



ADB Project Document

TA-9124 PRC: Study of the Belt and Road Initiative

# Project Synthesis Report

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## **ASIAN DEVELOPMENT BANK**

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## **Abbreviations**

ADB – Asian Development Bank  
AFTA – ASEAN Free Trade Area  
AIIB – Asian Infrastructure Investment Bank  
AMBDC – ASEAN-Mekong Basin Development Cooperation  
APT – ASEAN Plus Three  
ASEAN – Association of Southeast Asian Nations  
BEZ – Border Economic Zone  
BIMP-EAGA – Brunei Darussalam-Indonesia-Malaysia-Philippines East ASEAN Growth Area  
BN – Barisan Nasional  
BRI – Belt and Road Initiative  
CAFTA – China-ASEAN Free Trade Area  
CBEZ – Cross Border Economic Zone  
CCCC – China Communications Construction Company Ltd.  
CRRC – China Railway Rolling Stock Corp  
DFTZ – Digital Free Trade Zone  
DRC – Development Research Center  
EA – Executing Agency  
EAEG – East Asian Economic Group  
EAS – East Asia Summit  
ECERDC – East Coast Economic Region Development Council  
ECRL – East Coast Rail Link  
eWTP – Electronic World Trade Platform  
FTZ – Free Trade Zone  
GBGIPG – Guangxi Beibu Gulf International Port Group  
GMS – Great Mekong Subregion  
HSR – High Speed Rail  
IA – Implementing Agency  
ICT – information and communication technology  
ICTI – Internet Content, Technology, and Infrastructure  
MARD – Ministry of Agriculture and Rural Development  
MCKIP – Malaysia-China Kuantan Industrial Park  
MDGs – Millennium Development Goals  
MOC – Ministry of Commerce  
MOF – Ministry of Finance  
MOFA – Ministry of Foreign Affairs  
NDRC – National Development and Reform Commission  
NEP – New Economic Policy

NSCP – North-South Corridor Plan  
NSR – New Silk Road  
OBOR – One Belt One Road  
OECD – Organization for Economic Cooperation and Development  
PH – Pakatan Harapan  
PKR – Pakatan KeADILan Rakyat  
PPP – Public Private Partnership  
PRC – People’s Republic of China  
PSEA – Peninsular Southeast Asia  
QIP – Qinzhou Industrial Park  
RCI – Regional Cooperation and Integration  
SDGs – Sustainable Development Goals  
SKRL – Singapore-Kunming Rail Link  
SWG-SKRL – Special Working Group on the SKRL  
SME – small and medium-sized enterprise  
SOE – State Owned Enterprise  
TA – Technical Assistance  
TVET - Technical and Vocational Education and Training  
WTO – World Trade Organization  
UMNO – United Malays National Organization  
UN – United Nations  
UNESCAP – UN Economic and Social Commission for Asia and the Pacific

## ***I. Introduction***

1. The Policy and Advisory Technical Assistance (TA) Study of the Belt and Road Initiative was approved on 22 June 2016 and is financed under the TA Special Fund. It is designed to support the Development Research Center (DRC) of the State Council's knowledge work on the Belt and Road Initiative (BRI). The TA seeks to advise on institutional arrangements and tools that can enhance the BRI's impact as a regional cooperation and integration (RCI) initiative and better engage with participating countries – with a focus on Mainland Southeast Asia (i.e. Cambodia, Lao PDR, Thailand, Malaysia, Myanmar, and Viet Nam). MSEA is the gateway to ASEAN, the PRC's third largest trading partner.<sup>1</sup> The DRC is the TA executing agency and the DRC's Center for International Knowledge on Development the implementing agency (IA).

## ***II. Overview of the Technical Assistance***

### **A. Objectives**

2. The primary objective of this TA was to support the DRC's initiatives for knowledge propagation related to BRI. In this general context, the TA seeks to facilitate BRI's contributions to Asian regional policy dialog, cross border relations, and promote synergies with other Regional Cooperation Initiatives (RCI). For practical reasons, the TA was focused on a single Asian sub-region - Mainland Southeast Asia (MSEA). Its finds and recommendations, however, have general implications for other regions and for constructive engagement with many development partners.
3. In addition to promoting better information for public and private stakeholders, the TA represents an important collaboration between the PRC and ADB to advance inclusive dialogue and policy coherence between leading regional partners. To more effectively support shared development goals, regionally and with individual national partners, the TA sponsored detailed national case studies for the six MSEA countries, as well as a direct analysis of prospects for GMS-BRI cooperation. All seven of these knowledge products are intended to support three sub-objectives of the TA:

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<sup>1</sup> Current PRC-ASEAN trade volume is USD500 billion, combined FDI USD200 billion.



- Evidence-based and standards-based policy assessment
- More inclusive development policy dialog
- Improving the quality and scope of public information on BRI and other development project design, implementation, and outcomes

## **B. Implementation**

4. In addition to professional staff from the IA, EA, and ADB, eight expert consultants were recruited to implement the TA. These including a Team Leader (David Roland-Holst), an international expert on regional cooperation arrangements (Danny Burroughs), and one national expert economist to conduct assessments for each of the six MSEA countries. The assessment are outlines below and their findings discussed later in this document.

## **C. Activities**

5. As emphasized above, the main outputs of this TA were knowledge products and policy recommendations related to BRI and RCI. These included usual project documents (Inception and Final Reports), as well as the six national assessments. In addition to these, three group meetings were conducted to facilitate progress of the TA and engage interested partners and stakeholders.

