

2 ANALYTIC PROCESS

2.1 Scope of Work in the Terms of Reference

2.1.1 *Thematic Coverage*

The issues to be covered in the CIA are based on the outcome of earlier studies and from questions raised in the project preparation process. A number of direct and indirect impacts have been identified as a potential result of the combination of the NT2 project and other medium and long-term developments. The following areas of concern are mentioned in the ToR:

- ☞ Hydrology
- ☞ Vulnerability to flooding
- ☞ Social issues
- ☞ Fisheries
- ☞ Water quality
- ☞ Transport
- ☞ Water supply and irrigation
- ☞ Urban development
- ☞ Institutional issues
- ☞ Biodiversity

According to the ToR the primary geographic areas to be covered in the study are:

- ☞ Mekong River Basin
- ☞ Nam Kading and Xe Bangfai River Basins
- ☞ The linear development zone associated with the transmission lines

Also the receiving basin for the Theun Hinboun Project – Nam Hinboun will be covered in this report.

The problems and issues will differ with the geographic area and time perspective. The CIA aims to be flexible and realistic in determining the level of detail for the assessment and geographic focus required to cover important issues. For certain development issues administrative units, such as districts and provinces or border areas between states will be more relevant than the river basin perspective.

In reporting the cumulative impacts a structure of four different geographic zones has been chosen for summarising the impacts. The definition and a brief description of these four impact zones is given in Chapter 6.

2.1.2 *Preparation of Development Scenarios*

The analytic baseline for the impact assessment is a set of plans and development trends in the following sectors:

- ☞ Hydropower

- ☞ Transport
- ☞ Irrigation
- ☞ Water Supply and Sanitation
- ☞ Urban Development
- ☞ Fisheries
- ☞ Forestry
- ☞ Industry
- ☞ Mining
- ☞ Social Development
- ☞ Conservation

The relevant development plans and trends for the above-mentioned sectors are summarised in Chapter 5. A more detailed documentation of the present situation, plans and development trends can be found in Annex 1.

In Chapter 7 an assessment is provided for the cumulative impacts in the short term (five-year planning horizon) and in the long term (twenty year planning horizon). It has been decided to define the short-term horizon to be the year of commissioning of NT2, i.e. **2010**, and the long-term horizon to be 15 years later, i.e. **2025**.

The combined impacts caused by all the analysed sectors, together with the potential impacts of NT2 is then summarised in an **overall five-year scenario** and an **overall 20-year scenario**. These first analytic scenarios will represent the **business as usual** development pattern.

Chapter 8 presents recommendations on actions and interventions to modify or avoid the potential negative impacts identified in Chapter 7. The final section of this chapter presents a summary of the assumed impacts provided that the proposed recommendations and conditions are implemented. This assessment constitutes the second set of scenarios, which reflects the **best practise** with broad policy support for environmentally and socially sensitive development.

2.1.3 *Institutional Issues and Capacity Building*

Institutional, management and capacity building issues affect all sectors of this study. Although there are specific issues related to management, training and capacity for the different sectors, there are a number of common concerns and challenges. Hence, these issues will be touched upon when analysing the scenarios but a fuller treatment will be provided in Chapter 8.

2.1.4 *Outputs*

The anticipated major outputs of the study are:

- ☞ A comprehensive understanding of the cumulative impacts of the Nam Theun 2 Hydropower Project in a regional context, both in the project area and in the downstream riparian countries along the Mekong River and adjacent project areas.
- ☞ Recommendations to relevant stakeholders to better address the identified cumulative impacts and improve their planning programmes.

- ## A test of a possible methodology and presentation format for Cumulative Impact Assessments. This might be useful in the process of introducing the CIA as a standard requirement for larger ADB infrastructure projects.

2.2 Results of Initial Consultation and Inception Report Workshop

In meetings with the client and key stakeholders the focus and priorities of the study have been discussed. It was recognised that the time and the budget available for this study did not allow for collection of primary data. The method of work would basically be desk studies. Even with this approach the study has to be focussed on the issues that are most important for the consultation and decision-making processes for the NT2 Project. This means that not all sectors and issues are necessarily handled with the same level of detail and geographic coverage.

The Inception Workshop, which attracted broad participation from different government agencies and stakeholders including NGOs, gave further direction and recommendations as to the focus and the issues.

2.3 Team Composition

The Norwegian consulting company NORPLAN A/S in association with the locally based consulting company EcoLao has prepared the CIA study.

The study team consisted of:

- Erik Børset, Team Leader and Terrestrial Ecologist
- Jean Pierre Bramslev, Hydrologist
- Terry John Warren, Fisheries and Aquatic Ecology Specialist
- Stanley H. Zankel, Health Specialist
- Stephen Sparkes, Indigenous Peoples and Social Sector Specialist
- Garry Oughon, Irrigation / Agriculture Specialist
- Kjetil Mork, GIS and Biodiversity Specialist
- Jens Laugen, Development Planning Specialist
- Anders Korvald, Hydropower Specialist