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# FINAL REPORT



June 2019

FCG International Ltd

Final Evaluation  
Finland's Support  
to  
Mekong River  
Commission  
(2010-2015)

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# **Final Evaluation of Finland's Support to Mekong River Commission (2010-2015)**

**FCG International Ltd.**

**June 26, 2019**

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## List of Acronyms and Abbreviations

ADB	Asian Development Bank
ADB-BCI	Asian Development Bank Biodiversity Corridors Initiative in the Greater Mekong Subregion

ASEAN	Association of South East Asian Nations
CCAI	Climate Change and Adaptation Initiative
CEP	ADB's Core Environmental Program
DSF	Decision Support Framework
EEP Mekong	Energy and Environment Partnership Programme with the Mekong Region of Government of Finland
EUR	Euro
FMMC	MRC Flood Management and Mitigation Centre
ForInfo	RECOFTC project: Livelihood Improvement through Generation and Ownership of Forest Information by Local People in Products and Services Markets
GiZ	Deutsche Gesellschaft für Internationale Zusammenarbeit
HPP	Hydropower project
HYCOS	Hydrological Cycle Observation System
ICBP	Integrated Capacity Building Programme
IKMP	Information and Knowledge Management Programme
ISH	Initiative on Sustainable Hydropower
IUCN	International Union for the Conservation of Nature
IWRM	Integrated Water Resources Management
KPI	Key Performance Indicator
LMC	Lancang Mekong Cooperation
FEWS	Flood early warning system
MC	Member country on Mekong River Commission
Mekong-HYCOS	Near real time monitoring network
MFA	Finland Ministry of Foreign Affairs
MRC	Mekong River Commission
MRCS	Mekong River Commission Secretariat
MTE	Mid Term Evaluation
MTR	Mid Term Report
NGO	Non-governmental organisation
NMRCs	National Mekong River Committees
PDG	Preliminary Design Guidelines for Hydropower Development
PNPCA	Procedures for Prior Notification, Consultation and Agreement

RECOFTC	The Center for People and Forests
RFMMC	MRC's Regional Flood Management and Mitigation Center
SHP	Sustainable Hydropower programme in the MRCS Planning Division
SIMCLIM	MRC initial modelling tool for climate change assessment.
TSD	Technical Support Division of MRCS
UNDP	United Nations Development Programme
UNESCAP	United Nations Economic and Social Commission for Asia and Pacific
UNFCCC	United Nations Framework Convention on Climate Change
USD	US Dollar
WMTF	Water Management Trust Fund
WUP-FIN	Water Utilisation Program – Finland
WWF	World Wide Fund for Nature

## **EXECUTIVE SUMMARY**

The Final Evaluation of Finland's Support to the Mekong River Commission (2010-2015) was commissioned by the Ministry of Foreign Affairs (MFA) in accordance with Terms of Reference issued in January 2019. The evaluation provides objective information to the MFA about the effectiveness and efficiency of the Mekong River Commission (MRC) support programme, the results in the water sector and the lessons learned from the MRC activities for the future participation of Finland in multilateral cooperation. The evaluation began with a full review of available MRC programme and project documents, a summary of which is included in Annex 5 to this report.

The evaluation focused on the Finland-funded programmes: Information and Knowledge Management Programme (IKMP), Initiative for Sustainable Hydropower (ISH), Water Management Trust Fund (WMTF) and the Junior Riparian Professionals programme (JRP). The process involved (1) compiling information for the 2010-2015 period, (2) assessing the results and status of remnants of the programmes and legacy achievements after 2015, (3) interviewing previous and current MRC staff and MFA staff, and a sample of JRP graduates, and (4) identifying and analysing stakeholder views on the overall contribution of Finland's development assistance and lessons for future development assistance programmes in the region. A field mission was undertaken in Lao PDR to MRC headquarters and to the Mekong Flood Monitoring and Mitigation Centre in Cambodia. Interviews were held with 24 current and former MFA staff, current and former Mekong River Commission Secretariat (MRCS) staff and development partners. A survey was also undertaken of former JRP participants.

The evaluation concluded that Finland-funded programmes – IKMP, ISH, WMTF and JRP have been highly relevant, generally effective and had a lasting effect on the MRC organisation and development processes in the Lower Mekong Basin. However, there were also efficiency issues in the delivery of some of these programmes and many lessons learned for potential future engagement with MRC or other river basin organisations, including the appropriate arrangements for implementation of central versus decentralised core functions of the regional services. The Water Utilization Program (WUP) model from Finland was the initial basis for water resources assessment in IKMP programme development, and the funding for international technical advisors; the Hydrological Cycle Observation System (HYCOS) and hydro-meteorological system development with Finnish and French support was essential for the most important core services of MRC. The monitoring, data management, information and knowledge products and services, modelling methods and decision support tools underpin the basic services that MRC provides for and with its member countries. The Finland-funded activities have proven to be valued contributions in support of sustainable management of the lower Mekong River.

The ISH programme added value to the decision-making processes in the form of improved scientific understanding of issues and trade-offs and recognition of a need to revise the consultation process in the face of controversy and political tensions associated with hydropower development. The ISH contributions and the heightened awareness of knowledge

and capacity gaps led to subsequent technical studies, training and improved Procedures for Prior Notification, Consultation and Agreement (PNCPA) reforms under the SHP programme.

The creation of the Water Management Trust Fund with Finland funding provided the added flexibility to support specific technical needs and to undertake the 1<sup>st</sup> Mekong Summit with member country leaders that may not have been otherwise funded under the rigid MRC structure. The Junior Riparian Professionals programme has also generated good results and left a strong legacy of graduates that continues to have a role in the region.

There were different views presented by the evaluation respondents on the effectiveness of the Decentralisation Roadmap (2012) and subsequent process of transfer of responsibilities. Member Country (MC) neglect of some of the hydro-meteorological stations and the apparent limitations in capacity and resources of the responsible MC line agencies suggest that the readiness for and pace of decentralisation was overestimated. The extent of opportunities for involvement of civil society organisations in the MRC discussions and deliberations was also a point of contention.

Without the support from Finland, MRC's effectiveness would have been greatly diminished and water resource management would have lacked a substantive technical foundation. The costs generally appear to be justified by the results, but these results may not have been delivered in a very efficient manner based on the number of issues and delays reported, and the difficulties with technical uptake at the country level. Possible regional synergies in Finland's regional programme also appear to have been overlooked. The hasty withdrawal of Finland and the rapid decentralisation left some unfinished tasks such as MRC's information system and knowledge hub, and weak quality assurance for effective management of the hydro-meteorological networks. These issues currently remain.

Eight key lessons were identified from Finland's experience in 2010-2015 related to:

- The regional mandate for core support services can get lost in the many demands for MRC support and the propensity to expand operations without sufficient emphasis on priority needs and long-term results.
- Consultation with the MCs and the many stakeholders is essential but it also requires a lot of time and budget, and therefore needs to be carefully focussed around clear results, core functions and well-managed timetables.
- Some of the Finland-funded programmes faced delays and slow implementation, overly ambitious objectives, difficulties retaining qualified experts and high turnover in national counterparts, issues that need to be anticipated and addressed in advance.
- The multiple MRC roles as technical advisor, service provider, consultation convenor, conservation advocate, etc., are not well defined or delineated, and participant and stakeholder expectations sometimes misunderstood them.
- Current and future hydropower development is imposing a critical test for MRC and, also an expanded duty for the MRC in monitoring and preparing for cooperative



adaptive management of the impending river flow regulation in conjunction with external climate change trends and the increased role of China in the watershed.

- Capacity of MCs to utilise the technical support, guidance and knowledge products and to implement decentralisation functions remains a key question; short term training and ad hoc workshops may not be sufficient.
- Donor oversight and participation in MRC activities has been substantial and is generally viewed as a positive contribution to programme implementation that warrants comparison with other regional programmes for the benefits from harmonising aid and coordinating development partner advice to MRC.
- Finland's development assistance history in the Mekong region has not demonstrated much synergy and regional coherence between the various environmental programs and projects (e.g. MRC-EEP-ADB/CEP), and the timing of withdrawal from MRC support in 2015 contributed to decline of the IKMP sustainability.

The report provides six recommendations:

*A. MFA Finland strategies in support of international river basin organisations and regional water management programmes*

1. MFA should design more complementarity and coherence in regional development assistance strategies and, where appropriate, in conjunction with other donors within a programmatic approach.
2. MFA should assess the implications of their MRC experiences and lessons related to effectiveness, efficiency and sustainability for other water management programmes sponsored by Finland.
3. MFA should ensure that sustainability attributes and exit strategies are integrated into programme strategies.

*B. Development assistance in the Mekong region*

1. International development partners should consider targeted capacity development for improved member countries' implementation of decentralised core functions.
2. International development partners should encourage MRC to broaden their stakeholder engagement policy to better encompass the inputs and contributions from private sector and civil society and facilitate communication between member countries and non-government stakeholders in striving for mutual understanding on sustainable development.
3. International development partners should consider specific opportunities to strengthen the MRC information and knowledge management system that was initiated by Finland under IKMP with appropriate coordination with the Sustainable Hydropower Development Programme and the proposed renewal of JRP training.

## 1. Introduction

### 1.1. Background

The Final Evaluation of Finland's Support to the Mekong River Commission (MRC) was commissioned by the Finland Ministry of Foreign Affairs (MFA), and prepared in accordance with the Terms of Reference (31 January 2019) for the assignment as shown in Annex 1. The Mekong River Basin and the four member countries (MCs) are shown on Figure 1.

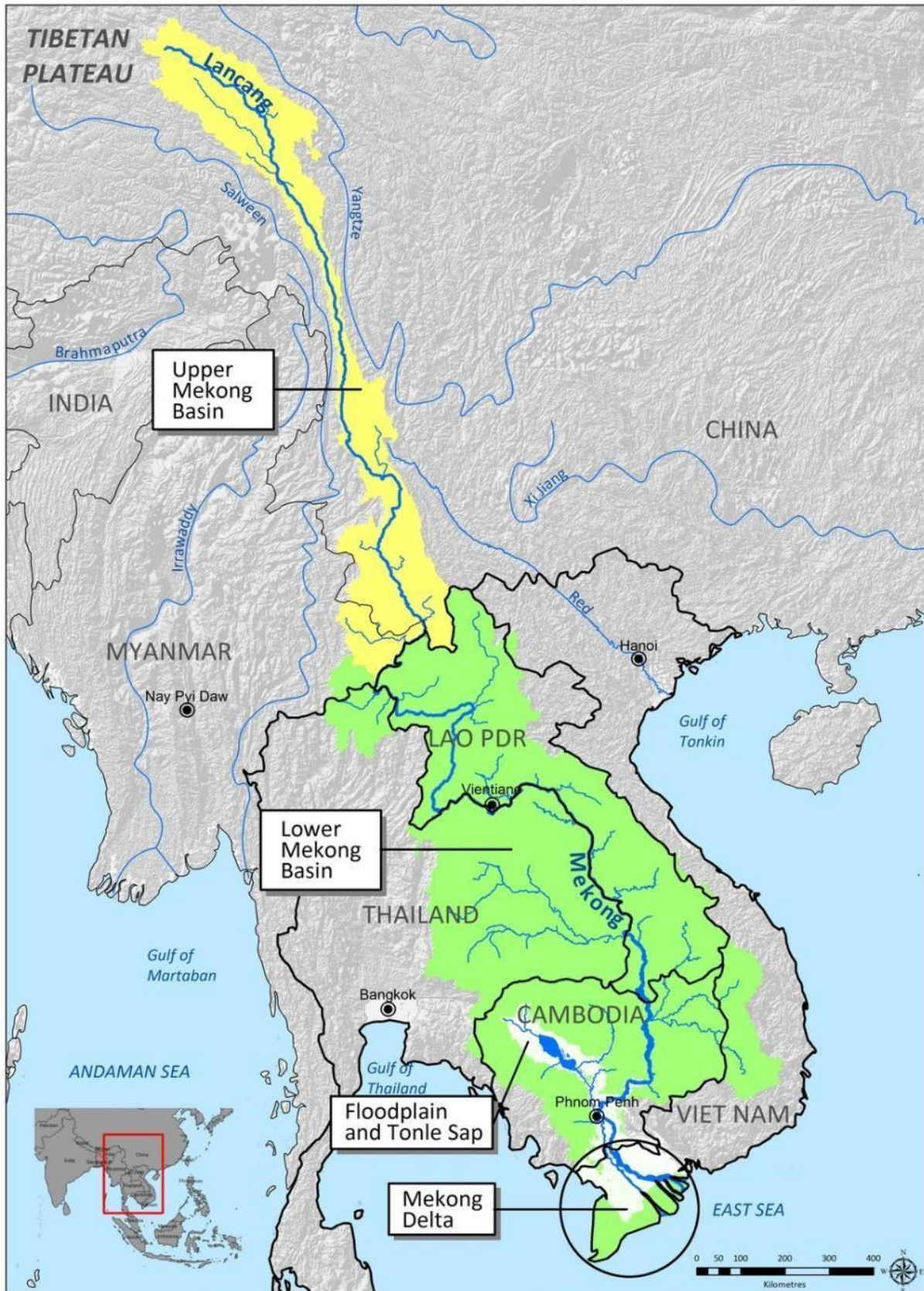
The objective of the evaluation was to learn lessons from the MRC activities for future participation of Finland in multilateral cooperation and support to developing countries in the area of sustainable development, policy and institutional development and capacity building as well as knowledge transfer in an effective and sustainable manner. "The main rationale of this evaluation is to provide objective information to the MFA about the effectiveness and efficiency of regional cooperation as well as the results in the water sector."<sup>1</sup>

The Final Evaluation is intended to provide accurate and independent information on the support provided by Finland to the MRC for 2010-2015 in conjunction with other donors and member countries in the context of implementation of the Basin Development Plan and MRC Strategic Plan (2011-2015). The 1995 *Agreement on the Cooperation for the Sustainable Development of the Mekong* river basin was implemented through MRC Basin Development Plans for 2007-2010, and for 2011-2015. The Basin Development Plan (2011-2015), its' River Basin Development Strategy and the MRC Strategic Plan were implemented through 12 main programmes of MRC:

1. Agriculture and Irrigation Programme
2. Basin Development Plan Programme
3. Climate Change and Adaptation Initiative
4. Drought Management Programme
5. Environment Programme
6. Fisheries Programme
7. Flood Management & Mitigation Programme
8. Information & Knowledge Management Programme
9. Initiative on Sustainable Hydropower
10. Integrated Capacity Building Programme
11. Mekong Integrated Water Resources Management Project
12. Navigation Programme

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<sup>1</sup> Terms of Reference, 2019, p. 9



Source: MRC Draft State of the Basin Report, 2019

**Figure 1: The Mekong River Basin** Finland's involvement with MRC began with the development of the Water Utilisation Programme (WUP) in the 1990s and the application of

Finnish hydrological models to Mekong development scenarios.<sup>2</sup> MRC's programmes and the MRC Secretariat have been financed mainly by development partners (Australia, Belgium, Denmark, EU, Finland, France, Germany, Japan, Luxembourg, New Zealand, Sweden, Switzerland, The Netherlands, USA, WB) in close cooperation with multilateral organizations such as the ADB, ASEAN, IUCN, UNDP, UNESCAP, and WWF. Member Countries also contribute to the programmes' implementation and the MRC's activities, currently estimated at about 25% of annual costs.

In 2012, the Finland MFA Mekong Regional Programme covered Cambodia, Laos, Thailand and Vietnam. Part of Finland's regional cooperation also benefited the provinces of Yunnan and Guangxi in China. The main sectors of cooperation were natural resources management, rural development and energy, especially renewable energy. The MFA Mekong regional plan had a budget of around EUR 20 million in 2012, with a 2013 mandate of approximately EUR 15 million. Regional projects included Mekong River Commission support, ADB's Core Environmental Program (CEP), Support for the Water Dialogue on the Mekong – IUCN, Mekong Regional Energy and Environment Partnership Project (EEP), and Mekong Regional Forestry Information project (ForInfo).<sup>3</sup>

The 2010-2015 Finland support for MRC, averaging about EUR 2.4 M/yr, was a small part of Finland's overall Mekong regional development assistance which ranged EUR 15-20M/yr. The MRC funding was higher than the preceding years; in 1996-1999, for example, Finland provided less than EUR 0.7M/yr (USD 2.172 M total) funding to MRC.<sup>4</sup> During the five-year period 2010-2015, Finland contributed approximately EUR 12 million<sup>5</sup> or \$15.5 M USD in support of four of the twelve MRC programmes – Information and Knowledge Management Programme (IKMP), Initiative on Sustainable Hydropower (ISH) and JRP within the Integrated Capacity Building Programme (ICBP<sup>6</sup>) and the Water Management Trust Fund (WMTF).<sup>7</sup> Over a twenty-year period 1995-2015, Finland provided 12% (USD 36.2 M) of MRC's total operational costs of about USD 323 M.<sup>8</sup>

In addition to the regional programme, Finland also funded a variety of bilateral projects in the environment and natural resources sector, including the *Environmental Management Support Programme (EMSP)* in Lao PDR which involved strengthening the capacity of government in environmental assessment, permitting, monitoring, management,

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<sup>2</sup> E.g., Finnish Environment Institute, Hydrological, Environmental and Socio-economic Modelling Tools for the Lower Mekong Basin Impact Assessment. Vietnam, Laos, Cambodia, 2001-2003.

<sup>3</sup> MFA Finland, Mekong Regional Programme, ASA-10, 7.9.2012

<sup>4</sup> MRC Annual Report, 1999; Donors' Contributions Received: 1995-1999.

<sup>5</sup> Terms of Reference, 31 January 2019, p. 1. USD conversion at current exchange rate. NOTE: The documents for each programme show total funding of \$15.55 M USD – See Table 1 and Annex 4.

<sup>6</sup> Finland funded the Junior Riparian Programme component of ICBP; the other capacity building components were funded by the Government of Australia.

<sup>7</sup> Finland provided funding to CCAI programme through IKMP modelling support for climate change analyses and support for specific outputs in other programmes; these are included in the figures presented. <sup>8</sup> Review Aide Memoire, Danish Support to the Mekong River Commission, 2011-2015, p.1

enforcement and laboratory services, the Strengthening National Geographic Services (SNGS) project, and co-financing of the *Sustainable Forestry for Rural Development Project (SUFORD)*. In Cambodia, the *Land Administration Sub-sector project (LASSP)* and the *Tonle Sap Technology Demonstrations for Productivity Enhancement (TSTD)* projects were co-financed by Finland. The support to Lao PDR and Cambodia were a part of Finland's regional programme under thematic window.

### Scope of Work

The evaluation was required to assess Finland's support of the four MRC programmes according to seven criteria:

- A. Relevance - the extent to which the objectives of the Programme are consistent with beneficiaries' requirements, countries' needs, global priorities and partners' and Finland's policies.
- B. Development impact - how the Programme has succeeded in the achievement of its overall objectives against the related indicators, i.e. targeted impact for its beneficiaries.
- C. Effectiveness - if the results have furthered the achievement of the purpose of the Programmes, or are expected to do so in the future, against the related indicators.
- D. Efficiency - how well the various activities transformed the available resources into the intended results in terms of quantity, quality and timeliness.
- E. Aid effectiveness - how and to what extent the support from Finland to the programmes promoted mutual accountability, harmonization, alignment and ownership.
- F. Sustainability - the degree to which the benefits produced by the Programme continue after the external support has come to an end.
- G. Coherence - the support to the MRC with Finland's development policy in general and in water sector in particular, including policy-dialogue on the transboundary water resources management issues on the Mekong, and coherence with the member countries policies in water resources management.

The Terms of Reference (Annex 1) stated that the evaluation should focus on:

1. The relevance of the Programmes' activities vis-à-vis the individual national development agendas.
2. The sustainability of the MRC activities towards the individual countries' development agenda and region as whole, and the coordination between Mekong basin member countries.
3. Achievement of the MRC activities vis-à-vis the basin development plan; level of readiness of MRC as a true regional mechanism of self-financing and governance.

4. Level of participation of national agencies and stakeholders in the implementation of programmes' activities.
5. The effectiveness of knowhow transfer and capacity building process towards the policy and institutional development and raising national expertise.

## **1.2. Evaluation Methodology**

The overall strategy for the evaluation was based on:

1. Compiling programme results and implementation performance information for the 2010-2015 period based on the available documents;
2. Assessing the current status of the remnants of the IKMP, ISH, JRP and WMTF programmes and the legacy achievements after 2015 closure of Finland's contributions to these programmes through interviews and review of documents;
3. Assessing the results and outcomes of a sample of JRP graduates, to supplement a previous evaluation of the programme; and
4. Identifying and analysing stakeholder views on the overall contribution of Finland's development assistance to MRC and the lessons that have been learned for future development assistance programmes in the region.

The evaluation focussed on the criteria and indicators in Annex 2 and the activities funded under IKMP, ISH, WMTF and JRP programmes. It also included review of Finland's overall development assistance strategy with MRC and the lessons that can be learned from the 2010-2015 MRC experience. Documents from the 2010-2015 programme period were collected and reviewed (Annex 5), including the Annual MRC Programme Reports (covering years 2010-2014), to extract information on activities, financing and issues. Interviews were held with current and former MFA staff, current and former Mekong River Commission Secretariat (MRCS) staff and donor representatives (Annex 3). An Interview Guide provided an indicative set of questions. Financial data on annual contributions by Finland were compiled from programme reports (Annex 4).

As required in the Terms of Reference, the evaluation summarized the evidence-based findings of the overall performance of the programmes under each OECD evaluation criteria using a four-level grading system: (4/green=very good), (3/yellow=good), (2/orange=problems) and (1/red=serious deficiencies). Reasons for ratings were provided using customized definitions for each criterion.