### ***1. Working Consultation***

6. A working consultation was hosted in Beijing on 24 April 2018 under TA-9124 Study of the Belt and Road Initiative (BRI), to discuss potential synergies among BRI, other regional, and national initiatives to promote economic growth and regional cooperation and integration (RCI). It will serve to prepare a regional workshop to be held under the TA to help inform the positioning of the BRI in the overall RCI landscape and related policy development. The consultation convened participants from research institutions in the Greater Mekong Sub-region (GMS), i.e. PRC, Cambodia, Viet Nam, and Malaysia, as well as other experts from the Asian Development Bank (ADB) and ADB Institute. The consultation agenda is in Annex 1 below.

## ***2. Inception Workshop***

7. Based on primary drafts of the seven expert consulting reports, a small workshop was held in Manila on November 18, 2018 (agenda in Annex 2 below). The main goals of this event were three:
  - Presentation and review of draft BRI project evaluations in MSEA countries.
  - Consultation with ADB and DRC/PRC collaborators and experts on interpretation of findings, results communication and emphasis, and related project experiences.
  - Identification of key focal points for ongoing author support, timetable, individual and team deliverables, and key next steps.

## ***3. Final Workshop***

8. Along with IA, EA, and ADB staff, a team of academic researchers from the PRC, MSEA national report authors, and two international consultants met in Beijing on March 28, 2018 (agenda in Annex 3 below). This workshop was intended to finalize the TA knowledge products and achieve three objectives:
  - Present institutional analysis of the BRI and its positioning in the RCI landscape MSEA,
  - Map of physical progress in developing the PRC–MSEA Corridor (listed in the BRI Vision and Actions Statement, 2015 ) and case studies of related BRI projects
  - Make recommendations for more effective engagement at the institutional-level to enhance policy coherence for shared RCI objectives.

## **D. National Economic Assessments**

9. Economic assessments for each of the six MSEA countries were commissioned from national experts. The primary objective for these knowledge products was to strengthen the basis for evidence on BRI's contributions to local and national

economic development. Reports began with a general overview of economywide initial conditions, providing a general baseline from secondary source material.

10. Next, authors were asked to discuss RCI activities implicating MSEA and countries bordering the sub-region. Authors were asked to highlight the most important and relevant of these from their own national perspective, indicating how they offer precedence for new regional commitments, support extension and deepening of RCI in the sub-region and across Asia generally, and have potential for synergy with BRI and other new regional initiatives.
11. Finally, each author was then asked to evaluate 3-5 case studies related to or arising from their national economy's engagement with the BRI. First priority was given to projects that are directly negotiated within the BRI, either between the national and PRC governments or between national businesses and PRC State Owned Enterprises (SOEs).
12. Proposed lists were vetted by ADB staff and DRC counterparts for general alignment with the core objectives of the TA, policy coherence with national development strategies, ADB's RCI priorities, and relevance to BRI. Subject to this review, TA staff consulted with individual authors and finalized their lists of national case studies. To maximize the scope of insights obtained in this TA, cases were selected to represent diversity of policy context, sector emphasis, and stakeholder interests. About half the projects were infrastructure related, about half relevant to trade facilitation (Table 1).

**Table 1: BRI Case Studies by Topic**

Category	Count
Agriculture	2
Rail Transport	8
Road Transport	1
Water Transport	2
Trade/FDI Facilitation	11
Total	24

13. Authors were asked to provide general assessments of each case study identified for inclusion in their national report. To facilitate their progress and support coherent policy assessment for the TA, evaluation was structured and standardized according to the terms set forth below.

## **1. Assessment Indicators**

14. While the findings of individual national studies are each of great interest and importance, the primary objective of this TA was to distil general lessons from diverse RCI experiences and offer guidance for more effective bilateral and ongoing and future regional cooperation. For this reason, asked national report authors to evaluate each of their cases using standardized, objectively verifiable indicators that facilitate comparison and synthesis. Because time and other resources did not permit detailed project evaluation with primary data, we expected authors to use a narrative approach to explaining the impacts of each policy case they considered.
15. Instead of conducting detailed empirical program evaluations, national experts assessed each case according to its local and national contributions to the United Nations Sustainable Development Goals (SDGs). All the countries committed to this TA are signatories to the UN 2030 Agenda for Sustainable Development and, in March of 2018 the ADB reaffirmed its commitment to sustainable development of the GMS through full implementation of the 2030 Agenda, pursuing innovative, coordinated, green, inclusive and open development for everyone, and achieving a balance over its three dimensions of economic, social and environmental development.
16. In the context of our TA, we discuss application of the SDGs in Annex 1 below. For each national case, we asked authors to identify 3-5 most relevant SDGs and to make a brief by cogent argument about how their BRI cases each contributed to these. Sustainable Development contributions were to be identified at the local level only (Local Development Goals), at the national level (National Development Goals), or both, but authors were asked to clearly argue a causal link between the policy initiative in each case and the perceived benefit. Different cases were expected to implicate different SDGs, and the criteria for inclusion is relative significance in each individual case.<sup>2</sup>

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<sup>2</sup> Some extended examples of SDG-based assessment can be found here:

<http://www.cn.undp.org/content/china/en/home/library/south-south-cooperation/2017-report-on-the-sustainable-development-of-chinese-enterprise.html>

<http://bearecon.com/portfolio-item/fao-sdg/>

## **E. Stakeholder Engagement**

17. ADB, DRC, and other development partners attach great importance to social and economic inclusion. For this reason, the degree to which each case achieves constructive and robust engagement with relevant stakeholders was to be evaluated and discussed in each evaluation. This would include, but need not be limited to, identification of the main non-governmental stakeholder groups associated with each case, descriptive information about the modalities of their involvement in program design, implementation, and the ultimate costs and benefits they experience.
18. It should be noted that these reports were designed sample only non-governmental stakeholders, including private enterprises, households, private community representatives, and NGOs. We specifically excluded local, provincial, and national governmental or other public stakeholders, because this assessment is intended to reflect economic, rather than political, perspectives.
19. To ensure that stakeholder dialog is consistent with TA objectives, we asked that national consultants compile lists of those whom they plan to engage in targeted interviews. Project time and resources did not permit extended field surveys, so we asked national experts to compile more focused lists and questions for non-governmental stakeholder representatives they planned to interrogate. These lists were approved by TA management before interviews are conducted.

