

Benchmarking the Policies and Practices of International Hydropower Companies

STAGE 1: ENVIRONMENTAL AND SOCIAL POLICIES AND PRACTICES OF CHINESE OVERSEAS HYDROPOWER COMPANIES

PART B BENCHMARKING FINDINGS SUMMARY BY COMPANY

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About International Rivers

International Rivers protects rivers and defends the rights of communities that depend on them. With offices in four continents, International Rivers works to stop destructive dams, improve decision-making processes in the water and energy sectors, and promote water and energy solutions for a just and sustainable world.

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1. Benchmarking Findings Summary

1.1 Datang Policy Commitments and Project Performance (Stung Atai Hydropower Project in Cambodia)

Environmental Management		Score
EN1. The company's environmental policy commitments are consistent with international standards		
Policy	<ul style="list-style-type: none"> Datang has committed to following World Bank Environmental and Social Safeguards Policies (Source: Company meeting on May 14, 2014). Datang has also endorsed the Global Compact in 2008 (Source: http://chinawto.mofcom.gov.cn/article/by/cb/200809/20080905789726.shtml). 	
EN2. The company's policy commitments incorporate environmental and social standards set by Chinese law as a minimum		
Policy	<ul style="list-style-type: none"> According to Datang's domestic environmental policy, Datang is committed to following China's environmental protection laws, regulations and policies. But it is not clear whether this applies to overseas projects (Source: Datang Regulation on Environmental Protection, Article 31). 	
Project	<ul style="list-style-type: none"> Datang prepared an Initial Environmental and Social Impacts Assessment (IESIA) and followed with an EIA. However, the construction started before the EIA was approved, which does not comply with Chinese standards (Source: Site visit, January 2015). The resettlement package is lower than Chinese standards (Source: Site visit, January 2015). 	
EN3. Prepares and implements Environmental Management Plans		
Policy	<ul style="list-style-type: none"> According to its 2011 CSR Report, an environmental and ecological management plan has to be developed, implemented and operated together with any new project. Datang has committed to following World Bank Safeguard Policies (Source: Company meeting on May 14, 2014). Datang has endorsed the Global Compact, which includes the environment principles: Principle 7-Businesses should support a precautionary approach to environmental challenges; and Principle 8-Businesses should undertake initiatives to promote greater environmental responsibility. 	
Project	<ul style="list-style-type: none"> Chapter 7 of the IESIA is the EMP, but no detailed monitoring plan for the project's implementation and operation was included (Source: Site visit, January 2015). Environmental Management Plan is not publicly available. Local governments (commune and district levels) have not been engaged on the EMP (Source: Site visit, January 2015). 	
EN4. Carries out rigorous and verifiable EIAs		
Policy	<ul style="list-style-type: none"> Datang has committed to following World Bank Safeguard Policies (Source: Company meeting on May 14, 2014). Datang has endorsed the Global Compact, which includes the environment principles: Principle 7-Businesses should support a precautionary approach to environmental challenges; and Principle 8-Businesses should undertake initiatives to promote greater environmental responsibility. Datang's domestic environmental policy requires it to carry out rigorous and verifiable EIA before every power project starts construction. The EIA has to be carried out by a qualified organization. If any significant change of project scale, location, design or environmental mitigation measures happens, EIA should be resubmitted for approval. If the project construction starts five years after the EIA is approved, the EIA should be resubmitted for approval (Source: Datang Regulation on Environmental Protection). 	

Datang Policy Commitments and Project Performance (Stung Atai Hydropower Project in Cambodia)

Project	<ul style="list-style-type: none"> • The EIA report covers impacts on the natural socio-economic environments. The impacts on the natural environment discussed topics of hydrology, surface and underground water, river ecology, fisheries and forestry, wildlife and birds, erosion, sedimentation, and landslides. The impacts on the socio-economic environment reported on the direct impacts on farming land and houses (Source: Stung Atai Hydro-Electric BOT Project in Veal Veng District Pursat Province Environmental and Social Impact Assessment). • The EIA report only presented the direct impact, such as on land or houses and the natural environment, while the indirect, cumulative and interactive impact were not stated (Source: Stung Atai Hydro-Electric BOT Project in Veal Veng District Pursat Province Environmental and Social Impact Assessment). • IESIA was developed in 2008 and submitted to Ministry of Environment (MOE) for comments. IESIA was updated to address comments and feedback and approved by MOE in September 2009. The full EIA followed afterwards and was approved on October 12, 2012. The project construction had already started before the EIA was approved (Source: Site visit, January 2015). • Although the inventories of forest, wildlife, birds, and fish were recorded in the EIA, the dimension of the biological impacts and how those natural resources were impacted were not analyzed (Source: Site visit, January 2015). • Most villagers didn't know about the dam project until they saw the construction starting on the ground. Rather than consultation, villagers were only told of decisions about the project. The district government and commune level never received copies of the EIA or EMP (Source: Site visit, January 2015). • Alternative actions/options, including alternatives to building a dam, are not addressed in the EIA report (Source: Stung Atai Hydro-Electric BOT Project in Veal Veng District Pursat Province Environmental and Social Impact Assessment). • We were not able to obtain the final EIA. MOE acknowledged that the EIA was not widely disseminated (Source: Site visit, January 2015). 	⊖
EN5. Plans are consistent with basin development or water resource management plans, and Integrated Resources Plans		
Policy	<ul style="list-style-type: none"> • No information collected. 	⊖
Project	<ul style="list-style-type: none"> • No information collected. 	⊖
EN6. Seeks to avoid impacts on biodiversity and ecosystem services, and supports conservation and biodiversity efforts related to the impacts on natural habitats from its hydro-power projects		
Policy	<ul style="list-style-type: none"> • Datang has committed to following World Bank Safeguard Policies (Source: Company meeting on May 14, 2014). • Datang has endorsed the Global Compact, which includes the environment principles: Principle 7-Businesses should support a precautionary approach to environmental challenges; and Principle 8-Businesses should undertake initiatives to promote greater environmental responsibility. 	⊕
Project	<ul style="list-style-type: none"> • The project and its transmission lines are located near and inside the Cardamom Mountain Conservation Zones and the Phnom Sam Kos Wildlife Sanctuary, which are well known for special biodiversity, conservation and wetlands (Source: Stung Atai Hydro-Electric BOT Project in Veal Veng District Pursat Province Environmental and Social Impact Assessment). • It was reported that MDS Import Export Company used permits for clearing timber within the Stung Atai hydropower dam reservoir as cover to move protected rosewood felled outside those areas. A leaked report by a major international conservation group concludes that this company transported more than 16,000 cubic meters of rosewood out of the Cardamom zones in southwestern Cambodia using the permits to clear the dam site, despite an estimated reservoir zone stock of just 1,000 cubic meters (Source: http://www.phnompenhpost.com/national/calculus-logging). • The EIA report recommended a fish path be built, but it has not been built (Source: Stung Atai Hydro-Electric BOT Project in Veal Veng District Pursat Province Environmental and Social Impact Assessment; Site visit, January 2015). • According to MOE, the company has a revegetation plan in the EMP, but the work hasn't been done (Source: Site visit, January 2015). • MOE is also concerned about the company not participating in managing the natural resources, especially the forest in the project site (Source: Site visit, January 2015). 	⊖

**Datang Policy Commitments and Project Performance
(Stung Atai Hydropower Project in Cambodia)**

EN7. Takes measures to prevent pollutions and protect public health during construction and operation stages		
Policy	<ul style="list-style-type: none"> Datang has endorsed the Global Compact, which includes the environment principles: Principle 7–Businesses should support a precautionary approach to environmental challenges; and Principle 8–Businesses should undertake initiatives to promote greater environmental responsibility. Datang’s domestic environmental policy requires it to meet national pollution discharge standards for any project; strictly report, manage and deal with hazardous waste; and set up a pollution prevention plan and budget during the operation stage. It’s not clear whether this applies to overseas projects (Source: Datang Regulation on Environmental Protection, Article 31). 	
Project	<ul style="list-style-type: none"> The company promised to effectively manage solid waste and wastewater, installing toilets, bathrooms, safe dump site etc., in suitable places far from water resources to prevent contamination of water resources and soil in project area (Source: Clean Development Mechanism Project Design Document Form (CDM-PDD) of Cambodia Stung Atai Hydropower Project, Version 3 - In Effect as of: 28 July, 2006). However, the measures were general and basic. No detailed information or implementation status was collected. Villagers reported that in the first year of construction, the water in the river turned reddish and was very smelly. It was still reddish and smelly during our field visits, although not as bad as the first year (Source: Site visit, January 2015). A lot of forest, shrubs and dead wood were observed in the reservoir. Improper clearing of the reservoir and stagnant water may have contributed to deteriorated water quality (Source: Site visit, January 2015). 	
EN8. Carries out cultural resources assessments, and develops plans and processes to avoid, minimize, mitigate, and compensate negative impacts on cultural heritage		
Policy	<ul style="list-style-type: none"> Datang has committed to following World Bank Safeguard Policies (Source: Company meeting on May 14, 2014). 	
Project	<ul style="list-style-type: none"> Local communities reported that the Prey Areak and crematory forest of Ou Saom villagers were flooded and they could no longer access these sites (Source: Site visit, January 2015). While MEP officials deny these impacts, the district governor has acknowledged them (Source: Site visit, January 2015). Although the company promised to build a place for cremating bodies in the pagoda, this compensation measure has not been implemented yet (Source: Site visit, January 2015). 	
EN9. Addresses erosion and sedimentation issues		
Policy	<ul style="list-style-type: none"> Datang has endorsed the Global Compact, which includes the environment principles: Principle 7–Businesses should support a precautionary approach to environmental challenges; and Principle 8–Businesses should undertake initiatives to promote greater environmental responsibility. Datang’s domestic environmental policy requires it to include an erosion management plan for any power project in hilly or sandy areas as part of the EIA, and requires it to restore the impacted environment and address the erosion issues in a timely manner after project construction (Source: Datang Regulation on Environmental Protection, Article 19, 40). It is not clear whether this applies to overseas projects. 	
Project	<ul style="list-style-type: none"> The company promised to repair any damage at rock excavation worksites, soil excavation worksites, and other work sites, to tamp down earth in worksites, and to pile up nutrient soil in order to replant after tamping down the earth (Source: Clean Development Mechanism Project Design Document Form (CDM-PDD) of Cambodia Stung Atai Hydropower Project, Version 3 - In Effect as of: 28 July, 2006). No information has been provided on implementation. 	

Datang Policy Commitments and Project Performance (Stung Atai Hydropower Project in Cambodia)

EN10. Adopts healthy downstream flow regimes, taking into account environmental, social and economic objectives, and where relevant, agreed transboundary objectives		
Policy	<ul style="list-style-type: none"> Datang has endorsed the Global Compact, which includes the environment principles: Principle 7–Businesses should support a precautionary approach to environmental challenges; and Principle 8–Businesses should undertake initiatives to promote greater environmental responsibility. No details on relevant policies were collected. 	
Project	<ul style="list-style-type: none"> Under the EIA, the company is required to release enough water to maintain the downstream flow. The MOE has been concerned about the environmental flow between Dam 2 and the turbine house, and the environmental flow in the dry season. But the MOE's inspection and monitoring work hasn't begun. Further, no information could be provided by MOE on the actual implementation (Source: Site visit, January 2015). During our field trip, we observed that the water flow between Dam 2 and turbine house is too little to maintain the ecology of the river ecosystem (Source: Site visit, January 2015). 	
Average Score of Policy Commitments in Environmental Management		
Average Score of Project Performance in Environmental Management		
Communities and Labor Relations		Score
CL1. Company has a policy on involuntary resettlement and indigenous people		
Policy	<ul style="list-style-type: none"> Datang has committed to following World Bank Safeguard Policies (Source: Company meeting on May 14, 2014). 	
Project	<ul style="list-style-type: none"> Besides those resettled, other villagers have suffered losses. Villagers living along the river lost grass fields for raising buffaloes because of changes in the water level. No compensation was received by these villagers (Source: Site visit, January 2015). Very few local villagers work at the dam (Source: Site visit, January 2015). The four resettled families have received different levels of compensation, but there has been no explanation why these amounts differ (Source: Site visit, January 2015). The four resettled families also received compensation land that was much smaller than the lands they lost. One resettlement family received 0.25 hectare of compensation land, while they lost 6 hectares. Further, the compensation land was not cleared and has no legal title (Source: Site visit, January 2015). 	
CL2. Social Impact Assessments are routinely conducted for major projects		
Policy	<ul style="list-style-type: none"> Datang has committed to following World Bank Safeguard Policies (Source: Company meeting on May 14, 2014). 	
Project	<ul style="list-style-type: none"> The IESIA lacks analysis on the impact on incomes from eco-tourism, fish catch, livelihoods and food security of affected people (Source: Comments on the Initial Environmental and Social Impact Assessment (IESIA) Report on Atai Hydropower Project in Veal Veng District, Pursat Province by SAWAC Consultants for Development July 2008 by NGO Forum on Cambodia). The resettlement and compensation plan has never been publicly disclosed. 	
CL3. Meaningful and accountable stakeholder communication and consultation across all stages		
Policy	<ul style="list-style-type: none"> Datang has committed to following World Bank Safeguard Policies (Source: Company meeting on May 14, 2014). 	

Datang Policy Commitments and Project Performance (Stung Atai Hydropower Project in Cambodia)

Project	<ul style="list-style-type: none"> • In December 2008, NGO Forum on Cambodia (NGOF) was given less than a week to review the IESIA and give comments. NGOF observed that the IESIA didn't have full public participation (Source: Comments on the Initial Environmental and Social Impact Assessment (IESIA) Report on Atai Hydropower Project in Veal Veng District, Pursat Province by SAWAC Consultants for Development July 2008 by NGO Forum on Cambodia). • According to MOE officials, MOE organized consultation meetings at local, district and national levels. However, the consultation was conducted at the district government office, located about 80km away from the villages affected (Source: Site visit, January 2015). • Most villagers didn't know about the dam project until they saw workers starting construction activities. After construction started, villagers attended a few meetings in which they were only told of decisions about the project and requested to be cooperative (Source: Site visit, January 2015). • The resettlement and compensation plan was implemented by SAWAC. The district government and local authorities didn't know in detail about resettlement and compensation plans. Villagers weren't told what compensation they would receive until they received it (Source: Site visit, January 2015). 	
CL4. Establishes clear framework for filing complaints and dispute resolution		
Policy	<ul style="list-style-type: none"> • Datang has committed to following World Bank Safeguard Policies (Source: Company meeting on May 14, 2014). 	
Project	<ul style="list-style-type: none"> • Local villagers didn't file any formal complaints because they have no prior experience of how to lodge complaints over a government project and lack knowledge on where and how to file formal complaints (Source: Site visit, January 2015). • On the day they received compensation envelopes, one resettlement family complained that the amount was only US\$1500. One staff member took back the envelope and money and removed US\$600 from the envelope (witnessed by a district officer) (Source: Site visit, January 2015). 	
CL5. Benefits sharing commitment		
Policy	<ul style="list-style-type: none"> • Datang has committed to following World Bank Safeguard Policies (Source: Company meeting on May 14, 2014). 	
Project	<ul style="list-style-type: none"> • The EIA report doesn't include an assessment on the distribution of benefits from the project (Source: Stung Atai Hydro-Electric BOT Project in Veal Veng District Pursat Province Environmental and Social Impact Assessment). • Villagers in Ou Saom heard that they will receive free electricity after the dam's construction, but so far they have not been connected. The district government has received feedback from the company that the connection to the commune is too expensive and complicated. Another private company is installing electricity poles to Ou Saom Commune, but villagers believe that this electricity will not be free (Source: Site visit, January 2015). 	
CL6. The company practices do not breach relevant rights established under international human rights instruments		
Policy	<ul style="list-style-type: none"> • Datang endorsed the Global Compact, whose human rights principles are: Principle 1: Businesses should support and respect the protection of internationally proclaimed human rights; and Principle 2: Businesses should make sure that they are not complicit in human rights abuses. • The labor principles in the Global Compact include: Principle 3: Businesses should uphold the freedom of association and the effective recognition of the right to collective bargaining; Principle 4: Businesses should uphold the elimination of all forms of forced and compulsory labour; Principle 5: Businesses should uphold the effective abolition of child labour; and Principle 6: Businesses should uphold the elimination of discrimination in respect of employment and occupation. • But when Datang evaluated its compliance with the Global Compact in the 2013 CSR Report, it said clearly that Datang only follows the relevant international conventions that the Chinese government has endorsed (Source: 2013 CSR Report). 	
Project	<ul style="list-style-type: none"> • Cambodian workers have complained that they were treated as second-class citizens, were forced to work on public holidays, and were not allowed time off for medical treatment (Source: http://www.phnompenhpost.com/national/fourth-missing-dam-disaster-say-witnesses). 	

Datang Policy Commitments and Project Performance (Stung Atai Hydropower Project in Cambodia)

CL7. Occupational safety and health program to foster a safe and healthy work environment		
Policy	<ul style="list-style-type: none"> In 2009, Datang Group introduced the Regulation on Project Safety, Health and Environment, to define the duties, objectives and contents related to safety, occupational health and environmental management issues in construction projects as well as their inspection. The Regulation gives more focus on safety management while the contents and methods related to occupational health and environmental management are inadequate. 	
Project	<ul style="list-style-type: none"> An outlet pipe burst accident occurred in December 2012. Unconfirmed reports state three Cambodian workers and a Chinese man died in the accident. The victims' families received \$3,300 in compensation. The Cambodian government and Chinese embassy required the company to carry out an investigation, but a report has not been made public (Source: http://www.phnompenhpost.com/national/fourth-missing-dam-disaster-say-witnesses). 	
CL8. Promotes local employment and related training		
Policy	<ul style="list-style-type: none"> No information collected. 	
Project	<ul style="list-style-type: none"> Very few local villagers actually work at the dam. Some Cambodians from other provinces are working at the dam site, but we were unable to find the number of local hires (Source: Site visit, January 2015). One villager interviewed had worked as a security guard for two months and another interviewee worked as rock driller for four months. However, both didn't received any training. The security guard left because the payment was too low to support his family. The rock driller left because he didn't want work from day to day (Source: Site visit, January 2015). 	
Average Score of Policy Commitments in Community and Labor Relations		
Average Score of Project Performance in Community and Labor Relations		
Risk Management		Score
RM1. Evidence of a company-wide policy on corruption and bribery		
Policy	<ul style="list-style-type: none"> Datang has endorsed the Global Compact, which includes the anti-corruption principle, Principle 10: Businesses should work against corruption in all its forms, including extortion and bribery. 	
Project	<ul style="list-style-type: none"> No information collected. 	
RM2. Compliance with local and national laws		
Policy	<ul style="list-style-type: none"> No information collected. 	
Project	<ul style="list-style-type: none"> Construction began before a full Social and Environmental Impacts Assessment had been conducted. NGOF requested to halt the construction until a National Consultation Workshop could be held (Source: Comments on the Initial Environmental and Social Impact Assessment (IESIA) Report on Atai Hydropower Project in Veal Veng District, Pursat Province by SAWAC Consultants for Development July 2008 by NGO Forum on Cambodia). 	
RM3. Addresses transboundary issues to prevent, control and reduce transboundary impacts and use transboundary waters in a reasonable and equitable way		
Policy	<ul style="list-style-type: none"> Datang has committed to following World Bank Safeguard Policies (Source: Company meeting on May 14, 2014). 	

