



# MEKONG RIVER COMMISSION SECRETARIATE'S RESPONSE TO THE JOINT DEVELOPMENT PARTNER STATEMENT

*Development Partners Meeting on 29 June 2017*

## PRIOR CONSULTATION PROCESS AND HYDROPOWER PROJECTS

### **Follow up on PNPCA for the Pak Beng Hydropower Project**

Under the Procedures for Notification, Prior Consultation and Agreement (PNPCA), the Prior Consultation for the Pak Beng Hydropower Project (PBHPP) was successfully concluded at a Special Session of the Mekong River Commission Joint Committee (JC) on 19 June 2017 with an agreed Statement. The Statement contains key recommendations to minimise potential transboundary impacts of the proposed project. Based on the agreed Statement by the JC, the MRC Secretariat (MRCS) prepared a draft Joint Action Plan (JAP) and tabled it for discussion during the 32<sup>nd</sup> JC Task Force Meeting in late July 2017. The overall aim of the JAP is to provide mechanisms for ongoing feedback among the PBHPP developer and Lao PDR, the MRC and stakeholders to ensure and further enhance the measures the developer has already put in place. This is to minimise the potential impacts of the PBHPP in its final design, construction and operational phases.

The revised version of the JAP then will be used by the MRC Member Countries (MCs) for their national consultations, leading to the formulation of a final draft JAP for more discussion at the Joint Platform meeting scheduled on 4 October 2017. After the Joint Platform meeting the MRCS will come up with a final JAP before its submission to the JC for approval at the JC Preparatory Meeting prior to the 24th MRC Council Meeting in late November 2017.

### **Member Countries' plans for coordination and management of dams in a cascade system**

The MRCS has initiated the updates of the Basin-wide Strategy for Sustainable Hydropower Development in the Lower Mekong Basin (LMB) as well as the Preliminary Design Guidance (PDG). The issue will be incorporated in the newly updated strategy through consultations with the MCs and hydropower developers at the national and regional meetings and a developer dialogue forum. The issue will also be raised in the JAP for development of operating rules of the Pak Beng hydropower project.

### **Thailand's feasibility study of the proposed new water use and diversion projects**

The MRC Secretariat has internally conducted a review of available information related to the proposed water diversion projects in Thailand and will request further information from Thailand on the results of the feasibility of the diversion projects.

### **Design changes of the Xayaburi hydropower dam**

The MRCS received reports conducted in 2012 and 2013 for the Xayaburi hydropower project's design changes including a physical hydraulic model study, probabilistic seismic Hazard Assessment, plant safety concept and improvement of lock design. In 2016, Lao PDR also submitted a brief of the design changes including information on key project data, spillway, navigation lock, intermediate block, powerhouse, and fish passing facilities. Lao PDR was also requested to provide full reports and data on design adaptations implemented in the Xayaburi based on the PDG in order to enable for a complete technical review to be carried out in the second half of 2017. A core team was established, comprising all required expertise to undertake this review.

### **National Indicative Plans (NIPs)**

National Working Groups are currently being established to support the implementation of the five Joint Projects under the National Indicative Plans (NIPs) and the integration of the NIPs into domestic policies, plans and budgets. A series of national workshops will be implemented to promote the updated Basin Development Strategy (BDS) 2016-2020 and the NIP 2016-2020 as well as to explore and develop actions for the integration.

### **Annual Work Plan 2017 and preparation of AWP 2018**

Overall progress made against the AWP 2017 is progressing gradually. Major activities (& efforts) and progresses include PNPCA, Council Study, MASAP, ISH 0306, Expert Groups establishment, cooperation & communication with partners, TbEIA, Joint Projects, Monitoring & Forecasting, M&E, HR & Finance reforms. OCEO/SP team are coordinating with divisions on accelerated implementation tactics (realization of contracts, MOUs, corporate calendar, and technical support/inputs, working with divisions on risks and risks management for each output). To resolve coordination and support issues with countries, coordination meetings with NMCSs are being held to enhance implementation for rest of the year.

For preparation of the AWP 2018, the process will commence in September. A guidance note will be prepared that will include a review of AWP 2017 implementation in terms of lessons, the priority activities for 2018, the indicative budget, consultation methodology, risks and risks mitigation identification, enhanced implementation modality/strategy, and an outlook in terms of completing the MRC SP.

### **Long term financing strategy**

MRC's goal is to have all MRC core functions fully funded by the MCs by 2030. To ensure the long-term sustainability of the organisation, the MRCS has set up a budget projection for 2016 - 2030. It is expected MCs' contribution reaches USD 6 to 8 million per year at 2030. MRC Secretariat and Member Countries are in the process of discussion for a contribution plan after 2019. The regional funding from MRC Secretariat will be reduced due to the decentralization of Core River Basin Management Function (CRBMF) activities to the MCs.

### **Gender action plan and strengthening the gender capacity of Member Countries**

A gender analysis and gender action plan is being developed in collaboration with the MCs (NMCs and national agencies responsible for gender and women's affairs). The draft result will be discussed during a participatory workshop at the Secretariat in September. A Regional Workshop with MCs for capacity strengthening and Gender Action Plan consultation is scheduled for October 2017.

