

CHAPTER IV

CHINA'S COOPERATION WITH THE MRC

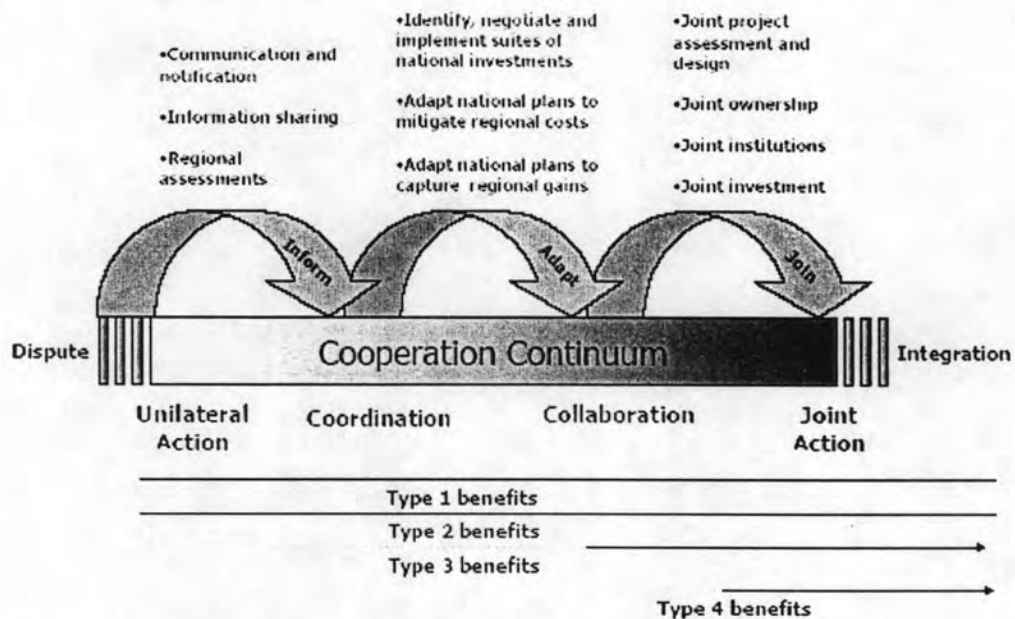
4.1 Introduction

As mentioned earlier, an integrated approach to basin management is widely promoted as the optimal solution to ensuring the sustainability and productivity of a river (Sadoff & Grey, 2005, p. 2). The need for basin-wide management is reinforced by customary international law principles of 'equitable and reasonable use' and 'do no harm'. However, this is difficult to secure as each state is guided in its behavior by concepts of national interest, sovereignty, and territorial integrity. Cooperation means different things for each riparian, and can extend from the securitization of water resources through unilateral development and restriction of information, to coordination over national plans via information exchange and data sharing, to collaboration where national plans are adapted to include basin-wide agendas, and joint action where state's come together for collective management or investment of the river's resources (Sadoff & Grey, 2005, p. 5). The issue of China's cooperation with the MRC has drawn new attention as China has undertaken major development projects along the main stem of the Mekong River, including dam construction and channel clearing for navigation, and has done so unilaterally.

Unilateral development has the potential to create uncertainty which generates insecurity for other riparian states, leading them to securitize their water agenda. A securitizing event refers to the process of restricting hydrological data from the public domain, and proceeding with a state's hydraulic mission unilaterally without due consideration to the possible impacts inflicted on other states. Securitizing events can lead to the broader category of securitization which elevates water-related issues to higher political levels and the national security perceptions of the states concerned, as uncertainty over a state's own water resources and sovereignty are challenged (Turton,

2003). China's unilateral development of the main stem sets the stage for possible conflict in the region. However, recent agreements to collaborate on data sharing, among other things, signal a possible shift away from unilateral development towards more cooperation with the MRC. This section seeks to analyze China's development projects by combining concepts of securitization/desecuritization with Sadoff and Grey's (2005) cooperation continuum. Securitization represents the dispute end of the continuum, while desecuritization represents full cooperation or integration (See figure 6).

Figure 6: Cooperation Continuum.



