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09

Contested Futures in the Mekong Region





Contested Futures in the Mekong Region Programme 9.6.2014

- 9.15 Welcome words, JYRKI LUUKKANEN, Finland Futures Research Centre**
- 9.20-9.30 Introduction: Mekong and the politics of hydropower,
MIRA KÄKÖNEN, University of Helsinki**
- 9.30-10.00 “Benefit sharing and sustainability of hydropower”,
LOUIS LEBEL, University of Chiang Mai**
- 10.00-10.20 “Hydropower development in Cambodia”,
TRY THUON, Royal University of Phnom Penh**
- 10.20-10.40 “Local research capacity to meet development and environmental
challenges”, DANY VA, Royal University of Phnom Penh**
- 10.40-11.15 “Finland's role and corporate accountability in the Mekong Region”,
TIMO KURONEN and LIISA UIMONEN, Siemenpuu Foundation**
- 11.15-12.15 Panel Discussion: Mekong futures and Finland’s role**
- 12.15-12.45 Questions and Discussion**





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FINLAND FUTURES
RESEARCH CENTRE

3



FUTURE TRENDS IN LAOS AND CAMBODIA DEVELOPMENT IN PERSPECTIVE

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University of Turku

<http://ffrc.utu.fi>, www.mekong.fi



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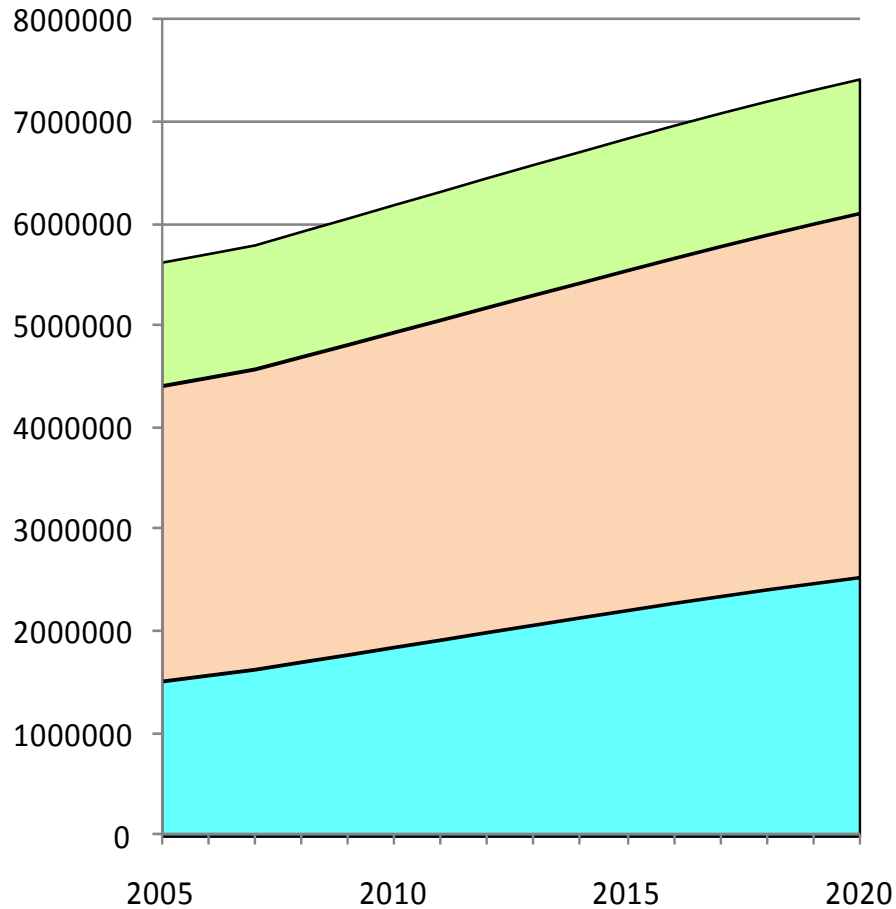
MEKONG REGION IN CHANGE





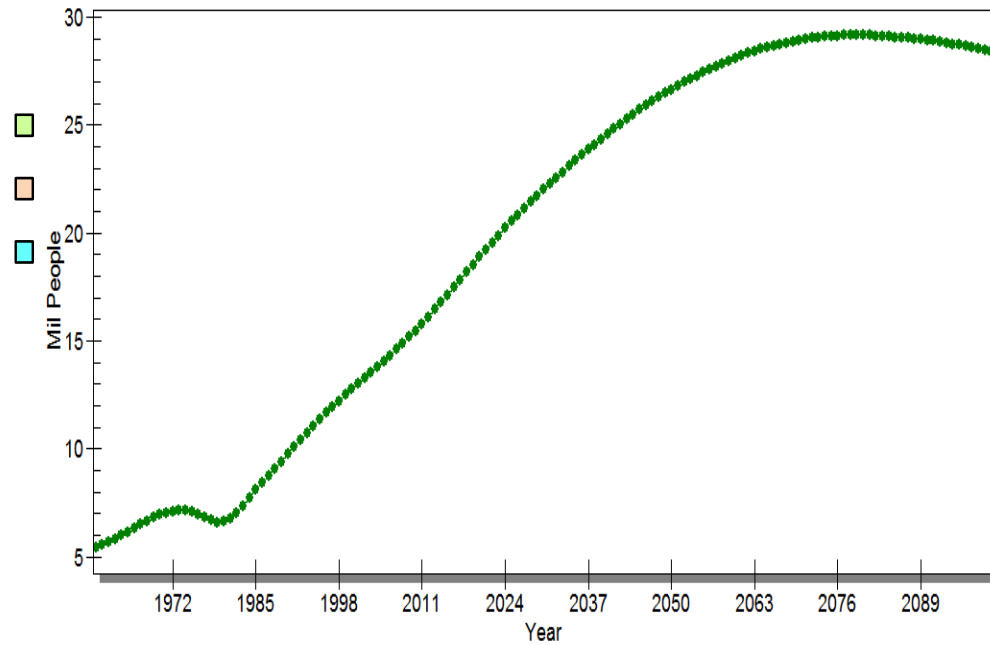
POPULATION

Lao PDR population scenario



Population, History and Forecast

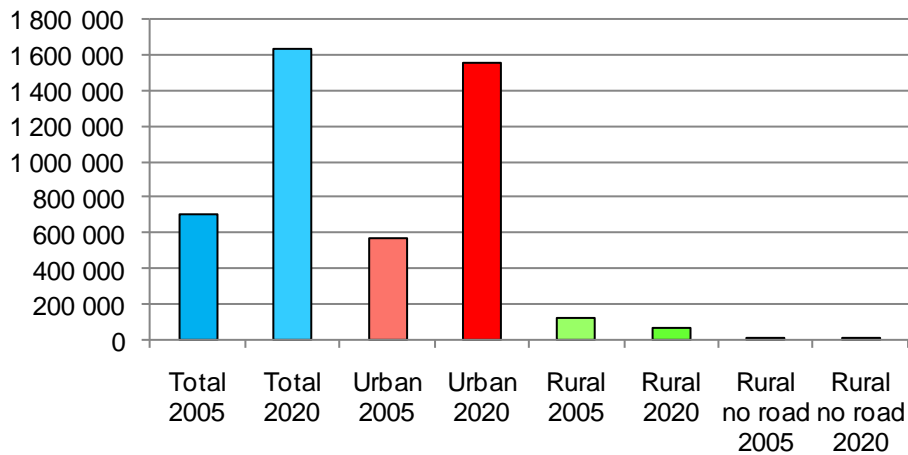
Population, History plus Forecast[Working](Cambodia)



