



Lam Takong Pumped Storage Project Thailand

BY SOUTHEAST ASIA RIVERS NETWORK, THAILAND

PROJECT DESCRIPTION

Purpose: 1,000 MW power. The project pumps water from an existing reservoir up to the top of a mountain, where it is stored in a purpose-built reservoir. The stored water is released to generate power during peak demand periods.

Cost: \$778 million.

JBIC role: Provided \$148.5 million in loans to EGAT for procurement of equipment, transmission lines and supervision consultants.

Ownership: 100% owned by the Electricity Generating Authority of Thailand (EGAT).

Number of People Affected: 371 affected by construction-related blasting.

Status: Completed in 2001. However, the project is still not operational due to structural problems in the upper reservoir.

INTRODUCTION

Lam Takong is a pumped storage hydropower project situated in Nakhon Ratchasima province, in the Northeast of Thailand. The project was funded by the World Bank and Japan's OECF, now known as JBIC. Blasting of rocks and other matter during construction has destroyed the livelihoods of several hundred people, who have lost agricultural land, crops, livestock and access to natural resources. They are now struggling to survive, indebted to loan sharks, their lives ruined. Villagers are demanding that the Electricity Generating Authority of Thailand (EGAT), JBIC and the World Bank restore their livelihoods and their health.

MAIN CONCERNS

Project construction destroys villagers' livelihoods

Prior to the project, Khao Yai Tiang villagers were subsistence farmers, earning income from fruit trees, and dairy and beef cows. They relied on common property resources in the area such as non timber forest products and community grazing grounds. Now, the community's livelihood has been destroyed, their health ruined, their lives in tatters. All for a project that is not even operational yet. Affected people should be amongst the first to benefit from a project such as this, rather than being left to pick up the pieces of their lives after construction is complete.

For two years and seven months, project developers blasted bedrock to make way for the upper reservoir, underground powerhouse and tunnel. This blasting caused countless impacts to villagers. The blasting created disturbing vibrations, noise and air pollution. Contaminated dust fell everywhere, including into wells, on fruit orchards, grazing fields and house roofs. This dust destroyed natural resources in the area. Wild products such as bamboo shoots, mushrooms, grass for cows and native species such as frogs were lost.

Agricultural production dropped dramatically, villagers' crops failed and they faced decreasing food security. Cows became sick and failed to produce milk. Beef cattle, pigs,



'My daughter left home to work as a laborer in the city, leaving her baby with me, occasionally sending some money for the baby's milk. My corn farm has been unproductive since the blasting started, just like my health. I am in debt with loan sharks. I have to make brooms for my living, and to pay the loan sharks' huge amount of interest.' - 50-year-old woman.

chickens and ducks became sick and died. Communal wells dried out, and those wells that did not dry out were contaminated, causing illness and death to people and animals. Rainwater storage tanks were also contaminated. During the long period of blasting, villagers had severe shortages of clean water. Some villagers are still facing water shortages.

The failure of agricultural production and the loss of natural resources forced the villagers into poverty. Not only did they lose their income, but they also had to purchase food and medicine. Many households are indebted to both the agricultural cooperative established by EGAT and loan sharks.

Villagers suffer physical and mental health problems

As a result of drinking and bathing in contaminated water and breathing polluted air, villagers suffered from respiratory illnesses, skin rashes, diarrhea and vomiting. Healthy people became seriously ill and had no energy to work. Even today, some people remain sick and disabled.

In addition, thunderous noise during the construction period caused anxiety amongst villagers. People have been anxious about the illness of their family members, their lack of livelihood, debt and other problems that have arisen since construction started.

The lack of assistance from the project's owner, EGAT, has led to despair amongst the affected communities, who have no faith in the state's problem-solving processes. People feel that they have been cheated and have lost their security of life.

Community disintegration

The project has destroyed the community's unity. Villagers are divided into two groups: those opposed to the project and those who support it. Those who support the project are mostly the headmen, who receive financial support from EGAT. The formerly peaceful, united community has now become divided and unfriendly. As a result of these difficulties, many villagers have had to migrate to other places to find paid work. In many cases parents have had to leave their children with the elders.

'I'm still young but now my health is so bad. I hurt even when I breathe. I cannot work anymore. I am also in debt. I feel we, the villagers, were cheated and ruined by this monstrous project.'

- 32-year-old man who worked in the project construction site for 1 year and quit because of illness.



Lack of participation and disclosure of information

The project was implemented without the genuine participation of affected communities. Instead, EGAT invested in public relations efforts to create a positive attitude toward the project, providing only information about the project's supposed benefits. For example, EGAT broadcast programs about the project's supposedly successful mitigation plans, which in reality were a failure. What's more, EGAT is promoting the upper reservoir as a tourist attraction, calling it the "sky-high lake".

Communities were never warned about the impacts of construction on their livelihoods and lives. EGAT made grand promises to villagers of compensation, vocational training and an agricultural cooperative, but villagers were never informed about the potential negative aspects of the project, and many of the promises failed to materialize.

A long struggle with few results

Since 1996, villagers have raised their concerns with EGAT and asked for assistance in solving their problems. However, despite the many years of struggle, there has been little success for the villagers. In 1998, EGAT built a pond, but the water in the pond was laden with sediment and unsuitable for drinking or bathing. Complaints to provincial officials have also been rejected. A provincial committee set up to investigate the problems in 1998 refused to recognize any impacts from the blasting.

Due to EGAT's failure to adequately respond to complaints from affected communities, they joined the people's organization Assembly of the Poor and demanded that the Thai Government establish an investigative committee. In 2001, because of the villagers' ongoing efforts, the government established a committee but failed to allocate a budget, making the committee unable to complete its tasks.

In 2002, the villagers demanded that JBIC take responsibility for the impacts due to its role in funding the project. However, JBIC has consistently refused to accept responsibility for the impacts, stating that the villagers should bring their claims to the World Bank or the Thai government. This is unacceptable – JBIC needs to accept responsibility for its role in financing the project.

RECOMMENDATIONS

Construction has been completed yet villagers' sufferings have not been mitigated. Villagers are requesting that JBIC assist in the following measures:

- Recovery of the villager's health and cancellation of the debt caused by the impacts of project construction.
- Installation of a clean water supply.
- A reparations fund for the community to restore villagers' livelihoods. Since the natural environment is currently recovering, there is a need for inputs to boost agricultural production. However, most villagers lack the capital to invest in such activities.

Finally, and most significantly, monitoring must be strengthened. JBIC should assist in establishing an independent committee consisting of representatives of JBIC and the World Bank, EGAT, affected communities, academics and NGOs to monitor the implementation of mitigation and reparations measures. It is important that the committee is accepted and agreed to by the affected people as well as the government.



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