Mekong River Commission

Procedures for Notification, Prior Consultation and Agreement Form/Format for Reply to Prior Consultation

1. Replying State: Kingdom of Thailand

2. Date of Reply: 2 April 2020

3. Replying Ministry/Agency:

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4. Contact person/facilitator:

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5. Name of the Proposed Use/Project:

The Luang Prabang Hydropower Project (LPHPP), Lao PDR.

6. Location of the Proposed Use:

The LPHPP is located on the Mekong River around kilometer 2,036 in the Province of Luang Prabang, approximately 25 km upstream of Luang Prabang, at the Houygno village

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"Ban Houaygno" (about 4 km upstream of confluence between Nam Ou and Mekong). (The reservoir area is expected to cross the provinces of Oudomxay and Luang Prabang.)

7. Nature of the Proposed Use:

Intra-basin use on the Mekong mainstream during wet and dry season

8. Date of receipt of the documents

3 August 2019

9. Reply to the Proposed Use

In accordance with the Procedures for Notification, Prior Consultation and Agreement (PNPCA), the Thai National Mekong Committee Secretariat (TNMCS) carried

out tasks in compliance with the PNPCA process and its regional roadmap. All related documents on the LPHPP provided by Lao PDR through MRCS were distributed to concerned implementing agencies, and two inter-departmental meetings were later held to discuss on those documents. The Technical Review Report (TRR) had been jointly reviewed and assessed by members of the JCWG to figure out practical solutions and measures for minimizing risks and potential impacts from the LPHPP to Lao PDR. Moreover, three National Information Sharing on the LPHPP were held to share information and gather all concerns raised by representatives of provincial authorities, local governments, and local stakeholders living in the eight provinces along the Mekong River during 24 December 2019 – 25 February 2020. Finally, the TNMC meeting was held on 25 March 2020 to discuss the result of the above combined concerns and to finalise policy guidance and some recommendations on the LPHPP.

In this regards, the Royal Thai Government respects the sovereign equality and territorial integrity of Lao PDR enshrined in the 1995 Mekong Agreement, and fully realizes of how important the LPHPP is playing in the sustainable development path of Lao PDR, which has been recognized by all MRC member countries that it is based on the mutual benefits of all

members for the utilization, conservation and management of the Mekong River water and its related resources.

The followings are key concerned issues, together with some suggestions and recommendations for further improvement and better management of the LPHPP contributing to sustainable development of the lower Mekong River Basin:

9.1 Hydrological and hydraulic changes

There has been a deep concern regarding uneven changes in hydrology and hydraulic (sudden fluctuation of water levels) to downstream countries, causing potential impacts on the livelihoods, fisheries, tourism, riverbank agriculture, drought, flooding, as well as the physical and morphological changes of the Mekong river.

9.2 Sediment and nutrients

There has been a deep concern regarding the reduction of sediment and nutrients. This may cause significant changes in the river ecological system and morphology, which have direct impacts on primary productivity of mainstream of Mekong river, natural food chains and food security.

9.3 Changes in Ecosystem Services

(1) There has been a concern regarding a change in water quality especially the blue-green water phenomenon. Therefore, fact finding for problem solving should be conducted for further urgent solution.

(2) The additional systematic study should be conducted on cumulative and transboundary impacts from the Cascade dam operation along the Mekong River.

9.4 Fisheries and fish passage facility

(1) There has been a deep concern regarding the design fish passage facility and the Cascade dam operation whether they are suitable for accommodating upstream and downstream seasonal fish migration. In particular, its type, size and variety of species, which may possibly cause a decline in natural fish stocks, as a result, might pose significant threat to Thai local fisheries and food security in the region.

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(2) Lessons learnt from the effectiveness and efficiency of the Xaiyaburi fish passage operation and monitoring should be taken into account for further improvement of LPHPP fish passage facility design.

9.5 Socio-economic

Further study and analysis on transboundary and cumulative impact assessments toward downstream countries are highly recommended. Additionally, clear measures and adaptation plan should be elaborated for those affected people.

9.6 Data and information exchange and sharing

The mechanism of data and information exchange, sharing, and disclosure is highly recommended to establish for impacts monitoring concerning hydrological and hydraulic changes during construction and cascade dam operation. This mechanism includes a communication system, an Emergency Preparedness Plan (EPP), to communicate with downstream countries for further effective transboundary and cumulative impacts mitigation.

9.7 Remedies and mitigation.

There is a proposal to Lao PDR and Developer to establish an Endowment fund and determine transboundary impacts mitigation measures in term of socio-economic, livelihood and environment in accordance with Article 7 Prevention and Cessation of Harmful Effects and Article 8 State Responsibility for Damages of Agreement on the Cooperation for the Sustainable Development of the Mekong River Basin, 5 April 1995.

9.8 Lessons learnt from previous Projects

Due to the fact that concerns on transboundary and cumulative impact from the PNPCA process of the previous Projects, have not evidently been assessed, as well as, lessons learnt from the Xaiyaburi Project which has been operated for a while, has not been substantially carried out. It is, therefore, suggested all that mentioned activities be undertaken before entering the Prior Consultation process of the new proposed project.