

MINUTES OF THE MEETING

Mekong Institute Steering Committee Meeting No. 1/2017

July 12, 2017, Khon Kaen, Thailand

LIST OF DELEGATES

Steering Committee Members

Steering Committee Chairman	Dr. Narongchai Akrasanee Chairman MFC Asset Management Plc. Bangkok, Thailand
Representative of the Royal Government of Cambodia	H.E. Mr. Chea Chantum Secretary-General General Secretariat for Population and Development Ministry of Planning Phnom Penh, Cambodia
Representative of the Government of the People's Republic of China	Mr. Li Hong Permanent Representative Permanent Mission of China to UNESCAP Embassy of P. R. China Bangkok, Thailand
Representative of the Government of Lao PDR	Mr. Virasac Somphong Deputy Director General Economic Affairs Department Ministry of Foreign Affairs Vientiane, Lao PDR
Representative of Government of the Union of Myanmar	Mrs. Moh Moh Naing Director Foreign Economic Relations Department Ministry of Planning and Finance (In place of Mr. Htun Zaw)
Representative of the Royal Government of Thailand	Ms. Sayan Kongkoey Director Thai Cooperation Branch I Thailand International Cooperation Agency Ministry of Foreign Affairs Bangkok, Thailand

Representative of the Government of the Socialist Republic of Vietnam
Mr. Duong Hung Cuong
Director, Secretary of GMS Program International Financial Institution Division Foreign Economic Relations Department
Ministry of Planning and Investment
Hanoi, Vietnam

Mekong Institute
Dr. Watcharas Leelawath
Executive Director
Mekong Institute
Khon Kaen, Thailand

Observers

PR China
Ms. Yu Miao
Assistant to Permanent Representative
Permanent Mission of China to UNESCAP
Embassy of P. R. China
Bangkok, Thailand

Lao PDR
Mr. Phoummachanh Bodhisane
Official
Economic Affairs Department
Ministry of Foreign Affairs
Vientiane, Lao PDR

Swiss Agency for Development and Cooperation
Mr. Tingthong Phetsavong
National Program Officer
Employment & Skills
Swiss Cooperation Office
for the Mekong Region – Lao PDR, SDC
Vientiane, Lao PDR

MI Staff
Ms. Maria Theresa Medialdia
Director
Agricultural Development and Commercialization
Mekong Institute

MI Staff
Mr. Madhuriya Kumar Dutta
Director
Trade and Investment Facilitation
Mekong Institute

MI Staff
Mr. Sudam Pawar
Director
Innovation & Technological Connectivity
Mekong Institute

MI Staff
Mr. Nguyen Hung Cuong
Director
RLED-EWEC Project

Mekong Institute

MI Staff Mrs. Phinyada Foytong
Finance Manager / Acting Director
Finance and Operations Department
Mekong Institute

Meeting Secretariat

MI Staff Ms. Pornwilai Pumira
External Relations Manager
Office of Director
Mekong Institute

MI Staff Mr. Qinfei Zhu
MEL Specialist
Monitoring, Evaluation, and Learning Department
Mekong Institute

MI Staff Ms. Wang Jian
Program Coordinator
Innovation and Technological Connectivity Department
Mekong Institute

MI Staff Mr. Paoloregel Samonte
Program and Communications Officer
Agricultural Development and Commercialization
Department
Mekong Institute

MI Staff Ms. Mara Katrina Escurel
Communications Officer
Communications and Knowledge Management Department
Mekong Institute

The meeting started at 14:00 hours. Dr. Watcharas Leelawath, MI Executive Director, welcomed everyone and expressed his appreciation for everyone's support and contribution to MI. He then invited Dr. Narongchai Akrasanee, as the MI Steering Committee Chairman, to preside over the meeting.

