



25 January 2011

By FAX and Email

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Minister of Water Resources and Meteorology
Chairman of Cambodia National Mekong Committee
Member of the MRC Council for Cambodia

H.E. Mr. Suwit Khunkitti

Minister of Natural Resources and Environment
Chairman of Thai National Mekong Committee
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H.E. Ms Khempheng Pholsena

Minister to the Prime Minister's Office
Head of Water Resources and Environment Administration (WREA)
Chairperson of Lao National Mekong Committee
Member of the MRC Council for the Lao PDR

H.E. Dr Pham Khoi Nguyen

Minister of Natural Resources and Environment
Chairman of Viet Nam National Mekong Committee
Member of the MRC Council for Viet Nam

Subject: Request for MRC Council to halt the current PNPCA process on the Xayaburi Dam, to endorse the MRC's SEA report's findings, and commit to evaluate all options for meeting the Mekong region's water and energy needs through a credible and objective public process.

Dear Respected Members of the MRC Council,

On the occasion of the Mekong River Commission's 17th Meeting of the MRC Council, we write to urge the MRC member governments to take urgent measures to ensure that the decision over the proposed Xayaburi Dam on the Mekong River's mainstream in Xayaboury province, Lao PDR, along with other planned Mekong mainstream dams, uphold

international standards of public accountability and transparency, and ensure that the opinions of Mekong riparian communities are central to any decision taken.

In our earlier letter to the MRC Council, dated 1st December 2009, we submitted to the MRC Council a 23,110 signature petition that urged the MRC Council to keep the Mekong River flowing freely, and to consider better ways to meet the region's electricity needs. The letter also asked the MRC Council to direct National Mekong Committees to urgently facilitate a strong and trusted consultative process both at the national and local level on development options for the Mekong River, which would also guarantee the participation of riparian communities who would be affected by any proposed project.

The MRC commissioned a Strategic Environmental Assessment (SEA) study in May 2009, in order to aid decision making and provide a crucial appraisal of the mainstream dams' costs and benefits at a cascade level. The SEA study concludes that construction of dams on the Mekong River's mainstream would irreversibly undermine the ecology and economic productivity of the river and will place at risk the livelihoods and food security of millions of people who depend upon the river's resources. The study goes as far as stating the proposed developments have the potential to create international tensions within the Lower Mekong Basin. **The SEA study's final conclusion is: "The state of knowledge about the Mekong is not considered adequate for making an informed decision about mainstream dams at this time" (p.135).** It recommends that decision-making on Mekong mainstream dams, including the Xayaburi Dam, be deferred for 10 years due to the massive risks and impacts associated with the projects, and the need for over 50 more critical studies to ensure that decision-makers are fully informed on these risks. The sixteen month SEA study entailed comprehensive research that compiled state-of-the-art scientific knowledge of the Mekong River system and undertook a regional consultation process with government agencies, donors and civil society, which was welcomed by the civil society organizations that participated in the process. The SEA report echoes concerns raised by the Save the Mekong coalition regarding the high impacts of Mekong mainstream dams on the Mekong River ecosystem and its people.

On 22 September 2010, the MRC announced the initiation of the Procedures for Notification, Prior Consultation and Agreement (PNPCA) process for the Xayaburi Dam on the Mekong River's mainstream in Xayaboury province, Lao PDR, following the submission of the Xayaburi Dam's project documents to the MRC Secretariat by the Lao PDR government. The initiation of the PNPCA process on the Xayaburi Dam commenced three weeks *before* the release of the SEA report on 15th October 2010. However, internationally accepted notions of due process would require the SEA report to be released and considered *before* the PNPCA process is initiated.

We are gravely concerned that an informed decision regarding the Xayaburi Dam cannot be made under the present circumstances. We have observed that to date the PNPCA process for the Xayaburi Dam is fundamentally flawed for the following four reasons:

- The SEA study identifies that there are many risks and uncertainties at present and recommends that no decision be taken for at least 10 years. The initiation of the PNPCA process for the Xayaburi Dam contradicts this recommendation of the SEA study.
- Key project documents for the Xayaburi Dam, such as the Environmental and Social Impact Assessment, have not been publicly disclosed. Without the release of these documents in regional languages, public comment on the project remains incomplete. As public information disclosure and transparency are cornerstones of meaningful consultation, the current process is critically flawed.
- The PNPCA consultation road map, as recently announced by the MRC in December 2010, does not necessitate that consultations be organized in each member country nor does it guarantee broad and meaningful multi-stakeholder consultation¹. At the first PNPCA consultation held on 14th January 2011 in Can Tho province, Vietnam, participants noted that access to the consultation was restricted and that people whose livelihoods are most at risk from the mainstream dams were not invited to participate. Many of the invited experts present at the meeting, however, recommended that the Xayaburi Dam be cancelled and that further studies be conducted. At the second PNPCA consultation held on 22nd January 2011 in Chiang Rai province, Thailand, invited participants overwhelmingly concluded that the Xayaburi Dam should not be built and that consultation that occurred was not meaningful nor should it be considered a consultation, as insufficient time and information was provided to participants.
- The MRC has failed to provide information on how it will ensure that the SEA study recommendations and the overall cumulative impacts of the Mekong mainstream dams will be given due consideration in the PNPCA decision-making process. To date, the full SEA report has not been translated into local languages, and national or regional consultations have not been held on the final report².

