YOUR LOGO

The Greater Mekong Subregion Cooperation Programme

Building Connectivity, Competitiveness and Community

Outline

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01

Overview

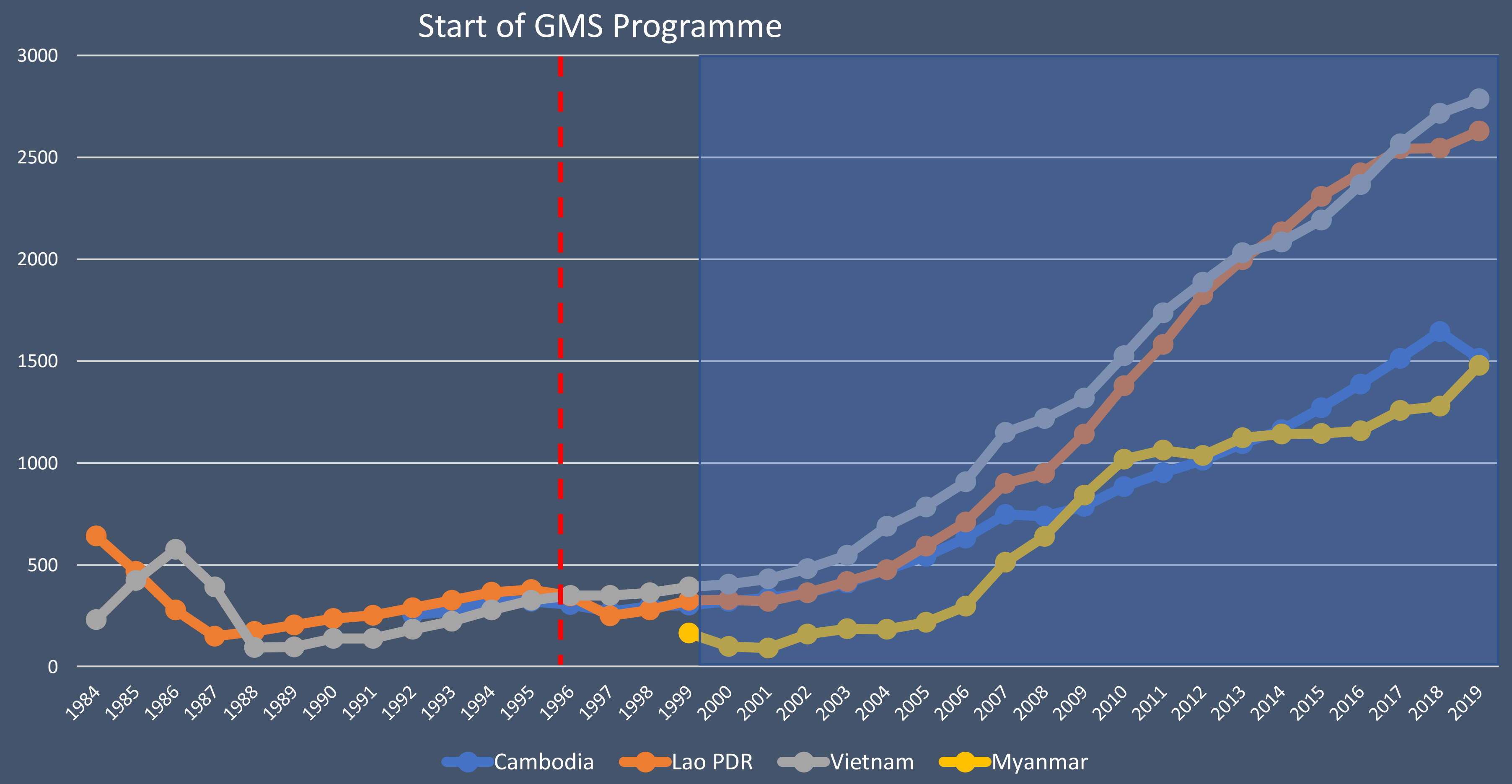
The GMS Programme

- Established in 1992 by six countries in the GMS with to enhance economic relations within the region
- Comprises Cambodia, PR China (Yunnan Province and Guangxi), Lao PDR, Myanmar, Thailand, and Viet Nam, with an area of 2.6 million km^2 and 334 million people
- The GMS Cooperation Programme (or GMS Programme): identifies and implements high-priority subregional projects in a wide range of sectors

