Leading with Soft Power: Lessons from the Mekong River Commission

Transboundary water governance is often seen as ineffective and insurmountable, particularly in regions with complex hydro-political histories and realities like the great rivers of Mekong, Nile and Brahmaputra. Yet the Mekong River Commission (MRC), established under the 1995 Mekong Agreement, provides valuable lessons on how to jointly govern water resources. This case study examines the role of the MRC in promoting and sustaining cooperation among Mekong riparian countries in managing their shared river. It focuses on the use of soft power to bring countries with divergent interests towards collective action. With no regulatory or enforcement mandate, the MRC has primarily relied on soft power – soft rules, the so-called "Mekong Spirit," technical leadership and diplomacy of the MRC Secretariat and its leaders, and networks of influence. Three examples are provided to illustrate this point: securing agreement on transboundary governance frameworks, managing tensions over major infrastructure projects, and advancing cooperation with China – both an upstream riparian nation and a major power but not a member of the Commission. While these achievements have contributed to sustainable development and good relations in the Mekong, the case study also acknowledges the limits of soft power.

Evolution of Mekong Institutional Cooperation

The Mekong River is one of the world's vital and most complex transboundary watercourses, shared by six countries (ie Cambodia, China, Laos, Myanmar, Thailand and Vietnam). Crucial to the riparian countries' economies, regional food and energy security, and global biodiversity, the Mekong faces tremendous challenges such as balancing development and environmental protection, climate change, and geopolitical contestation.[1] The MRC, composed of Cambodia, Laos, Thailand and Vietnam as members, and China and Myanmar as dialogue partners, operates under a cooperative mandate derived from the 1995 Mekong Agreement – an international treaty. Like many intergovernmental bodies, the MRC does not have regulatory or enforcement powers. The Mekong Agreement is, by design, an "agreement to cooperate."

This cooperative model was different from the Mekong Committee (1957-1995) under the auspices of the United Nations, which had basin-wide authority to plan and develop the Mekong jointly and even veto power (via a 1975 mandate) over national projects that were not agreed by all countries. The Committee made grand plans in the 1970s and 1980s but these did not pan out due to conflicts in mainland Southeast Asia. Each country, especially the late developing ones (eg Cambodia and Laos), then adopted various planned projects into their national agenda.

When the MRC was set up, the riparian countries agreed to develop the Mekong for economic growth, but in a sustainable manner. The MRC did not have regulatory power but could develop rules and guidelines to ensure sustainable development. Under the influence of some donor countries, the MRC also tried to build rules and regimes that, in the eyes of developing countries, "stop[ped] development."[2] Thus, from the late 1990s through the early 2000s, the MRC concentrated on regime building and technical cooperation, largely for environmental protection: collecting and analysing data, developing water use procedures, building institutional capacity, and conducting studies.

[1] Please see a complementary case study: Anoulak Kittikhoun, "Governing A Great World River: Lessons from the Mekong," Lee Kuan Yew School of Public Policy, National University of Singapore, July 2025.
[2] See Alounkeo Kittikhoun and Anoulak Kittikhoun, "Leveraging the Mekong River Commission to Advance National and International Agendas," in *Small Countries, Big Diplomacy: Laos in the UN, ASEAN and MRC* (London: Routledge, 2021).

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By the 2010s, the organisation had to evolve into a more political and diplomatic actor to better assess and support the planned projects in late developing countries. With some technical capacity in place, but absent enforcement power, the MRC's role expanded to include facilitating consultations, consensus-building, engaging in basin planning to harmonise national agendas with regional sustainability goals, and coordinating flood and drought mitigation efforts involving multiple actors. These responsibilities demanded the dual strengths of technical expertise and skilled water diplomacy.[3]

MRC: Leading with Soft Power

Given its mandate and evolution, how does the MRC influence sovereign states? It does so by leading with soft power in four key ways: ensuring adherence to soft rules; appealing to the "Mekong Spirit"; technical leadership and diplomacy by the MRC Secretariat and its leaders; and networks of influence consisting of a broad ecosystem of development partners, non-government organisations (NGOs), civil society organisations and research institutions.

