

Electricity of Vietnam (EVN), Hydropower Project Management Board (TSHPMB), Trung Son
Hydroelectric Development Project

SECOND MISSION

ENVIRONMENTAL AND SOCIAL PANEL OF EXPERTS

(POE)

TRUNG SON HYDROPOWER PROJECT MANAGEMENT BOARD

(TSHPMB)

FINAL REPORT

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ABBREVIATIONS

BP	Bank Procedure
CLIP	Community Livelihoods Improvement Plan
CST	Construction Supervision Team
CPC	Commune People Committee
DPC	District People Committee
DRCC	Development Research and Consultancy Centre
EIA	Environmental Impact Assessment
EMDP	Ethnic Minority Development Plan
EMP	Environmental Management Plan
ET	Environmental Team
EVN	Electricity of Vietnam
GHG	Greenhouse Gases
HH	Household
IEL	Integrated Environments Ltd.
IEMC	Independent Environmental Monitoring Consultant
NGO	Non Governmental Organization
OP	Operational Policy
PEO	Project Environmental Officer
POE	Panel of Experts
PPC	Provincial People Committee
RLDP	Resettlement Livelihood and Ethnic Minority Development Plan
RP	Resettlement Plan
RPF	Resettlement Policy Framework
SEO	(Workplace) Safety and Environmental Officer
SES	(Workplace) Safety and Environmental Supervisor
SESIA	Supplementary Environmental and Social Impact Assessment
TSHPMB	Trung Son Hydropower Management Board
WB	World Bank

EXECUTIVE SUMMARY

During the Second Mission, all members of the POE met in Vietnam and shared their activities from February 26, 2010 to March 8, 2010, when its chairman, Juan A. Schnack settled in Hanoi. However, the mission was accomplished for a longer time: local members of the POE, Ms. Le Thi Mong Phuong and Mr. Nguyen Duy Thang participated in the Third Round of Consultations based on the information disclosed from December 28, 2009 to January 5, 2010 and on field visits during the period January 19-February 2, 2010.

The main activities undertaken by this panel included:

Meeting of the panel's chairman with the Task Manager, Mr. Richard Spencer, World Bank (February 27, 2010) and Mr. Ngo Viet Hai, Director of the Trung Son Hydropower Project Management Board (TSHPMB) (March 1, 2010),

Meetings between all members of the panel (intermittently from February 28 to March 8, 2010),

Participation of the panel's chairman and representatives of TSHMB, World Bank, and Consultants, convoked and coordinated by Mr. Richard Spencer, in the organization of the Workshop on Public Consultation (March 2, 2010),

Participation in the Workshop on Public Consultation (March 3, 2010),

Discussion of SESIA and EMP with the consultant who prepared these reports (Mr. Miles Scott Brown, Integrated Environments, Consultant to TSHPMB) at World Bank with authorities and/or representatives of EVN (Ms. Le Thi Ngoc Quynh), TSHPPMB (Mr. Son, Lan, Mrs. Nga, Mr. Hung) and World Bank (Ms. Ly, Mr. Ky, Mr. J.D. Quintero),

Meeting of POE local members with the consultant who prepared the RLDP (Ms. Claude Saint Pierre, Tercia Consultants, Consultant to TSHPMB) at World Bank with representatives of World Bank, PMB, and Social Scientist, Consultant of World Bank Southeast Asia, Mr. Lars Lund (March 4 and 5, 2010).

The objective of these meetings was aimed at reviewing the above reports and discussing their contents with the consultants who prepared them in order to achieve consensus on the issues which required changes, corrections, and amendments.

The panel's chairman met at World Bank with Mr. Richard Spencer, and the consultants: Mr. Miles Scott Brown, who prepared his last version EIA/EMP, Ms. Claude Saint Pierre, who prepared her last version of the RLDP. Also Mr. Juan D. Quintero (World Bank, Washington, D.C.), and Mr. Lars Lund (Social Scientist, Consultant, World Bank South East Asia) participated (March 5, 2010).

Concerning the reviewed documents this POE considers that the SESIA, EMP, and RLDP are of high quality; their objectives and key features are clearly defined, the

TSHPP's objectives are rightly exposed, and show high dedication and expertise on most of the relevant issues. World Bank Safeguard Policies were covered when needed (e.g., RP, World Bank OP 4.12, EMDP, World Bank OP 4.10). Gaps between Vietnamese National Legal Framework and World Bank Safeguard Policies and other relevant social issues were deeply analyzed by the local members of the POE (Annex I). Concerning cumulative impacts, those from the project itself are properly referred and a broader cumulative assessment considering all other activities of the project area has been properly planned to be carried out by the end of the first year of construction. Accordingly, TSHPMB will develop specific studies to assess cumulative impacts of TSHPMB in conjunction with other projects and activities as it was described in the EMP.

Given that all main draft reports were exhaustively reviewed and all corrections and amendments were included after whole agreement, they now represent the last version to be submitted to their final approval. Then, this panel considered unnecessary to undertake further exhaustive reviews and meetings to add changes to these draft reports, whose final approval would then be subdue to TSHPMB and World Bank final review. This would contribute to accomplish the schedule for project presentation to the World Bank's Board for July 2010 and to proactively foster the coverage of the planned timetable.

Based on the main reviewed documents, namely SESIA, EMP, and RLDP, as well as on the Third Round of Consultations this POE recommends to give priority during the development of the different phases of the TSHPP, to the following issues:

- Capacity Building, Institutional Strengthening and Technical Assistance
- Social and Environmental Integration
- Implementation of EMP in Expected Time
- Definition of Responsibilities of Supervision and Monitoring
- Divulcation and Public Consultation as a Continuous Process
- The Role of Mass Organizations
- Adoption of a Long Term Agricultural Options
- Planning of Activities During the Entire Life of the Project
- Implementation of Inter-Institutional Plans

The issues included in the SESIA, EMP, RLDP and in the consultation rounds were deeply analyzed by the POE, and through interactive meetings with the most outstanding stakeholders, a final agreement was achieved on all discussed subjects. The consultants who prepared these reports made all needed changes after consensus was achieved. Therefore, the final version of these draft reports, once recommended changes were made, accomplished the requests of this POE.

