

**SUMMARY OF
MINUTES OF THE FORTY-SECOND MEETING
OF THE MRC JOINT COMMITTEE
MEKONG RIVER COMMISSION
10 SEPTEMBER 2015, VIENTIANE, LAO PDR**

GENERAL

1. The Joint Committee of the MRC (the Joint Committee) held its Forty-second Meeting, Plenary Session (hereinafter referred to as “The Meeting”), on 10 September 2015 in Vientiane, Lao PDR. The proposed Agenda included the following items (Appendix No.1: Provisional Agenda):

- Statement by the Chairperson of the Joint Committee for 2014-2015
- Opening Address by the Chairperson of the Joint Committee for 2015-2016
- Progress Report on the Implementation of the MRC Ho Chi Minh City Declaration
- Report by the Chief Executive Officer on progress since the Forty-first Meeting of the MRC Joint Committee
- Consideration on approval of the revised Operating Expenses Budget for 2015
- Consideration on endorsement of the proposal for extension of the current MCs contribution formula
- Progress on Cooperation with Development Partners and Regional Cooperation
- Progress on the implementation of the IWRM-based Basin Development Strategy for 2011-2015 and consideration on the endorsement of the updated IWRM-based Basin Development Strategy for 2016-2020
- Progress on and consideration on the endorsement of the MRC Strategic Plan 2016-2020
- Progress on the work of Joint Platform to support the implementation of the MRC Procedures
- Progress on Integrated Capacity Building Programme under HRS
- Progress on Programmes under the Planning Division
- Progress on Programmes under the Environment Division
- Progress on Programmes under the Operations Division
- Progress on Programmes under the Technical Support Division
- Information on the Date and Venue of the Twenty-second Meeting of the MRC Council
- Issue of hosting the MRC Secretariat Office

2. On 9 September 2015, the MRC Joint Committee held a Private Meeting and a Preparatory Meeting to discuss issues of mutual concern and interest prior to the Meeting.

A. STATEMENT BY THE CHAIRPERSON OF THE JOINT COMMITTEE FOR 2014-2015

3. H.E. Mr. Te Navuth, Chairperson of the MRC Joint Committee for 2014-2015, provided his open statement welcoming all the Delegates to the Forty-second Meeting of the MRC Joint Committee (JC) and expressing his appreciation. Main essence in his statement were the considerable efforts, investments and the work of the MRC in building a strong sense of unity and good will to bring all the Member Countries (MCs) and Partners close together in fortifying the sustainable development of the Mekong’s precious resources through strengthened cooperation and reforms. The Chairperson also raised for the Meeting’s attention other important issue facing the organization such as the adoption of the IWRM-based Basin Development Strategy (BDS) 2011-2015 and its on-going implementation of Regional Action Plan (RAC) and National Indicative Plans (NIPs); the adoption of MRC Strategic Plan (SP) for 2016-2020; and a number of MRC Reforms including the MRC’s Decentralisation of CRBMFs, Restructuring, Staffing and Financial Reform. Also raised for the Meeting’s guidance are the issue of pending recruitment of the current Riparian CEO and cooperation with Development Partners (DPs), Dialogue Partners (DiPs) and

regional cooperation. Before he closed the statement, the Chairperson thanked the MCs, national agencies, DPs, DiPs and other stakeholders for their continued support and cooperation.

B. OPENING ADDRESS BY THE CHAIRPERSON OF THE JOINT COMMITTEE FOR 2015-2016

4. The Chairperson of the MRC Joint Committee, Dr. Le Duc Trung, welcomed all the Delegates to the Meeting and expressed his sincere thanks and high appreciation to H.E. Mr. Te Navuth for his Chairmanship of the MRC Joint Committee for 2014/2015 and important accomplishments over the past year. He applauded the MRC for its enormous efforts in accelerating key actions and activities that address the key strategic priorities set out in 2010 by the First MRC Summit and reaffirmed last year by the Second MRC Summit. He stressed on the crucial role by the new strategic planning approach that streamlines all the planning processes for the IWRM-based Basin Development Strategy, the Strategic Plan and the National Indicative Plans for 2016-2020 in improving MRC efficiency, performances and operations. The Chairperson emphasized the need to accelerate the study on sustainable development in the Mekong River Basin, and the ongoing institutional reforms. Recalling that the year 2015 is the final year of the Strategic Plan 2011-2015 and marks the MRC's 20th Anniversary, the Chairperson underlined the utmost importance of finalization of the strategic planning framework for 2016-2020 to set the directions and work programmes for the Commission in the next 5 years and emphasized that the implementation of this strategic plan will contribute to the achievement of the planned self-sustainability by 2030.

C. ADOPTION OF THE AGENDA

5. The Chairperson sought comments from the Meeting on the agenda. The Meeting adopted the revised agenda (Appendix No.2: Agenda).

