

**MINUTES OF THE THIRTY-THIRD MEETING
OF THE MRC JOINT COMMITTEE
MEKONG RIVER COMMISSION
25-26 MARCH 2011, PRAEH SIHANOUK PROVINCE, CAMBODIA**

GENERAL

1. The Joint Committee of the MRC (the Joint Committee) held its Thirty-third Meeting, Plenary Session (hereinafter referred to as "The Meeting"), on 25 and 26 March 2011 in Preah Sihanouk Province, Cambodia. The proposed Agenda covered the following items (Appendix No.1: Agenda):

- Report by the Chief Executive Officer on progress since the Thirty-second Meeting of the MRC Joint Committee;
- Information on the Operating Expenses Budget of the MRC for 2010;
- Report on the Hydrological Conditions in the Lower Mekong Basin;
- Progress on Cooperation with Dialogue Partners;
- Progress on Cooperation with Development Partners and Regional Cooperation;
- Progress on the MRC Performance Management System;
- Approval of the Annual Report 2010;
- Report on Environment Audit of MRC Secretariat;
- Information on the Date and Venue of the Thirty-fourth Meeting of the MRC Joint Committee and the Sixteenth Dialogue Meeting;
- Approval of the Implementation Matrix for the MRC Strategic Plan 2011-15;
- Progress on Implementation of the IWRM-based Basin Development Strategy;
- Progress on the Basin Development Plan Programme Development;
- Approval of the Flood Management and Mitigation Programme Document for 2011-2015;
- Progress on Formulation of the Climate Change and Adaptation Initiative Document for 2011-2015;
- Progress on Formulation of the Agriculture and Irrigation Programme Document;
- Approval of the Drought Management Project Document;
- Approval of the MRC Work Programme 2011;
- Progress on MRC's Role in Groundwater Management
- Annual Report on the Implementation of the Procedures on Data and Information Exchange and Sharing and on Implementation of the Procedures for Water Use Monitoring
- Annual Report on Procedures for Notification, Prior Consultation and Agreement
- Annual Report on Implementation of the Procedures on Maintenance of Flows on the Mainstream and Progress on the Finalisation of the Technical Guidelines
- Progress and Roadmap for implementation of the Procedures for Water Quality
- Progress on a Multivariate Approach to Defining 'Significance' in regard to the Tributaries of the Mekong River System

2. The Meeting was chaired by H.E. Mr. Te Navuth, Secretary-General of Cambodia National Mekong Committee, Member of the MRC Joint Committee for Cambodia and Chairman of the MRC Joint Committee for 2010-2011. The Meeting was attended by 75 participants, including Delegates and Observers from Cambodia, Lao PDR, Thailand and Viet Nam, observers from the Republic of the Union of Myanmar, IUCN, UNDP, World Bank, and professional and support staff from the MRC Secretariat, (Appendix No.2: List of Participants).

3. On 24 March 2011, the MRC Joint Committee held a Private Meeting and a Preparatory Meeting to review the draft agenda and discuss issues of mutual concern prior to the Meeting.

4. The MRC Secretariat, with the assistance of the Cambodia National Mekong Committee Secretariat, provided logistical, secretarial and other support to the Meeting.

A. OPENING ADDRESS BY THE ALTERNATE MEMBER OF THE MRC COUNCIL FOR CAMBODIA

5. H.E. Mr. Sin Niny, the Permanent Vice-Chairman of Cambodia National Mekong Committee, Alternate Member of the MRC Council for Cambodia, and H.E. Mr Sbong Sarath, Governor of Preah Sihanouk Province presided over at the Opening Session of the Meeting. (Appendix No. 3).

6. In his opening remarks H.E. Mr. Sin Niny warmly welcomed all Members of the MRC Joint Committee, and all delegates to the Meeting, and he highlighted the research and technical advice provided to the riparian governments by the MRC on proposed mainstream development. The initiation of the prior consultation process on mainstream development was significant for MRC and its role in developing strategic directions to promote sustainable basin-wide development was acknowledged. H.E. Mr. Sin Niny indicated that the prior consultation process has shown the commitment made by the Member Countries to implement the 1995 Mekong Agreement. He further expressed appreciation for MRC's recently approved strategic documents, such as the IWRM-based Basin Development Strategy, the Procedure for Water Quality, and the MRC Strategic Plan 2011-2015.

7. H.E. Mr. Sin Niny encouraged the Joint Committee and the MRC Secretariat, Dialogue Partners, Development Partners and other Mekong partners to further strengthen regional transboundary cooperation for the sake of sustainable development of the Mekong River Basin. In closing, he reiterated his appreciation to all delegates for taking part in the meeting and thanked Mr. Jeremy Bird, the MRCS Chief Executive Officer, for his efforts and contribution in his capacity of CEO. He also thanked the staff of the MRC Secretariat and CNMC Secretariat for their organisational and logistical assistance and then declared the Meeting open.

B. STATEMENT BY THE CHAIRPERSON OF THE JOINT COMMITTEE FOR 2010-2011

8. H.E. Mr. Te Navuth welcomed all participants to the Meeting, (Appendix No.4) and expressed his gratitude to H.E. Mr. Sin Niny for attending the Meeting and giving an opening statement.

9. H.E. Mr. Te Navuth reiterated the increased cooperation between the MRC and the Dialogue Partners, China and Myanmar, on a growing number of policy and technical issues. He acknowledged with appreciation the continued support of the Development Partners for a number of key MRC programmes. Increasing support that the MRC has received from partners and organisations both across the region and beyond was also highlighted in the Chair's statement.

10. H.E. Mr. Te Navuth then introduced the agenda of the Thirty-third JC Meeting.

C. ADOPTION OF THE AGENDA

11. The Meeting adopted the agenda as proposed, (Appendix No.1: Agenda).

D. MANAGEMENT, ORGANIZATIONAL AND COOPERATION MATTERS

D.1 MEKONG RIVER COMMISSION SECRETARIAT

D.1.1 Report by the Chief Executive Officer on progress since the Thirty-second Meeting of the MRC Joint Committee

12. The Chief Executive Officer (CEO) of the Secretariat reported to the Meeting the main institutional developments and activities carried out since the last Joint Committee Meeting (Appendix No.5).

