The Lancang-Mekong Cooperation Framework:–
Implications for ASEAN & Thailand

By

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Policy Forum on *Understanding the Lancang-Mekong Cooperation Framework and China’s Role in the Mekong Region*

Chulalongkorn University, Bangkok, Thailand

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Major Belt and Road Initiative projects

- Silk Road Economic Belt
- 21st Century Maritime Silk Road

**China-Belarus Industrial Park**
**BELARUS**
Located on outskirts of Minsk, 91.5-sq.-km zone will be largest Chinese-built industrial park abroad

**China-Thailand Railway**
To be Thailand’s first standard-gauge railway, with planned length of 900km

**China-Laos Railway**
China’s first foreign railway project with planned direct link to its domestic rail network

**Addis Ababa-Adama Expressway**
**ETHIOPIA**
First expressway in Ethiopia, East Africa

**Mombasa-Nairobi Railway**
**KENYA**
First 471km section of planned East Africa railway network

**Gwadar Port Free Zone**
**PAKISTAN**
To be modeled after Shekou Industrial Zone in Shenzhen, China, with port, industrial park, residential, business areas

**Jakarta-Bandung Railway**
**INDONESIA**
Expected to promote Indonesia’s economic development

**Colombo Port City**
**SRI LANKA**
Entails initial direct investment of $1.4 billion; total floor area will exceed 5.3 million sq. meters

Sources: Mizuho Research Institute, Chinese government data, Xinhuanet, others
Recent Geo-Political Trends

- Rise of China and flexing its muscle → Belt & Road Initiative (BRI), South China and East China seas & other maritime issues, Mekong Sub-region Development with its opportunities & challenges as well as up and downside considerations ASEAN & GMS integration
- Potential counter-weights → US, Canada, Japan, ROK, India, Australia New Zealand, EU. *All are Dialogue Partners of ASEAN along with China*
- Some form or variation of Indo-Pacific Strategy proposed by the key proponent countries → US, Australia, Japan and India
- Recent developments → *Norway, Switzerland and Turkey became Sectoral Dialogue Partners in addition to Pakistan, as well as Germany becoming a Development Partner of ASEAN*
- Regional integration and connectivity frameworks → GMS/ASEAN wide as potential connecting links to BRI/LMC and Indo-Pacific Strategy and other such schemes
Emerging Development Trends – Mekong area

• Increasing regionalism and integration.
• Improved connectivity and cooperation.
• Transport corridors and facilitation.
• Telecommunication links.
• Energy grid & trade – Laos, Myanmar, China(Yunnan) as major producers and Cambodia, Thailand, Vietnam as main consumers.
• Greater trade and flow of goods, services and people.
• Increased tourism promotion and activities.
• Hydropower and other infrastructure initiatives.
• Potential downside effects of these developments.
• Climate variability and other natural & man-made risks.

Potential cooperation opportunities as well as risks for development of conflicts/disputes
Infrastructure Connectivity Galore and Economic Market Place

- Master Plan on ASEAN Connectivity (MPAC)/ASEAN Economic Community (AEC), AMBDC, IAI, ASEAN FTAs with various Dialogue Partners including China
- Economic Corridors under ADB-GMS program
- Lancang-Mekong Cooperation (LMC) driven by China
- One Belt One Road Initiative and LMC under the theme of One Shared River and One Future
- Establishment of the New Development or BRICS Bank and Asian Infrastructure Investment Bank (AIIB) led by China
- Mekong sub-regional cooperation frameworks with several external partners like China, India, Japan, ROK, US and ADB
- Other sub-regional/regional frameworks like ACMES, BIMSTEC, ACD, CL(M)V, etc.
- Other economic-focused frameworks RCEP, CPTPP, APEC
Lancang-Mekong Cooperation (LMC)

