

GMS e-Updates

September 2014 - February 2015 | Vol. 8, Issue No. 2

Recent and Upcoming GMS Events and Initiatives

GMS E-updates provides information about key activities and major developments in the GMS as the six countries sharing the Mekong River strive to accelerate the region's development

In this Issue

- GMS Leaders Discuss Ways to Promote Inclusive and Sustainable Development at 5th Summit
- GMS Countries Renew Efforts to Boost Investments in Natural Assets
- GMS Working Group on Agriculture: Forum on Roadmap Building
- Seventeenth Meeting of the GMS Regional Power Trade Coordination Committee
- GMS Strategic Environmental Assessment Knowledge Sharing Forum
- 9th Semi-Annual Meeting of the GMS Working Group on Environment
- Thirteenth Meeting of the Working Group on Human Resource Development
- Thirty-Fourth Meeting of the GMS Tourism Working Group
- Time Release Study: Assessing Efficiency of Customs Clearance
- Third Meeting of the Urban Development Task
 Force
- Impact Story: The Road to Single Stop Customs Inspection Along the East-West Economic Corridor

Just Published

- Development Partners' Assistance Matrix for the GMS Economic Cooperation Program: Ongoing and Proposed Projects (as of 2014)
- Greater Mekong Subregion Regional Investment Framework Implementation Plan (2014-2018)
- Initial Review of the Greater Mekong Subregion Transport Sector Strategy 2006-2015
- The Phnom Penh Plan for Development Management: A Retrospective
- Greater Mekong Subregion Economic Cooperation Program: Overview
- Journal of Greater Mekong Subregion Development Studies- October 2014

GMS LEADERS DISCUSS WAYS TO PROMOTE INCLUSIVE AND SUSTAINABLE DEVELOPMENT AT 5TH SUMMIT

(Bangkok, Thailand, 19-20 December 2014)



GMS Leaders: (L-R) Viet Nam, Lao PDR, Cambodia, Thailand, People's Republic of China, Myanmar and ADB

The 5th Greater Mekong Subregion (GMS) Summit was held on 19-20 December 2014 in Bangkok, Thailand, and attended by the Heads of State of the six GMS countries and the President of the Asian Development Bank. In line with its theme, "Committed to Inclusive and Sustainable Development in the GMS," the Summit focused on consolidating the GMS Program's gains, and ensuring that it remains on track toward sustained, in clusive, broad-based, and environmentally sustainable development over the medium-to-long term.

Recent products of GMS cooperation that were presented to the GMS leaders at the Summit were: (i) an Implementation Plan for the GMS Regional Investment Framework (RIF), which supports the GMS Strategic Framework and identifies the highest priority new generation GMS projects that can begin implementation between 2014 to 2018; (ii) the initial review of the GMS Transport Sector Strategy (2006-2015); (iii) a Development Partners (DP) Matrix, which is a compilation of DP's ongoing and planned activities in the GMS; and (iv) various publications on GMS sectorial cooperation, including a retrospective on the Phnom Penh Plan for Development Management.

The Summit included side events that also aimed to strengthen the engagement with

1

New Multimedia

- Increasing Cross-Border Trade Opens Opportunities for Thailand Province
- Paving the Way for Tourism in Lao PDR
- Infrastructure Work Stimulates Cambodia's Economic Growth
- Myanmar Road Projects to Boost Economic Prospects

Upcoming Events for 2015

First Quarter 2015

 Preparatory GMS Senior Officials Meeting for 7th Economic Corridors Forum, 3rd week March (TBC), videoconference

Second Quarter 2015

- 12th Meeting of the Working Group on Agriculture, April (TBC), Nakhon Pathom, Thailand
- Preparatory GMS Senior Officials Meeting for 7th Economic Corridors Forum, May (TBC), videoconference
- 21st Annual Meeting of the GMS Working Group on Environment, May/June (TBC), Thailand
- Consultation Meeting on the GMS Urban Development Strategic Framework, 7/8 May (TBC), videoconference
- 7th GMS Economic Corridors Forum, 8-12 June (TBC), Kunming, PRC (TBC)
- 1st Senior Officials' Meeting for the 20th GMS Ministerial Conference, 8-12 June (TBC), Kunming, PRC (TBC)
- GMS Commodity Trade Fair, 8-12 June (TBC), Kunming, PRC (TBC)
- 35th Meeting of Tourism Working Group and 2015 Mekong Tourism Forum, 15-19 June, Da Nang, Viet Nam
- 18th Meeting of the GMS Regional Power Trade Coordination Committee, June (TBC), Myanmar