13. In closing, the CEO expressed his appreciation to the Member Countries as he has served the organisation in the capacity of the CEO during an important time. He believed that the MRC is in a good position to play a constructive and complementary role to Member Countries in the sustainable management of the basin's water resources.

14. The Meeting took note, with appreciation, of the progress reported by the Chief Executive Officer of the MRC Secretariat.

D.1.2. Information on the Operating Expenses Budget of the MRC for 2010

15. In introducing this agenda item, the Chief of the Finance and Administration Section informed the Meeting of the expenses on OEB for 2010, (Appendix No.6).

16. The total income of 2010 amounted to US\$ 4,085,656 (including the 2011 MRC contribution from Thailand of US\$ 501,739 received in December 2010). The adjusted income was US\$ 3,583,917 which was 110% higher than the budgeted amount mainly due to increased Management and Administration Fee (MAF) income. Income on MAF reached 117% of the budget or US\$1,953,751 which is significantly higher than projected mainly thanks to increased disbursements of the programmes in the last quarter of 2010. The total expenditures of 2010 amounted to US\$ 2,676,404 or 83% of the budgeted amount. Savings have been recorded on all budget series and in particular on the personnel-related budget lines, official travel, MRC Meeting expenses and support to NMC's. This led to a surplus of US\$ 907,513 bringing the Administrative Reserve Fund to a positive balance of US\$ 1,953,094 at the end of the year. Regarding the reimbursement of the relocation loan to Lao PDR, US\$ 200,000 from the Administrative Reserve Fund will be used to repay the outstanding balance loan to Lao PDR as agreed by the Joint Committee at its Thirty-second Meeting.

17. The Meeting took note of the progress of the Operating Expenses Budget of the MRC for 2010.

D.2. MEKONG RIVER COMMISSION

D.2.1 Report on the Hydrological Conditions in the Lower Mekong Basin

18. With the assistance of the Operational Hydrologist, the CEO informed the Meeting of the analysis of hydro-meteorological data and the hydrological conditions throughout the 2010 flood season and the onset of the 2010 - 2011 low flow season. A summary of the hydrological conditions was presented to the Meeting, (Appendix No.7).

19. Thailand took note of quality of hydrological reports prepared by the MRC Secretariat, particularly the current one with more information provided and noted that the report is improved year by year. However, even though the information provided in the report was useful, it can only be considered as a snapshot of the flow of the Mekong which is not

sufficient for the Joint Committee to make management decisions such as setting a threshold level for maintaining the flow of the Mekong. Thailand also reiterated its request for time series and trend analysis from the Secretariat. Thailand enquired further on the report's mention of a suggested comprehensive technical impact study in the region. Thailand also suggested that references of technical analysis should be annexed to the report so the analysis could be used more extensively by Member Countries including for capacity building exercises.

20. Cambodia took note of the information reported and found that this information is useful in helping to understand the hydrological conditions for the management of the Mekong and requested the MRC Secretariat to closely maintain hydrological monitoring in the future, and in case there is any urgency, actions should be taken and immediate information shared with Member Countries and other stakeholders for effective preparedness and response.

21. Viet Nam was concerned about the loss of the flood volume in the flood season exhibited in the lower parts of the basin, e.g. Kratie and downstream and that deserved as much attention as the analysis of short term fluctuations of flows in upstream areas. In addition, information provided by China should be used for analysis in the future. Viet Nam urged the MRCS to put more effort on the improvement of the report for use by national agencies.

22. Lao PDR took note of the report.

23. The Secretariat clarified that it intended to conduct further studies on the impact of upstream and tributary hydropower development on hydrology in the LMB. In addition, this year is the first time that the data for the drought season has been provided on the website. Regarding the lower flood volume in areas around Kratie, it was clarified that further emphasis would be provided on such cases in future reports.

24. The Meeting took note of the report on the Hydrological Conditions in the Lower Mekong Basin and advised the Secretariat to take into account the comments made by the Meeting in order to improve future reports.

D.2.2 Progress on Cooperation with Dialogue Partners

25. In introducing the agenda item, the Chief of the International Cooperation and Communication Section reported to the Meeting on progress made towards strengthening cooperation with Dialogue Partners, (Appendix No.8).

26. The meeting was presented on the current technical cooperation with China and Myanmar, particularly on a proposal for the next flood management training course, dry season data sharing, and the continued assignment of Chinese institute ESCIR as the focal point in China for technical issues on hydropower. Regarding the Secretariat's proposal of a threshold at Chiang Saen as a low flow level which if reached will trigger automatic data sharing during the dry season, China has responded that experts will be assigned to assess the establishment of such a threshold for cases of impending drought and will carry on joint technical studies with the MRCS. On the basis of that assessment they will consider future data sharing in the dry season.

27. As a result of the discussion with Dialogue Partners on the MRC Junior Riparian Professional project, the first JRP from China joined IKMP in OSP in early March 2011 for a period of 4-6 months. A response from Myanmar for them to join the JRP scheme is awaited.

28. Cambodia took note of the progress on the continuously increasing cooperation with Dialogue Partners and requested the MRCS to maintain the positive momentum for the sake

of the sustainable development of the Mekong River basin.

29. Thailand took note of the report and requested for the proceeding from the recently concluded International Watershed Conference which included issues related to linkages between watershed management and impact on sediment flows and morphological changes in the lower reach of the Mekong. Thailand also requested clarification on how the Secretariat determined the proposed threshold value of 2.2 meters and asked whether other criteria that had been developed previously by the Secretariat were used or not, and if not, why. Thailand suggested adding other criterion such as those included in the Integrated Basin Flow Management (IBFM) framework.

30. Viet Nam was looking forward to more concrete progress on the accession of Myanmar and asked the Secretariat to prepare a roadmap to help guide the process further.

31. Lao PDR took note of the progress and shared Viet Nam's view that a roadmap related to possible accession of Myanmar should be prepared for reporting to the next JC Meeting.

