



**MEKONG  
INSTITUTE**

# **MEKONG INSTITUTE** ANNUAL REPORT 2019









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# MESSAGE



## **Mrs. Nguyen Yen Hai**

Council Chairperson, Mekong Institute



Delivering lasting development change to our people is at the heart of what we do.”

As such, the MI Council represented by the governments of Cambodia, People’s Republic of China, Lao People’s Democratic Republic, Myanmar, Thailand, and Vietnam are invested in steering MI’s development work, as its success builds on the progress we have accomplished in our national and regional agenda.

In 2019, MI supported our countries’ development priorities. From harnessing young Greater Mekong Subregion (GMS) professionals into leaders, contributing to peace-building in Myanmar, boosting intra-regional trade activities, establishing collaborative platforms for the ease of cross-border movement, to empowering communities and small- and medium-sized enterprises to thrive in local and regional markets, MI played a pivotal role in building a cadre of technically equipped GMS nationals who are strengthening institutions, enhancing governance, and delivering more efficient services to its people.

These successes were made possible because of strong partnerships. The conglomeration of governments, MI, international development partners, universities, business groups, and communities working together to promote socioeconomic development, alleviate poverty, and foster deeper collaboration are testaments to the merits of regional cooperation and integration. It is in this context that MI stands—today and in many years ahead—as a highly relevant partner in aiding the operationalization of cohesive and collaborative work as underpinned in the tenets of regional cooperation mechanisms such as the Lancang-Mekong Special Cooperation Special Fund and the Mekong-Republic of Korea Cooperation Fund.

As we continue to address ways forward to deepen our connectivity, strengthen our market competitiveness, and establish a greater sense of community in the subregion, the Council remains at the helm guiding MI’s strategic development course to broaden the impacts of its tailored capacity building, research development, dialogue-sustaining efforts. This is because MI’s contributions will help us stand shoulder-to-shoulder with other countries in meeting the demands of a fast-paced and technologically advanced global market for the growth and prosperity of our people.

# MESSAGE



## **Dr. Narongchai Akrasanee**

Steering Committee Chairman, Mekong Institute



MI's mission is clear: help accelerate socioeconomic development, alleviate poverty, and foster deeper regional cooperation in the GMS through human resource development and capacity building investments.”

In working to deliver these results, MI has earned its reputation as a responsive, results-oriented, project-delivering vehicle since its formation 23 years ago. This was reflected in 2019 as MI diversified its portfolio of services, widened international and regional partnerships, and upgraded operational and financial management systems to deliver more targeted country-specific solutions, operational innovations, and evidence-based research studies.

From this trajectory, MI is well-positioned to magnify the scope and scale of its services as it prepares its strategic development direction for 2021 to 2025. By leveraging its regional experience, pool of expertise, and convening power, MI is equipped to harness abilities of GMS member countries in unlocking their potentials and resources to better adapt to emerging development trends in technological innovation and to keep pace with the evolving demands of a digital global economy.

Establishing and sustaining such feats will require deeper support and collaboration from the countries MI serves and represents. By converging our knowledge, proficiencies, and reach, we can collectively narrow social divides, further modernize policies and systems, strengthen public service deliveries, widen opportunities for entrepreneurship, and generate employment to realize our long-held aspirations for an integrated, harmonious, prosperous, and equitable GMS.

Much more work remains to be done by the Steering Committee and the 52-member MI team to push this vision forward. But we are confident that with the steady gains achieved thus far and with the continuing commitment of our partners, the path towards an enduring GMS community of shared peace and prosperity is within reach.



# MESSAGE



## **Dr. Watcharas Leelawath**

Executive Director, Mekong Institute



At MI, we believe that achieving sustainable socioeconomic development and deeper regional cooperation in the GMS rests on empowering people.”

Beginning in 1996, we have built leaders and champions who are now making inroads in addressing food security, stimulating local markets, facilitating trade and investment, promoting climate change action, and building connective power and energy.

In 2019, our endeavors have enhanced the capacities of 15,074 more government, academic, business group, and private sector representatives to advance agricultural development and commercialization, trade and investment facilitation, and innovation and technological connectivity in their home countries. This progress, along with the expansion of our technical services, growing pool of partners, and operational advancements, was made possible with the support of governments and international development organizations, whose generous guidance and steadfast confidence in our contributions we acknowledge with gratitude.

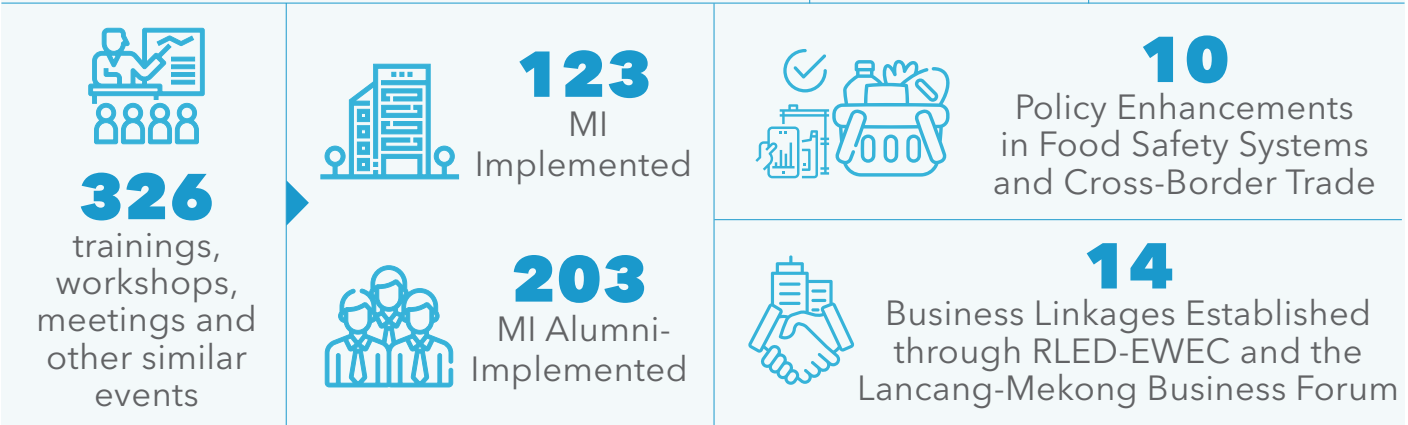
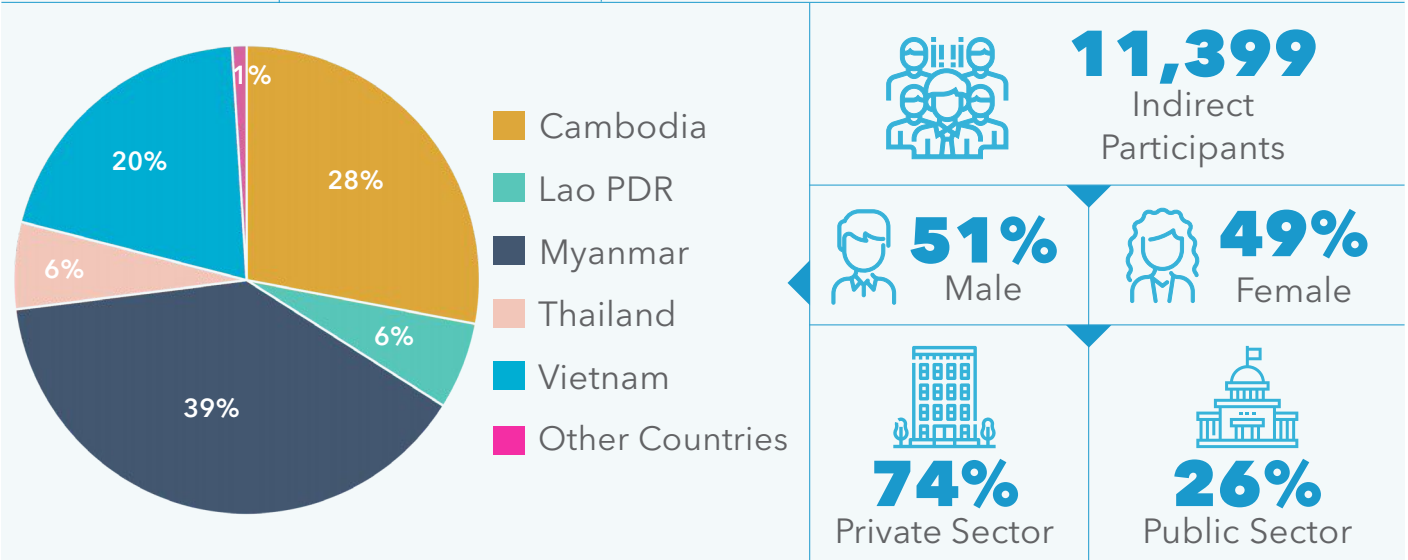
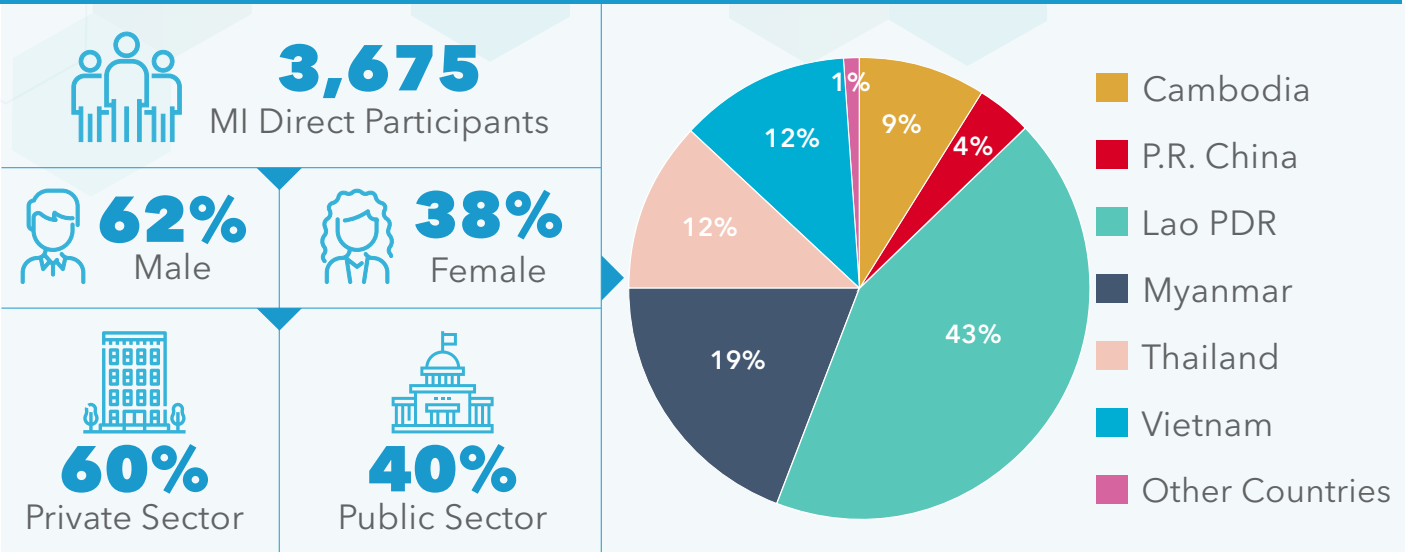
Moving forward into the next decade, we will further sharpen our program strategies and operational systems, which will be reflected to account in MI's Strategic Plan 2021-2025. As the fund and program manager of the Mekong-Republic of Korea Cooperation Fund and trusted implementor of numerous projects under the Lancang-Mekong Cooperation Special Fund, we will develop more holistic solutions and outcomes well beyond the boundary of singular projects. Whether it be in helping communities and small- and medium-sized enterprises excel in local economic development, instilling resiliency in food safety management, or fostering economic corridor development, MI remains resolute in producing development work that delivers and matters.

This year has brought closures and new beginnings to MI. After the six-year run of the Swiss Agency for Development and Cooperation-supported Regional and Local Economic Development-East West Economic Corridor project, we leave farmers and business groups in Khammouane and Savannakhet Provinces in Lao PDR, Kayin State in Myanmar, Quang Tri Province in Vietnam better armed to thrive in the competitive rice, maize, and coffee value chain markets. With the launch of web portals, convening of dialogue-sustaining platforms, facilitation of knowledge sharing sessions, and release of evidence-based studies, we close 2019 witnessing MI alumni implement high-impact action plans, jumpstart e-commerce businesses, harmonize policies and regulations, and forge deeper regional synergies. As we enter 2020, we look forward to rolling out new projects with nine development partners to multiply these collective hard-won development gains in building a stronger, progressive, and resilient GMS.

# ABBREVIATIONS AND ACRONYMS

<b>ASEAN</b>	Association of Southeast Asian Nations
<b>ADB</b>	Asian Development Bank
<b>B2G</b>	Business-to-Government
<b>CBEZ</b>	Cross-Border Economic Zones
<b>CBTA</b>	Cross-Border Transport Agreement
<b>EWEC</b>	East West Economic Corridor
<b>EZ</b>	Economic Zone
<b>GAP</b>	Good Agricultural Practices
<b>GMS</b>	Greater Mekong Subregion
<b>GTICS</b>	Greater Mekong Subregion Transport Information Connectivity System
<b>Lao PDR</b>	Lao People's Democratic Republic
<b>MKCF</b>	Mekong-Republic of Korea Cooperation Fund
<b>MLC-NSC</b>	Mekong-Lancang Cooperation-National Secretariat of Cambodia
<b>MLCSF</b>	Mekong-Lancang Cooperation Special Fund
<b>MI</b>	Mekong Institute
<b>MIYSP</b>	Mekong Institute Young Scholars Program
<b>NZAP</b>	New Zealand Aid Programme
<b>P.R. China</b>	People's Republic of China
<b>PROSAFE</b>	Promoting Safe Food for Everyone
<b>RLED-EWEC</b>	Regional and Local Economic Development-East West Economic Corridor
<b>SEZs</b>	Special Economic Zones
<b>SME</b>	Small- and Medium-Sized Enterprise
<b>SDC</b>	Swiss Agency for Development and Cooperation
<b>TICA</b>	Thailand International Cooperation Agency

# 2019 MI PERFORMANCE HIGHLIGHTS



## Contribution to Sustainable Development Goals





# 2019 MI ACTIVITIES AT A GLANCE

## January

Capacity Development Program on Strategic Management to Labor Migration in the GMS: Addressing the Challenges through Good Practices (January 14-25, 2019)



## March

Regional Training of Trainers on Food Safety Promotion (March 11-15, 2019)

Rural E-Commerce Development in Lancang-Mekong Countries (March 25-29, 2019)



## February

Synthesis and Evaluation Workshop on the Management of Special Economic Zones in Lancang-Mekong Countries (February 12-13, 2019)

B2B Meeting on CBTF between Tak and Myawaddy (February 21, 2019)

## April

Business to Government Dialogue (B2G) Khammouane, Nakhon Phanom and Quang Binh (April 10, 2019)

Basic Facilitation Skills and Regional Cooperation Concepts (April 29 - May 3, 2019)



## June

Regional Training Program on Raising Public Awareness for Safe Food Consumption (June 3-7, 2019)

Modular Training on Project Management and Evaluation of Sub-Regional Development Projects (June 24-28, 2019)



## May

G4 Ambassadors' Visit of EWEC Project Site in Quang Tri (May 20, 2019)

International Training Program on Green Freight and Logistics Development (May 20-31, 2019)



## July

The Joint Mekong Forum and GMS Logistics Forum (July 24-25, 2019)

Training and Field Practicum on Logistics and Supply Chain Management (July 17- August 14, 2019)



## August

Gender Equality and Women Empowerment: Sharing Good Practices and Experiences of Thailand (August 20 - September 2, 2019)

Workshop on Enhancement of Business Connections and Information Sharing among Special Economic Zones in Lancang-Mekong Countries (August 26-30, 2019)

## September

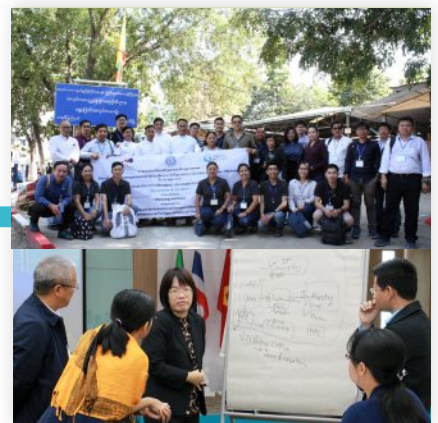
Regional Training Program on Food Safety Emergency Management in the Supply Chain (September 2-13, 2019)

Workshop on Power Market Construction and Development (September 25-26, 2019)



## October

Regional Training on Communication Skills Capacity Building for Regional Cooperation and Integration in the Lancang-Mekong Region (October 14-24, 2019)



## December

Modular Training on Information Requirements for Special Economic Zones in Lancang-Mekong Region (December 16-19, 2019)



## November

Strategic Management to Labor Migration: Addressing the Challenges through Good Practices (November 4-10, 2019)

Consultation Workshop on Technology and Innovation Policy Development in the Lancang-Mekong Region (November 18-20, 2019)



# ABOUT MEKONG INSTITUTE



**MI** is an intergovernmental organization that provides integrated human resource development, capacity building, and development support to deepen regional cooperation in the GMS. It works closely with governments, development partners, universities, and non-government organizations in delivering customized learning programs, workshops, seminars, policy consultations, research studies, and monitoring and evaluation projects.