Note. From “Cooperation on International Rivers: A Continuum for Securing and Sharing Benefits” by C. Sadoff & D. Grey, 2005, *Water International*, 30 (4), p. 4. Copyright by the International Water Resources Association

4.2 China's Unilateral Development Projects: Securitizing Events

Over the past few decades, China has witnessed unparalleled growth, which has created serious environmental stresses, not least of which are acute electricity shortages

in the eastern provinces of China, and water shortages in the north. At the same time, China faces increasing economic disparities between its industrial eastern cities and more agricultural western provinces. The Mekong River now features as an important part of China's economic development agenda. The Lancang River drops 1,780m in elevation as it snakes through Yunnan Province, giving the region an estimated 100 TWh of potential hydropower capacity (Magee, 2006, p. 29). China has launched a plan to build a series of 8 cascade dams to tap into this potential.

4.2.1 Lancang Dams

China has already constructed two dams on the main stem on the Lancang River, with two more in the building stages, and four more proposed for later development (Maggee, 2006; Dore, 2004; Osborne, 2004). The following table indicates the hydropower generation potential and storage capacity of the planned and completed dams in the Upper Mekong Basin.



Table 4: List of planned and completed hydropower dams in the Upper Mekong Basin, China.

Name of project	Installed capacity (MW)	Annual generation (GWh)	Total storage C. (million m3)	Catchment area (km3)	Average flow (m3s ⁻¹)	Commissioning
Gongguoqiao	750	4670	510	97,300	985	–
Xiaowan	4200	18 540	15 130	113 300	1220	2010–12
Manwan	1500	7870	920	114 500	1230	1993
Dachaoshan	1350	7090	880	121 000	1230	2003
Nuozhadu	5500	22 670	24 670	144 700	1750	2013–16
Jinghong	1500	8470	1040	149 100	1840	2012–13
Ganlanba	150	1010	–	151 800	1880	–
Mengsong	600	3740	–	160 000	2020	–
Total	15 500	74 060				

Note. From *State of the Basin Report*, by MRC, 2003. Copyright by the Mekong River Commission Secretariat, Phnom Penh.

The Manwan and Daochashan are described as seasonal reservoirs, with their expected output dependent on seasonal flows than from huge storage reservoirs (Ryder, 2006). The Xiawan and Nuozhadu dams, however, will both have storage reservoirs that will be able to provide power generation year-round, as well as maintain water flows in order for the lower dams to continue functioning during the dry season and in times of high demand (Ryder, 2006). Reports indicate that sediment build-up and low river flows near the Manwan and Daschaoshan dams have seriously impacted their hydropower output. Probe International, an NGO that researches dams in China, reported that the Manwan and Dachaoshan dams were barely operational in March 2006, with power production around 350 MW below average for March, due to low flows in the Lancang (Ryder, 2006). It is expected that the Xiawan dam, which will begin operations in 2012, will help alleviate the problem of sediment build-up and will regulate flows for the lower dams to remain operational. At 300 meters in height with a pond reservoir 169

kilometers, Xiawan will be the largest arch dam in the world, surpassing the Three Gorges Dam by 100 meters (Ryder, 2006; Magee, 2006). The Nuozhadu dam, which is expected to produce 5,500MW of energy, will have a 226 km reservoir (Osborne, 2004; Ryder, 2006).

China has fully funded the Lancang dams, and has funded and conducted Environmental Impact Assessments that have not been vetted by outside consultants. Further, little information exists regarding the construction of the dams, the hydrology of the river, or the operating guidelines for storing and releasing water. Indeed, the lower countries learned of the Manwan dam only after construction had already started. China maintains a foreign policy that “preserves China’s independence, sovereignty and territorial integrity” (MOFA, 2006). Part of this includes using China’s natural resources to meet its national agenda. China simultaneously suffers from acute water shortages in the arid Northern provinces, as well as catastrophic flooding in the south. Since 1949, China has made dam-building and water resource management a priority to address flooding and drought issues, as well as to meet energy, irrigation, and agricultural needs (WCD, 2001). Criticizing the World Commission on Dams (WCD) Report (2001), China’s Commission on Large Dams made clear that dam construction and management should be addressed according to the local conditions of the area, and that guidelines put forward by the WCD infringed on the internal affairs of sovereign states (WCD, 2001). Viewing the dams as a sovereign matter, China has been reluctant to include its downstream neighbors in the construction process, and has been equally reticent about sharing hydrological data during the dry season. Whereas data involving biodiversity issues around the dams may be freely available, data involving daily fluctuations and sediment flows is considered a national security issue and highly restricted.