**ITEM 1: WELCOME REMARKS BY MI STEERING COMMITTEE CHAIRMAN –
DR. NARONGCHAI AKRASANEE**

Firstly, Dr. Narongchai welcomed the members of the MI Steering Committee, as well as the MI Staff present. He then expressed his gratitude to the MI Secretariat for their hard work in organizing the meeting. He then thanked the members for their presence and expressed that the meeting will result to fruitful deliberations to reinforce MI's initiatives.

Afterwards, he enumerated some of the highlights that will be discussed during the meeting. The Chairman then welcomed and mentioned all the Steering Committee members, as well as other country representatives.

The Chairman formally declared the meeting open.

ITEM 2: ADOPTION OF THE AGENDA

The Chairman requested the members to go over the proposed agenda and to give suggestions if any.

No comments were received at the moment and the meeting agenda was adopted as proposed.

ITEM 3: BUSINESS ARRANGEMENTS

The Chairman called on the Secretariat to make announcements for the day's business arrangements.

Dr. Watcharas announced that after the meeting, a van would send the Steering Committee members back to their respective hotels. A van was likewise arranged to pick them up for dinner today in their hotel at 6.30 hours.

No other business arrangements were discussed.

ITEM 4: REVIEW KEY POINTS OF THE MINUTES OF THE MEKONG INSTITUTE STEERING COMMITTEE MEETING NO. 2/2016, December 17, 2016

The Chairman invited the Steering Committee members to review the minutes of the previous Steering Committee Meeting held last December 17, 2016 in Bangkok, for final approval.

No comments were received and the minutes were adopted as recorded.

ITEM 5: MATTERS FOR ACKNOWLEDGEMENT

The Chairman invited Dr. Watcharas Leelawath MI Executive Director, to report on MI Operations for the period of January – June 2017.

5.1 MI Operations Report (January – June 2017)

5.1.1 Project Reports

Dr. Watcharas began his report on the Long Term Projects. He started with the New Zealand Aid Programme's Mekong Institute Food Safety Project (or MI-FSP), where he briefly detailed the activities already conducted within the project during the previous six months, including the New Zealand Study Visit, in-country visits for action plan monitoring, as well as a couple of regional training programs.

Dr. Narongchai added that aside from Dr. Watcharas reporting project achievements, the Program Directors should likewise add some more details. Ms. Medialdia then briefly explained what the MI-FSP is about, and shared that NZAP is willing to extend the project for 3-5 years more.

Next, Dr. Watcharas talked about the SDC's Regional and Local Economic Development – East West Economic Corridor Project or the RLED-EWEC, where he discussed the outcomes of the project for the past three years since it commenced. He highlighted that among all countries, Vietnam was the only one which achieved and even exceeded its targets.

Afterwards, Dr. Watcharas discussed another component of the project, the cross-border trade facilitation, which reduced the border infrastructure use fee by 30-60% including transport vehicles of agricultural products.

Dr. Narongchai then asked for clarification from Mr. Duong Hung Cuong and Mr. Virasac Somphong regarding their countries' outcome in terms of reducing the border infrastructure use fee, as well as easing the flow of trade via the one-stop inspection approach. Mr. Virasac Somphong then shared that the outcomes presented were indeed true, and Mr. Duong Hung Cuong acknowledged it.

Mr. Cuong, Director of EWEC project, added that MI facilitated the dialogue between the two provinces (Quang Tri and Savannakhet provinces) involved to remove additional checkpoints. This means that the two provinces only need to go through one main checkpoint.

Ms. Sayan Kongkoey expressed her concern regarding human trafficking and illicit drug issues related to easing trade barriers. Mr. Cuong clarified that these are existing issues, but the single checking point that EWEC facilitated mainly concerned trucks loaded with goods only, and thus is not necessarily related to human trafficking issues.

Following the RLED-EWEC, Dr. Watcharas proceeded with the project on AJCEP/JAIF's Enhancing Competitiveness of Small and Medium-sized Enterprises along the Southern Economic Corridor (SEC) of the ASEAN Mekong Sub-region, and the Mekong Korea Cooperation Fund (MKCF) management.

