

Mekong River Commission
Procedures for Notification, Prior Consultation and Agreement
Form/Format for Reply to Prior Consultation

1. **Replying State:** The Socialist Republic of Viet Nam
2. **Date of reply:** 22 June 2020
3. **Replying Ministry:**
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5. **Name of the proposed use/project:** Luang Prabang Hydroelectric Power Project.
6. **Location of the proposed use:**
Houygnong village, Luang Prabang Province, Lao PDR.
7. **Nature of proposed use:**
Intra-basin use on the mainstream during dry and wet seasons
8. **Date of receipt of the documents:** 04 September 2019
9. **Reply to proposed use:**

Viet Nam wish to acknowledge and express its high appreciation given to the assistance and cooperation of Government of Lao PDR during the whole prior consultation process for the Luang Prabang Hydropower Project, particularly in providing additional data and documents, organizing field trips to the project site and maintaining willingness to accommodate the comments and inputs from Member Countries and other relevant stakeholders in the region. Those actions demonstrated the commitment and responsibility of the Government of Lao PDR in

their efforts to implement the 1995 Agreement on Cooperation for Sustainable Development of the Mekong River Basin and the Procedures for Notification, Prior Consultation and Agreement of the Mekong River Commission (MRC).

The prior consultation process for Luang Prabang Hydropower Project took place amidst great challenges for the Mekong cooperation, most notably was a drastic drop in the Mekong River's water level due to the unpredictable basin-wide low rainfall at the beginning of the flood season 2019. The erratic phenomenon led to a surge in the water usage, together with the increase of water storage in operation of upstream reservoirs, therefore raised serious worries from communities in the basin, including the Mekong Delta's part of Viet Nam, on the so-called "dual" impacts of the upstream development and climate change on downstream. Additionally, delays in the implementation of the recommendations from previous consultation processes also caused concerns in the region, especially when the Xayabury and Don Sahong Hydropower Projects has been reported of coming into full operation.

The Luang Prabang Hydropower Project is the fifth hydropower project proposed by Lao PDR on the Mekong mainstream. With the experiences from the previous consultations and the negotiation of the Joint Statements on Pak Beng and Pak Lay Hydropower Projects, the MRC and the Government of Lao PDR have shown improvements in supplementing documents, data and information, upgrading impact assessment methods, including those for cumulative and transboundary impacts.

Based on the recommendations from the MRC Secretariat's Technical Review Report, outcomes of regional and national consultations, lessons learned from the "Study on Sustainable Management and Development of the Mekong River, including the impacts of the mainstream hydropower projects" (Council Study), inputs from international and regional experts and our own studies, it was found that the series of observed data set used by the Developer is not sufficient for a reliable analysis. Data collected from various sources may have not yet been verified by observed for their accuracy; and moreover, available and reliable data from the MRC have not yet been fully used for calibration and verification of the hydrological and hydraulic models.

In addition, Viet Nam is of the view that the applied assessment methods seem to be relatively simple, not all uncertainties are taken into account; effectiveness of some proposed mitigation measures is not adequately proven (such as on fish passage or sediment flushing); and more importantly the design needs improvement to fully meet the requirements of the MRC Preliminary Design Guidance for Proposed Mainstream Dams in the Lower Mekong Basin. Dam safety issues, especially dam failure due to earthquakes, may have not been carefully considered amidst the mounting concerns on the threatened damages to structure safety, lives, and property of the region inhabitant.

According to the previous studies, the cumulative impacts of mainstream hydropower projects are likely very serious and may cause environment incident and disaster firstly on the Lao territory before moving down probably to the Mekong Delta's part of Viet Nam, especially when the region is experiencing the increasingly adverse impacts of climate change, drought and saline intrusion. In this consultation process, the cumulative impacts of the Luang Prabang Hydropower Project and all the Mekong mainstream hydropower projects should be comprehensively assessed in consideration of a final decision on the Project. This is aimed to implement the Siem Reap Declaration, agreed by Leaders of the Member Countries at the 3rd MRC Summit, which stipulated "Mekong River Basin development has been essential for economic growth of riparian countries; it has also yielded adverse environmental and socioeconomic impacts including transboundary impacts that need to be jointly addressed".

Having thoroughly studied and assessed the project documents, Viet Nam maintain its expectation that Lao PDR, in close collaboration with the MRC Secretariat, would spare more time and resources for additional activities of data collection, enhancement of analytical methods for a comprehensive impact assessment, including the trans-boundary and cumulative impacts caused by mainstream hydropower projects, particularly the group of three consecutive dams in Northern part, namely Pak Beng, Luang Prabang, and Xayabury, on the downstream including the Mekong Delta's part of Viet Nam; ensure the mitigation measure's effectiveness and compliance with the MRC Preliminary Design Guidance for Proposed Mainstream Dams in the Lower Mekong Basin; evaluate effectiveness of the mitigation measures for the Xayabury Hydropower Project; establish cascade operation rules for the on-going and planned hydropower dams in order to help adjust the design of Luang Prabang Hydropower Project; develop a comprehensive sediment and environment monitoring program during the construction and operation stages; strictly comply with the dam safety guidelines of the MRC and international standards; prepare emergency response plans including risk management and compensation to the affected people of Thailand, Cambodia, and Viet Nam in downstream amidst the recently reported structure failure and earthquakes in the region.

Viet Nam recommends that the above-mentioned additional activities should be well undertaken basing upon the objective and scientific outputs from the MRC, particularly those from the Council Study and related MRC technical guidelines on the design of Mekong mainstream hydropower projects and transboundary environmental impact assessment before the project's ground-breaking. Viet Nam also suggests Lao PDR to regularly update other Member Countries on the progress of follow-up activities for the Luang Prabang Hydropower Project.

Viet Nam wishes that Member Countries, in the spirit of the Mekong cooperation would reach a consensus for Luang Prabang Hydropower Project while bearing in mind the experiences and lessons learned from previous consultations, especially those for Pak Beng and Pak Lay Hydropower Projects. Viet Nam kindly

requests that Lao PDR would continue working closely with other Member Countries in fully implementing the **Joint Statements** for Pak Beng and Pak Lay Hydropower Projects.

Having an investor in the Luang Prabang Hydropower Project, Viet Nam is fully aware of its special commitments and responsibilities in strictly and fully implementing the MRC's Procedures on Notification, Prior Consultation and Agreement; exchanging views and inputs on project's proposal in an objective and frank manner, and within our roles and responsibilities, ensuring that the Vietnamese investor to promptly follow up and respond to comments and inquiries from stakeholders.

Under the global trend of seeking for alternative energy sources, Viet Nam encourages the MRC, in coordination with its Member Countries, to explore the potential of renewable, clean and environment-friendly energy sources as an alternative for hydropower in the future, with aims to both ensure the need for energy security of the Member Countries and contribute to the sustainable preservation and utilization of the Mekong water and related resources.

Viet Nam wishes to reaffirm its continued commitment to strengthening close collaboration and coordination with Lao PDR, other riparian countries, and international organizations within the cooperation framework of the MRC and other regional mechanisms, to manage and monitor the comprehensive impacts of utilization of the Mekong water resources toward efficient and sustainable development, and mutual benefits to all riparian countries in the Basin./.