

REPORT

BY THE CHAIRPERSON OF THE MRC JOINT COMMITTEE ON THE ACHIEVEMENTS FOR THE IMPLEMENTATION OF HO CHI MINH CITY DECLARATION

**Mr. Lim Kean Hor
Distinguished Delegates,
Ladies and Gentlemen,**

1. It is both my pride and pleasure to report to you on an update regarding the achievements for the implementation of the Ho Chi Minh City Declaration since 2014.

2. This 3rd MRC Summit presents a good opportunity for the Member Countries to look back at the progress they have made over the years and reflect on how they wish their past progress and current trajectories of management and development of the Mekong River and its related resources to be shaped in relation to the rapid socio-economic development of the region.

3. Since the 2nd Summit of April 2014, MRC has been addressing the above Declaration with its priority activities. Although most of these activities are still ongoing, the achievements can be summarized as follows.

- ***Expediting the implementation of the MRC Council's Study***

4. The "Study on sustainable management and development of the Mekong River, including impacts of mainstream hydropower projects" (the Council Study) has been completed at the end of 2017. The results were presented at stakeholder forums, national high-level meetings, and at the International Conference prior to the 3rd MRC Summit. It has been one of the largest studies ever undertaken by the MRC in terms of duration, costs, and number of staff and stakeholders involved. The Study included a comprehensive basin-wide assessment of the environmental, social and economic impacts (positive and negative) of current and planned water resources development in the Mekong River Basin. Efforts are ongoing in terms of up-taking of the results into regional and national policies, strategies, plans and projects.

- ***Updating and implementing the IWRM-based Basin Development Strategy and implementing the MRC Strategic Plan 2011-2015 and 2016-2020***

5. By the end of 2015, the major part of the strategic actions set out in BDS 2011-2015 (through the MRC SP and National Indicative Plans) was substantially completed, addressing all 12 strategic priorities of the Strategy. The incomplete strategic actions were related to knowledge to better understand development impacts, trade-offs, and adaptation and mitigating options. The implementation of the BDS has led to a wide recognition of the shortcomings of the current national plans, including the protection of key environmental assets and the protection against and management of extreme floods and droughts. These knowledge gaps and shortcomings are being addressed through the Council Study and other activities in the updated BDS and MRC SP for 2016-2020, which aim at further moving national sector planning towards basin-wide optimal and sustainable development. This is a major challenge which requires the deepening and broadening of joint efforts (such as joint projects) and partnerships, as described under the concept and theme for the 3rd Summit.

- ***Avoiding, reducing and mitigating risks to river ecology, food security, livelihoods and water quality posed by development activities in the basin, recognising that the impacts of climate change could compound these risks***

6. The implementation of the BDS 2011-2015 has led to a greater awareness of the risks of development to the Mekong's rich natural resources and of the missed opportunities for more coordinated development. A range of MRC activities have demonstrated ways and means to prevent and minimize impacts and risks from development, including the Council Study, Delta Study, hydropower risk assessments, climate change impacts assessments, master plan for waterborne transportation, basin-wide fisheries management and development strategy, and an assessment of regional cost and benefit sharing. Sectoral guidelines and tools were developed for implementation to reduce risks of existing and planned development. A coherent and consistent basin-wide indicator framework for monitoring, assessment, and state of the basin reporting has been developed, which paves the way towards longer term management objectives for the Mekong River Basin. Finally, a Joint Environment Monitoring for mainstream dams is being developed and should come into effect in 2018.

- ***Continuing to improve the implementation of the MRC Procedures***

7. The established Joint Platform for the coordinated implementation of the MRC Procedures has gradually worked to make the implementation of the Procedures more country-driven, supported by efforts to improve regional and national databases (through the Procedures for Data and Information Exchange and Sharing – PDIES), and more closely linked to planning and management at the national and regional levels. The national implementation of the Procedures for Water Use Monitoring (PWUM) has been piloted. Development scenarios under the Council Study as well as the projects submitted under the Procedures for Notification, Prior Consultation and Agreement (PNPCA) were assessed against thresholds of the Procedures for the Maintenance of Flow on the Mainstream (PMFM) and the Procedures for Water Quality (PWQ). The PNPCA has been implemented for Don Sahong Hydropower Project and Pak Beng Hydropower Project, with an agreed Statement by the JC for the Pak Beng. The collection of the data and information needs for the implementation of the Procedures have been streamlined by the ongoing work under the MRC Indicator Framework for monitoring, assessment and state of the basin reporting.

