

STUDY ON STRENGTHENING THE GREATER MEKONG SUBREGION PROGRAM'S INSTITUTIONAL FRAMEWORK



21st GMS
Ministerial Conference

Chiang Rai

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EXECUTIVE SUMMARY

Over the more than 2 decades since the launching of the Greater Mekong Subregion Economic Cooperation Program (GMS Program) in 1992, political and socioeconomic conditions in the subregion have changed dramatically. It is vitally important that the GMS Program and its institutional framework are able to respond to these changes and address new challenges.

Global and regional developments over the past 25 years have been unprecedented. Despite the impact of two major financial and economic crises—the 1997/98 Asian financial crisis and the more recent global financial crisis—GMS countries have maintained robust economic growth and, more importantly, have successfully transformed their formerly planned economies into highly dynamic export-led growth economies. During this period, the GMS Program has played a vital role in promoting subregional cooperation. The questions now are whether the GMS Program can continue to play such a role in the next stage of economic development in the GMS and, if so, what is the most effective institutional structure for achieving this goal.

The evolution of the GMS Program’s institutional structure can be divided into three phases. The first phase (1992–2002) comprised the initial stage of the GMS Program prior to the advent of the GMS Leaders’ Summit. At this point, the institutional structure was simple. The next two phases (2002–2012, 2012–2022) coincide with the first (2002–2012) and second (2012–2022) GMS Program Strategic Framework, respectively. The key lesson from the GMS Program’s institutional evolution is the importance of upholding an activity-based and results-oriented approach.

The GMS Program’s institutional mechanisms are working well and broadly provide effective support for program implementation. While any major changes to the GMS Program’s institutional structure would depend on a newly articulated strategic direction, other improvements could also be implemented. These recommendations are categorized into two groups: (i) key recommendations for consideration and endorsement by the Senior Officials’ Meeting (SOM) and, subsequently, the GMS Ministerial Conference; and (ii) other recommendations for the GMS ministers.

Key recommendations for endorsement by the GMS ministers include the following:

Guiding principle. Any measures to strengthen GMS institutional mechanisms should take into consideration the importance of supporting an activities-based and results-oriented approach. It is recommended that the GMS ministers (i) underline the importance of continuing to support the activities-based and results-oriented approach of GMS institutional mechanisms, and (ii) agree that such mechanisms be kept flexible and simple.

Senior Officials’ Meeting. Given the central role of the SOM in spearheading GMS cooperation, it is recommended that GMS ministers (i) emphasize the critical role of the SOM as the overall coordination mechanism under the GMS Program, encompassing both the policy and operational aspects of GMS cooperation; (ii) agree to create a regular reporting mechanism in which the various sector-level Working Groups and Forums can update the SOM on new developments and progress; and (iii) task the GMS Secretariat with preparing a detailed concept paper for this reporting mechanism.

Economic Corridors Forum. The Economic Corridors Forums (ECF) and GMS Ministerial Conference are two high-level platforms of GMS cooperation. There is room for achieving greater synergy between the ECF and the GMS Ministerial Conference. It is recommended that GMS Ministers (i) reiterate the importance of the ECF to the development of GMS economic corridors; (ii) promote the ECF as a flexible and substantive forum for government officials, private sector representatives, and development partners for knowledge sharing; (iii) highlight the need for greater synergy between the ECF and the GMS Ministerial Conference in order to realize efficiencies and cost savings; and (iv) agree that opportunities for the ECF to be held back-to-back with the GMS Ministerial Conference should be explored and that ECF country delegations be headed by a Minister or his/her representative.

Other recommendations for the GMS Ministers included in this report aim to strengthen the GMS Summit, GMS Ministerial Conference, ECF, Governors’ Forum, sector-level Working Groups and Forums, National Secretariats, Central Secretariat (Asian Development Bank), sector-level secretariats, Development Partners Forum, and GMS Business Council.



INTRODUCTION

1. Over the more than 2 decades since the launching of the Greater Mekong Subregion Economic Cooperation Program (GMS Program) in 1992, political and socioeconomic conditions in the subregion have changed dramatically. While the pace of change was initially moderate, in recent years it has picked up considerably. Given the rapid opening up of Myanmar since 2011 and its establishment of a democratically elected government in 2016, this momentum is expected to continue. It is vitally important that the GMS Program and its institutional structure be able to respond to these changes and address new challenges. Having noted the deepening scope of GMS cooperation, in February 2016, the GMS Senior Officials' Meeting (SOM) agreed to undertake a study of the GMS Program's institutional structure to assess the overall institutional architecture and identify practical measures for improvement.

2. From February to April 2016, the study team met with representatives of all GMS participating governments, a cross-section of development partners, and representatives from the private sector. The study team also had in-depth discussions with the Asian Development Bank (ADB), both at its Manila headquarters and at each resident mission located in the subregion.¹ This report summarizes the comments received and the information gathered by the study team. However, the synthesis of feedback in this report is not directly attributable to any one source as the views expressed are those of the study team alone.

¹ Asian Development Bank (ADB) resident missions are located in the People's Republic of China, Cambodia, the Lao People's Democratic Republic, Myanmar, Thailand, and Viet Nam.



GLOBAL AND REGIONAL CONTEXTS

3. The pace of global and regional changes within the past 25 years has been unprecedented. Despite the impact of two major financial and economic crises—the 1997/98 Asian financial crisis and the more recent global financial crisis—GMS countries have maintained robust economic growth. Plagued by poverty in the early 1990s, within less than 3 decades the subregion has become home to the second largest economy in the world, the People’s Republic of China (PRC), as well as rising middle-income countries such as Thailand and Viet Nam. GMS output expanded from \$1.8 trillion in 2010 to \$2.7 trillion in 2014 (gross domestic product at purchasing power parity in current international dollars). Furthermore, member economies have continued to grow at rapid rates over the last 5 years, averaging annual economic growth of 8.4%.² One of the main reasons for this impressive economic growth has been the structural transformation of GMS countries, which have successfully moved from planned economies to become some of the most dynamic export-led growth economies in the world. This structural transformation has been driven by a number of factors:

- **Unilateral liberalization.** GMS countries have unilaterally liberalized their trade regimes and economies since the 1990s. The liberalization process was further accelerated when the GMS countries acceded to various global and regional agreements. This includes the WTO accessions of the PRC in 2001, Cambodia in 2004, Viet Nam in 2007, the Lao People’s Democratic Republic (Lao PDR) in 2012; and membership in the Association of Southeast Asian Nations (ASEAN) for the Lao PDR, Myanmar, and Cambodia from 1995 to 1998. Such unilateral liberalization has resulted in the reallocation of factors of production and export diversification. There has been a sharp decline in the output share of agriculture in all GMS countries, a sector in which productivity is relatively low, and an increase in the output share of manufacturing and services. Furthermore, the export structures of GMS countries have been significantly diversified. More advanced GMS economies such as the PRC, Thailand, and (to a lesser extent) Viet Nam have moved from labor- and resource-intensive exports (e.g., textiles, garments, footwear, raw materials, mineral products, and mining) to capital- and technology-intensive products (e.g., machinery; mechanical appliances; electrical equipment; and other manufactured goods, including components that feed into global value chains). There are initial signs that other GMS countries are also shifting from traditional primary exports to more complex and commercialized products and services.
- **Diversification of sources of growth.** While GMS countries continue to follow an export-led growth strategy, there is also a gradual rebalancing underway toward domestic markets in order to diversify sources of growth. This trend is largely motivated by (i) the growing middle class in the GMS, which is boosting consumption levels; and (ii) the impact of the recent global financial crisis, which led to sharp decline in global trade.

4. Regional cooperation and integration in the GMS is increasing at an accelerated pace resulting from several key developments. First, the establishment of the ASEAN Economic Community in 2015 created major opportunities to accelerate and deepen regional economic integration. Progress toward integration is evident in increased trade in goods and services, rising cross-border investment, and more open capital markets. Between 1967 and 2012, ASEAN members have either signed or ratified 400 agreements, many of which are binding.³ Other new and existing regional integration efforts exist at various levels, complementing the efforts of the ASEAN Economic Community, including ASEAN+3, the East Asia Summit, and various bilateral and multilateral free trade agreements such as the Trans-Pacific Partnership and Regional Cooperation and Economic Partnership.

² ADB. 2016. *GMS Statistics on Growth, Infrastructure, and Trade (Second Edition)*. Manila.

