



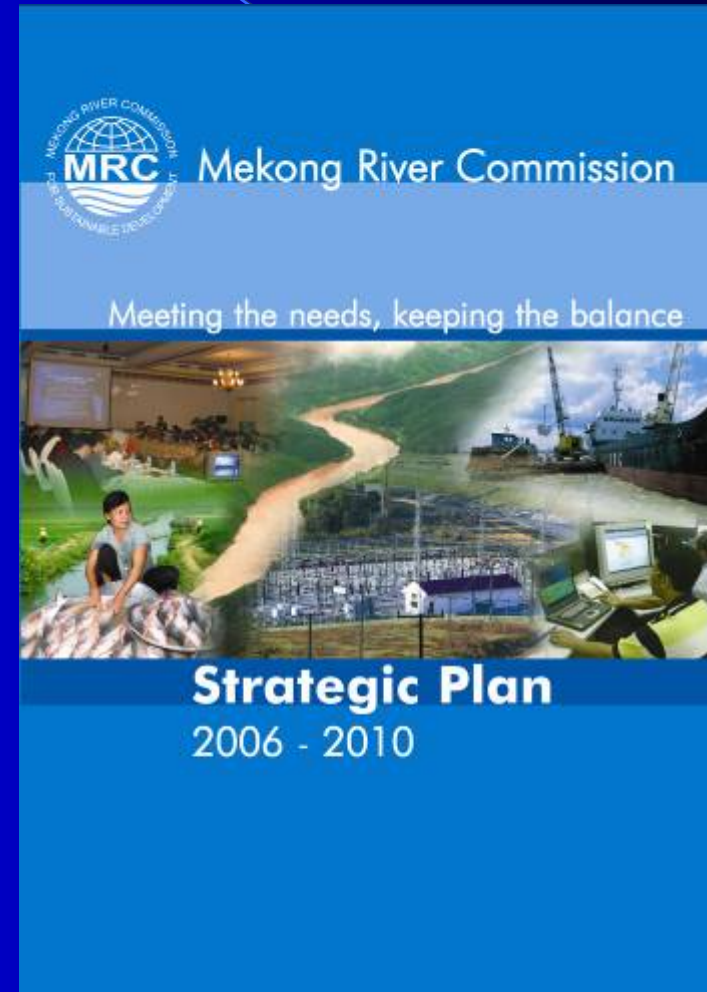
Mainstream dams: MRC's role and procedures for notification and prior consultation

