

Greater Mekong Subregion (GMS)

Working Group on Environment

5th Semi-Annual Meeting (WGE - SAM 5)

29-30 November 2010, Ho Chi Minh City, Viet Nam

MEETING SUMMARY

29-30 November 2010

The 5th Semi-Annual Meeting of the Working Group on Environment (WGE-SAM 5)

I. SESSION I: WELCOME AND AGENDA SETTING

1. The 5th Semi-annual Meeting of the Working Group on Environment (WGE - SAM 5), was held on 29-30 November in Ho Chi Minh City, Viet Nam. The meeting was attended by all WGE countries, ADB, co-financing and implementing partners, observers and EOC. The meeting was co-chaired by Dr. Nguyen Van Tai, Director General, ISPONRE, Viet Nam and Mr. Javed H. Mir, Director, SERD, ADB.

2. In his opening remarks, Dr. Tai welcomed all meeting participants to Ho Chi Minh City and began his address by bringing the meeting participants' attention to the significance of each country's obligation to offer inputs to the strategic direction that the GMS Core Environment Program and Biodiversity Conservation Corridors Initiative is taking.

3. Mr. Mir opened the meeting by emphasizing the change in format of the meeting, and framed the timing of a broader consultation and agenda in the context of the revised strategic framework for the Economic Cooperation Program (ECP), the ongoing preparation of the country partnership strategies (CSPs) and finally the upcoming Environment Ministers Meeting in the lead up to the 4th GMS Leaders Summit in 2011. Mr. Mir also with sadness acknowledged the untimely passing away of Permanent Secretary Saksit Tridech, Ministry of Natural Resources and Environment, Thailand, and the meeting observed a minute of silence in his honor.

II. SESSION II: CEP-BCI PROGRESS AND STATUS

4. Mr. James Peters, Chief Technical Advisor, GMS EOC, presented CEP-BCI progress while Mr. Sompongse Somsookh, GMS EOC reported on the financial status and progress. In response, the representative from Thailand enquired about the difference between the planned and allocated budget and the amount spent. It was clarified that the amount has been liquidated but that there is an inherent delay in reflecting this due to ADB's internal financial controlling.

5. Viet Nam's representative requested clarification of how to proceed with the further planning and how the current WGE focal points will be involved in the establishment of the National Support Units. Mr. Sanath Ranawana, responsible ADB officer for CEP-BCI,

responded that country consultations had included a clear request for support in implementing the national support units, and that although the model might be to anchor the National Support Units (NSUs) in the GMS national secretariats, this would need to be developed further and in close collaboration with the countries. Mr. Peters, EOC, added that as an initial step, it is planned to recruit a management and implementation specialist for each country who can further develop the NSUs.

6. Mr. Pavit Ramachandran, ADB, iterated the point that although implementation is still largely national, the framework for activities is increasingly in the transboundary landscapes which is where the GMS CEP-BCI adds its real competitive value. Facilitation of cross-sector policy dialogues is also an area where the CEP-BCI has proven to add value.

7. Ms. Karin Isaksson from Sida/SENSA commented that although nationally anchored activities were important, for Sida the competitive advantage of the program was to be found in the added value of bringing in the regionality. She requested that the added regional value be highlighted in the current and planned CEP-BCI activities. As Sida is also funding the Wetlands Alliance, she accentuated the need for coordination with this body. With regard to capacity building, she urged meeting participants to draw on regional human resource capacity in the further development of the GMS Environment Operations Center.

8. Mr. Hla Maung Thein, representative from Myanmar, noted that no activities were planned to take place in Myanmar and requested clarification of how capacity development could be strengthened in the current circumstances. Mr. Ranawana responded to the request by drawing attention to the fact that activities are currently coordinated through collaboration with UNEP.

