



MEKONG FORUM 2023 PROCEEDINGS

July 27, 2023 | Kunming Kai Wah Plaza Hotel
Kunming City, Yunnan Province, P. R. China

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Executive Summary



The Greater Mekong Subregion (GMS), comprising Cambodia, P. R. China (Yunnan Province and Guangxi Zhuang Autonomous Region), Lao PDR, Myanmar, Thailand, and Viet Nam, has emerged as a recognized fast-growing economic block. The subregion continues to drive and sustain socioeconomic progress while fostering connections with development partners in ASEAN, Asia, and the rest of the world.

However, the subregion has also been confronted with emerging challenges, including transboundary environmental issues, natural disasters, and social and political tensions. Consequently, poverty and hunger have surged, exposing unforeseen vulnerabilities across various sectors. Unfortunately, the poorest and most vulnerable populations have borne the brunt of these effects.

As the GMS continues to work towards achieving meaningful change, it is crucial to reaffirm its roles and recalibrate its mechanisms in pushing for a robust regional development agenda while supporting the priorities of member countries. With its focus on regional integration, promoting sustainable growth, and addressing shared challenges, the GMS has gained the support of critical actors and partners in international development.

As an intergovernmental organization founded and owned by the GMS countries, Mekong Institute (MI) has been collaborating with governments, development partners, and stakeholders to build and enhance human resource capacities and facilitate policy implementation across regional cooperation frameworks. MI's focus areas include food and agriculture, trade, logistics, energy, environment, innovation, and social inclusion.

MI annually holds its flagship event, the Mekong Forum, to gather and engage stakeholders. In a historic first, MI, with support from P. R. China, brought together around 300 stakeholders from the GMS in Kunming City for the Mekong Forum 2023. This year, the Mekong Forum has as its theme "Driving Transformative Change in the GMS." Co-hosted by the People's Government of Yunnan Province, the annual event charted regional cooperation mechanisms aimed at bolstering the region's position as a growth center and fostering its emergence as an economic powerhouse.

The forum featured keynote addresses from regional partners, offering actionable insights into charting a sustainable and prosperous path for the GMS. It revisited the GMS Economic Cooperation Program Strategic Framework (GMS-2023) and underscored the need for transformative changes to realize the Sustainable Development Goals (SDGs) and the GMS-2030 vision.

Mr. Chen Rongjie, Deputy Director-General of the Yunnan Province Foreign Affairs Office, reaffirmed P. R. China's commitment to the GMS as he underscored the forum's role in catalyzing regional collaboration and collective advancement.

Dr. Narongchai Akrasanee, Chairman of the MI Steering Committee, shared a comprehensive overview of GMS cooperation's evolution from 1989 to the present, highlighting the significance of leveraging past achievements toward greater integration and prosperity.

H. E. Mr. Satvinder Singh, ASEAN Deputy Secretary-General for the ASEAN Economic Community, discussed the pivotal role and contributions of the GMS in regional economic growth and integration in Southeast Asia.

Aside from the plenary discussions, there were breakout sessions on three thematic areas critical to the GMS's development. A session on Agricultural Productivity and Market Access explored innovative agricultural practices and value chain development to boost productivity and income for farmers across the region.

Another session zeroed in on Trades and Logistics, providing participants with strategies to enhance logistics and income growth in the rapidly developing Lancang-Mekong region.

The third session was on Sustainable Energy and Environment which delved into sustainable energy solutions and conservation efforts to foster environment-friendly and resource-efficient practices.

All three sessions engaged participants in developing actionable recommendations that will serve as valuable references for future initiatives and discussions, ensuring continuity and progress toward regional goals.

MI designed the forum to be interactive and immersive, providing the participants with the opportunity to join a study tour of Kunming Railway Vocation and Technical College (KRVT) and Kunming International Flora Auction Trading Center (KIFA).

The Mekong Forum 2023 concluded on a note of optimism, with a shared commitment among participants to pursue transformative changes toward a more resilient, inclusive, and prosperous GMS.



PLENARY PROCEEDINGS



推动大湄公河次区域变革 Driving Transformative Change in the GMS

2023年7月27日 中国·昆明 July 2023 Kunming, China

Introductory Remarks

Mr. Suriyan Vichitlekarn
Executive Director, Mekong Institute

In his speech, Mr. Suriyan Vichitlekarn extended a warm welcome to all attendees. He introduced MI as an intergovernmental organization that contributes to regional cooperation and integration through capacity development, dialogue, and advocacy for the acceleration of sustainable socioeconomic development and poverty alleviation in the GMS. He shared that MI works across the areas of Agricultural Development and Commercialization (ADC), Trade and Investment Facilitation (TIF), and Sustainable Energy and Environment (SEE) while addressing issues of social inclusion and vulnerability, digital economy and innovation, and labor mobility.