**Jeremy Bird, Chief Executive Officer
MRC Secretariat**

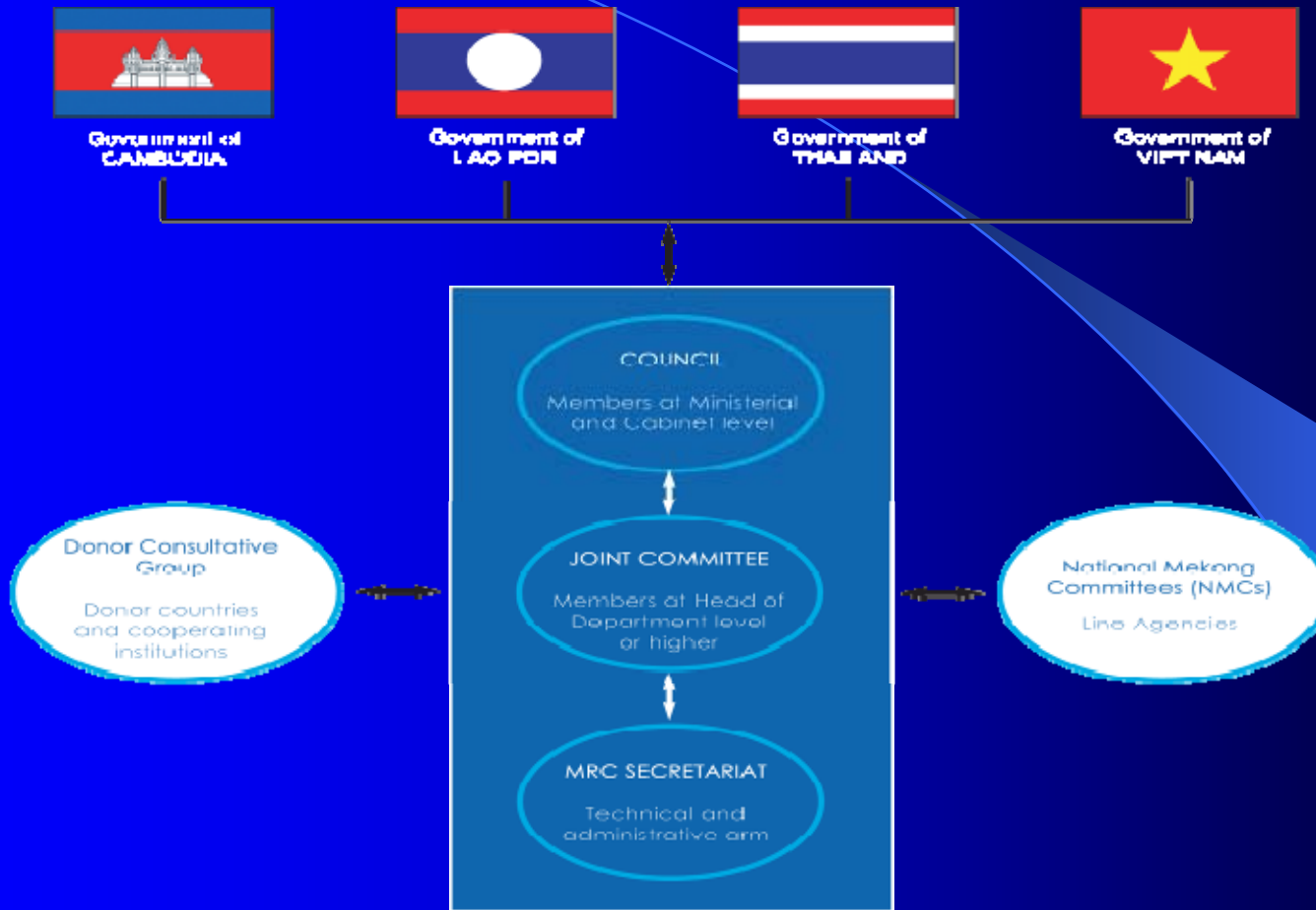




IWRM context – 1995 Mekong Agreement



Dam Affected Peoples Forum, 3 December 2008



Our Dialogue Partners



China



Myanmar



Vision for the Mekong River Basin

**An economically prosperous, socially just
and environmentally sound Mekong River Basin**



Mission of the MRC

**To promote and coordinate sustainable management and
development of water and related resources for the countries'
mutual benefit and the peoples' well-being**



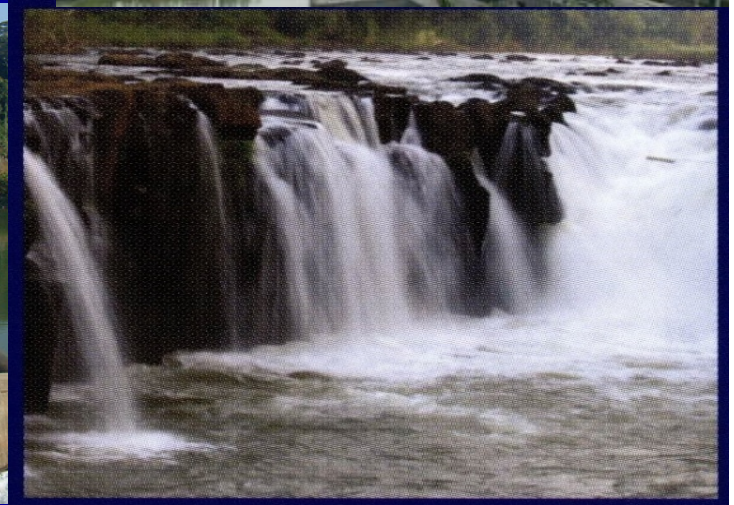
What is MRC ?