4.2.2 China’s River Channel Improvement Plan

China began its river channel clearance during the 1980s and 1990s from Jinghong to the border of Burma (Osborne, 2004). In the 1990s, discussions were held

within the Asian Development Bank forum regarding the possibility of clearing rapids further in order to allow large vessels to pass through. After six years of stalled negotiations, China, Myanmar, Laos, and Thailand signed the Upper Mekong Navigation Improvement Project on April 20, 2000 to expand cross-border navigation from Simao to Louangphrabang. Expansion of the river would be carried out through three phases. In the first phase, eleven rapids would be blasted to allow vessels of 100-150 deadweight tons to travel the river (MRC, 2002, p. 26). The last phase would allow ships of up to 500 deadweight tons to pass along the Lancang-Mekong. China provided the funds for the project, and contributed 9 persons to a 19-member EIA team (MRC 2002, p. 26).

Notably, Vietnam and Cambodia were excluded from the discussions, and only became aware of the project after Laos raised concerns over the 2001 China-led Environmental Impact Assessment known as the Report on Environmental Impact Assessment, The Navigation Channel Improvement Project of the Lancang Mekong River from China–Myanmar Boundary Marker 243 to Ban Houei Sai of Laos (MRC, 2002). The MRC was also excluded from the process as the navigation project was deemed an upstream issue, which should be addressed by the four upstream countries, as argued by China. An international consultant hired by the Mekong River Commission concluded that the EIA was “substantively inadequate” as the report discounted the long-term negative effects of the plan for the positive benefits offered through expansion of trade and sustainable development of the region (MRC, 2002). In 2002, China announced that it would only carry through with phase I of the Agreement, which would allow 150 DWT tons to pass through.

4.3 Increased Tensions Due to Unilateral Development Agenda

Though the navigation program sparked regional attention, the main concern regarding China’s development projects remains its dam construction along the mainstream Mekong, as that has the greatest potential for downstream impacts. China

contributes 16% of the Mekong River's downstream flows during the wet season, and at least 40% during the dry season (Osborne, 2004, p.2). Proponents of the cascade and navigation projects argue that the projects will bring benefits to downstream users in the way of flood protection, more predictability during the dry season in January-May, energy use for neighboring states, and expanded trade for the region. In regards to the dams specifically, academics researching the issue have suggested that, by releasing more water during the dry season, the dams could be beneficial to reduce saline intrusion from the South China Sea, which harms rice production in Vietnam (Chapman and Daming, 1999). More broadly, China has argued that reservoirs and dams play an important role in human development by alleviating floods, serving as a cheap and clean renewable energy source, and providing a water source for irrigation, agriculture, and human health.

However, concern has been raised that the plans will disrupt the normal flow regime of the river. Specifically, experts have raised concern that the dams will block nutrient-rich silt from flowing downstream, which is needed to fertilize the delta area, as well as block important breeding grounds for the Mekong's diverse fisheries (Dore, 2004; Osborne, 2004). Others have suggested that evaporation from the large reservoir could reduce the level of water available downstream (Phillips, 2006).

Early evidence provided by the MRC suggests some variation in sediment load and salinity. For instance, the MRC, which monitors water quality by collecting monthly samples at over 100 monitoring sites along the river, which are then analyzed for 20 different chemical parameters, stated in 2003 that "significant impacts are already evident in terms of changes in flow patterns and sediment transport, and it is likely that the construction of further dams will exacerbate these fundamental ecological problems" (MRC, 2003, p. 214). Further, suspended solids which contribute to sedimentation had declined at sites on the mainstream as far downstream as Pakse and in northeastern Thailand (MRC, 2003). The report attributed the decrease in sedimentation, as well as a decrease in conductivity of the water which measures salinity, to the construction of dams

that trap the sediment and uneven storing and releasing of water from the dam reservoirs (MRC, 2003, p. 214).

