

OPENING REMARKS

**Of HE TRAC THAI SIENG, Secretary of State, Ministry of Public Works and Transport
Representing HE Senior Minister SUN Chanthol, Minister of Public Works and Transport
at the 25th Meeting of the GMS Subregional Transport Forum
Siem Reap, Cambodia, 14 Jun 2022**

- HE Pheng Sovicheano, Secretary of State, Ministry of Public Works and Transport,
- HE Vasim Sorya, Under Secretary of State, Ministry of Public Works and Transport,
- HE SONG Sophal, Under Secretary of State, Ministry of Rural Development,
- HE CHHIENG Pich, Director General, General Department of Logistics, Ministry of Public Works and Transport, Cambodia and Chair of STF-25,
- HE Hiroaki Yamaguchi, Director of Transport & Communications Division, Southeast Asia Department, Asian Development Bank (ADB) and Co-Chair of STF-25
- Development Partners,
- Distinguished participants,
- Ladies and gentlemen,
- Very Good Morning

On behalf of HE Senior Minister SUN Chanthol, Minister of Public Works and Transport of the Kingdom of Cambodia, I am very honored to represent Cambodia - the host country of the 25th Greater Mekong Subregional Transport Forum, to deliver the welcome remarks.

First of all, I would like to thank all of you for participating in today's Forum hosted by the Asian Development Bank (ADB) and the Ministry of Public Works and Transport of Cambodia. We thank those that have come all the way to Siem Reap and are here in person, as well as those who are joining the meeting online.

Excellencies, Ladies and Gentlemen,

As you all know, transport is one of the important and priority sectors of Greater Mekong Subregion cooperation. In recent years, with the support of development partners, especially the ADB, and the proactive approach of the GMS countries' governments, cooperation in the transport sector in the GMS has led to some impressive achievements.

In terms of investment and TA projects, transport continues to be the largest sector with 85% of the Regional Investment Framework 2022, amounting to 78 projects with a total investment of USD65.8 billion. The current transport investment portfolio in the GMS Program continues to be a dynamic one with many important projects currently being implemented. Many of these are in roads such as the Phnom Penh – Sihanoukville Expressway Project in Cambodia, the Yunnan Pu'er

Regional Integrated Road Network Development Project in the PRC and the Northern Mountain Provinces Transport Connectivity Project in Vietnam to give a few examples.

The GMS has also achieved momentum in railway connectivity through the framework of the Greater Mekong Railway Association (GMRA), where after some initial viability assessments, GMS countries are now moving forward in pursuing various priority railway links. With ADB support, further collaboration is being undertaken through the GMS Agreement on Cross-Border Railway Transport Connectivity.

Furthermore, despite the COVID-19 Pandemic, implementation of "Early Harvest" of the Cross-Border Transport Facilitation Agreement has continued with the participation of Cambodia, Laos, China, Thailand and Vietnam in order to support and create smoother cross-border passenger and cargo transportation, contributing to socio-economic development among countries.

Excellencies, Ladies and Gentlemen,

Since 2020 the COVID-19 pandemic has negatively impact all aspects of socio-economic life in the GMS. In the transportation sector, COVID-19 has caused serious losses to cross-border transport in the GMS countries. The current global geopolitical and economic headwinds are also exacerbating the impact on the economy of the GMS, including transportation.

The GMS Program has recognized the need for coordinated efforts on various fronts namely in health, social assistance, mobility and support for businesses. To help address these issues the GMS Leaders endorsed in September 2021, two key documents: (i) the new GMS Program Strategic Framework, GMS-2030, and (ii) the GMS COVID-19 Response and Recovery Plan 2021-2023.

While GMS-2030 provides a new development setting for the GMS this decade, it also presents a framework for supporting the immediate needs of GMS countries in their recovery from the impact of COVID-19. The GMS Program will also implement the GMS COVID-19 Plan, which supplements GMS countries' national COVID-19 responses, especially on issues that require cross-border coordination and greater regional cooperation.

The GMS-2030 clearly defines priority areas as well as innovative approaches for the transport sector and the GMS COVID-19 Plan also identifies short to medium term measures which are highly relevant for transportation.

Careful consideration by GMS countries should be given to the implementation of these two GMS documents and in that context, the Forum today is an opportunity for GMS countries to discuss the transport priorities under GMS-2030 and identify both medium and long-term actions to help implementing those priorities. Furthermore, the STF-25 will also allow us to review current practices to promote the recovery of the transport sector after the pandemic and, propose additional short and medium-term solutions under the GMS Program. I hope that from today's discussion we, under the GMS Program, can continue moving from strategy and priorities to actions and projects.

