

GMS PHNOM PENH PLAN FOR DEVELOPMENT MANAGEMENT RESEARCH PROGRAM

POSSIBLE AREAS FOR RESEARCH

Trade and trade facilitation

- Case studies of specific border crossing points in the GMS Cross-Border Transport Agreement, the specific factors stalling implementation both on the hardware and software aspects; while many of these factors are known at the macro level, it is desirable to document the specific constraints at the micro level to determine practical, action-oriented solutions. Parallel case studies by several institutions can provide some insights to possible common approaches under the GMS Program. The case study should include capacity building needs in specific border crossing points.
- An assessment of trade liberalization in services in the GMS countries (especially CLMV) focusing on specific sectors (e.g. medical care, education, tourism). This study should be able to provide insights on how the GMS countries could develop a mutually beneficial strategy for opening up these sectors either under the ASEAN and the WTO framework.

Social sectors

- Related to the issue of liberalization of services trade is labor mobility. The patterns of migration in the GMS suggest that a regional labor market is emerging --- a significant amount of the demand for labor in some GMS countries is met by migrants, which could help the subregion become more competitive, and over the long-run, reduce income disparities in the subregion. In the context of the emerging regional labor market, two possible research areas are:
 - Studies related to the development of mutual recognition agreements, accreditation of skills training institutions and the development of labor market information systems among the GMS countries. To be sure, some initiatives are already in place, so the research should examine the issues that need to be further addressed in generating the needed momentum.
 - Private businesses are realizing the importance of migration to their long-term profitability and competitiveness. But they are not best placed to internalize the costs of irregular migration or the costs of a system that provides better social protection to migrant workers. A study on the present system of social protection for migrant workers within the GMS would be useful; the study could address the question of whether a set of minimum social protection standards, harmonized at the subregional level, is feasible.
- Labor migration management. Migration management in the GMS is done through bilateral arrangements at present. There is no regional framework for migration management in the GMS. A study could look at the feasibility of a regional framework for labor migration management; addressing such issues as control vs facilitation strategies.

Investment

Case studies of specific special economic border zones (history, policies and regulations, management, performance, issues, lessons learned, etc.). This could involve several researchers following a common methodology or outline so that a wider set of observations can be generated to guide policy.

- A related topic to the study of special economic border zones could be a study of the impacts of investment incentives. The purpose of the review is to determine whether these incentives are creating distortions in the production cost structure of foreign invested enterprises and whether there are any adverse impacts resulting from competing FDI incentives packages across the GMS countries. The review should look into the desirability of rationalizing investment incentives packages to lessen the administrative burden of implementing them. The advantages of a harmonized approach among GMS countries should also be examined to prevent diversion of FDI to other countries when they are reduced.
- The "mapping" of GVC opportunities in the GMS for particular industries could be undertaken to identify opportunities and related constraints that would cover cross-border trade rules and regulations relevant to a particular industry, as well as inadequacies in the logistics system. A study could focus on one or two key industries where there is huge potential for GMS small and medium-scale enterprises to participate, thus facilitating their entry into the global market.

Agriculture

- Case studies of specific agricultural products where production chains could be developed, say through contract farming (one country producing the raw material and the neighboring country processing it. There may already be some models or approximate models of this arrangement.
- Food production systems and standards in the GMS. Global and regional trends are driving changes in the food and agriculture sectors. Increasing population, GDP growth and incomes have resulted in dramatic increases in food consumption and changes in food consumption patterns. The impact of technology is being felt in product differentiation, production efficiency, and nutritional value. Liberalization of trade in agriculture is also affecting the pattern and composition of trade --- global regulatory regimes (including for food standards and safety) are exerting a pervasive influence on market access and food system competitiveness. How are the GMS countries coping with these challenges in terms of adjustments to their food production systems (facilities, resources, technologies). What are the implications on technical standards that have come under closer scrutiny? Where can regional cooperation play a role? Research that addresses that above issues can be undertaken for selected agriculture products of importance to the GMS (e.g. fruits and vegetables).

Environment

- One of the key challenges in implementing national action plans on climate change is having to equip local governments with the capacity to address the threats and risks of climate change. Are there any good examples of how this is happening? How are national

governments engaging local governments and communities in terms of information sharing on climate change impacts, public awareness, and preventive measures? Case studies can be done on how some local governments are coping with adaptation and mitigation measures on climate change. Can these examples serve as models of good practice for the GMS countries? Parallel work by two or more research institutions can yield some interesting perspectives.

- Payment for environmental services at the community level (e.g. sanitation, waste disposal) is one mechanism that can ensure the long-term sustainability of environmental protection. A study on the valuation of these services within the GMS context can be undertaken as a basis for designing a scheme for community payments for environmental services.

Tourism

- A study of how to approach the development of tourism corridors (say along the North South Economic Corridor or NSEC) could be undertaken. While the development of tourist attractions are typically a national initiative, a regional approach may be needed in developing a tourism corridor to ensure a broader marketing approach, the facilitation of movement of visitors across borders, and the development of Corridor-wide standards that can ensure the consistency of facilities and service quality standards among the various attractions. Looking at the corridor approach to tourism development along the NSEC would be useful as an input to ongoing efforts to develop the Corridor.
- Ecotourism and community-based tourism are becoming popular approaches to tourism development in the GMS. What impacts do these types of tourism activities have on local communities? What measures are needed to ensure that these types of tourism activities actually benefit host communities?

Energy

- The development of rural renewable energy has been adopted as a policy response to energy security. What has been the experience of local communities in the GMS to this approach? Case studies could be undertaken of selected communities engaged in the development of rural renewable energy --- and lessons drawn from their experience. Several research institutions can do parallel work under a common methodology.

Transport

The experience with transforming the East West Corridor into an economic corridor has yielded significant lessons --- both positive and negative --- with future implications on the development of other corridors in the GMS. The experience and lessons learned from EWEC (on which much has been written) can be documented and used as starting points in analyzing ongoing efforts for developing other GMS economic corridors. The study will focus on the drivers of transformation (market, policy and institutional drivers of change), and the role of the public sector --- both at the national level and at the local level for areas traversed by the corridor --- as well as the private sector. The study should complement on-going efforts to revisit and redefine the concept of GMS Economic Corridors.