

Geopolitical benefits of transboundary water cooperation

The Mekong River Basin Case

Dr Anoulak Kittikhoun
Coordinator, Basin Development Plan (BDP)
Mekong River Commission Secretariat



Mekong - Top 10 in terms of size and length

Physical Characteristic	Total	Upper MK	Lower MK
Length (km)	4,800	2,200	2,600
Catchment area (km ²)	795,000	189,000	606,000
Flow (mcm)	493,590	83,530	410,060

Area	Flow
21%	16.5%

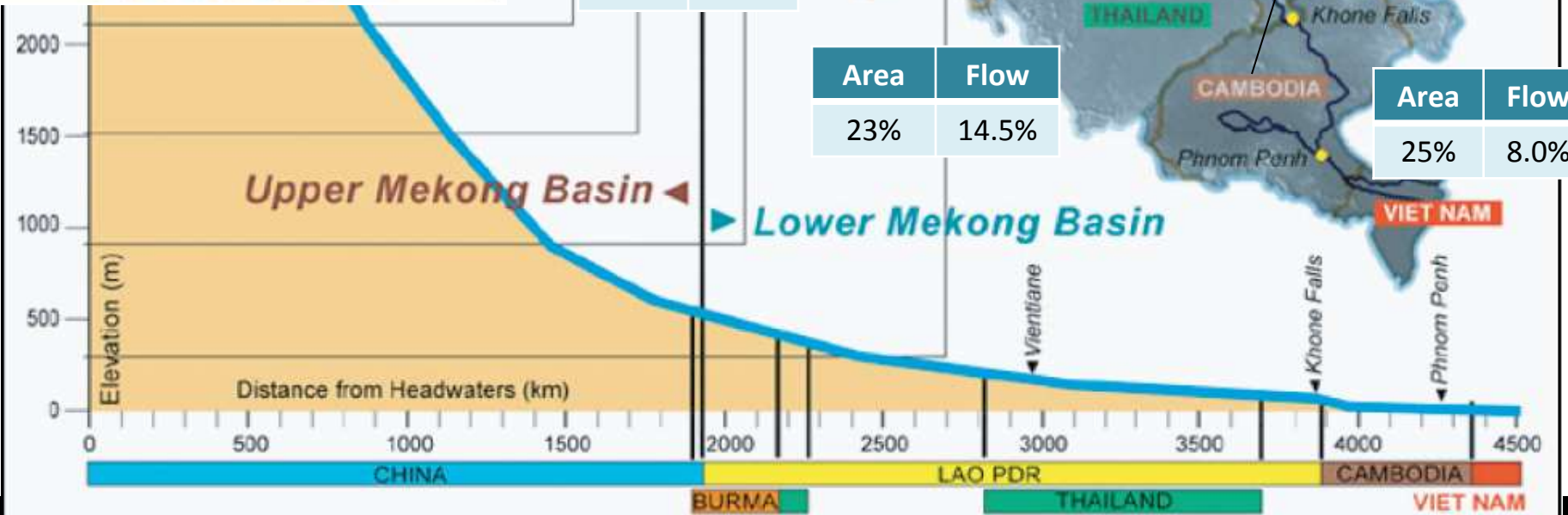
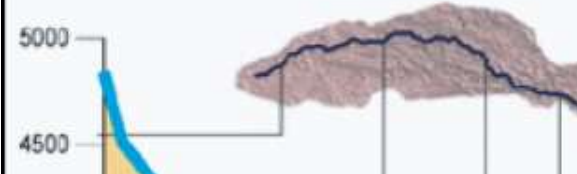
Area	Flow
25%	41.2%

Area	Flow
20%	19.4%

Area	Flow
3%	0.5%

Area	Flow
23%	14.5%

Area	Flow
25%	8.0%



Source: Presentation on flow contribution to the Mekong Mainstream (1985-2000-using DSF), The 7th Meeting of the Technical Working Group, 3-5 October 2007

1995 Mekong Agreement

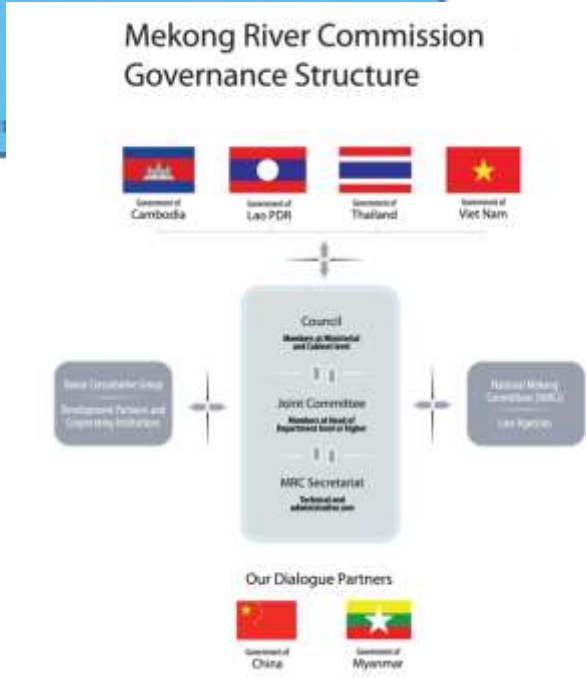
– an international treaty of cooperation between Cambodia, Laos, Thailand and Vietnam



Mission of the MRC

“To promote and coordinate sustainable management and development of water and related resources for the **countries’s mutual benefit and the people’s well-being**”.

