CONTESTATION, COOPERATION AND THE TRANSBORDER COMMONS:
The Hydropolitics of Mainstream Dams on the Mekong River

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• The Mekong River: A Transborder Commons
• Regional economic integration and environmental (in)justice
• Cross-border cooperation and contestation
  • Lancang (Upper Mekong) Dams
  • Lower Mekong mainstream dams
• Conclusions
The Mekong (Lancang) River

- The Mekong River passes through 6 countries, with over 70 ethnic groups live along the river
- Economic, political and cultural diversity
- The Mekong is the 12th longest river in the world
- 60 million people live in the Lower Mekong Basin. A further 10 million live in the upper basin
Ecological Connections: A Transboundary Commons

- For 87% of known Mekong fish species, migration is a part of the natural reproductive cycle.
- Sediment movement, water quality and flood pulse timing and character also important to ecosystems.
Fisheries

• The Mekong supports the world’s most productive inland fishery
  • Approximately 2.6 million tonnes harvested annually
  • 40 million people fish at least part-time

• Mekong’s wild-capture fisheries value at first catch estimated to be US$2-3 billion, and US$5.6-9.4 billion total economic value

Chong Kneas floating community, Tonle Sap Lake, Cambodia, managing its resources as a “community fishery”
River bank gardens, aquatic resources, floodplain and irrigated agriculture

2.1 million people live within 5 km of the river; 30 million people live within 15 km of the river.
Remarkable biodiversity and endangered species

Mekong Giant catfish

Irrawaddy Dolphin

www.panda.org/ greatermekong
Cultural and spiritual value

Festivals, boat racing, cuisine, myths....
“Battlefield to Market place”: Regional and Global Economic Integration

- Regional economic integration, rapid economic growth and industrialization
  - Liberalizing investment regime towards an industrialized resource extraction economy
  - Development (and governance) is uneven, and inequality is growing within/ between countries

- Rising demand for electricity
  - Thailand total capacity by 2030 is predicted to double from 32,395 MW to 65,547 MW (… from 2,838 MW in 1982)
  - In Thailand, series of partial-privatizations since the early 1990s
    - The state is major shareholder in several major listed energy companies

Leading to plans for cross-border electricity trade
Domestic and cross-border environmental injustice

The Theun Hinboun Dam, Laos, completed in 1998, affects 29,000 people locally, and exports 95% of its power to Thailand.

A PPP between EdL (Laos), GMS Power (Thai), Statkraft (Norway)

- Pak Mun dam is a long contested project on the Mun River, NE Thailand
- Completed in 1994 with partial support from World Bank
- 1,700 families relocated, and more than 6,200 families affected
Seeking Procedural Justice: Thailand’s Electricity Forecast and PDP is Contested

2006 study showed that 12 of the past 13 estimates by EGAT were overestimates

X Large power projects remain preferred, privileging interests of energy/ construction companies
X Cost plus incentives and captured monopoly electricity market

✓ Energy Regulatory Commission formed in 2007
✓ Some participation in PDP 2010

Thai civil society groups have called on EGAT to reform energy planning and prioritize renewable and decentralized energy projects, DSM and energy efficiency

Environment and social impacts are far less addressed for power import projects
Definite Future Scenario: More widely, projects by 2015 include: dams on the Lancang (Upper Mekong) River in China and 26 significant tributary dams

Foreseeable Future Situations (FFS): up to 2030, that includes irrigation expansion (1.6 million hectares), water supply demands, and an additional 30 tributary dams and potentially 11 mainstream dams

Reduction of capture fisheries from 7% in the DFS to 10% in FFS, an increase of highly impacted environmental hotspots from two to five, and an increase from 1,000,000 to 1,400,000 people exposed to livelihood risks.
Cross border inter-government cooperation: The Mekong River Commission (MRC)

- **Strengths include:**
  - Mekong Agreement, procedures and protocols
  - Knowledge production (but expert-led)
  - Data sharing and an avenue of communication

- **Weaknesses include:**
  - Governments negotiate according to their “national interest”
  - Centers of power’s interest distant from riparian interest and hold a development mindset
  - Catch 22 of state interest versus legitimacy
  - China’s absence

Water is seen as a regional common good, but not so explicitly other natural resources.
Lancang (Upper Mekong) dams and Navigation Improvement

- 8 dam cascade for the Lancang
  - Developed under “West to East” policy
  - Three complete (Manwan 1996, Dachaoshan 2003, Jinghong 2009)
  - Two in process of commissioning (Nuozhadu, Xiaowan)
  - Three planned (Ganlanba, Mengsong, Gongguoqiao)

