

Greater Mekong Subregion Economic Cooperation Program

22nd Ministerial Conference
20 September 2017, Ha Noi, Viet Nam

JOINT MINISTERIAL STATEMENT

Greater GMS Achievements through Stronger and Pragmatic Cooperation

1. We, the Ministers from the Governments of the Kingdom of Cambodia, the People's Republic of China (PRC), the Lao People's Democratic Republic (Lao PDR), the Republic of the Union of Myanmar, the Kingdom of Thailand, and the Socialist Republic of Viet Nam, met in Ha Noi, Viet Nam on the 20th of September 2017 for the 22nd Ministerial Meeting of the Greater Mekong Subregion Economic Cooperation Program (GMS Program).

Recent Achievements of GMS Cooperation

2. We are pleased to note that the GMS Program has made great strides as it celebrates its 25th anniversary this year.

- (i) In **Transport**, we extend our strong support for a new GMS Transport Sector Strategy (TrSS), which aims to achieve a "seamless, efficient, reliable and sustainable GMS transport system" through the: (i) completion of the transport corridor network and improved links with South Asia and other parts of Southeast Asia; (ii) facilitation of cross-border transport; (iii) strengthening of intermodal transport links; (iv) promotion of logistics development; (v) improvement of road asset management; and (vi) enhancement of road safety. We request the SOM and transport ministries to expedite the internal approval for the proposed TrSS, and circulate the final draft TrSS for ad-referendum endorsement by GMS Ministers by November 2017. The Greater Mekong Railway Association (GMRA) has also identified nine priority railway links to complete rail connectivity in the subregion, three of which are already being implemented.
- (ii) In **Transport and Trade Facilitation**, we welcome the work on the MOU on the "Early Harvest" implementation of the CBTA, under which GMS countries will issue GMS Road Transport Permits as agreed by the CBTA Joint Committee. When fully implemented, the "Early Harvest" will facilitate movements of trucks and vehicles among GMS countries. We appreciate the conduct of the Time Release Study (TRS) in selected GMS countries. The TRS will support customs agencies in enhancing the efficiency of border procedures.
- (iii) In **Energy**, notable progress has been made toward open access to transmission systems, through the preparation of a set of recommended principles that allow third parties access to existing cross-border transmission interconnectors, which can eventually lead to a system under which existing cross-border lines become part of the integrated national transmission network. The Regional Power Trade Coordination Committee and its working groups also devised a methodological framework for establishing transmission charges to be levied on the wheeling of power through a common transmission facility. These two developments can eventually open the door for power trading by multiple parties.
- (iv) In **Agriculture**, we welcome the endorsement by the Second GMS Agriculture Ministers' Meeting of the GMS Strategy for promoting safe and environment-friendly agro-based value chains, and the Siem Reap Action Plan covering the period 2018-2022 that will strengthen the competitive advantage of the GMS countries through value

chain integration involving smallholder farmers, rural women, and small and medium agro-enterprises.

- (v) In **Environment**, we acknowledge with satisfaction the achievements of the GMS Core Environment Program, serving as a regional knowledge platform on the environment, stimulating regional dialogue, leveraging green investments, and promoting cross-sectoral linkages in the GMS. We commend the preparations being made for the upcoming Fifth GMS Environment Ministers' Meeting in early 2018.
- (vi) In **Tourism**, we endorse the GMS Tourism Sector Strategy 2016-2025 to guide our cooperation in this important sector and enable more competitive, balanced, and sustainable destination development. We welcome progress towards formal establishment of the Mekong Tourism Coordinating Office (MTCO) as an inter-governmental organization, and congratulate our tourism officials and MTCO for successfully organizing this year's innovative Mekong Tourism Forum under the theme "Prosper with Purpose."
- (vii) In **Human Resource Development**, we welcome the findings of the review of the Strategic Framework and Action Plan for Human Resource Development in the GMS 2013-2017, which recommend more effective institutional mechanisms and support the creation of a new Working Group on Health Cooperation. We also acknowledge the ongoing development of a GMS Health Cooperation Strategy to guide our cooperation in this important area. A new GMS Health Security Project was launched recently to enhance GMS public health security and strengthen national and regional capacity for disease surveillance and response, risk assessment, case management, and subregional collaboration.
- (viii) In **Urban and Border Area Development**, we note that the new Working Group on Urban Development has agreed on a 3-year rolling work plan to guide the implementation of the GMS Urban Development Strategic Framework. The urban development investment pipeline is advancing well. The total investment cost of GMS urban and border area development projects from ADB and development partners is around \$2.0 billion, including (i) 3 ADB-assisted GMS Corridor Towns Development Projects in Cambodia, Lao PDR, Viet Nam and Myanmar, (ii) the Guangxi Regional Cooperation and Integration Promotion Investment Program, (iii) the Yunnan Lincang Border Economic Cooperation Zone Infrastructure Development, and (iv) the Cambodia-Laos-Viet Nam Development Triangle Area. The projects are part of the efforts to transform GMS transport corridors into GMS economic corridors.
- (ix) In an emerging area of cooperation, **E-commerce**, the GMS countries' awareness was further enhanced regarding how they could benefit from E-commerce, including expanding access to markets, developing Micro, Small and Medium Enterprises, and enhancing partnerships with trade promotion organizations and E-commerce facilitation institutions. Good progress was also achieved through the activities of the Business Alliance of GMS Cross-border E-Commerce Cooperation Platform.
- (x) We are encouraged by the great interest expressed by new development financing institutions and Funds (such as the Asian Infrastructure Investment Bank and the ASEAN Infrastructure Fund), as well as other development institutions and partners, in investing in GMS projects.
- (xi) We also welcome the efforts to further increase awareness and application of innovative modalities of engaging the private sector in GMS projects. The Mekong Business Initiative is supporting the growth of innovation, technology, and startups in the tourism and agriculture sectors through its Mekong Innovative Startup Tourism and the Mekong Agriculture Technology Challenge accelerators. So far 34 high-potential startups have