³ See ASEAN Treaties, Agreements, and Ratification, 1967–2012 at <http://www.asean.org/wp-content/uploads/images/2012/resources/TABLE%20OF%20AGREEMENT%20RATIFICATION-SORT%20BY%20DATE-Web-October2012.pdf>

5. Within GMS, members have also become more integrated with one another. Intra-GMS trade as a share of members' total trade increased from 5.9% in 2010 (\$207 billion) to 8.0% in 2014 (\$413 billion). Intra-GMS investment increased from \$8.5 billion in 2001–2005 to \$23.4 billion in 2007–2012. Trade openness—one of the key indicators of regional integration—has improved in all GMS countries. Cambodia, Thailand, and Viet Nam had openness ratios of more than 100% in 2014. The trade openness ratio of Myanmar, a country that was almost entirely closed until 2011, has already improved to 50% due to substantive economic reforms. Given their economic growth rates and proximity to one another, GMS countries' intra-regional trade and investment will continue to expand, especially such links to the PRC, and remain an important factor driving GMS cooperation.
6. Various subregional programs are also emerging across the GMS. In the early 1990s, the GMS Program was the first-ever regional cooperation initiative in the Mekong subregion. Within 2 decades, a plethora of other subregional agreements and programs had emerged covering part or all of the GMS' geographic area. From only a single subregional arrangement in 1992, 11 additional subregional arrangements involving one or all Mekong countries were established between 1992 and 2015. In line with other regional cooperation initiatives in Asia,⁴ similar initiatives have emerged in the GMS, such as the Lower Mekong Initiative originated by the United States, India's Mekong Ganga Initiative, the Japan Mekong Initiative, the Korea Mekong Initiative, and the Lancang–Mekong Cooperation mechanism supported by the PRC and launched in 2016. A concern is that the sheer number of regional cooperation and integration programs with similar institutional arrangements might lead to competing time commitments for GMS government officials. There is also the potential for the duplication of efforts if separate initiatives cover the same geography and similar program objectives or sector coverage.
7. The GMS Program has played a critical role in the structural transformation of the economies of countries in the subregion and contributed to the rising level of regional cooperation and integration among them. Improved cross-border connectivity has facilitated structural transformation by creating greater linkages between existing and potential centers of economic activity in the GMS. In turn, these linkages facilitated the urbanization process with increased flows of goods, labor, and services within and among countries. Transport and trade facilitation measures have also reduced transaction times and boosted intra-regional trade. As the sole platform of regional cooperation in the early 1990s, the GMS Program helped prepare Cambodia, Myanmar, the Lao PDR, and Viet Nam to (re)integrate with ASEAN, East Asia, and beyond.
8. GMS countries also currently face a number of challenges after nearly 3 decades of rapid economic growth. Some countries are either already facing or may soon face the risk of the middle-income trap, especially in the wake of a prolonged worldwide economic slowdown triggered by the recent global financial crisis. A “new normal” for the world economy marked by slow growth would have major impacts for emerging countries that need to continue realizing fast economic growth in order to attain middle-income status. Cambodia, Myanmar, and Viet Nam became lower-middle-income countries less than a decade ago. These countries can attain middle-income status within the next 2 decades only if their per capita income levels continue to increase at the rates achieved during 2000–2010.
9. The question now is whether the GMS Program will continue to play a similar role in the next stage of development in which GMS countries will need to maintain robust economic growth in a slow-growth regional and global environment. The emergence of other subregional cooperation programs and the increasing complexity of GMS economies also raises the question of what will be the continued contributions of the GMS Program. A clear vision of the evolving thrusts of GMS cooperation will be critical in determining the configuration of the institutional structure supporting the GMS Program. The succeeding sections of this study will analyze how GMS institutional mechanisms have changed over time in response to evolving conditions and assess how to accommodate the need for a new strategic direction.

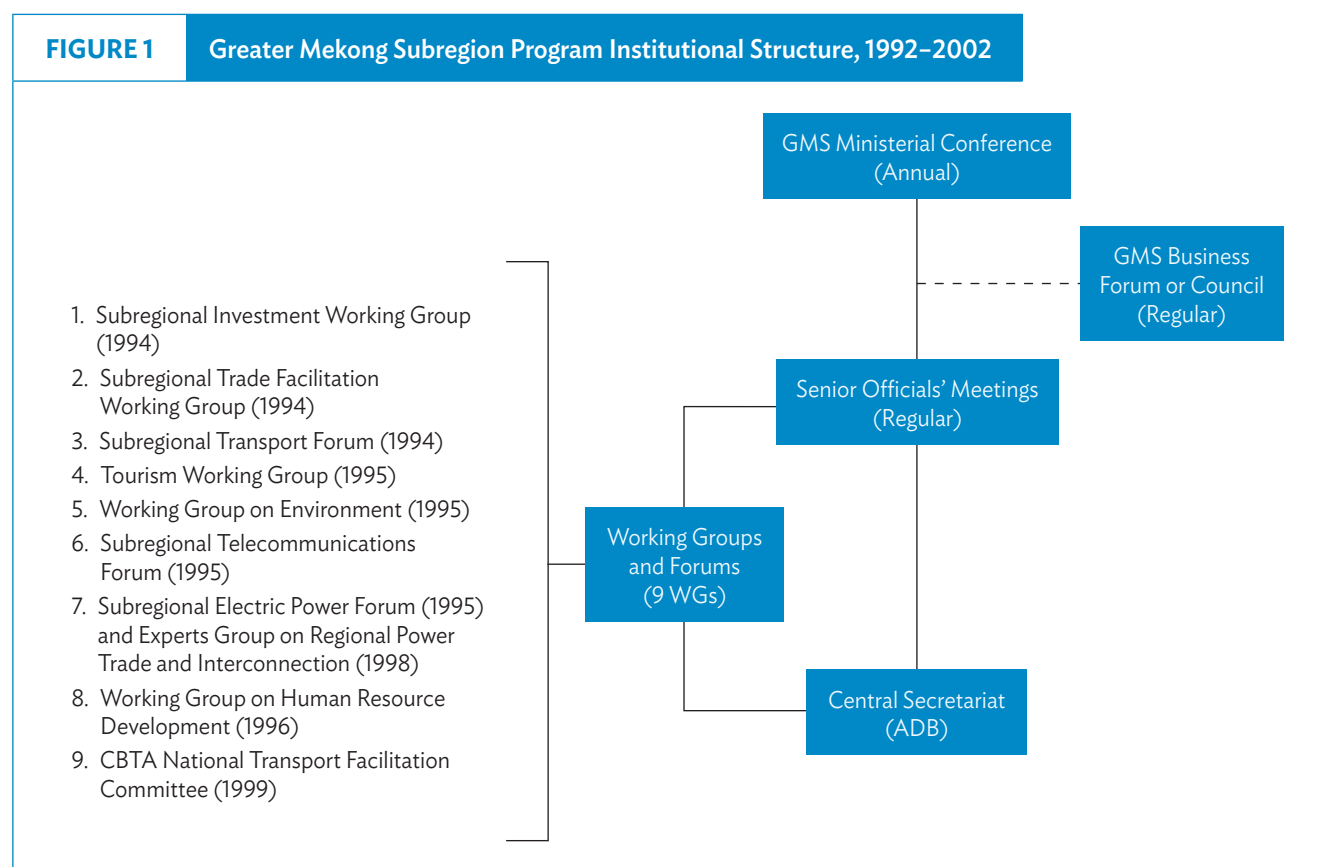
⁴ Ayeyarwady–Chao Phraya–Mekong Economic Cooperation Strategy (ACMECS), Bay of Bengal Initiative for Multi-Sectoral Technical and Economic Cooperation (BIMSTEC), Brunei Darussalam–Indonesia–Malaysia–Philippines East ASEAN Growth Area (BIMP-EAGA), Central Asia Regional Economic Cooperation (CAREC), Indonesia–Malaysia–Thailand Growth Triangle (IMT-GT), and South Asia Subregional Economic Cooperation (SASEC).



EVOLUTION OF THE GREATER MEKONG SUBREGION PROGRAM'S INSTITUTIONAL STRUCTURE

10. The evolution of the GMS' institutional structure can be divided into three phases. Phase 1 (1992–2002) comprised the initial stage of the GMS Program prior to the advent of the GMS Leaders' Summit in which the institutional structure was simple. The next two phases (2002–2012, 2012–2022) coincided with the first⁵ and second⁶ GMS Strategic Framework, respectively. These two Strategic Frameworks have defined the institutional structure of the GMS Program from 2002 to the present day.

11. **Phase 1 (1992–2002).** In the first decade of the GMS Program (1992–2002), its institutional arrangements were simple, pragmatic, and flexible (Figure 1). A two-tiered structure adopted by the Fourth and Fifth Ministerial Conferences in 1994 and 1995, respectively, consisted of a ministerial-level mechanism at the policy level and Working Groups and



ADB = Asian Development Bank, CBTA = Cross-Border Transport Agreement, GMS = Greater Mekong Subregion.
Source: ADB.

⁵ ADB. 2002. *Building on Success: A Strategic Framework for the Next Ten Years of the GMS Economic Cooperation Program, 2002–2012*. Manila.
⁶ ADB. 2011. *The GMS Economic Cooperation Program Strategic Framework, 2012–2022*. Manila.

