Statement of Lao Delegation Special MRC JC Meeting on Pak Beng Hydropower Project Vientiane, June 19, 2017

Distinguished MRC Joint Committee Members, Heads of Delegations, Ladies and Gentlemen

It is a great pleasure to join you today in furthering our cooperation to bring about sustainable development and shared prosperity for the Mekong River Basin. On behalf of the delegation of the Lao PDR, I would like to express our sincere and special thanks to the National Mekong Committees of Cambodia, Thailand and Viet Nam for their cooperation, understanding and support. We also appreciate the facilitation, and thanks for the technical and administrative support by the MRCS throughout the six months period implementation of the prior consultation process of Pak Beng HPP also technical review and reasonable recommendations provided by the Mekong River Commission Secretariat. The Lao Government regards hydropower development as a top priority to stimulate the national economy, and improve the lives of our people, and we are rightfully proud of the progress we are making.

On November 4, 2016, Lao PDR submitted the Pak Beng Hydropower Project to the MRC Secretariat for the prior consultation process under the PNPCA. We provided the complete technical feasibility study and an abundance of relevant information, including the project's social and environmental impact assessments, Trans-boundary & Cumulative ESIA and fisheries study. We shared these with the other MRC Member Countries - Cambodia, Thailand and Viet Nam – because we are strongly committed to the 1995 Mekong Agreement and MRC Procedures. With sincerity and hope, we asked for their consideration and valuable comments.

Pak Beng project is the first cascade project on the mainstream of Lower Mekong River Basin but it is not the first overall. At present, 6 mainstream hydropower projects on Lancang River in Chinese territory (the Upper Mekong Basin) have been put into commercial operation, including two large storage dams, and Xayaburi hydropower project which is downstream of Pak Beng project has also been constructed.

In order to mitigate the project impact on river hydrology, sediment, fishery pass facilities, navigation ship lock and ecological environment, Pak Beng HPP is to be developed as a run-off-river station, which basically will not affect the river hydrological regime. Through extensive studies, we believe that 14 sluice gates and 8 sediment flushing gates are fully capable to discharge the flood and deliver the sediment to the greatest extent which estimates more than 90% of sediment. Meanwhile, some other supplementary measures will be conducted including sediment monitoring, reservoir operation and regulation, machinery desilting.

Furtherly, Pak Beng HPP also has carried out the environmental and social impact assessments. According to the ESIA study, the mitigation and protection measures were proposed for the possible environmental impact, i.e. polluted water treatment, ecological protection, waste treatment, fish pass facilities, environmental management and monitoring plan. We believe that the proposed project with the mitigation measures will ensure that there would be no significant impact to the Mekong Mainstream. Nevertheless,

we are willing to listen to further reasonable recommendations.

During the PNPCA, the Lao PDR has welcomed and enabled ongoing dialogue about potential impacts with Member Countries and Development Partners. With good faith, transparency and sincerity, we participated in the meetings of the JC Working Group and regional stakeholder forums to provide information, clarification and further commitment to consider good advice and recommendations.

Distinguished Delegates, Ladies and Gentlemen

Lao PDR has provided the available details of the project, and we will take all legitimate concerns into consideration. We invited all delegates to visit the proposed project site and we invited the MRC to observe continuing study and testing of different aspects causing concerns. We even submitted additional information. We are open to further dialogue as part of post-consultation. All of this demonstrated our full commitment to the PNCPA.

In conclusion, we firmly believe that every person here is committed to keeping the unique spirit of Mekong River Basin cooperation alive and strong. We are truly inspired by constructive and reasonable parts of the recommendations. We also believe that trans-boundary questions can be addressed effectively only when all the stakeholders are sincere, open, and willing to cooperate transparently and likewise in good faith and not playing the "blame game". Sometimes it is difficult for us to entertain views based on imaginations about impacts or opinions based on fictions not science.

Government of Laos is promoting cooperation among the Member Countries in good faith under the 1995 Agreement and PDG; and remains committed to developing the Pak Beng project in a responsible and sustainable manner. The Lao PDR reaffirms its commitment to the MRC's spirit of cooperation and pledges to work with Member Countries and Development Partners. We are open to hearing their concerns, answering their questions, and as needed, doing more research to resolve their issues.

In order to demonstrate the openness and willingness of Lao PDR to promote cooperation and sustainable development, we welcome the establishment of joint monitoring for the Pak Beng project during all stages of development.

As the most established and cost-efficient form of renewable energy generation, hydropower is destined to play a key role in the daily supply of clean energy to our region, fostering economic and social progress. Let's work together to bring about a better life for our people and this region.

Thank you for the kind attention.