

វេទិកាសម្រាប់ការមិនមែនប្រតិបត្តិ ស្តីពីកម្ពុជា
The NGO Forum on Cambodia

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27th July 2012

H.E. Yingluck Shinawatra

Prime Minister

Government House

Phitsanulok Road, Dusit District

Bangkok 10300

Thailand

Fax: +66 2288 4016

H.E. Thongsing Thammavong

Prime Minister Lao PDR of

Prime Minister Office

Vientiane Capital

Lao PDR

Fax: +856 021213653

Subject: Rivers Coalition in Cambodia Joint Statement: Call Thailand to Cancel the Power Purchase Agreement and Laos to stop construction and for both countries to respect the 1995 Mekong Agreement.

Your Excellency Yingluck Shinawatra,

Your Excellency Thongsing Thammavong,

On behalf of Rivers Coalition in Cambodia (RCC), an alliance of civil society organizations working to protect and restore river ecosystems and river-based livelihoods in Cambodia, we would like to urgently call on the Thai and Lao governments to immediately halt all construction work at the proposed Xayaburi Dam site in Northern Lao PDR and wait for the results from the agreed upon Mekong River Commission (MRC) study on the trans-boundary impacts of the Mekong mainstream dams. We also wish to remind you that in April 2011, our government, along with Thailand and Vietnam called for a study of the Xayaburi Dam's transboundary impacts and for further consultation meetings among the riparian countries, especially with proposed dam affected communities along the Mekong River from Lao to Vietnam's Mekong Delta, neither of these meetings have yet to occur.

On this occasion, let us inform Your Excellencies that the representatives of civil society organizations and riparian communities are concerned about current construction activities occurring at the site of Xayaburi Dam. The Mekong River Basin is home to 65 million people, most of whom are poor and receive between 40% to 80% of their protein from inland fisheries. Numerous studies, including the Strategic Environmental Assessment (SEA) report commissioned by the MRC in 2010, have shown that the proposed eleven hydropower dams on the Mekong River mainstream, including the Xayaburi Dam, will block fish migrations and cause severe damage to the river's ecosystem and biodiversity. The dams will also block sediment flows *DA*

and inundate agricultural lands along the Mekong River, which means that the livelihoods of millions of people who rely on the River and its tributaries will be badly affected.

Ch Karnchang Public Company Limited is a Thai company responsible for building the Xayaburi Dam. In October 2011, the Electricity Generating Authority of Thailand (EGAT) signed a Power Purchase Agreement (PPA) with the Xayaburi Power Co., Ltd. to import about 95% of electricity generated by the Xayaburi Dam. Moreover, Pöyry, a consultancy commissioned by the government of Laos to conduct a compliance review of the project, is a World Bank-blacklisted company and yet now is the project's lead independent engineer. Further, Compagnie Nationale du Rhône (CNR), a French company that Lao government hired in January to provide further analysis of the Pöyry report, has only written a "desk review study" which did not address the impact on fisheries and offered unproven mitigation advise on sedimentation flow despite the fact that proper baseline studies have yet to be carried out. A transboundary environmental impact assessment has also never been carried out for the project, thereby making it impossible for the companies to know the full severity of the dam's projected impacts on Cambodia and other Mekong countries. Further, the four Lower Mekong countries have not yet agreed to construct the dam. According to the 1995 Mekong Agreement, four countries must reach a joint decision under the Procedure of Notification for Prior Consultation and Agreement (PNPCA) before the project is implemented. The Cambodian and Vietnamese government are also strongly concerned about the impacts of the dam and have called upon the Lao government to halt the construction and wait for the results of the joint study.

From February 2011 to July 2012 more than 3,000 community representatives and more than 300 civil society organizations in Cambodia have called upon the Thai government stop its plans to buy electricity from the Xayaburi Dam, and to cancel this dam.¹

On 3 July in Phnom Penh, the Minister of Natural Resources and Environment Nguyen Minh Quang Minister and Minister of Water Resources and Meteorology Lim Kean Hor Cambodia signed a memorandum to conduct an impact study of the mainstream dams to Cambodia and Vietnam's Mekong Delta.

According to the Phnom Penh Post on 16th July, Thai Prime Minister Yingluck Shinawatra said on Friday 13 July that the "Thai company set to build Lao's Xayaburi hydropower dam will not begin construction until a study determines the dam's environmental effects on the Mekong River and reaffirmed the commitment to the study, which MRC countries Cambodia, Lao, Thailand, and Vietnam agreed in December to undertake before construction could begin". Also, our Cambodian Prime Minister Hun Sen voiced Cambodian concerns regarding this dam to the Thai Prime Minister and appreciated the Thai Prime Minister's confirmation that the dam has not been built.

