



**Greater Mekong Subregion
Environment Operations Center**

**Greater Mekong Subregion (GMS)
Working Group on Environment 4th Semi-Annual Meeting
(WGE-SAM 4)**

**25 November 2009
Bangkok, Thailand**

MEETING SUMMARY

I. INTRODUCTION

1. The GMS Working Group on Environment 4th Semi-Annual Meeting, WGE SAM4, was held on 25 November 2009. The meeting was hosted by Ministry of Natural Resources and Environment (MNRE), Thailand, in cooperation with the GMS Environment Operations Center (EOC) and the Asian Development Bank (ADB). The meeting participants included delegations from Cambodia, the People's Republic of China, Lao PDR, Myanmar, Thailand and Viet Nam. Observers included representatives from the Governments of Sweden, Finland, ADB, WWF, USAID, Winrock International, IGES, EOC. The participants list is attached as Appendix 1. A draft agenda and meeting documentation had been forwarded to all participants prior to the meeting. Meeting Agenda is attached as Appendix 2.

II. OPENING SESSION

2. The meeting was co-chaired by Dr. Ampan Pintukanok, Director, International Cooperation on natural Resources & Environment and Mr. Javed H. Mir, Director Designate, Agriculture, Environment and Natural Resources Division, Southeast Asia Department, ADB. In her opening remarks, Dr. Ampan Pintukanok, MNRE, Thailand, welcomed all meeting participants to Bangkok and opened her address by bringing the meeting participants' attention to next month's climate change negotiations in Copenhagen, COP-15. In setting the scene for action at COP-15, a number of high level meetings have taken place and Dr. Ampan highlighted milestones from the ASEAN meeting in Thailand in October 2009 as well as the APEC ministerial meeting in Singapore, November 2009 as they can also serve as inputs to the strategic direction that the GMS Core Environment Program and Biodiversity Conservation Corridors Initiative (CEP/BCI) takes. Among these were mentioned Reduced Emissions from Degradation and Deforestation (REDD and REDD+) as well as enhancing energy efficiency in the GMS.

3. Mr. Mir also welcomed all participants and emphasized that the objective of the meeting was to evaluate the implementation of CEP/BCI in phase 1. He recommended that discussions focus on CEP/BCI plans and the way forward for CEP/BCI set within the framework of the joint statement from the GMS WGE15th annual meeting (WGE-AM 15), so that by the end of the meeting, clear strategic guidance for CEP/BCI in the coming period January to June 2010 could be provided to EOC.

4. Mr. Pavit Ramachandran, ADB, presented the meeting agenda and stated that it was his hope that based on CEP/BCI progress presented by EOC colleagues for each component, discussions on achievements and current implementation status, lessons learnt, issues and challenges would benefit program implementation during the next 6 month period as well as give further direction to the planning of Phase II development of the Core Environment Program.

III. PROGRAM PROGRESS AND UPDATES (WITH DISCUSSIONS)

5. Ms. Deborah Porte, Strategic Environmental Assessments (SEA) Coordinator, EOC, presented progress in Component 1, reporting on status of the SEA for the Power Development Plan VII in Viet Nam, the Land Use Planning SEA for Quang Nam Province, Viet Nam and the planned SEA of tourism in the Golden Quadrangle, covering PR China, Lao PDR and Cambodia. She highlighted that a common concern among GMS countries is how best to incorporate existing work into the country strategy, 5-year-plan, 10-year-plan, and across sectors.

6. Mr. Chuon Chanrithy, Cambodia, emphasized the importance of involving higher level decision makers in the SEA process to strengthen the uptake of the SEAs in the national and regional strategic policy development for environment.

7. Mr. Abhimuk Tantihabhakul, Thailand, pointed out that two aspects of SEA are crucial. Building and strengthening national knowledge is a key priority in conducting SEAs, while providing practical success stories to decision makers is urgently needed. Currently in Thailand, Environmental Impact Assessments (EIA) is compulsory but SEA is not. Institutionalizing SEA in the government planning process requires both SEA technical capacity and a legislation enabling environment.