The theme of the forum, "Driving Transformative Change in the GMS," was highlighted as a response to the dynamic landscape and challenges faced by the GMS, including rising inflation, global supply chain disruptions, high energy costs, and climate change. Mr. Suriyan emphasized the urgent need for strengthened regional cooperation to achieve transformative growth in line with the Sustainable Development Goals and the Global Development Initiative.

Mr. Suriyan noted that it was the first time that the forum was organized outside Thailand and in P. R. China. He provided a comprehensive overview of the forum's agenda, which included plenary sessions showcasing the insights of esteemed thought leaders and breakout sessions, each delving into crucial areas such as agriculture, trade, logistics, clean energy, and climate resilience.

Mr. Suriyan expressed gratitude to the Chinese government, Yunnan Province, keynote speakers, development partners, and the organizing committee for their contributions to the event. He also thanked all participants for their active involvement, expecting that the forum would lead to meaningful discussions and outcomes.

推动大湄公河区域变革 Driving Transformativ...ge in the GMS

2023年7月27日 中国·昆明 2023 Kunming, China

Welcome & Opening Address

Mr. Chen Rongjie
Deputy Director General, Foreign Affairs Office
People's Government of Yunnan Province

In his welcome and opening address, Mr. Chen Rongjie expressed his delight at hosting the event in Kunming City. He extended a warm welcome to both Chinese and foreign attendees and expressed gratitude to those who have supported Yunnan's development.

Mr. Chen emphasized the strong collaboration among the six countries in the Mekong region. He acknowledged the positive outcomes of subregional cooperation, particularly in infrastructure and economic integration, which have contributed to economic and social development, improved living standards, and regional stability.

He also underlined Yunnan's role in China's participation in the Lancang-Mekong Cooperation and its commitment to all-round opening up. Yunnan's economic output and its own development have supported the interconnected development of the subregion.

Mr. Chen underscored the alignment of development strategies between Yunnan and Mekong countries, emphasizing synergy between the Belt and Road Initiative and various regional strategies. He noted significant progress in regional connectivity, such as the operation of the China-Laos Railway, and the construction of railways, expressways, and transportation corridors.

The speech also touched upon economic and trade cooperation, showcasing growth in trade volumes and foreign direct investment. Yunnan's efforts in establishing open platforms, economic zones, and trade cooperation measures were discussed. People-to-people bonds were emphasized as a crucial aspect of regional cooperation.

Mr. Chen then presented several recommendations for further cooperation: (1) Jointly promote inter-connectivity; (2) Jointly expand trade and investment; (3) Advocate sustainable development; and (4) Broaden people-to-people exchanges.

He concluded by expressing Yunnan's commitment to contributing to regional development and cooperation and wished the forum a successful outcome.

推动大湄公河次区域变革 Driving Transformative Change in the GMS

2023年7月27日 中国·昆明 July 2023 Kunming, China

Keynote Address

Dr. Narongchai Akrasanee
Chairman of MI Steering Committee

Revisiting GMS Cooperation

Dr. Narongchai Akrasanee began by expressing his passion for the GMS and discussed the historical, geographical, and cultural ties that connect the GMS countries.

He then presented a timeline of key events in GMS cooperation:

1. Emergence of GMS Cooperation (around 1989-1991): The end of the Cold War and the dissolution of the Soviet Union marked the beginning of cooperation in the GMS region. Thailand played a pivotal role in initiating this cooperation.
2. CLMV Countries Join ASEAN (1995-1999): Cambodia, Lao PDR, Myanmar, and Viet Nam became members of ASEAN, further integrating mainland Southeast Asia into the regional framework.
3. Establishment of the Mekong Institute (MI) in 1996: MI, focusing on human resource development and policy advocacy for GMS cooperation, was established with support from New Zealand.
4. GMS Retreat in Thailand (1997): Dr. Narongchai hosted a GMS retreat for economic ministers, initiating discussions on what GMS countries could achieve together.
5. First GMS Summit of Leaders (2002): The first summit of GMS leaders took place, strengthening the cooperation between the countries.
6. ACMECS Cooperation (2003): The Ayeyawady-Chao Phraya-Mekong Economic Cooperation Strategy (ACMECS) was created to support GMS cooperation.
7. MI Becomes an Intergovernmental Organization (2009): MI officially became an intergovernmental organization, further solidifying its role in human resource development and policy advocacy.
8. COVID-19 Disruption (2020-2022): The COVID-19 pandemic disrupted GMS cooperation.
9. GMS Circuit: The current focus is on revitalizing GMS cooperation.

