

Summary and Conclusion of the Steering Committee Meeting No. 1/2023

Introduction

1. The MI Steering Committee Meeting No. 1/2023 was held on July 17, 2023 at the MI HQ in a hybrid format. The Meeting was chaired by Dr. Narongchai Akrasanee and attended by all the six members of GMS government representatives and the MI Executive Director.
2. The Meeting reviewed the progress of recommendations from the Governing Board Meeting No. 2/2022, MI's activities and its financial reports of 2023 as well as discussing other matters which required acknowledgement and consideration for submission to the Council.

Matters for Acknowledgement

3. For the progress of 1H/2023, Program Activities have been progressing in line with the Strategic Plan 2021-2025 and the Annual Work Plan 2023. During the first half of the year, 20 projects were implemented by the MI program departments, reaching 939 direct participants. Among the implemented projects, eleven were long-term projects, five were short-term projects, and four were one-off activities.
4. Progress was made in food safety, rice production, sustainable and smart agricultural supply chains, sustainable and smart tourism, cross border trade, trade negotiation, cross border paperless trade, water-energy-food nexus, climate resilience, among others.
5. MI started to implement its activities since the beginning of the year by implementing most of the carry-forward projects from 2022 in Q1. Thanks to the improved COVID-19 situation, MI activities have gradually shifted to onsite events while some remained online and hybrid events. As of June 30, 2023, 42% of the planned activities were implemented by programs and operations.
6. Under Monitoring, Evaluation and Learning (MEL), MI developed and rolled out a new web-based MEL system to regularly track activity progress. Also, the MI's MEL Policy, Strategy, and Standard Operating Procedures (SOPs) was revised and a workshop was organized for MI staff.
7. Regarding Partnership and Resource Mobilization, MI continued to enhance existing partnerships, notably by forging closer partnership with the ASEAN Secretariat as a technical and knowledge partner as well as Lancang-Mekong Cooperation (LMC) by participating in the LMC Week in Yunnan 2023. MI also reconnected with Guangxi Zhuang Autonomous Region. In addition, MI formalized MOUs with several partners, namely Khon Kaen University International College (KKUIC), APRACA and Global Green Growth Institute (GGGI), Prince of Songkla University (PSU).
8. On Human Resources, as of June 2023, MI employs 51 staff of 13 nationalities; among them 39% were male and 61% were female. Currently, the staff represents all six GMS countries.
9. On Finance, MI developed a system to track and report expenses incurred by each department/unit against the approved budget, in its effort to control expenses within the approved budget. Cash flow forecasting, monitoring, and control mechanisms were also applied.
10. MI's financial performance from January to June 2023 recorded earnings of US\$156,001. As of May 31, 2023, MI's total revenue was US\$1,370,036 with the total expense amounted to US\$1,233,037. MI recorded net earnings of US\$136,999 as of May 31, 2023, and earned US\$169,467 excluding the non-cash expenses.

11. MI's current total assets amounted to US\$11,259,609 while the cash and cash equivalent amounted to US\$9,896,257 and other current assets were US\$ 296,907 with the net value of fixed assets being US\$1,066,445. On the other hand, MI's total liabilities were US\$9,194,875, including unearned revenue from GMS countries' contributions of US\$291,419, and the total equity was US\$ 2,064,735, an increase of 6.2% compared to December 31, 2022.
12. On July 13, 2023, a meeting was held to update the Coordinating Agencies (CAs) on major upcoming activities and events, namely the Mekong Forum and Governing Board. The CA members agreed to support MI secretariat in the Mid-term Review (MTR) process.
13. The Meeting took note of the need to strengthen the role of Cas and provided recommendations to the MI Secretariat.
14. The Mekong Forum 2023 will be held on July 17, 2023, in Kunming City, Yunnan Province, P. R. China under the theme of "Driving Transformative Change in the GMS" and expected to be attended by 300 participants onsite. Besides the plenary session, there will be three thematic breakout sessions on offer: "Transforming the Agriculture Sector toward Increased Productivity, Sustainability, and Resilience", "Unlocking Opportunities: Reshaping Logistics and Investment through Emerging Trends and Green Practices", and Transformative Pathways towards Low Carbon Development in the Energy Sector". On the following day, participants will join a study tour to Kunming Railway Vocation and Technical College and Kunming International Flora Auction Trading Center.
15. The Meeting acknowledged the kind support from the People's Government of P. R. China and the People's Government of Yunnan Province in organizing the Mekong Forum 2023.
16. On the Mid-term Review (MTR) of MI Strategic Plan 2021-2025, an external consultant was contracted to support the MTR process, which will take place from August to October 2023. The MTR will be kicked-off by an in-house workshop among MI staff while the data collection will be conducted through an online survey, Key Informant Interviews (KIIs), and Focused Group Discussions (FGDs) with key stakeholders. The findings will be presented at the Development Partners' Meeting in December 2023. The results and recommendations for adjustment of the 2nd half of MI Strategic Plan will be submitted to the GB 2/2023 for consideration and approval.
17. The Meeting emphasized the engagement of GB members in the MTR process.
18. The Meeting was introduced to the concept of MI Collaborating Centers and recognized the importance of strengthening MI operations and the engagement of all GMS countries through the Proposal on Equitable Participation of GMS Member Countries. The Meeting requested the MI secretariat to outline more details prior to the submission for recommendations to the Council.
19. The Steering Committee took note of the progress of the MI Annual Report 2022 which is expected to be released in Q3.