1. INTRODUCTION

The Second Mission of the Environmental and Social Panel of Experts (POE) was preceded by different and intermittently activities carried out since June 2008 when its first mission took place in Vietnam (6-16 June, 2008). This draft report complements two preceding reports prepared by this panel.

The first draft report consisted of a Desk Review of all available documents produced by international and local consultants, before and after the POE's First Mission to Vietnam, as well as meetings with representatives of TSHPMB, World Bank and Consultants, and field work (visit to the dam site and access road) (Schnack & Phuong, 2008).

The second draft report (Schnack, Phuong & Thang, 2009) included further reviewed documents.

The third report contained a feed back between consultants hired by TSHPMB and this POE including its replies to more than one hundred responses of TSHPMB to observations by POE of all documents and draft reports of local and international consultants (June 2009) which finally were cleared by the end of 2009.

During the Second Mission, all members of the POE met in Vietnam and shared their activities from February 26, 2010 to March 8, 2010. This was the time its chairman, Juan A. Schnack settled in Hanoi. However, the mission was accomplished for a longer time, provided the local members of the POE, Ms. Le Thi Mong Phuong and Mr. Nguyen Duy Thang participated in the Third Round of Consultations based upon the information disclosure activity which took place from December 28, 2009 and January 5, 2010 and on field visits during the period January 19-February 2, 2010.

What follows below represents a summary of the viewpoints of this POE, relative to the disclosed draft reports: Supplementary Environmental and Social Impact Assessment – SESIA-, Environmental Management Plan (EMP) and Resettlement Livelihood and Ethnic Minorities Development Program- RLDP-, and the conclusions of the Third Round of Consultations.

This Second Mission Draft Report includes the main concerns and recommendations of this panel aimed at supporting TSHPPMB successful completion of the preparation phase of the project, and the beginning as soon as expected of its implementation.

The main activities undertaken by this panel included:

- Individual meeting of the panel's chairman with the Task Manager, Mr. Richard Spencer, World Bank (February 27, 2010)
- Individual meeting of the panel's chairman with Mr. Ngo Viet Hai, Director of the Trung Son Hydropower Project Management Board (TSHPMB) (March 1, 2010),

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- Meetings of all members of the panel (intermittently from February 28 to March 8, 2010),
- Participation of the panel's chairman and representatives of TSHMB, World Bank, and Consultants, convoked and coordinated by Mr. Richard Spencer, in the organization of the Workshop on Public Consultation (March 2, 2010)
- Participation in the Workshop on Public Consultation (March 3, 2010),
- Discussion of SESIA and EMP with the consultant who prepared these reports (Mr. Miles Scott Brown, Integrated Environments, Consultant to TSHPMB) at World Bank with authorities and/or representatives of EVN (Ms. Quynh), TSHPPMB (Mr. Son, Lan, Mrs. Nga, Mr. Hung) and World Bank (Ms. Ly, Mr. Ky, Mr. J.D. Quintero).

Objective: exhaustive review of the above reports and achievement of consensus on the issues which required changes, corrections, and amendments (March 4, 2010)

- Meeting of POE local members with the consultant who prepared the RLDP (Ms. Claude Saint Pierre, Tercia Consultants, Consultant to TSHPMB) at World Bank with representatives of World Bank, PMB, and Social Scientist, Consultant of World Bank Southeast Asia, Mr. Lars Lund.

Objective: exhaustive review of the RLDP, discussion with the consultant who prepared the draft report, and achievement of consensus on the issues which required changes, corrections, and amendments (March 4 and 5 2010)

- Meeting of panel's chairman at World Bank with Mr. Richard Spencer, and the consultants: Mr. Miles Scott Brown, who prepared his last version of the Environmental Impact Assessment (EIA) and the Environmental Management Plan (EMP), Ms. Claude Saint Pierre, who prepared her last version of the RLDP World Resettlement Livelihood Restoration and Ethnic Minorities Development Program (RLDP). Also Mr. Juan D. Quintero (World Bank, Washington, D.C.), and Mr. Lars Lund (Social Scientist, Consultant, World Bank South East Asia) participated (March 5, 2010).

As stated above, this Panel of Experts has reviewed a high number of documents during the last two years (2008-2010) which were part of the basic information source used by which consolidated reports, namely SESIA, EMP, and RLDP could be completed. As an advisory body, its role does not necessarily impose detailed comments on each treated issue of these reports¹.

¹ Critical and exhaustive review of all documents and draft reports prepared by local and international consultants have been referred in the first (August, 2008) and second (March, 2009) draft reports of this PoE. Furthermore, a third report of this panel (December, 2009) contains its replies of more than one hundred responses of TSHPMB to observations by PoE of all documents and draft reports of local and international consultants.

The deep review of all documents and draft reports produced by TSHPMB provides the information needed by this panel to make recommendations concerning the most relevant issues and actions to be developed or discarded instead. Therefore, for the second mission, this draft report will follow this aim, concentrated on SESIA, EMP, RLDP and Third Round of Consultation, and other activities undertaken during the mission (meetings, workshop, etc.). This is in agreement with the introductory note included in the Second Draft Report of this PoE, which remarked that all individual reports and documents were reviewed, although aimed at integrating them in a wider analysis and aspiring to offer an emergent view, which is not merely the sum of the parts. Then, the main aim was to highlight those relevant items which deserved a deeper analysis (Schnack, Phuong & Thang, 2009). However, the current status of the project, according to the planned timetable for each milestone and its forecast makes it cogent to put a stronger emphasis on which is recommended to undertake during the different phases of the project implementation, from the start of the road construction (2010) to the completion of the work (ca. 2017)

2. FORMER ENVIRONMENTAL ASSESSMENT CONSOLIDATED REPORT

While preparing the Second Draft Report (Schnack, Phuong & Thang, 2009) this panel's chairman had the opportunity to discuss with Mr. García Lozano by online communication, the unfinished "Environmental Assessment Integrated Report" (Chi & García Lozano, 2008). Independent of the merits and flaws of this draft report, its status requested a too exhaustive and analytical additional work to complete and consolidate the Environmental Assessment and Environmental Management Plan. It is worth remarking the great effort and the timely treatment of all the pending issues and the gaps that have to be filled in the above report, requested by the preparation of the SESIA/EMP (IEL, 2010), which successfully overcome all instances during the second mission in Vietnam in March, 2010.