**Datang Policy Commitments and Project Performance
(Stung Atai Hydropower Project in Cambodia)**

Project	• No information collected.	⊙
RM4. Plans for dam and other infrastructure safety management		
Policy	<ul style="list-style-type: none"> • Datang has committed to following World Bank Safeguard Policies (Source: Company meeting on May 14, 2014). • Datang Group has an Emergency Response Management Department Leading Team (Source: 2006 Datang CSR report). • Datang has a regulation on Emergency Management for Safety in Production (Datang (2007) No. 681). • In 2011, Datang Group introduced the Handbook on Safety Risk Evaluation for Datang's Hydropower Companies. • In 2009, Datang Group introduced the Regulation on Project Safety, Health and Environment to define the duties, objectives and contents related to safety, occupational health and environmental management issues in construction projects as well as their inspection. 	⊙
Project	• No information collected.	⊙
RM5. Systematic risk reporting and information sharing with local communities		
Policy	• Datang has committed to following World Bank Safeguard Policies (Source: Company meeting on May 14, 2014).	⊙
Project	<ul style="list-style-type: none"> • Communities didn't receive any report or risk information from the company (Source: Site visit, January 2015). • Even after the collapse of the dam at the end of 2013, no details of the accident have been reported to the villagers or the local authorities (Source: Site visit, January 2015). 	⊙
Average Score of Policy Commitments in Risk Management		⊙
Average Score of Project Performance in Risk Management		⊙
Total Score of Datang's Policy Commitments Assessment		⊙
Total Score of Datang's Project Performance Assessment		⊙

1.2 Gezhouba Policy Commitments and Project Performance (Paute-Sopladora Hydropower Project in Ecuador)

Environmental Management		Score
EN1. The company’s environmental policy commitments are consistent with international standards		
Policy	<ul style="list-style-type: none"> Gezhouba has endorsed international agreements and conventions and has “identified, accessed, publicized and implemented” international instruments such as the Convention on Wetlands of International Importance especially as Waterfowl Habitat 1971, the Convention Concerning the Protection of the World Cultural and Natural Heritage, and the Convention on Biological Diversity (Sources: Notice on the 2010 List of Laws, Regulations and Other Requirements about Quality, Environment, and Occupational Health and Safety; Meeting with Gezhouba for comments on the draft scorecard, 16 April 2015). According to Gezhouba, ISO standards have been adopted since 1996. Gezhouba gained ISO 14001 Environmental Management Systems certification in 2005, with recertification in 2008, 2011 and 2014 (Source: Meeting with Gezhouba for comments on the draft scorecard, 16 April 2015). According to Gezhouba, the company holds the «Energy Saving and Environmental Protection Month» and carries out activities on World Environment Day event every year (Meeting with Gezhouba for comments on the draft, April 16, 2015). 	⊙
EN2. The company’s policy commitments incorporate environmental and social standards set by Chinese law as a minimum		
Policy	<ul style="list-style-type: none"> According to Gezhouba the company is committed to comply with the environmental and social standards of the host country, and the company incorporates the environmental and social standards set by Chinese law as a minimum standard (Source: Meeting with Gezhouba for comments on the draft scorecard, 16 April 2015). 	⊕
Project	<ul style="list-style-type: none"> The environmental standards and labor standards adopted in the Sopladora project meet strict Ecuadorian laws, which are higher than the standards set by Chinese laws (Source: Site visit, February 2015). 	⊕
EN3. Prepares and implements Environmental Management Plans		
Policy	<ul style="list-style-type: none"> According to Gezhouba, the environmental protection plans and measures were proposed by the marketing department and reviewed by the Health, Safety and Environment (HSE) Department. The HSE Department is also responsible for supervising and inspecting their implementation (Meeting with Gezhouba for comments on the draft scorecard, 16 April 2015). Gezhouba’s 2013 CSR Report notes that EIA reports for investment projects are compiled and reviewed by authorities; costs related to environmental management are included in the total investment cost during project assessment; The company makes efforts to apply for national environment-related subsidies; environmental issues in investment projects are included in a project’s management accountability mechanism and forms a project assessment indicator; Compliance with the EIA is assessed post-project evaluation; and relevant environmental regulations are formulated. Gezhouba’s Regulation on Environmental Protection requires that an “EIA must be carried out for construction projects and the environmental protection regulations shall be strictly followed. Besides, an environmental management system must be established in accordance with the GB/T24001-2004 Standard” (Source: Meeting with Gezhouba for comments on the draft scorecard, 16 April 2015). 	⊕
Project	<ul style="list-style-type: none"> The EMP is part of the EIA, and was approved together with the EIA by the Ministry of Environment (Source: Site visit in February 2015). A Chinese version of EMP can be obtained online, which includes 15 different plans: solid waste treatment, wastewater, water purification plant, air pollution monitoring, particle emission monitoring, noise monitoring, industrial water use and water body monitoring, construction and maintenance of passageways, maintenance of machinery and equipment, debris treatment, mining management, abandonment of camps and industrial facilities, training plan, environmental policy on community relationship, and vegetation restoration (Source: Environmental Protection Plan for Gezhouba-FOPECA Paute-Sopladora Project). According to Gezhouba, EIA and EMP documents for Sopladora Project were originally posted on Ecuador’s CONELEC website. However, only approval documents can now be found on the website (Source: Meeting with Gezhouba for comments on the draft scorecard, 16 April, 2015). 	⊙

**Gezhouba Policy Commitments and Project Performance
(Paute-Sopladora Hydropower Project in Ecuador)**

EN6. Seeks to avoid impacts on biodiversity and ecosystem services, and supports conservation and biodiversity efforts related to the impacts on natural habitats from its hydro-power projects		
Policy	<ul style="list-style-type: none"> • Gezhouba endorsed international agreements and conventions and has identified, accessed, publicized and implemented international instruments such as the Convention on Wetlands of International Importance especially as Waterfowl Habitat, Convention Concerning the Protection of the World Cultural and Natural Heritage and Convention on Biological Diversity, etc. (Source: Notice on the 2010 List of Laws, Regulations and Other Requirements about Quality, Environment, and Occupational Health and Safety; Meeting with Gezhouba for comments on the draft scorecard, April 16, 2015). • According to Gezhouba, the company is very risk-sensitive and committed to reducing environmental and social impacts. For example, factors like the impact of damming on rivers, animals, environmental flow control and wildlife passages are taken into account at the design stage (Source: Meeting with Gezhouba in December 2014). • It is mentioned in Gezhouba's 2013 CSR Report that the company respects nature and safeguards biodiversity. During construction, scientific and normative measures have been taken to minimize the adverse effects on the surrounding environment, for instance, optimization of construction organization design, reduction in land use, prohibition of excessive deforestation and logging, prohibition of excessive animal hunting and killing, protection of the surrounding environment, wildlife and vegetation, preservation of the landform, etc. • It is also mentioned in Gezhouba's 2013 CSR Report that the company protects natural habitats, wetlands, forests, wildlife corridors, and agricultural land during construction. It sticks to the principle of "avoidance, less land occupancy, restoration and compensation" for ecological environmental protection and properly plans the construction area to use wasteland whenever possible instead of farmland, plough land or forest. If construction has to be done in natural habitats, wetlands, forests or other sensitive areas, requirements and measures raised in EIA reports, Water and Soil Conservation Plans and other documents are followed; warning signs tailored to the local environment and the project are set; construction organization design and planning is optimized; special environmental protection measures are designed and implemented. Temporarily cleared roads, spoiled ground, quarry sites, etc. are restored in a timely manner after construction and transplanting, seeding and other measures are taken to minimize the adverse environmental and ecological impact that construction might have caused. 	
Project	<ul style="list-style-type: none"> • The project's impacts included (but were not limited to) construction of roads, facilities and debris disposal area, soil removal, machinery noise, and vegetation removal has forced animals to leave the area (Source: Site visit, February 2015). • The diversion tunnel is located within a National Forest Park (Source: Chen, P. et al. (2013) "Some Views on the Environmental Protection in the Ecuadorian Paute-Sopladora Project," Sichuan Water Conservancy, 5, pp52-55), during the Site visit we were not able to ascertain how successful re-vegetation activities of the tunnel construction site will be and special efforts to ensure its success (Source: Site visit, February 2015). • The company takes preventive measures and has not had any environmental incidents that require additional mitigation measures. The company has trained and educated the workers not to catch or harm the protected spectacled bears. Before construction, the inspection was completed to identify the important animal and plant species at the project site. Identified species were relocated or transplanted. In some cases, native vegetation was transplanted temporarily to nursery sites and will be used in re-vegetation efforts in debris areas. However, we visited an older debris site, which has been re-vegetated and found it dominated by invasive species (Source: Site visit, February 2015). 	
EN7. Takes measures to prevent pollutions and protect public health during construction and operation stages		
Policy	<ul style="list-style-type: none"> • Gezhouba's 2013 CSR Report noted that during construction, scientific and normative measures are taken to minimize the adverse effects on the surrounding environment. Examples given include treatment of dust, noise, waste, sewage, effluents from construction, and reductions in pollutant discharge. • Gezhouba's 2013 CSR Report refers to company regulations in place, such as Regulation on Sewage Discharge, Regulation on Pollutant Emission, Regulation on Solid Waste Disposal, etc., to strictly control wastewater, emissions and solid waste. • Gezhouba has pollutant discharges and environmental management standards set out in the Regulation on Environmental Protection. The company also has other regulations on environmental monitoring, wastewater, emissions, noise, solid waste, radioactive environments, soil and water conservation, etc. (Source: Meeting with Gezhouba for comments on the draft scorecard, 16 April 2015). 	

**Gezhouba Policy Commitments and Project Performance
(Paute-Sopladora Hydropower Project in Ecuador)**

Project	<ul style="list-style-type: none"> • The EMP includes waste treatment or disposal plans, wastewater and sewage treatment plans, emissions monitoring plans, noise monitoring and control plans and industrial water monitoring plans (Source: Environmental Protection Plan for Gezhouba-FOPECA Paute-Sopladora Project). • Wastewater goes through the grease trap tank to remove grease and inorganic pollutants. Samples of wastewater from construction facilities are sent to a lab in Cuenca for testing every month. The company periodically measures noise level in the impacted area, and tests the particles in the cement plant and inside of the tunnel. The roads are watered to reduce particles (Source: Site visit, February 2015). 	⊙
EN8. Carries out cultural resources assessments, and develops plans and processes to avoid, minimize, mitigate, and compensate negative impacts on cultural heritage		
Policy	<ul style="list-style-type: none"> • Despite the absence of formal policies, Gezhouba complies with relevant laws, regulations and standards in all projects and take measures in accordance with the EIA documents to protect tangible and intangible cultural heritage involved in its projects (Source: Meeting with Gezhouba for comments on the draft scorecard, 16 April 2015). 	⊙
Project	<ul style="list-style-type: none"> • The cultural assessment in the EIA verified the existence of historical and cultural sites before construction; the Institute of Cultural Heritage in Ecuador came to determine whether the cultural site needs to be preserved (Source: Site visit, February 2015). • There is an ancient cultural heritage site near the construction camp. Gezhouba established a fence around it and took measures to protect the hill and build drainage channels nearby to avoid the risks of erosion (Source: Chen, P. et al. (2013), “Some Views on the Environmental Protection in the Ecuadorian Paute-Sopladora Project,” Sichuan Water Conservancy, 5, pp. 52-55). 	⊙
EN9. Addresses erosion and sedimentation issues		
Policy	<ul style="list-style-type: none"> • Gezhouba’s 2013 CSR Report noted that during construction, scientific and normative measures are taken to minimize the adverse effects on the surrounding environment, which includes strengthened management of excavation slopes and prevention of flushing, water loss and soil erosion. • Gezhouba’s Regulation on the Conservation of Soil and Water follows the principle of “prevention first, treatment together” and set requirements for excavation, permanent slope treatment, waste storage and treatment, drainage facilities and revegetation (Source: Meeting with Gezhouba for comments on the draft scorecard, 16 April 2015). 	⊙
Project	<ul style="list-style-type: none"> • No plans to address erosion and sedimentation issues are contained in the Chinese version of the Handbook on Environmental Protection. • According to Gezhouba, a set of measures was taken to manage the sedimentation and erosion issues during construction; for instance, excavating the slopes based on the design and in separate layers from top to bottom, strictly controlling the excavation within the allowed area, and stabilizing the slopes. In the debris area, they cleared the old humus, set up drainage ditches, added geo-membrane layers, and covered with new humus to prevent soil erosion. In the tunnel excavation process, sedimentation ponds were used at all the openings to prevent sediment from entering the rivers. We observed that the drainage from the hill needs to be better managed to reduce the erosion risks (Source: Site visit, February 2015). 	⊙
Average Score of Policy Commitments in Environmental Management		⊙
Average Score of Project Performance in Environmental Management		⊙

Communities and Labor Relations		Score
CL3. Meaningful and accountable stakeholder communication and consultation across all stages		
Policy	<ul style="list-style-type: none"> Gezhouba's Information Exchange, Consultation and Communication Control Procedures specifies relevant procedures and requires the company to establish smooth communication channels with stakeholders. It requires that the project department and other relevant departments convey environmental and occupational health and safety information to all stakeholders and reach agreement with them through consultation when the identified environmental factors or sources of hazard concern them. External stakeholders involved include mainly project owners, engineers, local government, embassy, etc. Mechanisms to involve other stakeholders such as communities or civil society are not clearly defined. According to Gezhouba, the company has inspection plans requiring headquarters to inspect a project once or twice a year, which includes meeting with project stakeholders to collect suggestions and advice on contract implementation, community relations and environmental protection. Views and suggestions including from local communities could be voiced through project owners or the local government (Source: Meeting with Gezhouba for comments on the draft scorecard, 16 April 2015). 	⊖
Project	<ul style="list-style-type: none"> According to Gezhouba, the company keeps contact with local communities through emails and gives out small contributions to them. The company also pays occasional visits to the local government, holds weekly meetings with project owners and supervisors which can include discussion of comments from stakeholders, and convenes monthly human resources meetings mediated by supervisors. A Workers' Protection Committee and a Workers' Safety Committee are established as well (Source: Meeting with Gezhouba for comments on the draft scorecard, 16 April, 2015). 	⊖
CL4. Establishes clear framework for filing complaints and dispute resolution		
Policy	<ul style="list-style-type: none"> The company has a complaints filing procedure, which specifies response time limit, a punishment mechanism, and an accountability mechanism. The project department needs to report to headquarters within 24-48 hours after a complaint or dispute is received. The company's inspection team visits the site twice a year to deal with people's disputes and listen to their needs and demands (Source: Meeting with Gezhouba for comments on the draft scorecard, 16 April, 2015). The Information Exchange, Consultation and Communication Control Procedures and Regulation on Complaints address the consultation and complaint mechanisms between employees and external stakeholders, which include mainly project owners, engineers, the local government, the embassy, etc. Mechanisms involving other stakeholders (such as communities or civil society) are not clearly defined. However, according to Gezhouba, the company will follow the same procedures when dealing with complaints through project owners or local government from those stakeholders (Source: Meeting with Gezhouba for comments on the draft scorecard, April 16, 2015). 	⊕
Project	<ul style="list-style-type: none"> Daily complaints are addressed within the company's framework through the Workers' Protection Committee established by the project department and the labor union (Source: Comments from Gezhouba on draft scorecard on 16 April, 2015). Complaints from communities are addressed through dialogues and consultations. We were not able to collect information on how it was implemented (Source: Site visit, February 2015). According to Gezhouba, no case of community complaint has been filed (Source: Meeting with Gezhouba for comments on the draft scorecard, 16 April, 2015). Ecuadorian workers have launched a legal action against Gezhouba (Source: Site visit, February 2015). There was a strike in February 2015 to demand equal pay between local and Chinese workers and better compensation for high-risk work like tunnel work (Source: www.dailymotion.com/video/x2i7nim). According to Gezhouba, the strike was dealt with using the established complaints mechanism. The strike was considered by the Ministry of Labor as illegal (Source: Meeting with Gezhouba for comments on the draft scorecard, 16 April 2015). 	⊕
CL5. Benefits sharing commitment		
Policy	<ul style="list-style-type: none"> The company promotes local people's livelihoods in the host country, starting with their most urgent needs; supports, invests in and actively engages in programs for public good such as education and training, provision of medical services, disaster relief, environmental protection, community building, etc. (Source: Gezhouba website www.gzbgj.com/col/col7595/index.html). 	⊕

**Gezhouba Policy Commitments and Project Performance
(Paute-Sopladora Hydropower Project in Ecuador)**

Project	<ul style="list-style-type: none"> According to Gezhouba, the company has met its social responsibilities through the recruitment of disabled people, making donations to communities and providing community services. In the Collective Employment Contract for Ecuadorian workers, Gezhouba commits to the provision of grants to families with financial difficulties, educational funds, as well as an end-of-job bonus (Source: Meeting with Gezhouba for comments on the draft scorecard, 16 April, 2015). 	
CL6. The company practices do not breach relevant rights established under international human rights instruments		
Policy	<ul style="list-style-type: none"> The company respects local culture and demands, fully utilizes local resources to promote local employment, and offers internationally recognized salaries in strict accordance with local regulations. Gezhouba's Regulation on Recruitment of Foreign Employees for Overseas Units requires: all staff respect the laws of the host country and local culture; that labor contracts be signed with local employees; and provide training, compensation and benefits that are commensurate with local standards. Foreign employees shall also be provided with social insurance, be taxed, and be granted leave entitlement in compliance with local laws, regulations and policies (Source: Meeting with Gezhouba for comments on the draft scorecard, 16 April, 2015). According to Gezhouba, the company holds employee representatives meetings every year to consult and receive complaints. Those results are disclosed internally. The company also collects employees' options on company development and management, personal development and logistics (Source: Meeting with Gezhouba for comments on the draft scorecard, 16 April, 2015). 	
Project	<ul style="list-style-type: none"> Both Ecuadorian and China Labor Laws are followed for Chinese workers. No instances of abuse of international human rights have been documented (Source: Site visit, February 2015; Meeting with Gezhouba for comments on the draft scorecard, 16 April, 2015). Local employees base salary is determined according to the salary levels set by the Ministry of Labor. The minimum salary is no lower than the base salary, and the annual salary increase rate with inflation rate. 12 Ecuadorian workers tried to organize and demand better salary and living conditions, but were fired by the company. Ministry of Labor went to the site and gave a workshop to the workers about their rights. The Ecuadorian workers have since formed a union (Source: Site visit, February 2015). Ecuadorian workers chose to work for the project because they can earn more money (about US\$700 /month, rather than US\$400/month as the normal monthly salary) by working overtime. But some workers reported that if they complain about anything, they will lose the opportunity of working overtime. The company provides free medication, free food, free laundry, free household items, special bonuses, entertainment and sport facilities to workers (Source: Site visit, February 2015). 	
CL7. Occupational safety and health program to foster a safe and healthy work environment		
Policy	<ul style="list-style-type: none"> Gezhouba's environmental and occupational health guidelines address all types of hazards with a view to ensuring staff's health and safety, carrying out environmental protection work, and creating harmonious conditions for development. The company has adopted goals of no-fatal-accident, no-new-occupational-disease incidences and no environmental accidents (Source: Company interview December 2014; Meeting with Gezhouba for comments on the draft scorecard, 16 April, 2015). Note: Gezhouba allowed International Rivers to scan procedural documents relating to Quality, Environment, and Occupational Health and Safety Management Systems Documents and Operation and Control Procedures for Occupational Health and Safety in Projects. 	
Project	<ul style="list-style-type: none"> On April 1, 2014, four Chinese workers were killed by an explosion at the construction site (Source: Xinhua Media reporting news.xinhuanet.com/English/world/2014-04/03/c_133233899.htm, http://wenku.baidu.com/view/59507d464a7302768e9939f7.html). According to Gezhouba, the company complies with local occupational health and safety regulations and has set up a hospital in the construction site and temporary medical centers in each construction area. Employees are provided with over 20 labor protection products. Local employees are provided with social insurances, as well as accident insurance and life insurance (Source: Site visit, February 2015). Sopladora Project adopts OSHA18000 and ISO14000 Occupational Health and Safety Management Standards (Source: Chen, P. et al. (2013), "Some Views on the Environmental Protection in the Ecuadorian Paute-Sopladora Project," Sichuan Water Conservancy, 5, pp. 52-55). 	

