



12 May, 2014

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

Re: Follow-up on the Formation of the Panel of Experts for the Theun Hinboun Expansion Project

Dear Mr. Allen,

We appreciate that you have made the ToR for the Panel of Experts publicly available and that you duly provided us with a copy. However, we are disappointed that a number of our concerns and questions about the Panel of Experts remain unanswered. As explained in our letter to the Theun-Hinboun Power Company Ltd (THPC) on 23 August 2013, we would like to know whether THPC is willing to commit to upholding the principles of best practice outlined by the World Commission on Dams on Independent Review Panels for Social and Environmental Matters (Guideline 22).

Therefore, we respectfully request your attention to the following points of clarification:

- Will the project area outlined in the ToR encompass all watersheds affected by the Theun-Hinboun dam operations, including the Theun, Hinboun, Hai, Gnouang and Kading rivers?
- Please clarify if the panel will have the mandate to issue recommendations to THPC to address concerns arising from their studies, to which THPC will make a commitment to resolve?
- Can you confirm whether the panel's reports will be made publicly accessible in both English and Lao languages on your website, as well as in print in THPC site offices?
- Please clarify whether THPC would be willing to consider revising the current ToR to:
 - open up the membership requirements to include 1-2 additional experts,
 - require two reports (as opposed to one) per year, and
 - extend the timeline beyond 2018?
- Please confirm if the panel will explicitly have the autonomy to examine issues of social, environmental, health and cultural concerns, as opposed to being limited by the text of THPC's ToR which only requires confirmation on whether or not livelihood restoration initiatives are underway? Further, will the experts have the opportunity to factor into their

calculations of income attainment verifying both the percentage of income in households sourced from migrant family members' remittances along with indicators of secondary poverty within households?

Thank you for your time, and we look forward to your response on these matters at the earliest time possible.

Sincerely,



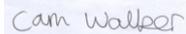
Johan Frijns, Coordinator, BankTrack



Jonas Ådnøy Holmqvist, Director, FIVAS



Tanya Lee, Program Coordinator, International Rivers



Cam Walker, National Liaison Officer, Friends of the Earth Australia



Dr. Mark Zirnsak, Director, Justice & International Mission, Synod of Victoria and Tasmania, Uniting Church in Australia

Cc:

Mr. Jens Laugen, SED Manager, THPC

Mr. Tore Haga, Senior Vice President, International, Statkraft

Mr. Stephen Sparkes, Vice President, Social and Environmental Management, Statkraft

Mr. Nicolas Leclerc, ANZ Bank

Mr. Mike Smith, ANZ Bank

Mr. Nanno Kleiterp, FMO

Mr. Bruno Wenn, DEG

Dr. Herbert Baumgartner, DEG

Mr. Claude Périou, PROPARCO

Ms. Emmanuelle Bru, BNP Paribas

Mr. Laurence Pessez, BNP Paribas

Mr. Patrick Bader, BNP Paribas