

10 March 2006

Ms. Aviva Imhof
Campaigns Director
International Rivers Network
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Dear Ms. Imhof,

We thank you for your letter of 10 January 2006 proposing that ADB establish a multi-stakeholder process for undertaking a comprehensive energy options assessment instead of a traditional least-cost energy plan under its technical assistance (TA) "Developing the Greater Mekong Subregion (GMS) Energy Strategy."

First, we would like to assure you that ADB, consistent with our operating policies, will adopt a fully participatory approach in implementing this TA. We will draw on the partnerships we have built and expand them to help ensure the relevance, effectiveness and sustainability of our development initiatives in the region, not least for this critically-important study.

As part of the study, a series of regional and national workshops and seminars will be organized to promote a process of dialogue and networking with decision makers, government officials, civil society organizations, development partners, the private sector, energy experts, and regional groups. The TA design includes country level consultations and governments have identified specific energy coordinators for this purpose. Broad based regional consultations will also be held, at the planning stage and when significant outputs are available, with all stakeholders such as civil society organizations, academics and development experts, the private sector, consumer forums and government officials and policy makers. The existing GMS Energy Sector Forum will also be involved in this process. We anticipate that the consultative process will kick off with a planning meeting in May 2006, very shortly after the study consultants have mobilized.

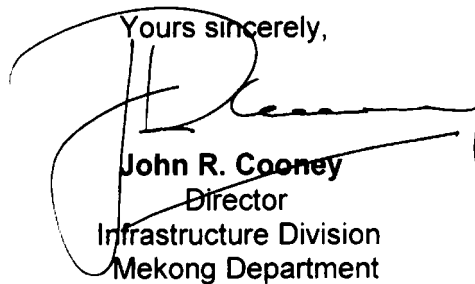
Given the existing participatory mechanisms already in place, which have been incorporated into the TA design, it does not at this time seem necessary to put in place the additional institutional and consultation arrangements that you have suggested. What we will do, however, is to ensure that important outputs of the study will be published on a study-specific website, which will be accessible through ADB's www.adb.org site towards the end of April. The intention of this is to provide the broader community with the opportunity to comment on the work done, and to suggest ways in which it should be taken forward.

Your suggestions regarding developing realistic demand projections, identifying energy efficiency potential and feasible renewable energy options, integrating environmental and social challenges into the least-cost plan, and adopting economic values rather than financial ones were very much in our mind when we prepared the TA design, and will certainly guide our thinking during the study period.

The present status of the study is that ADB's management has approved the TA; you will find a copy of the TA paper on the ADB website. Consultant selection is under way and should be completed during April. The shortlisted firms are identified on ADB's website :

<http://www.adb.org/Business/Opportunities/TA-Projects/2006/reg/reg6301.asp>

I trust that this provides an adequate response to your letter, but please feel free to contact us at any time.

Yours sincerely,

John R. Cooney
Director
Infrastructure Division
Mekong Department

cc Mr. Bindu Lohani, Director General and Chief Compliance Officer, RSSD
ADB Executive Directors through Secretary
Director General / Deputy Director General, MKRD
R. Nangia / A. Jude / J. Cahoon / P. Perera
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