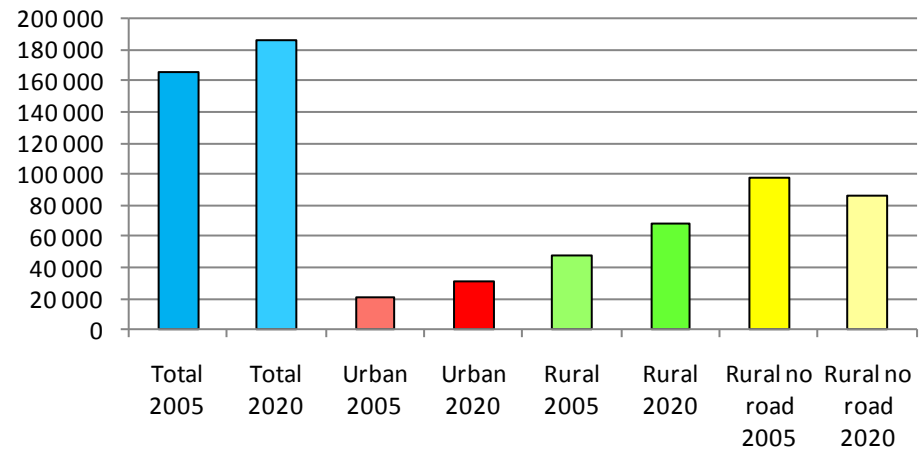


DIFFERENT POPULATION GROWTH FIGURES

Vientiane capital

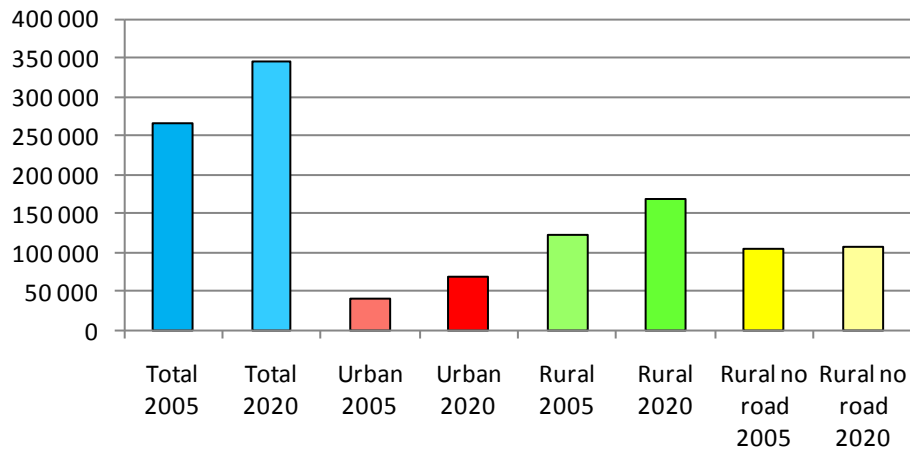


Phongsaly

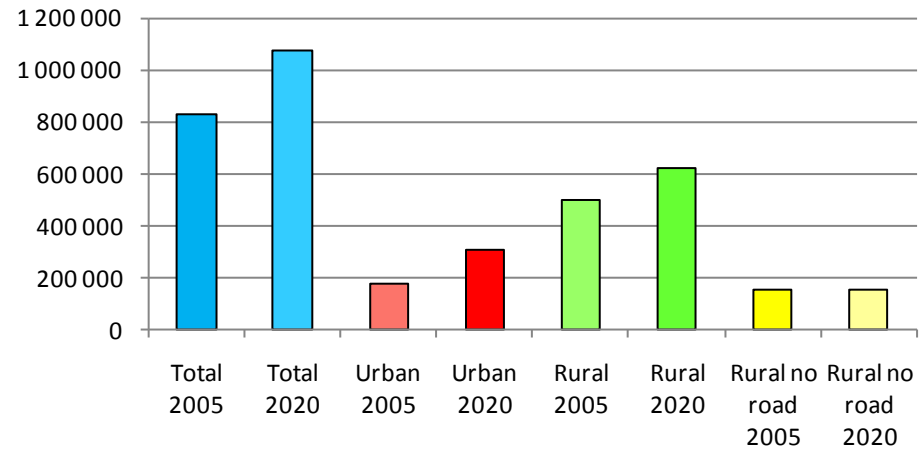




Oudomxai

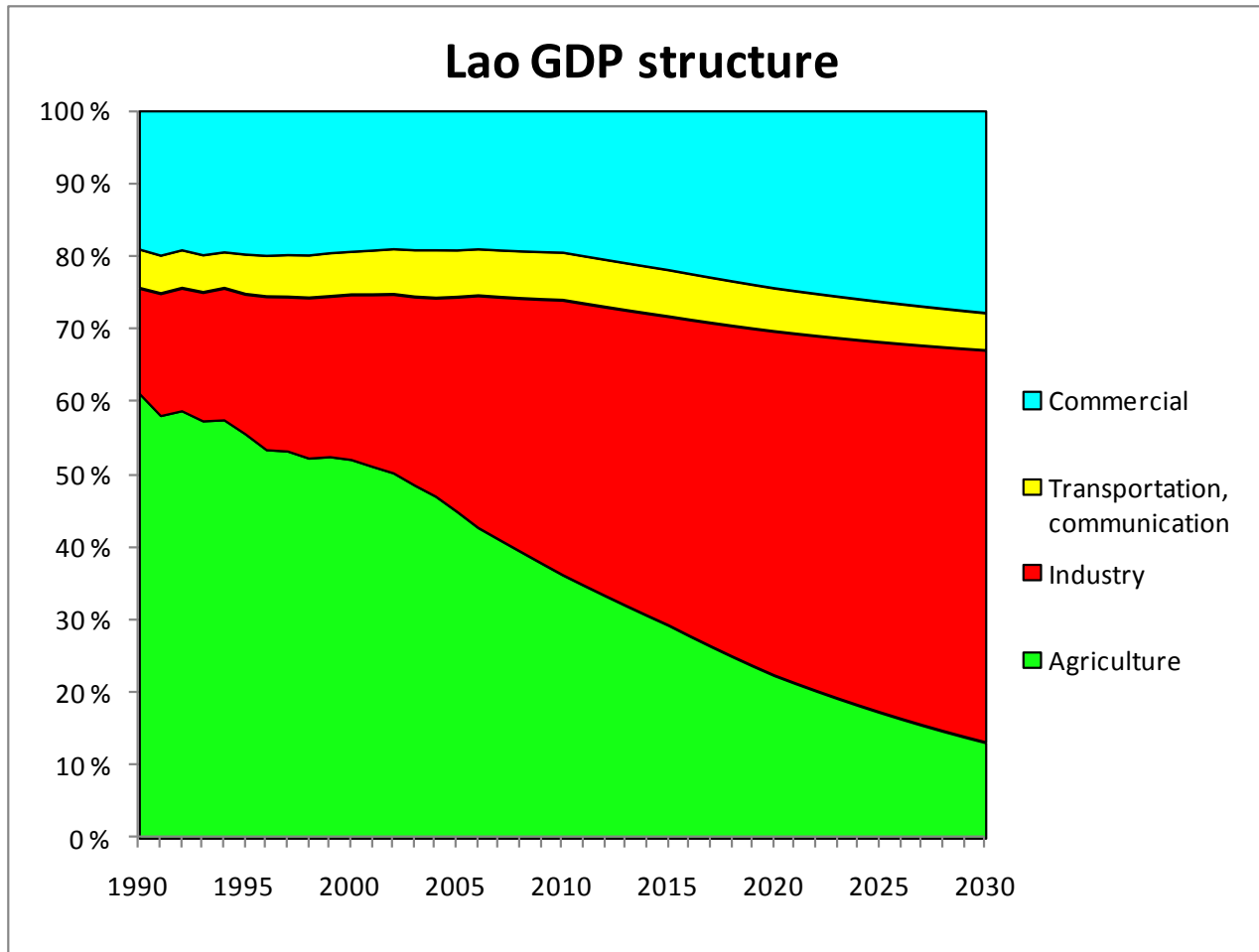


Savannakhet





STRUCTURAL CHANGE OF ECONOMY