- Inter-governmental institution of the 4 member states
- Advisory Body not a supra-national governing body
- Knowledge-based international river basin organization
- Set up by Member States in 1995; emerged from UN based initiative in 1957

Mekong Committee																Interim Mekong Committee										MRC																		
1957	1958	1959	1960	1961	1962	1963	1964	1965	1966	1967	1968	1969	1970	1971	1972	1973	1974	1975	1976	1977	1978	1979	1980	1981	1982	1983	1984	1985	1986	1987	1988	1989	1990	1991	1992	1993	1994	1995	1996	1997	1998	1999	2000	2001



Multi-sector considerations



Rapidly changing development context

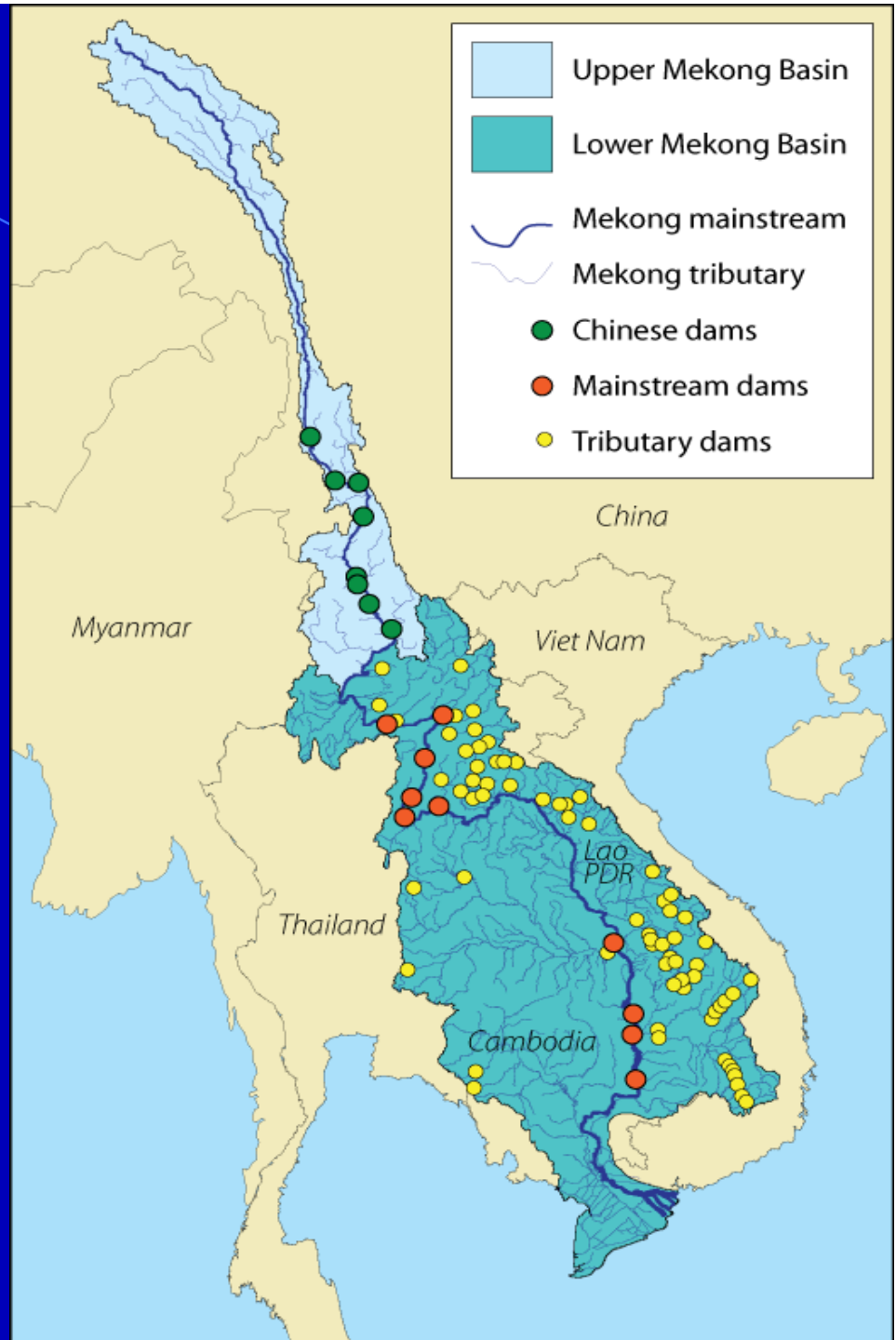
- Underlying trends – growth in population, urbanisation, competition for resources
- Influence of global factors – climate change; high oil, gas and food prices; high commodity prices
- Availability of private sector finance and investment from regional countries
- Future changes in flow regime from upstream developments

