The survey was carried out by Green Movement of Sri Lanka and Japan Center for a Sustainable Environment and Society (JACSES), to clarify social and environmental impacts of the Upper Kotmale Hydropower Project. Both groups conducted a verbal survey of affected people, laborers, and relevant officials in this project area and in Colombo, between July 14 and 18. The following issues were identified as a result.

1. Inadequate Investigation on Compensation

497 households are expected to be resettled in this project. There are many cases in which the investigation of compensation needs is inadequate, and the following issues were identified by the survey;

- A person who has lived in Talawakelle since 20 years ago claims that she was away as a migrant worker when a researcher of the Ceylon Electric Board (CEB) visited, and her house is not registered as one of those requiring compensation.
- A person engaged in a cement block business in Talawakelle since December 2000 claims that the place of business is not registered for compensation.
- A person who owns a factory in Talawakelle for 30 years producing baskets used for gathering tea leaves claims the factory is not registered for compensation.
- In Talawakelle, there is a family living in a house which was previously a cow stable. The wife was in hospital at the time of the CEB investigation, and the husband worked away from home, so the house is not registered for compensation.

2. Cut-off Date Issue

Although the cut-off date for this project was set as June 22, 2001, the actual resettlement started in January 2008, 6.5 years after the cut-off date. Therefore, the scope of compensation no longer fits the actual migration patterns. The following issues were identified by the survey;

- In Nanu Oya, there is a family who has not received a new house as compensation (see
Photo 1). CEB states that the family started to live in the area after the cut-off date. (The family claims that they started to live there in 2000).

- In the relocation site of Nanu Oya, there is a family who has not received a new house, because a family member got married, and started to live in a separate house, next to their parents’ house in 2003. The family is living in a pitiful annex structure in the relocation site (see Photo 2).
- There is a young family who got married and started to live in a separate house next to their parents’ house in Talawakelle after the cut-off date (see Photo 3). The house had previously been used as a kitchen before the cut-off date, and was not registered for compensation.
- There is a family who got married and started to live in a new house next to their parents’ house in Talawakelle after the cut-off date. The house is not registered for compensation.

Furthermore, there are inconsistencies in the application of resettlement policies. According to the people surveyed, three families who built houses after the cut-off date in Talawakelle are supposed to receive new houses. In Nanu Oya, people who built cow houses after the cut-off date received cow houses as compensation.

3. Other Compensation Issue

In the survey, the following issues were identified;
- **Moving Expenses:** The people who relocated from Nanu Oya claim that they have not received compensation for moving expenses.
- **Compensation for Lost Fields:** Land owners who relocated from Nanu Oya claim that the field rent fee of 45,000 Sri Lankan rupees has not been paid.
- **Compensation for Standing Tree:** The representative of temple administration committee in Talawakelle claims that a huge standing tree in the Hindu temple is not
registered for compensation.

- **Compensation for Seed and Fertilizer**: Although farm instruments for kitchen garden, seeds and fertilizers are supposed to be provided to people who relocated to the site of Nanu Oya, the people claim that only farm instruments have been provided.

- **Compensation for Religious Buildings**: According to the representative of the temple administration committee in Talawakelle, the relocation site for the Hindu temple is very narrow and not sufficient for religious events (see Photo 4). The representative claims that new houses were built in the allocated plot at the relocation site, and the plot is narrower than that was represented to them before. In addition, although there was a religious place in Nanu Oya which had not been relocated, this religious place was relocated during the survey period (see Photo 5).

4. Problems around Relocation Site

Eight relocation sites have been prepared in this project, but only the resettlement work in Nanu Oya is completed. The following problems were identified by the survey;

- **Houses**: Although only several months have passed, cracks are seen in houses at the relocation site of Nanu Oya (see Photo 6).

- **Water Supply**: The people claim that their water tap can be used for only 10 minutes per day due to the faulty water system in the relocation site (see Photo 7). The people have been taking water from the river and saved rain water for several months. Although the people asked the CEB to improve this, no improvement has been made.

- **Power Transmission**: The people claim that the electricity system does not have sufficient capacity, and breakers fall regularly.

- **Septic Tank**: The people claim that a stink occurs due to faulty design of the septic tank.
Although the people asked the CEB to improve this, no improvement has been made.

- **Garbage Collection:** Although the garbage collection site was installed in the relocation site, collection work has never been done, according to the people.

- **Mudslide Measure:** Although retaining-wall construction was conducted in some visible places, there are many spots where soil has not been secured, and the people are concerned about mudslides (see Photo 8).

### Photo 6  Photo 7  Photo 8

5. Labor Environment

Workers are employed by subcontractors of Maeda to construct houses at relocation sites. The following problems were identified by the survey.

- **Wages:** The workers claim that although wages of skilled workers rose to 550 rupees per day from 525 rupees after the strike of February 2008, some of their wages were reduced to 525 rupees again. The Green Movement of Sri Lanka is aware of many other cases where 700 to 1,000 rupees are paid for skilled workers, so the pay scale in this project is clearly substandard.

- **Overtime Pay:** The workers claim that although wages are reduced for stoppage of work by rain, overtime wages have not been paid.

- **Unemployment Insurance:** The workers claim that although unemployment insurance payments are withheld from the salary, the insurance card has not been provided. Moreover, insurance payments have disappeared on some cases, when contractors have changed.

- **Loan Expenses:** The workers claim that 300 rupees are withheld in advance for helmet rental. The workers also claim that they have to pay 2,300 rupees to buy boots.
**Accident:** An ex-worker claims that he fell down from a loading platform of a truck in June 2007, and broke his leg. Although SMA Construction offered to pay the doctor’s fee and living expenses (200 rupees per day) as compensation, the ex-worker received only 29,000 rupees and still cannot return to work. The ex-worker is aware of more than 20 similar cases in this project.

6. Impacts of Blasting Work

Blasting work by dynamite has been repeated two to three times per day since April 2007 for the tunnel construction (see Photo 9), and the following issues were identified by the survey.

- **Midnight Blasting:** The people who live in St. Clair Colony claim that the blasting work also occurs during late night hours. The people have requested CEB to stop the blasting work at night, but the situation has not improved. According to the Central Environmental Authority (CEA), blasting work at midnight is prohibited under regulations.

- **Destruction by Blasting:** Cracks have appeared in many houses in St. Clair Colony due to the blasting work (see Photo 11). The people claim that although officials visited houses to investigate cracks, the people have not received any information about compensation. There are many parts where reinforcing steel is rusted and brown water is leaking where rebuilding is required (see Photo 10).

- **Stress caused by Blasting:** The people who live in St. Clair Colony claim that the people cannot sleep due to the blasting work at night. Moreover, the people claim that children are especially afraid of the huge blast sounds and vibration.

7. Problem around Project Implementation

The survey identified the following issues;
• **Grievance Committee:** Although many people complained to the CEB, remedies have not been seen in most cases. Even the existence of the grievance committee is not known to many people who complained to the CEB.

• **Environmental Monitoring Report:** According to CEA, CEA has requested CEB to provide an Environmental Management Plan (EMP) and Environmental Monitoring Reports. However, CEB has refused to provide these documents.

• **Environmental Monitoring Committee:** According to CEA, meetings of the Environmental Monitoring Committee were held 24 times since 2003. However, there have only been two meetings in the latest 14 months, since Environmental Monitoring Reports have not been provided. In general, the meeting is supposed to be held once each two months.