- * *Summit of Prime Ministers every four years*
- * *Council of ministers – every year*
- * *Joint Committee of Heads of departments – twice a year*
- * *Secretariat providing technical and administrative support*



Geo-political and development context of Mekong basin

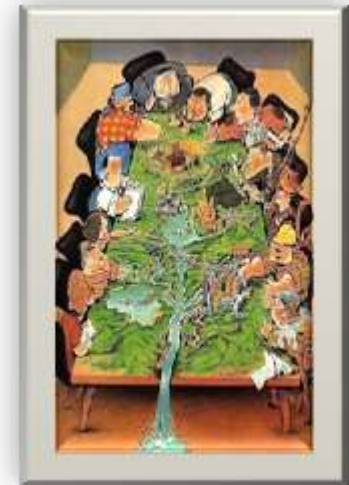


- Development occurred in two countries (in the Viet Nam Delta since 1870 and Thailand, since 1960s) while only rapidly occurring in two other countries (Laos and Cambodia)
- Basin plans of the 1970s only partially implemented due to regional conflicts (Mekong/Indochina was battle ground for super powers during Cold War)
- Currently some warn that tensions could turn into conflict as water plans of late developers (hydropower and irrigation developments in Laos and Cambodia) encroach further on the available natural environment of the Mekong (already reduced due to early development)
- Yet MRC assessments find that conflicts can be avoided if opportunities are seized to optimise basin development through basin wide and joint projects, increasing the cooperative agenda beyond what individual countries can achieve alone

Basin-wide assessments – what we have done

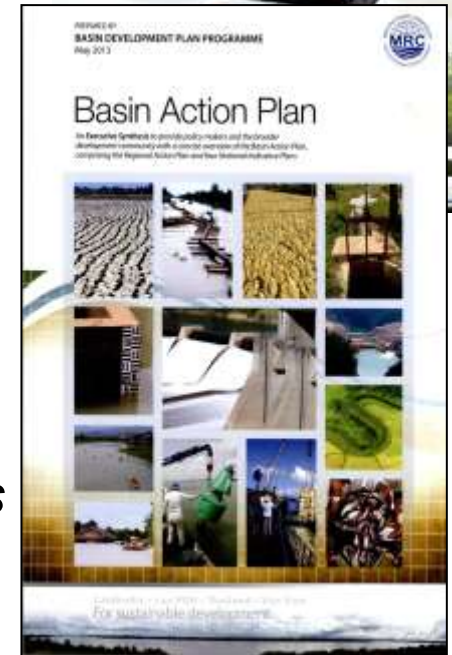
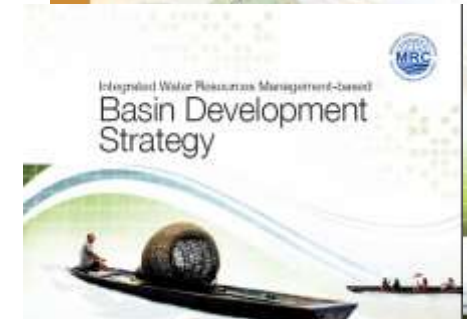
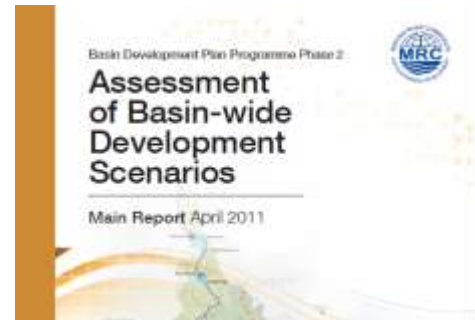


- **Cumulative impact assessment** (2009-2010, review 2014) of the water and related resources development plans (irrigation, hydropower, flood management, water supply, etc) of the riparian countries
- Information on potential benefits and risks in different development scenarios (definite future, foreseeable future, long term future) and on **different indicators (economic, social and environment)**
- For example:
 - Overall incremental economic benefits of all planned developments amount to US\$ 33,386 million NPV (mostly in hydro but also irrigated agriculture, reservoir and rice field fisheries and some in navigation)
 - Main negative impacts are in loss of capture fisheries, wetland area production, biodiversity, and recession rice: a total of US\$ 3,041 million (half of which in the definite future)



