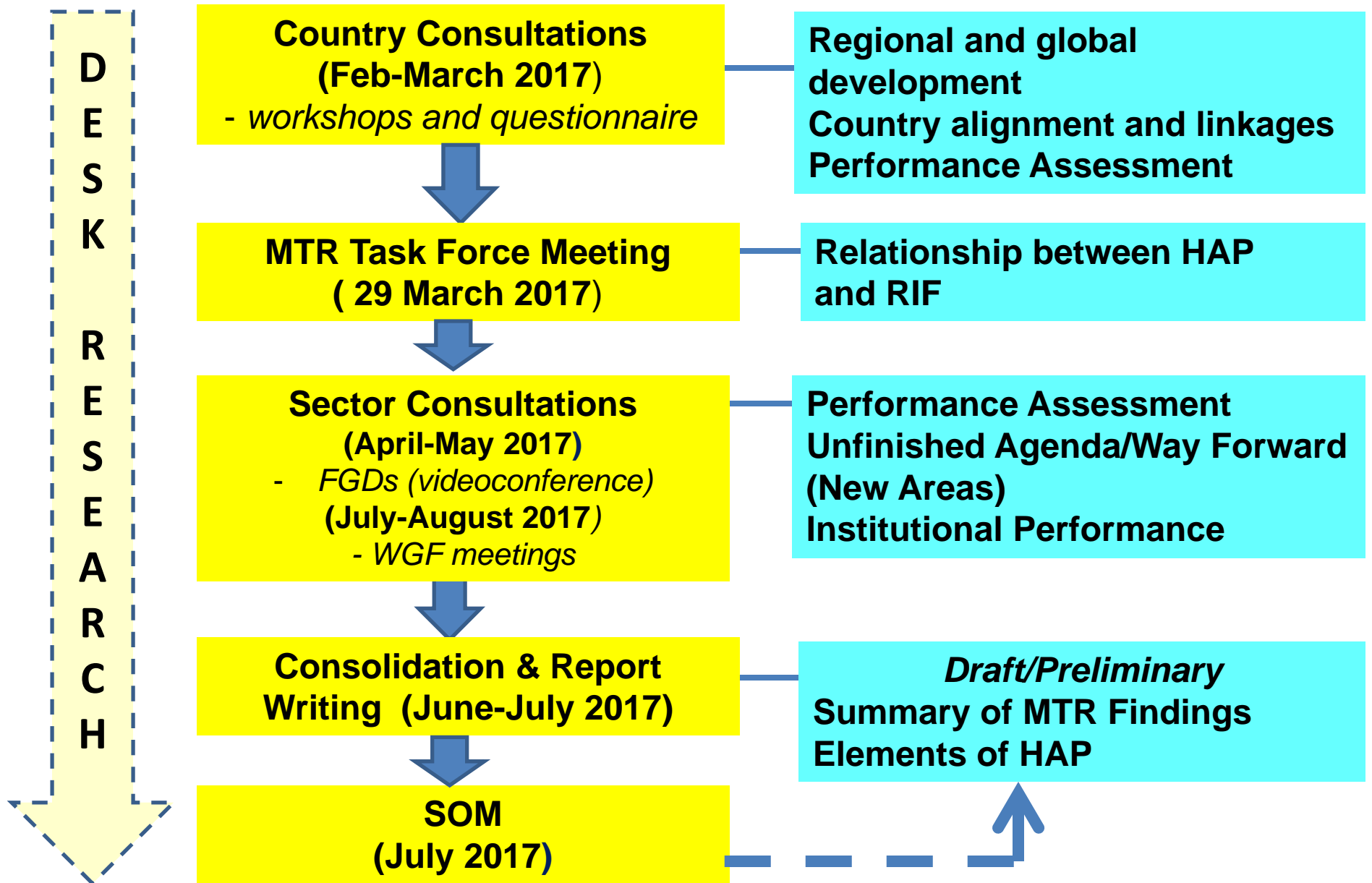


Session 1

Mid-Term Review of the GMS Strategic Framework 2012-2022

Preliminary findings

MTR Process and Activities: A Snapshot



MTR 5 Assessment Areas

Relevance of SF II Strategies in national priorities

Strategy and program

Project Cycle Processes

Implementation Performance

Institutional Performance

GMS countries continue to attach great importance to RCI

| GMS SF II Sector and Multi-sector Priorities | Common country RCI strategies and priorities | Countries Specifying RCI and GMS in sector priorities | | | | | |
|---|---|---|-----|------------|---------|----------|-------------|
| | | Cambodia | PRC | Lao PDR | Myanmar | Thailand | Viet Nam |
| Enhancing environmental performance | Jointly address impacts of climate change | | | | | | |
| | Sustainable use of shared natural resources | | | | | | |
| Support HRD initiatives that facilitate the process of integration while addressing negative consequences | Improve workforce competence to meet international standards | | | | | | |
| | Develop education and TVET institutions | | | | | | |
| <i>Other areas such as urban development and cross- border economic zones, trade facilitation and logistics development</i> | Develop Special Economic Zones | | | | | | |
| | Integrate in regional and global production networks and supply chains | | | | | | |
| | Develop border areas and poor regions | | | | | | |
| | Develop logistics | | | | | | |
| | Trade facilitation | | | | | | |

Source: compiled from various sources and country consultations

GMS countries continue to attach great importance to RCI

| GMS SF II Sector and Multi-sector Priorities | Common country RCI strategies and priorities | Countries Specifying RCI and GMS in sector priorities | | | | | |
|---|--|---|-----|------------|---------|----------|-------------|
| | | Cambodia | PRC | Lao PDR | Myanmar | Thailand | Viet Nam |
| Develop major GMS corridors as economic corridors | Economic corridors development | | | | | | |
| | Develop gateways and hubs | | | | | | |
| Strengthen transport linkages particularly road and railways | Multi-modal transport | | | | | | |
| Integrated approach to deliver sustainable, secure and competitive energy | Energy import and exports | | | | | | |
| Developing and promoting the Mekong as a single tourist destination | Joint product development marketing and promotion | | | | | | |
| | Capacity building and learn from experience of neighboring countries | | | | | | |
| | Travel facilitation and improve regional connectivity for tourists | | | | | | |
| Competitive, climate friendly and sustainable agriculture | Improve agriculture productivity and competitiveness in international markets | | | | | | |

GMS Strategic thrusts continue to be relevant