Dr. Narongchai then discussed various challenges and changes that necessitate revisiting GMS cooperation:

1. Political Conflicts: Geopolitical conflicts are affecting economic globalization, leading to supply chain disruptions.
2. Supply Chain Disruption: The disruption of supply chains, particularly in semiconductor production, has had a significant impact on various industries.
3. Energy Issues: The reconfiguration of energy supply due to geopolitical conflicts has led to challenges in ensuring energy security and reducing greenhouse gas emissions.
4. Environmental and Illicit Activities: Transboundary environmental issues and illicit activities like wildlife trafficking, human trafficking, and money laundering are growing concerns.
5. Managing the Myanmar Factor: Myanmar's political situation poses challenges and requires international cooperation.
6. Digitalization and AI: The adoption of digital technology, including artificial intelligence, offers opportunities for economic and social development.
7. Economic Recovery: Cooperation is needed to promote economic recovery in the post-COVID-19 era.

Dr. Narongchai emphasized the importance of cooperation in areas such as energy, healthcare, transboundary issues, and the prevention of illicit activities. He called for a renewed focus on addressing these challenges and opportunities within the GMS framework.





Keynote Address

H. E. Mr. Satvinder Singh
Deputy Secretary-General of ASEAN for ASEAN Economic Community, the ASEAN Secretariat

Deepening the ASEAN Community Building: The Emerging Role and Contribution of the GMS through the ASEAN Lens

H. E. Mr. Satvinder Singh highlighted the GMS's pivotal role in deepening the ASEAN Community Building. He stressed the importance of regional cooperation and collaboration to address challenges and capitalize on opportunities. He emphasized the GMS's significance, with its cultural diversity, abundant natural resources, and dynamic workforce, as a driving force in Southeast Asia's economic growth.

H. E. Mr. Satvinder underscored ASEAN's achievements in fostering regional unity and the creation of the ASEAN Economic Community (AEC). He pointed out the positive economic growth forecast for ASEAN and the successful ratification of the Regional Comprehensive Economic Partnership (RCEP).

The keynote address emphasized the GMS' role in achieving the goals outlined in the AEC Blueprint 2025, particularly in narrowing development gaps and promoting economic inclusivity. Given the GMS's natural resource wealth, sustainable development and environmental protection were highlighted as priorities. The importance of engaging with subregional secretariats for impactful cooperation and partnership was also stressed.

H. E. Mr. Satvinder proposed several key actions for enhanced collaboration, including synergy between GMS and ASEAN, capacity building and human capital development, cultural exchange and tourism promotion, and sustainable energy sector development.

In conclusion, the keynote address by H. E. Mr. Satvinder urged nations to embrace cooperation, collaboration, and inclusivity as they work together to shape a legacy of prosperity and harmony for future generations.

Breakout Session Overview

Breakout session organizers from MI provided the participants with an overview and background of the sessions. Participants were encouraged to join the session for further discussions and insights.



Session A

Transforming the Agriculture Sector toward Increased Productivity, Sustainability, and Resilience

Maria Theresa Medialdia
Director, Agricultural Development and Commercialization Department, MI



Session B

Unlocking Opportunities: Reshaping Logistics and Investment through Emerging Trends and Green Practices

Madhurjya Kumar Dutta
Director, Trade and Investment Facilitation Department, MI



Session C

Transformative Pathways towards Low Carbon Development in the Energy Sector

Than Tha Aung
Senior Program Coordinator
Sustainable Energy and Environment Department, MI



Cross-cutting Themes

Prof. Dr. Ding Wenli
President of Kunming University

Prof. Dr. Ding Wenli emphasized the significance of discussing critical issues in the GMS, including social development, economic prosperity, environmental protection, and poverty reduction. She provided an overview of Kunming University's history and role in Yunnan Province.

Kunming University, with a rich history dating back to 1903, is a prominent educational institution in Yunnan Province, offering a comprehensive range of undergraduate programs, master's degrees, and doctoral programs. The university is dedicated to becoming a leading application-oriented university and has actively engaged in international collaborations, particularly in the GMS region.

Prof. Dr. Ding outlined three key proposals for collaboration between Kunming University and MI:

- 1. Leveraging Cooperation:** Prof. Dr. Ding suggested utilizing the established cooperation between Kunming University and MI to serve the public interests of the GMS, focusing on economic development, social progress, cultural exchange, and human resource innovation. A proposal was made to jointly establish an international vocational skills training alliance for GMS countries.
- 2. Geographical Advantage:** Prof. Dr. Ding highlighted the strategic location of Kunming University within the Free Trade Zone and its proximity to the Lancang-Mekong region's three economic corridors. She proposed that the university and MI collaborate to enhance social, economic, cultural, and logistical development along these corridors, particularly with the opening of the China-Laos railway and the Kunming to Bangkok high-speed railway.
- 3. International Platform:** She emphasized the role of the China-Shanghai Cooperation Youth Exchange Center at Kunming University in facilitating youth cultural exchanges, academic seminars, and the creation of an alliance mechanism for mutual trust and mutual assistance among GMS countries.

Prof. Dr. Ding concluded by announcing a joint training program between Kunming University and MI focusing on enhancing human resource coordination and cross-cultural communication abilities. She expressed her wishes for the success of the forum and extended a warm welcome to the leaders and guests, hoping for their fruitful visit to Kunming.