### ***1. Opportunities***

20. National authors were asked for each case study to clearly identify and discuss opportunities presented by BRI in the following four general contexts.
21. **Linkages, Complementarities, and Synergies with Other Local and National Programs** - For each case, authors should identify the most important interactions with local and national development initiatives and economic policies. Special attention should be given to beneficial interactions that can leverage RCI to amplify the effects of domestic public commitments and reinforce national development objectives. In this context, it may be appropriate to reference local or national governmental commitments, but not to discuss their institutional objectives.
22. **Bilateral and Multilateral Regional Initiatives** - Although the landscape of RCI be quite complex, it is important for authors to contextualize each BRI case in the

setting of existing relationships. To what extent are these reinforcing, complementary, competing, etc.? How can new initiatives be accommodated in the existing regional mosaic of agreements in ways that deliver net benefits to all?

**23. Initiatives of Other Development Partners** - Like regional agreements, development agency policies and projects have a long and complex presence in the GMS. Indeed, this experience has provided many opportunities to “learn” multilateralism by adapting programs and policies to accommodate new and diversified partnerships. Like the OECD’s Development Assistance Committee, the national reports can advance constructive cooperation by informing development partners about potential synergies as well as overlap that are apparent the case studies.

**24. Public-Private Partnerships** - One of the defining characteristics of the Asian Miracle growth experience has been the way in which private agency assumed the economic growth momentum instigated by determined public sector leadership. In the same way, it is hoped that national authors can identify PPP potential in each of their cases, indicating where BRI or RCI initiative can arouse private sector participation to expand the agenda for sustained and inclusive economic growth.

## ***2. Potential Risks***

**25.** Responsible impact evaluation must strive to identify and assess reasonable risks that may be associated with a given project. Again we did not expect detailed empirical risk assessment, but merely a summary of leading considerations about possible implementation challenges and uncertainties. These include uncertainties in leading categories of finance, inclusion, property rights, external conditions, sustainability, and assumptions about market conditions, institutional support, etc.

**26.** In our workshop discussions, a number of salient risk categories were discussed. Authors were asked to address the following in their your cases:

- i. **Financial** – no audit expected, just an informed summary issues that have arisen from observation or stakeholder comments
- ii. **Safeguards**
  - Environment
  - Involuntary resettlement
  - Indigenous people
- iii. **Stakeholder perceptions** – including but not limited to

- Employment - construction vs implementation phase, TVET for O&M, indirect job creation
- Market and enterprise access – inclusion vs invasion
- Financing - need for transparency about extent, timing, and incidence
- Incentive compatibility for local/domestic enterprise/community leadership
- P2P - cognitive dissonance

**iv. Political stability**

- v. **Security** – direct (local) and indirect (fragmentation) risks

### ***III. Metrics for Development Progress – Localizing the Sustainable Development Goals***

27. On 25 September 2015, the 193 Member States of the United Nations unanimously adopted the Sustainable Development Goals (SDGs), a set of 17 aspirational objectives with 169 targets expected to guide development actions of governments, international agencies, civil society and other institutions over the next 15 years (2016-2030). The 17 SDGs aim to advance development while sustainably managing natural resources. They integrate the three dimensions of sustainable development – economic, social, and environmental. They are universal – the 2030 Agenda is as relevant to developed as it is to developing nations.