Founded and represented by Cambodia, P.R. China, Lao PDR, Myanmar, Thailand, and Vietnam, MI's goals and strategies are guided by the GMS Cooperation Program and the ASEAN Economic Community to accelerate sustainable socioeconomic development and poverty alleviation. MI supports the mission of these regional frameworks through the implementation of projects and activities across three specialized areas in Agricultural Development and Commercialization, Trade and Investment Facilitation, and Innovation and Technological Connectivity, while addressing cross-cutting issues of gender equality, environmental sustainability, and labor migration to cement holistic and sustainable development impacts in the region (see **Box 1. MI Thematic Development Areas**).

## Box 1. MI Thematic Development Areas



### Agricultural Development and Commercialization

- Supports farmers to shift from subsistence to modernized and commercial farming by introducing Food Safety Standards, Good Agricultural Practices and effective post-harvest systems
- Promotes value added in agricultural production and processing
- Contributes to agriculture policy development and restructuring
- Conducts research and field studies on emerging agriculture-related subjects (e.g., benefits of smallholder farmer integration into cross-border contract farming and regional value chains)



### Innovation and Technological Connectivity

- Introduces innovations to address challenges in priority sectors such as power and energy
- Promotes access to sustainable energy and transportation infrastructure, as well as financial and communication services
- Establishes mechanisms for public and private partnerships to jointly promote technological connectivity in innovative ways
- Enhances capacities of governments to develop sound innovation and technology policies



### Trade and Investment Facilitation

- Strengthens capacities of governments and the private sector in trade promotion and investment facilitation
- Supports the integration of SMEs into regional and global value chains
- Enhances competitiveness of the logistics sector
- Creates business information service platforms to widen networking among business groups and companies in local, regional, and international markets
- Promotes foreign direct investments and other business links

Considered one of the longest-running<sup>1</sup> and established development institutions in the GMS, MI has a Council and Steering Committee that oversee the strategy, implementation, and evaluation of its programs and activities. Its Council is presently chaired by the Government of the Socialist Republic of Vietnam. Since 2007, government partners have contributed USD 5,731,869 million thus far to MI (see **Figure 1. MI Government Founders**).

**Figure 1. MI Government Founders**



Cambodia



P.R. China



Lao PDR



Myanmar



Thailand



Vietnam

<sup>1</sup>MI was formally established in 1996.



# EXECUTIVE SUMMARY

The 2019 Annual Report provides a comprehensive accounting of MI's operations, activities, and financial performance.

It also presents the progress of MI's strategic efforts in accelerating socioeconomic development and deepening regional integration and cooperation through human resource development, capacity building, and research development investments in Cambodia, P.R. China, Lao PDR, Myanmar, Thailand, and Vietnam.

When combined, these efforts have contributed to:



**Sustaining a food safety culture** in Cambodia, Lao PDR, Myanmar, and Vietnam by enhancing national and local food safety and postharvest management system expertise and strengthening public-partnerships to advance food safety regimes through policies, standards, regulations, and practices.



**Setting the foundation for inclusive and equitable agricultural growth** by empowering smallholder farmers and small- and medium-sized enterprises (SMEs) in remote communities of Khammouane and Savannakhet Provinces in Lao PDR, Kayin State in Myanmar, Quang Tri Province in Vietnam to better access rice, maize, and coffee commercial value chains.



**Greening and linking the logistics sector** by honing capacities of government and private sector representatives to meet "green mark" certification standards; introducing best practices to institutionalize cost-efficient transport services while reducing carbon footprint; and widening access to environmentally-friendly technologies and GMS transport and logistics company profiles, services, products through the E-Database on Green Logistics Technologies and Network Platform ([www.logisticsgms.com](http://www.logisticsgms.com)).



**Facilitating efficient cross-border movement of people and goods** by advancing skills in Special Economic Zone and Cross-Border Economic Zone promotion and management; ushering customs modernization, easing bureaucratic red tape and fees; supporting the harmonization of cross-border policies, regulations, procedures and regulating frameworks between bordering countries; and broadening dissemination reach of country-specific Economic Zone (EZ) facilities, infrastructure, and services through the EZ Information System Portal ([www.lmezs.com](http://www.lmezs.com)).



**Boosting intra-regional trade in the GMS** by strengthening entrepreneurial capacities; facilitating multilateral and bilateral business partnerships; introducing modern trading innovations; and promoting rural e-commerce.



**Enhancing regional collaborative development action** in the areas of culture and tourism; agriculture and rural development; information, communication and technology; non-traditional security challenges; human resource development; infrastructure; and the environment through the fund and project management of the Mekong-Republic of Korea Cooperation Fund.



**Fortifying regional collaboration** by helping operationalize regional mechanisms such as the Lancang-Mekong Cooperation Special Fund across government agencies at the national level, as well as connecting government, private, and academic stakeholders to attain a higher level of cohesion in the planning, implementation, and monitoring of GMS projects.



**Contributing to positive climate change action** by producing evidence-based studies in adapting to and mitigating climate change risks and flow fluctuations in the Mekong River to help governments and riparian communities better prepare against extreme weather events and climate change scenarios.



**Reinforcing energy and technological interconnectivity** by building capacities of power fellows to create an enabling regulatory energy framework, establish regional power grid interconnection, promote cross border power; and by establishing a strategic collaborative network of government officials, academics, and scientists to consolidate and address innovation technology policies and needs to strengthen government services.

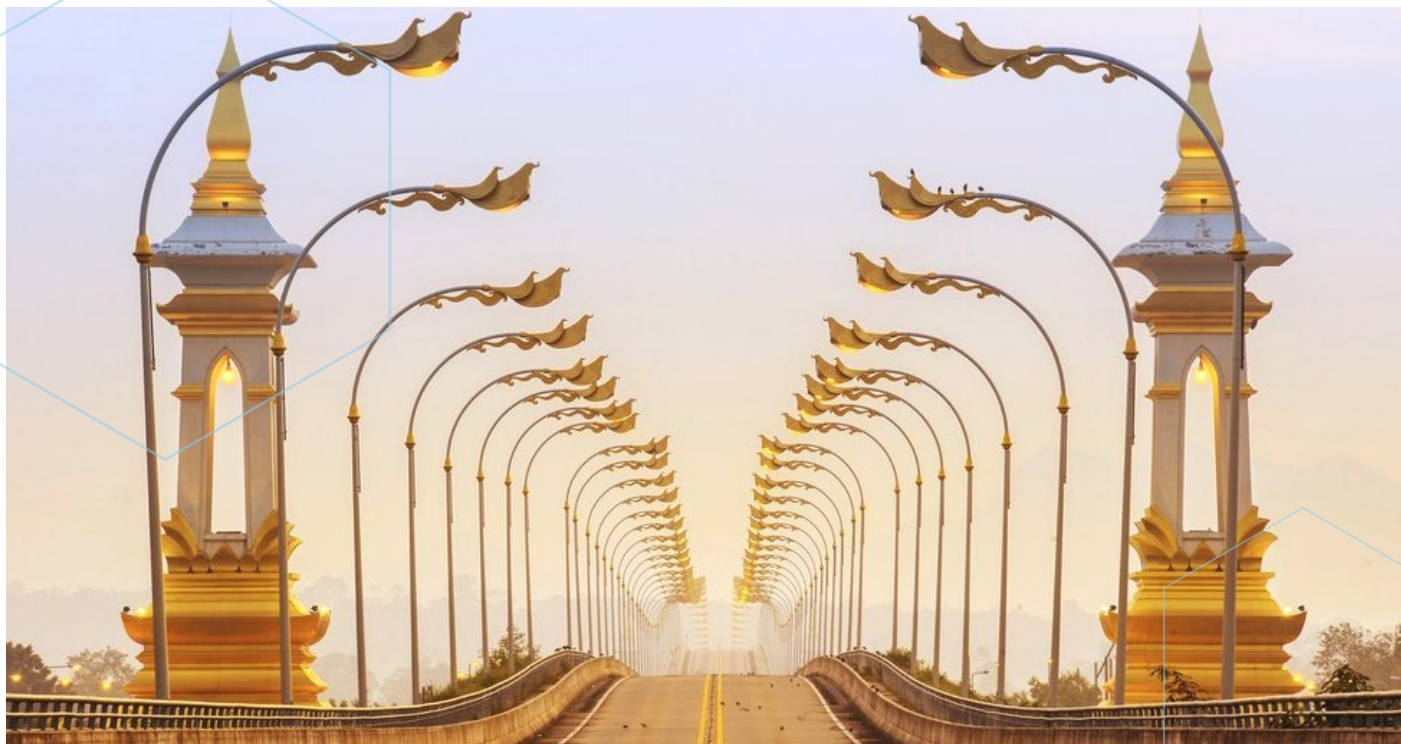


**Fostering employment and employability** by facilitating discussions between university students and companies and by helping synchronize the Cambodia, Lao PDR, Myanmar, and Vietnam workforce with the demand of the Thailand labor market.



**Building GMS leaders** by harnessing program management, cross-cultural communication, and partnership-building skills of young professionals so they can effectively assume higher technical roles in their countries and contribute to deeper regional integration.

# INTRODUCTION

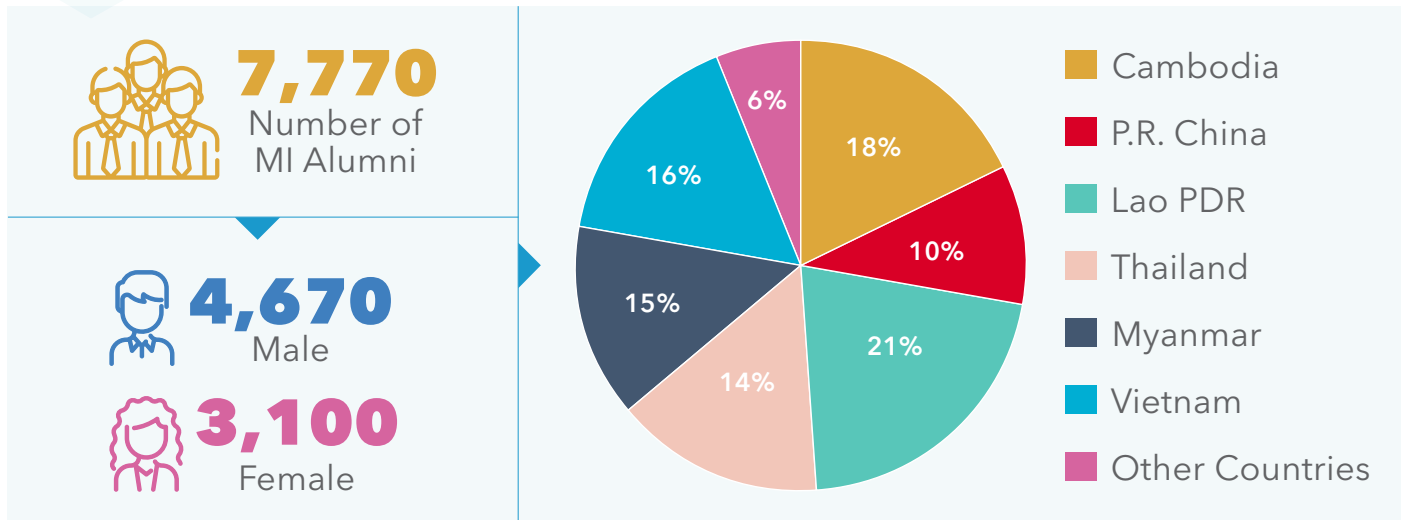


In its 23rd year of implementation, MI continues to adapt, align, and respond to emerging and evolving development priorities and needs of GMS countries to accelerate sustainable economic and social development.

This is exhibited by the array of tailored technical support, innovations, studies, and products it has delivered in the areas of agricultural development and commercialization, trade and investment facilitation, and innovation and technological connectivity (see **Annex 2. 2019 MI Projects**). From designing training curricula, facilitating trainings, establishing dialogue-sustaining platforms, empowering communities and business groups, building bodies of evidence-based researches, advocating policy enhancement, bridging partnerships, introducing innovations to providing specialized monitoring and evaluation services, MI stands at the forefront in deepening meaningful regional cooperation and integration through strategic human resource development, capacity building, and research initiatives.

The fruits of these contributions are evident in its network of over 7,770 MI alumni from 99 countries (See **Figure 2. Number of MI Alumni and Country Representation**). Representing government, academic, civil society, non-government, business, and private sectors, majority of these MI champions are making inroads in strengthening institutions, fortifying governance, addressing food safety, stimulating local markets, facilitating trade and investment, promoting climate change action, and building connective power and clean energy.

**Figure 2. Number of MI Alumni and Country Representation**



Maintaining this trajectory, MI empowered 15,074 more direct and indirect participants across the GMS in 2019 through the implementation of 26 projects and 324 action plans. In partnership with 16 government and international development partners, MI rolled out 123 trainings, workshops, and meetings. It also supported MI training participants in conducting 203 more capacity building and information-sharing activities in their home countries. Thus, expanding knowledge and skills on food safety practices, local economic development, rural e-commerce, technology and innovations, special economic zones, cross-border trade, energy integration, labor migration, communications, gender equality promotion to 11,399 more people in Cambodia, Lao PDR, Myanmar, Thailand, and Vietnam (See **MI 2019 Performance Highlights** on page 8).

Moreover, government and development partner confidence towards MI services were reflected by its expanding list of associations across countries and sectors (see **Figure 3. 2019 MI Government and International Development Partners**) as it secured seven memorandums of understanding<sup>2</sup> and helped SMEs and business groups close 14 business agreements (see **Figures 11 and 16 on page 30 and 42, respectively**). Of note was the growing portfolio of MI services which expanded to research and monitoring and evaluation. In 2019, MI partnered with the Asia-Pacific Development Center on Disability to assess the **ASEAN Home-Town Improvement through Disability-Inclusive Communities Model Project**. It also worked with the Thailand International Cooperation Agency and Japan International Cooperation Agency to evaluate tourism development.

**Figure 3. 2019 MI Government and International Development Partners**



<sup>2</sup> These are partnership agreements between MI and the (a) Ministry of Foreign Affairs, Thailand; (b) National Innovation Agency; (c) Institute of Scientific and Technical Information of the Chinese Academy of Tropical Agricultural Sciences; (d) Thai Beverage Logistics Company, Limited; (e) Cholangiocarcinoma Research Institute; (f) Yunnan Vocational College of Transportation; and the (g) National Center for Socioeconomic Information and Forecast.



MI continued to support policy enhancement through exposure to best practices, highlight of evidence-based studies, and the convening of platforms such as the Mekong Forum, Business-to-Government dialogues, and the Lancang-Mekong Business Forum. These investments in 2019 established common understanding of challenges and opportunities, as well as prompted collaborative action in jointly addressing these. As a result, governments, institutions, and communities enacted ten policy and regulation changes to further the institutionalization of a food safety culture, harmonization of policies, and wider accessibility to information for increased market competitiveness and ease of movement of people, goods, and products across economic corridors (see **Figure 7. Food Safety Policy Progress in Myanmar and Cambodia and Figure 11. RLED-EWEC Collaborative Agreements**).



The Lancang-Mekong Cooperation Special Fund is one of MI's largest partners. In 2019, it supported six long-term projects in the areas of cross-border trade, rural e-commerce development, customs modernization, intra-regional trade, regional cooperation mechanisms, and water resource management.



The Joint Mekong Forum and GMS Logistics Forum 2019 is one of many MI dialogue-sustaining platforms that provide an avenue for multiple stakeholders to interact, discuss, and network for the advancement of the region's development agenda.