32. The Secretariat clarified that the summary of the International Watershed Conference was available on the website while the proceedings of the Conference is being prepared to capture the key issues exchanged and could include the topics and analysis raised by Thailand. On improvement of the hydrological condition report the Secretariat is exploring ways to improve on the report including utilizing simulation models on hydrological conditions in the LMB. Regarding the threshold levels, the Secretariat informed the Meeting that other considerations such as irrigation and water supply pumping levels had been considered but navigation was the critical one. As China has expressed its willingness to cooperate on this issue, the Secretariat will now send a formal request to Member Countries seeking further information on the matter and IBFM findings will be reviewed and updated as needed in order to be a basis for future discussions with China. The Secretariat attributed the slow progress on possible accession of Myanmar to MRC to timing as the letter of invitation was sent just prior to general elections in the country in 2010. Now that time has lapsed and possible changes may have settled, the Secretariat will follow up on the discussion.

33. The Meeting took note of the progress of the cooperation with Dialogue Partners and advised the Secretariat to continue to strengthen cooperation and provide a clear roadmap for the accession of Myanmar to the MRC. The Secretariat was also urged to continue to work with China for data sharing in the dry season, and consult with countries in setting the threshold for data sharing based particularly on minimum acceptable low flow conditions between Chiang Saen and Vientiane.

D.2.3 Progress on Cooperation with Development Partners and Regional Cooperation

34. The CEO of the MRC Secretariat with the assistance of the Chief of the International Cooperation and Communication Section reported to the Meeting on the agenda item, (Appendix No.9).

35. The budget structure of the MRC consisted of three main components: (i) the Corporate Service Budget (containing the OEB); (ii) the Work Programme Budget (Containing MRC Programmes); and (iii) the Associated Development Project Budget (containing technical assistance provided to MRC Member States directly or through the MRC). Since the Thirty-second Meeting of the Joint Committee in August 2010, eight agreements for a total amount of US\$ 24.5 million were concluded. Development Partners also had indicated multi-year pledges and commitments of support amounting to US\$ 41.32 million. Of these US\$ 35.99 million are towards the Work Programme Budget and US\$ 5.04 million are for the Associated Development Project Budget.

36. The MRC also aims to benefit from an increased cooperation with a wider range of international organisations such as the U.S. Geological Survey (USGS), the German Remote Sensing Data Centre, DFD of the German Aerospace Centre, DLR (WISDOM), the Murray Darling Basin Authority, and the Commonwealth Scientific and Industrial Research Organisation (CSIRO) in Australia.

37. Cambodia took note with appreciation the progress on cooperation with Development Partners and regional and international organisations and other Mekong partners and requested the MRC Secretariat to make further efforts in the future. Cambodia expressed its sincere thanks to Development Partners for their generous and continued support to the MRC and commitment for future support. Cambodia acknowledged that better networking and partnership will help to contribute to the sound management of the Mekong Basin. Cambodia then recommended that fundraising strategies should be further improved to emphasise fundraising activities in order to support the effective implementation of the Strategic Plan 2011-2015.

38. Lao PDR took note of the progress and encouraged the MRC Secretariat to prepare strategies for securing funding for this Strategic Plan cycle. The Secretariat was also requested to prepare the roadmap for funding and implementation of decentralisation of core functions to be presented at the next JC Meeting and Council Meeting. Regarding MOUs and agreements, the Secretariat was requested to analyse all current MOUs to review their status as well as a comparison with the expectations when the MOUs were signed. MRCS was also encouraged to explore other potential partners for further partnership with MRC.

39. Thailand took note of the progress on cooperation with Development Partners. Acknowledging the importance of groundwater and drought management, Thailand also suggested that the MRCS intensify fundraising for groundwater activities. As reported in the briefing note, Thailand noted that some programmes are not yet fully aligned with the Strategic Plan and enquired when they could be realised. As reported in paragraph 11 of the briefing note, Thailand was concerned on the funding gaps of around 40% and suggested that effective use of the available committed funds is critical. Thailand further requested clarification on how the Secretariat planned to prioritise funding needs and shared the view with Lao PDR regarding analysis of the cooperation with other organisations. Thailand indicated that they need more up-to-date information and are willing to participate in the discussion on scope of MOUs prior to the signing.

40. Viet Nam was concerned about the funding gaps and urged the Secretariat to further explore funding for drought management as recent conditions have highlighted this as an important issue. The Secretariat was requested by the Meeting to regularly report on the progress of the implementation of the currently active MOUs. In the period before mobilisation of the new CEO, the ICCS was requested to increase its efforts in fundraising.

41. In response to countries' recommendations, the MRC Secretariat informed the Meeting that a consultant has been recruited to coordinate and assure preparation of the roadmap for core functions implementation and decentralisation. A progress report is planned to be submitted at the next JC Meeting. As requested, the analysis of current MOUs will also be provided to the Thirty-fourth Meeting of the JC.

42. The Meeting took note of the progress of Cooperation with Development Partners and Regional Cooperation and the MRCS was requested to enhance fundraising efforts to secure the implementation of the MRC's Strategic Plan 2011-2015. An analysis of the cooperation with MRC partners who have MOUs with was also requested. The Meeting also thanked Development Partners for their continued support to the MRC. The Secretariat was requested to address the comments raised by Member Countries.

D.2.4 Progress on the MRC Performance Management System

43. The CEO of the Secretariat, with the support of the Technical Coordination Advisor reported on the progress of the MRC Performance Management System (PMS) and the discussion and outcomes from the First Meeting of the Joint Contact Group on the MRC Strategic Plan 2011-2015 and the Performance Management System, (Appendix No.10).

44. The Meeting was also informed that the overall PMS development process has experienced prolonged delays. The causes of the delays as well as the recommendations from a new consulting team were provided in detailed. The mission report from the consultants recommended that MRC not embark on a full PMS development project until there is certainty that senior management with commitment to the PMS is in place and that the MRCS recruit a qualified PMS Manager, that the system be initiated as a simple system and then, through time, to develop into a more sophisticated system in step with developed capacity and demand. The CEO clarified that the foundation for the PMS has been put in place for all programmes and the Strategic Plan 2011-2015 but now needs to be operationalised.

45. Viet Nam took note of the report and expressed concern on when the PMS could be in place and was keen to see further progress on the system.

