
© Mekong River Commission 2008

Photos: Virginia Addison, Chusit Apirumanekul, Joe Garrison, Jim Holmes, Liu Shaochuang, Bob Pengel, MRC Archive
Design & Layout: Phannavanh Anoulack

For more information contact: mrcs@mrcmekong.org
This report is also available as a free download on the MRC website www.mrcmekong.org

The Vision for the Mekong River Basin

An economically prosperous, socially just and environmentally sound
Mekong River Basin

The Vision for the Mekong River Commission

A world class, financially secure international river basin organisation
serving the Mekong countries to achieve the basin vision

The Mission of the Mekong River Commission

To promote and coordinate sustainable management and development
of water and related resources for the countries' mutual benefit and
the people's well-being

Meeting the needs, Keeping the balance



The Mekong Basin



The Mekong River Commission

The Mekong River Commission (MRC) is a river basin organisation built on a foundation of nearly 50 years of knowledge and experience in the region dating from 1957, when it began life as the United Nations-founded Mekong Committee.

On 5 April 1995 the governments of Cambodia, Lao PDR, Thailand and Viet Nam signed The Agreement on the Cooperation for the Sustainable Development of the Mekong River Basin and agreed on joint management of their shared water resources and development of the economic potential of the river. This agreement formed the Mekong River Commission.

A dialogue mechanism has been set up with the two upstream countries, China and Myanmar. This is a framework of cooperation under which concrete joint activities are undertaken. In 2002, the MRC and China signed an "agreement on the provision of hydrological information on the Lancang/Mekong River in the flood season". Through this agreement, China contributes effectively to MRC's flood forecasting activities.

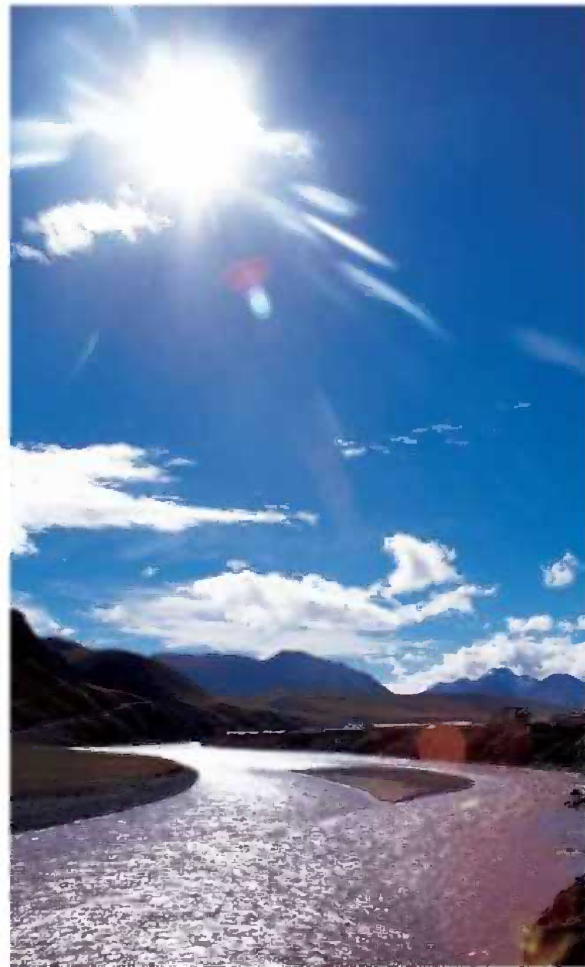
The MRC provides the institutional framework to promote regional cooperation in order to implement the 1995 agreement. It serves its Member States by supporting decisions and promoting action on sustainable development and poverty alleviation as a contribution to the UN Millennium Development Goals. It also acts as a conduit through which the member countries can exchange information on formulating and implementing a joint basin development plan.

The work of the MRC is governed by the wishes of the four member countries and they hold regular consultations to decide strategy and policy.

The Council consists of one member from each country at ministerial or cabinet level and meets once a year to make policy decisions and provide other necessary guidance concerning the promotion, support, co-operation and co-ordination of joint activities and programmes in order to implement the 1995 Agreement.

The Joint Committee consists of one member from each country at no less than head of government department level and meets twice a year to approve budgets and strategic plans. This body functions as a board of management.

The MRC Secretariat provides technical and administrative support. The Secretariat is based in Vientiane, Lao PDR and employs more than 120 people including engineers, scientists, environmental and social specialists, and administrators. The Secretariat is under the direction of a Chief Executive Officer who is appointed by the Council. The position of Assistant CEO rotates amongst the Directors and is for a one year term.



National Mekong Committees in each member country provide a link between the MRC and national governments and coordinate MRC-related activities at the national level through line agencies.

The MRC is funded through member country contributions and international development aid agencies from many countries. Formal consultation with the donor community is carried out through an annual Donor Consultative Group meeting.

The MRC's work is carried out through a broad range of partnerships and community involvement. The Commission coordinates and works directly with the governments of each member country, their line agencies, the local communities, development banks, UN agencies, the private sector and civil society.

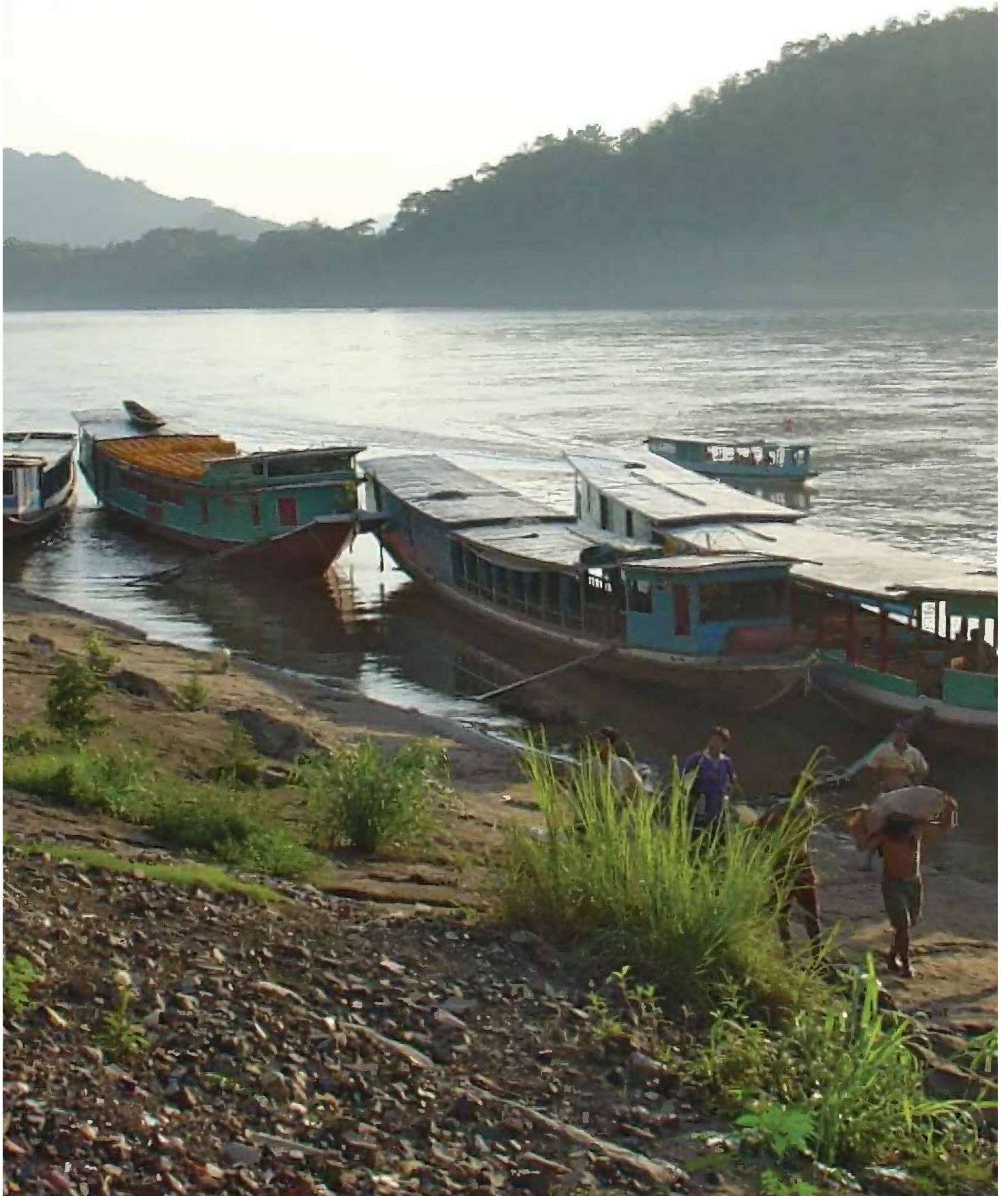


Table of Contents

Message from the Chairman of the MRC Council	7
Structure of the Mekong River Commission	8
Organisation of the Mekong River Commission	9
Structure of the MRC Secretariat	10
Progress Report 2007	12
2007 Events in Brief	31
Features: Fisheries Consumption Report	33
Features: Regional Watershed Management	35
Finance and Administration, Human Resources Development	36
Income and Expenditure in 2007	37
International Cooperation and Communications	38
Funding Agreed in 2007	39
Pledging and Commitments of Support	40



Message from the Chairman of the MRC Council



On behalf of the Mekong River Commission (MRC) I am delighted to present the 2007 Annual Report to all Member States, Development Partners and Colleagues. In 2007 the MRC built on the solid foundations of work and planning accomplished over the 12 years since the 1995 Agreement on Cooperation for the Sustainable Development of the Mekong River Basin. It also celebrated 50 years of Mekong cooperation since the 'Mekong Committee' was formed in 1957. The MRC marked the anniversary with a book that gives an overview of our history, goals and work, and continued driving forward with the new Strategic Plan. This plan incorporates suggestions from an Independent Organisational Review and from recommendations made at a High-Level International Conference on the MRC held in April 2007 in Hanoi. That conference confirmed the value of coordinating water-resource related developments through a Mekong Partnership Programme. The programme can serve as an umbrella under which Member States and Development Partners will be able to continue their investments in the water sector with a common strategy in a more coordinated manner. The second phase of the Basin Development Plan (BDP) will be instrumental in launching this Programme.

Several meetings were held to pave the way for implementation of recommendations from the Independent Organisational Review, thus preparing the MRC and its Secretariat for the challenges ahead. This consultation process has enabled the Member States to follow the recommendations while keeping Development Partners involved through a Joint Contact Group. Fruitful discussions were held with our Dialogue Partners, China and Myanmar, at the Twelfth Dialogue Meeting, during which foundations were laid for potential cooperation in navigation, flood management, mathematical modelling, plus academic and private sector exchange.

