

<Notes made from interviews in July 2015>

## **Lower Sesan 2 Dam Compensation and Resettlement Program Implementation Impacts on Indigenous Communities**

**5<sup>th</sup> November 2015  
Mekong Watch**

In late July, villagers from Chrob and Sre Sronok villages were interviewed on the compensation and resettlement program of Lower Sesan 2 Dam (LS2)\*. They noted many problems such as those listed below and explained in the following pages.

These two villages in Kbal Romeas Commune are located along the Srepok River. Most villagers belong to the Phnong or Brao indigenous ethnic groups. According to the Stung Treng province governors, all families in these two villages agreed to get compensation and to live at the new resettlement site along National Road No.78. However, the villagers are not content with the resettlement and compensation program.

- 1. Thumbprints during the asset survey are being used as evidence of people's agreement to compensation and resettlement**
- 2. Threats and pressure are being used to force villagers into silence**
- 3. The results of the asset survey were fabricated**
- 4. Confusing Compensation Options**
- 5. Resettlement Before Full Payment of Compensation or Construction of Housing**
- 6. Resettlement Site: Little Land, Less Water**
- 7. Resettlement Site Area Inadequate for People's Livestock Assets**
- 8. The resettlement destroys livelihoods and indigenous people's cultural identity**



Unfinished resettlement site for Kbal Romeas communities along National Road No.78  
(Photo taken on 25<sup>th</sup> July, 2015)

\* Please also see Appendix: Background and Chronology of Main Events of LS2 Project

## **Findings from interviews**

### **1. Thumbprints during the asset survey are being used as evidence of people's agreement to compensation and resettlement**

During the asset survey by the Committee for Resolving Compensation [CRC], villagers were told to put thumbprints on the document. A man in his 50s complained he put thumbprints only for agreement to have the survey. "I asked them why they need our thumbprint now for the asset survey. One official answered that he needed thumbprint now but it did not mean that we move away. He said it was just for recognizing what kind of property, such as a house, trees, and plots of land we have. But later on, they used all thumbprints as evidence for agreement to the compensation and resettlement." Now the CRC says he has accepted compensation just like everyone else, but he said, "Honestly, I don't want to relocate."

### **2. Threats and pressure are being used to force villagers into silence**

The villagers state that the asset survey team threatened or put pressure on the villagers to put their thumbprint on the document. In addition, the team used the word "development" to persuade villagers that accepting resettlement will make them richer.



Sre Sronok village  
(Photo taken by 3SPN on 22<sup>nd</sup> October, 2014)

A young woman from Sre Sronok described the process. "When the survey team came, my mother didn't put her thumbprint because she wouldn't accept the compensation rate for fruit trees. Then the company representative said that my mother is indigenous ethnic, so she is too stupid to understand about development. They said this development [LS2 project] will make poor people like us rich. They also said if she was protesting, they were not responsible for my family. When the village gets flooded, the government will not be responsible for us and they will only be responsible for families that put a thumbprint." Eventually, her family put thumbprints because they wanted to be rich and were afraid of being flooded, she added.

One Chrob villager in his 60s also clearly stated that, "CRC threatened me to sign for compensation. The official said to me 'all families in your village accepted already, so how about you? What do you want to do here? Do you want to cause a trouble?'" Despite these threats, he still refused to accept compensation and resettlement because he does not think the resettlement site is suitable for living as a

farmer. However, he added that, "Other families also didn't want to move but they were afraid to say so. I also cannot stay here anymore because of the threats."

Another Sre Sronok villager in his 50s requested that the authorities provide with fertile land for agriculture. The response he received was, "Who are you? Other villagers are fine but only you always cause problems. You dare to give orders to us?" Afterwards, he told us, "Please think, who is giving orders to whom? I never ordered them to make LS2 dam. But they order me to move out to build the LS2 dam."

### **3. The results of the asset survey were fabricated**

According to the compensation policy, the compensation rate for each fruit tree is based on the tree's age. Villagers told us that the CRC survey team explained to them that if a tree is over 10 years old, the owner will get a double rate. However, a woman from Sre Sronok told us that the asset survey team fabricated her tree's age. "When the team came to measure, they didn't ask us anything. Later on, I saw the document saying my 12 year old tree recorded as 9 year old. I asked them why and told them it was wrong. They answered that it's because I didn't tell them. But how could I tell them? They didn't ask us or show the document during the survey." She said she tried to make it clear with the CRC officials, but they got angry with her and said that they did ask her the tree's age.

### **4. Confusing Compensation Options**

The compensation policy was released by Hydro Power Lower Sesan 2 Company (HPLS2) in January 2014. This policy defines that villagers will get 1000-square-meter plot land with an 80-square-meter house at the resettlement site.

From June to August 2014, CRC held meetings in affected villages and distributed the policy to the households. At the meeting, CRC suggested 2 additional options. (1) to receive US\$6,000 in cash for building a house by themselves at the resettlement site instead of a new house the company built for them. (2) to receive US\$10,000 instead of a housing land and a new house at the resettlement site. Many villagers complained that US\$6,000 is not enough to build a new house based on the present price for wood, cement and other building materials. CRC explained that US\$6,000 is equal value to a new house that the company builds. Villagers are still not sure of the basis for calculating the US\$10,000 offer.