Soft Rules

The Mekong Agreement and its five Procedures form the core of the MRC's normative framework.[4] These are:

- The Procedures for Data and Information Exchange and Sharing – what data related to Mekong water management must be shared
- The Procedures for the Maintenance of Flows on the Mainstream – what thresholds in terms of water flows must be maintained and what actions are needed for violations
- The Procedures for Water Quality Monitoring – what acceptable water quality must be maintained and what to do in cases of emergency situations
- The Procedures for Notification, Prior Consultation and Agreement (PNPCA) – what projects require consultation and agreement before proceeding
- The Procedures for Water Use Monitoring – what water use is monitored and reported

Together with the Mekong basin development strategy, summit declarations, and sector-specific basin-wide strategies (covering fisheries, flood management, climate adaptation, among others), these documents created obligations and steered common strategic direction. Numerous guidelines, including those on transboundary environmental impact assessments (TbEIA), dam design, fish-friendly irrigation and transport of dangerous goods, provided practical standards for sustainable development. While these instruments are non-binding, they are negotiated and adopted by consensus, creating a degree of moral and procedural obligation among member states. In short, the soft rules allow opportunities for development as long as it is done in a responsible manner: proper planning based on reliable data and science, design based on agreed regional guidelines, consultation with potentially affected countries and stakeholders, and joint monitoring and adaptive management.

The "Mekong Spirit" of Cooperation

The MRC cultivates what is often referred to as the "Mekong Spirit" – a shared ethos of dialogue, compromise and working together to build trust and cooperative behaviour. The motto "One Mekong, One Spirit" reflects a commitment to maintaining cooperation even amid disagreement. Countries agree to keep communication channels open and search for mutually acceptable solutions. In the context of cooperation with China, Mekong

[3] Anoulak Kittikhoun and Susanne Schmeier, *River Basin Organizations in Water Diplomacy* (London: Routledge, 2021).
[4] Mekong River Commission, *Understanding the 1995 Mekong Agreement and the Five MRC Procedures: A Handbook*, integrated version (Vientiane: MRC Secretariat, 2018).

countries also adopt the ethos of "Shared River, Shared Future" from the Lancang-Mekong Cooperation.[5] This motto started out focusing on "win-win" cooperation and avoiding contentious issues. But gradually, it evolved into addressing problems in a forward-looking manner, akin to the "Mekong Spirit."

Technical Leadership and Diplomacy by the MRC Secretariat and its Leaders

The MRC Secretariat is the technical and executive arm of the Commission, staffed by professionals and led by a CEO appointed by the MRC Council of Ministers. Although member states govern the Secretariat, it is expected to function impartially, guiding adherence to the Mekong Agreement, and implementing MRC's decisions in line with its procedures, strategies and guidelines. The MRC Secretariat wields soft influence through its large technical "knowledge hub" consisting of data, technical assessments, scientific modelling and independent monitoring capacity. The information generated enable dialogue, discussions and negotiations to be based on facts. These tools allow the MRC Secretariat to issue recommendations, publicly recognise good practices and raise concerns when standards are not met. The Secretariat also manages substantial resources (funded by countries and donors), allowing it to conduct assessments, organise site visits and public consultations, and convene international learning exchanges.

Networks of Influence

In addition to the MRC countries and secretariat, the Mekong has a broad ecosystem of development partners, NGOs and research institutions to reinforce rules, raise awareness, and gently nudge states toward compliance and responsible water governance.