Limitations of the evaluation included:

- The long period since 2015 closure of Finland's support and the limited number of participants available for interviews, and dependence on their memories;
- Interpretations of the elements of the Finland-funded 2010-2015 activities that were carried forward into subsequent MRC activities;

- Uncertainties about impacts and causation linked to the IKMP, ISH, WMTF and JRP programmes that were funded by Finland; and
- Low response (25%) to the recent JRP survey (although this was supplemented by a similar 2015 survey that had an 88% response rate);
- Member Country and national MRC Committees staff turnover.

### **1.3. Evaluation Process**

The evaluation commenced in early March 2019 by collecting relevant documents and reviewing content that applied to Finland's support to MRC. Current and former staff of the MFA, plus a researcher with considerable experience of the Finnish support to MRC, were interviewed during the start-up phase. A detailed summary of the documents collected was prepared and submitted along with an Inception Report that outlined the evaluation criteria, the approach, methodology and work tasks. The report was submitted to MFA in early April. The lengthy summary review of documents was updated during the field mission and is included as Annex 5 of this report.

The field mission began April 26, 2019 with an interview in person with the head of Regional Flood Management and Mitigation Centre in Phnom Penh, followed by one week of interviews both in person and via Skype from the MRC Secretariat offices in Vientiane. The list of interviewees is provided in Annex 3. The interviews especially focussed on (a) perceptions of the outputs of Finland-funded activity contributions to programme goals in 2010-2015, and (b) effects of these outputs on subsequent and current MRC programmes. The interviews involved 24 stakeholders (Annex 3), as follows:

Current and former MRCS staff/contractors: 14

Current and former MFA staff: 5

Donor staff (Australia, GiZ): 2

MRCS Consultants: 2

NGOs: 1

A post-mission debriefing note was prepared and discussed with MFA staff on May 6, 2019. The draft report was prepared May 1-10 for internal review within FCG and the final draft report was submitted on May 20, 2019.

Comments on the Draft Report were received on 10 June 2019 and the Final Report was submitted on June 14, 2019.

## **2. Context**

## **2.1 MRC Organisational Change**

The period 2010-2015 was characterised by major changes in MRC organization and downsized programme scope and delivery. Finland was an active participant in the MRC and donor meetings that led to major changes in the organisation. The MRC Strategic Plan (201115) and Regional Roadmap imposed changes in the operational structure that required a greater focus on sustaining the MRC through decentralised in-country activities.

In the face of declining donor financing, the MRC Secretariat (MRCS) shifted from a wideranging programme-based approach to a more focused organization built around a set of core functions. These included the three current MRC core functions:

1. **Secretariat, Administrative and Management Functions:** promotion of dialogue and communication; reporting and dissemination; stakeholder engagement and communications/public information. These correspond to the corporate services of most organisations, and the Office of the Chief Executive Office, and the Administrative Division carry out these functions at the MRC Secretariat.
2. **Core River Basin Management Functions (CRBMF):** the main technical work of the MRC under the Planning, Environmental Management, and Technical Support divisions including:
  - Data acquisition, exchange and monitoring
  - Analysis, modelling and assessment
  - Planning support
  - Forecasting, warning, and emergency
  - Implementation of the five MRC Procedures<sup>8</sup>
3. **Consulting and Advisory services:** provision of technical expertise, databases, models, expert networks to support studies undertaken outside of the MRC, etc. Unlike the other core functions, these services are self-financed.

A component of the re-organisation was the commitment to measure and monitor the progress made by the Member Countries in their contribution to the achievement of those MRC strategic goals and outcomes falling under their mandates and responsibilities. The decentralisation process and shift to core functions drove rapid institutional change and organisational restructuring of MRC.

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<sup>8</sup> These include Procedures for Data and Information Exchange and Sharing; Procedures for Water Use Monitoring; Procedures for Notification, Prior Consultation and Agreement; Procedures for the Maintenance of Flows on the Mainstream and Procedures for Water Quality.



At the First MRC Summit in 2010 in Hua Hin (funded by Finland through WMTF), the four MCs agreed to decentralise MRC's core functions. The Core River Basin Management Function activities for decentralisation included:

- Monitoring near real-time hydro-meteorological parameters (HYCOS stations)
- Manual monitoring rainfall and water levels (other hydro-met stations)
- Discharge measurement and sediment monitoring
- Routine water quality monitoring
- Ecological health monitoring
- Fisheries monitoring
- Field data collection for Social Impact and Vulnerability Assessment (SIMVA)
- Ad-hoc provision of socio economic data for basin planning
- Preparation and Coordination of National Indicative Plans (NIPs) for basin planning<sup>9</sup>

In 2010, the Heads of Government of the four MRC MCs met in Hua Hin, Thailand, at the First MRC Summit (funded by Finland), and committed to a vision of a self-financially sustained organization by 2030, based on the decentralisation of Core River Basin Management Functions (CRBMFs) and in-country implementation of activities. The Basin Development Strategy (BDS) of 2011-2015 for the Lower Mekong Basin Plan proposed MRC's transition towards implementation of core functions over a period of 10–15 years, outlining a phased approach towards future decentralised modalities of implementation. A transition roadmap, formulated in 2011, described the steps needed to implement the decentralisation plan. The downsizing and decentralisation of MRC functions had a dramatic impact on staff and operations. In 1997, MRC Secretariat had 15 technical and administrative units operating under five divisions. At the end of 2010, MRCS had 154 staff members (including 9 international professionals) at the Secretariat, 61 located at MRCS HQ in Vientiane and 93 at the Phnom Penh office.<sup>10</sup> By 2016, this had been reduced to 64 full-time staff, down from almost 200 in the previous period.<sup>11</sup>

Finland's last contribution in 2015 coincided with MRC's downsizing. The Annual Work Plan 2016 – the first to operationalize the MRC Strategic Plan, was only implemented in part. MRC reforms were completed in 2016, including consolidation of strategic planning, mutual accountability M&E system, new MRCS structure, office consolidation, staff recruitment, and progress on financial reforms – all to make MRC more effective and efficient. There was a shortage of funding, and management had to freeze all activities that had a negative cash balance. As a result, many activities had to be delayed until later in the year or until 2017.<sup>12</sup>

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<sup>9</sup> MRCS, Review of the Decentralisation of Core River Basin Management Function Activities, 22 Feb. 2019, p. 1

<sup>10</sup> MRC Annual Report 2010, p. 72

<sup>11</sup> MRC Annual Report 2016, p. 34

<sup>12</sup> MRC Annual Report 2016, p. 3

The MRC continued to consolidate programmes and decentralise core river basin management function activities from the MRC Secretariat to the Member Countries. A leaner MRCS structure with one Headquarters location in Vientiane was created. The integration resulted in decreased costs and increased efficiency. The gender balance for professional staff was improved, with 45% female and 55% male staff compared to 32% and 68% in 2012. MRC shifted its mode of operations from donor-dependent programmes to a basket fund, and core function-based activities increasingly funded by countries. With this new approach, the MRC expected more flexibility to allocate funds to priority areas.<sup>13</sup>

The MRC annual budget averaged \$25.2 M USD in 2014/2015. It is currently projected to be \$12.4 M USD in the 2019 Annual Work Plan.<sup>14</sup> In 2017, 62% of the budget went to the Basket Fund, 36% for the Earmarked Fund, 1.7% for the Administration Reserve Fund.<sup>15</sup> Member Countries' contribution and development partners' support are pooled in the basket fund. For the 2016 -2020 plan, 65 M USD is required of which 15 M USD will come from Member Countries, 9 M USD from existing development partners' commitment and an additional 9 M USD is expected from potential support from development partners. Currently, USD 3.09 M or 25% of the MRC budget is provided by Member Countries. This is projected to increase to USD 9.7 M by 2030.<sup>16</sup>

## **2.2 The Council Study**

The *Study on the Sustainable Development and Management of the Mekong River*, including impacts by mainstream hydropower projects – known as the 'Council Study' was conducted by the Mekong River Commission (MRC) from 2012 to 2017. It aimed to fill major knowledge gaps on the environmental, social, and economic impacts of development in the short, medium and long term, and to will enhance the ability of MRC to advise MCs on the potential benefits and impacts of water resource development of the basin based on sound scientific evidence. An expected added effect was to promote capacity building and ensure technology transfer to MCs during the study process.

Thematic scope of the detailed Council Study covered the main water resources management sectors and sub-sectors that contribute to development in the basin:

- Irrigation including water use, return flows, water quality, and proposed diversions;
- Agriculture and Land use including watershed management, deforestation, livestock and aquaculture, and fisheries;
- Domestic and Industrial use including mining, sediment extraction, waste water disposal, urban development, and water quality;

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<sup>13</sup> MRC Annual Report, 2017, p. 34

<sup>14</sup> MRCS, Mid Term Review of MRC Strategic Plan 2016-2020, Feb. 2019, p. 15

<sup>15</sup> Figures as of 31 December 2017

<sup>16</sup> MRCS, Mid Term Review of MRC Strategic Plan 2016-2020, Feb. 2019, p. 16

- Flood protection structures and floodplain infrastructure including roads;
- Hydropower including potential of alternative energy options;
- Navigation including navigation, infrastructure to aid navigation.

The findings showed that plans for 11 large hydropower dams on the Mekong River's lower mainstream and 120 tributary dams by 2040 present a major threat to the region's ecology and food supply. Current hydropower plans would reduce the amount of sediment reaching the Mekong Delta by up to 97 percent, affecting agriculture, fisheries, and water quality. Planned hydropower construction could also cause fish stocks to decline dramatically, in the range of 35–40% by 2020, and 40–80% by 2040. The Council Study recommended:

- Identifying multi-sector investment needs to sustain water-food-energy-environment security;
- Assessing location and design options from a basin-wide perspective;
- Establishing and maintaining protected areas in the Mekong;
- Development of plans and projects that optimize benefits and minimize costs including considering alternative water and energy sources;
- Putting in place sound mitigation measures, and
- Exploring innovative co-financing and co-ownership by the Mekong-Lancang countries.<sup>17</sup>

### **2.3 Current MRC Priorities and Issues**

The Current 2016-2020 Basin Development Strategy presents seven basin-wide priorities:

1. Reduce remaining knowledge gaps to minimise risks;
2. Optimise basin-wide sustainable development and cost and benefit sharing;
3. Strengthen the protection of mutually agreed environmental assets;
4. Strengthen basin-wide procedures and national implementation capacity;
5. Improve national water resources development and management;
6. Enhance information management, communication and tools; and
7. Increase cooperation with partners and stakeholders.<sup>18</sup>

The 3<sup>rd</sup> International MRC Conference in April 2018 described the key results achieved by MRC as: adoption and implementation of the IWRM-based Basin Development Strategy, Strategic Plan and the National Indicative Plans for the period 2016-2020, MRC's institutional reform, agreement on the financial contribution formula towards equal sharing by 2030 by the Member Countries, MRC's improved communication and engagement with stakeholders,

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<sup>17</sup> MRCS, Summary and Way Forward, 3<sup>rd</sup> MRC International Conference, 2-3 April 2018, Siem Reap, Cambodia, 20.11.2018, p. 25.

<sup>18</sup> MRC, Basin Development Strategy for the Lower Mekong Basin 2016-2020, p. 55

cooperation with Development and other partners, the completion of the Council Study, and other basin-wide strategies and guidelines as well as the continued implementation of the five MRC procedures. The conference resulted in the *Siem Reap Declaration - Enhancing Joint Efforts and Partnerships towards Achievement of the Sustainable Development Goals in the Mekong River Basin* with Priority Areas of Action as follows:

1. Optimising the development opportunities and addressing challenges through a basinwide, integrated and inclusive multi-disciplinary process, notably the implementation of the BDS within the broader context of regional integration, cooperation and socioeconomic development.
2. Considering the key findings from the Council Study, including at both policy and technical levels in order to capture development opportunities and address trade-offs, benefit sharing, risks as a reference for planning and implementation of national plans and projects, and in relevant MRC work.
3. Continuing the recent momentum in implementing all the MRC Procedures for Water Utilisation to support the sustainable, reasonable and equitable use of the Mekong water and related resources.
4. Strengthening the MRC basin-wide monitoring networks and forecasting systems for floods and droughts, and the data and information management systems underpinning them.
5. Implementing the MRC Basin Development Strategy, Strategic Plan and the National Indicative Plans with greater efforts focusing on joint projects. Further effort on the implementation of the Decentralization Roadmap including the strengthening of decentralised monitoring activities with secured budget.
6. Continuing to improve the dissemination, uptake and use of the MRC products by relevant line agencies and organizations.
7. Identifying and implementing opportunities for further cooperation with Dialogue Partners, Development Partners, and other partners. Concrete cooperation should be further pursued with ASEAN, Mekong-Lancang Cooperation, and Greater Mekong Subregion towards a shared future. Regular engagement with relevant stakeholders in the work of the MRC should be continued.<sup>19</sup>

Another set of advice came from the recent Mid Term Review of the MRC Strategic Plan 2016-2020. It concluded that 32% of 44 outputs planned under the Plan are on track to be completed in the remaining two years, 50% have some major issues to be resolved in order to be completed within the period, and 18% are unlikely to be completed. The report identified major challenges and critical areas where significant progress is needed:

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<sup>19</sup> MRCS, Summary and Way Forward, 3<sup>rd</sup> MRC International Conference, 2-3 April 2018, Siem Reap, Cambodia, 20.11.2018

- Implementing a more realistic approach to transitioning the decentralization of core river basin management function activities;
- Improving the performance of priority monitoring activities and rebuilding open and robust systems for storage and sharing of data and information;
- Streamlining the approval processes for studies and guidelines where no significant policy decisions are at stake;
- Engaging more actively with line agencies on the implications and potential use of MRC products and services and in-turn receiving feedback to improve future MRC outputs;
- Supplementing existing approaches for engaging with Member Countries and partners on the planning of major developments and thereby fulfilling the strategic priorities of the Basin Development Strategy; and
- Articulating more clearly the MRC's comparative advantage *viz-a-viz* the water resources priority area of the Lancang Mekong Cooperation (LMC) and therefore where the MRC should invest while advancing institutional cooperation.

The report suggested that MRC will need to proactively set priorities and revisit choices on the allocation of staff and financial resources. The future role of MRC beyond 2020 will depend on its ability to deliver effectively on its core functions and the relationship it develops with the rapidly evolving LMC.<sup>20</sup>

A companion report was also produced on decentralization that focussed on the responsibilities for monitoring activities by Member Countries as documented in signed handover agreements, and in the ongoing data collection, transmission and reporting activities.<sup>21</sup> It noted that delays in the roll-out of decentralisation indicated the timing of the initial plan was too ambitious, neither reflecting sufficiently the different capacities of country systems, nor accounting for the major restructuring upheaval and related lack of continuity of staff. A lack of integration between regional and national monitoring networks has also not helped. The report highlights the difficulty for national line agencies to secure additional funds for monitoring when finance ministries point to the national funds already committed to the MRC central budget. The study had six recommendations that, in summary, address:

- Finalizing agreements for decentralised monitoring activities that do not have existing handover arrangements;
- Establishing a Joint Decentralisation Support Facility for capacity building, knowledge sharing, and maintenance support;

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<sup>20</sup> MRCS, Mid Term Review of MRC Strategic Plan 2016-2020, Feb. 2019, p.8-9

<sup>21</sup> MRCS, Review of the Decentralisation of Core River Basin Management Function Activities, 22 February 2019

- Preparing and implementing capacity-building plans for each decentralised monitoring activity, distinguishing between critical monitoring activities<sup>22</sup> and those that are less than critical and for the latter group, either suspend or substantially scale-back operations to enable resources to be directed to higher priority needs;
- Undertaking an audit of all existing monitoring stations and sampling locations in the basin for three key environmental disciplines;
- Requiring hydropower developers as part of Concession Agreements to share data for any stations they own that are part of this network; and
- Prioritising the upgrade of the MRC-Information System over the next two years.

In addition to these reviews, a major Operational Review of MRC's organisational structure, operations and culture was commissioned by GiZ. This review presented 57 detailed recommendations including revisions to Rules of Procedure, creation of Key Performance Indicators, revised allocation of responsibilities, improved Regional Flood Monitoring and Mitigation Centre, streamlined consulting assistance, professional development, developing the 'Mekong Spirit', budgeting and financial report improvements, and many other actions.<sup>23</sup>

The Mekong River Commission's 3<sup>rd</sup> *State of the Basin Report* has also recently been finalized, assessing conditions within the basin and the impacts, both positive and negative, that development and use of the water and related natural resources are having. The report thus provides a comprehensive basis for the Member Countries and other key stakeholders to discuss and determine appropriate actions by which to realise the MRC's aims for optimal and sustainable development of the basin as set out in the 1995 Mekong Agreement. It states: "Key areas of concern are the seemingly permanent modification of mainstream flow regime, the substantial reduction in sediment flows due to sediment trapping, the continuing loss of wetlands, the deterioration of riverine habitats and the growing pressures on capture fisheries. At present, although temperature and sea level rise are the only discernible impacts of climate change within the basin thus far, Member Countries are actively putting measures in place to address the predicted future changes." The report offers six key recommendations for Member Countries, partners and stakeholders to consider when next updating the Basin Development Strategy:

1. Continue and enhance monitoring of flow conditions and water quality;
2. Develop and implement a MRC Data Acquisition and Generation Action Plan;
3. Address the problem of reduced sediment concentrations;
4. Address the need to take urgent action to preserve and protect remaining environmental assets;

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<sup>22</sup> The MTR considers the critical activities are: (i) hydro-meteorological monitoring; (ii) discharge measurement and sediment monitoring; (iii) water quality monitoring; (iv) fisheries monitoring; and (v) regular provision of socio-economic data.

<sup>23</sup> MRCS, Operational Review, November 2018.

5. Adopt a more proactive approach to basin planning and the management of trade-offs between sectors and countries;
6. Maintain and strengthen cooperation with Dialogue Partners and other stakeholders<sup>24</sup>

Most recently, in April 2019, the MRC Council announced a new effort to address flood and drought issues in the Mekong region, and set new policies to strengthen internal control and operation within its Secretariat. The decision will see the MRC's Regional Flood Management and Mitigation Center (RFMMC) take on a new name – Regional Flood and Drought Management Center (RFDMC). The improved Center aims to provide faster and accurate flood and drought forecasting and warning information throughout the year to communities potentially affected by rapid fluctuations in water levels and more extreme floods and droughts.<sup>25</sup>

### **3. Description of Finland-supported Activities**

#### **3.1 Information and Knowledge Management Programme (IKMP) 2011-2015**

##### **3.1.1 2010-2015 Activities**

IKMP was established in 2006 and had a 2006-2010 budget of \$25.6M. The IKMP objective was “to build a solid foundation of data, information and knowledge products, systems and services that supports the goal of the Mekong River Commission”.<sup>26</sup> There were five components to the programme:

- Programme Management
- Hydro-meteorological Data
- Geographic Information System and Databases
- Modelling
- Communications and Knowledge Management

The programme had been preceded by the 2000-2006 MRC Water Utilisation Programme (WUP) which aimed to develop a computerized package of hydrological simulation modelling, knowledge base and analytical tools to serve as the technical basis for basin development planning and management, and to develop procedures for water use and management (Budget: \$17.8M).<sup>27</sup> Finland water resource engineers were active in applying the WUP-FIN model under the Water Utilisation Programme, the precursor to IKMP.<sup>28</sup>

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<sup>24</sup> MRC, Draft State of the Basin Report, Version 4.05, March 26, 2019.

<sup>25</sup> <http://www.mrcmekong.org/news-and-events/news/regional-flood-center-to-also-address-drought-issuesnew-policies-to-strengthen-internal-control/>

<sup>26</sup> MRC, Funding the MRC Programmes 2006-2010: Programme Outlines, November 2006, p. 35.

<sup>27</sup> MRC, Funding the MRC Programmes 2006-2010: Programme Outlines, November 2006, p. 27

<sup>28</sup> Juha Sarkkula, Jorma Koponen, Marko Keskinen, Matti Kummu, Mira Käkönen, Hannu Lauri, Jussi Nikula, Olli Varis, Noora Veijalainen, and Markku Virtanen, Mekong River Commission, Hydrological, Environmental and Socio-Economic Modelling Tools for the Lower Mekong Basin Impact Assessment, July 2005

WUP-FIN included Phase I: modelling tools, primary data, socio- economic assessment for Tonle Sap (2001-2004), Phase II: improve DSF hydrological, environmental and socioeconomic impact assessment capabilities and provide technical support to MRC programmes and the member countries; build capacity for model use and development at the MRCS and the countries (2004-2006), and Phase III: further implementation and taking practical use of the developed tools and established cooperation framework (2007-2009). The resulting Mekong River Commission Information System was considered critical to maintaining the MRCS role as -regional expert institute for balanced Mekong development -helping in transboundary issues -providing up-to-date information for the riparian needs, and an opportunity to strengthen the NMCs' capacity and information channels between the MRCS and the NMCs.

The IKMP programme was concentrated on establishing a basin-wide river monitoring network, an MRC information system, modelling services for planning, forecasting and impact assessment, and a 'knowledge hub' for transboundary water resources. The programme was a key part of MRC services to Member Countries. Finland was a major contributor to the \$16.5 M USD budget of 2011-2015, including 9.386 M USD or 57% from Finland.<sup>29</sup> A Senior Modelling Adviser to the Modelling Team Phase I 2005-2008 and Phase II 2009-2012 was funded by Finland within the IKMP programme (Finland provided 0.754 M USD for Phase II – see Annex 4). The work of the modelling advisor was integrated within the IKMP and specifically to serve the objective of modeling services.