Approach and policy influence

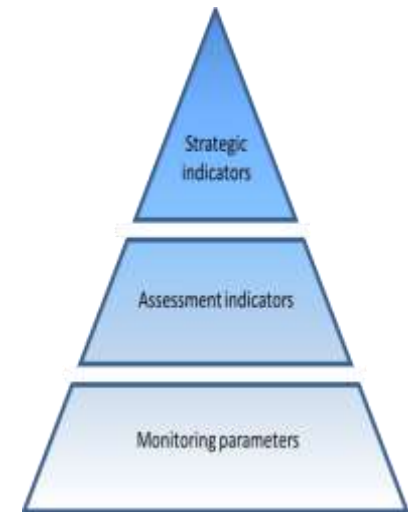
- Participatory approach: international and national experts through the Regional Technical Working Group
- Results communicated through national meetings and stakeholder forums
- Information used to negotiate the first **Basin Development Strategy** (approved by the Council of ministers)
- Implementation of the resulting **Basin Action Plan 2011-2015 (valued \$1 billion)**
 - ✓ *Value for money (value of cooperation)*
 - ✓ *Adaptation of national plans with basin-wide perspectives in the Strategy*
 - ✓ *Improvements of the design of individual projects to minimise impacts (eg Xayaburi mainstream dam: improvements cost 10% of project budget)*



Basin-wide assessments – what we are doing



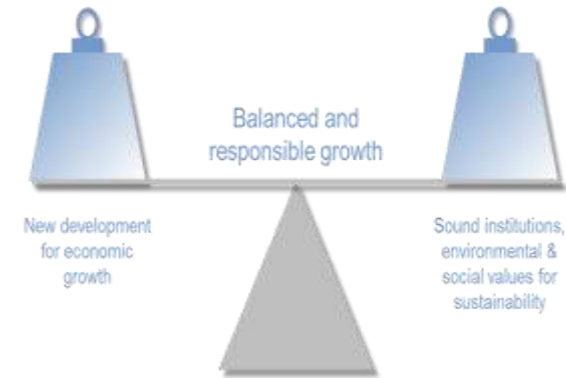
- Although national plans will yield substantial benefits to each country, they are sub-optimal from a basin-wide perspective:
 - *key environmental assets are not protected*
 - *Millions of people in the Mekong Delta are not protected against large floods*
 - *The benefits are not equitably distributed*
- New long-term **exploratory scenario assessment** has been launched which will provide insights to formulate and **assess alternative development plans** for more optimal basin development
- New **Indicator Framework** has been developed
 - *Economic, social, environment, climate change*
 - **Cooperation**



Major trade-offs with geopolitical ramifications



- Balancing development of the Cambodian flood plains for global food security with preservation for flood storage and environmental protection purposes
 - ✓ *Viet Nam and Thailand are among the largest exporters of rice and other agricultural and aquaculture products in the world*
 - ✓ *Now, the last major undeveloped floodplains in SE Asia (Cambodia) are targeted by foreign entities that seek more diversified food types*
- Balancing the development of large-scale navigation, hydropower and flood storage on the Mekong mainstream from China to the South China Sea with preservation of the Mekong for fisheries and a range of social and environmental uses
- Balancing poverty reduction, economic development, energy security and environmental protection (issues of failed states, loss of species and others)



The MRC Indicator Framework will assess the “cooperation” dimension – partly answering the geo-political benefits question



Strategic Indicators (draft)	Assessment Indicators (draft)
Equity of benefits derived from the Mekong River system	<ul style="list-style-type: none"> □ Total social benefits □ Total environmental benefits □ Total economic benefits
Contribution to benefits derived from cooperation	<ul style="list-style-type: none"> □ Levels of engagement: Number and value of projects of basin-wide significance in own country □ Economic value of national benefits gained from projects of basin-wide significance in other countries □ Levels of engagement: Number and value of joint projects □ Economic value of national benefits gained from joint projects
Finance of MRC	<ul style="list-style-type: none"> □ Proportion of MRC budget funded by national contributions during current period □ Ratio of Associated Project Budget to MRC budget during current period
Level of information sharing and participation	<ul style="list-style-type: none"> □ Approved MRC Communication Policy for the current period □ Approved MRC Stakeholder Participation Strategy for the current period □ Approved State of Basin Report for the current period □ Regional workshops held (<i>Governance, PNPCA?</i>) □ National workshops held □ Applications for data granted through MRC data portal □ <i>PNPCA notifications?</i>

Anticipated results of the new scenario assessments



- **Distribution** of national, transboundary and total benefits and costs
- **Common understanding of what transboundary impacts and risks may be considered acceptable** (feeding into the five-yearly updating of the Basin Development Strategy)
- A range of proposed national **projects of basin-wide significance** and the identification of the first truly **joint investment projects**
- **‘Deals’** between countries based on negotiations of benefits and trade-offs
- Decisions on major trade-offs that will shape the future landscape of the Mekong region
- Assessment of benefits derived from cooperation facilitated by the MRC