
Annex 1B:

**Statement by the Lao delegation to the Third Joint Committee
Working Group Meeting on PNPCA**

Statement by the Lao PDR JC WG on PNPCA
(to be recorded and annexed in the MRC Prior Consultation Review Report)

3rd Meeting of the JC WG on PNPCA

14 February 2011
Vientiane, Lao PDR

Delegates, colleagues and friends

I am delighted to have the opportunity to join the 3rd Meeting of the JC WG on PNPCA today in Vientiane. Allow me to thank the MRCS for organizing this meeting.

On behalf of the delegation of the Lao PDR, I would like to take this occasion to express our sincere and special thanks to the JC WG on PNPCA of the National Mekong Committees of Cambodia, Thailand and Viet Nam, for their effective cooperation, support and assistance leading to the achievement and progress of the PNPCA for the Xayaburi Hydroelectric Power Project.

We are excited about this Project. The first environmentally friendly hydropower project on the Mekong; it relies upon a technologically advanced design to produce the cleanest and renewable electricity with no pollution, no reservoir on the Mekong or its tributaries, and a minimum of effects upon the environment in the vicinity.

The development of hydropower projects in the Lao PDR has followed the Lao PDR's policy on environmentally and socially sustainable hydropower development in accordance with our laws, decrees and technical and environmental/social measures. In this instance, however, we went even further: we have complied with the procedures under the 1995 MRC Agreement and the Preliminary Guidelines endorsed by the four Member States all along. We confirmed that we would provide appropriate and necessary information, with proper cooperation of all parties concerned, and we have observed the Prior Consultation procedures accordingly.

We have thoroughly reviewed the Prior Consultation form along with its attached documents relating to the Xayaburi Hydroelectric Power Project, and we are pleased to inform you, as the representatives of the JC WG on PNPCA, that our view remains unchanged. We are confident that the Xayaburi Hydroelectric Power Project will not have any significant impact on the Mekong mainstream.

To ensure that the implementation is in compliance with the 1995 MRC Agreement, we assure you that the Lao PDR will continue to move forward as follows:

1. We will proceed further with the Prior Consultation procedure under the 1995 MRC Agreement, namely, until conclusion of the PNPCA process of the JC, which will meet on March 24/25, 2011. Accordingly, we see no reason for any extension of time and no need to forward this matter to the Council level. We hope and expect that a unanimous agreement will be reached within the period of 6 months, but if not, the PC procedure should be left until completion on April 22, 2011, whereby the MRCS would record the result. The final decision as how to further proceed with the project development would of course be solely subject to the Lao PDR Government who would carefully and practically take into consideration of all the comments/recommendations provided in the final MRC Prior Consultation Review Report.
2. No construction of the project which may impact the Mekong River will be carried out unless and until the PNPCA process has been completed and the official approval of the Lao PDR Government has been granted.

On behalf of the Lao JC WG on PNPCA, we note with appreciation the recognition of the relevant environmental Health and Safety Standards and Guidelines indicated in the related project documents of the Xayaburi Hydroelectric Power Project.

The Xayaburi Hydroelectric Power Project is structured to ensure that it will provide sufficient information about the Project to the public by way of publication of all relevant information, such as, the environmental and social matters section on the company's website in a manner which is easily and freely accessible to all. Please be informed that the company's website can already be accessed on webpage www.xayaburi.com.

We have always believed that the 1995 MRC Agreement as well as the relevant guidelines and Standards would be applied to the Xayaburi Hydroelectric Power Project, together with any comments which might be given, for the benefit not only of our country but of all member countries. Accordingly, we have no reason to believe that the Project should be delayed any further, and we hail it as a model for our future cooperation in working to achieve the goals we all share.

Thank you.