



# Mekong River Commission

P.O. Box 6101, 184 Fa Ngoum Road, Unit 18,  
Ban Sithane Neua, Sikhottabong District, Vientiane 01000, Lao PDR  
Telephone: (856-21) 263 263. Facsimile: (856-21) 263 264

## TERM OF REFERENCE

### 1. Consultancy Summary:

Consultancy Title:	International Consultant for supporting the development of Project-Based Action Plan and exploring options to design and establish a “Sustainable Mekong Fund”, including the “Mekong Conservation Fund” (MCF) to implement the Mekong Strategy for Basin-wide Environmental Management for Environmental Assets of Regional Importance in the Lower Mekong Basin 2021-2025
Consultancy type:	Special Service Agreement (SSA)
Duration:	67 working days from April to December 2020; and additional working days will be allocated from January 2021 to December 2021 if funding allows
Division:	Environmental Management Division
Working station:	Home-based with possible travel to MRC Secretariat and MRC Member Countries (MCs)
Total budget:	

### 2. General background:

#### 2.1. Background and objectives of the consultancy:

The Mekong River Commission (MRC) was established by the 1995 Agreement on Co-operation for the Sustainable Development of the Mekong River Basin, between the governments of Cambodia, Lao PDR, Thailand and Viet Nam. The role of the MRC is to coordinate and promote cooperation in all fields of sustainable development, utilization, management and conservation of the water and related resources of the Mekong River Basin.

The MRC Secretariat (MRCS) is the operational arm of the MRC. It provides technical and administrative services to the Joint Committee and the Council to achieve the MRC’s mission.

The Environmental Management Division (ED) is responsible for environment monitoring, assessment, planning and management to support basin planning management and development for sustainable development of the Mekong River.

The Mekong River Basin ecosystem and its biodiversity play an important role as environmental assets which support critical ecological services and functions for close to 70 million riparian people in the Lower Mekong basin (LMB), with projections suggesting the population in the LMB could rise to 100 million in the next ten years.

The Mekong River Basin is recognized as a global biodiversity hotspot, comprising 12 habitat types from highlands to coastal waters, including peat swamps, subterranean streams and crater lakes. The basin ecosystem comprises many subsystems, with the Mekong, its tributaries and low-lying habitats like floodplains, wetlands, swamps and the Mekong Delta in Viet Nam playing a prominent role. Progressive urbanization and emerging secondary and tertiary sectors

in the economies of the four riparian countries is occurring, however, the majority of the population still depend on the basin ecosystem for their livelihood – both as a source of income and employment, and for food.

The main function of the environmental assets of the Mekong is the supply of food and other livelihoods (water, medicines, fibre, wood etc.), as well as providing aesthetic and cultural benefits. Recently, significant exploitation of the water resources and ecosystem services in the LMB has induced long term negative impacts to the sustainability of livelihoods and the socio-economic condition, which now need addressing.

Currently, insufficient knowledge remains with regards to the environment, particularly biodiversity and ecosystem services, at the basin-wide level, and there is also a lack of agreed strategic priorities to protect, and manage mutually agreed environmental assets of regional importance from the impact of planned and emerging developments, using a whole of landscape approach within the LMB.

As a consequence, in preparing for the **Mekong Strategy for Basin-wide Environmental Management (SBEM)** a **Regional Review** was undertaken of environmental assets with national and regional importance and existing studies, policies, strategies and action plans for the management of environmental assets in the LMB, and the development of a baseline of national and regional environmental assets, through the national and regional inventories, to support the next steps in identifying the environmental assets of high economic, social and environmental value at a basin-wide level. The **regional inventory** was then reviewed and agreed **selection criteria** for prioritized environmental assets of regional/transboundary importance were used to select the **twelve (12) prioritized environmental assets of regional importance** in the LMB (REAs) due to their importance regionally in supporting basin-wide or transboundary processes.

The objective of the SBEM in the LMB (2021-2025) is to “*Identify strategic priorities and related priority actions for the protection, and management of the 12 prioritised environmental assets of regional importance in the LMB for implementation at the national, transboundary and regional levels*”. The SBEM includes 12 regional environmental assets (REAs) of importance within the LMB, as prioritised and agreed to by the four Member Countries (MCs), as a first step to build capacity to protect, and manage the environment more broadly within the LMB. The 12 regional environmental assets of importance, as prioritised, cover 6% of the LMB or about 10% of the total number of environmental assets in the LMB, and are a representative selection of similar types of sites throughout the basin. Whilst the 12 REAs have been identified by the four MCs as the highest of priority at the basin-wide scale, they do not preclude the need for all environmental assets to be protected, and managed.

