

Mr Yoshihiro Yamabayashi, Managing Director,  
Nam Ngiep 1 Power Company  
House No.236, Unit 16, Ban Phonesinumam,  
Sisattanak District, Vientiane Capital, Lao PDR  
*-Via Email-*

4 May 2015

**Re: Nam Ngiep 1 Public IAP Report and March 2015 Responses**

Dear Mr. Yamabayashi,

We are writing on behalf of International Rivers and Mekong Watch about the most recent report of the Independent Advisory Panel (IAP), responses provided from your company (dated March 2015) and the Lenders' Technical Advisor (LTA) Quarterly Implementation Progress Report #2 (dated 28 April 2015). Based on our understanding of the situation at hand and the information provided in the IAP and LTA reports, we have several concerns about the restorative and compensatory measures being developed for affected villagers and the environmental implications of NN1. We therefore look forward to receiving answers to the following questions.

Resettlement Site of Houay Soup

- We understand a new environmental evaluation (IEE) for Houay Soup will be carried out, given that 70% of the land initially envisioned for the resettlement site is in fact designated as protected forest area. Prior to finalization, will the IEE be made accessible publicly in Lao, Hmong and English in order to provide ample time for stakeholder input?
- Your response to the IAP mentions that an indicative survey of people to be resettled will be done by March 2015. Where can the results of this survey be obtained?
- NN1PC has committed to complete a Land Use Plan and a Forestry Management Plan. How does NN1PC intend to ensure this forestry plan will not replicate the current scenario observed at the Nam Theun 2 Dam, which the most recent Panel of Experts report (December 2014) noted "is parlous" and in a state of "crisis" (p.12, 13)? Furthermore, will forest patrolling, including in Houay Ngua protection area, be supported by NN1PC as requested by the Government of Laos?
- Compensation rates for project induced losses have yet to be finalized. What is the status of finalization and how will this information be disseminated to all affected populations? Will people be simultaneously informed how to access remedies without repercussions if they want a re-evaluation of properties lost/destroyed?

- As noted by the IAP, as well as in field documentation by International Rivers and Mekong Watch, project affected people consider the tentative rates being offered as too low. Your March 2015 response asserts that compensation is based on ‘replacement values’. Can you clarify the methodology for developing these values, given that villagers evidently do not consider the rates ‘at replacement value’?

#### Self-Resettlement Site Selection (Muang Hom District)

- We understand NN1PC personnel along with personnel from the Government of Laos will assess site options for the designated self-resettlement zones and survey households regarding company resettlement versus self-resettlement choices. This is of significance, given that the March 2015 report notes that approximately 80% of Hmong villagers want to opt for self-resettlement.
  - (a) Will the assessment of site options deliberated upon by NN1PC and the government be made publicly available in Hmong, Lao and English, so that stakeholders, including affected people, can understand the reasoning for selecting certain sites deeming others unsuitable?
  - (b) Will there be any protective measures taken to ensure villagers are not intimidated or coerced? In this regard, we are particularly concerned by the assertion you make in the response to the IAP that if people resettle in areas not designated by the government, “the Project bears no responsibility for livelihood developments in such unsuitable places.” To clarify, is this intended to mean that in such cases, people displaced by Nam Ngiep 1 would be denied all compensatory support?

#### Rape Cases Perpetrated by Construction Workers

- We trust that NN1PC and your respective contractors acknowledge these acts of violence against women as unacceptable (outlined in the March 2015 report, p. 7). Can you please explain what actions NN1PC and the respective contractors are taking to reprimand the perpetrators (workers) so as to hold them responsible, prevent repeated cases of rape in the site vicinity, bring justice to the survivors, and provide a clear message that sexual harassment and abuse will not be tolerated?
- What preventative measures are being taken to support a more safe environment, such as better lighting and appropriate toilet facilities for workers and their partners?
- We understand NN1PC has a social management plan to deal with such issues. Is this plan publicly available, accessible in Lao and English?

#### Relocation of People in Upper Reservoir Area

- NN1PC has committed to carry out livelihood support activities for people who will be affected by the upper section of the dam’s reservoir. Will NN1PC be developing a “relocation plan” to provide further details as proposed by the IAP? If so, how will

this plan be made accessible to villagers and other stakeholders?

#### Desecration of Hmong Grave Sites

- Could you please clarify the status of procedures and compensation for families whose ancestors' burial sites will be inundated by the project, given that these were not yet confirmed at the time of your March 2015 response to the IAP?

#### Coordination with other Hydropower Companies Operating on Nam Ngiep

- Is the "Climate Change Vulnerability Assessment for the Nam Ngiep River Basin" referred to in your response to the IAP? If so, where can it be reviewed?

#### Landfill for Construction Site Materials and Erosion Control Action Plan

- We understand NNIPC is improving the practices of waste disposal at the construction site so that instances of contamination of local waterways will not be repeated and an erosion control action plan. Could you please provide a status update on the situation and any action plan being developed?

#### Biodiversity Offsets and Assessment

- We trust that the biodiversity baseline study referred to in your response is underway given the preparatory works already ongoing at the site. Can you confirm that this study will be made publicly available and accessible, including any assessment of different biodiversity offsets proposed?
- Your response to the IAP mentions two committees that will oversee the attempts to come up with biodiversity offsets, the Biodiversity Offset Management Committee and the Biodiversity Offset Advisory Committee. Who are the members of each committee, and what opportunities are available for public interventions by stakeholders, including villagers and civil society groups?

We look forward to your responses, which can be sent via email to [tlee@internationalrivers.org](mailto:tlee@internationalrivers.org) and [toshi-doi@mtd.biglobe.ne.jp](mailto:toshi-doi@mtd.biglobe.ne.jp). Thank you for your time.

Sincerely,



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Lao Program Coordinator  
International Rivers



Toshiyuki Doi  
Senior Advisor  
Mekong Watch

Cc: Aiden Glendinning, Communications Advisor, Nam Ngiep 1 Power Company  
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