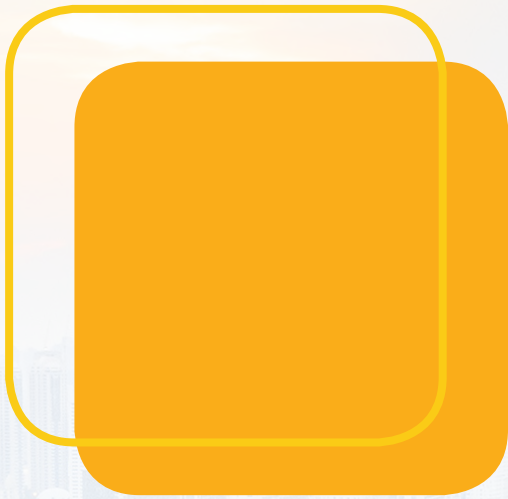




MEKONG
INSTITUTE

2022 ANNUAL REPORT



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MESSAGE

It is with great pleasure that I pen this foreword for the Mekong Institute's (MI) 2022 Annual Report. This report not only reflects the accomplishments of the past year but also testifies to our collective and steadfast dedication to bringing about meaningful transformations and progress in the Lancang-Mekong region.

The year 2022 will be remembered as a turning point, one that saw us marking our gradual emergence from the unprecedented health crisis that wreaked havoc on the world. While we rejoice in this newfound freedom, we must approach the future with the utmost consideration for the lessons the crisis has taught us. The pandemic exposed vulnerabilities in our systems, highlighting the need for resilience, adaptability, and greater cooperation among our nations. Moving forward, we must ensure that our actions are rooted in the wisdom from this shared experience.

As we enter and embrace the much-awaited post-pandemic era, we must seize this opportunity to craft a more sustainable, inclusive, and resilient future for the Lancang-Mekong region. Our focus should be on strengthening regional cooperation and integration, fostering closer ties and collaboration among member countries, and enhancing the capability of our people to navigate the world's changing contexts. It is of the utmost importance that we design enabling cooperation frameworks and policies aimed at empowering our communities and stimulating economic growth. It is equally crucial that we have a comprehensive understanding of the diverse challenges and opportunities that lie before us. By acknowledging the varying degrees of recovery and growth across our region, we can identify targeted interventions and strategies to address the specific needs of each member state. This analysis will guide us in formulating effective policies and interventions that can pave the way for sustainable and inclusive development in the Lancang-Mekong region.



H. E. MR. WANG HAO
Council Chairperson

Our greatest strength as a region lies in the talent, knowledge, and skills of our people. Therefore, investing in building human resource capacities is of paramount importance. MI's relentless efforts in facilitating training programs, knowledge exchange, and networking opportunities have contributed immensely to enhancing the capabilities of individuals and communities across the Lancang-Mekong region. We must continue to prioritize and reinforce these initiatives, ensuring that our people are equipped with the skills and expertise required to thrive in a rapidly changing world.

I would like to express my deepest appreciation to the esteemed council members, the governments of Lancang-Mekong region member countries, the Steering Committee, and the MI Secretariat for your invaluable support throughout the year. Your expertise and tireless efforts have been indispensable in advancing MI's mission. Together, we have achieved remarkable milestones, and your dedication continues to drive the transformation of our region. I am profoundly grateful for the privilege of working alongside every one of you.

The journey ahead may be challenging, but by embracing the spirit of collaboration and innovation, we can get past any adversity that comes our way. Let us explore new platforms and build more innovative spaces for cooperation, leverage emerging opportunities, and champion sustainable development in the Lancang-Mekong region.

MESSAGE

The year 2022 was pivotal for MI as we emerged from two years of challenging lockdowns imposed by the COVID-19 pandemic. We joined with the global community in embracing a period of recovery and resilience, and put our energies into building back better. The pandemic underscored the importance of nurturing both human and environmental resources. Our longstanding commitment to being pro-people and pro-environment was reinforced, as we witnessed how the state of these resources profoundly impacts societal progress.

It was also with great pleasure that we reopened our doors, allowing stakeholders and partners to once again engage in in-person training sessions and events just as in pre-pandemic times. The removal of restrictions empowered our stakeholders and trainees to share their learnings with their respective communities, triggering a ripple effect of positive change and development.

I am also thrilled to highlight the new mandates bestowed upon MI, which enable us to develop programs that support various Mekong cooperation frameworks. Among the exciting developments for MI are its new roles as the coordinator of the GMS Knowledge Network, the lead in the formulation of the CLMV Framework for Development, and in providing back office support to the Interim Secretariat of the Ayeyawady-Chao Phraya-Mekong Economic Cooperation Strategy (ACMECS).

These expanded roles reaffirm MI's position as a prime actor in advancing regional integration and collaboration. We are committed to leveraging our expertise and resources to design and implement initiatives that align with and contribute to the goals and objectives of these cooperation frameworks. Likewise, they open the door for deeper engagement and



DR. NARONGCHAI AKRASANEE

Steering Committee Chairman

synergies with regional stakeholders, amplifying our collective efforts towards a more integrated and prosperous Mekong region. We eagerly embrace this opportunity to foster closer partnerships and maximize our impact on driving sustainable socioeconomic development across the GMS.

We believe that the measure of our value lies in the impact we create in the lives of the people and communities we serve across the GMS. With each step forward, MI remains steadfast in its commitment to promoting regional cooperation, fostering integration, and alleviating poverty in the GMS.

As we reflect on the achievements of the past year, the MI family is filled with gratitude for the unwavering support and collaboration of our partners and stakeholders. Together, we have accomplished significant milestones and are poised to embrace the opportunities that lie ahead on our journey toward a pandemic-proof, prosperous, and sustainable future for the GMS.

MESSAGE

Mekong Institute welcomed and ended the year 2022 in full swing and with renewed confidence in fulfilling our mission of fostering regional cooperation and integration for sustainable socioeconomic development and poverty alleviation in the GMS.

After two turbulent years due to the COVID-19 pandemic, we finally emerged more resilient and reinvigorated than ever with our programs and activities designed to facilitate development progress in the region while advancing recovery from the pandemic and associated crisis. We have proactively threaded both long-standing and emerging environmental, socio-economic, and political issues within the GMS and beyond. Looking back, it has been a challenging year but also one full of monumental events.

MI's Strategic Plan 2022-2025 served as a reassuring guidepost for all our activities and initiatives, focusing on three Regional Development Themes – Agricultural Development and Commercialization (ADC), Trade and Investment Facilitation (TIF), and Sustainable Energy and Environment (SEE). These focus areas facilitated MI's all-inclusive and comprehensive approach to addressing challenges and providing sustainable solutions toward steady and sustained growth in the GMS.

As a testament to the improving landscape following the pandemic, MI returned to holding onsite and in-person activities in parallel with its online events. This year, we reached our targets to deliver tailored projects, craft and enhance curricula, and organize capacity development activities for our boundary partners. Thousands of stakeholders who are change-makers in their respective communities benefited from MI's training and workshops.

We recognize the crucial role of our allies and partners in pursuing development and effecting meaningful change in various sectors within the region. During the first quarter of the year,



MR. SURIYAN VICHITLEKARN

Executive Director

MI with support from the Lancang-Mekong Cooperation Special Fund of People's Republic (P. R.) of China held the 3rd and 4th Lancang-Mekong Business Forums (LMBF) to promote agribusiness and investment in the processed food sector. In July, a Development Partners' Meeting was organized to engage government, development partners, and non-government stakeholders in pooling resources, technical know-how, and management expertise to address the GMS's development priorities. In October, we convened and engaged our stakeholders through our flagship event, the Mekong Forum. The event aimed to accelerate collective efforts in recovering from the far-reaching impacts of the COVID-19 pandemic



while aligning and pushing transformative initiatives forward.

In 2022, MI accomplished remarkable milestones in our service delivery, assuming diverse new roles that can help further amplify our impact and reach. Among our proudest achievements was the trust placed in us by the ASEAN Secretariat to spearhead the formulation of an implementation plan for the CLMV Framework for Development. This will map out strategies and measures to propel the CLMV toward its aspiration of becoming an advanced global business hub by 2030. The implementation plan received endorsement from the CLMV Economic Ministers' Meeting in September, cementing our success and reinforcing our commitment to facilitating the region's growth and prosperity.

MI had been appointed as the network coordinator and co-chair of the GMS Knowledge Network (GMSKN). From 2023 onwards, MI will be working with top knowledge institutions, to promote collaboration and facilitate the development of knowledge products and activities, which are demand-driven and considered priorities of the subregion.

At the GMS Ministerial Retreat and Conference held in Lao PDR in December 2022, MI, as the GMSKN Regional Coordinator, presented the concept and plan of the network to promote

knowledge-based policies to the GMS ministries. MI also underscored the importance and potential contribution of the network to the GMS Long-term Strategic Framework 2030.

MI is thrilled to have been appointed to provide back-office support to the Interim Secretariat of the Ayeyawady-Chao Phraya-Mekong Economic Cooperation Strategy (or ACMECS) during its initial establishment and operation from 2023 – 2025.

All these and more are the result of the guidance and support of GMS member countries and the unwavering commitment and tireless efforts of our dedicated staff and valued development partners. We are delighted to highlight these achievements through this annual report, showcasing the remarkable journey of recovery, innovation, and service delivery over the past year.

The MI Secretariat extends heartfelt appreciation and deep gratitude to the GMS governments, development partners, and stakeholders for their continuing support and high-yielding engagement, which has been instrumental in our shared pursuit of a sustainable and prosperous subregion. Together, we have the power to forge a path toward a stronger and even brighter future for the GMS.



ABBREVIATIONS AND ACRONYMS

| | |
|--------|---|
| ACC | ASEAN-China Center |
| ACMECS | Ayeyawady-Chao Phraya Mekong Economic Cooperation Strategy |
| ACRF | ASEAN Comprehensive Recovery Framework |
| ADC | Agricultural Development and Commercialization |
| AEST | Agricultural Economics Society of Thailand under Royal Patronage |
| AIS | ACMECS Interim Secretarial |
| AMEICC | AEM-METI Economic and Industrial Cooperation Committee |
| ANGA | ASEAN Negotiating Group for Agriculture |
| APRACA | Asia-Pacific Rural and Agricultural Credit Association |
| ASEAN | Association of Southeast Asian Nations |
| AADCP | ASEAN–Australia Development Cooperation Program |
| ASEC | ASEAN Secretariat |
| AOTs | Association for Overseas Technical Cooperation and Sustainable Partnerships |
| CA | Coordinating Agencies |
| CD | Capacity Development |
| CKM | Communications and Knowledge Management |
| CLMV | Cambodia, Lao PDR, Myanmar, and Viet Nam |
| CLMVT | Cambodia, Lao PDR, Myanmar, Viet Nam, and Thailand |
| CRN | Climate Resilience Network |
| CSA | Climate-Smart Agriculture |
| CSG | China Southern Power Grid Co., Ltd. |
| DIC | Department of International Cooperation |
| EBA | Everything but Arms |
| FAOYN | Foreign Affairs Office of the People’s Government of Yunnan Province |
| FECC | Foreign Economic Cooperation Center |
| GAP | Good Agricultural Practice |
| GB | Governing Board |
| GIZ | Deutsche Gesellschaft für Internationale Zusammenarbeit GmbH |
| GMS | Greater Mekong Subregion |
| GMS KN | GMS Knowledge Network |
| GSP | Generalized System of Preferences |
| ICT | Information and Communication Technology |
| IFRI | International Food Policy Research Institute |
| IGO | Intergovernmental Organization |

| | |
|---------|--|
| ISC | Institute for Sustainable Communities |
| ISG | Interim Steering Group |
| IT | Information Technology |
| KKUIC | Khon Kaen University International College |
| KOICA | Korea International Cooperation Agency |
| KU | Kasetsart University |
| LFM | Logical Framework Matrix |
| LM | Lancang-Mekong |
| LMC | Lancang-Mekong Countries |
| LMCSF | Lancang-Mekong Cooperation Special Fund |
| MARA | Ministry of Agriculture and Rural Affairs |
| MEL | Monitoring, Evaluation, and Learning |
| MFA | Ministry of Foreign Affairs (Thailand) |
| MI | Mekong Institute |
| MLC | Mekong-Lancang Cooperation |
| MLCSF | Mekong-Lancang Cooperation Special Fund |
| MSIT | Ministry of Science and ICT (Republic of Korea) |
| MKCF | Mekong-Korea Cooperation Fund |
| MOAC | Ministry of Agriculture and Cooperatives (Thailand) |
| MRC | Mekong River Commission |
| MSMEs | Micro, Small Medium Enterprises |
| NEDA | Neighboring Countries Economy Development Cooperation Agency |
| NSEC | North-South Economic Corridor |
| NZAP | New Zealand Aid Programme |
| OCOP | One Country One Product |
| OTOP | One Tambon One Product |
| OVOP | One Village One Product |
| PHE | Public Health Emergency |
| PIA | Project Implementing Agencies |
| PRCI | Policy Research, Capacity, and Influence |
| PROSAFE | Promoting Safe Food for Everyone |
| RBM | Results-Based Management |
| ReSAKKS | Regional Strategic Analysis and Knowledge Support System |
| ROK | Republic of Korea |
| SAP | Special Agricultural Product |
| SEE | Sustainable Energy and Environment |
| SEI | Stockholm Environment Institute |



| | |
|--------|---|
| SEZ | Special Economic Zones |
| SFS | Sustainable Food System |
| SGs | Strategic Goals |
| SMT | Senior Management Team |
| SOM | Senior Officials Meeting |
| SPLAN | Strategic Plan |
| STEPI | Science and Technology Policy Institute |
| TA | Technical Assistance |
| TCEB | Thailand Convention & Exhibition Bureau |
| TFO | Trade Facilitation Office |
| TICA | Thailand International Cooperation Agency |
| TIF | Trade and Investment Facilitation |
| UNOSSC | United Nations Office for South-South Cooperation |
| WEF | Water-Energy-Food |

2022 PERFORMANCE IN NUMBERS

Projects



34

Projects implemented

Projects according to MI's Regional Development Themes (RDT)



13

Agricultural Development and Commercialization (ADC)
37%



9

Sustainable Energy and Environment (SEE)
26%



13

Trade and Investment Facilitation (TIF)
37%

*with 1 overlapping project (Sustainable and Smart Agricultural Supply Chain Development in Mekong Countries)



Duration of Projects

Short-term
50%

Long-term
26%

One-off
24%

17

9

8

Capacity Development Events



85

Capacity development events (monitoring visits, seminars, trainings, webinar, and workshops)



2328

Direct participants



49%

Male Participants



51%

Female Participants



Participation per country

Cambodia: 21%
China: 3%
Lao PDR: 21%
Myanmar: 11%

Thailand: 11%
Viet Nam: 20%
Others: 12%



Participation per sector

Public sector: 52%
Private sector: 48%



83

Capacity development events led by indirect participants



5514

Indirect participants



51%

Male Participants



49%

Female Participants



Participation per country

Cambodia: 19%
China: 9%
Lao PDR: 7%
Myanmar: 18%

Thailand: 2%
Viet Nam: 44%

TRAINING NEEDS ASSESSMENTS, STUDIES, AND RESEARCH



20

Number of training needs assessments, studies, and research



ADC: 12 SEE: 3 TIF: 5

Number of training needs assessments, studies, and research per RDT

THIS IS US

Mekong Institute

Mekong Institute (MI) is an intergovernmental organization (IGO) founded by the six member countries of the Greater Mekong Subregion (GMS), namely Cambodia, P. R. China (Yunnan Province and Guangxi Zhuang Autonomous Region), Lao PDR, Myanmar, Thailand, and Viet Nam.