leading to

- Resurgence of interest in hydropower development including Mekong mainstream
- Extensive land use changes due to mining concessions (181 concessions in Lao PDR) and plantations (200,000 ha agro-industrial crops by 2010)

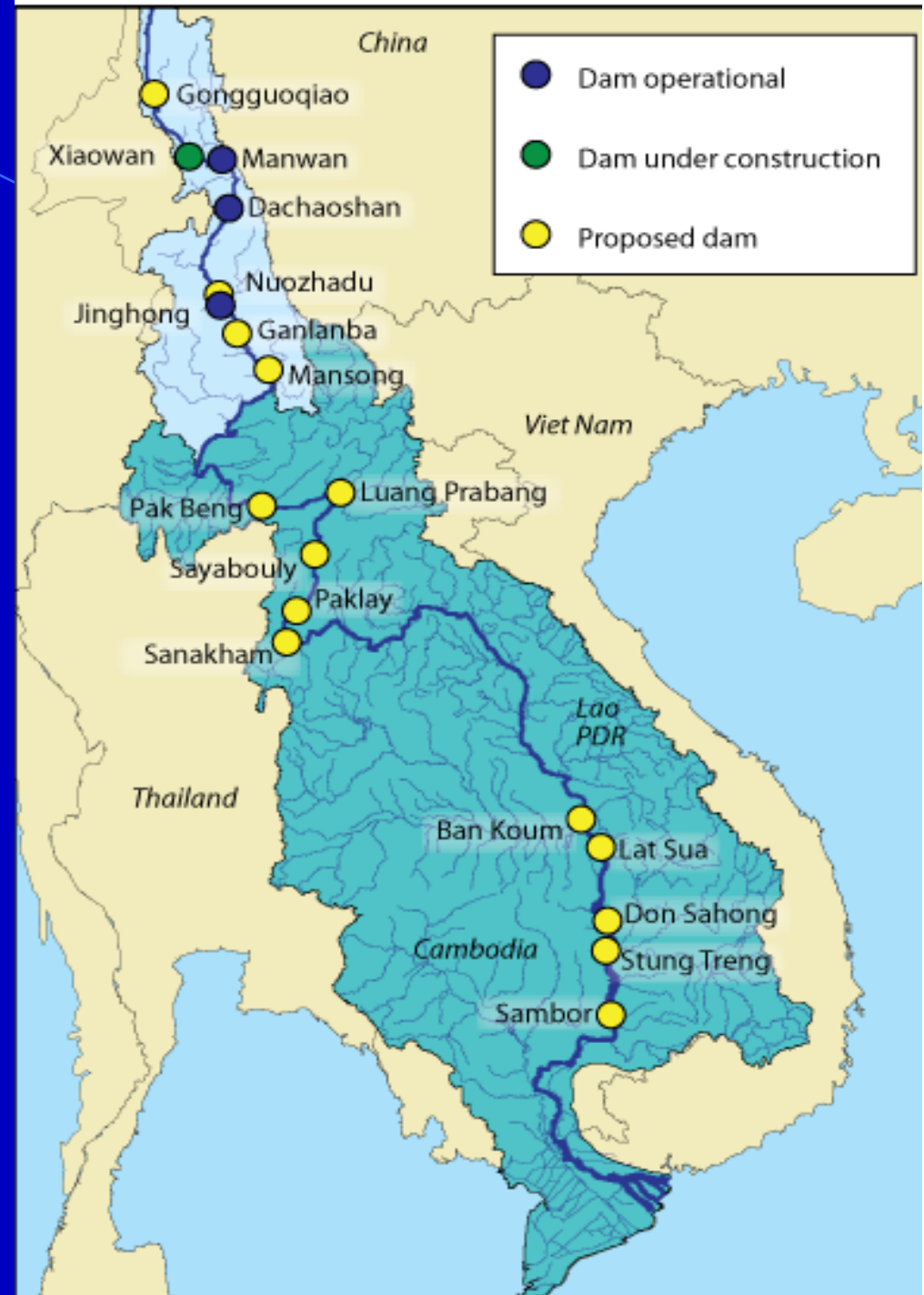
Projected status of hydropower in the Mekong Basin