However, from 16-17 July 2012, the Lao government organized a field visit to the Xayaburi Dam site and the government delegation observed that advanced construction activities are underway at the project site. In a recent Bangkok Post article on 22 July 2012, the Post stated, "about one metre of the gravel dyke has been constructed more than halfway across most of the river width of 800m, leaving only a small channel for boats to pass through".

With this controversial and unpredictable negative impact, we, the RCC urge the Thai Prime Minister, as the leader of Thailand to decisively act to stop this project by cancelling the Power Purchase Agreement (PPA) and to order Ch Karnchang to stop all construction activities until further studies.




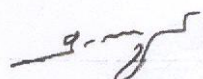
¹ 3,208 Cambodian community representatives thumprinted a letter to Thai Prime Minister in December 2011, 342 CSOs in ASEAN signed on the Joint Statement to cancel the Xayaburi Dam in ASEAN People Forum 29-31 March 2012, and 186 communities, monks, and students, Civil Society Organizations (CSOs) signed to stop this dam during the Peace Walk Campaign in Kampong Cham Province, Cambodia in 29 June, 2012.

are conducted. We also urge the Thai Prime Minister to order Ch Karnchang to carry out a transboundary impact assessment for the project, which is an international best practice for a project of this nature on a shared river.

Finally, we urge the Thai and Lao governments to respect the 1995 Mekong Agreement and the requests by Cambodia and Vietnamese government to urgently halt all construction activities for the Xayaburi Dam, either preparatory or on the dam itself, until all necessary studies are carried out and full public consultation, particularly with people whose livelihoods are dependent on the Mekong River and the Tonle Sap River and who will be the most affected by this proposed dam, are held in a participatory, transparent, and accountable manner. *DL*

Yours Sincerely:

Representatives of the Rivers Coalition in Cambodia

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|----------------------------------------------------------------------------------|-----------------------------------------------------------------------------------|------------------------------------------------------------------------------------|-------------------------------------------------------------------------------------|------------------------|
|  |  |  |  | |
| Chhith Sam Ath | Tep Bunnarith | Meach Mean | Sou Socheat | Try Chhoun |
| Executive Director | Executive Director | Coordinator | Program Manager | Provincial Coordinator |
| The NGO Forum | CEPA | 3SPN | PDAO | ADHOC |

Copy to:

Council of Ministers

Cambodian Prime Minister Samdech Hun Sen

H.E. Dr. Yim Chhay Ly

Deputy Prime Minister and chairman of CARD

H.E. Touch Seang Tana

Chairman of the Commission for Mekong River Dolphin Conservation and Eco-tourism Development

Address: #41, Russian Federation Blvd., Phnom Penh

Phone: (855)12 804442

Fax: (855)23 880624

E-Mail: ocm@cambodia.gov.kh

Website: www.ocm.gov.kh

Ministries

H.E. Lim Kean Hor

Chairman of Cambodia National Mekong Committee

Member of the MRC Council for Cambodia

Ministry of Water Resource & Meteorology

No 47 Norodom Blvd.

12210 Phnom Penh

H.E. Hor Namhong

Deputy Prime Minister and Minister of Foreign Affairs and International Cooperation

Phnom Penh, Cambodia

Fax: (855)23 216144

H.E. Mok Mareth

Senior Minister and Minister, Ministry of Environment

Phnom Penh, Cambodia

FAX: +855 23 427 844

H.E. Suy Sem

Senior Minister, Ministry of Industry, Mines, and Energy

Phnom Penh, Cambodia

FAX: +855 23 428 263

H.E. Chan Sarun

Minister, Ministry of Agriculture forestry and fisheries

Phnom Penh, Cambodia

Fax: (855) 23 217 320 / 215 982

Mekong River Commission

H.E. Mr. Te Navuth

Secretary General

Cambodian National Mekong Committee

PO Box 2214

#364, Monivong Blvd, Chamkar Mon, Phnom Penh, Cambodia

Tel: +855 12 930 914

Fax: +855 23 218 506

E-mail: navuth@cnmc.gov.kh

Mr. Hans Guttman

Chief Executive Officer

Mekong River Commission

Vientiane, Lao PDR

E-mail: guttman@mrcmekong.org