46. Thailand was concerned about the limited progress of the PMS and suggested some immediate actions be taken including (i) allocate more resources to the system, (ii) establish an effective supervision mechanism to ensure that the timely implementation of the PMS is achieved, and (iii) critically consider the performance of previous consultants.

47. Lao PDR took note of the Secretariat's report and suggested the MRCS to speed up the process of implementation of the PMS. A clear implementation plan should be reported to the next Joint Committee Meeting. Lao PDR also shared the view with Thailand regarding having a performance analysis of all programmes, the implementation of the Strategic Plan, as well as performance analyses of other stakeholders who were involved with MRC work.

48. Cambodia took note of the progress report and suggested the Secretariat accelerate the development of the PMS. The MRC Secretariat was requested to come up with a clear roadmap of the development and implementation of the PMS to ensure the effective implementation of the Strategic Plan as well as programmes' workplan. Cambodia also requested the MRC Secretariat to be mindful of the co-hosted location of the MRCS for the implementation of the PMS.

49. The Meeting took note of the recent progress in the formulation of the MRC Performance Management System and advised the Secretariat to take into account recommendations made by the Meeting.

D.2.5 Approval of the Annual Report 2010

50. The Chief of the International Cooperation and Communication Section reported to the Meeting that the draft Annual Report highlighted the organization's annual milestones. It also featured the First MRC Summit, the formulation of the Strategic Plan 2011-2015, the IWRM-based Basin Development Strategy, the Procedures for Water Quality and increasing cooperation with its Dialogue Partners (Appendix No.11).

51. Cambodia took note of the draft Annual Report and suggested the Secretariat include progress of the implementation of the Hua Hin Declaration. Thailand suggested a more elaborated feature on the First MRC Summit as it was a major achievement of the MRC in 2010. Lao PDR and Viet Nam took note of the draft Annual Report and will send written comments to the Secretariat.

52. The Meeting considered the draft Annual Report 2010 as provided by the Secretariat

and suggested the Secretariat take into account the comments made by the Meeting. Countries were encouraged to provide more detailed comments in writing by the end of April 2011 as proposed.

D.2.6 Report on Environment Audit of MRC Secretariat

53. The CEO of the Secretariat, with the support of the Technical Coordination Advisor provided information on the establishment of an environmental management system at the MRC Secretariat based on an environmental audit and assessment of MRCS' carbon footprint, (Appendix No.12).

54. From the outcomes of the study, a number of policy and management related recommendations were made which in the long term would also result in cost savings. It was suggested that an environmental policy demonstrating the commitment of the MRC towards making its own operations more sustainable should be developed. It was also recommended that environmental management should be anchored under the organisational Goal of the MRC Strategic Plan 2011-2015. Regarding the implementation of environmental management, responsibilities inside the MRCS need to be clearly defined, and equally reflected in the OSP and the OSV.

55. The Secretariat intends to prepare a detailed strategy for adoption of the environmental management plan including a detailed budget and staffing assignments for consideration at the Thirty-fourth Meeting of the Joint Committee. The Secretariat further indicated that funding for the initial implementation could be sought from Development Partners or alternatively an allocation from the Administrative Reserve Fund could be made to demonstrate the organisation's commitment to long term sustainability.

56. Viet Nam took note of the efforts of the Secretariat, but questioned conclusions on the amount of carbon footprint released. Thailand expressed its keen interest in the initiative. Thailand was reluctant to provide additional comments until the detailed reports were circulated. Cambodia took note of the report. Lao PDR took note and shared the same view with Thailand.

57. The Meeting took note of the report on Environmental Audit of MRC Secretariat and requested the Secretariat to provide the full report to Member Countries for further consideration and a more detailed proposal for implementation.

D.2.7 Information on the Date and Venue of the Thirty-fourth Meeting of the MRC Joint Committee and the Sixteenth Dialogue Meeting

58. The CEO informed the Meeting of the proposed Date and Venue of the Thirty-fourth Meeting of the MRC Joint Committee and the Sixteenth Dialogue Meeting proposed for 23 – 26 August 2011 in Vientiane, Lao PDR (Appendix No.13).

59. The Meeting agreed in principal to the dates proposed and suggested that the Secretariat now follow-up with Dialogue Partners. The Secretariat was requested to inform Member Countries in writing the confirmed dates after consultation with Dialogue Partners.

E. MRC PROGRAMMES

E.1 DISCUSSION ON POLICY AND STRATEGY ISSUES

E.1.1. Approval of the Implementation Matrix for the MRC Strategic Plan 2011-2015

60. The CEO, assisted by the Chief of the International Cooperation and Communication Section, briefed the Meeting on the background information on the agenda item and presented the implementation matrix for the Strategic Plan 2011-2015. The Meeting was also informed on the performance measurement of the Strategic Plan - Annex A and implementation details of the Strategic Plan - Annex B, (Appendix No. 14).

61. As the Strategic Plan will mainly be achieved through MRC programmes, a performance management system for the Plan will be built upon the foundation of MRC programme performance management. The baseline for a particular indicator is a situation that is a basis for performance measurement during the Strategic Plan period. Three sets of indicators were identified to measure performance of the MRC in the long-term and progressively during 2011-2015. The indicators relating to TbEIA are pending for further discussion. Regarding the implementation details of the Strategic Plan, it is aligned with the recently approved IWRM-based Basin Development Strategy which also includes a Strategic Basin Action Plan to be implemented during 2011-2015, both at regional and national levels. The framework for the integration of MRC's Strategic Plan, the IWRM-based Basin Development Strategy and its Basin Action Plan and MRC Programmes was also presented.

62. Lao PDR referred to the discussion at the Joint Committee Preparatory Meeting on the TbEIA Framework that since the TbEIA has not yet been approved by the JC therefore indicators related to the TbEIA was requested to be removed. Lao PDR noted that a further national meeting on the TbEIA for higher level officials is required before further discussions can be held on related indicators in the Strategic Plan's Performance Management (AnnexA).