9. Mr. Chuon Chanrithy, Cambodia's representative, stated that a lot had been learnt in the implementation of phase I and that it was crucial to use this experience to improve and strengthen phase II of the CEP-BCI. He also reminded the meeting that there were still many challenges as the complexity of the program continued to demand cross-sectoral coordination and the need for coordination with other ministries was not always easily facilitated. Furthermore, it was commented that the legal framework for the program was important to agree on, not only the design of the program.

10. Dr. Songtam Suksawang from Thailand reminded meeting participants that the recently completed Convention on Biodiversity 10th Conference of Parties (CBD COP-10) in Nagoya, Japan had determined protected area management as a key priority. He highlighted that the GMS can answer to these obligations relevantly through the current focus of the program especially because of the cross-sector linkages and the focus on protected area management and noted this with satisfaction.

11. Ms. Cui Dan Dan from PR China opened the Chinese intervention by asking how to effectively make comprehensive connections with the other sector working groups. She argued that although coordination is increasing, there is still a lack of institutionalized partnership and integration between the GMS sector working groups. In response, Mr. Mir contended that the link to the other key sector groups and the issue of regionality is most effectively addressed through the national GMS secretariats.

12. Ms. Helena Ahola, Embassy of Finland, Thailand, highlighted the importance of considering legal issues in the establishment of the NSUs and working closely with other line agencies to avoid adding a layer of bureaucracy to the planning process.

III. **SESSION III:** Panel Discussions on CEP-BCI Achievements and Impacts

13. The panel comprised of Mr. Nguyen Thu Lam, from Ministry of Science and Technology, Viet Nam, Mr. Chaynoy Sisomphane, Ministry of Agriculture and Forestry, Lao PDR, Ms. Kim Thi Thuy Ngoc, MONRE, Viet Nam, Ms. Wang Aihua, MEP/FECO, PR China, and Mr. Bou Chan Serey, Ministry of Tourism, Cambodia. The session was chaired by Mr. Lonkham Atsanavong, WREA, Lao PDR and co-chaired by Mr. Ranawana, ADB.

14. After the short presentations (all presentations can be found at: <http://team.gms-eoc.org/WGESAM5/default.aspx>), the floor was opened for questions and comments.

15. Ms. Isaksson suggested the meeting to consider broadening the scope of the climate change and agriculture study beyond rice production, and recommended to take into account a Sida-commissioned study called Rethinking Agriculture in the GMS. She recommended the CEP-BCI for the transboundary SEAs that have been conducted.

16. Ms. Asdaporn Krairapanond, Thailand, added that she looked forward to being involved in the CC and agriculture study, as it related to Thailand's priority of climate change and agriculture and the quality of life for communities that live in protected areas as well as within BCI pilot site areas.

17. Mr. Ramachandran stated that the thrusts in ADB's activities are on sustainable management of biodiversity landscapes. This is demonstrated through the CEP-BCI and represents important complementarity with ongoing ADB activities.

18. Mr. Thevarack Phonekeo, Lao PDR, stressed the importance of exchanging experiences of linking environment and tourism between countries and underlined the usefulness of Cambodia's tourism SEA for Lao PDR.

19. Mr. Buon Serey, Ministry of Tourism (MoT), Cambodia, responded that ecotourism has proven to be an effective link between these two priority areas, especially if it can be applied to an existing tourism destination and developed for specific visitor groups, hospitality providers and natural resources managers as well as securing the involvement of local/provincial governments.

20. Chair and co-chair summarized the main messages from the session as above.

IV. **Session III B: Mainstreaming Environment in the Energy and Transport Sectors**

21. The panel consisted of Ms. Nguyen Thi Thu Huyen, Institute of Energy, Viet Nam, Mr. Sumit Pokhrel, EOC, Ms. Naeeda Crishna, EOC and Mr. Iain Watson, EOC. The session was chaired by Ms. Kim Thi Thuy Ngoc, Viet Nam and co-chaired by Mr. Pavit Ramachandran, ADB.

