

Incentives for Sustainability

From a Consultant's Perspective

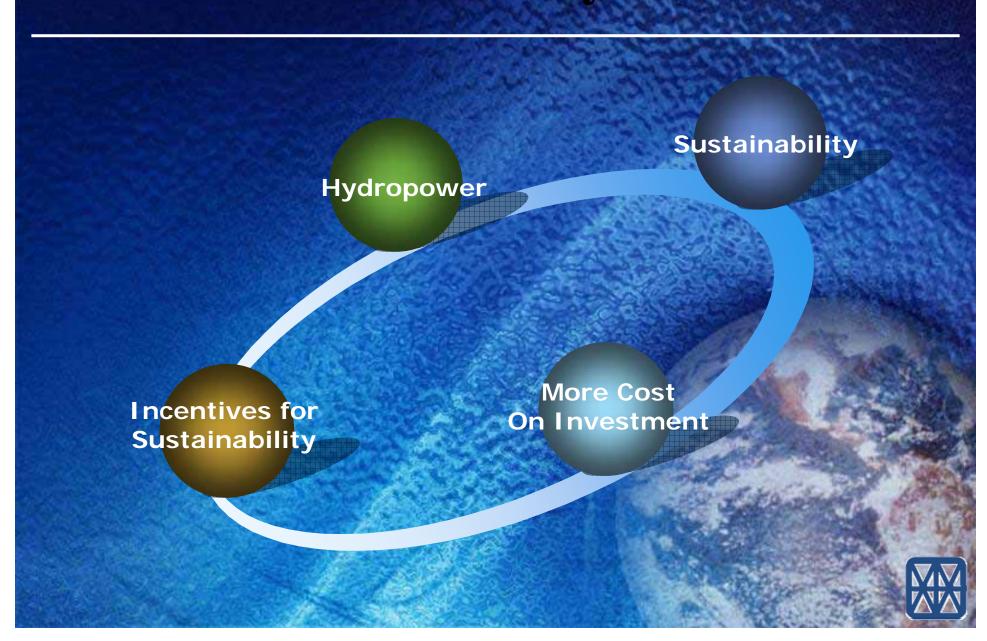
MRC's Hydropower Program, Vientiane, Lao PDR, 25-27 Sep 08

Key Stakeholders

- 1. Private Developers
- 2. Commercial/Investment Banks
- 3. Utilities
- 4. Riparian Governments/NGOs
- 5. Consultants
- 6. MRC
- 7. Donor Communities
- 8. Int. Cooperating and Funding Agencies

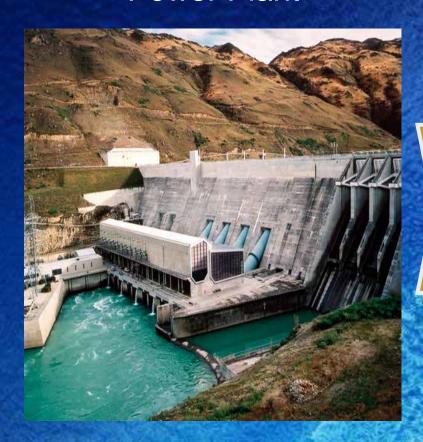


Relative Cycle

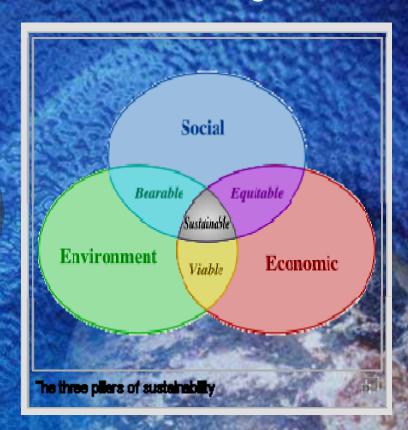


Hydropower Project

Power Plant



The Considering Issues





Perspective of Consultant

- Project Planning
- II. Social and Environmental Sustainability
- III. Incentives for Sustainability
- IV. Rules and Regulations
- V. MRC's Support Requirements



I. Project Planning

- Project viabilities on Demand and Supply
 - Power market and Power development (Gen.)
 - Transmission
 - Hydropower potential sites
- Project components in terms of Sustainable development
 - Fish Way
 - Navigation lock
 - Resettlement
 - Access road, etc.

II. Social and Environmental Sustainability

- Environmental Impact Assessment (EIA)
- Social Impact Assessment (SIA)
- Environmental Management (EMP)
- Resettlement Action Plan (RAP)
- Health Impact Assessment (HIA)



The Factors used to Consider



Physical Resources

Ecology Resources Human Use Value Quality of Life Value



III. Project Cost and Benefit

Costs

- International Standard
- Safety
- EIA, SIA, EMP, RAP, and HIA
- Benefits
 - Basin development plan
 - Less effect on existing project
 - Maintain minimum flow
 - Air Pollution reduction

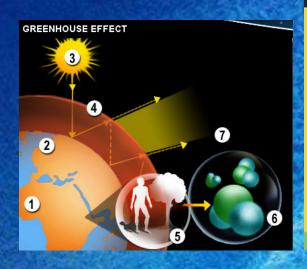


Incentives for Sustainability

- Tax and Royalty fee
 - Less for clean energy

wironmental Responsibilities

FUEL



CONSUMPTION

MAKE MODEL VARIANT TRANSMISSION FUEL TYPE

Fuel Consumption (L/100km)

Combined Test

Extra Urban

CO2 Emissions (g/km)

Combined Test

Carbon dioxide (CO₂) is the main contributor to climate change

Vehicle tested in accordance with ADR 81/02. Actual fuel consumption and CO₂ emissions depend on factors such as traffic conditions, vehicle condition and how you drive





Incentives for Sustainability (Cont.)

- Utilities
 - Transmission system
 - Substation
- Project Life
 - Hydropower project life is normally longer than other type.



IV. Rules and Regulations

- Follow the government Institution and Legislation
- Follow the MRC agreement signed by 4 riparian countries in 1995 stipulating the principles of
 - Reasonable and equitable utilization
 - Inter-basin diversion
 - Freedom of navigation
 - Environmental and ecological balance



Follows the MRB Procedure

- Tributaries
 - Tonle Sap, Intra basin uses, and inter-basin diversion



- Stricter Procedures for project development on the Mekong mainstream
 - Purpose of Uses
 - Timing of Uses (wet and dry season)



Agreement by



V. MRC's Support Requirements

- Available data
 - Hydrological data
 - Hydrographic Chart Map
- Water Management and Flood Control Software
- Pool of Knowledge Acquired
- Standard Specifications



Conclusion and Recommendations

- Well coordination among key stakeholders for sharing data/information
- Support from MRC for the wealth of its knowledge based on GMS
- Standardization for design and construction requirements
- Incentives for sustainability





TEAM Consulting Engineering and Management