

Capacity Development for Regional Cooperation and Integration

MEKONG CONNECTION

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Connecting the Modern GMS

Power collaboration and people-to-people exchange in the Greater Mekong Subregion (GMS) countries confirm that members of the GMS will be laying a firm foundation for the region's power cooperation.

The GMS moves forward at fast pace in the midst of a modern transformation. This expansion has connected its members through various communication tools and advancements in technology. Consequently, this expands regional power market, advances regional economic integration, and further solidifies the region.

Laying out a strong foundation for projects geared toward this direction is an essential step in forming a well-connected region. Foreseeing this rapidly changing phase, China Southern Power Grid Co., Ltd. (CSG) has partnered with Mekong Institute (MI) to conceptualize and implement initiatives on promoting energy connectivity through professional trainings as well as workshops within the GMS.

In 2016, this cooperative program moved forward with the project entitled *Capacity Building on GMS Power Grid Interconnection* and has successfully concluded its second year of implementation with productive results. The project followed four components.



Participants paid a visit to the National Engineering Laboratory for UHV Technology in Kunming, China.

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GAP Standards Boost Rice Yields in Lao PDR

Located on the border of Lao PDR, with Thailand on the west and Vietnam on the east, lies Khammouane Province. This predominantly plain area hosts a population of more than 300,000 and majority of them rely on agriculture as their primary source of income.

Rice is one of the province's main agricultural products - with 60,000 hectares used for growing wet season rice and 10,000 hectares for growing dry season rice.

The Lao PDR government named the province as the country's rice hub, aiming to promote improved farming practices, which in turn, should increase the farmers' productivity. This objective also aims to reduce poverty, ensure food safety and security, as well as further strengthen the local economy.

The government has, since then, extended its aid to assist the farmers and has partnered with MI to attend to its goals. The partnership has established the Regional and Local Economic Development - East-West Economic Corridor (RLED-EWEC) project, which started in 2013. The main objective was to integrate various interventions to help farmers acquire skills and knowledge on better farming practices.

This initiative has been funded by the Swiss Agency for Development and Cooperation (SDC) with the initial purpose of educating and training farmers to apply certified seeds, as well as upgrading their cultivation skills to prevent unfavorable harvest results.

The training events provided knowledge and useful techniques to farmers. Agencies such as Clean Agriculture Development Center, Department of Agriculture, Ministry of Agriculture and Forestry, Provincial Agriculture and Forestry Office (PAFO)

in Khammouane Province have immensely contributed to the project's positive results. Thailand's Department of Rice of the Ministry of Agriculture and Cooperative likewise assisted these successful trainings.

The Good Agricultural Practice (GAP) Standards were intensively implemented in 2016 and have produced groundbreaking results. Rice production increased 13% since the start of the project. Prices for sticky and non-glutinous rice have steadily increased as well – marking an improvement of 25 to 30% as compared to non-GAP rice. The initiative also resulted in a newly-formed cooperative – an effective means to facilitate contract farming following the Good Manufacturing Practice (GMP) Standards.

An inspection for both producing and processing was conducted in December 2016, and the Department of Agriculture, Ministry of Agriculture and Forestry issued the very first Lao GAP Standards certificate in January 2017.

Khammouane farmers are indeed capable of meeting the standards and more importantly, are proficient in passing on their knowledge to their fellow farmers and to the rest of their communities.

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Editorial



Dr. Watcharas Leelawath Executive Director

Cross-border trade continues to play a more important role for the GMS with even closer economic cooperation slated in the years to come, as the rise of the ASEAN Economic Community (AEC) signals a new chapter in the region's connectivity. Regional integration confers substantial benefits, including larger markets, thereby creating economies of scale and greater scope for specialization, where lowering trading and funding costs and facilitate capital investment. It also promotes more inclusive growth by bringing isolated regions and marginalized people closer to markets.

In addition, both physical connectivity and the associated specialized regional services can foster closer economic ties between the GMS and ASEAN. Increased investment in cross-border infrastructure is the first step to improve connectivity between neighbouring countries, and thereby promote trade and investment growth. Quality infrastructure boosts productivity, reduces trading costs and promotes investment from both home and abroad. It also provides people with access to basic services, such as health care and education, as well as to jobs and other economic opportunities.