Role of Foreign Assistance

- Foreign assistance (multilateral and bilateral sources) presence brings in capital investments to catalyze development
- Helps governments to prioritize projects for financing through subregional platforms
- Provides blended finance for private sector operations to help ensure commercial viability
- Mobilizes private sector capital through fund management

GDP per Capita, 1984-2019



Key Challenges

- Economic differences that exist between the countries of the GMS
- Relationships between Cambodia, the Lao People's Democratic Republic, Myanmar, and Viet Nam with the larger economies of PR China, Thailand and neighboring ASEAN countries and means to catch up with developed countries
- Ability to cope with emerging political, technological, climatic and health challenges
- Global trends, such as the gradual breakdown in the global consensus on trade liberalization, future financial crises, and other external events

DEVELOPMENT STRATEGY

Design Option #3

Vision and Purpose

Vision: Mekong subregion that is more prosperous, integrated, and harmonious

Purpose: Create an enabling policy environment develop infrastructure to:

- facilitate cross-border trade, investment, tourism, and economic cooperation
- develop human resources and skills competencies
- ensure sustainable, environment and social development

Development Strategy

- Increase **connectivity** through sustainable development of physical infrastructure and the transformation of transport corridors into transnational economic corridors
- Improve **competitiveness** through efficient facilitation of cross-border movement of people and goods and the integration of markets, production processes, and value chains; and
- Build a greater sense of **community** through projects and programs that address shared social and environmental concerns

Translating Strategy into Actions

Connectivity

- Multimodal transport (highways, toll roads, public transportation, MRTs)
- Information technology
- Policy and regulatory reforms

Competitiveness

- Cross-border economic corridor development
- Regional value chains/SMEs
- Regional capital market development

Community

- Regional health
- Climate change and disster preparedness
- Cross-border energy trade
- Natural resource management