**Figure 1: The Sustainable Development Goals**





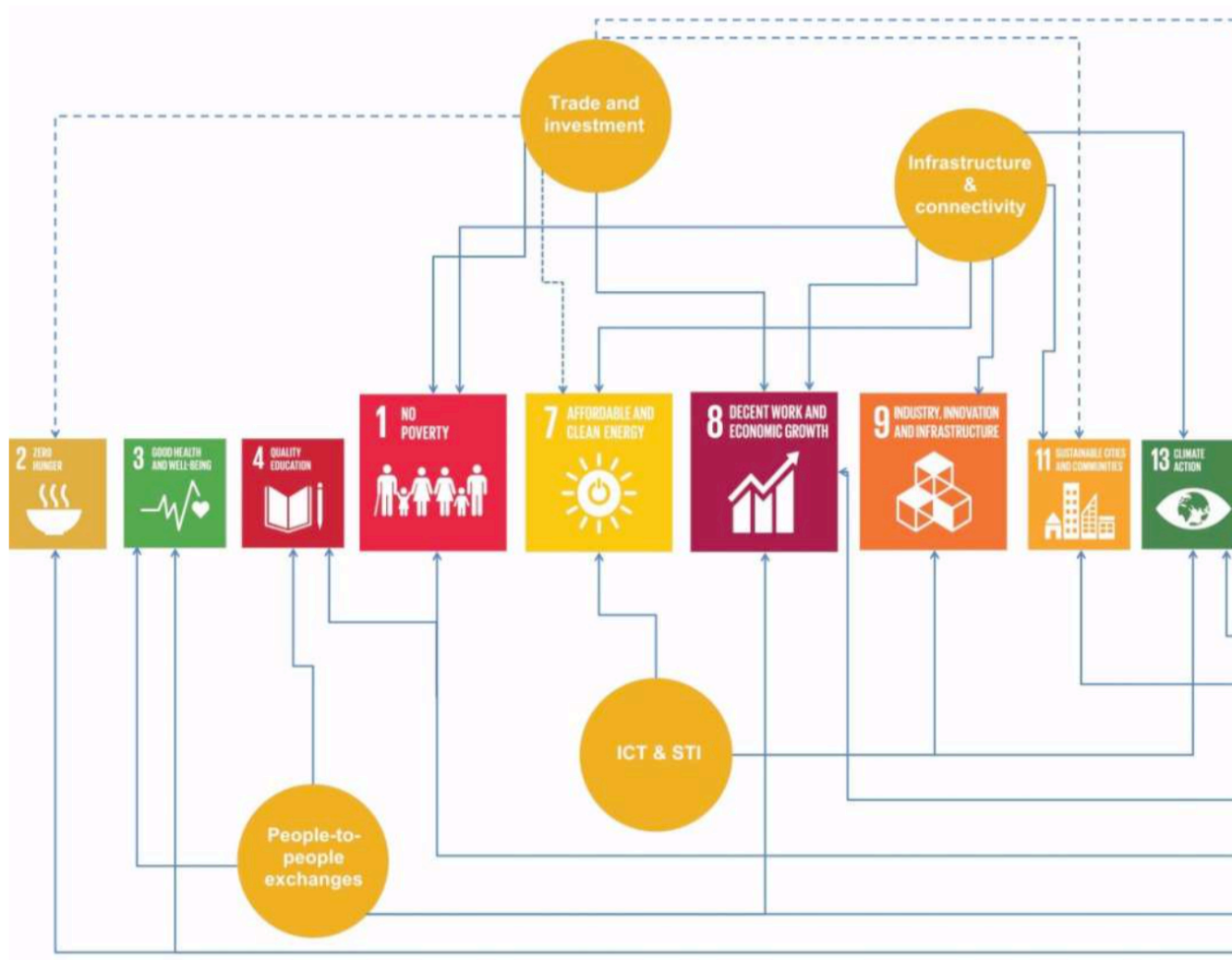
**Table 2: Recommendations for Chinese Companies to Align Their BRI Business Practices with the United Nations 2030 Sustainable Development Agenda**

- 1) **Raise awareness and enhance knowledge:** Chinese “going global” enterprises need to be fully aware that the Belt and Road Initiative is not just promoting the achievement of common economic prosperity, but also paving “a path to peace and friendship that promotes understanding and trust and enhances communication in all respects”. Therefore, enterprises must develop a thorough understanding of the core values of the Belt and Road Initiative, and continue to build “a community of shared responsibilities and a community of shared destiny” that are conducive to fulfilling the 2030 Agenda locally, based on “communities of shared interest” and through sustainable development strategies and responsible operations.
- 2) **Manage risks:** Apart from conducting economic feasibility studies, Chinese enterprises must also examine the varying global, national, social and cultural contexts along the Belt and Road. As enterprises select countries to invest in, they need to stay informed of the political and social circumstances in these countries. Moreover, they need to enhance capacity for identifying, analysing, and assessing social and environmental risks underlying their investments, as well as to establish and continue to improve their risk control systems, including standardised operational management, compliance management and risk assessment and management systems. Throughout the life cycle of their investment projects, enterprises should ensure ongoing review of risks for responsible operations and sustainable development and of planning and implementing the corresponding risk coping strategies on the basis of effective risk-based due diligence management systems, and, when necessary, communicate with stakeholder regarding progresses in establishing such mechanisms. These strategies ultimately work toward the goal of incorporating corporate responsibility into leaders’ decision-making processes and management of stakeholder relations, thereby helping enterprises establish sustained risk warning and prevention mechanisms.
- 3) **Explore opportunities:** Leveraging the framework of the 2030 Agenda, Chinese enterprises can analyse and research the development needs of countries along the Belt and Road, and accordingly identify synergies between the demands and their products, as well as the alignment between the investment-promoting policies related to the Belt and Road Initiative and the policy goals of the host countries. The enterprises can then turn these synergies into business opportunities for themselves and local business partner through sustainable, innovative R&D and business expansion, with the aim of achieving win-win outcomes for both their own business development and local social development over the long term.
- 4) **Strengthen communication:** During the whole process of project investment and operations, Chinese enterprises need to proactively communicate with stakeholders in the host countries and keep them involved in the process. Enterprises should pay special attention to social organisations that have significant social impact on local development and say in the discourse ( for example, labour unions, ethnic and religious groups, local and international NGOs, etc.), and engage in dialogue and cooperation with them on issues related to sustainable development, the goals under the 2030 Agenda and corporate operations. Effective communications can help establish a localised, multi-dimensional network of social support for enterprises’ long-term, sustainable operations in addition to obtaining and maintaining social license for their investments.
- 5) **Value talent:** Chinese enterprises need to establish sound mechanisms for recruitment and training, take effective measures to attract, retain and select managerial and R&D personnel with different expertise, raise both the quantity and quality of the staff with innovative and interdisciplinary mindsets, and work towards localisation and internationalisation of their employees. Meanwhile, they should also enhance awareness and capacity building relating to sustainable development and responsible operations in their human resources 112 2017 Report on the Sustainable Development of Chinese Enterprises Overseas management to encourage their staff to take the initiative to identify and prevent social and environmental risks in overseas operations and management, build the image of the Belt and Road Initiative as responsible citizens, and take part in facilitating local communities to fulfil the 2030 Agenda.