22. After the short presentations, comments and questions were welcomed from the floor. Response fell into the following categories:

23. Ms. Cui Dan Dan, PR China, commented that it would be useful to know how national planning processes fit with interregional planning in the collaboration with the energy sector

24. Mr. Patrick Durst from FAO thanked for the presentation on Carbon Neutral Transport Corridors, and asked how far the analysis and study had come, as he was interested to know what impacts and results are expected. Ms. Crishna responded that the project had just been

initiated and that the framework for the study was currently being scoped out in close consultation with the countries.

25. Mr. Anshuman Saikia, IUCN, asked about the status of ADB's energy sector strategy, and Mr. Ramachandran replied that the strategy is now being further developed into a GMS Energy Sector Roadmap.

26. Mr. Ramachandran further noted that a highlighted item in the presentation on PDP VII was the different scenarios looking at the installed capacity of hydropower; he would be interested to compare the findings from the SEA on PDP VI with the current capacity in order to get an indication of how efficiently the SEAs are influencing the planning processes.

27. Mr. Pokhrel added that that the logical and important link between the national planning process and the regional energy strategy is being made through close collaboration and coordination with the regional power trade committee (RPTCC) and through the partnership with RETA 6440, and also cautioned that it was important to maintain a realistic sense of how much could be attributed to the SEAs.

28. Mr. Pham Quan Phuc, ADB Viet Nam, briefed on ongoing ADB carbon reducing and energy related activities in Viet Nam, including a TA to reduce Viet Nams carbon footprint that is being undertaken together with the Ministry of Energy.

29. Ms. Ahola accentuated the need for coordination with other regional energy initiatives funded by Government of Finland to avoid duplication of effort. Ms. Isaksson supported the comment from her Finnish colleague and added that she was encouraged to note that collaboration with other sector institutions continue, as she saw this as manifestation that mainstreaming was beginning to be anchored in the CEP-BCI activities.

30. In synthesizing the session, the chair and co-chair highlighted the discussions as above.

V. III C: Sustaining Conservation Landscapes

31. The panel consisted of Ms. Kim Thi Thuy Ngoc, Viet Nam, Ms. Wang Aihua, PR China, Dr. Songtam Suksawang, Thailand. The session was chaired by Ms. Cui Dan Dan, PR China, and co-chaired by Mr. James Peters, EOC.

32. Following the short presentations, discussions and response from the meeting participants included the following:

33. The possibility of including other kinds of ecosystems in the design of Phase II of GMS CEP-BCI. Dr. Songtam suggested that it might be possible to look at marine ecosystems in an attempt to further explore and take advantage of the interconnectivity between ecosystems in a "mountains-to-sea" approach, and Mr. Chuon Chanrithy, Cambodia, responded with concern that the program might be attempting to incorporate too much at the cost of the core focus of the program, biodiversity and natural resources management. Mr. Ranawana suggested that an SEA of the Southern Corridor might be used to explore habitat connectivity in the area.

34. Mr. Chanrithy highlighted the importance of the private sector in strengthening regional growth. He suggested exploring corporate social responsibility (CSR) opportunities as part of the further development of Phase II of the CEP-BCI.

35. Mr. Mir, ADB, agreed that engaging the private sector will be an important milestone to achieve in the further progress of CEP-BCI and suggested exploring private financing models

and how they can be harnessed for the GMS. Particularly in the transport sector, there is a need to engage with practitioners, both transport funders and transport engineering firms.

36. Ms. Isaksson asked for clarification of the links between the investments in upscaling the BCI and the CEP-BCI (2012 – 2016). She also asked if EOC would provide support to the implementation of the upscaled BCI investment, and if so, how this would be prioritized within EOC?

37. Mr. Ramachandran responded that EOC will not directly be implementing the work that is planned under the upscaling of the BCI. As part of the project, a separate budget is contained for consultants.

38. Mr. Peters commented that the recently established cross-border BCI pilot site between PR China and Viet Nam is unique in the sense that the identification and use of environmental indicators has been an integrated part of the activity design right from the start. In the context of Bulong Nature Reserve, it represents a key connectivity tool in consolidating biodiversity conservation in the regional context of CEP-BCI.