The long-running Water Utilisation Programme (WUP) moved to the brink of final completion this year and in May an independent evaluation team established that it had been successfully implemented. The WUP's final achievements included completion of the Decision Support Framework and the drafting of procedures and related guidelines elaborating various provisions of the 1995 Mekong Agreement. The exciting effects of these two accomplishments are discussed later in this report. Ongoing MRC Programmes are also making good progress. The BDP Phase 2 is now in full swing, with staff recruitment of the MRC Secretariat and the National BDP teams completed and national discussions organised to finalise the Inception Report in early 2008. The Environment Programme created a Mekong River Basin Report Card on ecological health, an Indicative Report Card on water quality, and technical reports on bio-monitoring and toxic elements. The Information and Knowledge Management Programme entered its implementation phase while the Flood Management and Mitigation Programme held the fifth Annual Flood Forum in Ho Chi Minh City. The Agriculture, Irrigation and Forestry Programme completed research processes on the multiple functions of paddy fields in northeast Thailand and the Mekong delta, and the Navigation Programme completed installation of navigation buoys and other aids on the Mekong between Phnom Penh and the Cambodia-Viet Nam border. Meanwhile the Fisheries Programme further developed aquaculture techniques for indigenous Mekong fish species, and enhanced Integrated Water Resource Management activities in the Mekong delta, specifically for rice and shrimp farmers sharing the same water.

In 2008 the MRC will enter the third year of its Strategic Plan 2006-2010. Implementing this remains a challenge, though much has been achieved during the last year, particularly in aligning the programmes towards the goals of the Strategic Plan, in harmonising delivery structures, and in improving progress monitoring and reporting. These steps are the first in establishing a comprehensive results-based monitoring and evaluation system. Further work on design of the system will follow, and its implementation will be supported by substantial capacity building efforts. In 2008 the MRC will also embark on a Hydropower Programme that will build on and update our hydropower strategy. The MRC will consolidate its hydropower database, provide expert opinion on individual hydro projects upon request, and assess the cumulative impacts of proposed schemes. This initiative will coordinate with another project formulation exercise, brought forward jointly with the ADB and the World Wide Fund for Nature, on 'Environmental Considerations for Hydropower Development'.

Support from our generous Development Partners strengthened over the last year through funding agreements and contributions amounting to over US\$20 million and covering a number of programmes and projects. I would like to emphasise the deep gratitude of the MRC to our Development Partners for their continued and generous support, and to express my confidence that we will continue to justify their faith in our organisation through our efforts over the coming year. The cooperation of MRC Member States and Development Partners will play an important role in combating poverty across the Mekong Region.

H.E. Mr Lim Kean Hor
Minister of Water Resources and Meteorology
Chairman of the Cambodia National Mekong Committee
Member of the MRC Council for the Kingdom of Cambodia
Chairman of the MRC Council for 2007/2008

MEKONG RIVER COMMISSION GOVERNANCE STRUCTURE

Members of the MRC Council

Members at Ministerial and Cabinet level, responsible for policy and decision-making



H.E. Mr Lim Kean Hor

Minister of Water Resources
and Meteorology

Member of the
MRC Council for Cambodia



H.E. Mme Khempheng Pholsena

Minister to the
Prime Minister's Office

Member of the
MRC Council for Lao PDR



H.E. Mrs. Anongwan Thepsutin

Minister of Natural Resources
and Environment

Member of the
MRC Council for Thailand



H.E. Dr Cao Duc Phat

Minister of Agriculture
and Rural Development

Member of the
MRC Council for Viet Nam

Members of the MRC Joint Committee

Members at Department Head level or higher, responsible for implementing policies and decisions



H.E. Mr Sin Niny

Vice-Chairman of Cambodia
National Mekong Committee

Member of the MRC Joint
Committee for Cambodia



Mr Chanthavong Saignasith

Director-General of Lao National
Mekong Committee

Member of the MRC Joint
Committee for Lao PDR



Dr Saksit Tridech

Permanent Secretary, Ministry of
Natural Resources and Environment

Member of the MRC Joint
Committee for Thailand



Mr Nguyen Hong Toan

Secretary-General of Viet Nam
National Mekong Committee

Member of the
MRC Joint Committee for Viet Nam

MRC Secretariat

Responsible for technical and administrative services

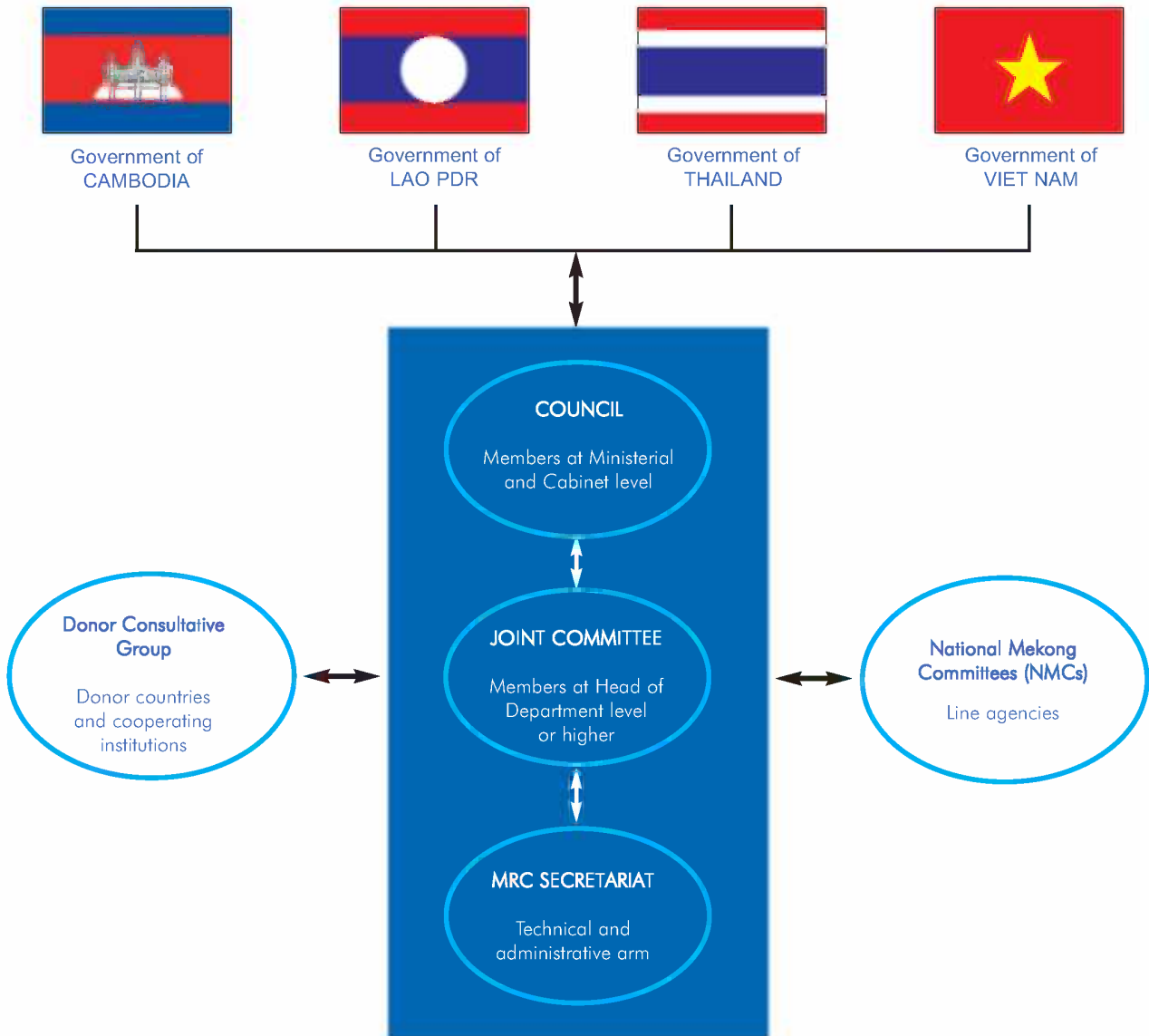


Dr Olivier Cogels
Chief Executive Officer
January-August



Mr Do Manh Hung
Officer in Charge
August-December

ORGANISATION OF THE MEKONG RIVER COMMISSION



Our Dialogue Partners

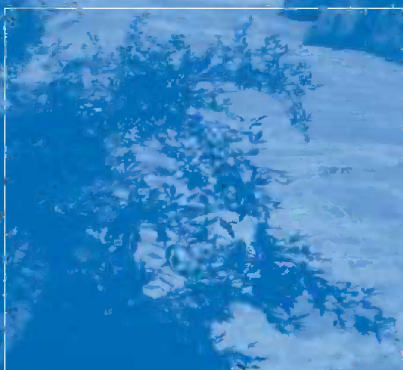


China



Myanmar

Structure of the MRCS



Technical
Coordination Unit

**ENVIRONMENT
DIVISION**

Environment Programme

Finance and
Administration Section

International Cooperation
and Communication
Section

Human Resources
Development Section

Integrated Capacity
Building Programme



CEO

Office of the CEO

**PLANNING
DIVISION**

Basin Development Plan

Water
Utilisation Programme

**TECHNICAL
SUPPORT
DIVISION**

Information and
Knowledge Management
Programme

Flood Management and
Mitigation Programme

**OPERATIONS
DIVISION**

Agriculture, Irrigation and
Forestry Programme

Navigation Programme

Fisheries Programme

Hydropower Programme



Basin Development Plan

The BDP Phase 2 Programme (2006-2010) was launched in January 2007, forming an underlying planning initiative that will guide all MRC efforts to eradicate poverty and serve the population of the Lower Mekong Basin. Funding agreements for the BDP were signed with the Government of Denmark in December 2006 and with Sweden in April 2007.

The development objective of the BDP Phase 2 is stated as: "the water resources of the Mekong River Basin managed and developed in an integrated, sustainable and equitable manner for the mutual benefit of the riparian states". Phase 2 of the BDP is designed to institutionalise the participatory planning process established during phase 1 and to further develop the tools and capacity needed for regional Integrated Water Resources Management (IWRM).

Immediate Objectives

Objective 1: To create a rolling IWRM-based Mekong Basin Development Plan in support of sustainable development in the Mekong River Basin. In line with the 1995 Mekong Agreement, the BDP works to prepare the development scenarios, the basin IWRM strategy, and a portfolio of structural and supporting non-structural projects that will continue to manage and develop some of the basin's water resources while minimising harmful effects that might result from natural occurrences or human activities.

Objective 2: To further develop and effectively utilise the knowledge base and assessment tools available to the MRC Secretariat (MRCS), the National Mekong Committees (NMCs), and national line agencies. Work under this objective will upgrade and refine the existing knowledge base and selected modelling and assessment tools. It will also build capacity for the maintenance and use of the tools by MRCS, NMCs and selected national agencies.

Objective 3: To develop capacity for IWRM planning and facilitation in areas where trade-off management is required. The BDP will thus build capacity for IWRM in the basin, with a view to mainstreaming IWRM into national and sub-basin policies, plans and projects, and will also enhance the facilitation and mediation skills of the MRC.

Principal outputs of the BDP Phase 2 will include:

- Formulated and evaluated basin-wide development scenarios;
- An IWRM-based basin strategy for the Lower Mekong Basin;
- A rolling IWRM-based Mekong Basin Development Plan;
- A portfolio of programmes and projects identified and short-listed under the BDP planning cycle;
- A planning atlas and State-of-the-Basin Report;
- Enhanced knowledge base and assessment tools



- within the MRC and selected national agencies;
- Enhanced capacity for IWRM-based planning and facilitation of trade-offs at MRCS and NMC levels.