*Source: UNDP: 2017*

28. In addition to fully supporting passage of the SDG's, the PRC has specifically affirmed alignment between the UN 2030 Agenda and the BRI. A flagship document (UNDP: 2017) produced jointly by UNDP, the Chinese Academy of International Trade and Economic Cooperation, Ministry of Commerce, the Research Centre of the State-Owned Assets Supervision and Administration Commission of the State Council, sets forth an extensive set of commitments for BRI policies and PRC enterprises to promote "Synergies between the Belt and Road Initiative and the 2030 Agenda." Among other issues, the flagship sets forth five overarching recommendations recognizing the "Chinese Enterprises as a Key Force for Implementing the 2030 Agenda in the Belt and Road Region." For general information and comparison to the recommendations of the current TA, we reproduce these in the table above.
29. Any initiative as large and complex as BRI will touch on every SDG, but for this TA the national experts were asked to focus attention on a subset of greatest relevant to their case studies. Generally, BRI is envisioned to most directly impact the following 12 SDGs. To be more effective in supporting policy, the consultants' SDG "inferences" need to be quantified and, ultimately, incorporated into national development strategies. The UN already supports an ambitious agenda for localization of SDG-based impact assessment. This has been adopted by dozens of countries already.

**Figure 2: SDGs and the BRI**



#### ***IV. Results of the National SDG Assessments***

30. The following tables summarize the SDG component of each national assessment, but country and BRI project. Each assessment is discussed in more detail in its respective national report. They are collected here for convenience of comparison.

##### **A. Cambodia**

**Table 3: Sihanoukville Special Economic Zone (SSEZ)**

Sustainable Development Goals	Sihanoukville Special Economic Zone (SSEZ)
1. Poverty	The project has promoted employment, generated income, and prevented risky migration. The 105 factories currently in operation in the zone directly employ 22,495 Cambodian workers, with female workers accounting for almost 62%.
5. Gender Equality	The project has empowered and promoted the social, economic, and political inclusion of low-skilled and female workers from Sihanoukville and other surrounding provinces. Employed women have increased decision-making power at home and in the community.
8. Jobs and Growth	The project has contributed to furthering industrialization, export diversification, formation of industrial clusters, and integration into domestic and regional value chains.
17. Partnership	The first of its kind, SSEZ was established in 2008 under a bilateral government agreement between China and Cambodia. As a role model for promoting Cambodia-China cooperation to an even higher level and ultimately turn into the ‘Shenzhen’ of Cambodia, the industrial park has attracted factories and other Chinese investment activities into the province.

**Table 4: Siem Reap Angkor International Airport**

Sustainable Development Goals	Siem Reap Angkor International Airport
1. Poverty	The project has the potential to contribute to local employment by creating 900 jobs for construction and 1,500 jobs for airport operation.
8. Jobs and Growth	The project has the potential to support key areas of economic development through increased tourism revenue, connectivity, trade link, and more efficient access to goods and services.
9. Infrastructure	The project has the potential to increase aviation capacity in order to accommodate future air travel demand and enhance trans-border connectivity and logistics.
11. Communities	The project has the potential to contribute to sustainable socio-economic development in urban areas. The proposed project site is about 50km away from the existing airport in Sort Nikom district on the outskirts of Siem Reap City.
17. Partnership	The project demonstrates the increasing importance of multi-stakeholder partnerships such as PPP in delivering necessary 9. Infrastructure. The project is under the BOT scheme between the Cambodian government and China's state-run enterprise.

**Table 5: White Paper on China ready for Cambodia Tourism**

Sustainable Development Goals	White Paper on China ready for Cambodia Tourism
1. Poverty	With the World Travel & Tourism Council estimating that travel & tourism directly supported 1,191,000 jobs in Cambodia in 2017, this policy, which aims to promote tourism, has the potential to increase employment, generate income, and reduce 1. Poverty in the country.
8. Jobs and Growth	A surge in Chinese tourist arrival and increasing flight connections between the two countries will spur the tourism revenue and promote trade links and investment activities with China.
11. Communities	The policy has the potential to advance urban Infrastructure and preserve culture and heritage, all valuable assets for tourist attraction. The policy can also contribute to efforts to make transport facilities more efficient, reduce pollution, and ultimately make Cambodia's cities and human settlement inclusive, safe, resilient, and sustainable.
12. Consumption	The policy can leverage China's Tourism Law (2013) to promote sustainable tourism in Cambodia through enforcement of transparent tour service packages, encouragement of eco-tourism and cultural tourism, etc.
11. Institutions	The policy will induce more interaction between people of both nations. It will thus promote cultural exchange and enhance tolerance and understanding of each other, which will ultimately lead to stronger foundation for strengthening Cambodia-China cooperation.

