

## **Comments on the Clean Design Mechanism Validation of Buon Kuop Hydroelectric Project, Vietnam**

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3S Rivers Protection Network (3SPN) submit the following comments regarding the Buon Kuop Hydroelectric Project (BKHP) in Vietnam.

In summary, the BKHP is ineligible for CDM validation and registration because;

1. The project does not meet CDM requirements regarding sustainable development,
2. BKHP fails to prove evidence of additionality.

### 1. The project does not meet CDM requirements regarding sustainable development

The BKHP has already impacted on the livelihoods of 11,000 downstream communities in Cambodia who rely on the Srepok River for their fishing and subsistence agriculture.

The construction and operation of Vietnam's BKHP has resulted in communities living downstream in Cambodia to suffer severe impacts since mid 2005. The major impacts have been frequent rapid water level fluctuations without warning or notification, with releases from the dam resulting in surges of water and flooding causing the destruction of people's homes, property and livestock. One independent survey, and associated media release of affected communities during August 2006 revealed, 653 families in 14 villages along the Srepok River in Cheay O'dam Commune, Ratanakiri Province were seriously affected by water releases from BKHP which resulted in 1,655 hectares of inundated rice fields, 1,359 hectares of damaged rice fields, and the drowning of 10 buffalos, 79 pigs, and hundreds of poultry.

The BKHP significantly threatens the rights of affected downstream communities to a healthy, intact ecosystem, adequate food sources and fresh water. Srepok communities' livelihoods continue to be heavily affected by fluctuating water levels, fear of floods and health problems due to the river's degrading water quality, and the subsequent decline in riverine resources upon which these communities are dependent. Fish stocks and species have dramatically declined as a direct result of poor water quality, changes to the river's flow, and blocked migration routes, leaving countless people without enough food or nutrition.

The Kyoto Protocol Article 12.2 reads

*“the purpose of the clean development mechanism shall be to assist Parties not included in Annex 1 in achieving sustainable development”.*

The CDM procedure similarly requires the host Party to

*“confirm that the project activity assists it in achieving sustainable development.”*

All independent information on the BKHP and its negative impacts to downstream communities indicates that this project violates these requirements.

Impacts from the BKHP have forced some communities to resettle to highland areas, violating their livelihoods and rights. The BKHP makes no allowance for resettlement or compensation. The RIO Declaration on Environment and Development Principle 13 reads;

*“States shall develop national law regarding liability and compensation for the victims of pollution and other environmental damage. States shall also cooperate in an expeditious and more determined manner to develop further international law regarding liability and compensation for adverse effects of environmental damage caused by activities within their jurisdiction or control to areas beyond their jurisdiction.”*

In 2005, Japan Bank for International Cooperation (JBIC) and Nippon Export and Investment Insurance (NEXI) began to consider Vietnam’s request for help financing the Buon Kuop dam. In a series of communication between the Sesan Protection Network which represents Srepok communities in Cambodia and JBIC/ NEXI, JBIC wrote that they understood the importance of environmental and social considerations and would proceed with the decision-making process with “due-diligence.” JBIC/ NEXI later rejected Vietnam’s request for financing due to public concerns regarding the project’s social and environmental costs.

Given the magnitude of impacts to downstream water users, concerns from affected communities and other stakeholders regarding their rights to access fresh water, healthy food sources and a natural flowing river, downstream impacts were not taken into account.

It is essential that adequate local stakeholder consultations take place. These did not occur in the BKHP process. There was a severe lack of information and failure to conduct a participatory public review which violates the CDM procedures. Communities in Cambodia have not been consulted about the dam’s development nor been consulted as part of the development of its Environmental Impact Assessment report. The RIO Declaration on Environment and Development Principle 17 states:

*“Environmental impact assessment, as a national instrument, shall be undertaken for proposed activities that are likely to have a significant adverse impact on the environment and are subject to a decision of a competent national authority.”*

Affected people have requested authorities to stop all future dam construction on their river until impacts are properly mitigated and compensation made available for past harms. Yet dam construction continues unabated.

Companies involved in this dam’s construction and operation have an obligation to ensure that their projects is developed in a socially and environmental sustainable manner while allowing for transparency and public participation in every stage of the process as outlined by the World Commission on Dams regulations.

## 2. BKHP fails to prove evidence of additionality

Any claims of additionality should be seen as extremely invalid. This is especially relevant given the fact that BKHP has been under construction since 2003. Documentation has not provided evidence that this project as anything other than a standard hydroelectric project. There is no evidence of the project utilising new control or mitigation technologies, nor that CDM requirements were a consideration during any phase of project planning, design, or construction. This project has been operational since March 29, 2009 further demonstrating a lack of credibility to its current claim on additionality.

**Recommendation:**

3SPN request CDM's Executive Board review the evidence presented indicating the BKHP does not satisfy CDM validation requirements, and on the basis of that review, the Executive Board return, and make public, a negative validation result for this project.

1. The BKHP contributes unsustainably to its immediate and downstream areas both environmentally and socially.
2. This is an already completed, operational, standard, non-additional hydroelectric project.

**For more information:**

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