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- GMS Third Summit Preparation Meeting and Senior Officials' Meeting
- GMS Outreach Activities
- GMS Railway Projects Approved
- Sector Developments:
  - Energy, GMS Business Forum, Agriculture, Environment, and Cross Border Transport Agreement

## UPCOMING EVENTS

- February 2007: Viet Nam Regional Cooperation Country Consultation
- March 2007: Tourism, Cross Border Transport Agreement, and Environment Meetings
- Phnom Penh Plan for Development Management [Learning Programs for 2006](#)
- [GMS Calendar of Events](#)

## FEATURE

- The Improved GMS Development Matrix

This *GMS E-News* is a quarterly publication to provide readers with an update on activities and major developments in pursuit of accelerated development of the countries sharing the Mekong River.

### FIRST TASK FORCE MEETING FOR THE THIRD GMS SUMMIT (TF3-1): GMS Countries Commence Preparations for the 2008 Leaders' Meeting (Vientiane, Lao PDR, 9 November 2006)



The TF3-1 discussed preparations for the Third GMS Summit to be held in Vientiane in 2008. Apart from the indicative venue and dates, the meeting also discussed the possible theme, component events, and timetable of preparatory activities for the Summit. Immediately after TF3-1, H.E. Khamlouat Sidlakhone, GMS Minister for Lao PDR, held a press conference for Lao media to launch preparations for the Third GMS Summit.

### GMS SENIOR OFFICIALS' MEETING (SOM): Taking Stock of Progress (Vientiane, Lao PDR, 10 November 2006)

The SOM reviewed the progress in implementing the GMS Plan of Action, and new knowledge products that have been prepared or enhanced, such as the GMS Development Matrix, the GMS E-Newsletter, the updated GMS brochure, and GMS country brochures. The SOM called for increased resource mobilization for the GMS Program to support activities in the areas of trade and investment, HRD, energy, and telecommunications. The next SOM is to be held in Cambodia on 4 April 2007 back-to-back with the second Summit Task Force Meeting, to review the final report of the Mid-Term Review of the GMS Strategic Framework, and discuss the preparations for the 14<sup>th</sup> GMS Ministerial Conference to be held on 19-21 June 2007 in Manila.



### GMS OUTREACH ACTIVITIES: Informed and Fair Water and Trade Futures – A Dialogue about Regional Cooperation, Development and Governance in Upper Mekong Region and North-South Economic Corridor (Chiang Mai, Thailand, 20-21 October 2006)

The dialogue, organized by a group led by the Chiang Mai University Unit for Social and Environmental Research (CMU-USER), explored broad alternative futures for the region toward the year 2025 and to debate on plausible institutional frameworks for cooperation in assessment, development, and natural resources management. ADB participated in the dialogue and contributed by way of presentations on the GMS Program, focusing on the social and environmental dimensions of the GMS, and the North-South Economic Corridor.

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- GMS Outreach Activities: GMS Presentation on Transport in SASEC Working Group Meetings
- GMS Outreach Activities: ADB Briefing on the GMS Program for the Thai Academe
- GMS Railway Projects Approved

### **GMS OUTREACH ACTIVITIES: South Asia Subregional Economic Cooperation (SASEC) Trade, Investment and Private Sector, and Transport Working Group Meetings – Enhancing GMS and SASEC Linkages (Bangkok, Thailand, 21-22 November 2006)**

ADB made a presentation on GMS cooperation in the transport sector at the SASEC meetings in Bangkok in November 2006. The meeting participants found the GMS experience in transport cooperation to be a good model for SASEC to replicate, especially in integrating large infrastructure investments with software concerns, and in effecting strong synergy between the national and regional programs. They noted the emerging confluence of interest in the GMS and SASEC transport strategies— with the GMS looking westward, and SASEC eastward.