**Gezhouba Policy Commitments and Project Performance
(Paute-Sopladora Hydropower Project in Ecuador)**

CL8. Promotes local employment and related training		
Policy	<ul style="list-style-type: none"> Gezhouba’s website notes its strategy of “globalized resource allocation and localized labor management” for international projects so as to propel local economic growth, provide local employment opportunities and improve local labor skills (Source: Gezhouba website www.gzbgj.com/col/col7595/index.html). According to Gezhouba, the percentage of local employment is subject to local contract requirements and quota requirements. If local labor is available in the host country, no Chinese labor will be used (Source: Meeting with Gezhouba for comments on the draft scorecard, 16 April, 2015). 	⊙
Project	<ul style="list-style-type: none"> The ratio of Chinese workers and Ecuadorian workers is 1:4. Local Ecuadorians are hired in the project’s human resources, safety management, environmental management, operation management, finance, and construction management departments. Ecuadorian workers mainly work as drivers, equipment repairmen, equipment operators, electric welders and porters. Safety, environmental, healthy and technical trainings are provided to the local hires (Source: Site visit, February 2015). 	⊙
Average Score of Policy Commitments in Community and Labor Relations		⊙
Average Score of Project Performance in Community and Labor Relations		⊙
Risk Management		Score
RM1. Evidence of a company-wide policy on corruption and bribery		
Policy	<ul style="list-style-type: none"> Anti-corruption and “clean” governance has been a long-term policy of the company. The company has specialized agencies and a discipline inspection department that is responsible for: 1. implementing instructions from higher authorities; 2. formulating the company’s internal regulatory frameworks; 3. supervising implementation by every employee; 4. handling complaints and acting against corruption; and 5. promoting anti-corruption education. Corruption is prevented in three transformational stages: first, people who are inclined to be corrupt refrain from corruption due to severe punishment for violations; second, institutional improvements are in place to rule out any opportunity for corruption; and third, a higher ideological level is achieved so that people are self-conscious in anti-corruption. Gezhouba is currently in the transition from Stage 2 to Stage 3 (Source: Company meeting, December 2014). 	⊙
Project	<ul style="list-style-type: none"> According to Gezhouba, the company strictly abstained from improper involvement in local political processes. The anti-corruption and clean governance team is led by the Secretary of the Party Branch in the company, co-led by the project manager, and staffed by other members in leadership and departmental heads. The team consists of 22 people in total and has an annual budget of about RMB12,000 (US\$2,000). Training about anti-corruption and clean governance policies is provided quarterly (Source: Meeting with Gezhouba for comments on the draft scorecard, April 16, 2015). 	⊙
RM2. Compliance with local and national laws		
Policy	<ul style="list-style-type: none"> According to Gezhouba, the company has established Evaluation Procedures for Laws, Regulations and Other Requirements, which holds the company’s legal affairs department responsible for the centralized management of access, identification, register, dissemination and update of relevant laws, regulations and other requirements. The company’s overseas units shall be responsible for identification, access and training on local laws, regulations and other requirements. The relevant departments/overseas units shall have a regular compliance check to ensure local and national laws are respected (Source: Meeting with Gezhouba for comments on the draft scorecard, April 16, 2015). 	⊙
Project	<ul style="list-style-type: none"> According to Gezhouba, during the project tender phase, the company completed the initial survey and assessment of local laws and regulations with the assistance of local agencies. The project department has designated a deputy manager to manage legal affairs and hired local experienced lawyers, contract experts, and tax experts to assist in the legal survey to ensure full compliance with local laws and regulation (Source: Meeting with Gezhouba for comments on the draft scorecard, April 16, 2015; Site visit, February 2015). Gezhouba said it has received a few labor complaints because the company and the workers have different understandings of some clauses in the Labor Law (Source: Site visit, February 2015). 	⊙

**Gezhouba Policy Commitments and Project Performance
(Paute-Sopladora Hydropower Project in Ecuador)**

RM4. Plans for dam and other infrastructure safety management		
Policy	<ul style="list-style-type: none"> Gezhouba has Procedures Concerning Planning for Hazard Identification, Risk Assessment and Control, Procedures Concerning Investigation and Handling of Accidents, Incidents and Non-compliance, and Procedures on Emergency Preparedness and Response Control (Source: Company Meeting, December 2014). Gezhouba has a Committee for Public Emergency Response and Management. The committee's secretariat has issued 29 plans for the company level, including: Emergency Response and Rescue Plan for Production Accidents, Emergency Response Plan for Equipment Accidents, Emergency Response Plan for Major and Fatal Fire Accidents, Emergency Response Plan for Environmental Emergencies (Source: 2013 CSR Report). 	
Project	<ul style="list-style-type: none"> According to Gezhouba, the project department has compiled Emergency Plans for: Major Accidents, Landslide and Debris Flow, Burglary and Robbery, Electric Shock and Fire, Collapse inside the Tunnel, and Overseas Projects (Source: Meeting with Gezhouba for comments on the draft scorecard, April 16, 2015). The project department has established emergency organizations under the guidance of the Emergency Management Plan, including a leaders' team, a rescue team, a medical team, and a communications team. The Plan has been updated and improved. Training and education are provided to both Chinese and Ecuadorian workers (Source: Site visit, February 2015). 	
RM5. Systematic risk reporting and information sharing with local communities		
Policy	<ul style="list-style-type: none"> Gezhouba's Handbook on Environmental and Occupational Health Management contains a section on information exchange, consultation and communication, and requires that the project department and other relevant departments convey environmental and occupational health and safety information to all stakeholders and reach agreement with them through consultation when the identified environmental factors or sources of hazard concern them. Gezhouba has developed a Regulation on Public Disclosure of Workplace Hazards, which specifies how to publicize workplace hazards. 	
Project	<ul style="list-style-type: none"> According to Gezhouba, the project site is far from communities, so workplace risks are managed and reminders are placed on safety protection notice boards. 	
Average Score of Policy Commitments in Risk Management		
Average Score of Project Performance in Risk Management		
Total Score of Gezhouba's Policy Commitments Assessment		
Total Score of Gezhouba's Project Performance Assessment		

1.3 Huadian Policy Commitments and Project Performance (Stung Russei Chrum Hydropower Project in Cambodia)

Environmental Management		Score
EN1. The company's environmental policy commitments are consistent with international standards		
Policy	<ul style="list-style-type: none"> Huadian endorsed the Global Compact in 2008 (Source: http://www.chd.com.cn/news.do?cmd=showandid=69919). 	
EN2. The company's policy commitments incorporate environmental and social standards set by Chinese law as a minimum		
Policy	<ul style="list-style-type: none"> No information collected. 	
Project	<ul style="list-style-type: none"> According to Huadian, Chinese laws are stricter than the Cambodian laws. The EIA for the Project was primarily carried out in accordance with Cambodian laws. However, in some parts of the EIA (not specified) where requirements under Chinese laws and regulations are stricter, the EIA adopts Chinese standards (Source: Site visit, March 2015). No EIA was done and approved prior to approval of the project, which doesn't comply with either Chinese or Cambodian law (Source: CDM PDD Report for the Lower Stung Russei Chrum Project). 	
EN3. Prepares and implements Environmental Management Plans		
Policy	<ul style="list-style-type: none"> Huadian has endorsed the Global Compact, which includes the environment principles: Principle 7-Businesses should support a precautionary approach to environmental challenges; Principle 8-Businesses should undertake initiatives to promote greater environmental responsibility. In 2008, Huadian completed a total of five normative documents and model texts related to its hydroelectric projects, including 1) General Environmental Protection Design and Requirements for Compiling Implementation Plans, 2) Proposal for Tender Division Planning for Environmental Protection and Water and Soil Conservation, 3) Model Text for Environmental Protection, Water and Soil Conservation, Supervision and Management Services Tender Documents, 4) Model Text for Water and Soil Conservation Clauses in Tender Documents, and 5) Model Text for Assessment Methods for Environmental Protection and Water and Soil Conservation Performance. These documents were officially released in August 2009 and widely promoted within the company (Source: http://www.chd.com.cn/news.do?cmd=showandid=52566; Huadian's Hydropower Sustainability Report). However, it is unclear whether these documents apply to its overseas projects. Under Huadian's Regulation on Environmental Protection (Trial Version) Article 21: Initial design documents for electric power projects shall include a section dedicated to environmental protection and tender documents shall have clear environmental protection clauses. Measures to tackle pollution raised in the design documents shall be fully implemented. Article 25: All branches and wholly-owned holding companies shall, in accordance with national and local requirements for environmental protection as well as the group company's general environmental objectives, establish sound environmental protection and management systems and, based on the company's environmental protection plans, compile and implement their own annual action plans for environmental protection. Environmental objectives shall be divided in a top-down manner and responsibilities shall be assigned to individuals. However, it is unclear whether these Regulations apply to its overseas projects. 	
Project	<ul style="list-style-type: none"> According to Huadian, an EMP is included in the EIA, but it does not have any standardization certification. The EMP covers common issues such as wastewater, solid waste, air quality, erosion and sedimentation, etc. The EMP was not publicly disclosed. In our meeting with the company, we were not able to see a copy of the EMP (Source: Site visit, March 2015). 	
EN4. Carries out rigorous and verifiable EIAs		
Policy	<ul style="list-style-type: none"> Huadian has endorsed the Global Compact, which includes the environment principles: Principle 7-Businesses should support a precautionary approach to environmental challenges; Principle 8-Businesses should undertake initiatives to promote greater environmental responsibility. Huadian Regulation on Environmental Protection (Trial Version) Article 17: The group company's electric power projects (including thermal power, hydropower, wind power, desulphurization projects, and other electric power projects) shall strictly follow the National Environmental Impact Assessment System. Electric power projects shall go through environmental approval procedures, and projects whose EIAs have not been reviewed or approved by authorities shall not be commenced. However, it is unclear whether the Regulation applies to its overseas projects. 	

**Huadian Policy Commitments and Project Performance
(Stung Russei Chrum Hydropower Project in Cambodia)**

Project	<ul style="list-style-type: none"> • According to Huadian, the EIA was not publicly disclosed. In our meeting with the project company, we were not able to get or see a copy of the EIA. Mundul Seima District governor and Bak Khalang commune chief said they have never seen the EIA. Cambodian NGOs have not received the EIA either (Source: Site visit, March 2015). 	
EN5. Plans are consistent with basin development or water resource management plans, and Integrated Resources Plans		
Policy	<ul style="list-style-type: none"> • No information collected. 	
Project	<ul style="list-style-type: none"> • The project is consistent with basin wide assessments and relevant plans according to Huadian (Source: Site visit, March 2015). 	
EN6. Seeks to avoid impacts on biodiversity and ecosystem services, and supports conservation and biodiversity efforts related to the impacts on natural habitats from its hydro-power projects		
Policy	<ul style="list-style-type: none"> • Huadian has endorsed the Global Compact, which includes the environment principles: Principle 7-Businesses should support a precautionary approach to environmental challenges; Principle 8-Businesses should undertake initiatives to promote greater environmental responsibility. • In the Hydropower Sustainability Report, it is noted that Huadian attaches equal importance to the construction of power stations and the ecological environment, carries out ecological protection projects, and makes efforts to establish ecological indicator systems for rivers. Ecological monitoring and restoration is carried out in order to minimize the biological impact of project construction. Huadian also published a Technical Guide on Tender of Fish Breeding and Releasing Stations and Operation Manual for Fish Breeding and Releasing Stations. However, it is unclear whether these practices, guides and manuals apply to its overseas projects. 	
Project	<ul style="list-style-type: none"> • According to the <i>Phnom Penh Post</i>, “the construction of the dam will require the flooding of a 1,270-hectare area of protected forest and destroy the habitats of 184 species of animals, birds, fish and reptiles” (Source: http://www.phnompenhpost.com/national/dam-breaks-ground-amid-concerns). • According to the TESCO study on the project in 2006, the Peam Krasop National Park and Pham Samkos Wildlife Sanctuary are likely to be impacted by the dam. (Source: Lower Stung Russei Chrum Hydropower Project Draft Final Report by Tokyo Electric Power Services Co. Ltd, August 2006). As we were unable to obtain the EIA, we are unable to review how these impacts were evaluated in the EIA report. • According to Huadian, the project is located in the Cardamom Protected Area, but the biological impact is limited mainly to the construction area (Source: Site visit, March 2015). • Timber Green, who was contracted by Huadian for reservoir cleaning, has reportedly abused dam reservoir-clearing permits to run illegal logging outside the boundaries of their license (Source: http://www.phnompenhpost.com/national/shooting-suspect-face-court). • In the CDM PDD Report for the Lower Stung Russei Chrum Project, Huadian plans to strictly control the construction area and build camps within the project area to reduce the impact on wildlife. The company will also educate its staff to prevent poaching or illegal logging and, in cooperation with the Forestry Administration, train them about wildlife protection. The company will also invite experts to study the need for fish paths. In a public consultation meeting held in September 2009, relevant stakeholders believed that the company should cooperate with local authorities in natural resources monitoring and conservation as well as water management. The proposed solution was cooperation between the project company and Koh Kong forestry administration, fisheries administration and water resources management administration. In the meantime, a clear budget plan should be made specifically for natural conservation and environmental protection (Source: CDM PDD Report for the Lower Stung Russei Chrum Project). However, we didn't find evidence of this cooperation. • According to Huadian, the original amount of investment in environmental protection in the EMP is US\$3 million, but actual investment has exceeded US\$4 million. In addition, Huadian provides an environmental fund (amount unknown) to the government every year, but the company does not know how it has been used (Source: Site visit, March 2015). • According to Huadian, noise pollution from explosions was identified as one of the main impacts on wildlife, which might drive wild animals away from the areas. To reduce this impact, the company followed standard procedures to reduce noise pollution. Additionally, the forest could help absorb or cancel the noise, so the biological impact was quite limited. The EIA results show there are no migrating fish in the area, so it is not necessary to build a fish path (Source: Site visit, March 2015). 	

**Huadian Policy Commitments and Project Performance
(Stung Russei Chrum Hydropower Project in Cambodia)**

EN7. Takes measures to prevent pollutions and protect public health during construction and operation stages		
Policy	<ul style="list-style-type: none"> • Huadian has endorsed the Global Compact, which includes the environment principles: Principle 7–Businesses should support a precautionary approach to environmental challenges; Principle 8–Businesses should undertake initiatives to promote greater environmental responsibility. • Under Huadian’s Regulation on Environmental Protection (Trial Version) Article 20: For hydropower projects, ecological protection shall be strengthened, the reservoir site shall be cleaned up before water impoundment, and resettlement and environmental protection measures shall be in place. Article 26: Pollutants from electricity generation shall be controlled to meet the discharge standards. All branches and wholly-owned companies shall identify the types of pollutants and examine the amount. Discharges of four major pollutants, i.e. SO₂, soot, COD and industrial solid waste, shall be integrated into the company’s production and operation indicator system. However, it is unclear whether the Regulation applies to its overseas projects. • No information collected on specific policies about pollution control during construction. 	⊕
Project	<ul style="list-style-type: none"> • According to Huadian, relevant measures and plans are included in the EMP, which was not made available to us for verification (Source: Site visit, March 2015). • According to the CDM PDD report, good quality machinery will be used to assure air quality in the project area and the company will spray water to reduce dirt and dust pollution. The company will build diversion channels to direct water downstream, bypassing work sites. Temporary dams will be built around work sites to avoid sedimentation. Earth works will be avoided in rainy seasons. The company will effectively manage solid waste and wastewater, install toilets, bathrooms and dump sites far from water sources, build septic tanks and other facilities, and educate all employees about solid waste and wastewater management. Huadian will also restrict blasting time and use low-noise machines to manage noise (Source: CDM PDD Report for the Lower Stung Russei Chrum Project). • According to Huadian, degreasing tanks, septic tanks, water purifying and solid waste treatment facilities have been installed in various places in the project site. In addition, the water quality in the reservoir has improved because there were decayed leaves and rotting plants before the dam was built (Source: Site visit, March 2015). • According to Huadian, blasting should only take place between 11:30 am and 5:30 pm (Source: Site visit, March 2015). 	⊕
EN8. Carries out cultural resources assessments, and develops plans and processes to avoid, minimize, mitigate, and compensate negative impacts on cultural heritage		
Policy	<ul style="list-style-type: none"> • No information collected. 	⊖
Project	<ul style="list-style-type: none"> • According to a TESCO report in 2006, there haven’t been any investigations into possible historical sites in the Russei Chrum Basin (Source: Lower Stung Russei Chrum Hydropower Project Draft Final Report by Tokyo Electric Power Services Co. Ltd, August 2006). • Huadian verified that the project is located in an unpopulated area, therefore no cultural resources have been affected (Source: Site visit, March 2015). 	⊕
EN9. Addresses erosion and sedimentation issues		
Policy	<ul style="list-style-type: none"> • Huadian has endorsed the Global Compact, which includes the environment principles: Principle 7–Businesses should support a precautionary approach to environmental challenges; and Principle 8–Businesses should undertake initiatives to promote greater environmental responsibility. • In the Hydropower Sustainability Report, Huadian places emphasis on water and soil conservation in its hydroelectric project design and construction. In the project design process, open excavation is minimized to avoid the damage to the ground surface and project layout is guided by and optimized according to the principle of maximum environmental protection; in the construction process, focus is placed on the waste disposal area, material area and construction roads with grass and trees planted on soil slopes and waste disposal sites for the purpose of slope protection and greening. In the meantime, Huadian strengthens revegetation, restoration and post-construction management to restore the ecological environment, prevent soil erosion and protect rare plants. 	⊕
Project	<ul style="list-style-type: none"> • According to Huadian, relevant measures and plans are included in the EMP, which was not made available to us for verification (Source: Site visit, March 2015). • According to the CDM PDD report, the company will restore rock excavation and soil excavation sites and plant grass in order to reduce soil erosion and prevent landslides. Construction will start in dry seasons to reduce soil erosion risks which are higher in rainy seasons (Source: CDM PDD Report for the Lower Stung Russei Chrum Project). • According to Huadian, measures taken include carrying out excavation work in dry seasons, building drainage ditches on both sides of the roads, concretizing slopes and roads. During construction, sediment ponds were built but were removed after construction. During our Site visit, we observed concrete roads and drainage ditches as well as side slope protection measures in some areas. However, revegetation was very limited (Source: Site visit, March 2015). 	⊕

**Huadian Policy Commitments and Project Performance
(Stung Russei Chrum Hydropower Project in Cambodia)**

EN10. Adopts healthy downstream flow regimes, taking into account environmental, social and economic objectives, and where relevant, agreed transboundary objectives		
Policy	<ul style="list-style-type: none"> No information collected. 	⊖
Project	<ul style="list-style-type: none"> According to Huadian, the company keeps a water flow of at least 0.5 m³/s during dry seasons. During our Site visit, we observed there was more water released from the upper dam (more than 0.5m³/s according to the company) than the water released from the lower dam. Our previous visit in early March found little water between the lower dam and the power house and riverway nearly dried up (Source: Site visit, March 2015). According to the CDM PDD report, however, the company plans to ensure a water flow of at least 1.1m³/s (Source: CDM PDD Report for the Lower Stung Russei Chrum Project). 	⊕
Average Score of Policy Commitments in Environmental Management		⊕
Average Score of Project Performance in Environmental Management		⊕
Communities and Labor Relations		Score
CL1. Company has a policy on involuntary resettlement and indigenous people		
Policy	<ul style="list-style-type: none"> In the Hydropower Sustainability Report, Huadian sticks to the policy of “pre-resettlement compensation, post-resettlement support and development-oriented resettlement” as well as the principle of “original scale, original standards and restoration of original functions”. The company fully respects the will of affected people and ensures the resettled people have the same, if not better, living standards. Huadian also has a policy of “industry-fostered agriculture” and pursues the goal of “moving out, settling down and becoming rich” in its resettlement work. The company aims at transforming the resettlement area into <i>xiaokang</i> (well-off) and model villages with current laws and regulations as the guidance, a long-term compensation mechanism as the guarantee, multiple channels and forms of resettlement as the focus, the development of local competitive industries as the means, and the promotion of the local economy and people’s income as the motivation. However, it is unclear whether these policies and principles apply to its overseas projects. 	⊕
Project	<ul style="list-style-type: none"> According to Huadian, a Social Impact Assessment (SIA) was included in the EIA. The project does not involve resettlement. The major downstream impact is on aquaculture as well as the inundation risks. No livelihood restoration plan for downstream impacted communities has been set up. However, a small fund (several thousand USD) will be provided according to the EIA and will be used through the government to compensate the downstream households. The fund has not yet been set up (Source: Site visit, March 2015). In the public consultation meeting held in September 2009, the people living around the project area, such as Koh Por village, requested the company to hire them as priority workers (Source: CDM PDD Report for the Lower Stung Russei Chrum Project). However, the company leader and employees we interviewed were neither aware of Koh Por village nor the above solution. According to information collected from other employees and local Cambodians, the Cambodian workers employed by the company were mainly from other provinces. It was also confirmed that some Koh Por villagers were also employed (Source: Site visit, March 2015). 	⊕
CL2. Social Impact Assessments are routinely conducted for major projects		
Policy	<ul style="list-style-type: none"> No information collected. 	⊖
Project	<ul style="list-style-type: none"> According to Huadian, the EIA which includes the SIA was not publicly disclosed. In our meeting with the company, we were not able to get or see the copy of the EIA because the company said that other stakeholders would have to write an official letter to the Ministry of Environment to get the EIA. Therefore, we were not able to assess the SIA (Source: Site visit, March 2015). 	⊖
CL3. Meaningful and accountable stakeholder communication and consultation across all stages		
Policy	<ul style="list-style-type: none"> No information collected. 	⊖