| GMS Vision, Goals & SF II Strategic Thrusts | Integrated, prosperous & equitable Mekong Subregion | | | | | | | |
|---|---|--|---|---|---|---|--|---|
| | Strengthen infrastructure linkages | | Facilitate cross-border trade, investment & tourism | | Enhance private sector participation & competitiveness | | Develop Human resources | Protect environment & promote sustainable use of shared natural resources |
| | Economic corridors development | Transport linkages | Sustainable, secure, & competitive energy | Telecommunications linkages & ICT applications | Mekong as a single tourism destination | Competitive, climate-friendly & sustainable agriculture | Enhance environmental performance | Support HRD that facilitate integration |
| Country Development Priorities | Cambodia Good governance, agriculture productivity, infrastructure linkages & integrating in regional & world economy | PRC Innovation driven medium-high growth rate, improved standards of living, improved environmental quality, better established institutions, & agricultural modernization | Lao PDR Political stability, poverty reduced, out of LDC by 2020, sustainable & green growth & effective use of natural resources & participate in regional & international integration | Myanmar People-centered, inclusive & sustainable economic development with national reconciliation, equitable development, protection of natural resources & job creation | Thailand Reduce income disparity, strengthen economy & enhance competitiveness, promote natural capital & environmental quality, human capital development, green growth, infrastructure & logistics development, urban development & international cooperation | Viet Nam Macroeconomic stability, socio-economic development, international integration, private sector development, SEZs development, urban planning, enhance education & HRD, & mitigate and prevent climate change impacts | | |
| | Country RCI Strategy | Cambodia Develop multi-modal & cross-border transport systems Regional and global production networks Develop gateways | PRC Develop border & poor areas Strengthen infrastructure connectivity Develop gateways (Yunnan and Guangxi) | Lao PDR From land-locked to land-linked Regional supply & value chains Develop multi-modal transport Agriculture competitiveness Energy trade | Myanmar Encourage foreign investment & economic cooperation to access international markets & job creation Energy trade Agriculture competitiveness Develop economic corridors | Thailand Enhance strategic location and connectivity (SEZs, corridors and logistics) Link production bases with neighboring countries Multi-modal transport Develop gateways and hubs Develop border areas | Viet Nam International Integration guides socio-economic and sectors development Multi-modal transport Regional and global production networks and supply chains Energy Trade Agriculture Competitiveness | |