Mr. Dutta shared some details regarding the projects approved under the MKCF. Each of the Mekong countries have their own project approved, plus one for the whole Mekong region concerning the whole CLMVT, totaling to six projects to be implemented. Mr. Dutta further explained the rest of TIF Department's projects, including the IDRC's Making Trade Work for Small Producers in Southeast Asia's Least Developed Countries.

Dr. Watcharas continued by briefly mentioning the rest of long term projects, including China/CSG's Capacity Building on GMS Power Grid Interconnection, three projects approved from the Thailand International Cooperation Agency (TICA), and YASTD's GMS Strategy Research Base and GMS Technological Innovation and Technology Transfer Base. Mr. Pawar added some details of YASTD's project, including its objectives.

Dr. Watcharas also mentioned about maintaining USAID's Lower Mekong Initiative Food Security Donor Mapping Database, which was completed in 2015 but is still currently being maintained, and the Development of a Strategy and Action Plan for Promoting Safe and Environment-friendly Agro-based Value Chains in the Greater Mekong Sub-region, which was a new and ongoing partnership with the ADB.

Ms. Medialdia added more on the ADB project. She mentioned that the ADC department of MI was tapped to be part of the drafting committee for the abovementioned strategy and action plan, and was likewise responsible for Pillar 3 of the strategy on Knowledge Creation, Sharing, and Dissemination. ADC was also asked to help write a policy paper on "Towards Harmonizing

Food Safety Systems and Increasing Market Access in the Greater Mekong Sub-region”, which was presented during the 2017 Thaifex World of Food Asia in Bangkok. Ms. Medialdia outlined some of the contents of the said paper, including the challenges faced by the region in terms of food safety, as well as some proposed solution such as adopting the risk-based approach to food safety, and most importantly, harmonizing policies within the region.

Dr. Narongchai then pointed out the importance culture plays in food safety. He added that a change of eating habits, in the case of Thailand for instance, is of high importance in attaining food safety. Mr. Virasac Somphong commented that some cultures, however, are very hard to change, as in the case of Lao PDR.

Furthermore, Dr. Watcharas talked about a couple of MoUs signed during the last six months, as well as some customized training programs organized by MI. He also asked Mr. Dutta to share more about the GMS Transport Information Connectivity Initiative, which is a partnership with the PRC.

Dr. Narongchai commented on one of TICA’s three projects, which is in Labor Migration Management in the GMS. He highlighted that one of the most pressing issues for Cambodian laborers is the migrant workers’ passport application procedure. He then urged TICA to continue providing assistance to improve the efficiency of Cambodia’s passport application process, and asked H.E. Mr. Chea Chantum to seek assistance from TICA to work on this.

H.E. Mr. Chea Chantum shared some issues that they face in terms of the issuance of passports in Cambodia, especially the high cost of acquiring it. Ms. Sayan Kongkoeay commented that Thailand’s side is amenable to more discussions regarding this issue.

As there are no more further comments, everyone proceeded to the next agenda.

The Steering Committee acknowledged MI’s Project’s Reports.

5.1.2 Administration and Finance Report

Dr. Watcharas provided updates regarding MI’s administration. He stated that as of June, 64 staff members work in MI, including those under special service agreement (SSA). He also mentioned that five staff have resigned/were terminated during the past six months. There were also nine new staff members hired during the first half of the year.

Dr. Watcharas then added that some of the staff have attended various capacity building initiatives over the past six months.

As there were no more comments, the Steering Committee members proceeded to MI’s financial report.

According to Ms. Phinyada Foytong, Finance Manager of MI, the total revenue of MI for the first six months of 2017 is 1,523,213 USD, while the total expense is 1,452,176 USD. This gives MI a surplus of 70,755 USD (5% of the total revenue), meaning it has achieved 35% of its target total revenue.

In terms of assets and liability in fund, MI has a total asset and liability and equity amounting to 5,097,286 USD. The amount of equity is 2,224,800.00 USD.