8. Mr. Ramachandran noted the importance of influencing policy makers to use national consultants to strengthen the national pool of experts. Mr. Mir added that a robust SEA should be well embedded in the country specific context. He encouraged WGE to continue to play a key role in providing guidance to the CEP/BCI program to ensure this.

9. Mr. Sumit Pokhrel, EOC provided an overview of BCI objectives, achievements, and delivery of outputs, and some highlights from the impact assessment of the Xe Pian – Dong Hua Sao BCI pilot site. CEP's BCI pilot site implementation in its current form is closing. He described outcomes and opportunities for new mechanisms such as REDD which are being explored in close collaboration with national focal points. Mr. Pokhrel also highlighted several achievements of BCI implementations and impact assessment of the Xe Pian – Dong Hua Sao BCI site, Lao PDR; 181 Commune/Village revolving funds have been established; 2,155,263 ha of total habitat area is now under protection, and 98.1% of school facilities in Xe Pian – Dong Hua Sao have been improved. He also presented the LoA amendment for Viet Nam (Cao Bang, Quang Tri) and PRC (Yunnan, Guangxi); the scoping paper completed, and scoping workshop scheduled for January 2010 for ecosystem connectivity and ecotourism development in Northern Plains, Cambodia; ToR for Valuation of Ecosystem Services proposed in Cambodia, Lao PDR, and Viet Nam under processing; and the field work scheduled for 2010.

10. Mr. Pokhrel continued to present CEP/BCI activities aiming to address climate change issues such as strengthening risk and vulnerability assessment capacity; greenhouse gas (GHG) emission reduction from land use change and productive sectors. He highlighted that EOC has secured a commitment of \$1 million from

ADB's Climate Change Fund to undertake REDD preparedness activities in three BCI pilot sites.

11. Ms. Huynh Thi Mai, Viet Nam, commented that Viet Nam's experience in biodiversity and a key lesson learned through the work that has been carried out in the BCI pilot sites is the importance of involving poor communities in the design of conservation activities. Ms. Mai also strongly urged ADB and development partners to allocate more funds for mitigation and adaptation of climate change in the GMS. Finally, on behalf of the Vietnamese government, she expressed strong support for the BCI-PPTA to build on the rich experience and momentum that has been created in the first phase of CEP-BCI's BCI activities.

12. Mr. Thevarack Phonekeo, Lao PDR, who attended on behalf of Mme. Keobang A Keola, emphasized the imperative of coordination and integration among all stakeholders in the CEP/BCI in order to forward the development of the region. He looked forward to hearing more about REDD experiences in the other GMS countries (covered in the technical workshop conducted the following day).

13. Mr. Iain Watson presented progress on Component 3: Environmental Performance Assessments (EPA). He highlighted work on the second round of national EPA reports which are currently being reviewed and reported that the technical guidelines on EPA were being disseminated to GMS stakeholders following the regional workshops in 2008/2009. Finally, he reiterated that the implementation schedule reflects country demand and priorities as well as institutional capacity for absorption.

14. Ms. Karin Isaksson, Sida, asked for clarification of how EPA fits into ADB's subregional sector activities such as large infrastructure or energy sector projects.

15. Mr. Watson responded by comparing the work of EPA at the national level and at the corridor level, clarifying that EPA at the corridor level allows us to assess specific impact of economic activities on different aspects such as wetlands, biodiversity, and changes in agriculture across an entire corridor.

16. Mr. Chanrithy expressed concern about honoring the ambition of producing high-quality EPA reports because of the challenge in obtaining data and the overall quality of national data being reported.

17. Ms. Lilita Bacareza-Pacudan, EOC, presented an overview of outputs, progress and plans; issues and challenges for Component 4. She informed the meeting on the current status of the national support units (NSUs) and provided information on the training needs assessment endorsed by WREA, Lao PDR, ISPONRE, Viet Nam and YEDP in Yunnan, China (October 2009). Among results highlighted, she touched upon the role of WGE focal agencies that are being strengthened through the NSUs; the critical and expanding pool of GMS specialists/services providers (in 2009 there were 18 GMS national consultants working in SEA, BCI, and EPA) and the continuing internship and deputation program.