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### **GMS OUTREACH ACTIVITIES: ADB Briefing on the GMS Program for the Thai Academe (Bangkok, Thailand, 4-5 December and Khon Kaen, Thailand, 10-11 December 2006)**

ADB staff had discussions on the North-South Economic Corridor (NSEC) with students and faculty of the Master of Arts in International Development Studies Program in Chulalongkorn University on 4-5 December in Bangkok. Discussions focused on equity and sustainability issues and on building skills in support of NSEC development. Meanwhile, for the Project Management Course at the Mekong Institute on 10-11 December 2006, ADB also made a presentation on the Project Cycle: The Case of the GMS program. The presentation showcased the GMS and the approach taken for conceptualizing, processing, and implementing subregional projects. The GMS Development Matrix (subject of the feature article in this issue of the E News) was presented as a “one-stop” shop for basic information on the priority GMS projects in the nine sectors of GMS cooperation.

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### **ADB Approves Loans for Two GMS Railway Projects in December 2006**

ADB loans for two railway projects were approved in December 2006. The GMS Project for the Rehabilitation of the Railways in Cambodia, was approved on 13 December and involves a US\$42 million loan to rehabilitate Cambodia’s railway network. It will upgrade almost 600 kilometers of track and associated bridges and other structures, improve rail lines between the ports in Sihanoukville and Phnom Penh, and restructure and privatize the rail sector. The OPEC Fund will provide US\$13 million cofinancing to be administered by ADB. The Government of Malaysia will provide a grant (in kind) of rails for reconstruction of the line to connect to Thailand. The GMS Kunming-Haiphong Transport Corridor: Yen Vien-Lao Cai Railway Upgrading Project, was approved on 19 December and involves a US\$60 million loan to rehabilitate 285 kilometers of railway between Yen Vien (outside Hanoi) and the border with PRC’s Yunnan Province at Lao Cai. It will replace worn track, construct, repair and strengthen bridges, build one new station and introduce safety features for users and the public living near the line. The French Government will cofinance the project up to a total of Euro 62 million. These two projects form part of the Singapore-Kunming Rail Link Project.

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- Energy: Back-to-Back Meetings of Working Groups of the Regional Power Trade Coordination Committee
- GMS Business Forum: Conference on International Accounting Standards
- GMS Business Forum Board of Directors Meeting

### **SECOND PLANNING WORKING GROUP (PWG) AND THIRD FOCAL GROUP (FG) MEETINGS OF THE RPTCC: Detailed Work Plans Signify Steady Course for GMS Power Trade Program (Lijiang, PRC, 7-10 November 2006)**

The meetings agreed on the detailed activities and timeline for the important studies and activities of the Regional Power Trade Coordination Committee (RPTCC) that would build on the operating guidelines for power trading in the subregion. A GMS power trade road map was considered to track the activities required in transitioning from one stage of power trading to another. The proposed technical assistance from the Swedish International Development Cooperation Agency will help implement this road map in conjunction with the current assistance to the RPTCC being provided by the Agence Francaise de Developpement. An initial document on the power trade operating agreement will be considered by the RPTCC for possible signing at the Third GMS Summit in Lao PDR in 2008. The progress of planned priority GMS interconnection projects, and remaining project issues were also discussed. The meetings were jointly organized by the China Southern Power Grid Co. of PRC and ADB.

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### **GMS BUSINESS FORUM: International Accounting Standards and Reporting Methods (IASRM) CONFERENCE — Building Common Approaches for Accounting in the GMS (Bangkok, Thailand, 28 November 2006)**

The conference, which attracted 80 participants from GMS countries, discussed various aspects of international accounting standards and reporting methods, with the aim of leveraging GMS connectivity with a common approach to company financial reporting. Featured were experts from within and outside the GMS who shared their experiences and perspectives in achieving the upgrading of GMS accounting procedures to International Financial Reporting Standards. The conference was organized by the GMS Business Forum (GMS-BF) Secretariat and sponsored by Thai Eximbank, Japan Chamber of Commerce, JETRO and an international real estate developer in collaboration with ADB and UNESCAP. It was the fifth in a series of GMS-BF-organized conferences aimed at focusing GMS commercial sector and policy stakeholders on common issues, such as advanced trade, investment, institutional and regulatory infrastructure.