63. Viet Nam noted that TbEIA could be considered as the back-bone of regional cooperation in the LMB. Consequently, as the issue of TbEIA is pending, Viet Nam could not provide comments on this but sought the views of other countries. Thailand supported Viet Nam's view of the importance of transboundary impact assessments and acknowledged Lao PDR's position toward the TbEIA Framework as previously commented. Thailand was agreeable to the alternate statements proposed by the Secretariat and further requested the Secretariat to proceed with the improvement of the TbEIA at national and regional levels.

64. Cambodia was agreeable to the alternate statement as proposed by the MRCS and questioned whether the TbEIA framework will be included under the alternate statement if adopted.

65. Given the general agreement on all aspects apart from transboundary impact assessment, the Meeting approved the performance measurement and the implementation matrix annexes for the MRC Strategic Plan 2011-2015 for implementation pending further discussion on indicators 2203 and 3403 related to the trans-boundary environmental impact assessment framework and may require amendment prior to their use.

E.1.2. Progress on Implementation of the IWRM-based Basin Development Strategy

66. The CEO assisted by the Officer-in-Charge of the Basin Development Plan (BDP) Programme, informed the Meeting on the agenda item, (Appendix No.15).

67. A Basin Action Plan comprising one Regional Action Plan and four National Indicative Plans will be prepared to address the 15 Strategic Priorities set out in the Strategy. The preliminary identification of 63 Strategic Actions that are required to address the Strategic Priorities and monitoring system were noted, as well as the preliminary indication of responsibilities for taking up Strategic Actions, including their linkage with other MRC Programmes. An indicative work plan for the preparation of the Basin Action Plan in parallel with the BDP 2011-2015 inception phase has been prepared. During the remainder of 2011, the BDP Programme will support and facilitate a participatory process to prepare the Basin Action Plan and associated system to monitor implementation.

68. Lao PDR requested for more detailed information on the implementation of the Strategy and the BDP Programme's Development Partner support on the activities as well as the possible solution to fill BDP's funding gap.

69. Cambodia took note of the IWRM-based Basin Development Strategy and requested

for a clear roadmap on the key activities. Cambodia proposed the Secretariat to further promote and enhance participation of Member Countries at the national and regional levels.

70. Thailand shared the view with other countries on the importance of a clear roadmap and how the BDP will synchronise the regional action plan and national indicative plans.

71. Viet Nam was concerned about the future funding of the BDP and requested the MRCS to prepare a concrete work plan for BDP this year with prioritisation of its activities taking into account the limited available resources of the programme.

72. The MRC Secretariat clarified that the current funding for this year's BDP activities was secure from the remaining support from the current agreement with Denmark which is about two million USD. After consulting with Denmark, it was concluded that the agreement will be extended until the end of 2011 and a new multi-year agreement will now cover three years instead of five years as originally planned but the annual rate will be about the same.

73. The Meeting took note of the progress on implementation of the IWRM-based Basin Development Strategy and urged the Secretariat to prepare a clear roadmap and action plan through national and regional consultations. Regarding funding, the Secretariat was requested to prepare a list of priority activities and continue with its fundraising activities.

E.2. DISCUSSION ON MRC PROGRAMME-RELATED MATTERS

E.2.1 Progress on Basin Development Plan Programme Development

74. The CEO assisted by the Officer-in-Charge of the Basin Development Plan (BDP) Programme, informed the Meeting on the background and the continuation of the BDP Programme, (Appendix No.16).

75. It was indicated that the Programme Document version January 2011 addressed many comments from recent national and regional consultations. Further guidance from Thailand regarding the approach in general and how comments from Thailand were reflected in the draft was also sought. A more detailed description of the proposed broader approach to basin planning with more integrated focus on land and water resources was included. The edited Programme Document will be submitted in May 2011 to seek written endorsement by the Joint Committee for fundraising purposes. The Meeting was also informed that as the next step the Inception Report based on a foundation that includes the Basin Action Plan to implement the IWRM-based Basin Development Strategy will be prepared.

76. The Meeting took note of the progress of the preparation of the Basin Development Plan Programme Document and agreed to the proposed next step regarding its written endorsement and the preparation of the draft Inception report. The Meeting had no objection to the proposed bridging period of maximum one year until April 2012.

E.2.2 Approval of Flood Management and Mitigation Programme Document for 2011-2015

77. The CEO assisted by the Programme Coordinator of the Flood Management and Mitigation Programme (FMMP), informed the Meeting on the effective completion of the FMMP 2004-2010 and the formulation process for 2011-2015, (Appendix No.17).

78. It was highlighted at the meeting that FMMP's logical framework was simplified and future operations and development of the RFMMC were readjusted as recommended at the regional consultations. The Meeting was also informed on the main issues and progress of the preparation of the Programme Document including the objective and outcomes for 2011-2015.

79. Cambodia approved the Programme Document and requested the Secretariat to approach Development Partners to turn pledges and commitments into funding agreements to ensure the timely implementation of the FMMP for 2011-2015.

80. Lao PDR approved the Document. Thailand indicated its willingness to approve the Programme Document and suggested adding some additional activities related to the IFRM and land use management in order to ensure improved outcomes for national and local conditions. Thailand approved the Programme Document and sought for the opportunity to further discuss the improvement of some programme outputs, particularly output no. 1.2.

81. Viet Nam approved the Document but was concerned about the RFMMC due to funding limitations. Viet Nam looked forward to further verifying the decentralised activities and clear commitment from Member Countries to sustain the RFMMC in the Inception Report.

82. The Meeting approved the Flood Management and Mitigation Programme Document for 2011-2015 and advised the Secretariat to include consideration of decentralised activities and commitments from Member Countries in the Inception Report.

E.2.3 Progress on the Preparation of the Climate Change and Adaptation Initiative Document for 2011-2015

83. The CEO assisted by the Programme Coordinator of the Environment Programme (EP) and OIC of CCAI, informed the Meeting on the agenda item (Appendix No.18).

84. The Secretariat presented to the Meeting the key achievements and lessons learned from CCAI Intermediate Phase, the preparation process for the next phase including its key elements. A Regional Consultation Meeting will be organized to finalise and share a common understanding of the CCAI Document 2011-2015 and its implementation after this Joint Committee Meeting. The final Document will then be submitted to Joint Committee Members for endorsement in writing before reporting to the Thirty-fourth Meeting of the Joint Committee.

