

Clarification on the Chhay Areng hydroelectric project;

Ministry of Mines and Energy

(A few days ago) the Ministry organized a press conference (to tackle) some of the exaggerations being presented on the proposed Chhay Areng hydroelectric project, such as 'it will have a very negative impact on fauna and flora, the crocodiles, and the traditions of the local indigenous communities, etc'. (If one believes these exaggerations) one could think the project is already being developed and there already is large scale logging going on at the site, when in fact the project is still under feasibility status.

Although the Ministry already made a press release on the 27th of September 2014, we now find it necessary to issue a follow-up statement (in order to clarify our view) to the national and international press.

The Chhay Areng project, together with other dams located in the east of the country such as the 3 Kirirum dams, Komchay, Atay, 3 Roussey Chrum dams , Ta Tay, Me Teuk, 2 dams in Pursat, 2 dams in Battambang, as well as other dams along the Mekong, was first proposed for development prior to 1970.

The Areng dam would be located on the Areng river, approximately 12 kilometers on a straight south east line from the district capital of Thmo Bang. Feasibility studies, and studies on (the impact the dam would have on) the environment and the local communities, started in 2006. In November 2013, (working groups) went to the valley to verify the initial environmental and social impact assessment studies, (yielding the following results):

1. Impacts on the forest:

The Areng valley has a size of 10,000 hectares. The dam would flood approximately 9,474 hectares of the valley, of which 874ha would be evergreen forests, 3790ha of semi-ever green forests, and the rest of the reservoir as such:

- Spirit forests: 66 ha
- Sparse-forests: 37 ha
- Re-grown forests: 728 ha
- Burial forests: 13 ha
- Grasslands: 487 ha
- Waterways: 156 ha
- Rice fields: 1194 ha
- Plantations: 1295 ha
- Unused agricultural land: 705 ha
- Dwellings: 129 ha

2. Impacts on wildlife;

According to the initial EIA, there are 113 kinds of birds, 53 kinds of mammals, 31 kinds of reptiles, and 43 species of fish. The next phase of the EIA will look at the habitats of all these species of wildlife in order to find ways to preserve them and mitigate the impacts the dam would have on them, not just on the Dragon Fish or Siamese crocodiles, but on all species. This next stage of the EIA has not yet been able to commence.

3. Benefits of the project;

Though it is true that the Chhay Areng hydroelectric project would only generate a maximum of 108MW of power, it would operate almost all year round, thus producing an annual electricity output of 595 million Kw/hour. This figure would be greater than the 498 million Kw/hour produced by the Kamchay dam, even though this dam can produce a maximum 194 MW. The Chhay Areng dam, as well as other dams, would also bring many benefits such as:

- Guarantee energy security and stability, as well as improve the quality of the energy grid;
- Protect against floods;
- Produce electricity at stable prices, and at a cheaper price than energy from generators, coal, solar, or energy imported from other countries;
- Income in the form of tax from the investment;
- Distribution of electricity throughout the country by using the nation's energy grid;
- (Development of the valley) as an eco-tourism resort;
- Poverty reduction by creation of employment of the local communities (?) during construction and operation of the project;
- Reduction of usage of firewood and charcoal;
- Increase of gender equality;
- Reduction of generation greenhouse gases and sale of carbon credits in the international markets;
- Assist the development of the engineering fields related to hydroelectricity, creation of a research centre and (the creation of) fish farms for the communities affected by the project;
- Development of the area as place of research for university students;
- Building of public infrastructure such as electricity, schools, health posts, temples, roads, bridges, etc;

4. Impacts on the local communities;

The initial assessment conducted during Nov-Dec 2013 indicates the project would have an impact on 1,318 people (637 of which are female), or 349 families, spread over seven villages, three communes. The total number of dwelling affected would be 331, divided as such:

- Chumnoab commune: 96 dwellings (46 in Chumnoab village and 40 in Chrok Roussey village);
- Prolay commune: 187 dwellings (53 in Prolay village, 28 in Tangel village, 64 in Somraong village, and 42 in Chumnar village);
- Thmo Daun Pov commune: 48 dwellings in Preik Svay village;

Also, 6 school buildings would be affected, as well as 3 temples, 6 public ponds, 3 commune halls, 2 barns for storing rice, 65 chicken pens, 205 buffalo sheds, 15 small shops, dwells, fences, graves, etc.

In order to mitigate the impacts of these projects, detailed assessments on the social and environment impacts of these dams are conducted. A working group in charge of conducting this next stage of the impact assessment is currently trying to enter the valley.

Phnom Penh, 30th of September, 2014.