Source: Authors interpretation based on country assessments, results of country consultations and secondary data analysis

Sector Assessment: Transport

Roads good performance

Overall successful ratings in goal attainment

Railway and inland waterways lagged behind

Project selection did not follow guidelines

Transport and economic corridor development most beneficial

Table 1. Top-five Sectors/Areas Considered Most Beneficial by GMS Countries

| Rank | Cambodia | PRC | Lao PDR | Myanmar | Thailand | Viet Nam* |
|------|-------------|-------------|-----------|-------------|-------------|-----------|
| 1 | Transport | ECD | ECD | Transport | Transport | Transport |
| 2 | Environment | TTF | Transport | TTF | TTF | HRD |
| 3 | Energy | Tourism | TTF | Agriculture | ECD | |
| 4 | Tourism | Agriculture | Energy | ECD | Tourism | |
| 5 | Agriculture | Transport | Tourism | Tourism | Urban dev't | |

ECD=economic corridor development; TTF=transport and trade facilitation

* In the case of Viet Nam, ratings were used instead of ranking, Transport and HRD given a rating of 5 the rest of the sectors were rated 4 and tourism 3.

Source: Questionnaire responses

Transport and economic with most projects in RIF

Table 2. GMS Country Participation in RIF Projects

| Sector | Cambodia | | | PRC | | | Laos | | | Myanmar | | | Thailand | | | Viet Nam | | |
|--|-----------|-----------|-----------|-----------|-----------|-----------|-----------|-----------|-----------|----------|-----------|-----------|-----------|-----------|-----------|-----------|-----------|-----------|
| | INV | TA | Total | INV | TA | Total | INV | TA | Total | INV | TA | Total | INV | TA | Total | INV | TA | Total |
| Transport | 8 | 5 | 13 | 4 | 4 | 8 | 14 | 5 | 19 | 4 | 6 | 10 | 9 | 6 | 15 | 6 | 7 | 13 |
| Energy | 0 | 3 | 3 | 1 | 3 | 4 | 6 | 3 | 9 | 0 | 3 | 3 | 2 | 3 | 5 | 1 | 3 | 4 |
| Agriculture | 2 | 3 | 5 | 2 | 3 | 5 | 2 | 3 | 5 | 2 | 3 | 5 | 1 | 2 | 3 | 2 | 3 | 5 |
| Environment | 2 | 2 | 4 | 1 | 1 | 2 | 2 | 2 | 4 | 1 | 1 | 2 | 2 | 2 | 4 | 2 | 2 | 4 |
| HRD | 1 | 3 | 4 | 0 | 2 | 2 | 1 | 4 | 5 | 1 | 4 | 5 | 0 | 2 | 2 | 2 | 4 | 6 |
| Urban Development | 2 | 3 | 5 | 0 | 1 | 1 | 2 | 3 | 5 | 1 | 3 | 4 | 0 | 1 | 1 | 1 | 3 | 4 |
| Multisector/Border Econ Zones | 1 | 0 | 1 | 2 | 2 | 4 | 0 | 0 | 0 | 0 | 0 | 0 | 0 | 0 | 0 | 1 | 1 | 2 |
| Tourism | 4 | 6 | 10 | 1 | 3 | 4 | 4 | 6 | 10 | 0 | 4 | 4 | 1 | 4 | 5 | 4 | 5 | 9 |
| Transport and Trade Facilitation | 1 | 3 | 4 | 0 | 1 | 1 | 1 | 2 | 3 | 0 | 2 | 2 | 0 | 2 | 2 | 0 | 2 | 2 |
| ICT | 0 | 2 | 2 | 1 | 3 | 4 | 1 | 3 | 4 | 0 | 2 | 2 | 0 | 2 | 2 | 0 | 3 | 3 |
| Total Projects with Country Participation | 21 | 30 | 51 | 12 | 23 | 35 | 33 | 31 | 64 | 9 | 28 | 37 | 15 | 24 | 39 | 19 | 33 | 52 |