BREAKOUT SESSIONS PROCEEDINGS



Session A

Transforming the Agriculture Sector toward Increased Productivity, Sustainability, and Resilience

About the Session

Modernizing agriculture is an opportunity to enhance productivity, sustainability, and resilience. Harnessing the potentials of technology, shifting production approaches and practices, and building on sectoral partnerships and collaborations to build smarter agri-food networks and systems, can transform the agriculture sector in the region and contribute towards sustainable economic growth and poverty reduction. The parallel session aimed at providing a platform for knowledge exchange among experts, policymakers, researchers, and development partners in the GMS to take collective action in promoting innovative solutions and strategies toward a sustainable and resilient agri-food system, in support of the region's efforts to accelerate its recovery post-pandemic.

Session Moderator: Joclarrise E. Albia, Program Consultant, MI



Making regional cooperation pathways work for agriculture players

Dr. Hung Pham, Founder and Consultant Indochina Research and Consulting, Viet Nam

About the presentation

Smallholder farmers and producers in the region continue to have limited access to markets and services. There remains untapped potential offered by digital agricultural technologies, smart production practices, agricultural economic corridors, and other intra-regional cooperation pathways. Exploring the ways by which these can be maximized to improve production scale and quality and especially, to support farmers' integration into the agricultural cross-border value chain, is most important.

Summary

Dr. Hung's presentation emphasized going smart is a pathway to increase productivity, resilience, and sustainability. This is, however, contingent on making accessible affordable technological solutions and offering technical support on existing and future agri innovations. He underscored that regional cooperation that improves policy incentives will make possible this transition to going smart.





Enhancing agricultural innovations through creative partnerships and investments

Ms. Pouchamarn Wongsanga Project Director
Agriculture and Food, Deutsche Gesellschaft für
Internationale Zusammenarbeit (GIZ) GmbH

About the presentation

Farmers and agricultural enterprises stand to benefit from agricultural innovations and services that can build their capacity and boost their competitive edge. The generation and adoption of these innovations, however, require serious investment and support. To realize further gains in the sector, it is vital to seek out viable models of partnership, such as incubation programs, and other mechanisms by which private and public stakeholders can work together with agriculture producers and enterprises.

Summary

Ms. Pouchamarn reiterated that agricultural technology and innovations open opportunities to increase the sector's competitiveness and the important role that public-private partnerships play in this aspect to drive its adoption. Such partnerships are instrumental in bolstering investments, initiating consultative processes, and more importantly, serving as platforms for knowledge exchange.





Supporting agricultural transformation through extension and learning networks

Mr. Souvanthong Namvong, Director for the Production Groups Promotion, Department of Agricultural Extension and Cooperatives (DAEC), Ministry of Agriculture and Forestry (MAF)

About the presentation

Training and capacity building in agriculture is a commitment that must continue to be pursued to propel forward transformations in the sector. Extension and learning networks have an important role to play in modernizing practices and promoting entrepreneurial attitudes among farmers themselves. More importantly, these learning networks, as avenues for building capacities, can help boost agricultural investments and offer wins for governments, the private sector, and local communities.

Summary

Mr. Souvanthong's presentation shares the second presentation's point about the importance of sharing knowledge and learning from each other, as well as the first presentation's emphasis on strengthening technology adoption and digitalization in agriculture. There is particularly strong potential that we can see if we can leverage these to promote agri-entrepreneurship amongst the youth in the region.



Session A

Top Actionable Recommendations



Improve access to agricultural education and training for farmers, with a focus on modern farming techniques, sustainable practices, and entrepreneurship skills.



Utilize learning networks as innovation hubs that convene stakeholders from across sectors to co-create solutions to shared agricultural challenges.



Foster innovative partnerships between government agencies, private sector businesses, international organizations, and technology providers.



Advocate for pro-agriculture policies that favor sustainable farming practices, reduce trade barriers, subsidize agricultural innovation, and provide farmers with incentives and access to affordable credit.



Encourage venture capitalists and government-backed funds to invest in youth-led, local agri-tech startups.





Session B

Unlocking Opportunities: Reshaping Logistics and Investment through Emerging Trends and Green Practices

About the Session

The session centered on the theme "Are we on the right track?" in examining the new Lao-Kunming railway as a lens through which to explore pressing issues in Mekong logistics and connectivity. The landmark railway began operations in December 2021, linking Kunming to Vientiane and providing unprecedented north-south connectivity between China and mainland Southeast Asia.

In their presentations, speakers from Cambodia, China PRC (Yunnan province), Thailand, and international experts offered diverse perspectives on leveraging the railway to strengthen regional trade. While positive about the new opportunities, they highlighted ongoing challenges around optimizing policies, infrastructure planning, financing, and operations to maximize benefits.

