

GREATER MEKONG SUBREGION ECONOMIC COOPERATION PROGRAM

# Development Partners' Meeting

20 October 2020



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**THE GREATER MEKONG SUBREGION  
Economic Cooperation Program  
Strategic Framework 2030  
(GMS-2030)**

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## Outline of this presentation

### Introduction

#### **GMS-2030 Version 5**

- I. Rationale - Trends affecting the Subregion and strengthened with COVID-19 elements**
- II. Vision and Mission Statement**
- III. Innovative Approaches – 6 cross-cutting Areas expanded**
- IV. Pillars of Strategy - Revised, realigned and reprioritized**
- V. Institutional, Programming, and Monitoring Arrangements - Expanded and clarified**

### Next Steps



## Introduction

**2011**

Current GMS Strategic Framework II approved

**2018**

Ha Noi Action Plan approved

### **Mandate from GMS leaders (Ha Noi, 2018) to the GMS Ministers and Senior Officials**

“...to begin considering the nature of our journey and future directions beyond the 2022 horizon of the current strategic framework and how the framework can be strengthened and reconfigured to remain flexible, responsive and relevant.”





## I | Rationale - Trends affecting the Subregion

1. COVID-19 and other Pandemic threats.
2. Weaker Global Growth and Threats to Free Trade.
3. Persistent Pockets of Poverty and increasing in-country inequality.
4. Severe Environmental Challenges and Threats from Climate Change, Disasters and Pollution.
5. Technological Change and Digitalization.
6. Evolving Demographics.
7. Rapid Urbanization.





## I | Rationale - Strengthened with COVID-19 elements

- Despite **major achievements** in the past, the **GMS now faces its deepest recession** in decades. COVID-19 can eviscerate growth, incomes, and employment, and threatens to reverse hard won progress in poverty reduction.

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- The **GMS Program** demonstrated its usefulness by **quickly and effectively responding to the crisis**. However, faces its biggest challenge in its 28 years of existence.

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- The **GMS-2030 will provide a wholistic multi-sectoral, multi-thematic response**. It includes references to COVID-19 response at short-, medium-, and long-term. But it also deals with other challenges.

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- A short, focused **COVID-19 Response Plan 2021-2023** will also be prepared for the GMS program to respond to the medium-term health, economic and social impacts of the pandemic. This will complement GMS-2030, which is focused on long-term, wider challenges.





## II | Vision and Mission Statement



### Vision

**“To develop a more integrated, prosperous, sustainable, and equitable subregion”**

The Vision approved by the GMS Ministers at the 23rd MC retained.



### Mission

**“A subregional cooperation program focused on its fundamental strengths of connectivity, competitiveness, and community while embracing the three core principles of environmental sustainability and resilience, internal and external integration, and inclusivity”.**

These 3 core principles will be infused across all sectors in the GMS Program.



### III | Innovative Approaches – 6 cross-cutting areas expanded

**1**

#### Harnessing the Digital Revolution

Digitalization, e-commerce, trade of services and foreign direct investment, common standards and interoperability of systems, cyber security, and COVID-19 responses, among others.

**2**

#### An Enhanced Spatial Approach to Development

- Expand network of economic corridors throughout the GMS and beyond.
- Maximize network effects and connections between corridors to promote growth.
- Exploit the agglomeration effects of urbanization by creating clusters of GMS cities.
- Develop border areas and cooperation through increased cross-border trade, tourism, and agriculture value chains.



### III | Innovative Approaches – 6 cross-cutting areas expanded

**3**

#### Deeper Dialogue on Policies and Regulation, Underpinned by Knowledge-Based Solutions and Capacity Building

In areas such as: common logistics, customs standards and practices, efficient transport and trade facilitation, freer flow of labor and investment, common regulatory frameworks, and capacity of government officials.

**4**

#### Embracing Private Sector Solutions

- Leveraging knowledge, technical resources, and capital of private sector.
- Enhance the role of the GMS Business Council and the GMS Freight Transportation Association.





### III Innovative Approaches – 6 cross-cutting areas expanded

**5**

#### The Greater Mekong Subregion as an Open Platform

- **COVID-19** has highlighted the importance of working together across borders, involving stakeholders from central and local governments, private and public sectors, academia, civil society and **development partners**.
- The **GMS Governors' Forum** and the **Regional Investment Framework** will be strengthened to attract more resources from DPs, local governments and the private sector.
- Coordination and collaboration with other RCI initiatives (ASEAN, BRI, ACMECS, etc.) will be expanded.

#### GMS will strengthen Development Partners' engagement:

- As an open and inclusive platform to pool knowledge and financing.
- Seeking DPs' expertise to leverage their comparative advantages and interests in key GMS areas, taking the lead in selected themes and sectors, as required.
- Enhancing DPs' collaboration in all sector working groups, knowledge sharing events, and investment projects.
- Encouraging DPs to participate in the RIF.



### III Innovative Approaches – 6 cross-cutting areas expanded

6

#### GMS Program Results Framework

- To be developed in close coordination with the GMS countries to track the progress toward achieving the GMS Vision and Mission.
- Sector specific results frameworks will also be prepared.





## IV | Pillars of the Strategy– Revised, realigned and reprioritized

### GMS – 2030

#### Community

- Well being of all citizens at the top.
- Expanded attention to Health Cooperation and Environmental Sustainability and Climate Change.

