Mekong Vision 3.0: Stakeholder Consultations

***Interview with Aymeric Roussel, Natural Resources Management and Rural Development Attaché, EU Delegation to Cambodia, October 20, 2020***

**Note**: Unless indicated as a direct quote, these notes are not verbatim, and reflect the interviewers’ interpretation of what was said.

The interview was introduced by Klomjit Chadrapanya, 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?**

The ecosystem and natural resources degradation. Deforestation has been very intense because of land concessions and illegal logging. This has contributed to climate change. Hydropower expansion is also a contributing factor. The latter is a strong concern for Cambodia, which has been heavily reliant on the Mekong for its fish. Also flash floods, reduced flood season affecting juvenile fish growth and periodic droughts.

We also observe demographic growth and strong urbanisation trends . Mr. Roussel was uncertain if agriculture would remain important for Cambodia.

How to reverse all of this ecosystem degradation is the key issue.

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

Willingness to share vision, policy and capacity to make compromises and the capacity to make decisions for the region and not the nation – recognising that deciding in favour of the region, may not favour your country. Subsidiarity at the right level – as close as possible to the citizen level. These kinds of cooperation are necessary – even obvious – for the Mekong.

Do we have effective water management cooperation? Are decisions made from a regional perspective or individual? That is a mosaic of individual interests rather than a coherent, common regional vision. In the Nile, negotiations have yielded a quota system for sharing proportions of the basin’s waters. Sovereignty is still very strong in the Mekong which constrains agreements like the Nile. The countries are willing to making compromises, but only small adjustments to their investments. The other countries do not try to prevent a large dam on the mainstream (using a right of veto which does not exist) even though there is evidence that it will harm them; and Laos makes modest changes to the dam in an effort to appease them.

ASEAN is not really interested in water management.

The MRC has a limited mandate that does not allow for a binding challenge to mainstream investments. It has not been able to challenge its member countries on investment projects. Will the LMC be the new mechanism? I do not have much insight into the LMC. Mr. Roussel would like to see accountability, and for civil society to be consulted. The LMC seems to be very driven by its leaders’ summit. And influenced by China and its investment in the region. This has implications for sustainable development – it leads to growth in the short-term, but less sustainable development over the long-term.

One special interest area is energy. Mr. Roussel wonders if there is any kind of regional energy framework? He recalled that the MRC wanted to promote regional energy cooperation, but Mr. Roussel has not seen any progress. Hydropower has been a major driver of regional investment. He has heard that there is much surplus energy from the Chinese dams – this suggests that there is a need for regional energy cooperation and planning, with potential for a no dams option. The EU is at a pre-programme phase as it considers its future regional strategy, and regional energy cooperation might be part of this.

**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?**

Mr. Roussel has been in Cambodia for five years, and had previously been in Vietnam in the 1990s.

Perhaps the MRC’s Council Study is an example. It was a good initiative that took a long time. It is a pity that it seems to be a bit forgotten now. There has been minimal reflection and no influence on national decisions strategies. We do not see much reflection on how the study will impact the member countries; there are no strategies for addressing it. On the contrary – Laos continues with business as usual. Last year, they announced several new mainstream dams. There has not been a positive outcome from this.

The MRC has developed many interesting tools and a lot of knowledge. But less focus on what to do with it, and how it will assist sustainable development. For example, the Don Sahong. Cambodia resisted this dam because of its concerns for its fisheries, but then, when it was completed, started buying electricity from it.

In Africa, the EU is investing in biodiversity conservation, and also ‘critical watersheds’. There is nothing like this here. Again, Mr. Roussel thinks, this is because of sovereignty.

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

The MRC has a lot of knowledge, tools and expertise. But they have limited power or scope. Also, China is not a fully-fledged member of the MRC. This limits its effectiveness.

The LMC is still very young. It is good to see that all of the Mekong countries are members, at the same level. The MRC also has a small voice in the LMC. At some stage, the Mekong countries may have to pick between them. The LMC covers many areas – it’s very wide – but how will things be implemented, and followed through, or the capacity created to do so. But it is not positive that the Water Cooperation Centre is based in Beijing, which is far away from the Mekong.

