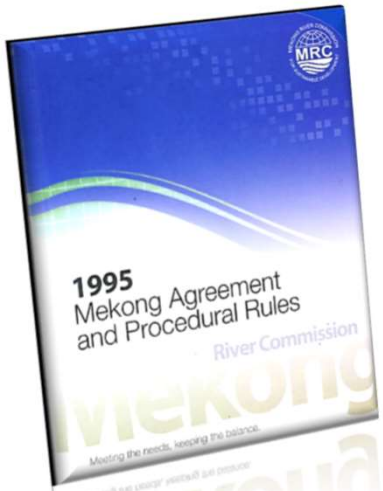
Role of MRC in Sustainable Hydropower Development – Update of Basin-wide Strategy for Hydropower Development

The 4th Hydropower Forum – Developers Dialogue
10th – 11th August 2017
MRCS, Vientiane, Lao PDR

1.1 Role of MRC in SHD as per MA 1995 (1)



- Before first SHDS-2011 **– investigation** and **assessment of individual projects** and **DOS for hydropower development** (*engineering, economics, less focus on environment and social*)
- **Facilitate co-operation in hydropower sector** as guided by Articles of MA 1995:
  - **Article 1:** ***Areas of Cooperation – in all fields including hydropower***
  - **Article 2:** ***Projects, Programs and Planning***
  - **Article 3:** ***Protection of the Environment and Ecological Balance***
  - **Article 4:** *Sovereign Equality and Territorial Integrity*
  - **Article 5:** ***Reasonable and Equitable Utilization***

1.2 Role of MRC in SHD as per MA 1995 (2)

- Develop Tools, Guidelines and Guidance to fundamentally support sustainable hydropower planning and management in LMB:
  - Environmental & Socio-Economic Baseline Information for Hydropower Planning (ISH11)
  - Identification of Ecologically Sensitive Sub-Basins for Sustainable Development of Hydropower on Tributaries (ISH01)
  - Guidelines on the multi-purpose evaluation of hydropower Project (ISH02)
  - Guidelines for hydropower environmental impact mitigation and risk management in Lower Mekong mainstream and tributaries (ISH0306)
  - Basin-wide Hydropower Sustainability Assessment Tool (RSAT)

1.3 Role of MRC in Engagement with HDs (1)

- MRC works with all **Stakeholders** to ensure good understanding of *Basin Needs, Opportunities, Challenges* "towards optimal and sustainable development"

- Private Sector **Developers** play a key role in *facilitating, financing and implementing* of hydropower developments in LMB

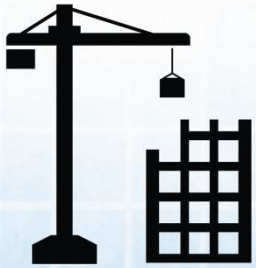
➔ Therefore, MRC seeks to engage with **Hydropower Developers** (*as a key stakeholder*) to ensure developments properly consider:

- *Cross sectoral benefits/impacts*
- *Reduction in transboundary impacts*
- *Enhancement of water, food and energy security*

1.4 Role of MRC in Engagement with HDs (2)

- MRC's **BDPs** and **CIAs** (*Scenario Assessments, Council Study*) provide **Developers** with an understanding of transboundary benefits and consequences in their developments

- **Early stage dialogue** between **MRC** and **Developers** assists to ensure guidelines and all member country expectations are clear



- **Mutual sharing** of *information, guidelines and technical know-how* build knowledge for all stakeholders

- No surprises in the PNPCA process, better quality submissions for MRC assessment**!**

2. MRC BDS and SP 2016-2020

Outcome 2: Update Basin-wide Strategy for Sustainable Hydropower Strategy

3 Strategic Priorities:

1. *Joint activities for cooperation on sustainable planning and management of HP*
2. *Monitoring and coordination of hydropower operations with adaptive management*
3. *Governance and transboundary cooperation*

Outcome 3: Review Preliminary Design Guidance for Mainstream Dams

3. Update of the MRC's SHDS 2019

3.1 Objective of MRC's SHDS 2019

- ***Optimal*** and ***sustainable*** hydropower development **pathway alternatives** are designed taking into account:
  - Development opportunities to enhance benefits beyond national borders;
  - Minimisation of adverse trans-boundary impacts;
  - Supporting water, food and energy security.