In addition, MI's five research studies, one policy brief, and one briefing paper have enriched knowledge base development in water resource management, disaster risk management, rural e-commerce, customs modernization, and regional cooperation mechanisms (see **Figure 4. 2019 MI Research Outputs**). These technical documents, completed through a participative and rigorous vetting process involving national and local stakeholders, presented localized findings and recommendations to cement the foundation of ownership, accountability, and continued action of governments, non-government organizations, and communities long after the completion of MI projects.

**Figure 4. 2019 MI Research Outputs**

Research Outputs	
Research Study	a) "Climate Change Impacts on Water Resources in the Mekong-Lancang River Basin: The Role of Hydropower Projects in Minimizing Associated Uncertainties and Risks"
	b) "Enhancing Data-Sharing Mechanism in the Mekong-Lancang River Basin: Opportunities and Challenges"
	c) "Regional Cooperation Mechanism on Priority Areas Under the Mekong-Lancang Cooperation Framework"
	d) "Customs Modernization in the Lancang-Mekong Countries and Management"
	e) "Management and Promotion of Special Economic Zones in the Lancang-Mekong Countries"
Policy Brief	f) "Platforms for Cooperation in the Mekong-Lancang River Basin: Enhancing Data-Sharing, Joint Studies, and Collaboration"
Briefing Paper	g) "Developing Rural E-Commerce: Trends and Challenges"

## The MI Approach

At its core, MI works towards the creation of a more integrated, prosperous, and harmonious GMS. As such, it harnesses human capital through a modular training approach to expand skills and expertise of GMS nationals so they can strengthen institutions, enhance governance, and deliver more efficient services to its people (see **Figure 5. MI Modular Training Approach**). It also links institutions, people, and markets among and between countries to expand competitiveness, ease trade flows, generate economic growth, and stimulate social development for a more cohesive and stronger subregion.

MI has consistently displayed flexibility and creative innovation as evidenced by the 16 new training curricula developed and the 13 modules refined to fit the technical requirements of training participants in 2019 alone. These qualities are similarly adapted in MI's delivery of other services for optimum project impact. Overall, MI's development process is anchored on three core characteristics:

### 1. Regionally-Focused, Nationally-Led

MI's initiatives and interventions complement each GMS country's national agenda with regional frameworks and strategies to ensure sustainability of development outputs. It also supports regional cooperation mechanisms by institutionalizing information-sharing, dialogue exchanges, and project coordination among and between GMS countries for deeper collaboration.

### 2. Iterative and Adaptive

MI's initiatives and interventions complement each GMS country's national agenda with regional frameworks and strategies to ensure sustainability of development outputs. It also supports regional cooperation mechanisms by institutionalizing information-sharing, dialogue exchanges, and project coordination among and between GMS countries for deeper collaboration.

### 3. Inclusive

MI's inclusive approach entails improving the ability and opportunity of people who are disadvantaged on the basis of their identity to take part in development processes. At MI, this is realized by promoting and measuring engagement by gender and nationality, ensuring equitable participation of women and minorities in MI's trainings and project planning and implementation.



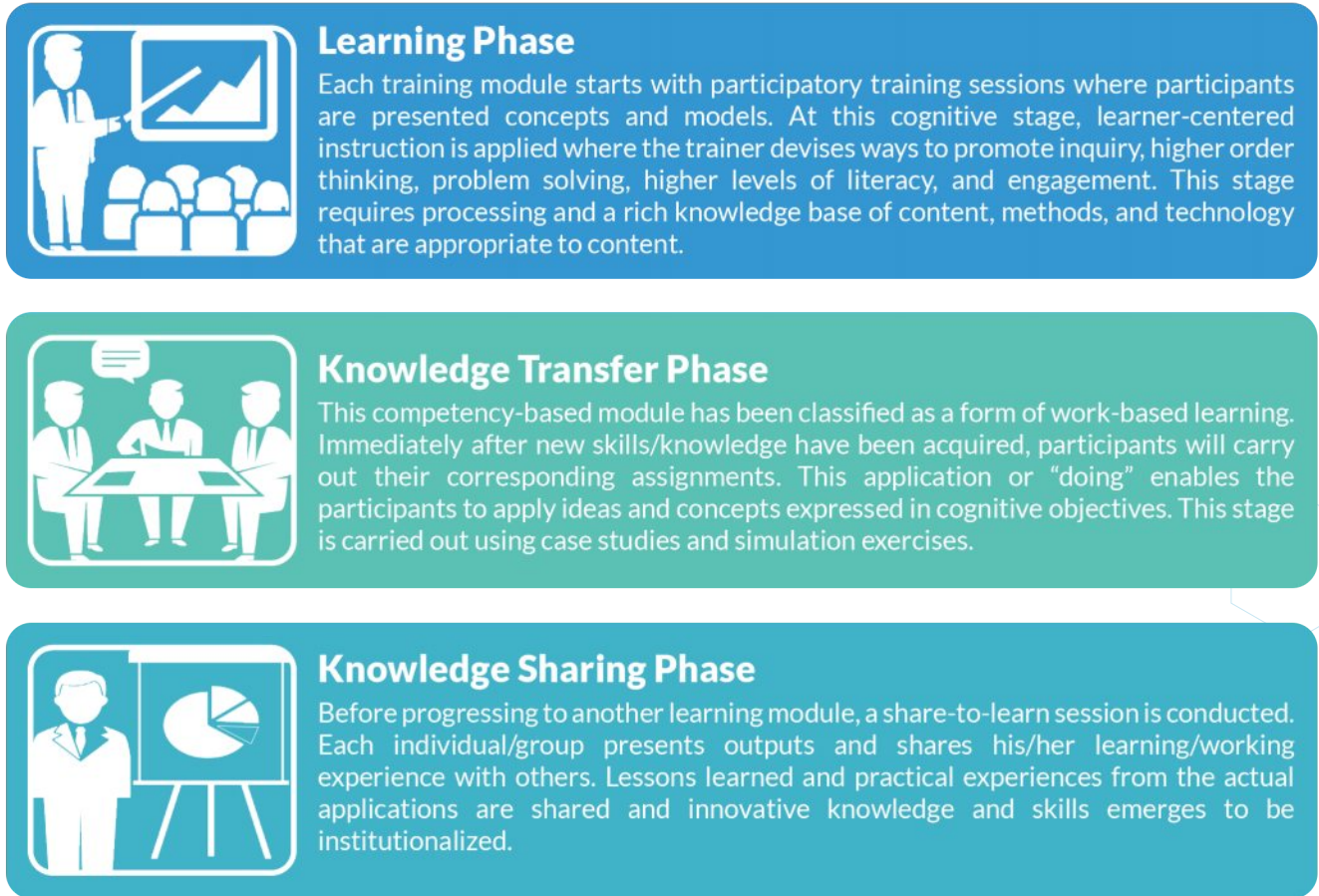
MI's RLED-EWEC project helped increase the income of farmers and SMEs in Kayin State, Myanmar. Through the project's consultative approach, trust and confidence were strengthened between government officials and ethnic minorities from remote communities.



Mr. Than Aung Kyaw,  
Director General,  
Foreign Economic  
Relations Department,  
Ministry of Investment  
and Foreign Economic  
Relations, Republic of  
the Union of Myanmar,  
Da Nang, Vietnam/  
December 17, 2019

“  
MI's RLED-EWEC project  
supported Myanmar's  
peace- and trust-building  
agenda.”

**Figure 5. Modular Training Approach**



### **Progress vis-à-vis Outputs**

The necessary drivers to attain sustainable socioeconomic development and regional integration are complex and non-linear. It requires a systems approach in empowering national and local stakeholders to spearhead constructive change and regional cohesion from within. As such, MI has tailored its services by working closely with governments,

international development partners, and institutions to ensure that MI’s initiatives and strategies remain relevant to the needs of the people and to help realize the common aspirations for a stronger GMS.

The following pages highlight MI’s cumulative progress and deliverables in 2019.



# SUSTAINING A FOOD SAFETY CULTURE



**MI**'s PROSAFE: Promoting Safe Food for Everyone Project promotes food safety as a priority and critical component to securing food safety in the region.

Supported by the New Zealand Aid Programme, the 2018 to 2023 initiative advances effective food safety and quality control systems in the agri-food chain to safeguard health and well-being, as well as to improve livelihoods and spur economic development in Cambodia, Lao PDR, Myanmar, and Vietnam (see **Box 2. PROSAFE: Promoting Safe Food for Everyone Project**).







**Box 2. PROSAFE: Promoting Safe Food for Everyone Project**

PROSAFE provides training and support services to Cambodia, Lao PDR, Myanmar, and Vietnam’s agricultural and food safety government officials and private sector actors. The project aims to enhance their food safety knowledge and expertise, as well as to assist them in preparing and implementing appropriate food safety regulations and standards for select value chains and market outlets within and outside their respective countries.

In 2019, MI enhanced local food safety expertise of 216 beneficiaries on various food safety management topics and emerging concerns (see **Figure 6. 2019 PROSAFE Regional Trainings**). Understanding that food safety is a complex process that begins on the farm and ends on the table, the eight regional trainings as well as in-country workshops and learning events strengthened a wide range of institutional and individual capacities from government, private sector, business groups, media, academe, and research institutions (see **Figure 7. 2019 PROSAFE Performance Highlights**). The empowerment of these food safety champions prompted public-private synergies in the institutionalization of food safety regimes by way of policies, standards, regulations, processes, and practices.



Ms. Alouny Chanthavong, Deputy of Food Safety Inspection Division, Bureau of Food and Drug Inspection, Ministry of Health, Lao PDR/March 15, 2019

“The PROSAFE training helped me build networks with other food safety champions in CLMV.”

**Figure 6. 2019 PROSAFE Regional Trainings**

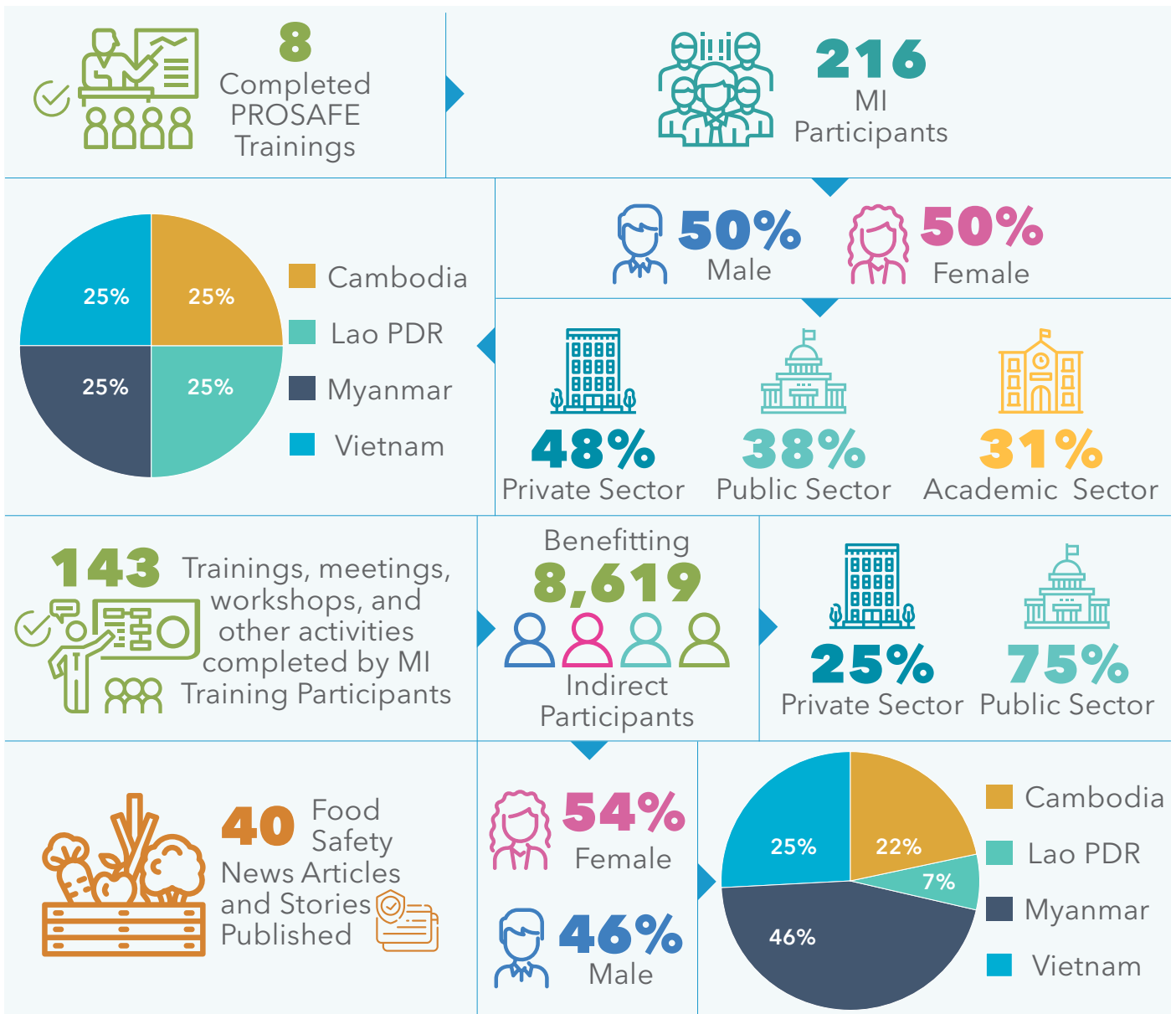
Date	Trainings
February 25 to March 1	Postharvest Safe Food Handling
March 11 to 15	Training of Trainers on Food Safety Promotion
May 13 to 17	Food Hygiene and Sanitation for Food Handlers
June 3 to 7	Raising Public Awareness for Safe Food Consumption
July 1 to 12	Food Safety Risk Management in the Food Supply Chain
July 29 to August 2	Communicating Food Safety
August 12 to 16	Agro-Product Packaging and Labelling
September 2 to 13	Food Safety Emergency Management



Ms. Sengchan Phongsavath, Analyst, Food and Drug Quality Control Centre, Lao PDR/May 17, 2019

“The PROSAFE course helped me and other participants exchange food safety knowledge and practices.”

Figure 7. 2019 PROSAFE Performance Highlights



Government officials who attended the PROSAFE trainings, particularly those from Myanmar and Cambodia, refined food safety policies, guidelines and standard operating procedures for progressive food control regulatory frameworks, control systems, and responses (See **Figure 8. Food Safety Policy Progress in Myanmar and Cambodia**).



**Figure 8. Food Safety Policy Progress in Myanmar and Cambodia**

Country	Government Agency	Food Safety Policy Progress
Myanmar	Department of Public Health, Ministry of Health	Improved the country guideline on food poisoning
Cambodia	Department of Drug and Food, Ministry of Health	Contributed to the drafting of Cambodia's national food safety policy
	Department of Agro-Industry, Ministry of Agriculture, Forestry and Fisheries	Drafted a sub-decree on establishing a National Food Safety Day
	Department of Agricultural Engineering, Ministry of Agriculture, Forestry and Fisheries	Developed a standard operating procedure on pest monitoring, management, and corrective action program to minimize food safety risks in packing and post-harvest handling areas
	Cambodia Import-Export Inspection and Fraud Repression Directorate-General, Ministry of Commerce	Developed a standard operating procedure on sampling for determination of food additives
	Department of Drug and Food, Ministry of Health	Developed a <i>Prakas</i> <sup>3</sup> on sanitation and street food management
	Kampong Speu Mangoes Association	Developed a standard operating procedure on cleaning and sanitizing surfaces, tools, and equipment in farms and packinghouses

Demonstrable improvements in food safety management along horticultural food chains were also reported as government officials, SME representatives, and business owners (a) improved procedures on traceability, plant quarantine, and crop production inspection in Lao PDR, (b) enforced stringent sanitation practices in restaurants, hotels, and canteens in Ho Chi Minh, Mandalay, and Phnom Penh, and (c) enhanced food safety systems and product safety regulations in six fruit and vegetable processing facilities in Cambodia, Lao PDR, Myanmar, and Vietnam.



<sup>3</sup>Refers to a regulation issued by a Minister.





Dr. Htet Lin Aung,  
Medical Officer, Health  
Literacy Promotion  
Unit, Department of  
Public Health, Ministry  
of Health and Sports,  
Myanmar/July 30, 2019

“The field visits during the PROSAFE training exposed us to best food safety techniques on the ground.”

