



*Second Draft*

# Project on Environmental Considerations for Sustainable Hydropower Development (ECSHD)

Regional Consultation Meeting  
Vientiane, Lao PDR  
25-27 September 2008



# Second draft Project on ECSHD

- Background
- Progress of ECSHD project
- Second draft ECSHD project proposal
- Next steps



# Background

- **ECSHD project started in 2006** (joint initiative of ABD, MRC and WWF)
- **Scoping study prepared and technical document published**
- **Three phases planned for ECSHD project:**

**Project identification** (completed July 07)

**Project formulation** (June – Sept 08)

**Project implementation** (Stage 1 Oct 08 – Mar 09; Stage 2 April 09 - Sept 10)



# Background



- Proposed project is to be jointly implemented by EP and HP (involving dialogue partners through ADB and WWF).



# Progress of ECSHD Project



Year	2006 (start)	2007 (identification)	2008 (formulation)
Progress	<p>Literature review</p> <p>Scoping study</p>	<p>National consultations (informal dialogue with PRC)</p> <p>Drafted concept note for project formulation</p>	<p>Recruitment of int. expert</p> <p>Brainstorming meeting to design a project</p> <p>First draft project proposal was prepared</p> <p>First draft project proposal was presented to Member Countries and MRC JC</p>

# Second draft ECSHD project proposal



## Objectives

- Ensure that hydropower development is sustainably developed with minimal adverse social and environmental impacts.
- Hydropower should remain a viable, profitable and renewable source of energy supporting the region's economic development.



# Second draft ECSHD project proposal



## Potential Entry Points

- Apply or integrate ECSHD to existing SEA (PPPs) or IEE and EIA (Project) framework and processes
- Primary entry point should be at SEA (upstream planning) level;
- Need to build on existing guidelines rather than trying to develop completely new;
- Global experience in various tools and procedures was reviewed in the scoping study; and
- Scoping study proposed use of IHA sustainability guidelines as starting point (<http://www.hydropower.org>) – [click on sustainable initiativesIHA SGP.doc](#)



# Second draft ECSHD project proposal



## Methodology

### **Step 1:**

**Document current impact assessment of hydropower development in the Mekong region**

### **Step 2:**

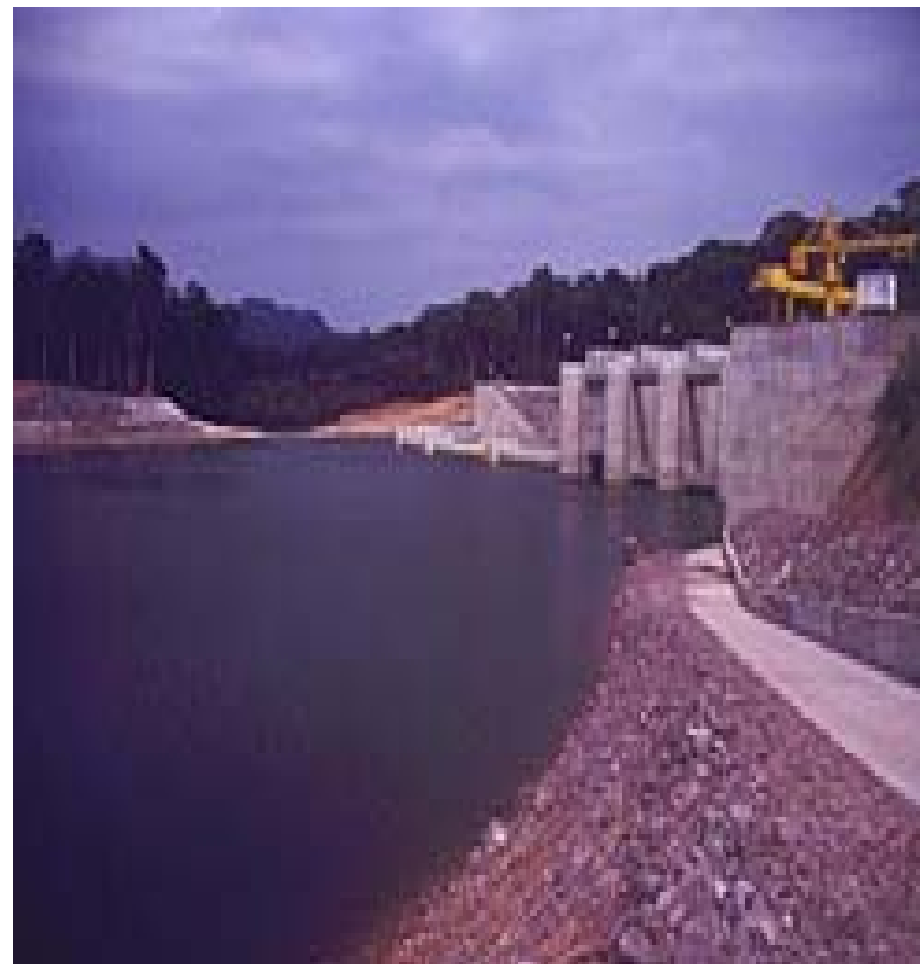
**Modify the existing IHA Sustainability assessment guidelines to Mekong context**

