

CEPF FINAL PROJECT COMPLETION REPORT

Organization Legal Name:	International Rivers Network
Project Title:	Same Company Two Dams
Date of Report:	August 31, 2014 – March 31, 2015 Report Due April 30, 2015
Report Author and Contact Information	Grace Mang, grace@internationalrivers.org

CEPF Region: Indo-Burma Hotspot

Strategic Direction:

Strategic Direction 6: Engage Key Actors in Mainstreaming Biodiversity, Communities and Livelihoods into Development Planning in the Priority Corridors.

(6.1) Support civil society efforts to analyze development policies, plans and programs, evaluate their impact on biodiversity, communities and livelihoods and propose alternative development scenarios and appropriate mitigating measures where needed.

Grant Amount: \$20,000

Project Dates: March 1, 2014 – March 31, 2015

Implementation Partners for this Project (please explain the level of involvement for each partner):

We interviewed the following partners to collect up-to-date information about the dam projects:

- Kunming Institute of Botany, Chinese Academy of Sciences
- School of Life Sciences and Technology, Kunming University of Science and Technology
- Three Rivers Guardian (community leader)
- Green Watershed (Chinese environmental NGO)
- Earth Rights International Mekong School students and alumni

Within Beijing, we have shared the report with key NGO partners working on Chinese overseas investments in Southeast Asia including the Global Environment Institute, Heinrich Boell Foundation, Greenovation Hub, SRI – as well as Chinese NGOs with an interest in the Lancang-Mekong such as Shan Shui and Friends of Nature.

The NGO Forum in Cambodia and the 3S Rivers Protection Network (3SPN) helped us disseminate the report in Cambodia. We presented the project's findings in the bi-monthly meeting of the Rivers Coalition of Cambodia meeting organized by the NGO

Forum in Cambodia and in a community meeting organized by 3S Rivers Protection Network.

We advised various groups and individuals in Cambodia on the report's findings. Of particular interest was the varied resettlement standards utilized by Hydrolancang. We spoke with 3SPN, NGO Forum on Cambodia and Mother Nature. We also briefed other active international NGOs working on the Lower Sesan 2 such as Earth Rights International, who have since used our findings in meetings with the Chinese project developer, Hydrolancang.

Conservation Impacts

Please explain/describe how your project has contributed to the implementation of the CEPF ecosystem profile.

Our project has supported the civil society efforts of Cambodian NGOs to evaluate Hydrolancang's policies, practices and plans to manage biodiversity, fisheries and community impacts during the development of the Lower Sesan 2 Dam, which is located in the Priority Corridor: Mekong River and Major Tributaries. As a result of the project, Cambodian civil society groups – specifically local NGOs supporting communities affected by the Lower Sesan 2 – have sufficient evidence to make a strong case for robust resettlement and livelihoods packages. In addition, International NGOs now have strong precedents to point to regarding environmental mitigation measures.

Please summarize the overall results/impact of your project.

Planned Long-term Impacts - 3+ years (as stated in the approved proposal):

As Chinese dam builders develop an increasing amount of overseas projects, the response by Chinese dam builders in China to sensitive environments and pressure from civil society to protect affected communities is increasingly relevant. There are currently some 360 projects that Chinese dam builders and banks are involved in worldwide. Many of these Chinese companies see themselves as immune from local criticism because they have been invited by the government to participate in projects and see no need for a "social license" to operate. They therefore feel little pressure to implement social and environmental mitigation measures. More research and linkage between China's own dam-building experiences shared with civil society networks in countries such as Cambodia could prevent obvious mistakes and increase pressure on companies to improve their practices, especially given the recent gains made by the environment movement through improved environmental protection legislation in China. In the long term, connecting the way companies respond to fragile and sensitive environments and indigenous peoples in China and abroad could lead to better environmental and social outcomes from Chinese dam builders, and more effective efforts from communities and civil society around the globe engaging with Chinese dam builders.

Actual Progress Toward Long-term Impacts at Completion:

Through the project, we have gained a better understanding of China's own social and environmental standards and legislation regarding riverine biodiversity protection and livelihoods restoration related to hydropower projects, which are higher than those in

many countries where Chinese dam builders are now investing and building dams. We also understood how the improved legislation has impacted Chinese dam builders' performance in the projects. This knowledge together with the knowledge we have been accumulating regarding Chinese dam builders' overseas performance could enable us to better support local communities and civil society to effectively engage with the companies and gain better environmental and social outcomes.