39. Ms. Ahola noted the absence of a separate session for WGE focal points during the meeting, which is usual practice. Mr. Mir explained that since the meeting was deviating from the standard format and an important objective of the meeting was the broader stakeholder discussions and inputs, the WGE had not found it necessary. As a next step in the further development of the program document, the need for a separate meeting was discussed and agreed upon (see notes under Session IV)

40. Myanmar's representative expressed interest in further developing activities on the Myanmar side of the BCI pilot sites and suggested Myanmar Nature Conservancy as a possible entry point.

41. More background was requested by MRC on the reasons for choosing the transboundary corridor between PR China and Viet Nam, and Mr. Pokhrel explained that the Cao Vit Gibbon was an emblematic and endangered species living in this habitat on both sides of the border, so this had been key for the development of the pilot site activities.

42. In conclusion of the session, session co-chair Mr. Peters synthesized the discussions, questions and feedback as above.

VI. Session III D: Regional Knowledge Management and Outreach

43. Panelists for the session included Mr. Hla Maung Thein, NCEA, Myanmar, Mr. Mahesh Pradan, UNEP, Mr. Thevarack Phonekeo, WREA, Lao PDR, Mr. Thinnakone Svengsuksa, EOC, Mr. Lothar Linde, EOC, Ms. Sarah Katz, EOC. The session was chaired by Ms. Asdaporn Krairapanond, Thailand and co-chaired by Mr. Mahesh Pradan, UNEP.

44. Following the presentations, the following comments and questions were recorded:

45. For the GMS Atlas on the Environment, the WGE representative from Thailand asked for more background information on how the countries would review and approve maps and data prior to finalizing the atlas for printing. The representative from Lao PDR raised concern about possible differences in country sources for data. The Cambodia representative raised concern that the production of the Atlas would be challenged by differences in quality of and availability of data. Ms. Katz responded that the base data that would be used for the Atlas would be pulled from the EPA reports that each country is currently finalizing; these indicators and figures are

already public and have gone through national endorsement procedures. Mr. Linde supplemented by emphasizing that the Atlas will be developed in close collaboration with GMS country governments.

46. Mr. Pradan suggested that the GMS Atlas could be an important product to base a joint GMS intervention at the upcoming global Rio+20 meeting that will be organized in 2012.

47. IUCN requested more information about EOCs strategy on knowledge management, and EOC responded that an outreach and capacity building strategies are both in place. Furthermore, a training needs assessment has been carried out identifying immediate and strategic needs for CEP-BCI stakeholders.

48. In conclusion, chair and co-chair summarized the session as above.

VII. Session IV: Core Environment and Biodiversity Corridor Conservation Program: Proposed Program CEP-BCI 2012 – 2016

49. The second day of the Working Group on Environment's 5th Semi-annual meeting was chaired by Chuon Chanrithy, and co-chaired by Mr. Javed Mir, ADB. A short summary of discussions from the first day of the meeting was presented by Mr. Peters, EOC.

50. Mr. Ramachandran, ADB, presented the first generation of investments emerging from the CEP-BCI phase I (2006 – 2009); the Biodiversity Conservation Corridors Project. Covering 1.93 million ha and 173,000 people within the Cardamom and Eastern Plain Mountains, the Triborder Forest Areas in Southern Lao PDR and the Annamite Mountains in Viet Nam, the objective of enhancing transboundary cooperation for preventing and mitigating fragmentation of biodiversity rich transboundary landscapes was explained to meeting participants. The important complementarity with the CEP-BCI and the EOC was highlighted as well as the viability in effectively linking the two investments.

51. Ms. Isaksson, Sida/SENSA, thanked for the presentation and for clarifying the connection and link between CEP-BCI and the upscaled and independent Biodiversity Conservation Corridors Project. She further questioned how the two programs would support each other and how the inter-linkages and dependencies would be managed. Mr. Ramachandran replied that the project would allocate separate consultants for the implementation of the project but that the WGE would continue to be involved in it, e.g. through monitoring or as national focal points (as is currently the case). The complementarity between the two programs is important to maintain, as the BCC project is built on the information baseline and experiences from BCI. Activities that focus on building capacity within safeguards will also offer an important additionality.

