

May 29<sup>th</sup>, 2013

Robert Allen Jr.  
General Manager  
Theun-Hinboun Power Company Ltd.  
P.O. Box 3382  
Vientiane, Lao PDR

**Re: Clarifications In Relation to Concerns About Theun Hinboun Expansion Project Affected Communities**

Dear Mr. Allen,

On behalf of International Rivers, I am writing to acknowledge your letter dated May 2<sup>nd</sup> responding to the concerns expressed in the joint correspondence from the Norwegian Association for International Water Studies (FIVAS) and International Rivers on February 28<sup>th</sup> and to provide specific clarifications.

International Rivers conducts field work in areas affected by large-scale hydropower projects that are planned, under construction, or already built. Communities are approached with all due respect to the socio-economic contexts and with cultural sensitivity. We initially seek to introduce ourselves to the village headman and/or respected representatives of the community leadership and discuss issues ranging from livelihood and environmental concerns to perceptions of community change (positive and negative) using an open and flexible process. Subsequent to this initial discussion, field researchers proceed by engaging in open-ended discussions with small groups of villagers. Perspectives attributed to these interviewees are recorded, but unless otherwise requested by the people themselves, interviews are conducted under a condition of anonymity. International Rivers recognizes the methodology is based on first-hand accounts and narratives, and does not claim the data is statistically representative. However, we are confident that over time, our on-the-ground documentation provides an accurate indication of broader concerns within the community.

**Zone 3C**

With respect to Zone 3C along the Hinboun River, as per our interviews in December 2012, the village leaders at different sites consistently expressed a lingering lack of certainty about which villages are – and which are not - included in the relocation process. According to your letter, the timelines and sites for relocation were identified in December. Therefore, the initial process of publicly confirming *which* villages are amongst those to be affected by the relocation (as per our previous written requests) would be helpful. We acknowledge and respect your explanation that the process of informing villagers must proceed before posting these further details on your website, and look forward to reviewing this information online in the near future.

**Communities along the Hinboun River and Project Induced Problems**

As documented by FIVAS and International Rivers, flooding along the Hinboun River ever since water releases from the original project began over a decade ago has resulted in cumulative losses of wet season rice crops, loss of clean water sources, the loss of fish as an important

source of protein, and losses of livestock from drowning and disease. THPC publications, including the Social and Environmental Division's recent report "Theun Hinboun Expansion Project: 2011 to Commercial Operations," also confirm many of these problems. As explained in our letter, villagers along the Hinboun River, such as in Ban Pak Veng, Ban Pakthuk and Ban Xang, consistently refer to these losses as ones which have been induced by the THPC projects. Although they are aware of the grievance mechanism, they express concern specifically due to the length of time it may take to resolve a complaint and fear that during this time, they could be labelled as 'trouble-makers' resulting in negative repercussions in the future. International Rivers will continue to monitor the villagers' perspectives about the grievance process over time, and appreciate THPC's commitment to take this up as a matter of concern.

### **Relocation Site of Ban Tha**

With regards to Ban Tha, we recognize that people have been provided with land. However, our concern, as outlined in our letter, relates to the fact that the village leadership in Ban Tha explained that the land may be 'flood-safe,' but that it is inappropriate for the paddy rice farming practices to which they are accustomed. As of May 2013, they report that the majority of allotments (over 80%) are either rocky or sandy, with soil too dry or infertile to grow paddy rice using traditional methods. The question for which they still await an answer is related to what types of agricultural extension support will be provided by THPC to help ensure these lands can be used appropriately.

### **Ban Keosenkham**

In Ban Keosenkham, the village leadership specifically reported that not all households had been allotted agricultural land yet (as of December 2012). They also stated that the land allocated to some households is still understood as 'temporary.' Although they have taken THPC's advice to grow cassava for cash, they do not think the soil will sustain such crops over an extended period of time. We therefore appreciate there is an extension team available to support them and hope they will respond to any questions or requests for different options related to land allocation and demarcation.

### **Panel of Experts**

In relation to the Panel of Experts (POE), we appreciate the broader articulation you provided in writing, including your assertions that the mandate will cover both the project's environmental and social performance, as well as an assessment of compliance with ADB safeguards, and that respective recommendations from the POE will be taken into account. International Rivers will be following the process of formulating the THXP POE in terms of the experts appointed and the mandate agreed upon, and we look forward to further communication on this matter in the future.

We hope these explanations provide clarity to the concerns at hand and look forward to ongoing open communication with THPC staff. Thank you for your time and attention to these matters.

Sincerely,



Tania Lee  
Lao Program Coordinator  
International Rivers