

7th GMS Summit

PHNOM PENH, CAMBODIA

9 SEPTEMBER 2021



GMS: Renewed Strength to Face the Challenges of the New Decade

Joint Summit Declaration

We, the Heads of State/Governments of the Kingdom of Cambodia, the People's Republic of China, the Lao People's Democratic Republic, the Republic of the Union of Myanmar, the Kingdom of Thailand, and the Socialist Republic of Viet Nam, on the occasion of the Seventh GMS Summit:

Recalling the Joint Summit Declaration of the Sixth GMS Summit in 2018 and reaffirming our commitment to the advancement of the Greater Mekong Subregion (GMS) Economic Cooperation Program for the full realization of a sustainable, integrated, and prosperous subregion-toward building a GMS community with a bright shared future;

Taking pride in the success, significant achievements, and inspiring example of the GMS Economic Cooperation Program in demonstrating the power of regional cooperation to produce mutual benefits and contribute to the socio-economic development of member countries;

Acknowledging that this success relies on strong GMS cooperation and partnerships, and the determined joint efforts, practical and results-oriented approaches, and strong ownership and commitment of the GMS countries, guided by principles of consensus, mutual respect, equality, mutual consultation and coordination, common contributions and shared benefits, and win-win cooperation;

Recognizing new opportunities presented by globalization and by important global and regional development and connectivity initiatives, such as the United Nations 2030 Agenda for Sustainable Development, the ASEAN Community, the Belt and Road Initiative, and the Mekong-Lancang Cooperation, which generate complementarity and synergy with the GMS Program and provide new platforms for global, regional and subregional cooperation;

Recognizing also that while the Program and the GMS countries have proven their resilience to challenges brought by a rapidly changing global and regional context over nearly three decades since the Program's establishment, critical trends that threaten its continued success into the future have been gaining prominence particularly in the last decade, including those pertaining to global economic growth and trade, the environment, disease, and technology;

Gravely concerned by the most urgent and difficult global challenge, the COVID-19 pandemic, which has seriously affected the lives of the subregion's populations, strained its public health systems, and constrained its economies;

Understanding that these profound trends and serious challenges coincide with the conclusion of the Second GMS Strategic Framework 2012-2022, the Ha Noi Action Plan 2018-2022, and the GMS Regional Investment Framework 2022, which have been guiding the GMS Program in the last decade, and that therefore there is a need to set new directions and plans that are fully cognizant of and will effectively address these new trends and challenges;

Realizing the significant role of regional cooperation in ensuring the subregion's success in meeting emerging challenges and threats and seizing new development opportunities, and the need to ensure the Program's continued relevance and success into the future;

Appreciating the proactive work of our Ministers, Senior Officials, and GMS working groups and forums in advancing GMS cooperation in various areas and formulating the GMS Economic Cooperation Program Strategic Framework 2030 and the GMS COVID-19 Response and Recovery Plan 2021-2023.

NOW THEREFORE STRENGTHEN OUR RESOLVE to combine our efforts to address these challenges and overcome these threats through well thought out strategies and concrete actions and *RENEW OUR COMMITMENT* to work together and cooperate even more closely and strongly in this new decade toward the realization of our vision of a more integrated, prosperous, sustainable, and inclusive GMS.

I. GMS: A Matured Regional Cooperation Program with a Solid Record of Achievements

1. The GMS Program had its beginnings in the early 1990s with the advent of peace in the subregion, providing opportunity for the GMS countries to jointly consider actions to lift our economies and address shared concerns. Through the Program we steadily built trust and confidence, reinforced by successful joint projects that brought shared benefits. The Program has today evolved into a model pragmatic, results-oriented, projects-based regional cooperation program.

2. We reiterate that Connectivity, Competitiveness and Community remain the core building blocks and strength of the Program. In the context of an interconnected world, we reaffirm our commitment to promoting more Connectivity between member countries, more Competitiveness, and building a GMS Community with a shared future through projects and programs promoting development and addressing common challenges. This approach has continually been refined, refocused, and recalibrated as the GMS Program learned both from its own and other regions' experiences. The Program has been guided by long term strategic frameworks, sector strategies and plans. The Second GMS Strategic Framework 2012-2022 and, the Ha Noi Action Plan (HAP) 2018-2022 have guided our activities well in the last decade, and a lot has been achieved under them. The Program also benefited from active GMS Sector Working Groups and Forums and a project-based approach that has remained its backbone.

