

# **AYEYAWADY-CHAO PHRAYA-MEKONG ECONOMIC COOPERATION STRATEGY PLAN OF ACTION 2013-2015**

## **Introduction**

The Economic Cooperation Strategy Plan of Action (ECSPA) is a series of plans of action to realise the goals of the Ayeyawady-Chao Phraya-Mekong Economic Cooperation Strategy (ACMECS) adopted at the 1<sup>st</sup> ACMECS Summit in Bagan in 2003. Thus far, there have been three Plans of Action: the first covering the years between 2003 and 2005; the second from 2006 to 2008; and the third from 2010 to 2012.

As with previous ACMECS Plans of Action, the Plan of Action 2013-2015 will conform to the Bagan Declaration and the Declarations of all succeeding ACMECS Summits as well as continue to reflect the current circumstances, priorities and needs of the ACMECS Countries. It is an updated version of the ACMECS Plan of Action 2006 and is meant to guide ACMECS cooperation forward towards the year 2015, when the ASEAN Community is realised and to be fully implemented. The overarching aim of this current Plan is to promote the creation of a single production base in the ACMECS Countries, particularly along the border areas, that will support the greater ASEAN Economic Community (AEC) and to enhance trade, investment and transport facilitation.

In recognition of the continuing need to promote economic cooperation among the ACMECS Countries as well as the coming AEC, in which it is envisaged that the ACMECS Countries will be a part of supply chain production and from which they will be able to take advantage of trade liberalisation among intra-ASEAN frameworks and those between ASEAN and dialogue partners. The ACMECS Countries are targeted to implement the following initiatives in the eight priority cooperation areas, and two additional issues, as follows:

### **1. Trade and Investment Facilitation**

The objective is to expand trading activities, with a view to doubling the trade and investment volumes among the ACMECS Countries, and improve the flow of goods and services as well as to encourage investment along the border areas, thereby creating jobs, increasing income, reducing socio-economic disparities, and increasing the competitiveness of the ACMECS Countries as a whole in preparation for the AEC.

- 1.1. Foster banking facilities, such as branches and financial services, of ACMECS Countries in order to facilitate cross-border trade transactions, including the increased use of local currencies for trade and investment transactions;
- 1.2. Enhance trade and investment facilitation by accelerating the expansion of the One-Stop Service centers and Single-Stop Inspection as well as simplifying and harmonising customs, immigration and Sanitary and Phyto-Sanitary (SPS) procedures at the existing checkpoints; expand and implement Single Stop Inspection at international border checkpoints of ACMECS countries so that they can become a network of Single Stop Inspection Connectivity to facilitate trade, investment, tourism and transportation;

- 1.3. Upgrade the potential temporary checkpoints to be international checkpoints among the ACMECS Countries, where appropriate;
- 1.4. Enhance transparency and simplify rules, regulations, and procedures relating to trade and investment, including rules on (a) licensing, (b) access to domestic finance, (c) payments and receipts, (d) repatriation of profits by investors, (e) import and re-export procedures (f) rules of origin documents;
- 1.5. Increase capacity building of the officials at the border checkpoints by training, exchanging information and sharing best practices;
- 1.6. Promote cooperation on joint trade and investment promotion events, trade fairs, and exhibitions amongst the ACMECS Countries, especially among the provinces along the borders. The organising countries should consider providing special support to the participating countries on a case by case basis, such as complementary booths and other auxiliary support;
- 1.7. Strengthen the ongoing exchange of trade and investment information as well as cooperation with the ACMECS Business Council;
- 1.8. Encourage implementation of the Agreements for the Promotion and Protection of Investments, as well as the negotiation and implementation of the Agreements for the Avoidance of Double Taxation amongst the ACMECS Countries;
- 1.9. Encourage and promote the further development of Contract Farming to reflect current economic realities and prepare for the AEC while ensuring that the goals of Contract Farming are continuing to be met, i.e. to generate employment, increase production as well as contribute to the increase in regional and international trade in agricultural products, and to guarantee food sufficiency in the ACMECS Countries; promote greater investment under the Contract Farming scheme by private actors, large and small; and
- 1.10. Develop the modality of ACMECS rice trade cooperation, including measures to support enhanced regional and global food security, with the view to increasing ACMECS farmers' income level and well-being.