Achievements during 2007

- The programme budget was largely secured through the funding agreements with Denmark and Sweden.
- Preparation of a concept for the rolling IWRM-based Basin Development Plan.
- The recruitment of the entire new regional BDP team. National BDP teams have also been mobilised.
- The inception report was prepared and national consultations held.
- Terms of Reference and guidelines drawn up for priority activities.

Important considerations for BDP Phase 2

The design process for the rolling IWRM-based Basin Development Plan and its elements has emphasised the following important considerations:

- All large-scale water resource development projects, and packages of significant complementary projects, will be brought into the BDP process, including planned or considered projects on the mainstream. This will enable the MRC to visibly engage in transboundary water governance, based on IWRM. The sharing of relevant plans, data and information by the member states will be critical to this process.
- Integration of the programmes and projects identified through the BDP planning cycle into national plans is essential, since development partners base their investment decisions on national priorities. Therefore, appropriate national line agencies will need to be more directly involved in the BDP planning process.

As envisaged in the MRC Strategic Plan 2006-2010, the rolling IWRM-based Basin Development Plan will serve as the plan for the Mekong Partnership Programme as proposed in the Hanoi Conference on the MRC in April 2007. The Mekong Partnership Programme, which will be owned by Mekong countries in partnership with donors, development banks, the private sector, stakeholders and NGOs, will provide a regional cooperation framework for the sustainable development of water and related resources in the Mekong River Basin.





Environment Programme

The Mekong River Commission Environment Programme works to support cooperation among the Member State governments and boost their capacity to secure a balance between economic development and ecological protection in the Mekong River Basin. The aim is to ensure a healthy environment that can support the area's rich diversity of natural resources while allowing people's livelihoods and productivity to flourish.

While directly assisting the Member States with their efforts to fulfil the articles of the 1995 Agreement, as they relate to protection of the environment and maintaining the ecological balance of the basin, the Environment Programme also supplies essential data and tools for environmental planning and management to the other MRC programmes. This is conducted through expertise at the Secretariat and at field stations around the basin, where staff assess and monitor water quality and ecosystem health. The programme also improves environmental policy and management through partnerships with various environmental agencies, thereby supporting the BDP process.

There are five technical components within the Environment Programme:

- Environmental Monitoring and Assessment;
- Environment Decision Support;

- People and Aquatic Ecosystems;
- Environmental Knowledge;
- Environmental Flows Management.

Various milestones were achieved during 2007, including the introduction of two new parameters in the water quality monitoring network. This advance is part of the drive to build capacity in all the assigned national laboratories, to assist them with adopting and integrating international quality analysis and control systems. A water quality assessment report on the Mekong River over the past 20 years was also completed.

The programme's ecosystem health monitoring activity completed its first four-year monitoring cycle, plus a draft report on the basin's aquatic ecological condition. The Mekong basin report card for aquatic ecological health will be published in 2008 after final agreement is received from all Member States. A new and exciting initiative on climate change and adaptation for the LMB will be launched early in 2008 with support from AusAID and the Commonwealth Scientific and Industrial Research Organisation. This cross-cutting activity will involve all other MRC programmes.

Following a recommendation from the Joint Committee, the programme has started identification of environmental critical



areas, on which it can focus future work to develop tools and skills (largely composed of awareness raising) for prevention and mediation of disputes and differences. It also began capacity building to support the implementation of Goal 2 of the Strategic Plan 2006-2010: enhancement of effective regional cooperation. Together with the Asian Development Bank and World Wide Fund for Nature, project identification on environmental considerations for sustainable hydropower development was completed in 2007. The concept note for formulation of this project was drafted and supported by the four Member States and actual formulation will commence in 2008.

A training course for wetland mapping specialists was conducted in late August 2007. This was the second step in the updating of the basin-wide wetland map. Three national reports on the environmental impact of tourism were completed, and a fourth is to be finished in 2008. The regional report is expected to be completed by the end of 2008. Regarding integrated basin flow management activities, a planning workshop was held in May. The priority for 2007 was to initiate national pilot studies and conduct IBFM training. Collaboration with the WUP was stepped up on water quality guidelines as part of efforts to increase synergy between the various MRC programmes. The Environment Programme provided technical support for preparing technical guidelines and a methodology for selecting water quality criteria.

Since the last Council meeting, the programme has been able to address a number of transboundary issues related to environmental management in the Mekong River Basin. Training in the application of transboundary environmental risk assessment in the Chiang Rai–Bokeo region was completed with a joint Thai–Lao team, and in the Takeo–Chao Duc area of the Delta with a Vietnamese–Cambodian

team. As part of the initiative to provide environmental information for general publication in the member countries, a Mekong River basin report card on ecological health and an indicative Mekong River report card on water quality were prepared. In addition, a diagnostic study of water quality in the Lower Mekong Basin and a bio-monitoring study were published as MRC technical reports. There was also an increase in the transfer of data to the riparian governments, with the capacity building programme initiated by IBFM passing on knowledge about holistic environmental flow assessment.

The Environment Programme document has been updated to bring it in line with the MRC Strategic Plan 2006-2010, the road map for riparianisation, and the Council instruction to include a component that addresses programme management. In 2007 the programme was funded by the governments of Denmark, the Netherlands, Sweden and the United Nations Development Programme. In 2007 a new agreement with Sida provided a total of US\$2.6 million for the period 2007-2009. In spite of this new agreement, however, the available funding for 2007-2010 is less than 40% of the amount required for all planned projects and activities. The programme has continued to implement reforms, moving towards a more standard MRC approach in personnel structure over the last year.





Flood Management and Mitigation Programme

The Flood Management and Mitigation Programme (FMMP) aims to prevent, minimise or mitigate people's suffering and economic losses due to floods, while preserving the environmental benefits of floods. The MRC Regional Flood Management and Mitigation Centre (RFMMC) in Phnom Penh provides technical and coordination services to the four Member States including forecasts, flood data, and training packages. Achievements over 2007 are listed below according to the five programme components:

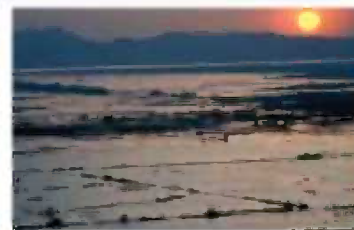
Component 1: Establishment of the RFMMC

Construction of the new RFMMC building was completed with the financial support of the Government of Japan, and the programme has already moved in. An inauguration ceremony will be held in April 2008. Communications between the MRCS and RFMMC, including video conference facilities, have been installed. Routine daily short term flood forecasting and river monitoring has continued, with significant improvement in the dissemination time.

A 'roadmap' has been developed to improve institutional and management systems and RFMMC flood forecasting capabilities. Separate institutional and technical reports have been produced. It was recommended that the RFMMC improves the current short- and medium-term flood forecast.

The programme is moving towards this through developments in three main areas: data collection, the operational database, and models:

- Three MoUs confirming cooperation between national line agencies and the MRCS on rainfall and water level data transfer for medium-term flood forecasting were sent to three countries for review and approval; two are already signed. For Thailand, the Terms of Reference for this purpose are under preparation. Based on the approved Framework Agreement, the FMMP and national line agencies will make separate detailed work plans and contracts. These can be updated as necessary to provide continuous close cooperation in data acquisition and transfer.
- The HYMOS hydrological database, with selected adjustments, has been adopted as a combined operational and historical database for the RFMMC. HYMOS hardware and software have been installed followed by an advanced training course.
- Using URBS and CatchmentSIM software, the process of building and calibrating 50 sub-catchments within the Mekong River Basin is almost complete. Model performance and data transfer from the member countries to the RFMMC are now being tested.



A report on the 2006 hydrological situations in the LMB was prepared for the Twenty-Fifth Meeting of the MRC Joint Committee in May 2007. The number of on-ground rainfall observation stations used for this report was increased from 25 stations to 60. A more in-depth analysis of rainfall data was also introduced.

The 5th Annual Mekong Flood Forum was held in Ho Chi Minh City in May 2007 under the theme "Improving Data Inputs towards Medium-term Flood Forecasting and Warning in the LMB". Nearly 150 participants agreed on the importance of data in improving medium-term flood forecasting and warning in the basin. The forum also stressed the importance of information sharing to minimise flood damage.

Phase 1 of the USAID/OFDA funded project to provide early flood warning to vulnerable communities in Cambodia and the Lao PDR has entered its final stage. Evaluations have been positive, and based on recommendations from the 4th Annual Mekong Flood Forum in 2006, an assessment and inventory of flood vulnerable communities across the whole LMB is now being undertaken. These are critical to the design of both physical and institutional interventions and have led to the formulation of an 18-month project on flood and drought vulnerability indices.

A pilot project entitled "Strengthening Flood Management Capacity for the Kok River in Chiang Rai Province" was started in Thailand. This will provide flood risk maps for part of Chiang Rai province plus a set of guidelines and recommendations for flood mapping and forecasting.

The second phase of the Asia Flood Network on Radio, Internet and Satellite Rainfall Estimation project is ongoing. In addition, USAID has offered to provide funding to support the implementation of a regional Flash Flood Guidance System and for development of the Geospatial Stream Flow Model.

Component 2: Structural measures and flood proofing

The tendering process for recruitment of an international consulting firm to implement the "structural measures and flood proofing" project, which started in October 2006, was completed in June 2007. The consulting firm commenced its contract in September and will provide service for 22 months, including an inception phase.

FMMP staff have developed a framework for the development of guidelines for the BDP. The Best Practice Integrated Flood Risk Management Guidelines for the BDP document will enable the MRCS and line agencies to identify and assess the likely impacts on flood risk and behaviour of development scenarios and projects being considered for

inclusion in the BDP. Meanwhile the Roads and Floods project, aimed at providing guidelines on best practices for the design of the roads in floodplain areas of Cambodia and Viet Nam, has been on-going since mid 2006. To date, the pre-flood, flood and post-flood surveys have been conducted while all data and reports have been submitted to project partners for further analysis. The project will be completed in March 2008 following publication of the guidelines.

Component 3: Enhancing cooperation in addressing trans-boundary flood issues

Based on the recommendations of the October 2006 regional consultation on the implementation of FMMP Component 3, the component document has been modified and retitled. Two other important documents, a working paper on the MRC mandate in addressing and resolving differences and disputes, and a report on identification of flood trans-boundary issues have also been prepared.

Component 4: Flood emergency management strengthening

After successful completion of the phase II project, the European Commission Humanitarian Aid Office approved the phase III project "Support to Implementation of Flood Preparedness Programmes at Provincial, District and Commune Levels in the Lower Mekong Basin". The 15-month project started in January 2007. In Cambodia, various field trips and a teacher orientation school programme were carried out. In the Lao PDR, a workshop on finalising the flood preparedness manual and a training course for key





staff at Disaster Management Committees in Khammouane Province and Nong Bok district were conducted. In Viet Nam, "School Flood Safety Programme" orientation sessions for school teachers were conducted in the three target districts of Tien Giang province.

Component 5: Land Management

Activities in 2007 included:

- Finalising the approach for generating flood probability information for the Mekong flood plains;
- Developing a computer application to turn numerical flood probability statistics into graphical outputs;
- Combining this application with GIS software to arrive at a user-friendly interface for the interpretation and presentation of flood probability information;
- Production of a manual explaining how to use the application and the interface, plus translation into the four riparian languages;
- Training of trainer courses on using the flood probability information;
- Support to training courses for line agency staff members in the four riparian countries on using the Component's products in land-use planning.