INV=investment; TA=technical assistance

Source of basic data: RIF 2020

Economic Corridor Development

**70% SAPs
implementation
EWEC, NSEC and SEC**

**RIF does not present
project information
from an economic
corridor or spatial
perspective**

Sector Assessment: Transport and Trade Facilitation

**Good progress in core areas
of TTF-AP 2015-2017**

- 1) Customs modernization through RKC implementation, IT adoption and partnership with private sector**
- 2) Coordinated border management**
- 3) Enhancing SPS arrangements for GMS trade**

Session 2

Mid-Term Review of the GMS Strategic Framework 2012-2022

Cross Cutting Issues

Key Points

- **Strategic Planning Process**
- **Project Identification Process**
- **Monitoring Process**
- **Institutional mechanisms**

Current Strategic Planning Process



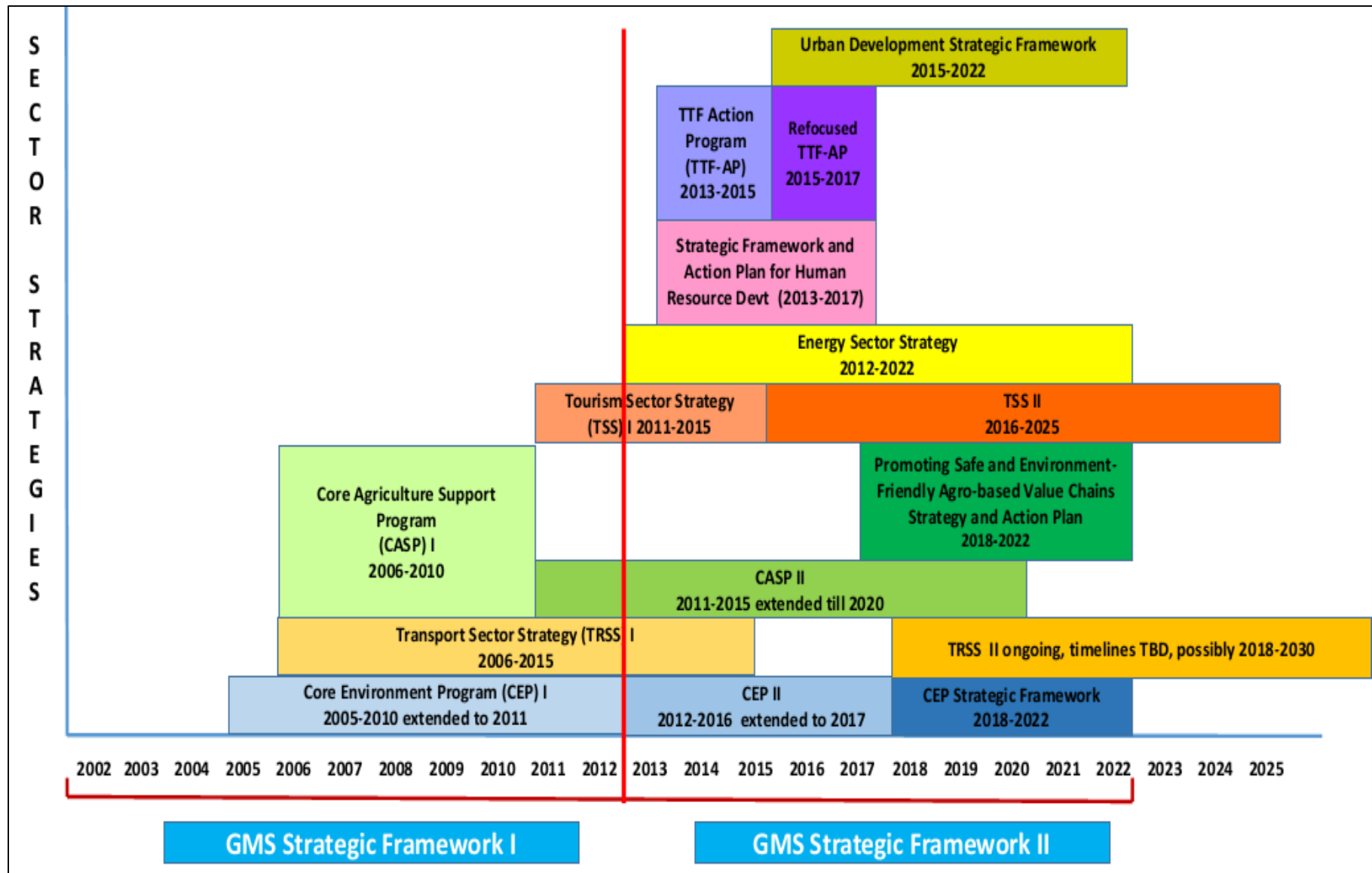
- **Vision Statement 2012-2022**

- *Missing link*

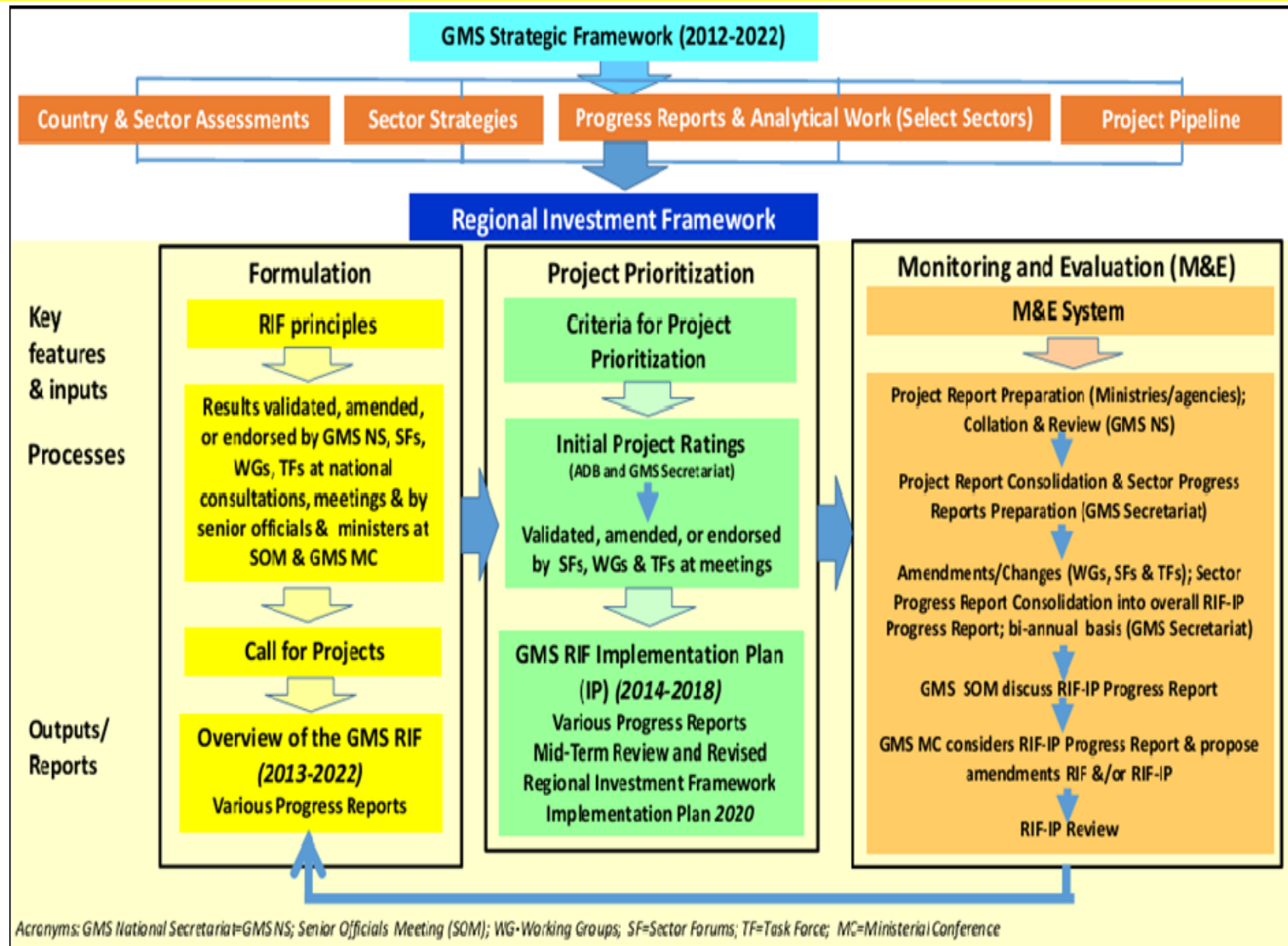
- **Sector Strategies**

- **Regional Investment Framework**

Planning timeframes are not synchronized



Project Formulation Process (Regional Investment Framework)



Weaknesses in the RIF process

**Limited
coverage**

**Biased
prioritization
criteria**

**Limited
information**

**Uneven,
unbalanced**

**Limited
usefulness**

**Sector
assessment vs
“wish list”**

Monitoring and Evaluation Process

| | M&E present or absent? | Institutional responsibilities identified? | Used in successor strategy? |
|-------------------|-----------------------------|--|-----------------------------|
| Transport | Absent | | |
| Energy | Absent | | |
| Agriculture | Present | WGA | Limited |
| Environment | Present | EOC | Yes |
| HRD | Present but not implemented | National HRD & WGHRD | N/A |
| Urban Development | Yes | WGUD (new) | |
| Tourism | Present | MTCO | |
| TTF | Absent | | |
| ICT | Absent | | |

