rivers

**Cc:**

Mr. Casey Choi and Mr. KI Haeng Cho, Chief Executive Officers, SK E. & C. Company, Ltd.  
Mr. Noppol Milinhangoon, Chief Executive Officer, Ratchaburi Electricity Generating Holding PCL  
Mr. Amnat Prommasutra, Senior Executive Director, TEAM GROUP of Companies Co., Ltd.  
Ms. Christine Genalin C. Uy, Investment Specialist, Asian Development Bank  
Mr. Anthony Jude, Director, Energy Division, Southeast Asia Department, Asian Development Bank