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December 2011

## REG: Greater Mekong Subregion Economic Cooperation Program

### Joint Summit Declaration: 4th GMS Summit of Leaders

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Asian Development Bank



**Joint Summit Declaration**  
**THE FOURTH GMS SUMMIT**  
**Nay Pyi Taw, Myanmar**  
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**NAY PYI TAW DECLARATION**  
**“BEYOND 2012: TOWARDS A NEW DECADE OF**  
**GMS STRATEGIC DEVELOPMENT PARTNERSHIP”**

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DEVELOPMENT PARTNERSHIP”**

**WE**, the Heads of the 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 Fourth GMS Summit:

***Witnessing*** the substantial achievements in the first two decades of cooperation under the GMS Program, particularly in terms of the enhanced connectivity in the subregion as well as in ongoing efforts to address shared social and environmental concerns;

***Realizing*** that this success was achieved through pragmatic and results-oriented joint undertakings broadly guided by the sound principles, thrusts and programs set in the first Ten-Year GMS Strategic Framework (2002–2012) adopted by the First GMS Summit in Phnom Penh in 2002, further refined by the Second Summit in Kunming in July 2005 to emphasize greater competitiveness, reviewed and refocused by the Third GMS Summit in Vientiane in 2008 to enhance its effectiveness;

***Being aware*** of the serious challenges and risks that the region and the world now face and that potentially threaten the sustainability of the gains already achieved as well as the realization of further benefits from cooperation;

***Recognizing*** also that the GMS Program has matured considerably since its formation in 1992, with a wealth of lessons learned as well as greatly changed aspirations and requirements;

***Appreciating*** the value of even stronger and closer cooperation and of responsive and innovative approaches in addressing and surmounting the challenges ahead and tapping the opportunities that the new regional and global landscape offers:

***HEREBY REAFFIRM*** our commitment to GMS cooperation and our resolve to pursue with great vigor a new generation of shared undertakings, guided by a new strategic framework that is designed not only to enable the subregion to survive this new and challenging decade but also to bring it significantly closer to our vision of an integrated, prosperous, and harmonious subregion.

## **Continued Progress amidst Challenges**

1. The global and regional economic landscape has greatly changed in the three years since the last GMS Summit. Uncertainties from the worst economic recessions in recent history still dominate the global economy. Fortunately, our region is leading the way toward recovery, though the road ahead remains rough, volatile and fraught with risks. Moreover, serious concerns that go beyond the economy, such as environmental sustainability, climate change, disaster risks, communicable diseases, energy sufficiency, and food security have grown into real threats to the subregion's survival and sustained development.

2. Despite this difficult backdrop, our cooperation program has continued to give good results. We moved steadily toward the completion and expansion of the physical base of regional connectivity. Our main road corridors are now essentially complete, with the few missing links already being filled, and their reach is being widened through linked secondary roads. We are giving increasing attention to railways in line with the overarching goals of multimodalism and efficiency as well as with the demands of energy and environmental conservation. A broad long-term strategy for connecting our railways is in place and a plan is underway for jointly setting up an office to coordinate railway development in the subregion. On the software side, a comprehensive program for facilitating transport and trade has been formulated and adopted, with its components including expansion of exchange of traffic rights and improvement of the customs transit system. A GMS freight transport association has been established to help in professionalizing and strengthening the transport industry and to give the private sector a voice in designing and implementing transport and trade facilitation measures in the region. A system for monitoring progress in transport and trade facilitation along the GMS corridors has been developed and will soon be implemented.