MI was established under the Memorandum of Understanding (MOU) between the New Zealand Ministry of Foreign Affairs and Trade and the Thai Department of Technical and Economic Cooperation (presently known as Thailand International Cooperation Agency - TICA) in August 1996.

VISION



Capable and committed human resources working together for a more integrated, prosperous, and harmonious Greater Mekong Subregion (GMS)

MISSION



Contribute to regional cooperation and integration through capacity development, dialogue, and advocacy for the acceleration of sustainable socioeconomic development and poverty alleviation in the GMS.

MAIN STRATEGIC GOALS



MI's goals in the areas of agricultural development and commercialization; trade and investment facilitation; sustainable energy and environment are to help:

- Increase agricultural commercial production and strengthen sustainable food systems
- Increase access to international markets and cross-border trade
- Increase adoption of power grid connectivity, renewable energy, energy efficiency, and climate-smart technologies in agriculture and trade initiatives
- While delivering areas of support under the three regional development themes, MI will also address issues of social inclusion and vulnerability, digital economy and innovation, and labor mobility to cement holistic and sustainable impacts in the subregion and beyond.

IMPLEMENTING STRATEGIES



- Implement transformative projects
- Provide advisory services to GMS governments, development partners, the private sector, and civil society
- Conduct research for policy advocacy on transboundary development areas

Organizational Structure and Governance

Pursuant to the MI Charter signed by the six governments of the GMS in 2003, MI operates as an autonomous institution under the governance of the Council and Steering Committee.

The Council. The Council is the supreme decision-making body of the institute and its functions are to approve the strategic plan and budget and consider the recommendations submitted by the Steering Committee. This year, 2022, the Chairmanship is P. R. China.

The Steering Committee. The Steering Committee's primary function is to provide guidance on policy, strategy, and funding;

appraise the performance of the institute and its management staff; and submit recommendations to the Council. The Steering Committee reports its activities and deliberations to the Council for acknowledgment and consideration.

The Secretariat. Led by the Executive Director, the MI Secretariat provides administrative and technical support to the Steering Committee and the Council. The Secretariat implements MI's programs and initiatives and works closely with regional and global institutions. It provides GMS member countries with information and services related to human resource development necessary for the sustainable development and integration of the subregion.

The MI Approach

MI is dedicated to fostering an integrated, prosperous, and harmonious GMS through the empowerment of citizens and institutions. It is committed to equipping people with the knowledge, skills, resources, and opportunities necessary to actively engage in decision-making processes and ultimately shape the social, political, and economic aspects of communities. MI operationalizes this commitment through its capacity-building activities with a modular training approach that is designed to be learner-centric and action-oriented.

Furthermore, MI actively facilitates linkages and partnerships between institutions, people, and markets across GMS countries, aiming to boost competitiveness, facilitate trade, stimulate economic growth, and catalyze social development. These efforts contribute to building a more cohesive and robust subregion, where shared prosperity and sustainable development are key aspirations.

The institute operates in a diverse and ever-changing socioeconomic, political, and environmental landscape. The recognition and its first-hand experience of the changing contexts within the GMS and beyond made the institute embrace flexibility and creative innovations in its operations.

Overall, MI's development process is intentionally equipped with these core characteristics:

1. Regionally-Focused, Nationally-Led. MI works to ensure that its efforts align with regional frameworks and strategies while advancing the specific developmental priorities of GMS countries. Its initiatives and interventions align with the national agendas of each GMS country, reinforcing and complementing their priorities, thereby fostering a sense of country ownership.

MI fosters a synergistic approach that maximizes the effectiveness of its interventions and generates meaningful outcomes at both national and regional levels. The institute supports regional cooperation mechanisms and meaningful collaboration by institutionalizing information-sharing, dialogue exchanges, and project coordination among and between GMS countries.

2. Iterative and Adaptive. In response to the evolving contexts and emerging needs of the GMS, MI's initiatives and strategies undergo a comprehensive evaluation. This aims to ensure that the institute's actions continue to be relevant to its stakeholders.

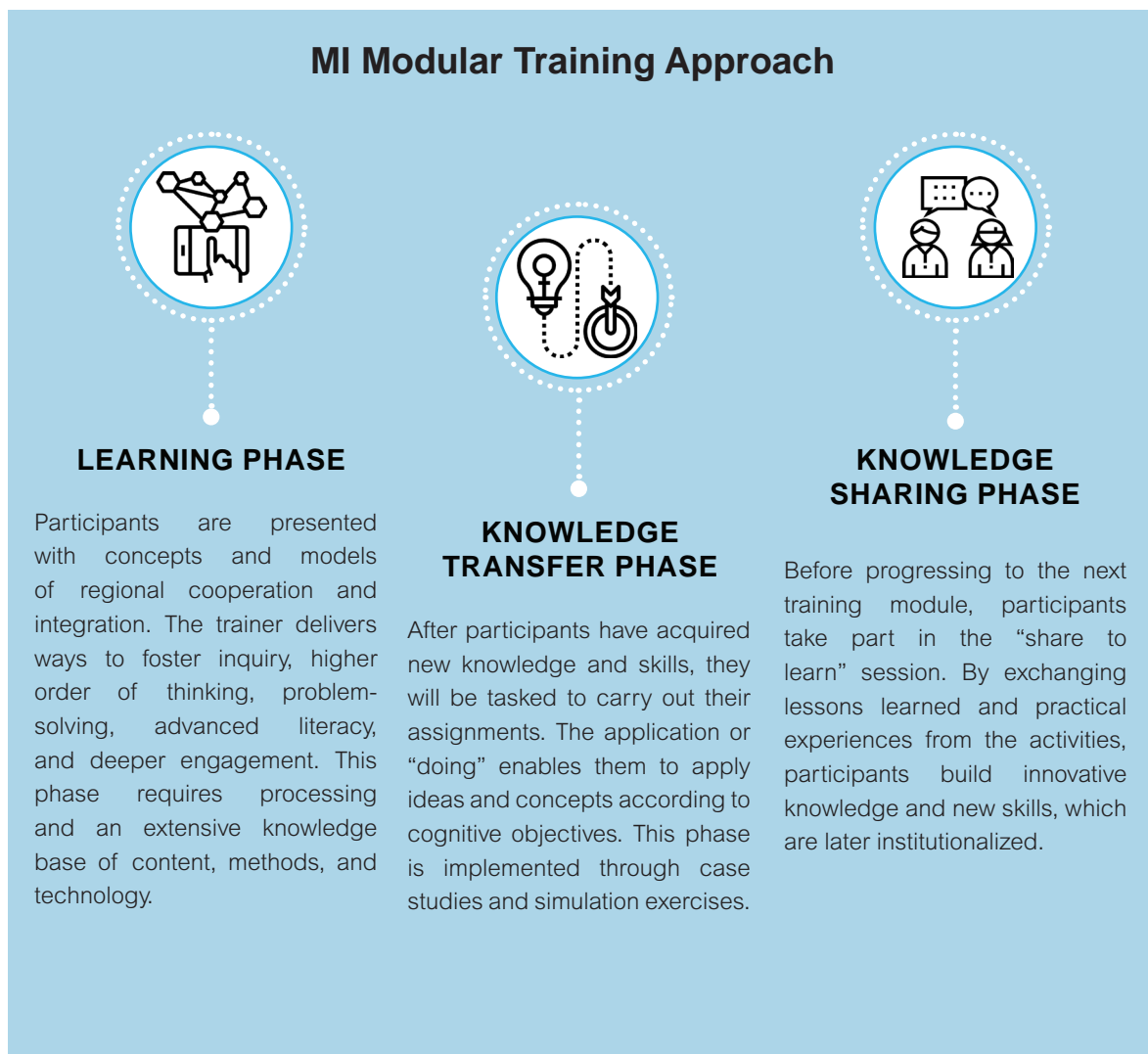
Since 2016, MI has institutionalized its monitoring and evaluation practices. The organization adopted a results-oriented approach to regularly gauge its projects in terms of efficiency and effectiveness of implementation, impact, and sustainability.

To foster development synergies, MI employs various approaches, one of which is the facilitation of dialogue-for-action platforms. Through these platforms, regional and national stakeholders are brought together to engage in constructive discussions, share insights, and collaboratively devise strategies for adapting best practices and addressing common challenges.

3. Inclusive. Inclusivity is at the heart of MI's development process, as it actively seeks

to engage and empower all stakeholders, including marginalized and vulnerable groups. The institution recognizes the importance of unique and diverse perspectives, needs, and aspirations in driving sustainable development. At MI, this is realized by promoting and measuring engagement by gender and nationality, ensuring equitable participation of women and minorities in all aspects of its operations.

4. Sustainable. Sustainability is a fundamental consideration in everything MI endeavors. MI consistently strives to incorporate long-term social, economic, and environmental perspectives into its interventions. By promoting sustainable practices and addressing the interconnected nature of development, MI aims to leave a positive legacy for future generations.



MI's focus areas encompass a range of critical dimensions related to regional development and cooperation in the GMS. These focus areas are categorized based on Regional Development and Cross-cutting Themes. They serve as guiding

principles for MI's initiatives and interventions, ensuring that its efforts are targeted and aligned with the needs and aspirations of the GMS.

REGIONAL DEVELOPMENT THEMES

AGRICULTURE DEVELOPMENT AND COMMERCIALIZATION



Sustainable Food System



Climate-Smart Agriculture



Agri Value-chain Development



Post-harvest Management



Food Safety and Market Access

TRADE AND INVESTMENT FACILITATION

- Cross Border Trade and Investment
- Cross Border Digital Services and E-platforms
- MSMEs Competitiveness and Digitalization
- Economic Empowerment of Women and Vulnerable Groups
- Regional Supply Chains
- Cross Border Transport and Logistics
- Manufacturing
- Coordination and Synergy of Regional Frameworks
- Sustainable and Smart Tourism
- Regional Travel Connectivity (Trans ASEAN Railway Services Delivery)

SUSTAINABLE ENERGY AND ENVIRONMENT



Energy and Climate Smart Technologies for Agriculture and Trade Activities



Water, Energy, Food, Science and Technology



Environment

CROSS-CUTTING THEMES



Digital Economy and Innovation



Social Inclusion and Vulnerability



Labor Mobility

PROGRAMMATIC AND THEMATIC HIGHLIGHTS

A. REGIONAL DEVELOPMENT THEMES

In a quarter of a century of MI's operation, three Regional Development Themes (RDTs) have emerged as crucial areas for collaborative action and cooperation among GMS member countries. These themes reflect the shared challenges and opportunities within the region and serve as MI's guiding principles in crafting its programs and initiatives.

Agricultural Development and Commercialization (ADC)



MI is committed to enhancing agricultural productivity by shifting farmers from subsistence to commercial farming, utilizing strategies like Good Agricultural Practices and product diversification to boost incomes and reduce risks. It also emphasizes the promotion of rural non-farm employment by encouraging value-adding agricultural processing and supporting rural SMEs. Furthermore, MI aims to integrate small-scale producers and agriculture-based SMEs into global value chains, opening up larger markets for their agrifood products. To achieve these goals, MI's ADC Department provides comprehensive training and coaching to development practitioners, government officials, cooperative leaders, and local SMEs, empowering them to address regional development challenges effectively. Additionally, the department conducts research, assessments, and data management to inform project development and facilitate consultations.

Sustainable Food System (SFS) & Climate-Smart Agriculture (CSA)

SFS and CSA are two interconnected approaches to address the challenges and ensure the future resilience of agriculture and food systems. The Food and Agriculture Organization (FAO) described SFS as a system that delivers food security and nutrition for all, both for the present and future generations, with utmost consideration to the economic, social, and environmental bases of the entire value chain. CSA, on the other hand, is an approach that integrates sustainable practices and technologies to address the challenges of climate change while ensuring food security.

Smart farming offers a path toward achieving a sustainable food system. It has shown great potential in increasing food production sustainably whilst maintaining a high standard of food safety and quality. To spread awareness about the benefits of smart farming systems in improving crop production, MI initiated a training course on smart farming technologies with the support of the Mekong-Korea Cooperation Fund (MKCF).. MI sponsored 24 agriculture stakeholders from government agencies, research institutions, academic organizations, and private enterprises in

CLMV countries to attend the course.

Moreover, MI conducted a study on the opportunities and challenges of adopting smart technologies in the agriculture sectors of CLMVT countries to promote climate-smart farming practices. The study aimed to assess the opportunities and challenges of producers, especially smallholder farmers, in adopting smart technologies. It also evaluated the capacity needs of government agencies and other stakeholders, specifically smallholder farmers, to adopt smart technologies. Detailed recommendations for the effective involvement of key stakeholders, to fully operationalize smart technologies in CLMVT countries were presented and discussed in the study.

To help further foster market-driven innovations in the agricultural value chains while promoting quality and sustainability standards, MI joined hands with the Agrinnovation Fund in ASEAN (AIF), GIZ, and other partners from public and private sectors, to organize two knowledge sharing and networking events.¹

The event enabled peer-to-peer exchanges and networking among participants. The discussions highlighted key priorities including the need to scale up efforts on forging partnerships and driving innovations, to raise awareness amongst consumers to demand for sustainably-produced products, and to pool and access funds for sustainability initiatives and innovation.



