



សង្គមការពារទន្លេសេសាន ស្របក សៀក  
3S Rivers Protection Network (3SPN)  
ភូមិ៤ សង្កាត់ឡាប៉ានសៀក ក្រុងបាងលុង ខេត្តរតនគិរី ប្រទេសកម្ពុជា  
Village IV, Sangkat Labansiek, Banlung Town, Ratanakiri Province, Cambodia  
Tel: 075 974 112 E-mail: [info@3spn.org](mailto:info@3spn.org) website: [www.3spn.org](http://www.3spn.org)

26 October, 2012

Nippon Export and Investment Insurance: NEXI  
President Takashi SUZUKI

**Subject: Concerns regarding the 64 MW Srepok 4A Hydropower Project in Vietnam**

Dear President Takashi SUMUKI,

The 3S Rivers Protection Network (3SPN) is a local network representing 64,000 people living along the Sesan and Srepok rivers in northeastern Cambodia, who have been affected and threatened by upstream hydropower construction and operation in Vietnam. As stakeholders in the Srepok 4A Hydropower Project, we would like to bring to your attention some of our concerns regarding the project and request further information from you.

Since mid 1996, the construction and operation of hydropower dams in the upper stretches of the Sesan River in Vietnam has had severe negative impacts on local communities in Cambodia through frequent flooding, decreased fish stocks, erratic water fluctuations, and reduced water quality. We have not been informed or consulted on the development projects on Vietnam's side for over a decade, even though we have had serious impacts. A cascade of seven hydropower projects on the Srepok River has followed the same path of downstream impacts, with little to no consultation or accountability for environmental and social harms. We have advocated about these issues to the Cambodian and Vietnamese governments, however, the situation has not yet been remedied.

The Srepok River, where the 64 MW Srepok 4A hydropower project is located, is an international river. It originates in the central highlands in Vietnam, and flows through Mondulkiri, Ratanakiri and Stung Treng provinces in Cambodia. Approximately 11,000 people live in 21 villages along the river in Cambodia side. The Srepok River basin, similarly the Sesan River basin, has had negative impacts such as houses swept away, livestock death, damage to agriculture products and property, and boats and fishing equipment losses occurring by erratic water releases from dams in Vietnam. In 2006 and 2009, there was widespread and unexpected flooding not previously experienced.



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We have known by Vietnam Investment Review (March 16, 2012) that the Srepok 4A hydropower project is under construction in Vietnam by the Buon Don Hydropower Joint Stock Company and the 64.2 million USD loan for it was financed under the trade and investment insurance program of NEXI. Japan's Sumitomo Mitsui Banking Corporation (SMBC) arranged the loan and serves as the primary bank for the project. We are concerned that the Srepok 4A project will negatively impact people in Cambodia, the same as other dams upstream in Vietnam. As stakeholders of the Srepok 4A project, we request NEXI to disclose the EIA in both Khmer and English languages.

Additionally, we ask NEXI to answer the following questions;

1. In the Srepok 4A project's EIA, what kind of research has the project developer done regarding to the downstream impacts of the dam to the Cambodian people and environment?
2. Furthermore, have the cumulative impacts of the Srepok hydropower cascade, including the Srepok 4A project, been studied in regards to their transboundary impacts?
3. As international best practice requires that meaningful consultation take place with all affected communities, what plans does the project developer and NEXI have to ensure that consultation happens inside Cambodia before any further construction on the project occurs?
4. What kinds of mitigation and compensation measures have been proposed to remedy all downstream impacts that will occur from the Srepok 4A project in Cambodia? Please disclose this mitigation and compensation plan in Khmer and English languages. ?
5. We understand that the Srepok 4A will be located only a few kilometers from the Cambodia-Vietnam border. How will the project owner notify downstream communities of water releases from the project to downstream villages in Cambodia?
6. We understand that the Srepok 4 project, which will be located upstream of the Srepok 4A, is a re-regulation reservoir project. This re-regulation component was promised to the Cambodian people in January 2007 as a form of mitigation from the erratic water releases of upstream dams. How does the project owner plan to regulate the water releases from the Srepok 4A project? What studies have been carried out to ensure that water flows will be re-regulated as to avoid any further harm to downstream Cambodians? Please send us a copy of these studies so that we can independently verify the results.
7. According the Srepok 4A Hydropower Project's CDM Application to the UNFCCC, the project itself is not a financially viable project and that unless it receives CDM credits, it will not be considered further (page 12). Given this statement, along with the downstream impacts that the project is likely to produce, we would like to know what form of due diligence steps NEXI has



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taken to ensure that this is a financially responsible investment and that all downstream impacts will be effectively mitigated and compensated for?

In conclusion, given our serious concerns regarding the downstream impacts of the Srepok 4A Project, we request that NEXI also re-evaluate its decision to provide insurance for this project if the project is found to have not complied with international best practice requiring transparency, consultation and accountability with all people impacted by the project, in both Vietnam and Cambodia.

Thank you for your time and consideration. I would be happy to help provide you with any further information as needed. We look forward to receiving your prompt reply.

បណ្តាញការពារទន្លេសេសាន ស្របក សៀម  
Sincerely,  
  
S Rivers Protection Network

Meach Mean

Coordinator, 3SPN

Banlung Town, Ratanakiri

CAMBODIA

Mob: +855 (0) 11 758 970

Email: [mean@3spn.org](mailto:mean@3spn.org)

**Copy to:**

H.E. Bun Hean, Head of Cambodia's Delegation to the Cambodia and Vietnam Committees for the Management of the Sesan and Srepok Rivers. Chairman of the Standing Committee on the Coordination of Dam-Canal Along the Borders of Cambodia-Vietnam-Laos-Thailand and General Director of Technical Affairs of Ministry of Water Resources and Meteorology, Phnom Penh, Cambodia. [mowram@cambodia.gov.kh](mailto:mowram@cambodia.gov.kh)

Dr. Cao Quoc Hung, Head of Vietnam's Delegation to the Cambodia and Vietnam Committees for the Management of the Sesan and Srepok Rivers. Director General of International Cooperation Department, Ministry of Industry and Trade, Vietnam. [HungCQ@moit.gov.vn](mailto:HungCQ@moit.gov.vn)

Mr. Nguyen Xuan Phuong, General Director, Buon Don Hydropower Joint Stock Company, Dak Lak, Vietnam. [Phuongnx64@gmail.com](mailto:Phuongnx64@gmail.com)

Mr. Hoang Van Ninh Chairman and Deputy General Director, EVN Finance Joint Stock Company, Hanoi, Vietnam. [cdm@evnfc.vn](mailto:cdm@evnfc.vn), [hactt@evnfc.vn](mailto:hactt@evnfc.vn), [crm@evnfc.vn](mailto:crm@evnfc.vn)



បណ្តាញការពារទន្លេសេសាន វ័យ្យាស សេតុ

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Mr. Takeshi KUNIBE, President and CEO, Sumitomo Mitsui Banking Corporation (SMBC), Japan.

Mr. Flavio Gomes, Bureau Veritas Certification Holding SAS and Designated Operational Entity of the Srepok 4A CDM Validation Process, Neuilly-sur-Seine, France.

[flavio.gomes@uk.bureauveritas.com](mailto:flavio.gomes@uk.bureauveritas.com)

Mr. Michael Wiener, Director Operations, Perenia Pty Ltd and Project Participant for the Srepok 4A CDM Validation Process, North Sydney, Australia.

[michael.wiener@pereniacarbon.com](mailto:michael.wiener@pereniacarbon.com) , [enquires@pereniacarbon.com](mailto:enquires@pereniacarbon.com)