

MEKONG CONNECTION

The Newsletter of the Mekong Institute
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Enhancing Trade and Investment Facilitation along the GMS North-South Economic Corridor

GREATER MEKONG SUBREGION ECONOMIC CORRIDORS



The cross-border trade and investment on North-South Economic Corridor (NSEC) is low despite the remarkable improvement of road infrastructure and favorable government policies and bilateral and multilateral agreements among countries in the Greater Mekong Sub-region (GMS). The major causes of this low utilization of the connectivity and enabling environment are mainly on: a) NSEC implementation process failed to be taken up by the private sector, b) higher costs of transportation and logistics, c) lack of information and knowledge on trade and investment potentials and d) lack of opportunity for private and public officials to have opened discussion environment.

Among the three main economic corridors in this region, NSEC forms a north-south axis connecting Kunming in Yunnan of P.R. China to Vietnam and Yunnan to Bangkok in Thailand. It facilitates transport and logistics even further south to Malaysia and Singapore. NSEC was identified by the GMS ministers at the Eighth GMS Ministerial Meeting as one of the three priority projects under the economic corridor approach. The other two are the East-West and Southern Economic Corridors. The NSEC is one of the flagship investments under the GMS Economic Cooperation Program initiated by the (Asian Development Bank). Currently, there is mainly transport of low value goods in NSEC. However, with the growing trade and the positioning of Kunming as a logistics hub between P.R. China and ASEAN, NSEC has a great potential to form a major transport gateway between P.R. China and Thailand and the GMS. As a GMS owned inter-governmental organization, Mekong Institute (MI) has been conducting a series of capacity building programs along the NSEC.

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Field Surveys on Cross-border Contract Farming (CBCF)



Myanmar February 22 - 24

In collaboration with Yezin Agricultural University and the Department of Agriculture in Myawaddy Township, MI completed the field data collection for cross-border contract farming research in Myawaddy, Myanmar. The field survey was carried out in four villages located along the border of Tak, Thailand. The results of the survey will serve as basis for improving contract farming arrangements to ensure benefits to small-scale farmers.



Cambodia February 26 - March 2

MI conducted the primary field data collection in four villages randomly selected from two communes in Kampong Trach District, Kampot Province, Cambodia. The survey was carried out using focus group discussions, key informant interviews and individual interviews with contractual and non-contractual farmers, contracting companies, traders and a range of other actors from concerned government agencies.



Vietnam March 5 - 10

Field data collection was completed in Bat Xat District, Lao Cai Province, Northwest region of Vietnam bordering with Yunnan Province of P.R. China. The interviewees included contract and non-contract farmers, contracting companies, traders and a range of participants from concerned government agencies. MI finished the work with the Center for Agricultural Research and Ecological Studies, Hanoi University of Agriculture.

Editorial

Developing International Shipping in the Greater Mekong Sub-region



In a society that relies on global economy, the entire Greater Mekong Sub-region (GMS) should focus on the development of international shipping. Most economies around the world could not function without the shipping industry.

The International Chamber of Shipping has even deemed it to be the life blood of world trade. Without international shipping, intercontinental trade, the bulk transport of raw materials and the import or export of food and manufactured goods would not be possible.

The GMS could greatly benefit from enhancing current international shipping procedures. As the Mekong River Basin is a great resource that is under the responsibility of the four GMS countries: P.R. China, Lao PDR, Myanmar and Thailand. It is safe to say that there will always be room for improvement. The GMS economy would be greatly affected by this.

With the improvement of infrastructure and enhancement of regional connectivity, trade and investment in the GMS calls for freer and better movement of people, goods and services on the Mekong River. We have to continue to strengthen our collaboration and network on transportation and logistics.

International Shipping on the Lancang-Mekong River



Since the opening of the Lancang-Mekong international shipping route, trade and investment has significantly increased, thereby driving local economic development forward. The AEC 2015 will bring about increased volumes of trade and investment in the GMS and increase the importance of the Lancang-Mekong Route.

The Lancang-Mekong shipping route follows on from the 'Agreement on Commercial Navigation on the Lancang-Mekong River 2000', which was signed by P.R. China, Myanmar, Lao PDR, and Thailand. Given the ongoing development of the river, the Chinese Government commissioned MI to conduct a research project to assess the development potential for international shipping along the four countries.