A key theme was transit trade potentials. As a landlocked country, Lao PDR must develop innovative strategies to attract investment and participate in value chains as a "land-linked" transit hub. While the railway enabled Lao agricultural exports to southern China, speakers proposed further logistics improvements and special economic zones to catalyze development. Integrating systems across borders remains difficult, given divergent national priorities. As one example, Thailand's focus on alternative gauge domestic railways has prevented connections to the Lao-Kunming line. Speakers emphasized the need for coordinated policies and infrastructure to fully capitalize on transit potentials.

In facilitated small group discussions, participants explored four issues in detail:

- **Prioritizing transport infrastructure based on export profiles and destination markets.** Groups highlighted policy as equally important as infrastructure, recommending needs assessments and cost-benefit analyses in planning.
- **Leveraging transit opportunities for landlocked nations.** Suggestions included streamlined border procedures, inland ports, and industrial clusters linked to SEZs. Attracting Chinese firms to invest was viewed as essential.
- **Financing options for infrastructure projects.** Groups weighed the trade-offs of domestic financing, ODA loans, public-private partnerships, and debt sustainability. Blends of financing suited to the project scale were recommended.
- **Balancing regional integration with links to China.** Groups advocated complementary development of north-south and east-west corridors to expand connectivity. Connections to China offer major trade gains if aligned with intra-Mekong links.

Synthesizing the discussions, the session made three recommendations:

1. Conduct joint needs analyses for coordinated cross-border infrastructure planning based on trade profiles, corridors, and projected demand.
2. Implement harmonized policies and streamlined transit procedures to maximize landlocked countries' connectivity as logistics hubs.
3. Pursue blended financing models for infrastructure balancing regional integration, debt sustainability, and links to major markets.

The session concluded that realizing the railway's potential requires holistic coordination between Mekong countries and development partners on hard and soft infrastructure. With ongoing logistics improvements, the railway and related projects can drive sustainable and inclusive growth across the region. The recommendations outlined will be forwarded to shareholder governments for consideration.

Session Moderator: Mr. Madhurjya Kumar Dutta, Director of Trade and Investment Facilitation Department, MI





The Prospect of Logistics Cooperation between Yunnan Province of China and the Greater Mekong Subregion

Mr. Li Yongming, Division of Logistics Industry Development, Department of Commerce of Yunnan Province, P. R. China

Mr. Li highlighted the gains from the establishment of the China-Laos Railway and explored how GMS countries can create a new chapter of logistics cooperation.

Mr. Li stressed the historical economic ties between P. R. China and the Mekong countries, particularly Yunnan's proximity to these nations. He underscored the significant opportunities arising from the China-Laos Railway's operation. He presented impressive statistics about the railway's performance, including the transportation of millions of passengers and tons of goods, emphasizing its role in enhancing economic development and improving living standards in the region.

He further emphasized the railway's potential to expand economic, trade, and logistics cooperation, and called for collaborative efforts to streamline international logistics channels, boost regional trade, and promote mutual investment.



Trade Linkages between Yunnan Province of P. R. China and ASEAN

Ms. Fei Yunhan, Program Officer, ASEAN Trade Division, Department of Commerce of Yunnan Province, P. R. China

Ms. Fei Yunhan provided an overview of the trade relationship between Yunnan Province and ASEAN. Over recent years, trade between the two regions has grown significantly, with ASEAN being Yunnan's largest trading partner.

Ms. Fei shared the various trade promotion efforts undertaken to foster and enhance trade relations between Yunnan Province and ASEAN. These efforts include expanding the range of imported agricultural products, leveraging trade agreements such as the China-ASEAN Free Trade Agreement and the Regional Comprehensive Economic Partnership Agreement (RCEP), and actively participating in trade promotion activities and collaborations with neighboring countries.

Ms. Fei outlined the future plans to further develop Yunnan-ASEAN trade. These plans involve continuing to diversify imported agricultural products, organizing and participating in trade promotion events, and addressing trade-related challenges to facilitate growth in trade between Yunnan and ASEAN countries.



The Cambodian Logistics Experience

H. E. Mr. Chhieng Pich, Director General, General Department of Logistics, Ministry of Public Works and Transport Kingdom of Cambodia

H. E. Mr. Chhieng Pich opened his presentation by sharing a brief profile of Cambodia. He shared about Cambodia's institutional and governance framework for logistics and its Comprehensive Intermodal Transport & Logistics Master Plan 2023-2033 (CITL-MP).

The CITL-MP consolidates plans for all modes of transport, including road, rail, waterways, ports, logistics, air, and intermodal transport. It identified 174 infrastructure projects, both hard and soft, with an estimated investment of US\$36.6 billion over the next decade.