Finland also provided 0.6 M USD funding to the CCAI through the IKMP programme (<4% of the 15.9 M USD budget 2011-2015 supported by seven donors). The original CCAI programme focused on climate change adaptation but this was later expanded to provide assessment of climate change scenarios and impacts during 2011-2014. It was assisted by the modelling team of IKMP (and FMMP) and by international consultants with management and contracting support from CCAI.<sup>30</sup> The climate analysis provided the basis for preparation of the Regional Climate Change and Adaptation Strategy. This regional strategy was intended to assist national climate scenario analyses (although the process for implementation at a national level and the relationship to similar analytical activities under UNFCCC may not have been clear).<sup>31</sup>

IKMP had three objectives: (1) MRC data, information and knowledge developer and keeper – high quality baseline data, data management, modelling tools; (2) Service provider to MRC programmes - hydrological modelling and analysis, data production and advisory services; and (3) Service provider to countries and external clients. The MRC Information System (MRC-IS), developed by IKMP, was a central platform to fulfilling the commitment to promoting the

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<sup>29</sup> MRCS, Final Review Information and Knowledge Management Programme 2011 to 2015, 30 June 2016, p. 19

<sup>30</sup> MRCS, Mid-Term Review of the MRC Programmes, Climate Change and Adaptation Initiative, April 2014, p. 6

<sup>31</sup> "As a scientific issue climate change belongs to CCAI, but some of the modelling has been done in IKMP and FMMP -in different programmes and country and cooperation is not always so smooth." MRCS, Mid-Term Review of the MRC Programmes, Climate Change and Adaptation Initiative, April 2014, p. v



sustainable use of water and related resources in the basin. As part of the IKMP 2011-2015 programme, a broader IWRM approach was adopted for provision of knowledge-based products and services, supporting decision-making processes at national and regional levels. Modelling and assessment tools and real-time monitoring data provided by IKMP 2011-2015 were to be primary inputs for scenario analysis and assessment that helped in basin planning and management.

Issues arising in the 2011-2015 phase included the need for improvements to recruitment and employment conditions to retain staff, capacity building and maintenance of a high quality IKMP team, the organisational structure for the Strategic Plan, changes to the funding model with development partner/matching formula of country contributions so that countries have a greater influence and interest in MRC priorities, and plans for IKMP to have a less centralized and more distributed approach. It was reported that the near real time Hydro Meteorological Monitoring (Mekong-HYCOS) became well established, and the discharge and sediment monitoring service provided new insights in river morphology and sediment monitoring as well as improved discharge data and better overall quality of hydrological information for the Lower Mekong Basin. It was also reported that key knowledge gaps associated with IKMP that were reduced under the BDS 2011-2015, included sediment and nutrient trapping studies, and social and livelihood impacts through studies, surveys and database efforts.<sup>32</sup>

It was also concluded at the end of IKMP in 2015 that monitoring was doing relatively well except for maintaining continuous sediment monitoring and preparation for a groundwater monitoring programme, and that independent capacity to maintain the monitoring network has been achieved by all the countries at least partially, although large risks exist in the future when the countries take over fully the monitoring network, and that the Knowledge Hub, suffers from delays and lack of human resources to implement the activities.<sup>33</sup> For the Council Study, the hydrology and hydraulic models had been set up with three models packages (DSF, SOURCE and WUP-FIN) for five zones including Tonle Sap Lake, Cambodian Floodplain and Vietnam Delta have been successfully conducted. The IKMP Completion Report recommended that the new Technical Services Division should prioritize the modelling, monitoring and generation and sharing of information products, and that compared to the increasing service demands, IKMP had been understaffed for the highly technical services.

### **3.1.2 Post 2015 Status**

The development objective of the 2011-2015 phase of IKMP was to effectively support MRC programmes, NMRCs and line agencies on the development and management of water and related resources in the Mekong basin by providing basin-wide monitoring, impact assessment, modeling, forecasting, and knowledge management system for planning and programme implementation work. The interviews with MRCS and MFMMC highlighted the

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<sup>32</sup> MRC Basin Development Strategy for the Lower Mekong Basin, 2016-2020, p.9.

<sup>33</sup> MRCS, Final Review Information and Knowledge Management Programme 2011 to 2015, 30 June 2016, p. 21

adverse impact of downsizing and decentralisation on the monitoring and information systems.

The modelling and forecasting and river monitoring and early warning systems are essentially the same as originally designed and supported by Finland. However, the major change between then and now is the current lack of budgets to maintain the monitoring stations and warning systems mostly because these functions were transferred to the Members Countries as part of the decentralisation process. This transfer to MCs was considered by several interviewees as premature because the MCs do not have either the budgets or the capacities to properly maintain the system functions which became their responsibility in 2014. The MRC budgets and staff were greatly reduced from IKMP staff of about 20 to the current 9 people. The hydrological information system is managed on a platform called FEWS with an upstream water management model and a hydrodynamic model in the lower delta sections. HYCOS stations were handed over to MCs including responsibilities for operations and maintenance. At one point about 60% of the monitoring stations were not functional because of neglect and lack of committed funds from the MCs. Since then, the situation has improved to a point where about 60-70% of the stations are now operating. This is partly due to recognition of the problem and separate funding from Japan to assist in repair of some of the stations and some small funds from the MRC basket budget funding to supplement the repair programme.

The decline in monitoring systems is illustrated by the following graph (Figure 2) on key performance indicators for hydro-meteorological stations operation that shows the decline in performance between 2014 and 2017.

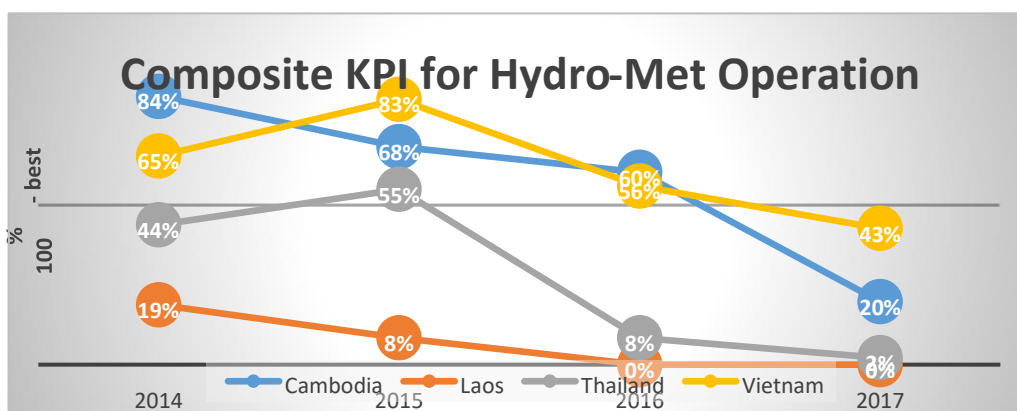


Figure 2: Key Performance Indices for Hydro-Met Stations 2014-2017

Source: MRCS

The MTR report in 2018 noted that one of the key Basin Development Strategy priorities at risk of not being implemented is the information system: Priority 6: *Enhance information and management, communication and tools*. The importance of regional information systems and databases to a regional knowledge organisation is substantial. The MRC was declared on the right track to improve its systems but these efforts needed to be enhanced to ensure the

quality and accessibility of data and information in support of basin planning and decisionmaking.<sup>34</sup>

The recent Decentralization Review also noted: “Time and again, through the consultations done for this review, participants identified the MRC’s knowledge base and unique record of historical data as one of its most valuable assets. The data underpins the procedures, studies, assessments, scenario testing and planning on which the regional knowledge base is built.”<sup>35</sup>

There is close communication between the MRC RFMMC staff and national flood monitoring and management counterparts, with regular meetings before and after the flood season. The most recent one included reference to the need to better upstream data on hydropower operation, access to data from China and additional capacity building/training on flash flood guidance, and the need for better flood mapping based on improved Digital Elevation Model.<sup>36</sup>

The task of restoring the technical information systems and maintaining the hydrological and sediment monitoring infrastructure and processes are now a high priority for MRC. Australia very recently announced a contribution of \$0.4 M to assist with this issue.

## **3.2 Initiative for Sustainable Hydropower (ISH) Programme 2011-2014**

### **3.2.1 2010-2015 Activities**

In November 2007, Finland committed funds to help the MRC assist the MCs with sustainability-related aspects of their hydropower planning, as envisaged in the MRC Hydropower Programme Concept Paper in 2005. But the approval did not occur until July 2009 and funds were spent before the end of 2010. The commitment was extended to 2014 as a cross-cutting initiative working with and through other MRC Programmes to help MRC Member Countries collectively place decisions about hydropower management and development in a river basin perspective, framed by IWRM principles. The ISH was also intended to play a leading role in facilitating MRCS technical exchange with China on common interests.<sup>37</sup>

For the 2011-2014 phase of ISH, Finland committed \$3.676 M, or 42% of the total \$8.8M budget for ISH.<sup>38</sup> The programme objective was “to enable MRC to help Member Countries better integrate decisions about hydropower management and development with basin-wide integrated water resource management (IWRM) perspectives, through the established MRC

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<sup>34</sup> MRC, Mid Term Review of MRC Strategic Plan 2016-2020, 2019, p. 21.

<sup>35</sup> MRCS, Review of the Decentralisation of Core River Basin Management Function Activities, 22 February 2019, p.1.

<sup>36</sup> MRC, Draft Minutes of Meeting, Gathering workshop for forecaster and data sender, RFMMC, Phnom Penh, Cambodia 27 March 2019.

<sup>37</sup> MRCS, Project Completion Report, Agreement on Government of Finland Support for the MRC Contribution to the Hydropower Programme Reformulated as the MRC Initiative on Sustainable Hydropower (ISH) 2008-2010, December 2010.

<sup>38</sup> Final contribution was stated as \$3.52 M in the ISH Completion Report. Variations in numbers are due to differences in EUR-USD exchange rates at different times.

mechanisms and national planning systems, consistent with the 1995 Mekong Agreement". This was an ambitious challenge. ISH outputs were aimed at responding to the MRC vision of sustainable development, related contributions to the Millennium Development Goals of Member Countries, and the decision by the MRC Member Countries to use IWRM based approaches for basin planning and management.

Technical capacities were improved in hydropower sustainability assessment, dam safety and monitoring, data and information systems as well as drawing lessons from the growing pool of regional and international good practice related to sustainable hydropower considerations. New guidelines and tools were developed, including "Guidelines on multi-purpose evaluation of hydropower reservoirs" which provided support for optimising the planning of hydropower development portfolios, and a twelve-step process for assessing options on Benefit Sharing Mechanisms. The ISH Annual Report on Outcomes (2014) summarized the results over the previous five-year period:

**Outcome 1: Awareness Raising, Dialogue, and Partnerships** – ISH activities focused on and promoted two important key drivers: (i) the involvement of interested and affected people as partners in development decisions, and (ii) the implementation and dissemination of studies through national and regional workshops. ISH directly sponsored two Forums in 2015: On "*Fish and Hydropower*" and "*Sustainable Hydropower Planning*".

**Outcome 2: Capacity Building and Knowledge Base Support** - Substantial progress was reported on the improvements of the knowledge base required for hydropower planning and management. The update of the hydropower project database commenced in 2012 and made available at the MRC Data Portal. The ISH study on "Improved environmental and socioeconomic baseline information for hydropower planning" commenced in November 2012 with a multi-disciplinary team of experts that covered all technical disciplines, including economics, social aspects, fisheries, hydrology, water quality and sediments, and hydrobiology. Over the five years of the ISH programme, over 80 workshops, meetings or training sessions were held with 2500-2700 contact days with regional government officials and local stakeholders and academics.

**Outcome 3: Incorporating Sustainable Hydropower Practices in Regional Planning and Regulations** – ISH commissioned literature reviews and studies on a range of topics including key focus areas of sediment and fish. These studies constituted a significant push to close some important knowledge gaps. ISH developed "Guidelines on multi-purpose evaluation of hydropower reservoirs" which sought to support the relevant Member Country agencies in optimising the planning of hydropower development portfolios. At the final regional meeting on the Guidelines in November 2015, the participants were asked to consider the usefulness of the approach and the applicability of the approach to their national context. 100% described them as very useful for their government or department.

**Outcome 4: Implement Assessment Tools and Design Guidelines** - A twelve-step process was used to explore options for Benefit Sharing Mechanisms (BSM) in each Member Country. A

Regional Synthesis Paper was finalised and discussed at a regional workshop in April 2014. International speakers shared experiences on the implementation of national to local benefit sharing mechanisms globally. The *Rapid Basin-Wide Hydropower Sustainability Assessment Tool*. As set out in the approved Basin Development Strategy, the intention was to deploy the RSAT on targeted basins in the LMB. The RSAT version 4 was finalised and discussed with NMCs at national and regional consultations and made available on the ISH webpage.

During the 2010-2015 period, ISH assisted Member Countries in implementing the agreed Procedure for Notification, Prior Consultation and Agreement (PNPCA) for Xayabury hydropower project and Don Sahong hydropower project. Valuable experience was learned by stakeholders for the first time on the PNPCA on the Mekong mainstream Xayabury hydropower projects. Major works of ISH have also contributed to The Council Study.

Finland, Germany, Belgium and Luxemburg supported ISH for the 2011-2015 period. The key hypotheses that underpinned the project's work is that through specialist and organisational consultancy services, financial contributions, technical training courses and specific on-the-job training for MRC and line agencies, technical capacities and communication skills of MRC in the field of sustainable hydropower development would be strengthened. An evaluation by GiZ rated the ISH technical cooperation relevance and efficiency as 'very successful', effectiveness and sustainability as 'successful', and impact as 'rather successful'.<sup>39</sup>

### **3.2.2 Post 2015 Status**

The ISH officially closed in 2015 (no Annual Report for that year). It was followed by the GiZfunded Sustainable Hydropower Development project (SHP). The work on SHD was integrated directly into the Strategic Plan and Annual Work Plan under different outcomes (i.e. studies, guidelines and strategies). The transition allowed for greater collaboration with MRC operations. The activities related to hydro power planned for 2016-2020 included:

- Design guidance for mainstream dams reviewed, updated and implementation supported;
- Sharing and learning of the application of best practice guidelines and tools to support the development and operation of water and related projects on the tributaries;
- Improving the effectiveness of MRC Procedures implementation;
- Procedures and associated technical guidelines reviewed and updated;
- MRC Joint Platform and working groups for MRC Procedures implementation supported.

In the process, to engage the private sector companies and consulting firms as well as broader stakeholders in the development and implementation of assessment, guidelines and

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<sup>39</sup> Deutsche Gesellschaft für Internationale Zusammenarbeit (GIZ) GmbH, project Evaluation Summary Report, Sustainable Hydropower in the Mekong Basin, 2016.

strategies through: Regional Stakeholder Platform, especially the mechanism of specific working group for private sector. Finally, as with other water and related developments, the positive and adverse impacts of hydropower development will be monitored and reported through the State of the Basin Report based on MRC Indicator Framework and through the arrangements for Joint monitoring of projects on the mainstream Mekong.

### **3.3 Water Management Trust Fund**

This fund was set up in August 2005 to provide strategic and flexible support to MRC programme development and implementation since MRC Council did not provide much flexibility and a complementary mechanism was needed. “The nature of the work of the MRC requires that it is able to respond with some flexibility to emerging demands and the need for formulating new projects and activities as new problem settings require to be addressed within the ongoing integrated programme. Only of that basis can the MRC Secretariat seek both approval and funding to address new problems in Integrated Water Resources Management in the Mekong region. The established programme funding mechanisms and the annual approval process through the MRC Council however do not provide for such flexibility.”<sup>40</sup>

The objective of the fund was to provide strategic and flexible support to MRC programme development and a facility for the MRC to develop and implement its programme responding to short-term demand of member countries in fulfilling its mandate in transboundary water resources management and development. The budget estimate for five years was \$5M but the actual budget for 2006-2010 was \$3M.<sup>41</sup> The amount funded by Finland was approximately 1.4M USD (based on 1 M EUR contribution).

At the beginning, the WMTF was co-financed by Finland, France and Denmark, but from 2010 Finland was the only active donor to this fund. The Fund was used to support a wide variety of activities – thirteen are listed, including MRC’s first Summit (in 2010), implementation of Strategic Plans, components for the MRC Council Study, studies the impacts of mainstream hydropower projects (during 2014 - 2015), and Mid-Term Review of the MRC Strategic Plan 2011-2015, and funding the Pre-Summit International Conference to the 2nd MRC Summit in 2014.

### **3.4 Junior Riparian Professionals Programme**

The objectives of the JRP were described in the 2016 evaluation of the programme:

“The project aims to provide professional advancement opportunities in IWRM in the context of Mekong Cooperation for young professionals from Mekong countries and dialogue partners, through a structured training programme and work assignments. It contributes

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<sup>40</sup> MRC, Funding the MRC Programmes 2006-2010: Programme Outlines, November 2006, p. 17.

<sup>41</sup> Ibid., 2006, p. 19.

directly to the strategic goals of the MRC, contributes to the riparianisation of the MRC and responds to the human resource development (HRD) needs identified in the ICBP.”<sup>42</sup>

The process for selecting candidates was through open applications and then interviews. Following the completion of the JRP programme, a Survey Questionnaire was sent in 2015 to all JRPs with valid e-mail addresses (88 of the total 111 JRPs); 77 of the graduates responded to the survey, and a report was finalised in 2016.

The survey demonstrated general satisfaction with the JRP Project as well as strong and uniform recommendation for continuing the project with new phases and recruiting more JRPs to further strengthen the capacity of young professionals in integrated water resources management in Mekong regional context. The JRPs were satisfied with what they have learned and gained from the project and their immediate principals have expressed satisfaction with the JRPs’ essentially improved performance after returning to their workplace.

The documents and interviews that were reviewed by the evaluation team indicated that the JRP programme successfully trained a total of 116 JRP graduates. JRP was highly relevant to national needs for developing capacity for young water resources professionals. It had a very significant effect and impact in developing personal and professional skills. Its relevance was particularly highlighted at the time of MRC decentralization of activities. The JRP Programme also established successful cooperation with the MRC dialogue partner countries. They sent 10 JRPs to MRCS in 2011-2014, 6 from China and 4 from Myanmar. The Chinese and Burmese JRPs expressed high satisfaction with the training they received.

The JRP study in 2016 indicated that there was general satisfaction with the JRP programme and a strong and uniform recommendation to continue the project with new phases and recruit more JRPs to further strengthen the capacity of young professionals in integrated water resources management in Mekong regional context.<sup>43</sup> One of the most welcome outcomes of the JRP Project was that the JRPs continue, almost without exception, to be working within their Mekong water management profession.

The current evaluation also carried out a survey of JRPs in March 2019 (using Survey Monkey), obtaining inputs from 22 of 88 ex-JRPs who were emailed. (A 25% response rate is reasonable so long after the period of service). The survey found that 19 of the respondents had worked as JRPs during the 2010-2015 evaluation period.

While most of the respondents were based in the MRC in Laos, there were others in the programmes in Cambodia, Vietnam and Thailand. The answers demonstrated a wide range of assignments and job skills learned, including topics such as transboundary environmental

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<sup>42</sup> MRC, Junior Riparian Professional Project Evaluation Study. Final Report, 2016, p.14

<sup>43</sup> The evaluation was completed by Juha Sarkkula, Le Thi Thu Huong and Soytaivanh Mienmany for the MRC and reported in February 2016.

impact assessment, IT for flood forecasting, fish ladder technology, strategy development, GIS, etc.

In comparison to the 2016 survey, there was very little variation in the responses, but it should be noted that those who responded after this period of time were likely those who most felt the positives from their experience.

Figures 3 – 7 illustrate the findings from some of the questions asked in the 2019 survey.

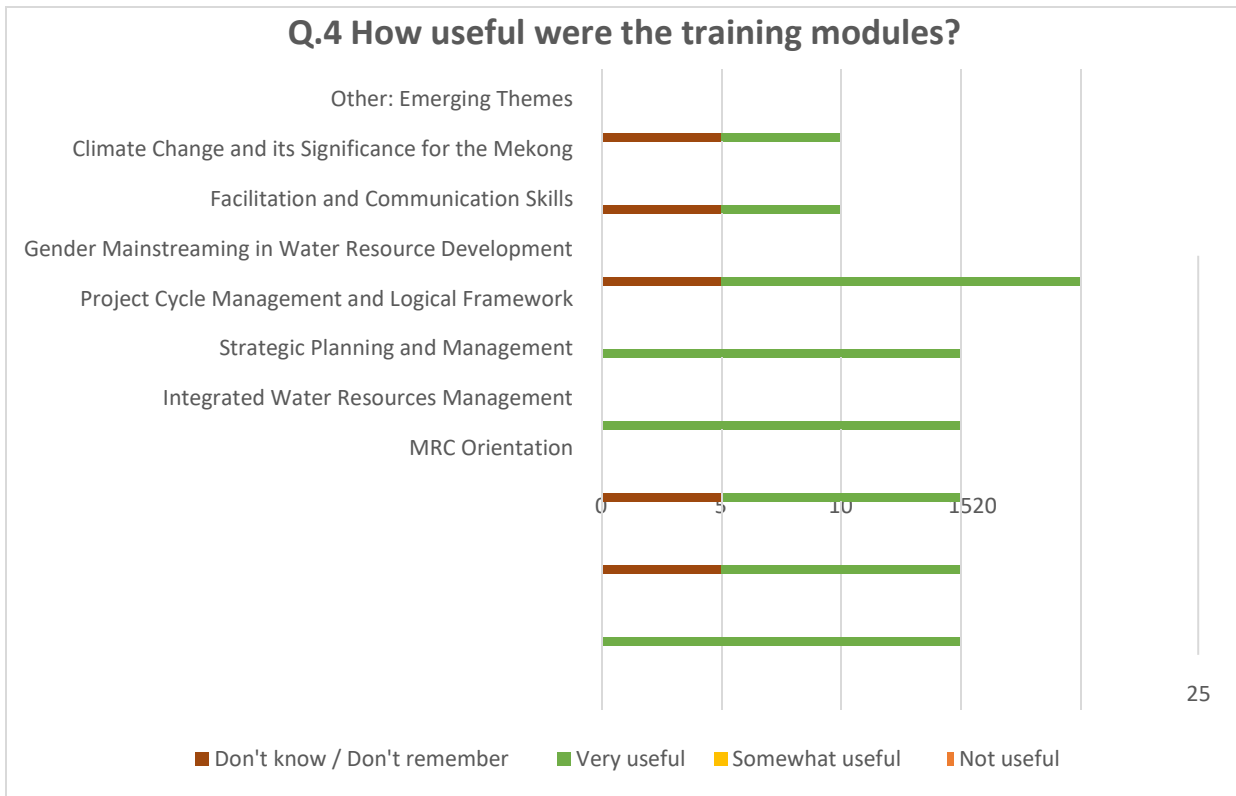


Figure 3: Training usefulness

As can be seen here, 'Very useful' is by far the highest scoring answer. The only complaints made by the respondents were that the programme was too short.