Releasing water upstream at unexpected times presents a security risk for communities living downstream, in terms of flooding and impacts on the sensitive ecological regime of the river. China in the past has not adequately notified downstream neighbors regarding its release of water and has often blocked and released the Mekong's waters during the building stages of the dams, as well as in order to transport goods downstream. In 1995, China blocked the flow of the river during the construction of the Dachaoshan Dam. China blocked the river again in 1997 for four days for similar reasons, which is said to have cost Vietnam \$100,000 per day (Macan-Markar, 2002). In March-April 2004, China practiced a policy of store and release with its Manwan and Dachaoshan dams in order to facilitate the transport of large Chinese cargo vessels downstream to Chiang Saen (Osborne, 2004). Critics suggest that this practice of holding and releasing unknown quantities of water could alter the natural flow of the Tonle Sap, which would have disastrous affects on fish stocks within the lake. Fishermen in northern Thailand have provided anecdotal evidence suggesting that the quantity and quality of fish stocks have reduced within the last few years.

Turning to the river channel project, critics, including the MRCs former CEO Joern Kristensen, have raised concern that the blasting and dredging of the river could negatively impact fish stocks as important algae-covered rocks, which provide fish shelter as well as feeding and breeding grounds, are removed. Further, NGOs have argued that the blasting will increase the volatility of the river, and lead to increased erosion and flooding downstream as natural water breaks are removed.

4.3.1 Possible Securitization of Water Resources

Securitization of water occurs when an issue is deemed a security issue, warranting action beyond typical politics. Buzan (1998) notes that for an issue to be securitized, there must be a referent object (particularly China's Lancang dams), and an actor must raise the issue to a higher level of priority. Using this as criteria, China's new development projects serve as a nascent securitizing event as greater awareness has emerged in response to China's effort to fulfill its hydraulic mission via hydropower dams. This is evidenced by the increasing level of international, as well as regional attention, on the impacts of China's dams and reports of declining fish stocks and depreciating livelihoods. During a January 2006 Toyota Foundation seminar in Thailand, senators, academics, and NGOs accused China of obstructing the flow of the Mekong by way of its Manwan and Dachaoshan dams. Thailand's Senator Kraisaak Choonhavan said that "China's water management affected people's way of life and the ecosystem downstream" while Senator Chirmsak Pinthong said the "seasonal floods and drought cycle had changed since opening the dams" (Thai News Service, 2006).

Following Phillips, securitization does not necessarily lead to conflict in the traditional sense (i.e. military conflict between states), but may include lower levels of tension which stunt the optimal use of transboundary resources. China's lack of information exchange on the dams operations helps fuel perceptions that the dams negatively effect saline intrusion in the Delta or cause a decline in fish stocks. As noted in chapter three, the river plays an increasingly important role for many of the basin states. Agriculture and aquaculture is crucial to the Vietnamese economy, while maintaining the natural regime flow of the Tonle Sap is vital for Cambodia and the 75% of the population reliant on the fish stocks for protein. As Sneddon notes, "it is not water alone that is the natural resource of greatest concern...rather, it is the variability and complexity of an intact ecosystem – driven by annual flood pulse – that is the resource of immediate, and arguably highest, value" (Sneddon, 2005, p. 2). Further, Thailand and

Laos rely on water levels for irrigation and hydropower, respectively. As water is held upstream, particularly during the dry season, less water is available for hydropower development and irrigation downstream. As the river's resources becomes more important to these state's economies, China's real or perceived impact could lead to increased tension and uncertainty.

For the MRC specifically, fluctuations in the river flow would impede its ability to promote the sustainable development of the basin, and to negotiate terms for the utilization of the Mekong's waters based on the principle of equitable sharing and reasonable use of the water. The Agreement requires establishing minimum flows and the natural levels for the Tonle Sap (Article 6), and the processes for establishing these rules are further identified in Article 26. Fluctuations in flow would impede the MRC's ability to establish minimum flow standards as required under the Agreement. Also, the Basin Development Plan's scenario building uses data collected on water flows to provide predictions on the impacts of various development projects. A lack of information sharing affects the MRC's ability to adequately predict impacts and mitigate harm downstream.