Dr. Narongchai reiterated that MI has achieved 35% of its target for the year. He then requested the rest of the committee to provide comments.

As there were no other concerns, the Chairman proceeded to the next agenda.

The Steering Committee acknowledged MI's performance on the Operations Report for January 2017 – June 2017.

5.2 Relationship with Development Partners

Dr. Watcharas then presented the highlights of MI's relationship with development partners. He highlighted the current projects and results of the partnerships with the following: Asian Development Bank (ADB); the Chinese Government; Energy Policy and Planning Office (EPPO); International Development Research Center (IDRC), Canada; International Institute for Trade and Development (ITD); Ministry of Commerce (MOC), Thailand; Ministry of Foreign Affairs, Republic of Korea; New Zealand Aid Programme (NZAP); Swiss Agency for Development and Cooperation (SDC); Swedish International Development Cooperation Agency (SIDA); and Thailand International Cooperation Agency (TICA).

Ms. Medialdia explained a bit more about the project with SIDA, which was about climate change, human rights, and gender empowerment. She shared that the ADC Department came up with a proposal for a five-year project which was submitted to SIDA two weeks ago.

The Steering Committee acknowledged MI's relationship regarding Development Partners.

5.3 Monitoring and Evaluation Midterm Report

Dr. Watcharas presented the MEL Department's mid-year report. He stated that MEL is on track in terms of achieving its targets, except for some, such as HCB 1.3 (# of participants reporting increase in knowledge and skills) and HCB 1.6 (# of technical assistances provided according to action plan). He said the challenge for HCB 1.3 was following up with the participants after they come back from the training, which he promised MI would work hard more for in the future.

Mr. Qinfei added some more from Dr. Watcharas' presentation. He briefly explained about the current MEL system in place, which includes targets on two main aspects: HCB (Human Capacity Building) and BEE (Building Enabling Environment). He highlighted that targets set for the outcome level (intermediary) are being achieved at a good rate, as compared with last year.

The Steering Committee acknowledged the Monitoring and Evaluation Midterm Report of MI for 2017.

5.4 Review of Steering Committee and Council Meeting 2/2016 Recommendations

Dr. Watcharas explained some of the recommendations received from the previous Governing Board meetings as well as their status, as detailed in the following table:

Subject	Person	Recommendation	Status
Fund Management and Spending	Mr. Songkane Luangmuninthone	<ul style="list-style-type: none"> Suggested for project spending to be monitored and evaluated in relation to the effects and benefits it delivers to the 	O