Recommendation

**Enhance project cycle processes
through RIF improvements
and M&E systems**

**Define planning cycle for GMS and
synchronize planning timeframes**

**Introduce improvements in
programming process through RIF**

**Implement fully monitoring and
evaluation systems**

Session 3

Hanoi Action Plan (HAP) 2018-2022

Key Elements

HAP Refinements in GMS SF-II strategic approaches

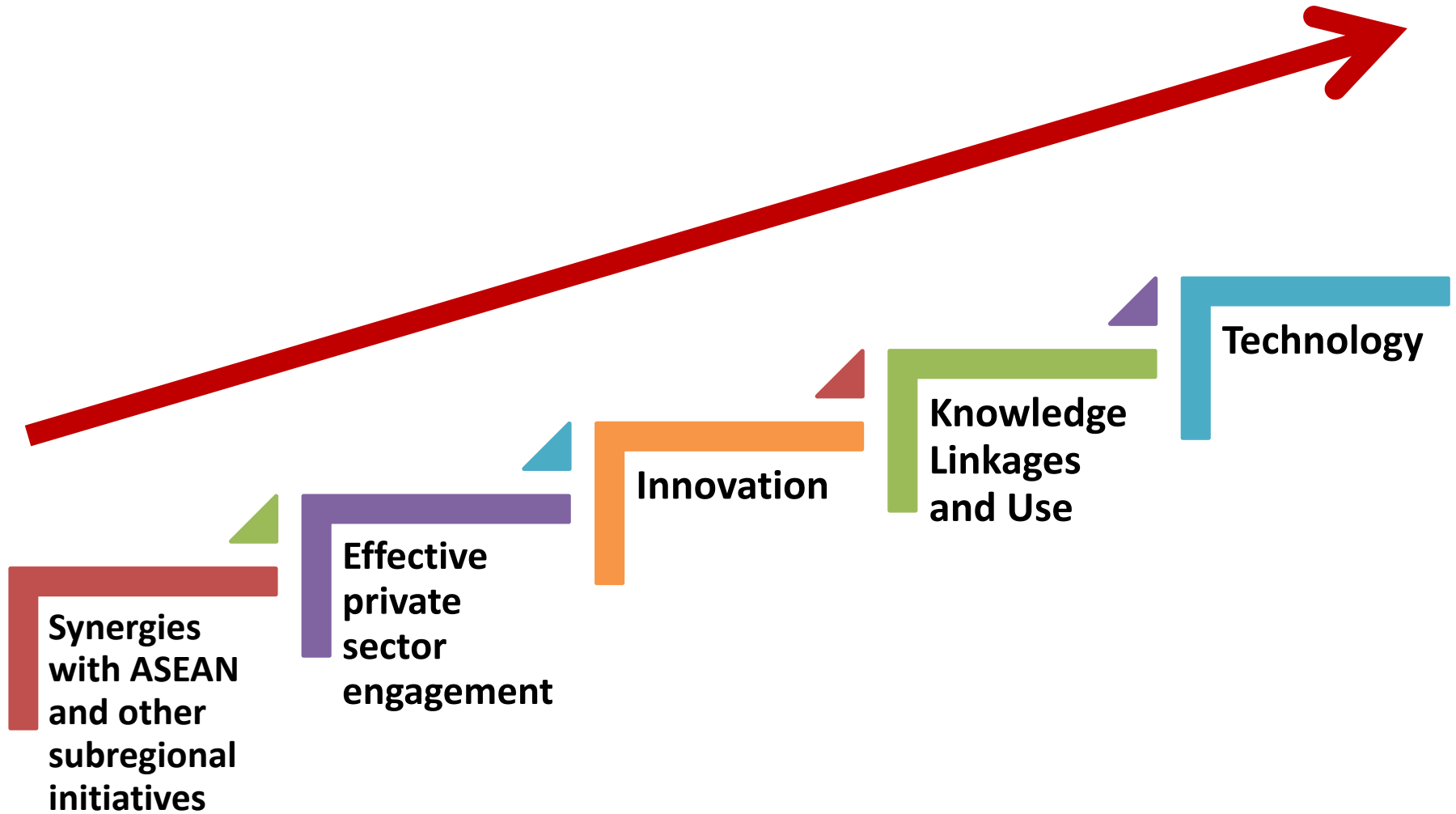
**Enhance
Spatial
Orientation**

**Enhance
Multi-sector
Approach**

**Balance
external and
domestic
connectivity**

**Continue
focus on
software
issues**

Enablers



New Areas of Focus in Sectors

Shifts in Focus/Refinements

Transport

**Transport
corridors to
economic
corridors**

**Economic
corridors
connectivity to
other subregions**

Tourism

**Develop
primary
destinations
Increase
visitor arrivals**

**Develop secondary
destinations
Improve quality and
visitor experience
Generate and retain
income**

Agriculture

**Focus on *broader*
issues linked to
cross-border trade of
agrifood products &
climate change
adaptation**

**Build food safety
regime and develop
climate smart and
inclusive value
chains**

Transport

| HAP Operational Priorities | Description/Key Actions |
|---|--|
| Transport (Transport Sector Strategy .. is still in the process of formulation; entries are indicative) | |
| <ul style="list-style-type: none"> • Upgrade and expand road networks along GMS economic corridors • Establish railway network in 2020 • Upgrade and develop ports and inland waterways • Upgrade and expand air transport connectivity | <ul style="list-style-type: none"> • Complete “missing links”, improve “weak links” in the economic corridors and upgrade road links to primary ports and airports • Enhance and/or establish rail connectivity between Cambodia and Thailand, Cambodia and Viet Nam, PRC and Viet Nam, and PRC and Lao PDR • Develop and increase capacity of major deep sea ports, promote use of coastal shipping and inland waterways for international trade • Develop secondary airports |