...Continuation of GMS Leaders discuss...

key stakeholders in GMS development, namely: (i) an Investment Forum, in which over 250 participants from government, the private sector and DPs discussed investment opportunities in the GMS as outlined in the RIF; (ii) a GMS Business Forum Event, where over 150 participants from the private and public sectors discussed issues that impact business opportunities in the GMS, including credit guarantee facilities for SMEs, disaster risk reduction, and cross-border transport; (iii) a GMS Youth Forum, where GMS youth representatives discussed issues essential to giving youth a stronger role and better future in the GMS; and a (iv) Roundtable Meeting of Development Partners, in which over 150 representatives of DP organizations explored synergies and potential partnerships for assisting GMS countries in financing, implementing, and monitoring priority projects set forth in the RIF Implementation Plan.

In their closed-door Retreat at the Summit, the GMS leaders shared their views on two topics, with the aim of providing broad directions for: (i) achieving inclusive and sustainable development in the GMS, and (ii)

exploring linkages and coordination with other regional cooperation initiatives and related approaches to resource mobilization.

The 5th GMS Summit was deemed a resounding success, producing important results including: the leaders' commitment to the RIF Implementation Plan, which is the main instrument for realizing the goals set forth in the new GMS Strategic Framework in the medium term; leaders appreciation of and commitment to advancing GMS cooperation in the more complex "soft" areas, such as institutional connectivity, trade and transport facilitation, and human resource development; the leaders' acknowledgment of the importance of aligning the GMS with wider regional integration, particularly with ASEAN; and giving key GMS stakeholders, particularly the private/business sector, development partners, and youth, the opportunity to interact, share ideas, and solidify their commitment to GMS development.

GMS COUNTRIES RENEW EFFORTS TO BOOST INVESTMENTS IN NATURAL ASSETS (Nay Pyi Taw, Myanmar, 27-29 January 2015)

GMS countries pledged to redouble efforts to protect and enhance their natural assets —including forests, farmlands, wetlands and water bodies—to ensure they contribute to inclusive and sustainable development, amid concerns that failure to take action threatens the subregion's growth prospects.

At the Fourth GMS Environment Ministers' Meeting (EMM4) in Nay Pyi Taw, Myanmar on 27-29 January 2015, environment leaders from the six GMS countries also called for stronger partnerships to raise awareness and generate information about natural assets,

to coordinate and finance initiatives to safeguard them, and to develop ways of ensuring that sustainability considerations inform policy, planning and investment decisions.

The environment leaders' Joint Ministerial Statement stated that "natural capital/ resources lie at the heart of economic development, underpins inclusive and sustainable development and sustains the livelihoods and wellbeing of all people in the GMS, especially the rural poor." Further, it stressed that "future prosperity of the GMS will depend on timely and effective investments to protect and

of the GMS will depend on timely and effective investments to protect and enhance its natural capital/resources."

The Statement also encouraged the GMS Working Group on Environment (WGE) and Environment Operations Center (EOC) to explore opportunities to ensure sustainable and inclusive development within the GMS Regional Investment Framework Implementation Plan (2014-2018). James Nugent, Director General of ADB's Southeast Asia Department, emphasized the importance of this work, calling for inclusiveness and sustainability considerations to inform the design and delivery of the RIF Implementation Plan's \$30 billion pipeline of priority economic development projects.

Prior to the formal meeting of environment leaders on 29 January, a series of knowledge events were held on 27 and 28 January under the theme of "Increasing investments in natural capital in the GMS." These included a Biodiversity



Landscapes Forum, Natural Capital Business Forum, Youth Environment Meeting, and a Natural Capital Dialogue. More than 300 delegates attended, including representatives from government, business, non-governmental organizations and civil society groups, and youth.

EMM4 was organized by the GMS WGE with the support of the ADB-led EOC (Secretariat to the WGE) and Myanmar's Ministry of Environmental Conservation

and Forestry. It was funded through the GMS Core Environment Program, the flagship environment initiative of the GMS Economic Cooperation Program.