Uncertainty surrounding China's development has the potential to drive conflict, loosely conceived, in the region if it is perceived that China's unilateral development is at the expense of other riparian states. Following the hydropolitical security complex, insecurity drives states to securitize their water resources and proceed with self-help development agendas that overlap or compete with the development agendas of the other states. Non-transparent development agendas, therefore, create transaction costs and externalities for all users. This feeds into a spiral of tension and conflict that has the potential of reducing the optimal gains for all states.

4.4 Trends Toward Desecuritization

China is increasingly the target of criticism as perceptions of water vulnerability intensify. Tension in the region can negatively impact China's own agenda, which increasingly depends on good regional relations for its own economic growth. [This will be addressed further in the next chapter.] Cooperation not only reduces uncertainty, but allows for greater exploitation of the natural resources of a river that would not otherwise be possible under conditions of conflict and insecurity. A new willingness on the part of China to provide hydrological data suggests some level of acquiescence to regional concerns over its development strategies, and tentative movement towards broader forms of cooperation, though this is still in the beginning stages. Cooperation can take many forms, as indicated by Sadoff and Grey's (2005) cooperation continuum. Currently, China is still polarized towards unilateral development, with activities with the MRC relegated to very specific forms of technical cooperation. However, trends suggest that this may expand within the next few years (See table 5).

Table 5: Patterns of Securitization and Desecuritization

Securitizing Events (Potential Conflict)	<ul style="list-style-type: none"> • 1993-present: Unilateral Development of Cascade Dams • Operational management of dams unknown • Stores and Releases water without warning • 2000: Navigation Expansion Agreement Between China, Myanmar, Laos, Thailand (MRC not included in process) • Restricts Information Exchange to only hydrological data during wet season; Information on sediment flow, operation instructions of dams restricted
Cooperation (Desecuritization)*	<ul style="list-style-type: none"> • 1996-present: Dialogue Partner [Number of Chinese delegates doubled from 5 to 10 since 2003] • April 2002: Signed Agreement on Exchange of Hydrological Data from the Lancang-Mekong (during wet season) • 2003-2004: Exchange of Technical Equipment • 2005: MRC Delegation Invited to Beijing • Informal agreements relating to expanding technical cooperation in the area of navigation, tourism, modelling, etc.

Note: * Cooperation is mainly technical; Report from one official that China may be interested in Acceding to Agreement; Not confirmed by Chinese Authorities

4.4.1 Formal Cooperation

The only area in which China and the MRC have a written formal agreement is in data sharing on hydrological data during the wet season. On April 1, 2002, China and the MRC signed the Agreement on the Exchange of Hydrological Data from the Lancang-Mekong. Through this Agreement, China agrees to email daily readings of river levels from two monitoring stations, Yunjinghong (Jinghong dam) and the Man'An in Yunnan Province, the MRC Secretariat. The MRC, in return, provides funding and equipment to upgrade of two monitoring stations to allow the daily readings to be sent through SIM card.

In 2003, the MRC and China agreed to use the same standardized data reading system (SIM card) at 25 hydrological stations along the Mekong to collect hydrological data from parts of the river from June 16 to October 16 (MRC, 2004). The synchronized system allows data to be provided immediately to the MRC Secretariat via the Hydrology Bureau of China's Ministry of Water Resources. In 2004, the MRC delivered equipment for the two hydrological stations at Yunjinghong and Man'An in Yunnan, China and established a data center in Kunming. According to the MRC, China has been sending 24 hourly water level and 12 hourly rainfall data to the MRC to aid in flood forecasting, which provides a better understanding of the daily situation in China (MRC, 2005). The river level forecasts are made available to the public via the MRC's website.

The MRC and China have been in discussion since 2004 about extending the data sharing agreement to the whole year; however, no information is available as to the progress of these discussions. A senior official within the MRC Secretariat acknowledged that it would be useful to establish monitoring stations further upstream, and that the most crucial information for the MRC is the operation procedures for the Manwan station; however, the MRC is currently not negotiating these options with Chinese counterparts (K. Geheb, personal communications, July 19, 2006). The MRC is not pursuing formal commitments with China guaranteeing quantity and quality of the river flowing at the border as a step-wise approach that establishes trust in technical areas is viewed as more important (O. Cogels, personal communications, July 6, 2006).