Huadian Policy Commitments and Project Performance (Stung Russei Chrum Hydropower Project in Cambodia)

Project	<ul style="list-style-type: none"> • According to Huadian, at least 3 consultations (the exact number unclear) have been carried out by the consulting firm (Source: Site visit, March 2015). • According to the CDM PDD report, SAWAC company which completed the Initial Environmental Impact Assessment organized a stakeholder consultation meeting from September 19 to 24, 2009 (Source: CDM PDD Report for the Lower Stung Russei Chrum Project). • In our interviews in March, local people in Koh Kong said they were not informed of any information about the dam construction and they were concerned about the safety issues (Source: Site visit, March 2015). • Cambodian NGOs such as NGO Forum also said they knew little about the project due to lack of information disclosure (Source: Site visit, March 2015). • The leaders at the district and commune levels said Huadian did not have any information exchanges with them (Source: Site visit, March 2015). 	⊙
CL4. Establishes clear framework for filing complaints and dispute resolution		
Policy	<ul style="list-style-type: none"> • No information collected. 	⊙
Project	<ul style="list-style-type: none"> • According to Huadian, there is no direct complaint mechanism for the project (Source: Site visit, March 2015). • The family members of the Cambodian worker who was electrocuted and killed in July 2011 went to ADHOC (a famous human rights NGO in Cambodia) to prepare a complaint to submit to police because Huadian denied responsibility claiming the worker had died from fainting. The company later agreed to pay US\$4,700 to the victim's family after the police intervened (Source: http://www.phnompenhpost.com/national/third-worker-killed-hydrodam). 	⊙
CL5. Benefits sharing commitment		
Policy	<ul style="list-style-type: none"> • No information collected. 	⊙
Project	<ul style="list-style-type: none"> • According to Huadian, there is no benefit sharing mechanism in place, but the company has provided other benefits to the community such as infrastructure (roads and three 120m long bridges), and power transmission lines (34.5km) which connect to Koh Kong province. The company is also ready to provide cheaper electricity to Koh Kong if requested (Source: Meeting with Project Managers during Site visit, March 2015). • However, the Bak Khalang commune chief near the project area earlier said he did not see the transmission lines to Koh Kong (Source: Site visit, March 2015). 	⦿
CL6. The company practices do not breach relevant rights established under international human rights instruments		
Policy	<ul style="list-style-type: none"> • Huadian has endorsed the Global Compact, whose human rights principles are: Principle 1: Businesses should support and respect the protection of internationally proclaimed human rights; and Principle 2: Businesses should make sure that they are not complicit in human rights abuses. The labor principles in the Global Compact include: Principle 3: Businesses should uphold the freedom of association and the effective recognition of the right to collective bargaining; Principle 4: Businesses should uphold the elimination of all forms of forced and compulsory labor; Principle 5: Businesses should uphold the effective abolition of child labor; and Principle 6: Businesses should uphold the elimination of discrimination in respect of employment and occupation. 	⊕
Project	<ul style="list-style-type: none"> • According to Huadian, the company has not had any labor-related disputes or fines. The project company offers an attractive salary to employees as well as free accommodation and transportation. A new building will be built in mid-April 2015 for Cambodian workers with air conditioning, private bathrooms and a decent living space. A canteen that serves Cambodian food will also be available. The company said they would build another building specifically for medical services and would staff it with doctors from Phnom Penh (Source: Site visit, March 2015). • According to a Cambodian employee that has worked in the hydropower plant, the living conditions for Cambodian workers during construction were comparatively worse than the Chinese workers (Source: Site visit, March 2015). • The majority of interviewed Cambodian workers kept on during operation period were generally satisfied with their living conditions, salaries and working conditions. However, some felt that the salary was low and feel that the language barriers are stressful to manage (Source: Site visit, March 2015). • ADHOC, a local Cambodian NGO, commented in a news article in 2011 that about 100 Cambodian employed on the project didn't have health insurance (Source: http://www.phnompenhpost.com/national/chinese-workers-die-hydro-site-rock-fall). 	⊕

**Huadian Policy Commitments and Project Performance
(Stung Russei Chrum Hydropower Project in Cambodia)**

CL7. Occupational safety and health program to foster a safe and healthy work environment		
Policy	<ul style="list-style-type: none"> • Huadian Regulation on Intrinsic Safety of Working Environments for Power Generation Companies 2013 raises “General Requirements,” “Universal Requirements,” “Change Management” and “Special Requirements” for different types of working environments in different areas, though not covering all maintenance work. “Universal Requirements” are normal requirements applicable to certain types of hazardous maintenance working environments while “Special Requirements” are specific requirements for thermal power-, wind power-, and hydropower-related maintenance work. • Huadian has developed an Occupational Diseases Prevention Plan (2010-2015). 	
Project	<ul style="list-style-type: none"> • Two accidents occurred in July 2011 in which three people died. Two Chinese workers were smashed by falling rocks, and one Cambodian worker was electrocuted at the project site (Source: http://www.phnompenhpost.com/national/chinese-workers-die-hydro-site-rock-fall; http://www.phnompenhpost.com/national/third-worker-killed-hydrodam). • The company does not have a specific occupational safety and health department. However, to ensure a healthy and safe working environment, the company provides protection equipment (helmets, shoes) to all workers as well as safety training. Air conditioning, insect repellent and clean drinking water are also provided to prevent disease (Source: Site visit, March 2015). 	
CL8. Promotes local employment and related training		
Policy	<ul style="list-style-type: none"> • No information collected. 	
Project	<ul style="list-style-type: none"> • According to Huadian, during construction there were about 2,000 Cambodian workers and 300-400 Chinese workers. Cambodian workers did general or physical work and no Cambodian technical staff were hired. During the current operation period, 100 Cambodians, mainly working as drivers, cleaners, porters, chefs, translators, mechanics, operators, and maintenance workers, are employed on site. Technical staff account for about 30% of employees. The company provides safety equipment and training. The Cambodian employees we met during the Site visit also confirmed that they received training, especially safety training, before work and they were provided technical support when necessary by a manager (Source: Site visit, March 2015). • After the Cambodian worker was electrocuted and killed in July 2011, the police questioned Huadian on why the Cambodian worker was made to do a job for which he had no experience (Source: http://www.phnompenhpost.com/national/third-worker-killed-hydrodam). 	
Average Score of Policy Commitments in Community and Labor Relations		
Average Score of Project Performance in Community and Labor Relations		
Risk Management		Score
RM1. Evidence of a company-wide policy on corruption and bribery		
Policy	<ul style="list-style-type: none"> • Huadian has endorsed the Global Compact. The anti-corruption principle in the Global Compact is that “Businesses should work against corruption in all its forms, including extortion and bribery”. 	
Project	<ul style="list-style-type: none"> • No evidence of improper involvement in local political processes. • Huadian analyzed corruption risks and concluded the risks were bearable and controllable. Internal control measures have been taken to prevent corruption. For instance, at least two people need to be present when making major decisions for the purpose of mutual supervision. Anti-corruption training is provided on a monthly basis (Source: Site visit, March 2015). 	

Huadian Policy Commitments and Project Performance (Stung Russei Chrum Hydropower Project in Cambodia)

RM2. Compliance with local and national laws		
Policy	<ul style="list-style-type: none"> No information collected. 	
Project	<ul style="list-style-type: none"> Relevant legal analysis was included in the feasibility study. The China headquarters are responsible for surveying relevant laws and regulations as well as legal compliance. The headquarters have also released country-specific risk reports (Source: Site visit, March 2015). Huadian started construction without a formal EIA approval, which violates Cambodian law (Source: CDM PDD Report for the Lower Stung Russei Chrum Project). 	
RM3. Address transboundary issues to prevent, control and reduce transboundary impacts and use transboundary waters in a reasonable and equitable way		
Policy	<ul style="list-style-type: none"> No information collected. 	
Project	<ul style="list-style-type: none"> Not applicable. 	
RM4. Plans for dam and other infrastructure safety management		
Policy	<ul style="list-style-type: none"> Huadian's Regulation on Hydropower Project Management Article 8: the overall objective of hydropower project safety management is to achieve zero personal deaths. The Regulation also provides safety management processes in the pre-construction and construction stages. Huadian has developed an Overall Emergency Plan. It notes that the group's emergency plan system includes overall emergency plans, specialized emergency plans, and emergency plans by headquarters and subsidiaries. Huadian's Regulation on Intrinsic Safety of Working Environments for Power Generation Companies 2013 raises "General Requirements," "Universal Requirements," "Change Management" and "Special Requirements" for different types of working environments in different areas, not covering all maintenance work, though. "Universal Requirements" are normal requirements applicable to certain types of hazardous maintenance working environments while "Special Requirements" are specific requirements for thermal power-, wind power-, and hydropower-related maintenance work. Huadian Regulation on Technical Supervision Management of Hydropower and New Energies Projects focuses on a safety and quality requirements of technical supervision work. It notes that technical supervision work for hydropower projects covers reservoir, dams, water diversion structures and foundations, side slopes, gates and production buildings. Huadian's Emergency Plan for Floods and Dams has been developed to provide procedures for water disasters prevention and emergency responses within the group. 	
Project	<ul style="list-style-type: none"> According to Huadian, Chinese standard procedures and plans were adopted. They cover a variety of emergencies including dam collapse, grid collapse, storm rains, food poisoning, terrorism (Source: Site visit, March 2015). According to Huadian, emergency preparedness training is provided to all employees (Source: Site visit, March 2015). 	
RM5. Systematic risk reporting and information sharing with local communities		
Policy	<ul style="list-style-type: none"> Huadian's Emergency Plan for Flood Control and Dams Article 12 states that when the reservoir is in a dangerous situation, power generation companies should immediately warn the downstream in the first time, quickly deal with the risks, and report to the local government, the group, and flood prevention and dam safety management institute. When the reservoir has collapse risk due to a flood event beyond the design level or any other force majeure, the company should give warnings based on a dam collapse flood risk map in advance so that the population has enough time to evacuate. Article 26 states that information about flood control and dam safety should be released in a timely, accurate, objective and comprehensive manner. Article 31 states different levels of responsibilities are adopted in terms of publicly releasing information of flood, disaster, flood prevention and dam safety. General public information can be released to the public through media. 	

Huadian Policy Commitments and Project Performance (Stung Russei Chrum Hydropower Project in Cambodia)

Project	<ul style="list-style-type: none"> According to Huadian, there is no public disclosure mechanism in place. In our interviews in March, local people in Koh Kong said they were not informed of any information about dam construction and they were concerned about the safety issues. The leaders at district and commune levels said Huadian did not have any information exchange or communication with them (Source: Site visit, March 2015). 	
Average Score of Policy Commitments in Risk Management		
Average Score of Project Performance in Risk Management		
Total Score of Huadian's Policy Commitments Assessment		
Total Score of Huadian's Project Performance Assessment		

1.4 Huaneng Policy Commitments and Project Performance (Lower Sesan 2 Hydropower Project in Cambodia)

Environmental Management		Score
EN1. The company's environmental policy commitments are consistent with international standards		
Policy	<ul style="list-style-type: none"> Huaneng's Sustainability reports were compiled in accordance with the Sustainability Reporting Guidelines from Global Reporting Initiative and ISO 26000: Guidance on Social Responsibility (Source: 2011–2013 Sustainability Report). In 2007, Huaneng endorsed the Global Compact. (Source: 2013 Sustainability Report). 	
EN2. The company's policy commitments incorporate environmental and social standards set by Chinese law as a minimum		
Policy	<ul style="list-style-type: none"> Huaneng's Regulations on Environmental Protection Article 4 states that Huaneng shall ensure its full compliance with environmental laws and regulations, but it is not clear whether the regulations apply to overseas projects. 	
Project	<ul style="list-style-type: none"> Huaneng is one of two project developers. The other project developer is the Royal Group in Cambodia. Huaneng has not adopted Chinese standards and practices in hydropower development as a minimum (Source: Same Company, One River, Two Dams Report, February 2015). 	
EN3. Prepares and implements Environmental Management Plans		
Policy	<ul style="list-style-type: none"> Huaneng has endorsed the Global Compact, which includes the environment principles: Principle 7-Businesses should support a precautionary approach to environmental challenges; Principle 8-Businesses should undertake initiatives to promote greater environmental responsibility. Huaneng Regulations on Environmental Protection Article 19: the company shall establish a management system and a monitoring network for environmental protection. However, it is not clear whether the Regulations apply to overseas projects. 	
Project	<ul style="list-style-type: none"> A basic EMP was included in the EIA, which outlined potential environmental impacts, proposed mitigation measures, identified responsible institutions and cost estimates. However, based on field research, not all measures outlined in the EMP have been implemented at the project site. The EMP was disclosed with the EIA report prepared in 2009 and since then no updated EIA or EMP has been publicly released (Source: Environmental Impact Assessment Report for Lower Sesan 2 Hydropower Project, Stung Treng Province, Cambodia. 2009). 	
EN4. Carries out rigorous and verifiable EIAs		
Policy	<ul style="list-style-type: none"> Huaneng has endorsed the Global Compact, which includes the environment principles: Principle 7-Businesses should support a precautionary approach to environmental challenges; and Principle 8-Businesses should undertake initiatives to promote greater environmental responsibility. Huaneng's Regulations on Environmental Protection Article 10: Construction projects shall strictly comply with China's Environmental Protection Regulations on the Administration of Construction Project as well as the EIA Law and regulations. Article 11: During the feasibility study phase, an MEP-certified EIA agency shall be commissioned to compile EIA documents. Sedimentation and erosion issues shall be submitted for approval in accordance with the Regulations. Construction projects shall not be commenced if the EIA documents have not been reviewed or approved by the environmental authorities. However, it is not clear whether the Regulations apply to overseas projects. 	
Project	<ul style="list-style-type: none"> Impacts on forest, vegetation, aquatic species (but limited to only fish species), sedimentation, water quality, and water quantity are addressed in the EIA. The EIA only briefly addresses cultural heritage, property and biodiversity. Cumulative indirect and interactive impacts are not addressed. Generally, limited surveys were conducted with much of the species survey relying a previous study completed in 2000 but were not updated for the purposes of ascertaining the baseline situation (Source: Environmental Impact Assessment Report for Feasibility Study of Lower Sesan 2 Hydropower Project, Stung Treng Province, Cambodia, October 2008). NGOs including NGO Forum on Cambodia and the Rivers Coalition of Cambodia had the opportunity to comment and respond on the EIA report. However it is not clear that these comments were incorporated or reviewed by the new project developers (Source: Comments on Chapter VIII Environment Management Plan of the Lower Sesan 2 Draft EIA by Key Consultants Cambodia - 22 July, 2008, NGO Forum on Cambodia's Lower Sesan 2 Hydro Project EIA Review). 	

**Huaneng Policy Commitments and Project Performance
(Lower Sesan 2 Hydropower Project in Cambodia)**

EN5. Plans are consistent with basin development or water resource management plans, and Integrated Resources Plans		
Policy	<ul style="list-style-type: none"> No information collected. 	⊖
Project	<ul style="list-style-type: none"> The EIA made no consideration of upstream and downstream impacts in the Mekong River Basin or 3S (Sekong, Srepok, Sesan) watershed. 	⊖
EN6. Seeks to avoid impacts on biodiversity and ecosystem services, and supports conservation and biodiversity efforts related to the impacts on natural habitats from its hydro-power projects		
Policy	<ul style="list-style-type: none"> Huaneng has endorsed the Global Compact, which includes the environment principles: Principle 7-Businesses should support a precautionary approach to environmental challenges; and Principle 8-Businesses should undertake initiatives to promote greater environmental responsibility. No information collected on the company’s policies or commitments about biodiversity. 	⊖
Project	<ul style="list-style-type: none"> The project area is located within the Lower Mekong Dry Forest Eco-region, and is also part of several Important Bird Areas as identified by Birdlife International (Source: Environmental Impact Assessment Report for Feasibility Study of Lower Sesan 2 Hydropower Project, Stung Treng Province, Cambodia, October 2008). A 2012 study published in the Proceedings of the National Academy of Sciences found that the Lower Sesan 2 Dam would cause a 9.3% drop in fish biomass in the Mekong Basin, while threatening to push to extinction more than 50 fish species (Source: Guy Z., et al. 2012. Trading-off Fish Biodiversity, Food Security, and Hydropower in the Mekong River Basin, Proceeding of the National Academy of Sciences of the United States of America: vol. 109 no. 15 5609-5614). Cambodia’s Ministry of Agriculture, Forestry and Fisheries has reportedly halted the forest clearing activities in response to concerns about illegal logging in the reservoir area. Media reports in 2012, 2013 and 2014 note illegal logging has been associated with the commencement of project construction – particularly in, but also beyond, the inundation area. (Source: https://www.cambodiadaily.com/archives/sesan-ii-reservoir-a-laundry-for-illegal-timber-60575/). Proposed mitigation measures in the EMP include: The project design shall minimize the flooded level in order to reduce damage to forest and agricultural land, the number of resettlement households, and land and forest concessions. The alignment of the detour road with the national road and a new resettlement site shall be selected in places that do not adversely impact natural and social resources in the area. Fish passage structures or other approaches shall be provided to allow fish and other aquatic fauna to migrate upstream and downstream of the dam. A fish research center is one option to balance fisheries up- and downstream in both rivers. Reforestation in open space near the project area or in demonstrated area by Forestry Administration shall be undertaken during project construction and operation stages to compensate for the area of forest lost due to the project. The company shall also make a contribution to strengthen the forest and wildlife habitat conservation program in the area including cooperating with and contributing budget to the Forestry Administration and other conservation agencies to protect the forest and wildlife in and around the project area (Source: Environmental Impact Assessment Report for Feasibility Study of Lower Sesan 2 Hydropower Project, Stung Treng Province, Cambodia, October 2008). No information was publicly disclosed on how the above measures have been implemented. No information was collected during our field work in October 2014 on biodiversity management during construction (Source: Site visit, October 2014). 	⊖
EN7. Takes measures to prevent pollutions and protect public health during construction and operation stages		
Policy	<ul style="list-style-type: none"> Huaneng has endorsed the Global Compact, which includes the environment principles: Principle 7-Businesses should support a precautionary approach to environmental challenges; and Principle 8-Businesses should undertake initiatives to promote greater environmental responsibility. Huaneng’s Regulations on Environmental Protection Article 4 states that all pollutant discharges should be up to standard. Environmental laws and regulations violations and environmental pollution accidents should be avoided. Article 12 states that a qualified agency shall be commissioned to carry out environmental protection design, which should follow established procedures and meet the requirements concerning EIA approval, pollutant discharge standards, total pollution control, ecosystem protection, etc. Article 18 states that during construction, all pollutant discharges should meet national and local standards and requirements for total pollution control. In the cases where national or local standards and requirements are not met, control measures or modifications shall be taken. Waste and hazardous chemicals shall be properly managed and disposed to prevent potential environmental pollution. However, it is not clear whether the regulations apply to overseas projects. 	⊕

