

Greater Mekong Subregion Program: **PROPOSED** Long Term Strategic Framework 2030

(Draft of July 2019)



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Introduction

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- Current GMS Strategic Framework II (2012-2022) was approved in 2011, with Ha Noi Action Plan 2018-2022 approved in March 2018

- 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.”*



Introduction (2)

- ❑ ADB consulted with the six countries, and held a SOM retreat in June 2019 to launch the preparation process for the new GMS Long Term Strategic Framework 2030
- ❑ The countries wanted a balanced strategy, blending continuity with change to reflect a rapidly changing economic and social context. SOM highlighted growth/trade/climate-change/inequality risks and also opportunities from 4th industrial technologies and urbanization and advocated scenario planning and risk management strategies.
- ❑ This presentation summarizes the post-SOM draft of GMS-2030.



Rationale for New Strategy for GMS

Six powerful trends in the global environment with lasting implications for GMS countries that require closer cooperation

1. **Weaker global growth and threats to free trade** threaten GMS growth
2. **Disruptive technological change** requires new policies, common regulations and investments
3. **Evolving demographics** (ageing in PRC and Thailand, youth dividend elsewhere) amplifies labor market disruptions
4. **Rapid urbanization** – challenges / shortfalls in urban infrastructure and services, and opportunities for cooperation among cities
5. **Severe environmental and climate-change threats and pollution, including maritime plastics**
6. **Rising inequality** and pockets of poverty, especially in rural and border areas



Vision of the GMS

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A GMS which is more:

- ✓ **Integrated**
- ✓ **Prosperous**
- ✓ **Equitable**



GMS Program Mission Statement

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- ▶ The GMS program will remain focused on its fundamental strengths of connectivity, competitiveness and community, whilst embracing **three core principles** of **environmental sustainability and resilience**, **integration and openness**, and **inclusivity**, and **supporting regional endeavors** in implementing the sustainable development goals and commitments under the Paris Climate Accord.
- ▶ These core principles will be applied to all interventions under the GMS Program.

Innovative – Cross-cutting Approaches

GMS 2030 will be implemented through the following cross-cutting, innovative approaches

1. **An enhanced spatial approach to development**
2. **A deeper dialogue on policies and regulation, underpinned by knowledge-based solutions and capacity-building**
3. **Embracing private sector solutions**
4. **Reaping the gains of digitalization**
5. **GMS program as an open platform**
 - **Internally** with academia, civil society, local governments, private sector, NGOs
 - **Externally** with regional partners (e.g., ACMECS, ASEAN, BRI, CLMV, LMI) and development partners
6. **A results framework**



GMS 2030 – Pillars

Connectivity

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TRANSPORT

Deepening current strategy and widening the sub-sectors

- inter-modal transport
- cross-border transport – CBTA
- logistics
- asset management
- road safety
- railways
- sea and river ports
- inland waterways, coastal shipping, passenger services
- air transport
- urban transport



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GMS 2030 – Pillars

Connectivity

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ENERGY

- Energy supply security
- Cross-border trade -- establish RPCC
- Private sector participation
- Clean energy



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GMS 2030 – Pillars

Competitiveness

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TRADE AND INVESTMENT FACILITATION

- ❑ Customs modernization
- ❑ Electronic customs transit
- ❑ SPS
- ❑ Private sector participation
- ❑ Facilitating investment: common regulatory framework



AGRICULTURE

- ❑ Food safety and international quality
- ❑ Climate resilience and sustaining natural resources
- ❑ Align standards on sound agriculture and animal husbandry
- ❑ Renewable energy for agriculture



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GMS 2030 – Pillars

Competitiveness

TOURISM

- ❑ Tourism services strikingly successful in the GMS with recent annual growth exceeding the global and Asian averages
- ❑ Tourism strategy envisions a shift towards higher value-added tourism with longer stays and the inclusion of secondary destinations
- ❑ Human resource development
- ❑ Connectivity in airports, secondary roads, railways, ports
- ❑ Secondary destinations and destination plans
- ❑ Private sector participation
- ❑ Strong environment agenda: green cities, utilities, hotels, waste management



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GMS 2030 – Pillars

Competitiveness



URBAN DEVELOPMENT

- ❑ Developing livable, green cities
- ❑ Developing cities along economic corridors

New initiatives

- ❑ Integrate urban transport in GMS urban work
- ❑ Environmental and digital focus: green cities, smart cities
- ❑ Urban centers in border areas and linkages to economic corridors
- ❑ Developing of urban clusters across countries (for better trade and connectivity)
- ❑ Holistic approach to the cities and urban areas bordering water bodies to reduce water pollution



GMS 2030 – Pillars

Community

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ENVIRONMENTAL SUSTAINABILITY AND CLIMATE CHANGE

- Green technologies and sustainable infrastructure
- Ecosystem services
- Climate resilience and disaster risk management
- Mainstream climate change considerations into all aspects of GMS-2030
- Catalyze private capital
- Energy efficiency, especially in spatial connectivity
- Climate-smart agriculture
- Water resources resilience: healthy ocean and river systems
- Plastics pollution



GMS 2030 – Pillars

Community

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HEALTH

- ❑ Strengthen core capacity in national health systems
- ❑ One-health response
- ❑ Health coverage for migrant, mobile, and vulnerable communities
- ❑ Strengthen cross-border cooperation on health security
- ❑ Trade in health services
- ❑ Global and regional pandemics
- ❑ Addressing climate change impacts



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Sector Working Groups

- ❑ Maintain existing structures for summits, MCs, and SOMs, but with greater attention to emerging risk management
- ❑ Flexible approach including new working groups, taskforces, forums
 - Revive ICT working group;
 - Reinvigorate the trade facilitation working group
 - Flexible arrangement for investment facilitation work
 - *Ad hoc* TFs could cover logistics, e-commerce, digitalization, smart cities, migration/skills, SEZs
 - Enhance local government participation
- ❑ Working group TORs to be adjusted to cover
 - Innovative cross-cutting themes
 - Greater role for policy and regulatory dialogue
 - New sub-sectors
 - Private sector involvement
- ❑ Ministers meetings introduced for additional sectors
 - Already convened for Agriculture, Environment, and Tourism sectors
- ❑ Dedicated sector secretariats will be supported for key sectors
- ❑ Strengthen planning, coordination, cross-sector work, and sector results framework

Regional Investment Framework

The RIF has played a central role in developing projects pipeline

- ❑ All projects must serve the **fundamental objectives** of the GMS (Mission Statement/Core Principles)
- ❑ **Quality of projects** will meet agreed **criteria for readiness**
 - Project rationale should demonstrate a clear link to GMS objectives and core principles
 - Well scoped project, pre-feasibility summary, and robust economic, financial analysis
 - Medium to long term budget implications of the project (budget sustainability) will also be considered
- ❑ RIF to include projects under **implementation** to present a complete picture of GMS investment activities

Role of the Secretariat

Central secretariat is a key strength, providing crucial coordination to the institutions of the GMS, notably the sector working groups and working through national secretariats and focal points it builds national capacity and has ensured strong national ownership of the GMS program.

- ❑ Focus on knowledge activities for GMS-2030
- ❑ Enhance its planning focus and capabilities, notably to manage risks and impart flexibility to GMS-2030.
- ❑ A unified public/non-sovereign response to GMS-2030
- ❑ Connect with other regional cooperation initiatives ---- ACMECS, ASEAN, BRI, CLMV, LMC
- ❑ More open to other development partners and initiatives
- ❑ Diversify secretariat staff possibly through secondments



Thank You

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