Recognizing the importance of food systems in addressing global issues and building back better post-pandemic, MI and Kasetsart University (KU), with support from the Office of the Ministry of Higher Education, Science, Research, and Innovation; Thailand Science Research and Innovation through the KU Reinventing University Program 2021; and the New Zealand Aid Programme (NZAP), co-organized the “International Seminar on Sustainable Food System in Southeast Asia under and beyond COVID-19: Policy Evidence and Call for Action” from May 19 to 20, 2022 at the Faculty of Economics KU, Bangkok, Thailand².

The two-day seminar gathered representatives from the academe, policy institutions, and development organizations from Southeast Asia to discuss policy recommendations that will



MI's training was a blend of theory and hands-on practice that deepened my understanding of innovative farming practices. The insightful reports delivered by experts, coupled with the professionalism of the organizing team, had made the course valuable. This experience further enhanced my expertise and got me excited to implement new technologies in my workplace.

MR. PHAM CHAU HUYNH

Director, Da Nang Biotechnology Center

Regional Training Program on Sustainable and Smart Farming Technologies, September 26-30, 2022

¹ <https://www.mekonginstitute.org/news-activities/news-details/2022/12/14/mi-joins-hands-to-sh/>

² <https://www.mekonginstitute.org/news-activities/news-details/2022/05/20/international-semina-3/>

promote high-quality research, education, and effective capacity development in the region. At the end of the event, a Manifesto which contains research and policy recommendations on sustainable food systems, was drafted. The event also created new opportunities for regional knowledge networks for collaborative research and capacity development among the attendees.

The seminar was held in cooperation with the Feed the Future Innovation Lab for Food Security Policy Research, Capacity, and Influence (PRCI); Michigan State University; Regional Strategic Analysis and Knowledge Support System (ReSAKSS-Asia); International Food Policy Research Institute (IFPRI); and Agricultural Economics Society of Thailand under Royal Patronage (AEST).



“The concept of food systems has emerged to provide a holistic understanding of agriculture and food production. And solutions we need today lie in how we maintain multifunctionality and resilience of our food systems.”

MR. SURIYAN VICHITLEKARN

Executive Director, MI



To explore the critical role of green finance in promoting sustainable agriculture and food systems in the GMS, MI and the Asia-Pacific Rural and Agricultural Credit Association (APRACA) co-organized an online webinar titled “Sustainable Agriculture and Food Systems in the GMS: Green Finance as a Critical Trigger.” The webinar convened over 100 representatives

from financial institutions and key stakeholders to share their experiences and discuss the current state of green and climate finance for agriculture. During the seminar, priority areas for further action and policy interventions to strengthen green finance initiatives in the subregion, were identified.



“To facilitate the integration of green finance into the agrifood system, it necessitates the implementation of a systematic approach for developing a robust and inclusive strategy along with the establishment of a more collaborative framework.”

MR. YINHONG SUN

Country Programme Officer at the International Fund for Agricultural Development in the P. R. China



² <https://www.mekonginstitute.org/news-activities/news-details/2022/05/20/international-semina-3/>

³ https://www.jica.go.jp/english/our_work/types_of_assistance/tech/projects/activities/activities_36.html

Supported by the Mekong-Lancang Cooperation Special Fund (MLCSF), a collaborative effort between the Thailand Rice Department and MI focused on the development of an Artificial Intelligence (AI)-based monitoring, forecasting, and warning system for natural disasters and rice pest outbreaks in the GMS. The system aims to ensure sustainable rice production under various conditions due to climate change. The Rice Pest and Natural Disasters Monitoring, Forecasting, and Warning Units in CLMVT countries will head up the technology adoption and management.

The system will analyze data on pest outbreaks and natural disasters, including water situations (floods and droughts), temperature variations, relative humidity, airstream, and other relevant factors. In support of the implementation and adoption of the said AI technology, MI organized a regional training course that equipped 27 government officials from CLMV countries with the necessary skills to understand the system's functionality, capabilities, and operating procedures.

Ultimately, all these efforts are intended to help create a food system in the subregion that is environmentally sound, economically viable, and socially just, ensuring that future generations have access to nutritious food while safeguarding the health of our ecosystems.

Agri Value-Chain Development

Agricultural value-chain development focuses on improving the efficiency, productivity, and profitability of the entire chain, from farm to plate. The approach intends to enhance and optimize the various stages involved in the production, processing, marketing, and distribution of agricultural products, to improve the overall performance and competitiveness of the agricultural sector. This involves a coordinated effort among farmers, input suppliers, processors, traders, logistics providers, and other stakeholders.



MI through its projects provides a platform and a great opportunity for us to work together and learn from the experiences of other countries in strengthening and achieving sustainable rice production in the region.

DR. PAYORM COBELLI

Project Leader and Rice Protection Expert
Division of Rice Research and Development, Rice
Department, Ministry of Agriculture and
Cooperatives, Thailand

One of the international movements on agricultural value chain development supported by MI and the AEM-METI Economic and Industrial Cooperation Committee (AMEICC) is the One Village One Product (OVOP) project. The movement aims to develop each step of the value chain of a specific local product. It is primarily structured by governments of implementing countries but led by residents voluntarily, based on the concept of developing one village by promoting at least one product where regional resources such as local agricultural products, specialty products, and tourism resources are accepted not just locally but worldwide³.

MI conducted three Training Needs Analysis (TNA) studies to identify the challenges and needs of SMEs and government officials in OVOP promotion and application. The results of the studies were used as a guide to design training courses and coaching programs for the relevant stakeholders in CLMV.

³ https://www.jica.go.jp/english/our_work/types_of_assistance/tech/projects/activities/activities_36.html

Based on the results of the TNA studies, MI conducted three online training sessions and three online coaching activities aligned with the regional objectives of the OVOP Project to enhance local economic development in the CLV countries. Digital marketing, branding and processing technologies focusing on mango for Cambodia, banana for Lao PDR, and tea for Viet Nam were covered by the training and coaching sessions from March to May.

MI also partnered and assisted FAO in the implementation of the One Country One Product (OCOP) project in selected subregions of Asia and the Pacific. The project included consultations, workshops, and the establishment of a regional platform to share best practices. Country reports on the green development of Special Agricultural Products (SAP) - the tea industry in Lao PDR and the herb sector in Thailand - were developed.

The GMS plays a vital role in the global rice market, both as a major producer and exporter of rice. The rapid socioeconomic development across the region, with different degrees and timetables, resulted in disparate agricultural production with varying quality and quantity

and meet food safety requirements. Toward this end, MI and the Rice Department of Thailand partnered to implement the “Development and Implementation of Common Rice Production Standard in the Mekong-Lancang Subregion Project,” which was funded by the MLCSF. The project aimed to unify rice production standards and systems of the six Mekong-Lancang Cooperation (MLC) member countries for them to benefit in international and regional rice trade markets. Under the three-year project, which started in 2019, MI worked with government agencies to assess current rice production systems and develop their capacities to craft and converge national and regional policies and guidelines to foster regional rice trade relations, improve rice export quality, and enhance the income of rice farmers.

Under the project, MI also conducted an extensive baseline study to evaluate the existing rice standards in the GMS. The study’s objective was to align these standards with the well-established Milled Rice Standards and create a unified standard that encompasses all the necessary quality and food safety requirements for rice produced in the region.



“The Development and Implementation of Common Rice Production Standard in the Mekong-Lancang Subregion Project had been helpful in preparing us for our future roles in supporting the National Rice Policy of Lao PDR, especially on rice product standards and traceability.”

DR. BOUNMA PHENGPHACHANH

Deputy Director of the Rice and Cash-crop Research Center
National Agriculture and Forestry Research Institute, Ministry of
Agriculture and Forestry, Lao PDR

among member countries. In order to fully capitalize on its position as a major rice producer, it is crucial for the agricultural sectors of each Mekong-Lancang country to adhere to stringent quality standards

Encouraging more institutions to strengthen the agricultural value chain and prioritize it in their national agenda, MI and APRACA jointly organized the Regional Training of Trainers (ToT) on Agricultural Value Chain Assessment and

⁴ https://www.jica.go.jp/english/our_work/types_of_assistance/tech/projects/activities/activities_36.html

⁵ https://www.mekonginstitute.org/uploads/tx_ffpublication/1_Snap_shot_-_Common_Rice_Production_Standard.pdf

Strengthening, introducing the newly developed modules of the latter and the FAO. The training was attended by 16 selected participants from Cambodia, Lao PDR, Myanmar, Nepal, Thailand,

and Viet Nam who are expected to deliver the same training program in their respective countries.



“After the training, I feel confident to talk about agricultural value chain assessment and financing. The contents of the training has been useful in developing local training programs for farmers in my province.”

MR. TEK SAMOEUN

Vice Chief of Office, Agricultural Cooperative Promotion
Kampong Speu Provincial, Department of Agriculture, Forestry and Fisheries, Ministry of Agriculture, Cambodia

Post-harvest Management

Post-harvest management plays a crucial role in the agricultural supply chain. It is essential for preserving product quality, reducing losses, enhancing marketability, ensuring food security, and generating and maximizing income.

Recognizing the importance of post-harvest management, MI, with the support of the MKCF, engaged 24 scholars composed of representatives from government agencies, research institutions, and food processing enterprises from CLMV to participate in a training program that zeroed in on reducing

food loss in an aim to achieve a sustainable agri-value chain⁶. Specifically, the training course aimed to enrich the knowledge of participants on food loss measurement and reduction strategies. It introduced postharvest management technologies that could delay senescence, reduce loss, and maintain the best possible quality of the produce. One of the concrete outputs of the course was the action plans on food loss reduction developed by all participants. The said action plans are targeted for implementation in their respective countries.



“Food losses undermine the sustainability and resilience of food systems, hence the need to focus on integrated approaches to reduce losses. And with the disruption in the food ecosystem caused by the COVID-19 pandemic and the conflict in Ukraine, it is crucial to focus on the food chain approach in reducing food losses and ensuring sustained availability of fresh produce year-round.”

MS. MARIA THERESA MEDIALDIA

Director, Agricultural Development and Commercialization Department, MI

⁶ <https://www.mekonginstitute.org/news-activities/news-details/2022/09/16/mi-further-promotes/>

Food Safety and Market Access

Food safety is a critical aspect of ensuring public health and also an integral part of the agricultural economies of the GMS. If not given attention and importance, food safety issues can have detrimental socioeconomic effects.

Food quality will continue to be one of the major criteria for gaining access to local, regional, and international markets. In today's highly globalized food trade, adherence to rigorous food safety standards has become a prerequisite for market access and the success of agricultural businesses.

To effectively tackle regional and local food safety challenges and ensure compliance with regional and international market requirements, MI successfully conducted 15 training courses on food safety. These initiatives, which have successfully benefited 464 participants from CLMV as well as other regions, were conducted under the PROSAFE: Promoting Safe Food for Everyone Project funded by the New Zealand Aid Programme, Thailand International Cooperation Agency (TICA), and the Foreign Economic Cooperation Center (FECC) of the Ministry of Agriculture and Rural Affairs, P. R. China.

MI's PROSAFE project plays a vital role in promoting a culture of food safety and fostering a deeper understanding of best practices required to meet stringent market requirements.

Furthermore, MI has actively fostered inter-ministerial and intersectoral collaboration within the GMS to tackle pressing food safety issues. Three national food safety forums and two in-country learning events, held in Cambodia and Lao PDR have served as crucial platforms for knowledge sharing, policy discussions, and the exchange of best practices. The participation of 279 individuals from both the public and private sectors demonstrates the inclusivity and broad impact of these initiatives.

Three national food safety forums and four in-country learning events, held in Cambodia, Lao PDR, and Viet Nam aimed to contribute to

strengthening food safety in the GMS. These events have served as crucial platforms for knowledge sharing, policy discussions, and the exchange of best practices. The participation of 279 individuals from both the public and private sectors demonstrates the inclusivity and broad impact of these initiatives.

To further provide technical assistance, MI, in collaboration with TICA, organized the online international training program on "Food Safety Quality Infrastructure for Market Access for Developing Countries" on March 14 to 25. The training was attended by representatives from the government and agri-food private sector from Africa, Central Asia, Latin America, Middle East and North Africa, South Asia, and Southeast Asia.

Supported by the Department of International Cooperation (DIC) of the Ministry of Agriculture and Rural Affairs (MARA), P. R. China, and FECC of the Ministry of Agriculture and Rural



The training on food safety has helped me understand the importance of food safety in gaining market access. More than a technical consideration, food safety is also about consumer health protection and a crucial aspect of market development and expansion. Ultimately, it contributes to sustainable food production and brings in high economic value.



MR. NGUYEN VAN THUAN

Head of Division for Agriculture Quality Assurance,
NAFIQAD, MARD, Vietnam Regional Training Program
on Food Safety for Market Access, December 12-16,
2022

Affairs, P. R. China, MI co-organized a training workshop on “Lancang-Mekong Agro-Products Quality and Safety Inspection and Testing” in August aiming to increase the understanding on international agro-products quality and safety standards system; enhance the knowledge and technical capacity on agricultural certification, inspection, testing, and traceability; and establish an informal network for the promotion and development of food safety standards in the region. The five-day training-workshop was attended by over 124 participants.

Equipping national trainers with knowledge needed for the enhancement of their national

organic agriculture training programs, MI and ASEAN organized an online regional ToT for the implementation of the ASEAN Standard for Organic Agriculture (ASOA). The training benefitted 27 national trainers from the ASEAN Member States, specifically the agricultural ministry and its national training agencies.

Through its initiatives, MI has played a pivotal role in building capacity, promoting knowledge sharing, and fostering collaboration to enhance food safety in the GMS.