Presentations, speeches and other EMM4 materials can be downloaded from http://www.gms-eoc.org/events/fourth-greater-mekong-subregion-environment-ministers-meeting-emm4-

Sector Updates

AGRICULTURE

GMS WORKING GROUP ON AGRICULTURE: FORUM ON ROADMAP BUILDING

(Bangkok, Thailand, 16-17 December 2014)

An action plan has kick-started the development of country roadmaps for 2015–2020 to generate public–private partnership (PPP) investments on climate-friendly agriculture in the GMS. The action plan is the result of a region-wide forum organized by the GMS Working Group on Agriculture (WGA), with ADB support, on 16–17 December 2014 in Bangkok, Thailand.



A total of 124 participants representing the government, private sector, farmers, civil society and development partners attended the two-day event, which was organized in response to a call from GMS countries and the GMS Business Forum.

The forum provided opportunities for all stakeholders to share their experiences, expertise, and views on successful PPP models, particularly agri-business projects set up through technological innovation and innovative financing. It also featured discussions on the strategy and steps for preparing the action plan for the development of country roadmaps.

Under the action plan, the country roadmaps will be developed and presented for endorsement by each GMS country to their relevant government agencies by 31 December 2015.

The action plan is part of the Core Agriculture Support Program Phase II (CASP 2) work plan for 2015, endorsed by the GMS countries, which seeks to capture the potential of PPP business opportunities to promote climate-friendly and sustainable agriculture in the GMS.

To facilitate the roadmaps, it was agreed at the forum that a national commission to promote PPP investments in climate-

friendly agriculture will be formally established in each of the six GMS countries under the leadership of the WGA national focal points.

The national commission will consist of representatives of the public and private sectors, and will convene meetings on a regular basis to discuss and work on their respective country roadmaps.

Several mechanisms or steps were identified to initiate country roadmap development, which include organizing a national consultation to pave the way for establishing the commission in each GMS country.

ENERGY

SEVENTEENTH MEETING OF THE GMS REGIONAL POWER TRADE COORDINATION COMMITTEE

(Luang Prabang, Lao PDR, 25-26 November 2014)

The 17th Meeting of the Regional Power Trade Coordination Committee (RPTCC-17) was held on 25-26 November 2014 in Luang Prabang, the Lao People's Democratic Republic (Lao PDR). This meeting was organized by Lao PDR's Department of Energy Policy and Planning, Ministry of Energy and Mines in

cooperation with ADB, and was attended by RPTCC members and representatives of ADB and other development partners.

RPTCC-17 discussed the progress on the bids for the venue for the headquarters of the Regional Power Coordination Center which will serve as a permanent institution to enhance regional power trade and implement regional power interconnection in the GMS. The GMS countries provided updates on power development plans focusing on cross-border projects, while development partners discussed the continuing assistance to promote power trade in the GMS. RPTCC-17 also

considered the draft report on the GMS Energy Sector Assessment, Strategy and Road Map, and recent GMS developments on energy sector policy.



ENVIRONMENT

GMS STRATEGIC ENVI-RONMENTAL ASSESSMENT KNOWLEDGE SHARING FORUM

(Siem Reap, Cambodia, 30-31 October 2014)

More than 90 GMS and international Strategic Environmental Assessment (SEA) practitioners and policymakers attended this Knowledge Sharing Forum to increase recognition of SEA as a sustainable planning approach, take stock of SEA knowledge and capacity gaps in the subregion, and to identify priorities to tackle these challenges. The Forum was jointly hosted by the GMS Core Environment Program and Cambodia's Ministry of Environment, with funding and technical support from the Global Mechanism of the UNCCD.

Read meeting documents: http://www.gms-eoc.org/events/greater-mekong-subregion-strategic-environmental-assessment-knowledge-sharing-forum







9TH SEMI-ANNUAL MEETING OF THE GMS WORKING GROUP ON ENVIRONMENT (Bagan, Myanmar, 12 November 2014)

Hosted by Myanmar's Ministry of Environmental Conservation and Forestry, the 9th Semi-Annual Meeting of the Working Group on Environment brought together WGE members, ADB representatives and development partners to (i) review the Core Environment Program implementation, (ii)

review the next steps for the Regional Investment Framework Implementation Plan; and (iii) endorse the program's 2015 work plan, including preparations for the 4th GMS Environment Ministers' Meeting.

