

November 2001

REG: Greater Mekong Subregion Economic Cooperation Program

Joint Ministerial Statement: 10th Ministerial Conference

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**Greater Mekong Subregion
Tenth Ministerial Conference on Subregional Economic Cooperation
Yangon, Myanmar
27-29 November 2001**

**Ministerial Statement:
Looking Ahead: Continued Economic Cooperation
In the Greater Mekong Subregion**

1. The Tenth Ministerial Conference on the Program of Economic Cooperation in the Greater Mekong Subregion (the GMS Program), held in Yangon, Myanmar from 27-29, November 2001, was a milestone. After a decade of working together to link and develop the subregion in a mutually beneficial manner, Ministers agreed on a strategic framework for continued economic cooperation.
2. Co-chaired by His Excellency Brigadier General David Abel, Minister, Office of the Chairman of the State Peace and Development Council, Union of Myanmar, and Mr. Myoung-Ho Shin, Vice President (Region West), Asian Development Bank, the Conference successfully prepared the way for another ten years of regional economic cooperation. Ministers expressed their thanks to His Excellency Lieutenant General Khin Nyunt, Secretary 1, State Peace and Development Council, for inaugurating the conference, and to the Government of the Union of Myanmar for the excellent arrangements and warm hospitality.
3. Ministers noted with deep appreciation the key facilitating and coordinating role played by ADB and the investment and technical support provided since the inception of the GMS Program, and welcomed the establishment of a new Mekong Regional Department in the ADB. Reiterating the view taken at the 6th Ministerial Conference in Kunming, Ministers endorsed the continued role of ADB as the lead donor agency in strengthening the GMS partnership and recommended that ADB organize a GMS donors' coordination meeting in 2002.
4. Ministers emphasized:
 - a) the strong contribution of the GMS Program to facilitating cross-border trade and other forms of economic cooperation among the member countries;
 - b) the need to accelerate economic cooperation initiatives, especially in light of the difficult world economic situation and more demanding conditions for attracting investment;
 - c) the need for institutional strengthening so as to enable member countries to address comprehensive approaches to regional cooperation, including economic corridors, agreements for facilitating the cross-border movement of goods and people, and a strategic action plan for the environment; and
 - d) the desirability of an integrated and multi-sectoral approach to regional cooperation.
5. Articulating their vision in guiding the GMS Program over the next ten years, the Ministers adopted the following "goal statement":

- a) *GMS countries envision a Mekong subregion that is more integrated, prosperous, and equitable.*
- b) *The GMS Program will contribute to realizing the potential of the subregion through (i) an enabling policy environment and effective infrastructure linkages that will facilitate cross-border trade, investment, tourism and other forms of economic cooperation; and (ii) developing human resources and skills competencies.*
- c) *To ensure that this development process is equitable and sustainable, environment and social interests will be fully respected in the formulation and implementation of the GMS Program.*

6. Ministers also agreed that the strategic framework for realizing these objectives should comprise of five strategic thrusts focusing on strengthening infrastructure linkages, facilitating cross-border trade and investment, enhancing private sector participation and competitiveness, development of human resources and skills competencies, and protection of the environment and sustainable use of natural resources.

7. Ministers approved a detailed action plan for the first three years of the strategic framework, including priority flagship projects designed to help integrate the subregion and effectively respond to opportunities and challenges of mutual benefit. Resource mobilization must be intensified, adding to ADB's extensive support and complemented by private sector involvement, so as to meet the estimated requirements for more than \$900 million in investment financing and almost \$30 million in technical assistance.

8. Ministers also approved a number of institutional measures designed to strengthen the GMS Program, including strengthening of the Senior Officials' Meeting, national secretariats and working groups or forums.

9. Ministers applauded the accession by Cambodia during the Conference to the Trilateral Agreement Between and Among the Governments of Lao PDR, Kingdom of Thailand, and the Socialist Republic of Viet Nam for the Facilitation of the Cross-Border Transport of Goods and People.

10. Ministers reaffirmed their commitment during the Ninth Ministerial Conference for implementation throughout the GMS by 2005 of the Framework Agreement for the Facilitation of the Cross-Border Transport of Goods and People. ADB was requested to further assist in the completion of all protocols and annexes for the Agreement, and to assist the member countries in understanding their provisions and the necessary steps for implementation. Myanmar and the People's Republic of China (PRC) reaffirmed their interest in the Agreement. Ministers noted that the Agreement is a useful complement to ASEAN free trade, and to free trade between ASEAN and PRC. Ministers congratulated PRC on its membership in the WTO and welcomed the opportunities expected for all GMS countries.

11. Ministers endorsed pilot-testing of single-stop customs inspection at selected border crossings along the East-West Corridor and the Bangkok-Phnom Penh Highway. Ministers agreed that these pilot-tests could lead to similar customs facilitation arrangements at other border crossings in the GMS.

12. Ministers noted the satisfactory progress in implementing subregional projects, some of which are of a highly complex nature – such as the North-South and East-West Corridors. Ministers encouraged all stakeholders to help facilitate subregional projects by simplifying or resolving contract and other difficulties. Appreciation was expressed for the considerable progress in resolving issues concerning the North-South Corridor, opening the opportunity for a vital new transportation link in the GMS.

13. Ministers reiterated their strong support and commitment to protect the environment and ensure that development is pro-poor. Ministers agreed on the need for a common strategic environmental framework for protecting the environment and ensuring community interests, and expressed appreciation for the first phase in developing this framework and approval for proceeding with the second phase.

14. While drawing satisfaction at the progress of the GMS Program thus far, Ministers anticipated that the “strategic-thrust forward” for economic cooperation now adopted will lead to even greater success and well-being for all people in the subregion. In this context, Ministers strongly welcomed the proposed Summit Meeting of the Heads of GMS Governments, to be held in Cambodia in 2002, and ADB support for the preparatory activities.