

Oct. 24, 2012

Anthony Jude, Director
Energy Division, Southeast Asia Department
Asian Development Bank
6 ADB Avenue, Mandaluyong City 1550, Philippines

Re: Nam Song and Nam Leuk Hydropower Projects, Lao PDR

Dear Mr. Jude,

I am writing to follow up on the implementation of the Nam Song-Nam Leuk Environmental Mitigation Plan and review missions conducted by the ADB. In March 2012, an International Rivers' consultant conducted a site visit to eight villages affected by the Nam Song Dam and three villages affected by the Nam Leuk Dam to assess the state of the mitigation plans. In light of findings that indicate that project funded wells and fish ponds are not functioning, we would recommend that ADB conduct a follow-up fact-finding mission to downstream communities affected by both dam projects.

As per the June 2011 Completion Report for Project Number 31341, Appendix 2, "Summary Report Of Impact Mitigation For Nam Song And Nam Leuk," we understand that village authorities in the affected areas have signed off on project activity completion, and that village committees have agreed that the operation, maintenance and ownership of the waste disposal pits, community fishponds and water supply systems are now their responsibility. We also acknowledge that training has been provided to the villagers in order to carry out these duties, and that as a result, some of the problems facing affected communities may be related to poor attention to maintenance and operation issues. However, in the majority of cases noted during our site visit, villagers continue to express ongoing concerns about the sustainability of their livelihoods because lowered water tables have led to wells running dry during the dry season and causing families to have to purchase bottled water in order to fulfill basic daily needs. In addition, a number of the natural fish ponds constructed by the project are not functioning.

We appreciate your long-term commitment to ensuring that villagers are duly compensated at these project sites. As a result, we trust you will address the following findings with the same level of attention by taking the time to investigate further and if findings are verified, to support adequate remedial measures.

Water Supply Concerns

In March 2012, villagers reported that many of the wells, pumps, tanks and piping installed in their villages were not functioning. The majority of cases do not appear to be related to local management problems, but rather to the reliance on inappropriate pump technology or due to the severe drop in the local water table. Furthermore, in some cases, in order to conserve water,

piped water sources are turned off more often than they are turned on, leaving families without adequate water throughout the dry season months. Since the water availability is unpredictable, many villagers have resorted to purchasing bottled water or fetching river water over long distances. Coordinated efforts need to be made with villagers in all affected areas to ensure year-round accessibility to the basic right to water. In some cases, new wells may need to be drilled. Specific findings in each village visited with regards to water supply issues are summarized in the charts below.

Ongoing water supply concerns in villages affected by the Nam Song Dam

Village	Concerns
Ban Ponsong	<p>Over half of the population reportedly relies on alternate sources of water (purchasing or fetching water) due to the severe shortage of water in the dry season. This apparently is the result of two main factors:</p> <ul style="list-style-type: none"> i) Two out of five wells built by EdL have cloudy or discolored water and are not considered clean enough to use. ii) Piped water supply to housing is only turned on once every two days in the dry season.
Ban Somsanouk	<p>Two groundwater wells funded by EdL are broken; three others have low water levels that are unreliable. The alternative village source - rain water collection- does not provide reliable and sufficient year-round supply for daily needs.</p>
Ban Phonthong	<p>In the dry season, water taps are only open in the morning and evening because of insufficient water supply. As a result, villagers face a shortage of water to meet daily needs.</p>
Ban Nam Pat	<p>For drinking water, many families either rely on purchasing bottled water or fetching it from a small river because one out of EdL installed wells does not work, while the remaining three wells have water levels too low to be considered reliable during the dry season.</p>
Ban Vang Khi	<p>During dry season, villagers have to buy water. They cite two problems for the shortages they face:</p> <ul style="list-style-type: none"> i) Only one of the two village groundwater wells from EdL function, despite local attempts to fix it. ii) The tank and pump installed by EdL have

	not been maintained due to high electricity costs that villagers have been unable to continue to pay.
Ban Thao Tan	Entire village experiences shortage of water during dry season and purchases water because the groundwater well is broken (villagers attest to trying to fix it a number of times but have been unsuccessful in their maintenance efforts).
Ban Houay Dok Mai	Entire village experiences shortage of water during dry season. They report purchasing drinking water because some of the water taps are broken, and while those which do function do not provide sufficient water supply .
Ban Pak Vang	Wells do not provide enough water for all the villagers (with one not functioning at all), especially in the dry season when shortages are acute because water levels are low and make the wells unreliable.

Ongoing water supply concerns in villages affected by the Nam Leuk Dam

Village	Concerns
Ban Phone Ngam	Reportedly, over half the village population relies on water from the Nam Leuk River and bottled drinking water because the well and tank supplied by EdL have water levels too low to be reliable for daily use in the dry season.
Ban Houay Leuk	Villagers report continued shortages of water in the dry season even after fixing the wells provided by EdL and in some cases, building their own wells. They report the tank and taps are not functioning because of inappropriate tap sizing that has resulted in an unreliability of available water.
Ban Ngang Kheua	Villagers rely on gathering water from mountain springs and an old well because the wells installed by EdL do not function, primarily because of low water levels.

Fisheries Program Problems

Problems with regards to the fisheries mitigation programs in communities affected by the Nam Song Dam were recorded in Ban Nam Pat, Ban Vang Khi, Ban Phonthong, Ban Thao Tan, Ban Houay, Ban Dok Mai and Ban Pak Vang, where river-blocked fish ponds are not in use.

Villagers report that during the rainy season the ponds flood and the fish escape, and as a result, none of the villages consider that lost fisheries have been compensated. On the other hand, we recognize that in communities visited downstream from the Nam Leuk Dam, villagers appear to be successfully catching fish from the river-blocked ponds that have been built through EdL's program. As a result, we recommend that in the above-identified villages near the Nam Song Dam, the needs for training, technical advice, dissemination of manuals and on-site repairs be appropriately assessed.

Reliable Complaints Mechanism for Affected Villages

In 2008, the ADB provided assurances to International Rivers that "EdL will now recruit a Community Development Specialist to follow up on the use of facilities provided." This statement was confirmed in Appendix 2, Section C.7 (iii) of the June 2011 Completion Report, which referred to advice given to EdL by the ADB to urgently "recruit a community development specialist to follow up on the agreed activities at village level". During our visit in March, communities had not heard of such personnel, and remain unaware of how to have their concerns with the mitigation projects adequately addressed. Accordingly, International Rivers reiterates our position that villagers need an accessible mechanism for recourse with clearly outlined procedures.

International Rivers trusts that the ADB will consider the concerns documented in relation to project-financed water supply mechanisms (wells, tanks, taps and rain water collection systems), and fish ponds with the serious attention deserved. We look forward to hearing your response regarding the arrangement of a follow-up fact-finding mission to further look into the situation in areas affected by the Nam Leuk and Nam Song Dams, respectively.

Sincerely,



Tania Lee
Lao Program Coordinator
International Rivers

Cc: Mr. Chong Chi Nai, Country Director, Lao PDR Resident Mission
Mr. A. Barend Frielink, Deputy Country Director, Lao PDR Resident Mission