For instance, Lao Bao – Dansavanh, the first-ever single-stop inspection border crossing in the GMS, enjoys a significant comparative advantage over other crossings. However, more can be done by the two provinces and at the border crossing to increase cross-border trade flow and enhance cooperation and coordination to facilitate trade. This will benefit both traders and local governments of Quang Tri and Savannakhet provinces.

MI, with the generous support of the Swiss Agency for Development and Cooperation (SDC), initiated and facilitated a policy dialogue process that creates opportunities for policymakers from the two border provinces to discuss, negotiate and implement commitments (action plans) on the ground. MI helps to focus the dialogue through consultation meetings with the parties and conducting research. MI also aims to ensure proper follow-up on the implementation of the action plan by both sides. Additionally, MI provides partial financial support for organizing the dialogues and implementing commitments on the ground.

On March 2, 2017, a Memorandum of Understanding (MoU) on trade facilitation was signed between the two border provinces of Quang Tri, Viet Nam and Savannakhet, Lao PDR, at a Policy Dialogue on Cross-Border Trade Facilitation. The two sides proposed that MI study and strengthen its support for, and collaboration with relevant parties in, the implementation of the cooperation agreement for cross-border trade facilitation among areas on the EWEC, both in general and between Quang Tri - Savannakhet in particular. This agreement helps pave the way to lowering infrastructure costs and facilitating cross-border trade between the two countries, while also strengthening the solidarity and friendship between the two provinces.

There are mutually reinforcing effects among cross-border infrastructure, trade and investment. When combined, cross-border and domestic transport infrastructure can reduce trade costs. This leads to more trade, and is also likely to attract increased investment that exploits the comparative advantages of a particular location, which will further increase regional trade. Ultimately, increased international flows induce higher economic growth, which would in turn enlarge the fiscal space for governments to consider policy options.

Planting Seeds of Change Better farming practices in Khammouane

MI's initiatives have reached out to farmers and the latter are now reaping progressive results from the training.

Mr. Han Chanthalangsy, the head of a GAP farmer group in Ban Dongtai Village, Thakhek District, Khammouane Province, is one of the many who has benefited from the RLED-EWEC project.

"I joined the project of MI in Oct 2015 to attend the Training of Trainers (ToT) on GAP. After that, my group was selected as one of the first GAP rice farmer groups in Khammouane Province with 21 members. There was a series of trainings to attend, including an on-the-job training, meetings, and activities such as technical knowledge on producing, Integrated Pests Management (IPM), post-harvest management, and internal audit standards, among others. At the time, these activities and knowledge were new to me and to other members."

He concluded that his productivity has increased after applying the GAP Standards as compared to practices used for the production of commercial rice product.

According to Mr. Chanthalangsy, following this set of practices requires more attention on technical farm production, including timely record-keeping that tracks the production and harvest.

"During the previous years, I did not record the planting date nor the fertilizer application date. This gave me problems on how to count for the harvesting period. It was sometimes already over the harvesting period, which created a loss of production," he explained.

Production yield has significantly increased. From last year's 2 to 2.5 tons of non-glutinous rice per hectare, they have now harvested 3 to 3.5 tons per hectare.

He added that his group previously produced and sold their product to rice mills without contracts. "It was the first time for us to use contract farming between the farmer group and the cooperative. We could see the positive influence from it," he added.

In 2015, the price was higher than that of 2016. The price was 36,000-38,000 kip per 12 kilograms for non-glutinous rice in 2015. However, it became 20,000 kip per 12 kilograms in 2016. Through their acquired knowledge and skills from the training, they were able to negotiate the price to 28,000 kip per 12 kilograms in cash, then 41,000 kip per 12 kilograms in credit, which was an exceptional case.

"It was the first year that we have applied the GAP Standards and we have seen very good results. For 2016, I used 1.8 hectares for GAP and 2 hectares for quality commercial rice production. I will expand the land to grow more GAP rice in 2017 and could earn more from it," he shared.