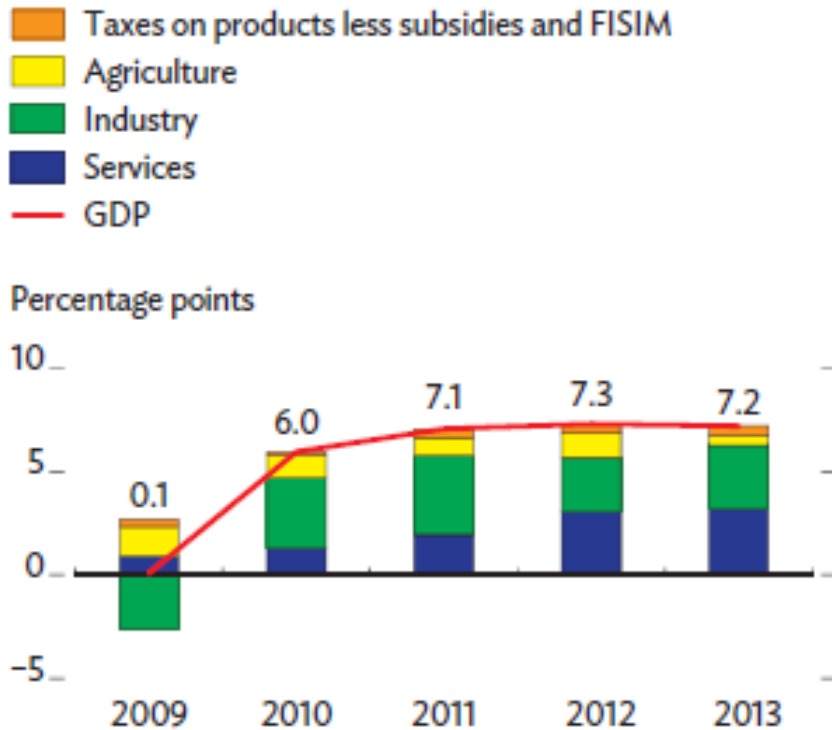
Potential scenario



GDP GROWTH

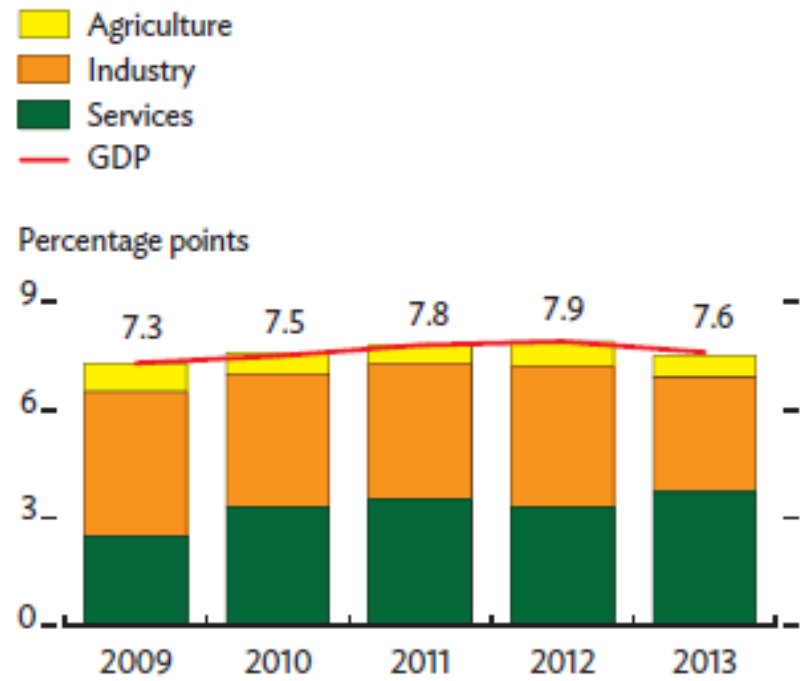
Cambodia

3.23.1 Supply-side contributions to growth



Lao PDR

3.25.1 Supply-side contributions to growth

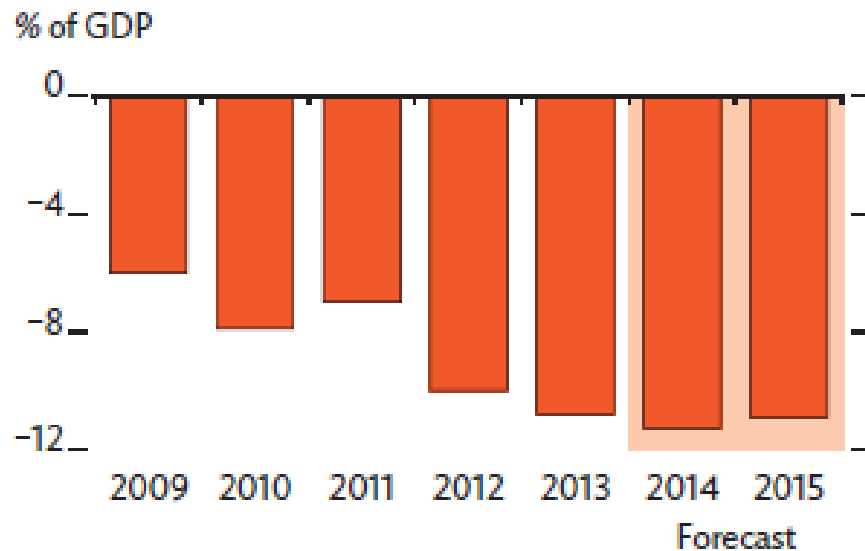


Sources: Lao Statistics Bureau; Asian Development Outlook database.

