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Cost-benefit distribution in hydropower planning and management: Differentiated impacts based on locational and social distinctions in affected communities and implications for equity

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Key Message

While residents of hydropower projects' affected area may share certain similarities of impacts, there are differences based on locational characteristics (e.g. upstream and downstream areas) and social distinctions (i.e. based on gender, ethnicity and socio-economic status) which has important policy implication, particularly on equity in the distribution of costs and benefits in hydropower planning and management.

Summary

This presentation focuses on how impacts (both positive and negative) are distributed among different groups in the Theun Hinboun River Basin in Lao PDR. Based on data from fieldwork in four villages in Bolikhamxay and Khammouane provinces, we examine the distribution of burdens and risks from dam development experienced by local residents both upstream and downstream as well as ethnic groups, and men and women. Findings show that while households in the four villages share certain similarities of impacts, these are differentiated based on locational characteristics (e.g. upstream and

downstream areas) and social distinctions (i.e. gender, ethnicity and socio-economic status). Partly these differences are associated with diversity in topography, livelihood systems, culture, population distribution, and existing division of labor between women and men. Perceptions on issues of livelihoods and poverty also vary across local stakeholders. This diversity suggests the need for a serious consideration of different approaches to development and resettlement options for each group. Compensation packages that are usually based on a uniform policy may not be able to address particular needs of specific groups. This presentation unpacks and addresses the complex challenge of achieving equity in distribution of costs and benefits in hydropower planning and management. Making more informed decisions based on disaggregate data along social distinctions would be more relevant to decision-making for basin-wide hydropower projects.

Potential impacts and compensation, by different affected groups (MBS002)

Affected groups	Burdens/Risks from dam development	Compensation received from THXP	Notes on key issues
A. By location			
Keosenekham Village : A newly established resettlement village in the upstream area of THXP. The villagers moved from the affected area of the project construction.	<ul style="list-style-type: none"> - Resettled residents lost their houses and agricultural land in the construction areas. - Decreased agricultural productivity as provided land is largely hilly, far from the river, and has poorer condition. - Shortage of grazing lands which led to abandon of livestock, a major livelihood asset. - Shorter period for rotation of shifting cultivation due to size of land received from the project. 	<ul style="list-style-type: none"> - Newly constructed houses in the new village. - Having electricity and pipe-water supply connection. - Newly constructed and improved roads led to easier access to health/ education services and markets. - Newly constructed school and health center (but teachers and nurses are still inadequate). - Support for livelihood until villagers reach income target. 	<ul style="list-style-type: none"> - Confusion on land titlement. Some villagers are still uncertain of where to cultivate. - Villagers have not been informed of water released from the dam and therefore they cannot prepare for the impacts.
Nongxong Village : A resettlement village comprising of new resettled residents who moved from the affected area and host villagers. There are currently three ethnic groups in the village.	<p><u>Resettled residents</u></p> <ul style="list-style-type: none"> - Lost houses and agricultural land in the construction areas - Experienced stress of changing agricultural practice (from shifting cultivation to paddy rice farming) - Lost income from fishery since the resettled village located far from river and forest - Potential conflict between the host villagers and resettled villagers on inequality of access to production land <p><u>Host villagers</u></p> <ul style="list-style-type: none"> - Change in traditional village dynamics - Increasing in-migration led to competition on existing land-use and exploitation of new accessible land - Increased burdens on living expenses as electricity and pipe-water supply 		<ul style="list-style-type: none"> - Current problem on land rights. In 2011, there are still over 20 HHs that have not yet received agricultural land. - At present, the resettled residents still rely heavily on the daily project assistance (e.g. on provision of rice and can food) and are incapable to achieve self-sufficient income.
Pakveng and Phonsay Village	<ul style="list-style-type: none"> - Decline in fish capture - Experienced more severe flooding which 	Not eligible to receive compensation from THEP.	

: Existing villages located downstream of THEP.	also impact their rice harvest. Some needs to change plantation.		
	<ul style="list-style-type: none"> - Water shortage during dry season - Poor water quality in Hinboun River 		
B. By gender			
Men	<ul style="list-style-type: none"> - Unable to support HHs through fishing as the resettled villages are far from the rivers and decline in fish capture. 	<ul style="list-style-type: none"> - Able to work longer hours at night for handicraft due to availability of electricity. - Save time to repair old houses. 	
Women	<ul style="list-style-type: none"> - Experience more intense stress associated to resettlement as they are attached to social assets in the old villages. - Further marginalization due to loss of natural resource and degradation of water quality. 	<ul style="list-style-type: none"> - Reduced time spent to fetch water from streams. - Improved health condition due to less exposure to in-house cooking. - Better access to health facility - Possibility to increase in school attainment of female students. 	In practice, women have fewer roles in village consultation as most of the family heads are men and therefore compensation package may not fit their particular needs.
By ethnic group			
Hmong	<ul style="list-style-type: none"> - Experienced stress of changing agricultural practice from shifting cultivation to paddy rice farming and unable to fish and collect NTFPs in forest. - Loss of ancestors' grave which are very important to their belief on well-being of the off-springs and thus unquantifiable of value. 	Compensation packages allocated to all resettles based on the same policy, regardless of ethnicity.	Delay in allocation of agricultural lands is a serious problem for Hmong and Lao, but not to Khmou households.
Lao	<ul style="list-style-type: none"> - Experienced stress of changing agricultural practice from paddy rice farming to other plantation due to changes of land. 		
Khmou	<ul style="list-style-type: none"> - Less impact compared to others since their livelihood before and after the project is based on daily labor work. 		

Source: MK4 Fieldwork 2011