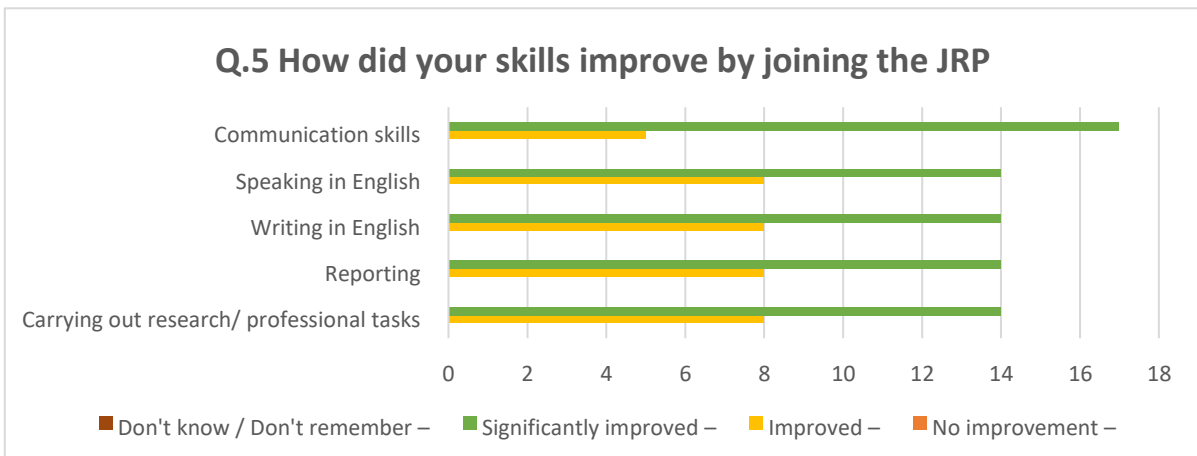
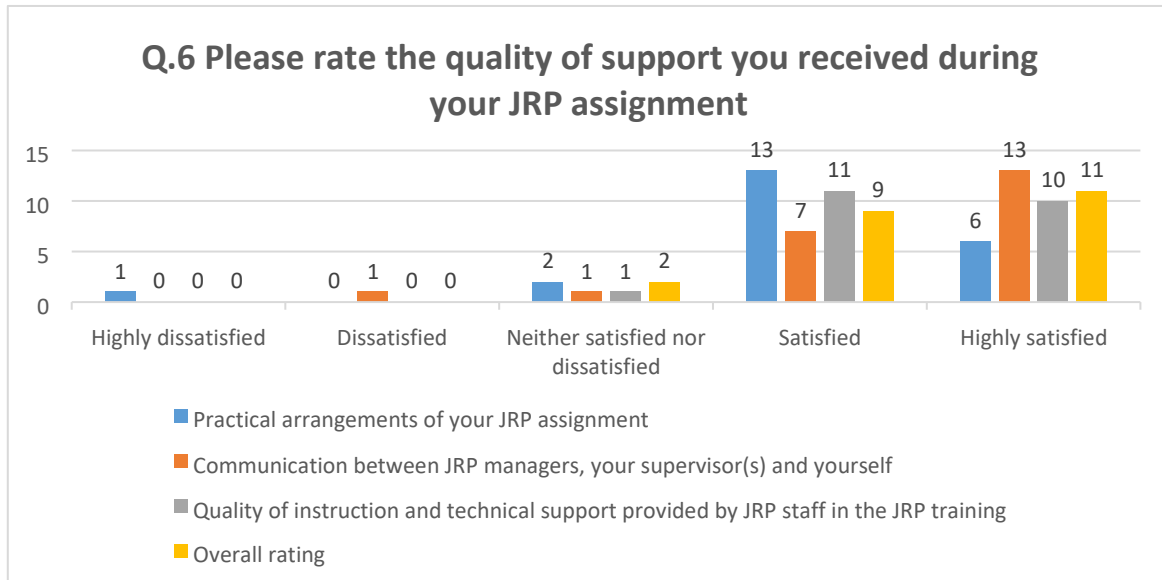


Figure 4: Skills improvements

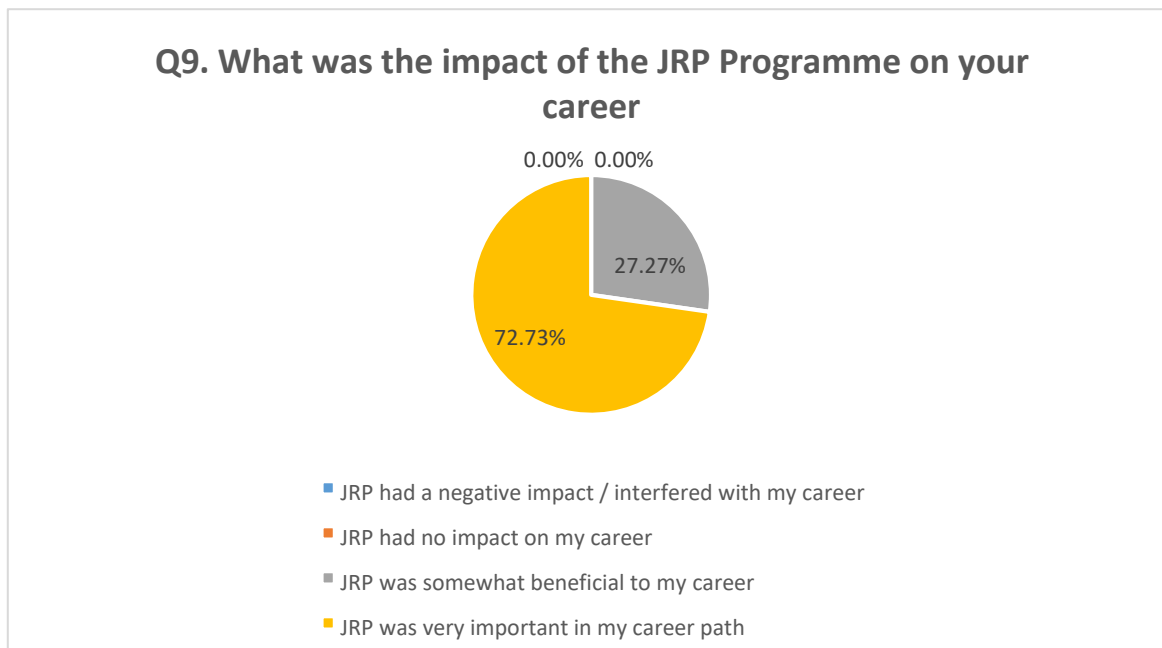


Skills improved, in many cases significantly. In particular, English language, and research and reporting skills were highly valued. Some referred to their own attitudes changing and opening up to other world views, as well as have much improved networking abilities, and a better understanding of the social, environmental and economic situation of the Mekong region as a whole.



**Figure 5: Quality of support**

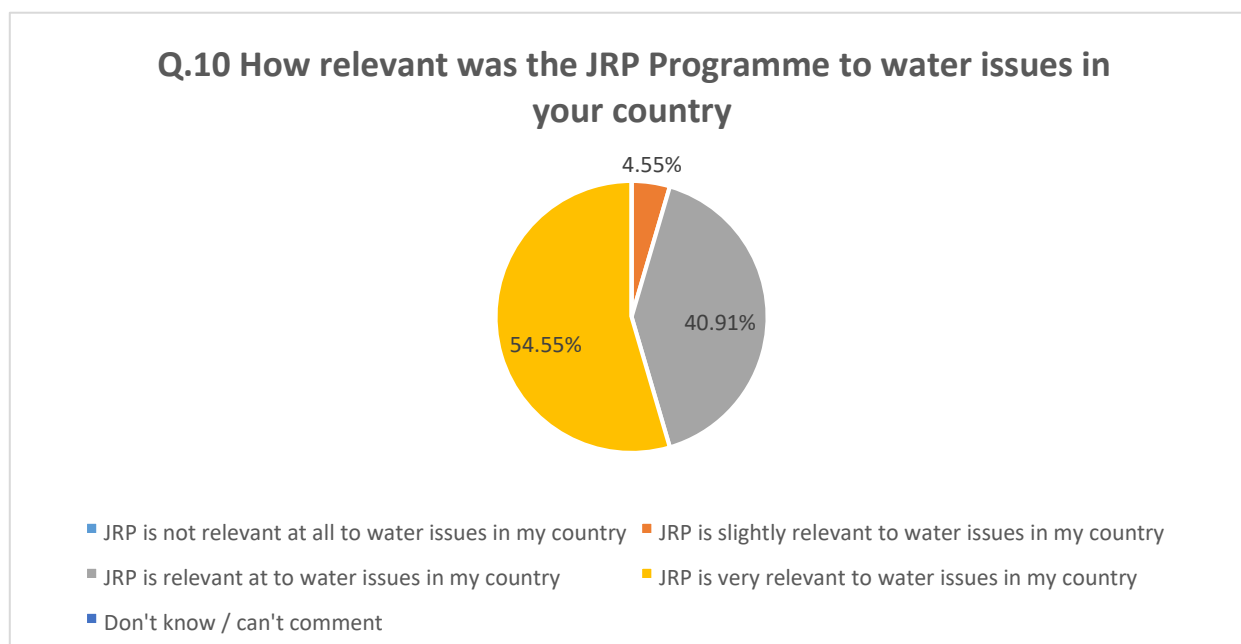
The responses indicate that the practical arrangements were on the whole, successful.



**Figure 6: Career impact**

More than 70% scored the impact on their career as very important. Some noted that they had been awarded scholarships for further international study based on the skills they

developed as JRPs. Others commented that they have been promoted and offered high level roles.



**Figure 7: JRP country relevance**

Over 90% of respondents considered the JRP experience relevant or very relevant to water issues in their country of origin. Other questions were about when they had done the JRP and for how long, what was their post, where they had done their JRP, what professional role they have been doing since the JRP and any specific skills and knowledge learnt during the JRP that they are using now.

In order to illustrate the qualitative responses, we include here some interesting quotes from respondents (without names):

*“JRP programme enhanced my English skills and improve my professional knowledge regarding transboundary water management. I got passion from JRP to continue my Master Degree in water conflict management in the Netherlands”*

*“JRP has changed me forever which it opens my point of view to worldwide, increasing of professional network which it is very useful for my career”*

*“After JRP I received a scholarship to study my master degree in overseas. Without the experience from JRP program my application may not successful. Thanks for the program. I am so proud to be a part of the capacity building program of the MRC.”*

*“Background knowledge about transboundary water management especially Mekong River that I could better understanding about nature of international rivers in other regions of the world.”*

*“I have gained many skills from JRP such as English communication, planning, water resources management, reporting, point of view and etc. However, I can say that English*

*is the key success of my career because it is window of communication to worldwide and makes me has stronger professional network”*

Again, the results were hugely positive, reinforcing the impression that the JRP was a success for its participants.

## 4. Evaluation Findings

### 4.1 Relevance

The Mekong River water resources are central to the provision of livelihoods, food security and development in the Lower Mekong Basin and this places MRC at the forefront in balancing development pressures with environmental protection. The MRC programmes funded by Government of Finland have been directly relevant to sustainable development policies and decisions in the region. Finland was the lead financial and technical partner in the 2010-2015 period and prominent in establishing the modelling systems. The IKMP especially had strategic importance in framing the IWRM approach. The MRC information and knowledge support system developed by IKMP is still seen as a central platform for fulfilling the commitment to sustainable use of water and related resources in the basin and together with the IWRM modelling and decision support tools.

The MRC support is consistent with Finland's long history of involvement in rivers. The *Helsinki Rules* on the Uses of the Waters of International Rivers were adopted by the International Law Association (ILA) in August 1966 as international guidelines on how rivers and their connected groundwaters that cross national boundaries may be used. Finland also played an important role in supporting the UNECE convention on water – ‘Helsinki Convention’ in 1992. Finland's Mekong regional development cooperation had started in 1957 with the establishment of the Mekong Committee, which evolved into the MRC. An emphasis was placed on MRC developing a stronger governance role and the potential value-added of Finnish cooperation.<sup>44</sup> Finland's development policy in Asia in 2010 more specifically focussed on regional cooperation in fields where Finland has expertise, particularly environmental management, forests, rural development, and the sustainable use of water and natural resources.<sup>46</sup>

Finland also supported long term bilateral projects in the region in forestry, agriculture and rural development, water supply and sanitation, land use planning and administration, renewable energy, and environmental management sectors, all of which had important linkages to the MRC activities. The *Energy and Environment Partnership Programme with the Mekong Region* (2009-2019), which included support to MRC, had the aim to improve the use of renewable energy and to reduce greenhouse gas emissions in the Mekong region.

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<sup>44</sup> MFA, Ex-Ante Evaluation of Finnish Development Cooperation in the Mekong Region, Oct. 2005. <sup>46</sup> MFA, Finnish Development Cooperation, 2010, p. 51.

The 2009 strategy for Finland's water sector referenced regional cooperation in the Mekong River Basin including Support to the Mekong River Commission, Mekong Environmental Programme, Support for dialogue on water in the Mekong region (IUCN) and Tonle Sap poverty reduction project. It identified thematic priorities related to:

- An integrated approach to water resource management;
- Developing water institutions;
- The impact of climate change on water systems and climate change adaptation;
- The protection and restoration of river systems, including issues relating to water quality and;
- Security issues relating to water, for example, transboundary water bodies and their joint management.<sup>45</sup>

The MRC Goals for 2011-2015 were to (a) support the implementation of the IWRM-based Basin Development Strategy to address the urgent needs and priorities for the integrated management of water and related resources of the Mekong River Basin towards 2030; and (b) transition towards the implementation of the MRC core functions and increased Member Country contributions to the delivery of these tasks. A key emphasis was to manage the gradual transition of the MRC so that, beginning in 2011 and gradually over the next 20 years, the MRC Member Countries would directly implement and finance certain core functions. This was a significant change toward a more MC-focused approach with a common focus on core functions, and new working arrangements and structured cooperation.<sup>48</sup>

Relevance has been a key issue for the MRC in the context of responsibilities under the 1995 Mekong Agreement. The MRC's role was tested in the Xayaburi project review process where some observers suggested that MRC responsibilities had been sidelined by national interests. The review by Danida in 2013, for example, raised basic questions regarding the relevance of MRC in relation to mainstream hydropower projects and the number of core functions being 'riparianized' (transferred to MCs) at the cost of trans-boundary management. The interviews in 2019 however, suggested that improved working relationships between MRCS, MCs and national counterparts, and the development process and organisational reforms have since enhanced their meaningful role in serving as a key technical advisor in major water resource development decision processes but future uncertainties continue regarding this role (see the recent MTR).

The 2010-2015 Finland support for MRC was clearly consistent with Finland's priorities at the time and the MRC strategy in shifting to greater country ownership. The interaction between MRCS and MC technical staff in IKMP and ISH and the JRP programme was particularly relevant for the decentralisation process. The regional dimension of the JRP network, for example, was

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<sup>45</sup> MFA, MoA&F, MoE, International Strategy for Finland's Water Sector, 2009 p.12

<sup>48</sup> MRC Strategic Plan 2011-2015, p. xxiv

warmly welcomed due to its obvious cohesion, good internal relations and wide coverage of professional thematic groups.

## **4.2 Development Impact**

Previous reviews of MRC (Annex 5) referred to the tangible outputs for decision making that came from the Finland-supported programmes. The influence of IKMP and ISH on development decisions is most notable by refinements to the PNPCA process and changes in the Xayaburi hydroelectric design scheme that came after extensive assessment including the SEA report and other impact assessment led by MRCS, and by the subsequent MRC-developed hydropower planning and assessment tools. The updated Hydropower Mitigation Guidelines have promoted awareness and presented methodologies to design measures to avoid or mitigate adverse impacts. The various modelling tools have provided technical procedures for hydroelectric planning and there is also a new recognition of the broader national energy strategies needed to address sustainable development across the region.

The interviews acknowledged the increased appreciation of the importance of the hydro-met monitoring network for flood and drought forecasting, and growing recognition of the alteration of the natural hydrograph due to dam impoundments that dramatically change the flow regime and complicate the monitoring system. This increases the importance of designing operating rules that take into account downstream impacts. It was noted that: "MRC modelling team also provided important analysis of climate change. The most important information that the models generate is understanding the river hydrograph – the daily river flow regime today and in the coming years, maybe 50 years ahead. This information is used to predict the volume of water resources and likelihood of catastrophic floods or droughts. The models also predict the impact of climate change on crop yields and food balance."<sup>46</sup> However, it was also noted in the Final Review of IKMP that CCAI had not yet conducted knowledge transfer for the SIMCLIM model.<sup>47</sup>

The completion report for the ISH programme states that the financial contributions from GIZ, Finland and Belgium were extremely critical in development of the Member Countries' human resources skills and knowledge, governance and capacity to apply international standards for sustainable hydropower planning and management. For example, the Preliminary Design Guidance (PDG) for mainstream dams was used as a key standard for evaluating the ability of mainstream dams to meet a Member Country's obligations under the 1995 Mekong Agreement to "avoid, minimise or mitigate" impacts from development (see Xayaburi and Don Sahong projects). This is consistent with views presented in the interviews. But along with this perspective, there have also been disappointments in civil society organisations that MRC's technical inputs have not been sufficient to delay hydroelectric development pending more comprehensive monitoring and analysis. The ISH programme, now SHP, has been instrumental in both improving consideration of the technical knowledge and providing a structured

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<sup>46</sup> MRCS, Mid-Term Review of the MRC Programmes, Climate Change and Adaptation Initiative, April 2014, p. v

<sup>47</sup> Final Review Information and Knowledge Management Programme 2011 to 2015, 30 June 2016, p. 34

process with MCs, and to a less extent civil society, for dialogue and analyses within a highly politicized situation. Nevertheless, significant concerns remain about the impacts of many more planned hydropower projects.

According to the evaluation respondents, compared to 2010, there is much greater recognition of the importance of the real-time monitoring of river conditions. Further hydroelectric power proposals will be drawing upon the methodologies and databases developed at MRC and MCs are better prepared to address the issues, notwithstanding many capacity constraints. The development impacts of Finland's assistance have also led to greater emphasis on adaptive environmental management processes in the face of development and climate change uncertainties and risks.

Finland's support was critical to developing the technical and outreach functions on MRCS, although the need for longer term, systemic capacity development of MC water agencies was also highlighted. Impacts at the policy and institutional levels towards sustainable water management are less apparent. The barriers to use of available MRC tools and datasets are still being identified. The most conspicuous progress has been on the updating of PNPCA process which has facilitated better trans-boundary dialogue on hydropower development. ISH/SHP forums and active Finland participation in the Development Partners Committee and support for civil society input also contributed incrementally to awareness-raising and informed dialogue. But the IWRM and hydropower development policies of MCs still remain under development with only limited evidence of significant change. Governance reforms and institutional capacity development may be preconditions to the necessary change. Policy development for Mekong River water resources in context with national aspirations and hydropower development priorities is a gradual process to which technical assistance on IWRM and sustainable development can only contribute so much.

### **4.3 Effectiveness**

The interviews highlighted the significant achievements of each of the Finland-funded programmes. The IKMP results are associated with the early funding on use of the WUP-FIN model in the Water Utilisation Programme and later expansion of the modelling systems as part of the MRC water management Toolkit, the development of the technical support and information systems within MRC, the technical assistance to the River Flood Monitoring and Mitigation services, and for the preparation of MRC's Regional Climate Change and Adaptation Strategy.

Table 1 summarises Key Results from the four Finland-funded programmes. IKMP developed the extensive hydrological and hydro-meteorological monitoring network, the modelling and other analytical tools under the Decision Support Framework and the preliminary set up of an information system and knowledge hub to serve MRC and MCs. It has enhanced capacities in MCs, although perhaps not to the extent anticipated, and with some sustainability challenges.

