Sustainable hydropower development and governance in the context of transboundary water resources management: A perspective from MRC

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Overview: Mekong River & MRC
• Rapid economic development in the lower Mekong basin place renewed pressure on basin resources

• Large hydropower potential in LMB being rapidly exploited to meet energy needs and development goals
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

Potential capacity | Has been commissioned | Projects in operation | Hydro power plants are under construction | Hydro power projects under final preparation
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26,000 MW | 3,500 MW | 29 | 44 | 24
FOLLOWING THE FLOW OF THE MEKONG
Over 20 years of transboundary cooperation for (more) sustainable hydropower

2010 onwards 4 prior consultation processes (Projects in Laos)
- Xayaburi (1,285MW, 2011): MRC members reach no conclusion, but agree on CIA ("Council Study"), project proceeds, significant redesign based on MRC technical review
- Don Sahong (260MW, 2014): no conclusion, referral to diplomatic channels, project proceeds
- Pak Beng (912MW, 2017): MRC issues Joint Statement for "post-consultation" process (action plan), project on hold
- Pak Lay (770MW, 2018): ongoing

Submission of 40+ notifications of tributary hydropower projects

1995 Mekong Agreement (incl. Principles on reasonable and equitable utilization, maintenance of mainstream flows, commitment to prevent harmful effects, freedom of navigation)
- 2001-11: New procedural rules and implementation guides
- 2009 Preliminary Design Guidance (PDG) setting performance standards for mainstream hydropower projects

2009 Preliminary Design Guidance (PDG)
- Selenium Environmental Assessment (SEA, 2010)
- Cumulative Impact Assessment ("Council Study", 2017)
- "Mitigation Guidelines" 2017
- Transboundary Environmental Impact Assessment Guidance (BEA, 2017)

2016-18 Learning and Review
- 2016 revision of PDG - full-fledged Design Guidance currently under consideration by MRC governance body, Joint Committee
- Dialogue on lessons learnt of consultation processes
- Commentary note on PNPCA
- Water law / water diplomacy training

1995
2003
2009
2010
2018

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1995

Mekong Agreement
(incl. Principles on reasonable and equitable utilisation, maintenance of mainstream flows, commitment to prevent harmful effects, freedom of navigation)

2001-11. Five procedural rules and implementation guides

   - Requires notification of tributary projects
   - Requires prior consultation of mainstream projects (agreement if dry season inter-basin diversion)

(2)-(5) Procedures for Data exchange / Water use monitoring / Maintenance of flows / Water quality

2009

Preliminary Design Guidance (PDG) setting performance standards for mainstream hydropower projects
2010 onwards 4 prior consultation processes (Projects in Laos)

- Xayaburi (1285MW, 2011): MRC members reach no conclusion, but agree on CIA (“Council Study”), project proceeds, significant redesign based on MRC technical review
- Don Sahong (260MW, 2014): no conclusion, referral to diplomatic channels, project proceeds
- Pak Beng (912MW, 2017): MRC issues Joint Statement for “post-consultation” process (action plan), project on hold
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2010 onwards Hydropower planning tools, guidelines and assessments e.g.

- Strategic Environmental Assessment (SEA, 2010)
- Cumulative Impact Assessment (“Council Study”, 2017)
- “Mitigation Guidelines”, 2017

2016-18 Learning and Review

- 2018 revision of PDG - full-fledged Design Guidance (currently under consideration by MRC governance body, Joint Committee)
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Some Lessons Learnt

- Capacities
- Process knowledge
- Politics
- Stakeholder expectations
How have capacities evolved?

- **Capacity of line agency staff** in member countries still an issue;
- **Project impact attribution** to individual projects still challenging

**Understanding of Basin** characteristics, risks and cumulative impacts

**Standards** of submitted documents
How has knowledge process matured?

Difficult to involve private developers & consultants early

Understanding of consultation process by all stakeholders

Relative independence / confidence by Secretariat staff to communicate and involve stakeholders
Political support for follow-up process remains difficult

Limited acceptance for discussion of tributary developments

Changing perspective: regulatory / approval process → consultative / learning process
High expectations on MRC to compensate for national-level shortcomings or regulate from basin perspective.

Value-added demonstrated by redesign of Xayaburi project; increasing information access.

Increased pressure from notified countries’ stakeholder groups.

Visibility of impacts, also man-made disasters like recent dam failure.

How about stakeholder expectations?
Limitations remain, as MRC is an intergovernmental organisation and can only be so effective as MCs allow it to be.

We keep implementing / reviewing / learning / improving.

So all in all?
Thank you.

https://goo.gl/suzxhV

For more information, please visit:
www.mrcmekong.org/about-mrc/programmes/Initiative-on-sustainable-hydropower/