Additionally, H. E. Mr. Chhieng highlighted Cambodia's commitment to decarbonization. The country's updated National Determined Contribution (NDC) aims to reduce emissions by 42% by 2030 and achieve carbon neutrality by 2050. The Ministry of Public Works and Transport (MPWT) has renewed its Climate Change Action Plan for the Transport Sector 2020-2023, with three strategic objectives: enhancing climate adaptation and resilience in transport infrastructure, promoting emission mitigation in the transport sector, and strengthening institutional capacity, knowledge, and awareness of climate change.



Thailand and Regional Linkages: Priorities and Challenges

Dr. Watcharas Leelawath, Honorary Advisor, Bolliger & Company (Thailand)

Dr. Watcharas Leelawath discussed about the Action Plan on Thailand Logistics Development 2023-2027, emphasizing its role in positioning Thailand as a key trade gateway for subregional and regional partners.

Dr. Watcharas' presentation evaluates whether the Bangkok-Vientiane-Kunming Railway is on the right track by examining its alignment with national plans and its potential to bring about positive economic and social impacts. The multifaceted analysis suggests that this ambitious railway project holds immense promise for Thailand and its neighboring regions, with the potential to boost trade, investment, tourism, and logistics while aligning with broader national goals.



Analysis of the Lao-Kunming Railway: Opportunities and Challenges of Mekong Logistics

Mrs. Hafida Fahmiasari, Consultant, Mekong Institute

Mrs. Hafida Fahmiasari presented an analysis of the Lao-Kunming Railway, which revealed opportunities and challenges in terms of logistics across the Mekong region. To provide context, Mr. Hafida shared the profile of the China-Lao Railway Project including various parameters such as length, number of stations, rail specifications, speed, project duration, cost, and financing scheme. She discussed the current impact of the project in terms of macroeconomics, passenger and cargo transit, and the agricultural sector.

Among the logistical opportunities from the Lao-Kunming Railway are the development of human resources, the development of the Special Economic Zone (SEZ) in Lao PDR, and the possible link to the Thailand railway.

The presentation also discussed the opportunities for investment and identified various developers. Concluding the presentation is the discussion about two challenges including Thailand's unclear railway development plans and Lao PDR's high financial dependency on P. R. China.



Optimizing Mekong Trade Logistics

Dr. Julian Clarke, Program Specialist, Trade and Investment Facilitation Department, Mekong Institute

Dr. Julian Clarke's presentation provided background and significant information on enhancing Mekong value chains through logistics expansion; assessing the multifaceted benefits of railways in trade; evaluating trade composition and the viability of high-speed transport linkages; and optimizing transit trade. He opened the discussion by encouraging the participants to share their insights on the possible ways to move forward to optimize Mekong trade logistics.

Signing of Cooperation and Joint Project Implementation Agreement



The signing of Cooperation and Joint Project Implementation Agreement for the Project on Transport and Logistics Information System in the Lancang-Mekong Region between the General Department of Logistics of Cambodia's Ministry of Public Works and Transport and Mekong Institute

Session B

Top Actionable Recommendations



Foster SEZ and investment nodes on the main railway lines as a way of attracting investment in transit countries to maximize the benefits of new transport linkages.



Build programmatic synergies with Mekong regional cooperation mechanisms, especially in transport and logistics connectivity and industry and trade development.



Foster people-to-people connectivity with a headline tourist connection that becomes a brand ("Trans Lancang Mekong" similar to "Trans Siberia") that can also benefit communities around heritage and cultural destinations en route.





Session C

Transformative Pathways towards Low Carbon Development in the Energy Sector

About the Session

The SDGs and the Paris Agreement have a shared objective to create a sustainable world for everyone. One of the key targets is SDG 7, which focuses on providing clean and affordable energy. Access to clean and affordable energy sources helps reduce reliance on fossil fuels, mitigates climate change impact, and promotes environmental conservation by minimizing greenhouse gas emissions and air pollution. However, transitioning to clean energy is a complex process that requires significant upfront investments in infrastructure, technologies, and institutional capacities. Additionally, the ongoing conflict in Ukraine and the impacts of COVID-19 have led to increased energy prices. As the world approaches the midpoint of the 2030 agenda, there is a growing need to finance the energy transition, with a particular focus on developing economies.

The current climate finance landscape offers opportunities to address the inadequate level of investment in the energy sector. However, accessing climate finance can be complicated. In this session, participants discussed how the GDI can help Lancang-Mekong countries improve their ability to access climate finance for the energy sector. The session also emphasized the importance of regional partnerships in achieving climate commitments. Each country's plans for energy transition pathways and the actions needed to reach its goals were shared and discussed.

Session Moderator: Than Tha Aung, Senior Program Coordinator, MI



Welcome Remarks

Mr. Suriyan Vichitlekarn, MI Executive Director

Mr. Suriyan Vichitlekarn shared the purpose of the breakout session, emphasizing its role in exploring the synergies between the GDI and SDG7. He highlighted the session's focus on aligning climate commitments with an emphasis on energy advancement. Furthermore, Mr. Suriyan underscored the significance of exploring avenues through which countries within the GMS could unlock diverse channels of climate finance tailored to the energy sector. He asserted that the outcomes of the session would form a basis for MI to formulate a relevant capacity development program in the future.