## **2. Agricultural Cooperation**

The objective is to strengthen agricultural cooperation by increasing productivity, improving market access, promoting joint production, research and development, and information sharing in agriculture, livestock, fisheries and forestry amongst the ACMECS Countries, so that they can become regional and global suppliers of agricultural produce.

- 2.1. Strengthen cooperation to expedite the harmonisation of SPS Measures amongst the ACMECS Countries;
- 2.2. Exchange information on cross-border trade of agricultural and forestry products;

- 2.3. Enhance cooperation in technology transfer in agricultural production to increase productivity, to ensure food security and food safety and agricultural processing to add value to the products through the existing agricultural cooperation;
- 2.4. Promote and strengthen joint research and development of potential agricultural cash crops, livestock, fisheries and forestry commodities amongst the ACMECS Countries by which the priority is given to the continued implementation and development of the Contract Farming scheme for maximum benefit to all sides; and
- 2.5. Strengthen cooperation in bio-fuel crop production in the ACMECS Countries in order to promote materials and inputs for bio-fuel development for the purpose of food security.

### **3. Industrial and Energy Cooperation**

The objective is to promote ACMECS industrial and energy cooperation through the establishment and improvement of infrastructure facilities in industrial areas, and the efficient joint utilisation of ACMECS Countries' resources, especially by industries along the border areas. The following actions shall ensure energy security while, at the same time, support environmentally-sustainable economic development:

- 3.1 Enhance the development of renewable energy and energy efficiency technologies and strengthen the promotion of best practices and appropriate standards;
- 3.2 Develop and expand the energy mix in a sustainable and environmentally-friendly manner by, for example, increasing the development and optimal utilisation of renewable energy resources, including biomass, biofuels, solar, wind, hydro, and other locally-available energy;
- 3.3 Promote the development of power transmission lines and networks across the ACMECS Countries;
- 3.4 Promote clustered networking and strategic alliances with the private sector to develop investment opportunities;
- 3.5 Strengthen investment in industrial infrastructure, particularly supporting logistic industries, as well as Special Economic Zones and Specific Economic Zones along the economic corridors and the 'inter-corridor linkages';
- 3.6 Promote and enhance the competitiveness of ACMECS SMEs, especially through investment in SME development, facilitating their access to information, finances, technology, and the relevant capacity-building as well as the promotion of SMEs along the border areas;
- 3.7 Develop co-production ventures in industrial areas;
- 3.8 Encourage ACMECS Countries to utilise their comparative advantages in resource endowment to promote industrial complementarities; and
- 3.9 Strengthen the cooperation on evaluating the potential of mining and mineral processing.

#### **4. Transport Linkages**

The objective is to maximise use of the existing transport linkages among the ACMECS Countries by emphasising 1) further development of the software side of connectivity by harmonising transport related procedures to facilitate cross-border transport within the sub-region and 2) the completion of missing links and feeder roads.

The enhancement of sub-regional connectivity will increase the sub-region's attractiveness as a single production, investment, and tourism destination, leading to an increase in overall economic activity in the sub-region, and finally contributing to the realisation of the AEC by the end of 2015.

- 4.1 Enhance the “software” side of connectivity in the sub-region by encouraging the full ratification of all annexes and protocols of the GMS Cross-Border Transport Agreement (CBTA);
- 4.2 Support the extension of current economic corridors and additional potential routes, including Routes No.8 and 12 under the MOU on Trilateral (Lao PDR-Thailand-Viet Nam) Arrangement or GMS-CBTA to cover major areas of economic activities in the sub-region in order to maximise the use of “economic” corridors by increasing trade, investment and tourism flows;
- 4.3 Enhance facilitation to bilateral and multilateral agreements/arrangements on road transport and exchanges of traffic rights;
- 4.4 Continue to promote developments and investments in transport linkages, particularly in the remaining missing links, by our self-help contribution or cooperation with the development partners;
- 4.5 Promote the participation of the private sector in different forms of cooperation, including Public Private Partnerships (PPP) in transport infrastructure linkage development; and
- 4.6 Advance technical cooperation and share best practices in areas related to transport linkages both on hardware and software expertise.

#### **5. Tourism Cooperation**

The objective is to promote joint strategies for sustainable, socially, environmentally responsible tourism among the ACMECS Countries in order to facilitate travel intra-regionally and increase the attractiveness of the sub-region as one of the world's tourism destinations.