ECONOMIC BALANCE

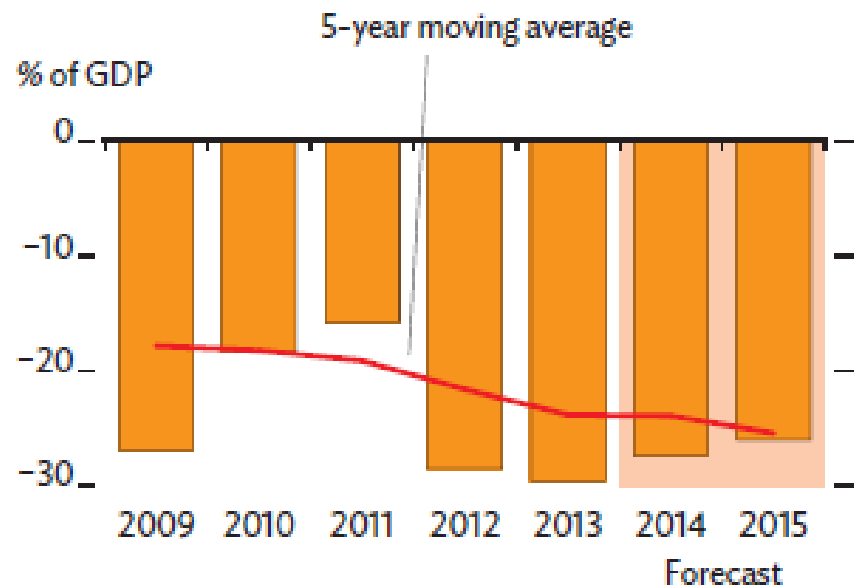
Cambodia

3.23.7 Current account balance



Lao PDR

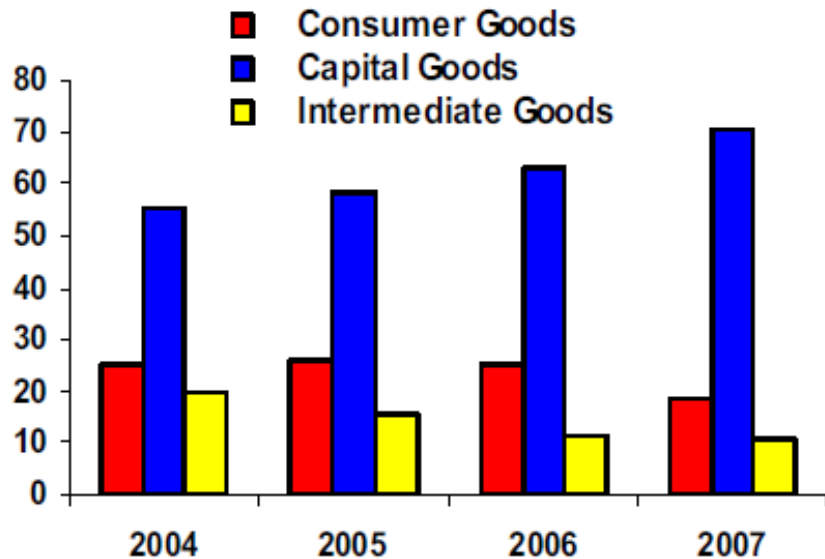
3.25.7 Current account balance





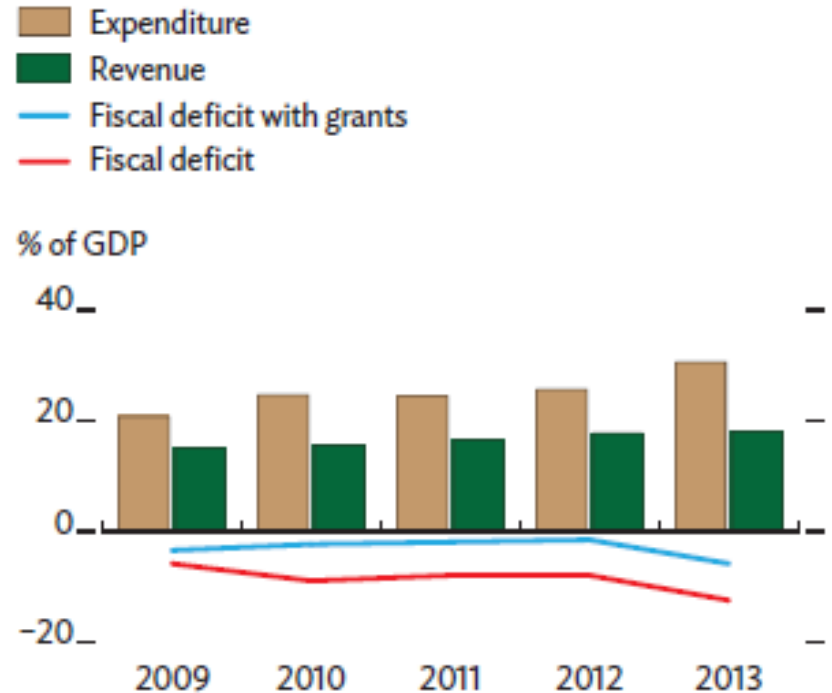
IMPORT AND CONSUMPTION, BUDGET DEFICIT LAO PDR

Figure 15. Key import commodities (% of total)



Source: Lao authorities and partner countries data.
Latest staff estimates and projections (2007)

3.25.3 Fiscal indicators



INVESTMENTS AND EXPORT LAO PDR

Figure 19. FDI by sector (US\$ m)

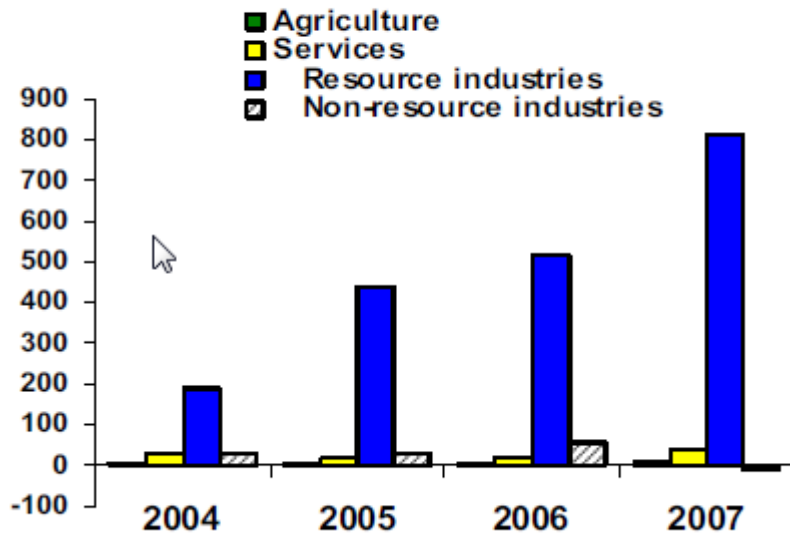
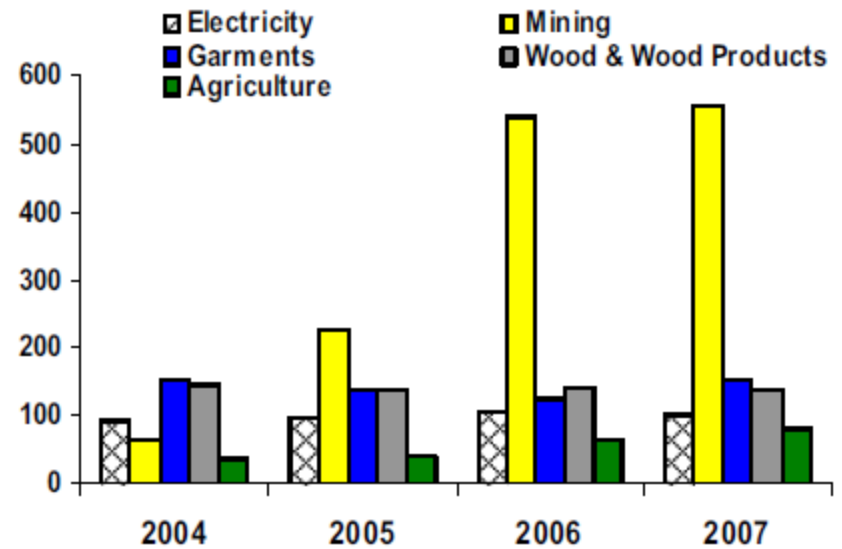


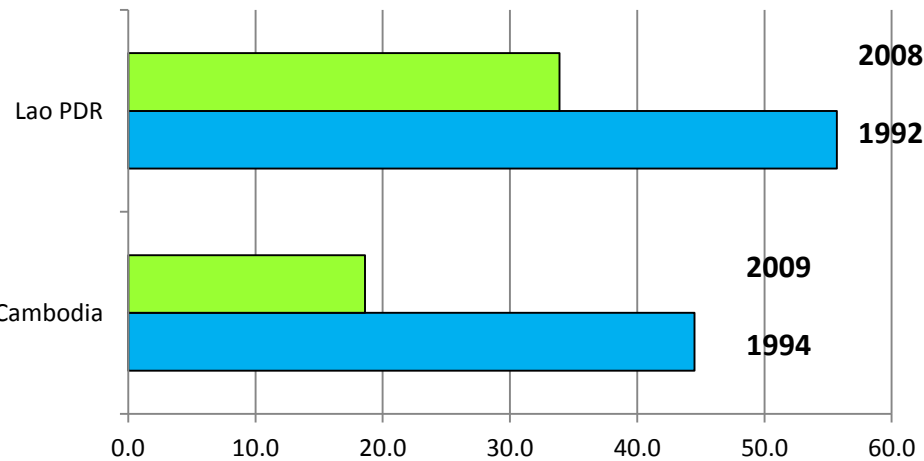
Figure 14. Key export commodities (mil. US\$)