The meeting was preceded by a technical workshop "Strengthening Partnerships to Increase Natural Capital Investments in the GMS" on 11 November. Read meeting documents: http://www.gms-eoc.org/events/the-9th-semi-annual-meeting-sam-9-

HUMAN RESOURCE DEVELOPMENT

THIRTEENTH MEETING OF THE WORKING GROUP ON HUMAN RESOURCE DEVELOPMENT

(Ha Noi, Viet Nam, 29-30 October 2014)

The Meeting, organized with the theme "Strengthening Human Resource Development (HRD) Cooperation in the Greater Mekong Subregion," aimed to (i) share knowledge and experience to improve human resource development cooperation; (ii) harmonize HRD programs, projects, and activities within the context of the GMS economic corridors and HRD strategy; and (iii) help enhance regional networks and partnerships in HRD. In their individual country statements, representatives of GMS countries highlighted the achievements of their national HRD working group and initiatives to implement the GMS HRD Strategic Framework and Action Plan (SFAP) for 2013-2017.

Sessions were held in plenary through presentations followed by panel discussions on diverse topics including (i) regional economic cooperation and integration - implications, challenges and strategic directions for HRD focusing on the GMS Regional Investment Framework Implementation Plan 2014-2018 and its M&E System; (ii) harmonizing skills recognition frameworks in technical and vocational education and training, its implications on the impending ASEAN economic integration and the value of increased skilled labor mobility to support GMS economic corridor development; (iii) improving cooperation in higher education through the ASEAN University Network, quality assurance system, and the Academic Credit Transfer Framework for Asia; (iv) health and social protection for migrant workers including strengthening regulatory frameworks and institutional arrangements for providing social protection to migrant workers; and (v) labor migration management and the value of government to government arrangements and sharing of labor market information.

A World Café session was held separately to facilitate dialogue and sharing of knowledge and ideas on initiatives to implement the GMS HRD SFAP 2013-2017 through the respective National Action Plans of the 6 GMS

National Action Plans of the 6 GMS countries. The session provided an opportunity to share information and learn from the other countries' initiatives and experiences as they move forward in regional integration. Representatives of development partners including IOM, SEAMEO, and Mekong Institute gave statements on their respective programs alignment with initiatives under the HRD SFAP.

TOURISM

THIRTY-FOURTH MEETING OF THE GMS TOURISM WORKING GROUP (Luang Prabang, Lao PDR, 18 November 2014)

The Tourism Working Group (TWG) reviewed the implementation of the GMS Tourism Sector Strategy, particularly joint activities implemented from June to December 2014 under the following priority programs: (i) Tourism-related HRD; (ii) Pro-poor Sustainable Tourism Development; and (iii) Subregional Marketing and Product Development. It featured country reports on the following topics: (i) Cambodia on community-based tourism and ecotourism best practice; PRC on the 2014 Tourism Management in



the GMS Learning Program held at the Guilin Institute of Tourism in October 2014 under the Phnom Penh Plan for Development Management; (ii) Myanmar on the launching of an E-visa system in September 2014 for 43 countries; (iii) Thailand on a workshop on GMS Thematic Routes and the Southern Economic Corridor held September 2014 in Bangkok; (iv) Lao PDR on the development of a Lao homestay standard in line with the ASEAN Homestay Standard; and (v) Mekong Tourism Coordinating Office (MTCO) on its activities to support GMS single destination marketing, multi-country product development, and tourism knowledge management. Viet Nam presented thought-provoking recommendations on the need for TWG to have a good action plan to cover projects and activities that would address such issues as how TWG and MTCO could contribute to branding GMS tourism, increasing tourist flow to and within the region, improving product development and marketing, and facilitating greater private sector involvement.

The meeting also discussed developments regarding the preparation of the GMS Regional Investment Framework Implementation Plan and the prioritized tourism projects included in the Plan, as well as preparations for the Mekong Tourism Forum 2015 to be held back-to-back with the next meeting of the TWG in June 2015 in Da Nang, Viet Nam.

Other events held in conjunction with the meeting were (i) a Closed Meeting of the MTCO Board held on 18 November, which discussed operational and administrative concerns and agreed on the urgency for MTCO to have a legal status, and to work with Thailand towards its registration as a foundation, initially, while looking ahead to its final registration as an intergovernmental organization; and (ii) a technical session

held on 19 November on ADB-funded technical assistance TA-8516: Strengthening the Mekong Tourism Coordinating Office which discussed recommended elements of an MTCO Operations Plan.

TRANSPORT AND TRADE FACILITATION

TIME RELEASE STUDY: ASSESSING EFFICIENCY OF CUSTOMS CLEARANCE

The efficiency and effectiveness of customs procedures has a significant influence on the economic competitiveness of nations, and in the growth of international trade. As a result, any customs administration is obliged to ensure that the processes conducted at the border are optimized, and the time taken to clear the goods is reduced.

