

GREATER MEKONG SUBREGION ECONOMIC COOPERATION PROGRAM

Development Partners' Meeting

20 October 2020



**Regional Investment Framework 2022
3rd Progress Report and Update**



| Outline of this presentation

- I. Overview of the RIF 2022**
- II. Financing and Implementation of the RIF 2022**
- III. Development Partners in the RIF 2022**



GMS Regional Investment Framework



RIF 2013-2022, December 2013

- Original GMS Regional Investment Framework
 - 204 projects
 - \$51.5 billion



RIF 2022, March 2018

- Consolidation and Expansion of RIF 2013-2022
 - 227 projects
 - \$66 billion



RIF 2022: First Progress Report and Update, March 2019

- 247 projects
- \$80.9 billion



RIF 2022: Second Progress Report and Update, November 2019

- 255 projects
- \$ 92.7 billion

- Medium-term pipeline of priority projects in the Greater Mekong Subregion
- Endorsed at the 22nd Ministerial Conference in Ha Noi, Viet Nam on 20 September 2017; adopted during the 6th GMS Summit of Leaders on 31 March 2018 in Ha Noi
- GMS leaders directed officials of the GMS Program to ensure that the Regional Investment Framework is monitored and updated regularly



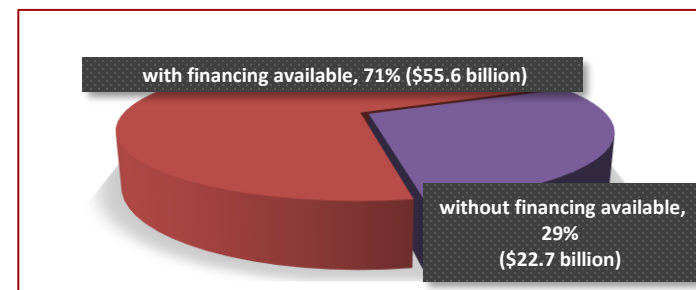
Total RIF

- 125 investment projects
 - 85 TA projects

\$78.3 billion in financing needs

Sector	Number of Projects			Cost Estimate (\$ million)		
	Investment	TA	Total	Investment	TA	Total
Transport	69	10	79	66,122.9	8.9	66,131.8
Energy	11	4	15	4,051.6	6.5	4,058.1
Agriculture	12	10	22	1,973.7	61.0	2,034.7
Environment	5	4	9	640.4	38.3	678.7
Health and Other HRD	4	11	15	704.8	97.7	802.5
Urban Development	5	7	12	833.3	5.2	838.5
Others/BEZ	5	5	10	2,004.9	10.9	2,015.8
Tourism	12	20	32	1,515.4	80.1	1,595.5
TTF	2	6	8	75.3	20.6	95.9
ICT	0	8	8	0.0	4.3	4.27
Total	125	85	210	77,922.3	333.5	78,255.8

71% of financing identified
\$22.7 billion remains unfinanced





Sector	Number of Projects		
	w/ financing	w/o financing	Total
Transport	53	26	79
Energy	8	7	15
Agriculture	11	11	22
Environment	4	5	9
Health and Other HRD	13	2	15
Urban Development	8	4	12
Other Multisector/BEZs	9	1	10
Tourism	17	15	32
Transport and Trade Facilitation	8	0	8
ICT	0	8	8
Total	131	79	210

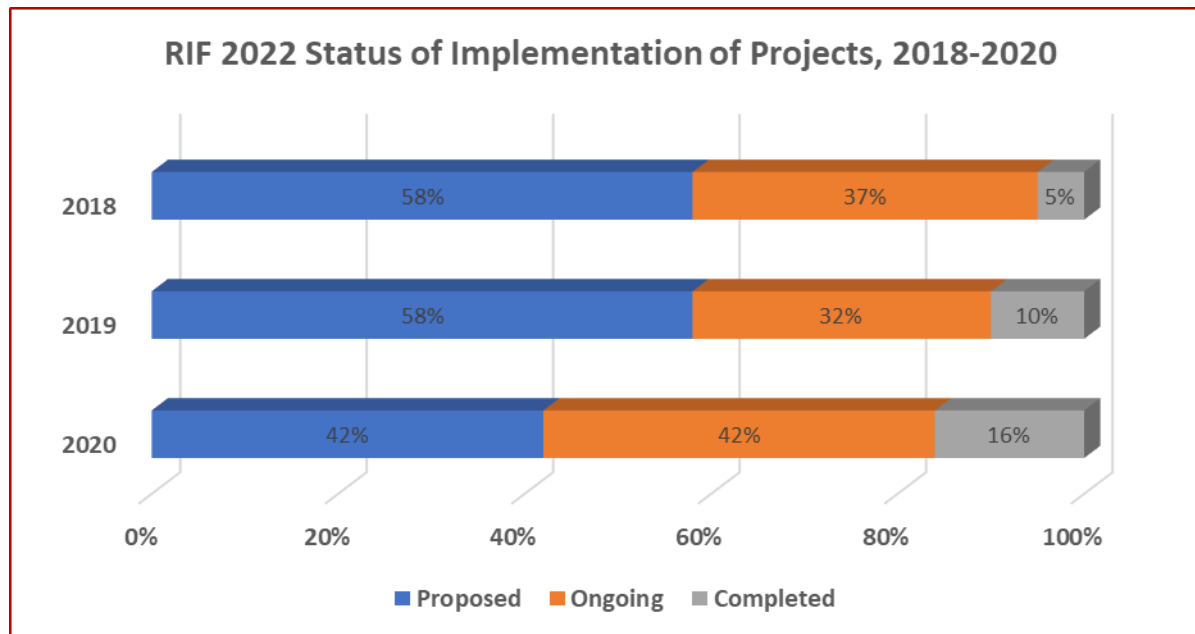
Sectors with projects yet to identify funding sources:

- Transport
- Energy
- Agriculture
- Tourism
- ICT



Overall implementation of RIF projects

- Completed projects increased from 5% in 2018 to 16% in 2020; also more projects ongoing
- Long implementation of investment projects





- ❑ GMS governments continue to provide the bulk of the project financing
- ❑ Private sector financing has increased from 8 to 14% of total funding
- ❑ Development partner financing volume (5%) appears to be underrepresented in the RIF

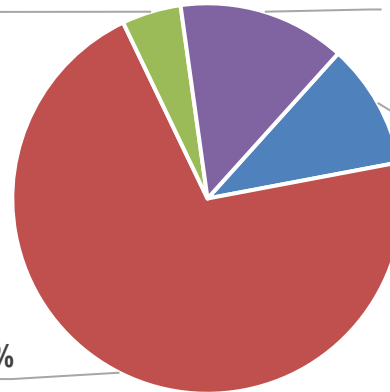
RIF 2022 Breakdown of Funding Sources for Projects with Financing

Other Development
Partners, 5%
(\$2.7 billion)

Private Sector, 14%
(\$7.7 billion)

ADB, 10%
(\$5.8 billion)

Governments, 71%
(\$39.4 billion)





Third Greater Mekong
Subregion Corridor Towns
Development Project
(Myanmar)

- \$117 m co-financed by ADB, NEDA Thailand, TICA, GCF, and government of Myanmar
- Improved access to sustainable urban services in Mawlamyine, Hpa-An, and Myawaddy



Upgrading 13S portion from
Savannakhet Province to
Bolikhamsay
(Lao PDR)

- \$200 m co-financed by the AIIB, EIB, WB, NDF, and the government of Lao PDR
- Project will provide the foundation for a connection between the Kunming–Vientiane–Savannakhet stretch of the North–South Economic Corridor and connect to the Southern Economic Corridor in Cambodia



Nam Ngiep 1 Hydropower
Project
(Lao PDR)

- \$976.6 m with lending from (ADB, JBIC) and private sector investment (EGAT International, Kansai Electric Power Company, Lao Holding State Enterprise)
- Construction and operation of a 272 MW hydropower generation facility on a build-operate-transfer (BOT) arrangement; electricity sold to Electricite du Laos and EGAT

Multilateral	Bilateral	Private Sector
<ul style="list-style-type: none"> • Asia Clean Energy Facility • ASEAN Infrastructure Fund • Asian Development Bank • Asian Infrastructure and Investment Bank • European Investment Bank • Global Environment Facility • The Global Fund • Green Climate Fund or Global Agriculture Food Security Program • Health Financing Partnership Facility (supported by Australia, Canada, Sweden, and the United Kingdom) • International Finance Corporation • International Organization for Migration • Nordic Development Fund • Organization of Petroleum Exporting Countries (OPEC)/OPEC Fund for International Development • Strategic Climate Fund • Swiss Agency for Development and Cooperation • World Bank 	<ul style="list-style-type: none"> • DFAT Australia • Belgium • Canadian Climate Fund for the Private Sector • PRC • FINNIDA • AFD (France) • Government of India • KfW (Germany) • JICA • JBIC • KOICA (Republic of Korea) • KEXIM • Luxembourg • Netherlands • Swedish International Development Cooperation Agency • Switzerland • NEDA Thailand • TICA Thailand • Asia Regional Trade and Connectivity Trust Fund (United Kingdom) 	<ul style="list-style-type: none"> • Businesses involved in Climate Friendly Agri-Business Value Chains Sector Project • Giant Group (Malaysia) • Song Da Group • National Power Transmission Corporation (Viet Nam) • Nam Ngum Power Company (Lao PDR) • China United Network Communications Group Co., Ltd (PRC) • Viettel Group (Viet Nam) • Lao Telecom (Lao PDR) • Nam Ngiep 1 Power Company (Kansai Electric Power, EGAT International Lao State Holding Enterprise)

GMS Countries: National and Local Government and/or Provincial Budgets



Way Forward

- New priority pipeline of projects to be compiled in line with the forthcoming GMS 2030 following G20 Quality Infrastructure Principles
- The Regional Investment Framework criteria for project inclusion will be reviewed and revised to improve quality, viability and sustainability of projects
- The future RIF will be linked with a GMS Results Monitoring Framework to monitor the progress of GMS 2030
- The GMS Program will continue to seek and strengthen partnerships for co-financing, technical assistance and knowledge partnerships for the GMS



**THE GREATER MEKONG SUBREGION
Economic Cooperation Program**

www.greatermekong.org

Thank you!