**Table 6: New Phnom Penh Airport**

Sustainable Development Goals	New Phnom Penh Airport
1. Poverty	Information regarding the employment potential could not be obtained, but the airport has the potential to provide about the same, if not more, given the bigger proposed scale, job opportunities as the new Siem Reap airport.
8. Jobs and Growth	The project has the potential to support some key areas of economic development through increased tourism revenue, connectivity, trade link, and more efficient access to goods and services. The new airport will also help business start-ups in the surrounding area gain momentum.
9. Infrastructure	This project has the potential to increase aviation capacity in order to accommodate future air travel demand, and enhance trans-border connectivity and logistics. It also has the potential to contribute to Infrastructure development and rehabilitation around the project, which will attract airport customers and smoothen travel flow.
11. Communities	The project has the potential to contribute to sustainable socio-economic development in urban areas. The proposed project site is in Takhmao city, Kandal province, about 40km from the capital city of Phnom Penh.
17. Partnership	The project also demonstrates the increasing importance of multi-stakeholder partnerships such as PPP in delivering 9. Infrastructure. The proposed project would require \$1,500 million of investment, in which \$1,100 million would be loaned from the Chinese bank.

## B. Malaysia

**Table 7: East Coast Rail Link (ECRL)**

Sustainable Development Goals	East Coast Rail Link (ECRL)
4. Education	The ECRL project has brought about education and learning opportunities for the youths in the less developed east coast states. The project main contractor, CCCC, has allocated RM23 million for training as part of its corporate social responsibility initiative.
8. Jobs and Growth	Respondents have mixed opinions on the economic impact of ECRL project. While some have expressed concerns about the financial burdens and economic viability of the project, others emphasized the need to take a long-term perspective, and envisaged ECRL as a catalyst to transform the developmental landscape and to unleash Malaysia's greater economic potentials.
9. Infrastructure	As a rail network for both passenger and freight transport that spans four states, ECRL is designed to serve as a critical transportation link to connect the existing and expanding Infrastructure hubs and spots along the east coast facing the South China Sea (such as the Kuantan Industrial Park, Kuantan Port, Kemaman Port, and Kota Bahru near Malaysian-Thai border), with Port Klang and other more developed areas around the Greater Kuala Lumpur on the west coast facing the Strait of Malacca.
10. Inequality	Almost all respondents interviewed for this study expressed that ECRL would help reduce inter-regional inequality, i.e. the gap between the less developed east coast and the more developed west coast in Peninsular Malaysia.
11. Institutions	The ECRL project has thus far performed well in building inclusive institutions at the federal-state level, i.e. between the central government in Putrajaya and the state-level authorities of the four states where ECRL spanning across



**Table 8: Malaysia-China Kuantan Industrial Park (MCKIP) and Kuantan Port Expansion**

	Malaysia-China Kuantan Industrial Park (MCKIP) and Kuantan Port Expansion
5. Gender Equality	Although MCKIP's current economic activities have not brought about direct benefits to women, the developmental project and related programs may over time help empower women and promote gender equality. Respondents from local NGOs were optimistic that, this would happen when development in the east coast expanded further and created spill-over effects to related sectors, in due course generating growing job opportunities for all genders, and at all levels of job positions.
8. Jobs and Growth	Nearly all respondents gave positive assessments on the economic contributions of MCKIP and Kuantan Port. In the case of the MCKIP and Kuantan Port expansion, the anticipated economic benefits focus primarily on the production of steel as well as the processing of oil and agricultural products, considerable portions of which are aimed for exports.
9. Infrastructure	MCKIP and the related Kuantan port expansion, once fully operationalized, are expected to function as a "node" for Infrastructure connectivity development, both externally and internally. At the regional level, the MCKIP and Kuantan Port, both facing South China Sea, are the most direct links to the deep-water port in Qinzhou and other points in Guangxi.
10. Inequality	Geographically, the East Coast Economic Region (ECER) covers 51 percent of Peninsular Malaysia; economically, however, it is among the poorest regions in the country. All three east coast states (Kelantan, Terengganu, and Pahang) are among the least developed areas in Malaysia.
11. Institutions	The progress of MCKIP and Kuantan port expansion demonstrates a peaceful, productive, and inclusive institutional collaboration at different levels.

**Table 9: CRRC Rolling Stock Centre**

Sustainable Development Goals	CRRC Rolling Stock Centre
4. Education	CRRC provides on-the-job training for its local employees in both Batu Gajah and Seremban to acquire knowledge and skills about trains. Some selected employees were given scholarships to China for studying locomotives and railway know-how.
8. Jobs and Growth	Through its production plant and expansion plan, CRRC aims to turn Malaysia into a manufacturing hub for railway and train equipment for the wider ASEAN market, thereby contributing to an inclusive, productive, and sustained economic growth to Malaysia.
9. Infrastructure	The CRRC investments – both its manufacturing center in Batu Gajah and its maintenance facility in Seremban (54km south of Kuala Lumpur) – boost various Infrastructure projects in different parts of Malaysia.
10. Inequality	Several household respondents and private community representatives who reside in Perak, the state where the Batu Gajah town is located, believe that the CRRC facility in their locality area will help reduce the income inequality between the Perak town and the other more developed cities along the west coast of Peninsular Malaysia, especially those in the Klang Valley (the greater Kuala Lumpur) and the prosperous Penang state.
12. Consumption	Since it began its operation in 2015, the CRRC Centre has made promising progress towards contributing to sustainable consumption and production patterns in Malaysia.