In support of the ASEAN Economic Community (AEC) to attaining a single market and production base starting in 2015, an ADB project on Trade Facilitation Support for AEC Blueprint Implementation was set up with the financial support from Japan Fund for Poverty Reduction in 2012. While the objective of the project is to assist the AEC Blueprint through strengthened trade facilitation regimes, the project takes a "diagnostic" approach in 7 countries (Cambodia, Lao People's Democratic Republic, Myanmar, Thailand, Viet Nam, Indonesia, and Malaysia), five of which are GMS countries, by applying a Time Release Study (TRS) which is a unique tool used by the World Customs Organization (WCO) to assess efficiency of customs clearance processes. The TRS measures the time taken between the arrival of the goods and their release, which facilitates the identification of both the problem areas (bottlenecks) and potential corrective actions (improvement measures) to increase their efficiency.

To date, 6 TRSs were conducted at 50 locations (18 sea ports, 10 airports, and 22 border points) with total of more than 33,000 samples for export, import and transit cargoes (some 5,500 samples per survey, on average). The longest time taken for the whole process (i.e. arrival to removal) was approximately 61/2 days, while the shortest time for customs clearance was about 11 hours. Steps taking the most time were between the arrival of goods and the lodgment of customs declarations. The findings of the TRSs helped the concerned Managements identify Customs barriers along the customs clearance process, and identify improvements the recommendations submitted by their Working Group on

While this project expires at the end of October 2015, one TRS report is currently being prepared (conducted at 19 locations; 10 sea ports, 5 airports, and 4 border points), and two more TRSs are planned. The ADB project is supporting an Exit Conference on TRS, aiming at dissemination of TRS results and findings to the public.

URBAN DEVELOPMENT

THIRD MEETING OF THE URBAN DEVELOPMENT TASK FORCE (Vientiane, Lao PDR, 11-12 September 2014)

The meeting objectives were achieved and included: (i) a review of the draft GMS Urban Development Strategy and its Implementation Plan; (ii) a discussion of the GMS Regional Investment Framework Implementation Plan and M&E System and

the results of the GMS Sixth Economic Corridors Forum in Ha Noi, Viet Nam on Special Economic Zones and Cross Border Economic Zones; and (iii) agreement on the way forward for the GMS Urban Development Strategy and the Task Force. It was agreed that the GMS Urban Development Strategy document would be called the GMS

Urban Development Strategic Framework, 2014-2022 and that plans for revising and finalizing the document would be aimed at getting it ready for presentation to GMS Leaders as a deliverable of the 5th GMS Summit in December 2014. The meeting had high-level participation from the six GMS Countries of Cambodia, People's Republic of China, Lao People's

Democratic Republic, Myanmar, Thailand, and Viet Nam. It was co-chaired by the Government of Lao PDR, and the Director, Urban Development and Water Division, Southeast Asia Department, ADR



IMPACT STORY

THE ROAD TO SINGLE STOP CUSTOMS INSPECTIONS ALONG THE GMS EAST-WEST ECONOMIC CORRIDOR

The East-West Economic Corridor

The development of the East West Economic Corridor (EWEC), a key initiative in the Greater Mekong Subregion (GMS) Program of Economic Cooperation, started in 1999 and was completed in mid-2004, culminating in the opening of the Second Mekong International Bridge in December 2006. The 1,450 kilometer overland route directly connects Mawlamyine, Myanmar, on the coast of the Andaman Sea, to Da Nang, Viet Nam's deep sea port. The EWEC was developed to

facilitate the freer movement of goods and people by improving infrastructure, removing impediments to trade and travel, and reducing transport costs and travel time. It has transformed some of the poorest areas in central Lao PDR, and central Viet Nam, and northeastern Thailand into bustling trade and growth area, linking major cities and towns all along the corridor. This was the objective of the EWEC - stimulating economic growth and social development in the GMS. For this to happen, however, both hardware and software needed to be in place first.