On February 26-27, 2015, MI conducted an inception workshop in Khon Kaen aimed at validating the desk research findings completed last December 2014, building opportunities for research collaboration and networking in the area of transportation and logistics along the Lancang-Mekong River, as well as provide input for the next steps of the research study.

From April to May, MI will conduct the field data collection in targeted communities in Kunming and Jinghong of P.R. China; Vientiane, Luang Namtha and Bokeo of Lao PDR; Yangon, Naypyitaw, Tachilek (Shan State) of Myanmar;

Bangkok, Chiangrai, Chiangkong and Maesai of Thailand in collaboration with the national partners. The data collection in each site targeted 25-30 respondents from public and private sector organizations to find out the development status, challenges and opportunities, as well as the national/local trade and transportation facilitation measures along the Lancang-Mekong River international shipping.

The preliminary findings based on the field data collection will be presented and validated during July 2015 in national consultation meetings in P.R. China, Lao PDR, Myanmar and Thailand. This will be followed by dissemination of workshop's scheduled in September 2015 in each country to propose the way forward.



EWEC in the Field

Farmer Seminars in Myanmar



Following the on-farm demonstration activities conducted in December 2014, MI along with several seed companies jointly organized three farmer seminars in January 2015 to demonstrate the application of the recommended fertilizer, hilling-up at the time of irrigation, and thinning in farms in three villages in Kayin State, Myanmar. Staff from the Department of Agriculture

attended the seminars to motivate the farmers who then followed and applied the practices demonstrated by the seed companies.

Myanmar Farmer Field Day



A farmer seminar was jointly organized by the Department of Agriculture (DOA) and MI in Myanmar in March 2015. Farmers learnt about the stages of crop development and the suitable application of fertilizers. Two DOA representatives and 26 farmers attended the event. They learned more about post-harvest practices.



Soil Sampling Workshop on Arabica Catimor in Vietnam

To present the results of soil sampling collected from 15 villages in Huong Phung, a workshop was held in March 22, 2015. The workshop allowed experts to provide recommendations on a fertilizer formula appropriate to the cultivation of Arabica Catimor, and finalize the manual of cultivating Arabica Catimor based on the workshop participants' feedback. The recommended fertilizer formula proved to be suitable for the soil in Huong Phung. The manual was finalized and will be used for future capacity development activities for farmers in Huong Phung.

Enhancing Trade and Investment Facilitation along the GMS North-South Economic Corridor

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To tackle the issues and to contribute to the rapid economic development and inclusive growth in targeted border provinces of the NSEC through promotion of trade and investment along NSEC with specific focus to enhance competitiveness of small and medium-sized enterprises (SMEs), MI launched the project “Enhancing Provincial and Local Chambers of Commerce Capacities in Trade and Investment Facilitation along the GMS North-South Economic Corridor (R3A & R3B)” with the support from the ASEAN-China Cooperation Fund (ACCF) to increase local and regional economic development on this corridor through trade and investment facilitation and public – private partnership initiatives in the long-run, and to support inclusive and more equitable development on the NSEC.

The project focused on a series of capacity development activities to promote business linkage and information network among members of provincial and local Chambers of Commerce and Industries (CCIs) and Business Associations (BAs) along NSEC–R3A and R3B of GMS namely Yunnan Province of P.R. China, Myanmar, Lao PDR and Thailand. Although the project covers three ASEAN countries and one province of P.R. China, the development of NSEC will provide opportunity for public and private investors from other ASEAN member countries to establish/ expand their production and marketing bases to the Mekong countries and promote ASEAN economic integration.

The project consists of modular trainings (business research and trade event promotion activities), NSEC Business Database Development, workshop cum structured business visit and Synthesis & Evaluation Workshops (S&E) and utilizes MI’s core competencies of capacity building and regional networking. The cross-border trade and investment has improved and has also generated a NSEC B2B e-commerce platform to promote trade and investment in this region.