## C. Myanmar

**Table 10: Kyauk-Phyu SEZ and Deep-Sea port project**

United Nation's Sustainable Development Goals (SDGs)	Kyauk-Phyu SEZ and Deep-Sea port project
1. Poverty	China International Trust Investment Corporation (CITIC) has given \$1.5 million to local villages to develop businesses. The Special Economic Zone and deep sea port development would improve local people's employment and livelihood as more than 100,000 new jobs will be created for local people every year. SEZ will provide employment opportunities through the creation of industrial and fishery parks.
4. Education	China International Trust Investment Corporation (CITIC) says it will build a vocational school to provide training for skills needed by companies in the economic zone.
7. Energy	The consortium of companies will build Energy and industrial projects in the Kyauk Phyu SEZ. By setting up China Myanmar Economic Corridor, the basic 9. Infrastructures of the two countries can be connected and cooperation will be promoted on energy sector by building grids in SEZ.
9. Infrastructure	Kyauk Phyu SEZ and deep sea port project have access to Infrastructure development and labour force. China pledged that the project will be with low Infrastructure cost and well protected from natural disaster and protected environment.
8. Jobs and Growth	Myanmar will receive tax revenue of \$6.5 bn from deep sea port and \$7.8bn from SEZ. An annual \$3.2 billion earning is expected when the SEZ is fully operated, and this may increase the Myanmar's annual GDP.

**Table 11: Muse Central Business District (MCBD)**

United Nation's Sustainable Development Goals (SDGs)	Muse Central Business District (MCBD)
1. Poverty	Muse CBD project will attract international income from the tourist sector and job creation for local residents up to 15,000 jobs.
8. Jobs and Growth	Muse Central Business District (MCBD) attempts to bring the trade and tourism activities to higher level which allows Myanmar's GDP to be growth.
9. Infrastructure	The Muse CBD have projects to develop hotels, shopping centers, commercial developments, office towers, upscale residential villas, condominiums, recreational facilities, and district Infrastructure facilities.

**Table 12: Muse (105) Mile Trade Zone**

United Nation's Sustainable Development Goals (SDGs)	Muse (105) Mile Trade Zone
1. Poverty	The border economic cooperation zone is expected to promote domestic and foreign investment, create business opportunities and jobs, help small and medium sized enterprises to grow, develop manufacturing power and improve bilateral trade.
8. Jobs and Growth	The trade volume in Muse accounts for approximately 70% of the border trade with US\$ 8.5 billion in 2017-18 and 25% of the total trade volume in Myanmar.
9. Infrastructure	Upgrading the roads at the Muse 105-mile trade zone will involve construction of reinforced concrete roads for the convenience of trucks going to and from Muse 105-mile trade zone. Completion of the roads will facilitate the arrival and departure of the trucks to and from the checkpoints.

**Table 13: Kyauk Phyu- Kunming High Speed Railway project**

United Nation's Sustainable Development Goals (SDGs)	Kyauk Phyu- Kunming High Speed Railway project
1. Poverty	The construction of railway project will need a large labor force and could create job opportunities for the local people from the cities along the construction project.
8. Jobs and Growth	The high speed railway project linking Kyauk Phyu in Rakhine State to Kunming, the capital of southern China's Yunnan Province, is a major transportation link which would make smooth for development at an economic zone in Myanmar's impoverished west.
9. Infrastructure	The railway project is 868.262 kilometers long (539.19 miles) and will pass through Kyaukphyu, Ahn, Mandalay, Lashio, and Muse. The project includes 79 train stations, 409 bridges, and 101 tunnels and will also connect with Kunming, Yunnan province in southern China.

## D. Thailand

**Table 14: Thailand-China Railway**

Sustainable Development Goals	Thailand-China Railway
1. Poverty	As this railway route will pass through Thailand's northeastern provinces, which are known to be among the poorest in Thailand, the construction of the route should lead to regional economic development that subsequently contributes to 1. Poverty reduction in Thailand's poorest areas.
9. Infrastructure	The Thai-Chinese rail connectivity could be part of the growing physical connectivity of mainland Southeast Asia that links Cambodia, Laos, Myanmar, and Vietnam with Yunnan and Guangxi provinces in southern China. It would integrate the countries of the Greater Mekong Subregion, and renders Thailand a natural hub of a 333-million-person market with a combined 1.2trillion-dollar GDP. Equally important, the development of mainland Southeast Asia can be integrated with the China-Indochina corridor under BRI.
11. Communities	Due to its poor railway 9. Infrastructure, Thailand has long relied on road transport as the main mode for both private and commercial logistics. Investment in railway networks should reduce the environmental impacts from road congestion in the long run.

**Table 15: Eastern Economic Corridor (EEC)**

Sustainable Development Goals	Eastern Economic Corridor (EEC)
8. Jobs and Growth	The development of major Infrastructure projects for air, rail and sea transports, along with the generous incentives given to investors, is expected to generate economic momentum that would serve as the key economic development engine for Thailand.
9. Infrastructure	With the key Infrastructure projects that aim to develop air, sea, and rail transports through the further development of the U-Tapao Airport, the Laem Chabang Port, and the high-speed railway that links U-Tapao to Suvarnabhumi and Don Muang, the EEC would be a critical project to develop multimodal transports that could be linked in a seamless manner.
11. Communities	The EEC is expected to serve not only as an infrastructural development project, but also a city development model that features its main airport.
12. Consumption	The EEC project is aimed to upgrade production activities that are undertaken in Thailand for global industries. With the plan to develop the more sophisticated 'S-Curve' industries that build on Thailand's previous industrial base in the Eastern Seaboard area, the EEC is expected to allow Thailand to be engaged in the more value-adding activities of industries such as transports and logistics.