Cross-Border Transport Agreement and Single Window Inspection

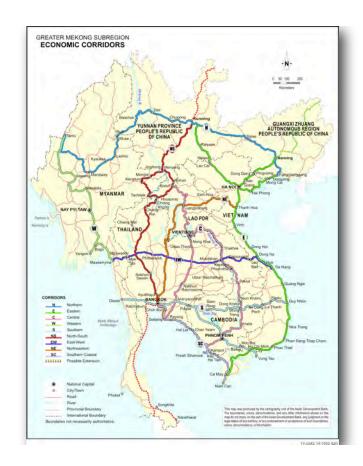
To facilitate trade and transport facilitation along the GMS corridors, Lao PDR, Thailand and Viet Nam signed the Agreement for the Facilitation of Cross-Border Transport of Goods and People (CBTA) in November 1999. This CBTA agreement was amended and acceded to by Cambodia in 2001, PRC in 2002, and by Myanmar in 2003. The CBTA aimed to facilitate the smooth and

...Continuation of Impact Story

seamless cross-border movement of goods and vehicles, enable the exchange of commercial traffic rights, harmonize and simplify customs clearance, border formalities and the customs transit system, and facilitate the mobility of people. Under the CBTA, in 2005, with ADB assistance, Lao PDR and Viet Nam initiated a Single Window Inspection (SWI) at the Dansavan, Lao PDR-Lao Bao, Viet Nam, border checkpoints. SWIs basically involves putting together immigration, customs and quarantine (ICQ) authorities from both countries under the same roof for faster border clearance. With streamlined customs inspections, these border checkpoint between the Lao PDR and Viet Nam increasingly served as an important commercial and industrial center for cross-border economic activities.

Implementation of Single Stop Customs Inspection

In 2007, these border checkpoints started implementing the first stage of the Single Stop Customs Inspection (SSI), which required customs officials of both countries to conduct joint inspection of goods and vehicles at a common control area (CCA), only at the country of entry, with immigration and quarantine inspection being done at both borders. Despite the new SSI, in practice, the joint customs inspection was rarely carried out for a number of reasons, including staffing constraints and shortfalls in border infrastructures. The second stage of the SSI would require immigration and customs officials to carrying out joint inspections in the country of entry for goods and vehicles, while the 3rd stage - or full SSI - would require all ICQ officials to carry out joint inspection at the country of



entry. The long journey towards effective SSI finally reached its destination this year, on 6 February 2015, when the Lao and Vietnamese Deputy Prime Ministers co-chaired the inauguration of full SSI at the Dansavan-Lao Bao border checkpoints. Full SSI

implementation at these two border checkpoints is a first under the CBTA, and paves the way towards better coordinated border management, and towards the ASEAN Single Window in the not-too-distant future.



...Continuation of Impact Story

ADB has been administering Australian grant-funded regional TAs RETAs 7851 and 8748) that support the improved implementation of the GMS CBTA SSI mechanisms, particularly at the Dansavanh, Lao PDR and Lao Bao, Viet Nam border checkpoints. RETA 8748: Subproject 2 of Support for Implementing the Action Plan for Transport and Trade Facilitation in the GMS will support a preliminary review of the Lao Bao-Dansavanh SSI in August 2015.

Single Window/Single Stop Customs Inspection

Interviews with transport operators and traders have shown that since 2007, SWI/SSI implementation at these boders have reduced average processing time for imports and exports by half, from more than one hour to roughly 30 minutes to complete cross-border clearance for a cargo truck. The number of cargo trucks passing through this border checkpoint has increased by more than 3.7 times over the past five



years, with the number of tourist and passenger buses increasing by 2.5 times in the same period.

The cumulative cost and the time savings from more efficient cross-border transport are dramatic. Lao PDR trade with Viet Nam and the Dansavanch - Lao Bao border checkpoint increased from US\$156 million to over US\$1 billion in 2013*, while trade with Thailand at the Kaysone Phomvihane—Mukdahan border checkpoints expanded from US\$98 million in 2001, to US\$756 million in 2005, and over US\$2 billion in 2013.

Trans-national transport operators and freight forwarders are increasingly using the EWEC for their supply chains route stretching from Shen Zhen in PRC to the Ayutthaya/Maptaphut areas and Leam Chabang port in Thailand. The bulk of exports of fruits, spices, garments, and textiles, and electric toys from PRC to many other GMS countries (Cambodia, Lao PDR, Thailand and Viet Nam) are

mainly transported through the EWEC. Inter- and intra-regional trade through regional and global supply chains should continue to grow when the Savan-Seno special economic zone and Lao Bao export oriented zone become fully operationalized in the near future. Full SSI implementation holds the promise of a smoother and more seamless flow of goods, vehicles and people across the borders. As logistics and transport costs continue to fall, there should be growing use of the EWEC by transport and tour operators.