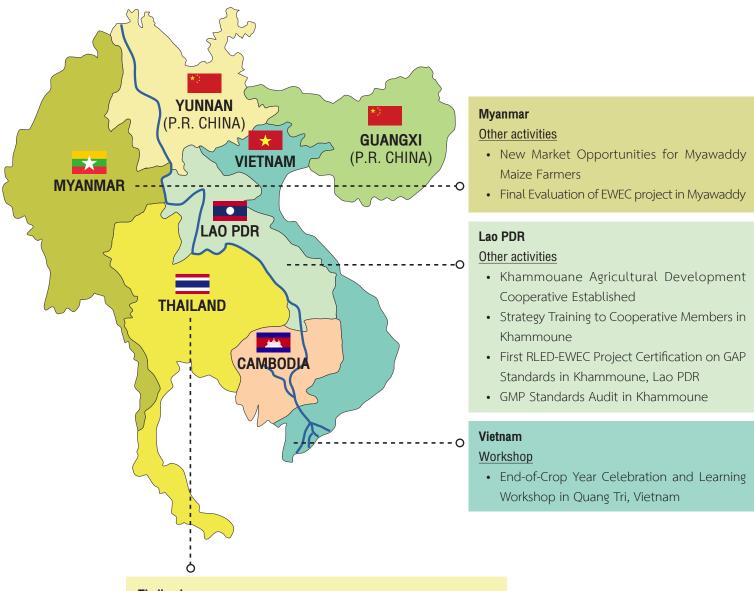
Mr. Chanthalangsy strongly wishes that he, together with his farmer group, will be able to form their farmer cooperative. This will allow them to run their own rice production. More importantly, they will be able to independently process everything to sell in the markets for the next five years.



REGIONAL WORKS

Cross-Country Activities:

- EWEC Database Update and e-Commerce Promotion Workshop involving Quang Tri Province, Vietnam and Savannakhet Province, Lao PDR
- ADB National Consultation Workshops in six GMS countries
- National Consultations on "Enabling Regulatory Environment for Facilitating Cross-Border Trade on East-West Economic Corridor" in Lao PDR, Myanmar, Thailand, and Vietnam



Thailand

Trainings

- Training on 'Hydropower Project Construction and Power System Operation Management in the GMS'
- Training on 'Effective Human Resource Management in the Context of Public Administration'



Connecting the Modern GMS

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Component A: Professional Training for Resource Persons

Guided courses were given to 31 Yunnan Power Grid Co., Ltd. (YNPG) staff members, who have been deemed as Resource Persons (RPs). North China Electric Power University, together with the MI faculty, conducted training courses that helped the participants improve their language and facilitation skills - emphasizing that these are useful tools in communicating technical aspects of the field.



Participants collaborate as they strengthen their facilitation skills.

Component B: Workshop on Power Grid Operation Standard and Code

This component focused on enhancing the participants' awareness on the importance of regional power grid interconnection, as emphasized by CSG.

During this part of the training, the participants collectively discussed and explored how to develop the GMS power grid operating standard and code. Each representative also presented the current power grid system in their respective countries.

Sessions covered Management Code for Regional Power Grid Interconnection Dispatch and Operation, Key Technologies of Intelligent System for Power Grid Operation and the Relevant Standard, and Operation and Management of Renewable Energy Integration.

Mr. Wang Wen, Vice President of YNPG, highlighted the importance of strengthening their efforts with MI to reinforce capacity building programs for the GMS power interconnection. This caters to the objective of meeting the booming demands for promoting connectivity and facilitating trade in electricity, as well as providing strong technical support and services.

Dr. Watcharas Leelawath, Executive Director of MI, also emphasized the importance of laying a good foundation for the implementation of potential and future regional power interconnection projects. He also explained that the MI Strategic Plan 2016-2020 includes a focus on power interconnection, which is under the program pillar called Innovation and Technology Connectivity.

Component C: Professional Training on Power Dispatching, Operation and Control for GMS Power Grid

Following the previous events, a ten-day training on *Power Dispatching, Operation* and *Control for GMS Power Grid* was held in Kunming, China from September 19 to 29, 2016.