- New kid on the block within the Mekong geographic framework and driven by China and comes with funding
- Some positive aspects such as inclusive of all key indigenous/riparian countries including China
- But also some fears that China will predominate if not dictate altogether
- What would be the added value of LMC vs other existing cooperation frameworks in the GMS?
- One perspective is to consider it like the creation of AIIB – try to ensure that it really adds value and adhere to certain international standards, norms & practices
Why the Lancang-Mekong River Basin matters immensely to Southeast Asia?
<table>
<thead>
<tr>
<th>Framework</th>
<th>Year Established</th>
<th>Membership</th>
<th>Level of Interaction</th>
</tr>
</thead>
<tbody>
<tr>
<td>Mekong River Commission (MRC)</td>
<td>1957 as Mekong Committee; became MRC in 1995</td>
<td>ASEAN4*; China &amp; Myanmar are observers; plus numerous donor partners</td>
<td>C/SO, Ministerial &amp; Leaders</td>
</tr>
<tr>
<td>Greater Mekong Sub-regional Economic Cooperation Program (GMS)</td>
<td>1992; initiated by the Asian Development Bank (ADB)</td>
<td>ASEAN5 + China</td>
<td>C/ SO, Ministerial &amp; Leaders</td>
</tr>
<tr>
<td>ASEAN-led initiatives with China such as the various ASEAN-China Plans of Action and ASEAN Mekong Basin Development Cooperation (AMBDC)</td>
<td>Since the 1990s</td>
<td>ASEAN10 + China</td>
<td>C/SO, Ministerial &amp; Leaders (latter only for ASEAN-China Summit)</td>
</tr>
<tr>
<td>Cambodia, Lao PDR, Viet Nam (CLV) Development Triangle Area</td>
<td>1999</td>
<td>ASEAN3*</td>
<td>C/SO, Ministerial &amp; Leaders</td>
</tr>
<tr>
<td>Initiative for ASEAN Integration (IAI)</td>
<td>2000</td>
<td>ASEAN10</td>
<td>C/SO</td>
</tr>
<tr>
<td>Agreement on Commercial Navigation on Lancang-Mekong River</td>
<td>2000</td>
<td>ASEAN3** + China</td>
<td>C/SO</td>
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<tr>
<td>Mekong-Ganga Cooperation (MGC)</td>
<td>2000</td>
<td>ASEAN5 + India</td>
<td>C/SO &amp; Ministerial</td>
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<tr>
<td>Ayeyawady-Chao Phraya-Mekong Economic Cooperation Strategy (ACMECS)</td>
<td>2003</td>
<td>ASEAN5</td>
<td>C/SO, Ministerial &amp; Leaders</td>
</tr>
<tr>
<td>Cambodia, Lao PDR, Myanmar and Viet Nam (CLMV) Cooperation</td>
<td>2003</td>
<td>ASEAN4**</td>
<td>C/SO, Ministerial &amp; Leaders</td>
</tr>
<tr>
<td>Mekong – Japan Cooperation</td>
<td>2007</td>
<td>ASEAN5 + Japan</td>
<td>C/SO, Ministerial &amp; Leaders</td>
</tr>
<tr>
<td>Lower Mekong Initiative (LMI) &amp; Friends of LMI (FLMI)</td>
<td>2009</td>
<td>ASEAN5 + US, and including several other external partners for FLMI</td>
<td>C/ SO &amp; Ministerial</td>
</tr>
<tr>
<td>Mekong – Republic of Korea (ROK) Cooperation</td>
<td>2011</td>
<td>ASEAN5 + ROK</td>
<td>C/SO, Ministerial &amp; Leaders</td>
</tr>
<tr>
<td>Mekong – Republic of Korea (ROK) Cooperation</td>
<td>2015</td>
<td>ASEAN5 + China</td>
<td>C/SO, Ministerial &amp; Leaders</td>
</tr>
</tbody>
</table>

**Major Inter-governmental Cooperation Frameworks in the Mekong Sub-region**

Adapted from Apichai Sunchindah, "Why the Lancang-Mekong River Basin matters immensely to Southeast Asia", in "Thinking ASEAN", Issue 37, ASEAN Studies Program, the Habibie Center, June 2018

**Key:**

- ASEAN3*: Cambodia, Lao PDR, Viet Nam
- ASEAN3**: Lao PDR, Myanmar, Thailand
- ASEAN4*: Cambodia, Lao PDR, Thailand, Viet Nam
- ASEAN4**: Cambodia, Lao PDR, Myanmar, Viet Nam
- ASEAN5: Cambodia, Lao PDR, Myanmar, Thailand, Viet Nam
- ASEAN10: All ten ASEAN Member Countries
- C/SO: Committee/Senior Officials
As Dr. Termsak Chalermpalanupap, a seasoned ASEAN observer, had recently noted in a 2016 Institute for Southeast Asian Studies article *ASEAN and the Mekong River*

“With so many Mekong cooperation processes on the ground involving different sets of participants pursuing different objectives, how effective the international efforts have been in assisting the poor riparian countries in addressing transnational development policy issues and harnessing the vast resources of the Mekong River remains a big question. Nevertheless, by ensuring that the primary interests of five of its member states are put front and centre vis-à-vis external parties, ASEAN has a crucial role to play, and should take up a more active role, in resolving that most important question.”