3. DISCLOSED REPORTS

The first assessment made by this panel of the most relevant reviewed documents, namely SESIA, EMP, and RLDP, as well as of the Third Round of Consultations, may be summarized as follows:

3.1 Supplementary Environmental and Social Impact Assessment (SESI)

3.1.1 General Qualification

The SESIA is of high quality. Its objectives and key features are clearly defined. Impact identification, criteria and ranking show a creative and adequate methodological approach. Institutional and legal frameworks are explained in detail and harmonization between Vietnamese legal framework and Social and Environmental World Bank Safeguard Policies are precisely rationalized. Information sources are complete and rightly referred to. Pictorial elements are of high quality specially if photos are regarded.

The TSHPP's objectives are rightly exposed (e.g., best practice example of the development of Vietnam's power sector, downstream flood control benefits, supplement water supply during dry season, alternative energy resource for GHG emission reduction).

Given the current stage of the project, a broader cumulative assessment considering all other activities of the project area has been properly planned to be carried on by the end of the first year of construction. Accordingly, TSHPMB will develop specific studies to assess cumulative impacts of TSHPMB in conjunction with other projects and activities as it was described in detail in the EMP (Final Report, May 2010, main document: page 86, Annex I, pp.137-141).

3.1.2 Remarks

In some instances mitigation measures are proposed when potential positive impacts are referred. Do potential positive impacts need mitigation? It would be more adequate to take advantage or use profitably instead of mitigating. Since it is just a conceptual or even a semantic issue, the question above does not justify in any way changes in the report.

The recovery of fish population of important species by promoting fish culture in lake-type habitat is a debatable proposed mitigation measure. It could be argued *a priori* that species adapted to running waters may hardly accommodate to still waters. However, the proposed adaptive management approach would help make decisions on any specific fishery programs in the due time.

3.2 Environmental Management Plan (EMP)

3.2.1 General Qualification

The EMP draft report is of high quality. Its objectives and key features are clearly defined. Information sources are adequate and rightly stated at the end of the report. Summary and description of key impacts, management plans and programs are clearly explained and rigorously analyzed. Mitigation measures and institutional frameworks are deeply treated.

3.2.2 Remarks

Impact of erosion downstream is mostly referred to historical/cultural artifacts. This is understandable due to the fact that archeological/historical sites, remains and objects are components whose detection during construction activities will impose the contractor to adopt adequate measures for their preservation and rescue, as it was referred to in detail in Annex E: Chance Find Procedures (IEL, 2010, page 129).

The assessment of impacts on components other than historical/cultural artifacts, like coastal morphology, ecosystems, biodiversity, and water quality along the Ma River is

somewhat premature to undertake immediately. The rapid changes expected during the pre-construction and construction stages do not rigorously describe to what extent the interventions on the above components would alter their structure and dynamics and the processes involved as well as how to predict the trends they will follow after the successive occurrence of the above expected changes have taken place. Monitoring definite ecological changes must be necessarily based on a future scenario once the river and related ecosystems have adopted more definite and stable conditions, such as those expected for the operation stage.

During the meeting held at the World Bank on March 4, 2010 a general agreement was achieved with all who participated in this meeting, where the consultant who prepared the draft report agreed with almost all the comments, basically referred to technical issues, like primary responsibilities of the EVN, TSHPPMB, construction contractors, supervision engineers; the environmental monitoring plan, the communication process, additional studies, the implementation plan and schedule, the adaptive management concept, the frequency of environmental quality parameters sampling, the construction supervision framework, the involvement of local communities and individuals, the institutional strengthening (e.g., formation of Environmental Unit), the Regional Health Program, the Technical Assistance to TSHPMB, chance finds, biodiversity and protected areas, EMP costs, etc.). The reason why not all comments were incorporated was due to the fact that some comments were duplicated or reiterative.

3.3 Resettlement, Livelihood and Ethnic Minorities Development Program (RLDP)

3.3.1 General Qualification

The draft report is consistent and rigorous, and shows high dedication and expertise on most of the aspects of the RLDP. The methodological approach is appropriate and most of the relevant issues are covered in detail. World Bank Safeguard Policies are covered when needed (e.g., RP, WB OP 4.12, EMDP, WB OP 4.10). Resolution gaps between Vietnamese National Legal Framework and World Bank Safeguard Policies were accomplished through Resettlement Policy Framework (RPF).

3.3.2 Remarks

Local members of POE, Ms. Le Thi Mong Phuong, Senior Research Sociologist and Nguyen Duy Thang, Senior Social Safeguard Specialist, were entrusted to attend the two days meeting of the social group (March 4 and 5, 2010), while the chairman of POE had to participate in the meeting of the environmental group.

The comments submitted by local members of this panel are included in detail in Annex I.

All social issues included in the RLDP report were discussed and agreement was achieved in the two days meeting at the World Bank (March 4 and 5, 2010).

3.4 Comment of POE on the Status of the Reports

Those flaws, missing or unnecessary issues which were identified by the review of documents, as well as by their detailed discussion that were held at the World Bank on March 4 and 5, 2010 were cleared after agreement of all experts who participated in this meeting, representing EVN, TSHPMB, and World Bank.