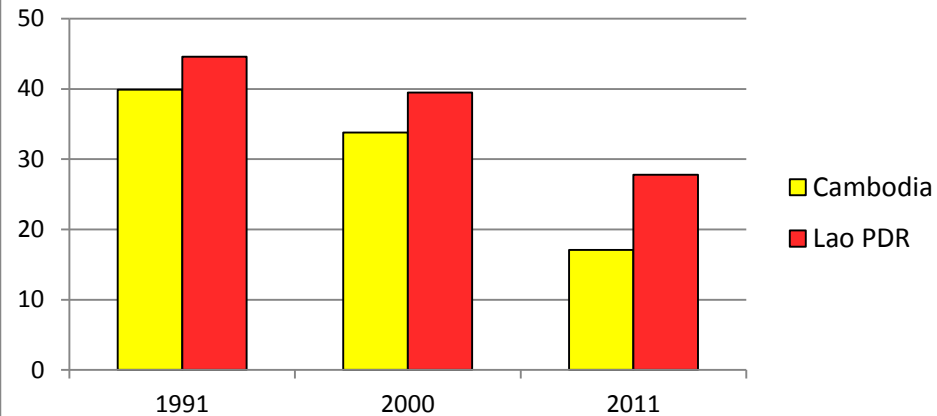
Source: Lao authorities and partner countries data.
Latest staff estimates and projections (2007)

MDG 1 TARGET

Population below poverty line



Population below minimum level of dietary energy consumption





MDG Goal 2: Achieve Universal Primary Education

Box 2.1 Progress toward target for primary school enrollment

Early achievers

Armenia	Kyrgyz Rep.
Brunei Darussalam	Lao PDR
Cambodia	Malaysia
China, People's Rep. of	Marshall Islands
Hong Kong, China	Micronesia, Fed. States of
Cook Islands	Mongolia
Fiji	Nauru
Georgia	Taipei, China
India	Tajikistan
Indonesia	Tonga
Kazakhstan	Tuvalu
Kiribati	Vanuatu
Korea, Rep. of	Viet Nam

On track

Palau

Slow progress

Bhutan	Solomon Islands
Pakistan	Timor-Leste
Papua New Guinea	

No progress/regressing

Azerbaijan	Sri Lanka
Maldives	Thailand
Philippines	Uzbekistan
Samoa	



MDG GOAL 7: ENSURE ENVIRONMENTAL SUSTAINABILITY

Box 7.1 Progress toward the target for proportion of population with access to improved drinking water

Early achievers

Afghanistan	Maldives
Armenia	Mongolia
Bhutan	Myanmar
Cambodia	Nepal
China, People's Rep. of	Palau
Cook Islands	Samoa
Fiji	Singapore
Georgia	Sri Lanka
India	Thailand
Korea, Rep. of	Tuvalu
Kyrgyz Rep.	Vanuatu
Lao PDR	Viet Nam
Malaysia	

On track

Indonesia	Philippines
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Slow progress

Azerbaijan	Papua New Guinea
Bangladesh	Solomon Islands
Kiribati	Tajikistan
Marshall Islands	Timor-Leste
Nauru	Tonga
Pakistan	

No progress/regressing

Kazakhstan	Turkmenistan
Micronesia, Fed. States of	Uzbekistan



ECONOMIC GROWTH

Where do the investments come from?

China?

Japan?

EU and USA?

Where to invest?