→ Need for overall coordinator/conductor for more effective and timely delivery of outcomes and outputs.
Key Issues

• Integrated, transboundary & multi-stakeholder analyses/approaches.
• Equity issues – winners and losers/distribution of B/C over space, time and population groups. Trade-offs between economic and socio-environmental objectives.
• Upstream-downstream & lateral linkages.
• Dispute resolution and conflict mediation mechanisms.
• Creating of “space” for dialogue, participation and accountability.
• Mechanisms for developing and fostering of communal purpose and collective good initiatives.
• Forging a sense of common identity, solidarity and peaceful coexistence amidst diversity and plurality.

Challenge of “Meeting the Needs and Keeping the Balance” – MRC motto
Meeting the Needs and Keeping the Balance
Main Challenges

- Growing influence & assertiveness of China & other powers.
- ↑ Energy & water demand over time among riparians.
- ↓ Water availability with time – environmental & other factors.
- Likely ↓ in water quality in the future with ↑ use & likely pollution.
- ↑ Use of waterway for transport → environ. & other impacts.
- Most riparians are engaged in dam building (skeletons in closet).
- Objective assessment and open discussion fora on the pros and cons of dams & other development schemes.
- Water flows naturally downstream but the power to control the water lies upstream (often even outside of the basin boundaries).
- Likely ↑ in water conflicts in near future requiring equitable & effective water sharing as well as dispute settlement measures.
- Potential disaster in the making? - Tsunamis in the Mekong?
Main Challenges (Cont’d)

• Each cooperation framework operating more or less independently.
• Lack of sufficient consultation and coordination among the frameworks.
• Water usually treated as just on its own without considering inter-relations or inter-connectivity with other pertinent areas.
• Nexus-type of cross-sectoral analyses such as Water-Energy-Food or Infrastructure-Environment-Livelihoods are rather rare but becoming increasingly important.
• Projects on water resources are by and large confined to national or sub-national levels and very little are of a truly transboundary or cross-national in nature.
• As a result, activities are mostly piece-meal and siloed and seldom provide the big picture analysis of the situation on water and its interacting sectors.
Opportunities

• Some efforts being made to addressing related issues in a nexus-type manner, notably in the current US-LMI action plan where this is identified as a cross-cutting issue.
• Increasing realization among concerned parties to transboundary nature of problems and need to address them accordingly.
• US-LMI has attempted through its Friends of the LMI (FLMI) forum to initiate some form of consultation among the relevant parties but one significant Mekong riparian member country (China) is absent.
• The Chinese-driven LMC is ostensibly open to engagement with other relevant parties such as ASEAN/AMBDC, MRC, GMS.
• The Chinese-led Asian Infrastructure Investment Bank (AIIB) can perhaps serve as a good precedence whereby other external partners are involved as stakeholders.
• Japan and China have held up to five meetings over the past decade of a policy dialogue nature pertaining to the Mekong Region.
• 2018 provides a rare opportunity where summit-level meetings relevant to Mekong-subregional issues take place – the LMC in January, the GMS in March, the MRC in April and the ACMES in June.
• ASEAN leaders, at their summit in Oct. 2013 have expressed in the Chairman’s Statement, their recognition of the importance of preserving, managing and sustaining use of water resources in the region “including assessing impacts that economic development has on the environment and people’s livelihoods in major river basins including the Lower Mekong Basin”.
• The joint ASEAN-China Plan of Action for 2016-2020 contains a section on Mekong River Basin and Sub-Regional Development which includes reference to cooperative activities on “water quality, sustainable usage and management of water resource”, among other things.
Some hopeful signs

• While Xayaburi (Thai) and Don Sahong (Malaysian) could represent AEC-driven cross-border investments → the 2025 AEC Blueprint is the greenest and most people-oriented compared to earlier versions.

