

Mining in Nonghet, Chameun village

Project	Villages
<p>Company : main contractor is Lao Somdi company, who subcontracted to Thongxay company (currently operating on 2 km upstream from Chameun) who subcontracted to smaller chinese, vietnamese, lao companies. But no formal approval, only internal agreement with village, kumban and district.</p> <p>Sector: Gold mining in Nam Khian river + riverbanks (11km)</p> <p>Location: Nonghet district, Xieng Khouang province</p> <p>Duration: 2 years starting April 2011</p>	<p>Number(s) of villages: 4 villages in Kumban Thamthao</p> <p>Name of village(s): Ban Chameun and 3 downstream</p> <p>Number of Households: 60 families/304 people</p> <p>Original/resettled location: No resettlement</p>

Actual impact of the project/investment (on land, social, economic, health, environment....)

Positive	Negative
<p>Ban Chameun got some funding (12 mio kip) from company to build village meeting room (but not enough to complete construction).</p> <p>Downstream villages got 8 mio kip each as compensation.</p>	<p>Nam Khian river was completely reshaped (partly turned into ponds) and there is no more fish in the river. About 8-9 cattle (buffalos & cows) died after drinking water in the river. Villagers said that when the cattle died, water was coming out from the mouth, which to them was unusual. People got sick but now that company moved further down, people believe that the water is safe (it is used for drinking after boiling). Excavation started further upstream Chameun village in May 2012. There is clean water supply but sometimes there is no water coming out of the tap so villagers use water in the Namkhien river for drinking water (after boiling), washing and everything. According to the nurse in Chameun, for the month of May 2012, at least 134 people (children and adults) got sick from stomach problem, cold, fever and allergic reaction on the skin (red spots) and perhaps due to the chemicals in the water (upstream activities started in May 2012). Possible causes are change of weather, herbicides, and or using water in the Nam Khian.</p>

Foreseen further impact of the project/investment

Positive	Negative
<p>People would like to use ponds for fish (some started already), but water quality has to be checked first (samples taken for lab test for heavy metal).</p>	<p>Further impact on health (animal and human) is possible, due to high possibility of mercury presence in the water. Without fish in the river, quality of food/nutrition and local economy related to fishing activity are impacted.</p>

Decision-making process

Chameun is the village of origin of Nonghet district vice-governor. His son is employed by the company on Chameun mining site. Nonghet district authorities facilitated implementation in Chameun of this concession Villagers were not consulted but simply informed that an agreement was signed at provincial level to allow company dig the river to search for gold. Villagers were shown the concession agreement but did not receive any copy. Majority of the villagers (80 %) do not agree for the company to do the mining upstream (strated 3 km upstream). Because the operation is backed by Phu Nyay, the villagers just let go. No prior impact study done. There are evidences of mercury use, and upstream area is not covered by initial agreement.

Compensation

Initially the company offered 200,000 kip as compensation. The villagers did not agree, saying even if given 1 million they will not accept. But after Mr. Khampheng (chief of administration) discussed with the villagers, they agreed for 1 million compensation per family (total of 53 million) paid in May 2012. Khampheng told the villagers that if they do not agree with the mining operation, they will be taken to district. The villagers said to Khampheng: *"you are married to someone from this village, you are one of our people, why do approve to this kind of operation here?"*. The company agreed to fix the water supply in Chameun (built by Lao Red Cross, recently repaired but water comes irregularly), but nothing done yet. So villagers are forced to get water from the river. No estimation of asset lost (no prior study on impact, no doc of existing asset), no agreement signed with villagers, no prior approval from villagers required prior to starting the extractive activity.

Any other comment

The nurse in Chameun informed that the villagers reported to DAFO at the time when 5 buffalo died (around Oct. 2011). DAFO livestock unit took samples of the dead cattle and brought to Vientiane for lab test/analysis but no result shared yet. UDIN will follow-up with DAFO about the lab test result! Villagers are willing to do something about their losses, but say that they are in a weak position because "everything comes from above". They want to know about legal framework and get some advice. They think about writing a letter to provincial governor or to their representative in National Assembly. UDIN will facilitate provision of legal training/legal advice for villagers to make their own decision. Proper collection of water samples in the fishpond and Namkhian river will be carried out and brought to Vientiane for lab test (mercury).

Voices of the people

"We cannot do anything, because all is decided from above (phu nyai)". "I think that the water is safe now because the fish I put in the pond don't die. So we are drinking the water from the river". "The river is still dangerous and we should not use the water because two of my buffalos died after drinking from the river".

Relevant legal provisions and enforcement			
Provision	Content	Enforced	
Prior to project implementation			
PM Decree 112/PM Environmental Impact Assessment 16 February 2010 Article 7: Rights and duties of project affected people Article 8: Participation Process	<p>Right to receive information on the investment project, the benefits and environmental/social impacts during village meetings organized by the local administration and the project developer.</p> <p>Right to provide information/data on local environment and society for environment/social assessment and mitigation measures.</p> <p>Rights to receive the report information on impact and prevention/ mitigation measures.</p> <p>Right to participate in consultation meetings organized by the authorities and the project developer at village, district, and province level, to share their opinions and give comments on the report and plans, from the first drafts until the final drafts.</p> <p>Right to participate in discussions on compensation, resettlement and restoration of the living conditions for affected communities;</p> <p>Right to make a written proposal to solve the environmental and social problems caused by the investment project (to local and central authorities)</p>	YES	NO X X X X X
During project implementation			
PM Decree 192/PM Compensation & Resettlement of People Affected by Development Projects 7 th July 2005 PM Decree 112/PM Article 8: Participation Process Article 28: Restoration of Living Conditions Article 33 & 35 : Types of Dispute and Settlement	<p>Right to get assistance in surveying assets/property and cost estimation for damages.</p> <p>Right to receive fair and adequate compensation for land, crops, trees, property, housing, business, communal facilities, fishing, forest losses + for villagers receiving resettled people.</p> <p>Right to receive support during transition period (in kind or in cash) for transport to resettlement site, food allowance, suitable development assistance (until restored livelihood and incomes)</p> <p>Right to collaborate with project developers to solve the grievances submitted by resettled people.</p> <p>During survey-exploration, construction and operation of the project, the project developer must inform affected people of the project activities which are likely to create environmental and social impact (clearing land, destroying rocks, using of dangerous chemicals, discharging water from the reservoir...)</p> <p>Right to lodge petitions to be considered by Provincial or Capital Resettlement and Restoration of Living Condition Committee.</p> <p>Environmental and social disputes can occur on: -Use of natural resources (water, land, mines, forests, wild plants..) -Pollution, environment degradation -Allocation of compensation for the loss/damages (land/house/services...) The project developer must listen to complain/petition and solve disputes.</p>	YES	NO X X X X X X X