Given that all main draft reports were exhaustively reviewed and accordingly all corrections and amendments were included after whole agreement, they now represent from the PoE's viewpoint the last version to be submitted to their final approval.

In general, this panel considers unnecessary to undertake further exhaustive reviews and meetings to add changes to these draft reports, whose final approval would then be subdue to TSHPMB and World Bank final review. This would contribute to accomplish the schedule for project presentation to the World Bank's Board for July 2010 and to proactively foster the coverage of the planned timetable.

4. CONSULTATION ROUNDS

The third round of consultation showed significant improvements if they are compared with the preceding two stages, specially the first round. It seems that during the first round some villagers were apparently doubtful and in some cases they changed their original decisions but the doubts still persisted (e.g., Ta Ban Village ("Village I", Trung Son Commune, 174 households); and Xuoc Village ("Village II", Trung Son Commune, 23 households); and Dong Ta Lao ("Village XIII", Tan Xuan Commune, 108 households).

Concerning the third round of consultations, the field consultation was clearly explained, including a summarized account of the activities undertaken (e.g., introduction, presentations, groups of participants, presentation of group discussion results and summary of discussions) and the duration of each activity and the responsible person. Among the latter, the following stakeholders actively participated: District People Committees (DPCs), Environmental Consultant (from Environmental Group), Social Consultants (from Social Group), Team Leaders, Social Consultant and TSHPMB (Institutional Group), and provincial representatives.

Through distribution (December 29, 2009 to January 5, 2010) and consultation (January 17 to February 2, 2010), three consultant teams could interact with 53 villages within 24 communes and obtain feedbacks after the project affected people could consult a set of documents, namely: Frequent Asked Questions, Project Information, Report Summary, Calendar, Cassette and Cassette Player, RLDP, EIA, EMP, and Posters.

The Workshop on Public Consultation which took place in Hanoi on March 3, 2010 and hosted jointly by the World Bank and TSHPMB, completed the consultation process. Then different entities and organizations, project affected people, were invited to

participate and the SESIA, EMP, RLDP, and Consultation Reports were exposed and a Panel integrated by representatives of EVN, TSHMB and World Bank and POE's chairman, who received and responded to questions and comments of all who decided to express their opinions and critical views (Civil Society, Academics, Think Tanks, District and Village representatives, service NGOs).

5. RELEVANT ISSUES

The Supplementary Environmental and Social Impact Assessment (SESA) and Environmental Management Plan (EMP) (Scott Brown, Integrated Environments, 2009, 2010), Resettlement, Livelihood Restoration and Ethnic Minorities Development Program (RLDP) (Saint Pierre, Tercia Consultants, 2009, 2010), and the Consultation Process, Third Round (Thanh Van, TSHPMB, 2009), were the reports that consolidated a numerous previous studies dealing with environmental and social aspects of TSHP. Their review and presentation during Public Consultations at field (third round) and for the workshop of March 3, 2010, plus the meeting of March 4 and 5, referred above, stimulated this Panel of Experts to highlight those issues regarded as most relevant.

It is worth remarking that the comments and/or recommendations referred below when requested were based on the EIA/EMP/RLDP draft reports and on the meetings held in Hanoi during the second mission of the POE.

Not all the highlighted issues include implementation methodology furnished by the POE, provided the implementation procedures are explained in detail in the above reports. However, which were considered as the most relevant of these issues contain recommendations from this POE on how to better implement them but without contradiction with the contents of the consolidated reports. These recommendations intend to be a complement of those from the reports and mostly express the discussions maintained and agreements achieved between the POE and the involved international consultants during the second mission (February-March, 2010).

The final versions of the RLDP and EIA/EMP (May 2010) have included all the recommendations on which all stakeholders agreed during the second mission. Therefore, this PoE considers that all the issues below do not require at all be incorporated in the above reports. Note also that all the topics covered in the following sections have been developed in these reports. Our recommendations as PoE are only directed to give special emphasis to those issues whose development deserves a special dedication during the construction and/or operation stages of the project.

5.1 Capacity Building, Institutional Strengthening and Technical Assistance

The project implementation and development depend on a long-term technical assistance. Therefore, in order to accomplish such objectives the creation of an *Environmental Unit* will be imperative.

This POE noted that TSHPMB is being done a great effort to recruit young scientific and technical assistances. They are involved with many aspects of the project, but at the same time part of them apparently deal with issues different than technical ones (e.g., administration tasks).

The achievement of the consolidation of a coordinated work team with long term expectative will ensure the successful implementation of the EMP, specially the supervision and monitoring of project's activities during construction and operation phases, respectively. The fulfillment of this institutional objective will surely enhance the performance of the TSHPMB and make a significant contribution to the appropriate completion of all phases of the project.

As stated in the EMP, the Environmental Unit will be headed by the Project Environmental Officer (PEO), who will be responsible for ensuring the mitigation measures are adopted as stated in the EIA/EMP. The Construction Supervision Team (CST) of the TSHPP environmental unit will be responsible for supervising and monitoring all construction activities. The CST will be equipped with Workplace Safety and Environmental Supervisors (SES) – individuals knowledgeable in environmental management, supervision and monitoring within environmental legislative requirements individuals who will supervise Contractor's performance (IEL, 2009, 2010).

This Panel of Experts considers that human resources, capacity building and institutional strengthening would be significantly improved by the incorporation of an outstanding scientist and environmental consultant with remarkable international experience who would coordinate a scientific/technical work team. This candidate will complement the role of the PEO by providing this officer the advisement required to successfully undertake the accomplishment of the recommended mitigation measures, based upon periodical surveys of environmental variables and continuous update of their status and changes. Furthermore, this work team will collect additional baseline data over the entire life of the project.

The advisement provided by this leader should be supported by a rigorous scientific analysis of the processes (natural and modified by the project) involved in the analysis of the environmental quality of the different biotic and non-biotic components of the involved ecosystems and communities.