### **Monitoring and evaluation**

We appreciate DPs interest and support on the alignment of MRC monitoring work to Sustainable Development Goals (SDGs). The countries are also committed to the SDGs. The Strategic Plan (SP) 2016-2020 and the MRC Indicator Framework have been aligned to the SDG's targets using the SDG Alignment Matrix. The MRC SP 2016-2020 contributes directly to SDG Water Goal 6 with 8 targets and indirectly to the other water-related SDGs (for Goals 1, 3, 7, 11, 12 and 15). The MRC Annual Report (for 2017) and State of the Basin Report 2018 will describe the MRC's contribution to SDG's targets.

We will continue to report on the SP implementation progress in the Mid-Year Report and Annual Report, ensuring accountability and transparency and look forward to a rigorous Mid-term Review of the Strategic Plan in 2018 and organizational reforms.

## **A regional guidance on Transboundary Environmental Impact Assessment**

Development of the Transboundary Environmental Impact Assessment (TbEIA) Technical Guidelines (TGs) has been ongoing since 2004 and a draft of this document is now being tested/verified through a pilot study. A regional meeting was held in March 2017 in Bangkok, Thailand to discuss the results of this pilot project. In that meeting, participants expressed a strong need for TbEIA TGs as they are a very useful tool or mechanism to support the MCs to achieve sustainable water development in the LMB and encouraged the Secretariat to continue improving the current TbEIA TGs; the participants discussed and acknowledged the key findings of the pilot study, which would be used for further revision of the TbEIA TGs; and the participants proposed that the TbEIA TGs should be revised in the form of an implementable document, which is expected to be gradually incorporated into national EIA systems. Based on these recommendations, the TbEIA TGs have been revised and are under further consultation with the MCs. As planned, the TGs will be finalised and submitted to the MRC Joint Committee for consideration by the end of 2017. CEO has released the first draft of the guidelines on 10 August 2017 at the 4<sup>th</sup> forum on initiative of Sustainable Hydropower. The draft is published on the MRC website in the forum section.

## **COMMUNICATION AND OUTREACH ACTIVITIES**

The Communication Team has been active in building and improving relationships with media and creating more opportunities for media to meet with key MRC officials directly to get information on relevant issues. A workshop for media from the four MCs and the region will be held at the end of 2017 so they can learn more about and discuss key issues regarding the Mekong River. Key communication products are produced not only in English but also in four riparian languages to ensure better reach for audiences in the MCs. Three trainings are planned for the second half of 2017 to improve communication-related capabilities of MCs that eventually will contribute to strengthening national and local communications and consultations managed by the National Mekong Committees.

Outreach continues to be emphasised. The Mekong River Commission Secretariat is actively working with universities in the four member countries to organise talks/lectures to promote the MRC's work to students and at the same time, is exploring opportunities to introduce and integrate the MRC tools/products into curriculums and training programs. Publication displays and publication distribution will be continued with an increased use of electronic versions for a more environmentally friendly approach. A photo contest on the diversity of the Mekong River and its tributaries for the four riparian countries is being held to raise awareness on the importance of transboundary cooperation and to support sustainable development of the Mekong Basin. Networking with NGOs will be extended to dialogue more on MRC works and learn from their recommendations.

## **IMPLEMENTATION PROGRESS OF HO CHI MINH DECLARATION AND PREPARATION FOR 2018 SUMMIT**

The MRC 2nd Summit was hosted by Viet Nam in Ho Chi Minh City back in 2014. Since then, numerous key achievements and milestones have been reached. Three important plans/strategies were prepared and approved: The second IWRM-based Basin Development Strategy (2016-2020), MRC Strategic Plan 2016-2020 to implement the BDS by the MRC and the National Indicative Plans 2016-2020 to implement the BDS by Cambodia, Lao PDR, Thailand and Viet Nam. A new MRC Secretariat structure based on core functions was approved and new staff was recruited, including the first ever riparian CEO and the MRCS HQs was consolidated into one location in Vientiane (and a RFMMC in Phnom Penh). The Council Study has made progress and is scheduled to be completed by the end of 2017. Prior Consultation processes were implemented for the Don Sahong Hydropower Project and Pak Beng Hydropower Project, with an agreed Statement by the JC for Pak Beng. Financial support from member countries and Development Partners secured about US\$60 million for the new MRC Strategic Plan. Existing partnerships were maintained with

the Mississippi River Commission, Murray-Darling Basin Authority, new partnerships were established with Morocco and SEAFDEC and is one is being finalised with the Korea Development Institute, and new agreements are also being developed with ASEAN, LMC, and GMS.

Cambodia, the host, has confirmed that the 3<sup>rd</sup> MRC Summit will be held on 5<sup>th</sup> April 2018 in Siem Reap. Several events including Regional Stakeholder Forum and International Seminar will lead up to the Summit. The 3<sup>rd</sup> MRC Summit plans to highlight/secure a few breakthroughs in terms of significant deliverables (new agreements, implementation directions and so on) related to Council Study, Joint projects, China/Lancang Mekong Cooperation, Myanmar, ASEAN, and a contribution formula. A roadmap for preparation of the Summit has been agreed by the Joint Committee in its August meeting.

## STAFF ASSOCIATION

The establishment of the MRC Staff Association in May 2017 shows the MRC's commitment in promoting the well-being of its employees. The Staff Association has committed to facilitate the conversation/discussion between the staff and senior management about staff concerns and issues within the organization. The MRC Staff Association has taken the lead in engaging the MRC Staff and international colleagues in Vientiane and Phnom Penh for cultural and social events, highlighted by the entry of a team in the annual Boat Racing Festival in Vientiane.