The MRC's effectiveness is often amplified by its relationships with development partners, including Australia, Belgium, Canada, the EU, France, Germany, Japan, Korea, Luxembourg, Sweden, Switzerland, the UK, the US, and others, who provide financial support and diplomatic backing. Unlike in the early days when many donors took an interventionist approach to MRC business, many partners today rightly proactively support the MRC from behind – listening to MRC needs, providing support where needed and quietly lobbying in support of MRC goals. The increase in the capacity of the MRC Secretariat, the leadership of riparian CEOs, and ownership of the MRC and Mekong cooperation by member countries (including increasing financial contribution to the MRC and committing to full self-finance by 2030) are responsible for this good donor behaviour.

Besides development partners, international NGOs, civil society organisations, and think tanks such as the World Wide Fund for Nature, the International Union for Conservation of Nature and the Stockholm Environment Institute also contribute expertise and advocacy. These networks help reinforce MRC norms, build on MRC work, elevate the visibility of its recommendations, help raise funds and apply constructive pressure on states to cooperate.

How the MRC Wields its Soft Power

The MRC has wielded its soft power in various instances, most notably in the following domains: securing the riparian countries' agreement on transboundary governance frameworks; managing tensions over major infrastructure projects; and advancing cooperation with China.

Securing Agreement on Transboundary Governance Frameworks

The use of soft power is key to the MRC's ability to enhance governance frameworks across borders. In terms of evaluating environmental impacts, the development and eventual adoption of the transboundary

[5] Lancang-Mekong Cooperation China Secretariat, "Sanya Declaration of the First Lancang-Mekong Cooperation Leaders' Meeting," March 23, 2016, http://www.lmcchina.org/eng/2016-03/23/content_41449864.html

environmental impact assessments (TbEIA) mechanism is a great example. Before the TbEIA framework, Mekong countries did not have any clear regional legal mechanism to raise concerns, consult each other and address potential transboundary impact of national development projects that are not on the river mainstream (where the PNPCA applies). Projects on tributaries, which contain a large percentage of development, are essentially seen as internal sovereignty issues and not subjected to scrutiny by external actors. In fact, this is the case all over the world and is not unique to the Mekong. The only exception is in Europe, where transboundary water and environmental governance in major European rivers such as the Danube and Rhine benefits from an EU water framework directive (a Europe-wide water law).[6]

The MRC began work on the TbEIA mechanism as early as 2003. After nearly two decades of negotiation, marked by concerns over sovereignty and development rights, the member countries finally agreed on the guidelines in 2022.[7] The TbEIA guidelines stand as a landmark in international water law and governance in the developing world. The breakthrough was the result of a fourfold strategy: (1) linking the guidelines to the implementation of the "environmental protection" clause of the Mekong Agreement and strategic direction provided by the basin development strategy; (2) appealing to the "Mekong Spirit" to emphasise that the process is collaborative (more about supporting the development of neighbouring countries) rather than restrictive (less about stopping environmentally damaging projects); (3) conducting studies that demonstrated alignment with national EIA laws and minimal encroachment on sovereignty (the country proposing projects still decides in the end whether to go ahead with projects or not); and (4) leveraging partner pressure and support, including funding for applications.

By proposing that TbEIA be voluntary and financially supported by the MRC for key projects, the MRC Secretariat secured member state consensus. This was first applied to Laos' proposed Sekong A hydropower project – the first large dam to be built on a key Mekong tributary. Independent assessments under the TbEIA framework provided critical insights into the project's transboundary risks, prompting recommendations for design modifications to mitigate potential negative impacts.

Managing Tensions over Major Infrastructure Projects

The MRC manages transboundary tensions also primarily through soft power.[8] Such tensions often arise in major infrastructure projects. For instance, the construction of the Xayaburi Dam was a pivotal test of the resilience of MRC's soft power strategy. In 2010, Laos formally notified the MRC of its intention to construct the Xayaburi Dam, the first mainstream dam in the Lower Mekong River Basin. Cambodia and Vietnam expressed grave concerns about the dam's potential impact on downstream ecosystems, sediment flows and fisheries. Even Vietnam, a longstanding ally, asked Laos to delay the dam development by ten years.[9] Many donors, NGOs, communities living along the river and the media were also up in arms.