To accomplish the role referred above, the candidate should have a deep and specific knowledge on environmental aspects and ecological processes, and high experience on human resources and capacity building. He/she should have the capacity and criterion to form and consolidate a long term work team which may be integrated by the current staff, but without excluding the addition of local and, eventually, international specialists dealing with the most relevant environmental issues. This work team should obtain all needed information on the environmental studies formerly developed in the

project area of influence and also improve and update baseline information by carrying on surveys and researches planned for mid and long term goals (e.g., environmental quality, geology, limnology, biodiversity, etc.).

The expert who may coordinate the team should have a permanent contact with the experts and assistants under his/her responsibility.

On-site and off-site training of local experts of the team will greatly contribute to strengthen the capacity and efficiency of the environmental unit.

We wholly agree with the recommendation included in the EMP report on the need of local capacity building strengthening by the provision of adequate equipment, vehicles, logistic.

From the POE viewpoint the recommendations of preceding paragraphs and the way it should be implemented are conceptually in agreement with the conclusions achieved by the authorities, experts and other stakeholders who actively participated in the meetings held during the second mission (EVN, TSHPMB, WB, Consultants, and POE) as well as with the recommendations given in the EMP final version (IEL, 2010).

5.2 Social and Environmental Integration

Several issues required for World Bank financing appraisal include the preparation of an Environmental Impact Assessment (EIA) and an Environmental Management Plan (EMP). As a consolidated draft report a Supplementary Environmental and Social Impacts Assessment (SESIA) was disclosed and reviewed, to prepare an improved final version. This SESIA addresses a number of issues, including the preparation of an EIA and EMP compliant with World Bank OP/BP 4.01, which includes, among other requirements, the identification of mitigation measures to minimize impacts during the construction phase of the project, and the provision of a summary of public consultation results to date. The main characteristics of the TSHPP are not restricted to environmental issues, given the observed linkages between the construction impacts on environment with those identified in the other disclosed and reviewed consolidated draft report, the Resettlement, Livelihood and Ethnic Minority Development Plan (RLDP).

Most of the World Bank Environmental and Social Safeguard Policies triggered by this project, shows the social and environmental issues involved, namely BP 4.01 (Environmental Assessment), OP/BP 4.04 (Natural Habitat), OP/BP 4.10 (Indigenous People), OP/BP 4.11 (Physical Natural Resources), OP/BP 4.12 (Involuntary Resettlement), OP/BP 4.36 (Forests), OP/BP 4.37 (Safety of Dams), OP/BP 7.50 (International Waterways), and BP 17.50 (Public Disclosure).

Regarding impacts of the project, their most relevant aspects are referred to environmental quality (air, water), hydrological regime, erosion downstream the dam, local and regional health, fish biodiversity and fisheries, construction work camps, access road and borrow pits, as well as indirect impacts on natural resources and on

biodiversity. Among these issues, some of them are difficult to place in only one of both, environmental and social components (e.g., fisheries, health and water borne and airborne disease vectors). On the other hand, those issues regarded as social ones, like resettlements, livelihoods restoration, influx of a 4000 workers, may be associated to environmental aspects, such as water and air pollution due to inadequate wastes disposal, changes of land and natural resources use.

Based on above comments, environmental assessment, natural habitats, resettlement, and indigenous people are among those components which may not exclude either environmental or social issues to achieve a comprehensive view of the impacts generated by the project and the mitigation measures proposed in the EMP. They all are in compliance with the corresponding rules, laws, and decrees that conforms the Legal and Institutional Frameworks of Vietnam's Government as well as the World Bank Environmental and Social Safeguard Policies.

Based on the above comments, this POE recommends the TSHPMB to strengthen the links between social and environmental work groups in order to achieve their integrated shared approach, in order to understand that either social or environmental dimensions may be similarly affected by the project activities.

The TSHPMB environmental and social teams can improve their performance by the organization of periodic meetings, such as interactive workshops. These meetings would be held at monthly intervals. Attendance and participation of experts dealing with the different social and environmental disciplines may foster a positive feedback by which all participants could conceptualize the problems generated by the project in an integrated way. Through the presentation of specific issues, and the discussion and exchange of written information, a specialized workgroup will identify potential impacts and propose appropriate mitigation measures, which in some instances are difficult to perceive from the perspective of a particular field of work.

The social and environmental integration should be kept from the start of the project implementation and should be in force during the entire life of the project.

From the POE viewpoint these recommendations and the way they should be implemented are conceptually in agreement with the conclusions achieved by the authorities, experts and other stakeholders who actively participated in the meetings held during the second mission (EVN, TSHPMB, WB, Consultants, and POE). Therefore, it should not necessarily be incorporated to the EMP and RLDP.

5.3 Implementation of the Environmental Management Plans (EMP) in the Expected Time

Several implementation items were clearly referred in the reviewed documents, namely the formation of an Environmental Unit, a contractor management plan, bid specifications for contractor, oversight of management plans, preparation of TSHPMB management plan, and training, etc. The coverage of all the issues specified in the

EMP in due time is insistently recommended to help ensure a successful development of the construction phase of the project.

The implementation schedule of all the environmental management plans and sub-plans was clearly detailed in the EMP draft report (EMP, IEL, 2010). Furthermore, the implementation plan and schedule (Chapter 13) was exhaustively discussed during the second mission. Corrections and amendments were incorporated to prepare the final version after agreement was achieved between the consultant who prepared the EMP and representatives of TSHPMB, World Bank and this PoE. Therefore, they were incorporated to the above report (e.g., 13.1 Implementation; 13.2 Schedule; Table 13.1: EMP Implementation Plan).

5.4 Definition and Responsibilities of Supervision and Monitoring

A key component of effective environmental management will be the implementation of an EMP, including measures for construction supervision, monitoring and additional baseline data collection over the life of the project.