An MRC-GTZ joint progress review mission for the phase I project, "Flood Emergency Management Strengthening and Land Management" under FMMP components 4 & 5 was carried out in June-July 2007. The mission positively evaluated the first phase and recommended continuation into a second phase with a total budget of €2 million from January 2008-December 2009. The main objectives of phase II are to help the Member Countries apply better disaster risk reduction, plus appropriate land management policies and tools related to floods. Management of the German contribution to these components will be strengthened by lessons learned from phase I. A no-cost bridging phase ran until the end of December 2007.

The FMMP is funded by the Governments of Denmark, France, Germany, Japan, the Netherlands and the United States; as well as the Asian Development Bank and the European Union.





Navigation Programme

Improving navigation in the Mekong and its tributaries can boost trade and local economies throughout the basin, thus playing an important role in poverty alleviation. International navigation is one of the most important mandates of large river commissions. The Mekong Navigation Programme (NAP) analyses river transport systems and related activities in the Lower Mekong Basin, covering a network of 8,500 km of waterways. Within the basin both maritime shipping and inland water transport (IWT) play significant roles in livelihoods and economic growth as direct access.

Both of these sectors remain under-utilised and rather inefficient in terms of management: waterways could be used far more for transport and offer great advantages in terms of economic and environmental costs. Since the inception of the programme considerable advances have been made in enabling the use of the Mekong and its tributaries as transport and freight routes.

The MRC Navigation Programme combats poverty and helps its Member States to achieve the Millennium Development Goals by creating the opportunities to:

- Reduce shipping accidents
- Promote the potential of Mekong shipping for cargo and for tourism;
- Establish legal navigation frameworks between the countries;

- Transport the agricultural produce of remote farmers;
- Reduce transport costs;
- Facilitate public-private partnerships;
- Improve the waterways for navigation;
- Increase direct and trickle-down job opportunities.

The Navigation Programme Project Implementation Plan, which includes a selection of projects to fit the Belgian financial contribution to the NAP 2006-2010 was formulated and approved by the MRC Member Countries. At the request of the Navigation Advisory Body, this exercise involved needs assessments on improving Mekong navigation, identification and selection of projects through appraisal missions, plus consultation visits and national workshops between November 2006 and February 2007. The process was concluded with a regional workshop in Ho Chi Minh City in March 2007. The Navigation Advisory Body, which frees the MRC Joint Committee from deciding on technical matters, consists of three high-ranking transport representatives from each Member State and representatives from the MRCS. The body held its second meeting in March 2007 and its third in January 2008.

A number of navigation projects started in 2007, and some have already been successfully concluded. Amongst these is the project on Hydrodynamic and Morphological Impacts of Channel Dredging in the Tonle Sap Lake, completed in July, with a regional workshop held in September to finalise



reporting. Initial results showed that if a narrow channel were dredged it would probably not require much maintenance and would therefore be stable. Dredging a year-round access route to Siem Reap would provide a major breakthrough for both tourism and trade, though a thorough environmental impact assessment will be required before any dredging is carried out.

In March and June, following detailed legal study and initial draft of a new Agreement between Cambodia and Viet Nam, the Navigation Programme facilitated two meetings in Phnom Penh for implementation of the Agreement on Cross-border Waterway Transportation. Both Cambodia and Viet Nam are eager to formulate and implement this agreement, which will facilitate trade and transport between the countries and encourage traders from other nations to come to their ports. To improve understanding on how other navigation agreements have been established, high ranking officials from Cambodia, the Lao PDR, Thailand and Viet Nam participated in a working visit to Belgium and the Netherlands. This trip also addressed issues of capacity building within implementation of the agreement for cross-border navigation.

The river stretch between Luang Prabang and Vientiane is quite difficult for navigation and only a handful of pilots able to negotiate the rapids. The MRC will make this route more accessible by introducing detailed river charts, engineering designs, and installing channel markers in danger areas. Tendering for the Condition Survey of Dangerous Areas for Navigation (hot spots) between Luang Prabang and Pakse in the Lao PDR and in Thailand started in October 2007. For

the Mekong stretch downstream of Luang Prabang, terms of reference for a study that will provide legal framework recommendations for cross-border navigation between the Lao PDR and Thailand have also been developed.

The MRC project on Procurement, Installation and Training on Aids to Navigation on the Mekong between Phnom Penh Port and the Cambodia-Viet Nam border was completed in 2007. This initiative installed 56 buoys and eight fixed structures, making safe day and night navigation possible on this stretch for the first time. The next step will be to install similar navigation aids along the stretches between Luang Prabang and Pakse in the Lao PDR and Thailand, and between the Cambodia-Viet Nam border to the sea. The Development of the Management Information System for Phnom Penh Port, Phase I Project (implemented in 2006) has been completed and is now fully operational. This work has increased the efficiency of port operation, enhanced communication systems and improved competitiveness.

As a follow-up to the Eleventh Dialogue Meeting, the MRC Navigation Programme will cooperate with the Navigational Affairs Bureau of Yunnan, China. The prospects for this dialogue developing into a fruitful partnership are good, as concrete plans have been approved by both partners. Following a formulation mission, planned for January 2008, implementation of cooperation projects should start in the first half of 2008. The areas of proposed cooperation are joint surveys, detailed channel design for navigation safety, and pollution control.





Agriculture, Irrigation and Forestry Programme

The second phase of the Agriculture, Irrigation and Forestry Programme continued activities in two components over 2007: Watershed Management and Irrigation and Agriculture. Under these two components there are four current projects:

- Watershed Management – in partnership with GTZ
- Demonstration of Multi-Functionality of Paddy Fields
- Improvement of Irrigation Efficiency on Paddy Fields
- The Challenge Programme on Water and Food.

The overall programme aim is to contribute to the achievement of the MRC mission in areas related to land and water use in agriculture, irrigation and forestry. Each project offers technical resources that can improve the sustainable use of land and water resources for the benefit of communities across the basin, with particular reference to food security and poverty alleviation.

Component 1: Watershed Management

The MRC/GTZ Watershed Management Project Run in partnership with the German agency for technical cooperation, GTZ, this project comprises three sub-components: policy analysis and advice, information management and capacity building. All three of these

activities made good progress during 2007.

National Working Groups (NWGs) in each Member State help translate the goals of the project into activities and accomplishments on the ground in each country. The chairpersons of these groups, plus high-level representatives of the NMCs, met in January and October to endorse the general outline and concept of the project. This endorsement indicated acceptance in the Mekong region for the 'new' concept of watershed management, of the need for an institutional development process for such management, and for a number of policy analysis activities. It was also agreed that an intensive capacity building programme is required along with results-based monitoring.

The Policy Analysis and Review Process on Watershed Management and related issues has entered its final stage. National consultants, working in close cooperation with the NWGs, completed second drafts of the review in all four countries, compiling the findings into a matrix that makes it easy to identify priority fields for policy drafting and coordination. The analysis was used to discuss the development of watershed management initiatives at a Regional Consultation Meeting held in November. To further institutional development, and so increase local



ownership of watersheds, the project invited stakeholders from provinces, districts and communes in pilot watersheds in Cambodia, the Lao PDR and Viet Nam to discuss and initiate the establishment of Watershed Committees. These institutions will provide a platform for integrating watershed management issues into provincial, district and commune planning.

A draft Watershed Management Resource Kit has been completed as a working document and its main parts translated into the four riparian languages. The kit compiles concepts and experience from all the over the world and will be used to raise awareness and develop capacity regarding watershed management in the four MRC member countries. During 2008 comments will be collected on technical issues and the user friendliness of the document before a final version is produced. The MekongInfo interactive website continues to provide a valuable knowledge resource across the region and will eventually be fully integrated into the MRC information and knowledge portal. The project is also helping to develop databases that will support watershed management in pilot areas.

Training tailored for specific target groups was conducted over 2007 with middle managers, local leaders, and provincial and district planners attending courses in watershed management matters. Watershed Management Learning Centres have been set up in all four countries to boost awareness of the importance of natural resources in general, and water and watersheds in particular. These will run in close cooperation with the Watershed Committees.

Component 2: Irrigation and Agriculture

Demonstration of Multi-Functionality of Paddy Fields

This project, designed to show visible examples of paddy field functions based on studies at selected sites in the member countries, came close to completing project activities in 2007. Two research studies on fields and irrigation, in northeast Thailand and Viet Nam's Mekong Delta, came to a close and reports were produced on several selected functions, including flood mitigation, soil conservation, and aquatic ecosystems. Parts of the results were presented at the International Network for Water and Ecosystems in Paddy Fields Working Group-3 meeting in Bangkok in July. The project also organised a wrap-up fourth regional workshop in August and is now compiling all outputs, relevant information, history of implementation and financial information into a completion report.

Improvement of Irrigation Efficiency on Paddy Fields

Fieldwork to observe dry season irrigation practices was completed over 2006-2007 and teams from the Member States are now finalising interim reports, assisted by suggestions from the Secretariat. Based on the data collected, the MRCS conducted a primary analysis and

produced a brief technical paper that was presented at the Third South East Asia Water Forum. The project also compiled a Rapid Appraisal Process initial assessment report and a training workshop. Japan's National Institute for Rural Engineering is providing assistance with final products (i.e. guidance documents for efficient irrigation water use).

Challenge Programme on Water and Food (CPWF)

The CPWF is affiliated to the International Water Management Institute in Sri Lanka. As the coordinating institution of the CPWF in the Mekong, the MRC hosts the programme at the Secretariat in Vientiane and provides managerial assistance.

In 2007 the programme's Basin Coordinator at the MRC provided considerable input into the editing of a volume entitled *Bright Spots: Reversing Trends in Land and Water Degradation*. In the Mekong Focal Project considerable progress has been made in securing data from the MRC member countries to develop tools and maps depicting water usage in the basin, including 'water poverty'. Discussion on the CPWF's focus, basins, impact, and governance in 2007 suggested that the programme has potential and should continue, but with changes. A proposed Phase 2 is likely to be approved in early 2008.



The 2007 Regional Consultation Meeting on Sustainable Watershed Management proved a hit with participants from the four Member States.



Fisheries Programme

The huge fisheries of the Lower Mekong Basin are estimated to yield between two and three million tonnes of fish and aquatic animals each year. The Mekong River itself accounts for around 2% of the total world marine and freshwater capture fishery and supplies the bulk of animal protein for the basin population. These fisheries are thus immensely important, and joint management efforts by user communities and government agencies are required to protect and enhance their resources for future generations.

The MRC Fisheries Programme concentrates on knowledge generation, raising the awareness of fisheries in the Mekong, and improving their management, particularly by promoting community involvement in management processes. The goal is to achieve coordinated and sustainable development, utilisation and conservation of the basin's fish resources. The programme has four components:

Fisheries Ecology, Valuation and Mitigation

The objective of this component was revised in April 2007 and is now to 'increase the capacity (knowledge, skills and tools) of fisheries managers and relevant stakeholders to sustainably manage the fisheries of the LMB in the context of the basin's integrated development'.