The MRC Secretariat CEO and staff at the time had to painstakingly explain to Laos, other member countries, donors and stakeholders what the PNPCA was and was not about. In terms of rules, the PNPCA provides a regional legal mechanism to review the project, conduct consultations among countries and provide recommendations. It allows information to be shared and concerns to be raised openly and legitimately. Yet, in the end, whether to go ahead was Laos' sovereign decision. Although Laos eventually proceeded with the dam's construction, it agreed to redesign (at an additional cost of at least half a billion US dollars) several key

[6] European Union, "Directive 2000/60/EC of the European Parliament and of the Council of 23 October 2000, establishing a framework for Community action in the field of water policy," accessed July 22, 2025, https://eur-lex.europa.eu/eli/dir/2000/60/oj/eng

[7] China Daily Hong Kong, "Mekong River Commission boosts cross-border cooperation," October 5, 2022, https://www.chinadailyhk.com/hk/article/293360.

[8] Anoulak Kittikhoun and Denise Michèle Staubli, "Water Diplomacy and Conflict Management in the Mekong: From Rivalries to Cooperation," *Journal of Hydrology* 567 (October 2018): 654–667.

[9] Mekong River Commission, *Proposed Xayaburi Dam Project: MRCS Prior Consultation Project Review Report, Vol. 2: Stakeholder Consultations* (Vientiane: MRC Secretariat, 2011).

aspects based on MRC recommendations, including enhanced fish passage systems, sediment flushing and navigation locks.

Leaning on the "Mekong Spirit," Laos, Vietnam and others also compromised. Laos proceeded with developing the dam, while other countries' environmental concerns were addressed, in the short term, by improving mitigation measures and, in the long term, by agreeing to conduct a major study. The Council Study, as it became known, was to usher in better planning and implementation for future dams and other developments.[10]

Meanwhile, Xayaburi dam was built in line with good international practice. Pressures and encouragement from development partners helped elevate technical standards. Following the dam construction, the MRC insisted, with Laos' agreement, to jointly monitor the project, conduct site visits and maintain technical dialogue with Lao authorities and dam operators. This effectively applies a "soft" compliance mechanism that ensures transparency and adaptive management.

Advancing Cooperation with China

The development and operation of projects (including 12 major mainstream dams) on the Lancang (upper Mekong) in China have traditionally caused concern to downstream countries and communities in the Mekong. As a non-member of the MRC, China is not subject to the Commission's water use procedures of sharing information, consulting on projects or accepting any recommendations. During extreme events such as floods and droughts, the concerns become a matter of life and death as dam operations can harm or help downstream people.

In this context, the MRC Secretariat and its member countries took a proactive cooperative approach. While China did not want to become a member of the MRC, it accepted an invitation to be a dialogue partner in 1996 and participated in yearly dialogue meetings on water issues in the Mekong. Technical exchanges were conducted periodically. Numerous visits to China were made by succeeding CEOs and teams. In 2002, China and MRC signed a data sharing agreement whereby China would grant daily river discharge and rainfall data during the rainy season (typically June-October) from two of its Lancang River gauges. The data sharing was never interrupted and was helpful for forecasting flood.

For years, the MRC had also requested China to provide dry season data but did not receive positive consideration. The 2016 drought became a turning point. Responding to calls from MRC countries, China released emergency water from its dams, helping to alleviate shortages downstream. The first joint study between China and MRC was also conducted that year. This gesture opened the door to further cooperation. In 2019, the MRC Secretariat signed a memorandum of understanding with China's Lancang Mekong Water Resources Cooperation Centre. In 2020, China finally agreed to share year-round hydrological data, including dry season data. Building on positive cooperation momentum, China and the MRC launched joint technical studies in 2018 and 2022 to examine hydrological changes and dam impacts. A first joint Lancang-Mekong survey to the source of the river was conducted in early 2024.[11] In late 2024, when Typhoon Yagi brought severe flood risks to the Mekong, the MRC, Laos and China coordinated operational responses and adjusted dam releases to mitigate downstream flooding.