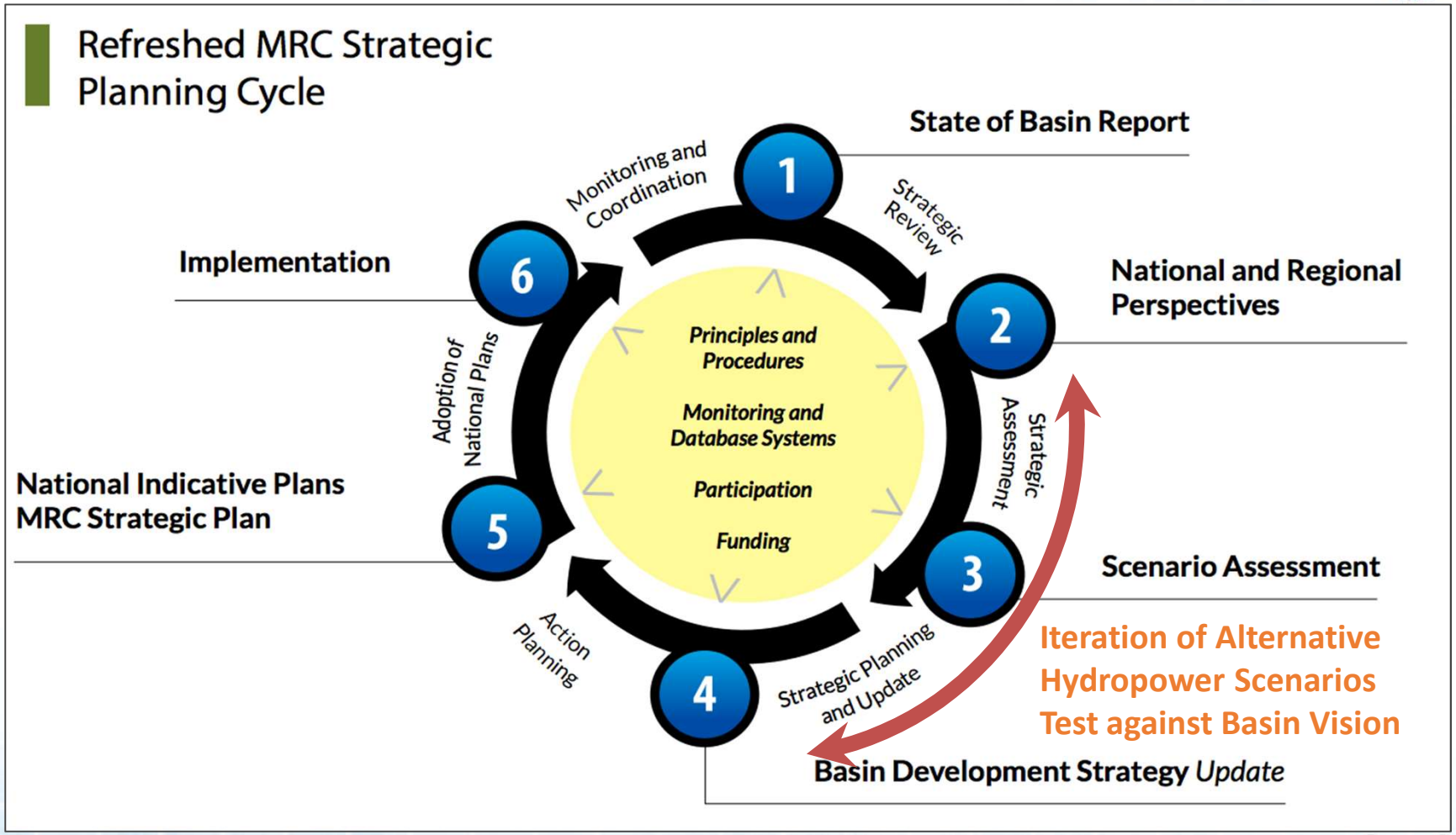
3. Update of the MRC's SHDS 2019

3.2 Principles (adapted from 1998, Council Approved)

1. Sharing of Data and information
2. Close co-operation with international institutions
3. Focus on IWRM based planning for HP to meet objective:
   - Sector integration
   - Improvement of national plan towards the Basin Strategy
   - Informing regional energy/transmission planning as appropriate
4. Guided by:
   - "*Good practice*" CIA (e.g. Council Study, BDP2, SEA),
   - *Design Guidance* (e.g. PDG and ISH0306), and
   - *Stakeholder participation*
5. Encourage private sector involvement in Sustainable HP practice

3. Update of the MRC's SHDS 2019

3.3 Part of the Planning Cycle



3. Update of the MRC's SHDS 2019

3.4 Methodology – Integrated Planning Approach

Basin Needs, Opportunities and Challenges

NEEDS

- Food and Livelihood Security
- Resilience against drought and Flood
- Energy Security
- Navigation

OPPORTUNITIES

- Tributary hydropower development
- Expansion of irrigated agriculture
- Mainstream hydropower development
- Other opportunities: fisheries, navigation, flood and drought management, watershed management, tourism and environment

CHALLENGES

- Minimise environmental degradation
- Reduce risks and impacts of HP
- Climate Change

Integrated Sector Strategies

- Fisheries Management Strategy
- Strategy for ID and Protection of Environmental Assets
- Navigation Masterplan
- Sustainable Hydropower Strategy 2019
- Irrigation Plans
- Climate Change Adaptation