85. Viet Nam took note with concern on the Initiative's limited progress, particularly on the demonstration projects and insufficient programme management capacity. Viet Nam urged the Secretariat to take this initiative as a priority action and accelerate the process to finalise the Document.

86. Thailand shared Viet Nam's view on the delay and the limited activities of CCAI. Thailand was pleased to learn that a regional consultation will be held to discuss the initiative in more detail. Thailand had strong concerns about the milestones, integration of the guidelines and national adaption action plans which are being prepared by each Member Country as part of the ongoing national activities on climate change adaptation.

87. Lao PDR took note of the progress and requested the MRC Secretariat to add some activities that suit the situation in the countries such as capacity building for national officials to ensure there will be an effective national action plan for adaptation. Knowledge exchange among Member Countries through regional consultation and workshops will also be beneficial.

88. Cambodia also took note of the CCAI Programme Document and suggested the Document be finalised as presented. As the Document will guide the implementation of climate change activities, Cambodia urged the MRC Secretariat to promptly consider the recruitment of national and regional teams in order to smoothly and effectively implement the Initiative's work and activities.

89. The Meeting took note of the progress on formulating Climate Change and Adaptation Initiative Document for 2011-2015 and agreed to the proposed next steps including the regional consultation. The Meeting urged the MRCS to accelerate its work to strengthen national and regional programme teams to cooperate in timely implementation of the programme.

E.2.4 Progress on Formulation of Agriculture and Irrigation Programme Document

90. The CEO assisted by the Technical Advisor of the Agriculture and Irrigation Programme (AIP), informed the Meeting on the agenda item (Appendix No.19).

91. The Meeting discussed overall assumptions and the goals of AIP, the proposed outcomes in AIP 2011-2015, the IWRM planning process and the role of AIP. The Meeting was also presented with the results of the discussions at the regional workshop in October 2010.

92. The Secretariat further clarified that the activities and target audiences of AIP and DMP are similar, particularly on agriculture, water supply and rural livelihoods. The Meeting agreed to provide its comment on the Agriculture and Irrigation Programme Document with the Drought Management Programme Document in the next agenda item as they are closely linked.

93. The Meeting took note of the progress on the formulation of the Agriculture and Irrigation Programme Document 2011-2015 and the process for completing its formulation.

E.2.5 Approval of the Drought Management Project Document

94. The CEO assisted by the Director of the Operation Division, informed the Meeting on the progress of the initial Drought Management Project including its objectives and expected outputs, (Appendix No.20).

95. Main outcomes of the initial project were reported to the Meeting which included collection of national reports on drought conditions, performance on drought monitoring work, two rounds of national and regional consultations and formulation of the new Japan-ASEAN funded Drought Management Project which is one part of the proposed Drought Management Programme which is still under formulation. Key agreed outcomes for the Drought Management Project were discussed as well as the timeline for approval of the overall Programme Document.

96. Thailand was pleased to learn that Development Partners have expressed their interest in supporting the AIP and suggested some improvements on the activities and outcomes, particularly outcome no. 1. Thailand supported the activities on monitoring drought vulnerability. Regarding the wider Drought Management Programme, the programme activities are pending for support from Development Partners, even though the process has been initiated since 2004. Thailand observed that the job descriptions of some proposed drought experts were not considered fully appropriate and certain activities/tasks are overlapping. Thailand generally supported the Project Document and had no objection to the combination of the two programmes, but was more concerned about the readiness of the AIP's Programme Document preparation.

97. Regarding the proposal to combine DMP and AIP, Viet Nam viewed that it is not appropriate at the moment and keeping the DMP separately will highlight our priority on drought management .

98. Lao PDR thanked Japan for its continued support for the Agriculture and Irrigation Programme. Lao PDR inquired about how the MRC Secretariat addresses the issue when drought occurs in the upper part of the lower Mekong basin. Lao PDR has no objection to

the merging of the two programmes.

99. Cambodia approved the Drought Management Project Document for fundraising purposes and was flexible with either the separation or the combination of the two programmes.

100. The Secretariat explained that the 2010 drought situation and ensuing misunderstanding of China's role in the matter leading to negative press coverage made China aware of the importance of sharing hydrological information during the dry season in order for countries in the lower Mekong basin. Furthermore, the Secretariat noted the importance of developing both an objective analytic framework of the indications for determining drought conditions and a regional drought management strategy that develops the relation roles of MRC and Member Countries. This was included in the Drought Management Project.

101. The Meeting took note of the progress of the formulation of the DMP and AIP Documents and agreed not to merge the two programmes. The Meeting approved the Drought Management Project Document for 2011-2013 for submission to the Japan-ASEAN Integration Fund for funding support. The Meeting also agreed to the proposed timeline for finalisation of the wider Drought Management Programme Document.

E.2.6 Approval of MRC Work Programme 2011

102. The CEO, assisted by the Technical Coordination Advisor, briefed the Meeting on the background information on the agenda item (Appendix No.21).

103. The MRC Secretariat informed the Meeting that some MRC programmes such as BDP, FMMP, AIP and DMP were still in a formulation stage for the period 2011-2015 when the Work Programme 2011 was being prepared and that the latest drafts of their respective formulation documents have been incorporated in this draft Work Programme 2011.

104. Cambodia approved the MRC Work Programme and requested that the MRC Work Programme be presented using a power point presentation rather than an oral presentation to facilitate understanding.

105. The Meeting approved the MRC Work Programme 2011.

E.2.7 Progress on MRC Role in Groundwater Management

106. The CEO, assisted by the Technical Coordination Advisor, briefed the Meeting on the background information on the potential role and services of the MRC on groundwater such as research on relationships between surface and groundwater, monitoring of groundwater use, regional level guidance, knowledge management, and capacity development, (Appendix No.22).