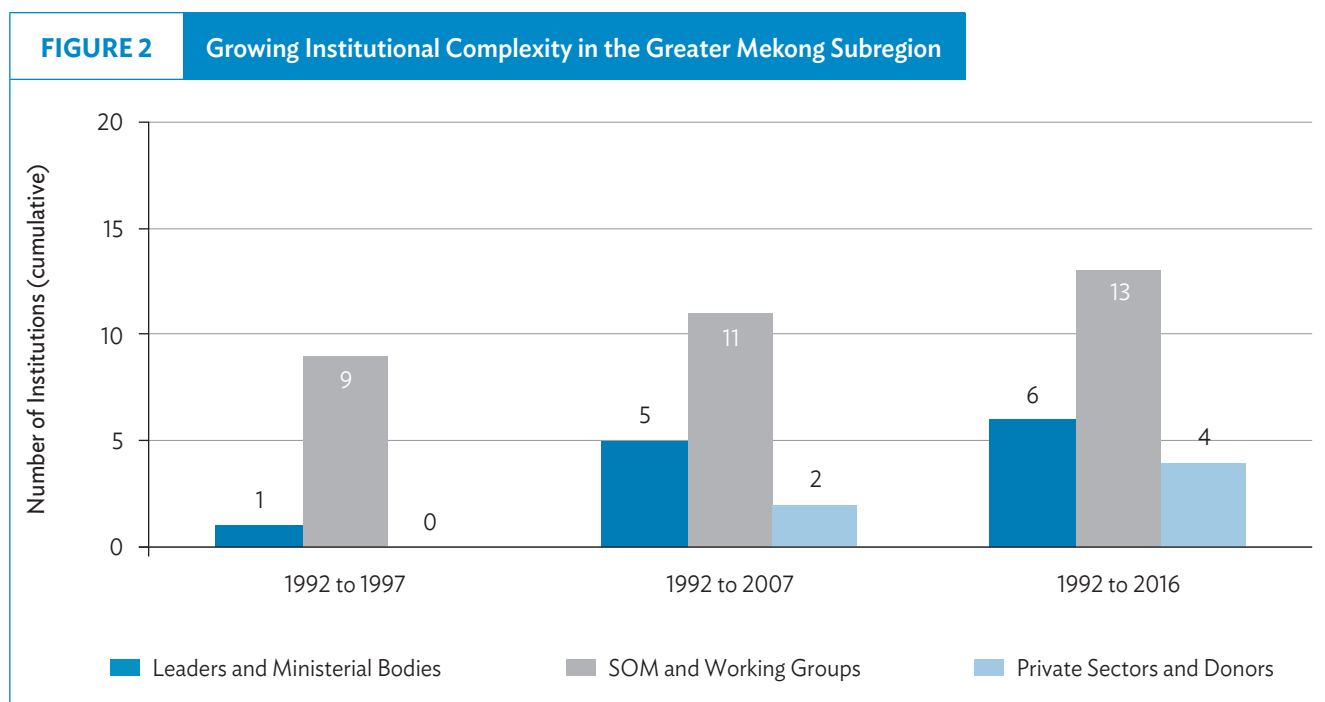
Forums (WGFs) at the operational level. At the national level, an inter-ministerial committee coordinated each country's participation in the GMS Program. A GMS National Coordinator was also designated for each country to serve as a point of contact to facilitate coordination among GMS countries. The ADB provided support through the Central Secretariat.

12. At the political level, the institutional structure reflected the modest ambitions and difficult circumstances prevailing in parts of the subregion in the early 1990s in which mutual trust and confidence had not yet been fully established among the GMS countries. It was also indicative of the relative inexperience of both member governments and ADB in subregional cooperation. The aim was to progress and achieve tangible results wherever they could be found in order to promote cross-border relationships that fostered greater mutual trust and confidence. This required patience and perseverance on the part of government representatives, as well as a committed ADB Central Secretariat. The partnership helped steer the fledgling subregional program on a path of modest but practical outcomes. Success led to enhanced confidence and broader ambitions.

13. At the operational level, the simple and flexible institutional arrangements reflected the underlying nature of the GMS Program, which is to facilitate the implementation of projects. Thus, the institutional mechanisms aligned well with the activity-based and results-oriented approach of the GMS Program. However, the simplicity, flexibility, and alignment of the GMS institutional structure with regard to project implementation would change in the next phase.

14. **Phase 2 (2002–2012).** From 2002 to 2012, participating countries significantly expanded the GMS institutional architecture, including the addition of a Leaders' Summit in 2002, the broadening of sectoral coverage, a membership expansion to include the Guangxi Zhuang Autonomous Region of the PRC, and enhanced participation among development partners and private sector representatives. These changes are depicted in Figure 2, which shows the 5-, 15-, and 25-year timelines set out in Attachments 2a, 2b, and 2c, respectively.

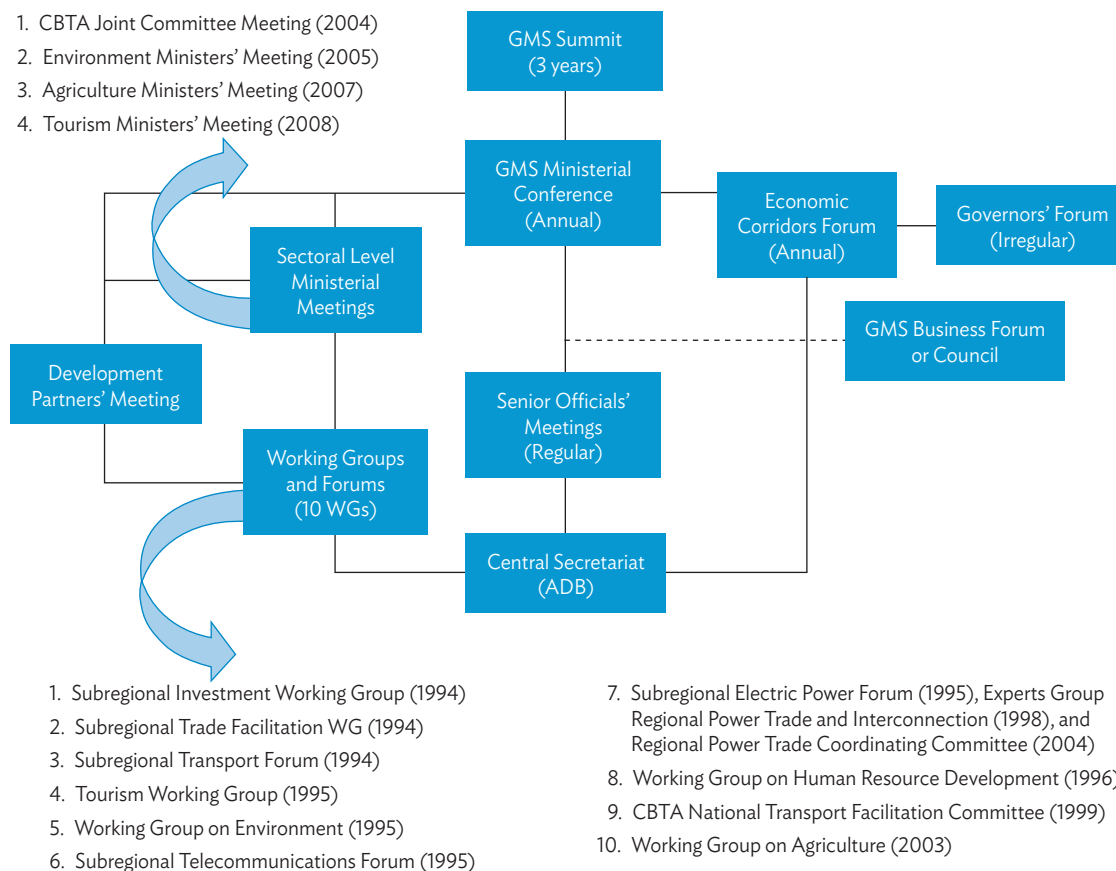
15. The GMS Programs' institutional structure was no longer as simple as it had been in Phase 1 (1992–2002) with the addition of the GMS Summit, ECF, GMS Business Forum (subsequently renamed the GMS Business Council), Development Partners' Meeting, new sectoral level ministerial meetings, and new WGFs.



SOM = Senior Officials' Meeting.

Source: ADB.