Through this, the participants gained knowledge on advanced power technology as well as operation and management experience of CSG.

They also acquired a better understanding of the quality and performance of China's power equipment through a four-day Structured Learning Visit to Honghe Power Dispatching and Control Center, Honghe Power Monitoring Center, 500kV Tongbao Substation, 500kV Tongbao Series Compensation Station, Nanzhuang Grid-connected Photovoltaic Plant, Yunnan Power Dispatching and Control Center, Vehicle-based Emergency Communication System and National Engineering Laboratory for UHV Technology.



Participants of the workshop together with the MI team at the MI Headquarters.

Component D: Project Synthesis and Evaluation Meeting

The project had been synthesized and evaluated last January 10, 2017 by MI and YNPG. The partnership provided positive outputs including achievements and experiences gained by the participants during the events. There were also proposed improvements to enhance performances for the rest of 2017. In addition, project monitoring and management will be continuously upgraded to ensure the quality and effectiveness of the program.

Throughout the project, the participants have given positive feedback and encouragement to each other. They have built strong connections that promote continuous support - signifying the harmonious growth within the GMS Power Grid Connection

The GMS is continuing to advance in terms of regional economic integration and with this progress comes the need for a better regional power grid interconnection. This will effectively facilitate the optimal allocation of regional energy resources and improve the use of energy in the GMS. Both MI and CSG/YNPG have committed to continuously work together to promote the regional energy cooperation and connectivity in the GMS.

MEKONG

Building Stronger Ties: Participants summarized what they have learned during the training and have shared what they can contribute to strengthen the modern GMS.



Cambodia

A Harmonious GMS Power Grid Connection



P.R. China

Good Friendship Forever



Lao PDR

One Region, One Power Grid



Myanmar

We All are One Power System



Thailand

Greater Growth through Power Cooperation

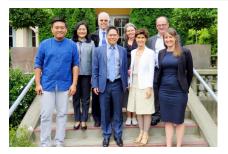


Vietnam

An Environmental-Friendly Society through Power Cooperation

MI HIGHLIGHTS

MI Visits New Zealand



Led by the Executive Director, Dr. Watcharas Leelawath, MI delegates visited New Zealand from January 22 to 27, 2017 to meet with existing and potential partners for the Regional Food Safety Project (FSP) funded by the New Zealand Aid Programme.

The study visit allowed the MI team to better understand the current food safety situation and systems adopted in New Zealand, and seek possible areas of collaboration with relevant organizations to effectively implement the MI-FSP. MI delegates met with more than twenty individuals composed of government representatives, as well as food safety researchers and practitioners.

ADB National Consultations



MI participated in a series of ADB National Consultation Workshops on "GMS Strategy and Action Plan (2018-2022) for Promoting Safe and Environment-Friendly Agrobased Value Chains" held in the following cities: Hanoi, Vietnam on January 12; Nay Pyi Taw, Myanmar on January 24; Bangkok, Thailand

on January 31; Vientiane, Lao PDR on February 7; and Phnom Penh, Cambodia on February 9. In detail, stakeholders discussed the roles of each GMS country in pursuing the regional strategy, preparation of the Action Plan, and identification of regional investments as well as policies to be implemented.

EWEC National Consultations









MI successfully conducted the National Consultations on "Enabling Regulatory Environment for Facilitating Cross-Border Trade on East-West Economic Corridor" in Lao PDR, Myanmar, Thailand and Vietnam from February 21 to March 23, 2017. The consultations focused on three main areas: customs cooperation and border management, technical cooperation in the agricultural sector, and institutional development and coordination mechanisms.



MI HIGHLIGHTS

Ambassadors' Visit to MI



H.E. Enno Drofenik, Ambassador of Austria to Thailand, Myanmar, Lao PDR, and Cambodia, H.E. Brendan Rogers, Ambassador of Ireland to Thailand, H.E. Staffan Herrström, Ambassador of Sweden to Thailand, Lao PDR and Myanmar, and H.E. Ben King, Ambassador

of New Zealand to Thailand, Cambodia and Lao PDR, visited MI on January 30, 2017 to discuss the areas of common interest and potential development collaboration in the GMS.