Guest Visits

New Zealand Students January 26



26 outstanding students from Victoria University of Wellington visited MI on January 26, 2015. The educational trip is to learn more about the ASEAN countries. This is part of students’ academic course. The trip was led by Dr. Malcolm McKinnon and Jane Gunn-Lewis, and supported by the New Zealand Government.

Chinese Consul-General to Khon Kaen February 1



Newly-appointed Chinese Consul-General to Khon Kaen, H.E. Mr. Li Mingang, visited MI in February 2015. MI Director, Dr. Watcharas, and MI Chinese staff warmly welcomed Chinese Consul-General to Khon Kaen.

USAID February 9



The Mission Director of USAID’s Regional Development Mission for Asia (RDMA), Mr. Michael Yates, and the Supervisory General Development Office, Mr. David Gosney, visited MI to discuss further collaboration.

New Zealand Aid Programme February 9



Delegates from New Zealand Aid Programme (NZAP), Mr. Brent Rapson, First Secretary of Development of the New Zealand Embassy and two development officers visited MI.



MI Calendar for May – October 2015

PLANNED ACTIVITIES	DATE	DEVELOPMENT PARTNERS
SLV on Effective Cross-border Trade Facilitation	May	SDC
SLV on GMP/Quality Standards and Product Process in Thailand	May	SDC
Synthesis and Evaluation Workshop on NSEC Project	May 27	ASEAN-China Cooperation Fund
Training on GAP: Principles and Product Certification	May 4-13	NZAP
National Workshop on Cross-Border Contract Farming in Myanmar	May 5	NZAP
National Workshop on Cross-Border Contract Farming in Vietnam	May 8	NZAP
Regional Training on Product Market Intelligence	May 11-15	NZAP
Training on Postharvest Practices on Fresh Produce	May 25-30	NZAP
Capacity Building on the Policy Development for Promoting Investment	June	SDC
Cambodian Language Course for the Ministry of Health	June 8-12	Ministry of Health, Thailand
Coordinated Cross-border Procedure Management in the GMS	June 22-July 2	TICA-Singapore
Multi-stakeholders Policy Dialogue on Cross-Border Contract Farming	June 24-25	NZAP
Lancang - Mekong International Shipping Project - Report Writing	Jun - Aug	Government of P.R. China
Development of “Khe Sanh Coffee” Branding Promotion	Jun - Oct	SDC

*SLV: Structured Learning Visit *GMP: Good Manufacturing Practice *GAP: Good Agricultural Practice *ACCF: ASEAN-China Cooperation Fund

*SDC: Swiss Agency for Development and Cooperation *TICA: Thailand International Cooperation Agency

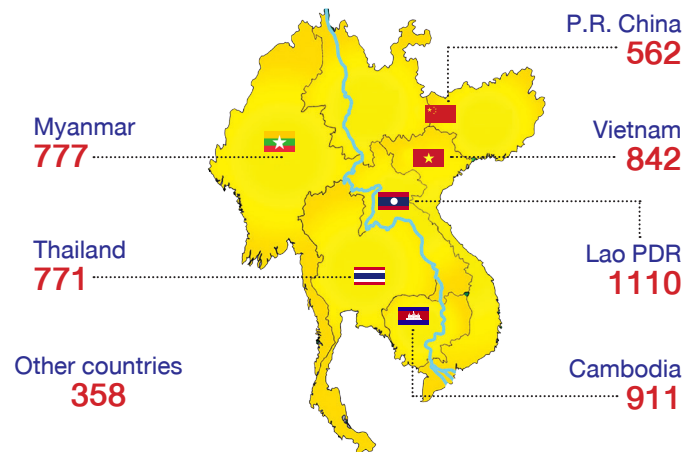
Upcoming Event

Mekong Institute (MI) is inviting you to the Mekong Forum 2015: Modernizing the GMS towards the post-AEC 2015.

To support the goal of having a more integrated, prosperous and equitable growth in the Greater Mekong Sub-region (GMS), Mekong Institute will organize the Mekong Forum 2015 on July 8, 2015 in Khon Kaen, Thailand. The forum is organized every two years. Experts and practitioners will gather to share innovative ideas on modernizing the public and private sectors, to identify areas of collaboration that will synergize development, and to jointly formulate policy recommendations for the GMS.

Total Alumni: 5,484

19 countries



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