3. We emphasize the importance of **connectivity** in advancing regional economic integration and promoting trade and investment and will enhance both physical and institutional connectivity in the GMS. From cross-border road links, connectivity-enhancing projects progressed into transport corridors that serve as the bedrock of economic corridors, which provide a spatial focus for trade, investment, and other economic activities. We welcome the 10th and 11th GMS Economic Corridors Forum and recognize that the economic corridor network continues to expand to include areas that create the greatest benefits for the GMS countries and the subregion. Transport development also expanded toward inter-modal linkages for greater efficiency and sustainability. To optimize physical connectivity, the needed software agreements and mechanisms, such as the pioneering GMS Cross Border Transport Facilitation Agreement have been forged and implemented to facilitate transport and trade flows across borders. The energy sector has followed the same pattern of progress with the power generation and transmission infrastructure accompanied by agreements and instruments governing power trade. We will further advance GMS cooperation on power grid interconnection and the establishment of an integrated regional power market. Likewise, energy development is increasingly being oriented toward renewable, clean energy and low carbon technology.

4. We are encouraged by the improvement in **competitiveness** of important sectors through well targeted programs. The efficiency and quality of agri-food production is being enhanced, ensuring food safety and security and environmental sustainability, through such initiatives as value chain integration favoring small farmers, rural women, and small and medium agro-enterprises; harmonized quality and safety standards; and climate-friendly agricultural practices. Tourism arrivals and incomes have been boosted through promoting the GMS as a single tourist destination, well-coordinated marketing campaigns, and improved tourism infrastructure, while spreading the benefits through secondary tourism sites development, pro-poor tourism projects, and capacity building for tourism workers. The benefits of industrial agglomeration are also being exploited through the development of special economic zones and border SEZs and various industrial clusters. GMS countries have also started cooperation in the increasingly important field of e-commerce. Managing urbanization is also a major concern, with the sustainable development of key towns along the economic corridors, and with the GMS now in the forefront of promoting resilient, livable and competitive cities.

5. We underscore the importance of building the strengthened sense of **community**, which is reflected in the GMS countries' cooperation to address common concerns and challenges and preserve regional public goods. The Program is working to combat environmental degradation and protect the subregion's rich biodiversity as well as to combat climate change, environmental and natural disaster risks, including through sustainable, waste management and fostering healthy oceans. Human welfare and development have benefited from programs to improve the surveillance of communicable diseases and contain their spread, particularly across borders;

improve public health systems; regulate safe and orderly labor migration; and conduct capacity building programs for public officials.

6. We are heartened by the significant and tangible achievements of GMS cooperation, which go beyond the development of important infrastructure connectivity achievements with— close to 12,000 kilometers of roads and bridges, about 700 kilometers of railways, and nearly 3,000 kilometers of power lines—to softer outcomes, such as transport vehicles freely crossing borders with simplified procedures, coordinated systems for detecting and controlling the spread of communicable diseases, established measures for protecting biodiversity, and better trained and more competent public officials.

II. The Key Challenges Facing the GMS and the COVID-19 Shock

7. With the joint efforts of GMS countries, the GMS has been relatively successful in controlling the spread of COVID-19. The social and business support programs that have been put in place have proved to be instrumental in maintaining the stability of our economies and protecting the lives and livelihoods of our peoples. However, as with the rest of the world, the COVID-19 pandemic has been a massive, unprecedented shock for the subregion. The GMS countries' prompt and effective containment actions prevented the disease from inflicting a public health impact as severe as those suffered in other parts of the world. However, the subregion has not been spared from the serious economic impact of the pandemic, as supply chains were disrupted, production capacity was impaired, and demand and consumption dropped. We are deeply saddened by the loss of lives and the suffering caused by the pandemic, especially on the poor and the most vulnerable.

8. We commend the immediate individual national responses to the pandemic, as well as the GMS countries' readiness to utilize existing cooperation mechanisms under the GMS Program to undertake joint actions to mitigate its impact, including prompt cooperative actions taken in the GMS health sector working group to strengthen the health systems' capacity for effective surveillance, prevention of spread, treatment and management, and increasing public awareness of the disease. We also welcome the rapid cooperative responses in the most significantly affected sectors, such as tourism, agriculture, cross border transport and trade, and the environment, not only to mitigate the adverse impact on their activities but also to ensure that recovery is not only speedy but is in accordance with broader, longer term objectives, such as sustainability and inclusiveness.

9. We acknowledge that economic globalization has brought new opportunities for development to the world and the GMS, and that the digital economy and technological innovation have become the new drivers for future growth. However, the subregion is also threatened by major global trends including the growing protectionism that portends weaker global economic growth; the unfinished business of eradicating

poverty and inequality; the environmental and climate challenge, and continuous risk of natural disasters; the widening digital divide in the wake of rapid technological change and digitalization; the evolving demographics and the advent of ageing societies in certain GMS member countries; and the stresses brought by rapid urbanization.

III. Way Forward

10. Realizing that the new decade has ushered in new trends, intensified threats as well as new opportunities, we fully appreciate the need for a new roadmap into the future. We therefore **endorse and adopt the new GMS Economic Cooperation Program Strategic Framework 2030, or GMS-2030**. We are confident that GMS-2030—with its clear reading of the key challenges and opportunities ahead, the sound priorities it sets to address and take advantage of the Connectivity, Competitiveness and Community Pillars toward a new Mission with greater focus on environmental sustainability and resilience, internal and external integration, and inclusivity—will ensure the GMS Program’s continued relevance and responsiveness in this decade and realize the new GMS vision of **a more integrated, prosperous, sustainable, and inclusive subregion**.