Economic Corridor Development

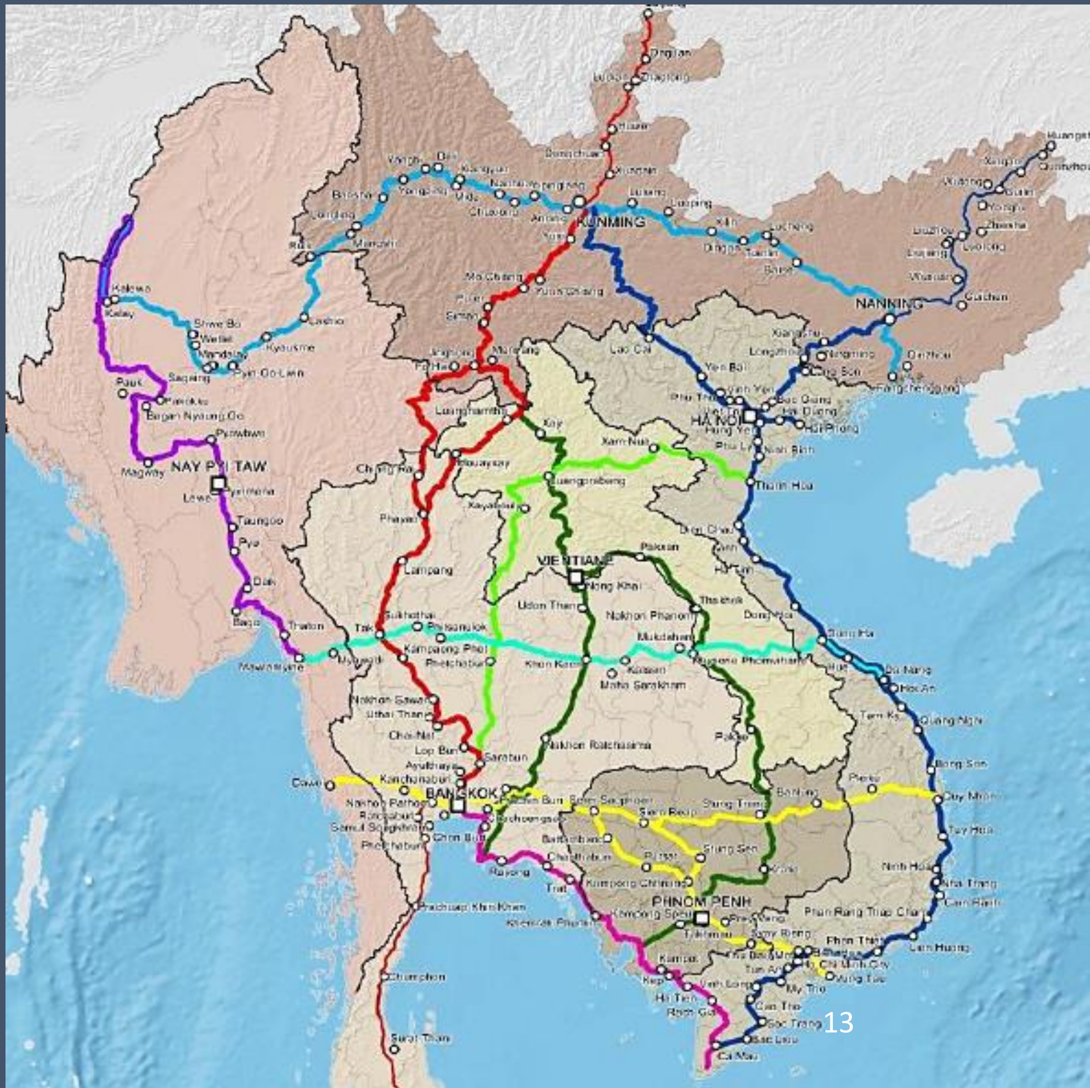
- Economic corridor development has catalyzed development of special economic zones, particularly border economic zones
- Coordination across multiple sectors is essential
- Maximizing the benefits of economic corridors required multisector projects that involve public and private sector investments and that include both hardware and software interventions

What are economic corridors?

- Areas along transport routes **that host a variety of economic and social activities**
- These include, among others, factories, tourism, trade, environmental protection activities and other aspects of the economy and social development

Economic Corridor Development

- Since 1992, $20.4 billion invested, mostly in transport and energy infrastructure
- Expanded to 9 corridors from 3 main economic corridors
- GMS Regional Investment Framework: transport, agriculture, tourism, energy, urban development, and other multisector/border zone development account for over 98% of total cost of projects



KEY AREAS OF COOPERATION

Thanks for joining us

Transport

- Develop priority transport corridors that that link urban centers, agricultural production, markets, tourist destinations, and other areas of economic activity
- Promote trade, tourism, investment, and access to social and other services
- The main transport corridors the North–South, East–West, and Southern economic corridors

Trade Facilitation

- Focuses on nonphysical or “software” measures to enhance connectivity and linkages among member countries
- Provide a framework for trade facilitation, efficient cross-border movement of goods, vehicles, and people; and investment
- GMS Cross-Border Transport Facilitation Agreement signed by GMS countries in 1999 (Lao PDR, Thailand, Viet Nam), 2001 (Cambodia), PR China (2002) and Myanmar (2003)

Energy

- Establish a competitive and integrated regional power market that will develop, in a sustainable manner, the rich energy resources of the GMS

- Improve the subregion's energy security and the people's access to modern and affordable energy supplies