If don’t know if the development partners see opportunities with the LMC. It seems very closed. But maybe not to the World Bank.

The LMI, the GMS, the Japan-Mekong Cooperation – these are all donor-driven initiatives with different objectives and thematic agendas. We lack coherence in the region. There is a need to simplify the co-operation frameworks. But maybe the countries do not want this.

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

If it looks at the ‘real’ sustainable development – not at short-term immediate growth. So too, the capacity to assess the impact of cooperation beyond the countries by themselves could be a real indicator. For example, transboundary EIA and CIA. And ‘real processes’ – for example, consultations with civil society.

The MRC stakeholder consultation is a good first step. But accountability is missing – to address, for example, civil society concerns. So too, engaging civil society might also be an indicator, not just the private sector. Consultation may be just a façade.

Do we as the EU speak with one voice? Mr. Roussel asks rhetorically. We need to harmonise our vision – across the development partners as well (including China). With a shared vision then cooperation and synergies can emerge.

The increasing competition between China and the US is, perhaps, helping to foster simplification within and amongst the cooperation frameworks.

It is essential that the needs that cooperation addresses are identified by the Mekong countries.

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

The decision to share information and flow forecasts between China and the MRC is a good start. Otherwise, I don’t really know.

Mr. Roussel references the complaint that China is using its water for diplomatic reasons. This might be hampering effective cooperation. It would be good to have forecasts for Chinese water releases – the MRC could introduce these into their modelling, and support decision-making.

Managing sediments is also an issue, especially between China and Vietnam. Perhaps this is an area for cooperation; so, too, energy so it can be sent from places where surpluses are produced, to where there is demand.

China and Cambodia have signed a free-trade agreement. This could contribute towards an increase in trade between China and all of the lower Mekong countries. It is important that Cambodian investors seize these opportunities – it cannot be just China buying up more Cambodian land – with few jobs and little revenue to Cambodia.

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

When it comes to water management, the perception that each country owns (sovereign rights) its water is problem. Sovereignty is still very strong in the Mekong. Having a shared future is very important for cooperation. For example, hydropower is justified because it increases the competitiveness of the countries, which then increases, and they compare themselves to economic growth in the other countries. Differences in energy prices between the countries can also lead to inequitable development.

Maybe also autocracy, so perhaps these sovereignty issues come from the top. Building trust could support cooperation between the countries, by “getting people closer”. Mr. Roussel references the EU’s ERASMUS programme, that supports your people in exchanges to help them develop a common future.

The private sector moves easily across borders – perhaps there is a need for investment regulations.

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

At the beginning, the country leaders – they could choose what to cooperate with, and the degree to which they would cooperate. Now, the private sector plays a strong role. But we’re talking about sustainable develop”ment – so, it is hard to balance the short-term with the long term.

Chinese investment in Cambodia has created many jobs in the construction, casino and garment sectors. Because of conditions imposed by their markets, the garment factories have done well to apply social standards. This is not really the case with the construction and casino sectors. Mr. Roussel worries about mass tourism including artificial islands – which might cause huge pressure on Cambodia’s coastal fisheries. All of these investments are short-term and for immediate profit. Cambodia is close to China – and interested in being even closer; and China is keen to invest more in Cambodia. This might be an opportunity, but it remains to be seen how all of this investment can be regulated.

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

Mr. Roussel thinks that the capacity needs to be developed to anticipate the long-term impact of investments, and a willingness to adjust plans and construction to make it more sustainable. This needs a mindset, and cannot just be box-ticking.

We also need to focus on the quality of development – consulting with local communities more, because they have a vested interest in sustainable development; they are dependent on the environment.

He returns to the subject of mass tourism in Cambodia, pointing out the government’s active promotion of it, and creation of policy to support it, and speculates as to whether or not this is the right strategy.