PERFORMANCE IN NUMBERS

RDT: AGRICULTURAL DEVELOPMENT AND COMMERCIALIZATION

Projects



13

Projects implemented

(37% of MI's Total Number of Projects)

Capacity Development Events



41

Capacity development events (monitoring visit, seminar, training, webinar, workshop)



62

Capacity development events organized by MI's direct participants

Action plan implemented



107

Action plans

Need assessments, researches, and studies conducted



12

Assessments/ research/studies

Training curriculum and manuals developed



31

Training curriculum and manuals

Direct Participants



1090

Direct Participants



44%

Male Participants

56%

Female Participants



Participation per country

Cambodia: 18.3% Thailand: 9.5%
P. R. China: 0.2% Viet Nam: 25.3%
Lao PDR: 29.5% Others: 8.7%
Myanmar: 8.3%



Participation per sector

Public sector: 57%
Private sector: 43%

Indirect Participants



4496

Indirect Participants



50%

Male Participants

50%

Female Participants



Participation per country

Cambodia: 6% Viet Nam: 68%
Lao PDR: 71%
Myanmar: 19%



Participation per sector

Public sector: 19%
Private sector: 81%

Trade and Investment Facilitation (TIF)



One of the ways that MI works to drive the economic potential of the GMS is through trade and investment facilitation. By promoting and expanding trade, attracting investment, improving infrastructure, and fostering regional connectivity, it aims to contribute to the broader goal of sustainable and inclusive economic growth and poverty alleviation across the region. MI aims to help create an enabling environment for SMEs, paving the way for more broad-based job and income opportunities.

To achieve these objectives, MI ensures that its efforts cover the entire trade value chain and actively engages with various stakeholders, including business associations, chambers of commerce, and government agencies involved in trade and SME development in the GMS countries.

E-commerce Development

Recognizing the importance of boosting e-commerce, MI held four modular training sessions and one mentoring program to enhance the capacity of SMEs, trade promotion associations, business associations, and relevant government agencies on e-commerce development. These activities directly trained around 164 participants from GMS countries to facilitate the adoption of cutting-edge business processes and technologies. The training sessions aimed to empower stakeholders to cater to shifting customer demands and remain competitive in a digital era.

Women in Trade

MI has supported the implementation of the three-year project on “Women in Trade (WIT) Knowledge Platform,” a three-year project led by the Trade Facilitation Office (TFO) Canada with support from the International Development Research Centre (IDRC). MI leads the research for the platform in Cambodia and Viet Nam, while the Center for the Study of the Economies of Africa (CSEA) supports implementation in Ghana, Madagascar, Nigeria, and Senegal.



“MI has positioned itself as a champion for women’s empowerment through its programs, projects, and collaborations with relevant stakeholders and institutions.”

MR. MADHURJYA K. DUTTA
Director, Trade & Investment Facilitation
Department, MI

The knowledge platform aims to provide access to gender-disaggregated and sector-specific trade and employment data to help women-led SMEs from developing countries tap international trade opportunities, particularly in the Canadian market. It serves as a tool to fill important gaps related to the collection, storage, and analysis of gender-disaggregated and sector-specific trade and employment data.

In March 2022, MI conducted a survey as the basis for the platform’s creation and organized a virtual multi-stakeholder workshop. The workshop involved representatives from business associations, chambers of commerce, export promotion agencies, women entrepreneurship associations, exporting companies, research institutions, and policy-makers. It aimed to increase the interest and knowledge related to women’s economic empowerment opportunities through trade. It also helped ensure that the policy recommendations are understood and relevant to the key stakeholders, including the policymakers, practitioners, women-led exporting businesses, and development actors. On November 2022, MI together with other project proponents launched the final findings

of the research study. The study revealed that the degree of favorability towards women-owned companies varies across countries, regions, and sectors. It also indicated that there was no compelling evidence of higher favorability towards women-owned SMEs engaged in exports. In addition, the study also found that capital providers would benefit from gender mainstreaming training, which would allow them to respond to women-led entrepreneurs’ unique needs more effectively. Various barriers surrounding traditional gender norms, information gaps, and limited access to, or control over, economic resources remain daily obstacles for women engaged in trade, the study confirmed.

Download a copy of the publication at:
bit.ly/tradeandwomenempowerment

Fostering Connectivity

Forums with stakeholders were organized throughout the year to facilitate and promote trade and investment within and beyond the region. These include the Lancang-Mekong Business Forum; Mekong-India Forum 2022; and Mekong-RoK Cooperation: Seeking Synergies on Mekong-ACMECS Cooperation Forum.

Lancang-Mekong Business Forum

The LMBF is a five-year initiative (2018-2023) supported by the Lancang-Mekong Cooperation Special Fund of P. R. China. It aims to conduct a series of business forums designed to establish linkages among the Lancang-Mekong businesses; assist SMEs integration in the regional and global value chains; exchange information on state-of-the-art technology and innovative products that will push forward industrial growth; and promote investment through business collaboration with local SMEs in the Lancang-Mekong countries.

MI gathered stakeholders of the agribusiness and food processing industry for the 3rd LMBF in March 2022. The two-day event in Cambodia featured the theme “Promoting Agribusiness and Investment in the Processed Food Sector.” It

offered a range of activities including a business seminar and a panel discussion where industry leaders and experts shared their experiences. The event also included business matching and product exhibitions, providing opportunities for processed-food enterprises and investors to exchange industry updates and business deal. Additionally, participants had the chance to visit leading food processing firms, Cambodia's Special Economic Zone (SEZ), and related sites. Due to the travel restrictions caused by the COVID-19 pandemic, MI designed the forum with a combination of on-site and online activities.

Following the theme of the previous LMBF, the 4th LMBF took place in November 2022. MI and the Lao PDR's Department of Trade Promotion - Ministry of Industry and Commerce (MIOC) in coordination with the Ministry of Commerce (MoC) of the Royal Thai Government, spearheaded the event. The event followed the format of previous forums, providing a platform for exchanging business information, exploring market opportunities, and gaining insights into new trends in the food processing sector. The forum brought together over 80 stakeholders in person and more than 50 participants online.

Mekong-India Forum 2022

MI, in collaboration with the Embassy of India, organized the Mekong-India Forum on "Engaging Youth in Water Resources Conservation and Management" on March 22, 2022. The forum, which is part of the India Cooperation Initiatives with the Mekong countries such as the India-Thailand Exchange Program (ITEP) and India Technical Economic Cooperation (ITEC), enabled sharing of experiences on emerging issues of mutual interest to build a strong network of youth between India and Mekong countries and participants at the forum also explore opportunities for collaboration in academic exchange, training, research cooperation, and field visits.

Over 75 participants representing youth, researchers, mid to senior officials of government and private sector organizations from the

Mekong countries, India, and other regions as well as non-government organizations (NGOs) from various countries including Cambodia, France, India, Korea, Lao PDR, Myanmar, Sweden, Thailand, and the United States graced the event.

The forum contributed to deepening the collaboration among the youth sector on emerging issues of water resources conservation and management.

Mekong-RoK Cooperation: Seeking Synergies on Mekong-ACMECS Cooperation Forum

MI and the Embassy of the Republic of Korea (ROK) jointly organized a regional forum titled "Mekong-RoK Cooperation: Seeking Synergies on Mekong-ACMECS Cooperation" in June 2022. The forum brought together over 90 participants, both virtual and in-person. Government officials, diplomats, development organizations, think tanks, universities, NGOs, the media, and business chambers and associations graced the event. The events assessed the current status and directions of Mekong regional cooperation frameworks, identified potential synergies across regional cooperation frameworks, and deepened the partnership and cooperation between international development partners, Mekong countries, and the ROK. Currently, there are about 14 subregional cooperation frameworks established to address the development gaps in the region.

The forum ensured that the strong partnership between Korea and Mekong countries is materialized, and such collaboration is expected to play an important part in enabling all member states to strive together toward the achievement of SDGs.



The Mekong-India Forum on "Engaging Youth in Water Resources Conservation and Management" held on March 22, 2022



Mekong-RoK Cooperation: Seeking Synergies on Mekong-ACMECS Cooperation" held in Bangkok on June 17, 2022.



The 3rd Lancang-Mekong Business Forum (LMBF) hosted in Phnom Penh, Cambodia on March 30-31, 2022.

Under the TIF, MI completed various studies in 2022 including the following:

- Study on the Implementation of the National Single Window and ASEAN Single Window in the Mekong Countries;
- Study on Economic Corridors, South-South and Triangular Cooperation, and Post COVID-19 Recovery;
- Study on Smart Logistics Technology Application Readiness for Agricultural Supply Chains Development in Cambodia, Lao PDR, Myanmar, Thailand, and Viet Nam;
- Country Case Studies on Women in Trade in Cambodia and Viet Nam; and the
- Scoping Study on E-Commerce Development in Thailand and China (P. R. China - Yunnan Supported E-Commerce Project).

PERFORMANCE IN NUMBERS

RDT: TRADE AND INVESTMENT FACILITATION

Projects



13

Projects implemented
(37% of MI's Total Number of Projects)

Capacity Development Events



22

Capacity development events (monitoring visit, seminar, training, webinar, workshop)



8

Capacity development events organized by MI's direct participants

Action plan implemented



25

Action plans

Need assessments, researches, and studies conducted



5

Assessments/ research/ studies

Training curriculum and manuals developed



15

Curriculum and manuals

Direct Participants



764

Direct Participants



54%

Male Participants

46%

Female Participants



Participation per country

Cambodia: 26% Thailand: 12%
P. R. China: 5% Viet Nam: 15%
Lao PDR: 11% Others: 18%
Myanmar: 13%



Participation per sector

Public sector: 31%
Private sector: 69%

Indirect Participants



392

Indirect Participants



48%

Male Participants

52%

Female Participants



Participation per country

Cambodia: 42% Thailand: 6%
Lao PDR: 20% Viet Nam: 26%
Myanmar: 6%

Sustainable Energy and Environment (SEE)



The world continues to witness how globalization, urbanization, and rapid industrialization influence the way people live. As these developments unfold, communities around the world have developed heavier reliance on energy and environmental resources. The upsurge in economic activities and the increasing population have placed escalating pressure on land, water, and energy resources. The reliance on fossil fuels and the unsustainable extraction of resources have unleashed detrimental effects on the environment, compromising the health of the planet and its citizens. The call for building sustainable, resilient, and inclusive communities for the present and future generations becomes more critical than ever.

While countries in the GMS have initiated efforts to integrate energy and climate change adaptation into national development strategies and policies, a more calibrated regional convergence is necessary to effectively translate efforts into a sustainable path toward energy security and environmental sustainability in the subregion.

As such, collective action is required to deliver strategic and innovative solutions. Through the pooling of capacity-building investments,

research, and networks, MI works with regional cooperation mechanisms and institutions to jointly equalize energy access and connectivity, boost energy productivity, widen scientific understanding, enhance cost-effective agri-environmental policies, identify sound water management practices, and advocate proactive responses to climate change.

MI bridges public-private sector linkages and delivers solution-oriented knowledge for better utilization of energy management practices and environmental technologies. It supports GMS initiatives in the planning and implementation of projects for power generation, cross-border interconnection, and country transmission systems for more affordable electricity and reduction of carbon dioxide emissions.

Further, MI strives to open more investments in the green economy by enhancing the capacities of micro-, small, and medium-sized enterprises (MSMEs) to manage green businesses and circular economies. It aims to strengthen the resilience of farmers and the private sector by helping them adopt climate-smart agricultural production to boost harvests and income while reducing greenhouse gas emissions, where possible.

Clean Energy Development

It is projected that the energy demand will continue to rise and nearly triple between 2012 to 2025. With the said forecast, countries are looking into ways to increase the share of clean energy to power economic activities and therefore help secure energy supply and achieve environmental sustainability.

To leverage the positive experiences from clean energy development, application, and optimization, MI in collaboration with China Southern Power Grid Co., Ltd. (CSG) initiated a hybrid workshop titled “Regional Clean Energy Development, Application, and Optimization in the Lancang-Mekong Region” in September 2022. More than 70 representatives from power supervision authorities, power utilities, and the academia in the LM region, as well as delegates from the ASEAN Center for Energy, attended the workshop, which was the first activity under the 2nd phase of the CSG-MI Partnership 2022-2025 and was held in conjunction with the China-ASEAN Expo 2022. Participants of the workshop deliberated on the opportunities and shared strategies to build back better in an era



marked by the COVID-19 pandemic.

Through the event, LM countries reaffirmed their commitment to producing and utilizing clean energy by aligning policies and promoting concerted actions to simplify policies and processes, increase investment, and reduce technical constraints. Major contributing factors were also discussed, for instance, strong government support, enabling policy, integration and cooperation, and financial feasibility.

In collaboration with TICA, Neighboring Countries Economy Development Cooperation Agency (NEDA), and CSG, MI organized two training sessions to build capacities of boundary partners to pursue clean energy development.



“Over the last few years, the Lancang-Mekong region has witnessed the demand for clean energy. MI works with stakeholders to leverage on the massive potential and competitive advantage of the GMS in producing and marketing clean energy.”

MS. JIAN WANG
Program Manager, Sustainable Energy and
Environment Department, MI

Smart Renewable Energy Technology for Agriculture Supply Chain

As part of its efforts to promote sustainable and smart agricultural supply chains through the use of smart renewable energy technologies and innovations, MI held an online regional training on “Smart Renewable Energy Technologies for Agricultural Supply Chains in the Mekong Region.” This course was part of the “Sustainable and Smart Agricultural Supply Chain Development in Mekong Countries” Project funded by the Mekong-Korea

provided the participants with an overview of the agricultural supply chains in the Mekong region and an understanding of the challenges in renewable energy technologies adoption. Resource persons shared experiences and insights on smart renewable energy technologies including smart solar roof technology, tidal hydrokinetic energy, wind power technology, drone in agriculture, biomass energy, and electric forklift for agricultural warehouses. As a matter



Cooperation Fund (MKCF). The said project aims to improve production effectiveness and efficiency, reduce post-harvest losses, and increase energy efficiency in agricultural supply chains through cold chain development and smart and sustainable technologies in post-COVID situations. The project comprehensively covers all three RDTs of MI.

The training course brought together government officials, researchers, and private sector representatives involved in the energy and agricultural industry from CLMVT. The course

of practice, participants developed action plans for implementation in their respective countries.

In support of the efforts on advancing renewable energy, MI conducted a study to determine the feasibility of scaling up various technologies across the region. The study mapped technologies such as smart solar technology, wind power technology, tidal hydrokinetic energy, biomass energy, agricultural drones, and electric forklift for agricultural warehouses. It identified information on supplier and manufacturer, product specification and cost,



All the training contents are very relevant and useful for us, especially for Cambodian participants. The interaction and experience exchange from participants from other countries are helpful too. We will share what we learn from the MI training with our stakeholders. More training from MI is requested to further enhance the capacity of people and communities in the Mekong Region.



