

Final

Opening Statement
by
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Deputy Minister
Ministry of National Planning & Economic Development
at the
2nd Economic Corridors Forum
Phnom Penh, Cambodia
17 September 2009

Excellency Mr. Cham Prasidh, Senior Minister of Kingdom of Cambodia,

Honorable Vice President of the Asian Development Bank, Mr. Lawrence Greenwood, Jr.,

Excellencies,

Distinguished Delegates,

Ladies and Gentlemen,

May I, first of all, express my deep appreciation to the Government of the Kingdom of Cambodia for graciously hosting the Second Economic Corridors Forum (ECF 2) at this beautiful city Phnom Penh in Cambodia and its excellent arrangements

made for the Forum. We have been accorded a most warm welcome and hospitality since our arrival here.

It is indeed an honor and privilege for me to deliver the opening statement at this Forum.

Excellencies,

Ladies and Gentlemen,

The establishment of economic corridors forum was agreed at the Third GMS Summit in Vientiane in March 2008, where the GMS Ministers signed the MOU 'Toward Sustainable and Balanced Development of the GMS North-South Economic Corridor and Enhanced Organizational Effectiveness for Developing Economic Corridors'. Subsequently in June, the People's Republic of China graciously hosted the inaugural meeting of the economic corridors forum in Kunming. This year's Economic Corridors Forum is the second of its kind after six GMS Countries agreed to hold subsequent meetings on country-rotation basis at the inaugural meeting last year.

We are much delighted to convene the Governors' Forum back to back with ECF 2. Whereas the main objective of the Economic Corridors Forum is to promote economic corridor development in the GMS, the Governors' Forum mainly aimed at addressing issues, constraints and challenges at the provincial level

in the development of the economic corridors. The Governors' Forum, which has been established as part of the ECF, is also a driving force to achieve the objectives of the ECF.

The substantial improvement and expansion of physical infrastructure in transportation in the Mekong sub-region is well noted with satisfaction. It is my sincere belief that, with the establishment of the GMS Cross Border Transport Agreement (CBTA), Transport and Trade Facilitation Measures (TTF) and the Strategic Framework for Action on Trade Facilitation and Investment (SFA-TFI), cross border intra-regional trade will be further enhanced.

Excellencies,

Ladies and Gentlemen,

The theme of ECF 2 is 'GMS Economic Corridors: Pathways to an Integrated, Harmonious and Prosperous Subregion'. At the inaugural meeting of the ECF last year, we called for the establishment of economic corridors forum for the sustainable and balanced development of the GMS economic corridors.

The GMS Strategic Framework itself, which we have endorsed in 2002 for 10-Year period, envisioned a 'GMS that is more integrated, prosperous and equitable'. The ECF initiative is one of the complements to achieve what we have endorsed for the

future shape of our sub-region. The physical connectivity of the economic corridors among the GMS Countries is witnessing the major achievement of the Strategic Framework.

The evolution of the GMS transport corridors into economic corridors is rather dynamic in the sense that it has materialized within a certain period. We have unprecedented opportunities from the development of the economic corridors but, however, constraints, threats and challenges such as mobilization of financial resources, streamlining cross-border arrangements, illegal crossings and human trafficking, labor migration, spreading of communicable diseases and environmental degradation still remain.

For the economic corridors to become pathways to an integrated, harmonious and prosperous GMS, we need to accelerate our efforts in all sectors. The integration of trade, investment, agriculture, transport, telecommunication, tourism, environment and human resource development will contribute significantly in poverty reduction, job creation and better livelihood and will thus lead toward achieving the goal of harmonious and prosperous sub-region. Here, I would like to emphasize that participation of private sector plays a vital role in the development of the GMS economic cooperation program. We

could rely on the GMS Business Forum to support the private sector to promote business activities and investments in GMS.

The leaders have jointly declared to commit ourselves to fully 'connecting GMS' since the Second GMS Summit in Kunming in July 2005.

After 3 years, in 2008, our Leaders met together in Vientiane, Lao PDR for the Third GMS Summit. The sub-regional cooperation towards the enhancement of the 'Three Cs' – Connectivity, Competitiveness and Community – has been reaffirmed and the Third Summit called for 'Enhancing Competitiveness Through Greater Connectivity'. The establishment of the ECF is somehow supporting our commitment for greater connectivity in the sub-region.

Excellencies,

Ladies and Gentlemen,

Out of the three GMS economic corridors on our today's agenda, the East West Economic Corridor, which is the most developed one, stretches from Danang in Vietnam to Mawlamyaing in Myanmar. The Myanmar portion of about 200 kilometers in the East West Economic Corridor covers from Myawady to Mawlamyaing. The road section of about 18 kilometers between Myawady and Thingannyinaung was upgraded

to two lane bituminous paved road in June 2006 with the grant aid of the Thai government. This corridor is almost complete, except for the upgrading of 40 kilometer Thingannyinaung - Kawkareik road section and two suspension bridges between Eindu and Mawlamyaing, where we need financing.

In North South Economic Corridor, the route Kunming-Chiang Rai-Bangkok passes via Myanmar or Lao PDR. Mongla-Kyaington-Tachileik section of about 257 kilometers in Myanmar is a two-lane bituminous road.

The Southern Economic Corridor, as I have understood, is defined by three main sub-corridors connecting major points in Cambodia, Thailand and Vietnam. It starts from south-eastern coast of Vietnam, crosses Cambodia and ends in Bangkok. Down south in Myanmar, we have Dawei and there are prospects for a deep sea port in Dawei. If the Southern Economic Corridor can reach Dawei, the GMS countries will be beneficial from inland road link from South China Sea in the south-eastern side to the Andaman Sea in the western side of our sub-region.

Excellencies,

Ladies and Gentlemen,

You may be aware that transport projects need huge investments. As far as the GMS economic corridors are concerned,

most of the investments for physical infrastructure in Myanmar are being done under unilateral arrangements. We have our own national projects and priorities. The formulation and implementation of these projects are being undertaken with national resources and also with some bilateral assistance from friendly countries.

Since the ownership of the GMS projects belongs to six GMS countries, financial support should be for the whole GMS six members.

Excellencies,

Ladies and Gentlemen,

Bearing in mind that while we strive for our common goal of '3Cs'- Connectivity, Competitiveness and Community, they should be beneficial to all the peoples from all walks of life especially to the local populace along the GMS economic corridors.

Thank you.

11-09-09