

Last Group of Families Displaced by Laos' Nam Theun 1 Dam Accept Compensation

2020-09-15



The site of the Nam Theun 1 dam project, in a file photo.
RFA Photo

More than a hundred families in central Laos' Bolikhamxay province who were displaced by the Nam Theun 1 dam have decided to accept compensation, putting an end to a standoff that lasted 17 months, sources in Laos told RFA.

Disputes over compensation by displaced villagers have exploded as Laos carries out plans to build dozens of hydropower dams on the Mekong River and its tributaries to become the "Battery of Southeast Asia" by exporting the electricity to neighboring countries.

Nearly 625 families were displaced by the first of two dams on the Nam Theun River, a Mekong tributary, and about 500 families settled compensation claims in March 2019.

The 125 families that had in March 2019 refused compensation of about U.S. \$8,000 per hectare (2.5 acres) of lost land, instead demanding between \$10,000 and \$14,000, settled last month.

The families in the province's Viengthong district in late August accepted 120 million kip (\$13,150) per hectare of farmland and 200 million kip (\$21,900) per hectare for the land on which their homes sat, according to an affected villager.

"We all have received compensation, but the amounts were below what we were expecting," the affected villager who currently resides at a resettlement village told RFA's Lao Service Monday.

Another resettled villager confirmed to RFA that all 125 families accepted compensation in August.

A Viengthong district official told RFA Monday that the families were made to wait so long because of the coronavirus.

"We had planned to pay the compensation in March or April of this year, but because of the COVID-19 pandemic, we had to postpone the payments until last month," the official said.

An official from the provincial Energy and Mines Department told RFA, "The compensations paid out to the 624 families are higher than those paid by many of the other dam projects."

'We have no land to farm'

Even though all 624 of the displaced families have now received compensation, at least 335 of them are currently still living at the Houay Hoy resettlement village, and have not returned to farming due to lack of available land.

A third resettled villager told RFA, "We want to go back to our farmland in our old villages to grow rice and vegetables."

“Here at the resettlement village, we just sit, do nothing, and only wait for our living allowances, because we have no land to farm,” the third villager said.

In addition to the compensation, each villager will receive a monthly stipend of 200,000 kip (\$22) for three years starting in May 2020.

The district official said that plans to provide the villagers with farmland have stalled.

“The district has proposed that as much as 1,000 hectares be distributed to the resettled villagers, but up until now, the proposal has not been approved,” the district official said.

The energy and mines official suggested that the villagers buy land with the money they received in compensation.

“They should use their money wisely. For example they should buy land that they can farm long-term instead of relying on allowances that will last for only three years,” the provincial official said.

Construction field manager Khamteum Inthirath told RFA that a domestic company called Phonesack Group began construction on the Nam Theun 1 dam in 2014 and it will be completed in 2022. RFA reported in March 2019 that the dam at that time was 40 percent complete. It is now only 45 percent complete as a result of delays caused by the pandemic.

The Nam Theun 1 hydropower project is 60 percent funded by Phonesack Group, 25 percent by the Thai Electricity Generating Company or EGCO and 15 percent by Electricite du Laos. When complete, its 520MW output will be sold to neighboring Thailand.

Though the Lao government sees power generation as a way to boost the country’s economy, the projects are controversial because of their environmental impact, displacement of villagers without adequate compensation, and questionable financial and power demand arrangements.

Reported by RFA’s Lao Service. Translated by Max Avary. Written in English by Eugene Whong.