Since July, CRC have not informed the people whether these options are officially approved nor there any document available to the people of these villages that explains those options. However, the asset survey officials said that villagers must choose from these 3 options.

## 5. Resettlement Before Full Payment of Compensation or Construction of Housing

On 13<sup>th</sup> July 2015, around 20 people from HPLS2 and the Stung Treng provincial government came to Chrob and Sre Sronok villages. A Chrob villager in his 60s said, “They came with 5 cars on that day. I saw around 5 company representatives, and Mr. Doung Pao, Deputy Governor of Stung Treng Province. There were other provincial government officials too. They said to our villagers to move our houses now because villagers already agreed to resettlement and had got some compensation.”

For the villagers who decided to receive housing land instead of cash, they have two options for a house as mentioned above. They are to choose from the new house the company prepares or receive US\$6,000 in cash for building a house by themselves.

The man continued that, “I heard the families that chose cash compensation for the house already got half, US\$3,000. But they haven’t started constructing their houses yet. On that day, some villagers asked how they would live in the new area where they haven’t even started construction of their new houses. Then one official answered that



A tent made of plastic sheet at the resettlement site  
(Photo taken by a villager on 20<sup>th</sup> August 2015)

they didn’t care. They gave plastic materials to these villagers for making small tents.” According to him, these families felt scared and few days later, all of them dismantled their houses and moved out of their village, “We heard that some families are living in small tents they built by themselves at the resettlement site.”

## 6. Resettlement Site: Little Land, Less Water

While Chrob villagers moved out, Sre Sronok villagers refused to move out. They are saying that they are very upset because the new site looked very different from what the company and governors promised to them, and they cannot accept it.

A young woman in Sre Sronok told us how the CRC asset survey team explained about the resettlement site to them. “When the asset survey team came to my house, my mother and I said we don’t want to move out from our village because we are afraid the company will not keep its promises. I’ve seen some cases that villagers couldn’t get nice houses or what they needed in other provinces. But they said that the LS2 developer was a different company and they are not cheating people like that. They said, ‘we will make the best resettlement village for Sre Sronok.’ They promised like this.”

On 27<sup>th</sup> July, the villagers visited the new resettlement area and found the floors or walls of some houses broken and many houses sinking into the ground at different angles. The young woman said, “In fact, even though we have not stayed at those new houses yet, some houses are broken and are leaning over already. If we start living in those houses, they will break down easily. What about the company’s promise?”

A man in his 40s also said that the land is too small or not suitable for them to live on. He said the villagers were cheated. “Not only about the houses. They said this development project will make us rich.

But at the resettlement site, our life will be more difficult than before. Where can I grow vegetables? We don’t have water. If I live near the river, I don’t need to buy water and I can go fishing by myself. When I come to the new site, I have to buy everything. My life will be worse. I cannot trust what the company said.”



Unfinished houses at the resettlement site  
(Photo taken by a villager on 27<sup>th</sup> July 2015)

## **7. Resettlement Site Area Inadequate for People’s Livestock Assets**

After moving into the new site, some families are already facing difficulties. A villager from Chrob told us about what he had heard from other families. “Some families keep their cows and buffalos at their village [not the resettlement site], so they have to come back to take care of them every day. Some people sold their animals because they cannot manage to do so and there is no space to keep them in the new site.” Livestock, such as cows, buffalos, and pigs are an important asset for village families and also a primary income source. The man we talked with showed a photo of his cows: “I have less than 10 cows. Others have more than I do. How can we keep them in the resettlement site?”

## **8. The resettlement destroys livelihoods and indigenous people’s cultural identity**

All villagers interviewed said they do not want to move to the resettlement site. Most people thought they had no choice but to accept whether compensation was offered. Many people were told by officials that if they did not thumb-print a document they would not receive any compensation after the LS2 reservoir flooded their houses and farm land. Some trusted what the survey team said -- that they would have the better life after the resettlement. -

After observing the resettlement site, they are expressing their dissatisfaction with the resettlement site. A man in his 40s told us that moving to another place means losing their identity as indigenous people. He said, “We are farmers. We have been living as indigenous people in our current village. We cannot run a business [to make income]. Compensation should cover all our losses such as houses, rice field, agriculture land, forest for collecting NTFPs, fruit trees, my parents [graves of ancestors], spirit forests, and our river. We need the same village we have now.”

A young woman in Sre Sronok demanded, “I want the developer to stop, and conduct research on all impacts on the villagers again, not just build the dam ahead without considering the impacts.”

### **Observation from research team**

These interviews indicate that the resettlement and compensation program for the Lower Sesan 2 Dam failed to meet standards under Cambodian laws, China’s Guidelines for Environmental Protection in Foreign Investment and Cooperation, and international human rights principals. The implemented program lacked adequate information disclosure, consultation and effective participation by affected villagers. According to the Constitution of Cambodia, the affected people have a right to receive compensation in advance of resettlement but that is neglected by the dam-builders too.

