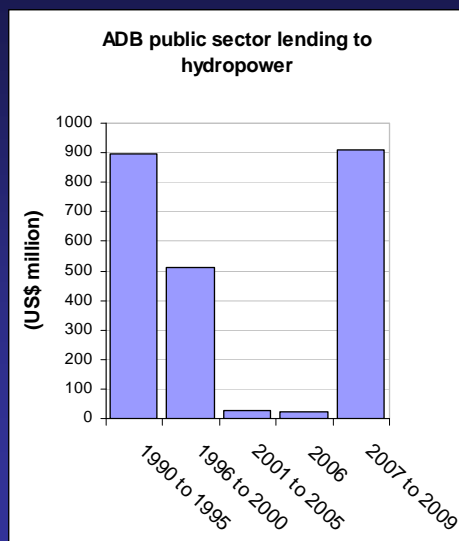


Moving Beyond Large Hydropower to a New Energy Future



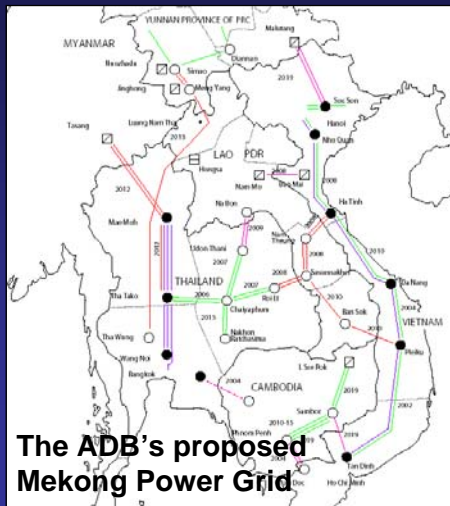
Carl Middleton, Ph.D.
International Rivers Network

ADB's continues direct support for hydropower



- The ADB continues to enthusiastically promote hydropower in Asia
- Lending was low from 2001 to 2006 as a result of the World Commission on Dams findings, and more stringent ADB safeguards
- ADB approved Nam Theun 2 in April 2005 in Laos PDR.
- Both the Eminent Persons report and the ADB's Medium Term Strategy II encourages investment in infrastructure

Regionalization and indirect support for hydropower



- The ADB also indirectly promotes hydropower
- Under the Greater Mekong Subregion program, the ADB has promoted the regional integration of power since 1994.
- Controversial hydropower projects will export power from Yunnan, Burma and Laos to Thailand and Vietnam.
- The Mekong Power Grid justified on economic grounds alone – no analysis of social equity or cumulative environmental impacts have been considered

Nam Thuen 2: Lessons that must be learnt



- The ADB already has a legacy of hydropower in Laos
- In April 2005, the ADB approved Nam Thuen 2 with the intention of developing a 'model' project
- Whilst construction is proceeding according to schedule, environmental and social programs are behind schedule
- The ADB must now acknowledge that NT2 is far from a 'model' project

The ADB energy policy on hydropower



- Many of the general principles of the ADB energy policy incorporate hydropower development
- Promoting private sector involvement
- Promoting regional cooperation: The energy policy identifies the importance of hydro-orientated energy exports
- On WCD, the 2000 Energy Review writes 'For new hydropower projects, the approach recommended by the WCD will be pursued' but later the ADB did not incorporate the report

Hydropower fueling climate change



- An increasing body of science is indicating that tropical hydropower reservoirs emit GHG
- Forest and vegetation flooded by a dam's reservoir decay to release carbon dioxide (CO₂) and methane (CH₄), resulting in a massive initial release of GHG
- Methane-rich water from the lower levels of the reservoir are passed through the dams turbines, degassing and releasing the methane into the atmosphere

Addressing hydropower development



- In proposing to develop hydropower projects, the ADB should follow the full process recommended by the WCD
- Therefore the ADB should fully endorse the recommendations of the WCD and incorporate them into its Energy Policy
- The ADB should work to promote improved energy planning processes in its energy policy work:
 - ‘Integrated Resources Planning’ (IRP)
 - Comprehensive Options Assessments

Energy options for the future



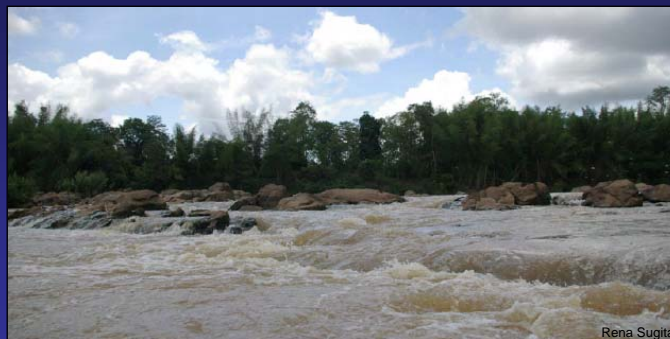
- The ADB should further increase its support for energy efficiency and demand side management
- The ADB should further increase its support for true renewable energy resources (solar, wind, biogas, and small-hydro plants)
- In the Energy Efficiency Initiative (EEI), the ADB should continue to exclude large-hydro and redefine small-hydro as 10 MW or less.

Energy options for the future



- The ADB should promote the multiple benefits of 'decentralized energy' for both urban and rural electrification
- ADB should view its environmental and social safeguards not as a hindrance but as an asset, and work to further strengthen and promote these within its member countries
- The ADB should recognize that Rivers are Life

Thank you for your attention



Carl@irn.org
www.irn.org