FIGURE 3 Greater Mekong Subregion Program Institutional Structure, 2002–2012

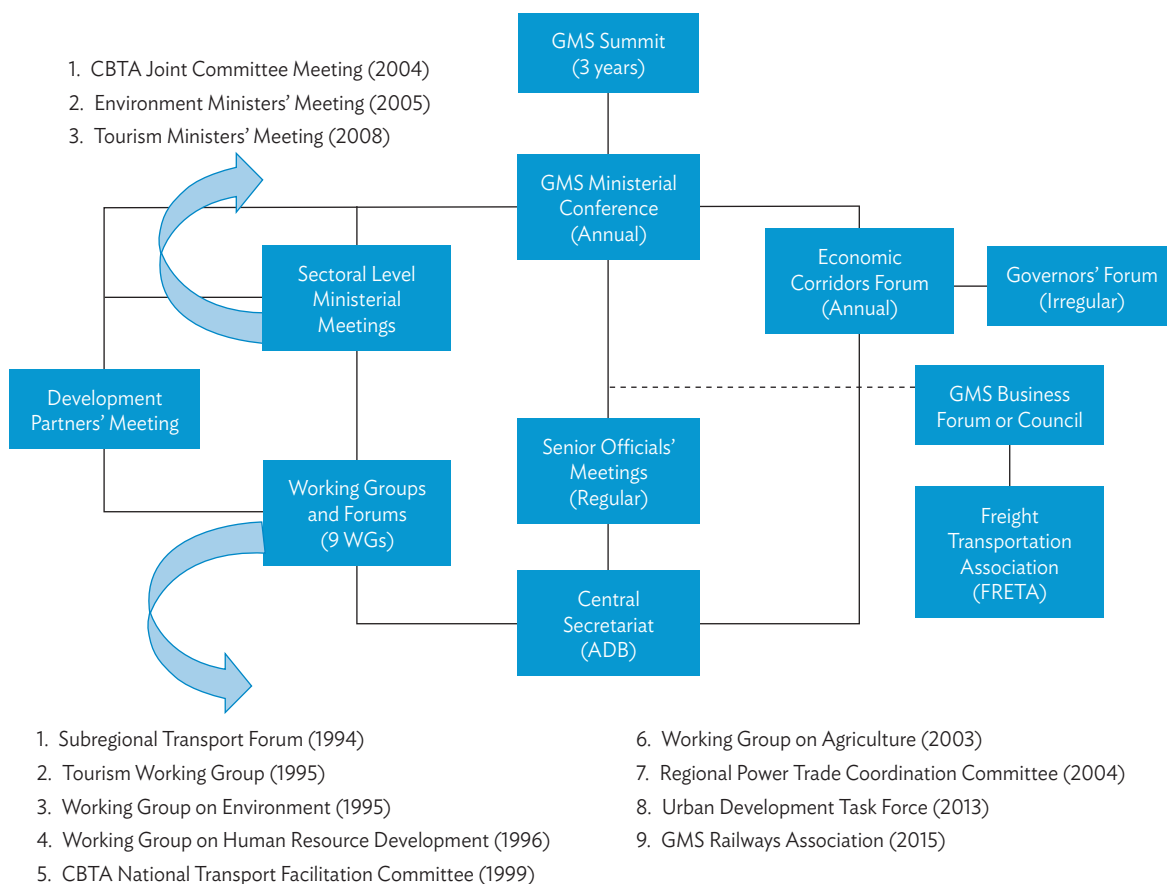


ADB = Asian Development Bank, CBTA = Cross-Border Transport Agreement, GMS = Greater Mekong Subregion.
 Source: ADB.

16. There are two factors to consider with relation to the expansion of the GMS institutional structure during Phase 2. The first GMS Strategic Framework (GMS SF 2002–2012), was endorsed in 2002 and had considerable implications for the GMS Program’s institutional structure. The GMS SF 2002–2012 rationalized and unified all GMS projects into broadly defined strategic thrusts. However, in the course of its implementation, the GMS Program evolved into a more complex cooperation arrangement. While retaining its pragmatic and results-oriented modality, the GMS Program began to undertake more complex policy initiatives such as the Cross-Border Transport Facilitation Agreement (CBTA) and the Intergovernmental Agreement on Power Interconnection and Trade. As a result, the GMS Program’s institutional structure became similar, though to a lesser extent, to overarching institutional structures such as ASEAN and Asia-Pacific Economic Cooperation, which are driven by agreements and policies rather than projects.

17. A second related (and somewhat unique) feature that emerged during Phase 2 was the identification and implementation of the concept of economic corridors. This, in turn, led to the creation in 2008 of new institutional mechanisms such as the ECF and the Governors’ Forum. It is another good example of how the evolution of the GMS Program has influenced adjustments to its institutional apparatus. It will be important to retain this receptiveness to institutional renewal in the face of a rapidly changing global and regional environment.

FIGURE 4 Greater Mekong Subregion Program Institutional Structure, 2012 to Present



ADB = Asian Development Bank, CBTA = Cross-Border Transport Agreement, GMS = Greater Mekong Subregion.
Source: ADB.

18. **Phase 3 (2012–2022).** Although institutional change has continued under Phase 3 as the GMS Program approaches its 25th anniversary, there are initial signs of rationalization and consolidation of the program and its institutional structure. The second GMS Strategic Framework (GMS SF 2012–2022) was endorsed at the 17th Ministerial Conference in August 2011 and adopted during the 4th GMS Summit in December 2011. It calls for fine-tuning the GMS Program while retaining the same vision, goals, and principles of the first GMS Program Strategic Framework.

19. The second GMS Program Strategic Framework also stressed the need to streamline various WGFs, sharpen their focus, and make their activities more effective through the preparation of strategies to guide activities and prioritize work plans and planned projects.

20. The institutional evolution of the GMS Program demonstrates that the institutional structure in Phase 1 was simple and flexible, which fitted well with the activities-based and results-oriented approach. Although this approach was upheld in Phases 2 and 3, initial indications suggest that the GMS Program's institutional structure has evolved with an increasing focus toward policy-oriented tasks. While policy initiatives can be pursued on a selective basis, it is important to ensure that such initiatives support the activities-based approach rather than dilute it.



ASSESSMENT OF THE GREATER MEKONG SUBREGION PROGRAM'S INSTITUTIONAL STRUCTURE

21. The GMS Program's existing institutional mechanisms are working well and broadly support implementation of the GMS Program's activity-based and results-oriented approach. While any major changes to the institutional structure would depend on identifying a new strategic direction for the GMS Program, certain improvements can be considered within this context.

A. Summit and Ministerial Conference

22. The GMS Summit, which is organized once every 3 years and hosted on an alphabetical basis by country name, is the highest-level forum in the GMS Program, representing the zenith of political cooperation in providing broad strategic direction for future actions. Through the years, the leaders of GMS countries have demonstrated their strong sense of ownership of the GMS Program. For example, a number of important policies and strategies were endorsed by the GMS Summit, such as the GMS SF 2002–2012 and GMS SF 2012–2022. The GMS Summit follows the standard structure for a leaders' summit with a plenary meeting and an informal retreat of leaders. There is general consensus that since the GMS Summit is a high-level event, greater mileage should be derived from it in terms of increasing awareness of and support for the GMS Program both within member countries and internationally.

23. The GMS Ministerial Conference, which is organized annually, represents cooperation at the policy and strategic levels. It also serves as the venue in which member governments interact and coordinate with development partners, including the private sector. The ministers' retreat, which is often organized in the afternoon after the GMS Ministerial Conference, can be further strengthened to be more interactive, substantive, and less ceremonial. Also, interactions among the ministers, development partners, and the private sector could be more productive and dynamic.

B. Senior Officials' Meeting

24. The SOM is the overall coordination mechanism under the GMS Program, encompassing both the policy and operational aspects of program cooperation. It is composed of the GMS National Coordinators (senior officials), who are also the Heads of the GMS National Secretariats of individual GMS countries. Although the Ministerial Conference is the main strategy- and policy-setting body in the GMS Program, the SOM is where proposals are initially formulated and operational plans and programs emanating from the various sector-level WGFs are reviewed and vetted.

25. The SOM has served its functions relatively well over the years and been instrumental in realizing the achievements of the GMS Program. But the SOM is also facing a number of challenges. First, GMS National Coordinators have to coordinate within a broad spectrum of sectoral and line agencies within their respective governments. Their coordination task becomes more challenging whenever the GMS Program expands its scope and priority sectors. The National Coordinators have to handle many jobs other than the GMS Program portfolio. Second, the National Coordinators and National Secretariats do not have sufficient capacities and skills to effectively handle the increasing coordination workload. There is also a dearth of capacity building programs and learning-by-doing arrangements for the National Coordinators and National Secretariats. Third, arrangements are not in place to ensure the transfer of knowledge and capabilities to new officials in case of staff turnover among the GMS National Secretariats. Finally, there are no structured arrangements to ensure that the WGFs report to and update the SOM in a regular and comprehensive manner on developments and issues affecting all sectors of cooperation and all aspects of the GMS Program.

C. Working Groups and Forums

26. WGFs are the key operational apparatus of the GMS Program. If activities at the WGF level are running well, the GMS Program will deliver substantial outputs and results. The reverse also applies. If the WGFs are not performing well, then results will not be forthcoming. Key issues related to the functioning of WGFs are summarized below:

- **Effective WGFs.** The GMS Program’s Tourism, Environment, and Agriculture Working Groups, Regional Power Trade Coordination Committee, and Subregional Transport Forum appear to be working effectively. Their effectiveness is partially due to a well-defined scope of cooperation among these WGFs. More importantly, a strong sense of ownership among GMS countries and the active role played by sectoral secretariats have enabled these WGFs to work efficiently.
- **Multisector WGFs.** The diversity of areas covered by the WGFs affect both the participation of GMS countries and their individual agendas. Transport and trade facilitation and human resource development are examples of multisector WGFs. Although the Working Group on Human Resource Development (WGHRD) has achieved encouraging results, especially in the area of health, the complexity of the WGHRD, given its diverse subsectors (education, health, labor and migration, and social development), and the involvement of different line ministries has hampered its effectiveness. Despite the importance of transport and trade facilitation, the institutional arrangement in the GMS Program for such concerns is not well-defined. The Subregional Trade Facilitation Working Group is no longer active. In the absence of a working group for trade facilitation issues, the National Transport Facilitation Committee covers both transport facilitation and trade facilitation. However, with new developments, such as the World Trade Organization’s Trade Facilitation Agreement, and the increasing focus on removing nontariff barriers, trade facilitation deserves to have a separate working group as has been proposed by customs agencies and commerce ministries in GMS member countries.
- **Inactive WGFs.** In addition to the inactive Subregional Trade Facilitation Working Group, which has not met since 2007, the Subregional Investment Working Group has not convened a meeting since 2010 and the Subregional Telecommunications Forum has been inactive since 2009. These each need to be assessed to determine if they should remain as GMS Program WGFs. The SOM should vigorously review the continuing validity of each sector WGF against its direct and immediate relevance to subregional cooperation. Where strong links cannot be made, the WGF’s mandate should either be adjusted or it should be phased out. Clear guidelines on removing WGFs once they have no further useful role to play would be helpful.
- **Aligning regional and country programing.** WGFs are expected to play a leading role in supporting the activity-based and results-oriented approach of the GMS Program. Only through the WGFs can member countries’ sector priorities be discussed and aligned with the GMS Program’s sector priorities. The end result of this exercise is a regional project pipeline that is anchored on common interests and the commitment of all GMS countries. However, most of the WGFs have not properly performed this important function and the current regional project pipeline, the Regional Investment Framework, does not fully represent the actual needs of GMS countries.

