Mekong Vision 3.0: Stakeholder Consultations

***Interview with Jenna Shinen, Senior Water Export, US Department of State, October 13, 2020***

Note: This interviewee selected **not** to be recorded.

The interview was introduced by Klomjit Chandrapanya, who summarised the World Bank’s (WB) history of engagement in the Mekong, and provided a background to the Mekong 3.0 initiative. She then handed over to the Mekong Futures interview team.

**Question 1: What do you think are the current challenges to sustainable development in the Mekong –Lancang region?**

Ms. Shinen explained that her views would be biased towards water, given that she is a member of the DOS’s Water Team. With respect to water, she felt that the major challenges in the Mekong were the very rapid pace of development; hydropower development; and a lack of coordination. She also raised concern around the profusion of cooperation platforms in the region which, she said, are a hindrance to effective cooperation and coordination between the Mekong countries.

Water issues are political issues as is natural resource management, typically decided at high level. There are major challenges all around natural resources management in the basin. These have, she argued, been politicised, and there is currently no real development path going forwards. As a consequence, Ms. Shinen felt that the introduction of a new cooperation mechanism was not the answer. She suggested that WB make a detailed investigation of existing mechanisms to see what does or does not work, and then use its leverage to strengthen or improve these. There is lack of coherent coordination between cooperative mechanisms.

Stronger leadership is required, along with coordination from development partners (DPs), rather than creating a new platform. DOS, she said, monitors events in the Mekong through a political lens, looking for what they call ‘conservation crimes’. Actor consultation is also determined through a political lens. She summarised the DOS’s engagement with a variety of international NGOs, including IUCN, WWF and Conservation International. ACMEC, the MRC and Friends of the Mekong and an ASEAN may be the best options and warrant further examination.

**Question 2: What does regional cooperation mean to you? What are the opportunities for regional cooperation to support sustainable development in the Mekong- Lancang?**

What regional cooperation *should* be is for all of the regional countries to have an equitable seat at the table, and for the DPs to listen. As for opportunities, the MRC still seems to be the best we’ve got – although having only four signatories is problematic. We were all excited when ACEMCs started, hoping that it would develop into something, but that doesn’t seem to have happened.

Vietnam (while ASEAN chair) made valiant efforts to have the Mekong made into an ASEAN priority. The Mekong is becoming the next South China Sea.

Cooperation in the Mekong needs to be rules-based (unlike the Lancang-Mekong Cooperation – LMC). Rules-based approaches need a ‘sweet spot’ wherein there are sufficient benefits to be gained, but not so restrictive that no one will join. That is sufficient recourse to address unsustainable practices without constraining sovereign autonomy. Poorly designed incentives for basin cooperation also introduce risks of losing membership. Perhaps the Mekong Agreement needs to be re-opened – that could be interesting, requiring donor support and political support.

The benefits of regional cooperation, Ms. Shinen argued, out-weigh the benefits of bilateral cooperation. Emphasis on the lost opportunities (economic and social) without regional cooperation.

**Question 3:** **From your experience, are there examples where some or all of the Mekong-Lancang countries have cooperated to yield a clear and positive trans-boundary river management outcome?**

ASEAN has examples, although not necessarily from the Mekong. Whatever the case, a cooperative platform needs to be home-grown and co-designed, even if it is economically-related. Ms. Shinen argued that for the Mekong countries, it’s “pick your own favourite development partners” and “wait for the best offer”.

ASEAN has made progress on some fronts, although it has not necessarily been successful. There needs, in regional cooperation, to be some “name and shame” systems, which ASEAN has.

The way things are going, we have to capitalise on the politicization of the Mekong to yield positive outcomes. DOS, for example, is looking for ways to obtain positive environmental outcomes despite what it sees as aggressive Chinese manoeuvring. The PRC makes a big show of being environmentally friendly – and eventually, there will be a tipping point where they will have to be this. Reputational risk of non-action may be an important incentive. The DP community should be facilitating a path for them to achieve this.

**Question 4: What are the relative advantages/merits of the different mechanisms for cooperation, and do you see any opportunities for improvements?**

Aspirational cooperation needs to become economic. Laos, for example, needs to recognise that it would probably make more money from water management and tourism than from hydropower.

The WB is trusted and very well situated to act as an information repository and bring other Institutions into the discussion. Because of this, it can bring in other institutions. The MRC doesn’t have the incentive to develop trustworthy relations – the member countries don’t want to receive bad news from the MRC. Not does the MRC undertake economic analysis and is mot speaking to DP’s and riparians of the economic benefits of regional cooperation.

As for the MRC, Ms. Shinen said that she would like to see its Joint Committee empowered by both the member states and the DPs.

**Question 5:** **In your opinion, when cooperation occurs between Lancang-Mekong countries, what indicates its success? How do you know if cooperation is successful?**

Ms. Shinen was uncertain. Perhaps re-envisioning and empowering the MRC so that it’s recognised to have both power and value. Also, signs that environmental challenges are seen as a challenge by ASEAN. “Anything that would show a rallying behind a home-grown mechanism”.

The MRC’s biggest success is its survival. People are, Ms. Shinen argued, paying more attention to the MRC now than they were five years ago. The PNPCA has perhaps been their biggest success (although not everyone would agree). We need to do what we can to ensure that it continues to survive. Thailand and Laos need to see the MRC has value to them. The MRC is, however, good at making the case to DPs, and not as good at making the case to its own member countries.

We need metrics for cooperation – some kind of score card. But what would be considered ‘useful’ metrics to the region’s countries, and who are the keepers of those metrics? Perhaps a minimum threshold of cooperation could be established, beyond which the countries could seek to maximise economic benefits.

Ms. Shinen would love to see the WB coordinating the DPs. If the MRC cannot – or is unwilling to do this – the WB is the next best thing.

**Question 6:** **From your experience, for what types of Lancang-Mekong problems has cooperation been most effective?**

The best types of cooperation have a selfish element to them. Perhaps this has happened around ground water, in which cooperation intra- country seems to have been successful, but so with transboundary aquifers. Ms. Shinen noted that not al benefits are necessarily economic. Uniform approaches are unlikely to succeed: but tailored to capacities and needs.

**Question 7:** **In your view, which factors prevent cooperation? And which factors enable it?**

These days in the Mekong everyone’s sitting back waiting to see if there’s a better offer down the road. The US-China tensions are preventing cooperation – but also, perversely enabling it. “WE shouldn’t waste a good crisis”.

**Question 8:** **From your experience, when Lancang-Mekong countries cooperate for sustainable development of the basin, who are the most influential actors?**

At the MRC, no one will speak before Thailand. Vietnam has plenty to say, but they won’t say it unless they’re seriously riled. Thailand needs to take leadership in the region for real cooperation to occur. “I sometimes see that they want to, but then only to be disappointed. The Thais are very smart – they see that regional cooperation is in their own interest”. Understanding self-interest and other behavior as the precursors/constraints of cooperation is important. Also, the messy behaviors in between.

**Question 9:** **In your opinion, how can governments balance natural resources sustainability with economic development goals?**

Economic Valuation (including non-market) is not the answer to balancing sustainable development with economic development. Value can just be traded around the place. There has to be some other way for this to happen.