- includes hydropower dams in operation, under construction and planned



Mainstream hydropower – current status

- Currently, mainstream dams only in China.
- 8-9 being considered in Lao PDR (2 joint with Thailand)
- 2 being considered in Cambodia





Private sector planning system:

- Project selection – based on available master plans and preliminary project site assessments
- Memorandum of Understanding (MOU) for feasibility assessment
- Project Development Agreement (PDA) – right to negotiate a concession agreement (defines project parameters and costs including social and environmental)
- *Notification and Prior Consultation under 1995 Mekong Agreement*
- Concession Agreement and Power Purchase Agreement



MRC supports sustainable hydropower development implemented within the framework of the 1995 Mekong Agreement and which serves the joint interests of its member countries



Article 1: Areas of cooperation

To cooperate in all fields of sustainable development, utilisation, management and conservation of the water and related resources of the Mekong River Basin ...



Article 2: Projects, Programmes and Planning

To **promote, support, cooperate and coordinate** in the development of the full potential of sustainable benefits to all riparian States and the prevention of wasteful use of Mekong River Basin waters... **through the formulation of a Basin Development Plan**



Article 5: Reasonable and Equitable Utilization

To utilize the waters of the Mekong River System in a reasonable and equitable manner ...pursuant to ... Rules for Water Utilization ... (under Article 26).

Article 6: Maintenance of Flows on the Mainstream

To cooperate in the maintenance of flows on the mainstream

6.A: ... no less than the acceptable **minimum** monthly natural **flow** during each month of the **dry season**

6.B: ... acceptable natural **reverse flow** into Tonle Sap...

6.C: ... prevent **average daily peak flows** greater than what naturally occur on the average during **flood season**.

Article 26: Rules for Water Utilization and Inter-basin Diversions

The Joint Committee shall prepare and propose for the approval of the Council, inter alia, Rules for Water Utilization...:

- 1) Time frame for wet and dry season;
- 2) Location of hydrological stations and determining and maintaining flow levels;
- 3) Criteria for dry-season surplus quantities;
- 4) Mechanism to monitor intra-basin use;
- 5) Mechanism to monitor inter-basin diversions from the mainstream.