Opening Remarks

Mr. Ke Yousheng, Permanent Representative of P. R. China to UNESCAP and MI Steering Committee Member for P. R. China

Mr. Ke Yousheng highlighted China's commitment to green and sustainable development, emphasizing the interconnectedness of climate change, energy transformation, and global development goals. He outlined China's strides in clean energy production, technological innovation, and international cooperation. He underscored China's contribution to global energy transition and the Belt and Road Initiative's role in fostering green development partnerships while urging multilateral collaboration, policy coordination, and technology sharing for a shared low-carbon future.



**Keynote Speech:
Promoting Clean Energy Development through Grid
Interconnection Supporting Green and Sustainable
Development of the Lancang-Mekong Region**

Mr. Xu Yuxiao, General Manager of the Strategy and Development Department, China Southern Power Grid Yunnan International Co., Ltd. (YNIC)

Mr. Xu Yuxiao highlighted the significance of clean energy development in addressing climate change and economic challenges. He emphasized the potential of clean energy resources in the region, the importance of grid interconnection for efficient energy use, and the need for Lancang-Mekong countries to collaborate. Mr. Xu supported his points with statistical data, revealing that over 80% of global emissions originate from the energy sector, with electricity accounting for 40% of energy emissions. He discussed untapped clean energy potential, particularly in hydropower, wind, and solar energy.

China's successful power interconnection practice was also covered, with Yunnan having over 88% clean energy generating capacity and China Southern Power Grid (CSG) having over 50% clean energy capacity.

Mr. Xu proposed enhancing cooperation for low-carbon power systems, deepening power interconnection, and promoting innovation for green transformation. He concluded by expressing hope for collaborative efforts under the Belt and Road Initiative (BRI) to promote power interconnection and green development in the Lancang-Mekong region.





Development in Climate Finance and Low-Carbon Energy

Dr. Salil Kumar Sen, Sustainability Reporting Consultant affiliated with diverse Multilateral Development Institutions and Energy Research Institutes

Dr. Salil Kumar Sen provided a presentation on the landscape of energy transition and climate finance. Dr. Salil approached this discussion through a scientific lens, emphasizing the core essence of the concept. He commenced by introducing the idea of transformation pathways, highlighting three crucial action points: resilience, proactive measures, and seamlessness.

He highlighted the potential of collaborative efforts between the private and public sectors to achieve the objective of Low-carbon Energy Development.

The presentation outlined several innovative pathways to reduce carbon emissions and transition towards environmentally friendly energy solutions. Dr. Salil emphasized the utilization of hydrogen sourced from solar and wind power for diverse sustainable applications, including reconvertng hydrogen into electricity, combining it with captured CO₂ to produce renewable aviation fuel, and integrating it into steel-making processes to eliminate dependency on fossil fuels.

The presentation also discussed advancements like synthetic aviation fuels and the utilization of fuel cells in small aircraft.

Furthermore, Dr. Salil elaborated on the role of hydrogen in generating carbon-free ammonia for fertilizer production.

Country Experts: Unlocking Low Carbon Energy Sector Development

MI extended invitations to four country experts from P. R. China, Myanmar, Thailand, and Lao PDR who participated in the consultation workshop held on July 21, 2023. These experts provided insights into their nations' preparedness for accessing climate finance within the energy sector. Based on their involvement during the preceding workshop, they shed light on pathways, opportunities, and challenges toward achieving SDG 7 and cultivating a low-carbon future.

Each country expert showcased successful energy and climate action projects in their nations, alongside identifying key success factors and proposing areas of support from the GDI and South-to-South Cooperation. The shared needs encompassed capacity building, innovation and technology, resource allocation, and collaborative partnerships.

P. R. China

Assoc. Prof. Guo Tingting from the Yunnan Academy of Scientific and Technological Information delivered a presentation on China's successful energy and climate action project, the Clean Development Mechanism (CDM). The CDM was established under the Kyoto Protocol. She highlighted the China-France Clean Development Mechanism Fund's role in enhancing CDM project development in China's southwest, addressing poverty through voluntary carbon emission reductions, technological advancement, and sustainable development.

Notable projects in Yunnan provinces, like the "Rural Carbon" CDM Development, the Xishuangbanna Bamboo Afforestation Project, and the Rural Household Biogas CER Project, were mentioned. These projects adopt voluntary emission reduction methods, bamboo afforestation for carbon

sequestration, energy replacement, and capacity-building initiatives. She then emphasized key success factors: stable bilateral cooperation, capacity-building for local communities, and multi-partner project collaborations.