MR. JEON JOYOUNG
the Minister and Deputy Chief of Mission,
Embassy of the Republic of Korea to Thailand

operationalization, case study, cost-benefit analysis, and return on investment calculation. MI also developed three training curriculums that are focused on advancing energy efficiency including the following: 1.) Affordable and Clean Energy; 2) New Energy Technology Development and Its Applications in the Greater Mekong Subregion; and 3) Smart Renewable Energy Technology for Agriculture Supply Chain in Mekong Countries. Specifically, the curricula were tailored to promote feasible energy solutions and policy regulations on cleaner energy development in the region.

Water, Energy, Food, Science and Technology

To provide better access to water, food, and energy to communities in Cambodia, Lao PDR, Thailand, and Viet Nam, MI and other implementing parties launched the “Joint Project on Sustainable Development in the Lower Mekong River Basin based on the Water-Energy-Food (WEF) Nexus” in May 2022. The five-year project, which was approved in September 2021 and is supported by the Ministry of Science and ICT of ROK, and the UN Office for South-South Cooperation (UNOSSC), is being implemented jointly by MI, UNOSSC, Science and Technology Policy Institute (STEPI), and Mekong River Commission (MRC).

This four-million-dollar initiative intends to improve disadvantaged populations’ access to water, food, and energy in the Lower Mekong River Basin by improving development approaches and management in these areas. Based on South-South and Triangular Cooperation, it aims to pursue integrative and multi-sectoral methods in the implementation of in-demand technologies in water, energy, and food to better people’s livelihoods.

MI is proud to be a part of this endeavor to increase awareness and appreciation of the WEF nexus and its advantages, as well as to support capacity development processes that enable on-the-ground impacts.



“WEF nexus is becoming more important and relevant to the lower Mekong subregion today. This takes into consideration that the WEF nexus relates directly to the people’s lives and their well-being as well as helps address the transboundary nature of WEF. Maintaining the balance of the WEF nexus will not only contribute to stable development at the country level but also supports continued regional cooperation and integration. Science, technology, and innovation will help us to find new innovative approaches to implement WEF nexus and ensure impacts on the ground.”

MR. SURIYAN VICHITLEKARN
Executive Director, MI

In light of the COVID-19 recovery processes, the WEF nexus becomes even more relevant, as its approaches promote the “build-forward-better” concept for greener and more resilient economic development in the subregion.

As part of the project, MI together with implementing partners carried out a series of consultative forums in Lao PDR, Viet Nam, Cambodia, and Thailand from June to December 2022. Moreover, MI produced a paper on interlinkages of South-South & Triangular Cooperation zeroing in on the topics of WEF Nexus, Build Back Better, and COVID-19 recovery.

Low Emissions and Resilient Agrifood System



MI with other partners supported the ASEAN Climate Resilience Network (ASEAN-CRN) in organizing the “Transformation to Low Emissions and Resilient Agrifood System: A Knowledge Exchange Event and Climate Policy Negotiations.” The event gathered key stakeholders to enhance their understanding of net zero and decarbonization concepts, provide basic knowledge on climate policy negotiation, and prepare for the UN Climate Change Conference COP27 in November 2022.



Under the ASEAN-CRN project, MI provided strategic inputs to coordinate among the ASEAN Negotiating Group on Agriculture (ANGA) delegates in preparation for their participation in COP27. MI facilitated the internal strategic meeting of ANGA members, where 14 representatives from AMS expressed their commitment to ensuring their country’s participation in COP27.



During their participation in COP27, MI also provided advisory support to the ANGA. The ANGA members actively engaged in a pre-COP27 informal workshop, which was held in Sharm El Sheikh, Egypt, with discussions focusing on the future of the Koronivia Joint Work on Agriculture (KJWA) . The event enabled an open discussion on the options on how best to implement climate action in agriculture with other parties.

Still under the ASEAN-CRN project and alongside GIZ, MI has been managing the website and database dedicated to CRN and ANGA initiatives.



Sustainable and Smart Tourism

The tourism industry, just like any other sector, was not spared from the negative effects brought about by the COVID-19 pandemic. In the GMS, the sector suffered substantial losses as it heavily relies on international tourism. Travel restrictions, border closures, flight cancellations, and quarantine measures severely limited international travel, leading to a sharp decline in the number of tourists. This resulted in a substantial loss of revenue for tourism-dependent businesses and destinations.

In support of the tourism sector's recovery from the pandemic, MI carried out a short-term capacity development project entitled "Promoting Resilient and Sustainable Tourism for Post-COVID-19 Recovery in the Lancang-Mekong Countries" in partnership with the Yunnan Provincial Government of P. R. China.

The project ran from September to December 2022. MI developed a targeted training curriculum for the project focusing on the sustainable recovery of the tourism sector through the promotion of multi-sectoral coordination, adoption of emerging technologies, and promotion of decent work for local communities. All participants from the training sessions were positive that they gained insightful knowledge on forward-looking sustainable tourism recovery strategies.

Among the concrete outputs of the project are the six action plans developed by training participants. These action plans encompass the principles of eco-cultural tourism, smart tourism,

and responsible tourism. The participants of this project have actively utilized these principles to drive the recovery process and disseminate valuable knowledge in their respective countries. Still under its tourism recovery efforts, MI coached country-specific action plans for the production of tourism promotional videos. These videos aimed to promote sustainable tourism as a means to contribute to the economic recovery of the region.



Following the unprecedented and devastating impacts of COVID-19, the principles of sustainability and resilience to help accelerate the recovery of the tourism sector in the region has drawn much attention from the LM countries. By joining hands, the tourism sector in LM countries will definitely play a greater role in pushing for sustainable development and prosperity.



MR. CHEN DEHAI

Secretary General of the ASEAN-China Center (ACC)

PERFORMANCE IN NUMBERS

RDT: Sustainable Energy and Environment

Projects



9

Projects implemented

(26% of MI's Total Number of Projects)

Capacity Development Events



22

Capacity development events (monitoring visit, seminar, training, webinar, workshop)



13

Capacity development events organized by MI's direct participants

Action plan implemented



10

Action plans

Need assessments, researches, and studies conducted



3

Assessments/ research/ studies

Training curriculum and manuals developed



16

Number of training curriculum and manuals developed

Direct Participants



474

Direct Participants



51%

Male Participants

49%

Female Participants



Participation per country

Cambodia: 19% Thailand: 12%
P. R. China: 8% Viet Nam: 16%
Lao PDR: 18% Others: 10%
Myanmar: 16%



Participation per sector

Public sector: 74%
Private sector: 26%

Indirect Participants



626

Indirect Participants



53%

Male Participants

47%

Female Participants



Participation per country

Cambodia: 32% Thailand: 4%
P. R. China: 41% Viet Nam: 7%
Lao PDR: 8%
Myanmar: 8%



Participation per sector

Public sector: 17%
Private sector: 83%

CROSS-CUTTING THEMES

Cross-cutting themes are essential for ensuring a comprehensive and integrated approach to development, as they recognize the interconnections and interdependencies among different sectors and dimensions of development. In the context of MI's work, these cross-cutting themes are often integrated into various initiatives to ensure a comprehensive and holistic approach. They help address common issues and challenges that transcend specific sectors and programs, promoting synergies and coherence in development efforts.

Digital Economy and Innovation

The digital economy and innovation are major drivers of economic growth. Embracing digital technologies and fostering innovation can lead to increased productivity, efficiency, and competitiveness across industries. It allows businesses to reach wider markets, streamline operations, and create new products and services. Countries that prioritize the digital economy and innovation are better positioned to attract investments, generate jobs, and thrive in the global marketplace. Against this backdrop, MI puts premium on making digitalization and innovation a crucial aspect of its programs and projects.

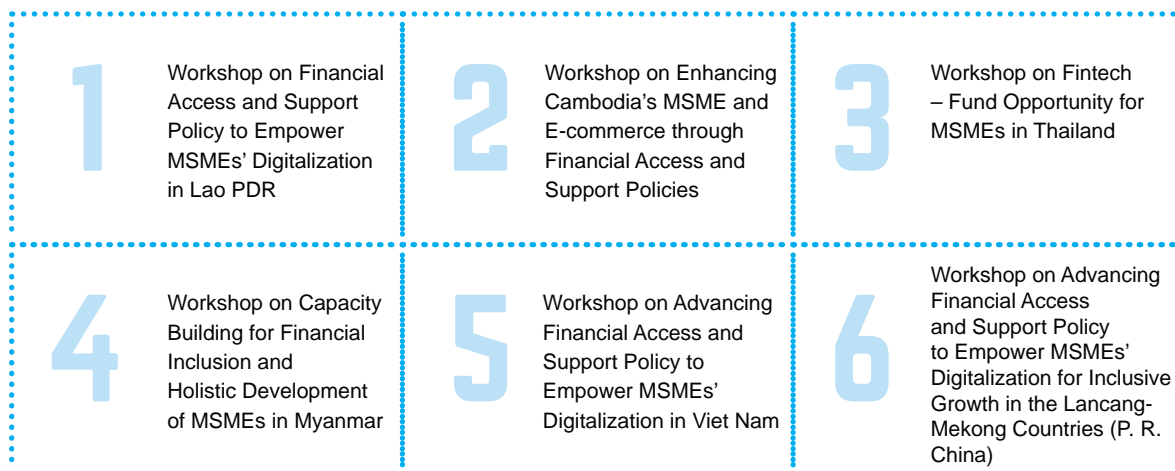
MI produced a research paper on “Status and Prospects of Digital Connectivity in Micro, Small and Medium Enterprises (MSMEs) in the Lancang-Mekong Countries”. The research found that adoption of digital technologies by MSMEs had a positive and statistically significant impact on a firm's productivity. The intrinsic characteristics of MSMEs, such as less bureaucracy, greater structural flexibility, responsiveness, and simpler decision-making processes, have supported the digitalization drive. Further, COVID-19 has emerged as an accelerator for MSMEs' digitalization and has enabled them to 'break the barriers' of digitalization. The research provided concrete recommendations to enhance support towards MSME digitalization and address existing gaps.

MI, with support from P. R. China, implemented the “Fostering Digital Connectivity in the Lancang-Mekong Countries (LMC)” Project from October 2021 to August 2022. The project had three components: preliminary research,

online workshops, and expert dialogue. The workshops focused on experience sharing to raise awareness and promote digital solutions. It also looked into how governments can effectively support MSMEs in leveraging digital services.

Capacity development events in support of the said project were held consisting of three online workshops and one webinar between March to October 2022. The training sessions catered to a total of 176 participants from MSMEs in GMS counties, whose works involve digital connectivity and digital economy development. MI provided both technical and financial assistance to six localized action plans. These action plans were implemented by MI's direct training participants who, in turn, benefited approximately 200 indirect participants. The knowledge acquired from the workshops organized by the MI alumni proved instrumental in addressing the region's specific needs.





Workshops organized by MI alumni in support to MSMEs digitalization

These workshops aimed to equip participants with the necessary skills and knowledge to leverage financial resources, utilize digital technologies, and stay ahead of the curve in the ever-evolving digital landscape. The ultimate objective was to develop sustainable business models that would facilitate the successful application of digital technology in MSMEs. The activities carried out under the implementation of the action plans marked a significant step towards bridging the digital divide and promoting inclusive growth in the region.

Social Inclusion and Vulnerability

Over the last three decades, the economies of Cambodia, P. R. China, Lao PDR, Myanmar, Thailand, and Vietnam have experienced significant growth, leading to higher per capita income and improved living standards for the majority of their populations. However, the protracted COVID-19 pandemic has jeopardized these gains, disrupting supply chains and consumer demands, thus stalling market-based systems and exacerbating the conditions faced by marginalized communities. This has resulted in a new urban demographic facing severe unemployment and loss of livelihood.

To mitigate the impacts of the pandemic and prevent major socioeconomic contractions, it is crucial to adopt innovative and integrated structural approaches that encompass a “whole-of-society” perspective. Long-term

strategies need to be developed, embedding these approaches to address vulnerabilities and bridge social divides in the face of the global health crisis.

MI initiated the “Targeted Poverty Alleviation for Better Life in the Lancang-Mekong Region: Sharing Experiences” Project, which highlights its commitment to addressing poverty and vulnerabilities in the region. The project had the support of P. R. China.

Through workshops, training sessions, and solution-finding dialogues, MI collaborated with stakeholders to identify tested policies, strategies, and interventions that can help the countries of the Lancang-Mekong region reduce vulnerabilities and promote social inclusion amidst the health crisis. MI leveraged its expertise and networks to facilitate intersectoral exchanges among governments, business groups, academia, and NGOs, with the goal of broadening access to social services, creating job opportunities, and diversifying business enterprises for a resilient and inclusive recovery. Under the project, MI conducted seven knowledge dissemination events focusing on specific areas related to poverty alleviation. These events benefited 179 indirect participants and covered topics such as access to e-markets, sustainable durian farming, and targeted poverty alleviation.

Throughout these activities, MI prioritized

gender equality and social inclusion. With 66% of the direct participants and 51% of the indirect participants being female, the gender balance was ensured in the composition of stakeholders. The participants crafted action plans, which gave special attention to understanding and empowering vulnerable groups within their respective communities. To evaluate the effectiveness of the action plan implementation, MI reconvened the 27 participants for a synthesis and evaluation workshop in June 2022.

The participants expressed their intention to utilize the knowledge gained from the capacity development project in their future work plans. For example, a participant from Vietnam mentioned the possibility of making sustainable durian farming a regular activity conducted by their unit. The participants from Myanmar planned to use the findings from the assessment to design vocational training programs for targeted women groups. The integrated knowledge received from MI was also mentioned by the participants from Lao PDR and Vietnam as valuable input for their projects.

MI also produced three knowledge products focusing on vulnerable groups, including assessments on poverty drivers and available local resources, the impact of COVID-19 on domestic violence against women, and the effects of COVID-19 on persons with disabilities and the elderly with disabilities.

In addition, MI conducted a stocktaking study on “Public Health Emergency Preparedness and Response in the ASEAN” funded by the German Federal Ministry for Economic Cooperation and Development in collaboration with the Deutsche Gesellschaft für Internationale Zusammenarbeit (GIZ) GmbH and the ASEAN Secretariat. The study assessed existing mechanisms for prevention, preparedness, detection, risk assessment, and response to public health emergencies, with a specific focus on innovation and coordination in the context of the COVID-19 response. The findings of the study are intended to support the development of regional and national projects that contribute to the broader ASEAN Health Sector Cooperation.