In addition, I also suggest that the Forum today discusses the newly proposed approach for identifying investment projects in the transport sector through an upgraded GMS Regional Investment Framework to start in 2023, as well as a new approach for engaging with Development Partners in order to maximize their participation and contribution towards the GMS Program. These two initiatives have also been identified as priority by GMS Leaders when endorsing the GMS-2030.

Excellencies, Ladies and Gentlemen,

Taking this opportunity, I would like to thank ADB and other development partners for their support and assistance to Cambodia in particular and the GMS countries in general for the promotion and development of transport infrastructure as well as support the implementation of policies to facilitate cross-border transport and trade. The Ministry of Public Works and Transport of Cambodia is committed to continue to be an active and proactive member in GMS transport cooperation and looks forward to continuing to receive support and cooperation from ADB, development partners and GMS countries.

I would again like to sincerely thank all of you for attending the Forum and wish you a productive meeting and discussion.

Wish our Forum a great success.

Thank you.

Opening Remarks
of HE CHHIENG Pich, Director General, General Department of Logistics
Ministry of Public Works and Transport at the 25th Meeting of the
GMS Subregional Transport Forum (STF-25)
Siem Reap, Cambodia, 14 June 2022

- HE PHENG Sovicheano, Secretary of State, MPWT
- HE VASIM Sorya, Under Secretary of State, MPWT
- HE SONG Sophal, Under Secretary of State, Ministry of Rural Development
- Mr. **Hiroaki Yamaguchi**, Director of Transport and Communications Division, Southeast Asia Department, Asian Development Bank (ADB) – Co-chair, Development Partners,
- Excellencies, Distinguished participants,
- Ladies and Gentlemen,
- Very good morning,

At the outset, allow me to extend my warm welcome to all the participants for taking their time to attend the STF-25 forum today. I also would like to take this opportunity to express my sincere thanks and appreciation to ADB for the support and cooperation to organize the Forum today through hybrid meetings.

As His Excellency Trac Thai Sieng, Secretary of State of the Ministry of Public Works and Transport mentioned earlier, the history of the GMS Program in the transport sector is a very successful one and with the support of ADB and other development partners, some impressive achievements have been made by the GMS countries.

However, the COVID-19 pandemic and the ongoing global geopolitical and economic headwinds are presenting some serious challenges to the GMS countries. Furthermore, the GMS also continues to face complex challenges stemming from structural changes within the GMS such as uneven economic growth and increased in-country inequality, higher vulnerability to climate change threats, and rapid and unwell planned urbanization and unsustainable management of natural resources.

The GMS Economic Cooperation Program Strategic Framework 2030 (GMS-2030) presents us a clear approach to respond to such challenges, and the transport

sector plays a key central role in such strategy and approach. Under the GMS–2030, the transport sector will seek innovative strategies in six new areas, as follows:

- On railways, strategies and masterplans will be developed with prominence given to private sector investment, concessions, maintenance, and operations.
- Shift emphasis toward developing and expanding capacity in sea, river, and dry ports.
- Promote inland waterways, coastal shipping, and passenger services.
- Promote the development of international and secondary airports.
- Help to integrate urban transport into urbanization strategies and planning.
- Considerations for the social, environmental, and resettlement effects of transport projects, as well as road safety, will be priorities.

While these priority areas are clear, it is crucial for GMS countries to discuss and agree on specific initiatives and actions to put these objectives into practices. It is important for us to focus on finding concrete ways to implement the GMS-2030.

Excellencies, Ladies and Gentlemen,

This STF-25 forum will be a very special opportunity for us to discuss, share experiences, and propose initiatives to enhance economic recovery and achieve the objectives of the GMS-2030. After a presentation from ADB on the transport priorities of GMS-2030 and the GMS COVID-19 Plan, we will hear from GMS member countries their ongoing initiatives, as well as propose the new ones or refined approaches to their ongoing initiatives for the GMS Program (Session 1).

The STF-25 will also discuss in more detail some key and important issues that are crucial for an effective implementation of the GMS-2030, such as:

- Review the upgraded project selection criteria and process currently being developed for a new GMS Regional Investment Framework (RIF) to be launched in 2023 (as part of Session 1);
- Review of GMS-2030 and Road Safety Programs of GMS including Innovations in Road Safety (Session 2)
- Review progress on GMRA including current status of negotiations on Framework Agreement for Cross Border Rail Transport Connectivity and way forward on GMS Railway Development (Session 3);

- Discuss how FRETA will be more actively engaged in promoting logistics and connectivity as one of GMS-2030 innovative approaches in Embracing Private Sector Solutions (Session 4)
- Review a new approach for the GMS in engaging with Development Partners in order to maximize their participation and contribution towards the GMS Program;
- We will also hear from selected Development Partners on their recent transport initiatives in the GMS.