**Huaneng Policy Commitments and Project Performance
(Lower Sesan 2 Hydropower Project in Cambodia)**

Project	<ul style="list-style-type: none"> The EMP recommends basic management techniques for water, air, noise and public health impacts mitigation (Source: Environmental Impact Assessment Report for Feasibility Study of Lower Sesan 2 Hydropower Project, Stung Treng Province, Cambodia, October 2008). However, no implementation or monitoring information has been released during the construction period on if the EMP is being managed, or on the changes in noise, water quality, air quality and public health due to project construction. 	⊙
EN8. Carries out cultural resources assessments, and develops plans and processes to avoid, minimize, mitigate, and compensate negative impacts on cultural heritage		
Policy	<ul style="list-style-type: none"> No information collected. 	⊙
Project	<ul style="list-style-type: none"> There has been no acknowledgement of impact or harm caused during construction on cultural heritage and sacred sites. The cultural heritage assessment concluded that there were no important sites, which is not in keeping with the views of local communities (Source: Environmental Impact Assessment Report for Feasibility Study of Lower Sesan 2 Hydropower Project, Stung Treng Province, Cambodia, October 2008; Site visit, October 2014). No evidence provided that ethnicity or indigenous culture and livelihoods are being factored into resettlement plans. 	⊙
EN9. Addresses erosion and sedimentation issues		
Policy	<ul style="list-style-type: none"> Huaneng has endorsed the Global Compact, which includes the environment principles: Principle 7-Businesses should support a precautionary approach to environmental challenges; and Principle 8-Businesses should undertake initiatives to promote greater environmental responsibility. Huaneng's Regulations on Environmental Protection Article 14: Water and soil conservation shall be supervised by a qualified agency in compliance with requirements by national authorities. After construction is completed, remediation and restoration of the ecological environment affected by construction shall be done in a timely manner to treat water loss and soil erosion. However, it is not clear whether the Regulations apply to overseas projects. 	⊙
Project	<ul style="list-style-type: none"> Basic measures on this issue are listed in the EIA Report (Source: Environmental Impact Assessment Report for Feasibility Study of Lower Sesan 2 Hydropower Project, Stung Treng Province, Cambodia, October 2008). No erosion and sediment control plan has been publically disclosed. Hydrolancang has commissioned a redesign study for a safer and more environmentally-friendly dam with easier sediment flushing and flood discharging (Source: http://www.phnompenhpost.com/national/sesan-dam-gets-new-design), however it is not clear how these designs will improve erosion and sediment management issues. No evidence of a cumulative impact assessment conducted in relation to sediment or erosion. 	⊙
EN10. Adopts healthy downstream flow regimes, taking into account environmental, social and economic objectives, and where relevant, agreed transboundary objectives		
Policy	<ul style="list-style-type: none"> No information collected. 	⊙
Project	<ul style="list-style-type: none"> No Environmental Flows Assessment was undertaken. However, Hydrolancang has reportedly adopted design modifications for the project to reduce environmental impacts, though it is not known whether this includes environmental flows (Source: http://www.phnompenhpost.com/national/sesan-dam-gets-new-design). The EIA also recommends "the company should provide as close to pre-dam flows as possible to ensure keeping the ecosystem of the stream alive and so not to have a high negative impact on the aquatic fauna and flora downstream and upstream of the project site." The adoption of the above measures has not been confirmed by project developers (Source: Environmental Impact Assessment Report for Feasibility Study of Lower Sesan 2 Hydropower Project, Stung Treng Province, Cambodia, October 2008). 	⊙
Average Score of Policy Commitments in Environmental Management		⊙
Average Score of Project Performance in Environmental Management		⊙

**Huaneng Policy Commitments and Project Performance
(Lower Sesan 2 Hydropower Project in Cambodia)**

Communities and Labor Relations		Score
CL1. Company has a policy on involuntary resettlement and indigenous people		
Policy	<ul style="list-style-type: none"> No information collected. 	⊙
Project	<ul style="list-style-type: none"> The EIA Report included some socio-economic analysis, but this has not been updated since 2008 (Source: Environmental Impact Assessment Report for Feasibility Study of Lower Sesan 2 Hydropower Project, Stung Treng Province, Cambodia, October 2008). No measures have been announced for downstream communities and no mitigation measures for downstream communities were contained in the 2008 EIA (Source: Environmental Impact Assessment Report for Feasibility Study of Lower Sesan 2 Hydropower Project, Stung Treng Province, Cambodia, October 2008). It is not clear whether local communities have been offered local employment opportunities. No confirmed reports on the establishment of a community development fund or other opportunities to support transition post resettlement (Source: Site visit, October 2014). No standard for post-resettlement livelihoods has been established by the dam developers despite commitments by the Cambodian Prime Minister that affected people will have better livelihoods (Source: Letter from Prime Minister Samdech Hun Sen, Letter No31: Clarification to the request by HE Son Chhay, Phnom Penh Parliamentarian, for delay in the implementation of the Hydropower Project of Lower Sesan II of the Vietnamese Company EVN in joint venture with the Royal Group Company, 28 July, 2011). 	⊙
CL2. Social Impact Assessments are routinely conducted for major projects		
Policy	<ul style="list-style-type: none"> No information collected. 	⊙
Project	<ul style="list-style-type: none"> The Social Impact Assessment did not include gender or age disaggregation. No specific mitigation strategies for at risk populations (e.g. women, children, elderly) (Source: Environmental Impact Assessment Report for Feasibility Study of Lower Sesan 2 Hydropower Project, Stung Treng Province, Cambodia, October 2008). Resettlement directly impacts several thousand people, and the resettlement assessments are not up to date. The Social Impact Assessment and resettlement plans were prepared several years before the start of construction and not updated at the time construction commenced (Source: Environmental Impact Assessment Report for Feasibility Study of Lower Sesan 2 Hydropower Project, Stung Treng Province, Cambodia, October 2008). NGO Forum on Cambodia has made several attempts to contact the company to obtain a copy of the Lower Sesan 2 EIA and it has never been provided (Source: Site visit, October 2014). 	⊙
CL3. Meaningful and accountable stakeholder communication and consultation across all stages		
Policy	<ul style="list-style-type: none"> No information collected. 	⊙
Project	<ul style="list-style-type: none"> Under the previous dam developers, up to three consultation meetings were held during the EIA process (February and May 2008), and some selected NGOs were given an opportunity to provide feedback on the EIA at the Ministry of Environment (5 May 2009, November 2012 and February 2013). It has also been reported that the Stung Treng Provincial Governor met with villagers to outline resettlement options (Source: Comments on Chapter VIII Environment Management Plan of the Lower Sesan 2 Draft EIA by Key Consultants Cambodia, 22 July, 2008, NGO Forum on Cambodia's Lower Sesan 2 Hydro Project EIA Review; Site visit, October 2014) Communities did not have the opportunity to participate in project design and development. Most of the information on the dam has been given by NGOs (Source: Site visit, October 2014). 	⊙
CL4. Establishes clear framework for filing complaints and dispute resolution		
Policy	<ul style="list-style-type: none"> No information collected. 	⊙

Huaneng Policy Commitments and Project Performance (Lower Sesan 2 Hydropower Project in Cambodia)

Project	<ul style="list-style-type: none"> Concerns, complaints and grievances are widespread across the communities in the project area and surroundings. Affected communities have organized numerous protests against the project and refused to resettle (Source: Site visit, October 2014). There is no formal mechanism to lodge grievances and concerns. Letters sent on behalf of local communities by regional, national and international NGOs have also remained unanswered by the project developers (Source: Site visit, October 2014). 	⊙
CL5. Benefits sharing commitment		
Policy	<ul style="list-style-type: none"> No information collected. 	⊙
Project	<ul style="list-style-type: none"> No wider benefit sharing. However, Hydrolancang is reportedly considering establishing a social investment fund for the project, which could provide on-going support for communities, though this is not confirmed. 	⊙
CL6. The company practices do not breach relevant rights established under international human rights instruments		
Policy	<ul style="list-style-type: none"> Huaneng endorsed the Global Compact, whose human rights principles are: Principle 1: Businesses should support and respect the protection of internationally proclaimed human rights; and Principle 2: Businesses should make sure that they are not complicit in human rights abuses. In its 2013 Sustainability Report, Huaneng reported its implementation as abiding by laws and regulations at home and abroad, supporting international conventions on human rights approved by the central government, safeguarding and respecting human rights, and guaranteeing employees' legal rights and interest (Source: 2013 Sustainability Report). The labor principles in the Global Compact include: Principle 3: Businesses should uphold the freedom of association and the effective recognition of the right to collective bargaining; Principle 4: Businesses should uphold the elimination of all forms of forced and compulsory labor; Principle 5: Businesses should uphold the effective abolition of child labor; and Principle 6: Businesses should uphold the elimination of discrimination in respect of employment and occupation. In its 2013 Sustainability Report, Huaneng reported its implementation as abiding by the national laws and regulations on labor issues, forbidding the use of child labor, opposing any forms of forced labor, adhering to equal and just labor policies and democratic management, making public the affairs of enterprises, and respecting the rights of labor (Source: 2013 Sustainability Report). 	⊙
Project	<ul style="list-style-type: none"> In November and December 2014, local community members reported threats made by the Cambodian government to accept the asset survey process otherwise they would not be resettled or receive any compensation (Source: 3SPN Notes from Consultation with Communities, 2014). A complaint dated 13 January 2015 was also lodged in a submission to the UN Special Rapporteur on the Situation of Human Rights in Cambodia, prepared by local and international NGOs, covering the human rights impacts of the project. 	⊙
CL7. Occupational safety and health program to foster a safe and healthy work environment		
Policy	<ul style="list-style-type: none"> Huaneng Evaluation Standards on Hydroelectric Plant Safety, which concerns labor safety and the working environment, provides evaluation standards on safety for different types of work and machinery, on labor protection articles, and on the working environment including production area, safety signs, air quality, alarms, transportation safety, fire and explosion protection and other occupational hazards. 	⊙
Project	<ul style="list-style-type: none"> No information collected. 	⊙
CL8. Promotes local employment and related training		
Policy	<ul style="list-style-type: none"> No information collected. 	⊙
Project	<ul style="list-style-type: none"> No information collected. 	⊙
Average Score of Policy Commitments in Community and Labor Relations		⊙
Average Score of Project Performance in Community and Labor Relations		⊙

Huaneng Policy Commitments and Project Performance (Lower Sesan 2 Hydropower Project in Cambodia)

Risk Management		Score
RM1. Evidence of a company-wide policy on corruption and bribery		
Policy	<ul style="list-style-type: none"> Huaneng endorsed the Global Compact. The anti-corruption principle in the Global Compact is that businesses should work against corruption in all its forms, including extortion and bribery. In 2012, Huaneng developed Manual on Prevention and Control of Corruption Risks (Source: 2012 Sustainability Report). 	⊙
Project	<ul style="list-style-type: none"> No information collected. 	⊙
RM2. Compliance with local and national laws		
Policy	<ul style="list-style-type: none"> No information collected. 	⊙
Project	<ul style="list-style-type: none"> The EIA contains a list of relevant ministries and laws for the Lower Sesan 2 Project but no analysis of the project developers' specific obligations. During the fieldwork for this case study, local villagers in Phluk village had individual and community property impacted by road construction for the dam site and did not receive any compensation (Source: Site visit, October 2014). 	⊙
RM3. Address transboundary issues to prevent, control and reduce transboundary impacts and use transboundary waters in a reasonable and equitable way		
Policy	<ul style="list-style-type: none"> No information collected. 	⊙
Project	<ul style="list-style-type: none"> Transboundary issues were neither addressed in the EMP nor the EIA (Source: Environmental Impact Assessment Report for Feasibility Study of Lower Sesan 2 Hydropower Project, Stung Treng Province, Cambodia, October 2008). In June 2013 and June 2014, the development partners to the Mekong River Commission (MRC) expressed concern over the project's regional impacts and called for voluntary submission of the project to "Prior Consultation" under the Procedures for Notification, Prior Consultation and Agreement (PNPCA) of the 1995 Mekong Agreement. No response has been made to this call Joint Development Partner Statement: MRC Informal Donor Meeting, Phnom Penh, Cambodia, 28 June 2013; Joint Development Partner Statement Twentieth Meeting of the MRC Council Joint Meeting with the Eighteenth Development Partner Consultative Group, Bangkok, Thailand, 26 June 2014). 	⊙
RM4. Plans for dam and other infrastructure safety management		
Policy	<ul style="list-style-type: none"> In 2013, Huaneng revised and improved the Regulation of Safe Operation in Power Industry and issued the Management Methods for Training Staff of Power Generation Enterprises on Production Safety (Source: 2013 Sustainability Report). Huaneng Regulations on Safety in Production Huaneng Management Method for the Safety of Outsourcing Projects Huaneng Evaluation Standards on Hydroelectric Plant Safety covers the following four aspects: safety management in production, labor safety and the working environment, reservoir pivot constructions and external risks control, and production equipment and systems. Huaneng General Response Plans for Major Emergencies, which covers 18 types of major emergencies, has defined responsible organizations and their duties, established an emergency response system, and specified the needs for emergency support. Emergency Response Plan for Environmental Accidents and Huaneng Emergency Response Plan for Major Environmental Accidents have defined environmental accidents, analyzed the risks, defined responsible organizations and their duties, established prevention and warning mechanisms and raised post-emergency and information disclosure requirements. Huaneng Regulations on Environmental Protection Article 23: A feasible emergency response plan for environmental accidents shall be made. In the event that environmental accidents or other environmental emergencies have caused or might lead to pollution, contamination or health hazards, emergency measures shall be taken without any delay, organizations and residents that might be affected shall be informed in time, and reports shall be submitted immediately to local environmental authorities and the company for further investigation. 	⊙

**Huaneng Policy Commitments and Project Performance
(Lower Sesan 2 Hydropower Project in Cambodia)**

Project	• No information collected.	⊙
RM5. Systematic risk reporting and information sharing with local communities		
Policy	<ul style="list-style-type: none"> • Huaneng Regulations on Environmental Protection Article 23: A feasible emergency response plan for environmental accidents shall be made. In the event that environmental accidents or other environmental emergencies have caused or might lead to pollution, contamination or health hazards, emergency measures shall be taken without any delay, organizations and residents that might be affected shall be informed in time, and reports shall be submitted immediately to local environmental authorities and the company for further investigation. • No information collected on the policies concerning how the company informs communities in advance or discloses project risks. 	⊙
Project	• No information collected.	⊙
Average Score of Policy Commitments in Risk Management		⊙
Average Score of Project Performance in Risk Management		⊙
Total Score of Huaneng’s Policy Commitments Assessment		⊙
Total Score of Huaneng’s Project Performance Assessment		⊙

1.5 Sinohydro International Policy Commitments and Project Performance (Coca Codo Sinclair Hydropower Project in Ecuador)

Environmental Management		Score
EN1. The company’s environmental policy commitments are consistent with international standards		
Policy	<ul style="list-style-type: none"> • Sinohydro International has committed to behave in an accountable, transparent, ethical and fair manner in its marketing and contractual and operating processes (Source: Sustainable Development Policy). • They also committed to limiting the impact of business activities on the environment (Source: Sustainable Development Policy). • They further committed to “govern its business by adopting management systems in accordance with ISO14001, OHSAS18001, ISO 26000 to improve resources efficiency, protect the natural environmental, community benefits, and employees’ health and safety at the workplace” (Source: Sustainable Development Policy). • The most typical ongoing environmental initiatives are “save energy and reduce emissions” inside the company, and “save water and electricity” in the project sites (Source: Sinohydro International HSE Department Interview, March 27, 2014). 	⊙
EN2. The company’s policy commitments incorporate environmental and social standards set by Chinese law as a minimum		
Policy	<ul style="list-style-type: none"> • Sinohydro International committed to full compliance with local legislation, international standards and Sinohydro International’s requirements (Source: Q/SHL. 101-2010 QSHE Management System). • They have also committed to complying with Chinese laws and local laws, whichever are higher (Source: Sinohydro International HSE Department Interview, March 27, 2014). 	⊙
Project	<ul style="list-style-type: none"> • According to Sinohydro International, the environmental standards and labor standards adopted in the CCS project meet strict Ecuadorian laws, which are higher than the standards set by Chinese laws (Source: Site visit, October 2014). 	⊙
EN3. Prepares and implements Environmental Management Plans		
Policy	<ul style="list-style-type: none"> • Sinohydro International first launched QHSE Management System (Chinese version) in 2010, and lauched a new HSE Management Guidance (English version) late 2014 (Source: Q/SHL. 101-2010 QSHE Management System; Sinohydro International HSE Department Interview March 27, 2014; Company meeting, April 22, 2015). • Sinohydro International complies with OHSAS 18001, ISO 9001 and ISO 14001. The QHSE system was developed based on these three standards. A qualified third party does annual auditing every year (Source: Q/SHL. 101-2010 QSHE Management System; Sinohydro International HSE Department Interview, March 27, 2014). 	⊙
Project	<ul style="list-style-type: none"> • The EMP covers topics such as water quality, solid waste management, noise, air quality, and gas and fuel disposal. The EMP hasn’t been publicly disclosed, but according to Sinohydro International, the Ecuadorian government, the local government and communities should have all received copies (Source: Site visit, October 2014). • The EMP was developed to comply with ISO 14000. Due to the project size, Sinohydro International regularly develops EMP updates to reflect the changing needs of impacts management. We were able to review the hard copy of the Chinese and Spanish EMP updates developed in 2013 (Source: Company Meeting, April 22, 2015). 	⊙
EN6. Seeks to avoid impacts on biodiversity and ecosystem services, and supports conservation and biodiversity efforts related to the impacts on natural habitats from its hydro-power projects		
Policy	<ul style="list-style-type: none"> • Sinohydro International committed to continue to take steps to preserve biodiversity and affected ecosystem, protect World Heritage areas, and restore any disturbed areas in a timely manner. (Source: Statement of Ethical Principles 2014) • The Wildlife Control Procedure of the 2014 Sinohydro International HSE Management Guidance says the operations of construction will be restricted to the construction site allocated lands and construction activities will be performed in compliance with applicable national regulations and international conventions in terms of wildlife biodiversity and protecting vegetative ecosystem. 	⊙

Sinohydro International Policy Commitments and Project Performance (Coca Codo Sinclair Hydropower Project in Ecuador)

Project	<ul style="list-style-type: none"> • The small adjustable reservoir and an associated 28 km road built within the Sumaco Galeras National Park have negative impacts on the environment. It was reported by Sinohydro International that there is mitigation for the park area. The Ecuadorian government's CCS company is in charge of addressing this issue. Other environmental impacts are associated with general construction, e.g. tailings (Source: Site visit, October 2014). • According to Sinohydro International, the EIA identified impacted flora and fauna (Source: Site visit, October 2014). • The contract requires Sinohydro International to rehabilitate the area intervened and return it to its primary condition. Sinohydro International does annual studies on fauna, but they are not publicly available (Source: Site visit, October 2014). • Sinohydro International has developed revegetation and reforestation plan (Source: Plan De Revegetacion Y Reforestacion En La Via Embalse Compensador, 05/12/2013). • As agreed with the government, some debris sites will be planted with native vegetation species, which will be done in conjunction with a university team from Quito and the Ministry of the Environment (Source: Site visit, October 2014). 	
EN7. Takes measures to prevent pollution and protect public health during construction and operation stages		
Policy	<ul style="list-style-type: none"> • Sinohydro International is committed to the health and safety of any one who may be affected by their operations. They are committed to preventing injury, ill health, damage and loss arising from their operations as well as complying with all regulatory or other legal requirements pertaining to safety, health and the environment (Source: Statement of Ethical Principles 2014) • In 2014, Sinohydro International approved new HSE Management Guidance, which includes procedures of noise management, waste management, dust control, air emissions control, hazardous waste, water quality control, and contaminated land, etc. (Source: HSE Management Guidance, 2014). 	
Project	<ul style="list-style-type: none"> • The EMP covers topics such as water quality, solid waste management, noise, air quality, and gas and fuel disposal (Source: Site visit, October 2014). • Sinohydro International contracted an Ecuadorian company to do secondary water treatment for the wastewater from both the construction and work camps (Source: Site visit, October 2014). • Sinohydro International tests water quality (for both discharges to the river and potable water) and air quality onsite, and has to provide monthly reports to the project developer (Source: Site visit, October 2014). • Sinohydro International develops monthly reports on contract compliance and environmental quality monitoring. A third party is invited to monitor water quality of wastewater discharge and drinking water, and air quality (Source: Site visit, October 2014). 	
EN8. Carries out cultural resources assessments, and develops plans and processes to avoid, minimize, mitigate, and compensate negative impacts on cultural heritage		
Policy	<ul style="list-style-type: none"> • Sinohydro International is committed to compliance with the rule of law, respecting for local culture, religion and customs, providing locals with skills training and equal employment and business opportunities, and contributing to local society's development (Source: Sustainable Development Policy). • The Cultural Heritage Control Procedure of 2014 Sinohydro International HSE Management Guidance requires the company to: check the list of UNESCO World Heritage Sites prior to commencing work at the site and identify physical cultural resources; consult concerned government authorities, relevant NGOs, experts and local people in documenting the presence and significance of physical cultural resources, assessing the nature and extent of potential impacts on these resources, and designing and implementing mitigation plans; and disclose draft mitigation plans in a timely manner, before appraisal formally begins, in an accessible place and in a form and language that are understandable to key stakeholders. • The Environmental Management–Public Relations Procedure of 2014 Sinohydro International HSE Management Procedure requires the company to implement an appropriate action plan of measures to avoid and mitigate for adverse effects concerning indigenous people, preserve cultural heritage and physical cultural resources; and avoid their destruction or damage. 	
Project	<ul style="list-style-type: none"> • Sinohydro International reported that no archaeological vestiges were found within the construction area (Source: Site visit, October 2014). 	
EN9. Addresses erosion and sedimentation issues		
Policy	<ul style="list-style-type: none"> • In 2014, Sinohydro International approved a new HSE Management Guidance, which includes an Erosion and Sedimentation Control Procedure. 	