52. Ms. Ahola, Embassy of Finland, emphasized the need for the countries to formulate how they wanted to continue with the program design development process as the formulation of this and in identifying common regional interests would be key to developing the next phase of the CEP-BCI as a regional program.

53. Mr. Ranawana, ADB then explained the framework and process for developing the design for CEP-BCI (2012 – 2016), anchored it in the larger GMS economic cooperation program and the development of the strategic framework 2012 – 2022 which is currently being formulated and presented key elements, institutional set up and thematic priorities for the CEP-BCI within this context.

54. Mr. Mir, ADB emphasized that the presentation reflected a broad consultative process and established a strong foundation for further development of CEP-BCI (2012 – 2016).

55. The representatives from Thailand made the following comments on the presentations: Dr. Songtam reemphasized the relevance of connected ecosystems. Ms. Krairapanond noted the mentioning of clear targets in the DMF for the program document and requested clarification on which targets the DMF was referring to. Also, the continued significance of strengthening the GMS subregional community was emphasized, and Mr. Ranawana noted the comments and clarified that the original language from the DMF was used to indicate the need for indicators for monitoring purposes.

56. Myanmar's representative took note of the emphasis on the forestry sector and stated that the importance of this goes beyond conservation of biodiversity but even more important is the positive impact on improving livelihoods. Myanmar is hoping that there will be scope for more direct activities and capacity building in CEP-BCI (2012 – 2016) and reminded the meeting participants that a lot of preparation was still necessary before the program document would be ready for endorsement. Mr. Ranawana responded to Myanmar confirming that forestry will remain an important part of the program as addressed in component 3.

57. Ms. Ngoc, Viet Nam commented that details of each component should be discussed with the individual countries in detail. It was suggested that the scope of components could be widened to look at both green and brown issues. The representative also recommended that the green growth concept should be considered in the next phase, as it also provides an entry point to further engagements with the private sector.

58. From Lao PDR, Mr. Phonekeo thanked for the comprehensive presentation of the program document and GEF proposal and informed the meeting that the draft would be shared with national representatives from the nine priority sectors before sharing formal comments with the WGE.

59. PR Chinas representatives comments fell into the following categories:

60. In the DMF, the connection and link between the first phase of the CEP-BCI (2006 – 2009) and the second phase (2012 – 2016) could be clearer and the achievements of phase I could be utilized as a baseline for the design of Phase II.

61. The current DMF does not mirror the WGE statement from 2009 on the strategic direction although the tools have been integrated; it will be important to scope out activities in greater detail and describe each one carefully to keep focus on continuity from Phase I.

62. The topic described under component 1 is defined a bit too widely, and the representative suggested that rather than mentioning safeguards as part of the component, making it the focus of the component and calling it "Environment Safeguards Systems".

63. For the outlined component 2, it was suggested to open up the focus from low carbon and climate change to encompass green growth, allowing for each country to focus on national priorities. For PR China, the focus would be on adaptation.

64. For component 3, it was suggested that other conservation areas in PR China be considered as inputs to this component.

65. On the issue of engaging with other GMS working groups, PR China added that it was important but that the crucial element was to focus on how to effectively mainstream environment.

66. On the layout of the framework, it was emphasized that the narrative descriptions of outputs and matrix were clear and useful; in the list of activities consistency could be improved between the narrative and matrix elements.

67. On the budget, the representative requested a greater level of detail in the component part.

68. The representative supported the suggestion of EOCs continued function as the secretariat for the GMS Working Group on Environment. Also, the minutes from the PRC country consultation were requested. Mr. Ranawana thanked for the comprehensive comments and elaborated briefly on the further development of the current components, adding that component experiences and have been taken into account in the suggested 'new' components. He acknowledged comments on terminology regarding baselines and targets.