- 5.1. Promote the realisation of the “Five Countries, One Destination” concept, joint tourism marketing and promotion schemes by encouraging the progressive implementation of an ACMECS Single Visa Scheme;
- 5.2. Encourage the utilisation of the existing tourism arrangements among the ACMECS countries such as Thailand-Lao PDR- Vietnam Operation of Tourism Road Transport as well as develop new “Tourism Corridors” (Bagan-Chiang Mai-Luangprabang-Vientiane-Siem Reap-Hue);

- 5.3. Enhance closer coordination in the continued improvement of the respective ACMECS Countries' tourism websites and information database;
- 5.4. Further develop various forms of tourism products, thereby not only ensuring that natural and cultural resources are preserved, but also that they can be showcased to tourists, and cultural and historical theme tourism packages taking the visitor through a number of the ACMECS Countries, for example on the Trail of Civilisations;
- 5.5. Promote human resource development in the tourism sector, with priority given to programmes and projects for skills training in community-based tourism development, tour guides, marketing, tourism planning and management;
- 5.6. Encourage the appointment of central agencies as the focal point for sharing information related to tourism in order to coordinate all local agencies to promote regional tourism in the same direction;
- 5.7. Promote the tourist safety in the ACMECS destination; and
- 5.8. Encourage more involvement of the private sector and development partners in tourism development cooperation.

## **6. Human Resource Development**

The ACMECS Countries shall cooperate to continue to enhance the well-being and livelihood of their peoples as well as the effectiveness of their institutions through capacity-building, focusing in particular on the labour force so as to increase their competitiveness and prepare themselves for the creation of a single production base under the coming AEC.

- 6.1 Encourage partnership and cooperation in the development of human resource capacity among academic institutions, in particular among higher education and vocational training institutions in the ACMECS Countries;
- 6.2 Increase the number of scholarship and fellowship programmes in all sectors of ACMECS cooperation;
- 6.3 Promote the development of an integrated ACMECS Human Resource Development Strategy with a view to increasing the competitiveness of the sub-region as a whole;
- 6.4 Encourage the participation of development partners in ACMECS training projects and the provision of financial and technical assistance for the ACMECS Countries in the various sectors of cooperation;
- 6.5 Enhance cooperation on the development of competency standards and a skills certification system among the ACMECS Countries;
- 6.6 Encourage the establishment, on both the bilateral and multilateral levels and with the involvement of the private sector, of skills training institutes for the labour force, especially along the border areas, in preparation for the coming AEC;

- 6.7 Establish a labour market information network including forecasting of labour market trends; and
- 6.8 Share experiences in managing overseas workers with the support of receiving countries as well as in protecting migrant workers.

## **7. Public Health**

The objective is to forge closer national and regional cooperation at all levels, within ACMECS and with other regional cooperation frameworks, such as ASEAN+3 Field Epidemiology Training Network (FETN), GMS and the Mekong Basin Disease Surveillance Cooperation (MBDS), to prevent and control the spread of infectious diseases by enhancing national and regional preparedness and response capacity through integrated approaches.

- 7.1. Build up national and regional surveillance and response capacity, including laboratory capacity both in human and animal sectors;
- 7.2. Facilitate information sharing on infectious disease surveillance, prevention and control through the International Health Regulation (2005) National Focal Point existing information sharing system and network;
- 7.3. Promote prevention and control of emerging and re-emerging infectious diseases in cross-border areas, particularly Avian Influenza and Pandemic Influenza;
- 7.4. Strengthen cooperation among the ACMECS Countries and with other existing regional frameworks, such as ASEAN+3 FETN, GMS and MBDS, on human capacity building, information sharing and disease surveillance, prevention and control at cross-border checkpoints, taking into account the core capacity requirements under the International Health Regulation (2005) for designated airports, ports and ground-crossings; and
- 7.5. Advance national coordinating epidemic preparedness plans of the ACMECS Countries, particularly at border provinces and border checkpoints.

## **8. Environmental Cooperation**

The main objective is to ensure that economic activities undertaken in the ACMECS Countries are sustainable and environmentally-friendly, in accordance with the green growth imperative.