107. Progress on cooperation with the US Geological Survey (USGS) and the UNESCO International Hydrological Programme (IHP) was also presented to the Meeting. MRC's future interest covers the scoping of activities focusing on transboundary aquifers, pollution threats, the interaction of surface and groundwater, conjunctive use of groundwater as a climate change and drought adaptation measure, institutional measures for groundwater management and capacity among MRC Member Countries. A groundwater specialist from USGS is being seconded to MRC Secretariat – IKMP for 3 months to assist in assessing the status of groundwater data collection and modelling in MRC Member Countries and identification of future needs. An MRC regional consultation will be organised in mid 2011 to agree on the MRC's role on this area and responsible programmes within the MRC

Secretariat as well as scoping on workplan and financial requirements.

108. Viet Nam was pleased to see new activities on this issue in this new direction, but also reminded the Secretariat that it should be strategic and have a clear focus and direction based on involvement from the Member Countries, not work on an ad-hoc basis. Viet Nam took note of the progress and requested for a clear conceptual direction be prepared for this new area of cooperation.

109. Thailand took note of the progress on this issue while stressing the importance of groundwater as an important alternative resource of water in the dry season and in the event of a drought situation. For the development of groundwater work by MRC, there is a need to have technical guidelines with regard to data collection and analysis before any development activities of groundwater are undertaken and noted that coordination will be required with AIP and DMP. Thailand informed the Meeting that both Thai government agencies and the private sector have extensive expertise on groundwater that could be mobilised to support the MRC and other Member Countries.

110. Lao PDR took note of the progress made on this issue. Cambodia also took note of the progress made, and encouraged the Secretariat to consult with Member Countries in the formulation of the MRC's role in groundwater management.

111. The Meeting took note of the progress in formulating the MRC's role in groundwater management and encouraged the Secretariat to cooperate with relevant experienced partners on a range of related technical, institutional and capacity building aspects.

F. PROCEDURES-RELATED MATTERS

F.1 Annual Report on the Implementation of the Procedures on Data and Information Exchange and Sharing and on the Implementation of the Procedures for Water Use Monitoring

112. The CEO assisted by the Programme Coordinator for the Information and Knowledge Management Programme informed the Meeting on the progress of the agenda item, (Appendix No.23).

113. The Meeting was briefed on the progress on the annual implementation of PDIES including the activities in 2011 and recent steps in defining a practical implementation approach for PWUM and the way forward on both procedures. It was highlighted that a timely delivery of requested datasets is essential in line with the implementation of procedures and guidelines and that strong support from national agencies related to hydro-meteorology water use monitoring is required, especially those agencies responsible for irrigation, hydropower, groundwater and other infrastructure.

114. Lao PDR took note of the report, and advised the Secretariat to provide a clear timeline and unified format for data and information exchange and sharing.

115. Cambodia took note of the progress in the implementation of these Procedures, and suggested that best practices and lessons learned be compiled for future improvement in the implementation of these Procedures.

116. Thailand acknowledged the progress made, but also noted that the level of progress made in the implementation of these Procedures has been low even though PWUM, for instance, was approved in 2003 and the Technical Guidelines for PWUM were approved in 2006. Thailand understood that certain issues such as the definition of terms for some procedures still needed improvement; therefore it urged the Secretariat to put more effort in fostering the implementation of these Procedures. Thailand looks forward to a concept note on the implementation of the Procedures for Water Use Monitoring.

117. Viet Nam raised its strong concern about slow progress in the implementation of the Procedures. Viet Nam believed that implementing the Procedures is the most important task for the Secretariat assigned by the JC, and therefore urged the Secretariat to put more effort in implementing the Procedures.

118. The Secretariat acknowledged the importance of the implementation of the approved Procedures, undertook to address comments from the Member Countries, and also noted that the Secretariat is reliant on Member Countries in providing and sharing data as agreed in the Procedures. The Secretariat would work further with Member Countries to find ways to address the bottlenecks that were experienced in the past so that data sharing can become more effective.

119. The Meeting took note of the progress in the implementation of the Procedures on Data and Information Exchange and Sharing (PDIES) and the Procedures for Water Use Monitoring (PWUM). In resolving the delays in data sharing and processes for a more efficient implementation of the PDIES in the future, the Meeting encouraged both the Secretariat and Member Countries to put more effort in implementing the Procedures, and looked forward to best practices and lessons learned as well as the concept note for the implementation of the PWUM for 2011-2015. The Meeting agreed the Secretariat would prepare clear work plans to implement these Procedures.

F.2 Annual Report on Procedures for Notification, Prior Consultation and Agreement

120. The CEO, assisted by the Programme Officer for the Procedures for Notification, Prior Consultation and Agreement, briefed the Meeting on the annual implementation of the Procedures, (Appendix No.24).

121. The Meeting was provided information on the notified and submitted projects since the last Joint Committee Meeting. The proposed Xayaburi dam project was submitted by Lao PDR on 20 September 2010 for prior consultation. Preliminary information of Pakbeng hydropower project was submitted by Lao PDR on 1 October 2010 for internal discussion purposes. The Meeting was also briefed on the work done with regard to ongoing prior consultation including the establishment of the PNPCHA JC Working Group (WG) and MRCS Task Group.

122. Lao PDR suggested that the composition of members of the JCWG should be flexible to be able to respond to the issues tabled for consideration in each meeting and raised a concern about certain references in the TOR of the PNPCHA JCWG. Lao PDR proposed to review the wording on 'timely submission of the project notification' this was dependent on completion of the feasibility study, and requested the MRC Secretariat to be more specific on what actions are needed and when. In order to make the prior consultation more effective, practical and clear for all countries, Lao PDR suggested the Secretariat prepare a paper to circulate to Member Countries for review prior to the next JCWG meeting on PNPCHA including the roles of the Member Countries and the MRCS.

123. Thailand raised a concern on the content information provided to the general public, particularly the FAQs on PNPCHA on the MRC website. Thailand pointed out that, the PNPCHA provide a framework for minimising adverse impacts and maximising benefits and not only for those downstream but also upstream. Thailand also believes that raising very controversial questions on the MRC website may prompt different interpretation among Member Countries and should be carefully carried out.

124. Viet Nam advised the MRC Secretariat to be more respectful of country commitment when requesting for further information from Member Countries and noted that some information recently requested went beyond the requirements of 1995 Mekong Agreement.