**Table 1: Qualitative Analysis of Key Results and Costs of Finland-funded programmes**

Expected Outcomes	Costs	Direct Results reported	Indirect Results/Impacts
<p><b>IKMP</b></p> <p>□ Accurate and timely data, information and knowledge to effectively support MRC programmes, NMCS and relevant line agencies on the development and management of water and related resources in Mekong Basin</p>	<p>\$16,516,230</p> <p>Finland: \$9,578,595 (7,267,146 EUR)</p> <p>(included 192,394 USD for WUP-FIN modelling)</p>	<ul style="list-style-type: none"> <li>• Development and processes to maintain &amp; operate the basin wide hydro-meteorological network</li> <li>• Protocols for flow, sediment, groundwater and water quality monitoring</li> <li>• Initial development of the MRC Information System and datasets with quality control and quality assurance procedures, and storage and management in a MRC Master Catalogue.</li> <li>• MRC Toolbox and related modelling services for planning, forecasting and impact assessment software and applications to enable comprehensive and rigorous analyses and assessments</li> <li>• Transboundary Water Resources Management Knowledge Hub, internet-based <i>Mekong Info</i> and MRC portal initial development</li> </ul>	<ul style="list-style-type: none"> <li>• Modelling systems and DSF tools have been introduced in MC departments</li> <li>• IKMP, Council Study, CCAI and FMMP modelling and analyses incrementally improved MC development decision processes</li> <li>• DSF success depends on capacity in MCs and quality of input data which varies with country</li> <li>• Extent of DSF tools use currently unknown (see MTR report 2019)</li> <li>• Information systems development not fully completed</li> <li>• Monitoring systems not fully maintained by MCs after decentralisation</li> </ul>
<p><b>ISH</b></p> <p>□ Decisions on hydropower placed in a river basin planning/management perspective through IWRM, and MRC and key stakeholders cooperate to bring sustainable hydropower considerations into the planning and regulatory frameworks of MCs and into project-level hydropower planning, preparation, design, implementation and operation practices.</p>	<p>\$8,670,850</p> <p>Finland: \$3,520,562 (2,954,483 EUR)</p>	<ul style="list-style-type: none"> <li>• MCs and stakeholders with increased awareness of sustainable hydropower practices</li> <li>• Improved dialogue among the key stakeholder interests and updated Notification Procedures</li> <li>• Enhanced technical capacities in hydropower sustainability assessment, dam safety and monitoring, data and information systems</li> <li>• Guidelines for mitigating adverse impacts of hydroelectric projects</li> <li>• The implementation and dissemination of studies through national and regional workshops.</li> <li>• Introduction of innovative financing mechanisms to promote sustainability in hydropower project such as the Benefit Sharing Options</li> </ul>	<ul style="list-style-type: none"> <li>• Expanded recognition of hydropower sustainability issues and ecosystem, social and economic effects of development</li> <li>• Improved tools, processes and relations for technical assessment of hydropower proposals beginning to influence the quality of policy inputs</li> <li>• Long term advances in technical and procedural systems for hydropower proposal review and decision making</li> <li>• Greater acceptance of the role of NGOs and civil society in water resources decision making</li> <li>• Initial collaboration with upstream MekongLancang Cooperation program in China</li> </ul>

<p><b>WMTF</b></p> <p>☐ Strategic support to MRC and</p>	<p>\$1,152,741 plus 650,400 for The</p>	<ul style="list-style-type: none"> <li>• MRC first Summit (in 2010)</li> <li>• Implementation of SP 2011-2015 (during 2011 - 2012)</li> </ul>	<p>☐ Established the precedence for high level MRC summits</p>
<p>response to short-term demands of member countries in fulfilling its mandate in trans-boundary water resources management and development</p>	<p>Council Study</p> <p>Finland (100%; 1M EUR)</p>	<ul style="list-style-type: none"> <li>• Formulation of Agriculture &amp; Irrigation document (in 2011)</li> <li>• Contribute to MRC Council Study (during 2014 - 2015)</li> <li>• Mid-Term Review of the MRC Strategic Plan 2011-2015 (during 2013 - 2014)</li> <li>• Support to initiate the preparation for the MRC Strategic Plan for 2016-2020 (during 2014 - 2015)</li> <li>• Pre-Summit International Conference to the 2nd MRC Summit (in 2014)</li> </ul>	<p>☐ Council Study work provided enhanced understanding of hydropower development issues and impacts</p>
<p><b>JRP</b></p> <p>☐ Careers in IWRM for young professionals from Mekong countries and dialogue partners, through a structured training programme and work assignments</p>	<p>1,300,000 approximately</p> <p>Finland 1 M EUR</p>	<ul style="list-style-type: none"> <li>• 116 Junior Professionals recruited and 111 trained in three phases (2002-06; 2008-11; 2011-15)</li> <li>• Training plans and methods established for future capacity development</li> </ul>	<ul style="list-style-type: none"> <li>• Many graduates remained in water resources field</li> <li>• Incremental improvement in staff skills in the MCs and dialogue countries</li> <li>• JRP graduates serve as ambassadors for MRC endeavours in their home countries</li> </ul>

ISH provided significant and timely analyses and advice for hydroelectric development proposals. The results/impacts included expanded recognition of sustainability issues and effects of hydropower development, improved dialogue, advances in technical and procedural systems for proposal review, and some acceptance of the role of NGOs and civil society in decision making.

WMTF provided strategic support for specific needs. The main contribution was to provide funds for particular needs that could not be funded under existing programmes.

JRP provided the selected young professionals with one-month intensive training courses and an on-the-job training assignment of 4-10 months with MRC programmes, as well as English language training.

Further discussions of these results are presented below and value for money aspects are discussed in Section 4.7 Aid Effectiveness.



The final state of IKMP implementation was summarised in 2016, concluding that the programme was maintaining important monitoring, data and knowledge management and modelling functions except for the sediment and ground water monitoring activities, but that staff resources appeared to be insufficient, urgent measures were needed for secure IKMP functionality, and although independent capacity to maintain the monitoring network was at least partially achieved there were large risks in the future when the countries take over fully the monitoring network. In addition, the Knowledge Hub suffered from delays and lack of human resources.<sup>48</sup>

The evaluation interviews noted the importance of IKMP to support MRC core functions. The overall results were positive, but there were some lessons in programme delivery. The final review of IKMP, for example, rated programme management, river monitoring, formation systems and modelling activities as “likely to be achieved/partly achieved”, while the learning centre and knowledge hub rated lower due to lack of resources and limited use of the tools. It noted that the main constraint has been that the MRC strategy was not focussed enough on cross-sectoral, integrated and IWRM based modelling which is more and more in demand due to rapid Mekong water resources development. There were also constraints in obtaining necessary up-to-date data. On the other hand, the Council Study in 2015 employed all MRC Toolbox models and specifically those focusing on environmental and socio-economic indicators.<sup>49</sup>

The ISH studies and activities enabled the MRC to increase awareness and methodologies related to sustainable hydropower practices as well as to increase dialogue among the key stakeholder interests and partnerships, improve technical capacities, draw lessons from knowledge of good practice, test hydropower sustainability assessment tools, explore innovative financing and benefit-sharing options, promote cooperation with China, and broaden the stakeholder and gender equity consultations.<sup>50</sup>

The ISH programme was important and controversial because it drew attention to the major public and international concerns about dams on the Mekong mainstream and provided impact assessments and models that predicted potential effects, identified information gaps and offered advice on strategies to mitigate such effects. The programme also catalysed a process to clarify and refine MRC’s role in brokering the balancing of conservation and development which still continues today. It also updated important PNPCA procedures for project prior notification and consultation. The positive views of MRC’s effectiveness are tempered by the fact that they have had less resources to achieve planned outputs (see recent MTR), that decentralisation has affected sustainability, and that some NGOs feel that MRC has not been an adequate advocate for sustainable development and environmental protection.

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<sup>48</sup> MRCS, Final Review Information and Knowledge Management Programme 2011 to 2015, 30 June 2016 p. 21

<sup>49</sup> Final Review Information and Knowledge Management Programme 2011 to 2015, 30 June 2016

<sup>50</sup> MRCS, Initiative for Sustainable Hydropower Completion Report 2011-2015, 10 May 2016, p.5

The long term capacity and ability of MRC to guide water resource development in the face of rapid development pressures remains in question.

The JRP programme has clearly achieved its objectives, based on participant and observer responses. It also enhanced cooperation with MRC dialogue countries (China, Myanmar). They sent 10 JRPs to MRCS in 2011-2014, 6 from China and 4 from Myanmar. The China and Myanmar JRPs expressed high satisfaction with the training they received. They were mainly from governmental planning and research institutions, with expertise on hydropower, river dynamics and sediments, flood forecasting, river bank erosion and protection, soil erosion and climate change. Their supervisors at the MRCS gave high scoring on their training result.

WMTF provided the ability to respond to short term needs of MRC and MCs including transboundary consultations between MCs, programme development and evaluations, and The Council Study preparations.

#### **4.4 Efficiency**

The programme documents indicate that there were efficiency issues in programme delivery, mostly related to delays in coordinating involvement or responses from the many participants, difficult decisions affecting development trade-offs between countries, limitations in water resources management capacity, and problems in staff recruitment and programme funding.

The operational constraints were considered significant at the time. There were human resource issues. Out of the 19 main IKMP positions, 8 were delayed or compromised due to problems in recruitment<sup>51</sup>, funding<sup>52</sup> and staff management. The recruitment of four Associate Riparian Modellers was delayed for a particularly long time.<sup>53</sup> These positions are important for the countries for development of modelling capacity building.

Efficiency issues were reported in the IKMP implementation. There was significant work overload for staff. The ad hoc service requests proved to be problematic. The staff responded either by working overtime without compensation or doing what they could under normal working hours. Key modellers left MRC because of the maximum 6-year work restriction. MRC had to address the problem by hiring the modellers as consultants. Other weaknesses included a lack of top-level vision for each individual place and purpose in the organization, and the monitoring network delays in HYCOS station repairs, intermittent sediment monitoring, delayed groundwater monitoring and insufficient number of meteorological stations.<sup>54</sup>

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<sup>51</sup> The 2013 annual report stated that “Most of the positions under IKMP were fulfilled however 8 positions are being recruited”. (2013 SOR1)

<sup>52</sup> Finland ceased funding the Modelling Advisor in 2012.

<sup>53</sup> IKMP started to host 4 Associate riparian modellers in 2013. (2013 SOR1)

<sup>54</sup> MRCS, Completion Report, Information and Knowledge Management Programme 2007 to 2015, 30 June 2016, p. 16 and 28. <sup>58</sup> Ibid., 2016, p.10

It was also stated that “use of the integrated modelling tools has gained traction during 2015 in connection with the Council Study but their use needs to be consolidated in the future for environmental and socio-economic assessment work.”<sup>58</sup> The challenges in the IKMP programme included difficulties in recruiting and retaining professional staff, the lack of sufficient funding and ownership/sustainability of the sediment monitoring project, and high dependence on short-term consultancies.<sup>55</sup> The mid-term review of CCAI also noted the delays in planned outputs and the high dependence on overloaded staff from IKMP to provide expected modelling inputs on climate change and adaptation.

The challenges in the ISH programme included some difficulties in coordinating with other MRCS programmes, capacities and delays in appointing new staff, long delays in obtaining inputs from MCs due to the time required for them to review draft documents and to have national discussions, and the preference of MCs to have individual consultants employed as advisors rather than consulting companies and concerns about insufficiently qualified consultants.<sup>60</sup>

ISH took an approach to allow MCs sufficient time to review the documents and have national dialogue. This resulted in delays that required extension of the GIZ and the Finnish financial support (No-Cost Extension) until the end of 2015. The mid-term review of ISH (2014) found outputs lagging behind schedule, recruitment constraints, a monitoring system with far too many vague indicators, and weak evidence of outcomes achievement. It noted the slow process to accept and apply in practice the ISH knowledge and tools. In contrast, the final completion report was complimentary, stating that the studies and activities increased awareness of sustainable hydropower practices as well as dialogue among the key stakeholder interests and partnerships. The interviews with stakeholders described how the level of dialogue and focus on technical considerations and cooperation on hydroelectric development has improved in the last few years, with greater appreciation of MRC’s technical data and advice, although major disagreements still exist between national development policies and environmental and other trade-offs related to mainstream dams.

The JRP training programme appears to have been implemented in an efficient way. The general satisfaction by the JRP participants and their positive evaluation responses during the training period supports this conclusion. In a couple of unlucky cases the JRP was not well received by the supervisor or the MRCS Programme. This led to these individuals missing important parts of the learning opportunities, social engagement and personal progress in communication and English proficiency. However, value for money from the JRP training was reflected in the high scores given by the NMC and LA managers and MRCS supervisors on the personal and professional progress of the JRPs.

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<sup>55</sup> MRC Work Programme, ‘Significant Problems Encountered and Corrective Actions Taken’ section of the annual reports for Information and Knowledge Management Programme in 2012, 2013, 2014 and 2015, MRCS. <sup>60</sup> MRC Work Programme, ‘Significant Problems Encountered and Corrective Actions Taken’ section of the annual reports for Initiative for Sustainable Hydropower in 2012, 2013, 2014 and 2015, MRCS.

## 4.5 Sustainability

The IKMP and ISH programmes of 2010-2015 have direct legacies in the current Technical Support Division (TSD) unit and SHP programme in the Planning Division. The post-2015 activities are discussed in the relevant section of the preceding chapter.

IKMP outputs have survived in a downsized organisation but the interviews indicated a decline in terms of reduced level of monitoring and technical support with smaller budgets, fewer staff and no international advisors. The IKMP support carried forward outputs from the program such as training on Water Utilisation Program – Finland (WUP-FIN) model for member countries as part of The Council Study in 2017.<sup>56</sup> The interviews suggested that the role of the MRC *Learning Centre and Knowledge Hub for Trans-boundary Water Resource Management* may not have become fully established before the downsizing reduced its potential. But it is also recognized that the intensive pressures on the water resources from development and climate change have accentuated the need for reliable data and use of the modelling and other technical inputs and practical tools developed in the previous era.

There have been obvious issues related to the maintenance of the hydro-met and HYCOS monitoring stations and data collection processes that were decentralised. The recent MTR calls for a more realistic approach to transitioning decentralization of core basin management functions. There is therefore some regret about the lack of sustainability attributes in the 2010-2015 IKMP monitoring programme and in the *Core River Basin Management Function Decentralisation: Regional Roadmap* (July 2012). It was suggested in a 2016 report, that the Technical Services Division did not have sufficient resources to meet the existing and future increasing service demands and that staff recruitment, knowledge transfer and capacity building needed to be addressed in order to maintain TSD functionality in the future.<sup>57</sup>

The Sustainable Hydropower program and the tools developed under the 2010-2015 Finlandfunded phase have also become an established part of current MRC activities. The Finlandfunded ISH work provided the initial basis for The Council Study which used a sequence of models to examine a set of water resource development scenarios which informed an analysis of six thematic sectors - Baseline water resource developments in 2007, Medium-term existing, under-construction, and firmly-committed water related developments in 2020, and Long-term planned development scenario of planned water developments in 2040. The study then assessed both positive and negative impacts of the water development scenarios on the Lower Mekong Basin, focusing on 15 km corridor on both sides of the Mekong mainstream, Tonle Sap area and Mekong delta.<sup>58</sup> The current work, funded by GiZ, is providing

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<sup>56</sup> <http://www.mrcmekong.org/assets/Uploads/Council-Study-briefs-August.pdf>

<sup>57</sup> MRCS, Completion Report, Information and Knowledge Management Programme 2007 to 2015, 30 June 2016, p. 10

<sup>58</sup> MRC, The Council Study on Sustainable Management and Development of the Mekong River including Impacts of Mainstream Hydropower Projects, Dec 2017

essential support on hydroelectric development including an updated set of Preliminary Design Guidelines (PDG) and a Hydropower Development Strategy.

The sustainability of the JRP Project training results was very good as the JRPs have continued, practically without exception, their professional careers in water management and related Mekong national and regional contexts. This fact was received with satisfaction by all stakeholders of the JRP. Continuing support was suggested by providing opportunities for continuing studies through scholarships as well as the further development of the internal communication and management of the network, in support of MRC knowledge and dialogue needs.

#### 4.6 Coherence

Programme coherence is defined for the purpose of this evaluation as “the extent to which components of MRC programmes and Finland’s regional Mekong programme operate jointly in an integrated manner to maximize overall results”.

There were references in the documents reviewed (Annex 5) to a lack of coordination between the previous 12 MRC programmes. Action was taken in the 2011-2015 Strategic Plan to strengthen the linkages between national and regional efforts: “to improve the linkages between the MRC programmes and Member Country agencies and prepare for decentralisation, the MRC will further explore existing and new institutional mechanisms for the implementation of the core River Basin Management Functions”.<sup>64</sup> The new focus on core functions and more integrated delivery of essential support services is reflected in MRC’s recent operations including in the MRC-MC cooperation on modelling and flood monitoring and mitigation services.

Finland’s five regional projects from the 2010-2015 period (MRC, ADB-CEP, IUCN, EEP Mekong, ForInfo) were assessed in terms of activity linkages with IKMP, ISH and JRP programmes, as outlined in Table 2 below.

**Table 2: Linkages between MRC support and other Finland regional programmes**

<b>Finlandfunded projects:</b>	<b>ADB’s Core Environmental Program, CEP/BCI 2006-2019</b>	<b>IUCN - Support for the Water Dialogue on the Mekong 2009-2013</b>	<b>Mekong Regional Energy and Environment Partnership Project 2009-2019</b>	<b>Mekong Regional Forestry Information Project (ForInfo) 2011-2015</b>
<b>Finland funding</b>	\$4.9M 2006-2012 \$18.9M 2005-2018 <sup>65</sup>	\$2.84 M (est) 2.2M EUR <sup>66</sup>	\$18 M (est) 14M EUR	\$ 2.58 M (est) 2M EUR

Programme/ Project aims:	to promote transboundary cooperation and regionally adopted high standards of environmental management to ensure sustainable growth. <sup>67</sup>	to improve water governance by facilitating transparent and inclusive decisionmaking to improve livelihood security, human and ecosystem health.	to increase access to sustainable, affordable and reliable energy through the deployment of clean energy application in Cambodia, Lao PDR,	to generate key information with communities so they can access markets with existing and new markets, like ecosystem services while utilizing their forests sustainably
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<sup>64</sup> MRC Strategic Plan 2011-2015, p. xxiv

<sup>65</sup> Table 3, ADB Independent Evaluation Dept., Core Environment Program and Biodiversity Conservation Corridors Initiative in the Mekong Subregion, *Performance Evaluation Report*, December 2018, p. 9.

<sup>66</sup> Robert Mather, Mekong Water Dialogues Final report (September 2010 –December 2014), June 2015, p.5

<sup>67</sup> “CEP-BCI also links fully with our priorities in the Mekong region by promoting transboundary cooperation and regionally adopted high standards of environmental management to ensure sustainable growth <https://www.adb.org/news/finland-commits-14-million-mekong-environment-program>

			Myanmar, Thailand and Vietnam.	and efficiently to achieve stability in their livelihoods.
IKMP	<i>no relevant linkages, although institutional collaboration between ember countries is a common concern</i>	<i>public discussion of the information on water resources, wetlands, environmental quality, floodplain management</i>	<i>no relevant linkages</i>	<i>watershed management associated with community forestry</i>
ISH	<i>no identified linkages; CEP is focussed on forestry and biodiversity corridors</i>	<i>public discussion of hydroelectric development proposals and advocacy with MRC</i>	<i>MRC advice on national energy strategy/policy as part of the hydroelectric development discussions</i>	<i>watershed management associated with community forestry</i>
JRP	<i>no relevant linkages</i>	<i>JRPs may have contributed to public dialogue</i>	<i>no relevant linkages</i>	<i>no relevant linkages</i>

The regional linkages are assessed as follows:

**ADB-CEP:** There were some apparent regional programme connections to the ADB CEP biodiversity corridors program but they were not identified in the evaluation interviews and no evidence of direct links was noted.<sup>59</sup> The regional programme connection was on building

<sup>59</sup> *An Ex-ante Evaluation of Finnish Development Cooperation in the Mekong Region* (MFA, 2005) recommended that Finland continue cooperation with both MRC and ADB, with a clear division of labour between the two agencies, which could provide for better and closer cooperation. “MRC’s potential is in its regulatory role, as a center of excellence on data and information, and as a development agency in identifying development needs and participating in pre-investment studies. ADB’s role as a development financing institution is clear and strong.

regional capacity and cooperation in mainstreaming environment in development sectors and activities. In an evaluation of ADB-CEP, it was noted that delayed and truncated release of funds from Finland created an unexpected funding shortfall that had an adverse impact on implementation of Phase 2.<sup>69</sup> The evaluation concluded that the program made progress in multisector and regional engagement with environmental assessment and management but did not achieve the expected level of results in regard to mainstreaming environment into country development. It would have benefited from a more robust results chain and more realistic indicators. Nevertheless, results were deemed 'likely sustainable' and the programme development impact was considered 'satisfactory'. The challenges of regional programme delivery and environmental mainstreaming at a national level were similar between ADB-CEP and MRC programmes.

**IUCN Water Dialogue:** The main connection across the Finland programme in the Mekong region was in the IUCN Water Dialogue project which had some inputs into the ISH programme in regard to public and NGO involvement in assessing impacts of hydropower development proposals and floodplain management. The Finland-funded Mekong Water Dialogues were built around a review of strategic plans of MRC, ADB and the World Bank. Results focussed on multi-stakeholder dialogues (e.g., Tonle Sap Cambodia) and National Working Groups assisting national water policy development, including the Lao Water Policy (2010-2020) and Water Strategy (2010-2015) and Ramsar wetlands designation and the Vietnam National Target Programme on Water and public hearings on flood management in Thailand.<sup>60</sup> The dialogues encouraged MRC to adopt a more structured approach to civil society engagement.

**EEP-Mekong:** The programme (Phase I 2009-2014) supported partial grant-based funding to project developers for feasibility studies and pilot and demonstration projects with the intention that the grants catalyze further public and private financing in renewable energy and energy efficiency investments in the region. Out of 432 proposals covering a variety of renewable energy sectors, including biofuel, biogas, biomass, energy efficiency/energy conservation, hydropower, solar, waste-to-energy, wind, and hybrid renewable energy projects, 39 projects received funding and 5 proved to be scalable, benefitting 50,000 people directly.<sup>61</sup>

**ForInfo:** The regional connection focused on supporting sustainable development in the forestry sector. The *Livelihood Improvement through Generation and Ownership of Forest Information by Local People in Products and Services Markets* project of RECOFTC seeks to improve rural people's ability to generate and use information about forest resources and contribute to poverty reduction, the sustainability of forests, global efforts to mitigate climate

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ADB has not been strong when expanding its activities to large environmental and other studies in the region."

<sup>69</sup> ADB, Independent Evaluation Dept., Core Environment Program and Biodiversity Conservation Corridors Initiative in the Mekong Subregion, *Performance Evaluation Report*, December 2018, p. xi.

<sup>60</sup> IUCN, *Water Vision to Action, Catalyzing Change through the IUCN Water and Nature Initiative*, Results Report, 2011, p. 21; and <https://www.iucn.org/content/public-hearings-thai-style>.

<sup>61</sup> <https://www.niras.com/development-consulting/projects/eep-mekong/>

change, and better abilities of communities to adapt to climate change in Cambodia, Lao PDR, Thailand, and Vietnam.<sup>62</sup>

No other direct connections could be found at an operational level, suggesting limited programmatic synergies amongst the Finland-funded projects.<sup>63</sup>

#### **4.7 Aid Effectiveness**

The effectiveness of donor support to MRC has been under routine scrutiny for many years including during the 2010-2015 period, as it has with many other international development programmes. This typically means more focus on accountable and transparent results that are mainstreamed into country systems in a participatory manner, coordinated with related development assistance and with a high level of beneficiaries' ownership.

