Thesis Title Socio-Economic Impacts of Theun-Hinboun Hydropower Project on

Recipient River Communities, Lao PDR

Author Amphai Darasouk

Degree Master of Science

(Natural Resources and Environmental Management)

Supervisory committee Dr. Richard J. Frankel

Assoc. Prof. Dr. Suree Bhumibhamon

Assoc. Prof. Dr. Nantana Gajaseni

ABSTRACT

This research aims to: (1) ascertain the main socio-economic impacts of the Theun-Hinboun Power Project (THPP) and the proposed Theun-Hinboun Expansion Project (THXP) to communities in recipient rivers areas; (2) study the mitigation and compensation programs committed by the project proponents to deal with these main impacts; (3) study and compare the Resettlement Action Plan (RAP) compensation packages provided by both the THPP and the THXP for impacted and relocated communities.

The results of the field surveys, literature reviewed and field observations were used to identify the main socio-economic impacts of THPP in recipient river communities. These impacts are: (1) frequency and long duration of floods leading to the loss of wet season rice crops and abandoned paddy land, (2) fish and aquatic life decline, (3) loss of access to clean water and drinking water shortage, and (4) loss of land for riverbank gardens due to riverbank erosion. The result of these impacts is that only 22% of the project affected persons (PAPs) in the recipient river communities have sufficient rice to eat for the whole year since the start of the THPP operation, The four impacted communities studied still have no access to electricity and remai

(5)

with poor access roads. The most affected of the four villages is Khen village followed by the

Kengkot village due to the fact that these villages are located below the confluence of the Nam

Hai River with the Nam Hinboun River. The THPC compensation and mitigation program to deal

with these impacts was totally inadequate. As examples, the drinking water supply in Khen

village failed and can not be used, three years of dry season rice practice for both Khen village

and Kengkhot village were unsuccessful, and many households remain in debt to the saving and

credit fund established by the project.

The proposed Theun-Hinboun Expansion Project will double the water discharge from

the powerhouse to the Nam Hai River and Nam Hinboun River. These four villages will be

affected by increased flooding, increased loss of land and water quality issues, and will require

relocation to the Phoumakneng relocation site in the dry season of 2009. The objective of the

THXP entitlements is to provide full compensation for all PAPs to ensure outcomes which are

better than pre-project conditions.

The THXP mitigation and compensation packages planned for affected people from the

existing project and from the proposed new project appear to be beneficial for livelihood

improvement, but that plan was significantly delayed by documentation requirements and late

availability of funds. The relocation facilities and services will not be completed prior to

relocation of these families accept for residential land and primary schools. The dry season paddy

land with irrigation system and other agriculture lands planned for are still pending (yet to be

implemented). Therefore it can be concluded that these proposed packages are inadequate to

restore livelihood and food security for recipient river communities in the first two years after

relocation, but after that time, whether these packages will be successful or fail is dependent upon

their timely implementation. This will be the proposed subject of future research to evaluate the

adequacy and effectiveness of the implemented THXP program in the next four or five years.

Keywords: Socio-economic Impact/Hydropower Project/Recipient River Community

(6)