Meeting with Lao Government Officials

To monitor and review the progress of the MI Food Safety Project's (FSP) first training participants, Ms. Maria Theresa Medialdia, Director of ADC, along with other ADC staff, visited Lao government officials in Vientiane, Lao PDR on February 2 and 3, 2017. MI's main objective was to review the progress of the government officials' action plan and finalize further actions; identify ways forward, discuss and clarify the roles and responsibilities of each department and ministries in project implementation; and identify possible training participants for the remaining workshops.

MoU Signing



MI and the Korea Labor Foundation (KLF) signed a Memorandum of Understanding (MoU) on February 28, 2017 at the MI Headquarters to share and combine their respective experiences through collaborative projects on general cooperation in

the GMS. The MoU was signed between Dr. Watcharas Leelawath, the Executive Director of MI, and Mr. EOM, Hyeon-taek, Secretary General & CEO of the KLF.

Visit from Sophia University



MI, represented by Mr. Madhurjya Kumar Dutta and Mr. Nguyen Hung Cuong, welcomed the team of Sophia University headed by Dr. Yasushi Hirosato, Director of Center for Global Discovery, Faculty of Global Studies, Sophia University on March 9, 2017 at MI.

The team visited MI as part of a study program on the East-West Economic Corridor (EWEC). The workshop discussed the role of MI and its project implementations, as well as challenges and investment policy linkage to poverty reduction in the EWEC.

MoU Signing Promotes Cross-Border Facilitation



A Memorandum of Understanding (MoU) on trade facilitation was signed between Quang Tri, Vietnam and Savannakhet, Lao PDR at a Policy Dialogue on Cross-Border Trade Facilitation in Dong Ha City, Vietnam on March 2, 2017. The Executive Director of MI,

Dr. Watcharas Leelawath, Vice Governor of Savannakhet, H.E. Mr. Thonekeo Phoutthakayalath, and Vice Chairman of Quang Tri Provincial People's Committee, H.E. Mr. Nguyen Quan Chinh, co-chaired the dialogue with the participation of representatives of provincial/district departments and cross-border enterprises from both sides.

The agreement helps pave the way to lowering infrastructure costs and facilitating cross-border trade between the two countries, while strengthening the solidarity and friendship between the two provinces.

MI Featured in "The Nation"



MI, with the support of the Swiss Agency for Development and Cooperation (SDC), helped facilitate the very first Good Manufacturing Practice (GMP) certificate for a rice mill and Good Agricultural Practices (GAP) certificates for farmer groups in Khammouane province, Lao PDR. MI's efforts and their stories were featured in The Nation.

Discussions on Financial Role in Supporting SDGs



MI, together with the International Institute for Trade and Development (ITD) and Fiscal Policy Research Institute Foundation (FPRI) of Thailand, jointly organized the discussions on the "Financial Role in Supporting the Sustainable Development Goals (SDGs)" in Lao

PDR and Cambodia. The said discussions were held in Vientiane, Lao PDR on March 15, 2017 and in Phnom Penh, Cambodia on March 28, 2017. The study on SDGs was presented and verified, highlighting five main goals of development, including People, Planet, Peace, Prosperity, and Partnership. Participants shared their experiences and comments as well as suggestions to efficiently facilitate sustainable development financing for Lao PDR, Cambodia, and also for the ASEAN region.



Alumni Testimonials



Mr. Sokh Sina

Deputy, BMC Industry and Handicraft

BMC Industry and Handicraft Sophy Village, BMC, Cambodia

The training course I attended totally met my expectations. It gave me more insight about international marketing. By far, what impressed me most was the section on provincial profiles. It is good to know how your own business can contribute to a good provincial profile. With a good provincial profile, there can be more investment. This is really interesting to understand how I can help my province become a better place. Apart from the training course, MI provided us with a convenient and hospitable accommodation and I really enjoyed my stay in Khon Kaen.