been accelerated through these programs that have attracted hundreds of applications. ADB is also providing advisory services to five Public-Private Partnership projects in the GMS countries, which could facilitate private sector investments in the GMS transport and economic corridors, urban services, and renewable energy development.

3. We reassert our conviction that the development of the GMS economic corridors serves as the anchor of subregional cooperation and development. In this regard, we welcome the outcomes of the Ninth Economic Corridors Forum (ECF-9) held on 19 September 2017 also in Ha Noi, immediately prior to our Conference. We also applaud the successful GMS Governors' Forum and Economic Corridors Week held in Kunming in June 2017, which further enhanced policy dialog among local authorities, put greater focus on project-based cooperation in priority areas, and strengthened private sector linkages toward economic corridor development in the GMS.

The Way Forward

4. We agree with the key findings of the Midterm Review of the GMS Strategic Framework (2012-2022), which confirmed the continued relevance of the GMS strategic thrusts. We endorsed the framework and forward directions of the Ha Noi Action Plan (HAP) 2018-2022, and request the SOM to finalize the HAP for adoption by the GMS Leaders in March 2018. The HAP framework calls for strengthening the GMS Program's spatial orientation under the expanded concept of economic corridors and spatial planning, where multisector interventions, in both the hard and soft sectors, can generate greater synergies, and which can serve to balance external and domestic connectivity through rural-urban links for a more equitable distribution of the benefits of growth. In preparation for the 6th GMS Summit, we also encouraged our senior officials to continue discussion of a long term vision of GMS, based on the GMS vision of an integrated, prosperous and harmonious subregion, recognizing GMS achievements in the last 25 years and providing guidance on the future directions of GMS development beyond 2022.

5. To support the HAP at the operational level, we endorsed the GMS Regional Investment Framework 2022 (RIF 2022), noting that this is a rolling pipeline and a living document subject to continuous review and updating. The present updated RIF 2022 consists of 222 investment and technical assistance projects valued at a combined \$64 billion.

6. We continue to recognize the crucial role of regional cooperation and integration and support the principles of *open regionalism*, including exploring and tapping synergies between GMS and the ASEAN Economic Community (AEC) and other regional initiatives, in particular the Belt and Road Initiative. We support the concrete steps being taken toward the full realization of AEC and the outcomes of the recent Belt and Road Forum for International Cooperation that enhance regional connectivity.

Conclusion

7. In celebrating its 25th Anniversary, the GMS Program can take pride both in its substantial and tangible achievements, as well as the ever-strengthening bonds among its member countries, founded on the spirit of openness, inclusiveness, equality, mutual trust and respect, and a shared commitment. We appreciate the confidence and assistance of our development partners to build a stronger, more cohesive and prosperous GMS community. We are especially grateful to the Asian Development Bank for being steadfast in supporting the GMS Program. We express our sincere thanks to the Socialist Republic of Viet Nam for its able and gracious hosting of the 22nd GMS Ministerial Conference.

Endorsed in Ha Noi, Viet Nam on 20 September 2017.