

Lignite mining and power plant in Hongsa

Project	Villages
<p>Company: Joint venture between Ratchaburi Electricity Generating Holding Public Company & Banpu Power Limited of Thailand, and Lao Holding State Enterprise.</p> <p>Sector: lignite mining & electricity generation of 1,878 megawatts to export to Thailand, worth US\$4 billion</p> <p>Location: Hongsa District, Sayaboury, on 60 km² site</p> <p>Duration: started in 2010, operational in 2015</p>	<p>Number(s) of villages: possibly 9-11; 7 villages confirmed</p> <p>Name of village(s): Viengkeo (lao leu), Champa (lao lum), Meuanghan (lao lum), Nanongkham (khamu), Naxaikhamb (lao leu), Nachan, Namaiyom</p> <p>Number of Households: 450 hh</p> <p>Resettled location: 6 villages to resettle 12 km from power plant.</p>
Actual impact of the project/investment (on land, social, economic, health, environment....)	
Positive	Negative
<p>In resettled site (3km from Hongsa town), each hh is given a 450m² house (if > 8 members, receive 2 houses) with 2 hectare of cultivated land. But problems with cracks in new location ground and foreseen agriculture land has been reserved for other villages. Some students came for legal public awareness, but could not answer villagers' questions.</p>	<p>Exploration already caused important damages to paddy fields (hundreds of holes) and local authorities asked villagers to stop cultivation. No advance notice given.</p> <p>Only 140hh have been resettled (out of 450hh), and there is resistance among villagers. Some own two storey cement and brick houses in their village. Remaining 310 hh expected to resettle early 2012.</p>
Foreseen further impact of the project/investment	
Positive	Negative
<p>Project developers promised to invest US\$20 million to build replacement homes, asphalt roads and upgrade bridges, build a school (compensate the one destroyed), hospital and market, provide electricity and water. Support will be provided to villagers for 6 years until restore livelihood (vocational education and training courses) Hospital is under construction. 25kg of rice per month per family given for the first three years.</p>	<p>Meuanghan is located very close to the site and will suffer heavy air pollution and noise. Rice fields will be relocated, people will be moved. Impact on health is expected.</p> <p>In Champa, ancient temple to be destroyed.</p> <p>Big concern on grazing area for elephants (if not enough, elephants will disappear).</p>
Decision-making process	
<p>Only partial information given (not on various impacts). No consultations process. Villagers do not know about their rights and local authorities don't understand about relevant regulations protecting affected communities.</p>	
Compensation	
<p>Assets documentation done partially (unfair) and later on disregarded. White cards issued with rates for various trees/crops to each family, but ignored later on: rates reduced and existence of what got missing (trees destroyed by tractors) is questioned.</p> <p>Increased losses due to no advanced notice given by company -> engines destroyed pineapples ready to be harvested. Some compensation paid, but beneficiaries asked not to tell the other because money won't be enough -> conflicts!</p> <p>Conflict over unfair compensation for cropping land, in particular for non irrigated paddy fields, and over daily labor wages (paid on monthly basis with delay by Lao sub-contractor company) led villagers to oppose project developers & increased tension (villagers reported using gun).</p>	
Any other comment	
<p>Despite MoJ letter, LBA intended legal aid clinic mission was cancelled following unclear communication at local level. Access difficult because of on-going conflict and suspicion towards external support (following other IO visit). Villagers feel threatened by local authorities if complaining about the situation.</p>	
Voices of the people	
<p>Villagers complaining to district are threatened "to be taken away for investigation", because perceived as "opposing to government projects". Villagers told that "government needs company, company needs to make profit".</p>	

Relevant legal provisions and enforcement			
Provision	Content	Enforced	
Prior to project implementation			
<p>PM Decree 112/PM Environmental Impact Assessment 16 February 2010</p> <p>Article 7: Rights and duties of project affected people</p> <p>Article 8: Participation Process</p>	<p>Right to receive information on the investment project, the benefits and environmental/social impacts during village meetings organized by the local administration and the project developer.</p> <p>Right to provide information/data on local environment and society for environment/social assessment and mitigation measures.</p> <p>Rights to receive the report information on impact and prevention/ mitigation measures.</p> <p>Right to participate in consultation meetings organized by the authorities and the project developer at village, district, and province level, to share their opinions and give comments on the report and plans, from the first drafts until the final drafts.</p> <p>Right to participate in discussions on compensation, resettlement and restoration of the living conditions for affected communities;</p> <p>Right to make a written proposal to solve the environmental and social problems caused by the investment project (to local and central authorities)</p>	YES	NO X X X X X
During project implementation			
<p>PM Decree 192/PM Compensation & Resettlement of People Affected by Development Projects 7th July 2005</p> <p>PM Decree 112/PM Article 8: Participation Process Article 28: Restoration of Living Conditions Article 33 & 35 : Types of Dispute and Settlement</p>	<p>Right to get assistance in surveying assets/property and cost estimation for damages.</p> <p>Right to receive fair and adequate compensation for land, crops, trees, property, housing, business, communal facilities, fishing, forest losses + for villagers receiving resettled people.</p> <p>Right to receive support during transition period (in kind or in cash) for transport to resettlement site, food allowance, suitable development assistance (until restored livelihood and incomes)</p> <p>Right to collaborate with project developers to solve the grievances submitted by resettled people.</p> <p>During survey-exploration, construction and operation of the project, the project developer must inform affected people of the project activities which are likely to create environmental and social impact (clearing land, destroying rocks, using of dangerous chemicals, discharging water from the reservoir...)</p> <p>Right to lodge petitions to be considered by Provincial or Capital Resettlement and Restoration of Living Condition Committee.</p> <p>Environmental and social disputes can occur on: -Use of natural resources (water, land, mines, forests, wild plants..) -Pollution, environment degradation -Allocation of compensation for the loss/damages (land/house/services...)</p> <p>The project developer must listen to complain/petition and solve disputes.</p>	YES	NO X X ? X X X X



Mine site in March 2011

