

Save the Salween Network¹ August 18, 2016

Statement of concern regarding launch of IFC's Hydropower Developers' Working Group for Myanmar

Save the Salween Network would like to raise serious concerns about the forum being held by the International Finance Corporation (IFC) in Yangon today to launch a new Hydropower Developers' Working Group (HDWG) for Myanmar.

Worryingly, the establishment of the HDWG, with the support of the IFC and various Chinese investors, is aimed primarily to "improve business operations." *IFC has outlined a Strategic Environmental Assessment (SEA) for future hydropower projects* in the country, and while touching on the potential environmental and socioeconomic costs such projects could entail, *the document fails to present a thorough Assessment and consultation plan that will guarantee respect and protection of local communities*. It seems their intentions in engaging in a preliminary impact assessment are to "avoid delays and increased costs" and not to make a true evaluation of the sustainable feasibility of the intended projects.

However, if Myanmar truly wants to achieve a real sustainable development, it needs to pay attention to the following factors.

- There is currently a legacy of mass distrust among ethnic groups from a track record of human and indigenous rights abuses, lack of compensation, and the destruction of livelihoods seen in the wake of previous hydropower development projects. A string of **broken promises from the government and external investors** has left a bitter taste in the mouths of ethnic people nationwide; one such case being the Upper Paunglaung dam.
- 2. If further plans emerge to support mega hydropower projects, they will have severe **negative impacts on peace agreements and ceasefires**. They will also cause huge disruption to not only the environment, but also to the wellbeing of the people who rightfully should lie at the heart of the government's priorities.
- 3. Hydropower projects harm the quality of rivers, destroy forests and grazing lands, and affect fish populations among innumerable other detrimental impacts all of which in turn affect **the right to self-determination of indigenous communities**.
- 4. Despite similar projects under operation elsewhere in South East Asia (e.g. Laos), the government needs to recognise that Myanmar is an ethnically and culturally diverse country that still suffers from armed conflict.
- 5. Successful stories and lessons-learned from other hydropower projects cannot be replicated in Myanmar without in-depth contextual studies, which include the active participation of local communities. A move towards *low-impact community-centred renewable energy sources should be encouraged to meet the energy demands* for Myanmar.

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