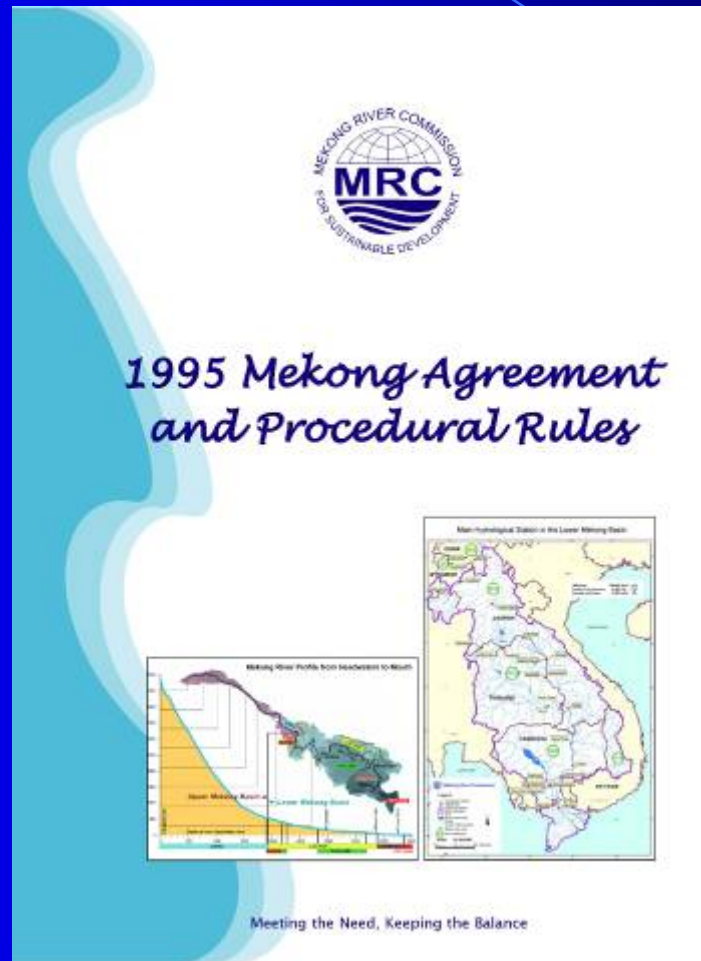


Formal MRC Procedures

- Data and Information Exchange and Sharing, 2001
- Notification, Prior Consultation and Agreement, 2003
- Water Use Monitoring, 2003
- Maintenance of Flows on the Mainstream, 2006
- Water Quality, JC endorsed, awaiting Council approval



Approved and Draft MRC Procedures





Article 5 A and B: Reasonable and Equitable Utilization

	Notification	Prior Consultation	Agreement
A. <u>Tributaries:</u>	XXX		
Wet & Dry Season			
B. <u>Mainstream:</u>			
1. Wet Season			
- Intra-basin Use	XXX		
- Inter Basin Div.		XXX	
2. Dry Season			
- Intra-basin Use		XXX	
- Inter-basin Div.			XXX

Under the MA 95 any hydropower development on the Mekong Mainstream requires Prior Consultation

PNPCA

Main Elements of a Prior Consultation

Existing documents:

- (i) PNPCA (2003);
- (ii) Technical Guidelines on PNPCA (including forms) (2005)

State responsibility for process:

NMCs are submitting party

MRCS:

Proactive assisting role to JC (G-PNPCA II.)

Due diligence requirement before use (PNPCA 5.4.3.)