Instilled food safety consciousness also fostered efforts to deepen food safety intelligence. The integration of food safety in the course curricula and materials of Myanmar’s Yangon Technological University, as well as Vietnam’s Tien Giang University, Hanoi University of Science and Technology, and An Giang University reflected commitments to produce a cadre of food safety specialists and evidence-based recommendations to help secure public good and meet development goals of food and nutrition security, sustainable agriculture, economic growth, and enhanced livelihoods.



Mr. Le Ngoc Hiep,  
Lecturer and Researcher,  
Department of Food  
Technology, Faculty  
of Agriculture and  
Natural Resources,  
An Giang University,  
Vietnam/July 30, 2019

“I learned a lot about risk communication, which will help in my work on nutrition and food safety.”

MI also contributed to the improvement of postharvest management systems to lessen the loss and spoilage of fresh produce in Cambodia, P.R. China, Lao PDR, Myanmar, Thailand, and Vietnam. After the two-week training, agricultural and private sector practitioners committed to apply postharvest information and technology, share market intelligence, and deliver information to small-scale producers and farmers in the region.



Supported by P.R. China, 21 government, private sector, and academic representatives were also exposed to best postharvest farm and market practices in Bangkok and Khon Kaen, Thailand during the “Postharvest Management System in Fresh Horticultural Produce” training program from November 4 to 15, 2019.



Dr. Shi Rui, Associate Professor, Southwest Forestry University, China/November 7, 2019

“ Teamwork and friendship were built as we exchanged ideas to enhance postharvest management systems. ”

Finally, MI's inclusive strategy established platforms for networking and information-sharing of best food safety practices. Media practitioners from Cambodia, Lao PDR, Myanmar, and Vietnam released 40 TV, print, and radio news features to instill top-of-mind public awareness of responsible food safety handling and prudent consumption. Moreover, project beneficiaries' implementation of 143 trainings, six workshops, and one

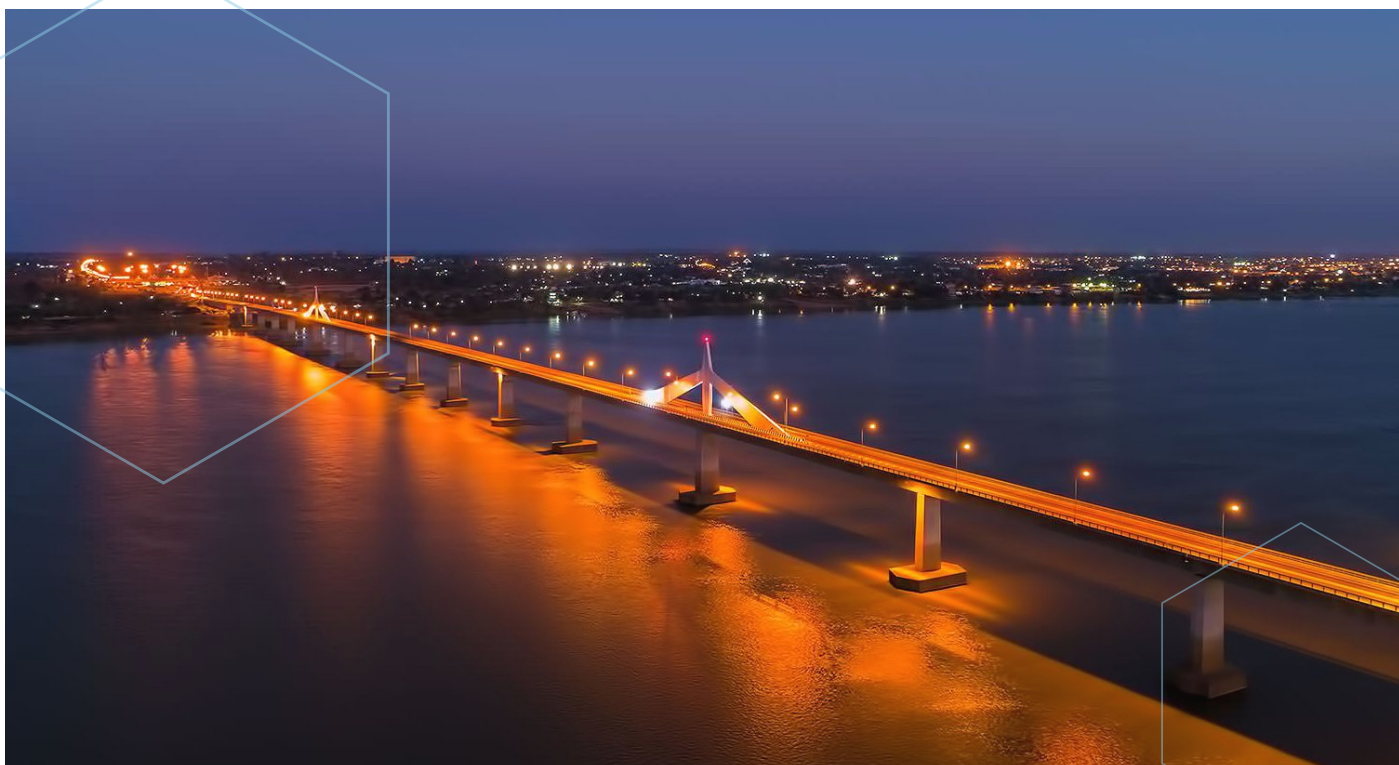
forum in their home countries transferred food safety knowledge and skills to 8,619 indirect beneficiaries (see **Figure 7 on page 22**). These activities not only widened information reach but forged a chain of collaborative, aligned, and informed inter-sectoral champions equipped in refining national food safety policies and mitigating food safety risks and hazards.



Mr. Ith Shothoeuth, Radio Department Manager, Lotus Radio, Cambodia/ July 30, 2019

“ As a media practitioner, I learned more about what and how we should communicate food safety issues to the public. ”

# SETTING THE FOUNDATION FOR INCLUSIVE AND EQUITABLE AGRICULTURAL GROWTH



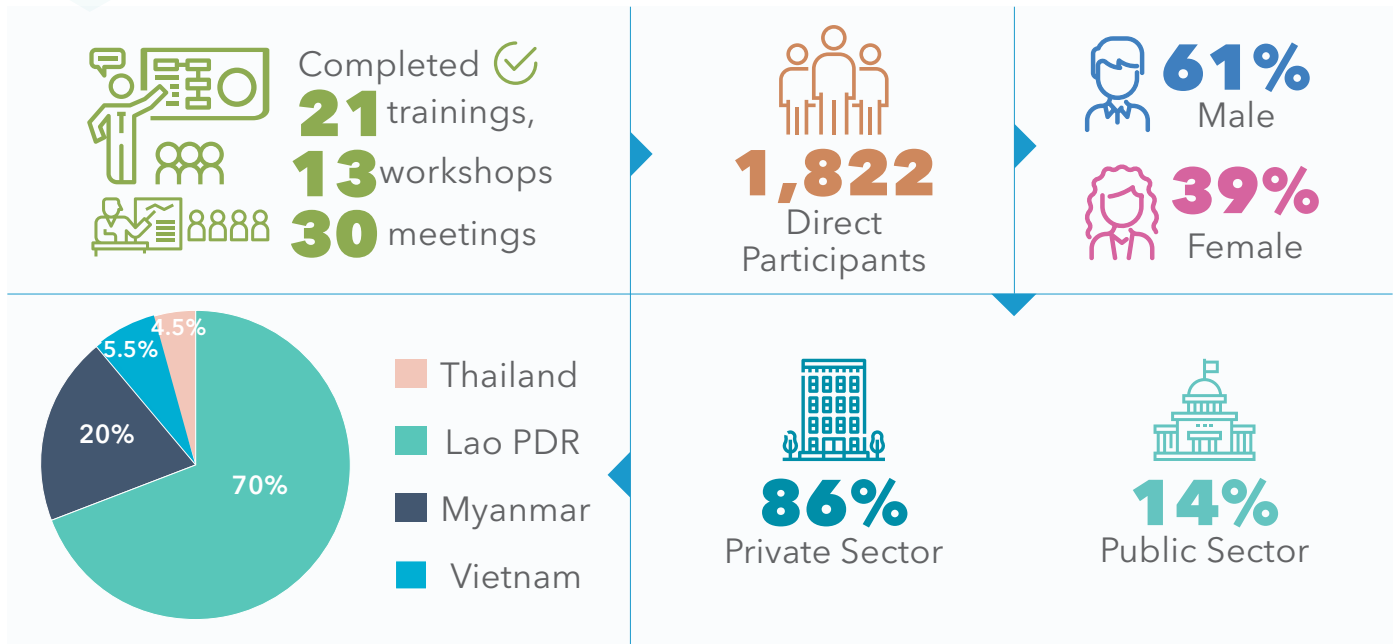
In its last year of operation, the **Regional and Local Economic Development-East West Economic Corridor (RLED-EWEC) Project** delivered solid performance against targets (**Figure 9. 2019 RLED-EWEC Performance Highlights**). From 2013 to 2019, MI empowered local actors to spearhead change from within (see **Box 3. The RLED-EWEC Project**).

The inclusive and ground-up approach enhanced business abilities and opportunities of communities and SMEs as they worked collaboratively with local and provincial government units, as well as private companies in spurring local economic development and in easing cross-border movement across the EWEC corridor.





**Figure 9. 2019 RLED-EWEC Performance Highlights**



**Box 3. Regional and Local Economic Development-East West Economic Corridor Project**

Supported by the Swiss Agency for Development and Cooperation, the Regional and Local Economic Development-East West Economic Corridor Project improved the livelihood of smallholder farmers and small- and medium-sized enterprises in six provinces along the East West Economic Corridor. Specifically, the project enhanced their capacities for better access to commercial agriculture value chains across the rice sector in Khammouane and Savannakhet Provinces in Lao PDR, the maize sector in Kayin State in Myanmar, and the coffee sector in Quang Tri Province in Vietnam. RLED-EWEC also supported research and dialogue-sustaining platforms to help promote efficient cross-border trade of agricultural commodities. The project closed on October 31, 2019.



Mrs. Phouthamath Sayyabounsou, National Program Officer, SDC, Lao PDR/ October 15, 2019

“The linkages facilitated by RLED-EWEC generated positive agricultural development results. These are in line with the key thrusts of our Swiss Agency for Development and Cooperation Strategic Plan 2018-2021.”

Figure 9. RLED-EWEC Performance Highlights (cont.)

# VALUE CHAIN DEVELOPMENT



After six years of project operation, 4,252 smallholder farmers and 36 SMEs reported increase in profits due to public-private partnerships (see **Figure 10. Percentage Profit Increase of RLED-EWEC Beneficiaries per Country in 2019**). Access to low interest rates and reduction of loan application requirements in Myawaddy and Quang Tri, as well as the extension of Good Agricultural Practices certification validity from one to two years in Lao PDR have also eased business transactions. Moreover, the maturation of farmers and SMEs’ business knowledge and skills fortified entrepreneurial longevity as two cooperatives<sup>4</sup> were established and 12 rice farmers’ groups secured one GAP certification—a first in Lao PDR.

<sup>4</sup> These are (a) Khammouane Agricultural Development and (b) Khe Sanh Agri-Product.



Mr. Ho Minh Phong, Leader, Huong Do Farmer Group, Quang Tri, Vietnam/October 16, 2019

“Because of RLED-EWEC, we now negotiate the prices of our products directly with company directors.”



Mr. Hanh Chanthalangsy, GAP Rice Farmer, Khammouane, Lao PDR/October 15, 2019

“From RLED-EWEC, I learned farm record keeping which improved the management of my rice plots.”



Ms. Yee Win,  
Maize Farmer and  
Agro-Input Dealer,  
Myawaddy, Myanmar/  
September 14, 2019

“  
With the help of RLED-EWEC,  
I get farming inputs at fairer  
credit terms. This helped  
increase my income, which  
is used for my children’s  
education.”



Beyond economic gains, the project created an enabling environment for enterprises in selected value chains as the project eased cross-border trade along the East West Corridor. Through MI’s Business to Government (B2G) dialogues and other platforms, MI streamlined cross-border and agricultural trading policies (see **Box 4. Business-to-Government Dialogues and Figure 11. RLED-EWEC Collaborative Agreements**). These included the (a) installation of signboards on border procedures and fees in seven international gates for transparency and wider access to information, (b) the closure of Baan Dongsavanh and Baan Sala Kaibang in Savannakhet province checkpoints, (c) weigh control exemption for small six-wheeler trucks transporting agricultural products and animals at Baan Donghen Weighing Station in Savannakhet, (d) implementation of the newly ratified Tax Law Number 48 on exempting VAT for international transport service at border crossing points and agreement to relocate X-ray facilities at more strategic locations in Savannakhet, Lao PDR, (e) improvements in issuing receipts at three borders in Khammouane and Savannakhet, (f) approval for travelers to photocopy their border immigration passes outside the Nakhon Phanom border to save on the THB 20 fee, and (g) the removal of service fees in filling immigration forms at the 2<sup>nd</sup> Friendship Bridge International Border in Mukdahan (see **Figure 12. Cross-Border Trade Facilitation Contributions**).

**Figure 10. Percentage Profit Increase of RLED-EWEC Beneficiaries Per Country in 2019**



**Country:** Lao PDR  
**Profit Increase:** 126%



**Country:** Myanmar  
**Profit Increase:** 798%



**Country:** Vietnam  
**Profit Increase:** 218%





#### Box 4. Business-to-Government Dialogues

Facilitated by MI, the Business to Government (B2G) Dialogue on Cross-Border Trade Facilitation was a platform for government and the private sector to resolve cross-border issues and challenges. It also served as an avenue for multi-group stakeholders to propose recommendations for smoother and cost-efficient trade facilitation among the provinces of Mukdahan, Nakhon Phanom, and Tak in Thailand; Quang Binh and Quang Tri in Vietnam; Khammouane and Savannakhet in Lao PDR; and Myawaddy in Myanmar.



Mr. Nguyen Quan Chinh, Vice Chairperson, Quang Tri Provincial People's Committee, Quang Tri, Vietnam/October 16, 2019

“RLED-EWEC’s Business-to-Government dialogues helped local leaders implement well-informed action plans.”



Figure 12. Cross-Border Trade Facilitation Contributions

## CROSS-BORDER TRADE FACILITATION

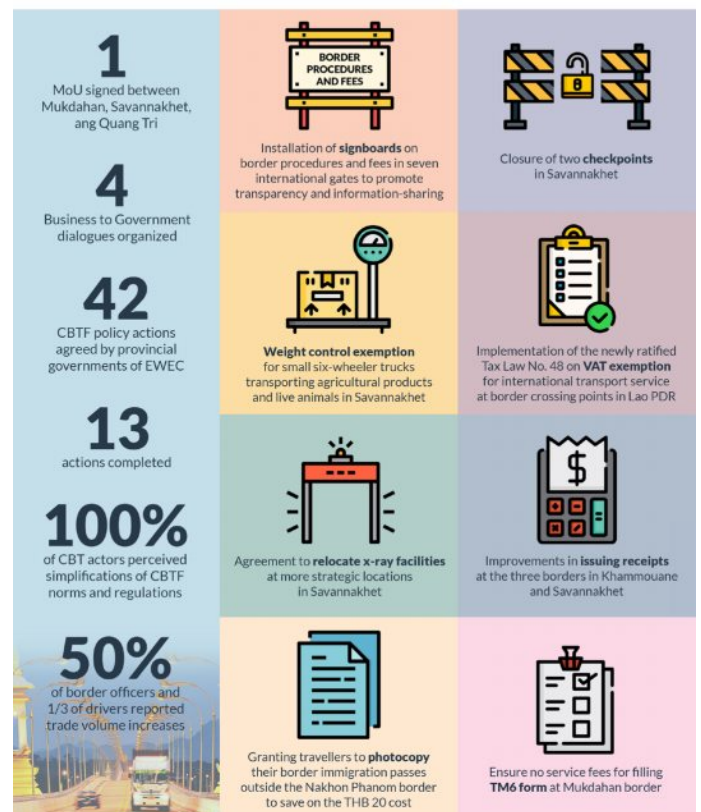


Figure 11. RLED-EWEC Collaborative Agreements

Agreement	Partners
Memorandum of Understanding	Mukdahan, Quang Tri, and Savannakhet on cross-border trade facilitation
Cooperation Agreement	Quang Tri Investment, Trade, and Tourism Promotion Agency on the facilitation of border crossing of commercial vehicles and caravan tours from Quang Tri and Mukdahan

At the project closing workshops last October 2019 in Lao PDR, Myanmar, and Vietnam, government officials, business owners, and SME representatives pledged to advance rice, maize, and coffee value chain development and cross-border trade facilitation to sustain project gains. In addition, government officials, concerned agencies, local partners, farmers, enterprise groups and business associations pooled their implementation experiences of best practices, challenges, and lessons learned throughout the project's six-year run. These inputs were incorporated into the final project report for submission to SDC in 2020.