TTF and ICT

| Sector Operational Priorities | Description/Key Actions |
|--|---|
| Transport and Trade Facilitation (based on TTF-AP but subject to further discussions/revisions by the TFWG if and when reactivated) | <ul style="list-style-type: none">• Customs modernization through RKC implementation, IT adoption and partnership with private sector• Simplification and standardization of trade documents based on international trade standards, and strengthened coordination across agencies• Enhancements in coordinated border management• Enhancing SPS arrangements for GMS trade |
| ICT (based on Strategic Framework for ICT Development in the GMS with suggestions for Strengthening E-Commerce Platform but ICT priority in remaining years of the SF needs to be reexamined) | <ul style="list-style-type: none">• Bridging the digital divides, fostering innovations, promoting ICT applications (e.g. in health, tourism, agriculture, education, etc), encouraging green ICT, and developing human resources• GMS E-commerce Cooperation Platform cooperation can include: enhancing policy support and advocacy, strengthening institutional structures, information sharing (database and consumer markets), better policy coordination, setting up support services and capacity development |

Session 4

Mid-Term Review of the GMS Strategic Framework 2012-2022

Institutional Issues

**Table 13. Study on Strengthening the GMS Institutional Framework:
Findings on GMS Working Groups' Performance**

| Category | Sector WGs and Forums | Contributing Factors/Remarks |
|--|---|--|
| Effective WGs | WGs on Tourism, Environment, Agriculture, RPTCC, and Subregional Transport Forum | Well-defined scope of cooperation, strong sense of ownership, active role by sector secretariats. |
| Less than effective (multisector) WGFs | HRD, TTF | For HRD, diverse subsector and involvements of multiple ministries For TTF, institutional arrangements are not well defined; inactive TFWG |
| Inactive WGFs | TFWG, Subregional Investment Working Group (SIWG), and Subregional Telecommunications Forum (STF) | No meetings convened since 2007 for TFWG; 2010 for SIWG; and 2009 for STF. It was recommended that SOM review these WGs for their continued relevance to the GMS Program. |

Source. ADB. 2016. Study on Strengthening the GMS Institutional Framework. Manila

Trade Facilitation Working Group

Present TOR

- Focused mainly on transport facilitation under CBTA
- Customs initiatives mainly at national level linked to ASEAN
- Lack of involvement by Customs and SPS agencies

Reactivation

- Review TOR (logistics?)
- Possible subgroups on Customs and SPS
- Clarify role vs National Transport Facilitation Committees (NTFC) under CBTA
- Coordinating mechanisms with other bodies, i.e. ECF
- Possible expansion in membership

GMS New Governance Framework

**Empowered
National
Secretariat**

**Flexibility in
Coordination**

**Powered by
Technology**

Proposed Project Cycle Roles

New GMS Program Governance Framework

| | Project identification and design | Programming and prioritization | Project Financing | Project Implementation | Monitoring and Evaluation |
|------------------------|-----------------------------------|--------------------------------|-----------------------|------------------------|---------------------------|
| Lead | Line Ministries | WGs | ADB | Line Ministries | National Secretariats |
| Support & coordination | National Secretariats | ADB | National Secretariats | National Secretariats | WGs |
| ADB | Systems and process design | | | | |

Relation of Strategic Documents



| Documents | Time Frame |
|---|--|
| MTR and Ha Noi Action Plan 2018-2022 | <p>6 July: MTR and HAP presented to GMS SOM</p> <p>26 July: Additional comments from GMS countries</p> <p>24 August: Revised draft circulated for review</p> <p>4 September: Presented to SOM</p> <p>13 September: Final draft for Review by Ministers</p> <p>20 September: Discuss by GMS Ministers</p> <p>September – December: Incorporate comments from Ministers</p> <p>March 2018: Final endorsement by GMS Leaders</p> |
| New Sector Strategies (TSS) | <p>19 July: Preliminary draft for STF</p> <p>4 August: Additional comments from Countries</p> <p>11 August: Circulation of revised draft</p> <p>24 August: Final draft for endorsement by GMS Ministers</p> <p>March 2018: Notation by GMS leaders</p> |
| Regional Investment Framework 2018-2022 | <p>End July: Inputs from Countries</p> <p>24 August: Revised draft circulated for review</p> <p>4 September: Presented to SOM</p> <p>13 September: Final draft for Review by Ministers</p> <p>20 September: Discuss by GMS Ministers</p> <p>September – December: Incorporate comments from Ministers</p> <p>March 2018: Final endorsement by GMS Leaders</p> |

Thank you