Labor Mobility

Labor mobility as a cross-cutting theme refers to the movement of workers across borders or within a country in search of employment opportunities. It recognizes the significant impact of labor migration on various sectors, including the economy, social dynamics, and public health.

In the “Public Health Emergency (PHE) Preparedness and Response in ASEAN” study, MI and partners highlighted the high risk faced by migrant workers due to their cramped and vulnerable living conditions. Migrant workers often reside in overcrowded dormitories, labor camps, or informal settlements, which can facilitate the rapid spread of infectious diseases during public health emergencies. MI emphasized the need for countries to recognize and address these risks while preparing for and responding to future public health emergencies.

Addressing labor mobility as a cross-cutting theme reflects MI's commitment to promoting inclusive and sustainable development in the Mekong region. By considering the unique challenges and opportunities associated with labor migration, MI aims to contribute to the formulation of policies and practices that protect the rights, well-being and social inclusion of migrant workers, while maximizing the benefits of labor mobility for both individuals and societies.



BEYOND BORDERS - REGIONAL HIGHLIGHTS AND TRANSFORMATIONS

As an IGO, MI operates against a dynamic and ever-changing socioeconomic backdrop. This section presents the highlights of MI's operations, specific projects, and challenges that have made a significant difference in communities across the GMS.

CHANGING CONTEXTS IN THE GMS AND MI'S RESPONSE

Post COVID-19 recovery

All hands on deck as the world emerges from the disruptions brought about by the COVID-19 pandemic. Despite significant improvements, the emergence of a new variant, Deltacron, towards the end of 2022 posed new challenges, seeing a rise in the number of COVID-19 confirmed cases. In this context, the GMS continued to forge ahead in the post-pandemic stage and build resilience across economies and societies at all scales. With mobility and logistical restrictions slowly easing out, governments doubled their efforts to bounce back better and help secure a pandemic-proof future.

Ukraine war and its consequences

The conflict in Ukraine has reverberated across the GMS, posing additional challenges to its development. Disrupted global supply chains have led to increased input and production costs in agriculture, energy, and other sectors. Moreover, inflation rates have risen, and foreign direct investment has become uncertain, triggering a trend of shifting investments. Navigating these consequences necessitates adaptive measures to stabilize the GMS economies.

China-Lao Railway Project

Amidst various challenges, the completion of the China-Lao Railway Project has injected new vigor into regional infrastructure and transport development. This railway has significantly reduced transportation time for exports from Lao PDR to P. R. China, unlocking new opportunities for trade. The project has not only enabled the export of perishable products within 15 hours but has also increased intra-regional travel, fostering greater connectivity and economic integration.



KEY FACTORS SHAPING THE LANDSCAPE



Trade: Mixed Trends and Slowed Investments

While trade in the GMS region is showing signs of picking up compared to 2021, the overall trend remains uncertain. Several factors, including uneven situations, have contributed to a slowdown in investment. Addressing these challenges and creating a conducive environment for investment will be crucial for sustained economic growth.



Services Sector: Labor Demand and Economic Progress

The services sector is gradually recovering. However, there is a high demand for workers, particularly migrant workers. The lack of sufficient labor has slowed down economic progress in the region. Prioritizing workforce development and addressing labor shortages will be vital for a robust services sector.



Agriculture: Challenges and Intra-regional Market Growth

The agricultural sector in the GMS faces challenges such as high fertilizer costs and extreme climate events like droughts and floods. However, the advent of e-commerce and intra-regional trade has contributed to an increase in economic trends within the regional market. Leveraging these opportunities while addressing agricultural challenges will be crucial for sustainable growth.



Energy Sector: Recovery and Transition to Renewable Sources

As the region recovers from the COVID-19 situation, the energy sector is expected to witness a rise in demand. Operationalizing factories and plants will require increased energy supply. It is essential to adopt strong policies that promote an "energy transition" from fossil fuels to renewable sources. This will contribute to long-term sustainability and mitigate the impact of climate change.



Environmental Concerns: Carbon-based Fuels and Gas Supply Shortages

While policies are in place to address environmental and climate change issues, implementation gaps persist particularly in reducing the usage of carbon-based fossil fuels. The shortage of gas supply globally, resulting from the Russia-Ukraine war, has added to the challenges. Strengthening efforts to reduce carbon dependency and exploring alternative energy sources will be vital in addressing these concerns.



Digital Connectivity and E-commerce: Growing Opportunities

The region is experiencing a rise in digital connectivity and e-commerce, presenting significant opportunities. However, more work needs to be done to promote e-commerce, with a particular focus on supporting MSMEs. Enhancing digital infrastructure and creating an enabling environment for digital entrepreneurship will be key to maximizing the potential of the digital economy.



Economic Status of Lao PDR and Cambodia

Lao PDR is in the process of graduating from being a Least Developed Country, while Cambodia is entering this phase. However, with graduation comes the loss of advantages such as the Generalized System of Preferences (GSP) from the USA and the Everything but Arms (EBA) quota from the EU. These countries will now need to compete with other nations to access international markets. Strengthening competitiveness and promoting trade facilitation will be essential for their successful transition.

MI RESPONSES TO THE CHANGING CONTEXTS IN 2022



Aligning Core Programs with Regional Needs

- MI recognizes the importance of human capacity development as a catalyst for long-term economic recovery and regional cooperation. Through its strategies, MI has supported GMS countries in withstanding, recovering from, and avoiding future shocks.
- MI's core programs have integrated COVID-19 recovery support and emphasized the transition to long-term resilience.
- The institute has prioritized the development of MSMEs, digital economy integration, and the promotion of social inclusion and sustainability in its capacity development activities.



Addressing the Looming Energy Crisis and Promoting Green Recovery

- MI acknowledges the challenges posed by the looming energy crisis and its implications for GMS recovery. In response, MI aimed to enhance capacities of GMS member countries to utilize climate-friendly technologies and practices. By supporting the greener recovery agenda, MI aims to mitigate the impact of the energy crisis while fostering sustainable development in the region.



New Mandates and Collaboration Opportunities

- MI's contributions and expertise in the GMS have been reaffirmed through several new mandates and collaboration opportunities. The formal endorsement as the coordinator of the GMS Knowledge Network of the Asian Development Bank (ADB) underscores MI's role as a knowledge hub in the region.
- MI's completion of the Implementation Plan of the CLMV Framework for Development has positioned the institute to support the framework's implementation.
- MI's role in supporting the establishment and execution of the ACMECS Interim Secretariat (AIS) for the MFA Thailand demonstrates its expanding service delivery and technical assistance capabilities.
- Additional support from the MKCF has bolstered MI's capacity for regional project management and monitoring.
- By maintaining existing partnerships and exploring new collaborations with countries like Australia, England, and other technical development partners, MI aims to implement innovative projects that address key regional issues in 2023.

The changing contexts in the GMS region present both challenges and opportunities. By embracing resilience as a guiding principle, the GMS can navigate these complexities, bolster its economies, and build a sustainable future. Collaboration, adaptability, and strategic planning will be key to ensuring the region's success in the post-COVID-19 era and beyond.

MI'S CONTRIBUTION TO BROADER GMS COOPERATION FRAMEWORKS

Regional cooperation frameworks serve as crucial pillars in building collaboration, fostering integration, and maximizing mutual benefits among countries in the GMS. They promote trade liberalization, investment facilitation, and policy harmonization, creating an environment for thriving businesses. This leads to increased cross-border trade, investment flows, and market access, which in turn stimulates economic growth, job creation, and poverty reduction.

MI also sees regional cooperation frameworks as a helpful tool to address shared environmental challenges and promote sustainable resource management within and beyond the region. By collectively addressing issues related to water resources, biodiversity conservation, and climate change, member countries can develop joint strategies, share best practices, and align efforts to protect the environment.

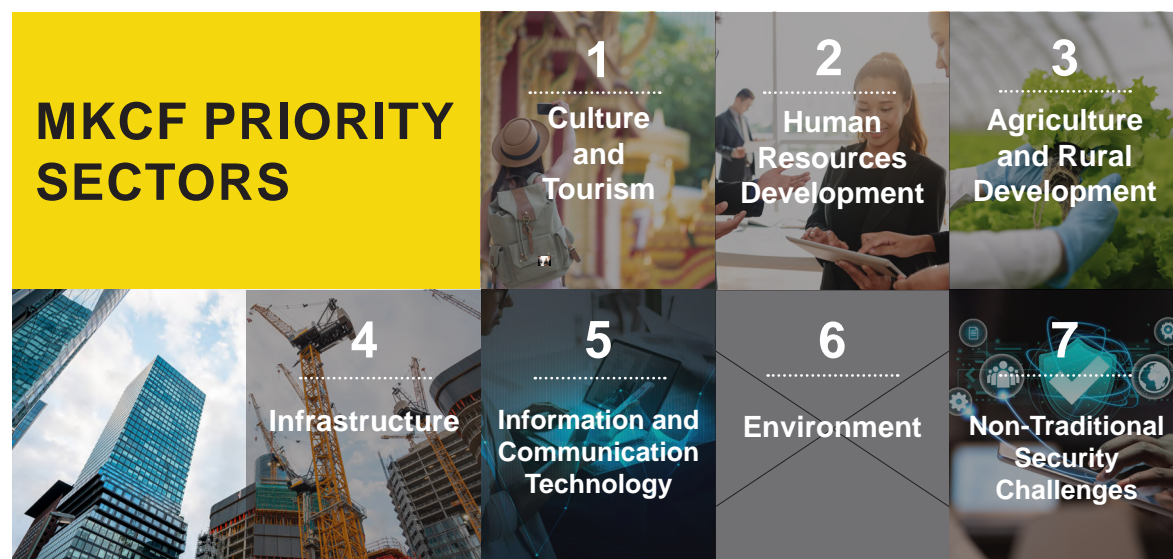
Regional cooperation frameworks also enable human capital development through initiatives such as education and skills training programs. By sharing knowledge, expertise, and resources, member countries can enhance educational opportunities, promote innovation, and develop a skilled and informed workforce.

MI, through its various projects, engages with stakeholders to facilitate the creation and support the implementation of cooperation frameworks and mechanisms necessary to bring about meaningful change and development to member countries.

Mekong-Republic Korea Cooperation Fund (MKCF)

The MKCF is one of the cooperation mechanisms among the five Mekong countries and the ROK. MKCF was established in 2013 to encourage and support cooperation among CLMVT through an annual contribution from the ROK. The MKCF provides grants to support catalytic and innovative activities in the seven priority sectors.

MI is assigned as the Fund Coordinator with the major responsibilities for coordination and implementation of the fund, including providing assistance in areas of project management, financial management, monitoring and evaluation, quality assurance of activities undertaken by the Project Implementing Agencies (PIA). In 2022, MI provided administrative, coordination, and technical support to the project.





Ayeyawady-Chao Phraya-Mekong Economic Cooperation Strategy (ACMECS)

ACMECS is a framework for economic cooperation, which was established to promote balanced development, decrease the economic gaps among CLMVT and promote sustainable prosperity at the subregional level.

The Thailand - Ministry of Foreign Affairs (MFA) has engaged in discussions with MI regarding its contribution to the establishment of the ACMECS Interim Secretariat (AIS). MI has agreed to support the MFA's Mekong Cooperation Unit (MCU) by leveraging its expertise, experience, and network. MI will play a crucial role in the execution of the AIS, serving as the technical assistance back office of the MCU. This collaboration will be formalized through a MOU between MI and MFA, effective for three years, commencing from January 1, 2023 to December 31, 2025.

MI's collaboration with the MFA in establishing the ACMECS Interim Secretariat reflects a significant milestone in promoting regional cooperation in the Mekong subregion. By providing technical assistance and serving as the back office of the MCU, MI will play a pivotal role in the effective execution of the AIS. Through this collaboration, both MI and the MFA

demonstrate their commitment to advancing ACMECS objectives and fostering enhanced regional integration.

Implementation Plan of CLMV Development Framework

MI developed the Implementation Plan for the Framework for CLMV Development. The plan identified relevant targets associated with the establishment of an Advance Global Business Hub for CLMV to achieve the sustainable upper-middle income economy status by 2030. Specific actions were identified to improve connectivity through enablers such as institutional capacity, human capital, as well as sound and affordable utility services (i.e., electricity) to support key economic sectors with comparative advantage (i.e., agriculture and food, and tourism).

MI conducted four virtual national consultation meetings in Cambodia, Lao PDR, Myanmar, and Viet Nam. Moreover, ten regional consultation meetings that delve on various topic including transportation and facilitation, logistic hub, tourism, internet backbones, digital readiness, strong legal institutions, access to electricity, agriculture and food, financial services, and competent workforce were likewise held.

FLAGSHIP REGIONAL PROGRAMS

Towards Post COVID-19 Resilient Economies

The pandemic has exposed the GMS countries with the crucial aspect of resilience that needs to be built across economies and societies at all scales. As such, MI is devising its human capacity development strategies to support the economies recover from the shock, withstand the shock, and avoid the shock through regional cooperation.

COVID-19 recovery-related activities have been incorporated into the core programs covering MI's regional development themes.

Agricultural Development and Commercialization (ADC)

Zeroing in on the agricultural development and commercialization, MI has implemented various projects that have contributed to the resilience and recovery of the agri-food sector in the CLMV. Through initiatives such as the PROSAFE Project, CLMV Implementation Plan Development, AMEICC, and OCOP, MI has played a significant role in supporting the building back better measures, expanding market access, and promoting safer food production for the benefit of the general population in the region.

The Promoting Safe Food for Everyone Project, also dubbed as PROSAFE, which is a five-year food safety project implemented by MI with the support of the New Zealand Aid Programme (NZAP), has played a crucial role in supporting the agri-food sector's recovery and resilience efforts. The project sought to strengthen the food safety capabilities of agri-food supply chain stakeholders in CLMV. By focusing on building back better, PROSAFE has helped strengthen market access and facilitated the production and distribution of safer food products. This initiative has benefited both producers and consumers, contributing to improved food safety

standards and increased consumer confidence in the CLMV countries.

The CLMV Implementation Plan, developed by MI, has integrated and complemented the strategies and activities of the ASEAN COVID-19 Recovery Framework (ACRF). This synergy has resulted in a coordinated approach to agricultural development and commercialization in the region. By aligning efforts and resources, the CLMV countries have been able to leverage the ACRF's support to overcome the economic and supply chain disruptions caused by the COVID-19 pandemic. The integrated plan has fostered greater resilience and accelerated the recovery of the agri-food sector in CLMV.