**Sinohydro International Policy Commitments and Project Performance
(Coca Codo Sinclair Hydropower Project in Ecuador)**

Project	<ul style="list-style-type: none"> • Sinohydro International has developed a revegetation and reforestation plan (Source: Plan De Revegetacion Y Reforestacion En La Via Embalse Compensador, 05/12/2013). • We were shown three debris site deposits that are already covered with vegetation. As agreed with the government, some debris sites will be left alone to let vegetation grow and other sites will be planted with native vegetation. The latter will be done in conjunction with a university in Quito and the Ministry of the Environment (Source: Site visit, October 2014). • Construction has been divided into different phases to avoid the sedimentation problem potentially caused by massive construction (Source: Site visit, October 2014). • Sinohydro International has adopted sedimentation prevention and protection measures (Source: Site visit, October 2014). 	⊙
Average Score of Policy Commitments in Environmental Management		⊙
Average Score of Project Performance in Environmental Management		⊙
Communities and Labor Relations		Score
CL3. Meaningful and accountable stakeholder communication and consultation across all stages		
Policy	<ul style="list-style-type: none"> • Sinohydro International has committed to defining an open and effective dialogue and communication mechanism to facilitate information exchange with customers, employees, subcontractors, communities and authorities on matters of common interests relating to health and safety at the workplace, the environment, and the concerns of economy and society (Source: Sustainable Development Policy 2014). • Sinohydro International committed to an open dialogue with all stakeholders, including owners as well as local partners, public, governmental institutions, NGOs, and local associations, to mitigate disturbances created by operations, working in compliance with local cultural and community practices (Source: Statement of Ethical Principles 2014). • They also committed to publishing their environmental efforts and their progress on the implementation of their environmental policy and maintaining relations with the local authorities and communities in the countries where they operate (Source: Q/SHL. 101-2010 QSHE Management System). • The Environmental Management–Public Relations Procedure of 2014 Sinohydro International HSE Management Procedure requires the company to conduct effective consultations with Affected Populations on their livelihoods that allow for participation in planning, implementation and monitoring by all affected groups. 	⊙
Project	<ul style="list-style-type: none"> • Sinohydro International did not conduct a community survey prior to commencing construction (Source: Site visit, October 2014). • There is a lack of systematic and meaningful reporting and information disclosure mechanisms to local communities and organizations (Source: Site visit, October 2014). 	⊙
CL4. Establishes clear framework for filing complaints and dispute resolution		
Policy	<ul style="list-style-type: none"> • Sinohydro International is committed to responding in an active manner to any complaints and/or grievances that arise from customers, employees, subcontractors, communities and authorities (Source: Sustainable Development Policy 2014). • 2014 Sinohydro International HSE Management Guidance includes a Grievance and Complaint Mechanism Procedure. • The Environmental Management–Public Relations Procedure of 2014 Sinohydro International HSE Management Procedure says that all of Sinohydro International's business will have community complaints, conflicts and grievance procedures and the grievance procedure will be publicized through village chiefs and throughout the local population. In case farmers suffer damage from construction or operation activities on acquired lands, they shall be entitled to claim damages through the Environmental Management and Monitoring Unit. Conflicts between workers and villagers must be tracked and signed off by relevant managers. The villagers who suffer from road dust and excessive traffic or accidents should have a functional channel to make complaints and claims for compensation. 	⊙
Project	<ul style="list-style-type: none"> • Communities and staff can submit disputes and complaints through two channels in either verbal or written form to the Human Resources Department and Labor Union. The Union carries out monthly meetings to collect complaints from the staff. The HR Department will deal with the complaints. If the union and HR cannot resolve a complaint, a higher management team will discuss and solve the complaints (Source: Site visit, October 2014). • According to Sinohydro International, no community complaints have been reported. We were unable to check on this information with communities (Source: Site visit, October 2014). • Sinohydro International has received complaints and requests from employees, mainly about salary and benefits (Source: Site visit, October 2014). 	⊙

**Sinohydro International Policy Commitments and Project Performance
(Coca Codo Sinclair Hydropower Project in Ecuador)**

CL5. Benefits sharing commitment		
Policy	<ul style="list-style-type: none"> • Sinohydro International committed to compliance with the rule of law, respecting for local culture, religion and customs, providing the locals with skills training and equal employment and business opportunities, and contributing to local society’s development (Source: Sustainable Development Policy 2014). 	
Project	<ul style="list-style-type: none"> • Sinohydro International provided raw materials and equipment to pave the main road for the village. The company also provided tap water access and waste water treatment for the village. The maintenance expense for wastewater treatment at Sinohydro International (including the village and all camps) was \$185,000 for the first six months of 2014 (Source: Site visit, October 2014). • Conditions in the town are getting better, although it still has the aspect of an extremely poor town (Source: Site visit, October 2014). 	
CL6. The company practices do not breach relevant rights established under international human rights instruments		
Policy	<ul style="list-style-type: none"> • Sinohydro International committed to complying with the rule of law, respecting local culture, religion and customs, providing the locals with skills training and equal employment and business opportunities, and contributing to local society’s development (Source: Sustainable Development Policy 2014). • The company is also committed to treating all employees equally, requires their employees to comply with all applicable laws and regulations, forbids discrimination, and is committed to providing employees with training opportunities for career growth (Source: Statement of Ethical Principles 2014). 	
Project	<ul style="list-style-type: none"> • In 2012, there was a strike by some Ecuadorian workers due to compensation and safety complaints. A detailed investigation was carried out. The Ministry of Labor confirmed that Sinohydro International didn’t violate laws of payment, health and safety, while Sinohydro International still made efforts to further improve the safety equipment provision standards, established the labor union and signed a group contract with the workers (Source: http://renewables.seenews.com/news/ecuador-says-hydropower-project-not-halted-by-strike-318226; Company meeting, April 21, 2015). • Sinohydro International has received complaints and requests from employees, mainly about salary and benefits. On average 10–20 complaints are received each month, most of which are in verbal form from the staff (Source: Site visit, October 2014). • Workers at Sinohydro International established their own union to negotiate salary and benefits with Sinohydro International (Source: Site visit, October 2014). • All the interviewed personnel (both Chinese and Ecuadorians) rate the living environment, salary and working environment above four out of five (Source: Site visit, October 2014). 	
CL7. Occupational safety and health program to foster a safe and healthy work environment		
Policy	<ul style="list-style-type: none"> • Sinohydro International committed to the health and safety of any persons who may be affected by their operations; to prevent injury, ill health, damage and loss arising from their operations, and to comply with all regulatory or other legal requirements pertaining to safety, health and the environment (Source: Statement of Ethical Principles). • They have also committed to taking all appropriate measures to provide a safe and healthy workplace, and complying with local legislation, international standards and the company’s requirements to protect the environment (Source: Occupational Health Safety and Environmental Policy). • Sinohydro International is committed to establishing, implementing and developing the Health, Safety and Environmental Management System in compliance with relevant standards and regulatory requirements (Source: Occupational Health Safety and Environmental Policy). • They are also committed to constantly reviewing and monitoring the effectiveness of the HSE Management System for continuous improvement; to providing leadership, required resources, effective training and communications to ensure the implementation of the HSE management System; to identifying and assessing risks, health and safety hazards and implementation actions; and to promoting safe behavior inside the group (Source: Occupational Health Safety and Environmental Policy). 	

**Sinohydro International Policy Commitments and Project Performance
(Coca Codo Sinclair Hydropower Project in Ecuador)**

Project	<ul style="list-style-type: none"> • In 2012, there was a car accident where one Chinese worker and one Ecuadorian worker died, and four workers were seriously injured (three Ecuadorian and one Chinese) (Source: Site visit, October 2014). • There was another accident, which resulted in the death of a Chinese worker. The death occurred while the worker was doing maintenance work for the Tunnel Boring Machine used to excavate the 24.8 km channel (Source: Site visit, October 2014). • A separate workplace incident on December 13, 2014 resulted in the deaths of 13 people. The local procuratorate is still investigating the incident and will provide a final official investigation report. The structural and geological engineers invited by the local procuratorate have confirmed that the incident was caused by force majeure (Source: http://www.hydroworld.com/articles/2014/12/at-least-13-killed-by-collapse-at-ecuador-s-coca-codo-sinclair-hydropower-plant.html). • Sinohydro International provides appropriate equipment for workers, monitors air quality, light conditions, noise conditions and temperature conditions at the construction sites and provide health checks to the workers. Some workers told us there is room for improvement in industrial safety measures (Source: Site visit, October 2014). 	
CL8. Promotes local employment and related training		
Policy	<ul style="list-style-type: none"> • Sinohydro International seeks to make a lasting positive impact in the host countries, including recruiting and training local workers whenever possible and promoting their professional development (Source: Statement of Ethical Principles). • Sinohydro International commits to compliance with the rule of law, respect for local culture, religion and customs, providing the locals with skills training and equal employment and business opportunities, and contributing to local society's development (Source: Sustainable Development Policy). 	
Project	<ul style="list-style-type: none"> • There are about 7,000 workers (1,463 Chinese, 4,989 Ecuadorian, and a small number of Mexicans, Germans and others). Some jobs require skills and specializations that Ecuadorians do not have (Source: Site visit, October 2014). • Training was provided to local hires. Professional Chinese workers were assigned to teach and train the Ecuadorian workers until they could completely meet the requirements for the positions (Source: Site visit, October 2014). • Sinohydro International also supports a town near the project site (Canton Chaco) through an agreement with the mayor to use their personnel and machinery/equipment (such as trucks and other heavy equipment for roads, etc.) (Source: Site visit, October 2014). 	
Average Score of Policy Commitments in Community and Labor Relations		
Average Score of Project Performance in Community and Labor Relations		
Risk Management		Score
RM1. Evidence of a company-wide policy on corruption and bribery		
Policy	<ul style="list-style-type: none"> • Sinohydro International prohibits, under all circumstances, the use of bribery and similar practices in any form and at all levels of their business. It prohibits offering, giving or accepting a bribe or kickback in any form, direct or indirect, from or to any person or party, including customers, representatives, contractors, suppliers, and government officials (Source: Statement of Ethical Principles). • Sinohydro International also seeks to ensure that improper payments are not channeled through intermediaries including joint venture partners, consultants, agents or other representatives, suppliers, and subcontractors (Source: Statement of Ethical Principles). • Relevant policies and procedures in place include: the Anti-Bribery Policy and Guide, The Representative Due Diligence Guide, The Gifts and Hospitality Policy, and the Procurement Policy (Source: Compliance Program Announcement). • The Audit and Monitoring Department is in charge of corruption and bribery prevention management (Source: Sinohydro International HSE Department Interview, March 27, 2014). • The company has developed a regular training program for employees on topics relevant to compliance with anti-corruption laws (Source: Sinohydro International HSE Department Interview, March 27, 2014). 	

**Sinohydro International Policy Commitments and Project Performance
(Coca Codo Sinclair Hydropower Project in Ecuador)**

Project	<ul style="list-style-type: none"> • Corruption risk analysis and assessment is regularly conducted and the results have been that the risk is controllable (Source: Site visit, October 2014). • Anti-corruption training is conducted for those in leadership roles and managers (Source: Site visit, October 2014). • Sinohydro International follows its China issued policies and uses collective decision-making process to prevent corruption. There are internal norms and procedures that need to be complied with (Source: Site visit, October 2014). 	
RM2. Compliance with local and national laws		
Policy	<ul style="list-style-type: none"> • Sinohydro International is committed to complying with the requirements stated in local laws and in the guidelines issued by the Chinese government and international organizations (Source: Sinohydro International HSE Department Interview, March 27, 2014). • They have also established a Compliance Program (Source: Compliance Program Announcement). 	
Project	<ul style="list-style-type: none"> • EMP includes an analysis of relevant laws and regulations (Source: Site visit, October 2014). • The contracting department of Sinohydro International is responsible for risk analysis and related legal compliance work (Source: Site visit, October 2014). • The company was fined in 2012 by the Ministry of Labor because the project did not meet the legal requirement of hiring 4% of the work force with disabilities (Source: Site visit, October 2014). 	
RM4. Plans for dam and other infrastructure safety management		
Policy	<ul style="list-style-type: none"> • Sinohydro International also established a safety risk identification, assessment and management program and an emergency preparation and response program (Source: Q/SHL. 101-2010 QSHE Management System). 	
Project	<ul style="list-style-type: none"> • There is a fire emergency response plan, a flood emergency response plan, and a volcano emergency response plan in place (Source: Site visit, October 2014). • The company's internal safety assessment results were good in both 2012 and 2013 (Source: Site visit, October 2014). • The report on the recent fatal accident (December 13, 2014) should shed some light into bad engineering practices and/or insufficient risk prevention. • SHSA provides training on the emergency response mechanism about three times a year. A few thousand staff have attended the trainings (Source: Site visit, October 2014). 	
RM5. Systematic risk reporting and information sharing with local communities		
Policy	<ul style="list-style-type: none"> • Sinohydro International is committed to defining an open and effective dialogue and communication mechanism to facilitate information exchange with customers, employees, subcontractors, communities and authorities on matters of common interests relating to health and safety at the workplace, the environment, and concerns of the economy and society (Source: Sustainable Development Policy). • They have developed specific procedures about how to inform the communities with different risks from construction activities in the relevant HSE procedures (Source: Company meeting, April 21, 2015). 	
Project	<ul style="list-style-type: none"> • No information collected. 	
Average Score of Policy Commitments in Risk Management		
Average Score of Project Performance in Risk Management		
Total Score of Sinohydro International's Policy Commitments Assessment		
Total Score of Sinohydro International's Project Performance Assessment		

1.6 PowerChina Resources Policy Commitments and Project Performance (Nam Ou 2 Hydropower Project in Laos)

Environmental Management		Score
EN1. The company's environmental policy commitments are consistent with international standards		
Policy	<ul style="list-style-type: none"> PowerChina Resources is committed to following World Bank Environmental and Social Safeguards Policies (Source: Company meeting November 2013, reconfirmed in December 2014). PowerChina Resources is also pursuing a program to achieve certification according to ISO standards for quality (ISO 9001), environmental management system (ISO 14001), and health and safety (OHS 18001) (Source: Cascade 2 Huai Kan Hydropower Project Environmental Management and Monitoring Plan Draft – May 2011). 	
EN2. The company's policy commitments incorporate environmental and social standards set by Chinese law as a minimum		
Policy	<ul style="list-style-type: none"> No information collected. 	
Project	<ul style="list-style-type: none"> Not assessed as no company commitment. 	
EN3. Prepares and implements Environmental Management Plans		
Policy	<ul style="list-style-type: none"> PowerChina Resources has committed to following World Bank Safeguard Policies (Source: Company meeting November 2013, reconfirmed in December 2014). 	
Project	<ul style="list-style-type: none"> The draft EMP addressed air quality, noise, vibration and blasting; spoil disposal management; hydrology and sediment management; water quality management; aquatic biodiversity and resource use management, terrestrial biodiversity management; watershed management; salvage logging and biomass removal management; general waste and hazardous materials management; archaeology; climate and energy management; and transmission line and construction access roads management (Source: Cascade 2 Huai Kan Hydropower Project Environmental Management and Monitoring Plan Draft – May 2011). The final EMP was not publicly disclosed. For the purposes of this assessment, we were only able to obtain the draft EMP. 	
EN4. Carries out rigorous and verifiable EIAs		
Policy	<ul style="list-style-type: none"> PowerChina Resources has committed to following World Bank Safeguard Policies (Source: Company meeting November 2013, reconfirmed in December 2014). 	
Project	<ul style="list-style-type: none"> The draft EIA covers physical impacts (hydrology, erosion and sediment transport, water quality, air quality, noise and vibration, archaeology, general waste and hazardous materials, accidental events and natural hazards, climate and energy), biological impacts (aquatic and terrestrial), social impacts (land use, economic development and employment, fisheries, livelihood and resource use, in-migration, health, nutrition and community safety, vulnerable groups, tourism, transportation, forest resource use impacts, visual amenity), transmission line and construction access roads impacts, and natural resources impacts. It also includes a chapter on village impacts. However, the EIA failed to reflect the cumulative impacts from the cascade (Source: Cascade 2 Huai Kan Hydropower Project Environmental Impact Assessment Draft – May 2011). After visiting over 30 communities and interviewing some 100 villagers in 2012, International Rivers found that communities were not informed or able to access information about the dam's impacts, resettlement plans or livelihood restoration programs, and consultation with local people was non-existent. In all cases, communication between PowerChina Resources and local authorities was limited to the village chief (Source: Site visit, March 2012). The draft EIA referred to the alternatives discussed in the feasibility study report, but did not evaluate these alternatives. These alternatives include alternative cascade design, alternative normal water levels, and alternative location of dam sites (Source: Cascade 2 Huai Kan Hydropower Project Environmental Impact Assessment Draft – May 2011). The final EIA was not publicly disclosed. For the purposes of this assessment, we were only able to obtain the draft EIA (dated May 2011). 	
EN5. Consistent with relevant plans including any basin development or water resource management plans, as well as Integrated Resources Plans/10-year or 20-year Energy Plans		
Policy	<ul style="list-style-type: none"> No information collected. 	