Over the course of the year robust estimates were published of basin-wide fish consumption, and from these estimates of yield were

determined. Initiatives have been taken to institutionalise this estimation methodology. With the aid of fishers, a basin-wide 'Fish Abundance and Diversity Monitoring Programme' was established at 23 sites throughout the basin. A joint project with the WorldFish Centre began at sites in Thailand and Viet Nam to refine calibration aids for fish consumption estimation and to help interpret inter-annual variation in fish abundance. Monitoring of the dai and lee trap fisheries and fish larvae abundance continued to provide information on the health of the fishery.

Efforts continue to develop an improved model of forecasting the response of the basin's fisheries resources to potential changes in water quality and hydrology, and to the creation of new barriers to migration. In August a project was implemented to consolidate and publish previous research on deep pool refuge habitat. This aims to improve understanding of how the quality, quantity and distribution of this critical habitat are likely to respond to basin development.

Fisheries Management and Governance

The aim of Fisheries Management and Governance activities is to help resource users, line agencies and other organisations develop and implement improved institutional arrangements and technical measures for inland fisheries management. Work in 2007 focused on two main concerns: the importance of institutional and organisational arrangements; and the linking of these arrangements from local to national levels. These concerns



were successfully addressed through efforts in all four Member States to strengthen the ability of communities and local authorities to enact mechanisms that will make fisheries more sustainable. Due to the high demand for capacity-building, innovative forms of provision have to be identified and developed. One such innovation is the Local Technical Network established in Soc Trang, Viet Nam, which works to integrate water usage between shrimp and rice farmers.

The Technical Advisory Body for Fisheries Management continues to be the main conduit for strategy development, and in November 2007 the MRC supported its contributions to the Regional Consultation and Workshop on an ASEAN Fisheries Development and Management Mechanism, in Bangkok, and to the 8th Asian Fisheries Forum, in Kochi, India. Successful initiatives to raise funds for the implementation of local-level technical and organisational measures were accomplished in all the riparian countries, including at two sites in Viet Nam: the central highlands and the Mekong Delta.

Aquaculture of Indigenous Mekong Fish Species

The aquaculture component focuses on the development of techniques for propagation of indigenous Mekong fish species for fish farming and stocking of water bodies.

Research activities in 2007 focused on four main areas:

- Broodstock management;
- Breeding techniques;
- Nursery systems;
- On farm grow-out tests with private farms.



Monitoring activities showed that in 2007, 64 *dai* fishing boats in Cambodia landed over 18,000 tonnes of fish in the Mekong.

The achievements of these research efforts over the year, conducted at both station and farm levels, will contribute significantly to aquaculture promotion and stock enhancement. Progress varied across the different activities and species used in various trials. With one species that is particularly tricky to reproduce, *Cirrhinus microlepis*, problems were experienced in trials in southern Lao PDR but a study in Viet Nam found that conditioning brood fish in concrete tanks results in better maturation of both males and females, plus improved quality and quantity of sperm.

Progress was also made in increasing the numbers of fingerlings of two species stocked in a reservoir in the Lao PDR, and in producing extension materials. Two CD-ROMs on fish propagation techniques were produced, and synopses on regional species were edited for local use. Work continued on genetic inventories of species in Thailand and Viet Nam, while around 2.5 million seeds from many indigenous fish species were produced for stocking and aquaculture in the Lao PDR.

Programme Management and Communication

Responsible for programme management and administration, this component also coordinates the delivery of fisheries information to target audiences. Numerous publications came out over the last year including issues of the Catch and Culture newsletter in English and the four languages of the riparian countries, two MRC Technical Papers on fish migration in the Mekong and fish consumption/yield in the LMB, plus various technical and development series publications in both Thai and Khmer. Fisheries films on Thailand and the Lao PDR were finalised in 2007 and a book on fishing gears of the Mekong Delta in Viet Nam was published.

Workshops were organised to further disseminate the results of specific programme activities, such as that held in Ho Chi Minh City on farmed catfish in the Mekong Delta (which now rivals the world-wide production of farmed Atlantic salmon). At another meeting, in Bangkok in September, the results from research into the 'barrage' type of fishing gear used in the Songkhram River Basin were presented to Thailand's Inland Fisheries Research and Development Bureau.

Women play an important role in the Mekong's fisheries and gender equity in fisheries is one of the key social issues addressed by the Fisheries Programme, which makes regular contributions to the implementation of the MRC's Gender Mainstreaming Strategy. The Annual Meeting of the Regional Gender and Fisheries Network was held in August, while programme staff participated in the MRC In-House Gender Mainstreaming Meeting in October and in the joint MRC/USAID project on Promoting Regional Cooperation in the Mekong River Basin in December.



Image: Canadian Space Agency

Information and Knowledge Management Programme

Growing populations and accelerating development are leading to increasing and often competing demands upon the water resources and landscape of the Mekong Basin. To minimise conflict over these resources, it is crucial that data, information and knowledge are used to ensure that this development process is planned, managed and coordinated on environmentally, socially and economically sound principles.

Programme Aims

The Information and Knowledge Management Programme (IKMP) generates and delivers information materials and services that support developmental and environmental programmes and activities. Part of the Technical Support Division, it also disseminates technical knowledge through national level training. This combination of information and knowledge services is building the basis for balanced, sustainable and equitable development that can benefit all, particularly the poor, without jeopardising the natural functioning of the river system

The IKMP was formed in 2006 to take action to ensure the sustainability of the MRC Information System and continue its work. The programme, which has so far been mainly funded by the Government of Finland, has adopted three new overarching purposes:

- (i) The development of data, information and knowledge management systems;
- (ii) Proactive exchange, sharing, networking and collaboration, both internal and external;
- (iii) Ensuring that the full knowledge potential of MRC and riparian agency staff is brought to full advantage.

Programme Elements and Actions

As a cross-sectoral programme the IKMP supports all MRC projects and activities by ensuring that quality controlled data and information can be shared and exchanged and services made available. Focus is also given to knowledge sharing, transfer and retention. The main areas of data collected are hydro-meteorological, spatial, socio-economic and environmental; plus data on fisheries. Hydrological information comes from a network of hydro-meteorological stations along the Mekong. Some of these transmit real-time information on water levels and precipitation. Spatial data includes GIS products and outputs from model scenarios.

The programme covers four main functions:

- Data collection;
- Data management;
- Data services;
- Knowledge management.



These functions are grouped into five thematic programme components: (1) Programme management; (2) Hydro-meteorological data; (3) GIS and databases; (4) Modelling; and (5) Communications and knowledge management.

Component 1: Programme Management

The IKM Programme Document was improved and finalised in June 2007 following in-house and regional consultation meetings. A Programme Implementation Plan was also developed while two staff members, an Operational Hydrologist and an Administrative Assistant were recruited. The IKMP modelling team is supported by Finland.

Component 2: Hydro-Meteorological Data

The ongoing collection of critical time series data helps further understanding of the physical condition of the mainstream and major tributaries in the Mekong River Basin. Its greatest challenge is the technical coordination of a wide range of data types and a variety of institutions across the basin.

A CD-ROM Hydrological Yearbook for 2003-2004 was produced in 2007. Hydro-meteorological data has now been collected from the Member States for up to 2005 and this is now being processed. IKM guidelines were drafted and discussed at a regional meeting. After revisions following the comments of the NMCs this work was incorporated into IKMP procedures for updating and integrating AHNIP with the MRC Hydro-meteorological network.

Component 3: GIS and Databases

A data and metadata repository constitutes the technical backbone of the IKMP, providing the core services upon which all other components depend. Tools are used to collect, manage and share and exchange data and information in IKMP, other MRC programmes and national agencies.

The collection and supply of improved hydro-meteorological information and maps to all programmes continued in 2007. Remote sensed data and time-series data was included as a tool for the project to strengthen flood management capacity along the Kok River in Chiang Rai province of Thailand. Training was provided to MRCS and national government staff on image processing (ERDAS software), database management, and remote sensing.

Component 4: Modelling

The Decision Support Framework (DSF) has been extensively used in MRC programmes/activities and for other services, such as for simulation of dry season flow releases from the Nam Theun 2 hydropower project in the Lao PDR. In the same country, the modelling team provided technical scenario simulations for river planning for the Nam Ngum. Draft technical guidelines were completed for implementation of the Procedures for Maintenance of Flows on the

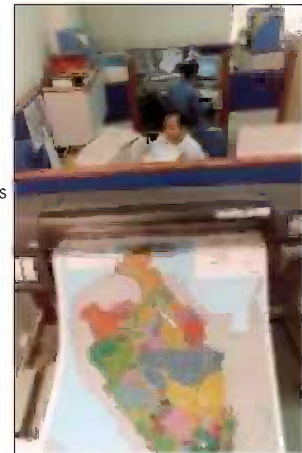
Mainstream, while a concept note was developed on the Mekong tributaries flow contribution. Other activities relating to the DSF enhancement and building modelling capacity included creation of a DSF reporting tool wizard, and updating of the Knowledge Base with four national consultants.

Component 5: Communications and Knowledge Management

Sharing of data, information and knowledge within MRC programmes and among external stakeholders is a vital part of the programme's operations. Easy access and visualisation of data is made available via standard internet-based services and there is also a focus on eliciting 'soft' knowledge - the tacit knowledge that exists throughout the wide network of people who work within or interact with the MRC.

The MRC-IS web portal was built and tested and will offer much improved external access to MRC documents and data in the future. A library automation system was introduced to the Documentation Centre and all bibliographical data records converted to the new format. Also in 2007, the MekongInfo website was transferred from the GTZ project to IKMP under this component.

Promotion of the riparian countries' ownership of all MRC activities, and development of their capability to effectively utilise these assets, form a core part of ongoing actions. Consequently, a good proportion of financial and human resources is reserved to conduct national training programmes in GIS, database analysis and modelling, with an emphasis on hands-on training, problem solving and the development of independent capability.



Partnership with Other Regional Initiatives

Regional institutions and projects utilising IKMP data and modelling results include:

- The World Bank (Delta Master Plan, MRC M-IWRM);
- Global Challenge Food and Water Program (M-POWER water governance);
- IUCN (Water and Nature Initiative Project);
- ADB (Tonle Sap Built Structures Project, RETA - The Sesan, Sre Pok and Sekong River Basins Development Study in Cambodia, the Lao PDR and Viet Nam);
- WWF (Environmental Considerations for Hydropower Development, Mekong Wetlands Project).



Integrated Capacity Building Programme

The Integrated Capacity Building Programme, or ICBP, underpins all MRC programmes and missions by developing activities to increase the professional capacity and expertise of staff at the MRC Secretariat, the National Mekong Committees (NMCs) and related line agencies in the Member Countries.

Funding for the ICBP was limited in 2007 and the programme had to restrict activities according to the available budget. The outlook for the near future is brighter, however, with funding now received from Finland for the new project of the Junior Riparian Professional (Project 2).

The programme has two components.

Component 1: Programme Management and Communication

This component provides management support to ensure that demand-driven and relevant capacity building activities are designed, delivered and fully integrated throughout MRC programmes, the NMCs and line agencies, and radiate to a wider audience of stakeholder groups. It also maintains and deepens professional contacts with regional academia and training institutions.