In conclusion, she outlined important support needs, including updated information-sharing platforms, international fund information services, enhanced capacity-building projects within strong cooperation frameworks, site visits through bilateral exchanges, and multi-agency pilot projects under a national-level framework.

Myanmar

Mr. Htun Kyaw Khine Sein, Deputy Director of the Engineering Department at Myanmar Oil and Gas Enterprise, Ministry of Energy, took the stage to present Myanmar's journey in low-carbon energy development. He outlined the NDC mitigation targets, providing insight into the energy supply and consumption situation within Myanmar.

He then discussed the case of Solar Home Systems and Mini-Grid Projects, emphasizing their importance for rural areas. These initiatives hold the potential to uplift underserved rural communities without access to the national grid through the provision of solar home systems and mini-grid projects.

Ensuring the effectiveness of government-issued solar home systems and the broader adoption of solar electricity in rural settings relies on factors like component quality, installation practices, and reliable maintenance mechanisms.

Myanmar faces challenges, with over 70 percent of its population in rural regions relying on biomass fuels, posing a threat to forest resource conservation, and struggling with low electricity availability due to population growth and insufficient infrastructure. International aid and investment for low-carbon energy development projects in Myanmar remain limited, prompting Mr. Htun Kyaw Khine Sein to propose recommendations for bilateral and regional cooperation. These underscore Myanmar's need for international support, including assistance from the Green Climate Fund, grants, operational funding mechanisms, concessional loans, and partnerships with bilateral and multilateral development partners, and financing institutions.

Thailand

Mr. Wisaruth Maethasith, a Professional Engineer in the Energy Regulation and Conservation Division at the Department of Alternative Energy Development and Efficiency (DEDE), Ministry of Energy gave a comprehensive presentation on Thailand's energy sector.

Mr. Wisaruth provided an insightful overview of Thailand's Energy Efficiency Plan (EEP - 2022), which sets a targeted 36% reduction in Energy Intensity by 2037. He discussed the legal framework and corresponding responsibilities, illustrating the ongoing efforts by the Ministry of Energy in pursuit of long-term energy efficiency implementation.

Centered around his presentation was the paradigm of the Industrial IoT and Data Analytics (IDA) Platform. This innovative platform aggregates data from various sensors linked to factory machinery and equipment. It offers data analysis to enhance energy efficiency, enables seamless monitoring, and empowers advanced energy efficiency management.

The project's fundamental objectives are to propel Thai industries towards Industry 4.0 through innovating the IDA Platform for data aggregation and energy consumption analysis in factories, promote the adoption of Thai research-driven technologies within the industrial sector, provide cost-effective access to advanced technologies for industries and

enhance Industrial Big Data as a strategic component of national energy policy formulation.

In conclusion, Mr. Wisaruth proposed potential forms of support that Thailand seeks through GDI and South-to-South Cooperation, including broadening program dissemination through financing initiatives for associated infrastructure, fostering partnerships with stakeholders such as equipment manufacturers, potential factories, and relevant domestic/international institutes, and enhancing the platform's capabilities through capacity building initiatives.

Lao PDR

In accordance with the proposed agenda, the final slot was allocated for the Lao PDR expert. Unfortunately, due to technical issues, the resource person was unable to deliver her presentation through the Zoom platform.

Ms. Viengsai Phavongkham, Technical Officer from the Department of Energy Efficiency and Promotion at the Ministry of Energy and Mines shared her presentation with the MI organizing team and all participants.

Ms. Viengsai focused on the energy transition pathway towards low carbon emissions in Lao PDR. The presentation provided a comprehensive overview of the current energy consumption landscape in the country, alongside the set targets for emission reduction from the energy sector to be achieved by 2030.

As a case study with potential for scalability, Ms. Viengsai presented the Clean Cooking Stoves Initiative (CSI) project, designed to facilitate the transition to clean, energy-efficient gasifier cookstoves powered by biomass pellets. The project aims to achieve environmental and gender-related advantages for targeted households. It has been implemented in collaboration with the World Bank.

She shared that Lao PDR needs support in terms of financial backing, capacity-building in carbon finance, expert assistance in formulating carbon trading legislation, and access to clean energy technologies.

Top Actionable Recommendations



Provide operational support to GMS/LM energy cooperation.

Conduct research on gaps and promote public-private partnerships on energy transition, energy efficiency improvement, and GHG emission reduction.



Promote Capacity Building and Technology Transfer. Enhance technical expertise and skills related to energy transition. Facilitate technology transfer and cooperation in research and development of renewable energy technologies within the region.



Promote Financial Access. Explore mechanisms for providing financial and technical support to countries or regions within the cooperation framework. This can include facilitating access to climate finance, establishing regional funding mechanisms, and leveraging international partnerships and initiatives.



Engage Stakeholders and Enhance Public Participation. Foster active engagement of stakeholders and encourage public participation in the decision-making process. This could lead to greater support and effective implementation of energy efficiency and clean energy initiatives.