		beneficiaries	
Political Sensibility and Partnerships with Other Country	Mr. Li Hong	<ul style="list-style-type: none"> Suggested for MI to halt any partnership with Taiwan, China 	C
		<ul style="list-style-type: none"> Suggested for MI to consult with all GMS governments first before getting into any agreement or partnership with other non-GMS countries 	C
		<ul style="list-style-type: none"> Urged MI to always refer to Taiwan as “Taiwan, China” 	C
Study Leave	Ms. Sayan Kongkoey	<ul style="list-style-type: none"> Suggested for MI to have a back-to-work contract for staff member who took study leave, which states that he or she could only be gone for a certain time period, after which MI cannot guarantee a position vacancy for him or her anymore 	C
Secondment	Dr. Narongchai Akrasanee	<ul style="list-style-type: none"> Suggested for MI to organize a Secondment Program quite similar to that of the YGMS 	O
Finance Terminologies	Dr. Narongchai Akrasanee	<ul style="list-style-type: none"> Asserted that the terms “profit and loss” should not be used by an IGO such as MI, and should therefore use “surplus and deficit” instead 	C
Office Renovation	Dr. Narongchai Akrasanee & Mrs. Jitkasem Tantasiri	<ul style="list-style-type: none"> Suggested for MI to conduct another fund-raising activity for the office renovation, as what was done for the MI Annex building 	O
Revision of Operation Manual HRP-014 on Performance Appraisal	Dr. Narongchai Akrasanee	<ul style="list-style-type: none"> Suggested that the three-step salary increase can only be given to directors who generate surplus 	C/O
		<ul style="list-style-type: none"> Further suggested for the directors’ KPI to include generating surplus 	C/O
MI’s Publicity and Visibility	Mrs. Jitkasem Tantasiri	<ul style="list-style-type: none"> Suggested for MI to advertise via national television 	O
	Mr. Songkane Luangmuninthone	<ul style="list-style-type: none"> Suggested for MI to link its website to the GMS website 	O
M&E indicator for <i>Participants’ Knowledge and Skills Gain</i>	Mr. Brent Rapson	<ul style="list-style-type: none"> Suggested for MI to set the target for this indicator higher (62%<) 	C
Country Contributions for Operational Plan and Budget 2017	Mrs. Jitkasem Tantasiri	<ul style="list-style-type: none"> Requested for MI to put the exact amount of country contributions in the document 	C
		<ul style="list-style-type: none"> Further suggested for MI to put as remark the date when the currency exchange was made, for transparency 	C/O
MI’s Work in the Region	H .E. Mrs. Pen Sopakphea	<ul style="list-style-type: none"> Suggested for MI to continue working on migration and labor mobility issues 	C/O
	Dr. Kittichai Triratanasirichai	<ul style="list-style-type: none"> Recommended for MI to try and explore relevant new issues such as climate change and renewable energy, as well as those under pharmaceutical sciences 	O
	Dr. Le Van Thuyet	<ul style="list-style-type: none"> Proposed for MI to increase its training participants 	O
		<ul style="list-style-type: none"> Hoped that MI can organize trainings in Quang Tri, so that it can reach more beneficiaries in the province 	O

MI's cooperation with KKU	Dr. Narongchai Akrasanee	<ul style="list-style-type: none"> Suggested the forming of a sub-committee under KKU to work with MI 	C/O
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The Steering Committee acknowledged the Review of Steering Committee and Council Meeting 2/2016 Recommendations.

5.5 Work Plan for July – December 2017

Dr. Watcharas briefly presented the work plan for the next six months of each department, as detailed in the proceeding table:

Development Partners & Number of Activities	Planned Activities
NZAP (8)	ADC (8)
YNPG (2)	ITC (2)
JAIF-SEC (5)	TIF (5)
MKCF (2)	TIF (2)
ROK-MOFA (1)	TIF (1)
Canada – IDRC (1)	TIF (1)
TICA (4)	TIF (1) ITC (3)
Chinese Government (2)	ITC (2)
TPSO-MOC (1)	TIF (1)
EU Switch Asia Program (1)	TIF (1)
EPPO/ITD/YNPG (1)	ITC (1)
Nakhon Phanom Commercial Affairs Office (1)	TIF (1)
Khon Kaen Commercial Affairs Office (1)	TIF (1)
MASHAV (1)	ITC (1)

Dr. Narongchai then requested the program directors present to explain the reasons for not meeting some of the targets set for the first half of the year.

Ms. Medialdia explained that ADC was implementing projects according to plan. Meanwhile, Mr. Dutta elaborated that with JAIF-SEC project, the TIF department has changed their strategy to be implemented for the rest of the year. He also elaborated that the TIF department is currently adding more activities upon finalizing the arrangements under the Lancang-Mekong Cooperation.

Meanwhile, Mr. Pawar explained that ITC's main concern was the lack of staff. However, for the next six months, they are gearing towards exploring more areas for the department.

Dr. Watcharas further requested Mr. Pawar to explain one of its upcoming projects. Mr. Pawar elaborated ITC's projects while stressing that they are also exploring more areas, such as science and technology, electronics, and innovation. He is expecting these areas to contribute more to the department's outputs.

The Steering Committee acknowledged the Work Plan for July – December 2017.

