



**Second Meeting of the GMS Economic Corridors Forum (ECF-2)**

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**OPENING STATEMENT**

**C. Lawrence Greenwood, Jr.  
Vice President, Operations Group 2  
Asian Development Bank**

Excellencies, distinguished delegates and guests, ladies and gentlemen:

I am very pleased to participate in this second meeting of the GMS Economic Corridors Forum. I would like to start by thanking our hosts, the Royal Government of Cambodia, for their warm hospitality and the excellent arrangements for the meeting.

This Forum represents something that is pioneering and, again, distinctly GMS. Economic corridors are not a new concept in the development field. We have heard about trade corridors, transport corridors, growth poles, growth triangles, growth or development areas, and so on. We will, in fact, be briefed today on the experiences that other parts of the world have had in these areas, and we may well learn important lessons from them.

But I think what make the GMS agenda unique is the zeal with which the member countries have embraced the concept of economic corridors, and their full realization that this must involve well-coordinated multi-sector, multi-level, and multi-stakeholder efforts. As you know, economic corridors were formally adopted as a key element of the GMS strategy for subregional development in 1998, at the 8<sup>th</sup> GMS Ministerial Meeting. But work on the concept started

much earlier. Cross-border transport links, for example, were identified in the first GMS transport sector study undertaken in 1994, just two years after the inception of the GMS Program. And a “pre-investment” study undertaken in 2000 identified various investment and technical assistance projects toward the development of the corridor. These projects have helped to integrate markets, spur investment, buoy up the member economies, and create jobs in the areas traversed by these physical links.

As the GMS Program has evolved and matured, more and more attention has been given to the softer aspects of subregional development. With good roads and other physical infrastructure largely in place, the commitment we make today to overall economic corridor development is all the more important. In particular, we will now need to double our efforts to streamline and reduce cross-border transaction and transport costs. I am glad to note that the software needed to support this has largely already been developed. Moreover, as the region advances in economic corridor development, we also need to be mindful of the social and other risks of development. It is essential that the economic corridors ultimately improve the living standards of families living along them, and that this is achieved without undue environmental costs.

This Economic Corridors Forum is yet another key step in the evolution of the GMS program – providing a new level of cohesiveness to the economic corridors strategy. Much has happened since the first Forum in Kunming, China in June 2008. The Strategy and Action Plan for the North-South Economic Corridor was endorsed by the 15<sup>th</sup> GMS Ministerial Conference held in Thailand in June this year. The updated Strategy and Action Plan for the East-West Economic Corridor has been completed and was also endorsed by the Conference. The Strategy and Action Plan for the GMS Southern Corridor

is underway, with a regional consultation workshop on the initial draft successfully held last month. A GMS Economic Corridors Fair in June of this year included a High Level Symposium on GMS Logistics Cooperation and drew wide interest from both the private and public sectors.

Our meeting today will move our work on the economic corridors further forward. We will look at how the strategies and action plans for the individual corridors can be implemented. And we will look into initiatives that are critical to the corridors' success, particularly in the field of transport and trade facilitation. Most importantly, we are bringing together all stakeholders in economic corridor development. The Governors Forum, which is the main venue for local authorities' participation, met for the first time yesterday and we will hear their report this morning. Our meeting also includes private sector representatives and development partner organizations, thus providing an important networking and coordination mechanism for corridor-related initiatives.

The transformation of the GMS economic corridors into showcases of economic dynamism, sustainable development, and significant poverty reduction is indeed one of the most exciting and widely watched undertakings in regional cooperation and integration today. Our success will provide the impetus not only for other future initiatives in the GMS but also for those in other regional programs elsewhere in the world. As great as the burden of being among the leaders in this field may be, however, I am confident that we will succeed. The progress that has been achieved in the short period since the Economic Corridors Forum was established, and the enthusiasm of the participating stakeholders, all point to this.

I am therefore certain that our meeting today will be extremely fruitful.

Thank you.