PowerChina Resources Policy Commitments and Project Performance (Nam Ou 2 Hydropower Project in Laos)

Project	<ul style="list-style-type: none"> • The draft EMP recommended that a Watershed Management Plan be prepared before construction commences on the Nam Ou cascade project, including the following elements: watershed description, analysis of existing water quality/hydrology and expected impacts of the project, stakeholder consultation, proposed management and mitigation measures. However, this was not completed prior to the start of construction (Source: Cascade 2 Huai Kan Hydropower Project Environmental Management and Monitoring Plan Draft – May 2011). • As of October 2013, an IFC initiative with local government authorities commenced to develop a river basin profile of the Nam Ou. No PowerChina Resources representatives were involved (Source: Workshop Report – First Technical Working Group Meeting and Training Workshop on Integrated River Basin Management in Key River Basins in Lao PDR – Luang Prabang, Lao PDR September 30–October 5, 2013). 	⊖
EN6. Seeks to avoid impacts on biodiversity and ecosystem services, and supports conservation and biodiversity efforts related to the impacts on natural habitats from its hydro-power projects		
Policy	<ul style="list-style-type: none"> • PowerChina Resources has committed to following World Bank Safeguard Policies (Source: Company meeting November 2013, reconfirmed in December 2014). 	⊕
Project	<ul style="list-style-type: none"> • The total footprint of the project will potentially affect approximately 829 ha of vegetation, which includes both forested areas and in-channel vegetation. Large-antlered Muntjac, classified by IUCN as endangered, had been sighted by all the villages. Two threatened plant species that are listed as critically endangered on the IUCN RED List (2010), as well as one listed as endangered, were identified. The construction of Nam Ou 2 is likely to inundate a significant percentage of prawn caves and the prawn fishery is expected to become unviable. There are 25 Mekong endemic fish species recorded in the Nam Ou sub-basin; five with potential endemic status within Nam Ou (Source: Cascade 2 Huai Kan Hydropower Project Environmental Impact Assessment Draft – May 2011). • No information collected on species impact mitigation strategies. • According to a conversation with the site project manager in PowerChina Resources Luang Prabang office, there have not been any measures taken to mitigate biodiversity impacts. He doesn't expect there will be any measures in the future either (Source: Short Company Interview, Nam Ou Cascade Project Office, Luang Prabang PowerChina Resources Office, 3 March, 2014) . 	⊖
EN7. Takes measures to prevent pollution and protect public health during construction and operation stages		
Policy	<ul style="list-style-type: none"> • No information collected. 	⊖
Project	<ul style="list-style-type: none"> • The draft EMP includes air quality, noise, vibration and blasting; spoil disposal management; water quality management; and general waste and hazardous materials management (Source: Cascade 2 Huai Kan Hydropower Project Environmental Management and Monitoring Plan Draft – May 2011). • No information has been provided on the implementation of the proposed measures contained in the draft EMP. 	⊖
EN8. Carries out cultural resources assessments, and develops plans and processes to avoid, minimize, mitigate, and compensate negative impacts on cultural heritage		
Policy	<ul style="list-style-type: none"> • PowerChina Resources has committed to following World Bank Safeguard Policies (Source: Company meeting November 2013, reconfirmed in December 2014). 	⊕
Project	<ul style="list-style-type: none"> • The EMP noted that a Preliminary Report on Physical Cultural Resources Study was conducted prior to project construction, which identified a large number of artifacts within the local villages, four historic caves and one pottery production site. The most significant site identified was Pha Taem, a prehistoric rock painting site. The key recommended measures included undertaking detailed archaeological surveys of all construction areas and further studies of the Pha Taem Rock Painting, and preparing archaeology and cultural heritage preservation work plans. However, no information was collected in terms of the implementation of the recommended measures (Source: Cascade 2 Huai Kan Hydropower Project Environmental Management and Monitoring Plan Draft – May 2011). • Temples would be replaced in new villages. During our Site visit, we observed the potential site for the temples in the newly built resettlement villages. Local communities were also told that they would be given new temples in the resettlement sites (Source: Site visit, February–March 2014). 	⊕

**PowerChina Resources Policy Commitments and Project Performance
(Nam Ou 2 Hydropower Project in Laos)**

EN9. Addresses erosion and sedimentation issues		
Policy	• No information collected.	
Project	• The EMP recommended that landforms such as roads should be designed to consider the long-term potential use (Source: Cascade 2 Huai Kan Hydropower Project Environmental Management and Monitoring Plan Draft – May 2011). • Some erosion and sediment management problems were observed during the site inspection, without evidence of mitigation strategies (Source: Site visit, February–March 2014).	
EN10. Adopts healthy downstream flow regimes, taking into account environmental, social and economic objectives, and where relevant, agreed transboundary objectives•		
Policy	• No information collected.	
Project	• Minimum environmental flows objectives were recommended in the EIA, but no detailed analysis or assessment on environmental flows and how the minimum flows were set was provided (Source: Cascade 2 Huai Kan Hydropower Project Environmental Impact Assessment Draft – May 2011).	
Average Score of Policy Commitments in Environmental Management		
Average Score of Project Performance in Environmental Management		
Communities and Labor Relations		Score
CL1. Company has a policy on involuntary resettlement and indigenous people		
Policy	• PowerChina Resources has committed to following World Bank Safeguard Policies (Source: Company meeting November 2013, reconfirmed in December 2014).	
Project	• PowerChina Resources has conducted assessment of the livelihoods, living standards and impacts of the project on the local communities’ livelihoods and living standards. There was no evidence of measures undertaken by the company to protect downstream riparian lands and mitigate the livelihood impacts for downstream communities (Source: Cascade 2 Huai Kan Hydropower Project Environmental Impact Assessment Draft – May 2011; Site visit, February–March 2014). • There is little or no local employment by PowerChina Resources because the work is deemed too difficult (long hours, difficult physical work conditions) and under remunerated (Xayaburi Dam is a more attractive dam project to work on) (Source: Site visit, February–March 2014). • Villagers felt that the resettlement support was not sufficient and complicated by difficulty in resolving local grievances. Community engagement is concentrated on the highly impacted villages, which is characterized by frequent communication between PowerChina Resources and village leadership (as much as two to three times per week) and in some cases town meetings (Source: Site visit, February–March 2014).	
CL2. Social Impact Assessments are routinely conducted for major projects		
Policy	• PowerChina Resources has committed to following World Bank Safeguard Policies (Source: Company meeting November 2013, reconfirmed in December 2014).	
Project	• The Social Impact Assessment covered direct impacts, such as displacement, health impacts, and gender impacts, but failed to cover indirect and cumulative impacts. The assessments only focused on the direct impacts from construction and inundation and did not consider the impacts on the riparian lands and livelihoods of downstream and upstream villages (Source: Cascade 2 Huai Kan Hydropower Project Environmental Impact Assessment Draft – May 2011; Site visit, February–March 2014). • Two of the communities to be involuntary relocated due to Nam Ou 2 were able to vote for their desired site (Pak China and Khon Kerng), in other cases, a resettlement site below the dam site was chosen for the village (e.g. Kha Na). Many villagers were discontented and concerned that the resettlement sites located below the dam site were far from their farm land (Source: Site visit, February–March 2014). • The Social Impact Assessments (SIA) were completed, but not made publicly available.	

**PowerChina Resources Policy Commitments and Project Performance
(Nam Ou 2 Hydropower Project in Laos)**

CL3. Meaningful and accountable stakeholder communication and consultation across all stages		
Policy	<ul style="list-style-type: none"> PowerChina Resources has committed to following World Bank Safeguard Policies (Source: Company meeting November 2013, reconfirmed in December 2014). 	⊙
Project	<ul style="list-style-type: none"> According to PowerChina Resources, there were three levels of public consultations before the project started construction (Source: Company meeting • Beijing, December 2014). After visiting over 30 communities and interviewing some 100 villagers in 2012, International Rivers found that communities were not informed or able to access information about the dam's impacts, resettlement plans or livelihood restoration programs, and the consultation with local people was non-existent. In all cases, communication between PowerChina Resources and local authority was limited to the village chief (Source: Site visit, March 2012). During International Rivers' 2014 trip to Nam Ou, frequent communication was evidenced in the highly impacted villages between PowerChina Resources and village leadership (as much as two to three times per week), and in some cases town meetings were held to give information (Source: Site visit, February-March 2014). According to PowerChina Resources, the company changed resettlement sites several times to respect the local culture and the communities' opinions (Source: Company meeting, December 2014). 	⊙
CL4. Establishes clear framework for filing complaints and dispute resolution		
Policy	<ul style="list-style-type: none"> PowerChina Resources has committed to following World Bank Safeguard Policies (Source: Company meeting November 2013, reconfirmed in December 2014). 	⊙
Project	<ul style="list-style-type: none"> According to PowerChina Resources, the company had established a grievance and complaints mechanism. Most of complains are solved in one to two weeks and at the town level. Some difficult problems may need extra time to process (Source: Company meeting, December 2014). Villagers around Nam Ou 2 are using a grievance and complaints mechanism as mandated under Lao law. Of the two village-level claims we learned of (Nong Kham and Hat Phang – affected by Nam Ou 2) neither claims were responded to within the period legislated by the company (Source: Site visit, February-March 2014). 	⊙
CL5. Benefits sharing commitment		
Policy	<ul style="list-style-type: none"> PowerChina Resources has committed to following World Bank Safeguard Policies (Source: Company meeting November 2013, reconfirmed in December 2014). 	⊙
Project	<ul style="list-style-type: none"> Communities did not report access to a benefit sharing fund as part of the resettlement compensation scheme (Source: Site visit, February-March 2014). 	⊙
CL6. The company practices do not breach relevant rights established under international human rights instruments		
Policy	<ul style="list-style-type: none"> No information collected. 	⊙
Project	<ul style="list-style-type: none"> The on-site living conditions of non-Chinese workers are significantly worse than the Chinese workforce. For the mainly Vietnamese work force, eating and sleeping quarters are very basic (open air accommodation, dirt floors) and could be described as squalid. In contrast, the Chinese workforce we spoke with described their conditions as very or quite good (air-conditioned units, two persons per room, TV, and rest and recreational facilities) (Source: Site visit, Februar- March 2014). Local people deemed the work too difficult (long hours, difficult physical work conditions, poor pay) and under remunerated (Source: Site visit, February-March 2014). 	⊙
CL7. Occupational safety and health program to foster a safe and healthy work environment		
Policy	<ul style="list-style-type: none"> No information collected. 	⊙
Project	<ul style="list-style-type: none"> No information collected. 	⊙

**PowerChina Resources Policy Commitments and Project Performance
(Nam Ou 2 Hydropower Project in Laos)**

CL8. Promotes local employment and related training		
Policy	• No information collected.	⊙
Project	<ul style="list-style-type: none"> • There is little or no local employment by PowerChina Resources because the work is deemed too difficult (long hours, difficult physical work conditions, poor pay) and under remunerated (Source: Site visit, February-March 2014). • We observed that most of the non-Chinese labor was from Vietnam (Source: Site visit, February-March 2014). • No information provided on training. 	⊙
Average Score of Policy Commitments in Community and Labor Relations		⊙
Average Score of Project Performance in Community and Labor Relations		⊙
Risk Management		Score
RM1. Evidence of a company-wide policy on corruption and bribery		
Policy	• No information collected.	⊙
Project	• No information collected.	⊙
RM2. Compliance with local and national laws		
Policy	• No information collected.	⊙
Project	<ul style="list-style-type: none"> • The EIA report included a study of relevant laws and regulations (Source: Cascade 2 Huai Kan Hydropower Project Environmental Impact Assessment Draft – May 2011). • In an interview with a project manager at the Nam Ou Cascade Project Office in Luang Prabang, he reported that there were very few issues because the Lao government supports the investment project (Source: Short Company Interview, Nam Ou Cascade Project Office, Luang Prabang PowerChina Resources Office, 3 March 2014). • PowerChina Resources hasn't complied with the Decrees 192 and 112 of Cambodia. 	⊙
RM3. Address transboundary issues to prevent, control and reduce transboundary impacts and use transboundary waters in a reasonable and equitable way		
Policy	• PowerChina Resources has committed to following World Bank Safeguard Policies (Source: Company meeting November 2013, reconfirmed in December 2014).	⊙
Project	<ul style="list-style-type: none"> • There was no evidence provided that the company or the Lao government has engaged with river basin authorities, such as the Mekong Rivers Commission, to assess or inform them of transboundary impacts arising from Nam Ou 2. • The EIA didn't evaluate the impacts on sedimentation and fisheries downstream on the Mekong (Source: Cascade 2 Huai Kan Hydropower Project Environmental Impact Assessment Draft – May 2011). 	⊙
RM4. Plans for dam and other infrastructure safety management		
Policy	• PowerChina Resources has committed to following World Bank Safeguard Policies (Source: Company meeting November 2013, reconfirmed in December 2014).	⊙
Project	• No information collected.	⊙

**PowerChina Resources Policy Commitments and Project Performance
(Nam Ou 2 Hydropower Project in Laos)**

RM5. Systematic risk reporting and information sharing with local communities		
Policy	<ul style="list-style-type: none"> PowerChina Resources has committed to following World Bank Safeguard Policies (Source: Company meeting November 2013, reconfirmed in December 2014). 	
Project	<ul style="list-style-type: none"> Villagers confirmed that a PowerChina Resources team visits the villages often but the contents of the meeting are in relation to resettlement plans. Lao translators translated announcements by the Chinese company representatives, however, no written information was given. Villagers are aware of the potential risk of fish reduction in the river, but are not clear about the impacts on food security, emergency preparedness, a final resettlement plan, compensation, or water level and future livelihood support. Some villagers interviewed were not clear about the project's progress (Source: Site visit, February-March 2014). 	
Average Score of Policy Commitments in Risk Management		
Average Score of Project Performance in Risk Management		
Total Score of PowerChina Resources' Policy Commitments Assessment		
Total Score of PowerChina Resources' Project Performance Assessment		

1.7 Three Gorges Policy Commitments and Project Performance (Murum Hydropower Project in Malaysia)

Environmental Management		Score
EN1. The company's environmental policy commitments are consistent with international standards		
Policy	<ul style="list-style-type: none"> The 2013 CSR Report noted that Three Gorges has a certified management system, an environmental management system and an occupational health and safety management system certification, but it is not clear which body has awarded these certifications. It also reported that four subsidiaries including China International Water and Electric Corporation have been certified under ISO 14001 (Source: 2013 CSR Report). According to the 2013 CSR Report, Three Gorges has committed to following the Guide on Social Responsibility for Chinese International Contractors, prepared by China International Contractors Association under the direction of the Ministry of Commerce (Source: 2013 CSR Report). 	
EN2. The company's policy commitments incorporate environmental and social standards set by Chinese law as a minimum		
Policy	<ul style="list-style-type: none"> No information collected. 	
Project	<ul style="list-style-type: none"> No information collected. 	
EN3. Prepares and implements Environmental Management Plans		
Policy	<ul style="list-style-type: none"> According to the 2013 CSR Report, Three Gorges has made a commitment to follow the Guidelines on Social Responsibility for Chinese International Contractors, prepared by China International Contractors Association under the direction of the Ministry of Commerce (Section 4.6.1). Environmental Management of these guidelines includes the following requirements: “establish, implement, and improve environmental management systems, develop environmental management schemes for all contracting projects, and invite specialized institutions to conduct environmental management system certification and registration” (Sources: 2013 CSR Report; Guidelines on Social Responsibility for Chinese International Contractors). 	
Project	<ul style="list-style-type: none"> A separate EMP report was developed by a local consulting firm Chemsain. The EMP includes action plans for ecological impacts management, traffic safety, health and safety, soil erosion and soil stability, waste generation and management, hydrology and drainage, water quality management, noise pollution, air pollution, socio-economic consideration, decommissioning and abandonment, and emergency response (Source: Environmental Management Plan, Proposed Murum Hydroelectric Project, Belaga District, Kapit Division, Sarawak, Final Report, Date: March 2009. Ref: CK/EV110-131/08). Environmental departments at Bintulu and Kuching both have copies of the EMP and carry out regular site monitoring (Source: Company interview by a Chinese researcher from Thailand, January 2015). A Chinese researcher from Thailand who has been in contact with Three Gorges was able to obtain a copy of the EMP upon request (Source: Company interview by a Chinese researcher from Thailand, January 2015). International Rivers was also able to locate an electronic copy of the Project EMP publicly available online. 	
EN4. Carry out rigorous and verifiable EIAs		
Policy	<ul style="list-style-type: none"> The 2013 CSR Report noted that Three Gorges carried out an EIA and an SIA for all new projects in 2013. According to the 2013 CSR Report, Three Gorges committed to follow the Guidelines on Social Responsibility for Chinese International Contractors, prepared by China International Contractors Association under the direction of the Ministry of Commerce (Section 4.6.1). Environmental Management requires companies to “conduct environmental impact assessments prior to the construction of projects, evaluate risks and impacts of project activities on the environment with respect to risk management and sustainable development, and take preventive measures to control such risks and impacts on the environment.” 	
Project	<ul style="list-style-type: none"> Not relevant to EPC Project Assessment. 	

**Three Gorges Policy Commitments and Project Performance
(Murum Hydropower Project in Malaysia)**

EN5. Plans are consistent with basin development or water resource management plans, and Integrated Resources Plans		
Policy	<ul style="list-style-type: none"> No information collected. 	⊖
Project	<ul style="list-style-type: none"> Not relevant to EPC Project Assessment. 	/
EN6. Seeks to avoid impacts on biodiversity and ecosystem services, and supports conservation and biodiversity efforts related to the impacts on natural habitats from its hydro-power projects		
Policy	<ul style="list-style-type: none"> Three Gorges developed a matrix to identify the strategic importance of different corporate social responsibilities. Within this matrix, 'Biodiversity' is rated as highly important strategically (Source: 2013 CSR Report). Three Gorges has committed to following the Guidelines on Social Responsibility for Chinese International Contractors, prepared by China International Contractors Association under the direction of the Ministry of Commerce. The relevant section – 4.6.4 Ecological Protection – requires the company to “protect rare and precious fauna and flora species and their natural habitat, and reduce a project’s impact on biological diversity.” The same relevant section also states that “during the implementation of a project, attention must be paid to the protection of ecological systems (wetlands, wild animal passage, protection zones and farmland) and restore in a timely manner damages that have already occurred.” As well as this, the guidelines also state that Three Gorges Corporation should “encourage and organize employees of the enterprise and local inhabitants to conduct charity activities aiming at protecting and restoring ecological systems.” 	⊙
Project	<ul style="list-style-type: none"> The ecological impacts from the site preparation and construction mentioned in the EIA and EMP include the following: the impact on the migration of aquatic species through the diversion of water flows, the physiological and psychological stress to wildlife from noise, more intense hunting activities due to an influx of workers to the area, habitat loss and fragmentation, death of terrestrial animals by reservoir clearing and inundation, change of fish distribution and other aquatic resources by impoundment, and loss of vegetation and biodiversity because of impoundment. Sixteen bird species and 13 mammal species are protected under the Sarawak Wildlife Protection Ordinance 1998. No IUCN Red List Species were reported in the EIA. However, the descriptions of the impacts are vague and brief in both documents (Sources: Environmental Impact Assessment for Proposed Murum Hydroelectric project, Belaga District, Kapit Division, Sarawak; Environmental Management Plan, Proposed Murum Hydroelectric Project, Belaga District, Kapit Division, Sarawak, Final Report, Date: March 2009. Ref: CK/EV110-131/08). The EMP includes an “Ecological Impacts Management Plan”. The Action Plan includes 15 clauses relevant to phased biomass removal, controlled removal of vegetative cover, adoption of natural base flow, wildlife rescue support and management, establishment of fish hatcheries, prohibition of hunting and poaching, native flora conservation and rehabilitation (Source: Environmental Management Plan, Proposed Murum Hydroelectric Project, Belaga District, Kapit Division, Sarawak, Final Report, Date: March 2009. Ref: CK/EV110-131/08). According to Three Gorges, they have generally followed the EMP, but we were not able to collect evidence to verify this or gain further information on the implementation of this action plan (Source: Company interview by a Chinese researcher from Thailand, January 2015). 	⊙
EN7. Takes measures to prevent pollution and protect public health during construction and operation stages		
Policy	<ul style="list-style-type: none"> The 2013 CSR Report notes that Three Gorges has developed a Solid Waste Management Regulation (Source: 2013 CSR Report), and as such is committed to the following guidelines: completely avoid environmental incidents, 100% implementation of simultaneous design, construction and operation of environmental protection measures with the main project, 100% compliance with pollution discharge standards, and treat 95% of sedimentation and erosion issues, in the period of the Twelfth Five Year Plan (2010-2015) (Source: 2013 CSR Report). Three Gorges wastewater treatment management strategy in overseas projects is to adopt a package treatment system or relevant simple treatment measure to treat the domestic wastewater, and to treat the construction wastewater according to the local legal requirement and contract requirement to meet the discharge standards. The solid waste management strategy is to set up a solid waste treatment facility or contract local professionals to treat and classify the solid waste at the same time (Source: 2013 CSR Report). 	⊕