125. Cambodia recommended that in order to effectively implement all the approved MRC Procedures, the Secretariat prepare a list of the pending issues in all Procedures that need to be urgently addressed and that the mechanism of the discussion on those pending issues should be considered by the Joint Committee. Based on the lessons learned during the implementation of MRC Procedures, a summary of the areas for improvements should be prepared.

126. After discussions and clarification on the TOR of work of the PNPCA JCWG and modification to the text, the Meeting approved the TOR of the PNPCA JCWG. The Joint Committee requested the Secretariat to prepare a list of all pending issues of definition under the MRC Procedures, including those related to PNPCA, and make a proposal on how to address them.

F.3 Annual Report on the Implementation of the Procedures on Maintenance of Flows on the Mainstream and Progress on the Finalisation of the Technical Guidelines

127. The CEO, assisted by the CTA of the Basin Development Plan (BDP) Programme, informed the Meeting on the background, progress on the finalisation and implementation of the Technical Guidelines as well as the outstanding issues, (Appendix No.25).

128. The Meeting also discussed the assessment of the impact of the considered flow frameworks for planning purposes under Article 6A and the evaluation of the pros and cons of merging the Technical Review Group for PMFM with the TACT under IKMP. The Meeting was also presented with the planned activities for 2011, including the preparation of the PMFM annual implementation report for 2011.

129. Viet Nam noted progress on PMFM with appreciation and requested the MRCS to further analyse the possible threshold level and set a more appropriate level to avoid major changes of salinity in the Delta. Viet Nam was of the view that merging two advisory bodies with different mandates will be complicated and may not be appropriate at this stage.

130. Thailand supported Viet Nam's view and highlighted the complexity of the work and difficulties faced by the TRG since 2004 and that the achievement in implementing PMFM so far. Thailand took note of the progress and supported Viet Nam's view in requesting the MRCS to provide more information on possible impact of certain threshold levels and explanations which need to be simplified for the non-technical audience.

131. Lao PDR took note of the progress of the annual report on PMFM.

132. Cambodia similarly took note and look forward to the progress report regarding the implementation of the next steps.

133. The Meeting took note of the progress on the annual report on the PMFM and looked forward to implementation of the next steps including the consideration of certain threshold levels.

F.4 Progress and Roadmap for implementation of the Procedures for Water Quality

134. The CEO, assisted by the Programme Coordinator of the Environment Programme, informed the Meeting on the recently approved Procedures for Water Quality and the progress on the formulation of the Technical Guidelines by the Technical Body for Water Quality (TBWQ), (Appendix No.26).

135. The Meeting was presented on the outcomes of the recent meeting of the TBWQ, particularly on the fourth draft of Chapter 3 and Chapter 4 of the Technical Guidelines. The need for Member Countries to consider and consult on national institutional arrangements

and implementation of Chapter 3 with regard to water quality emergency and management was also highlighted. The roadmap for implementation of the Procedures and the finalisation of the Technical Guidelines were briefly reported to the Meeting.

136. Cambodia took note of the report and suggested that a joint consultation between the responsible working group and the national teams be convened to strategically discuss the implementation of Chapter 1 and Chapter 2 that had already been endorsed.

137. Lao PDR and Thailand took note of the report. Viet Nam reminded the Meeting of the importance of the PWQ and requested the Secretariat to put more effort into implementation.

138. The Meeting took note of the progress and the roadmap for the completion of the Technical Guidelines. Regarding the initial implementation of Chapter 1 and Chapter 2, the Meeting advised the Secretariat to closely coordinate with the Member Countries in implementing those guidelines.

F.5 Progress on a Multivariate Approach to Defining 'Significance' in regard to the Tributaries of the Mekong River System

139. The CEO, assisted by the Technical Coordination Advisor, briefed the Meeting on the background information and the work packages particularly progress on GIS (river classification), hydrology, navigation, hydropower and fisheries and terrestrial ecology packages, (Appendix No.27).

140. MRCS is continuing to identify suitable consultants for the two remaining work packages on Sedimentology and Fluvial Geomorphology and on Socio-Economic Values. After all the work packages have been completed, the outputs from each will be synthesized into one main report and is expected to be in the form of an MRC Technical Paper towards the end of 2011. It will then also inform the discussion on 'significance' and interpretation of this term under the 1995 Mekong Agreement.

141. Thailand appreciated the efforts made by the MRC Secretariat on the work packages which will be used for the discussion on the issues of "significance". Thailand urged the MRC Secretariat to provide information on each work package as soon as it is available without waiting to complete all packages in order to allow Member Countries more time to study and understand these complex issues.

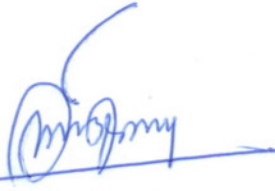
142. The Meeting took note of the progress in preparing a report on a multivariate approach to defining "significance" in regard to the tributaries of the Mekong River System. The Secretariat was requested to consult with Member Countries when preparing these work packages.

CLOSING STATEMENT OF THE CHAIRMAN OF THE MRC JOINT COMMITTEE FOR 2010/2011

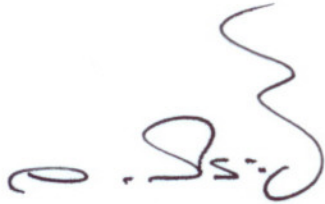
143. After adoption of the Minutes, the Chairman delivered the closing statement and the Meeting thanked Cambodia as the host country and the MRC Secretariat for successful preparation of the Meeting (Appendix No. 28).

G. ADOPTION OF THE MINUTES OF THE THIRTY-THIRD MEETING OF THE MRC JOINT COMMITTEE

The Joint Committee adopted the Minutes of its Thirty-third Meeting as presented on 26 March 2011 in Preah Sihanouk Province, Cambodia.



H.E. Mr. So Sophort
Alternate Member of the MRC Joint Committee for the Kingdom of Cambodia



Mr. Viraphonh Viravong
Head of Delegation for the Lao People's Democratic Republic



Mr. Chaiporn Siripornpibul
Head of Delegation for the Kingdom of Thailand



Dr. Le Duc Trung
Member of the MRC Joint Committee for the Socialist Republic of Viet Nam



H.E. Mr. Te Navuth
Chairman of the MRC Joint Committee for 2010-2011