Planned Short-term Impacts - 1 to 3 years (as stated in the approved proposal):

Cambodian environmental NGOs and affected communities will have new leverage points to constructively engage with the Chinese dam builder, Hydrolancang, in discussions about mitigation measures or use them as a basis for the cancellation of the project. As a result, the campaign and efforts to address the impact of the Lower Sesan 2 Dam will be stronger, the species loss will be minimized and resettlement programs will be improved.

Actual Progress Toward Short-term Impacts at Completion:

The project has had a measurable impact on Hydrolancang. By sharing our evidence-based findings with the Chinese project developer through letters, repeated correspondence, and in meetings facilitated by Earth Rights International, the company is now very aware of its poor performance and insufficient standards with respect to resettlement and environmental impacts, and that these fall far below the standards set by its own policies put forth in the development of the Lancang cascade.

We have been advised that the company has conducted its own investigation of its measures, hired and engaged consultants to give suggestions on how to improve its practices, and started communicating directly with local communities.

As a result of the project, Cambodian civil society groups, specifically local NGOs supporting communities affected by the Lower Sesan 2, have sufficient evidence to make a strong the case for robust resettlement and livelihoods packages. In addition, International NGOs now have strong precedents to point to regarding environmental mitigation measures.

Please provide the following information where relevant:

Hectares Protected: N/A
Species Conserved: N/A
Corridors Created: N/A

Describe the success or challenges of the project toward achieving its short-term and long-term impact objectives.

During the project period, we became aware of significant Chinese government sensitivities around NGO concerns of the implementation of the Lower Sesan 2 project. We learned that the Chinese government's Public Security Bureau had blacklisted a number of Cambodian and International Groups conducting advocacy on resettlement and environmental mitigation measures stemming from an appeal letter calling for the project EIA to be updated. International Rivers was included in that blacklisting. These

events must be couched in the context of decreasing space for foreign NGOs to operate in China. The new government has announced crackdowns and investigations of all foreign NGOs in China and instigated a new law to regulate foreign NGOs amid a more general crackdown on foreign influences in China.

As a result, we had to initiate a number of measures to manage the security risks to our staff in China. We judged that the project's key deliverable – the comparative report – became even more sensitive. For these reasons, International Rivers adopted a pen name to publish the report and therefore was not publicly associated with the findings. Regarding online dissemination, we published the report on third party websites including Open Development Cambodia and NGO Forum for Cambodia rather than International Rivers' own website – although we hope to be able to publish the report shortly. We also hope that these measures will add credibility to the report such that it is not dismissed outright for being associated with a group now technically blacklisted in China as an “anti-Chinese foreign agent.” We informed CEPF's Regional Office in Bangkok about these developments in March 2015.

Were there any unexpected impacts (positive or negative)?

See below

Project Components

Project Components: *Please report on results by project component. Reporting should reference specific products/deliverables from the approved project design and other relevant information.*

Component 1 Planned:

Produce a report

Component 1 Actual at Completion:

Produced a report examining Hydrolancang's Manwan and Nuozhadu dams on the Lancang River with analysis of environmental impacts and mitigation efforts, and collected field information regarding resettlement completed in July 2014.

Component 2 Planned:

Support Cambodian and regional civil society groups

Component 2 Actual at Completion:

The report was distributed at meetings in Bangkok, Phnom Penh and Beijing where our findings were highlighted. We also communicated our findings prior to the report launch to communities and local NGOs around the Lower Sesan 2 project site.

The final report was distributed in English, with summaries prepared in Khmer. Chinese translations are being prepared and will be finalized to support outreach efforts in China. The Chinese translation of the summary and report was de-prioritized because almost all of the recipients working on Chinese overseas investments are bilingual and were happy with the English language version of the report. Instead we focused our translation efforts on communicating our findings and seeking a response from the Chinese developer, Hydrolancang. They did not respond formally to our materials and analysis, but we understand from internal sources that they did receive them and are concerned about our findings. Our partner, Earth Rights International, was able to meet with

company representatives in Kunming in January 2015 and presented our report's findings to the company for consideration. The report was also presented during a regional meeting of NGOs working on Chinese overseas investments, including hydropower projects in early March 2015.

Were any components unrealized? If so, how has this affected the overall impact of the project?

See below

Please describe and submit (electronically if possible) any tools, products, or methodologies that resulted from this project or contributed to the results.

Lessons Learned

Describe any lessons learned during the design and implementation of the project, as well as any related to organizational development and capacity building. Consider lessons that would inform projects designed or implemented by your organization or others, as well as lessons that might be considered by the global conservation community.

Project Design Process: (aspects of the project design that contributed to its success/shortcomings)

As proposed in the project design process, we collected information through literature review, desktop research, field surveys, and interviews with our partners and relevant stakeholders of the dam projects, which enabled us to collect the most up-to-date and comprehensive information. Our outreach during both the research stage and dissemination stage included individuals from both China and Cambodia to ensure that both viewpoints were represented.