PNPCA Prior Consultation Minimum Requirement Timeline

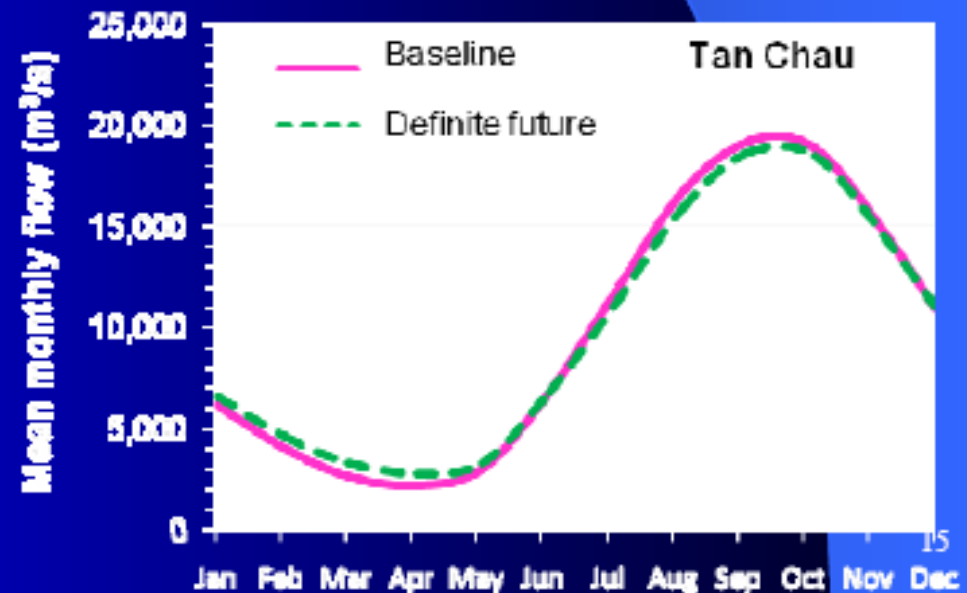
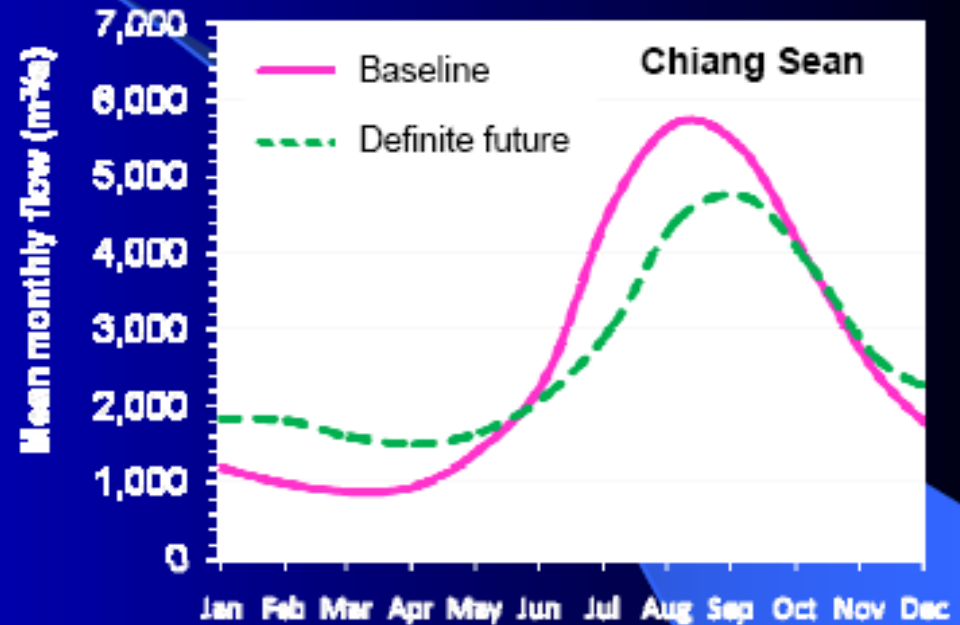
Owner: Compile Submission	Line Agency: to NMC	NMC check: - Complete - Consistent	NMC submit to MRCS	MRCS check; send to JC; cc: NMCs	JC decision	Project start?
			1 month	5 months		
?	?	?	6 months			
				JC can extend ↓ - JC Working Group - MRCS Tech Advisory team - Fact finding / site visit - M/S reply: Form A II B		

MRC activities – providing an integrated framework for assessment

- Basin Development Plan (Development Scenarios, IWRM Strategy, Cumulative Impact Assessment)
- Strategic Environmental Assessment and Regional Macro-economic study
- Fisheries
 - Expert Group Meeting on Barrier Effects of Dams
 - Applied research on migration, feeding, spawning
 - Modeling of survival rates
 - Economic valuation
 - Reservoir fisheries..