- 8.1 Assess the ecological health and environmental status of the Ayayewady, Chao Phraya, and Mekong rivers;
- 8.2 Integrate environmental concerns into all ACMECS programmes on economic development so as to bring about green growth;
- 8.3 Promote trans-boundary environmental impact assessment activities and the commitment of the ACMECS Countries to resolving trans-boundary environmental issues;

- 8.4 Promote environmental protection campaigns for the region's tourist sites with a view to supporting the ACMECS concept of "Five Countries, One Destination" under the Tourism programme;
- 8.5 Strengthen the ACMECS Countries commitment to the environmental protection of tourist sites and develop guidelines for their protection and management;
- 8.6 Formulate a mechanism to cooperate and coordinate with all of the environment-related platforms in existing regional cooperation frameworks, such as the GMS and the MRC etc;
- 8.7 Promote commitments of the ACMECS Countries on environmental protection and the sustainable use of natural resources as well as the integration of those commitments into their national plans and policies;
- 8.8 Consider enhancing cooperation among the ACMECS Countries on measures to promote climate change mitigation and adaptation, taking into account current efforts in this area;
- 8.9 Raise awareness and develop capacity building programmes on the environment;
- 8.10 Build a network of leading environmental institutions in the region and formulate exchange programmes among different environmental institutions in different areas, particularly to exploit the strengths of each institution with a view to supporting each other; and promoting cooperation on environmental research among universities in the ACMECS Countries;
- 8.11 Establish a sub-regional database on the environment and related themes;
- 8.12 Encourage local people to participate in biodiversity preservation through organisation at the community level in order to develop eco-tourism as a means of generating income; and
- 8.13 Promote cooperation on disaster risk management among the ACMECS Countries.

## **9. Development Partners**

- 9.1. The ACMECS Countries appreciate the development partners for their increasing engagement with the ACMECS Countries or the five countries of the Mekong region through Mekong-Japan, Lower Mekong Initiatives, Friends of Lower Mekong, Mekong-Ganga Cooperation and Mekong-ROK frameworks. The ACMECS Countries encourage coordination and cooperation among major donors and development partners for avoidance of overlapping activities and more effective resource mobilisation.
- 9.2. The ACMECS Countries will submit the details of their respective projects, which are parts of the 28 flagship projects, to the ACMECS Chair as early as possible, so that the ACMECS Chair can start the compilation and submission of those flagship projects to major donor countries and development partners for funding support in order to expedite the implementation of the agreed 28 flagship projects.

## **10. Engagement with Local Communities**

The ACMECS Countries will aim to encourage participation from local communities, especially in the border provinces, to promote cross-border trade, investment and tourism that will lead to the betterment of the local communities in the ACMECS Countries.

- 10.1. Promote investment in industrial infrastructure in the Special Economic Zones and Specific Economic Zones in order to enhance cooperation and development of border provinces, which will help accelerate the implementation of ACMECS cooperation on facilitation and promotion of trade, investment, and tourism;
- 10.2. Encourage the establishment of Sister Cities and the cooperation arrangements among border provinces to promote dialogue among provincial authorities in the implementation of ACMECS projects and cooperation;
- 10.3. Promote the establishment of trade and commerce associations and encourage cooperation among the local trade, industry and banking associations of the ACMECS Countries;
- 10.4. Facilitate information-sharing and networking between existing SMEs and Agricultural Cooperatives in strategic areas of cooperation within local communities;
- 10.5. Promote the participation of local communities in major projects and activities along the economic corridors; and
- 10.6. Promote sub-contracting in the supply-chain manufacturing and service sectors to local communities to generate income and upgrade living standards.

## **Conclusion**

The sectoral Working Group in each area of cooperation shall formulate a series of projects aimed at facilitating implementation of the ACMECS Plan of Action 2013-2015, which the ACMECS Countries shall thereafter carry out; organise annual meetings and conferences among the ACMECS Countries to validate results achieved during a year and plan for next year.

In addition, the Coordinating Countries shall regularly report on the progress made in their respective sectors of cooperation in the implementation of the Plan of Action to the ACMECS Countries through diplomatic channels.

The ACMECS Plan of Action 2013-2015 was adopted by the ACMECS Leaders at the 5<sup>th</sup> ACMECS Summit in Vientiane, Lao PDR, on 13 March 2013.

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