• Lancang-Mekong Cooperation framework includes water resources issues on the agenda → possible game changer for better but for some worse?

• Pending court cases in Thailand of transboundary effects due to dam/reservoirs → keeping fingers crossed.

• Viet Nam’s ratification of International Watercourse Convention in 2014 → setting a legal precedent for a more rule-based regimen within GMS and even ASEAN?

• Thailand will be chairing ASEAN in 2019 → and where sustainable development and people-centric and leaving no one behind issues would be given priority
Some Recommendations

• Initiate a policy dialogue discussion among the key cooperation frameworks like ACMECS, ASEAN-China/AMBDC, ADB-GMS, LMC & MRC to enhance coordination for optimizing benefit and resources as well as reduce any potential duplication

• Agree to a common information database and clearinghouse mechanism for compiling a good inventory of the various project activities in the Mekong and develop synergies and complementarities while reducing overlaps where possible

• Try to be as open and inclusive for collaboration and coordination with other partners to the extent feasible and be more participatory accountable and transparent in the modus operandi and practices of each framework
Thailand’s Challenges and Opportunities

- Geographically situated in a central location in the Mekong sub-region and ideally suited to serve as a connectivity and coordinating hub.
- However, also being sandwiched between the other neighboring countries which can pose both opportunities and threats.
- Try to strike a suitable balance among the competing major powers and influences – sometimes caught between a rock and a hard place.
- The construction of Xayaburi and Xepian Xe Namnoy dams in Laos represents Thailand’s overseas investment and energy deal-making capabilities.
- However, it also created the image of being a sub-regional hegemon of sorts and can be viewed as an example of socio-economic cum environmental exploitation of a less-developed neighboring country where business profits are prioritized while the corresponding socio-environmental risks are externalized.
- More appropriate demand and supply projections, perhaps based on the Sufficiency Economy principles could obviate the need for the construction of more power plants which entails not only economic expenditures but often comes with social and environmental costs or damages as well, be it in the country or beyond.
- Thailand in turn often perceives itself as the victim or at the losing end of Chinese trade and investment regimes as well as influx of Chinese tourists and business people under schemes such as BRI, LMC or otherwise.
- Interestingly, in the recent excess water discharges from various dams in the Mekong river basin, Thailand became wary of releases from reservoirs of neighboring countries affecting the flooding situations on the Thai side.
- Since ACMECS is initiated by Thailand and is the only key Mekong sub-region cooperation framework which comprises just the five mainland Southeast Asian riparian countries which are concurrently member states of ASEAN, if properly managed and coordinated ACMECS can perhaps serve as the core group for the ASEAN voice on Mekong issues and supported by the remaining five insular ASEAN countries, as needed.
- Thailand could play a more pro-active and productive role on the Mekong front during its chairmanship year of ASEAN in 2019.
Conscientious Sense of Humanity

• What is really needed is more of a sense or feeling of mutual empathy and interconnectedness with the welfare of fellow human beings and nature in whatever we do whether it’s the utilization of natural resources or the conduct of any development activity within or beyond one’s own community or country to ensure that it follows sustainable consumption and production principles.

• Perhaps this is best reflected in the English writer John Donne’s well known piece of *Devotions Upon Emergent Occasions*, the most-quoted lines of which states that

No man is an island,
Entire of itself.
Each is a piece of the continent,
A part of the main.
If a clod be washed away by the sea,
Europe is the less.
As well as if a promontory were.
As well as if a manor of thine own
Or of thine friend's were.
Each man's death diminishes me,
For I am involved in mankind.
Therefore, send not to know
For whom the bell tolls,
It tolls for thee.
I live in the upstream
And you live in the downstream,
Our eternal friendship flows with
The same river water we both share.