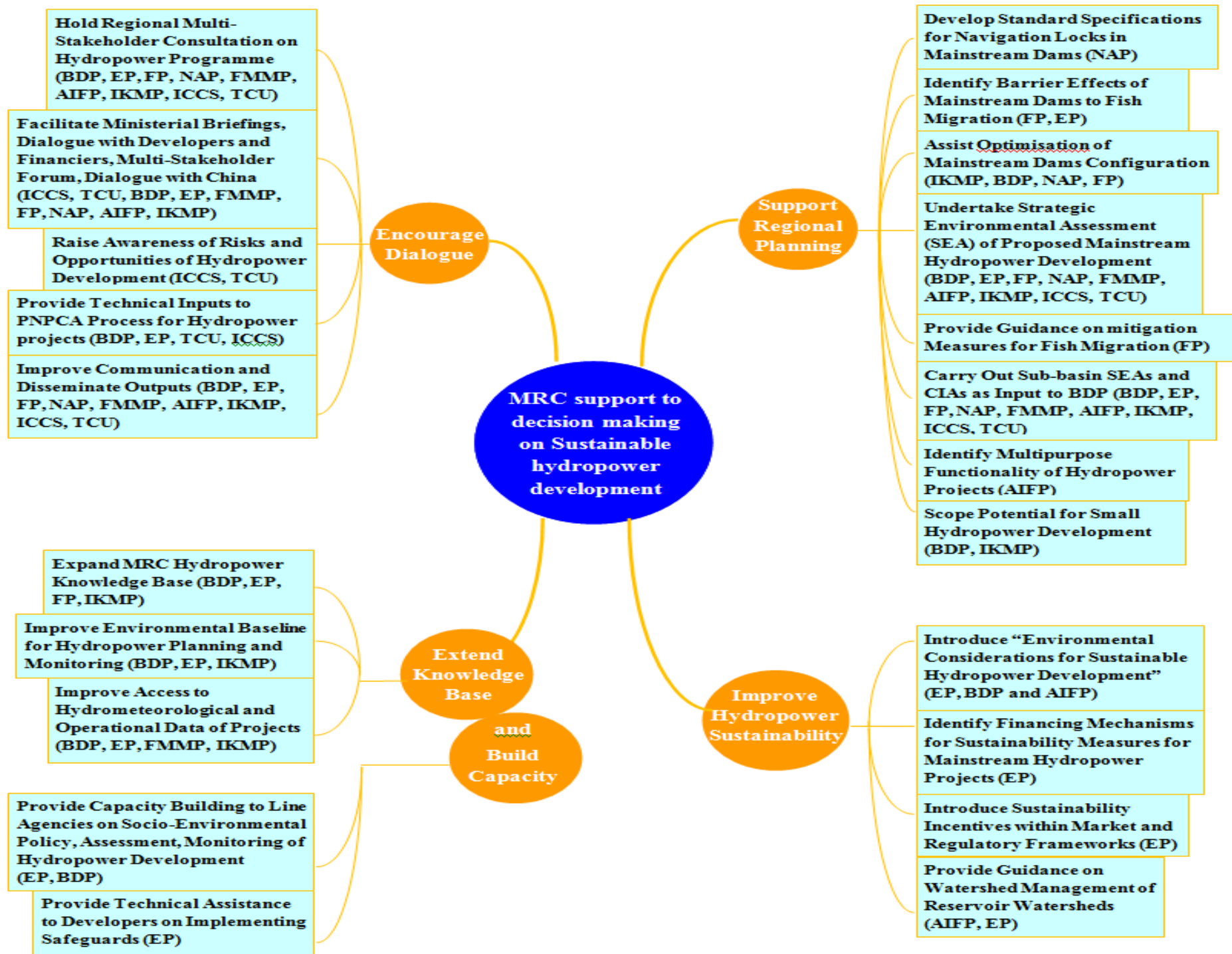
MRC is studying the scale of hydrological and other changes as a result of mainstream and tributary projects in Upper and Lower Mekong Basin





MRC activities – providing an integrated framework for assessment (cont..)

- Sustainability assessment of hydropower (ADB/MRC/WWF joint initiative)
- Change in sediment flows and salinity intrusion
- Sustainable watershed management – benefit sharing
- Guidance on transboundary impact assessment
- Navigation (standard ship lock design)
- Power optimization
- Livelihood consequences of environmental impacts
- ...





How can MRC reflect stakeholder interests?

- Engagement with MRC Programmes (e.g. Basin Development Plan – Fisheries Programme; etc)
- Strategic Environmental Assessment – interaction with representative groups
- Sustainable Hydropower Programme - consultations at various levels
- Project – specific consultation reports
- Possibility of commissioned studies as part of the PNPCA process
- Others – to be discussed – ongoing consultancy...

How can MRC reflect stakeholder interests?



Dam Affected Peoples Forum, 3 December 2008