11. We commit to strongly pursue GMS-2030’s aim of promoting innovative approaches to key cross-cutting areas, including: harnessing the digital revolution to transform important sectors of the economy toward greater efficiency and inclusiveness; an enhanced spatial approach based on an integrated network of economic corridors, dynamic border areas, and clusters of competitive and smart cities that are well connected to rural areas; promoting power interconnection and cooperation and supporting the establishment of a regional competitive power market in the long-term; a deeper dialogue on policies and regulations, underpinned by knowledge-based solutions and capacity building; embracing private sector solutions to leverage expertise and financing; recognizing the importance of women’s role and efforts to achieve greater gender balance in development; gearing the GMS Program to be a more open platform and cooperate closely and tap synergies and complementarities with other regional cooperation and integration initiatives, including the Association of Southeast Asian Nations, the Belt and Road Initiative, the Mekong-Lancang Cooperation, the Ayeyawady-Chao Phraya-Mekong Economic Cooperation Strategy; and establishing a results monitoring framework.

12. We also support the focus of GMS-2030 to seize the opportunities in an interconnected global economy and foster an open, fair and non-discriminatory business environment supported by digital economy and innovation. We will strengthen digital infrastructure, accelerate digital transformation, promote technology application, and narrow the digital divide.

13. Recognizing the likely protracted impact of the COVID-19 pandemic and the need to accelerate the recovery process, we also welcome, **endorse and adopt the GMS COVID-19 Response and Recovery Plan 2021-2023**, which will supplement GMS-2030 by focusing our collaborative efforts in the short to medium-term to contain the pandemic and promote economic recovery. We support its pillars of a 'One Health' approach to addressing human and animal health, healthy crops and food, and healthy cities. We will strengthen cooperation on COVID-19 vaccines to ensure accessible, affordable, equitable, efficacious, and safe COVID-19 vaccines are available for people in the subregion. We will also take measures to stabilize regional and global supply chains to ensure the free flow of essential goods and services; address the needs of the vulnerable and the poor as well as safe and orderly labor movement and management; keep borders open and accelerate economic recovery, with a focus on transport and trade facilitation, investment, tourism and agriculture while minimizing health risks.

14. Realizing the need for effective implementation of GMS-2030, we mandate our respective Ministers and Senior Officials to develop a realistic and implementable pipeline of projects that support the strategic and operational priorities of GMS-2030, and a GMS knowledge program that will stimulate and guide meaningful policy dialogue and specific action toward the attainment of the GMS Vision.

15. We recognize that economic globalization brings significant benefits to our countries and the subregion, and commit to harnessing its positive effects, strengthening it, making it more open, inclusive, balanced, and sustainable, and ensuring that it benefits all. To this end, we support the multilateral trading system with WTO at its core and oppose protectionism. We aspire to promote regional cooperation and integration and trade and investment liberalization and facilitation. We encourage all GMS countries to expedite the domestic ratification procedures to facilitate the early entry into force of the Regional Comprehensive Economic Partnership.

16. We reaffirm our commitment to deepen our cooperation on connectivity based on the principle of extensive consultation, joint contribution, and shared benefits. We aspire to further promote the network of economic corridors, improve GMS border infrastructure and cross-border cooperation, develop ports, airports, and river transportation, and increase integration in regional value chains beyond the GMS. We also commit to take concrete actions to further strengthen the GMS Economic Corridor Forum and the GMS Governors Forum and maintain their annual hosting.

17. We reaffirm our commitment to inclusive and sustainable development of the GMS through full implementation of the UN 2030 Agenda for Sustainable Development and the Paris Agreement on Climate Change, in pursuing equitable, open, comprehensive, innovation-driven and inclusive development, and achieving a balance over its three dimensions of economic, social and environmental development. We will further cooperate on poverty alleviation to advance well-being

for all. We are committed to strengthening our cooperation in sustainable use and integrated management of natural resources, including land, water resources and forest, through transboundary cooperation and collective efforts, in achieving the subregion's food, water and energy security.

18. We recognize the opportunities arising from the relevant global and regional initiatives. We will further promote synergies and complementarities between the GMS program and the ASEAN, the Belt and Road Initiative, and Mekong-Lancang Cooperation as well as other regional and global cooperation initiatives, so as to provide new impetus to the development of the subregion and beyond.

19. We acknowledge and greatly appreciate financial and knowledge support from bilateral and multilateral development partners, including ADB which also supports the Program as we urge them to further strengthen their support for the GMS. We give our deepest thanks to the Kingdom of Cambodia for graciously hosting the Seventh GMS Summit.

20. We agree to meet again at the Eighth GMS Summit to be held in the People's Republic of China in 2024.

Endorsed virtually in Phnom Penh, Cambodia on the 9th of September 2021.

