The economic potential of the region that would be served by a Mekong Special Fund in the Asian Bank is vast. The Mekong River has a total length of 2,600 miles, longer than the Mississippi proper. The Lower Mekong (below China) is 1,500 miles long. The drainage area of the Lower Mekong is some 238,000 square miles (equal to the area of California and New York State combined), with a population of 30 million people.

In addition to the substantial benefits in terms of flood control and navigation improvement, the potential capacity of proposed dams has been estimated at 14 million kilowatts, and the irrigation potential placed at 9 million acres. Development of the Mekong could make a significant contribution to increased food production in Asia. Over the last 10 years, some 27 nations have contributed about $40 million for data gathering and studies necessary to determine the Mekong River's characteristics as a basis for formulating an overall basin development plan. The United States has provided approximately $13 million toward this effort. Roughly $70 million has been provided or pledged during the last decade for construction of projects within the Mekong program, and again the United States has made available about $13 million of this.

The following types of activities would be expected to benefit from special fund financing under the Asian Development Bank:

(*a*) Feasibility studies on potential main-stream damsites (three such studies are now in progress; nine further ones remain to be done).

(*b*) Feasibility studies on tributary damsites (11 such studies have been completed and a further 23 remain to be done).

(*c*) Construction financing for dam projects that provide power, irrigation, or both to the riparian states.

(*d*) Feasibility studies of bridge crossings (to date the main channel of the Mekong has no bridges along its entire bank), cargo handling and boatbuilding facilities, and improvement of the navigation channel.

(*e*) An overall appraisal of the existing Mekong development program by competent international experts in the field of river basin and area development.

The operating relationship and division of responsibilities between the Asian Development Bank and the Mekong Committee will have to be worked out between those two bodies. The Council envisions that their agreement might provide that the Asian Bank would supply multilateral financial management and administration of operational arrangements in connection with Mekong projects. Such projects are expected to contribute significantly to implementation of a comprehensive development program in the Mekong Basin. The Bank could examine, and if it found them acceptable, could finance out of special funds major capital projects referred to it by the Mekong Committee. For its part, the Mekong Committee could provide the main forum in which the riparian countries discuss their mutual development priorities and problems and regional plans for coordinated economic development. Through the Mekong Committee, the riparian countries could consider the international agreements and policies that must guide the joint development and control of the Mekong River water resources for navigation, irrigation, flood control, and electric power generation and transmission. The Bank