- Limited transboundary assessment, options assessment, inter-state cooperation or public consultation

- Communities and NGOs in Northern Thailand and Laos have recorded loss of fish and aquatic resources, river bank erosion, and loss of sandbanks impacting local livelihoods and economy
11 Proposed Mekong Mainstream Dams

- Project developers are from China, Malaysia, Thailand, and Vietnam
- The electricity is largely for cities in Thailand and Vietnam
- Xayaburi Dam is at the most advance stage of decision-making
  - Located in Northern Laos
  - Export electricity to Thailand
Cross-border investment: Xayaburi project developers/ financiers

• Ch Karnchang (50%)
• Partners since March 2011 (Xayabouri Power Company Limited):
  • PTT plc (25%)
  • EGCO (12.5%)
    • EGCO is 25% owned by EGAT
  • BKK Expressway (7.5%)
  • PT Construction and Irrigation (5%)

• Proposed Financiers
  • Kasikorn Bank,
  • Bangkok Bank,
  • Siam Commercial Bank
  • Krung Thai Bank
  • Thai Export-Import Bank

Project data
• 820 m long, 48 m high
• 1,260 MW
• 95% of electricity exported to Thailand
• Cost is US$3.5 billion
Contracts and commissioned studies, and … construction

- MoU signed in May 2007
- An MRC-commissioned SEA report started in June 2009, and launched in October 2010
- Regional MRC process initiated in September 2010, and claimed by GoL to be concluded in July 2011
- Power Purchase Agreement signed in Oct 2011
  - EGAT “fast-tracked” the project
- “Ground breaking” in Nov 2012

Ch. Karnchang confirms that construction has been underway since late 2010
Local and cross border impacts

- Project Opponents Highlight:
  - Inundate approximately 2,130 people from 10 villages.
  - More than 200,000 people located nearby would be affected, including in neighboring countries.
  - Changes to aquatic habitat and ecosystem of the river by blocking a fish migration route to upper reaches to Chiang Khong, Thailand.
    - Up to 41 fish species would be at risk of extinction, including the critically endangered Giant Mekong Catfish.
  - EIA is poor quality and does not examine cross border impacts.
  - Opens the way to 5 other mainstream dam projects.
Cross-border investment “benefits”

- Project proponents highlight:
  - Ensuring Thailand’s Energy Security, and generation of cheap electricity
  - Regional cooperation bringing “development” to Laos, via FDI and project revenues for Laos government

Seeks to reframe the river from the river as a common pool resource central to the livelihoods of riverside fishing and farming communities to the river as a common good for regional economic cooperation and growth…
Behind this legitimizing discourse, however, is a process of accumulation by dispossession that would either fully enclose or otherwise degrade the common pool resources currently accessed by riparian communities, and transform the river into a new source of profit for private-sector dam developers.

“Ch Karnchang, Thailand's second-biggest building contractor, has a 57 percent share in the project, .... Shares in Ch Karnchang rose 5.7 percent on Monday to 9.3 baht, their highest since January 2011, and climbed another 2.7 percent on Tuesday at one point before ending down 0.5 percent.” (Reuters, 7.11.12)
Local, national and transnational civil society
Map of the Mekong Ecosystems along Thai-Lao Border

Local Knowledge-based Research by Riverine Communities
Sharing the Transboundary Commons

• The Lancang Cascade and Xayaburi Dam have tested both intergovernmental cooperation and national government accountability to the public on the Mekong River
• World Commission on Dams, priority 7, highlights “Sharing Rivers for Peace, Development and Security”
• Investment flows across borders more readily than responsibility
  – Laos government, in MRC meetings, has asserted its sovereign right to development
  – Thailand’s Energy Regulatory Commission and EGAT claim their mandate and responsibility ends at the border
  – Relatively unaccountable power-sector planning in Thailand
Sharing the Transboundary Commons

• Access to Justice in Thailand testing responsibility *across borders*
  
  – May 2012: Thai National Human Rights Commission initiated an investigation into Xayaburi Dam
  
  – August 2012: Thai communities submitted case to Thai Administrative Court suing EGAT, the Thai Cabinet, and three other state entities

• The need for more accountable and transparent power planning in Thailand, including to avoid the risk of state-capture by energy and construction companies

• The principle of the full inclusion of river-side communities in decisions taken over the future of the river is necessary, not as a privilege but as a right, based on the common inheritance of the Mekong River as a resource shared by all.
Thank you for listening

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