D. Progress Report on the Implementation of the MRC Ho Chi Minh City Declaration

6. The Officer-in-Charge (OIC) of the MRC Secretariat proposed to combine his two reports on the main achievements of the implementation of the MRC Ho Chi Minh City Declaration and the progress since the Forty-first Meeting of the Joint Committee.

E. Management, Organisational and Cooperation Matters

E.1 Mekong River Commission Secretariat

E.1.1 Report by the Chief Executive Officer on progress since the Forty-first Meeting of the MRC Joint Committee

7. The Officer-in-Charge (OIC) of the MRC Secretariat reported to the Meeting on the main achievements of the implementation of the MRC Ho Chi Minh City Declaration. Among others, the Chairperson emphasized (1) progress on the Council Study, (2) progress on IWRM-based Development Strategy (BDS) for 2011-2015 and completion of the updated new Strategic Plan 2016-2020 for endorsement; (3) reduction of risks to the River and the people's livelihood; (4) improved implementation of the MRC Procedures to support the implementation of the 1995 Mekong Agreement; (5) furthering the efforts in basin wide disaster risk reduction; and (6) exploring and identifying opportunities to expand cooperation between the MRC Dialogue Partners, current and new Development Partners and other regional and international initiatives.

8. The OIC then moved on to report the progress of the MRC since the Forty-first Meeting of the MRC Joint Committee, starting with (1) restatement of some main progress on the IWRM-based Mekong Basin Development Strategy (BDS), and completion of the updated BDS for 2016-2020 for endorsement; (2) implementation of the fourteen overarching recommendations of the Roadmap for decentralisation; (3) progress and challenges of the Council Study; and (4) other important organizational matters.

9. While suggesting the Secretariat pay more attention to its core functions during this critical period of decentralization and transition to a new structure, the Meeting instructed some MRC

Programmes to accelerate implementation of their activities such as those on water quality, ecological monitoring, MRC Joint Platform, and requested the Secretariat to deliver report on the concrete output of development of knowledge hub as well as took note of the progress reported by the Secretariat.

E.1.2 Consideration on approval of the revised Operating Expenses Budget for 2015

10. By presenting this agenda item, the Secretariat asked the JC to consider the proposal to use the OEB surplus to support the NMCs and to fill the funding gaps of the above-mentioned programmes, and sought approval by the JC on the revised OEB for 2015.

11. With the advice for the Secretariat to reduce its expenditures in the future, the Meeting approved the revised OEB 2015 and the use of the OEB surplus to support the Member Countries. However, the Meeting instructed the Secretariat to organize a special OEB meeting to further elaborate the funding needs to cover the funding gaps of those Programmes.

E.1.3 Consideration on endorsement of the proposal for extension of the current MCs contribution formula

12. As of this moment no agreement on the contribution formula and to allow MCs sufficient time for their preparation to secure their national budget allocation for 2016, the Secretariat proposed two options for Member Countries contribution for 2016..

13. While three Member Countries agreed to the proposal for extension of the current MCs contribution formula with 10% increment for 2016, one Member Country noted that they would need further discussion and get back to the Chairperson.

E.2 Mekong River Commission

E.2.1 Progress on Cooperation with Development Partners and Regional Cooperation

14. The ICCS reported on the agenda item, providing first information regarding cooperation with Development Partners (DPs), followed by regional and international cooperation. The Secretariat sought the Joint Committee's guidance on the cooperation with DPs and regional cooperation.

15. The Meeting took note of the progress and suggested the Secretariat come up with a clear direction and strategy in its cooperation with DPs and Dialogue Partners, continue its exploration of potential cooperation and strengthen its efforts in securing funding agreements and share with the Member Countries its detailed cooperation. .

F. MRC Programmes

F.1 Discussion on Policy and Strategy Issues and Procedure-related Matters

F.1.1 Progress on the implementation of the IWRM-based Basin Development Strategy for 2011-2015 and consideration on the endorsement of the updated IWRM-based Basin Development Strategy for 2016-2020

16. The Director of Planning Division presented the agenda item elaborating three key activities, including implementation of the current BDS, updating of the BDS for 2016-2020 and updating of the National Indicative Plans (NIPs) for 2016-2020. The preparation of the SP 2016-2020 has now been finalized and ready for endorsement. As for the NIPs 2016-2020, NIP update guidelines have been finalised after Regional Meeting (July 2015) and National advisors' working session (Aug 2015). And the first draft of the NIPs 2016-2020 was expected to be available in October 2015. The Secretariat sought JC's endorsement of the updated Basin Development Strategy 2016-2020.

17. Proposing some amendment of the document provided by the Secretariat, the Meeting took note of the progress made and endorsed the updated IWRM-based Basin Development Strategy for 2016-2020, making it ready for the approval of the MRC Council.