#### Connectivity

- Transport and Energy sectors with added emphasis on COVID-19 recovery.

#### Competitiveness

- Sectors with critical links to COVID-19, Trade and Investment Facilitation, Agriculture, Tourism, and Urban Development; expanded to support national and regional recovery and resilience efforts.

#### Other Areas of Cooperation

ICTs, e-commerce, logistics, labor mobility and safe migration, education and skills, special economic zones, emphasis on development partner and private sector participation.



## V | Institutional, Programming, and Monitoring Arrangements - Expanded and clarified

### A. Institutional strengthening

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- ➔ **New sector working groups and forums in critical areas:** such as in trade and investment facilitation and the **GMS Private Sector Forum**.
- ➔ **Flexibility** to revise TORs of existing sector working groups, establish new taskforces and forums with enhanced private sector participation.
- ➔ **Ministerial meetings in additional sectors.**
- ➔ **Dedicated sector secretariats** will be strengthened, such as the Mekong Tourism Coordinating Office; and newly established: Regional Power Coordination Center.
- ➔ **GMS Governors' Forum and the Economic Corridors' Forum strengthened** for more effective multisector and spatial coordination.
- ➔ **GMS Secretariat in ADB and National Secretariats** strengthened.
- ➔ **Network of GMS knowledge institutes**, including Mekong Institute, to prepare and disseminate knowledge products and services in the subregion.





## V | Institutional, Programming, and Monitoring Arrangements - Expanded and clarified

### B. Strengthened Programming, Monitoring, Coordination, Partnerships, and Financing

➔ **Revised RIF:** Using a new criteria for quality infrastructure to raise the standards, viability and sustainability of GMS projects. Selected projects into the RIF will meet the following **G20 Quality Infrastructure Principles:**

- Take environment & social safeguards into account.
- Clarity and awareness of specific climate change and gender aspects.
- Improved infrastructure governance.
- Identified project costs.
- Incorporate lifecycle costs in the economic and financial analysis





## V Institutional, Programming, and Monitoring Arrangements - Expanded and clarified

### B. Strengthened Programming, Monitoring, Coordination, Partnerships, and Financing

➡ **ADB, as Secretariat of the GMS Program,** will deepen its support role as a knowledge provider, financier, and an honest broker.

➡ **GMS results framework:** to monitor progress towards objectives using proxy indicators and disaggregated data.

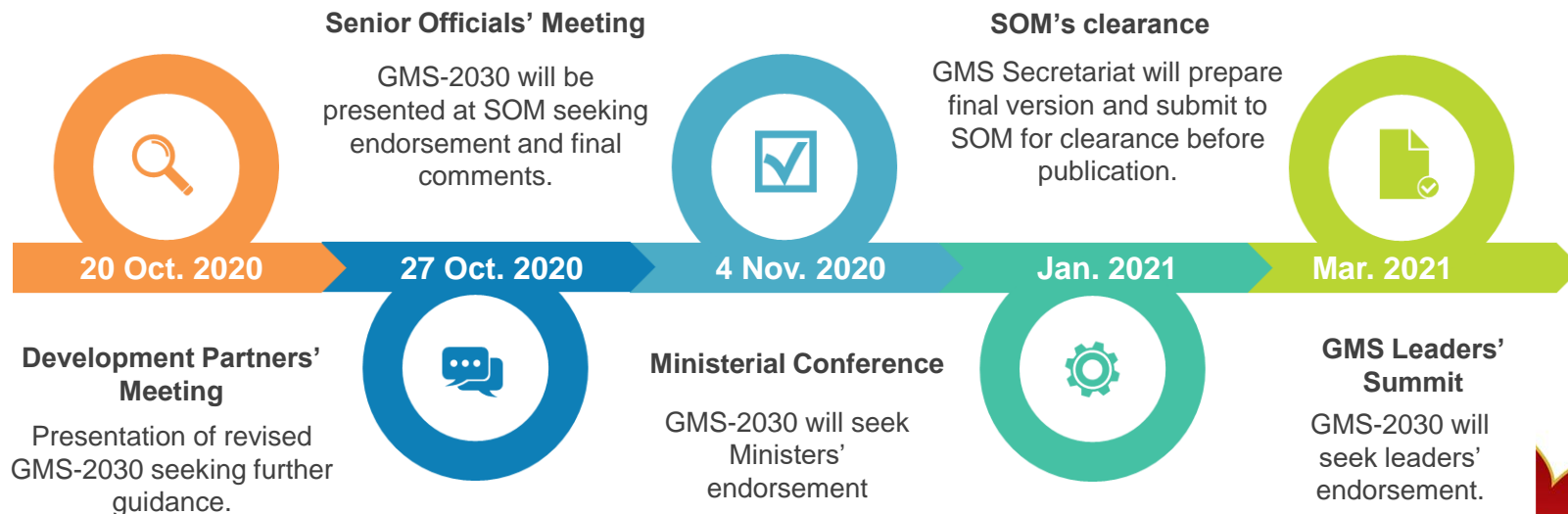
➡ **The Secretariat will:**

- Support **effective coordination** between sovereign, nonsovereign (private sector), and public-private partnership teams.
- Encourage **blending policy reforms** with private investments to unlock new sources of finance.
- **Expand financial channels** for project investments and facilitate private sector and development partners financing.





## Next steps





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**Thank you!**