4.4.2 Expanding Technical Relationship

Beyond this arrangement, China and the MRC's CEO maintain diplomatic relations through a formal Dialogue Partnership. On April 8, 1995, the MRC Joint Council agreed to invite China and Myanmar to its first formal meeting "in order to draw their cooperation for development of the Mekong", and will "extend the invitation for them to attend the meetings of the Joint Committee" (Xinhua, 1995). China accepted the offer to attend the meetings of the Joint Committee, but stressed that its "presence should

not be taken as a commitment to becoming a member”; that the relationship with the MRC should “be a forum for technical and economic cooperation”; and that “to accept principles of water usage under MRC is still beyond Beijing's expectation” (Xinhua, 1995).

With this as the backdrop, China has served as a Dialogue Partner since 1996, which allows China to attend annual meetings at the Joint Committee level, but does not give China decision-making authority. China is not bound by any of the terms under the Mekong Agreement. As conveyed by a source within the MRC Secretariat, China “listens to what the MRC is doing, and comments if some of the proposals effect China, but since China is an upstream country, China rarely offers any input” (P. Sokhem, personal communications, July 18, 2006). There is some evidence to suggest increased interest in the MRC on the part of China. Over recent years, the Chinese delegation has doubled in size from 5 to 10 since 2003, with more representatives coming from the Ministry of Foreign Affairs (O. Cogels, personal communications, July 6, 2006). This suggests that the MRC is becoming more of a priority within the Central Government.

China has expressed interest in extending cooperation to other areas. Upon the invitation of the Chinese Ministry of Foreign Affairs and the Ministry of Water Resources, the MRC's CEO Dr. Olivier Cogels along with senior staff from the Secretariat made an official visit to Beijing in 2005 “to hold technical consultations under the framework of cooperation between China and the MRC, within the scope of the Mekong Program” (MRC, 2005). The delegation met with representatives from within the Central Government and identified areas of cooperation with the Ministry of Foreign Affairs, the Ministry of Water Resources and the Ministry of Communication, Information and Transport (MRC, 2005). Discussions were general and included increasing cooperation within the Dialogue framework; interest on the part of China in the MRC's mathematical models for possible use on the Lancang; and increasing cooperation in the Flood Management and Mitigation and Navigation programs (W.

Scheifer, personal communications, July 7, 2006). Specifically, the Ministry of Communications, Transport and Information expressed interest in collaborating with the MRC on navigation safety training (MRC, 2005).

Also, according to Dr. Cogels, part of these discussions included the possibility of sending a Chinese expert to the new flood center in Cambodia (supported by the ADB) to work alongside MRC technical staff in the area of Flood Mitigation. There are also discussions for a Chinese delegation to visit the MRC in 2006.

4.4.3 More Formal Cooperation

Since the early 1990s, China had expressed interest in cooperating with MRC in promoting sustainable development and development of regional economies through mostly technical arrangements. On April 18, 1995, China's Science and Technology Minister Hui said "China is interested in promoting cooperation between upstream and downstream countries" (Xinhua, 1995). This line of thinking has been echoed in policy speeches by the Chinese UNESCAP representative. For instance, speaking at the 9th Dialogue meeting held in Vientiane on August 28, 2004, China "highlighted the need to promote the sustainable use of water resources" and discussed the intention to "work on appropriate mitigation measures in order to minimize the potential impacts, namely river fluctuations" (Xinhua, 2005). A recent Statement by Minister Counselor Zhang Wanhai, Head of Delegation of China at the 10th MRC-China Dialogue Meeting, provides further evidence of China's approach towards the MRC. He noted the importance of building mutual confidence by "gradually pushing forward our cooperative agenda" and highlighted the potential to extend cooperation based on the details of the MRC trip to Beijing (Wanhai, 2005). Specific areas of cooperation being pursued include trade, tourism, and capacity-building.

