

GREATER MEKONG SUBREGION ECONOMIC COOPERATION PROGRAM



In 1992, the six countries of the Greater Mekong Subregion (GMS), with assistance from the Asian Development Bank (ADB) and building on their shared histories and cultures, launched the GMS Economic Cooperation Program **to enhance their economic relations**.

The GMS comprises **Cambodia, the People's Republic of China** (PRC, specifically Yunnan Province and Guangxi Zhuang Autonomous Region), the **Lao People's Democratic Republic (Lao PDR), Myanmar, Thailand, and Viet Nam**. The GMS is a natural economic area bound together by the Mekong River, with an area of 2.6 million square kilometers and a combined population of about 328.2 million.

The GMS Program, with the support of ADB and other development partners, helps identify and implement high-priority subregional projects in a wide range of sectors.

To realize its vision of a prosperous, integrated, and harmonious subregion, the GMS Program has adopted a three-pronged strategy (**the 3 Cs**):

- **increasing connectivity** through sustainable development of physical infrastructure and the transformation of transport corridors into transnational economic corridors;
- **improving competitiveness** through efficient facilitation of cross-border movement of people and goods and the integration of markets, production processes, and value chains; and
- **building a greater sense of community** through projects and programs that address shared social and environmental concerns.

THE GMS STRATEGIC FRAMEWORK 2012–2022

The GMS leaders adopted a 10-year Strategic Framework at the Fourth GMS Summit in 2011 to guide the GMS from 2012 to 2022. The Strategic Framework builds on the member countries' commitment and national development plans to promote regional cooperation and integration within and beyond the GMS.

GMS member countries reaffirmed the vision and goals that currently guide the program:

- GMS countries envision a Mekong subregion that is more prosperous, integrated, and harmonious.
- The GMS Program will contribute to realizing the potential of the subregion through (i) an enabling policy environment and effective infrastructure linkages that will facilitate cross-border trade, investment, tourism, and other forms of economic cooperation; and (ii) the development of human resources and skills competencies.
- To ensure that this development process is equitable and sustainable, environment and social interests will be fully respected in the formulation and implementation of the GMS Program.

THE REGIONAL INVESTMENT FRAMEWORK

The GMS Regional Investment Framework (RIF), endorsed by the GMS Ministers in December 2013, operationalizes the Strategic Framework by identifying a pipeline of priority investment and technical assistance projects from 2013 to 2022. The RIF contains more than 200 projects across 10 sectors with an estimated investment of more than \$50 billion.

The RIF Implementation Plan identifies a robust pipeline of 92 high-priority infrastructure projects for 2014–2018 and sets a realistic implementation plan and monitoring system over the medium-term.



GMS PROGRAM SECTORS

Transport

GMS transport initiatives seek to develop the priority transport corridors that connect the subregion together and to provide transport links to population centers, tourist destinations, markets, and other centers of economic activity. This will promote trade, tourism, investment, and access to social and other services. The principal transport corridors form the base of the three major GMS economic corridors, namely: (i) the North–South Economic Corridor, (ii) the East–West Economic Corridor, and (iii) the Southern Economic Corridor (see map).

Transport and Trade Facilitation

Transport and trade facilitation in the GMS focuses on nonphysical or “software” measures that can enhance connectivity and linkages among the member countries for increased cross-border trade and investment. The GMS Cross-Border Transport Facilitation Agreement provides a framework for transport and trade facilitation efforts to facilitate efficient cross-border movement of goods, vehicles, and people in the subregion.

Energy

GMS cooperation in energy aims to establish a competitive and integrated regional power market that will develop, in a sustainable manner, the rich energy resources of the GMS, improving the subregion’s energy security and the people’s access to modern and affordable energy supplies.

Agriculture

The GMS Core Agriculture Support Program Phase II (2011–2020) envisions a subregion that is globally recognized as the leading producer of safe food using climate-friendly agricultural practices and integrated into global markets through regional economic corridors.