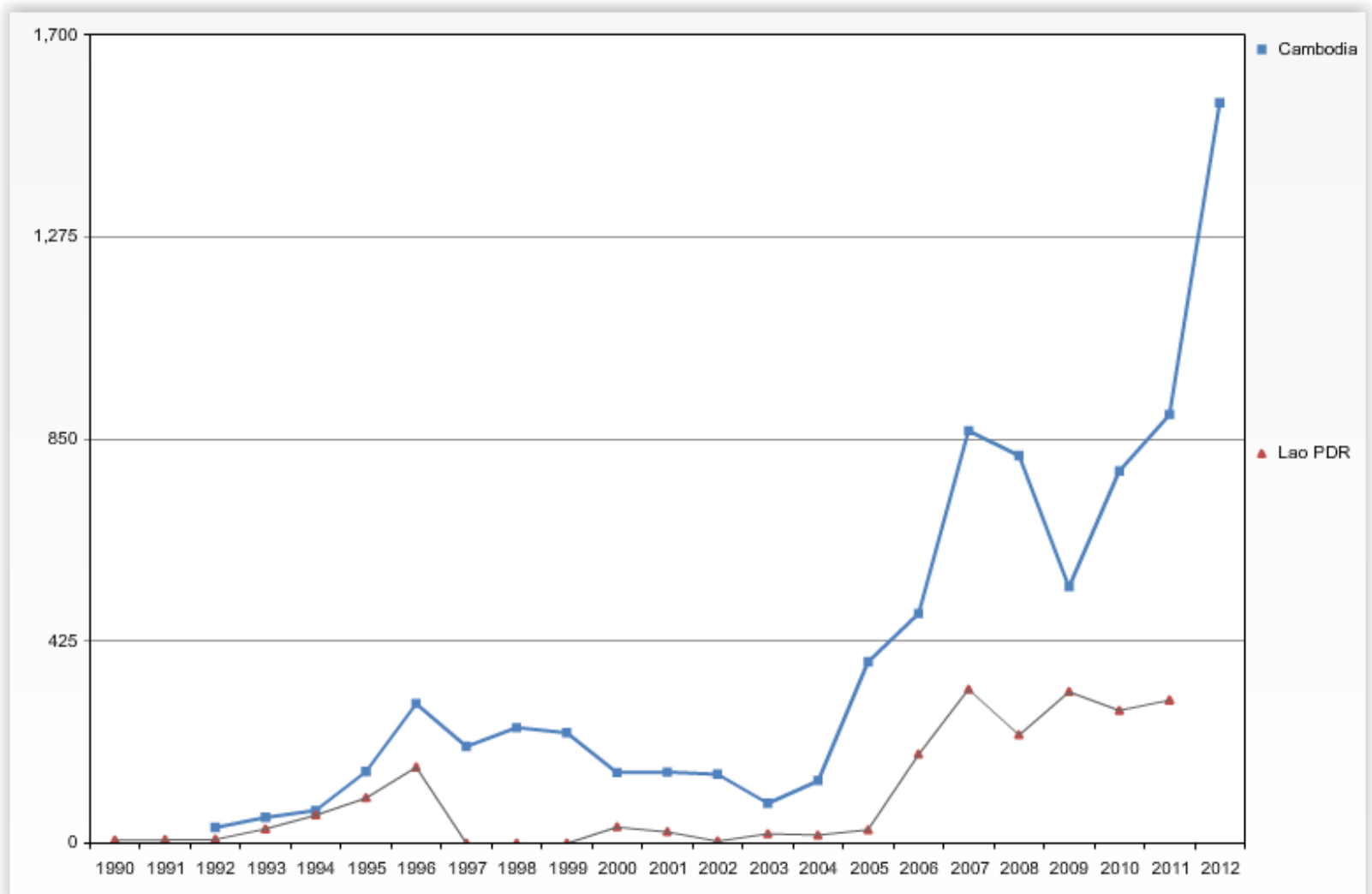
Aluminium

Electricity





FOREIGN DIRECT INVESTMENTS



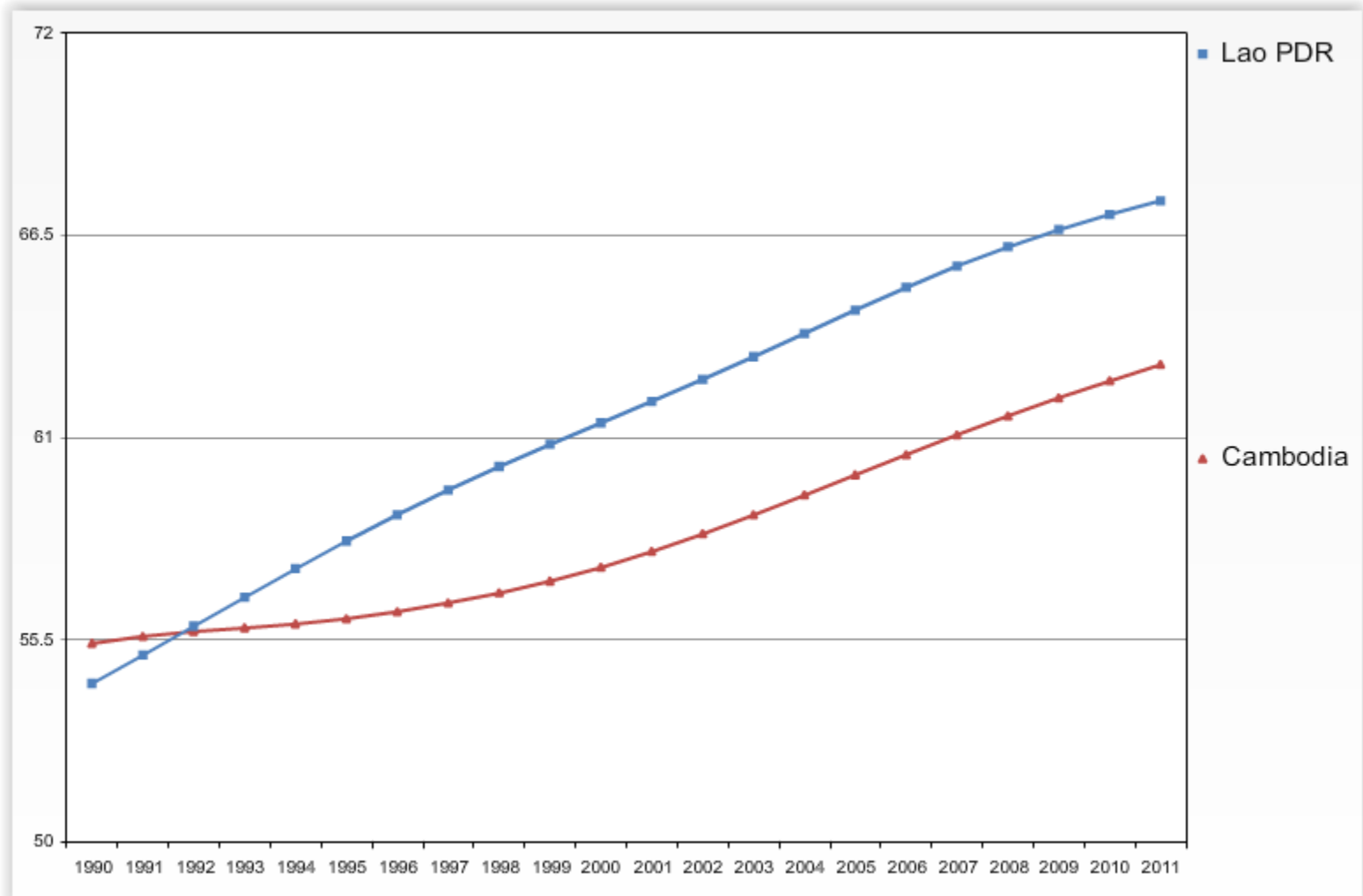


HUMAN DEVELOPMENT INDEX

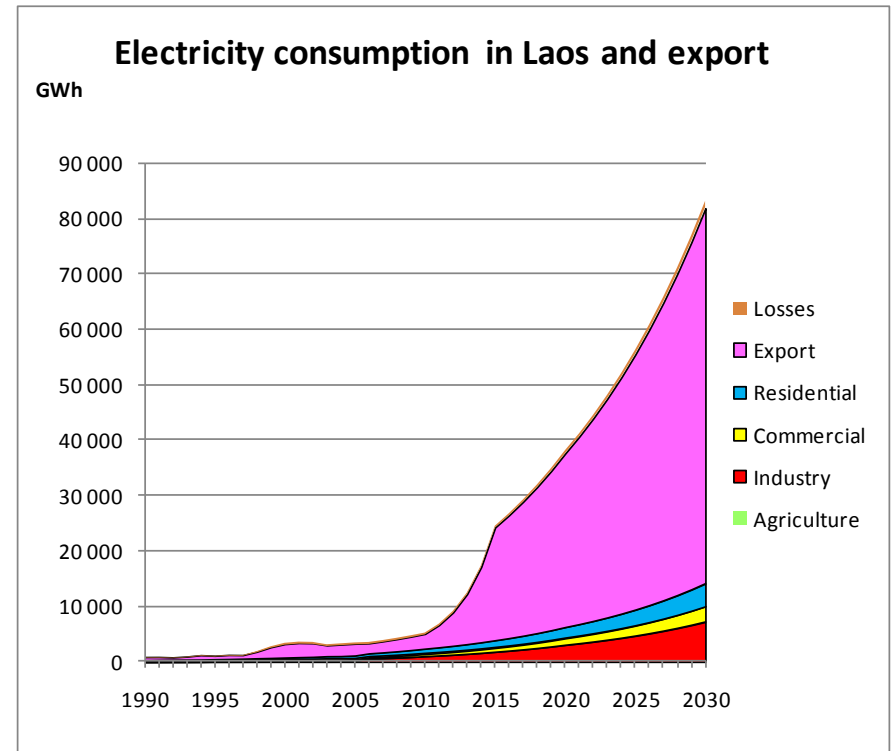
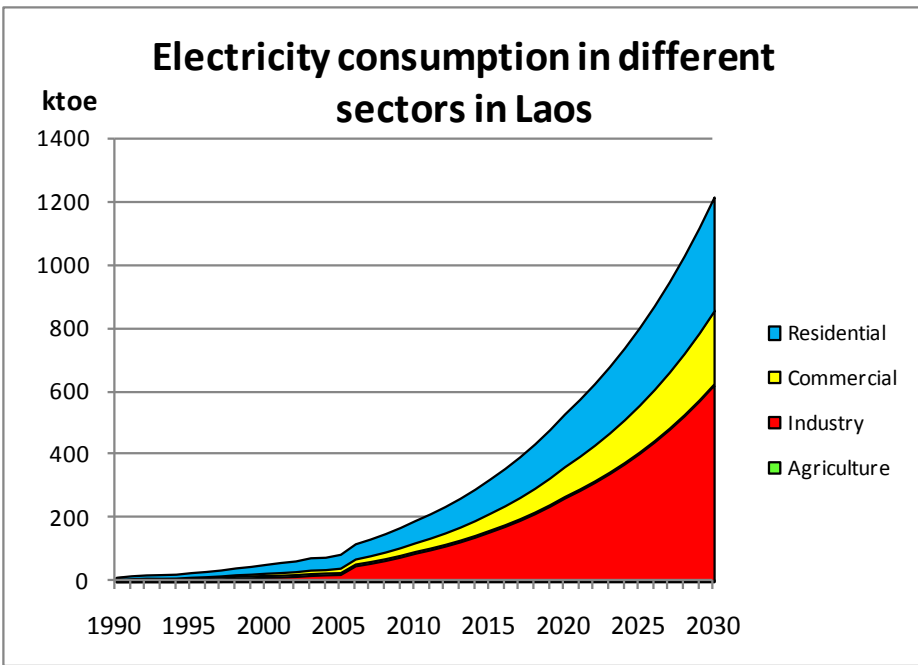




LIFE EXPECTANCY



ELECTRICITY CONSUMPTION





HYDRO POWER AND ECONOMY?