Extensive reporting and regular programme review and evaluation has been a characteristic of MRC operations, along with very active donor participation and input. The 2011-2015 Strategic Plan argued that improved alignment and harmonisation of aid was reflected in the strengthened ownership of the MRC by its Member Countries and decreasing the reliance on the Development Partners by concentrating efforts on funding the core functions and a gradual move to financial sustainability. During the 2010-2015 period there were substantive criticisms of MRC effectiveness that led to the accelerated shift from individual programmes to core functions, some of which were to be decentralised.

Accountability and harmonization of support have been facilitated by active involvement of donors. Finland was a key participant in the Informal Development Partners meetings held at least twice a year, pushing for the decentralization roadmap, implementation of the Strategic Plan, greater oversight and financial management, enhanced commitment of MCs, stakeholder consultation, and a significant MRC role in hydropower and transboundary water resources diplomacy.<sup>64</sup> Finland's representatives were prominent and MFA took the unusual step of issuing a statement on their position on hydropower development:

“Like other donors, Finland is concerned about the planned, mainstream hydroelectric power plant on the Mekong, and emphasises the holistic, transparent and cautious progress of planning and impact assessment processes. Finland supports the role and

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<sup>62</sup> Her Excellency Ms. Sirpa Mäenpää, Finnish Ambassador to Thailand, 16 March 2011, “The support to ForInfo is highly relevant to the Finnish Development Policy in the forestry sector in the ways that ForInfo aims to contribute to poverty reduction and is essentially about the empowerment of local people to take their place in the global knowledge marketplace. Generating, managing, and owning data at the village level will ensure that local people understand the share and magnitude of rewards that they receive and can determine whether they are treated fairly,” she continued. “ForInfo also compliments very well the Finnish forestry-related activities in the Mekong region, which have been successfully implemented at Ministry level for years under the Sustainable Forestry and Rural Development project in Lao PDR as well as the Forestry Support Programme and Partnership and the Forestry Trust Fund in Vietnam.”

<sup>63</sup> See, for comparison, the Australia *Water Partnership for the Mekong Region* which has a more coordinated set of regional activities.

<sup>64</sup> See Annex 5 – Reports of the MRC Informal Development Partners Meetings 2010-2015.



capacity of the MRC as a promoter of regional coordination in the Mekong River decisions. Finland believes that, together with other donors, it can best influence decision-making by supporting the effectiveness, transparency and broad stakeholder consultation of planning and impact assessment processes within the framework of the MRC.”<sup>65</sup>

The role of civil society and private sector in MRC has not been fully addressed even though it has been a long-standing issue.<sup>66</sup> Organisations such as IUCN and WWF were invited at one time as observers to Development Partner meetings. At the time of the Xayaburi HPP PNPCA process coming to the MRC Council, the hosts for that meeting (Laos) excluded WWF from the invitation list. WWF could still attend the Development Partners meeting, but not the Council. That situation has remained the same ever since.

With regard to cost-effectiveness and value for money, the 2010-2015 funding of 15.5M USD has generated substantial results from an awareness-raising and technical perspective (data, modelling, assessment) although MC capacity development and use of technical outputs has been less productive than expected. Table 1 summarises costs and results and Table 3 shows costs of the other regional projects.

Three observations were noted during the evaluation. Firstly, the main results of the support under IKMP and ISH had a direct if modest, impact on water management and development decision making processes and therefore on environmental and socio-economic sustainability. Without this support from Finland the central purpose and vision of MRC would have been greatly diminished and water resource mis-management would have been more substantive both now and in the future (e.g., flood risk reduction and future hydropower mitigation). Given the context and timing, the costs generally appear to be justified by the results.

Secondly, however, the results may not have been delivered in a very efficient manner based on the number of issues and delays reported, and the difficulties of uptake of technical methodologies at the country level. Possible regional synergies between MRC, ADB-CEP and EEP capacity development efforts also appear to have been overlooked.

Thirdly, the hasty withdrawal of Finland (and others) and the relatively rapid decentralisation left some unfinished tasks such as MRC's information system and knowledge hub, and weak quality assurance for effective management of the hydro-meteorological networks. Finland's development assistance is compromised without adequate emphasis of capacity building and sustainability measures.

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<sup>65</sup> Ministry for Foreign Affairs of Finland, Hydropower Dam Construction on the Mekong: Finland's Position, ASA-10, 19.3.2012

<sup>66</sup> E.g., “Earlier Danida review missions have pointed to the need for more systematic engagement with and outsourcing to centers of knowledge in the region such as universities, the AIT and civil society organizations engaged in knowledge production. It is not quite clear to which extent the MRC is proactively engaging and

The pathways for improving aid effectiveness continue with the recent Mid-term Review of the Strategic Plan (27 recommendations) and extensive Organisational Review (57 recommendations) that have further specified measures for improved operations.

#### 4.8 Rating of 2010-2015 Programme Performance

The evaluation Terms of Reference (Annex 1) requested a rating of Finland's MRC support activities according to OECD criteria. Table 3 below provides a general summary of rated performance for the 2010-2015 Finland contributions based on review of documents and interviews with stakeholders. See preceding text and Annex 5 for more details.

promoting dialogue and engagement with civil society and external stakeholders." Review Aide Memoire, Danish Support to the Mekong River Commission, 2011-2015, Danida Review Mission, December 2013, p. 16

**Table 3: Rating of Finland-funded MRC Programmes (2010-2015)**

OECD Rating Criteria	Finland-funded MRC Programmes – ratings and reasons for rating			
	IKMP	ISH	WMTF	JRP
Relevance	<b>Very Good</b> <i>Directly served MRC needs and Finland's regional Mekong development assistance strategies</i>	<b>Very Good</b> <i>Timely, productive assistance consistent with MRC and Finland development strategies</i>	<b>Good</b> <i>Responsive fund to serve MRV needs and enhance governance consistent with Finland strategies</i>	<b>Very Good</b> <i>Consistent with MRC capacity development priorities and Finland development strategies</i>
Effectiveness	<b>Good</b> <i>Substantial outputs but knowledge hub reportedly incomplete</i>	<b>Very Good</b> <i>Most outputs achieved and PNCPA revisions initiated</i>	<b>Good</b> <i>Outputs served specific needs</i>	<b>Very Good</b> <i>High level of participant and MRC satisfaction</i>
Efficiency	<b>Problems</b> <i>Constraints on engagement of technical experts and delays in outputs</i>	<b>Good</b> <i>Some delays in output delivery but generally efficient and no significant problems reported</i>	<b>Good</b> <i>No significant problems reported</i>	<b>Good</b> <i>No significant problems reported</i>
	<b>Good</b>	<b>Good</b>	<b>Good</b>	<b>Good</b>

Impact	<i>IKMP outputs provided development decision support tools</i>	<i>Improved MC and public understanding of hydropower development effects</i>	<i>Short-term assistance; e.g., 1<sup>st</sup> MRC Summit</i>	<i>JRP graduates still active in water management</i>
Sustainability	<b>Problems</b> <i>Information systems and monitoring network never fully established and overlooked with decentralisation</i>	<b>Very Good</b> <i>Follow-up support that built upon ISH and have improved skills at hydropower management</i>	- <i>not continued</i>	- <i>not continued</i>

Note: Ratings are based on the evaluation Terms of Reference – “(4/green =very good), (3/yellow = good), (2/orange = problems) and (1/red = serious deficiencies). The overall performance grading must reflect the findings of all evaluation questions under each evaluation criteria.”

It should be recalled that this is a generalized rating of the situation in 2015 and doesn't necessarily reflect the position today.

IKMP, ISH and JRP programmes stand out for their relevance; ISH and JRP for their effectiveness, and ISH for sustainability. ISH had problems with efficiency and sustainability. The other criteria are rated as Good.

## 5. Conclusions and Recommendations

### 5.1 Conclusions

Finland's 2010-2015 support for MRC established some of the foundational elements to the organisation's current functions in monitoring river conditions, formulating basins plans, assessing hydropower and climate change risks, and providing information and knowledge applicable for managing transboundary issues. Previous evaluations and reviews as well as the interviews with former and current MRCS and MFA staff concluded that Finland-funded programmes – IKMP, ISH, WMTF and JRP have been highly relevant and generally effective and had a lasting effect on the organisation and development processes in the Lower Mekong Basin. But there were also efficiency issues in the delivery of some of these programmes and many lessons learned for potential future engagement with MRC or other river basin organisations, including the need for appropriate arrangements and suitable balance for implementation of central versus decentralised core functions of the regional services to member countries. The organisational and funding changes that occurred in the 2010-2015 period, along with IKMP programme management constraints, adversely affected the implementation of the planned information systems and knowledge hub.

The WUP model from Finland was the initial basis for water resources assessment in IKMP programme development. The funding for international technical advisors, and the HYCOS

and hydro-meteorological system development with Finnish and French support were essential for the most important core services of MRC. The monitoring, data management, information and knowledge products and services, modelling methods and decision support tools underpin the basic services that MRC provides for and with its member countries. These have proven to be valued contributions in support of sustainable management of the lower Mekong River. But the review of 2010-2015 Finland-funded activities also shows IKMP was affected by recruitment issues, limited resources, weak management, implementation delays, data sharing barriers and low capacities for uptake in the MCs. IKMP nevertheless has provided the initial technical framework for the ongoing development and refinement of the monitoring systems and analytical methods necessary to manage the Mekong water resources and to facilitate sustainable development strategies. Sustainability has been a concern.

Finland's support for the ISH programme was also timely and important for the technical assessments, guidelines and the notification and consultative processes that facilitated consideration of hydropower development proposals. The ISH programme added value to the decision-making processes in the form of improved scientific understanding of issues and trade-offs and recognition of a need to revise the consultation process in the face of controversy and political tensions associated with hydropower development. The initial development under ISH and the heightened awareness of knowledge and capacity gaps led to subsequent technical studies and PNCPA reforms under the Sustainable Hydropower Programme. While MRC had a rough start applying limited data and knowledge to the Xayaburi dam proposal, with German support, it has since greatly advanced the information and knowledge on hydroelectric development impacts, increased awareness and methodologies related to sustainable hydropower practices and increased dialogue, improved capacities, tested hydropower sustainability tools, proposed benefit-sharing options and promoted cooperation with China and other key stakeholders. The full effect of the ISH programme outputs on development decision making remains to be fully seen but they are essential for an organisation that has responsibility for sustainable development of Mekong water resources.

The creation of the Water Management Trust Fund with Finland funding provided the added flexibility to support specific technical needs and to undertake the 1<sup>st</sup> Mekong Summit with member country leaders that may not have been otherwise funded under the rigid MRC structure.

The Junior Riparian Professionals programme has also generated good results and left a strong legacy of graduates that continue to have a role in the region.

There were different views presented by the evaluation respondents on the effectiveness of the Decentralisation Roadmap (2012) and subsequent process. The understated problem of MC neglect of some of the hydro-meteorological stations and the apparent limitations in capacity and resources of the responsible MC line agencies suggest that the readiness for and pace of decentralisation was overestimated. The extent of opportunities for involvement of

civil society organisations in the MRC discussions and deliberations was also a point of contention.

There are major challenges facing MRC, as highlighted in the recent Mid Term Review of the Strategic Plan. Priorities for the remainder of the current planning cycle have been recommended in the MTR and Organisational Review. The MRCS management indicated that strengthening of the information and knowledge management system and developing a centre of excellence at a revitalized Regional Flood and Drought Monitoring and Mitigation Centre is a priority and they welcome Finland and other donor interest in addressing these priorities.

**Key lessons that can be drawn from Finland's experience in 2010-2015 include the following:**

**Lesson #1** - The regional mandate to deliver river monitoring and river basin management coordination services (e.g., Basin Development Plan) within a set of core functions can get lost in the many demands for MRC support and the propensity to expand operations without sufficient emphasis on priority needs and long-term results. The shift from programme to core function funding was a key learning about the importance of mandate, purpose, focus and accountability of an international river basin organisation. The experience also suggests that there may have been too much emphasis on complex technical assistance and not enough on basic institutional capacity development at the regional and national levels.

**Lesson #2** – Consultation with the MCs and the many stakeholders is essential but it also requires a lot of time and budget and therefore needs to be carefully focussed around clear results, core functions and well-managed timetables. Engaging partners from very different countries and circumstances on technical advice and application of models and tools and other changes in institutional practices in a time-bound manner is challenging and requires proactive management and regular trouble-shooting in programme delivery.<sup>67</sup>

**Lesson #3** – A review of results of MRC's various programmes and strategic plans indicated a pattern of delays and slow implementation, overly ambitious objectives, difficulties retaining qualified experts and high turnover in MC national counterparts. Regional scale programmes are more complicated and require a higher degree of management effort and skill. These issues need to be anticipated and addressed as much as possible within human resource strategies and annual workplans; capabilities and capacities to deliver are critical factors that were generally under-estimated.<sup>68</sup>

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<sup>67</sup> E.g., ““A Programming Manual had been approved with MRCS as the executing agency and full authority regarding implementation, but MRCS was deprived of this authority and NMCs were demanding large rounds of national and regional consultations at various stages which made implementation slow and planning of timetables impossible.”, MRC, Mid-Term Review of the MRC Programmes, Basin Development Plan Programme, March 2014

<sup>68</sup> E.g., “Factors affecting achievements included Human resource management, Funding limitations, Slow Management Processes, and that some programmes spent perhaps up to 50% of their time and resources on

**Lesson #4** – MRC is an international coordination and technical support body under the Mekong Agreement not a river basin management authority. MRCS is expected to serve multiple roles: technical advisor, flood and drought forecaster, consultation facilitator, capacity trainer, development arbitrator, river conservator, outreach coordinator and process manager. These are complex roles that are not well defined or delineated, and participant and stakeholder expectations sometimes misunderstood them.

**Lesson #5** – Current and future hydropower development is imposing a critical test for MRC and the 1995 Mekong Agreement because mainstream dams permanently alter the river from a natural flow to a regulated flow regime, creating dramatic changes in river behaviour and hydrological and ecological functions, and development benefits. It also imposes an expanded duty for MRC in monitoring and preparing for cooperative adaptive management of the impending river flow regulation in conjunction with external climate change trends and the increased role of China in the upper reaches of the watershed. This highlights the importance of intensive, cooperative real-time monitoring, learning and adjustment of water management strategies and controls.

**Lesson #6** – Capacity of MCs to utilise the technical support, guidance and knowledge products and to implement decentralisation functions has been an incidental part of the MRC programmes rather than a systematic process of national capacity development. Decentralisation has accentuated the MC capacity gaps. The extent of MRC's responsibilities for capacity development are uncertain but it is clear that short term training and ad hoc workshops are not sufficient for effective transfer of skills and service functions development in national agencies, especially involving application of the models.

**Lesson #7** – Donor oversight and participation in MRC activities has been substantial and is generally viewed as a positive contribution to programme implementation. The Informal Development Partner Meetings (and pre-meetings) and the efforts of Finland and other donors to coordinate their inputs and to respond to specific needs as they arose was a distinctive feature of MRC development assistance that warrants comparison with other regional programmes for the benefits from harmonising aid and coordinating advice to MRC.

**Lesson #8** – Finland's development assistance history in the Mekong region appears to have not demonstrated much synergy and regional coherence between the various environmental programs and projects (e.g. MRC-EOP-ADB/CEP). Similar programme coherence observations have been made on Finland's forestry cooperation.<sup>69</sup> In addition, the timing of withdrawal from MRC support in 2015 coinciding with decentralisation and Finland's policy/budget changes, contributed to the decline of the IKMP sustainability. The time horizon for support,

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these activities not prioritised by the MRC SP." MRC, Mid-Term Review of the MRC Strategic Plan 2011 – 2015, Final Report, March 2014

<sup>69</sup> Particip./Indufor, *Final Evaluation of Regional Forest Projects in Mekong, Andean and Central America*, Final Report, Nov. 3,2017.

the scope of expected results and the exit strategy are therefore important factors that affected end results from Finland's development assistance to MRC.

## **5.2 Recommendations**

### **A. Finland MFA strategies in support of international river basin organisations and regional water management programmes**

- 1. MFA should design more complementarity and coherence in regional development assistance strategies and, where appropriate, in conjunction with other donors within a programmatic approach.**

There is a strong case for more cost-effective and larger-scale results through programmatic approaches that explicitly coordinate specific linkages between Finland's development activities especially where policy level changes are being encouraged. Water management often requires policy reform and institutional governance reforms and modernization that extend beyond technical assistance and short-term demonstration of tools and best practices.

- 2. MFA should assess the implications of their MRC experiences and lessons related to effectiveness, efficiency and sustainability for other water management programmes sponsored by Finland.**

There are some significant lessons, as suggested in the preceding section, that may assist improvements in Finland's other development cooperation programmes. These include ensuring a distinct focus on mandate and functions, achievable and measurable results, regional-national service delivery collaborations, programmatic coordination and sustainability measures. The learning from the Finland-MRC programme needs to be carried forward in order to enhance overall aid effectiveness.

- 3. MFA should ensure that sustainability attributes and exit strategies are integrated into programme strategies.**

Design for sustainability and maintaining development results depends upon many variables including the level of mainstreaming into government systems, systemic capacity development, financing mechanisms and necessary resources and incentives to sustain the results. This was not fully apparent in the IKMP programme and the decentralisation process.

### **B. Development assistance in the Mekong region**

- 1. International development partners should consider targeted capacity development for improved member countries' implementation of decentralised core functions.**

There have been improvements in regional and national capacities as a result of MRC's technical assistance. Some progress has been made in hydrological and meteorological

systems development and related capacity development for climate change. But significant gaps still exist including in the financing and budgeting for water resources monitoring and management functions in each country, and the variable national capacities to meet the necessary performance standards for sustainable water resources development and management. Many of these gaps are documented in the recent MRC evaluation reports.

- 2. International development partners should encourage MRC to broaden their stakeholder engagement policy to better encompass the inputs and contributions from private sector and civil society and facilitate communication between member countries and non-government stakeholders in striving for mutual understanding on sustainable development.**

The multiple roles of MRC for technical assistance, policy development, public dialogue and education, orientation of policy makers, river conservation advocacy, consensusbuilding within sectors, community mobilization for sustainable water management, and training the next generation of water managers – all require a bigger and more targeted outreach strategy that welcomes results-oriented partnerships across sectors and countries. Similar grand ambitions have been proposed before but a workable and manageable approach to such wider engagement has so far been elusive. The policy issues are even more complicated by growing development pressures, difficult tradeoffs, climate change impacts and the increasing role of China in the upper reaches of the basin.

- 3. International development partners should consider specific opportunities to strengthen the MRC information and knowledge management system that was initiated by Finland under IKMP with appropriate coordination with the Sustainable Hydropower Programme and the proposed renewal of JRP training.**

There are major challenges facing water management and regional governance arrangements within the Mekong River watershed in the face of the rapid changes that have been taking place. MRC is at a turning point, as suggested in the MTR report, in terms of organisational effectiveness, balancing equity and development considerations between countries and providing services that are in demand by its member countries. Finland's technical strengths in water management and previous experience with MRC make it well placed to contribute to the next phase of MRC, especially given the combined effects of hydropower development and climate change. A start on revitalization of the information system is to commence this year with support from Australia but the planned development of a Knowledge Hub remains a critical gap in MRC services.



## **Annex 1: Terms of Reference**

**Ministry for Foreign Affairs of Finland**

**31 January 2019 TORs for Final**

**evaluation of Finland's support to Mekong River Commission (2010-2015) Total financial support – Euro 12 million (2010-2015)**

### **1. BACKGROUND**

Mekong River is the second most bio-diverse river in the world after the Amazon and supports the world's largest fresh water capture fishery of about 2.3 million tons per year. It starts in Tibet – China - and flows about 4800km through six countries – Myanmar, Lao PDR, Thailand, Cambodia and Vietnam. More than 60 million people are living on the lower river basin area (Lao PDR, Thailand, Cambodia and Vietnam) and their livelihood is, in different degree, adhered to the river's natural resources.

In 1959, United Nations formed the Mekong Committee starting the cooperation among the lower river basin countries in studying the river and preserving its natural resources.

In 1995, Cambodia, Lao PDR, Thailand and Vietnam signed a Mekong Agreement establishing the Mekong River Commission that succeeded the Mekong Committee with more focus on sustainable development and management of natural resources of the lower river basin. The lower river basin development cooperation has been since then managed by the Member countries in consultation with the dialogue partner countries – Myanmar and China - and the development partners. The highest competent authority agency of the MRC management is the Annual Council Meeting of the Member countries' representatives. The decisions of the Council Meeting are supported by the Joint Committee (JC) formed by the Member countries' technical representatives that is in turn supported by the MRC Secretariat (MRCS) in close consultation with the development partners' group.

The 1995 Agreement on the Cooperation for the Sustainable Development of the Mekong river basin has been implemented through Basin Development Plans for 2007-2010, and for 2011-2015. The Basin Development Plan (2011-2015), its' River Basin Development Strategy and the MRC Strategic Plan have been realized by 12 main programmes:

1. Agriculture and Irrigation Programme
2. Basin Development Plan Programme
3. Climate Change and Adaptation Initiative
4. Drought Management Programme
5. Environment Programme

6. Fisheries Programme
7. Flood Management & Mitigation Programme
8. Information & Knowledge Management Programme
9. Initiative on Sustainable Hydropower
10. Integrated Capacity Building Programme
11. Mekong Integrated Water Resources Management Project
12. Navigation Programme

The MRC's programmes have been implemented by a pool of international and national experts managed by the MRC Secretariat in Vientiane and Phnom Penh offices in close cooperation with and contribution from the National MRC's and relevant line agencies/ministries of the Member Countries.

The MRC international experts and regional experts are working hand in hand with national experts and institutions with the aim of knowhow transfer and capacity building for sustainable development of Sub-Mekong delta region and the MRC's future operation.