D. Economic Corridors Forum

27. The GMS Program has been a pioneer of the economic corridor concept in the subregion. The GMS Program’s economic corridor approach distinguishes it from other regional cooperation and integration efforts and it is the backbone of a subregional connectivity strategy. Since first being introduced in 2008, the ECF has become an annual fixture on the GMS Program calendar. The principal purpose of the ECF is to promote investment, trade, tourism, industrial development, and other economic activity along GMS corridors. The annual ECF garners ministerial-level participation.

28. The ECF initially served its purpose well. The comparative advantage of the ECF is its flexibility in being a discussion forum rather than a formal decision-making meeting at the ministerial level. As a forum, the ECF can help (i) maintain the GMS Program’s activities-based and results-oriented approach; and (ii) facilitate knowledge sharing among GMS countries, development partners, private sector representatives, and governors.

29. The ECF has gradually become a full ministerial meeting that tends to duplicate the contents as well as the format of the GMS Ministerial Conference. With the exception of the PRC, the ministers of all GMS countries are expected to attend two ministerial events per year: the GMS Ministerial Conference and the ECF. Consequently, GMS ministers sometimes assign lower level officials to attend the ECF, which ultimately defeats the original purpose of the ECF to be a ministerial meeting. The frequency of the ECF has also impacted its ability to sustainably deliver a high-quality agenda of interest to all parties—participating governments, development partners, and private sector representatives—that is also distinct from the agenda of the GMS Ministerial Conference.

E. Governors' Forum

30. The Governors' Forum was first proposed in 2008 and again discussed at the ECF in 2014. The Governors' Forum was designed to “complement the [ECF] in the promotion of economic corridor development in the GMS.” Indeed, the Governors' Forum terms of reference describe it as a “subgroup of the ECF... with the proceedings of the Governors Forum being presented at the ECF meeting.”⁷ Three Governors' Forums had been held in 2008, 2015, and 2016. The Governors' Forum is a unique institutional arrangement of the GMS Program because it facilitates the participation of various provinces and cities along GMS corridors. The involvement of GMS governors and city mayors can help anchor the GMS Program with concrete projects and activities. Few would question the wisdom of greater involvement of the governors whose provinces are along or adjacent to GMS economic corridors.

31. However, the agenda of the Governors' Forum and the number of participating governors have been overly ambitious. Although the number of governors invited to each forum can be limited to three governors per country, the forums could be more focused in terms of substance and participation. In addition, the way that the Governors' Forum is organized is too formal, making it less substantive than it should be. Identifying a cost-effective way of bringing the relevant governors together with a workable agenda remains the principal challenge.

F. Engagement with Bilateral and Multilateral Partners

32. Development partners have played an increasingly important role in the GMS Program. It is vital that the level of their overall support and engagement be sustained and, where possible, expanded as they can mobilize substantial financial resources and state-of-the-art technologies and knowledge. Development partners engage with the GMS Program at all levels, but their impact has been most evident in WGFs covering the environment and agriculture, and (to a lesser extent) transport and trade facilitation. They have also shown strong interest in supporting efforts to facilitate private sector development and promote industry bodies. With an increasing range of options and delivery mechanisms available to development partners, their continued participation in the GMS Program should not be taken for granted. The main venues for the participation of development partners in the GMS Program are through various sector forums and at the sidelines of the GMS Summit and GMS Ministerial Conference. The Development Partners' Assistance Matrix (launched in 2014) and the GMS Projects Database (launched at the 20th GMS Ministerial Conference in September 2015) provide useful data on development partner contribution to the GMS Program.

G. Private Sector Linkages

33. Since it was formed in 2000, the GMS Business Council (GMS-BC) has received knowledge support and financial assistance from ADB and the United Nations Economic and Social Commission for Asia and the Pacific to help gain traction with the business community in the subregion. The initial support appeared to generate momentum as GMS-BC emerged as an effective voice for the private sector with the political leadership of the GMS Program. Unfortunately, it has not sustained this early success. Continued donor funding is also not assured. While it does maintain an ongoing presence in parts of the

⁷ The terms of reference of Governors' Forum are available at <https://www.adb.org/sites/default/files/publication/28005/gms-north-south-action-plan.pdf>

subregion due to the commitment of some members, without access to sufficient financial resources it is difficult to be a significant advocate on behalf of the private sector in GMS. In 2012, a promising start was made by an offshoot of GMS-BC, the GMS Freight and Transport Association, which recently secured project funding from the European Union and GiZ.

34. ADB, the European Union, Deutsche Gesellschaft für Internationale Zusammenarbeit (GiZ), and the United Nations Economic and Social Commission for Asia and the Pacific have provided support to either GMS-BC, GMS Freight and Transport Association, or related activities to encourage private sector growth. Other development partners have also expressed interest in supporting regional cooperation and integration in the subregion. However, the support is limited and not sufficient for GMS-BC to generate and maintain the momentum for its activities. It is not just the scarcity of development partner resources that has prevented further progress in establishing viable private sector subregional representation, but it is also the absence of a sound and sustainable modality, suggesting the existence of a chicken-or-the-egg scenario. GMS-BC cannot afford to independently engage sufficient staff, hire office space, or run events. Given these circumstances, development partners find it difficult to justify providing technical and financial support. A way of breaking this logjam needs to be found, including commissioning an annual report on GMS private sector opportunities and constraints that can be presented to the GMS Ministerial Conference. Such analytical work would underpin and validate the advocacy of the GMS-BC. It would also ensure that the GMS Ministerial Conference is provided with sound, comprehensive, and timely advice on the status of private sector development in the subregion.

H. National Secretariats

35. The National Secretariats are crucial to ensure smooth and effective coordination at the country level. However, the National Secretariats' operations are constrained by the following factors:

- **Staff shortages.** When the GMS Program first began, every GMS government encountered some degree of budgetary pressure and staff constraints. There are few staff members in any of the National Secretariats that work fulltime on GMS Program matters. Many who are designated to their National Secretariat are also members of teams working on other regional cooperation and integration programs. In fact, no member country has a separate entity called the GMS National Secretariat. At best, it consists of a cell within a planning ministry, foreign aid department, or finance ministry.
- **Staff turnover.** Another feature of modern bureaucracies is that careers rarely follow a line of promotion within a single organizational cell. Staff turnover is the norm and it places significant pressure on the retention of institutional memory and experience. In recent years, all GMS National Secretariats (as well as ADB) have had to cope with this challenge. Many of the National Coordinators of GMS countries have changed recently. The situation is exacerbated when the ministerial focal point is also changed. The reorganization or consolidation of ministries that accompanies new administrations assuming power following elections also has at least short-term consequences on a country's GMS institutional memory. In addition, the cadre of senior ministers and staff that were instrumental in the design and implementation of the GMS Program in its early years has almost totally moved on with a few significant exceptions. This also applies to relevant staff within ADB. There is therefore a dearth of operatives that know the GMS Program's history and the full extent of its delivered results and catalytic impact. It is important to address this knowledge gap and to build a new generation of officials in GMS countries.
- **Weak capacity.** Larger bureaucracies cope better with staffing and organizational change and frequently have better access to technologies that facilitate knowledge sharing and retention. The National Secretariats of Cambodia, the Lao PDR, Myanmar, and (to a lesser extent) Viet Nam remain in need of continued capacity building and staff supplementation assistance in the planning, coordination, and implementation of the GMS Program.
- **Interagency coordination.** Challenges in interagency coordination vary across GMS countries. Thailand seems to have the most effective interagency coordination mechanism with the Inter-Ministerial Committee taking the lead for coordination of all subregional cooperation programs. Interagency coordination in Myanmar is working relatively better than in other GMS countries because Myanmar is still at the early stage of GMS cooperation. In the PRC and Viet Nam, GMS coordination is divided among different agencies (e.g., the foreign affairs ministry supports the GMS Summit,

the commerce ministry supports the ECF, and the planning ministry supports the GMS Ministerial Conference). In the Lao PDR, the GMS National Secretariat was initially housed within the Ministry of Environment and Natural Resources, which encountered difficulties as it is not a natural coordinating agency like a planning or foreign affairs ministry. Therefore, coordination has recently been transferred to the Ministry of Planning in the Lao PDR. However, it will take time for the Ministry of Planning to build up its capacity. Coordination between central governments and provincial governments is weak in most GMS countries.