Khammouane Vice Governor Mr. Bounmy Phimmason, Lao PDR/ October 15, 2019

“Because of RLED-EWEC, we will continue to push for the conferment of GAP and GMP certifications so farmers and business groups can meet quality standards and market demand. This will optimize benefits and opportunities for the rice industry in our province.”



RLED-EWEC completed three closing workshops on October 10, 15, and 16 in Myanmar, Lao PDR, and Vietnam, respectively. The workshops had a three-fold objective of (i) reporting key results and achievements of the project; (ii) providing recommendations for scale-up and sustainability; and (iii) celebrating collaborative partnerships among all concerned stakeholders.



# GREENING AND LINKING THE LOGISTICS SECTOR



**MI** contributed to the enhancement of productive capacity, business growth potential, transfer of technology and know-how, and local and regional market linkages to better facilitate trade and investment in the region.

One of MI's performance highlights was the implementation of the **Green Freight and Logistics Development in the Mekong Countries Project** supported by the Republic of Korea, which spawned nine more local workshops and seminars in Cambodia, Lao PDR, Myanmar, Thailand, and Vietnam. Implemented by 93 MI alumni, the activities transferred knowledge to 941 beneficiaries on strategic approaches in minimizing logistics and transports costs while reducing carbon footprints through fuel-efficient, resource productive, and a less carbon intensive freight transport system. Reinforcing these gains was the launch of the Green Logistics and Technologies and Network Platform. With 68,487 views,<sup>5</sup> the database presents transport and logistics service providers information on current environmental-friendly technologies and company profiles.

<sup>5</sup> The database was built in 2016. It provided information on GMS companies, as well as logistics and transport services. In 2019, the database was expanded to include data on green technologies. For more information on the database, which is supported by the Mekong-Republic of Korea Cooperation Fund, please visit [www.logisticsgms.com](http://www.logisticsgms.com).





Mr. Tridej Guptabha,  
Chief Executive  
Office, Thaireefer  
Group, Company,  
Limited, Thailand/  
February 22, 2019

“  
This training made me realize  
that our company’s Green Mark,  
Q Mark, and ISO 9000 place  
us in the right direction. These  
certifications will benefit the  
company and the region.”



Ms. Xaysomnuk  
Souvannavong,  
Deputy Director,  
Division of Green  
Freight and Logistics,  
Department of  
Transport, Ministry  
of Public Works and  
Transport, Lao PDR/  
February 22, 2019

“  
This training on green freight  
strategy will help us in Lao PDR  
better implement the signed  
Paris Agreement on Climate  
Change.”



MI’s GMS Logistics Business Database details transport and logistics companies’ services for business development and network expansion. This is part of MI’s ongoing work to build a comprehensive business information source in the subregion.

It also consolidated government and private sector consensus on ways forward in fortifying the Greater Mekong Subregion Transport Information Connectivity System (GTICS) along economic corridors. Through MI's facilitation of eight provincial consultative workshops, 234 representatives from provincial municipalities, departments of customs, immigration, land transport and commerce, transport and logistics companies, provincial chambers of commerce and industries, and special economic zone offices validated information categories and types of operational practices required on the provincial level to institutionalize data collection, management, and dissemination (see **Figure 13. MI-Organized Provincial Consultation Workshops**). Findings and recommendations from the activity were submitted to the governments of Cambodia, P.R. China, Lao PDR, Myanmar, Thailand, and Vietnam as part of MI's contributions to establish a more cost-efficient, resource-sharing, and competitive market for transport services in the subregion (see **Figure 14. Selected Workshop Recommendations for GTICS Strengthening**).<sup>6</sup>



**Figure 13. MI-Organized Provincial Consultation Workshops**

Date	Partners
August 20, 2019	Sa Kaeo Province, Thailand and Banteay Meanchey Province, Cambodia
August 22, 2019	Trat Province, Thailand and Koh Kong Province, Cambodia
August 27, 2019	Mukdahan Province, Thailand; Savannakhet Province, Lao PDR and Quangtri Province, Vietnam
September 3, 2019	Yunnan Province, China and Luangnamtha Province, Lao PDR
September 5, 2019	Chiang Rai Province, Thailand and Bokeo Province, Lao PDR
September 10, 2019	Mae Sot, Tak Province, Thailand and Kayin State, Myanmar
September 12, 2019	Mae Sai, Chiang Rai Province, Thailand and Tachileik, Shan State, Myanmar
September 17, 2019	Tay Ninh Province, Vietnam



Mr. Chin Sovanrotanak, Officer, Policy and Strategy Bureau, General Department of Logistics, Ministry of Public Works and Transport, Cambodia, February 18, 2019

“MI helped us realize that if we give importance to the environment, our economies will benefit greatly.”

<sup>6</sup> For the comprehensive report on MI's findings and recommendations, please visit <https://cutt.ly/gyKwotS>.

**Figure 14. Selected Workshop Recommendations for GTICS Strengthening**

Areas for Development	Summary of Workshop Recommendations
a. Communication Mechanism	<ul style="list-style-type: none"> <li>• Formalize communication systems and channels among cross-border provincial governments</li> <li>• Conduct regular border coordinating meetings or workshops among provincial governments</li> </ul>
b. Data-Sharing Platforms	<ul style="list-style-type: none"> <li>• Organize business linkage forums</li> <li>• Set up a data-sharing center and free trade zone</li> <li>• Provide technical capacity trainings on information technology to government staff</li> </ul>
c. Data Collection System	<ul style="list-style-type: none"> <li>• Establish a data center and committee for collecting, storing, updating data management</li> </ul>
d. Translation Services	<ul style="list-style-type: none"> <li>• Launch a GTICS website in English and all GMS languages</li> <li>• GMS countries' ministry of foreign affairs must translate all GTIC country-information for accuracy</li> </ul>
e. Update and Dissemination of Information System	<ul style="list-style-type: none"> <li>• Regular updating of transportation, enterprise information, as well as import-export regulations</li> </ul>
f. Systems Management	<ul style="list-style-type: none"> <li>• Identify a focal officer per GMS country to coordinate with departments on information collection, verification, and uploading in the GTICS</li> <li>• Assign a trade promotion center to manage and secure GTIC data</li> </ul>
g. GTIC Promotion	<ul style="list-style-type: none"> <li>• Synergize GMS GTIC promotion plans and strategies</li> </ul>



# FACILITATING EFFICIENT CROSS-BORDER MOVEMENT



To attract higher foreign investments, spur export-oriented growth, boost employment, and ease movement of labor, technology, goods, and products in the region, MI enhanced the technical expertise of senior government officials from the ministries of commerce and industry, planning and investment, as well as other related agencies in the management and promotion of Special Economic Zones (SEZs) and Cross Border Economic Zones (CBEZs).

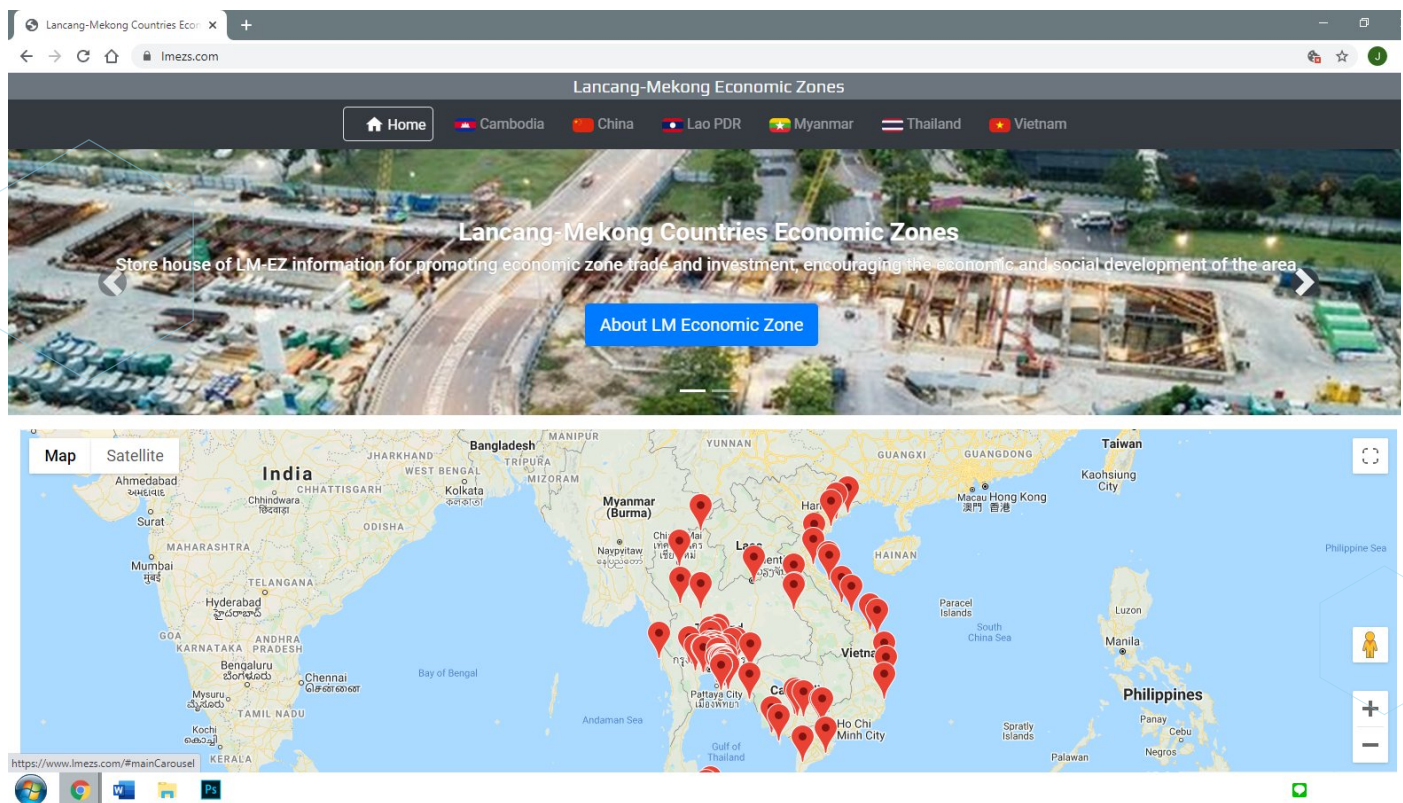
MI has also deepened understanding of a wide range of regional business groups, SMEs, and academics to secure inter-sectoral commitment towards more integrated and facilitative coordination mechanisms by underscoring the imperative need to deepen collaborative planning and data-sharing for the harmonization of policies, regulations, procedures, and regulatory frameworks between two or more bordering countries.



Other than trainings, MI participants interacted with government officials managing the Shanghai Pilot Free Trade Zone and China-Laos Mohan-Boten Economic Cooperation Zone. The on-site activity exposed government and private sector officials to best practices and impacts of streamlined SEZ policies and regulations.

MI's study on "Management and Promotion of Special Economic Zones in Lancang-Mekong Countries" highlighted stronger investment promotion strategies to enhance SEZ performance and management. Furthering these initiatives, MI formalized EZ regional data sharing by establishing an online and comprehensive EZ Information System Portal. Launched in December 2019, the comprehensive web portal details (a) national profiles

such as an overview of each countries' EZ development strategy, programs, policies and incentives, (b) EZ profiles which range from available physical infrastructure, logistics facilities, and one-stop services, (c) company profiles that detail business services, products, export-import priorities (see **Figure 15. Objectives of the EZ Information Online System Portal**).



The EZ Information System Portal information reflects tailored service and product information prioritized by each GMS member country, as gleaned from meetings, trainings, workshops and knowledge-sharing sessions MI conducted in 2019.

**Figure 15. Objectives of the EZ Information System**

Summary of Workshop Recommendations
a. Promote EZs by providing relevant information on EZs of Lancang-Mekong countries
b. Facilitate trade and investment in EZs by providing a platform containing useful information to investors and suppliers (e.g., raw materials, other resources, and sectors of interest)
c. Provide an opportunity for companies to promote their businesses and enhance visibility and networking
d. Encourage stakeholders, beneficiaries, and investors interested in EZs to share relevant information for the benefit of companies and other stakeholders
e. Enable producers and suppliers from the Lancang-Mekong region to make decisions so production networks can be optimized





Mr. Yen-Ruey Chang,  
Marketing Manager,  
Customer Service  
Department, Phnom Penh  
Special Economic Zone/  
December 16, 2019

“  
MI’s EZ online system is  
the first step to attract  
international businesses  
to the connective  
economic potentials of  
our countries.”

With MI technical support, MI alumni has also widened awareness on the long-term merits of coordinated policies, programs, and service deliveries across cross-border regulatory agencies to 122 indirect participants in Quang Tri Province, Vietnam; Aranyaprathet, Thailand; Phnom Penh, Cambodia; Yangon, Myanmar; and Vientiane, Lao PDR. In addition to capacity building support, MI submitted to the Asian Development Bank a report on country-level data of the number of permits and Temporary Admission Documents issued, as well the number of incoming and outgoing traffic movement across GMS countries and active routes and border crossings for the **Monitoring of “Early Harvest” Implementation of the GMS Cross-Border Transport Agreement (CBTA) Project**. The findings are currently with the National Transport Facilitation Committee and Cross-Border Trade Agreement Joint Committee for evaluation.



Recommendations of participants from the training and workshop under the **Upgrading Border Facilitation for Trade and Logistics Development Project** included the establishment of joint one-stop service centers and the integration of quarantine centers among border countries in the GMS for cost-efficient and streamlined cross-border management services.

In parallel, MI forwarded policy recommendations to government ministries and agencies to advance their efforts in modernizing customs management and promoting special economies zones in the Lancang-Mekong Region. The evidenced-based findings, which were vetted through policy consultation meetings on “Strengthening of Cross-Border Linkages, Such as Customs, Immigration, Quarantine Procedure, and Logistics Services,” called for the prioritized development of physical infrastructure, custom automation, and human resources for optimum custom management and service. Moreover, MI highlighted the increased need for financial and calibrated technical support, as well as deeper local and international customs collaboration among agencies.<sup>7</sup>



Findings from the “Customs Modernization and Management and Promotion of Special Economic Zones in the Lancang-Mekong Subregion” workshop included the need for an information exchange center, investments on digitization, and the consolidation of customs-related statistical data to synergize trade activities, spur higher opportunities of employment and investments, and promote stronger trade administration among Lancang-Mekong countries.

<sup>7</sup>For the comprehensive list of recommendations and findings, please visit <https://cutt.ly/AyNOxgr>.



Under the **Strategic Management to Labor Migration in the Greater Mekong Subregion: Addressing the Challenges through Good Practices Capacity Development Program**, MI completed a training and learning program on January 14 to 25, 2019 and November 4 to 10, 2019, respectively. Both activities helped government and private sector representatives share good practices and recommendations for stronger regional migration governance.

These also propelled MI training participants to carry out positive campaigns in their home countries. In Myanmar, an MI alumni developed a Quick Response (QR) code for Myanmar citizens working in Thailand. The application, which is accessed at the Kyauk Lone Gyi Migrant Reception Center in Myawaddy Province, provides immediate information on Thailand's labor regulations and social benefits for non-Thai workers.

While in Lao PDR, an MI participant designed a QR code in Lao language to be shared with recruitment agencies and provincial departments under Lao PDR's Ministry of Labor and Social Welfare.

During the learning program in November 2019, MI assisted government officials and private recruitment agencies and trade union representatives in developing strategies that will enhance pre- and post-departure orientation programs, as well as return and reintegration labor services in Cambodia, People's Republic of China, Lao PDR, Myanmar, Thailand, and Vietnam to ease border moment of workers, particularly in the Thailand-Myanmar border areas. The 24 officials who participated in the training program are scheduled to complete their action plans in 2020.



In addition to the didactic trainings, the participants also visited government border offices, a non-government organization office, and labor-intensive factories to gain firsthand perspective of migration governance operations.