F.1.2 Progress on and consideration on the endorsement of the MRC Strategic Plan 2016-2020

18. Technical Coordination Unit (TCU) presented the agenda item with some background of the preparation process leading up to the finalization of the Strategic Plan (SP) 2016-2020.

19. Noting further work is needed on the revision of the preparation of the work plan including specific activities under the plan, preparation of the State of Basin Report (SOB) in consultation with the Member Countries and DPs as well as a clear deadline for the preparation of the Annual Work Plan to finalise the SP, the Meeting took note of the progress on the preparation of and endorsed the SP 2016-2020 in principle and authorized the Secretariat to share the SP 2016-2020 with the DPs for funding supports.

F.1.3 Progress on the work of Joint Platform to support the implementation of the MRC Procedures, including the work on Prior Consultation Process of Don Sahong Hydropower Project

20. The Programme Coordinator of the Mekong Integrated Water Resources Project (M-IWRMP) presented the agenda item with progress of the MRC Joint Platform and the work on PNPCA.

21. Expressing the need for the Secretariat to address the slow progress on the Joint Platform, including the work on meeting preparation, Joint Platform working modality and its work plan, the Meeting took note of the progress on the Joint Platform to support the implementation of the MRC Procedures, including the work on Prior Consultation Process of Don Sahong Hydropower Project, and requested the Secretariat to take into account the guidance from the MCs regarding these topics.

F.2 Report on Programmes' activities

F.2.1 Progress on Integrated Capacity Building Programme under HRS

22. Integrated Capacity Building Project (ICBP) presented the agenda item, highlighting progress and key achievements of the ICBP from October 2014 to August 2015.

23. Voicing concerns over the pending issues and how the MRC Programmes are going to deliver their output for the remaining period of the Secretariat's transition to a new structure, the Meeting took note with appreciation of the progress made by the ICBP.

F.2.2 Progress on Programmes under the Planning Division

24. The Director of the Planning Division briefed the Meeting on progress on the work of the Division, comprising Basin Development Programme (BDP), Initiatives for Sustainable Hydropower Programme (ISH), and Mekong-Integrated Water Resources Management Project (M-IWRMP).

25. Suggesting improvement in preparation of the technical information for regional meeting, preparation of the notes and presentation of the information including the need to harmonise both contents and format of the report from different Programmes of the Division for the governance meetings, the Meeting took note of the progress on the Programmes under the Planning Division.

F.2.3 Progress on Programmes under the Environment Division

26. The Director of the Environment Division (ED) reported on progress made by Programmes under the Division, beginning with general progress, challenges and corrective actions of both Climate Change and Adaptation Initiative (CCAI) and Environment Programme (EP).

27. Suggesting slow implementation of certain activities be addressed, clear action plan and clear accountability line be established to deal with it, and regional meeting be convened to finalise the technical guidelines for water quality and the preparatory State of Basin Report be submitted for the approval of the Joint Committee, the Meeting took note of the progress on the Programmes under the Environment Division.

F.2.4 Progress on Programmes under the Operations Division

28. The Director of the Operating Division (OPD) reported the progress of Programmes under OPD beginning with overall progress, challenges and upcoming activities of the four Programmes including AIP, DMP, FP and NAP.

29. Requesting an increase of national involvement in the NAP activity implementation, a good balance between Programme's pace of implementation and quality of the products, update on progress on the activities implementation and how certain Programmes are going to continue their activities in the face of fund shortage and reduction of the number of staff, the Meeting took note of the progress on the Programmes under the Operations Division.

F.2.5 Progress on Programmes under the Technical Support Division

30. The Director of the Technical Support Division (TSD) reported to the Meeting on the progress made by IKMP and FMMP under the Division each with general progress, challenges and corrective actions.

31. Voicing concerns over the slow progress on the implementation of Programmes activities under the Division and the work on improvement of the flood forecasting accuracy as well as the concerns on the coordination between the MRCS/FMMP, GIZ and the Member Countries in term of implementation of the pilot project, the Meeting took note of the progress on the Programmes under the Technical Support Division.

G Other business

G.1 Information on the Date and Venue of the Twenty-second Meeting of the MRC Council

32. Three Member Countries agreed to the dates of 12-14 January 2016 for the Twenty-second Meeting of the MRC Council, the Meeting requested the Secretariat to consult further with the remaining Member Country, and Development Partners to seek consensus on the above proposed dates.

G.2 Issue of hosting the MRC Secretariat Office

33. With the topic raised by the Chairperson, all the MCs exchanged their views on the possibility of having just one office for the Secretariat taking into consideration the budget constraint and the need to become a leaner organization through the implementation of core functions decentralization and supported this initiative. The Meeting instructed the Secretariat to prepare a study on analysis of current and future arrangement and operations of the Secretariat for possible discussion and consideration in the future.