Three Gorges Policy Commitments and Project Performance (Murum Hydropower Project in Malaysia)

Project	<ul style="list-style-type: none"> The EMP includes action plans to address waste generation and management, water quality management, noise pollution management, air pollution management, the concerns of health and safety in the transfer operations, construction, quarry and tunnel operations, and a separate action plan to address traffic safety issues (Source: Environmental Management Plan, Proposed Murum Hydroelectric Project, Belaga District, Kapit Division, Sarawak, Final Report, Date: March 2009. Ref: CK/EV110-131/08). According to Three Gorges, they have generally followed the EMP, but we were not able to collect evidence to verify this or gain further information on the implementation of this action plan (Source: Company interview by a Chinese researcher from Thailand, January 2015). 	
EN8. Carries out cultural resources assessments, and develops plans and processes to avoid, minimize, mitigate, and compensate negative impacts on cultural heritage		
Policy	<ul style="list-style-type: none"> Three Gorges has committed to following the Guidelines on Social Responsibility for Chinese International Contractors, prepared by China International Contractors Association under the direction of the Ministry of Commerce. The relevant section, 4.7.4 Culture and Education, notes that companies should “respect and protect the cultural traditions and heritage of the community, and provide support for community cultural activities and projects when necessary.” 	
Project	<ul style="list-style-type: none"> The EMP proposed to relocate burial grounds in each of the affected settlement areas if necessary, based on local cultures and tradition, and after consultation with the communities concerned and give every effort to preserve all aesthetic, cultural and historical sites (Source: Environmental Management Plan, Proposed Murum Hydroelectric Project, Belaga District, Kapit Division, Sarawak, Final Report, Date: March 2009. Ref: CK/EV110-131/08). According to Three Gorges, the local indigenous communities have a megalithic culture and Three Gorges carried out geological surveys and modified the dam design to avoid impacts on the left side of the dam. Three Gorges also helped to build a supporting frame for the megalithic site and provided support to the local people during pilgrimage (Source: Company interview by a Chinese researcher from Thailand, January 2015; Three Gorge’s comments on the draft, May 25th, 2015). 	
EN9. Addresses erosion and sedimentation issues		
Policy	<ul style="list-style-type: none"> Three Gorges committed to completely avoid environmental incidents, 100% implementation of simultaneous design, construction and operation of environmental protection measures with the main project, 100% compliance with pollution discharge standards, and treatment for 95% of sedimentation and erosion issues, in the period of Twelfth Five Year Plan (2010–2015) (Source: 2013 CSR Report). Three Gorges sedimentation and erosion management strategy in overseas projects is to adopt various prevention and treatment measures such as pre-dredge drainage canals, hill protection, and vegetation and land leveling (Source: 2013 CSR Report). 	
Project	<ul style="list-style-type: none"> The EMP includes an action plan to address soil erosion and slope stability (Source: Environmental Management Plan, Proposed Murum Hydroelectric Project, Belaga District, Kapit Division, Sarawak, Final Report, Date: March 2009. Ref: CK/EV110-131/08). According to Three Gorges, they have generally followed the EMP, but we were not able to collect evidence on this or further information on the implementation (Source: Company interview by a Chinese researcher from Thailand, January 2015). Three Gorges claimed to have established nursery sites to help with revegetation. They also invited local people to teach how to plant and improve the survival rate. Three Gorges has developed decommissioning and restoration plans and timetables, and submitted to the Department of Environment (Sarawak) for approval (Source: Company interview by a Chinese researcher from Thailand, January 2015). 	
EN10. Adopts healthy downstream flow regimes, taking into account environmental, social and economic objectives, and where relevant, agreed transboundary objectives		
Policy	<ul style="list-style-type: none"> No information collected. 	
Project	<ul style="list-style-type: none"> Three Gorges proposed a new design of discharge outlets to allow an environmental flow of 8m³/s from the dam, in order to minimize the downstream impacts. The proposal was accepted by the developer Sarawak Energy Berhad (Source: Three Gorges’s comments on the draft, May 25th, 2015). 	

**Three Gorges Policy Commitments and Project Performance
(Murum Hydropower Project in Malaysia)**

Average Score of Policy Commitments in Environmental Management		
Average Score of Project Performance in Environmental Management		
Communities and Labor Relations		Score
CL1. Company has a policy on involuntary resettlement and indigenous people		
Policy	<ul style="list-style-type: none"> • Three Gorges locates resettlement at a “medium” level in terms of strategic importance in regards to their own matrix for identifying the strategic importance of different corporate social responsibilities (Source: 2013 CSR Report). 	
Project	<ul style="list-style-type: none"> • Not relevant to EPC Project Assessment. 	
CL2. Social Impact Assessments are routinely conducted for major projects		
Policy	<ul style="list-style-type: none"> • Three Gorges carried out an EIA and an SIA for all new projects in 2013 (Source: 2013 CSR Report). • Three Gorges has committed to following the Guidelines on Social Responsibility for Chinese International Contractors, prepared by China International Contractors Association under the direction of the Ministry of Commerce. The relevant section, 4.7.1 Community Involvement and Communication, commits companies to “visit the communities where a project is located and evaluate the potential impacts of project activities on the community, learn the needs of the community, and identify development priorities.” 	
Project	<ul style="list-style-type: none"> • Not relevant to EPC Project Assessment. 	
CL3. Meaningful and accountable stakeholder communication and consultation across all stages		
Policy	<ul style="list-style-type: none"> • In the 2013 CSR Report, Three Gorges outlined that one of their community engagement strategies is to establish engagement mechanisms for community representatives to participate in project construction and development (Source: 2013 CSR Report). • Three Gorges has committed to following the Guidelines on Social Responsibility for Chinese International Contractors, prepared by China International Contractors Association under the direction of the Ministry of Commerce. The relevant section, 4.7.1 Community Involvement and Communication, requires companies to “actively communicate project related information and learn and respond to the opinions and suggestions of stakeholders” and “develop community engagement plans and participate in community and public service and management activities.” 	
Project	<ul style="list-style-type: none"> • Villagers from impacted villages of Tegulang and Metalun reported that Three Gorges representatives have not visited the villages or attended consultation meetings in relation to any dam building issues. One of the areas where a local government official suggested that Three Gorges could do better is if they met with the local people in order to communicate and integrate with the local society in a more meaningful way as outlined by their Social Responsibility guidelines (Source: Field trip, January 2015). 	
CL4. Establishes clear framework for filing complaints and dispute resolution		
Policy	<ul style="list-style-type: none"> • No information collected. 	
Project	<ul style="list-style-type: none"> • There is no existing local dispute or complaints mechanism put in place by either government or companies (contractor or developer) that affected villagers are aware of (Source: Field trip, January 2015). • Three Gorges said they have received few compensation complaints from the local communities. As instructed by the developer SEB, they report complaint cases to SEB for action whenever they receive complaints from the communities (Source: Three Gorges’s comments on the draft, May 25th, 2015). 	

**Three Gorges Policy Commitments and Project Performance
(Murum Hydropower Project in Malaysia)**

CL5. Benefits sharing commitment		
Policy	<ul style="list-style-type: none"> In the 2013 CSR Report, Three Gorges identified that community development was rated as “Low” in terms of strategic importance. The ranking was based on a matrix developed by the company to identify the strategic importance of different corporate social responsibilities (Source: 2013 CSR Report). Three Gorges outlined that their management strategies of helping local development include the following: continuously help to improve local infrastructure, promote local employment, respect local culture; actively participate in local emergency support; and give charity gifts (Source: 2013 CSR Report). Three Gorges has committed to following the Guidelines on Social Responsibility for Chinese International Contractors, prepared by China International Contractors Association under the direction of the Ministry of Commerce. The relevant section includes requirements that companies “utilize project skills and support the development of public infrastructure in the community, including transportation, telecommunication, drinking water, and sanitation” (SC9), as well as “help advance public services, management, and health care systems of the community to improve living conditions” (SC10) and “take into consideration community practicalities, explore local resources to help the community develop featured industries” (SC11). 	○
Project	<ul style="list-style-type: none"> International Rivers was not able to collect any evidence about a long term benefit sharing scheme planned or promised. However, according to Three Gorges, they have sought to help local people in many ways. For example, they have built a house for a local resettled family that lost their old house and assets in a fire (in the area now inundated by the dam) and sent food as gifts to local people. Now Three Gorges is considering building a hospital for the local people (Source: Company interview by a Chinese researcher from Thailand, January 2015). 	○
CL6. The company practices do not breach relevant rights established under international human rights instruments		
Policy	<ul style="list-style-type: none"> In the 2013 CSR Report, Three Gorges identified that human rights were rated as “Low” in terms of strategic importance. The ranking is based on a matrix developed by the company to identify the strategic importance of different corporate social responsibilities (Source: 2013 CSR Report). In the 2013 CSR Report, Three Gorges said one of their equal employment management strategies is to respect the rights to equal pay and non-discrimination, as well as to comply with labor laws (it’s not clear whether the labor law also refers to labor law in the host country) (Source: 2013 CSR Report). 	○
Project	<ul style="list-style-type: none"> Reported by Three Gorges, there were four cases filed by the local workers because they were unhappy with the termination of their contracts. The company terminated their contracts because the workers failed to comply with company policies and ignored warning letters. The workers admitted their mistakes after being questioned by the Labor Department and agreed to settle the cases outside of court. Three Gorges provided additional compensations to them (Source: Three Gorges’ comments on the draft, May 25, 2015). Chinese workers interviewed reported that their complaints to Three Gorges are mostly solved after negotiation. Indonesian workers interviewed in the field reported that they can only complain to the private recruitment agent because of language problems, however the agent representatives have not been able to help solve their problems (Source: Field trip, January 2015). According to Three Gorges, the company buys CIDB green cards and insurance for every worker, including the workers from labor service providers (Source: Company interview by a Chinese researcher from Thailand, January 2015). The Malaysian workers earn Malaysian Ringgit (MR) 8/hr for up to 12 hours per day (Source: Company interview by a Chinese researcher from Thailand, January 2015). Chinese workers feel that the living conditions, salary, and working conditions are acceptable. However Indonesian workers reported when they arrived at the work site, their passports were seized and they were required to sign a different contract than what they thought they had agreed to. They were not in possession of any CIDB Green Card to enable access to basic accident and death insurance. They rated living conditions and salary as bad (Source: Field trip, January 2015). 	⊙

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CL7. Occupational safety and health program to foster a safe and healthy work environment		
Policy	<ul style="list-style-type: none"> In the 2013 CSR Report, Three Gorges identified that occupational health was rated as “Low” in terms of strategic importance. The ranking was based on a matrix developed by the company to identify the strategic importance of different corporate social responsibilities (Source: 2013 CSR Report). 	
Project	<ul style="list-style-type: none"> In 2009 and 2010, there were a few safety incidents due to blasting, construction collapse, and electric shock, some of which resulted in deaths. The local government has given warnings to Three Gorges. After this, Three Gorges made more efforts to implement the safety management measures. Since April 23, 2011, there has been no more fatality accident. In the end of 2014, SEB gave Three Gorges an award called the 10 Million Manhour safety prize (Source: Company interview by a Chinese researcher from Thailand, January 2015; Three Gorges’ comments on the draft, May 25, 2015). According to Three Gorges, the company has established a safety management system to comply with the requirements of Three Gorges Group, as well as the Chinese government and Malaysian government (Source: Company interview by a Chinese researcher from Thailand, January 2015). Chinese workers reported that everyone has been provided with protective equipment and is required to wear this before going to work. The company also bought accident insurance. But Indonesian workers said that they have to buy the helmets and rubber shoes themselves, and have no accident insurance. As well as this the medical services on site are not free to them (Source: Field trip, January 2015). According to Three Gorges, every worker onsite is provided with personal protection equipment and covered by Group Personal Accident Insurance and medical and Surgical Insurance provided by the company (Source: Three Gorges’ Comments on the draft, May 25, 2015). 	
CL8. Promotes local employment and related training		
Policy	<ul style="list-style-type: none"> In the 2013 CSR Report, Three Gorges said one of their management strategies in the resettlement of affected people is to promote local employment by creating job opportunities and providing technical training. Three Gorges outlined that their management strategies of helping local development are as follows; continuously help to improve local infrastructure, promote local employment, respect local culture, and actively participate in local emergency support and give charity gifts (Source: 2013 CSR Report). Three Gorges has committed to following the Guidelines on Social Responsibility for Chinese International Contractors, prepared by China International Contractors Association under the direction of the Ministry of Commerce. The relevant section, 4.7.2 Employment and Training, requires companies to “offer maximum job opportunities to the community, taking into consideration the practical situation of the project”, also to “organize, participate in, and/or develop occupational skills training programs to improve the capacities of community inhabitants on the basis of the needs of the community” and “increase job opportunities for vulnerable groups within the community by collaborating with local institutions or organizations and developing special training programs”. 	
Project	<ul style="list-style-type: none"> Three Gorges hired over 300 local workers (Source: Company interview by a Chinese researcher from Thailand, January 2015). According to Three Gorges, they worked closely with the government on how to enhance local hiring, as well as provided job opportunities to the Penan Communities, however, local hiring has been very difficult due to the nature and environment of the work (Source: Three Gorges’ comments on the draft, May 25, 2015). There are also workers from Indonesia, Bengal, Pakistan and Philippines (Source: Field trip, January 2015). The Director of the Belaga District office (local government official), suggested the workload is too hard for local people. Malay Chinese only worked for half year and the Penan (impacted indigenous people) worked only one month or less (Source: Field trip, January 2015). According to Three Gorges, the company provides each worker with safety training and CIDB induction training (Three Gorges’ comments on the draft, May 25, 2015). However Indonesian workers reported that they only received some safety training, and they had not been registered with the CIDB and were not provided with CIDB safety training (Sources: Site visit, January 2015). Local workers have been working as drivers and secretaries (Source: Company interview by a Chinese researcher from Thailand, January 2015). Three Gorges is responsible for training the SEB engineers to operate the hydropower plant (Source: Company interview by a Chinese researcher from Thailand, January 2015). 	
Average Score of Policy Commitments in Community and Labor Relations		
Average Score of Project Performance in Community and Labor Relations		

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Risk Management		Score
RM1. Evidence of a company-wide policy on corruption and bribery		
Policy	<ul style="list-style-type: none"> • Three Gorges has developed and adopted compliance policies and procedures on bribery risk management. The policies require to carry out appropriate due diligence including effective controls of cash accounts, and financial and operational processes monitoring, etc. The company also provides anti-corruption trainings to all the employees (Source: Three Gorges' comments on the draft, May 25, 2015). 	
Project	<ul style="list-style-type: none"> • Three Gorges has developed and adopted bribery control policies and procedures. No internal and external reports have been found on the improper involvement in the local political processes (Three Gorges' comments on the draft, May 25, 2015). • Three Gorges provides anti-corruption training to all employees at different levels (Three Gorges' comments on the draft, May 25, 2015). 	
RM2. Compliance with local and national laws		
Policy	<ul style="list-style-type: none"> • In the 2013 CSR Report, Three Gorges identified that legal compliance was rated as 'Medium-Low' in terms of strategic importance. The ranking was based on a matrix developed by the company to identify the strategic importance of different corporate social responsibilities (Source: 2013 CSR Report). • In the 2013 CSR Report, Three Gorges committed to strictly comply with local laws and international regulations in overseas business. The commitment is unclear on what the international regulations are. • Three Gorges has also committed to following the Guide on Social Responsibility for Chinese International Contractors, prepared by China International Contractors Association under the direction of the Ministry of Commerce (Source: 2013 CSR Report). 	
Project	<ul style="list-style-type: none"> • The EMP prepared by Three Gorges includes an analysis of legislative requirements (Source: Environmental Management Plan, Proposed Murum Hydroelectric Project, Belaga District, Kapit Division, Sarawak, Final Report, Date: March 2009. Ref: CK/EV110-131/08). • According to Three Gorges, different local government departments all explained the local laws clearly to Three Gorges. The relevant local government departments include CIDB, police department, department of labor, department of safety and health, and the Sarawak provincial government (Source: Company interview by a Chinese researcher from Thailand, January 2015). Three Gorges has engaged a local legal firm to act on behalf of the company if any legal non-compliance occurs during the construction period (Source: Three Gorges' comments on the draft, May 25, 2015). • Reported by Three Gorges, there were four cases filed by the local workers because they were unhappy with the termination of their contracts. The company terminated their contracts because the workers failed to comply with company policies and ignored warning letters. The workers admitted their mistakes after being questioned by the Labor Department and agreed to settle the cases outside of court. Three Gorges provided them with additional compensations (Source: Three Gorges' comments on the draft, May 25, 2015). 	
RM3. Address transboundary issues to prevent, control and reduce transboundary impacts and use transboundary waters in a reasonable and equitable way		
Policy	<ul style="list-style-type: none"> • No information collected. 	
Project	<ul style="list-style-type: none"> • Not relevant to EPC Project Assessment. 	

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RM4. Plans for dam and other infrastructure safety management		
Policy	<ul style="list-style-type: none"> • In the 2013 CSR Report, Three Gorges developed a matrix to identify the strategic importance of different corporate social responsibilities, in which, safety is rated as of “High” strategic importance for the company. • The 2013 CSR Report demonstrated that Three Gorges has established a safety responsibility system and an emergency response system, and developed an emergency response plan (Source: 2013 CSR Report). • The 2012 CSR Report showed that Three Gorges has developed 221 emergency response plans (Source: 2012 CSR Report). 	
Project	<ul style="list-style-type: none"> • The EMP includes a short section of Emergency Response Plan, and an Environmental Contingency Plan (Source: Environmental Management Plan, Proposed Murum Hydroelectric Project, Belaga District, Kapit Division, Sarawak, Final Report, Date: March 2009. Ref: CK/EV110-131/08). • There is a 20-person safety management committee that includes people from different partners in the joint venture (Source: Company interview by a Chinese researcher from Thailand, January 2015). • According to Three Gorges, they have developed emergency response plans for fire fighting and flood control, etc., and carries out an emergency response drill every two to three months (Source: Company interview by a Chinese researcher from Thailand, January 2015; Three Gorges’ comments on the draft, May 25, 2015). • Pre-work meetings are required every day before every team starts work, so that the workers fully understand the work and associated safety risks (Source: Company interview by a Chinese researcher from Thailand, January 2015). • Indonesian workers interviewed reported that they were not provided with CIDB safety training (Source: Field trip, January 2015). 	
RM5. Systematic risk reporting and information sharing with local communities		
Policy	<ul style="list-style-type: none"> • No information collected. 	
Project	<ul style="list-style-type: none"> • Three Gorges set up alarm system and management system to monitor and inform all the relevant stakeholders about the impending information (Source: Three Gorges’ comments on the draft, May 25, 2015). 	
Average Score of Policy Commitments in Risk Management		
Average Score of Project Performance in Risk Management		
Total Score of Three Gorges’ Policy Commitments Assessment		
Total Score of Three Gorges’ Project Performance Assessment		

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