Matters for Consideration

20. The Meeting reviewed and endorsed matters outlined below for consideration and approval by the Council. On the Revised Activity Plan of 2H, 2023, the Meeting took note of key revision, particularly on securing additional funding for 12 projects, from its earlier plan of 17 to 29. Key regional thematic areas include food safety, sustainable food systems, climate-smart agriculture, market access, post-harvest management, and agri value-chain topics as part of the agricultural and commercialization development (ADC) theme. For trade and investment facilitation (TIF) theme, the focus areas range from sustainable and smart tourism, MSME competitiveness, cross border digital services and e-

platforms, and capacity building. On the theme of sustainable energy and environment (SEE), the focus is on food-energy-water nexus, green economy, energy, climate-smart technologies for agriculture and trade events, sustainable smart tourism and regional framework synergy.

21. HR revised its recruitment plan to a total of 9 positions (7 permanent positions and 2 temporary). The recruitment for the remaining period of 2023 will include the following openings: Director (1), Manager (1), Coordinator (2), Officer (2) and Assistants (3).
22. The Meeting reiterated the importance to recruit GMS nationals and give due consideration to GMS underrepresented countries.
23. On Budget Revision 2023, the total revenue is expected to reach US\$3,922,374, with an 8% increase compared to the original annual budget whereas the total expense is US\$3,835,332, including the non-cash expense. With these amounts, the estimated revenue over expenses is at US\$87,042 before the non-cash expense, which is 2.22% of the total revenue. However, the earnings are US\$195,740, excluding the non-cash expense, which is 4.99 % of the total revenue.
24. Out of the total submitted Opportunity Funds, worth US\$ 2,609,240, MI was able to secure US\$ 960,501, accounting for 37%. However, in view of the projected Opportunity Funds, MI was able to realize US\$ 960,501 against the planned US\$ 700,827, achieving 137%.
25. According to the Audited Financial Report 2022 by the PricewaterhouseCoopers (Lao), it was reported no material audit finding of MI Financial Statement 2022. MI closed 2022 with a total revenue of US\$3,283,856, a total expense of US\$3,140,938, and total earnings of US\$142,918.
26. On Transboundary Haze in the Greater Mekong Subregion, the Meeting echoed support for MI seeking opportunities to work on the topic. Guidance on how MI could promote cooperation and partnership was given.
27. The Meeting was informed of the need to form a Liaison Office in Bangkok as proposed by the MI secretariat and requested more detailed concept for further consideration and prior submission to the Governing Board.
28. The Meeting endorsed the Results of Executive Director Performance Evaluation 2022, and End of Term Performance Evaluation and Term of Office. The Executive Director was highly evaluated and his contract will be renewed from September 1, 2023 to August 31, 2026. Upon approval by the Council, MI Secretariat will prepare the Offer Letter and the Employment Contract for his second term for the in-coming Council Chairman for signature.

Date and Venue of Governing Board Meeting No. 2/2023

29. The Meeting proposed the next Governing Board meeting to be held onsite in Cambodia. The exact date, time and venue will be advised later by the Chair of the Council.