Given these serious flaws, we respectfully reiterate our request in a letter dated 13th October 2010 to Mr. Jeremy Bird, CEO of the MRC, to call a halt to the current PNPCA process of the Xayaburi Dam. We believe that consideration of the Xayaburi Dam is only meaningful after a full range of potential alternatives and possible impacts are thoroughly assessed and disclosed for public scrutiny.

Existing analysis from the MRC's own Strategic Environment Assessment (SEA) study demonstrates the massive impacts of the Xayaburi Dam. The Xayaburi Dam would inundate approximately 2,100 people from 10 villages, some of whom will be compulsorily relocating for the fourth time in 15 years. In addition, more than 202,000 people located near the

¹ The SEA study itself recommends such consultation occurs (p.148).

² The SEA study makes a number of recommendations in relation to the PNPCA process, including: the Environmental Social Impact Assessment of the proposed project should include a detailed assessment of cumulative impacts and its contribution to these; a due diligence review of the developers' performance in applying national social, economic and environmental safeguards and safety procedures, and the developers' plans to address climate change (p.148). The SEA study also recommends "The deferment period needs to commence with a systematic distribution of the SEA report within each [Lower Mekong Basin] country in national languages and consultation with line agencies, private sector and the NGO community." (p.24)

Xayaburi Dam would suffer impacts to their livelihoods, income and food security due to a loss of agricultural land and riverbank gardens, an end to gold panning activities and difficulty accessing non-timber forests products. The dam would change the aquatic habitat and ecosystem of the river by blocking a vital fish migration route that allows fish to travel to the upper reaches of Luang Prabang in Lao PDR, and Chiang Khong and Chiang Saen in Thailand, thus disrupting the lifecycle necessary for fish, including their spawning, breeding and growth. The SEA notes that the upper stretch of the Mekong River, where the Xayaburi Dam is located (“Zone 2”), would be most affected in terms of biodiversity. Up to 41 fish species would be at risk of extinction, including the critically endangered Mekong Giant Catfish.

The research undertaken to date – including the SEA report - indicates the grave economic, social and ecological threats, both domestic and transboundary, to the Mekong River ecosystem from the proposed Lower Mekong mainstream dams. Given the enormous risks and costs the mainstream dams pose to the livelihoods and food security of millions of riverside people in the region and as the Council is responsible for the overall governance of the MRC and have reaffirmed their committed to the sustainable development of the Mekong River and its resources in April 2010, **we respectfully urge the Council to:**

- 1. Halt the current PNPCA decision-making process on the Xayaburi Dam, as recommended by the SEA report to defer decision-making for 10 years, and commit to evaluating all options for meeting the Mekong Region’s water and energy needs through a credible and objective public process. Urgent further research on the opportunities for investment in sustainable alternative energy technologies and improved energy efficiency measures should feed into this process.**
- 2. Endorse the SEA report’s findings and commit the MRC and respective governments to fully disclose existing information concerning each mainstream dam project.**
- 3. Commit to ensure that any future public hearings, including on the Xayaburi Dam, be designed and directed from the outset in a participatory manner thus ensuring that the opinion of the people who would be affected by any proposed infrastructure project be heard and accounted for.**
- 4. Affirm a commitment towards protecting the Mekong River’s rich environmental and economic productivity, and ensuring that the Mekong River remains healthy and free-flowing for the livelihoods of present and future generations.**

We believe that a healthy Mekong River is central to ensure sustainable economic growth, protect food security and promote regional peace and prosperity, and that more sustainable alternative energy solutions could better meet the region’s needs without undermining the very resource that is already generating significant economic, cultural, and social benefits.

Thank you for your kind consideration of this letter.

Yours sincerely,

Bank Information Center, USA

Both Ends, the Netherlands
Cambodian Rural Development Team, Cambodia
Cambodia Volunteer for Society
Center for Water Resources Conservation and Development (WARECOD), Vietnam
Community Economic Development, Cambodia
Earthrights International, USA
Fisheries Action Coalition Team, Cambodia
Focus on the Global South, Thailand
Foreningen for Internasjonale Vannstudier (FIVAS), Norway
International Rivers, USA
Kanal, Mekong School Alumni, Cambodia
Mangrove Action Project, USA
Manna Gum, Australia
Mekong Monitor, Tasmania
Mekong Watch, Japan
Moving Mountains, China
NGO Forum on Cambodia
People and Nature Reconciliation (Trung tam Con nguoi va Thien nhien), Vietnam
Piseth Nov, Mekong School Alumni, Cambodia
Tanasak Phosrikun, Mekong School Alumni, Thailand
Tipakson Manpati, Mekong School Alumni, Thailand
Towards Ecological Recovery and Regional Alliance (TERRA), Thailand
Vietnam Rivers Network
3S Rivers Protection Network, Cambodia

CC:

Joint Committee of the Mekong River Commission

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Chairperson of the MRC Joint Committee for 2010/2011
Member of the MRC Joint Committee for Cambodia
Cambodia National Mekong Committee

Mr. Chote Trachu
Permanent Secretary
Ministry of Natural Resources and Environment
Vice-Chairman of Thai National Mekong Committee
Member of the MRC Joint Committee for Thailand
Thai National Mekong Committee

Mme. Monemany Nhoybouakong
Permanent Secretary, Water Resources & Environment Administration
Member of the MRC Joint Committee for Lao PDR
Lao National Mekong Committee Secretariat

Dr. Le Duc Trung
Director General
Member of the MRC Joint Committee for Viet Nam
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Mekong River Commission Secretariat

Mr. Jeremy Bird, CEO

Save the Mekong Coalition

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