

Summary of Discussions at Vientiane Workshop, August 1st, 2008

On August 1st, 2008, a workshop was held in Vientiane to inform stakeholders (national and local government organizations, representatives of project affected people, civil society organizations, and multilateral and bilateral organizations working in Lao PDR) about MIGA's plans to support projects in the hydropower sector in general, and in particular to discuss Nam Ngum 5's social and environmental impacts, the status of the project's preparation, and to receive stakeholders' inputs.

The workshop allowed MIGA to present the policies and procedures that will apply to the project, and gave stakeholders the chance to share directly with Sinohydro their views and concerns about the project.

Workshop Program: The workshop, jointly hosted by MIGA with the Government of Lao and Sinohydro, included presentations by:

- The Department of Energy (Dr. Daovong Phonekeo), and WREA (Mme. Bounkham Vorachit, Dept. of Environment) on the Government of Lao's power strategy;
- The World Bank (Ms. M Gasparini) and MIGA (Dr. D. Baharoglu) on the World Bank's support for the sector, and MIGA policies and procedures governing work in the hydro sector in Lao;
- Sinohydro (Mr. Zhong Haixiang) on NN5, the work already completed and work remaining; plans for compensation, livelihood restoration and community development;
- Project Affected People (several) on their views about the consultation process and the project's impacts;
- Nam Ngum 3 developer (Mr. Roel Schoeten, GMS Environment and Social Manager) on the challenges of working together in the Nam Ngum River Basin, and the Nam Ngum River Basin Development Project (funded in part by the ADB) (Mr. Sisovath Phandanouvong) on their program in the area.

More than 90 stakeholders attended the workshop. Questions from attendees dealt with the approval process by the Government of Lao; MIGA's policies and procedures; the likely impacts of the project (paddy field inundation; fish ponds affected, community health and safety, employment etc.); Sinohydro's plans for compensation, livelihood restoration and community development; the likely cumulative impacts of the river basin development and suggestions on how to deal with them in a comprehensive way; the real demand for electricity in Lao and neighboring countries, best cost alternatives and the impacts of the financial crisis and increased construction costs on the hydro sector.

Some of the main themes to emerge included:

- The value of NN2 lessons to help inform the development of new public/private partnership hydro projects, to ensure environmentally and socially sustainable projects that have pro-poor outcomes;

- The value of strong communications strategies for hydro projects, including transparency and meaningful disclosure, especially for affected people;
- The value to private sector projects of implementing international environmental and social standards;
- The desire of project affected people to see project benefits soon (resettlement package, livelihood restoration, access to markets, locally available electricity, 2-season road, gravity fed water supply, etc.);
- The increasingly comprehensive nature of Lao government requirements for project development, including the integration of health impact assessments into EIAs, and the government's monitoring requirements;
- The importance of integrating and coordinating downstream river basin management mechanisms (e.g., a joint grievance mechanism to address likely cumulative impacts from NN5, NN3, NN4 A&B; and the need for all projects to work within the same institutional framework).

The list of attendees and the workshop presentations may be found below.