The MRC's programme and the MRC Secretariat have been financed mainly by development partners (Australia, Belgium, Denmark, EU, Finland, France, Germany, Japan, Luxembourg, New Zealand, Sweden, Switzerland, The Netherlands, USA, WB) in close cooperation with multilateral organizations such as ADB, ASEAN, IUCN, UNDP, UNESCAP, and WWF. Member Countries also contribute to the programmes' implementation and the MRC's activities.

The total estimated financing fund from development partners is USD 136 million approximately of which Finland contributed EURO 12 million in support to four main programmes – Information and Knowledge Management Programme (IKMP), Initiative on Sustainable Hydropowers (ISH) and Integrated Capacity Building Programme (ICBP) and the Water Management Trust Fund (WMTF).

In 2014, the second MRC Member Countries Summit (the first Summit was in 2010) signed Declaration shaping the future of the MRC towards fully run and financed by Member Countries by 2030. Following the Member Countries commitment, the Basin Development Plan (2016-2020) and the River Basin Development Strategy for the period as well as the MRC Strategic Plan will focus in main four areas:

- Enhancing national planning, project and resource based on basin wide perspective
- Strengthening regional cooperation
- Better monitoring and communicating of basin condition □ Leaner river basin organization

The Basin Development Plan 2016-2020 will be implemented by a restructured MRCS from programme-based management to core functions management that will articulate around three pillars:

- Corporate Services
- Core river basin management (data acquisition, exchange and monitoring, analysis, modelling and assessment, planning support, forecasting, warning and emergency response and implementing MRC Procedures)
- Advisory Services

The new MRC structure will increasingly decentralize the task and work to the Member countries.

The Member Countries' contribution and development partners' support will be pooled in a "basket fund". For the plan 2016 -2020, USD 65million is required of which USD 15 million from Member Countries, USD 9 million from existing development partners' commitment and an additional USD 9 million is expected from potential support from development partners.

In 2011, the Member Countries via Council Meeting agreed on conducting a "Council Study" to assess the impact of different development opportunities in the Mekong River Basin and provide clear, strategic, pragmatic and actionable set of recommendation to facilitate informed planning in Mainstream of the Lower Mekong Basin. As such, the Council study's objective was to provide the MRC and its Member Countries more reliable information on the positive and negative impact of water resource development on people, economies and environment of the Mekong river basin.

The Council study focus on the following areas:

- Irrigation development
- Non-irrigated agriculture development and general trends in major land-use categories
- Domestic and Industrial water use
- Flood protection structures and flood plan infrastructure and impact on other developments
- Hydropower development
- Navigation infrastructure development
- Cumulative positive and negative impacts of the selected water resources developments

Many of the MRC's twelve programmes, of which Finland being one of the largest donors - have contributed actively to the Council study in their relevant areas. As the end of 2015, the Council study prepared modeling different scenarios. One modelling tool WAS was developed by Finnish experts. The Council Study (including six thematic reports and ten discipline reports) was finalized in February 2018.

As regional institution, the MRC has actively supported through its programs the Member Countries in implementing agreed five key procedures in the Basin Wide Integrated Water Resource Management:

- Procedure for Data and Information Exchange and Sharing (PDIES)
- Procedure for Water Use Monitoring (PWUM)

- Procedure for Notification, Prior Consultation and Agreement (PNPCA)
- Procedure for the Maintenance of Flows on the Mainstream (PMFM)

## **MRC PROGRAMMES SUPPORTED BY FINLAND**

### **Information and Knowledge Management Programme (IKMP) 2011-2015, 7 MEUR**

The Information and Knowledge Management Programme (IKMP) was designed as a cross cutting programme of the MCR which provides information and knowledge services to other MRC programmes as well as to National Mekong Committees and line agencies. The purpose was to build a solid foundation of data, information and knowledge products, systems and services supporting the goals of MCR.

The development objective of the 2011-2015 phase was to effectively support MRC programmes, NMRCs and line agencies on the development and management of water and related resources in the Mekong basin by providing basin-wide monitoring, impact assessment, modeling, forecasting, and knowledge management system for planning and programme implementation work. The anticipated outcomes were as follows:

- IKMP is efficiently and effectively managed and communicated, and technical components are effectively supported
- A basin-wide river monitoring network is well functioning and linked with other MRC monitoring systems to provide accurate, reliable and timely hydro-meteorological and related data at basin level while strengthening relevant national and regional capacity.
- An information system of the MRC (MRC-IS) comprehensively integrating MRC data and information is consolidated, regularly updated and made available for internal and external use
- MRC provides tools and related modeling services extensively used by targeted regional and national agencies for planning, forecasting and impact assessment.
- Appropriate knowledge management systems and processes developed and applied, and shared with MRC partner agencies via sustainable knowledge networks

The IKMP started in December 2006 with three objectives (1) MRC data, information and knowledge developer and keeper – high quality baseline data, data management, modelling tools; (2) Service provider to MRC programmes - hydrological modelling and analysis, data production and advisory services; (3) Service provider to countries and external clients.

The IKMP has been financed by Australia, Finland, and France with total funding of USD 14million of which Finland support is Euro 7 million for period 2011-2014 that was subsequently extended to 2015.

IKMP phase 1 (2006-2010): A significant achievement of IKMP phase 1 is the setting up a system exchange, auditing and improvement and quality assurance processes for hydrometeorological data and correcting the main databases to an international standard (2,500 dataset of historical data).

Phase 1 had established a real-time river monitoring network and dataset from 49 stations (32 hydrological cycle observation system –HYCOS and 17 Appropriate Hydrological Network Improvement - AHNIP)

Modelling and assessment tools had been successfully developed and provided to riparian countries, especially in the form of Decision Support Framework (DSF). A Documentation and Learning Center was established in the MRC. About 90,000 registered and digitalized datasets of all MRCS data and information holding.

IKMP phase 2 (2011-2015) set targets to "consolidate the outputs/achievement from phase 1, and sustain the results of IKMP, notably in the functions of " Data Acquisition, Exchange and Monitoring" and "Analysis, Modelling and Assessment" reflected in the main four outcomes for the period:

(1) A Basin wide River Monitoring Network; (2) MRC Information System; (3) MRC Modelling Services and (4) Learning Center and Knowledge Hub on Transboundary Water Resource Management.

By the end of 2015, the IKMP has achieved almost all of its objectives:

- The nearly real-time monitoring network (Mekong –HYCOS) – 47 hydrometeorological stations within Low Mekong Basin were successfully handed over to Member Countries;
- Network monitoring and data access has been established via MRCS Portals, Mekong info and MRCS community site;
- Facilitating progressively the Implementation of the Procedure for Data and Information Exchange Sharing (PDIES) and the Procedure Water Use Monitoring (PWUM);
- The national centralized database (National Information System - NIS) has been successfully completed and available for public access via web portal system;
- the DSF/toolbox and other functionalities have been updated and improved;
- For the Council Study, the model set up, calibration and validation employing hydrology and hydraulic model by incorporating three models packages (DSF, SOURCE and WUP-FIN) for five zones including Tonle Sap Lake, Cambodian Floodplain and Vietnam Delta have been successfully conducted.

Final completion report of the programme was issued in June 2016.

### **Senior Modelling Adviser (SMA) to the Modelling Team Phase II 2009-2012, 493,000 EUR**

Finland has supported a Senior Modelling Adviser (SMA) to the Modeling Team within the IKMP programme since 2005. The work of the modelling advisor has been strongly integrated within the IKMP and specifically to the objective of modeling services.

The main goal for the modeling adviser in the time period 2009-2012 was to support the tools and modeling services listed in the IKMP programme aims. With this support MRC would be able to efficiently implement said tools and services and respond to the various modeling needs in the Mekong area. The purpose of modeling has been to offer reliable information of the effects the development activities have on the environment and livelihood in the area.

### **Integrated Capacity Building Programme (ICBP)/ Junior Riparian Training (JRP)**

Capacity building gaps have been strongly recognized among stakeholders. Since 2003, UNESCO has supported development of an Integrated Training Strategy and Programme (ITSP) bringing the various training needs for the MRC under one umbrella to address the needs through one comprehensive and coherence training programme.

In 2007, AusAID supported ITSP in the development and implementation of a capacity-building programme well integrated within the MRC structure and targeting the MRC Secretariat, the National Mekong Committees (NMCs), and the MRC-related line agencies. The ICBP was formulated for (1) Independent Organizational, Financial and Institutional Review; (2) Junior Riparian Professional training; (3) MRC internships; (4) Gender mainstreaming and (5) training activities and various capacity building activities across the MRC programmes.

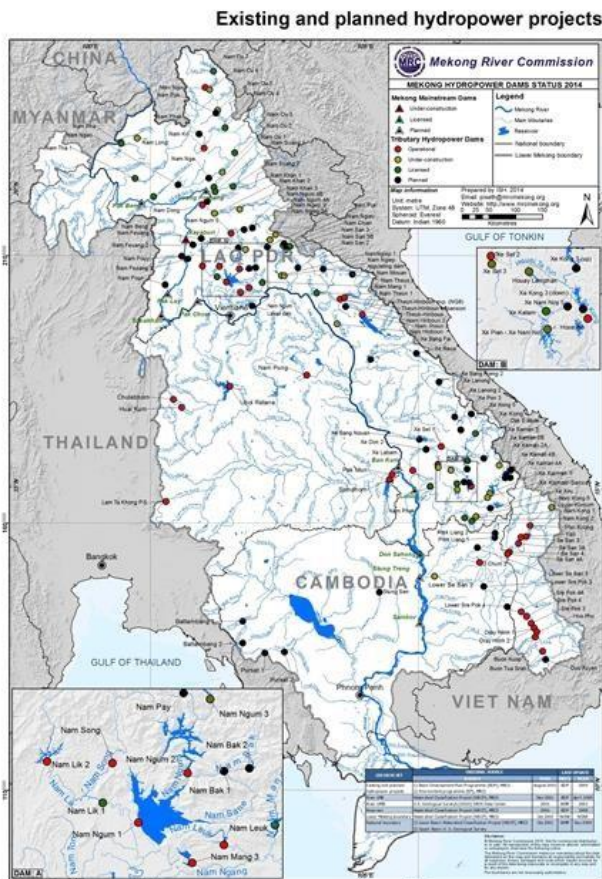
Joining AusAID in capacity building programme, Finland started the support to the Junior Riparian Professional Project (JRP) in two phases (2009-2011, USD 8 million approx.) and (2011-2014, 1 million Euro) that was extended to 2015. The structure of the training process (max 12 months per course) is to build basic capacities in the Integrated Water Resource Management (IWRM) and in the programme cycle management. An important feature of JRP is the on-job training at different MRC programmes e.g. the young modelers from Member Countries given the opportunity to work with the Modelling team of IKMP.

By the end of 2015, 11 JRP courses have been conducted for 111 riparian professionals among them 26 from Lao PDR, 24 from Thailand, 26 from Cambodia, 25 from Vietnam, 6 from China and 4 from Myanmar. The JRP training programme is considered as successful and sustainable as almost all trained professional continued contribute effectively to the river basin management in their respective national agencies. MRC JRP has also maintained a good network of professionals through trained experts. Finland has been the sole financier of the JRP.

Final completion report of the programme was issued in June 2016.

### Initiative for Sustainable Hydropower (ISH) 2011-2015, 3MEUR

Hydropower development in the Mekong river basin is one of the main focus areas of the cooperation among riparian countries. Construction of hydropower has already major impact on the water bodies of Mekong countries. MRC's support to Member Countries is characterized by a gradual shift from the sole promotion of hydropower development as a means to underpin economic growth towards promoting sustainable forms of hydropower management and development. The purpose has been to promote the cooperation needed among Mekong countries to sustainably manage the growing number of existing hydropower assets in the Mekong basin. The 2015 report indicated 22 large scale hydropower schemes by 2015 and 48 schemes more by 2020 within the Low Mekong Basin (LMB).



Following the 1995 Agreement, number of works had been carried out in regards to hydropower development management within the basin such as the 2001 MRC hydropower development strategy, 2005 MRC hydropower programme concept paper and the formulation of ISH with the ISH Work Plan 2008-2011. The ISH focus on advancing regional cooperation in sustainable management of growth number of hydropower project within basin wide perspective through five areas:

- Awareness Raising, Dialogues and Communication;
- Capacity Building and Knowledge Base Support;
- Regional Planning Support

*(updated: incorporate sustainable hydropower practices in regional*

*planning and regulations); □ Sustainable Assessment and Financing*

*(updated: implement assessment tools and design guidelines);*

- Effective management of Initiative

A central objective of the ISH is to enable MRC to help Member Countries better integrate decisions about hydropower management and development with basin-wide integrated

water resource management (IWRM) perspectives, through the established MRC mechanisms and national planning systems, consistent with the 1995 Mekong Agreement

The ISH 2011-2015 largely continued the ISH work plan for 2008-2011 with updates. The project phase aimed to construct and maintain a dialogue platform and proactive knowledge network for information exchange and collaboration. The anticipated outcomes were as follows:

- Awareness Rising, Dialogue and Communication: A demonstrated increase in awareness of sustainable hydropower and its rationale, increased dialogue among the key stakeholder interests and partnerships being formed to introduce sustainable considerations into Lower Mekong Basin hydropower practices.
- Capacity building and Knowledge Base Support: Demonstrated improvement in technical capacities of MRC and prioritized national agency staff in hydropower data systems and use of information needed to advance sustainable hydropower considerations.
- Regional Planning Support: Sustainable hydropower considerations are more systematically and demonstrably incorporated into sector, sub-basin and Mekong regional planning systems and regulatory frameworks.
- Sustainability Assessment and Financing: Hydropower sustainability assessment tools are in place at project and sub-basin levels to measure and assess progress with sustainable hydropower. Innovative financing mechanisms, especially benefit sharing on LMB hydropower increasingly evaluated and introduces for LMB hydropower projects.
- Effective management of the Initiative: HIS is effectively managed and staffed and functions as a cross-cutting initiative with other MRC Programmes.

The main development partners to ISH are Belgium, Germany and Finland with total support of USD 8.6 million of which Finland contributed Euro 3 million for period 2011-2014 that was extended to 2015.

During the period 2011 -2015, ISH has organized more than 80 workshop, meetings, forums encompassing 2500 – 2700 contact days with various interested and affected participants from partners. Information sharing, knowledge transfer and dissemination e.g. forums on sustainable hydropower related topics - *“Fish and Hydropower- June 2015”* with discussion on global fish passage practice and fish compatible turbine design; *“Sustainable Hydropower Planning – November 2015”* covering a risk based approach to planning hydropower around ecologically sensitive areas; and the monetary and non-monetary evaluation of hydropower portfolios.

ISH conducted 30 workshops on *Rapid Hydropower Sustainability Assessment Tool (RSAT)* to train of using the tool or to assess the use of the tool for stakeholders. Each RSAT assessment has been an opportunity to transfer skills in the field of sustainable hydropower practice.



ISH implemented a number of studies and work in regards to hydropower planning and management, such as

- *Hydropower project master database* per country (Vietnam completed in 2013, Lao in early 2014, Cambodia in mid of 2014);
- *Guiding Considerations on Transboundary Monitoring for LMB Hydropower and Information Sources to Support LMB Hydropower Information Needs* (December 2014);
- *Fish passage; Fish compatible turbine;*
- *Identification of ecological sensitive sub-basins for hydropower planning etc.*

ISH has developed “*Guidelines on multi-purpose evaluation of hydropower reservoirs*” which aims to support the relevant Member Country agencies in optimising the planning of hydropower development portfolios (November 2015). ISH is developing *Guidelines for Hydropower Environmental Impact Mitigation and Risk Management in the Lower Mekong Mainstream and Tributaries* (on-going by end 2015)

During the period, ISH supported actively Member Countries in implementing the agreed Procedure for Notification, Prior Consultation and Agreement for Xayabury hydropower project and Don Sahong hydropower project. Valuable experience had been learned for the first time of the Procedure implementation on Mekong mainstream Xayabury hydropower projects for stakeholders.

Major works of ISH have also contributed to the Council Study.

Final completion report of the programme was issued in May 2016.

### **Water Management Trust Fund (WMTF) 2010-2013, 1MEUR**

MRC established the MRC Water Management Trust Fund (WMTF) in 2005 to serve as a flexible and responsive funding arrangement. The objective has been to provide strategic and flexible support to program development of the MRC, as well as to facilitate the MRC to develop and implement programs responding to short-term demand of Member Countries in fulfilling its mandate in trans-boundary water resources management and development. The WMTF works on three activity tracts following the 1995 MRC agreement: strategic policy development, transboundary mediation facility, and responsive programme development.

The WMTF had been co-funded by Finland, France and Denmark.

The first Agreement between the Ministry for Foreign Affairs of Finland and the MRC was signed in November 2007 for period 2007-2010 (Euro 250,000), followed by the second Agreement signed in March 2010 (Euro 1 million) for period 2011 – 2013 that was, subsequently, non-cost extended to 2015.

Planned activities for the 2010-2013 phase included the following:

- Formulation of the MRC Strategic Plan 2011-2015 (part of Strategic Policy

Development activity track): The aim was to fully formulate the Strategic Plan 2011-2015, also taking into account the principles of The Paris Declaration on Aid Effectiveness as well as the Accra Action plans. Clear priorities and key performance targets against which achievements could be measured would be set. The importance of accountability chain from strategic level to individual activities would be recognized.

- Implementation of the Communications Strategy and Disclosure Policy (part of Transboundary Mediation Facility activity track): The Communications Strategy responds to the need within the organization for a higher public profile and a more timely and accessible approach to communications. It aims to ensure that the MRC is seen to be pro-actively taking the lead in and commenting on water related issues in the media and making data and information more widely available.

The WMTF has supported following major activities:

- Support MRC in addressing major recommendation by Independent Organizational, Financial, Institutional Review (IOR) of MRCS (2008 - 2009)
- Support the Mid Term Review of the Implementation of the 2006-2010 MRC Strategic Plan that served the development of 2011-2015 strategic plan (2008-2009)
- Support the formulation of the Agriculture and Irrigation Programme document (2009)
- Support the formulation and development of 2011 – 2015 MRC strategic plan (2010 onward)
- Support the finalization of the MRC Procedure for Water Quality (2010)
- Support the organization of the MRC first summit in 2010
- Support strengthening the cooperation exchange with China and Myanmar (2011)
- Support MRCS in implementation of the Strategic Plan 2011-2015
- Support development new programme document for Agriculture and Irrigation Programme
- Support engagement activities with China and Myanmar.
- Support Mid Term Review of the Implementation of the 2011-2015 MRC Strategic Plan (2013-2014)
- Support the 2<sup>nd</sup> MRC Summit (2014)
- Support the preparation of 2016-2020 MRC Strategic Plan (2014-2015)

Final completion report of the programme was issued in June 2016.

### **1.1. Previous Evaluations**

- An appraisal of the MRC's request for support from the Government of Finland 2011-2014 was carried out in 2010 by Finnish Consulting Group Ltd
- Review of Danish Assistance to the MRC, 2011 – 2015
- MRC's Programme and Strategy evaluations

## 2. RATIONALE, PURPOSE AND PRIORITY OBJECTIVES OF THE EVALUATION

The main rationale of this evaluation is to provide objective information to the MFA about the effectiveness and efficiency of regional cooperation as well as the results in the water sector. Thus, the evaluation focus should be in the regional implementing mechanism and its relation to the achieved results and impacts, and not in evaluating the performance of the partner organizations or other collaborators.

The Final Evaluation is expected to provide accurate and independent information of the support provided by Finland to the MRC for 2010-2015 in conjunction with other donors and member countries in the context of implementation of the Basin Development Plan and MRC Strategic Plan (2011-2015). Finland's grant-based development assistance to regional programmes in the Mekong region has ended, and the evaluation is expected to assess lessons learned from a regional approach and cooperation with the MRC. Results like these could be utilized in other regional projects, for example in Africa.

The Final evaluation will include a review of findings of evaluations performed (if any) by peer donor(s) to the respective programme.

The objective of the evaluation is to learn lessons from the MRC activities for future participation of Finland in multilateral cooperation and support to developing countries in the area of sustainable development, policy and institutional development and capacity building as well as knowhow transfer in effective and sustainable manner. The evaluation should focus on:

1. The relevance of the Programmes' activities vis-à-vis the individual national development agendas.
2. The sustainability of the MRC activities towards the individual countries' development agenda and region as whole, and the coordination between Mekong basin member countries.
3. Achievement of the MRC activities vis-à-vis the basin development plan; level of readiness of MRC as a true regional mechanism of self-financing and governance.
4. Level of participation of national agencies and stakeholders in the implementation of programmes' activities.
5. The effectiveness of knowhow transfer and capacity building process towards the policy and institutional development and raising national expertise.

The Final Evaluation shall consult relevant stakeholders such as the MRC, the National MRCs, relevant national stakeholders, the donors within the individual programmes supported by Finland.

The geographical coverage for the Final Evaluation is the Mekong region, specifically Cambodia, Lao, Myanmar, Thailand, and Vietnam, with field visits to.

### **3. ISSUES TO BE ADDRESSED AND EVALUATION QUESTIONS *Evaluation***

#### ***criteria and evaluation questions***

The following evaluation questions provide guidance on the exercise and should be **additional** to the generic evaluation questions (please refer to the MFA Evaluation Manual Chapter 3).

#### **A. Relevance**

Relevance refers to the extent to which the objectives of the Programme are consistent with beneficiaries' requirements, countries' needs, global priorities and partners' and Finland's policies.

Are the objectives and achievements of the Programme still consistent with:

- The needs and priorities of the stakeholders, including the final beneficiaries (e.g. national government agencies and stakeholders)?
- The policies and development strategies of the partner countries and the regional organisations (such as ASEAN, ADB, WB)?
- Finland's development policy (incl. Regional and country-specific priorities, sectoral and thematic priorities such as the human rights based approach)?
- Were the objectives, i.e. outputs and outcomes, ambitious enough given the programme resources and coordination complexity of the activities within MRC mechanism and Mekong region?

#### **B. Development impact**

Impact describes how the Programme have succeeded in the achievement of its overall objectives, i.e. targeted impact for its beneficiaries. The evaluation will be made against the related indicators.