69. Cambodia's representative agreed on the draft program framework and stressed the importance of discussing it further with relevant line agencies prior to sharing formal comments with the WGE. Mainstreaming environment is a national priority and for information management, it continues to be a challenge to build capacity on data generation. For the Mekong Basin Forest Initiative, the representative suggested to consider working in protected areas and not limiting activities to BCI sites as many community livelihoods are based in the protected areas surrounding BCI sites.

70. On Component 4, the representative stressed the importance of capacity building at the institutional level and sustainable financing. Coordination with other sectors can be challenging, but is increasingly possible.

71. The Cambodian tourism representative added that the ministry supported pro-poor tourism development in the South-East and North-East region of Cambodia near BCI sites and encouraged the involvement of the local communities in this development.

72. As the chair of the session, Mr. Chanrithy then suggested an internal WGE meeting to further discuss and develop the draft program framework prior to the next meeting of the Working Group on Environment and GMS Environment Ministers Meeting in 2011. **All six countries agreed with this proposal and it was further agreed that comments would be sent to EOC by early January 2011.** EOC would then consolidate country feedback and comments and send out the revised program document and action plan as background material for the WGE's internal meeting.

73. Ms. Isaksson delivered joint remarks from Governments of Sweden and Finland, emphasizing that development partners were pleased with progress and current status, although they also urged a continued focus on implementation, cautioning that CEP-BCI should maintain a balance between planning for the future and successfully completing the ongoing phase of the program. The importance of continuing to strengthen GMS ownership was emphasized, as was collaboration with other regional actors such as MRC in order to capitalize on regional synergies.

74. Specifically for Sweden, Ms. Isaksson added that Swedish support to the present phase of CEP-BCI comes to an end by the end of 2010. She informed that a possible no-cost extension was being discussed; however she could not confirm the endorsement of this at the meeting. The development of a second phase was being followed closely by Sida, and the project document could be assessed after finalization. This possible assessment would consider overall achievements of the first phase but also regional added value and ownership would be defining factors.

75. Ms. Vaivio, Ministry of Foreign Affairs, Finland, added comments on behalf of the Government of Finland. She mentioned the evaluation of phase I and appraisal of phase II of CEP-BCI that was carried out as a part of standard Finnish project cycle management and required before new funding decisions can be considered

76. She iterated that the focus of the appraisal of Phase II was on the role of countries, and to explore whether special attention was paid to ensure that activities are demand driven. Of special focus for Finland is sustainability and transfer of responsibility to the countries including financial responsibility.

77. She ended by stating that she looked forward to continued collaboration with the CEP-BCI; actual funding decision will be made in 2011 upon receiving official financing request from ADB and guided by the evaluation and appraisal results.

78. 10 participants had indicated their interest in giving short presentations on their programs and possible future areas of collaboration with CEP-BCI (please visit <http://team.gms-eoc.org/WGESAM5/default.aspx> for partner presentations). The presentations focused on how activities could compliment the CEP-BCI and a lot of interest was generated in both existing and possible new partnerships and collaboration. Among the presentations, 3 presenters from Korea focused on energy and green growth, laying the ground for further discussions.

79. Among the comments and suggestions made in response to the presentations, IUCN suggested that EOC compile a matrix of activities and projects on environment in the region. This request was noted by EOC.

80. In closing, Cambodia offered to host the annual meeting, and all countries agreed in principle on **24 – 25 May, 2011**. The venue and details of the meeting will follow in due course.

81. Mr. Mir closed the meeting by thanking the Government of Viet Nam and MONRE for hosting the meeting as well as the country delegations and partners for their participation. He emphasized that while the pace of development is accelerating, the GMS governance structure is what guides ADB's and CEP-BCI's support to the countries. He noted that a key message to take away from the meeting was that CEP-BCI was not working in isolation, but alongside many equally interesting and relevant environment initiatives in the region.

82. With this, the meeting came to a close.