ICBP has been supporting the International Cooperation and





Communications Section in preparing a proposal for Australian funding to be delivered through continuation of the Strategic Liaison Programme with the Murray-Darling Basin Commission (MDBC) and AusAID. An MDBC design mission completed national consultations with three NMCS (Cambodia, the Lao PDR and Viet Nam) and this process will be completed by inputs from the Thai NMC and by seeking regional consent prior to the finalisation of the proposal. Priority capacity building activities for the MRCS and the NMCs have been identified and a detailed Terms of Reference developed for programme formulation. In 2008 the ICBP programme document and programme implementation plan will be developed through extensive national and regional consultations, and priority capacity building activities can be implemented.

Component 2: Integrated Capacity Building

The objectives of this component are to raise the level of competence among staff in the MRC and in riparian governments, particularly on cross-cutting issues pertinent to Integrated Water Resource Management (IWRM), and to provide methodological support to integrate and consolidate MRC training activities in priority areas. At the moment the component includes three activity lines/projects, namely (i) MRCS and NMC training activities, (ii) the Junior Riparian Professional Project, and (iii) the Gender Mainstreaming Project.

Almost US\$50,000 provided under the Operating Expense Budget (OEB) for 2007 was used to strengthen the capacity and develop the skills of MRC staff. Training courses included English language proficiency, computer skills, office administration, and technical subjects.

Under an agreement between the MRCS and the Government of Finland signed in November 2007, €750,000 (approximately US\$1,000,000) worth of funding will be made available for implementation of the new Junior Riparian Professional (JRP), to run from January 2008 to December 2011. The new JRP project will provide forty young riparian professionals with the opportunity to follow a training programme that gives hands-on experience in integrated water resource management. The preparatory phase

of the project is planned for the first half of 2008 while eight JRPs will be recruited and trained during the second half of the year.

The Gender Mainstreaming project continues to implement the MRC gender strategy and institutionalise effective implementation of MRC gender policy. The project works together with national gender teams at the four NMCs, and with the MRCS gender in-house network. Networks are also pursued with gender activities and projects in other international organisations, agencies and institutions. The major activities of the project over 2007 focused on:

- Four gender training courses conducted for NMCs and line agencies to increase gender awareness and sensitivity aspects;
- A gender basin-wide workshop organised at the MRCS to finalise national and basin-wide action plans;
- Four in-house meetings organised to provide a forum for MRCS staff for gender issues in sectors related to MRC development programmes;
- Support provided to the Cambodia NMC gender team to organise the Regional Workshop on Gender Mainstreaming in IWRM for Southeast Asia in Siem Reap;
- Consultative meetings with national gender teams to follow up on the impact of training sessions and to monitor implementation of action points defined by participants. Two further gender training courses were organised by the Lao NMC gender focal points, and an introductory session on Viet Nam's Gender Equality Law was organised by the Viet Nam NMC national gender coordinator.
- National gender team reviews conducted in preparation for the project mid-term review.

In 2008 plans will centre on capacity-building around gender and development concepts and frameworks, plus introduction to the MRC Tool Kits for Gender Responsive Mekong River Basin Development at the MRCS, NMCs, and line agencies. Attention will also be dedicated to a proposal aimed at fund raising for the next phase of the project.



Hydropower Programme

Throughout its history, the Mekong River Commission has promoted hydropower as a vital resource that can greatly improve the lives of the millions of people in the Lower Mekong Basin. Today the stance of the MRC on hydropower is very clear. The hydropower potential of the basin is high and has barely been tapped. Meanwhile the energy demands of the region and of its neighbours, particularly China, are soaring, and there are substantial opportunities for trading of power between the countries in the region.

By identifying specific procedures for mainstream projects, the 1995 Agreement recognises there are both opportunities and risks associated with dams on the mainstream of the Mekong River. All the Mekong countries include hydropower options in their development strategies. This power will bring in much needed revenues which will enable the governments of these nations to improve social structures by increasing spending on education, health and internal infrastructure.

The MRC has estimated the sustainable hydropower potential of the basin at around 30,000 MW. Of this 13,000 MW is on the mainstream, 13,000 MW on the Lao tributaries, 2,200 MW on the Cambodian tributaries, and 2,000 MW on the Vietnamese tributaries. To date 11 schemes have been completed in the LMB totalling some 1,600 MW or 5% of the potential. All of these are tributary projects. In 2007 project development accelerated rapidly, both for schemes on tributaries and on the Mekong mainstream. In the Lao PDR in particular, hydropower plans have been revised to more ambitious levels.

Successful development of the basin's power potential requires a well-structured and integrated programme founded on basin-wide planning, with due regard to environmental and social aspects. The current MRC hydropower development strategy was formulated in 2001. Further work was conducted in 2005, when the Secretariat established a hydropower task force and developed a project database covering existing and proposed schemes above 5 MW. A concept paper for a Hydropower Programme was developed and approved in August 2005, but the programme did not begin due to lack of funding.

In 2007 donor funding for this important programme was finally secured from several sources: France, the Japan-ASEAN Integration Fund, and Finland, all made contributions towards the start-up of an MRC Hydropower Programme. This will allow the organisation to conduct a comprehensive and inclusive formulation process and start activities in high-priority areas. The programme will establish cooperation structures with hydropower bodies in the member countries and provide advice on the planning, construction, and operation of hydropower plants and dams, using the MRC's extensive records and data but also conducting supplementary studies to analyse the options for sustainable hydropower.



The Secretariat has at least three roles in assessing and advising on hydropower opportunities and risks. One relates to the analysis of projects implications, including the cumulative effects of national projects. Another is to provide advice on specific projects where requested. The third relates to administering the formal notification and consultation procedures under the 1995 Agreement, and where required providing technical advice under such procedures and facilitating negotiation of agreements.

Stakeholder participation in hydropower development will be encouraged. To this end the MRC has formed a partnership with the Worldwide Fund for Nature and the Asian Development Bank to assess environmental considerations for sustainable hydropower development. A taskforce will engage the hydropower industry, governments and international and local stakeholders to improve planning for hydro projects so that the manifold benefits will minimise any negative impacts.

MRC involvement in the hydropower sector will focus on the strengthening of basin-wide cooperation between line



agencies in the energy and water related sectors, and with the private sector, as well as helping the Member States to address issues by taking a broad perspective on all options, and by considering the sustainable development of water resources in general.

Activities during the coming year will fall under four broad thematic headings: Firstly, Hydropower Programme Formulation: a participatory programme will be formulated with the Member States, and with other stakeholders, taking note of relevant developments in the Lower Basin and in upper riparian countries. The strategic orientation of the programme will be redefined and detailed by drafting a programme document and implementation plan.

Secondly, the concept of the MRC geo-spatial database of hydropower developments in the region will be improved by reviewing and complementing current data holdings, and by providing guidance for the collection of additional data. Thirdly, hydro developments will be included in basin-wide

multi-sector planning, as part of phase two of the MRC Basin Development Plan process. This will involve making an initial strategic-level assessment of existing and planned hydropower and multi-purpose schemes in the Lower Mekong Basin, and in the upper riparian countries, with a particular focus on cumulative and trans-boundary impacts. It shall also define and analyse hydropower development scenarios for several time horizons, apply and guide further development of the MRC's assessment methodologies and tools, and advise on best practices and new approaches in planning, civil society participation, and integration of economic, social and environmental issues and concerns.

Finally, technical assistance on specific hydropower issues will be provided at the request of Member States. The MRC can supply expert opinion on regional and country developments or on individual schemes, taking a pro-active role in the technical appraisal of notifications, and facilitating mutual and balanced decision making.



2007 Events in Brief



Delegates from the Nile Basin Initiative visited the MRC in October.

Third South East Asia Water Forum

One of the most important regional water resource management events on the 2007 calendar was the third South East Asia Water Forum, held in Kuala Lumpur, Malaysia in October. The conference theme was "Consolidating Actions towards Effective Implementation of Integrated Water Resources Management (IWRM): What Have We Done? What More Shall We Do?" Two sessions at the forum were chaired by the MRC, on the subjects of *Flood Mitigation in a Development Context - Examples and Lessons from the Mekong*, and on *Sustainable Development Challenges: Climate, Drought and Water Management*.

Over 350 delegates from 18 countries around the world came to the biennial meeting to discuss development and implementation of IWRM approaches for sustainable development. The climax of the forum was the Putrajaya Ministerial Declaration ministers responsible for water resources in all 10 ASEAN countries formally declared their intention to work together to push for IWRM. The Declaration recognised the importance of water in social and economic development and the role of IWRM approaches in responding to the challenges presented by climate change.

Nile Basin countries learn from MRC experience

In October the MRC hosted a six-day study tour from 26 members of the Nile Basin Initiative (NBI), representing nine African nations. The delegates from Burundi, the Democratic Republic of Congo, Egypt, Kenya, Rwanda, Sudan, Tanzania and Uganda came from the Initiative's Water Resources Planning and Management Project, which aims to enhance technical and analytical capacity to support the development, management and protection of the Nile Basin's water resources.

One of the three technical components of the visitors' project is a decision support system, and, as the MRC has good experience of such systems through its own Decision Support Framework, the African delegates were especially interested in learning how MRC goes about achieving basin-wide communication, information management and analysis of river basin resources. In an intensive two days of presentations and demonstrations from MRC programme staff, the NBI delegation had the opportunity to learn more about how the programme work is implemented in a basin-wide framework. They also presented their work in the Nile Basin to interested MRCS and National Mekong Committee participants.

After three days in Vientiane the group travelled to Phnom Penh where they took a boat trip to the confluence of the Mekong and Bassac Rivers to see the MRC's latest successful



navigation project, the installation of navigation buoys and beacons on the stretch of the river from Phnom Penh to the Viet Nam border. Following this, they spent a day at the Regional Flood Management and Mitigation Centre, where they learned about the flood forecasting systems in use in the basin and the implementation of flood preparedness, early warning systems and an introduction to the hydrology of the Mekong River.

This visit created a valuable opportunity for sharing Nile Basin and Mekong Basin experience and exploring avenues for future cooperation. The two river basin organisations share similar goals for sustainable development of their water resources and both rely on good cooperation between the countries who share their rivers. Many lessons can be learned from other's experience and this, in turn, benefits the people of all the nations involved. As the longest-established riverbasin organisation in the developing world, the MRC has accumulated a rich database of research and technical data on water resources management, which can be shared with, or replicated by, younger organisations such as the NBI.

WUP nears completion

In 2007 the long-running Water Utilisation Programme (WUP) moved to the brink of final completion, and in May an independent evaluation team established that it had been successfully implemented. One of the WUP's final achievements was completion of the Decision Support Framework, a suite of modelling tools capable of describing changes in river flow and assessing impacts that can occur as a result of infrastructure development – mainly irrigation and hydropower – and climatic variations within the basin. An important conclusion of the Decision Support Framework is that we now understand the Mekong flow regime is highly robust.

The WUP facilitated the drafting of procedures and related guidelines elaborating various provisions of the Mekong Agreement. These procedures deal with Data and Information Exchange and Sharing (approved in 2001), Water Use Monitoring (approved 2003), Notification, Prior Consultation and Agreement (also approved 2003), Maintenance of Flows on the Mainstream (approved 2006), and Procedures for Water Quality, approved in principle in 2006. The process of compiling and negotiating these procedures has been both highly challenging and finally rewarding. Completion may be seen as a positive experience which has resulted in the building of good working relations and increased trust amongst the Member States, and should have long-reaching positive effects.