5.6 Vehicle Procurement

Dr. Watcharas explained that at the MI Council meeting 2/2016, MI proposed to buy a Hyundai Starex VIP at the price of 45,100 USD, which was consequently approved by the Council. However, upon consultation, the supplier said it would be better for MI to get the Toyota Vellfire instead. The Vellfire, whose price is at 45,307.96 USD, is larger, has bigger seating capacity, and better after sales service compared to the Hyundai Starex.

Finally, MI decided to purchase the Toyota Vellfire partly using the money earned from selling its old Toyota Estima. The old Toyota Estima was sold at 28,762.34 USD, which is 7,556.3 USD higher than the expected selling price of 21,000 USD. Overall, the net expense incurred is lower than what was initially proposed, with a difference of 7,554.38 USD.

Dr. Watcharas then requested the Steering Committee to acknowledge this change.

The Steering Committee acknowledged the report regarding the Vehicle Procurement.

5.7 Progress on the Renovation of MI Building (Office Space)

Earlier during the MI Council meeting 2/2016, the Council agreed to approve the renovation of the MI building (office space) depending on the financial status of Mekong Institute. MI would then like to proceed with the renovation. The proposed construction would begin in September, with a duration of six months ending in February 2018.

Dr. Watcharas then presented pictures of the renovation plan design, as well as the timeframe for the renovation.

Dr. Narongchai reiterated that the renovation would push through depending on the organization's financial performance.

The Steering Committee acknowledged the report regarding the Progress on the Renovation of MI Building (Office Space).

ITEM 6: MATTERS FOR CONSIDERATION

6.1 MI Audited Financial Report 2016

The Chairman requested Ms. Foytong, MI Finance Manager, to present the Audited Financial Report for 2016.

According to Ms. Foytong, the total revenue for the year 2016 is 3,081,018 USD, while the total expense was 3,138,626, giving an MI a deficit of 57,608 USD. She then presented a comparison of revenue (proposed budget and actual budget) for 2016.

Finally, she confirmed, through a report from KPMG Independent Auditors' Report, that the financial statements are prepared, in all material aspects, and in accordance with accounting policies as described in the financial statements.

Dr. Narongchai then pointed the attention of the Steering Committee members to the Statement of Financial Position of MI. He emphasized that this was verified by an auditor, and reiterated that MI made a deficit last year, citing the hiring of an external auditor as reason for such.

He then turned the attention of everyone to the section on Audit Misstatements – Corrected and Uncorrected Audit Misstatements. He explained that according to KPMG, the uncorrected audit misstatement is not significant, and therefore this does not impact their final conclusion.

He also emphasized the section on Events after the Reporting Period, where it was reported that there are no significant events after the reporting period that may require adjustment to, or disclosure in, the financial statements.

Dr. Narongchai also highlighted that the KPMG is only going to sign the document after it was approved by the Council the following day. In addition, Dr. Narongchai would likewise request the Council to authorize Dr. Watcharas, MI Executive Director, to sign the document on behalf of the organization.

These steps are being taken in accordance with the Charter. According to the Charter, the full audit report shall be submitted to the Council for its consideration, upon the recommendation of the Steering Committee.

The Steering Committee agreed to endorse the MI Audited Financial Report 2016 and submit it to the Council for final approval.

6.2 Budget Revision 2017

Dr. Watcharas afterwards proceeded to the proposed budget revision for 2017, which is being proposed in order to achieve the targets by the end of the year. He then invited Ms. Foytong to elaborate further.

Ms. Foytong explained that from a 4,395,247 USD budget, MI is requesting for a revision of 4,196,863 USD, which is lower than the budget proposed earlier. Meanwhile, expenses would also go down from 4,115,150 USD to 3,957,106 USD, giving MI a total surplus of 189,739 USD, which is still 5% of the total revenue.