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### **GMS-BF BOARD OF DIRECTORS MEETING: Ensuring Greater Sustainability and Visibility of the GMS-BF (Bangkok, Thailand, 29 November 2006)**

The meeting agreed to expand the Board to include corporate members with voting rights equal to core members, and with access to the positions of rotating chair and vice chair. This expansion, which includes multinationals active in the GMS, will help ensure sustainability and visibility of the GMS-BF. Three international corporates, namely, TNT, RCEIT Technologies and the Japan Chamber of Commerce, joined as Board members. The meeting also agreed to a “dual track” approach to GMS-BF programs focusing on (i) SME business matching and e-commerce portals, and (ii) conferences on strategic trade and investment issues in the GMS, followed by ad hoc committee meetings between the private and financial sectors.

## ON THIS PAGE

- Agriculture: Fourth Meeting of the Working Group on Agriculture
- Environment: Semi-Annual Meeting of the Working Group on Environment
- Cross-Border Transport Agreement: Conduct of Study Visit

#### **FOURTH MEETING OF THE WORKING GROUP ON AGRICULTURE (WGA): Strategy Framework and Program for GMS Cooperation in Agriculture Finalized (Siem Reap, Cambodia, 6-8 December 2006)**

The meeting finalized the Strategic Framework for GMS Cooperation in Agriculture and Core Agriculture Support Program (CASP) 2006-2010, which is to be considered by GMS Agriculture Ministers when they meet in Beijing, PRC in April 2007. A Development Cooperation Market Place was held as part of WGA-4 to mobilize resources and forge suitable prospective partnerships between WGA and development partners to implement the priority projects under the CASP. A total of 84 participants attended the meeting consisting of senior officials from the six GMS countries, and representatives from multilateral and bilateral donors, international and regional academic and research institutions, and the private sector.

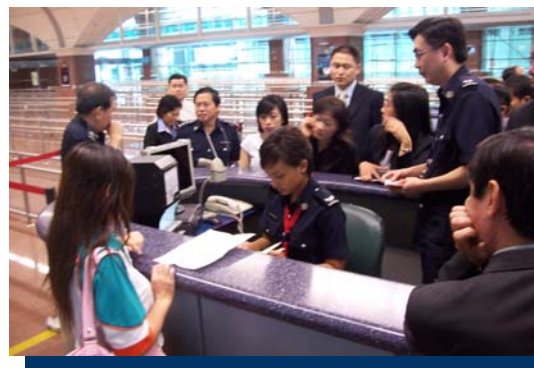


#### **FIRST SEMI-ANNUAL MEETING (SAM-1) OF THE WORKING GROUP ON ENVIRONMENT (WGE): Plan for Strategic Environment Assessments and Other Key Activities Endorsed (Bangkok, Thailand, 12-13 December 2006)**

The WGE SAM-1 discussed the scope, work plans and progress of key activities of each of the five components of the Core Environment Program (CEP), and reviewed the respective budgets and their financing plans. Special presentations were made on Subregional Sustainable Development Strategy and Best Practice in Sustainable Planning (Asia-Pacific experiences). Also discussed were the opportunities and plans for enhancing cross-sectoral coordination. The GMS countries were requested to further review the proposed CEP Implementation Framework and Procedures and other SAM-1 resolutions for subsequent endorsement by the WGE. The Swedish Ambassador to Thailand confirmed a \$10 million contribution by Sweden to the CEP. A Letter of Agreement was signed between ADB and PRC's State Environmental Protection Administration on the establishment of a support unit for the Biodiversity Conservation Corridor pilot site in Xishuangbanna, Yunnan Province, PRC.

#### **GMS CROSS BORDER TRANSPORT AGREEMENT (CBTA): Study Visit on Modern Border Management for GMS Officials (Singapore, 4-8 December 2006)**

A Study Visit on Modern Border Management, participated in by senior officials of the National Transport Facilitation Committees (NTFCs) of GMS countries, was held in Singapore on 4 to 8 December 2006. Participants were briefed by senior officials from various Singapore government agencies involved in frontier control operations, including the Immigration and Checkpoint Authority, Land Transport Authority, Customs Authority, and Infocomm Development Authority. They visited the Tuas checkpoint at Singapore's border with Malaysia, and observed how Singapore was able to merge different border agencies into the Immigration and Checkpoint Authority, the umbrella agency responsible for all border issues.



