Viceministerio de Biodiversidad, Recursos Forestales y Medio Ambiente To: Sr. Viceministro Juan Pablo Ramos To: Sr. Director General Medio Ambiente Luís Beltrán La Paz, Bolivia

your reference

your letter of

our reference OS25 077-023 Sh/Jz

subject direct Advice on Terms of Reference for SEA Río + 31 Madera, Bolivia

direct dial + 31 30 234 76 54 Utrecht, 21 January 2008

Dear Mr. Ramos and Mr. Beltrán,

In July 2007, you requested the Netherlands Commission for Environmental Assessment to advise on Terms of Reference for an SEA for the integrated use of the Madera basin in Bolivia, including potential transboundary impacts of the proposed Jirau and San Antonio hydropower dams in Brazil.

It is my pleasure to submit herewith the Advice on Terms of Reference prepared by a working group of the Commission. I would like to draw your attention to the following:

First of all, I would like to express my appreciation for the organisation of the visit and the personal interest demonstrated by the Vice Minister, director and staff of the Vice Ministry of Biodiversity, Forest Resources and Environment. This has allowed the Commission to receive a wealth of information in a short period of time, which was really helpful given the great complexity of questions to be answered and problems to be solved in relation to the Madera river.

You will note that the Advice on Terms of Reference suggests in fact a combination of two SEAs, starting with analysing different scenarios for hydropower generation in the Madera river basin, which have direct implications for the different scenarios for socioeconomic development in the Northern Amazon region.

I would also like to stress the importance of undertaking the consistency analysis as mentioned in the attached Advice, paragraph 3.2, before you formulate the final Terms of Reference. This overview of existing plans and strategies, especially from the Vice Ministry of Electricity and Alternative Energy and from regional governments, is needed to know which of these generate opportunities or set conditions for the hydropower generation and socio-economic development scenarios.

Postadres Postbus 2345 3500 GH UTRECHT Bezoekadres Arthur van Schendelstraat 800 Utrecht telefoon (030) 234 76 66 telefax (030) 233 12 95 website www.eia.nl e-mail mer@eia.nl Equally important is to involve all stakeholders in this SEA, including relevant sectors, public and private, central and de-central.

This SEA is the third one in Bolivia in which the Commission has been involved, after the first SEAs in 2004/2005 related to Puerto Busch and Salar de Uyuni. These first two SEAs have not yet been finalised for a number of reasons. I would also like to stress the importance of giving adequate follow-up to this SEA (as well as continuing the other two) to maintain credibility and enthusiasm, to give feed back to actors who have been consulted, to meet expectations that have been created and to facilitate in this way the successful introduction of SEA in Bolivia, to be able to demonstrate the benefits of this instrument for planning and decision-making.

The installation of a Steering Group may help in this respect, as well as involving international SEA expertise which is available in Bolivia. The Netherlands Embassy has already indicated that it is willing to support this external advisory or coaching role upon request by the Vice Ministry through hiring a consultant for 2-3 days per months for about a year. Chapter 4 of the Advice elaborates further on this issue.

I would like to repeat once more that also the Commission is willing to continue cooperation with the Vice Ministry in the next stages of this SEA for the Madera river and in SEA introduction in Bolivia in general.

Yours sincerely,

Klaas Jan Beek

Chairman of the Working Group on SEA Río Madera, Bolivia

cc. Netherlands Embassy Mr. Jan Willem le Grand and Ms. Janette Trujillo

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