

12th Meeting of the Development Partners Consultative Group

Mekong River Commission

Development Partners Group Statement

15 November 2007

Ministers,

Ladies and Gentlemen,

As you are aware, the Development Partners Group met yesterday and agreed to deliver a Joint Statement on what we think are key issues for the Mekong River Commission. In this respect, we built our Statement on two main pillars:

Pillar 1: Organisational Reform

The Development Partners Group appreciates that the Joint Committee has adopted a majority of the recommendations of the Organisational Review. The Review is an important contribution to greater effectiveness of and strengthened confidence in the MRC on the part of all stakeholders. Development partners also welcome the work of the Task Force on the MRC Organisational Structure. We note the development of the road map for a comprehensive reform program for the MRC Secretariat (MRCS) and National Mekong Committees (NMCs). In this context, Development Partners appreciate the opportunity for an ongoing dialogue through the Joint Contact Group and that documents on the different steps on implementation will be shared.

However, the agreed steps are only part of the challenge. Development Partners remain concerned that some of the key recommendations have not yet been addressed. In particular, Development Partners agree that the role and selection process for MRCS Directors (Recommendation 11+12) should be reconsidered for inclusion in the reform agenda.

While we are encouraged that the MRCS has mapped out reform steps, we believe that the pace of reform should be increased given the serious development challenges faced by the Mekong Basin. We feel that many of the recommendations could be implemented faster. We note that Development Partners have made available financial means for implementation of priority recommendations.

The issue of Member States increased financial contributions to the MRC core budget remains a priority to Development Partners who appreciate the Member States' general commitment. Development Partners call upon the Member States to accelerate the process of defining the core functions of MRC and increasing the members'

contributions. This would be a concrete demonstration of Member States' strong ownership of this multilateral institution.

Pillar 2: Basin Development and the Role of MRC

The unmet organizational challenges outlined above manifest themselves in various ways. We are particularly concerned that the MRC must show leadership in the assessment of major development initiatives, including hydropower exploration.

We recognize the need for sustainable hydropower development as one means to meet the growing energy demands in the region. We ask the Member States to enable MRC to fulfil its role as a knowledge centre and intergovernmental body to ensure a coordinated, sustainable regional approach for basin development. The Development Partners Group calls on the MRC to fully utilize its capacities, tools and mandate to assess hydropower development plans, with a view to transboundary environmental, economic and social impacts in the spirit of the 1995 Agreement.

Development Partners are particularly concerned that public and private stakeholders are not being consulted, and that the cumulative impacts of dams on fisheries and food security are not being given adequate attention. In this regard, we request the MRC Council to provide information on how the procedures for notification, prior consultation and agreement are being applied.

In conclusion, the Development Partners declare their commitment to work towards harmonisation of their contributions to MRC with a long-term vision of providing budget support. A reformed and strengthened MRC - including a solid Monitoring & Evaluation system - is a prerequisite in this context.

This Statement was supported at the 12th Development Partner Consultative Group held on 15 November in Siem Reap, Cambodia by the following development partners:

Asian Development Bank, Australia, Finland, France, Germany, Netherlands, Sweden, EU Commission, World Bank, USA