The SBEM is a five-year strategy, and one of a number of sector strategies designed to support the overall vision for the Mekong River Basin of *an economically prosperous, environmentally sound, socially just river basin*. It is the first step towards building the regional, national and local capacity to protect and manage the 12 REAs and the environment more broadly within the LMB. The SBEM draws from relevant International, Regional and National policies, and strategies but is unique in terms of its objective, vision, strategic directions, priorities, and actions, and long-term outcomes and targets.

The SBEM will be reviewed and updated every five years and expanded to include additional regional environmental assets over time and further work towards managing environmental assets within the LMB. The SBEM will be implemented through the development of a **Project Based Action Plan** to **prioritize and identify sustainable funding mechanisms** to support the

implementation of the strategic priorities and actions to protect and restore the 12 prioritized environmental assets of regional importance in the Mekong River Basin which have been agreed by the four Member Countries. Through the implementation of this cooperative strategy, the status of environmental and ecological assets will be maintained, protected and managed for their conservation and to support ecosystem services for shared and better environmental, social and economic quality in the LMB.

**Sustainable funding mechanisms** refer to the provision and mobilization of financial resources for the development, implementation and management of sustainability programmes, projects or initiatives. Government and non-government, civil society, bi-lateral and multilateral donor agencies are increasingly recognizing the need to develop sustainable basin funding mechanisms and are pioneering innovative and successful economic instruments that dedicate long-term funding for sustainable development and management of natural and environmental resources.

The SBEM Project Based Action Plan will need to identify appropriate funding sources in order to be implementable. Considering the relevance of the SBEM for the achievement of the Agenda 2030 and its Sustainable Development Goals and the Convention on Biological Diversity (CBD) and its Aichi Targets, one way to seek financial contributions to implement the SBEM would be through international funding mechanisms such as the Global Environmental Facility (GEF) and the Green Climate Fund (GCF). To ease the process and take a streamlined approach to seek funding, it is proposed to establish a “Mekong Conservation Fund”.

In the past years, the MRC has also been leading the process of Prior Notification, Prior Consultation, and Agreement for large infrastructure projects on the Mekong mainstream. During the prior consultation processes for both the Pak Beng and Pak Lay Mainstream Hydropower Projects, stakeholders, who feared they may suffer adverse transboundary impacts, requested that compensation should be considered. In response, the Planning Division of the MRCS, with the support of an international consultant, has drafted a concept note for a potential “**Mekong Fund**”. The proposed Mekong Fund (MF) would aim at supporting livelihoods negatively affected by water resources development, particularly the mainstream hydropower projects, in the Lower Mekong Basin. The idea behind the MF is to utilize endowments or income streams to compensate or support affected livelihoods through various disbursement vehicles. The proposed MF can also be a vehicle to promote benefit sharing and cooperation among the Mekong Member Countries across the water, food and energy nexus.

To facilitate the development of a **Project Based Action Plan (PBAP)** and a **Sustainable Fund**, including the “**Mekong Conservation Fund**” (MCF) stated in the SBEM to support the implementation of the Mekong SBEM, the Environmental Management Division (ED) of the MRC Secretariat is looking for a competent international consultant who has extensive knowledge and experiences in large river environmental management planning and financing, particularly the Mekong River Basin, to undertake the following tasks to obtain the following expected outputs and achieve the specific objective. Further discussions with MRCS Planning Division (PD), other relevant Divisions and OCEO of the MRCS will be needed to explore possibilities and feasibility of either establishing one combined funding mechanism that combines the (1) “**Mekong Fund**” for compensating or supporting livelihoods negatively affected by transboundary water resources development projects, particularly the mainstream hydropower projects in the LMB with the (2) “**Mekong Conservation Fund**” for protection and restoration of the twelve (12) prioritized environmental assets, with regional/transboundary importance in the LMB, or if having two separate funds to target different issues in the basin

would be of greater advantage. The International Consultant will work closely together with another international consultant, to be recruited by MRCS PD, to explore the feasibility of jointly designing and establishing a **combined MRC Sustainable Fund** for both purposes.

The specific objective of this assignment is to develop a **Project Based Action Plan** and to identify and establish either one “*Mekong Conservation Fund*” or a **sustainable funding mechanisms** which includes the “*Mekong Conservation Fund*” to support the implementation of the Mekong SBEM for the protection and restoration of the twelve (12) prioritized environmental assets, with regional and transboundary importance by the end of 2020.

## 2.2. Expected final products:

- The MRC **Project Based Action Plan** (PBAP) to support the implementation of the Mekong SBEM prepared and finalized; and
- The “*Mekong Conservation Fund*” (MCF) designed and established, including fund sources, beneficiaries, mechanisms for disbursement, and governance of arrangements, to sustainably finance the implementation and operationalization of the above Project-Based Action Plan (PBAP). Or support another international consultant to be recruited by PD to contribute to design and establish a “*Sustainable Mekong Fund*”, including the MCF.