3. The GMS power sector master plan, which was updated in 2010, now guides efforts in planning and implementing key projects for power generation and cross-border interconnections and for improving individual country transmission systems toward the establishment of regional power trade arrangements. Good progress is being made in the establishment of a regional coordination center for power trade, which will facilitate increased exchange of information on member countries' energy sector plans. In broader energy cooperation, ongoing work under the GMS energy road map aims to promote clean and renewable energy sources, energy access, efficiency and supply security, and public-private partnerships in the sector. In telecommunications, a Memorandum of Understanding on the Joint Cooperation in Further Accelerating the Construction of the Information Superhighway and Its Application in the GMS has been signed, providing the directions and parameters for promoting universal access to ICT applications that will help accelerate the subregion's development, particularly in the areas of e-commerce to meet the demands of industries, rural ICT to bridge the digital divide, and green ICT technology to promote energy efficiency.

4. On the environment, we endorse the framework for the second phase of the GMS Core Environment Program (CEP)-Biodiversity Conservation Corridor Initiative (BCI) that will cover the period 2012–2016 and will consolidate and enhance gains made under the first phase of the program toward preserving and utilizing our vital natural assets, thus ensuring the subregion's sustainable development. This will be done through strengthening of development planning systems, methods and safeguards; improving the management of conservation landscapes for sustainable livelihoods;

enhancing climate change resilience and promoting low-carbon development; and strengthening of institutions and promoting sustainable financing for environmental management.

5. We also endorse the new vision and broad strategy embodied in the second phase of the Core Agriculture Support Program covering the period 2011–2015, and welcome work being undertaken to further expand subregional trade in agri-food products; promote climate change adaptation, including the use of climate-friendly and gender-responsive bioenergy technologies; and ensure sustainable agricultural development as well as food safety and security. We are also pleased to note the efforts to strengthen the GMS Agriculture Information Network Service through the development of a paperless trading platform for healthy and safe food products.

6. We endorse the refocused GMS Tourism Sector Strategy and Road Map for 2011–2015, which will further strengthen sustainable tourism industry in the subregion through greater distribution of the economic benefits of tourism and significant contribution to sustainable development, gender equality, preservation of ecological and cultural heritage, and poverty alleviation in the GMS. Tourism growth is being accomplished through the development of thematic multi-country tour packages, more focused marketing and product development, intensive capacity building for tourism human resources, and accelerated development and implementation of pro-poor sustainable tourism. We are also pleased to note the progress being made under the GMS Human Resource Development Strategic Framework and Action Plan (2009–2012), such as the successful pilot implementation of a framework for the mutual recognition of skills and qualifications to address skills shortages and enhance subregional competitiveness; the ongoing Communicable Disease Control Project, now in its second phase; continuing efforts to support safe labor migration and address the human trafficking problem; and interventions aimed at HIV/AIDS prevention, including a Memorandum of Understanding for Joint Action to Reduce HIV Vulnerability Related to Population Movement. We are also proud to see that the Phnom Penh Plan for Development Management, launched at the First GMS Summit now in its 4<sup>th</sup> phase, remains vibrant, continuing to help build needed skills and capacities in the subregion, including a stronger corps of civil servants and improved academic and research institutions.

### **Meeting the Challenges of the New Decade**

7. The GMS Program has a deep and solid base of achievements to build on. With its success and greater maturity, the Program has been undergoing changes internally, in terms of both its requirements and future aspirations. The overarching challenge now is to ensure its sustainability and continued effectiveness in this new context, even as it is faced with a complex external environment both regionally and globally. While we appreciate and commend the current strategic framework that has guided GMS cooperation since its adoption at the First GMS Summit in 2002, yielding as it did the remarkable success of the GMS Program in the last ten years, a new set of directions and approaches is clearly now needed to guide the Program in the third decade of GMS cooperation.