Moreover, by observing the project’s resettlement site along National Road No. 78, it is easy to notice the poor quality of the houses, rice fields, and farming land. It is obvious that villagers whose way of life and livelihoods are dependent on natural resources provided from rivers and forests will completely lose their livelihoods and face extreme difficulties and hardship if they must live on the site.

END

## **Appendix: Background and Chronology of Main Events on the LS2 Project**

### **Background of the project**

Lower Sesan 2 (LS2) Hydropower project is a 75 meter-high dam being developed by Hydro Power Lower Sesan 2 Company (HPLS2), a joint venture of Cambodia's Royal Group, China's Hydrolancang International Energy (a subsidiary of Huaneng Group) and Vietnam's EVN International Joint Stock Company (EVNI). It is under construction on the Sesan River, 1.5 km downstream from its confluence with the Srepok River and 25 km upstream from where the Sesan River meets the Mekong River in Stung Treng Province, Cambodia. The project was approved by Cambodia's Council of Ministers in November 2012 and is now under construction.

Approximately 5,000 people in 6 villages are faced with resettlement. Most are indigenous and minority ethnic groups. Many of them do not fully understand or are not happy with the compensation and resettlement policy and program. Despite this, the asset survey for calculating compensation commenced in late 2014.



Lower Sesan 2 Dam under construction.  
(Photo taken on 27<sup>th</sup> July 2015)

### **Chronology of main events on the project**

Through interviews and other sources, we understand that the following have happened in relation to the project.

- |                            |  |
|----------------------------|--|
| January 2014               | "The Regulation and Legal Procedure for Resolving the Compensation and Resettlement Policy" approved by the Ministry of Mines and Energy (MME). "The Compensation and Solution Policy" (the Compensation Policy) released by Hydro Power Lower Sesan 2 Company (HPLS2).                          |
| 11 <sup>th</sup> February  | Affected villages from Stung Treng and Ratanakiri provinces submit their statement to the inter-ministerial Committee for Resolving Compensation (CRC) rejecting the Compensation and Resettlement Policy.   |
| February                   | Dam construction commences.  |
| June-August                | CRC organizes meetings in each affected village to disclose the Compensation Policy to villagers. Many villagers disagree with the compensation policy and claimed that the compensation rates are not adequate.   |
| 29 <sup>th</sup> September | Kbal Romeas and Srekor 1&2 villagers submit their open statement to CRC and Stung Treng Provincial Council to refuse resettlement.   |
| 3 <sup>rd</sup> October    | Affected villagers' representatives from Stung Treng and Ratanakiri provinces and community representatives from the Tonle Sap Lake release their joint statement to request cancellation of the Lower Sesan 2 (LS2) dam at Launching Workshop on Community Based Research on LS2 at Phnom Penh. |

16 <sup>th</sup> October	International and domestic NGOs submit their public statement to call for release of information on project redesign and a new Environmental Impact Assessment.
November	The asset survey for household's physical assets to calculate compensation starts.
23 <sup>rd</sup> November	Affected villages from Stung Treng and Ratanakiri provinces submit their statement to Cambodia's National Assembly to request cancellation of the LS2 dam.
28 <sup>th</sup> March 2015	Cambodian National Assembly's Environment Commission conducted an investigation visit to the dam construction site and Srekor Village, which will be inundated by LS2. Around 10 villagers raise their concerns and requests and the commission promised to report their concerns to H.E. Heng Samrin (deceased June 2015), the Chair of the National Assembly.
April	Construction of the resettlement site for Sre Sronok, Chrob and Kbal Romeas villages in Kbal Romeas Commune commences. The site is located along National Road No.78 and about 20 km from their current village.
30 <sup>th</sup> April	Affected villagers from Stung Treng and Ratanakiri provinces submit their Follow-up Letter to Environment Commission's visit to state again their opposition to LS2 project.
26 <sup>th</sup> June	CRC sent an official information letter to Kbal Romeas Commune Chief and Chrob and Sre Sronok village chiefs to proceed with the resettlement.
13 <sup>th</sup> July	A group of the HPLS2 representatives and Stung Treng provincial governors visited Chrob and Sre Sronok villages to urge people to resettle. Most of Chrob villagers start to move out. Sre Sronok villagers refuse to move out.
27-28 <sup>th</sup> July	Public Forum on LS2 dam held at Stung Treng Town. Around 100 affected villagers visited the dam construction site and the resettlement site at National Road No.78. The villagers explain problems on the compensation and resettlement process and make requests to HPLS2 representatives, State Secretary of Ministry of Mines and Energy and the Stung Treng provincial governors to give guarantee for a house, to halt its construction and to conduct a research on upstream impacts.
Addendum September	Under unrelenting pressure from Stung Treng provincial government officials, some families from Sre Sronok move away from their village.