**Note:** Following the establishment of the MCF by the end of 2020, **piloting** the established MCF will be conducted in 2021 for testing its practicality before the finalization and further application in the LMB. The pilot project is not part of this assignment, but the contract of this international consultant can be extended based on the available budget in 2021 to support the piloting project.

## 3. Required deliverables, timelines and responsibilities

### 3.1. Deliverables and concrete timelines:

A tentative schedule of key deliverables is provided below. The exact schedule will depend on the timing of the contracting with the successful consultant, but it is anticipated that the assignment will commence on 1 April to 31 December 2020.

No.	Deliverables	Estimated Time (days)	Deadline
1.	Concept note for the development of a Project-Based Action (PBAP) and Mekong Conservation Fund (MCF)	15	30 April 2020
2.	The First Draft of PBAP, and either first draft of the MCF <b>or</b> support another international consultant to be recruited by PD to contribute to design and establish a “Sustainable Mekong Fund”, including MCF	20	31 May 2020
3.	Materials, including power presentations for and attendance in the First EMEG Meeting on Concept	4	30 June 2020

No.	Deliverables	Estimated Time (days)	Deadline
	Note and First Draft of PBAP and MCF		
4.	Final Draft of the Concept Note and Second Draft PBAP, and MCF <b>or</b> support another international consultant to be recruited by PD to contribute to design and establish a “Sustainable Mekong Fund”, including MCF	10	15 July 2020
5.	Materials, including power presentations for and attendance in Four National Consultation Meetings on Final Draft of the Concept Note and Second Draft PBAP, and MCF <b>or</b> support another international consultant to be recruited by PD to contribute to design and establish a “Sustainable Mekong Fund”, including MCF	6	15 August 2020
6.	The Third/Final Draft of PBAP, and MCF <b>or</b> support another international consultant to be recruited by PD to contribute to design and establish a “Sustainable Mekong Fund”, including MCF	5	15 September 2020
7.	Materials, including power presentations for and attendance in the third/final EMEG Meeting on The Third/Final Draft of PBAP and MCF	3	15 October 2020
8.	Final Draft of PBAP and MCF, including the briefing note for the submission to JC for consideration at its JC Prep. Meeting of the 27 Council Meeting in November 2020	4	30 October 2020
	<b>Total</b>	<b>67 days</b>	<b>April – December 2020</b>

### 3.2. Required tasks and responsibilities:

#### *Preparation of a Project-Based Action Plan (PBAP) for implementing the Mekong SBEM*

- Review the existing MRC reports: (1) four national review reports on national inventories of environmental assets and legal and institutional framework for environmental assets management in the four Member Countries; (2) regional review report on Environmental Assets with National and Regional Importance and Existing Studies, Policies, Strategies and Action Plans for the Management of Environmental Assets in the Lower Mekong Basin; (3) Selection Criteria for prioritised Environmental Assets with Regional Importance in the Lower Mekong Basin; and (4) Mekong Strategy for Basin-wide Environmental Management for Environmental Assets of Regional Importance in the Lower Mekong Basin 2021-2025 (SBEM 2021-2025);

- Review other relevant or related literatures or documents on management planning for protection and conservation of regional and transboundary environment assets in other large (tropical) river basins, with sustainable funding;
- Based on the above reviews, provide key, practical or wise recommendations for preparing a Concept Note for the development of a Project-Based Action Plan (PBAP) to implement the Mekong SBEM 2021-2025 for the protection and restoration of the 12 prioritized environmental assets of regional importance in the Mekong River Basin;
- Draft and finalize the Concept Note for the development of a PBAP in consultation with MRCS relevant staff and other relevant stakeholders in the Mekong region;
- Draft and finalize a PBAP in consultation with MRCS relevant staff and other relevant stakeholders in the Mekong region. The PBAP should include short key project proposals, with background and rationale, objectives, logical framework, funding source(s), estimated budget, and implementation arrangements (See below Mekong Conservation Fund, MCF);
- Facilitate regional (EMEG) and national consultations on the drafts of the concept note and PBAP at ED's regional EMEG meetings and in the four MCs, respectively; and
- Contribute to capacity building, knowledge and skills transfer to MRCS and MCs; and
- Gender inclusion should be considered in the above listed tasks.