- ***Avoiding, reducing and mitigating risks to river ecology, food security, livelihoods and water quality posed by hydropower and other development activities in the Basin***

8. The years of 2014-2017 saw several important achievements towards improving the sustainability of hydropower development in the Mekong Region. All studies, tools and guidelines under the Initiative on Sustainable Hydropower Development (ISH) have been completed with involvement of key stakeholders. Their findings can support better planning and management of the Basin and are available for policy-makers of MRC Member Countries (MCs) to take development-decisions that can ensure sustainability and protection of the Basin, food security and its people's well-being. Together with the findings of the Council Study, these ISH outputs provide a solid foundation for the 2018 update of the MRC Sustainable Hydropower Development Strategy (SHDS) and the update of Basin Development Strategy in 2019 by taking into account opportunities to enhance benefits beyond national borders and minimise adverse transboundary impacts while supporting water, food and energy security across the sector development. Moreover, the study "Improved Environmental and Socio-Economic Baseline Information for Hydropower Planning" and the "Guidelines for Hydropower Environmental Impact Mitigation and Risk Management in the Lower Mekong Mainstream and Tributaries" (Mitigation Guidelines) have been finalised. They have already added value to the technical review of the Pak Beng Hydropower Project under the third MRC Prior Consultation Process in 2017 and are expected to further enhance the updated Preliminary Design Guidance (PDG) in 2018.

- ***Exploring and identifying opportunities to expand cooperation between the MRC Dialogue Partners, Development Partners, and other regional and international initiatives***

9. Excellent cooperation and support from the MRC's Development Partners continue. The cooperation with the Dialogue Partners, China and Myanmar, is constantly being strengthened. Data and information sharing continues, joint technical symposiums and exchange of visits held, joint observation and research being conducted on key issues, and collaboration initiated with the Mekong Lancang Water Resources Cooperation Centre. Existing partnerships were maintained and new partnerships with other organizations established. For the implementation of the MRC SP for 2016-

2020, financial support of about US\$60 million has been secured from Member Countries and Development Partners.

10. Especially since the new organisational structure became fully operational by late 2016, the new MRC team responsible for strategy, partnership, communication and engagement put the plan, mechanisms and tactics in place to promote and communicate the work of the MRC and engage relevant stakeholders in an institutionalized, regular and transparent way. For stakeholder engagement, a Regional Stakeholder Forum (RSF) has been established and conducted multiple times. For communication, media and outreach, several mechanisms, channels and tactics have been implemented. Stakeholders and the public have shown appreciation to the increased visibility of MRC, the importance of its mandate and work, and the way it engages stakeholders in transparent and inclusive way.

- ***Furthering the efforts in basin-wide disaster risk reduction for floods, droughts and impact of sea level rise; monitoring and taking measures to maintain good water quality in the Mekong River Basin***

11. Basin-wide climate change impact assessments on hydrology, hydropower, flood and droughts, food security and biodiversity, and socio-economics were conducted, and a Mekong Adaptation Strategy and Action Plan prepared. Detailed studies are still ongoing to assess the performance of promising flood protection and management measures against flood risks in flood focal areas in Lao PDR, Thailand and the Mekong Delta of Cambodia and Viet Nam under future climate and basin development uncertainty (scheduled to be completed by mid- 2018). Joint projects have been identified for integrated flood management in the Delta area of Cambodia and Viet Nam, and for transboundary cooperation for flood and drought management in Thai-Cambodian border area. Monitoring is being improved to implement the Procedures for Water Quality, whose technical guidelines were approved in 2016.

- ***Reinforced country ownership through riparianization and decentralization***

12. The MRC Rules of Procedures for the MRC Secretariat, Joint Committee and Council were revised and approved. The MRCS has been fully riparianized and restructured according to core functions. New staff has been recruited, including a riparian CEO. The MRCS headquarter was consolidated in one location in Vientiane, while Phnom Penh hosts the MRCS Regional Flood Management and Mitigation Centre (RFMMC). A basket fund is being implemented and various operational manuals are being updated. All of this led to a much more focused and leaner MRCS in line with efforts to focus on core river basin management functions. The decentralization of core river basin management functions, especially relate to basin monitoring, has been challenging with funding and technical issues. Measures are being identified to address these. After two years of preparation, Expert Groups have been established to support the implementation of MRC work, including preparation and implementation of the plans, procedures and activities of the MRC, which will support the decentralization process and bring national and basin-wide development and management planning closer together through the stronger involvement of line and implementing agencies.

***Distinguished Delegates,
Ladies and Gentlemen,***

13. In summary, these achievements help us put further building blocks in place for: (i) moving national sector planning and implementation towards basin-wide optimal and sustainable development in the Mekong River Basin and (ii) strengthening the implementation of core river basin management functions – a step forward in the right direction to equity and sustainability of the shared resources of the Mekong.

The Council may wish to consider the achievements made by the MRC Secretariat since the implementation of Ho Chi Minh City Declaration and provide necessary comments and guidance.