Project Implementation: (aspects of the project execution that contributed to its success/shortcomings)

Widespread communications and public outreach has been treated very sensitively due to the political challenges encountered during the project. We have done most of the report dissemination and sharing of analyses directly in a targeted manner and face-to-face so that the reports findings are impactful but are not compromised.

Other lessons learned relevant to conservation community:

During the grant period, we learned important lessons regarding the tolerance of "new" companies engaged in overseas dam building to constructive criticism, as well as changing limits to international NGO work in China - which is currently very low. Looking back, we could have managed these pressures better, which have undoubtedly compromised the effectiveness of our communication activities. However, at the same time, the sensitivities are a sign that the findings of our work are impactful and it's promising to see that it has resulted in some on-the-ground change in the company's activities around the Lower Sesan 2.

Additional Funding

Provide details of any additional funding that supported this project and any funding secured for the project, organization, or the region, as a result of the CEPF investment in this project.

Donor	Type of Funding*	Amount	Notes
MacArthur Foundation	Project Co-Financing	10,000	Additional funding for staff time. Grant is part of our broader funding secured for International Rivers' China Program
Blue Moon Fund	Project Co-Financing	5,000	Additional funding for staff time. Grant is part of our broader funding secured for International Rivers' China Program

**Additional funding should be reported using the following categories:*

- A Project co-financing (Other donors or your organization contribute to the direct costs of this project)*
- B Grantee and Partner leveraging (Other donors contribute to your organization or a partner organization as a direct result of successes with this CEPF funded project.)*
- C Regional/Portfolio leveraging (Other donors make large investments in a region because of CEPF investment or successes related to this project.)*

Sustainability/Replicability

Summarize the success or challenge in achieving planned sustainability or replicability of project components or results.

For a company with a limited track record in overseas dam building, the report constitutes a critical background briefing particularly relevant for Cambodian NGOs and local civil society groups working on the Lower Sesan 2 project and Hydrolancang's responsibilities. However, the project's contractual obligations presented an unplanned challenge and limited the replicability of the resettlement and environmental mitigation comparison. Specifically, while Hydrolancang is a developer of the dams surveyed in the Upper Lancang cascade, it is a co-project developer (though a majority shareholder) with a Cambodian company, Royal Group. Without additional insight into the division of responsibilities between the co-developers, it was difficult to ascertain what standards would carry over from a sole developer to co-developer situation. Despite attempts to do so, we were not able to interview the companies. However, we do anticipate that the standards summarized in the Lancang case studies will be applicable for any future BOT project scenarios undertaken by Hydrolancang, and as such the China case studies have broader replicability.

Summarize any unplanned sustainability or replicability achieved.

N/A

Safeguard Policy Assessment

Provide a summary of the implementation of any required action toward the environmental and social safeguard policies within the project.

Safeguard measures included Free, Prior and Informed Consultations with Affected Communities and a Grievance Mechanism. No additional action was required on the social safeguard measures.

Additional Comments/Recommendations

Information Sharing and CEPF Policy

CEPF is committed to transparent operations and to helping civil society groups share experiences, lessons learned, and results. Final project completion reports are made available on our Web site, www.cepf.net, and publicized in our newsletter and other communications.

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Performance Tracking Report Addendum

CEPF Global Targets				
International Rivers Network Same Company Two Dams August 31, 2014 – March 31, 2015				
Project Results	Is this question relevant?	If yes, provide your numerical response for results achieved during the annual period.	Provide your numerical response for project from inception of CEPF support to date.	Describe the principal results achieved during the grant term. (Attach annexes if necessary)
1. Did your project strengthen management of a protected area guided by a sustainable management plan? Please indicate number of hectares improved.	No			Please also include name of the protected area(s). If more than one, please include the number of hectares strengthened for each one.
2. How many hectares of new and/or expanded protected areas did your project help establish through a legal declaration or community agreement?	No			Please also include name of the protected area. If more than one, please include the number of hectares strengthened for each one.
3. Did your project strengthen biodiversity conservation and/or natural resources management inside a key biodiversity area identified in the CEPF ecosystem profile? If so, please indicate how many hectares.	No			
4. Did your project effectively introduce or strengthen biodiversity conservation in management practices outside protected areas? If so, please indicate how many hectares.	No			
5. If your project promotes the sustainable use of natural resources, how many local communities accrued tangible socioeconomic benefits? Please complete Table 1 below.	No			

If you answered yes to question 5, please complete the following table