A recent report by Philip Hirsch and others, in cooperation with Danish International Development Assistance (Danida), adds credence to the claim that China may be “warming” towards the MRC, and perhaps even membership (J. Fitzgerald, personal communications, August 15, 2006). The Danida report mentioned that within the “seven months of the study, the official Chinese position seemed to have shifted in favor of membership, or at least membership has gained the support of a majority in the decision-making loop” (J. Fitzgerald, personal communications, August 15, 2006). Personal discussions with the study team leader in China reaffirmed this position. The team leader personally met with officials in government agencies in Beijing and Kunming, including the Ministry of Foreign Affairs, the Ministry of Water Resources, the State Environmental Protection Administration, the Ministry of Commerce, the Yunnan Province Foreign Affairs Office and the Yunnan Environmental Protection Bureau (Hirsch, 2006). He said that the official policy towards the MRC seemed to move from one of no discernible or unified position, to a clear consensus growing towards China’s accession to the MRC. He added that “most people internally believe China should join the MRC” but that this may not translate into an immediate policy change (J. Fitzgerald, personal communications, August 15, 2006). Still, there are many actors within China that would have a say as to the direction Beijing takes towards the MRC, and there is little information available about who within China may be pushing more forcefully for membership and how much influence they have in regards to the overall policy direction.

However, a report by a well-respected academic in China may provide guidance as to what China’s position may be towards formal membership. The Danida report noted an unofficial paper authored by He Daming, who leads the Asian International Rivers Center in Kunming, which has recently been upgraded to an institute and is close to the government (Hirsch, 2006; D. Magee, personal communications, August 22, 2006). In this report, Daming examines the specific areas of the Mekong Agreement and raises objections to certain aspects of the Agreement, which may signal what China’s official

position would be should it proceed with joining the MRC (Hirsch, 2006). According to the Hirsch report, Daming highlights the following areas that would need renegotiation, or would need additional annexes to be attached to the original text [Daming, quoted in Hirsch et al, 2006, p. 63):

- i) The introduction of new systems and principles, for example principles of environmental monitoring, EIA and compensation.
- ii) The revision of provisions of the Agreement over which there is significant dispute – for example the principle of reasonable and equitable utilization in Article 5, the principle of not causing substantial damage in Article 7, and the procedures for prior consultation in Article 26 – as well as the addition of articles on protecting reasonable and equitable utilization by upstream countries, and restricting excessive interference by downstream countries in the utilization of water resources by upstream countries.
- iii) Making certain in-principle stipulations more specific, for example scope, adjustment targets and planned water utilization under “significant impact” in Chapter 2 of the Agreement, “harmful effects” in Article 7, “substantial damage” and “state responsibility” in Article 8, as well as procedural issues relating to dispute avoidance and implementation supervision.

As the Hirsh report is careful to state, Daming’s paper may not be a reflection of China’s official position (Hirsch, 2006). Given Daming’s importance to the Chinese government, it is clear that this paper may have some influence within China’s decision-making circles. However, based on China’s previous statements to the MRC’s Dialogue sessions, and as stressed by the MRC leadership itself, formal cooperation between China and the MRC will likely continue at a gradual step-wise approach, allowing trust to develop, and giving time to understand all the relevant issues for both China and the MRC.

4.5 Conclusion

Over the last ten years, interactions with the MRC and China have increased, especially within technical areas. In terms of Sadoff and Grey's cooperation continuum, cooperation between China and the MRC falls in line with tentative coordination in terms of information exchange (hydrological information), with possible cooperation in navigation, tourism, economic development, and capacity-building. As mentioned by one Chinese official, this will likely change as the details of the MRC's Mission trip to Beijing manifests into concrete form. Key areas of interest for China in terms of technical collaboration include making use of the MRC's modeling capability for predicting impacts within its own territory. Also, China has indicated interest in working with the MRC's navigation safety team in order to mitigate catastrophes on the river. What is lacking, however, is a clear effort on the part of China to provide information on the operating guidelines of its dams. Accurate information is needed to reduce uncertainty and foster agreement on the utilization and allocation of water resources. This is crucial in terms of river basin management, as better information flow and a clearer understanding of each state's role within a basin management structure creates predictability and allows for the optimal planning, development, and management of the river's resources. Without a clear understanding of China's use of the water upstream, establishing water use guidelines for the lower Mekong countries will be difficult. However, as noted earlier, balancing cooperation with issues of sovereignty is difficult, which is particularly true for China as the upstream state. However, Sadoff and Grey (2005) indicate that political, economic, and environmental changes within the basin may create other benefits that draw states into cooperative frameworks. The next chapter explores critical factors that may be motivating China forward on the cooperation continuum.