New Monitoring & Evaluation system

While traditional monitoring and evaluation (M&E) systems have focused on the relationship between input and output, newer approaches champion the nexus between outputs and results. This means that attention shifts from a project's

activities to target group benefits, entailing a number of methodological challenges and management opportunities. The MRC Strategic Plan 2006-2010 calls for the development and implementation of an M&E system as an essential component of the plan's implementation. In addition, the independent organisational, financial and institutional review of the MRC Secretariat and the National Mekong Committees recommended in January 2007 that "a monitoring and evaluation strategy, including a framework for country reporting against measurable performance indicators, should be developed and implemented as a priority".

As a preparatory step a unified output monitoring system was introduced throughout MRC programmes during the first and second quarters of 2007. The output monitoring system helped harmonise delivery structures throughout all programmes and align programme outputs towards the goals of the Strategic Plan.

In December an independent consultant reviewed the current practice of results-based management at the MRCS, assessed the organisation's level of interest in adopting a stronger results-based focus, and outlined a general process for developing a single comprehensive and integrated results-based performance monitoring system. It was acknowledged that a good number of MRC programmes have already done much to clarify their hierarchy of objectives or expected results. However, it was also noted that programme results chains were currently not sufficiently or clearly linked to the overall MRC objectives presented in the 1995 Mekong Agreement and the Strategic Plan. There is a need for MRC programmes to clarify their contributions to the current Strategic Plan.

Based on these recommendations and building on existing approaches implemented in multilateral and bilateral development organisations, the Technical Coordination Unit prepared a proposal to seek donor assistance for the design and implementation of the M&E system.



Internal monitoring and evaluation will improve programme performance.

FEATURES:

Fisheries Consumption Report

The MRC Fisheries Programme, compiled a major report on Fish Consumption in 2007, providing valuable statistical information on the importance of fisheries in the Lower Mekong Basin. The report, entitled *Consumption and the yield of fish and other aquatic animals from the Lower Mekong Basin* (MRC Technical Paper No. 16, October 2007) was produced by the programme's Fisheries Ecology, Valuation and Mitigation component, or FEVM.

Although various studies on fish consumption have in the past been carried out by different organisations, the results of these studies are not generally available or synthesised, so views on the size and value of the basin's fisheries vary widely. The FEVM review attempted to estimate the yield (production) of the fishery based on data on consumption from 20 field surveys in the LMB, with some supporting analyses of complementary data.

So that data compiled by these surveys could be used to estimate province-level consumption, and also to extrapolate that data to provinces which had not been surveyed, the researchers had to make various adjustments. For instance, preserved fish amounts were adjusted to 'fresh whole animal equivalent weights'. Other alterations were required to account for differences in coverage and units, while information on other animal products was also synthesised where available.



Based on the results of the 20 surveys, consumption of fish and other aquatic animals in the LMB was estimated to be about 2.6 million tonnes for a population of roughly 56 million. About one-third of this fish is preserved before consumption. Lao and Thai people on average eat about 25 kg of inland fish per person per year, while in Cambodia the figure is over 32 kg, and in Viet Nam almost 35 kg per year. Per capita consumption of inland fish and other aquatic animals averages

Full explanation of the data in this table is available in MRC Technical Report No. 16 (October 2007)

	Cambodia	Lao PDR	Thailand	Viet Nam	
Estimated per capita consumption of inland fish and other aquatic animals in the LMB*	kg/capita/year				Average
Inland fish	32.3	24.5	24.9	34.5	29.3
Other aquatic animals (OAA)	4.5	4.1	4.2	4.5	4.3
Total inland fish and OAAs	36.8	28.6	29.0	39.0	33.7
Estimated yield (tonnes/year as FWAEs) of inland fish and other aquatic animals in the LMB, based on consumption studies**	kg/capita/year				Total
Inland fish	481,537	167,922	720,501	692,118	2,062,077
Other aquatic animals	105,467	40,581	190,984	160,705	497,737
Total inland fish and OAAs	587,004	208,503	911,485	852,823	2,559,815

* Based on consumption studies.

** Other studies, based on production from flooded areas, indicate that fish production is higher in Cambodia, slightly lower in Thailand and Viet Nam, and lower in the Lao PDR than indicated in this table.



34 kg/year, providing 47–80% of animal protein, depending on the country.

Various other data sets support the consumption estimates: results from one small monitoring study found very similar levels of actual consumption among some representative groups of people. Catch data was generally consistent with consumption data, while consumption data sets from elsewhere in the world indicate the LMB estimates are reasonable. Considering the unit area of aquatic habitat, global figures suggest a possible range of 0.7–2.9 million tonnes/year of aquatic harvest in the LMB. Given the Mekong's high natural productivity and facts such as Cambodia's status as a net exporter of fish, it is most likely that actual yield is at the upper end of this range.

Consumption surveys like those conducted for this report can only give a rough picture of the overall situation: their real accuracy cannot truly be known. The data from this work could be complemented by further studies on yield per unit area, especially of rice-field habitats in the Lao PDR and Thailand. These would refine the overall estimate of yield from the basin. Land classed as rice-fields covers most of the LMB's wetland areas, so paddy fields and related habitats make a large but poorly-understood contribution to total fisheries yield.

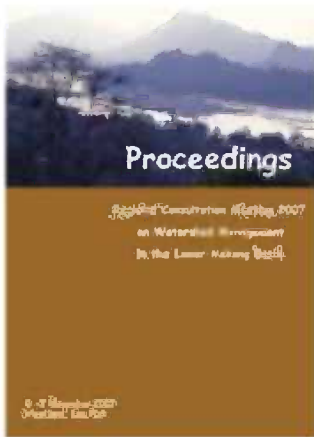
The yield estimate indicates an enormous fishery which is vital in terms of nutrition, livelihoods, food security and culture.



Various studies show that most of the basin's inhabitants fish at some time, and that despite significant investments in aquaculture, about 90% of consumption is derived from the wild capture fishery, justifying an increased allocation of resources to the conservation and management of this resource.



FEATURES: Regional Watershed Management



At the Greater Mekong Sub-Region Ministerial Meeting in Manila, in June 2007, the results from an evaluation of the first 15 years of GMS activities were presented. One of the most noteworthy outcomes reported was that hardware investments (i.e. infrastructure) need more support from software investments (in capacity development) to achieve positive and sustainable impact.

This theme was adopted as the main topic of discussion at the 2007 Regional Consultation Meeting on Watershed Management in the Lower Mekong Basin, held in Vientiane in November. The meeting, hosted by the MRC-GTZ Watershed Management Project, part of the MRC's Agriculture, Irrigation and Forestry Programme, brought together stakeholders from the Member States, international experts and observers, and alumni from the University of Cologne and other German universities. Their brief was to share views on which capacity development activities are needed to underwrite investments with a watershed management focus.

Over the three days of the meeting delegates from Cambodia, the Lao PDR, Thailand and Viet Nam shared knowledge and experience of watershed management, and discussed policy, institutional and human resource development issues. All three topics are closely related and are crucial for future watershed management development. Human development means the process through which people, organisations and society as a whole create, strengthen, adapt and maintain human potential over time. Policy development determines the mandates, roles and responsibilities of institutions relevant to watershed management. Institutional development determines the tasks and skills of the professional staff in institutions with responsibility for watershed management.

The first day was devoted to discussion of watershed management policies and regulations in each of the four countries. The overriding topic of the second day was institutional development: to ensure wise management of watersheds, there is a need for institutions that support participatory decision-making and the formulation of priority issues. This is complicated by the cross-administrative border and cross-sector nature of watershed management. The relationship between watershed and river basin management requires special attention, as does the cumulative impact of

watershed management on the overall health of the Mekong River Basin. On the third day participants went out on a field trip to the Nam Ton pilot watershed in Vientiane Province. There, at the mouth of the Nam Ton, discussion continued on the ecological integrity and connectivity of streams, before the group moved on to the banks of the Mekong River to address transboundary issues.

According to the summaries given in the final session of the meeting, the participants felt that the exercise had been successful, and the project organisers too were satisfied that momentum had been achieved in the dialogue process. Delegates said that highlights of the meeting included the presentations of the achievements made in Australia's Murray-Darling Basin and in the Danube region. However, while the riverbasin organisations at work in those places have 25 years of experience in watershed management, the story in the Mekong Basin has been rather different: only four years ago watershed issues were considered private national business. Since then, there has been something of a shift towards policy and institutional development. There is now much more sharing and learning exchange in these vital areas, which can only be of benefit to all the people in the Mekong Basin.



A distinctive feature of the Regional Consultation Meeting was the presence of over 40 alumni from German universities. These former students observed the meeting as guests of InWent and DAAD, co-sponsors of the event and long-term investors in capacity building across Asia. The alumni came from the LMB states, but also from Bangladesh, Indonesia and Myanmar. After the meeting was concluded the DAAD and InWent alumni met for their own two-day seminar to exchange the experience in watershed management and rural development gained in the years since they had returned home, after completing their studies in Germany.

Finance and Administration, Human Resources Development Sections

The MRC has continued its stringent budgeting rules and maintained a surplus in the operating expenses budget. With both the overall expenditure rate of the MRC and the number of staff at the Secretariat rising over the year, the workload on the Finance and Administration Section (FAS) increased, but the section was able to cope without any major expansion required within the section itself.

Notable events conducted by FAS over the year included the installation of working facilities for visiting Council and Joint Committee members at the Secretariat, and major input into the tendering process for recruitment of an international consulting firm to implement the "structural measures and flood proofing" project within the Flood Mitigation and Management Programme.

Increasing number of staff at MRCS	end of year	
	2005	2006
General support staff	63	70
Riparian professional staff	38	43
International staff	14	16
Total	115	129

The Human Resources Development Section has, in cooperation with FAS, organised regular orientation and information sessions for staff at both the MRCS in Vientiane and the Regional Flood Mitigation and Management Centre in Phnom Penh. Orientation sessions are designed to familiarise staff with MRC and MRCS procedures.



Income and Expenditure in 2007

	2007	2006
Contributions	USD	USD
Development partners	20,022,336	10,925,732
Riparian governments	1,627,588	1,157,253
Others	-	106,935
	21,649,924	12,189,920
Revenue		
Interest	34,589	7,207
Miscellaneous	15,770	10,323
	50,359	17,530
Total Income	21,700,283	12,207,450
Expenditure		
<i>Project expenditure</i>		
Personnel services	6,909,235	5,370,859
Sub-contracts	1,855,543	956,229
Training	1,060,372	1,064,668
Equipment	699,882	550,812
Miscellaneous expenses	550,357	774,183
Water Utilisation Project	1,220,033	2,179,932
	12,295,427	10,896,683
<i>Administrative expenditure</i>		
Staff salary and fees	743,120	745,111
Common staff costs	403,453	412,726
Travel	17,014	19,668
Contractual services	93,671	97,942
General operating expenses	170,068	276,558
Supplies	23,172	27,879
Furniture and equipment	74,120	66,022
RC meeting expenses	262,535	168,54
Support to National Mekong Committees and programmes	42,900	44,901
WUP management support	39,915	147,97
Repayment of relocation project loan	60,000	60,000
	1,929,976	2,067,333
Total Expenditure	14,225,403	12,964,016
Foreign exchange gain	147,590	4,529
Movement in Fund Balances	7,622,470	-752,037
Fund Balances as at 1 January	8,223,263	8,975,300
Fund Balances as at 31 December	15,845,733	8,223,263

International Cooperation and Communications

The International Cooperation and Communications Section (ICCS) merges governance, development partner and communications responsibilities within the MRCS. ICCS makes recommendations on policy, manages fundraising activities, and monitors agreements made with development partners.