As stated in the SESIA/EMP, construction supervision is a daily process whereby a designated individual or group provides oversight to the Contractor and sub-contractors to ensure that environmental commitments identified within the SESIA and EMP are complied with. As such, the Environmental Supervision Plan includes the construction period.

Monitoring is a combination of observation and measurement to assess the environmental and social performance of a project and its compliance with the EIA/EMP, or other approval and regulatory conditions. Therefore, it comprises the construction and operation phases.

This panel considers that responsibilities of supervision and monitoring must be adequately assumed as a premise by all the actors involved in both components, based upon a proper interpretation of their conceptual meaning and of their role according to the project phases concerned.

Supervision

The successful implementation of the construction activities, according to the supervision framework, depends on the right accomplishment of the roles and responsibilities of the TSHPP Environmental Unit and those of the Contractor (and sub-contractors). To adequately achieve this requirement the roles and responsibilities of all the involved actors (PEO, CST, SES, ET and SEO) should be clearly established according to the recommendations included in the EMP draft report..

Based on the general guidelines of the construction activities, compliance with all environmental protection requirements may be facilitated by the provision of written material to contractor and accessible to workers. This written material would be a

simple environmental handbook for the contractor to be accessible to workers, containing a series of general and specific environmental standards.

Monitoring

Regarding monitoring, its implementation as referred to construction and operation phases will require a shared responsibility of the Independent Environmental Monitoring Consultant (IEMC) and the TSHPMB for most of the issues of both phases and of the contractor, especially during operation.

With respect to the operation phase, the adequate monitoring of the main issues to be dealt with (e.g., hydrology, water quality, sedimentation, downstream erosion, biodiversity, etc.) will depend to a great extent on the consolidation of the technical-scientific work team whose incorporation to the environmental unit is required.

5.5 Divulgence and Public Consultation as a Continuous Process

The RLDP and EMP draft reports, gave detailed information which was obtained by means of a thorough consultation with project affected people during three rounds of consultations. These draft versions were made available for local consultation in order to undertake the third round of consultation. The final version of this report incorporated comments received during the third round of consultation, and in agreement with the World Bank's Disclosure Policy it was available to the public. After document disclosure a new public consultation took place on March 3, 2010, hosted by the World Bank and the TSHPPMB, with the participation of the civil society, academics, district and village representatives and NGOs. As stated in both reports, the EMP and RLDP implementation will be accomplished by ensuring effective community liaison and fulfilling commitments to facilitate public consultation throughout the project cycle. This PoE considers that the consultation schedule is being accomplished and, at the same time, encourages TSHPMB as responsible of this good practice to ensure its continuity through the life of the project.

According to the recommendations arising from the many reports produced by the TSHPMB, consolidated in the final reports (RLDP & EIA/EMP, 2010), and in the three rounds of consultations, it is expected that this practice will continue during the whole life of the project. This PoE considers that in order to improve the quality and efficiency of this activity, all stakeholders should have a presence and participation more active than previously developed. This is especially referred to the PoE, who did not have a continuous participation during at least the third round of consultation, and concerning mass organizations or NGOs, to the dominant participation of Vietnam Rivers Network. We suggest a more active participation of this PoE should be facilitated and, in order to avoid a biased opinion on the social and environmental aspects of the project, to foster the diversification in the composition of the NGO participating.

Reports of future consultation rounds should be more specific with respect to NGOs, given they are often simply referred as "NGO". We also noted that the project affected

people apparently give a stronger reference to social problems than to environmental ones, since feedbacks from the latter are not detailed in the consultation report. This may be due however to the fact that some environmental problems or a mix between these and social ones are only considered as social. Therefore, in the future, all stakeholders conducting consultations should help project affected people to delineate the social and environmental problems and also identify cases in which both aspects overlap.

5.6 The Role of Mass Organizations

The RLDP draft report pointed out the difficulties faced by several communes due to the weakness of most mass organizations (e.g., Farmer's Union and Women's Union). The development of productive activities that meet the needs of the project affected people will require the support of organizations attending these needs. Therefore, a detailed list of such organizations, their concerns on the problems affecting residents and their commitment to help them overcome the difficulties arisen will be required to mitigate impacts of the project, like those due to resettlement and the need of people to adapt to the consequent changes in their way of life. In any case, the role of mass organizations like NGOs will be efficient if they have a solid knowledge of social and environmental aspects. This means that a deep concern on these issues is not enough by itself; the lack of a consistent background on the involved fields of interest may add complexity and unwilling mistakes or delays. Furthermore, the inputs of mass organizations must be in agreement with the premise supporting that development besides its contribution to livelihood improvement may be compatible with environmental conservation.

The project should incorporate those inputs which actually deal with its main objectives and, therefore, a careful selection of mass organizations must be done in order to discard those recommendations proceeding from those groups which are not specific to the social and environmental core issues of the project.

All opinions deserve to be attended but, as stated during the organization of the workshop held on March 3, 2010, they must not be regarded as a coercive or compulsory "referendum".

There is a need to identify and evaluate the capacity of local/regional and international mass organizations/NGOs whose profiles properly deal with the nature of the problems generated by the different interventions of the project and to improve the current situation of project affected people as well.

An exhaustive list of NGOs/mass organizations should be available to enlarge the current references. TSHPMB should record those relevant civil society organizations to enrich the records currently available (e.g., organizations dealing with handicraft, bamboo development, gender issues, etc.).

Regarding specific social and environment aspects, the current records may be

complemented by organizations such as those dealing with formal and non-formal environmental education and sensitiveness, caring of disabled children, aid to orphan's children, work on development projects, natural resources management, assistance for handicapped, family health, HIV education for workers and residents, etc. Once the proper organizations are selected, they may eventually be called to assist TSHPMB.