MI supported the AEM-METI Economic and Industrial Cooperation Committee (AMEICC) and the OCOP initiatives, which have played instrumental roles in strengthening the resilience of small farmers and MSMEs. These programs helped address the economic and climate disruptions faced by agri-food entrepreneurs in the CLMV region. By providing capacity-building, market linkages, and support for product diversification, the said initiatives have empowered small farmers and MSMEs to adapt to changing circumstances and improve their incomes.

These initiatives have not only addressed the challenges brought about by the COVID-19 pandemic but have also strengthened the long-term resilience of small farmers and MSMEs in the CLMV countries.

Sustainable Energy and Environment (SEE)

MI's focus on energy transition is evident through its initiatives such as the "Promoting Affordable and Clean Energy" Program. MI recognizes the importance of promoting policies and regulatory measures conducive to energy technology

development and deployment. Through training programs and knowledge exchange, MI is working towards more efficient energy utilization, from household to industrial scale. Additionally, ongoing research on “Smart Renewable Energy Technology for Agriculture Supply Chain in the Mekong Countries” will contribute evidence-based knowledge and recommend actions for adopting efficient energy practices in the agriculture sector of the GMS.

The COVID-19 pandemic accelerated the deployment of digital technologies across GMS economies and societies. To address the resulting digital gaps and promote innovative digital solutions for MSMEs, MI organized two significant events: “Facilitating Fintech and Digital Payment Inclusion for MSMEs in Lancang-Mekong Countries” and “Advancing Financial Access and Support Policy to Empower MSMEs’ Digitalization for Inclusive Growth in the Lancang-Mekong Countries.” These initiatives aimed to support the adoption of digitalization in supply chains, enhance digital financial services, and ensure that no country, particularly the CLM countries, is left behind in capitalizing on the benefits of digital transformation.

MI’s commitment to inclusive recovery from the COVID-19 pandemic is driven by the principle of “no one left behind.” The short-term project on “Targeted Poverty Alleviation for Better Life in the Lancang-Mekong Region: Sharing Experiences” showcased successful stories of reaching marginalized communities and providing them access to mainstream economic development activities, healthcare, education, and social services. This program emphasized the importance of evidence-based data in developing targeted policies and affirmative actions, ensuring that the poor have access to essential resources and socio-economic opportunities.

MI’s SEE initiatives are at the forefront of promoting sustainability, energy transition, and digital inclusion in the GMS region. By integrating COVID-19 recovery efforts into training curricula, conducting research on renewable energy and agriculture supply chains, bridging

digital gaps through inclusive events, and emphasizing targeted poverty alleviation, MI is actively working towards resilient and inclusive development in the Lancang-Mekong countries.

GMS Knowledge Network

MI has been appointed as the network coordinator and co-chair of the GMS Knowledge Network (GMSKN). This significant role enables MI to work closely with GMS stakeholders, particularly leading knowledge institutions, to foster collaboration and facilitate the development of demand-driven knowledge products and activities that align with the subregion’s priorities.

In its capacity as the GMSKN Regional Coordinator, MI presented the network’s concept and plan to promote knowledge-based policies during the GMS Ministerial Retreat and Conference held in December 2022. During the event, MI also emphasized the network’s potential contribution to the GMS Long-term Strategic Framework 2030.

The objective of the GMS Knowledge Network (GMSKN) is to provide expertise, stimulate discussion, and raise awareness on relevant and emerging issues in the GMS. The network also aims to focus on developing and disseminating knowledge that will support efforts to recover from the COVID-19 pandemic across the subregion.

In the long term, the network targets to facilitate the process of regional cooperation and integration toward achieving the GMS member countries’ shared vision of an integrated, prosperous, sustainable, and inclusive GMS. These objectives are guided by the GMS Economic Cooperation Program Strategic Framework 2030 (GMS- 2030) and the GMS COVID-19 Response and Recovery Plan.

GMS City Nodes Network

MI recognizes the significant role played by key cities in the GMS in driving regional economic integration and contributing to overall development. MI is committed to supporting and collaborating with GMS governors to advance cooperation among these cities, establishing them as gateways for partnership, investment, and knowledge sharing. In line with this vision, MI has developed the flagship program, GMS Cities Network, which serves as a platform for exchange and collaboration among key GMS cities.

The GMS City Nodes Network activities are planned to be implemented in various identified locations in the GMS such as Nanning and Kunming in P.R. China, Poipet and Bavet in Cambodia, Vientiane and Savannakhet in Lao PDR, Mandalay and Myawaddy in Myanmar, Bangkok and Khon Kaen in Thailand, and Hanoi and Danang in Viet Nam. These city nodes serve as focal points for initiating activities and fostering stronger synergies for holistic development.

The project's inaugural activity will be the Khon Kaen City Forum, focused on enhancing smart city development for business cooperation and integration. This forum will provide a platform for GMS cities to connect, facilitating the exchange of expertise, experiences, and views. By collaborating with professional bodies and stakeholders, the forum seeks to assist governments in building smart cities and create opportunities for trade and investment.

MI recognizes the importance of engaging various stakeholders to ensure the success and sustainability of the GMS Cities Network. The network actively seeks support, both in-kind and in cash, from national and local government officials, private sector entities, civil societies, institutions, regional and national development partners, and prospective investors. By involving a wide range of stakeholders, the network aims to create a vibrant ecosystem that fosters collaboration, knowledge sharing, and economic opportunities within and beyond the GMS countries.





CO-CREATING IMPACTS - PARTNERSHIPS AND STAKEHOLDER ENGAGEMENT

MI recognizes the pivotal role played by allies and partners in driving development and effecting positive change across various sectors within the GMS.

Throughout the year, MI has actively engaged with its partners to promote collaboration, pool resources, and address key development priorities. Through events such as the Lancang-Mekong Business Forums (LMBF), Development Partners' Meeting, and the Mekong Forum, among many others, MI has fostered collective efforts towards recovery and transformative initiatives amid the challenges posed by the COVID-19 pandemic.

Development Partners





MEKONG FORUM 2022

In October, MI held its flagship event, the Mekong Forum, to engage stakeholders and accelerate collective efforts in recovering from the far-reaching impacts of the COVID-19 pandemic. Under the theme “Accelerating Post COVID-19 Recovery and Building Resilience in the Greater Mekong Subregion,” the forum highlighted the importance of increasing long-term resilience and building back better, discussed priority issues of the GMS, and served as regional exchange platform for gathering lessons-learned, positive stories, and best practices to accelerate post COVID-19 recovery.

Members of the GMS countries, development practitioners, government and intergovernmental organizations, non-government and civil

society, private and non-profit development organizations, research institutes, and academia participated in the event.

Besides the plenary session, a total of six parallel thematic workshops were organized. The workshops covered the following overarching topics, namely “Inclusive and Resilient Society”, “Seamless Connectivity”, and “GMS Priority Sectors: Agriculture and Tourism”.

The event was co-hosted by Thailand Convention and Exhibition Bureau (TCEB), and held in partnership with Khon Kaen Chamber of Commerce (KKCC) and Thailand Creative Design Center (TCDC) Khon Kaen.



“The recovery after the COVID pandemic must focus on the people, their ability to return to work, and reconnect for commercial and personal purposes. In the long-term, measures must be created and organized so that the people will not suffer from another pandemic so severely and for so long. We have learned from the pandemic that the world will always need to meet the basic human needs.”

DR. NARONGCHAI AKRASANEE

Chairman of MI Steering Committee



BEYOND THE BALANCE SHEETS - MI'S FINANCIAL PERFORMANCE

SUMMARY OF FINANCIAL HIGHLIGHTS AND KEY INDICATORS

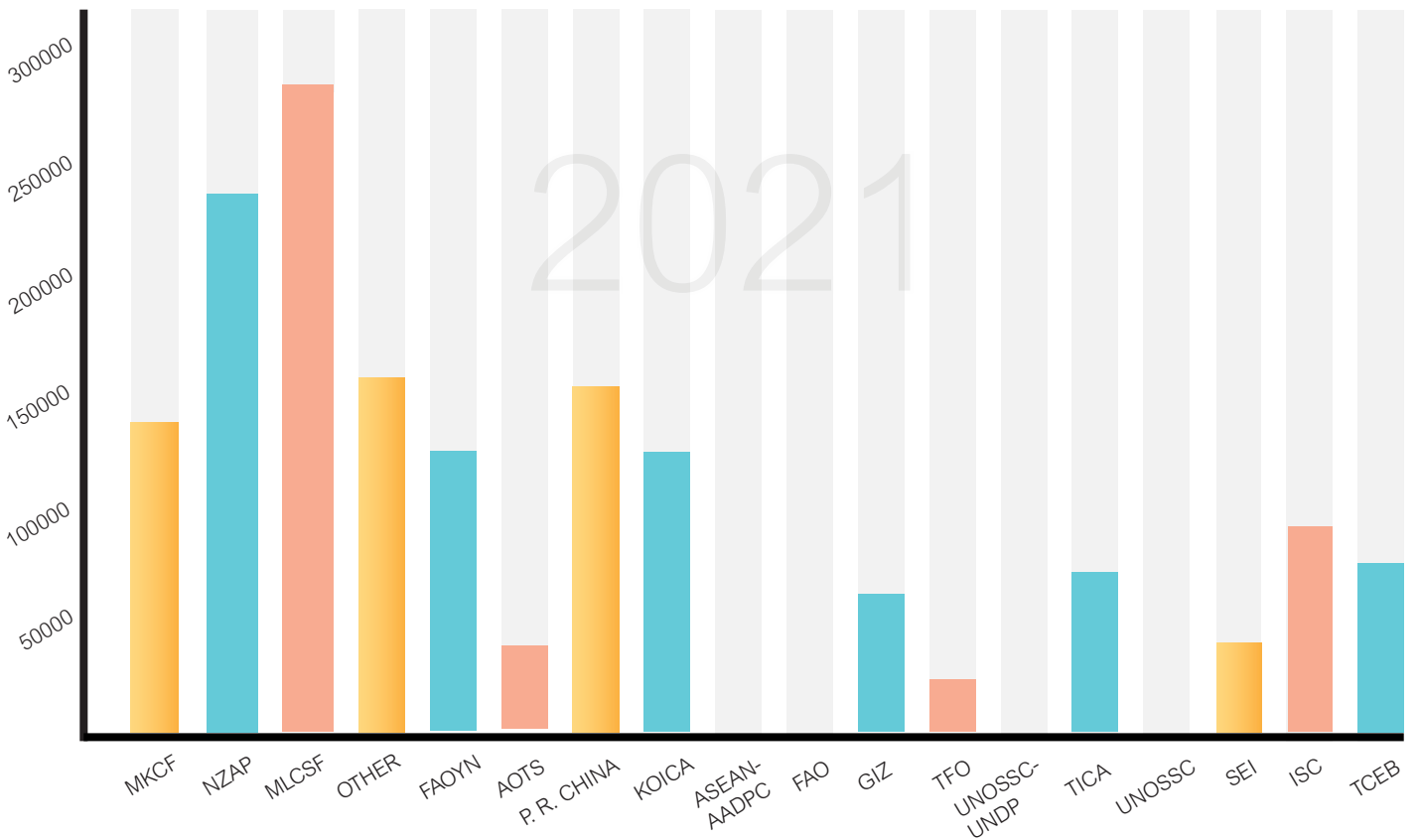
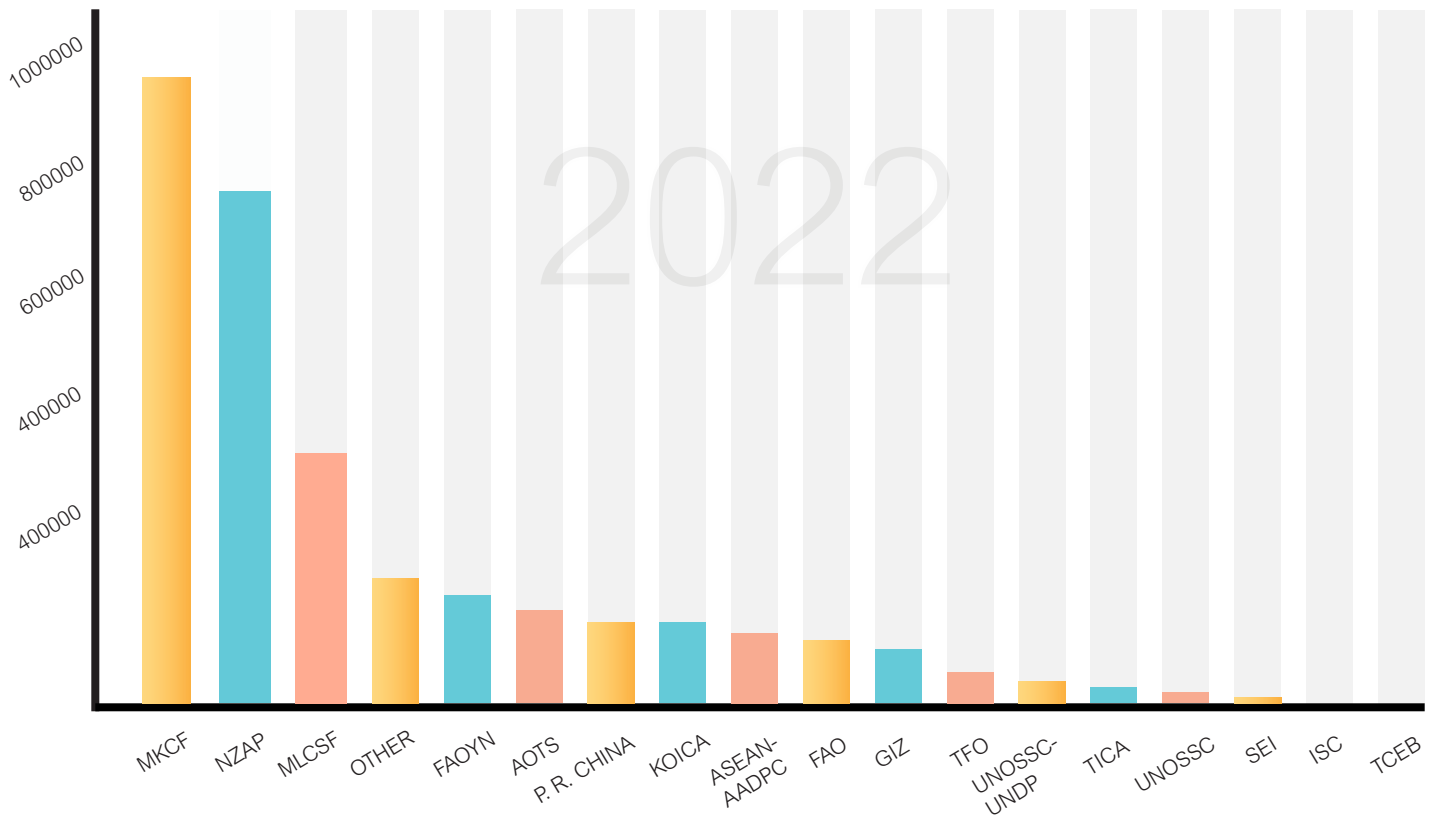
MI's total revenue is US\$3,283,856 achieving 103% of the target for 2022. This includes revenue from long-term projects (US\$1,951,701), short-term projects (USD 582,205), customized activities (USD 220,125), GMS countries' contributions (USD 503,898), and other sources (USD25,928).