# BOOSTING INTRA-REGIONAL TRADE IN THE GMS



**M**I also bridged partnerships and introduced innovations at the 2nd Lancang-Mekong Business Forum (See **Box 5. The Lancang-Mekong Business Forum**).

With the Royal Government of Thailand and Vietnam’s Chamber of Commerce and Industry (Ho Chi Minh Branch), the forum convened 69 business matching meetings among food sector companies. To date, 12 business partnerships were established through MI facilitation and over 200 companies are now registered in the Lancang-Mekong Business Forum web portal (see **Figure 16. First and Second Lancang-Mekong Business Forum Results as of December 2019**).





### Box 5. The Lancang-Mekong Business Forum

MI's Lancang-Mekong Business Forum bridges partnerships, strengthens policies, and introduces innovations to boost intra-regional trade in the GMS. Supported by the Lancang-Mekong Cooperation Special Fund and co-implemented with Thailand's Ministry of Commerce, the 2018 to 2023 project holds an annual forum comprised of panel discussions, product exhibitions, structured learning visits to help governments and business groups create a more integrated business and trading environment.

The Lancang-Mekong Business Forum also provides business-to-business matching support prior, during, and after the forum through a dynamic web platform and smart phone application system ([www.lancangmekongforum.com](http://www.lancangmekongforum.com)).



Mr. Phongsavath Sisouvong Khamophon, Vice Chairman, Trading Export-Import Company, Limited, Vientiane, Lao PDR/ November 7, 2019

“The Lancang-Mekong Business Forum increased my understanding of foreign companies' marketing and product strategies. This will help my company develop more competitive products.”



Under the theme "Promoting Agri-Business and Investment in the Processed Food Sector," the 2<sup>nd</sup> Lancang-Mekong Business Forum convened over 100 representatives from government ministries, regional organizations, food processing enterprises, import-export enterprises, transport and logistics enterprises and food processing equipment and technology companies, as well as food processing support organizations and other business associations on November 7 and 8, 2019 in Ho Chi Minh, Vietnam.



**Figure 16. First and Second Lancang-Mekong Business Forum Results as of December 2019**

Date	Collaborative Agreement
February 26, 2019	Ideal Farm, Vietnam agreed to be a wholesaler and distributor for Rakmai Company, Limited, Thailand and expand their business relations
	DakDae Enterprise, Lao PDR agreed to be a wholesaler and distributor for Rakmai Company, Limited, Thailand
	SAKOR International, Cambodia agreed to be a wholesaler and distributor for Rakmai Company, Limited, Thailand
	Kaung Ko Group Company, Limited, Myanmar agreed to be a wholesaler and distributor for Rakmai Company, Limited, Thailand
February 28, 2019	Jinan Qunlong Machinery Company, Limited, P.R. China will supply machines, provide skills development, prototype design, and product development support to Thai Food Manufacturer
March 1, 2019	Thai Leader Global Trade, Thailand agreed to be a retailer and wholesaler for DakDae Enterprise, Lao PDR. Discussions are currently on the initial stage with plans to expand business relations (e.g., market test for new products from Thailand and to export tea from Lao PDR)
March 15, 2019	Amru Rice, Cambodia agreed to be a supplier, wholesaler, and distributor for Organic Asia Company, Limited, Thailand. Both also agreed to collaborate in skills development, prototype design, and product development
March 22, 2019	Living Fresh Company Limited, Thailand agreed to be a supplier, retailer, and wholesaler for International Business Cooperation, Vietnam
October 9, 2019	Thwin International Company, Limited, Myanmar and Sirichai Intertrade Company, Limited, Thailand invested USD100,000 for a beans sprouting processing line using the former's green beans and black matpe beans. The bean sprouts will be distributed in Thailand markets
	Thwin International Company, Limited, Myanmar with Yantai Ruihua Foodstuff Company, Limited signed a memorandum of understanding to establish a bean paste factory in Myanmar using butter beans. The product will be exported to Japan, Korea, Taiwan, and China
October 11, 2019	Jinan Qunlong Machinery Company, Limited, China with Cambodia Jinan Qunlong Machinery Co., Ltd won the tender by supplying one set of instant rice machine to Cambodia
	Jinan Qunlong Machinery Company, Limited, China with Best Advance Supply Company, Limited became suppliers of Pet Food Machine in Thailand



To sustain gains from the market familiarization and exploration mission of 15 SMEs to Canada, MI and TFO Canada held a knowledge-sharing session to assess and help fortify business performance of project beneficiaries.

MI has also enhanced entrepreneurial skills of 15 SMEs and 24 rural business groups under the **Making Trade Work for Development: Export Capacity Support for Small Exporters from Asia-Pacific Least Developed Countries in Specialty Agri-Food Value Chains and the Action Research on Rural E-Commerce Development Projects**, respectively. The 15 SME representatives from Cambodia, Lao PDR, and Myanmar were guided to pursue business partnerships with Canadian buyers by standardizing quality products and maintaining competitive export prices, while 24 business groups

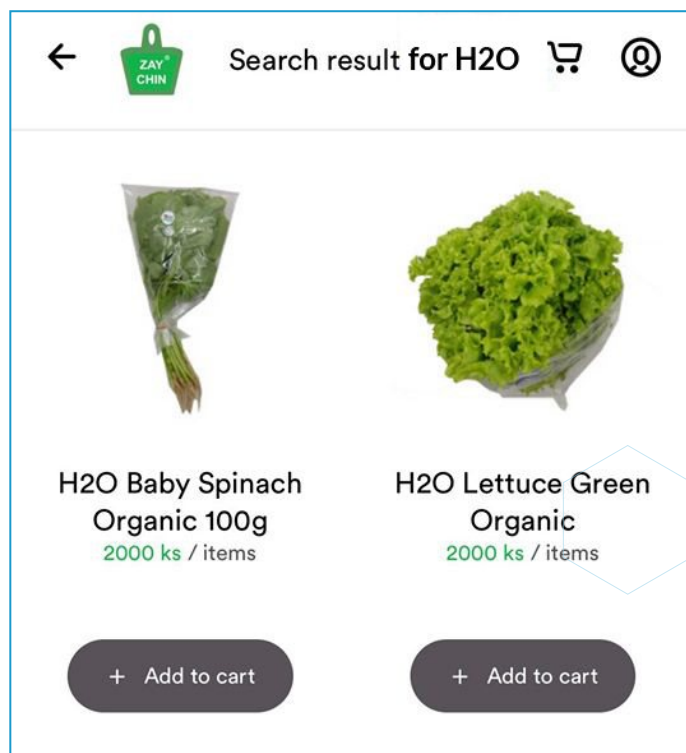
from Cambodia, P.R. China, Lao PDR, Myanmar, Thailand, and Vietnam were trained to roll out e-marketing plans in their communities. With MI support, business groups displayed stronger understanding of rural e-commerce ecosystems and initiated some e-commerce practices. However, several reported challenges in retaining customers and generating buyer traffic on their products.



Ms. Liu Pan, Operations Manager, Cross-Border E-Commerce Department, Yunnan Agriculture, Limited P.R. China/March 26, 2019

“ This training not only taught us the concepts of e-commerce but how to apply it in our business. ”

The full detail of their market performance, including MI recommendations for governments to craft facilitative e-commerce policies to reduce costs of technology access and provide financial incentives to small businesses branching in e-commerce were compiled in the *“Developing Rural E-Commerce: Trends and Challenges”* briefing paper. The document was submitted to Lancang-Mekong Cooperation Special Fund representatives for review in December 2019.



Of the 24 business group representatives who attended the “Rural E-Commerce Development in Lancang-Mekong Countries” training, MI funded seven from Cambodia, Lao PDR, Thailand, and Vietnam to jumpstart their rural e-commerce businesses.



Mr. Nguyen Ngoc Linh, Chief Executive Officer, Morning Glory, Incorporated, Vietnam/ March 26, 2019

“ I can now prepare and implement an e-commerce fresh produce business plan to connect farmers to a broader customer base. ”



# STRENGTHENING REGIONAL DEVELOPMENT

## THE MEKONG-REPUBLIC OF KOREA COOPERATION FUND



Serving as fund coordinator of and implementing agency to the Mekong-Republic of Korea Cooperation Fund (MKCF) (see **Box 6. The Mekong-Republic of Korea Cooperation Fund**), MI reviewed 102 concept papers under the third MKCF call on behalf of the Government of Korea.

Of these, seven were approved for implementation by Korea's Ministry of Foreign Affairs. This brings a total of 20 projects from 2017 to 2019 under MI monitoring (see **Figure 17. 2017 to 2019 List of MKCF Projects**). The projects, which are implemented by Cambodia, Lao PDR, Myanmar, Thailand, and Vietnam, focus on culture and tourism; agriculture and rural development; information, communication and technology; non-traditional security challenges; human resource development; infrastructure; and the environment (see **Figure 18. MKCF Fund Allocation**).





### Box 6. Mekong-Republic of Korea Cooperation Fund

Following the launch of the Mekong-Republic of Korea partnership in 2011, MKCF was established in 2013 to support the implementation of cooperation activities initiated by Mekong countries and Korea under the Mekong-Republic of Korea Cooperation Framework.

In November 2019, the Mekong-Republic of Korea Cooperation was elevated to summit level, upgrading the regional working mechanism to support a wider range of initiatives representing the seven priority sectors outlined in the “Mekong-Han River Declaration for Establishing Partnership for People, Prosperity and Peace.”

As such, MKCF provides grant for regional projects that are aligned with development priorities of each Mekong member country to address national issues and facilitate deeper regional integration.

MI serves as the main coordinating agency responsible for managing the fund. It also is responsible for project coordination and implementation, specifically providing assistance in project management, financial management, monitoring and evaluation to ensure Project Implementing Agencies deliver quality outputs.






Mr. Viengxai Manivong, Deputy Director General, Department of Meteorology and Hydrology, Ministry of Natural Resources and Environment, Lao PDR/ June 11, 2020

“Under MKCF and with support from MI, we are establishing a master plan that will modernize and advance hydro-meteorological services to better protect our people and properties.”

Figure 17. 2017 to 2019 List of MKCF Projects

First MKCF Projects		
Country	Project Title	Status
	Water Resources Management and Development on the Mekong River	Completed
	Develop Database for Laws and Regulations in the Trade and Industry Sector	Completed
	Capacity Building Project on the Development of Statistics	Completed
	Building a Tripartite Model among Academies, Industries, and Governments for Skills Development	Completed
	Comprehensive Training to Increase Efficiency of Rice Production	Completed
	Strengthening of Border Liaison Offices Around the Mekong River	Completed
	Training of Trainers on Certified Logistics Master (Phase 3)	Completed

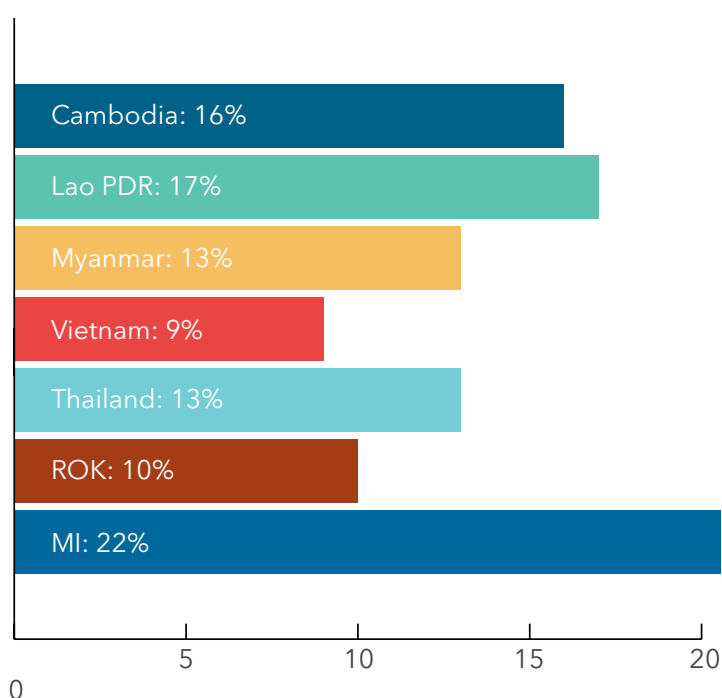
Second MKCF Projects		
Country	Project Title	Status
	Guidelines and Certification for Green Buildings in Cambodia	Ongoing
	Master Plan Establishment and Capacity Building for the Modernization and Advancement of Hydro-Meteorological Infrastructure in the Mekong River	Ongoing
	Capacity Enhancement on Wind Energy Usage for Sustainable Rural Development in Myanmar	Ongoing
	Enhance Capacities in Applying Agricultural E-Commerce Across the Mekong Region	Completed
	Promotion of Safe Migration for Temporary Migrants to Thailand	Completed
	Green Freight and Logistics Development in Mekong Countries	Ongoing

Third MKCF Projects		
Country	Project Title	Status
	Capacity Building and Institutional Strengthening of Logistics Monitoring and Evaluation Database Development in Cambodia, Lao PDR, and Vietnam	Completed
	Development of a Regional Cooperation Project Monitoring Data Center	Approved
	Demonstration of a Model Community Forests to Promote Community Forestry Development and Improve Livelihood of Local Community	Approved

	Strengthen Water User Organizations for Irrigated Agriculture Development in the Mekong Delta	Approved
	Capacity Building on Circular Economy, Resource, and Energy Efficiency for Productivity and Sustainability of Cassava Chain to High Value Products: Cassava Root, Native Starch, and Biogas in Mekong Countries	Ongoing
	Water Data Utilization and Capacity Building in the Mekong Region	Ongoing
	Sustainable Smart Tourism Development in the Mekong Region	Ongoing

**Figure 18. MKCF Fund Allocation (2013 to 2020)**

**Fund Allocation:** USD 7,121,329.35



# FORTIFYING REGIONAL COLLABORATION



To systematize operations of cooperation mechanisms at the national level across government sectors in the GMS, MI released the *"Regional Cooperation Mechanism on Priority Areas Under the Mekong-Lancang Cooperation Framework"* study.

The technical document recommended (a) deeper coordination among sectoral working groups to maximize synergies and bridge developmental gaps, (b) country-specific allocation for grants and loans under the Lancang-Mekong Cooperation based on the absorptive capacity and level of development of each member country, and the (c) formulation of a concrete coordination mechanism among Ayeyawady-Chao Phraya-Mekong Economic Cooperation Strategy (ACMECS), Mekong-Lancang Cooperation, and GMS national coordinators and line ministries responsible for the identification, implementation, management, monitoring and evaluation of projects.







About 29 government officials under the “Project Management and Evaluation of Sub-Regional Development Projects” modular training completed advance level stakeholder analysis, budgeting, monitoring and evaluation, as well as project proposal development to strengthen regional cooperation and development



The “Mekong-Lancang Training Program on Project Management and Sectoral Development of Key Areas,” which MLC-NSC and MI organized, was also a platform for GMS government and academic officials to share current development status, achievements, and challenges of their respective projects.



# CONTRIBUTING TO POSITIVE CLIMATE CHANGE ACTION



**M**I submitted two working papers and one policy brief to Mekong-Lancang Cooperation officials to support the adaptation to and mitigation of climate change risks and flow fluctuations in the Mekong River (see **Figure 19. Working Papers and Policy Paper Summary**).

Under the **Transboundary Cooperation Mechanism on Adaptation to Climate Change and Hydropower Development Project**, these technical documents recommended the strengthening of regional monitoring and data-sharing mechanisms among member countries to better prepare riparian communities against extreme weather events and climate change scenarios.<sup>8</sup> With Thailand's Office of the National Water Resources, MI also consolidated research findings and recommendations into a video to amplify the ambit of integrating water resource management and climate change adaptation measures into broader policy-making and basin development plans.

<sup>8</sup> For copies of the studies and paper, please contact [adc@mekonginstitute.org](mailto:adc@mekonginstitute.org).