Although the several rounds of consultation expected for the entire life of the project should foster the participation of all interested mass organizations, their opinions should be carefully evaluated (e.g., exhortation or advisement of those organizations who restrictively refuse all kinds of development projects should be discarded).

Conceptually, the above recommendations are in agreement to those of the RLDP and they are aimed at supplying most of the needs of the project's affected people. Thus, there is no need to introduce any changes in the draft report.

5.7 Adoption of Long Term Agricultural Options

The adoption of a strategic-sustainable approach might stimulate the adoption of long term agricultural options. For instance, expansion of maize-cassava in Thanh Hoa encroaches in forests and depletes water for paddy field and for domestic use. This cash income in a short term is not sustainable. Therefore, farmers must be encouraged to adopt a long term sustainable approach. This approach should in some instances foster the strengthening of the emergence of new farm-based income generation sources. To accomplish this aim, technical assistance will be crucial to manage the transition period for relocated area being the Luong bamboo development one of the project that will deserve the highest attention, given the many years to develop terrace irrigation systems and also to allow when suitable cultivation of paddy fields.

The implementation of long term options based on a strategic approach will require to intensify the contact of those project affected people assigned to develop agricultural alternatives with scientists and policymakers related to this field of work who may proceed from national or regional institutions dealing with agricultural technologies and with the most suitable options of the areas directly and indirectly affected by the project.

It can be expected *a priori* that an adaptive management methodology may be adequate to face the transition period of those resettled people who should probably change temporarily their traditional land uses until they permanently settle in a new social and productive environment. However, the ability of project affected people to select adaptive ways for a long term agricultural option depends on the essential role of culture and natural resources management and in the way they have co-evolved (Vien, 2003).

The diversity of ecosystems from lowlands to highlands promoted a corresponding cultural diversity which is in part expressed by the different agricultural techniques. Therefore, most of the farming systems (e.g., sloping cultivation, paddies, trees

gardens, fishponds, livestock, etc.) developed by the different ethnic groups should be preserved as much as possible. This requirement will demand people resettled in lands differing from those previously occupied to move from their houses to distant areas where they will be able to develop their traditional agriculture activities.

5.8 Activities must be Planned During the Entire Life of the Project

This Panel of Experts recommends the implementation of different activities, like monitoring, ensuring protection of environment components (hydrology, sedimentation, downstream erosion, water quality, biodiversity, etc) and social communities (health programs, downstream users, etc.), for the entire life of the project.

The implementation methods of these activities combines those referred in the epigraphs 5.1, 5.2, 5.5, 5.6, 5.7, 5.8 (above), and 5.10 (below)

5.9 Implementation of Inter-Institutional Plans

Even though, TSHPMB and the World Bank will play the decisive role for the completion of the EMP, the active participation of academic institutions, like universities, research centers, and of other entities, like civil organization societies will enhance the performance of the EMP.

The valuable inputs of TSHPMB and the World Bank may be enriched by the complementary incorporation of new approaches and a positive feed back would arise with other institutions, agencies, and entities. Then, the cumulative contributions of different agencies and institutions would generate a synergic convergence which may contribute, after a rigorous selection of those inputs worth incorporating, to attain the expected achievements based upon a more ample source of information and approaches.

Inter-Institutional plans or programs may be strengthened through a deepening of relations between TSHPMB's units and consultants and the academic entities (e.g., universities, research centers), and governmental and non-governmental organizations.

An approach to academic units will generate a positive feed back by which scientific and technical staff assigned to the project could propose the treatment of their business issues in scientific institutes and universities with the participation of their professors, students, technicians and researchers, through courses and workshops. By this convergence, the probably naturally biased views of a development project staff may be enriched with a broader perspective. Thus, field experience will have a solid theoretical foundation through academic support. Conversely, the academic groups would have access to new experiences of science applications often deficient in their areas of teaching and basic research. On the other hand, mass organizations, NGO and Governmental Organizations should play a decisive role by giving advisement and

supervision to those groups conducting the different plans and programs involved and interacting with the stakeholders referred above.

5.10 Further Issues

In addition to the issues discussed in the above headings it will be crucial to carry on additional baseline studies during the whole life of the project. This will be essential to subsequently improve the current knowledge on the environmental and social core aspects and will significantly help to provide continuous updating of the main components and processes that converge on both components. Such studies will also be used as an important tool to quantify the residual effects of the formerly and subsequently identified impacts on natural ecosystems and ethnic groups affected by the project.

Several lines of research have been correctly identified in the RLDP and EMP. However, given the dynamic nature of the natural and social systems, new lines of research will probably emerge, even unexpected ones. For these reasons, capacity building will require strengthening to cover a wide range of disciplines in order to successfully face the multiple challenges that will arise in the future.

6. FINAL REMARKS

The environmental and social issues included in the SESIA, EMP, RLDP, and in the consultation rounds were deeply analyzed by the POE, through desk reviews, workshops, and interactive meetings with the most outstanding stakeholders, who participated actively and achieved a final agreement on all discussed subjects. The consultants who prepared the above referred reports made all needed changes after consensus was achieved. Therefore, the final version of these draft reports (IEL 2010; Tercia Consultants, 2010), once recommended changes were made, accomplished the requests of this POE as well as those of the relevant stakeholders which actively participated in the preparation phase of the TSHPP.

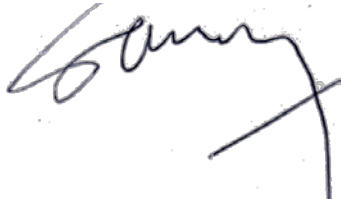
It is auspicious to note that since almost two years when this POE was convoked to assist the TSHPMB, the numerous reviewed and improved draft reports provided high quality data and the basic information needed to integrate them into the consolidated SESIA/EMP, and RLDP.