On the other hand, total MI expenses amounted to USD3,140,938, covering expenses from project and program delivery (USD 2,170,015) operation (USD 847,816), and non-cash operation (USD 123,107). MI recorded a net earning of USD 142,918. Excluding non-cash expenses, MI earned USD 266,026.

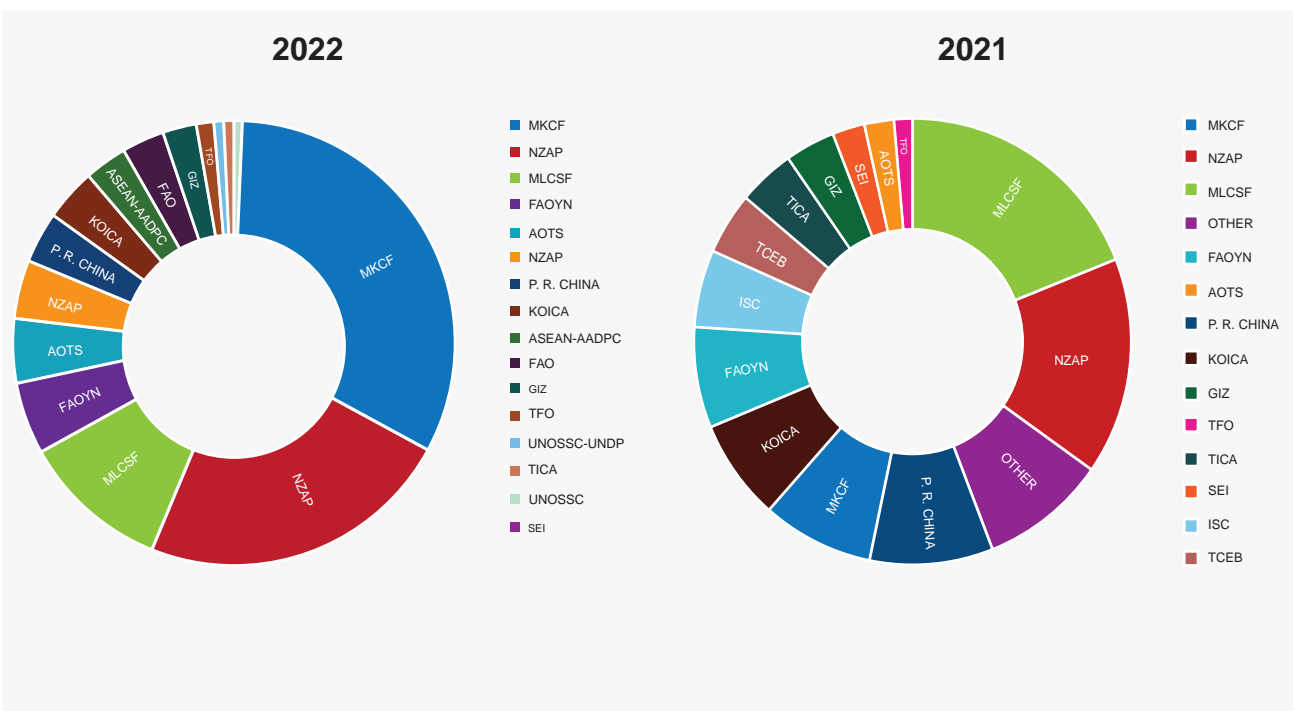
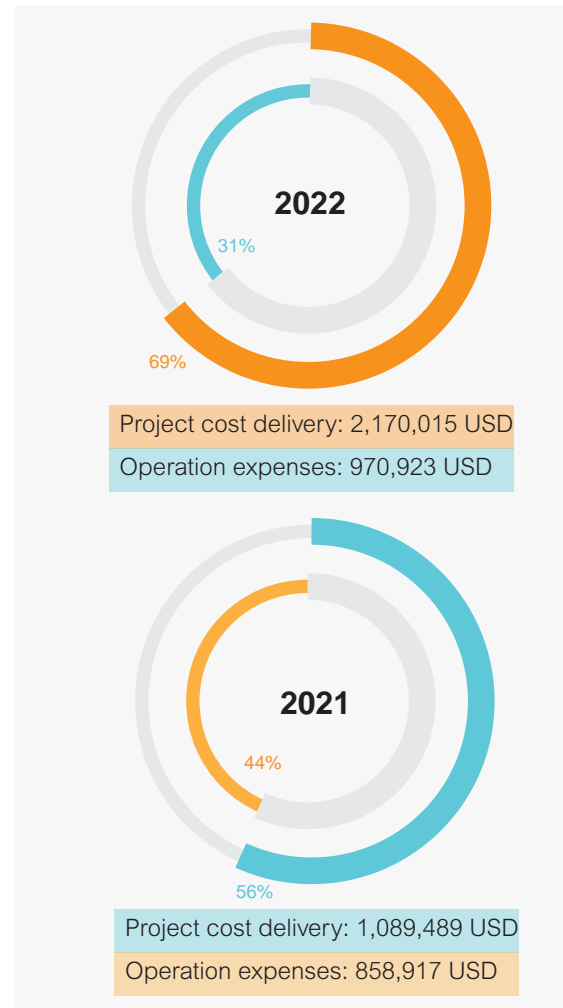
MI 2022 REVENUE AND EXPENSES

| A. Funding from development partners | | |
|--|------------------|------------------|
| A1.Long term project | 2022 | 2021 |
| | USD | USD |
| Mekong - ROK Cooperation Fund (MKCF) | 898,402 | 116,094 |
| New Zealand Aid Programme (NZAP) | 638,909 | 223,490 |
| Mekong-Lanchang Cooperation Special Fund (MLCSF) | 297,805 | 270,051 |
| Korea International Cooperation Agency (KOICA) | 102,275 | 105,246 |
| United Nations Office for South-South Cooperation (UNOSSC) | 14,310 | - |
| Thailand International Development Cooperation Agency (TICA) | - | 5,559 |
| Total long term project revenue | 1,951,701 | 720,440 |
| A2.Short term and one off activities | | |
| The People's Government of Yunnan Province, P.R. China (FAOYN) | 128,370 | 104,688 |
| The Association for Overseas Technical Cooperation and Sustainable Partnerships (AOTs) | 114,861 | 30,911 |
| The People's Republic of China (PR.China) | 102,394 | 129,435 |
| The Asean Australia Development Cooperation Program (ASEAN-AADPC) | 85,653 | - |
| Food and Agriculture Organization (FAO) | 83,245 | - |
| Deutsche Gesellschaft fur Internationale Zusammenarbeit (GIZ) GmbH | 66,682 | 51,559 |
| Trade Facilitation Office (TFO) | 33,228 | 20,267 |
| United Nations Office for South-South Cooperation (UNOSSC/UNDP) | 20,300 | - |
| Thailand International Development Cooperation Agency (TICA) | 19,124 | 54,599 |
| Stockholm Environment Institute (SEI) | 2,657 | 34,219 |
| Institute for sustainable Communities (ISC) | - | 78,033 |
| Thailand Convention & Exhibition Bureau (TCEB) | - | 64,363 |
| Other one-off activities | 145,815 | 132,409 |
| Total short term and one off activities | 802,329 | 700,483 |
| Total funding from development partners | 2,754,030 | 1,420,923 |
| B. Contribution from GMS members countries | 503,898 | 544,627 |
| C. Other incomes | 25,928 | 80,403 |
| Total Revenue | 3,283,856 | 2,045,953 |
| EXPENSES | | |
| D.Expenses Category | 2022 | 2021 |
| Project cost delivery, program administration, and business development | 2,170,015 | 1,089,489 |
| Operation expenses | 970,923 | 858,917 |
| Total Expenses | 3,140,938 | 1,948,406 |
| Revenue less Expenses | 142,918 | 97,547 |

Proportion of funding from development partners for 2021 and 2022



| | 2022 | 2021 |
|---------------------|------------------|------------------|
| MKCF | 898,402 | 116,094 |
| NZAP | 638,909 | 223,490 |
| MLCSF | 297,805 | 270,051 |
| OTHER | 145,815 | 132,409 |
| FAOYN | 128,370 | 104,688 |
| AOTS | 114,861 | 30,911 |
| P. R. CHINA | 102,394 | 129,435 |
| KOICA | 102,275 | 105,246 |
| ASEAN-ADDPC | 85,653 | - |
| FAO | 83,245 | - |
| GIZ | 66,682 | 51,559 |
| TFO | 33,228 | 20,267 |
| UNOSSC-UNDP | 20,300 | - |
| TICA | 19,124 | 60,158 |
| UNOSSC | 14,310 | - |
| SEI | 2,657 | 34,219 |
| ISC | - | 78,003 |
| TCEB | - | 64,363 |
| Total income | 3,283,856 | 2,045,953 |
| Expenses | 3,140,938 | 1,948,406 |



TOWARDS STRONGER PILLARS - MI'S INSTITUTIONAL STRENGTHENING

STRATEGIC LEADERSHIP AND MANAGEMENT



MI Secretariat has adopted the Results-based management (RBM) approach in its operation. The Office of the Executive Director of MI conducted regular meetings with the Senior Management Team (SMT), Chairman of the Steering Committee, and members of the Coordinating Agencies. Two Governing Board meetings were conducted focusing on MI's strategies, policies, and procedures. MI continued to improve its reporting formats following the RBM approach.

The major decisions of MI were undertaken in consultation with SMT members. All operational decisions were immediately circulated to MI staff in a form of Executive Orders. The Executive Director organized bi-monthly meetings with all the MI staff, informing them of the progress of MI's operations and enabling discussions on critical issues.

In-house workshops were organized to promote the sharing of knowledge and experiences and learning among employees. The production of e-briefings, continuous updating of the MI website and other online platforms, and implementation of cross-departmental projects has enhanced internal synergy and cooperation and improved the working mechanisms among employees in MI.

COMMUNICATIONS AND KNOWLEDGE MANAGEMENT

To broaden public and internal awareness and understanding of MI's expanded portfolio of services, various publications such as the monthly E-Briefing, promotional videos, corporate brochures, flyers, and roll-ups have been developed. Each public relations material is designed to cater to specific audiences and multimedia channels.

In 2022, MI continued to enhance its communication activities to better translate MI's program progress, as well as disseminate information of its widening services. Statistically, these efforts have produced 170 press releases, news features, infographics, and collaterals across the GMS. The dissemination has generated an annual average of 31,465 views on the official website, reached 649,893 people on Facebook, and collected 40,309 impressions on Twitter.





HUMAN RESOURCES MANAGEMENT

MI puts emphasis on diversity and inclusivity, promoting non-discrimination and equal treatment in all aspects of employment, regardless of race, religion, ethnicity, gender, age, or national origin. As of 2022, the staff composition of the institute reflects this commitment, with 39% male and 61% female employees from 12 different nationalities. All GMS member countries are represented in the organization.

To enhance the productivity and performance of staff, MI has invested in its capacity building through various training programs. These programs cover a wide range of topics, including the Personal Data Protection Act, Innovation & Transformation in Financial Services, and Mini Master in HR Management, among others.

To honor the long-term dedication and valuable contributions made by its employees, MI has established a Long Service Reward Program, which acknowledges the outstanding commitment of employees who have served MI for five years or more. In 2022, MI proudly recognized and rewarded 22 staff members through this program.

MONITORING AND IMPLEMENTATION SUPPORT

With assistance from an international consultant, MI conducted a study entitled “Capacity Need Assessment in the GMS and Baseline Survey for MI Strategic Plan 2021-2025” that ran from January to March 2022. The study assessed the existing institutional capacity and strengths of the relevant MI stakeholders in the GMS member countries and the MI Secretariat in delivering suitable capacity development programs according to the MI Strategic Plan 2021-2025. The result and recommendations of the study will be given utmost consideration in planning the programs, activities, and approaches of the institute moving forward.

FORGING AHEAD

Building upon its achievements, MI is committed to propelling its mission forward. In line with its Strategic Plan for 2021-2025, which centers around the interconnected themes of ADC, TIF, and SEE, MI recognizes the urgent call of addressing challenges that impact the GMS. By embracing a forward-looking approach, MI positions itself as a catalyst for development and a platform for multi-stakeholder partnership and capacity development.



In anticipation of a new phase in the region's transition economy and the presence of new collaborative opportunities, MI is taking proactive measures to ensure preparedness across thematic areas. To this end, MI will continue to engage with development partners and think tanks specializing in various areas that are crucial to the sustainable development of the region. These areas include digital connectivity, paperless trade, green economy, water-energy-food nexus, power grid connectivity, power trade, and cross-border transport and logistics, among others.

As the world continues to grapple with the repercussions of the COVID-19 pandemic, MI remains steadfast in its commitment to support recovery efforts. MI will continue to integrate COVID-19 recovery assistance into its core programs and flagship initiatives, leveraging its expertise to mitigate the losses inflicted by the crisis.

MI is committed to conducting national and local research, allowing the institute to gain deeper insights into the challenges faced by the communities in the GMS. Additionally, the institution will actively expand its MI Alumni network, tapping into their expertise and leveraging their collective strength to extend our reach to the wider community.

Furthermore, MI will actively pursue institutional strengthening initiatives to enhance the quality of our services. A particular emphasis will be placed on human resources development, ensuring that the organization is equipped with the skills and knowledge necessary to deliver impactful outcomes.

With unwavering dedication, MI is resolute in its pursuit of sustainable development and regional integration, guided by its vision for the future.



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