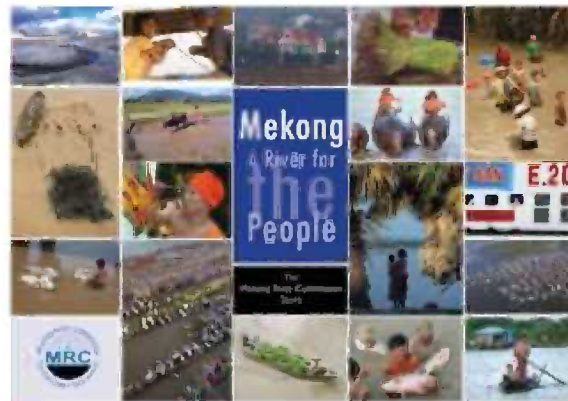
Ensuring the financial security of the MRC forms a crucial part of ICCS activities and during the course of 2007 agreements were concluded with ASEAN, Australia, Denmark, the European Commission, Finland, Germany, Japan and Sweden. With signed commitments standing at over US\$20 million, development partner contributions to the MRC have increased by around 6% on the previous year.

Development partners showed their support to the Commission through the Joint Statement of the International Conference on the MRC, held in Hanoi in April 2007. The Statement provides recommendations and specific engagements to enable the MRC to play a stronger role in the sustainable development of water and related resources in the Mekong Basin, alongside national, regional and international partners, in order to reduce poverty. The Conference reaffirmed the role of the MRC as an important joint mechanism for informed political dialogue between the Member States and their partners on the sustainable development and use of water and related resources in the Mekong Basin.

In line with the Joint Statement, the development partners and the MRC are working together closely on a number of important topics. Regional partnerships have been strengthened, including the cooperation with the ADB and the Greater Mekong Sub-Region initiative. Similarly, the MRC has worked towards formalising its partnership with the World Bank. In the spirit of the Paris Declaration on Aid Effectiveness, the donor harmonisation process has also been fostered. Development partners have shown support for the MRC's efforts to implement the recommendations of the organisational review with a view to further modernisation.

The governance unit within ICCS provided secretarial and documentation support to the 25th and 26th meetings of the MRC Joint Committee held in Siem Reap and Vientiane respectively, to an Informal Donor Meeting in Vientiane, and to the 14th Meeting of the MRC Council, the 12th Dialogue Meeting, and the 12th the Donor Consultative Group Meeting, all held in Siem Reap, Cambodia.

ICCS also makes the arrangements for hosting official visits to the Secretariat. In 2007 visiting delegations included the Mekong Institute from Khon Khaen in Thailand, and 26 delegates from the Nile Basin Initiative, who arrived at the MRCS in October (see page 32). The visitors, from nine African countries, observed some of



A hardback book on the history of Mekong River cooperation was published at the end of 2007.

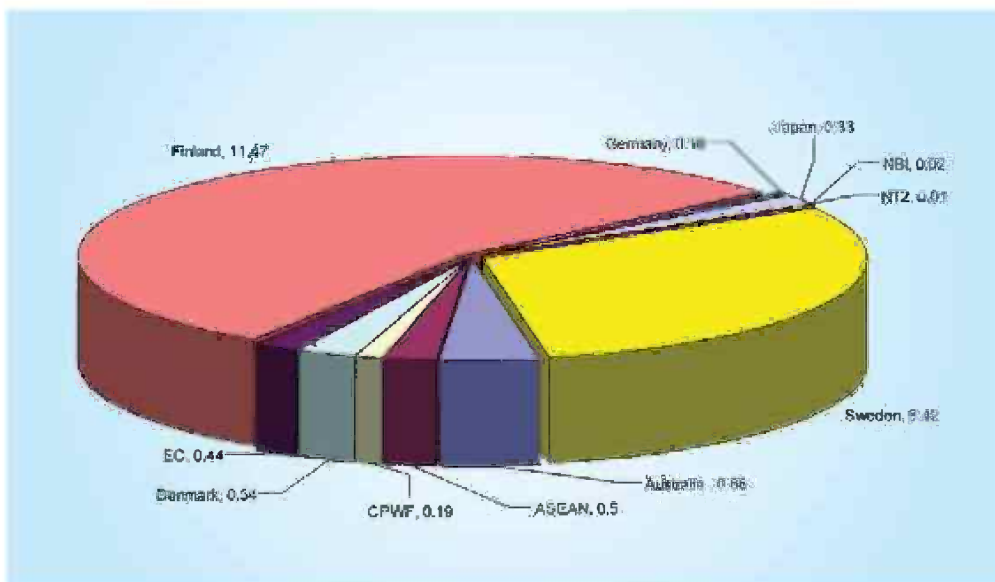
the similarities and major differences between the Nile and Mekong River Basins. This type of South-South river basin organisation exchange provides an important avenue for cooperation between international river basin organisations and it is something the MRC is keen to foster in the future.

The ICCS communications unit provided technical support to all MRC programmes over the year, helping to raise awareness of the work and achievements of the MRC through production of the quarterly MRC newsletter, *Mekong News*, the Annual Report, plus many technical reports and information products. A specially commissioned book celebrating 50 years of Mekong cooperation was published in December 2007 and distributed to development partners. Public awareness raising activities over 2007 included regular contact with the media and representation of the MRC's work at several international forums and conferences, including the third South East Asia Water Forum in Malaysia, the 5th Annual Mekong Flood Forum, and international fisheries symposiums.

The MRC website is maintained by ICCS, and various pages were updated over the last 12 months, while more research and publications were made available for downloading. The number of visitors to the site continued to rise, with traffic on the website growing by nearly 33% from 2006 levels. Almost 370,000 page loads were recorded over the course of the year. In 2007 the River Awareness Kit was added to the website as an educational tool and the number of documents available for download increased substantially.

Funding agreed in 2007

Entity	Programme/Project	Amount (US\$)
ASEAN	ASEAN support to Initial Analysis of Hydropower Potential in Lower Mekong Basin in relation to the Cumulative Transboundary Impacts Programme (use of Japan-ASEAN Integration Fund)	500,000
Australia	The MRC/MDBC Strategic Liaison 2007-2011 Design Mission, signed 9 August 2007.	20,000
	AusAID support for preparation of the updated Integrated Capacity Building Programme	66,400
CPWF	Provision of funds from the Challenge Program for the Benchmark Basin Coordinator (Mekong) to be carried out under the auspices of the CPWF Consortium	193,467
Denmark	Agreement with the Embassy of Denmark for funding support to the follow-up of the Independent Organisational, Institutional and Financial Review of the MRCS and the NMCs Effective 1 October 2007 to 31 December 2008.	537,220
EC	Agreement on the European Commission's contribution to the MRC for the Implementation of Flood Preparedness Programme. Effective 15 January 2007 to 14 April 2008.	437,862
Finland	(1) Agreement with the Government of Finland for funding support to the MRC Basin Development Planning mainly through the Information and Knowledge Management Programme. Effective 1 January 2007 to 31 December 2010.	8,746,413
	(2) Funding agreement with the Finland Ministry of Foreign Affairs for support to the MRC Hydropower Programme, (€1 million), effective 1 January 2008 to 31 December 2011.	1,362,398
	(3) Finland Ministry of Foreign Affairs support to the MRC Trust Fund, effective 1 January 2008 to 31 December 2010.	340,599
	(4) Finland Ministry of Foreign Affairs support to the MRC Junior Riparian Professional project, effective 1 January 2008 to 31 December 2011.	1,021,798
Germany	IFW technical support for a feasibility study on "Sustainable Management of Watersheds in the Lower Mekong Basin"	159,989
Japan	Programme to Analyse and Evaluate Water and Ecosystems in Asian Paddy Fields: funding for 2007	326,879
NT 2	Agreement with Nam Theun 2 Power Company Ltd for supply of services: review of the Hydraulic Study for Discharges from the NT2 Regulating Pond and Impacts on the Xe Bang Fai	17,518
NBI	Service Contract between the Nile Basin Initiative (NBI)-Water Resources Planning and Management Project and the MRC for NBI Study Tour to the MRC 21-27 October 2007	21,695
Sweden	Agreement with the Government of Sweden on support to the MRC 2007-2009, effective January 2007 until 31 December 2009.	6,420,000
	Total	20,105,838



Funding Agreements (January–November 2007 US\$ million)

Pledging and Commitment of Support

As of November 2007 the MRC's development partners had formally indicated multi-year pledging and commitments of support worth US\$12.28 million. Of this amount \$9.08m is in the form of standing pledges; \$2.6m is new commitments and \$0.6m represents standing commitments. Pledges and commitments of support were made from the following donors:

Asian Development Bank: The ADB has pledged funding support of US\$1,180,000 to the NMCs and the MRCS for the Sesan, Sre Pok Sekong Basins Development Study in Cambodia, the Lao PDR and Viet Nam. This study will take place under the Mekong Water Resources Partnership Programme of the World Bank and the ADB. Of the total amount US\$75,000 will cover MRC input costs and is therefore recorded as an ADB pledge towards MRC.

New Commitments of Support

Australia: Based on the AusAID Mekong Water Resource Strategy, AusAID has indicated an interest in providing further support to the Basin Development Plan, Environment, Integrated Capacity Building, and Navigation Programmes, to monitoring and evaluation frameworks, and for the Technical Coordination Advisor post. In addition, the Commonwealth Scientific and Industrial Research Organisation-MRC-Stockholm Environment Institute partnership for 2007-2008 is considering US\$211,000 worth of support to a project to Reduce the Vulnerability of Water Resources, People and the Environment in the Mekong Basin to Climate Change Impacts.

France: The French government has made a €2 million (approximately US\$3m) commitment of support to the Environment Programme, the Mekong-Hycos project, and to the MRC Water Management Trust Fund.

Germany: The Federal Ministry for Economic Cooperation and Development (BMZ) of Germany has indicated an interest in providing components 4 and 5 of the Flood Management and Mitigation Programme with support worth €3 million (approximately US\$4.5m).

Standing Commitments of Support

Germany: The German government has committed funding support of €5.1m (US\$6.1m) through a financial cooperation agreement with the MRC for an Investment Sub-component on Integrated Forest Rehabilitation in the Lower Mekong Basin (agreement of 24 October 2002). Of the total amount approximately US\$606,500 is at this stage earmarked to cover the costs of MRC inputs and is therefore recorded as a KfW pledge to the MRC.





Mekong River Commission

P.O. Box 6101, 184 Fa Ngoum Road, Unit 18, Ban Sithane Neua,
Sikhottabong District, Vientiane, Lao PDR

Telephone: (856 21) 263 263 **Facsimile:** (856 21) 263 264

E-mail: mrcs@mrcmekong.org

Website: www.mrcmekong.org



Mekong River Commission

Annual Report 2007

