Laos pushes ahead with Mekong dam and risks destroying the region's lifeblood

Friday 23 November 2012, by WWF France (Date first published: 6 November 2012).

Gland, Switzerland - The Lao government's determination to plow ahead with construction of the controversial US\$3.5-billion Xayaburi hydropower dam in northern Laos puts the mighty Mekong River's spectacular biodiversity, rich fisheries and livelihoods - vital to nearly 60 million people - in grave danger, warns WWF.

Despite fierce opposition from neighbouring countries, and some concerns raised this week by delegates attending the Asia-Europe Summit (ASEM 9) in the Lao capital, Vientiane, Laos' Deputy Minister of Energy and Mining, Mr Viraphonh Viravong, announced that Laos will hold a ground-breaking ceremony at the dam site on Wednesday, 7 November. Mr. Viravong also told a group of journalists, "It [Xayaburi dam] has been assessed, it has been discussed the last two years. We have addressed most of the concerns."

Criticism of the Xayaburi project has been mounting over the past year, with concerns centred on the serious gaps in data and failures to fully account for the impacts of the dam, particularly concerning fisheries and sediment flows.

"Laos appears to be recklessly intent on forging ahead with construction before the agreed impact studies have been completed," said Dr Li Lifeng, Director of WWF's Freshwater Programme.

"If the region's governments fail now to reaffirm their concerns on Xayaburi, they risk resting the future of the Mekong on flawed analysis and gaps in critical data that could have dire consequences for millions of people living in the Mekong River basin."

In June 2010, Thailand's electricity utility, EGAT, signed an initial agreement with Ch. Karnchang to purchase over 95 per cent of the Xayaburi dam's electricity, and at least four Thai banks have expressed their interest in providing loans to the project, despite the acute environmental and social costs, and the uncertainties surrounding the financial return of the project.

"Thailand has a huge stake in the project and should not turn a blind eye to the potentially devastating consequences the project will wreak on their neighbours, and their own people," added Li. "Thailand must take responsibility and join calls to stop the dam construction and cancel its power purchase agreement until there is regional consensus to build the dam."

Laos' actions fly in the face of the decision last December by Cambodia, Laos, Thailand and Vietnam to delay building the dam on the Mekong mainstream pending further studies on the sustainable management of the Mekong River, including impacts from mainstream hydropower development projects. However, no timeline has yet been set for when the further studies will be completed.

Fisheries and sediment impacts

A recent review of the dam development identified uncertainties and weaknesses with the proposed fish passes, and confirmed the Xayaburi project will block part of the sediment flow and that important gaps in knowledge concerning the sediment aspects remain.

The Lao government and Ch. Karnchang agreed to spend an additional US\$100 million on modifications to the dam design in an attempt to mitigate the adverse impacts, but experts warn this will fail to solve the problems given the remaining gaps in key data and science, and the clear risks associated with using unproven technologies.

"Laos expects its neighbours to trust that the clear risks associated with this project will somehow be resolved while construction moves ahead," added Li. "In pushing ahead with their Mekong dam experiment, Laos is jeopardizing the sustainability of one of the world's great river systems, and all future transboundary cooperation."

An important precedent for 10 other dams

As the first dam project to enter the Mekong River Commission's (MRC) formal consultation process, the Xayaburi project will set an important precedent for 10 other dams proposed for the lower mainstream of the river.

"The Asia-Europe meeting brought together about 50 Asian and European leaders in Laos this week under an umbrella of "Friends for Peace, Partners for Prosperity." But few voices of concern were raised about a project set to spread instability throughout the region and undermine development goals. The international community must not remain silent on Xayaburi," added Li.

WWF urges Mekong ministers to defer a decision on the dam for 10 years to ensure critical data can be gathered and a decision can be reached using sound science and analysis. WWF advises lower Mekong countries considering hydropower projects to prioritise dams on some Mekong tributaries that are easier to assess and are considered to have a much lower impact and risk.

** ***			

P.S.

WWF

* Posted on 06 November 2012:

 $\frac{http://wwf.panda.org/what_we_do/where_we_work/greatermekong/news/?206630/Laos-pushes-ahead_with-Mekong-dam-and-risks-destroying-the-regions-lifeblood}$