***Designs and establishment of a funding mechanism for the PBAP, either a Sustainable Mekong Fund or the Mekong Conservation Fund (MCF)***

- Review relevant literatures and good practices of designs, establishment, operation and management of a long-term funding for protection and conservation of key environmental assets of regional/transboundary importance in the Mekong basin and other river basins of the world. The long-term environmental conservation fund should include funding sources, beneficiaries, mechanisms for disbursement, and governance of arrangements to sustainably finance the implementation of the above Project-Based Action Plan (PBAP) in order to protect and conserve the 12 prioritized environmental assets of regional importance in the Mekong River Basin;
- Identify and pursue companies looking for 'green' branding as a source of potential funding for managing the 12 prioritized environmental assets of regional importance in the Mekong River Basin;
- Investigate options to design and establish a "Sustainable Mekong Fund" including the "Mekong Conservation Fund" (MCF) to protect and restore the 12 prioritized environmental assets of regional importance in the Mekong River Basin. The MCF should include potential funding sources, beneficiaries, mechanisms for disbursement, and governance of implementation/operation arrangements, and be implemented by the MRC Secretariat and its Member Countries;
- Prepare a concept note and explore possibilities design and establish a "Sustainable Mekong Fund" including the "Mekong Conservation Fund" (MCF) to protect and restore the 12 prioritized environmental assets of regional importance in the Mekong River Basin;

- Design and facilitate the establishment of the MCF in close consultation with professional staff of the MRCS ED, PD, OCEO, AD and other relevant stakeholders in the Mekong region (including the MRC Task Force); Or support another international consultant to be recruited by PD to contribute to the designs and establishment of a “Sustainable Mekong Fund” for serving two distinct purposes: (1) conservation and protection of the 12 prioritized environmental assets of regional importance in the Mekong River Basin; and (2) compensation or support of livelihoods negatively affected by transboundary water resources development projects, particularly the mainstream hydropower projects in the LMB;
- Facilitate regional (EMEG) and national consultations on the drafts of the concept note and the designs and establishment of the MCF or a “Sustainable Mekong Fund” including MCF at MRC ED’s or PD regional expert groups meetings or MRC Task Force meetings and in the four MCs, respectively;
- Contribute to capacity building, knowledge and skills transfer to MRCS and MCs; and
- Gender inclusion should be considered in the above listed tasks.

#### **4. Working Arrangement:**

##### **4.1. Director supervisor:**

The consultant will be working under the overall supervision of the Director of the Environmental Management Division (ED).

##### **4.2. Communication line:**

The consultant will be working under the direct supervision of the Chief Environment Management Officer of the MRCS ED as well as in close consultation with the Chief River Basin Planner of the MRCS PD, Chief Finance Officer of the MRCS AD, the Chief Strategic and Partnership Officer of the MRCS OCEO, and MRCS Internal Auditor.

#### **5. Payment mode:**

Since there will be several milestones to be completed and to avoid many administrative works, payment by instalment will be selected for this assignment and it is shown below.

- The 1<sup>st</sup> payment upon signing of the Contract (20% of the total budget);
- The 2<sup>nd</sup> payment upon submission and acceptance by MRCS ED on the key deliverables 1, 2, 3 & 4 under this given period (53% of the total budget); and
- The final payment upon submission and acceptance by MRCS ED on the key deliverables 5, 6, 7 & 8 (27% of the total budget).

#### **6. Qualifications and Requirements:**

- Must be the nationality of non-riparian member countries (Cambodia, Lao PDR, Thailand or Viet Nam);

- University degree (Master/ Doctoral degrees or equivalent minimum) in Environmental Management, Ecosystem Management, wetland management or other relevant fields;
- Minimum 10 years experiences in environmental management and policy and strategy development, including transboundary environmental governance;
- Minimum 10 years experiences in strategic and project planning, management, monitoring and evaluation in environmental management and/or ecosystem management;
- Has at least 5 years specific knowledge and working experience in financing sourcing, designs and establishment of at least a few long-term (sustainable) funds for sustainable management and development of transboundary rivers;
- Has legal and financial experience and knowledge on the functioning of regional and international funding mechanisms (e.g. the GEF or GCF etc.);
- Strong experience in dealing with regional and international environment related organizations and institutions and in negotiating with private sectors and development partners for seeking funding opportunities;
- Specific knowledge and experience in international development cooperation and resource mobilization strategy development and coordination;
- International experiences and relations, and regional knowledge of the Mekong River Basin;
- Specific knowledge and experiences with relevant international agreements and practices such as Convention on Biological Diversity and Sustainable Development Goal;
- Excellent inter-personal skills and able to negotiate constructively shared position in a Mekong or/and Southeast Asia institution and cultural context; and
- Fluent in English, verbal and writing and strong analytical skills.

**7. Intellectual property rights:**

Intellectual property rights - IPR: Information, data, database, knowledge resources in the forms of briefings, reports, proceedings, articles, essays, etc. issued by and for the MRCS will be the MRCS property. Any utility, announcement and disclosure that are without MRCS highest levels of authority' permission is considered illegal and will be charged by relevant local and international legal procedures.

**8. Signature Block**

**MRCS ED's CEMO**

Name: So Nam

Date: \_\_\_\_\_

**Consultant**

Name: \_\_\_\_\_

Date: \_\_\_\_\_

**MRCS ED's Director**

Name: Hak Socheat

Date: \_\_\_\_\_