18. Ms. Helena Ahola, Government of Finland, requested additional information on capacity development and highlighted the importance of keeping Finland informed of capacity development collaboration with Water Resources and Environment Administration (WREA) in Lao PDR. She also requested a status update for a recent capacity development exercise with WREA.

19. Mr. Hasan Moinuddin, EOC, replied that a capacity development report was currently under review with WREA and would be shared with the WGE as soon as it was finalized.

20. Ms. Kanokwan Pibalsook, Thailand, expressed Thailand's high appreciation for ADB's support and development partners to CEP/BCI in Thailand and put on record that Thailand was interested in exploring how a Thai NSU could be accommodated within the current institutional arrangements.

21. Ms. Mai recommended that training needs should be assessed not only at national level but also at the regional level in order to identify common needs in the GMS. She also requested ADB's support for GMS countries to attend COP-10 in Nagoya, Japan next year as well as study tours outside of GMS region. Finally, concerning the internship program, Ms. Mai suggested that EOC should consult governments of the GMS countries before hiring interns. Representatives of PR China shared the same point of view in term of internship program and supported the recommendation of study tours.

22. Mr. Mir stated that ADB would consider all recommendations provided based on an assessment of benefits to be realized from suggested activities and available financial resources. Concerning a study tour outside the GMS region, he requested that issues such as priority, value added and objectives be detailed before taking a proposal for an international study tour to the next level of consideration.

23. The forthcoming workshop on economic instruments in Beijing was proposed and agreed to by GMS WGE focal points. Representatives of co-financers Finland and Sweden had no objections.

24. Program development, delivery, and sustainable financing were co-presented by Dr. Moinuddin, EOC and Ms. Sarah Katz, EOC. Dr. Moinuddin summarized program development progress during the reporting period including the GMS Energy forum/ RPTCC; ADB's agriculture, environment, and natural resources operations in Lao PDR and Viet Nam, climate change activities, REDD initiatives, closer collaboration with the second GMS economic corridor forum & the Working Group on Agriculture and new developments on PES. Ms. Katz presented selected outreach support to program activities and Mr. Sompongse Somsookh, EOC, presented CEP budget status to date.

25. Mr. Ramachandran presented discussions, recommendations and follow-up actions from the three ADB, Sida and internal mid-term reviews as well as plans and timelines for program development and phase II planning including important strategic regional milestones in the coming year. He highlighted the Senior Official's Meeting and Ministerial Meeting which will be held in Hanoi, Viet Nam and the action plan and investment framework to be developed in the planning for CEP's second implementation phase. Finally, the 3rd GMS Environment Ministers Meeting and fourth Summit is scheduled to be held in late 2010/early 2011.

26. Mr. Lin Fanyuan, PR China, expressed appreciation to project financiers and EOC. He recalled that before CEP/BCI, environmental projects in GMS countries were small, fragmented and unsystematic and contrasted with the current situation where an integrated development approach is applied in an adaptive manner to systematically address priority needs of the GMS countries. On operational issues, the desirability of strengthening of cross border information sharing was highlighted.

27. Ms. Isaksson shared Sida's views on the MTR. She emphasized that there is a learning process applying to all projects. She appreciated that the solutions identified in ADB's response matrix responded directly to MTR recommendations. A request was made for the ADB and EOC to look at means of further strengthening country ownership and partnerships.

28. Ms. Ahola expressed appreciation for the long list of recommendations detailed by Mr. Ramachandran and suggested that efforts next be devoted to their implementation and mainstreaming. She indicated that Finland would like to see more ownership taken by the GMS countries, and more participatory approaches employed in the process of formulating activities, scope and approach, and other aspects.

29. The WGE reconfirmed that the agreed GMS country priorities stated in the joint statement of the 15th annual meeting remain unchanged; namely biodiversity conservation and poverty alleviation, climate change, capacity building and rural environmental management.

IV. CLOSING

30. Dr. Ampan thanked WGE focal points, development partners, ADB and EOC for organizing and participating actively in the meeting and closed by emphasizing the importance of collaboration across borders to strengthen environment and development in the GMS.