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Electricity of Vietnam (EVN), Hydropower Project Management Board (TSHPMB), Trung Son
Hydroelectric Development Project

May 25, 2010



Juan A. Schnack
Chairman of POE



Le Thi Mong Phuong
Local Member of POE



Nguyen Duy Thang
Local Member of POE

8. ANNEX I

CONTRIBUTION OF THE LOCAL MEMBERS OF THE POE TO THE REVIEW OF SOCIAL ISSUES OF THE TSHP

Ms. Le Thi Mong Phuong and Mr. Nguyen Duy Thang,

The following observations were prepared by **Ms. Le Thi Mong Phuong**, Senior Research Sociologist:

Read and comment on reports:

#	Report/ activities	Implemented agency	Duration	Date
1	Reservoir sanitation	Centre of Hydrology and Environmental Technique Application	1 day	Oct 2008
2	Making plan of Reservoir sanitation	As above	1 day	Oct 2008
3	Technical-Economic examining Report (second time)	Development Research Consultancy Centre (DRCC)	3 days	Dec 2008
4	Examine intangible cultural resources.	Institute of Archaeology	1 day	Oct 2008
5	Report on constructing workmen's hut.	N/A	1 day	Oct 2008
6	Fishery development plan	Doctor Marcus Sheves	1 day	Oct 2008
7	Bio-diversity, fish and fishery	Nguyen Hu Duc	1 day	Oct 2008
8	Resettlement plan and relevant components	DRCC	2 days	Dec 2008
	Resettlement plan and relevant components (2 nd time)	DRCC	1 day	Feb 2009
9	Resettlement plan and ethnic minorities	DRCC	3 days	Feb 2009
10	Field trip "consultation"	DRCC	5 days	Jan 2010
11	Participating in Review workshop	WB- PMU	2 days	Feb 2010
12	Total working days of phase II		22 days	

All comments of the above reports/activities were sent to PMU of Trung Son Hydropower project

Note: the Chairman of POE suggests Ms. Phuong to include the above table in a separate document: *The Time Sheet of Ms. Phuong.*

Ms. Phuong Report on Field Trip and Meetings Held at World Bank

Outcomes of the field trip in 5 days: from 17 January 2010 to 23 January 2010 in Mai
Chau- Hoa Binh communes and Quan Hoa- Thanh Hoa communes

Purpose of the fieldtrip in downstream communes:

Monitoring and promoting The Consultant to implement well the community
consultation.

Outcome:

Through observation and directly making question and receiving information from
villagers, I recommended to The Consultant that (i) using color paper on A0 size-
developing visible tools for easier acquirement of information; (ii) increase questions for
suggestion to make villagers participate in easier; (iii) Through head of commune
people committee, head of village, inviting women representative to participate in
community consultation.

My comments were sent to DRCC and the following consultation having the change of
methodology, especially in environment sector.

(Mr Luyen – Trung Son Hydropower project and WB representative was participated in
the fieldtrip)

**Outcome from participating in Review workshop for in Report prepared by
international consultant:**

The workshop organized in 2 days: half day of 2nd Mar: preparing workshop. On 3rd and
4th March: Review work for final report.

In the workshop, as the requirement of report writer, I provide comment on issues
related to resettlement, income recovery, livelihood... and the writer took changes and
additions to the report (with the participation of Mr Hoan, Mr Hai, Mr Chinh and Mr
Luyen – PMU of Trung Son Hydropower project) and WB representative.

At present, as the workshop, the writer will change and put addition on the report. I
have no comment more.

March 26, 2010



Ms. Le Thi Mong Phuong

The following observations were prepared by **Mr. Nguyen Duy Thang**, Senior Resettlement Specialist:

Some notes of social safeguard issues of RLDP

Generally, the report is written in very detail. It covers many issues as required by OP4.12 and OP4.10 of the World Bank. It also includes Involuntary Resettlement Policy of the World Bank and Vietnamese Laws related to compensation, resettlement and assistance when the state recovers land for public purposes. However, because the report included so many issues it results in some repetitions. Structure of the report is not much logical, especially the Resettlement Policy Framework (RPF) included in the annex of RLDP. This is not adequate, because RLDP is prepared based on the RPF. Consequently, RPF should be a separate document.

Some issues should be improved as follows:

Structure of RLDP

- Item 1.1 and 1.2 and its sub-items should be put separately from item 1 with title of “1. Trung Son Hydropower Project”, then item 1 becomes item 2 with title of “RLDP Objectives and Principles.

Content of RLDP

For RP

- The RP should be applied Decree 69/2009/ND-CP on amendment to policy on compensation, resettlement and assistance so that some allowances should be added and revised in accordance with the Decree. For example, subsistent and vocational allowances for severe APs, allowance for ground leveling for relocated HHs should be added in accordance with Decree 69. This Decree should be added to Table 19.
- Another gap between Vietnamese policy and WB policy on involuntary resettlement is that WB policy requires internal and external resettlement monitoring but not regulated in Viet Nam’s policy. Decree 84/2007/ND-CP regulated that land used stably before 1st July 2004 (instead of 15 October 1993) without dispute or infringement of planning is eligible for compensation. Therefore, this issue should be revised regarding the gap between WB and VN policy.
- Compensation policy for temporary land loss should be made clearer in item 9 of the matrix.
- The entitlement matrix did not mention about compensation and allowances for garden land adjacent to the residential land and for agricultural land within rural resident area.

- Table 21 should add number of households affected by resettlement sites because they are considered and compensated as HHs affected by the main project.
- The resettlement framework should be a separate document but not included in annex of the RLDP because it is used for writing RLDP.

For CLIP

- CLIP should focus not only on affected vulnerable group but also severely affected households (including HHs losing 10% or more of total productive landholding or relocation)
- CLIP strategy should include solutions for dealing with crop failure or any risk happening at the first year of the CLIP application.

For EMDP

The EMDP should include solutions for unanticipated impacts on Indigenous Peoples during project implementation. In this case, the EMDP should be updated.

March 26, 2010



Nguyen Duy Thang

Mr. Nguyen Duy Thang