Excellencies, Ladies and Gentlemen,

Once again, I would like to thank you all for joining STF-25 today and wish the Forum a great success.

In order to continue our today program, allow me to give the floor to Mr. Hiroaki Yamaguchi – my Co-chair who will deliver brief opening remarks.

Mr. Co-chair, the floor is yours,

Greater Mekong Subregion Twenty-fifth Meeting of the Subregional Transport Forum (STF-25) (Hybrid meeting hosted by Cambodia in Siem Reap)

22 June 2022

Opening Statement

Mr. Hiroaki Yamaguchi

**Director, Transport and Communications Division, Southeast Asia Department,
Asian Development Bank**

Your Excellencies Mr. Trak Thai Sieng, Secretary of State of MPWT, and Mr. Pich Chhieng, Director General, Department of Logistics, MPWT and Meeting Chair, Distinguished Guests, Ladies and Gentlemen:

I am deeply honored to co-chair this important meeting. I would first of all like to thank the government of Cambodia for hosting this 25th GMS Subregional Transport Forum. I wish to thank in particular His Excellency, Mr. Trak Thai Sieng for sharing with us his precious time as well as his valuable ideas. My special thanks also go to Mr. Pich Chhieng for chairing our Forum, as well as other officials and staff of the Ministry for their excellent work in organizing this Forum.

As the GMS countries keep their efforts in the recovery from the impacts of the COVID-19 pandemic, the transport sector remains highly important. As we all here know very well, public infrastructure is the backbone of economic growth and therefore is playing a central role in the recovery from COVID-19.

Considerable challenges arise as we strive for recovery, namely the significant levels of debt that government have acquired in financing stimulus packages during the pandemic, as well as the ongoing global geopolitical and economic instability leading to supply chain disruptions, rising oil and commodity prices.

Despite these challenges, the GMS countries have a clear understanding of the need to enhance collaboration in their path to recovery. The endorsement by the GMS Leaders at their Summit of 9 September 2021, of the new GMS Strategic Framework 2030 (or GMS 2030), is clear signal of such will and desire to work together towards recovery. The GMS-2030 recognizes the challenges in its vision of developing a more integrated, prosperous, sustainable, and equitable GMS.

The transport sector features prominently in the strategy, not just through its key pillars of community, competitiveness, and connectivity, but also through some of its innovative approaches, namely increasing the use of digital technologies, enhancing spatial approach to development, and embracing private sector to leverage more relevant expertise and financing.

It is our job in this forum to identify and deliver key elements of change that will help implement the GMS-2030 and launch the subregion into the next decade. In fact, the theme of STF-25 is “Taking Action on GMS 2030 Strategy and COVID-19 Plan with Emerging Ideas”.

While exchanging ideas on specific actions and initiatives towards implementing the GMS-2030, this Forum will review the newly proposed GMS Regional Investment Framework or RIF which is to be launched in 2023. The GMS Secretariat will share the new criteria and process for selecting projects for the new RIF. The objective is to make the RIF a more relevant document that can be more easily updated and monitored, therefore providing more useful information to GMS governments and financiers, both from public and private sectors.

GMS 2030 also focuses on multi-modalism and inter-modal links, with particular emphasis on railway development and connectivity as an efficient, safe and environmentally sustainable transport mode and integrated urban transport development in border towns and cities. The key regional institution that has been established toward this goal is the Greater Mekong Railway Association, or GMRA. Since its establishment in 2013, the GMRA has worked diligently towards the ultimate goal of a wide-reaching, inter-connected and efficient GMS railway network. The Forum will also be briefed on the latest developments and plans in these efforts.

The stark and unpleasant truth is that road deaths in our region far exceed deaths from the corona virus disease. Our regional projects must continue to include elements for road safety in design and public awareness. This is a global problem and increasingly there is stronger coordination and resources dedicated to mitigating these deaths. We have dealt with this topic in our last STF, where the broad findings of recent studies on the status of road safety in certain GMS countries were discussed. Today, we will again look into this important subject, with a focus on further efforts and possible next steps.

One of the GMS-2030 innovative approaches is Embracing Private Sector Solutions. We will also discuss how FRETA will be more actively engaged in promoting logistics and connectivity. Following the status presented during the STF-23 in 2019, we will get an update on vehicle permits and covid based progress in freight transport initiatives (non-contact measures) in private sector.

We will then hear from the GMS Secretariat on a proposed new approach in engaging development partners in the GMS Program. This presentation will be paired with the usual and extremely useful updates from development partners on their activities in the subregion's transport sector.

As in previous years, the STF-25 consists of a substantive agenda, and therefore I look forward to some interesting and productive discussions. Thank you.