Dr. Narongchai then requested the rest of the Steering Committee members for comments. He afterwards asked the Steering Committee whether or not it is acceptable for them to attain a surplus of 189,739 USD, instead of the earlier proposed 240,097 USD.

Mr. Li Hong then asked for clarification if the incoming projects from new partners are already reflected in this financial statement. Dr. Narongchai answered that as those are already confirmed, they are shown under the Section on Revenue from Additional Activities during the Year.

The Steering Committee agreed to endorse the 2017 Budget Revision to the Council for final approval.

6.3 Executive Director Performance Evaluation and Term of Office

Dr. Narongchai requested everyone to observe the closed door policy for this deliberation. Everyone then went outside while the committee evaluated Dr. Watcharas' performance as Executive Director.

ITEM 7: COUNTRY REPORTS OF STEERING COMMITTEE MEMBERS

Cambodia: H.E. Mr. Chea Chantum

First, Mr. Chea Chantum thanked MI for its continuous support in Cambodia. Secondly, he mentioned that as it was the end of his term, he would like to request MI to provide him with the minutes of all the Governing Board meetings for the past two years, so he can inform his Minister about MI's progress. Thirdly, he wanted MI to review not just the activities accomplished for the year, but also look at critical issues happening in the GMS countries—such as food safety and those involving crossborder workers—and ways on how MI can help address them. He added that the GMS countries and MI could still improve its cooperation.

He then cited the food safety issue, stating that some food safety issues only cause conflicts between countries. He added, however, that these are opinions which are subject to further discussion.

He also suggested for MI to reserve some budget for special cases and issues in the countries. Lastly, he highlighted that MI should be more fair to each GMS countries in terms of providing opportunities to work in MI. He also followed up on the issue of secondment that was discussed during the Governing Board meetings last December 2016.

He thanked MI, and cited that if he has the chance to work again with MI as part of the Steering Committee, he would gladly accept it.

Dr. Watcharas shared that a newly proposed project on secondment for a six-month period would hopefully address Mr. Chantum's concern on hiring staff in each GMS countries.

P. R. China: Mr. Li Hong

Mr. Li Hong first thanked Dr. Watcharas for the arrangement of the meeting, which clarifies MI's activities and accomplishments. He likewise thanked MI for its active participation and positive contribution to the international cooperation forum held in Beijing in May. He added that China appreciates MI's partnership with them, citing the Belt and Road initiative as a good opportunity for better development in the region. He requested MI to make use of this good opportunity to work under this initiative.

Thirdly, he mentioned that the Lancang-Mekong Cooperation has been put into operation. He is glad to learn that a representative from Lancang-Mekong Secretariat will attend the Mekong Forum this year, as this is a good chance to discuss about potential future cooperation. Lastly, he expressed his appreciation of the operational reports of MI. However, he wanted to better understand the challenges that MI faces, which will enable the Steering Committee to provide guidance. He highlighted that the Steering Committee plays a very important role in guiding the institute, which should therefore be utilized.

Lao PDR: Mr. Virasac Somphong

Mr. Virasac Somphong thanked MI for the arrangement of the meeting. He then proposed to MI to continue supporting the implementation of project on human resource development for its member countries, since MI is one of the key important institutions in the GMS in terms of capacity building and financial mobilization. He also proposed for MI to organize more in-country

trainings in order to increase the number of participants, and cited that Lao PDR is ready to collaborate with MI in meeting its objectives.

He then expressed his appreciation for MI in working with each member country, and suggested for MI to work more closely with its CAs for better monitoring.

Myanmar: Mrs. Moh Moh Naing

Firstly, Ms. Moh Moh Naing thanked MI for hosting the meeting, and the Thai Government for their hospitality to all representatives. She also expressed her appreciation to the committee for letting her attend the meeting on behalf of the Steering Member.

She further added that human resource development plays a leading role in the region. In this regard, she informed all Steering Committee members that the Government of Myanmar adopted the 12 points of Economic Policies in October in 2016, and one of these policies is fostering human capital that will be needed for the emergence of a modern developed economy, and improving and expanding vocational education and training.