### **Step 3:**

**Test these modified guidelines through current or planned SEA processes**

### **Step 4:**

**Report the results of the testing phase (changed and accepted for MRC use)**





# Second draft ECSHD project proposal



## Scope and phasing

### Stage 1: Testing phase

- Over 6 month-period (Oct 08 – Mar 09)
- Contextualize IHA sustainability guidelines to Mekong conditions
- Testing of the guidelines
- Develop engagement plan and communication strategy
- Provide report and action plan for stage 2
- National and regional consultations



# Second draft ECSHD project proposal

## Scope and phasing



## Stage 2: Consolidation and capacity building phase

- Over 18 month period (April 09 – Sept 10)
- Update hydropower database
- Financing sustainability
- Report on the results and acceptance of guidelines
- Capacity building need assessment and capacity building/training /awareness
- Design and seek agreement of guidelines
- Synthesize report on verified sustainability guidelines and future action plan



# Second draft ECSHD project proposal



## Implementation Arrangements

- A joint project (EP and HP)
- Overall guidance of MRC, ADB and WWF Steering Committee
- MRCS is responsible for the supervision of international and national experts
- MRC will invite dialogue partners (China and Myanmar) to participate in the project
- NMCs will work with line agencies to create National Working Groups
- Four international experts and one national expert in each country will be recruited to work on the project



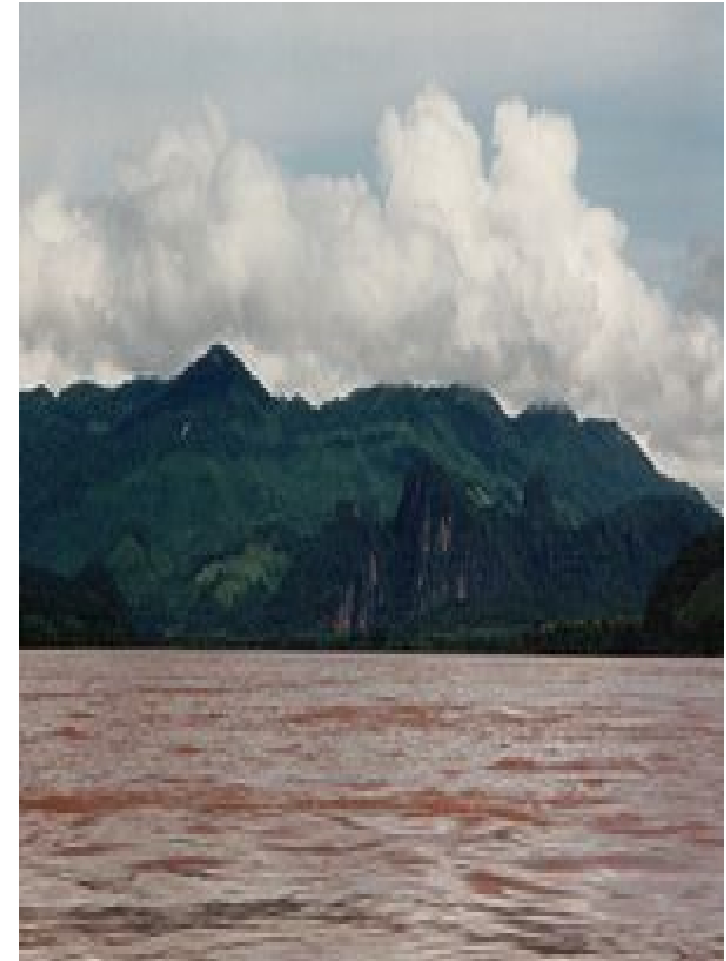
# Second draft ECSHD project proposal



## Budget

### Estimated budget for phase 3:

- The total fund requirement: \$763,982
- Using available funds of \$226,319 from MRC, ADB and WWF to finance Stage 1
- Remaining \$537,663 will be raised for Stage 2



# Next Steps

- *Finalize the draft project proposal based on inputs from the regional consultation*
- Mobilize funds for Stage 1 from ADB/WWF/MRC and recruit consultants
- Start Phase III immediately  
*“Project Implementation”*
  - Stage 1 *(Oct 08 – March 09)*
  - Stage 2 *(April 09 – Sept 10)*
- MRC to liaise with IHA





Thank you for your attention