BACK TO FUTURE PAST?
Cooperation Challenges and Opportunities in Hydropower and Water Resources Development in the Mekong

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Introduction

• Mekong is one of the world’s “great rivers” – situated in one of the world’s most “geo-strategic regions”

• Although there appears to be a rush to dam and divert the Mekong right now, history shows this had always been the plan – WE ARE BACK IN FUTURE PAST!

• Challenges emerge from this path of development:
  • Mekong as a geo-strategic region
  • Mekong as a late / unevenly developed region
  • Biased media and NGOs
  • MRC & disparate Mekong-related institutions

• Opportunities can be found in these challenges for a more optimal and sustainable development of the Mekong – PLANS OF THE PAST CAN BE CHANGED/IMPLEMENTED FOR A BETTER FUTURE!
GMS plan for Regional Grid Interconnection

**MOU Lao-Thai**
- By 2025: 9,000 MW

**MOU Lao – VN**
- By 2030: 5,000 MW

**MOU Lao - Cambodia**
- By 2025: 1,500 MW

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**Why Laos? - The Battery of ASEAN**

Aims to export more power to neighboring countries like Myanmar, Thailand, Vietnam and other ASEAN members like Singapore, Malaysia.

<table>
<thead>
<tr>
<th>Country</th>
<th>Potential Capacity</th>
<th>Projects in Construction</th>
<th>Hydro Power Plants Under Construction</th>
<th>Hydro Power Projects Under Final Preparation</th>
</tr>
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<tbody>
<tr>
<td>Laos</td>
<td>26,000 MW</td>
<td>29</td>
<td>44</td>
<td>24</td>
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**Map of Hydropower Dam Location in Mekong River Basin**

- **Legend**
  - Existing project in operation
  - Project under construction
  - Suspended project
  - Planned project

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**Map of Hydro Power Development Scenario**

- Early Development Scenarios (2007)
  - WP: Upper Mekong Development
  - DP: Lower Mekong Development
  - DF: Lower Mekong Development

- Definitive Future Scenarios (2020)
  - WP: Upper Mekong Mainstream
  - DP: Lower Mekong Mainstream
  - DF: Lower Mekong Mainstream

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**Map of GMS Plan for Regional Grid Interconnection**

- Existing 500kV Line
- Expected 500kV Line
Since the 1st hydropower plant (Halvsund) operated in 1899, more than 1100 hydropower plants have been developed until 2007 with total capacity 29000 MW) (NVE Atlas, 2010)
Mekong as a geo-strategic region

Mekong is situated in a geo-political “shatterbelt” – its very location always invites external influences

• Colonial times: British (in Burma) and French (Indochina)
• World War II: US and Japan
• Post-war: US
• Vietnam/Indochina wars: US, China
• Post-VN war: US, UN, Japan
• Contemporary:
  • Major powers: US, China, Japan, Germany, France, EU
  • Other actors: Australia, Korea, Denmark, Sweden, Switzerland, Finland, Netherlands, World Bank, etc

Challenge: Sometimes the Mekong’s fate is not determined by the riparian states or peoples
Mekong – late & uneven development

1950s – 1960s: Planning but no action on Lower Mekong Mainstream

• In 1945, the River was little understood and undeveloped
• 1952 UN-ECAFE (Bureau for Flood Control) Report on LMB flood control and water resources development & 1957 UN-ECAFE Report on “Development of Water Resources in the Lower Mekong Basin” - 90,000 km² of irrigation and 13.7 gigawatts (GW) from five dams and institutional framework that became Mekong Committee in 1957

• 1962 Ford Foundation Report - Gilbert White – monitoring networks and databases; Work began on defining 3 mainstream projects totalling 15,000 MW, in an interconnected grid
• 1965: US President LB Johnson advocated a Mekong River programme that would ‘dwarf the Tennessee Valley Authority’ / UN SG U Thant: “Mekong river project as one of most significant actions undertaken by UN”
Mekong – late & uneven development

1970s – 1990s: More Planning but still no action on Lower Mekong Mainstream

• **1970 Indicative Basin Plan (1970-2000), Mekong Committee**: (took 12 years and $60 million): short-term $2 billion programme (to 1980) including 700,000 ha of irrigation expansion and 3,273 MW on tributaries; a $10 billion long-term programme for 1981-2000, comprising a cascade of mainstream dams (part of a list of 17 mainstream projects). Primarily: flood control benefits and major expansion of power and irrigation development, this cascade would expand navigation by about 800km, flooding out rapids with reservoirs.

• **1987 Indicative Basin Plan (1987-2000), Interim Mekong Committee**: revised and scaled back 1970 IBP - cascade of smaller dams along mainstream, divided into 29 projects, 26 of which were strictly national in scope. The largest project was still the mainstream Pa Mong dam (4000+ MW), with modifications (‘Low Pa Mong’).