**Nam Theun 2
income 2 billion
USD for Laos**

**Who gets profit?
Who has to pay?
Where does the
money go?**



LAO ECONOMY

**GDP about 5.5. billion
USD**

**Annual education budget
about 0.1 billion USD**

**Nam Theun 2
income provides 20
years education
budget?**

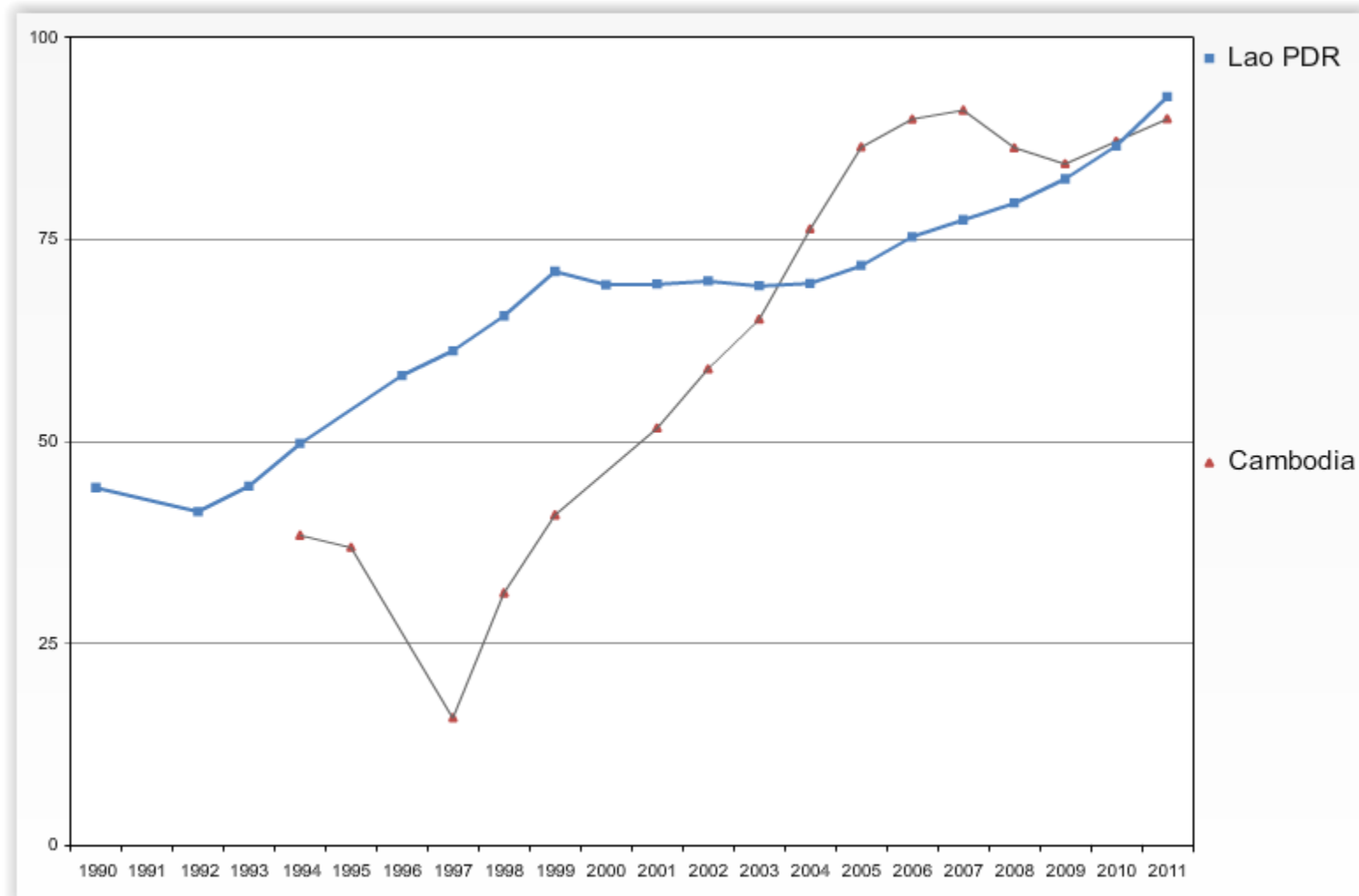
**BUT where does
the money go?**

**AND what are the
costs?**



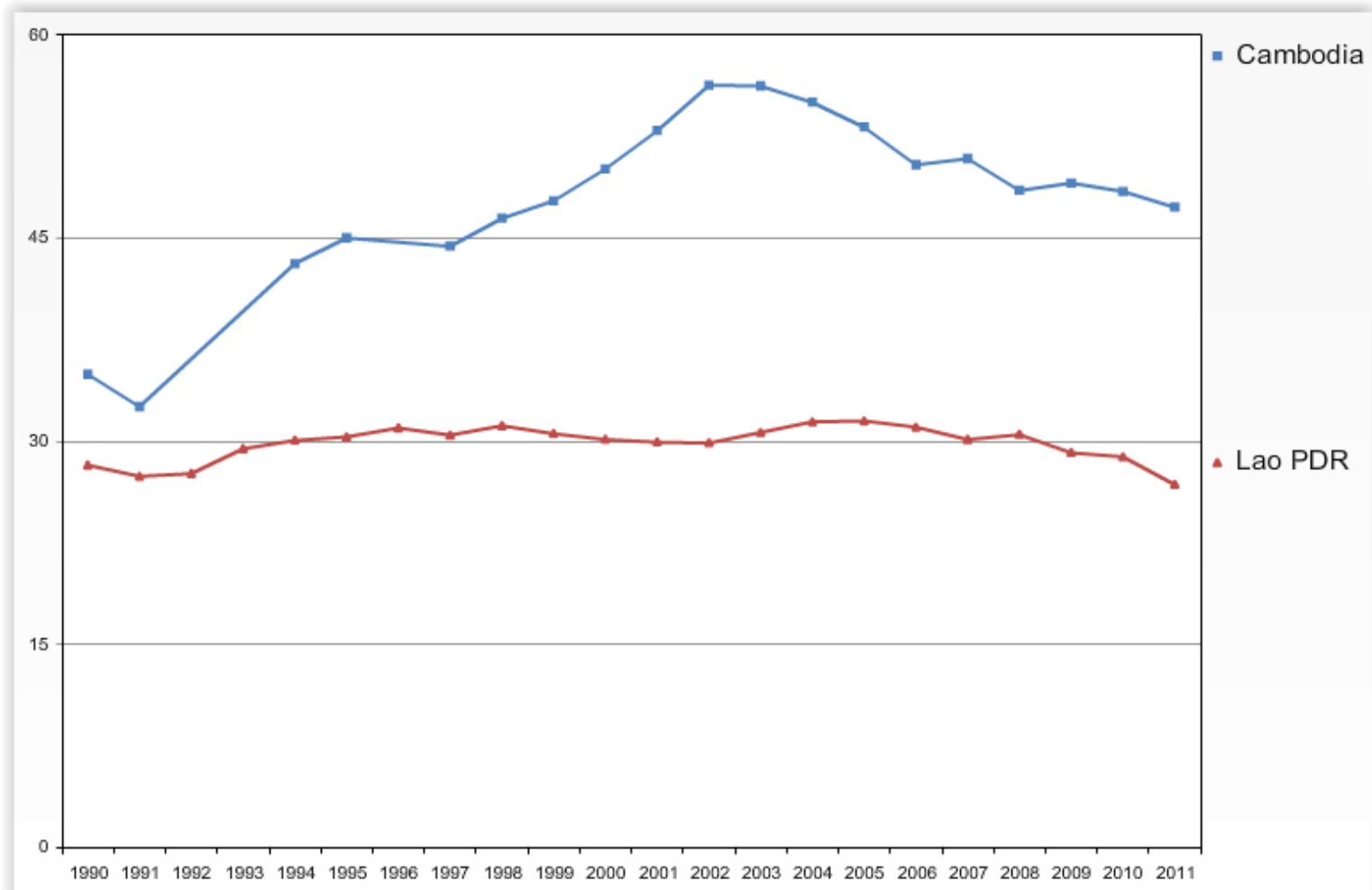


PRIMARY EDUCATION COMPLETION RATE





PRIMARY EDUCATION TEACHER-PUPIL RATIO QUALITY OF EDUCATION?