## ON THIS PAGE

- CBTA: Progress of Initial Implementation
- CBTA: Additional Funding Secured from Australia

## CBTA: Initial Implementation at Mukdahan-Savannakhet Border Crossing Points (Mukdahan, Thailand, 12-13 December 2006)



Representatives of the NTFCs of Lao PDR and Thailand, and ADB met on 13 December 2006 in Mukdahan Province, Thailand to discuss the preparation for the initial implementation of the GMS CBTA at the Mukdahan-Savannakhet border crossing points between Thailand and Lao PDR along the GMS East-West Economic Corridor, which was agreed to commence on 20 December 2006. The initial implementation of the CBTA involves, among other things, single-window

inspection, by simultaneous (or near simultaneous) performance of duties by border authorities, including, Customs, Immigration, and Quarantine. To assist the countries in implementing the CBTA, ADB conducted training on 12 December 2006 for senior NTFC officials of Lao PDR and Thailand, and border officials of Savannakhet and Mukdahan border checkpoints at Savannakhet, Lao PDR. The training sessions briefed the participants on the basic principles of the CBTA, and its implications on the conduct of new border crossing procedures at the Savannakhet and Mukdahan border checkpoints.

## Australian Government Provides A\$1.3 million to Assist Cross-Border Transport in the Mekong Region

The Australian Agency for International Development (AusAID) contributed A\$1.3 million to the ADB regional technical assistance to implement the GMS CBTA (RETA 6207). The AusAID contribution will assist in providing key ICT equipment and associated capacity development at key border crossing points that are already implementing the CBTA, including (i) Lao Bao-Dansavanh between Viet Nam and Lao PDR; (ii) Mukdahan-Savannakhet between Thailand and Lao PDR; and (iii) Bavet-Moc Bai between Cambodia and Viet Nam.

## UPCOMING EVENTS

- Viet Nam Regional Cooperation Country Consultation
- CBTA: Second Joint Committee Meeting

## Viet Nam Regional Cooperation Country Consultation (Hanoi, Viet Nam, 27 February – 1 March 2007)

An ADB staff will join Viet Nam Government officials to discuss the approaches for enhancing Viet Nam's regional cooperation coordination mechanism, with the aim of maximizing the contribution of regional cooperation in the pursuit of Viet Nam's development goals under the new Five-Year Social and Economic Development Plan (SEDP), 2006-2010. The consultations will be supported by an ADB-financed technical assistance to Viet Nam, which will have two components, namely, capacity strengthening for regional cooperation focal points, and support to public investment programming.

## Second Joint Committee Meeting (JCM-2) of the CBTA (Beijing, PRC, 20 March 2007)

The JCM-2 of the GMS CBTA will be held in Beijing, PRC on 20 March 2007. To be attended by the NTFC Chairpersons of the six GMS countries, the JCM-2 will sign the remaining three annexes and one protocol of the CBTA and several MOUs to implement and expand the CBTA's scope.

## UPCOMING EVENTS

- Tourism: 19<sup>th</sup> Tourism Working Group Meeting
- Environment: Annual ADB-World Wide Fund for Nature Review Meeting; CEP Technical Advisory Panel Visit to ADB

## FEATURE

- The Improved GMS Development Matrix: Its Usefulness in Programming and Prioritizing Projects

### 19<sup>th</sup> Tourism Working Group Meeting (TWG-19) (Ho Chi Minh City, Viet Nam 26-27 March 2007)

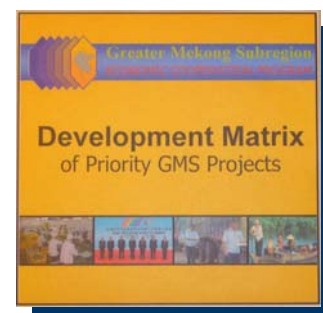
This meeting will discuss the prioritization and sequencing of the 29 priority projects identified under the GMS Tourism Sector Strategy as well as strategies for mobilizing resources from development partners and the private sector for their implementation. Another key issue up for discussion is a strategy to raise funds for marketing the GMS and for sustaining the operations of the Mekong Tourism Coordination Office which serves as the TWG Secretariat. The Working Group will also review the highlights of the Draft Final Report of RETA 6279 on GMS Sustainable Tourism Development. To be held back-to-back with the TWG-19 are a Mekong Tourism SME Forum, the Seventh Subregional Project Steering Committee of the GMS Mekong Tourism Development Project, and the Sixth Regional Networking Meeting on Pro-poor Tourism.