- How did the programmes succeed in promoting good water governance and resource management, sustainable development and transboundary cooperation?
- How did the programmes succeed in strengthening MRC's capacity, knowledge network, and information sharing in order to support the Member Countries in transboundary water resource management and development?
- Did the programmes increase cooperation and transboundary mediation among Mekong countries?
- Did the JRP programme strengthen the capacities of the participants and do they have a role in influencing water resources management in their countries and/or regionally?

- To what extent have the programmes contributed towards improving livelihood security and human and ecosystem health and climate resilience through better coordination between basin countries, more knowledge-based policies toward the infrastructure development in Mekong stream and better access to information data, planning, policy?
- Have there been any unintended or adverse impacts from the programmes?
- What indications are there on contribution to development impacts of the knowledge products supported, such as the SEA on Mekong mainstream hydropower development and the Council Study?

### **C. Effectiveness**

Effectiveness describes if the results have furthered the achievement of the purpose of the Programmes, or are expected to do so in the future. The evaluation will be made against the related indicators.

- To what extent the programmes have achieved their objectives and results? Do the results based logframe indicators for the objectives and results show that the intended changes taking place?
- Is the quality and quantity of the produced results in accordance with the plans, how are the results applied by the beneficiaries and other intended stakeholders?
- To what extent have gender equality, reduction of inequalities and promotion of climate sustainability been achieved during implementation of the Programmes?
- To what extent has the capacity that been built within partner organisations *contributed* to changes in focus, understanding and policy formulation within line ministries and other agencies?
- Have the Programmes been able to build capacity of partner countries' institutes?
- How effective has been Finland's financial support to the MRC and the policy dialogue efforts within the MRC?

### **D. Efficiency**

The efficiency of a Programme is defined by how well the various activities transformed the available resources into the intended results in terms of quantity, quality and timeliness. Comparison should be made against what was planned.

- How well have the activities transformed the available resources into the intended outputs/results, in terms of quantity, quality and time?
- Can the costs of the Programmes be justified by the results?
- Can the administration costs of the Programme be justified and are they in balance with the implementation costs?
- Have there been any bottlenecks in the process of administration and management that have contributed to delays in implementation?

- To what extent has the management resources been adequately allocated to different components? What could be improved?

#### **E. Aid effectiveness (Effectiveness of aid management and delivery)**

- How and to what extent has the support from Finland to the programmes promoted mutual accountability, harmonization, alignment and ownership?

#### **F. Sustainability**

Sustainability can be described as the degree to which the benefits produced by the Programme continue after the external support has come to an end.

- How have the Programmes ensured long-term viability of MRC and sustainable development of the Mekong sub-region? Is this enough to ensure sustainability of the results? Give concrete examples on best practices in the Programmes.
- Assess the possible factors that enhance or inhibit sustainability, including
  - ownership/commitment, ○ economic/financial, ○ institutional, ○ technical,
  - socio-cultural and ○ environmental sustainability aspects?

#### **G. Coherence**

- Coherence of the support to the MRC with Finland's development policy in general and in water sector in particular, including policy-dialogue on the transboundary water resources management issues on the Mekong.
- How coherent were the programmes with the member countries policies in water resources management?

### **4. METHODOLOGY**

The evaluation must be evidence-based that is credible, reliable and useful. Validation of results must be done through multiple sources, and at least MRC HQ in Vientiane should be visited.

The choice of methodology will be left to the evaluation team to propose in the inception report. With the aim of having an objective and independent evaluation, the team is expected to conduct the evaluation according to international criteria, and professional norms and standards adopted by the MFA (see annexes). The methodology defines methods of data collection and analysis. It is expected that multiple methods are used, both qualitative and quantitative.

Validation of results must be done through multiple sources. The evaluation shall demonstrate how triangulation of methods and multiple information sources are used to

substantiate the findings and the assessment. Data shall be disaggregated by relevant categories. The evaluation must be gender and culturally sensitive and respect the confidentiality, the protection of the sources and dignity of those interviewed.

The evaluation is expected to summarize the evidence-based findings of the overall performance of the project under each OECD evaluation criteria using a four level grading system: (4/green = very good), (3/yellow = good), (2/orange = problems) and (1/red = serious deficiencies). The overall performance grading must reflect the findings of all evaluation questions under each evaluation criteria.

Prior to the fieldwork, a documentation review is to be undertaken by the Evaluation team. Documentation concerning the Programmes is to be submitted to the Team Leader by the MFA. The MRC shall be informed well in advance about the team's arrival to Vientiane. The field work will incorporate meetings and interviews in Vientiane. The selection of stakeholders should be as comprehensive as possible, and should cover all programmes that have received Finland's support to the MRC. Validation of results must be done, and the consultant is expected to elaborate on this in the proposal. The consultation and review process should include at least the following:

- MRC documents, agreements, annual reports, audit reports, relevant review and evaluation reports by stakeholders.
- Programme Documents, annual work plans, annual reports, annual and semiannual M&E reports, quarterly financial plans and reports, Steering Committee (ESC) minutes, completion report, and other key documents identified by the MRC Secretariat;
- Interviews with key stakeholders.

## **5. THE EVALUATION PROCESS AND TIME SCHEDULE**

The estimated duration of the evaluation is 4 months, starting in February and ending in May 2019, when the final report will be ready. A briefing meeting will be arranged in Helsinki, (before the fieldwork). The consultant is expected to produce a Desk Review report, including a detailed Work Plan and methodology, before going to the field. Field missions shall be carefully planned in coordination with the MFA and MRC. At the end of the field mission a wrap-up session with the MFA and the MRC will be held. The consultant team is expected to present main findings and recommendations in this meeting. Submission of the draft final report shall take place in three weeks after the field mission.

## **6. REPORTING**

The evaluation team must submit the following deliverables, including tentative timetable:

## **Desk review**

The review results are included in the desk review report as a concise analysis of the Mekong basin development plan and MRC strategic plans (2011-2015 & 2016-2020), Council Study report, report on the Strategic Environmental Assessment of Hydropower on the Mekong Mainstream (2010), and individual programme documents and reports. The desk study report must also contain a plan for the field work, i.e. what kind of questions need to be clarified by interviews, who will be interviewed and how, outline of the questions to be asked in the interviews and through other methods, etc.

The desk review report must include detailed work methodologies, a work plan and detailed division of labour within the evaluation team, list of major meetings and interviews, detailed evaluation questions linked to the evaluation criteria in an evaluation matrix, reporting plans including proposal for table of contents of the final report. The desk review report shall be presented to the donors for discussion within one week from starting the field work.

## **Presentation of the field findings**

In the end of the field mission, a presentation of the field findings must be given in Helsinki. MFA representatives, MRC and National MRCs and other stakeholders can participate through videoconference. The presentation shall include a clear table indicating the key findings and recommendations on which the meeting shall agree upon before consultant's departure.

## **Draft final report**

Draft final report amalgamates the desk review and the field findings. The evaluation report presents findings, conclusions, recommendations and lessons learned separately and with a clear logical distinction between them and integrating the evaluation results to cross cutting objectives and HRBA. The draft of the final report shall be prepared within fifteen (15) working days after the field mission.

The MFA, MRC and partner country representatives and other relevant stakeholders will then submit comments on the draft final report to the consultant within two weeks after the submission. The draft final report is commented only once. The commentary round is only to correct misunderstandings and possible mistakes, not to rewrite the report.



## **Final report**

The final report must be submitted within two weeks after receiving the consolidated comments from the MFA and other stakeholders to the draft reports. The final report must follow the report outline agreed upon during the desk review phase.

The language of the report(s) is English and it must be in clear and concise language.

The final report shall be delivered in English language by 31 May 2019 in Word and PDF format by email to the MFA. In addition, three (3) hard copies of the final report shall be submitted to the Ministry for Foreign Affairs of Finland in Helsinki.

## **7. QUALITY ASSURANCE**

The tenderers are expected to propose a quality assurance plan for the assignment. It shall cover the whole evaluation cycle from desk review phase to submission of final report. The format is free, but must specify the quality assurance process, methodology and tools.

## **8. REQUIRED EXPERTISE**

The evaluation team shall consist of two to three (2-3) evaluation experts with relevant experience and background for this evaluation. One team member shall be nominated as Team Leader. Members of the evaluation team should have substantial knowledge of the Mekong region. The members of the evaluation team should furthermore have expertise in the fields of development evaluation, water resource management, river basin economy and development including river transportation/navigation, agriculture, aquaculture, fishery, hydropower development, environment etc. In addition, the evaluation team is expected to have a solid understanding of the cross cutting themes of Finnish development policy. The Team Leader is responsible for the quality and timely implementation of the Final Evaluation. The Team Leader should document a proven record of successful team leading of similar evaluations.

## **9. MANDATE**

The evaluation team is entitled and expected to discuss matters relevant to this evaluation with pertinent persons and organizations. However, it is not authorized to make any commitments on behalf of the Government of Finland.

## Annex 2: Evaluation Matrix for Finland – MRC (2010-2015) Project

Key Evaluation Questions	Indicators	Data Sources
<b>A. Relevance</b> Extent to which the objectives of the Programme (IKMP, ISH, WMTF, ICBP, JRP) are consistent with beneficiaries' requirements, countries' needs, global priorities and partners' and Finland's policies		
Were the objectives and achievements of the Programme consistent with: The needs and priorities of the stakeholders, including the final beneficiaries (e.g. national government agencies and stakeholders)?	<ul style="list-style-type: none"> <li>• Alignment of the activity with beneficiaries' objectives and interests</li> <li>• Specific national priorities addressed</li> </ul>	<ul style="list-style-type: none"> <li>• Interviews with former programme managers and staff</li> <li>• Participating country sectoral policies</li> </ul>
Were the objectives and achievements of the Programme consistent with: The policies and development strategies of the partner countries and the MRC	<ul style="list-style-type: none"> <li>• Benefits/contribution of the activity to MRC's strategies</li> <li>• Specific MRC priorities addressed</li> </ul>	<ul style="list-style-type: none"> <li>• MRC strategies in 2010-2015</li> <li>• Minutes of MRC meetings</li> <li>• Participating country sectoral policies</li> </ul>
Was the Programme consistent Finland's development policy (incl. Regional and country-specific priorities, sectoral and thematic priorities such as the human rights based approach)?	<ul style="list-style-type: none"> <li>• Alignment of the activity with Finland's development policy and those of the participating countries.</li> <li>• HRs specifically targeted</li> </ul>	<ul style="list-style-type: none"> <li>• Programme documents</li> <li>• Finland's development policy</li> <li>• Completion/evaluation reports</li> </ul>
Were the objectives, i.e. outputs and outcomes, ambitious enough given the programme resources and coordination complexity of the activities within MRC mechanism and Mekong region? (targets set too low?)	<input type="checkbox"/> [uncertain]	<input type="checkbox"/> Programme documents
<b>B. Development Impact</b> Impact describes how the Programme have succeeded in the achievement of its overall objectives, i.e. targeted impact for its beneficiaries		

Has the Programme succeeded in the achievement of its overall objectives, i.e. targeted impact for its beneficiaries. The evaluation will be made against the related indicators.	□ Indicators of the specific programme results (IKMP, ISH, WMTF, JRP)	<ul style="list-style-type: none"> <li>• Completion/evaluation reports</li> <li>• Beneficiaries/client interviews</li> </ul>
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Key Evaluation Questions	Indicators	Data Sources
<b>C. Effectiveness</b> Describes if the results have furthered the achievement of the purpose of the Programmes, or are expected to do so in the future. The evaluation will be made against the related indicators.		
To what extent the programmes have achieved their objectives and results? Do the results based logframe indicators for the objectives and results show that the intended changes taking place?	<ul style="list-style-type: none"> <li>• Indicators of the specific programme</li> <li>• Results relative to plans/logframes</li> </ul>	<ul style="list-style-type: none"> <li>• Completion/evaluation reports</li> <li>• Beneficiaries/client interviews</li> </ul>
Is the quality and quantity of the produced results in accordance with the plans, how are the results applied by the beneficiaries and other intended stakeholders?	<ul style="list-style-type: none"> <li>• Outcomes/output achievements</li> <li>• Impacts observed by respondents</li> </ul>	<ul style="list-style-type: none"> <li>• Programme progress reports</li> <li>• Completion/evaluation reports</li> </ul>
To what extent have gender equality, reduction of inequalities and promotion of climate sustainability been achieved during implementation of the Programmes?	<ul style="list-style-type: none"> <li>• Gender/inequality issues targeted and action and results achieved</li> <li>• Climate issues targeted and achievements reported</li> </ul>	<ul style="list-style-type: none"> <li>• As above</li> <li>• Interviews with beneficiaries</li> </ul>
To what extent has the capacity that been built within partner organisations <i>contributed</i> to changes in focus, understanding and policy formulation within line ministries and other agencies?	<ul style="list-style-type: none"> <li>• Policy level changes planned</li> <li>• Policy level results achieved</li> </ul>	<ul style="list-style-type: none"> <li>• Former project manager/staff</li> <li>• Completion/evaluation reports</li> </ul>

Have the Programmes been able to build capacity of partner countries' institutes?	<ul style="list-style-type: none"> <li>• Institutional capacity targets planned</li> <li>• Institutional capacity achievements reported</li> <li>• Number and quality of research produced</li> </ul>	<input type="checkbox"/> As above
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Key Evaluation Questions	Indicators	Data Sources
	<input type="checkbox"/> Junior Riparian Professionals working in participating country governments and institutes or MRC	
How effective has been Finland's financial support to the MRC and the policy dialogue efforts within the MRC?	<ul style="list-style-type: none"> <li>• Policy dialogue targeted</li> <li>• Policy dialogue achievements</li> </ul>	<ul style="list-style-type: none"> <li>• Interviews with MRC staff</li> <li>• Interviews with Finland govt staff</li> </ul>
<b>D. Efficiency</b> The efficiency of a Programme is defined by how well the various activities transformed the available resources into the intended results in terms of quantity, quality and timeliness. Comparison should be made against what was planned.		
How well have the activities transformed the available resources into the intended outputs/results, in terms of quantity, quality and time?	<input type="checkbox"/> Costs of activities <input type="checkbox"/> Outputs produced	<ul style="list-style-type: none"> <li>• Programme expenditure records</li> <li>• Completion/evaluation reports</li> </ul>
Can the costs of the Programmes be justified by the results?	<input type="checkbox"/> As above	<input type="checkbox"/> As above
Can the administration costs of the Programme be justified and are they in balance with the implementation costs?	<input type="checkbox"/> Activity costs % of total costs	<input type="checkbox"/> As above
Have there been any bottlenecks in the process of administration and management that have contributed to delays in implementation?	<input type="checkbox"/> Delivery delays encountered	<input type="checkbox"/> Programme activity reports

To what extent has the management resources been adequately allocated to different components? What could be improved?	<input type="checkbox"/> Allocation of funding across programmes and components	<input type="checkbox"/> Financial reports
<b>E. Aid effectiveness (Effectiveness of aid management and delivery)</b>		
How and to what extent has the support from Finland to the programmes promoted mutual accountability, harmonization, alignment and ownership?	<ul style="list-style-type: none"> <li>• Extent of integration into MRC functions</li> <li>• Information shared with other donors</li> </ul>	<ul style="list-style-type: none"> <li>• Interviews with MRC staff</li> <li>• Minutes of meetings</li> </ul>

Key Evaluation Questions	Indicators	Data Sources
	<input type="checkbox"/> Joint programming is successful in decreasing administrative burden	
<b>F. Sustainability</b>		
The degree to which the benefits produced by the Programme continue after the external support has come to an end.		
<p>Assess the possible factors that enhance or inhibit sustainability, including</p> <ul style="list-style-type: none"> <li>• ownership/commitment,</li> <li>• economic/financial,</li> <li>• institutional,</li> <li>• technical,</li> <li>• socio-cultural and</li> <li>• environmental sustainability aspects</li> </ul>	<ul style="list-style-type: none"> <li>• Activity design aspects that promote sustainability</li> <li>• Activity outputs adopted or maintained by others since 2015</li> </ul>	<ul style="list-style-type: none"> <li>• Interviews with programme participants</li> <li>• Completion/evaluation reports</li> </ul>
How have the Programmes ensured long-term viability of MRC and sustainable development of the Mekong sub-region? Is this enough to ensure sustainability of the results? Give concrete examples on best practices in the Programmes.	<input type="checkbox"/> Programme activity contributions to MRC ongoing functions	<input type="checkbox"/> Interviews with MRC staff

### G. Coherence

Coherence of the support to the MRC with Finland's development policy in general and in water sector in particular, including policy-dialogue on the transboundary water resources management issues on the Mekong.

How coherent were the programmes with the member countries policies in water resources management?

*{Pamela/Vic: discuss the extent to which the TOR questions should be used as Evaluation Questions or whether some editing should be done for clarity. 'Coherence' usually refers to the extent of complementarity of projects or activities with the programme level objectives. There is something wrong with the statement under G. Coherence}*

- Extent of complementarity /coordination across related programmes
- Combined effect of programmes on national water resources policies

- Member country water resources policies
- Interviews with MRC staff and relevant national MRC committees

### **Annex 3: list of persons interviewed**

<b>Name</b>	<b>Position and Organisation/former roles</b>
Dr. An Pich Hatda	Chief Executive Officer, Mekong River Commission Secretariat, MRCS
Dr. Anoulak Kittikhoun	Chief Strategy and Partnership Officer Head MRCS, former coordinator of the BDP programme
Janjira Chuthong	Chief Hydrologist, Technical Support Division (TSD), MRCS
Ms Sopheap Lim	Modelling technician with MRCS since 2004
Dr Kritsana Kityuttachai	Remote sensing and GIS Specialist, MRCS
Dr. Lam Hung Son	Head of Regional Flood Monitoring and Management Centre, Phnom Penh, MRCS
Mr. Palakorn Chanbanong	Sustainable Hydropower Specialist, Planning Division, MRCS Former ISH team; PDG – Preliminary Design Guidelines for Mainstream Dams, 2009 & 2018 versions
Mr. Suthy Heng	MRCS, Regional Technical Advisor, Environment Dept., MRC Former IKMP coordinator, also worked on The Council Study
Dr Sothea Khem	MRC Flood Forecaster Regional Flood Management and Mitigation Centre, Phnom Penh
Thim Ly	MRCS Planning Division, Responsible for National Indicative Plans (NIPs)
Dr. Bertrand Meinier	Programme Coordinator for GiZ ‘MRCS Co-fund’ manager
Malinya Phetsikhiaw	Office of the Chief Executive Officer (OCEO) MRCS administration
Simon Krohn	Consultant, Australia - former CTA for IKMP programme.
Jeremy Bird	Consultant, UK- former CEO MRCS
Voradeth Ponkeo	National Secretariat for Dam Safety Review, Govt of Lao PDR Former coordinator of MRCS ISH programme

Ounheuan Saiyasith	Programme Manager (Water Resources), Australian Embassy, Vientiane
Antti Inkinen	former Counsellor Finnish Embassy in Bangkok
Marko Keskinen	Aalto University, Finland, Former consultant to MRC
Marita Meranto	Counsellor, Ministry of Foreign Affairs, Finland

Nghia Le	Programme Assistant, Finnish Embassy, Hanoi Longtime employee of Finland Embassy
Marko Saarinen	Counsellor, Head of Development Cooperation, Embassy of Finland in Hanoi.
Klomjit Chandrapanya	former MRCS International Cooperation and Communication Chief
Ame Trandem	former SE Asia Coordinator for International Rivers
Dr. Paradis Someth	E-Water Australia, former IKMP data management officer





#### Annex 4: Data on annual financial contributions of Finland for MRC programmes (`000 USD)

	IKMP				ISH		WMTF		JRP	
	IKMP Prog.		Senior Modeller							
	2011-2014		2009-2012		2011-2014		2010-2014		2011-2014	
	Budget	Balance	Budget	Balance	Budget	Balance	Budget	Balance	Budget	Balance
2015	No data due to no report for 2015									
2014	9.10	1.492	0.710	-.06*	3.66	2.21	1.399+	0.9448	1.2935	0.1225
2013		5.963	0.754	-24*	3.66	1.82	1.30 (1.M EUR)	0.91 (.7M EUR)	1.2988	0.5262
2012		No data		No data	3.68	3.68	-	-	1M EUR	0.651
2011	9.10	8.45	No data	No data	3.99	No data	-	-	1M EUR	1.279
					2007-2015					
2010	9.131	2.13	0.754	0.525	1.382 +3.60 pending	0	1.30 (1.M EUR)	1.4	-	-
Total	\$8,675,744 USD to Dec 2015; extra funds provided to CCAI for climate change analyses		\$710,502 USD		\$3,520,562 USD		1,300,000 USD approximately  1 M Euro		1,300,000 USD approximately  1 M Euro	

20102015 <sup>70</sup>					
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**Source: Annual MRC Work Programme documents. Balances re as of December 31 of each year**

Note: Budgets may change due to exchange rates; figures are rounded to 4<sup>th</sup> decimal

\*Deficit due to different exchange rate between Euro source and USD conversion

+ Converted from Euro (1M) at the USD\$ exchange rate at the time

No annual report found for 2015 year; may not have been produced

Note: \$600,000 of the IKMP budget was used to fund the IKMP modelling team to undertake climate change analysis and preparation o the Regional Climate Change and Adaptation Strategy as part of the MRC Climate Change and Adaptation Initiative (CCAI).

Note: interest on funds provided support to The Council Study from WMTF

**Finland contribution in EURO**

	<b>IKMP</b>	<b>ISH</b>	<b>WMTF</b>	<b>JRP</b>	<b>TOTAL</b>
<b>USD</b>	9,386,246	3,520,562	1,291,600	1,291,600	15,490,008
<b>EURO</b>	7,267,146	2,954,483	1,000,000	1,000,000	12,221,629

Based on 1.2916 USD to EURO

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<sup>70</sup> From the MRC Programme Completion Reports 2016.



## **Annex 5: Review of documents**

**Separate Document**