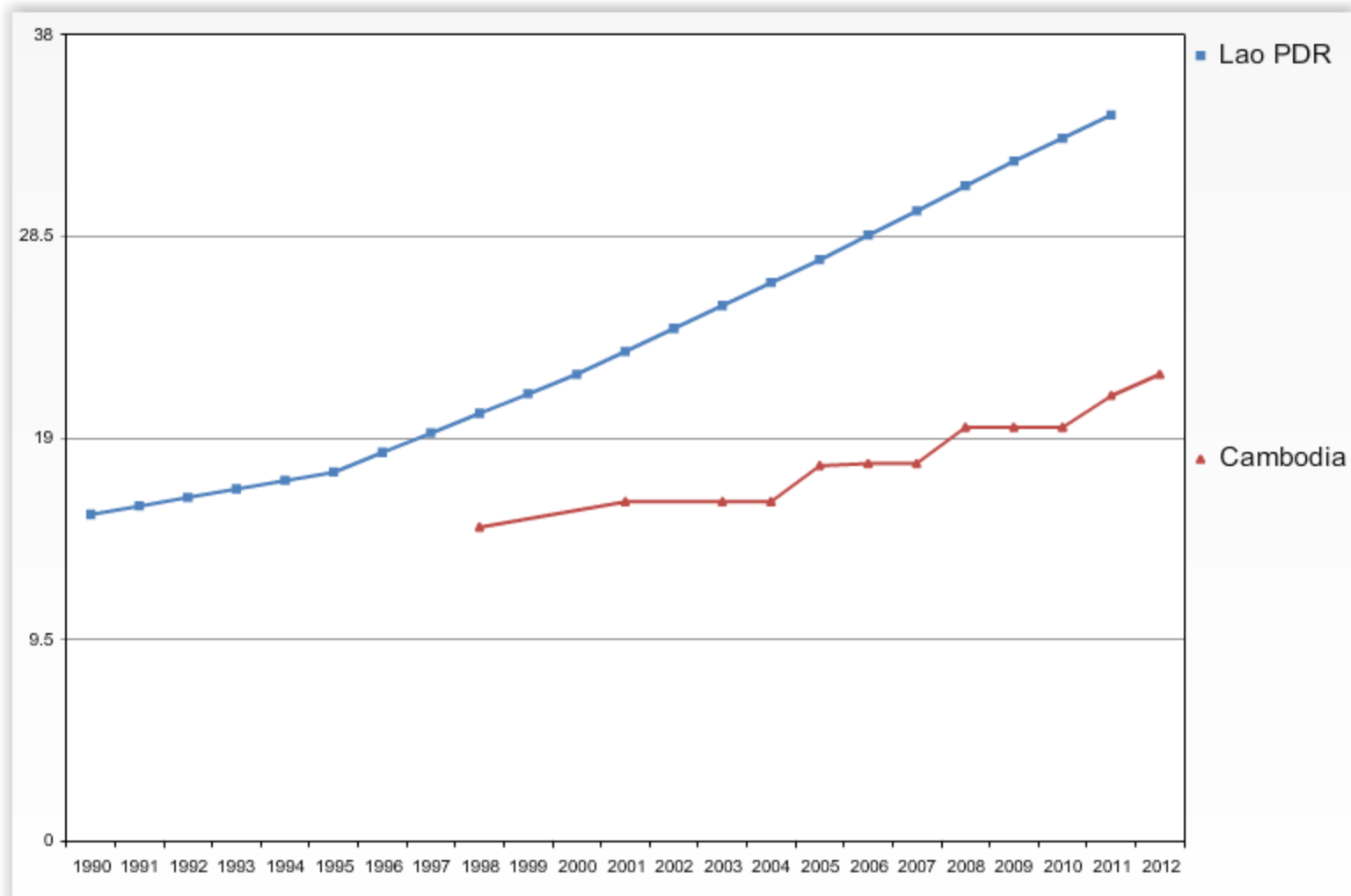
URBANISATION AND EMPLOYMENT

- **Rapid urbanisation is important trend**
- **What are employment opportunities for urban population**
- **How is the education of young people organised?**
- **How is the health care organised**



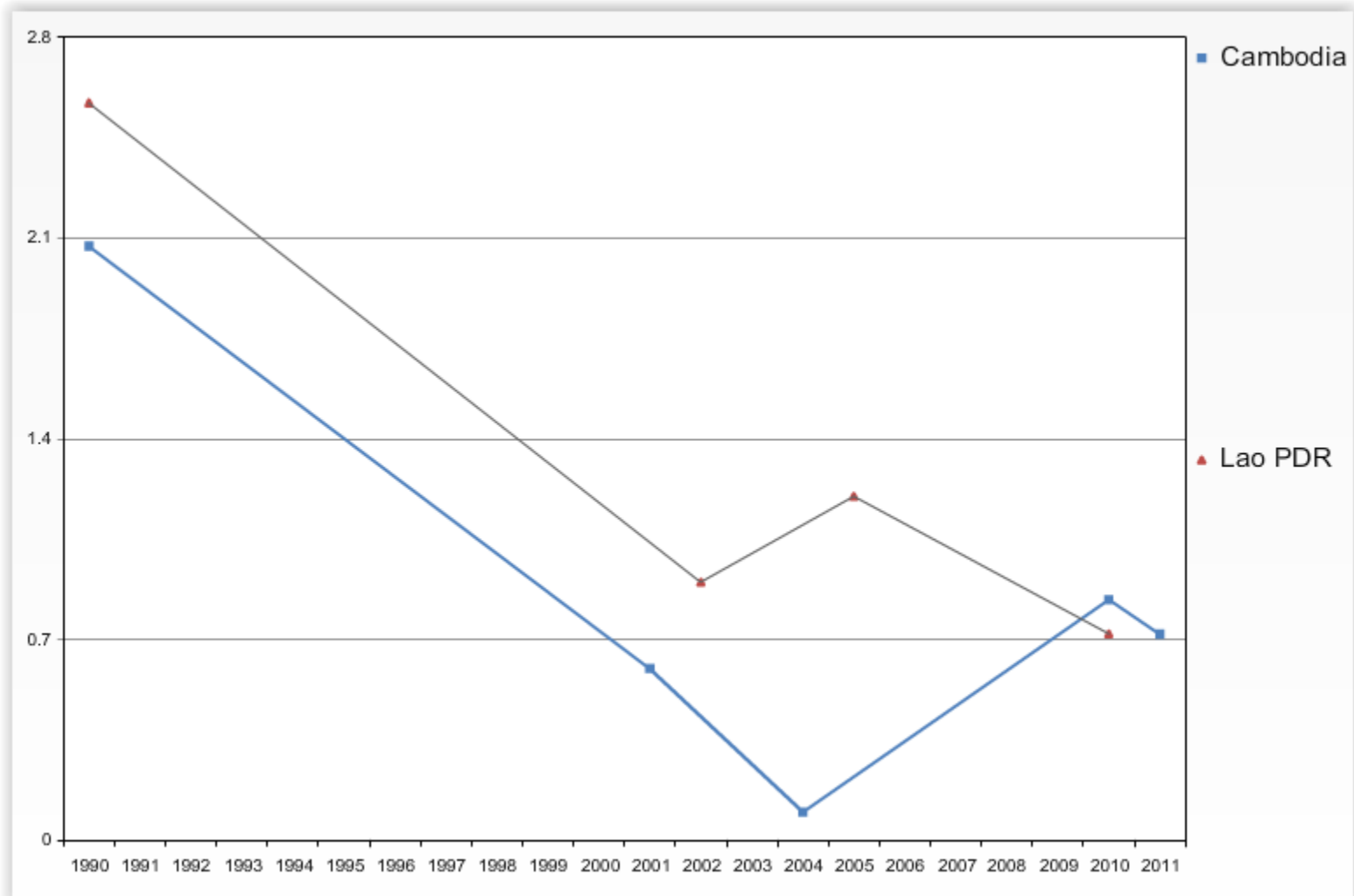


URBANISATION RATE





HOSPITAL BEDS PER 1000



HOW TO BALANCE ECONOMIC GROWTH, SOCIAL DEVELOPMENT AND ENVIRONMENT

- **Balance of payment**
- **Export earnings**

vs.

- **Local livelihood problems**
- **Environmental problems**





THE KEY QUESTION

**How to balance
different development
needs of different
groups of people.**



THANK YOU