- **Financial constraints.** In the early years of the GMS Program, ministers agreed that the costs associated with the program should be shared without establishing the sharing ratio between the GMS countries and ADB. In 2015, ADB provided airfares, per diem, and venue costs for GMS meetings and events amounting to approximately \$0.3 million. In the same year, GMS governments and development partners provided approximately the same amount. This is yet another positive sign of country ownership and should be encouraged, particularly among the larger GMS countries. In order to further broaden the window for ADB to provide high quality knowledge products to the WGFs, it will be important for GMS countries to take on more responsibility for arranging and hosting meetings and events. This would enable a larger proportion of ADB's Central Secretariat staff and related financial resources to be allocated to the important tasks of planning and delivery of technical services.

I. The Asian Development Bank as Central Secretariat

36. As the Central Secretariat, ADB has served as a neutral and impartial coordinating body, acting as a fulcrum that balances the individual and collective interests of participating countries. At the Fifth GMS Summit, held on 20 December 2014 in Bangkok, GMS leaders expressed their support and reaffirmed the “role that the ADB has played in the GMS Program, including as secretariat, coordinator, and a key financier.” They also requested continued support from ADB for the GMS Program.

37. Since the GMS Program's inception in 1992, ADB has allocated the required management, policy, and technical personnel to backstop the main meetings and WGFs of the GMS Program. ADB has mobilized approximately \$125 million in technical assistance resources to finance the formulation of GMS Program sector strategies, the identification of projects, and capacity building activities. ADB's technical assistance to support the Central Secretariat from 1992 through 2015 represented only 0.3% of total ADB lending to member countries to implement the GMS Program during this period.

38. The main challenge for the Central Secretariat is how to gradually shift from primarily providing support for the organization of meetings to a more innovative and strategic role.

J. Sector Secretariats

39. The success of GMS Program sector secretariats and specialized centers varies. The establishment of the GMS Tourism Working Group and GMS Railways Association with self-financing mechanisms are the most successful examples. The Environment Operations Center is financed by development partners to provide strategic inputs to drive GMS cooperation in environment-related areas and act as an effective regional platform for project design. Self-financing and co-financing sector secretariats, in which GMS countries and/or development partners contribute to the cost of managing the WGFs and ADB provides advisory and technical inputs, will likely continue in future.

40. The essential outputs of the sector secretariats are timely meeting arrangements, a high-quality sector strategy, a clear identification of key targets (outputs and results), and the facilitation of technical support. Experience has shown that when one or more of these is absent, the WGFs have struggled to remain relevant and effective. WGFs have also underperformed when sector secretariat staff and/or WGF members are constantly changing. Continuity and commitment is therefore essential.



RECOMMENDATIONS

41. The GMS Program is at a historic juncture as the pace and magnitude of socioeconomic changes in the subregion are unprecedented. The GMS countries continue to accelerate their integration with ASEAN and the wider global economy. Geopolitical factors are also having a significant impact on regionalism in the GMS. Given such extraordinary circumstances, a business-as-usual approach will not allow the GMS Program to become more relevant amid shifting global and regional contexts. Therefore, a midterm review (MTR) is needed to assess the GMS SF 2012–2020 and generate an action plan. However, the MTR and accompanying action plan will not be dealt with as part of this study.

42. Given that GMS institutional mechanisms are working well overall, the proposal of any major institutional change will depend on the recommendations of the MTR. Meanwhile, the recommendations of this study are categorized into two groups: (i) key recommendations for consideration and endorsement by the SOM and (subsequently) GMS Ministers; and (ii) other recommendations for consideration by GMS countries.

A. Key Recommendations for Endorsement by Ministers

43. **Guiding principle.** Any measures to strengthen the GMS Program’s institutional mechanisms should take into consideration the importance of support its activities-based and results-oriented approach. Minister recommendations should ensure that institutional mechanisms (i) continue supporting the GMS Program’s unique activities-based and results-oriented approach, and (ii) are flexible and simple enough to facilitate effective project and program planning and monitoring.

44. **Senior Officials’ Meeting.** Given the central role of the SOM in spearheading GMS cooperation, it is recommended that ministers (i) emphasize the critical role of the SOM as the overall coordination mechanism for the GMS Program, encompassing both the policy and operational aspects of GMS cooperation; (ii) agree to create a regular reporting mechanism for the various sector WGFs to update the SOM on new developments and progress; and (iii) task the Central Secretariat of ADB with preparing a detailed reporting mechanism for review by the SOM.

45. **Economic Corridors Forum.** The ECF and GMS Ministerial Conference are high-level platforms for GMS cooperation. There is room for promoting greater synergy between the ECF and the GMS Ministerial Conference. It is recommended that ministers (i) reiterate the importance of the ECF for the development of GMS economic corridors; (ii) underline the importance of maintaining the ECF as a flexible and substantive forum for knowledge sharing among government officials, private sector representatives, and development partners; (iii) highlight the need to for greater synergy between the ECF and the GMS Ministerial Conference, including for purposes of efficiency and cost-saving; and (iv) agree that opportunities for the ECF be held back-to-back with the GMS Ministerial Conference can be explored and that ECF country delegations be headed by a Minister or his/her representative.

B. Other Recommendations

Greater Mekong Subregion Summit and Ministerial Conference

46. **Frequency.** The current frequency of the GMS Summit, which is every 3 years, is sufficient and should be retained. Furthermore, holding the GMS Ministerial Conference on an annual basis is also adequate.

47. **Deliverables and initiatives.** The preparation of major deliverables and initiatives for the GMS Summit should be well planned and endorsed by GMS countries at least 1 year before the summit is held. For the GMS Ministerial Conference, the National Secretariat of the host country should be proactive in coordinating with national focal points in various WGFs to identify potential deliverables and initiatives.
48. **Themes and topics.** The GMS Summit and Ministerial Conference should also seek the views and guidance of leaders and ministers' on a broad range of critical issues that affect the subregion and the wider global community, while taking care to avoid issues that involve possible geopolitical sensitivities.
49. **Modality.** The GMS Summit and Ministerial Conference should be structured to allow more free-flowing and substantive interaction among GMS leaders.
50. **Joint Summit Declaration.** A Joint Summit Declaration should be made available to member countries, at least in working draft form, within a reasonable time prior to the Summit (e.g., 1–2 months) to allow sufficient time for inter-agency consultations within member countries.

Economic Corridors Forum (Additional to Key Recommendations)

51. The ECF should be structured to become a strong interface between GMS officials and the private sector. If circumstances permit, the ECF could periodically be organized in collaboration with the private sector.
52. Consideration should be given to holding an ECF within one of the GMS corridors and that the agenda focus on the issues relevant to that particular corridor.

Senior Officials' Meeting (Additional to Key Recommendations)

53. Officials who are appointed as GMS National Coordinators should have influence over a broad spectrum of sectoral and line agencies within their respective governments. The GMS National Coordinators need to be able to commit the necessary time and resources to perform both their country coordination functions and their important role in the SOM.
54. GMS National Coordinators and National Secretariats should be provided with opportunities to develop the appropriate capacities and skills, for example, through formal capacity building programs or learning-by-doing arrangements.
55. To ensure continuity, effective mechanisms should be developed to enable the efficient transfer of knowledge and capabilities, as well as the orderly handover of responsibilities to new officials and staff in cases where there are changes in the composition of the GMS National Secretariat.

Governors' Forum

56. The Governors' Forum is an important tool for continuing one of the core advantages of GMS cooperation, which is province-to-province cooperation. Therefore, the Governors' Forum should remain a part of the GMS institutional framework to ensure provincial-level issues and development opportunities related to economic corridors are given appropriate priority. The following measures are recommended to strengthen the Governors' Forum:
57. **Frequency.** The Governors' Forum should not be structured rigidly as an annual event. Instead, it should be a task-driven mechanism for consultation and collaboration. The frequency and agenda of the Governors' Forum should be determined by participating adjacent border provinces and not by central governments, though the central governments can attend and provide guidance.

58. **Participation.** The Governors' Forum should ideally be held at the bilateral or trilateral levels among adjacent provinces along the same GMS corridors that share the same set of issues and concerns. The corridor-specific symposia in 2010–2011 can be revived in this respect.

59. **Modality.** It should remain an option for the host country of each ECF to decide if they wish to also host a Governors' Forum back-to-back with the ECF and, if so, to accept the related administrative and financial costs. Adoption of one or both of these options should not preclude any GMS country from seeking an agreement to host a Governors' Forum independent of the ECF at their own cost.

Working Groups and Forums

60. **Monitoring and reporting.** All WGFs should be required to provide regular progress reports, including annual reports to the SOM. This process is important to strengthen the performance monitoring of each WGF against its strategic work plan. The first progress reports should be submitted in 2017.

61. **Strengthening project design and monitoring functions.** The WGFs should be more active in project design and monitoring, including the Regional Investment Framework monitoring process. ADB should also try to tap the WGFs as much as possible for the preparation of regional projects with respect to country partnership strategies and country operations business plans.