Ms. Wang Lin

Program Officer, Yunnan International Regional Cooperation Office

Foreign Affairs Office of the People's Government of Yunnan Province, P.R. China

Because of this training, I have a better understanding of the background and general situation of poverty conditions along the Lancang-Mekong River Basin, the concepts of poverty, as well as sustainable rural development. Now I know how to use PRA tools to analyze rural development and poverty alleviation for rural communities. I understand better the multi-sectoral actors and their roles and linkages in PA-SRD. I also gained some intervention and planning skills and learned the approaches/tools used in poverty alleviation efforts in rural areas. The training and the Synthesis and Evaluation Workshop provided me with an opportunity to meet participants in the GMS region. The modular training approach of MI, "Learn to do", "Do to learn" and "Share to learn" makes it easier for participants to share experience and practice on PA-SRD. Overall, it was wonderful to experience the unforgettable friendship among participants from the GMS.



Mrs. Noui Sangvibouth
Deputy Head of Division
Ministry of Public Works and Transport, Lao PDR

I was happy to attend the training and it was my very first time visiting Khon Kaen. I am really impressed by the warm welcome and friendliness of MI staff. The training course was very beneficial and the discussion on Human Resource Management and Human Resource Development was the most interesting topic for me. What I learned from the course is practical and can be applied to my work, especially the knowledge received on strategies for human resources.



Mr. Zaw Thura

Executive Member, Tanintharyi / Dawei District Fishery Federation, Myanmar

The course completely met my expectations. All of the things I learned from the course are very important to me. The most interesting part of the training was e-commerce. It is a very sophisticated field and is definitely important to understand in the new age as it helps open up more opportunities for businesses. I am really happy to be a participant of the course. I met lots of new friends here and I learned a lot from the experiences that they shared. I would like to thank Mekong Institute for organizing the training. It was really helpful for me and I plan to use e-commerce for my project on SME development.



Mr. Kamon Ruengdet

Land Reform Technical Officer, Ministry of Agriculture and Cooperatives, Thailand

I can apply the knowledge I learned from the training course with MI directly to my work. I can also support farmers with land reform so that they will have better crops. In addition, the training course helped me in studying the trade of longan. This is really helpful as Thailand produces lots of longan and exports these to the Southern part of Thailand, China, and Myanmar. I personally believe that MI is a very important international organization. It is the center of knowledge as well as of training programs for people in the Mekong Subregion. The courses organized by Mekong Institute are useful for the development of the countries in the region



Alumni Testimonials



Mr. Nguyen Huu Tien **Deputy Director General, Department of Environment** Ministry of Transportation, Vietnam

I was so delighted to get the opportunity to attend the training course organized by MI. I am really impressed to see the development work done by MI in the GMS region in providing capacity development. I learned a lot of knowledge and skills on climate change response in the agricultural sector from the training. I do think the acquired knowledge and skills will be very helpful for my work in Vietnam.

MI Calendar (April - July 2017)

March 27 - April 7	Training on Renewable Energy in the GMS
April 19 - 21	Regional Consultation Workshop on the GMS Transport Information Connectivity
April	SEC Mid-term Evaluation (by third party)
April	SEC Project Auditing (by third party)
April 24 - May 5	Regional Training on Affordable, Sustainable and Innovative Technology-Based Energy for Mountainous Rural Area
May 1 - May 5	ToT on Certified Logistics Master (Phase III)
May 15 - 26	Regional Training Program on Assuring Food Safety through Pest and Agrichemical Management
May 29 - June 9	Regional Training Program and Action Research on Promoting Women Entrepreneurship for Export Business
June 8 - 9	Joint Synthesis Workshop on two trainings - SME Cluster and Business Research
June 12 - 16	SEC Modular Training on Trade and Event Promotion
June 19 - 23	Regional Training Program on Agri-food Inspection and Audit
June	First Cycle ToT on Logistics Management for Myanmar and Cambodia
June - September	Modular Training on Trade and Event Promotion - Action Plan
July 6	Dissemination Workshop for Field Research on Cross – Border Value Chain Bottlenecks
July 7	Project Steering Committee Meeting for Mid-Term Evaluation
July 10 - 14	Regional Training Program on Mainstreaming Food Safety Risk Analysis
July 24 - 28	Regional Training Program on Promoting Consumer Awareness

Contact Us

Email: information@mekonginstitute.org

