

Joint Development Partner Statement

MRC Council Meeting, 17 January 2012

HE Noulinh Sinbandith, Minister of Natural Resources and the Environment

HE Viraphonh Viravong, Vice Minister of Energy and Mines

Vice Chairs of the National Mekong Committees

Director Generals of Line Ministries

Excellencies, Representatives of Official Development Partners, and Non-Governmental Development Partners, Ladies and Gentlemen:

1. The Development Partners have a strong interest in the sustainable management of the Mekong River, and we view our robust engagement as a sign of our continued commitment toward a lasting and positive relationship with the countries of the Mekong Basin. We welcome the on-going opportunity to engage with and support the Mekong River Commission on issues of great importance to development in the region.
2. We continue to believe that the MRC is the best place to enable consensus on development projects with trans-boundary impacts along the Mekong River and its tributaries and to ensure that the best science available will be used to inform basin development decisions. We remain committed to supporting the MRC's efforts as it seeks to deliver an economically prosperous, socially just, and environmentally sound Mekong River Basin.
3. The expertise, resources, and perspective granted by partner organisations is an asset to the MRC, and of great benefit to the peoples and ecosystems of the Mekong. We encourage the MRC to maintain the openness of the Development Partner meetings. In that context, Development Partners are highly concerned that WWF, a Partner Organisation which has participated in MRC Council Meetings as an observer since 2001, has not been invited to this meeting. Development Partners urge MRC Member Countries to reaffirm – at this meeting – the decision in 2001 to invite Partner Organisations, including WWF, as observers. In that context we encourage the Member Countries to facilitate a transparent process that allows observers to hold official status.

Hydropower development/PNPCA/Council study

4. It is our consensus that building dams on the mainstream of the Mekong may irrevocably change the river and hence constitute a challenge for food security, sustainable development, and biodiversity conservation. The same is true for developments on some tributaries.

5. We therefore welcome efforts to ensure that all Lower Mekong development complies with the MRC`s preliminary design guidance and international hydropower sustainability standards.
6. We remain concerned about the social impacts and environmental risks associated with the construction of the Xayaburi hydropower dam in the Lao People`s Democratic Republic, also given that alterations to the initial design have not yet been formally communicated through the auspices of the MRC. We strongly encourage the Government of Laos to share the revised design plans for the Xayaburi project with the MRC Secretariat as soon as possible.
7. We encourage the Government of Lao PDR and the majority shareholders of Xayaburi Power Limited to officially inform the MRC Secretariat about the proposed changes to the design of the Xayaburi dam to make sure that legitimate concerns of the other MRC member states are taken into account. We also encourage the Lao Government to officially notify the MRC regarding the status of Pöyry as an official consultant to the Lao Government, thus allowing for the MRC to share research data and information. We would like to accept the offer extended previously by the Lao Government to organize a 2-3 day technical meeting to discuss the details of the proposed design changes.
8. We request the MRC Secretariat to inform in its annual report to the Council on procedures about lessons learned so far from the first PNPCA process. We believe that, inter alia, the participation of civil society should be improved, and that the consultation period of six months is too short. We recommend that all ambiguities regarding the application of the PNPCA be resolved before any future mainstream project proceeds.
9. Development Partners furthermore believe that the issue of cumulative transboundary impacts will have to be addressed. The PNPCA process is project-centered and should be complemented by a basin-wide, holistic approach which could be agreed as part of a revision of the Basin Development Strategy of the MRC. Development Partners could contribute to this process by making sure that their bilateral cooperation with MRC member states is in line with the Basin Development Strategy.
10. We ask all MRC member states to support the “Council Study” as well as other studies which are undertaken as part of ongoing MRC programs and to also contribute to the outcomes of those studies – allow this to inform the process toward consensus between the four MRC riparian states under the framework of the MRC. Of immediate concern is the critical need for data collection of environmental and social baselines and on-going monitoring of construction impacts.

11. Development Partners would very much welcome, within the Council Study, a clear prioritisation of issues related to hydropower development. Development Partners very much look forward to a significant filling of knowledge gaps in these fields by the end of 2013/early 2014. An assessment of the cumulative impacts of mainstream dams will need to be the key outcome of the study in general. Development Partners count on Member Countries to take the results of the Council Study into serious consideration.

Core function decentralisation

12. DPs commend the MRC for the progress reached regarding the core function decentralisation process. DPs are very keen on seeing this process move forward, in order to reach higher efficiency of MRCS and a better effectiveness of basin management. We are looking forward to seeing first core functions decentralised in 2013 according to the roadmap that will be endorsed by the Council. We encourage member countries to prepare and endorse their respective national roadmaps in due time.

Human resources

13. In light of the intensive recruitment and staff rotation at MRCS during 2012, DPs urge Member Countries to support MRCS in addressing its current HR challenges. Additional instruments need to be considered to turn MRCS into a workplace conducive to long-term staff retention.

Monitoring & Evaluation

14. DPs welcome the new reporting system employed by the MRC Secretariat, but have observed little progress regarding the development of an MRC-wide M&E system during 2012. A system that would link monitoring of the Basin Development Strategy, Strategic Plan and Core Function Decentralisation process would be needed. DPs would like to know when MRC will have such a system operational.
15. Development Partners welcome the update from the MRC Secretariat on preparing a financial plan for increased Member Country contributions. We look forward to timely finalisation of this plan, and an update on this matter at the next Informal Donor Meeting.

Proposed changes to MRC institutional processes

16. The Development Partners recommend that the MRC should try and move away from the 28 steering committee meetings scattered around the year. Instead, the DPs propose to synchronize the SC meetings at two events a year, one of them with the Informal Donor Meeting. . Development Partners ask the MRC Secretariat to propose a schedule of advisory and steering committee meetings on such a basis for this calendar year.

17. Development Partners thank the MRC Secretariat for the comprehensive reporting on the issues raised within the DP statement at the IDM 2012. In the spirit of ongoing dialogue we would welcome comments from the Member Countries on the issues raised in this statement. Development Partners will continue to work with Member Countries to reach commonly set objectives.