62. **Multisector WGFs.** The WGHRD can be restructured to make it more focused. For example, a separate working group on health cooperation could be established, given the success and importance of GMS health cooperation. The WGHRD could then focus exclusively on human resource development issues. As for transport and trade facilitation, the National Transport Facilitation Committee can retain its institutional structure with separate sub-working groups, including the sub-working group on customs. GMS countries should also consider reactivating the Subregional Working Group for Trade Facilitation to cover a broader agenda of trade facilitation issues that extend beyond customs transit under the CBTA. The Subregional Transport Forum should also be held back-to-back with the National Transport Facilitation Committee to maximize the time and efforts of participants, and to generate synergies on interrelated issues.

63. **Establishing new and phasing out inactive WGFs.** Possible priorities for the GMS Program in the future may necessitate the establishment of new WGFs and the phasing out of inactive ones. If a WGF has not met for several years, or has substantially completed its mandate, it should be considered for closure. It is therefore recommended that a clear set of criteria and guidelines be prepared to make such determinations.

The Asian Development Bank as Central Secretariat

64. ADB's handling of all Central Secretariat functions for the GMS Program is widely acknowledged as a key element of the program's success. Member country governments are unanimously of the view that the future viability of the GMS Program depends on ADB's continued strong technical and financial commitment. It is therefore recommended that ADB continue to mobilize its considerable knowledge and skills base, at both ADB headquarters and throughout its network of resident missions, to support the planning, design, and implementation of the GMS work program. ADB should place increased emphasis on the provision of knowledge products, policy analysis, and strategic investments, and less emphasis on logistics and administration.

National Secretariats

65. **Briefing seminars.** Seminars for both public and private sector representatives should be conducted by the GMS Secretariat with inputs from other GMS countries.

66. **Capacity building and training.** The recently approved ADB BIG program (BIMP-EAGA, IMT-GT, GMS) is a potential source of short- and medium-term training for National Secretariat staff. Whenever feasible, priority for training should be given to officials from Cambodia, the Lao PDR, Myanmar, and Viet Nam, and be conducted in relevant institutions within the subregion.

67. **National consultants.** Experienced national consultants should be engaged on a long-term basis to assist the National Secretariats in Cambodia, the Lao PDR, and Myanmar in the management of their GMS Program activities. Viet Nam has an ongoing technical assistance project for capacity building which will continue to provide it with support in the lead-up to the Ha Noi Summit in 2018.

68. **Secondment to the Central Secretariat.** Capacity building and GMS country ownership would be enhanced if ADB put in place a mechanism for National Secretariat staff to be seconded for a 6-month period to the GMS Central Secretariat. If adopted, the arrangement should start as soon as possible, perhaps commencing with a secondee from Viet Nam to strengthen its summit preparations.

69. **Senior staff training.** Senior staff training is an important additional measure needed to counter the impact of staff turnover and the resultant loss of capacity and institutional memory in the GMS National Secretariats. The newly established ADB BIG Program is a potential source for this training. Similar access to targeted training should also be favorably considered for GMS sector secretariats and their staff. There is also a need in Cambodia, the Lao PDR, Myanmar, and Viet Nam for access to national consultant services to lighten the coordination and administrative burden that the GMS Program inevitably brings. National consultants would also enable a shift in some of the administrative and logistical workload currently being undertaken by the GMS Central Secretariat.

70. **Sharing of experiences.** There are many potential benefits from the sharing of National Secretariats' respective experiences, particularly in cases when new or unique approaches are adopted. Thailand is currently reviewing its internal coordination arrangements for regional cooperation and integration programs and advised the study team for this report that it would be willing to share its findings with other GMS countries.

Sectoral Secretariats and Sectoral Centers

71. The WGFs and respective secretariats are a vital component of the GMS Program's institutional arrangements. They are instrumental in delivering the key outputs of the program. Therefore, irrespective of which secretariat model is adopted by the WGFs, they must be adequately resourced and professionally managed. It is an important function of the SOM to ensure this occurs. It is also important to have a mechanism to ensure a balanced distribution of GMS secretariats and/or centers among GMS countries.

Engagement with Development Partners

72. **Multilateral development partners.** Engagement with development partners warrants elevated attention to ensure they are fully aware of project investment opportunities in the GMS and are able to meaningfully discuss these opportunities with government representatives from the subregion, like-minded development partners, and the private sector. It is also recommended that representatives of other regional cooperation and integration organizations that are active in the GMS be invited to participate in development partner meetings. Improved coordination would also be achieved if ADB's network of resident missions proactively engaged with GMS development partners (and potential partners) and the secretariats of other regional cooperation and integration organizations.

73. **Regional organizations.** In the same way that the GMS has made significant progress over the last 25 years, so have some of its neighboring subregions. It is therefore recommended that ADB organize an annual dialogue between key officers from the secretariats of the ASEAN Economic Community, IMT-GT, BIMSTEC, SASEC, SAARC, and the GMS Program to explore how to improve connectivity and promote regional and interregional development. In view of Myanmar's strategic location, it would be an ideal location for the first dialogue.

Engagement with Private Sector

74. The next 25 years of the GMS Program are likely to see the dwarfing of public sector investment by that of the private sector. It is therefore necessary for the program's institutional architecture to be receptive to closer dialogue with the private sector. It is also important to have a representative private sector voice for the subregion. The GMS-BC performs this role, but its advocacy has been severely constrained due to its inability to secure the necessary financial resources. To underpin and validate the work of the GMS-BC, it is recommended that the GMS Secretariat be tasked with identifying a sponsor that would commission an annual report on private sector opportunities and constraints in the GMS. The report could be tabled at the GMS Ministerial Conference. It is also recommended that at least once a year the SOM consult with representatives of the private sector.

APPENDIX 1

Timeline for Regional Cooperation Programs

Abbreviation	Full Name (Members)	Year
GMS	Greater Mekong Subregion Program (Cambodia, the PRC, the Lao PDR, Myanmar, Thailand, and Viet Nam)	1992
IMT-GT	Indonesia–Malaysia–Thailand Growth Triangle (Indonesia, Malaysia, and Thailand)	1993
AMEICC	ASEAN Economic Ministers–Ministry for International Trade and Industry (AEM-MITI) Economic and Industrial Cooperation Committee (ASEAN Economic Ministers and Minister of Economy, Trade and Industry of Japan)	1993
MRC	Mekong River Commission (Cambodia, the Lao PDR, Thailand, and Viet Nam)	1995
AMBDC	ASEAN–Mekong Basin Development Cooperation (ASEAN Mekong countries plus the PRC)	1996
BIMSTEC	Bay of Bengal Initiative for Multi-Sectoral Technical and Economic Cooperation (Bangladesh, Bhutan, India, Myanmar, Nepal, Sri Lanka, and Thailand)	1997
MGC	Mekong–Ganga Cooperation (Cambodia, the Lao PDR, Myanmar, Thailand, and Viet Nam)	2000
ETCP	Emerald Triangle Cooperation Project (Cambodia, the Lao PDR, and Thailand)	2000
ACMECS	Ayeyarwady–Chao Phraya–Mekong Economic Cooperation Strategy (Cambodia, the Lao PDR, and Viet Nam)	2003
CLV-DT	Cambodia–Lao PDR–Viet Nam Development Triangle Area (Cambodia, the Lao PDR, and Viet Nam)	2004
LMI	Lower Mekong Initiative (Cambodia, the Lao PDR, Thailand, Viet Nam, and the United States)	2009
LMC	Lancang Mekong Cooperation (Cambodia, the PRC, the Lao PDR, Myanmar, Thailand, and Viet Nam)	2015

ASEAN = Association of Southeast Asian Nations, PRC = People's Republic of China, Lao PDR = Lao People's Democratic Republic.

Source: ADB.

APPENDIX 2

Greater Mekong Subregion Institutional Structure

GREATER MEKONG SUBREGION INSTITUTIONAL STRUCTURE, 1992–1997

Level or Body	Meeting Frequency	Responsible Secretariat
MINISTERIAL		
GMS Ministerial Conference (1992)	Annual	ADB
GMS SENIOR OFFICIALS		
Senior Officials' Meeting (1992)	Biannual	ADB
WORKING GROUPS, FORUMS, OFFICES		
Subregional Investment Working Group (1994)	Biannual	ADB
Subregional Trade Facilitation Working Group (1994)	Irregular	ADB
Subregional Transport Forum (1994)	Annual	ADB
Tourism Working Group (1995)	Biannual or Annual	AMTA
Working Group on Environment (1995)	Biannual	ADB
Subregional Telecommunications Forum (1995)	Annual	ADB
Subregional Electric Power Forum (1995)	Annual	ADB
Working Group on Human Resource Development (1996)	Annual	ADB
OTHER PARTNERS (PRIVATE SECTOR, DONOR MEETINGS)		
No institutional arrangement	No institutional arrangement	No institutional arrangement

ADB = Asian Development Bank, AMTA = Agency for Coordinating Mekong Tourism Activities, GMS = Greater Mekong Subregion.

Source: ADB.