Furthermore, Myanmar is also trying to achieve another important policy, which is on identifying the changing and developing business environment both in ASEAN and beyond. The rise of the ASEAN Economic Community (AEC) signals a new chapter in the region's connectivity, and therefore, cross-border trade continues to play a more important role for the GMS with even closer economic cooperation in the years to come. She then highlighted the need to foster closer economic ties between the GMS, ASEAN, and beyond.

She likewise suggested for MI to continue its work on human capacity development in the concerned sectors of the member countries, since MI is one of the key important institutions in the GMS. She added that MI should also keep all coordinating agencies (CAs) informed on every activity.

Finally, she expressed her gratitude to the MI Secretariat for organizing the meeting and to the development partners for providing their generous support. She congratulated MI for its successful activities, and hopes for more successful programs. She added that Myanmar is willing to fully cooperate with MI.

Thailand: Ms. Sayan Kongkoey

Ms. Sayan Kongkoey informed the Steering Committee members that last week, their organization received a message from ADB that they will no longer support the Working Group on Human Resource Development (HRDWG) under the GMS cooperation framework. ADB said that there is currently no demand from the HRDWG either in the labor, social development, or education subsectors, and that only the health sector has demand from the member countries.

She then discussed its implication to MI's role, citing two points:

1. There is a need to utilize some existing platforms to consult with the GMS countries on their issues of interest. She expressed her agreement to H.E. Mr. Chea Chantum's suggestion earlier that MI needs to propose specific issues to be addressed in the GMS member countries. Although the GMS is lucky to still have the ACMECS cooperation framework with seven working groups, including WGHRD, it may still be useful if the Mekong Forum could be a platform for member countries to single out issues of concern,

leading to collective solution based on the competency and expertise of MI. As for the workplan under the bilateral cooperation with Cambodia, Myanmar, and Lao PDR, she added that they conduct annual consultations for its realization, but they currently lack the platform to discuss specific issues of concern among the GMS countries where MI can assist.

2. TICA, as the national HRDWG focal point, sees HRD as an important factor in advancing the GMS countries' socio-economic development. She said that although MI should still put importance to human capital, by now it should also realize the need to expand its activities on development cooperation across the region, including other ASEAN member countries. She further suggested for MI to incorporate various important development issues in its activities that would truly contribute to long-term sustainable development in the GMS member countries and around the world. Finally, she reiterated that MI should look into working on cross-regional initiatives without compromising its important role in human capacity-building in the GMS.

Vietnam: Mr. Duong Hung Cuong

Mr. Duong Hung Cuong mentioned that MI has a very important role in the development of Vietnam as an official capacity-building organization managing the GMS countries, and that they are confident that MI will be successful in obtaining the targets for the next months. He added that Vietnam celebrates its 25th year of being a member of the GMS in September 2017, stating that Vietnam has immensely progressed throughout the years. This development is attributed to MI's initiatives.

Following this, he then suggested for MI to more carefully review the needs of each GMS country, before proposing projects with the development partners. In addition, he mentioned that MI should convey these needs to the CAs in order for the latter to coordinate better with their ministries. This assistance should result to the efficient implementation of the in-country workshops and trainings.

He also expressed his support to Cambodia's suggestion in giving more opportunities for government officials to work with MI. He also added that he will continue to be the Steering Committee member for Vietnam for the next two years.

Mr. Cuong also indicated that Vietnam's country contribution will be transferred to MI in August 2017. He afterwards apologized for this delay, which is due to internal procedures within their government.

ITEM 8: DATE AND VENUE OF NEXT MEETING

Dr. Watcharas proposed that the next Governing Board Meetings be held in the week of December 12-15 in Thailand. The exact venue and dates shall be discussed later.

ITEM 9: OTHER MATTERS

No other matters were discussed and the Steering Committee Meeting adjourned at 17:15 hours.