8. We are therefore pleased to endorse the new GMS Ten-Year Strategic Framework (2012–2022). The new framework, while maintaining the pragmatic, action-

based and results-oriented character of our cooperation program, proposes broad shifts in direction to enable the GMS Program to meet the challenges ahead. Among these are:

- complementing the continued attention on the hardware of physical infrastructure investments by an increased focus on software, including policy and institutional dimensions, knowledge-related issues, and strengthened inter-country coordination;
- greater selectivity and prioritization of areas for intervention, both across and within sectors, combined with more efficient utilization of available resources and institutional capacities to enhance the overall effectiveness and impact of the Program;
- more attention given to multi-sector coordination and cross-sectoral links, including a careful balancing of development with concern for the environment;
- giving appropriate recognition to the spatial aspects of regional development and rebalancing attention and resources toward greater involvement of stakeholders at the subnational level, while bearing in mind organizational capacities and potential for achieving results;
- greater emphasis on improved monitoring of the impact of regional interventions under the GMS Program; and
- closer links and complementarity with the broader regional agenda and coordination and synergy with other regional initiatives, including contributing to the realization of the ASEAN community.

9. The economic corridor approach to subregional development will continue to have a central role under the new strategic framework drawing on the abovementioned initiatives, as we recognize that concentrating efforts and limited resources on identified strategic geographical areas is the most manageable way to attain significant and lasting results. Economic corridor development under the new framework will emphasize the need to broaden and deepen existing transport corridors by taking account of inter-linkages across sectors; ensuring that benefits are spread extensively along and around the corridors, such as through the development of border and corridor towns, the establishment of feeder roads and integrated area development; accelerated and vigorous implementation of transport and trade facilitation measures; promotion of logistics and investments along the corridors; strengthening the role of SMEs; and due attention to social and human resource concerns, including ensuring regulated cross-border movements of people and promoting food and energy security, and appropriately addressing climate change concerns. The complexity and challenges of the new agenda, encompassing multi-sector approaches, inter-sector coordination, and software or policy and institutional reforms, is evident, but we stand convinced that our cooperation in the GMS is ready to grow and move forward in these areas. The Economic Corridors Forum (ECF) will continue to help coordinate overall development of the corridors and encourage more active role of local stakeholders and the private sector.

10. We recognize that while the new strategic framework was formulated through a highly consultative process and is sound and reflective of our collective wisdom, its effective implementation will require an integrated investment framework based on careful regional planning to generate a portfolio of second generation cooperation projects that can be translated into specific and time-bound interventions. We have

therefore directed our GMS Ministers to oversee the preparation of such an investment framework, utilizing the various levels of the existing GMS institutional mechanisms.

11. In preparing the investment framework and in implementing the new strategic framework through it, the following key aspects must be highlighted:

- alignment with the sub-regional and national economic development strategies, based on a comprehensive assessment of current cooperation modalities and thrust;
- the need for the investment program to be forward-looking, consistent, pragmatic and feasible;
- the need to build a strong knowledge platform, given the complexity of the issues and challenges involved in second-generation cooperation initiatives, and of the required interventions to address them, and also to build the capacities of institutions and human resources that will implement them;
- more proactive and innovative resource mobilization, given the exceedingly large resource requirements of implementing the framework; and
- stronger engagement of development partners, the private sector and other stakeholders in all these undertakings.

12. We acknowledge and greatly appreciate the role that the ADB has played as secretariat, coordinator, advisor, catalyst, financier and lead development partner of the GMS Program. We are also grateful for the support and increasing participation of other development partners in our cooperative endeavors. We trust that ADB and other development partners will heed our request for their continued support, particularly in capitalizing on the opportunities available through implementing the ambitious new strategic framework in the challenging period ahead.

## **Conclusion**

13. We are proud of what we have accomplished over the last two decades of the GMS cooperation initiative. We have shown the world that a region that used to be an area beset by conflict can rise up and through cooperation and goodwill build a zone of peace, increasing prosperity, and resilience. While we realize that the road ahead will be difficult, we are confident that armed with the trust built and lessons gained through our joint undertakings over the years and their tangible results, we will not only weather the tumult and uncertainties of this new decade but also bring our subregion to a higher level of success. We appreciate that this can only be achieved through even closer cooperation, careful preparation, and sustained and arduous work, to all of which we hereby commit.

Endorsed in Nay Pyi Taw, Myanmar on 20 December 2011.