

Frequently Asked Questions

What is a Cumulative Impact Assessment (CIA)?

A multi-step process that analyzes and estimates the total sum of the direct and indirect impacts of hydropower projects on the environment, and on communities.

These impacts are the sum of the incremental effects of past, present, or future activities, in addition to the impact of the proposed project. Though these impacts may often be considered negligible at the individual project level, when added together over time they can have significant impact on environmental and social factors.

What are the environmental and social factors that the Sekong CIA takes into consideration?

In terms of the environment, the CIA will look at such areas as the physical features, habitats, wildlife populations, the ecosystem services, the water and nutrient cycles, and the micro-climate in the Sekong River Basin. For the social factors, it will consider the health, well-being and livelihoods of people living in the Sekong River Basin, as well as how different development scenarios could impact on their cultural and religious traditions. The CIA will also identify and analyze a variety of power generation scenarios which would minimize cumulative social and environmental impacts whilst still meeting the need for the development of renewable energy.

Why is it important to know the cumulative impact of hydropower and other renewable energy developments?

The Government of Lao PDR has prioritized the expansion of renewable energy generation for domestic consumption and export. While this has great potential to help the country meet its development targets, careful management is required to avoid significant negative impacts on the environment and communities. For instance, the development of multiple hydropower operations within the same watershed has the potential to severely degrade river ecosystems and cause significant adverse and long-term impacts on users of the rivers, primarily by altering the flow of rivers and by dividing them with dams that prevent the passage of fish and other species.

Why is this happening now?

In recent years the Government of Lao PDR has introduced a number of policies and regulations governing the hydropower and broader renewable energy sector, including the first ever guidelines for conducting cumulative impact assessments on hydropower projects specifically in Lao PDR. The next step is to carry out an assessment and test these guidelines. The Government has invited the IFC to help do that in the Sekong River Basin.

Why choose the Sekong River Basin?

The Sekong River Basin is particularly important as one of the few remaining major Mekong tributaries with high biodiversity value and few hydropower projects in operation. The development of additional hydro, wind and solar power projects, together with expanded industrial operations such as mining, logging and plantation forestry, present significant risks of negative cumulative impact on the environment and communities. Now is the time to do a full assessment of those impacts so the Government of Lao PDR can make better informed decisions on how to plan for future development to have the greatest benefits for the economy, the environment, and the community.

Who will be asked to contribute to this cumulative impact assessment?

The CIA will consult widely with local stakeholders in the Sekong River Basin, as well as hydropower developers, the Government, and scientists. A Steering Committee has been created that includes representatives from the Ministry of Energy and Mines (MEM), the Ministry of Natural Resources and Environment (MoNRE), private sector power developers, and the IFC. The Committee will share information related to the environmental and social impacts of developers' projects, help engage key stakeholders, and provide guidance and feedback throughout the process.



What is the IFC's role in the CIA?

The IFC is helping to fund the CIA and provides the Government of Lao PDR and the Steering Committee with the tools and expertise to complete the assessment according to the CIA Guidelines for Hydropower Projects in Lao PDR. The IFC is in an advisory role only; it will not recommend or endorse specific projects for development. The CIA is being funded by the Government of Australia.

What happens to the information that is shared at the CIA consultations?

The CIA is designed to be a transparent and inclusive process. Research and information gathered from stakeholders will inform the assessment and recommendations in the final report. Stakeholders and the public will have an opportunity to review the draft final report and provide their feedback before it is completed. The final report will be produced in English and Lao languages, shared widely and available on the IFC website.

Will the results of the CIA be used to decide what projects will be approved in the Sekong River Basin?

The CIA is an evidence-based tool that outlines the environmental and social risks and impacts of a variety of power development scenarios. It is then up to the Government, in consultation with developers and other stakeholders, to decide how to proceed.