### ADB-World Wide Fund for Nature (WWF) Annual Review Meeting; Visit of CEP Technical Advisory Panel (TAP) to ADB Headquarters (Manila, Philippines, March 2007)

The next ADB-WWF annual consultation is being set for March 2007 in Manila to cover the broader aspects of the two organizations' collaboration in the environment. Such partnership reviews are being held annually under a 2001 Memorandum of Understanding (MOU) between ADB and WWF. The last review meeting focused mainly on the implementation of the CEP of which WWF is a key partner. Members of the CEP-TAP are also scheduled to visit ADB Headquarters in March 2007 to meet with key ADB officials overseeing ADB's support for the CEP. The TAP was established in late 2006 to provide independent technical and policy advice to the WGE and the Environment Operations Center during the implementation of the CEP.

### THE IMPROVED GMS DEVELOPMENT MATRIX: A Tool for Mapping and Advancing Development Cooperation Initiatives in the Mekong Region

**The GMS Development Matrix.** As part of the 10-year (2002-2012) GMS Strategic Framework endorsed by the First GMS Summit in Phnom Penh in November 2002, the six Mekong countries agreed to implement 11 flagship programs to achieve the GMS vision of a prosperous, integrated, and harmonious subregion. These flagship programs included the transformation of transport corridors into economic corridors, facilitation of cross-border trade and private investment, establishment of regional power trade and interconnection arrangements and telecommunications backbone network, development of human resources skills and competencies, environmental protection and natural resources management, and promotion of GMS tourism. As instructed by GMS Ministers at their 11<sup>th</sup> Meeting held in Cambodia in 2002, priority subregional projects under the 11 flagship programs were systematically organized into a Development Matrix (DM), which included key information, such as: Program/Project Description, Estimated Cost, Financing Plan, Implementation Agencies, Implementation Schedule, and Issues and Constraints. The DM has been updated based on information obtained during meetings of sector working groups and forums, as well as country consultations on the GMS Program and sector studies. As usage of the DM grew among GMS officials and development partners, it was decided to upgrade the DM system in early 2006 to make it more user friendly, allowing easier viewing, downloading, and printing of customized information on priority GMS projects.



## FEATURE

- The Improved GMS Development Matrix: Its Usefulness in Programming and Prioritizing Projects

**The Improved DM.** A number of enhancements have been made to the DM, beginning the second quarter of 2006, including:

- Listing of projects by GMS sector of cooperation;
- Inclusion of key subregional projects or national projects with subregional dimensions;
- Listing of more complete and updated information on projects, including concept profiles;
- Inclusion of projects recommended by recently-completed GMS sector studies;
- Inclusion of basic information on the GMS and the GMS Program;
- Inclusion of information on project's estimated cost and financing.

The improved DM was completed in August, 2006 and was simultaneously launched with the revamped GMS webpage in September 2006.

The improved DM has a facility that will allow customized sorting, viewing, and/or printing of project information based on user-specified criteria. This includes sorting according to sector, flagship program, country coverage, status, and/or financing. The improved DM has a "search" engine, which displays projects that contain word(s) specified in the "Search" bar. It has an automatic calculation tool that gives the total estimated cost and total available financing for the projects selected according to the sorting criteria specified by the user. The improved DM is available in CD, or can be downloaded from <http://www.adb.org/GMS/Projects/devmatrix.asp>.

The DM is a continuous "work in progress" to make it a simple, easy-to-use, updated, one-stop information source for the GMS Program. It is envisaged that the DM would become a reliable regional planning tool to be used by key GMS stakeholders.

## GMS PROJECT LINKS

- [GMS Cross-Border Transport Agreement](#)
- [GMS - Phnom Penh Plan for Development Management](#)
- [GMS Core Environment Program](#)
- [GMS Biodiversity Conservation Corridors Initiative](#)
- [GMS Energy Strategy Study](#)

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