**Figure 19. Working Papers and Policy Paper Summary**

Technical Document	Summary
<p>a) Working Paper</p> <p>“Climate Change Impacts on Water Resources in the Mekong-Lancang River Basin: The Role of Hydropower Projects in Minimizing Associated Uncertainties and Risks”</p>	<ul style="list-style-type: none"> <li>Highlighted the increased occurrence of extreme weather events in the Mekong region</li> <li>Projected that extreme events will increase in intensity and frequency, which will pose major risks to people and their livelihood</li> <li>Recommended the implementation of short- and long-term adaptation measures such as improved extreme weather monitoring and warning mechanisms; joint basin-wide studies on impact of climate change and basin development; and multi-stakeholder involvement, communication, capacity building and awareness on basin development, impact of climate change and adaptation measures</li> </ul>
<p>b) Working Paper</p> <p>“Enhancing Data-Sharing Mechanism in the Mekong-Lancang River Basin: Opportunities and Challenges”</p>	<ul style="list-style-type: none"> <li>Proposed stronger measures to enhance disaster risk communication and data-sharing on water levels and river flow risks under normal, extreme, and emergency conditions</li> </ul>
<p>c) Policy Brief</p> <p>“Platforms for Cooperation in the Mekong-Lancang River Basin: Enhancing Data-Sharing, Joint Studies and Collaboration”</p>	<ul style="list-style-type: none"> <li>Examined existing regional mechanisms for cooperation and their potential roles in enhancing data sharing and other means of collaboration to help minimize the uncertainties and risks from climate change</li> <li>Underscored the need for improved data-sharing for basin-wide integrated water resource management and sustainability of socio-economic activities such as navigation and reservoirs</li> <li>Identified the need for (a) strengthening existing regional cooperation platforms, (b) enabling factors for their success in responding to climate and basin-wide development impacts on water levels and flow</li> </ul>





# BRIDGING ENERGY AND TECHNOLOGICAL CONNECTIVITY



Mr. Li Hong, Permanent Representative of P.R. China to UNESCAP and member of the Mekong Institute Steering Committee

“Technology and innovation are pillars of economic development because they help increase efficiency, encourage new businesses, and advance communications.”

MI contributed to the steady increase of a skilled and informed power and energy workforce in the GMS. Through its tested implementation strategies of proactive identification of challenges, problems, potentials, and mobilization support; design of tailored activities through stakeholders' consultations; coordination with government ministries; and the creation of knowledge networks to develop solutions and build linkages, MI built a cadre of 332 "power fellows" beginning in 2015.

In 2019, 78 more were trained to create an enabling regulatory energy framework, establish regional power grid interconnection, promote cross border power trade, and operate power custom service digitization in the Lancang-Mekong countries. These—which are in line with the countries' national energy plans—were geared to help boost energy security, bring down electric costs, and enable greater amounts of renewable energy to be incorporated into power grids across the region.



The training and workshop on "Power Market Construction and Development" from July 20 to August 9 and September 25 and 26, respectively, were supported by the China Southern Power Grid, Company, Limited and the Yunnan Power Grid Company, Limited.

MI formed a platform for strategic collaborative action wherein government officials, academics, scientists from Cambodia, P.R. China, Lao PDR, Myanmar, Thailand and Vietnam consolidated each country's innovation and technology policies and needs to secure more efficient and cost-effective approaches, regulations, and investments. Findings from the workshop will feed into a capacity building program to strengthen government services in agriculture, commercialization, electronics, business process outsourcing, telecommunications, among others.



H.E. Mr. Has Bunton,  
Secretary General,  
General Secretariat of  
the National Science  
and Technology  
Council, Cambodia/  
November 25, 2019

“MI opened the door to inter-agency and intra-regional information sharing and solution finding.”

# FOSTERING EMPLOYMENT AND EMPLOYABILITY



**MI** facilitated discussions between representatives of the Thai Beverage Logistics Company and 20 Vietnamese university students on logistics and supply chain management to expose the latter to possible careers in the industry. The customized activity stemmed from the tripartite commitment among MI, Thai Beverage Logistics Company, and Khon Kaen University to promote regional education programs for deeper integration in the subregion.

In the area of employability, MI initiated the implementation of the **Improving Institutional Capacities for Promoting Employability in the GMS Project** to synchronize the Cambodia, Lao PDR, Myanmar, and Vietnam workforce with the demand of the Thailand labor market. Designed into three components of Strategic Situational Assessment, Peer-to-Peer Learning Program, and Coaching Action Plan, the project will identify critical skills needed by Thai investors who are likely to invest in these countries in the future. It will also examine the accessibility of workers to skill development trainings in terms of quality and quantity.

In December 2019, MI met with Thailand government officials to identify in-demand skilled labor force by investors. MI also conducted field assessments and interviews in Lao PDR to analyze potential skills and the employability landscape, as well as to study skills development institutes in the area. Findings from these activities will be consolidated into the design of the three-year project.



# BUILDING GMS LEADERS



Running on its second year of implementation, the **Mekong Institute Young Scholars Program (MIYSP)** exposed seven junior government officers from P.R. China, Lao PDR, and Myanmar to program management and training facilitation at the MI Headquarters in Khon Kaen, Thailand (see **Figure 20. 2019 Mekong Institute Young Scholars Program Representatives**).

Designed as a practical coaching curriculum, the six-month on-the-job training equipped MIYSP scholars to better understand and apply regional cooperation tenets in agricultural development and commercialization, trade investment and facilitation, and innovation, and technological connectivity. The program, which prepares scholars to assume more technical roles in their country offices, also stimulates partnership building. This is evidenced by the facilitation of one MIYSP representative who initiated a memorandum of understanding between MI and the Yunnan Vocational College of Transportation.





Mr. Hongji Ouyang, Yunnan Vocational College of Transportation, Department of International Cooperation and Exchange, Yunnan Province, People's Republic of China

“MIYSP helped me build relations with counterparts from the GMS. It also equipped me to apply systematic program management in my work, resulting to more efficient outputs.”

**Figure 20. 2019 Mekong Institute Young Scholars Program Representatives**



- Dr. Shuyan Kou, Researcher, Yunnan Academy of Agricultural Sciences
- Mr. Hongji Ouyang, Lecturer, Yunnan Vocational College of Transportation



- Ms. Phonphilom Douangmalalay, Desk Officer, Department of Economic Affairs, Ministry of Foreign Affairs
- Mr. Vithavath Inthivong, Desk Officer, Department of Economic Affairs, Ministry of Foreign Affairs



- Ms. Theint Theint Thu, Assistant Director, Information, Communication and Technology Department, Division of International Relations, Human Resource Management and Technology, Office of Pyidaungsu Hluttaw (Union Assembly)
- Ms. Aye Aye Aung, Deputy Staff Officer, Research Department, Division of International Relations, Human Resource Management and Technology, Office of Pyidaungsu Hluttaw (Union Assembly)
- Ms. Ei Htet Htet Zaw, Upper Division Clerk, Information, Communication and Technology Department, Division of International Relations, Human Resource Management and Technology, Office of Pyidaungsu Hluttaw (Union Assembly)







In addition to office training, MIYSP representatives attended courtesy visits in Bangkok, Thailand and Kunming, Yunnan Province as part of their multi-disciplinary exposure to development work in the region.

MI's popular communications training enhanced public speaking and technical writing skills of 65 government officials, bringing the total of MI communicators across the Lancang-Mekong region to 114. Held from 2018 to 2019, MI's four-module course also focused on encouraging meaningful cross-cultural interaction and understanding of the political and socioeconomic significance of regional cooperation among Lancang-Mekong country representatives.



Government officials from Cambodia, P.R. China, Lao PDR, Myanmar, Thailand, and Vietnam, as well as representatives from state-owned enterprises in Yunnan Province and MI staff completed the "Communication Skills Capacity Building for Regional Cooperation and Integration in the Lancang-Mekong Region" training last October 14 to 24, 2019 at the MI Headquarters in Khon Kaen, Thailand.

Finally, MI pushed forward gender equality as it highlighted to an international audience from 18 countries Thailand's best practices in encouraging women participation in the political and economic spheres, addressing gender-based violence, and campaigning for gender advocacies.



Gender specialists from 18 countries convened at the "Gender Equality and Women Empowerment: Sharing Good Practices and Experiences of Thailand" workshop at the MI Headquarters in Khon Kaen, Thailand.



Mrs. Claudine Y'asekalomanga Isekusu, Assistant Coordinator, Ministry of Gender D. R. Congo

“The training gave us the rare opportunity to exchange ideas and share experiences from across the world on how to promote gender equality and women empowerment.”



# REPORT FROM THE OFFICE OF THE EXECUTIVE DIRECTOR



Other than the completed 123 capacity building activities, MI hosted a joint Mekong Forum and GMS Logistics Forum in 2019.

Under the theme *Bridging Borders: GMS Connectivity for Inclusivity and Sustainability*, MI convened over 380 government officials, development partners, experts, academics, and business executives who presented action-oriented recommendations in developing infrastructure and legal frameworks for efficient cross-border transport and trade in the GMS; broaden awareness on the capacity needs of the region's connectivity network; and share ideas on various ways digital technology can support the region's logistics industry.<sup>9</sup>



The Joint Mekong Forum and GMS Logistics Forum 2019 also featured a business matching event for logistics service providers and enterprises to exchange business insights and expand networks.

<sup>9</sup> For a detailed report on the joint Mekong Forum-GMS Logistics Forum 2019, please visit [www.mekonginstitute.org/mekongforum/2019/agenda/](http://www.mekonginstitute.org/mekongforum/2019/agenda/).

## Enacting Transparency and Accountability



Mr. Yang Shaocheng,  
Chief of the Regional  
Cooperation Office, The  
People's Government of  
Yunnan Province  
Kunming, Yunnan  
Province, P.R. China/  
December 17, 2019

“  
We received from our  
citizens positive feedback  
on MI trainings and the  
Mekong Institute Young  
Scholars Program.”

In the spirit of accountability and transparency to the GMS governments it serves and represents, MI engaged with the 22-member Council and Steering Committee during the 2019 Governing Board meetings. High-level GMS government officials and representatives of the New Zealand Aid Programme, Asian Development Bank, Khon Kaen University, and Hue University assessed MI's 2019 deliverables against commitments. The Governing Board graded MI's overall performance as satisfactory, particularly on achieving its positive financial standing at the end of the year. It also advised MI senior management to intensify tailored human resource development and capacity building support according to priority development areas of each GMS country to they may effectively optimize opportunities in digitization, energy, labor market demands, environmental sustainability, and competitive regional markets.

As a testament to the Council members' confidence on MI's contributions to the GMS, the governments of Cambodia, Lao PDR, and Myanmar have increased their annual contributions for 2020.



MI organized two Governing Board Meetings on July 22 and 23 and December 16 and 17 in Khon Kaen, Thailand and Da Nang, Vietnam, respectively.

## Expanding Partnerships and Portfolio of Services



Ms. Sayan Kongkoey,  
Director of Thai  
Cooperation Branch I,  
Thailand International  
Cooperation Agency,  
Ministry of Foreign  
Affairs, Bangkok,  
Thailand/December 17,  
2019

“  
MI's work has expanded  
beyond capacity-building.  
It is now beginning to  
deliver research and  
monitoring and evaluation  
services to government  
and development  
agencies in the region.”

MI also engaged with 16 government and international development partners in the roll out of its 26 projects and programs. (See **Figure 23. 2019 MI Government and International Partners on page 16**). The expanding number of partnerships and growing variety of services from capacity-building, research development, policy support, advocacy promotion, and now monitoring and evaluation are cementing a regional culture of trust in MI's standing as a responsive organization equipped to service the demands of an ever evolving and highly competitive development environment. The diversification strategy is also part of MI's campaign to secure institutional sustainability and financial self-sufficiency for the long term.

### Communications

MI continues to strengthen communication efforts in disseminating project activities and outputs, and highlighting partnerships in human resource development. In 2019, MI released 204 press releases, news features, infographics, and collaterals across the GMS. The wide dissemination has generated 131,469 views on the official MI website, reached 315,626 people on Facebook, and collected 108,806 impressions on Twitter.

### Monitoring and Implementation Support

Beginning in 2016, MI's performance measures are continually being refined and applied to systematically track and assess activities, outputs, outcomes and impacts of its projects and programs on quarterly and annual bases. The institutionalization of these benchmarks has delivered evidence and lessons for deeper understanding of outcome-level progress and trends of MI's portfolio. Such efforts have contributed to MI's stronger strategic planning, informed decision making, more efficient use of resources, and higher degree of reporting transparency.

Recognition for MI's monitoring and evaluation services is gaining traction among partners. In 2019, Asia-Pacific Development Center on Disability, Thailand International Cooperation Agency, and Japan

International Cooperation Agency tapped MI's services to assess impacts of their projects in different countries. The positive feedback from partners on MI's substantive project evaluation design and comprehensive analysis are expected to generate more monitoring and evaluation projects in 2020.



Mr. Katsuya Miyoshi,  
Program Formulation  
Advisor, JICA Thailand

“MI's project review pushed forward Japan-Thailand cooperation under CEAPAD.”

### Administration and Financial Management

MI staffing remains fairly distributed according to gender and GMS country representation (see **Figure 21. Gender Distribution of MI Staff**). Out of the 52 MI staff, Thailand lead in managerial, professional, and general services posts, with Cambodians following in second place (see **Figure 22. MI Staffing Distribution per Country**). Capacity enhancing opportunities such as advanced project management, communications, housekeeping, and financial systems trainings, conferences, and forums were provided to selected MI staff for the enhancement of quality technical support and services to partners.

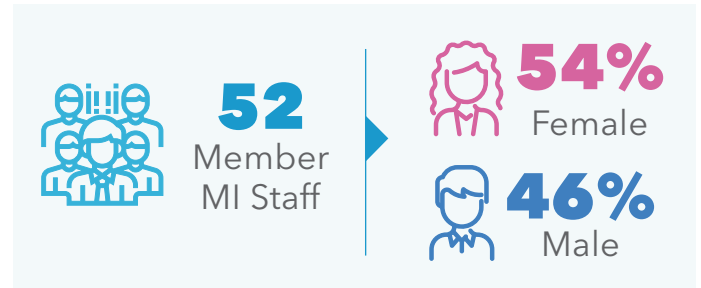




Mr. Thorng Ra, Program Coordinator, Mekong Institute/November 19, 2019

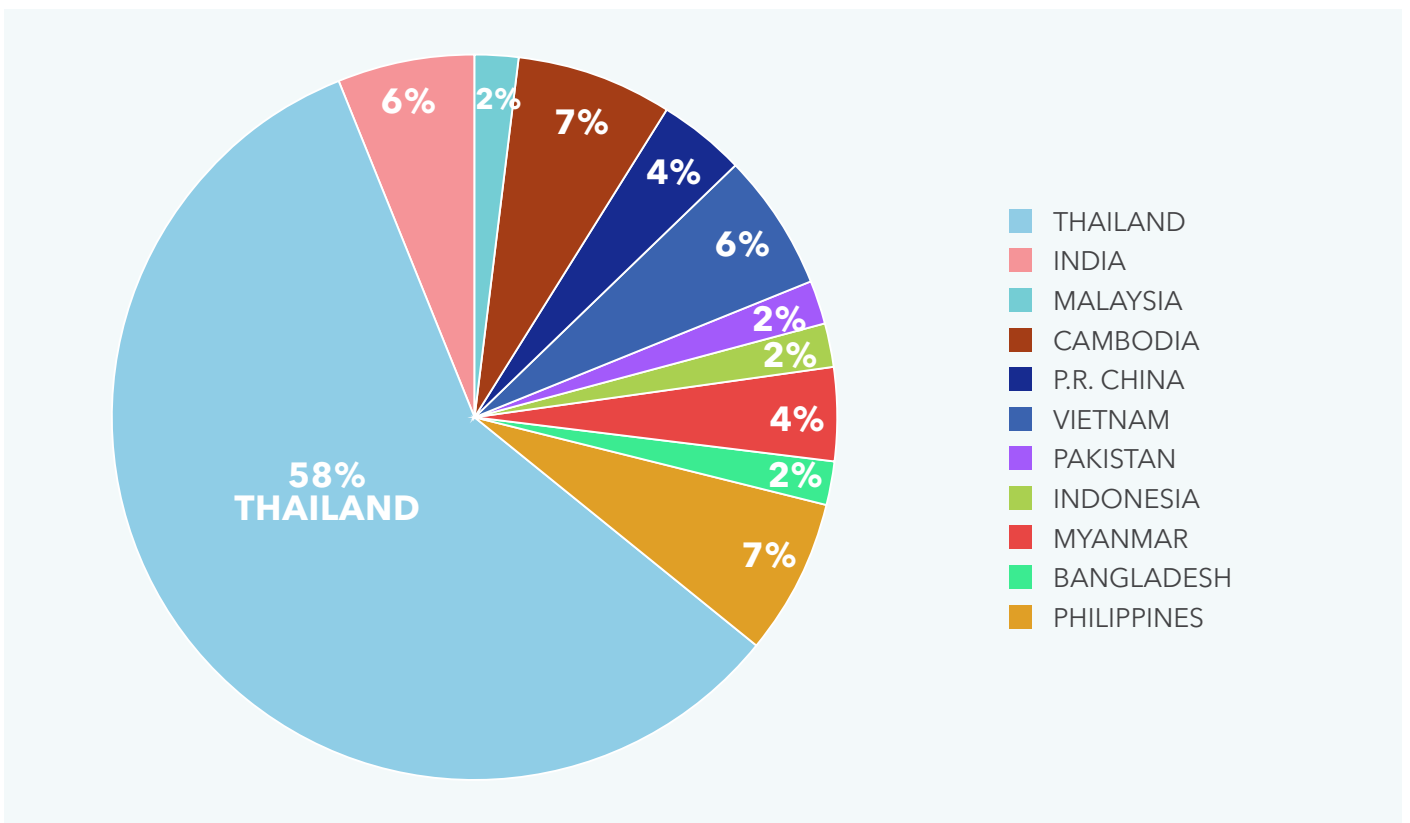
“MI equally invests on building capacities of people in the GMS, as it does its staff.”