Agriculture

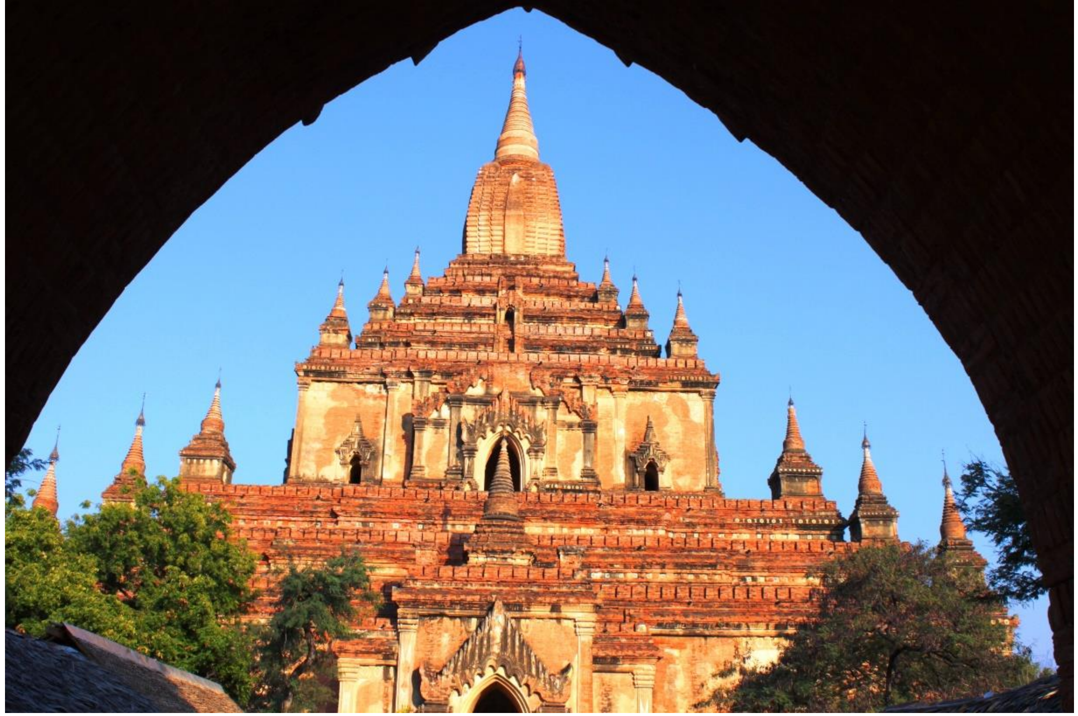
- Improve agricultural productivity in GMS countries
- Facilitate production of safe food using climate-friendly agricultural practices and integrated into global markets
- Implement the GMS Core Agriculture Support Program Phase II (2011–2020)

Urban Development

- Invest in priority urban infrastructure and services in small and medium-sized cities
- Contribute to the transformation of transport corridors into economic corridors
- Assist in preparing strategies for sustainable, competitive and livable cities
- Provide rural areas with greater access to jobs and markets

Tourism

- Develop and promotes the GMS as a single destination, offering a diversity of good quality and high-yielding subregional products that distribute the benefits of tourism
- Minimize adverse impacts of tourism
- Invest in infrastructure that supports tourism, combined with capacity building and training and community-based tourism development to reduce poverty, generate employment generation, and ensure sustainable development



Information Technology

- Improve telecommunications linkages, promote information and communications technology applications
- Facilitate increased access to information and communications to lower transaction costs and enhance the competitiveness of the GMS

Human Development

- Promote cooperation in health, education, labor and migration, and social development
- Support communicable diseases control and HIV/AIDS prevention,
- Provide training on technical and vocational training, and higher education and research

Achievements so far

5.4% GDP Growth (2019)	3 Economic Corridors **Learn how these have become a catalyst for growth for the subregion**	200+ Follow Projects in the Pipeline **Get information on proposed and approved projects**
Close to 12,000 km Roads Constructed, Upgraded, or Improved	2,600 km Power Transmission and Distribution Lines Built/Added	$639 billion Annual Trade in 2020 between GMS countries From $5 billion in 1992

CONCLUSION

Design Option #2

Conclusion

- GMS Program has achieved success in fostering regional cooperation. At the inception of the program, the region was just emerging from a period of prolonged regional conflict.
- The GMS Program is flexible yet results-oriented, delivering projects to promote regional cooperation and thereby contributing to growth and poverty reduction as well as addressing regional public goods

Conclusion

- As of December 2018, the GMS Program had implemented 95 investment programs and projects totaling $22 billion
- Projects include subregional roads, airport and railway improvements, agricultural production, electricity generation and transmission, cross-border trade facilitation, tourism infrastructure development, vocational and educational training and communicable disease control.

THANK YOU!