GREATER MEKONG SUBREGION INSTITUTIONAL STRUCTURE, 1992–2007

Level or Body	Meeting Frequency	Responsible Secretariat
SUMMIT		
GMS Leaders' Summit (2002)	3 years	ADB
MINISTERIAL		
GMS Ministerial Conference (1992)	Annual	ADB
CBTA Joint Committee Meeting (2004)	3 years	ADB
Environment Ministers' Meeting (2005)	3 years	ADB
Agriculture Ministers' Meeting (2007)	Met once	ADB
GMS SENIOR OFFICIALS		
Senior Officials' Meeting (1992)	3-4 per annum	ADB
WORKING GROUPS, FORUMS, OFFICES		
Subregional Investment Working Group (1994)	Biannual	ADB
Subregional Trade Facilitation Working Group (1994)	Irregular	ADB
Subregional Transport Forum (1994)	Annual	ADB
Tourism Working Group (1995)	Biannual or Annual	AMTA, MTCO (2006)
Working Group on Environment (1995)	Biannual	ADB, EOC (2006)
Subregional Telecommunications Forum (1995)	Annual	ADB
Subregional Electric Power Forum (1995), Experts Group on Regional Power Trade and Interconnection (1998), and Regional Power Trade Coordination Committee (2004)	Biannual or Annual	ADB
Working Group on Human Resource Development (1996)	Annual	ADB
CBTA National Transport Facilitation Committee (1999)	3 years	ADB
Working Group on Agriculture (2003)	Annual	ADB
OTHER PARTNERS (PRIVATE SECTOR, DONOR MEETINGS)		
Development Partners' Meeting (2002)	Annual	ADB
GMS Business Forum (2000)	Regular	
GMS Freight and Transport Association (2012)	Regular	

ADB = Asian Development Bank, AMTA = Agency for Coordinating Mekong Tourism Activities, EOC = Environment Operations Center, GMS = Greater Mekong Subregion, MTCO = Mekong Tourism Coordinating Office.

Source: ADB.

GREATER MEKONG SUBREGION INSTITUTIONAL STRUCTURE, 1992–2016

Level or Body	Meeting Frequency	Responsible Secretariat
SUMMIT		
GMS Leaders' Summit (2002)	3 years	ADB
MINISTERIAL		
GMS Ministerial Conference (1992)	Annual	ADB
CBTA Joint Committee Meeting (2004)	3 years	ADB
Environment Ministers' Meeting (2005)	3 years	ADB
Agriculture Ministers' Meeting (2007)	Met once	ADB
Tourism Ministers' Meeting (2008)	Irregular	MTCO
GMS SENIOR OFFICIALS		
Senior Officials' Meeting (1992)	3–4 per annum	ADB
WORKING GROUPS, FORUMS, OFFICES		
Subregional Investment Working Group (1994)	Biannual	ADB
Subregional Trade Facilitation Working Group (1994)	Irregular	ADB
Subregional Transport Forum (1994)	Annual	ADB
Tourism Working Group (1995)	Biannual or Annual	AMTA, MTCO (2006)
Working Group on Environment (1995)	Biannual	ADB, EOC (2006)
Subregional Telecommunications Forum (1995)	Annual	ADB
Subregional Electric Power Forum (1995), Experts Group on Regional Power Trade and Interconnection (1998), and Regional Power Trade Coordination Committee (2004)	Biannual or Annual	ADB
Working Group on Human Resource Development (1996)	Annual	ADB
CBTA National Transport Facilitation Committee (1999)	3 years	ADB
Working Group on Agriculture (2003)	Annual	ADB
Urban Development Task Force (2013)	Annual	ADB
GMS Railways Association (2015)	Quarterly	Initially ADB then self-financed
OTHER PARTNERS (PRIVATE SECTOR and DONOR MEETINGS)		
Development Partners' Meeting (2002)	Annual	ADB
GMS Business Forum or Council (2000)	Regular	Self-financed
GMS Freight and Transport Association (2012)	Regular	Self-financed

ADB = Asian Development Bank, AMTA = Agency for Coordinating Mekong Tourism Activities, EOC = Environment Operations Center, GMS = Greater Mekong Subregion, MTCO = Mekong Tourism Coordinating Office.

Source: ADB.

APPENDIX 3

Greater Mekong Subregion Sector Strategies and Secretariat (as of March 2016)

Sector	Policy, Strategy, or Action Plan	Institutional Mechanism(s)	Secretariat
Overall GMS	<ul style="list-style-type: none"> Building on Success: A Strategic Framework for the Next 10 Years of the GMS Economic Cooperation Program, 2002–2012 The GMS Economic Cooperation Program Strategic Framework, 2012–2022 	<ul style="list-style-type: none"> Summits Ministerial Conferences Economic Corridors Forums Senior Officials' Meetings 	ADB
Tourism	<ul style="list-style-type: none"> GMS Tourism Sector Strategy, 2006–2010 GMS Refocused Tourism Sector Strategy, 2011–2015 Under preparation: Updated GMS Tourism Sector Strategy, 2016–2026 GMS Tourism Marketing Strategy and Action Plan, 2015–2020 	<ul style="list-style-type: none"> Tourism Ministers' Meetings GMS Tourism Working Group 	MTCO
Environment	<ul style="list-style-type: none"> Core Environment Program (CEP) Phase 1, 2006–2011 and Phase 2, 2012–2016 (Extended to 2017) 	<ul style="list-style-type: none"> Environment Ministers' Meeting GMS Working Group on Environment 	EOC, ADB ^a
Energy	<ul style="list-style-type: none"> Road Map for Expanded Energy Cooperation, 2009–2015 (Reviewed 2013) Assessment of the GMS Energy Sector Development: Progress, Prospects, and Regional Investment Priorities, 2013 	<ul style="list-style-type: none"> Regional Power Trade Coordination Committee 	ADB (pending RPCC ^b establishment)
Transport	<ul style="list-style-type: none"> GMS Transport Master Plan, 1994 GMS Transport Sector Strategy, 2006–2015 (Reviewed 2014) 	<ul style="list-style-type: none"> GMS Subregional Transport Forum 	ADB
Agriculture	<ul style="list-style-type: none"> CASP Phase 1, 2006–2010 CASP Phase 2, 2011–2015 (Extended to 2020) 	<ul style="list-style-type: none"> Agriculture Ministers' Meeting GMS Working Group on Agriculture 	ADB ^a
Transport and Trade Facilitation	<ul style="list-style-type: none"> Transport and Trade Facilitation in GMS: Issues and Proposed Program of Action, 2010–2015 	<ul style="list-style-type: none"> CBTA National Transport Facilitation Committee Subregional Trade Facilitation Working Group^c 	ADB ADB
Human Resources Development	<ul style="list-style-type: none"> Strategic Framework and Action Plan for Human Resource Development in the GMS, 2009–2012 Strategic Framework and Action Plan for Human Resource Development in the GMS, 2013–2017 	<ul style="list-style-type: none"> GMS Working Group on Human Resource Development 	ADB
Urban Development	<ul style="list-style-type: none"> GMS Urban Development Strategic Framework, 2015–2022 	<ul style="list-style-type: none"> GMS Task Force on Urban Development 	ADB
Telecommunications	None on Record	<ul style="list-style-type: none"> Subregional Telecommunications Forum^c 	ADB
Investment	None on Record	<ul style="list-style-type: none"> Subregional Investment Working Group^c 	ADB

ADB = Asian Development Bank, CASP = Core Agriculture Support Program, EOC = Environment Operations Center, GMS = Greater Mekong Subregion, MTCO = Mekong Tourism Coordinating Environment Operations Center, RPCC = Regional Power Coordination Center.

^a A program management firm was engaged to implement CEP (starting April 2016) and CASP (starting May 2016).

^b Regional Power Coordination Center.

^c Inactive.

Source: ADB.

Study on Strengthening the Institutional Framework of the Greater Mekong Subregion Program

There have been dramatic socioeconomic changes in the Greater Mekong Subregion (GMS) since the program was launched in 1992. This study offers recommendations for strengthening the GMS Program's institutional structure to ensure that it remains effective in promoting regional cooperation in the next stage of the subregion's economic development. The report summarizes the opinions of representatives of GMS governments, development partners, and the private sector.

About the Greater Mekong Subregion Economic Cooperation Program

The Greater Mekong Subregion (GMS) is made up of Cambodia, the People's Republic of China (PRC, specifically Yunnan Province and Guangxi Zhuang Autonomous Region), the Lao People's Democratic Republic (Lao PDR), Myanmar, Thailand, and Viet Nam. In 1992, with assistance from the Asian Development Bank (ADB) and building on their shared histories and cultures, the six countries of the GMS launched a program of subregional economic cooperation—the GMS Program—to enhance their economic relations, initially covering the nine priority sectors: agriculture, energy, environment, human resource development, investment, telecommunications, tourism, transport infrastructure, and transport and trade facilitation.

About the Asian Development Bank

ADB's vision is an Asia and Pacific region free of poverty. Its mission is to help its developing member countries reduce poverty and improve the quality of life of their people. Despite the region's many successes, it remains home to a large share of the world's poor. ADB is committed to reducing poverty through inclusive economic growth, environmentally sustainable growth, and regional integration.

Based in Manila, ADB is owned by 67 members, including 48 from the region. Its main instruments for helping its developing member countries are policy dialogue, loans, equity investments, guarantees, grants, and technical assistance.



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