*Data was estimated using trade data provided by traders and based on a study: "Impact of EWEC on Development in Border Provinces: Case Study of Savannakhet Province in Lao PDR", by Montague Lord, 2010 and "EWEC Impacts on Savannakhet," by Rattanatay Luanglatbandith, 2007.



Impact of the EWEC

ADB studies on the EWEC in Savannakhet, Lao PDR and Quang Tri, Viet Nam (2007, 2011) suggest that the corridor's impact has brought significant local-level socio-economic changes, with more moderate regional-level impacts. The EWEC is expanding market access and enhancing consumer choices through cheaper prices and greater product diversity. The EWEC has also helped attract greater foreign direct investment to Savannakhet and Quang Tri (as well as in Hue and Da Nang) particularly in the mining, agriculture production, agro-processing and agribusiness, manufacturing, hotel and service sectors both inside and beyond the corridor's special economic zones.

The ADB studies also found that the EWEC has directly benefitted households by enhancing their access to education and health services. The development of rural roads along the corridor have particularly enhanced mobility for rural communities, providing greater access to markets, employment opportunities, and social services. "After Road 9 improvements were completed I can make more money selling roasted chicken and other food stuff to passing trucks and buses, instead of just relying on rice farming for a living" said Nuanta, a village trader in Sethatmouak, Savannakhet. All along Road 9 in Savannakhet, modern houses and commercial building have sprung up all the way to the Vietnamese border, a dramatic change from a decade ago. Even more, peripheral areas surrounding the Corridor have substantively benefited from the feeder road system. With the continuing development of corridor towns and commercial urban

nodes along the EWEC, the development of additional feeder roads, and the development of more logistics and business services centers, the EWEC should continue to expand the reach of its beneficial impacts, both locally, and throughout the region.





JUST PUBLISHED



12 Dec 2014

Development Partners' Assistance Matrix for the GMS Economic Cooperation Program: Ongoing and Proposed Projects (as of 2014)

The Development Partners' Assistance Matrix for the GMS Economic Cooperation Program is an inventory of development partners' ongoing and planned subregional projects in the GMS.



12 Dec 2014

Greater Mekong Subregion Regional Investment Framework Implementation Plan (2014-2018)

In 1992, with assistance from ADB, the Greater Mekong Subregion (GMS) (Cambodia, the PRC, the Lao PDR, Myanmar, Thailand and Viet Nam) launched a program of subregional economic cooperation to enhance their economic relations.



12 Dec 2014

Initial Review of the Greater Mekong Subregion Transport Sector Strategy 2006-2015

This assessment indicates a mixed performance for the Transport Sector Strategy Study, 2006-2015 based on an assessment of the overarching goals upon which the study was based.



12 Dec 2014

The Phnom Penh Plan for Development Management: A Retrospective

This publication examines the Phnom Penh Plan's contributions to capacity building in the Greater Mekong Subregion (GMS).



12 Nov 2014

Greater Mekong Subregion Economic Cooperation Program: Overview

The GMS Program, with the support of ADB and other development partners, helps identify and implement high-priority subregional projects in a wide range of sectors.



15 Oct 2014

Journal of Greater Mekong Subregion Development Studies - October 2014

This issue of the Journal of Greater Mekong Subregion (GMS) Development Studies features five articles of subregional importance, including free trade, tourism, and human trafficking.

NEW MULTIMEDIA



<u>Increasing Cross-Border Trade Opens</u> <u>Opportunities for Thailand Province</u>



Paving the Way for Tourism in Lao PDR



<u>Infrastructure Work Stimulates</u> Cambodia's Economic Growth



<u>Myanmar Road Projects to Boost</u> <u>Economic Prospects</u>

To receive future GMS E-Updates

If you received this e-update from another subscriber and would like to receive it in your e-mail, follow this link or send a blank e-mail to: gms@adb.org and put "subscribe" in the subject line.

To Unsubscribe or Change E-Mail Address

To unsubscribe, send a blank e-mail to: gms@adb.org and put "Unsubscribe" in the subject line.

To change your e-mail address, simply unsubscribe your old e-mail address and send a blank e-mail using your new e-mail address with "Subscribe" in the subject line to gms@adb.org.

If the layout of this e-update does not appear properly, you may access the online version at www.adb.org/gms. E-mail your comments and/or suggestions to gms@adb.org.