Environment

The GMS Core Environment Program aims to create a region where economic growth and environment protection are approached in parallel. The Core Environment Program Phase II (2012–2016) focuses on three priority thematic issues: biodiversity conservation and poverty alleviation, climate change adaptation and mitigation, and capacity development.



Human Resource Development

The GMS human resource development strategy and action plan focuses on promoting cooperation in health, education, labor and migration, and social development. Cooperative initiatives also include programs in communicable diseases control and HIV/AIDS prevention, safe migration, technical and vocational training, and higher education and research.

Urban Development

Urban development in the GMS focuses on investments in priority urban infrastructure and services in small and medium-sized cities along the GMS transport corridors. In addition to accommodating population growth, these investments will contribute to the transformation of transport corridors into economic corridors and provide rural areas with greater access to jobs and markets.

Tourism

The GMS tourism sector develops and promotes the GMS as a single destination, offering a diversity of good quality and high-yielding subregional products that help distribute the benefits of tourism more widely, while minimizing any adverse impacts. Investments in infrastructure that supports tourism, combined with capacity building and training and community-based tourism development, contribute to poverty reduction, employment generation, and sustainable development.



Information and Communications Technology

Information and communications technology efforts in the GMS aim to improve telecommunications linkages, promote information and communications technology applications, and facilitate increased access to information and communications to lower transaction costs and enhance the competitiveness of the GMS.

Other Multisector and Cross-border Economic Zones

The GMS Strategic Framework's emphasis on economic corridor development has catalyzed increasing interest in special economic zones, particularly cross-border economic zones, which require coordination across multiple sectors. Maximizing the benefits of economic corridors will increasingly require multisector projects that involve public and private sector investments and that include both hardware and software interventions.

Development of GMS Economic Corridors

The Greater Mekong Subregion Transport Sector Strategy (2006–2015) identifies nine road corridors that will form the subregion’s network of transport links. They form the base for the development of “economic corridors,” which integrates infrastructure development with trade, investment, and other economic opportunities in defined geographic areas, complemented by efforts to address social, environmental, and other impacts of increased connectivity.





The Greater Mekong Subregion Economic Cooperation Program

The Greater Mekong Subregion (GMS) is made up of Cambodia, the People's Republic of China (PRC, specifically Yunnan Province and Guangxi Zhuang Autonomous Region), the Lao People's Democratic Republic (Lao PDR), Myanmar, Thailand, and Viet Nam. In 1992, with assistance from the Asian Development Bank (ADB) and building on their shared histories and cultures, the six countries of the GMS launched a program of subregional economic cooperation—the GMS Program—to enhance their economic relations, initially covering the nine priority sectors: agriculture, energy, environment, human resource development, investment, telecommunications, tourism, transport infrastructure, and transport and trade facilitation. The GMS Program, with the support of ADB and other development partners, is helping the participating countries achieve Millennium Development Goals through increased connectivity, improved competitiveness, and a greater sense of community (the three Cs).

About the Asian Development Bank

ADB's vision is an Asia and Pacific region free of poverty. Its mission is to help its developing member countries reduce poverty and improve the quality of life of their people. Despite the region's many successes, it remains home to approximately two-thirds of the world's poor: 1.6 billion people who live on less than \$2 a day, with 733 million struggling on less than \$1.25 a day. ADB is committed to reducing poverty through inclusive economic growth, environmentally sustainable growth, and regional integration.

Based in Manila, ADB is owned by 67 members, including 48 from the region. Its main instruments for helping its developing member countries are policy dialogue, loans, equity investments, guarantees, grants, and technical assistance.

All photos are from ADB.

© Asian Development Bank
Publication Stock No. ARM146915
November 2014

For more information, contact
GMS Secretariat
Southeast Asia Department
Asian Development Bank
E-mail gms@adb.org
www.adb.org/gms