• **1994 “Mekong Mainstream Run of River Hydropower”, Interim Mekong Committee**: advocated run-of-the river hydropower mainstream projects, a strategic shift. 9 projects considered sound, Three sites/projects in the first priority namely Don Sahong, Ban Koum, and Sambor. Pak Beng and Sayaburi were in the second priority.
Postwar to 2010 (70 years): Factors delaying implementation

Conflicts and instability in the 1970s-1980s – Viet Nam/Indochina wars, instability in Cambodia for the next decade

Strict rules - 1975 Joint Declaration of Principles for Utilization of the Waters, Article X

Tributary development interlude: mostly Thailand and Viet Nam (starting in the 1960s)
• Thailand: small and large dams constructed to capture the highly seasonal flows for irrigation and hydropower. Experience of Pak Mun dam (1994) shaped local peoples & NGOs perception
• Viet Nam: Hydropower development in Viet Nam’s Central Highlands, upstream of Cambodia. Experience of Yali Falls dam (1996) shaped VN and Cambodian local peoples & NGOs perception

Same period, development occurred in today’s industrial/developed nations including heavy investments in water infrastructure. Today the US has about 8,000 large dams. Others had similar programmes – such as Japan, Australia and Spain. Large benefits and costs.

1990s-2000s: Upper Mekong (Lancang) development: 6 large dams (incl. 2 big storage)

1995 – 2010 early MRC days: focused on knowledge creation, extension of monitoring networks, procedures and guidelines but less engagement of national development plans and projects
Challenges:

• Plans for developing the Mekong were always there – not new
• With more political stability, international finance – late developing countries (Laos, Cambodia, Myanmar) now want to implement plans
• Values shift in early developers (all donors, and to some extent Thailand and Viet Nam):
  • Benefits from early development
  • But experienced “bad” development in the past
  • Increased concerns for environment
• Always a tension / difficulty between what’s plan at the regional (basin) level and national plan / implementation
Biased media and NGOs

Roles of media and NGOs
• Important roles to play in Mekong sustainability
• Media has role to report facts, provide balanced picture of all sides of the story, analyze news and present stories
• NGOs can provide platform for unheard voices, champion collective action, provide services

Sometimes they have not played these roles, but instead:
• Some media/NGOs exploit Mekong as a geo-strategic battleground, dynamics of early/late developers
• They present only one side of the story
• They exaggerate threats and dire consequences
• They provide misperception and incorrect information

Challenge: biased stories and incorrect information fuel already-held negative views of people, put additional pressures on governments, affect their ability to negotiate and compromise → affecting regional relations and cooperation!
Disparate Mekong-related institutional frameworks

**Mekong River Commission (22 years of existence, 60+ years of history)**
- Only treaty-based River Basin Organization mandated to deal with cooperation in all fields and to handle conflict
- Only one with Basin Development Strategy and other basin-wide strategies of their kinds
- Only one with comprehensive set of Procedures for managing the river
- Well established water diplomacy and technical platforms: Summit, Council, JC, NMCs
- Extensive knowledge hub

**Challenges:**
- Internal MRC: Connection to policy making, role of NMCs, engagement of key line agencies & MOFA, perpetual knowledge gaps
- External MRC: But we are not the only Mekong cooperation frameworks!
# Challenges into opportunities

Actions and ideas to turn these challenges into opportunities for cooperation!

<table>
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<th>Challenges</th>
<th>Opportunities</th>
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| Mekong as a geo-strategic region – with many big and small actors | • Form technical partnerships with key regional frameworks: ASEAN, LMC, GMS, etc  
• Leverage their political/policy arenas to promote MRC work and broader win-win cooperation (beyond water)  
• Obtain support to deal with critical/difficult issues |
| Uneven development in Mekong – early vs late developers; basin vs national planning/implementation | • Within agenda of ASEAN integration – early developers to recognize development needs of late developers, while late developers should make all efforts to optimize benefits & avoid/minimize/mitigate negative impacts  
• How?  
✓ **Short term**: through guidelines and tools for mitigation (Procedures, PDG, ISH 0306, RSAT)  
✓ **Medium term**: through strategy (hydropower strategy, BDS/BDP) and benefit and cost sharing joint investment projects, deals, “no regret” measures |
# Challenges into opportunities

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<tr>
<td>Biased media and NGOs</td>
<td>• No idea? Give up? Let it be?</td>
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<td></td>
<td>• Perhaps:</td>
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<td></td>
<td>✓ Proactive in media monitoring and response to “fake news”</td>
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<td>✓ Promote MRC work in website, social media, forums, dissemination</td>
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<td>✓ Engage NGOs in stakeholder forums and individual meetings, conduct joint activities</td>
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<td>MRC as an organization – gaps in knowledge, connection to policy, ability to facilitate deals</td>
<td>• Good preparation for 3rd MRC Summit (Apr 2018) – connection to policy making and political level</td>
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<td>• Operationalization of technical Expert Groups – engagement of line agencies</td>
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<td>• Operationalization of Expert Group on Strategy &amp; Partnership – engagement of MOFAs and non-water agencies and organizations</td>
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<td>• Mekong Congress – promote role of NMCs</td>
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<td>• Strengthen MRCS as “honest facilitator” &amp; “knowledge manager”</td>
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THANK YOU