Overall, the MRC has established a working relationship with China. It is marked by more cooperation than contestation, despite the challenges of China not being part of the same regime of Mekong transboundary water governance. Yet, in dealing with China, the MRC has leveraged a different, even more subtle, kind of

[10] Mekong River Commission, *Study on the Sustainable Management and Development of the Mekong River Basin, including Impacts by Mainstream Hydropower Projects (Council Study)* (Vientiane: MRC Secretariat, 2017).
[11] Mekong River Commission, "First Joint Lancang-Mekong Survey to the Source: Building Trust through Shared Waters," July 2024, www.mrcmekong.org/media-releases/first-joint-lancang-mekong-survey-to-the-source-building-trust-through-shared-waters/2024/.

soft power through various cooperation agreements and mechanisms: dialogue partnership, data sharing agreements, institutional memorandum of understanding, joint studies and surveys, technical and diplomatic exchanges, and joint vision (ie "Shared River, Shared Future").

Limits of Soft Power

Despite the MRC's reliance on and success using soft power, its effectiveness ultimately depends on the political will of sovereign states. In the Xayaburi case, critics argued that the MRC failed to "delay" or "stop" the dam construction by Laos even though neighbouring countries objected. The recent case of Cambodia's proposed Funan Techo Canal project is seen as another test. While Cambodia submitted a formal notification to the MRC in 2024 under the PNPCA, critics noted that Cambodia has not provided sufficient data, project design and assessments to the Commission. It has also so far not engaged in dialogue on the project as requested by the MRC and member countries, especially with Vietnam – the most downstream and hence, the most concerned country.[12] Without regulatory authority, the MRC cannot force Cambodia to provide more data, enter into consultations, or accept the application of the TbEIA guidelines.

Still, as of end 2024, the MRC Secretariat had worked hard in quietly engaging the parties and conducted initial technical analysis, using available data and models to assess the potential impact of the project. It made a series of recommendations to member countries, laying the foundation for prospective cooperative measures such as site visits, international exchange, targeted assessments and joint monitoring. Absent hard rules and enforcement power, it is hoped that the soft power of flexible procedures and guidelines, technical capacity, diplomatic skills, appeals to the "Mekong Spirit," quiet support by partners, and a bit of luck, would yield future positive outcome for MRC engagement on the Funan project.

Conclusion

The MRC's journey demonstrates that effective leadership and governance in transboundary water management need not rest solely on regulatory or enforcement power. By relying on soft power, the MRC experience highlights that strategies such as developing and applying soft rules, cultivating mutual trust, shared norms and vision, building technical capacity and fostering flexible, consensus-driven processes can promote and sustain cooperation amidst diverging national interests. Hard work must be devoted to continually reinforce and uplift these elements. This is the only way to ensure eventual success in the absence of hard regulatory authority and political will and commitment of sovereign states to cooperate.

Discussion Questions

1. What is "soft power" and how has the MRC applied it to foster cooperation among Mekong riparian states?
2. What factors have helped or hindered the effectiveness of the MRC's soft power approach in managing transboundary tensions?
3. To what extent has the MRC succeeded in advancing cooperation using soft power and how might outcomes improve if strategies changed?
4. Propose an alternative mechanism, grounded in soft power principles, that the MRC could use to encourage compliance and engagement among its members.
5. How would you implement the MRC's soft power strategies to address transboundary governance challenges in a different context?
6. In which areas could the MRC consider a more regulatory ("hard power" or "hard law") approach to managing transboundary and shared resources? How would those be implemented?

[12] Brian Eyler et al., "Impacts of Cambodia's Funan Techo Canal and Implications for Mekong Cooperation," Stimson Center, May 9, 2024, https://www.stimson.org/2024/impacts-of-cambodias-funan-techo-canal-and-implications-for-mekong-cooperation/