31. In his final remarks, Mr. Mir summed up the discussions and deliberations that had taken place during the meeting, namely:

Policy Issues:

32. WGE underscored the importance of channeling policy recommendations in line with subregional, national and sectoral planning processes within the GMS Economic Cooperation Program. In this respect, CEP-BCI should play an instrumental role in the creation of enabling policy and regulatory environment so as to increase effectiveness and mainstreaming of environment in sub-regional planning processes. This will require alignment of CEP-BCI to 1.) The Regional Cooperation Strategy and Program (RCSP) for the GMS, 2.) The next 10-year GMS strategy and 3.) The Economic Corridor Forum.

Program and Phase II Development Issues:

33. WGE recommended the 15th Annual Meeting Joint Statement to be taken as a basis for Phase II program development. WGE expressed strong support to the continuation of the work that has been carried out under Component 2—Biodiversity Conservation Corridor Initiative (BCI) in the planned upscaling BCI PPTA, to build upon experiences and early successes in BCI sites.

34. During the meeting, REDD and Payment for Ecosystem Services (PES) mechanisms were identified as emerging areas of collaboration among GMS countries, and WGE welcomed new potential partnerships with ongoing similar initiatives in the region. PR China restated their commitment to host a capacity building workshop on PES and will further explore opportunities to collaborate with USAID initiatives on this.

35. Viet Nam suggested that the proposed capacity needs assessment under cluster implementation should focus on subregional capacity gaps in SEA, BCI and EPA with a view to enhancing overall program delivery capacity.

36. Thailand expressed interest in exploring the possibility of establishing a Thai NSU and requested that consideration be given to this proposal.

37. In general, the Phase II planning schedule presented by the ADB representative (Attachment 2) was considered acceptable to WGE but PRC recorded its concern about the tight timelines leading up to the Ministerial Meeting (MM). ADB/EOC will facilitate further consultations to firm up this process during December 2009. There was general consensus among WGE and development partners that Phase II development should avoid any duplication or overlap with existing national or sub-regional programs.

38. Sweden emphasized that their new development strategy is being formulated with focus on environment, climate change and human rights. A key issue that is still under discussion is the definition of "regionality" which will have implications for their engagement with Phase II.

Operational Issues:

39. In order to further establish a coherent operational cycle, WGE suggests that EOC prepare and submit an annual plan of operations to WGE focal points at the beginning of each calendar year.

40. On recruitment of the Chief Technical Advisor (CTA), PRC appreciated the ongoing transparency and participatory consultation process. WGE advised on compliance with the agreed Term of References (TORs), and providing impetus to the GMSization of the EOC. ADB clarified ADB's procurement procedures that govern the CTA as well as other consultant recruitment.

41. Finland requested simpler reporting and recommended more consistent use of www.gms-eoc.org for purposes of 1) results information sharing 2) provision of information on EOC staffing.

Coordination and Communication Issues:

42. WGE suggested improving coordination and communication between WGE and other working groups as well as relevant sector line ministries in order to enhance effective CEP-BCI program development and delivery. Similarly, WGE directed EOC to further refine programmatic and operational coordination with WGE focal points.

43. Finland emphasized closer coordination with WREA, Lao PDR in terms of ongoing GMS secretariat capacity building activities to avoid duplication with other existing bilateral programs.

Recommendations

44. EOC should continue coordination and collaboration with other GMS working groups (e.g. RPTCC and WGA), Country Partnership Strategy (CPS), relevant technical assistance (TA) and investment packages to consolidate its engagement

with relevant sector agencies to synergizing program development leading to phase II planning.

45. Following the proposed Phase II planning process, ADB/EOC should initiate preparatory work to formulate a draft planning document followed by the consultation missions; the finalized document will feed into GMS Senior Official Meetings (SOM) scheduled during March 2009.

46. EOC information management and outreach package should enable effective communication with WGE and development partners. EOC should explore options to upgrade the EOC website to better reflect CEP-BCI achievements, project portfolio, staffing arrangement, specialist roster, and other aspects.

47. With that, the meeting came to a close.