Figure 21. Gender Distribution of MI Staff

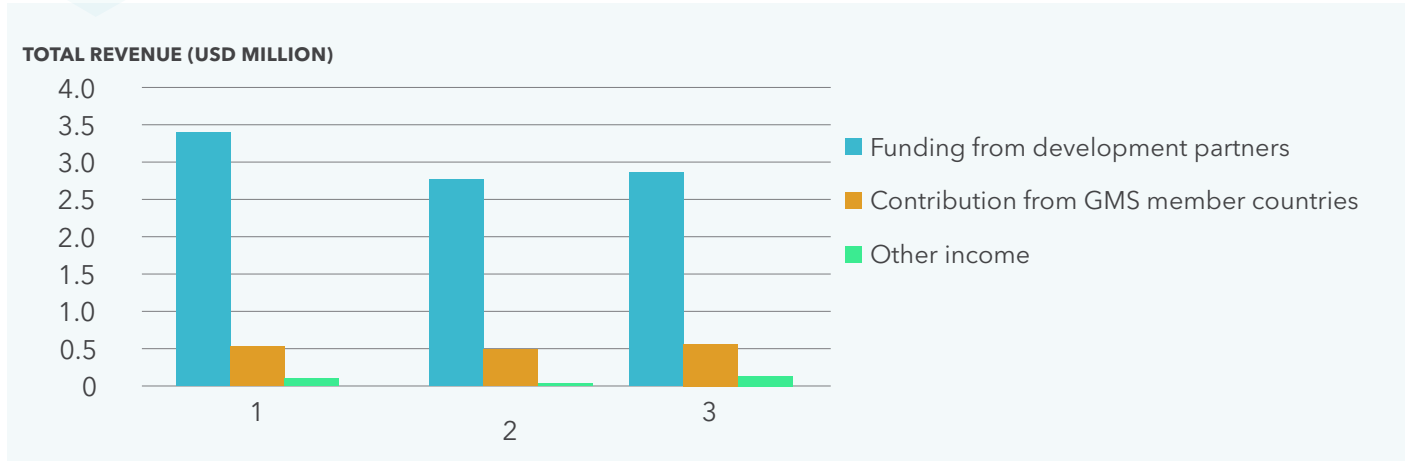


MI closed 2019 with a total revenue of USD 4,051,117, achieving 96 percent of the targeted approved budget of USD 4,214,176. The amount marks a 22 percent increase from last year. On the other hand, GMS country contributions tallied to US\$ 520,705, while partners' contributions to MI revenue totaled USD 3,439,421 (see **Annex 1. Financial Highlights for 2019**). In addition, total expenses reached USD 3,947,139, which includes releases for projects and program delivery. MI also recorded net earnings of USD103,978 as of December 31, 2019 (see **Figure 23. Summary Statement of Revenue and Expenses from January 1, 2019 to December 31, 2019**).

Figure 22. MI Staff Distribution per Country



**Figure 23. Summary Statement of Revenue and Expenses from January 1, 2019 to December 31, 2019**



**Moving Forward**

In 2020, MI will implement 25 projects. These cover 13 long-term projects, seven short-term projects, and five customized trainings. In the area of capacity building, MI will complete 49 capacity-building events, which are estimated to benefit 3,177 direct and indirect participants across the GMS.

MI has also jumpstarted the review of its 2016-2020 Strategic Plan and has made preparations for the formulation of the 2021-2025 Strategic Plan.

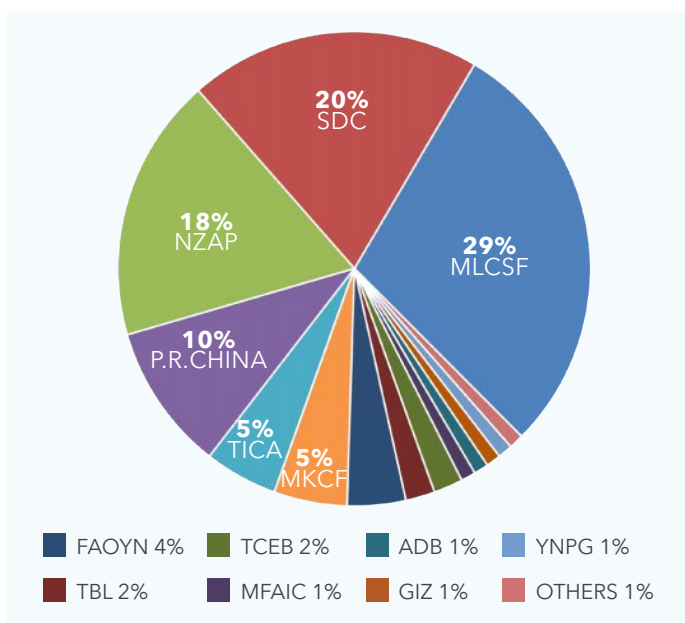
With Governing Board concurrence, the latter will be developed with technical inputs from GMS governments and international development partners to ensure that MI’s strategic direction in the next five years will complement national development priorities and strategies of members countries and the region. The document will be submitted to the MI Council and Steering Committee in August 2020.

# ANNEX 1. FINANCIAL HIGHLIGHTS FOR 2019

## Revenue

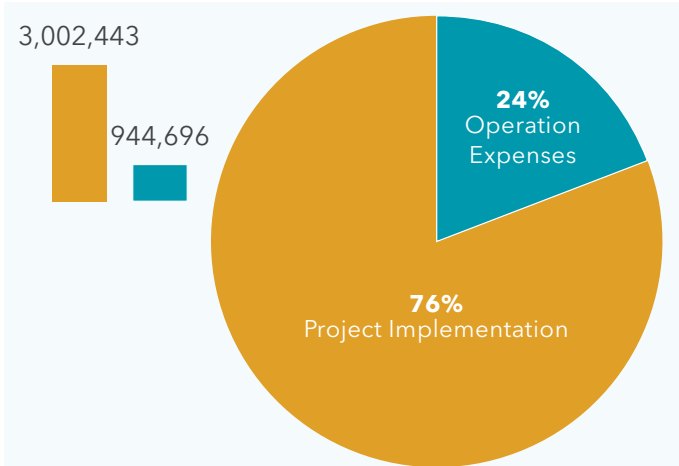
	USD Currency	
	2019	2018
<b>A. Funding from Development Partners</b>		
Long-Term Projects		
Mekong-Lancang Cooperation Special Fund (MLCSF)	993,471	473,199
Swiss Agency for Development and Cooperation (SDC)	687,524	641,358
New Zealand Aid Programme (NZAP)	609,539	554,410
Mekong - ROK Cooperation Fund (MKCF)	160,326	182,385
Yunnan Power Grid Corporation (YNPG)	31,093	30,853
Thailand International Development Cooperation Agency (TICA)	10,047	-
Japan - ASEAN Integration Fund (JAIF)	-	61,125
<b>Total Long-Term Project Revenue</b>	<b>2,492,000</b>	<b>1,943,330</b>
<b>Short-Term and Customized Projects</b>		
The People's Republic of China (P.R.China)	335,985	167,381
Thailand International Development Cooperation Agency (TICA)	175,515	145,903
The People's Government of Yunnan Province, P.R. China (FAOYN)	137,030	119,998
Thai Beverage Logistics Co., Ltd. (TBL)	77,057	-
Thailand Convention and Exhibition Bureau (TCEB)	64,956	-
Ministry of Foreign Affairs and International Cooperation (MFAIC), Cambodia	52,074	-
Asia-Pacific Development Center on Disability (APCD)	35,381	-
Asian Development Bank (ADB)	28,672	16,404
Deutsche Gesellschaft für Internationale Zusammenarbeit (GIZ) GmbH	21,897	39,165
The European Union (EU)	-	149,643
Ministry of Commerce (MoC), Thailand	-	88,988
Trade Facilitation Office (TFO) Canada	-	45,208
Other Development Partners	17,623	28,742
<b>Total Short-Term and Customized Projects</b>	<b>946,542</b>	<b>801,432</b>
<b>Total Funding from Development Partners</b>	<b>3,438,542</b>	<b>2,744,762</b>
<b>B. Contribution from GMS Member Countries</b>	<b>520,705</b>	<b>510,051</b>
<b>C. Other Income</b>	<b>91,870</b>	<b>64,560</b>
<b>Total Revenue</b>	<b>4,051,117</b>	<b>3,319,373</b>

## Proportion of Funding from Development Partners for 2019



## Expenses

	USD Currency	
	2019	2018
Project cost delivery, program administration and business development	3,002,443	2,606,180
Operation expenses	944,696	930,413
<b>Total</b>	<b>3,947,139</b>	<b>3,536,593</b>





# ANNEX 2. MI 2019 PROJECTS

<b>Long-Term Projects</b>	
1.	Promoting Safe Food for Everyone
2.	Transboundary Cooperation Mechanism on Adaptation to Climate Change and Hydropower Development Project
3.	MLC Training Program on Project Management and Sectoral Development of Key Priority Areas
4.	Regional and Local Economic Development-East West Economic Corridor Project
5.	Green Freight and Logistics Development in Mekong Countries
6.	Mekong-Republic of Korea Cooperation Fund Management
7.	Joint Development of Cross-Border Economic Zones
8.	Upgrading Border Facilitation for Trade and Logistics Development
9.	Lancang-Mekong Business Forum
10.	Action Research on Rural E-Commerce Development in Lancang-Mekong Countries
11.	Capacity Building on GMS Power Grid Interconnection
12.	Mekong Institute Young Scholars Program
13.	Improving Institutional Capacities for Promoting Employability in the Greater Mekong Subregion
<b>Short-Term Projects</b>	
14.	Postharvest Management System in Fresh Horticultural Produce
15.	Monitoring of "Early Harvest" Implementation of the GMS Cross-Border Transport Agreement
16.	Development of the Greater Mekong Subregion Transport Information Connectivity System along the Economic Corridors
17.	Making Trade Work for Development: Export Capacity Support for Small Exporters from Asia-Pacific Least Developed Countries in Specialty Agro-Food Value Chains
18.	Study on the Competitiveness of Lao PDR Enterprises in ASEAN
19.	Capacity-Building for National Coordinators of Mekong-Lancang Countries
<b>Customized Projects</b>	
15.	Training and Field Practicum on "Logistics and Supply Chain Management"
21.	Communication Skill Capacity Building for Regional Cooperation and Integration in the Lancang-Mekong Region
22.	Gender Equality and Women Empowerment: Sharing Good Practices and Experiences of Thailand
23.	Regional Training on Promoting Efficient Utilization of Resources and Sustainable Energy in the Lancang-Mekong Region
24.	Consultation Workshop on Technology and Innovation Policy Development in the Lancang-Mekong Region
25.	ASEAN Home-Town Improvement through Disability-Inclusive Communities Model Project
26.	TICA and JICA Triangular Cooperation for Palestine

# ANNEX 3. MI COUNCIL

Government	Representative
 Government of the Socialist Republic of Vietnam MI Council Chairperson	Mrs. Nguyen Yen Hai Deputy Director General Foreign Economic Relations Department Ministry of Planning and Investment Hanoi, Vietnam
 Royal Government of Cambodia	H.E. Mrs. Pen Sopakphea Secretary of State Ministry of Planning Phnom Penh, Cambodia
 Government of the People's Republic of China	Mr. Zhang Guohua Vice Governor The People's Government of Yunnan Province Kunming, Yunnan Province, P.R. China
 Government of Lao PDR	Mr. Virasac Somphong Deputy Director General Department of Economic Affairs Ministry of Foreign Affairs Vientiane, Lao PDR
 Government of the Union of Myanmar	Mr. Than Aung Kyaw Director General Foreign Economic Relations Department Ministry of Investment and Foreign Economic Relations Nay Pyi Taw, Myanmar
 Royal Thai Government	Ms. Pattarat Hongtong Director General Thailand International Cooperation Agency Ministry of Foreign Affairs Bangkok, Thailand
 New Zealand Aid Programme	Mr. Elliott Kirton First Secretary and Representative of the New Zealand Air Programme to Cambodia, Lao PDR and Thailand New Zealand Embassy Bangkok, Thailand

 <p>Asian Development Bank</p>	<p>Dr. Ramesh Subramaniam          Director General          Southeast Asia Regional Department (SERD)          Asian Development Bank          Manila, Philippines</p>
 <p>Hue University</p>	<p>Prof. Dr. Nguyen Quang Linh          President          Hue University          Hue City, Viet Nam</p>
 <p>Khon Kaen University</p>	<p>Assoc. Prof. Charnchai Panthongviriyakul, M.D.          Acting President          Khon Kaen University          Khon Kaen, Thailand</p>
 <p>Business Representative</p>	<p>Dr. Narongchai Akrasanee          Chairman          MFC Asset Management Plc.          Bangkok, Thailand</p>
 <p>Honorary Advisor</p>	<p>Dr. Tej Bunnag          Assistant Secretary-General for Administration          The Thai Red Cross Society          Bangkok, Thailand</p>
 <p>Honorary Advisor</p>	<p>Dr. Jean Pierre A. Verbiest          Policy Advisor          Mekong Institute          Khon Kaen, Thailand</p>
 <p><b>MEKONG INSTITUTE</b>          Mekong Institute<sup>10</sup></p>	<p>Dr. Watcharas Leelawath          Executive Director          Mekong Institute          Khon Kaen, Thailand</p>

<sup>10</sup> Non-voting member



## ANNEX 4. MI STEERING COMMITTEE

Government	Representative
 Royal Government of Cambodia	H.E. Mr. Chea Chantum Secretary-General General Secretariat for Population and Development Ministry of Planning Phnom Penh, Cambodia
 Government of the People's Republic of China	Mr. Li Hong Permanent Representative of P.R. China to UNESCAP Embassy of the People's Republic of China Bangkok, Thailand
 Government of Lao PDR	Ms. Dalylack Keobanhdith Deputy Director General Department of Economic Affairs Ministry of Foreign Affairs Vientiane, Lao PDR
 Government of the Union of Myanmar	Ms. Moh Moh Naing Director Foreign Economic Relations Department Ministry of Investment and Foreign Economic Relations Nay Pyi Taw, Myanmar
 Royal Thai Government	Ms. Sayan Kongkoey Director of Thai Cooperation Branch I Thailand International Cooperation Agency Ministry of Foreign Affairs Bangkok, Thailand
 Government of the Socialist Republic of Vietnam	Mr. Duong Hung Cuong Director Secretary of GMS Program Foreign Economic Relations Department Ministry of Planning and Investment Hanoi, Vietnam

## ANNEX 5. MI COORDINATING AGENCIES

Government	Representative
 Royal Government of Cambodia	General Secretariat for Population and Development Ministry of Planning Phnom Penh, Cambodia
 Government of the People's Republic of China	Yunnan Research and Coordination Office For Lancang-Mekong Subregional Cooperation Yunnan Academy of Science and Technology Yunnan Province, P.R. China
 Government of Lao PDR	Economic Affairs Department Ministry of Foreign Affairs Vientiane, Lao PDR
 Government of the Union of Myanmar	Foreign Economic Relations Department Ministry of Investment and Foreign Economic Relations Nay Pyi Taw, Myanmar
 Royal Thai Government	Thailand International Cooperation Agency Ministry of Foreign Affairs Bangkok, Thailand
 Government of the Socialist Republic of Vietnam	Foreign Economic Relations Department Ministry of Planning and Investment Hanoi, Vietnam





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