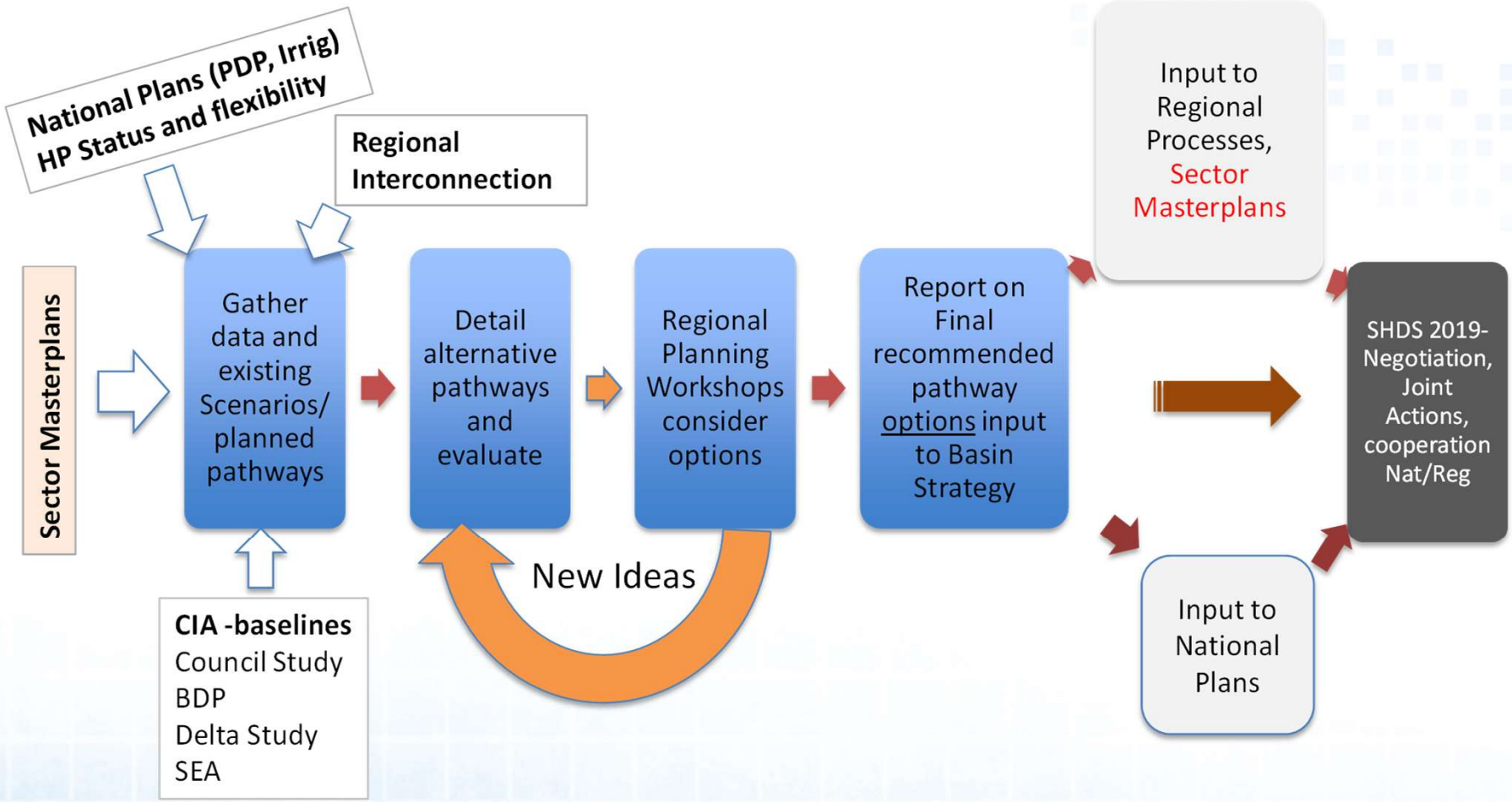
Basin Plan

Economically prosperous, socially just and environmentally sound Mekong River Basin

- Cooperation and Dialogue
- National Plans optimised for basin outcomes
- Opportunities for Joint Action/projects

3. Update of the MRC's SHDS 2019

3.5 Methodology – Interactive Strategy Development



3. Update of the MRC's SHDS 2019

3.6 Outputs

1. Documented and evaluated *alternative sustainable hydropower development pathways*;
2. A description of *opportunities to enhance benefits* beyond national borders and *minimise adverse transboundary impacts*;
3. Crosscutting strategy to benefit the Basin Development Strategy process 2021 to 2015; and
4. Agreed set of Strategic Actions detailed to ensure the delivery of SHDS objective.

3. Update of the MRC's SHDS 2019

3.7 Timeline

YEARS	2017						2018												2019											
STEPS	Q3			Q4			Q1			Q2			Q3			Q4			Q1			Q2			Q3			Q4		
SHDS Timeline	J	A	S	O	N	D	J	F	M	A	M	J	J	A	S	O	N	D	J	F	M	A	M	J	J	A	S	O	N	D
Prepare CN and TOR; internal MRCS consultation																														
Submit CN/TOR to MCs for consideration				Nat	Reg																									
Procure Technical Team																														
Mobilise Technical Team																														
Preparation for work Scope and Project Plan																														
Inception report (Methodology)																														
Technical Analysis and preparation																														
Interim report																														
Iterative Regional Planning Workshops/Evaluation																*		*												
National CONSULTATION																			*											
Draft Final report																														
INTERACTION WITH BASIN PLAN PROCESS (MRCs)																														
Adjustment of DFR and Final Report and RECOMMENDATION																														
Regional CONSULTATION					*					*											*						*			
Stakeholder forum						*																					*			
MRC JC consideration and approval					*				*				*								*				*				*	

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For sustainable development

MEKONG RIVER COMMISSION FOR SUSTAINABLE DEVELOPMENT

MRC

Thank you