Or in Chinese,

我住江之头，
君住江之尾。
彼此情无限，
共饮一江水。
Thanks you for your kind attention

apichai_sun@yahoo.com
Op-Ed Articles

• The Lancang-Mekong: An Asean-China-MRC Shared Challenge
  1 April 2010, the Nation, and 9-22 April 2010, Asia News, with slightly modified title

• Tsunamis in the Mekong River?, 26 March 2011, Bangkok Post

• Water disasters in the region: A clarion call for action, 12 Nov. 2011, the Nation, as well as 12 Nov. 2011, Asia News Network, and 18 Nov. 2011, China Daily with slightly modified title

• Why the Lancang-Mekong River Basin matters immensely to Southeast Asia, in “Thinking ASEAN”, Issue 37, ASEAN Studies Program, the Habibie Center, June 2018

• Dam calamity a wake-up call for Mekong hazards, 31 July 2018, Bangkok Post
Figure 1: Hydropower Dams and Seismic Faults in Yunnan

(Source: http://csb.scichina.com:8080/kxtbe/fileup/PDF/00ky0376.pdf with dams added)

Earthquake hazard of dams along the Mekong mainstream

Santi Palipolee

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Abstract In this study, the earthquake hazard was evaluated for all of 19 of the proposed or built dams along the Mekong River. All values representing a potential indication of hazardous earthquakes, such as the closest earthquake and seismogenic faults and including the seismic parameters required for a seismic safety evaluation, were clarified. The results will be useful in reviewing the safety of existing dams and for the design of suitable earthquake resistant specifications for any currently or future planned dam construction in this area. Seismotectonically, 14 of the 19 proposed Mekong River dams are located within an earthquake source zone. Most of faults are potentially still active, according to both seismicity and paleoseismological evidence. In addition, the maximum credible earthquakes were estimated to be in the range of 7–8 Ms for the closest fault zone of each dam. Previous isoseismal maps indicated a risk of shaking intensities of around scale III–IV (Modified Mercalli Intensity Scale) for the dams. According to the preliminary ranking of the International Commission on Large Dams, 9 of these 19 dams are classified as an extreme hazard class and so need careful observation and monitoring of hazardous earthquakes. An effective mitigation plan should also be prepared for each operating dam.

Keywords Earthquake • Active fault • Seismicity • Seismic hazard analysis • Dam • Mekong River

1 Introduction

The Mekong River is the world’s twelfth longest river and one of the major mainstreams in Southeast Asia, where it extends southward from the Tibetan Plateau in China to its mouth at the South China Sea in southern Vietnam (Liu et al., 2009; Fig. 1). This 4,390-km long
Approved Cascade Development on lower reach of Lancang River

Development scheme: 8 cascades with 2 large reservoirs

Tasks: Electricity generation mainly, navigation, flood control and water supply

Development scale: total installation capacity 15900MW, yearly electricity generation 72.53 billion kWh.

Water Head Utilized: 828m
Total Installed Capacity: 15900MW
SAFETY OF DAMS IN SEISMIC AREAS

Tsunamis in the Mekong River?

- Published: 26/03/2011 at 12:00 AM
- Newspaper section: News

The dramatic events following the recent Japanese earthquake, triggering an unprecedented tsunami and a serious nuclear reactor incident at Fukushima points out rather glaringly the adverse impacts arising from natural disasters caused by seismic activities and exacerbated by man-made structures.

A general view of the Mekong River at the Golden Triangle in Chiang Rai province, northern Thailand.

An earthquake measuring 9.0 on the Richter scale, with its epicentre about 130 kilometres off the coast of eastern Japan, on March 11 triggered a deadly tsunami which caused tremendous destruction across an extensive part of the coastal area of that particular region of the country.

As a result the Fukushima nuclear facility was badly damaged and radioactive substances were released into the surrounding areas, leading to evacuation of the people around the nuclear power plant and raising concern about fallout of radioactive materials in other.
Dam calamity a wake-up call for Mekong hazards

APICHAI SUNCHINDAH
AN INDEPENDENT DEVELOPMENT SPECIALIST

31 Jul 2018 at 04:25
NEWSPAPER SECTION: NEWS

3 comments

RECOMMENDED STORIES

Mixed opinions on easing or lifting political ban: Poll
Clinic opens for Isan/farang matches
Lao PDR’s aspiration to become the battery of Southeast Asia

**FIGURE 2** TRENDS AND PLANNED INCREASES IN IRRIGATED AGRICULTURE AND HYDROPOWER DEVELOPMENT IN THE LMB

The trends have been reviewed in 2014-2015 and are in line with recent data and assessment from the Member Countries. The planned increases are based on the 2009-2010 cumulative assessment of national water resources development plans and more recent data submitted by Member Countries.