**Table 16: Thai-Chinese Rayong Industrial Zone**

Sustainable Development Goals	Thai-Chinese Rayong Industrial Zone
8. Jobs and Growth	Thanks to the BRI's 9. Infrastructure-driven policy and Thailand's industrial transformation goal under the 4.0 strategy, the Thai-Chinese Rayong Industrial Estate has drawn many of Chinese investors who find Thailand an attractive investment location due to its large Thai-Chinese community and a gateway to Southeast Asia's 600 million consumers.
9. Infrastructure	Thanks to its location in the vicinity of the EEC, the Thai-Chinese Rayong Industrial Zone could leverage the broader overall infrastructural development of the EEC project.
11. Communities	The Zone's specific effort to promote green development, the Thai-Chinese Industrial Zone adopted a rule that all Chinese enterprises in the zone must build their facilities in accordance with ISO 14001 environmental standards and pass Thailand's Environmental Impact Assessment.
12. Consumption	Given the rise of trade tensions between the United States and China, Southeast Asia has been considered as an alternative location for many Chinese enterprises. This has been reflected in the investment motives of companies located in this industrial zone.



**Table 17: The China-Japan Third Country Market Cooperation Forum**

Sustainable Development Goals	The China-Japan Third Country Market Cooperation Forum
11. Institutions	If it proceeds as planned, this “smart cities” pilot project can serve as a case of China’s willingness to adjust and Japan’s ability to accommodate. This could be considered as an important international institution that could promote more peaceful and inclusive development, especially given the rising hesitance from many countries with regard to the BRI.

**Table 18: The Kra Canal**

Sustainable Development Goals	The Kra Canal
8. Jobs and Growth	Of all the East Asian countries that would benefit from the Kra Canal as a shorter and a strategic alternative as a shipping route, China would stand to gain the most. While the Malacca Strait handles 30 percent of the world’s seaborne trade, it accommodates 80 percent of China’s energy trade route.
11. Institutions	The pure economic benefits rising from demands for an alternative sea passageway from the Indian Ocean to the South China Sea need to be considered in view of potential conflicts the Kra Canal could expose.

## E. Viet Nam

**Table 19: Two Corridors, One Economic Belt**

Sustainable Development Goals	Two Corridors, One Economic Belt
1. Poverty	These projects provide assistance in circumventing 1. Poverty and bridging the income gap between border provinces and other in-land provinces. Indeed, provinces who have projects under BRI and “Two corridors, one economic belt” have higher per capita income. Lang Son, Lao Cai, Quang Ninh achieved 1,500 USD, 1,900 USD and 3,800 USD per capita income respectively, while provinces such as Dien Bien, Lai Chau, Ha Giang and Cao Bang have yet to exceed 1,000 USD in per capita income.
5. Gender Equality	The formation of cross-border economic zone, trading facilitation addressed employment problem for female labour related to low-skill jobs.
8. Jobs and Growth	Northern provinces witnessed rapid speeds of economic growth due to intensive economic co-operation and commercial activities with China. This swift pace of economic growth increased the economic scales of these provinces relative to provinces that were not as economically involved with China.
9. Infrastructure	The Vietnamese government has been making gradual progress in improving provincial government access to credit financing. In the early 2000s, the government established a Local Development Investment Fund (LDIF) financing framework for provinces to borrow for cost-recovery Infrastructure projects. LDIFs have achieved modest success in some provinces.
10. Inequality	100. Northern mountainous regions of Vietnam are the provinces with the highest 1. Poverty rates compared to other regions. There is also a high level of inequality among the poor provinces of the Northwest and the rich provinces of the Northeast. Lao Cai is one of the poorest provinces of Vietnam, with the majority of the rural population living below the 1. Poverty line and the near-poor group at risk of falling into 1. Poverty.
17. Partnership	Trade facilitation and investment under TCOEB co-operation has promoted China’s economic activities in Lao Cai, Lang Son and Quang Ninh. In particular, Quang Ninh has successfully deploy the abundant capital offered by China to development its local 8. Jobs and Growth.

**Table 20: Nanning – Pingxiang (Friendship Pass) – Dong Dang – Hanoi Railway**

Sustainable Development Goals	Nanning – Pingxiang (Friendship Pass) – Dong Dang – Hanoi Railway
5. Gender Equality	A gender action plan (GAP) was developed during the project design. The project's GAP included the following key gender targets: (i) aiming for at least 30% of unskilled civil works labours to be women; (ii) at least 50% of community facilitators for hygiene and sanitation awareness raising activities to be women; (iii) 50% of positions in community-based waste management groups to be held by women; (iv) 40%–50% of positions in community-based monitoring committees to be held by women; (v) at least 30% of participants in public consultation meetings for displaced households to be women;
8. Jobs and Growth	In Dong Dang, the Huu Nghi border gate handled about 70% of freight and passenger transit between Viet Nam and the PRC along the NSEC. Trade value totaled \$859 million, with the volume of passenger transits at 710,606 in 2010. Between 2010–2015, the average annual trade growth was 18% and the annual passenger transit growth was 25%.
9. Infrastructure	The system using narrow gauge single track (except for some sections) has maximum capacity of less than 25 pairs of trains / day. Besides, this current system has fundamental setbacks such as backwards signal systems and communication, and slow average speed of Hanoi - Lang Son route, with the first 47% of the route at 40 km/h and the rest at 70 km/h. Investments in the construction of dual-gauge and electrified roads will contribute to the preparation of transport Infrastructure for the development of a very important economic corridor of Vietnam.
10. Inequality	As people living below the 1. Poverty line on the right bank of Red River do not own cars, motorcycles, or bicycles, their mobility is extremely limited. The project will provide them with access to social and economic services and to employment in cities and towns.
17. Partnership	Viet Nam's rail road system has to meet domestic demand while also enhancing its connectivity with Singapore – Kunming line. In doing so, it can promote transport connectivity between countries in the Greater Mekong Sub-region.

**Table 21: Fangchenggang – Dongxing – Hai Phong – Hanoi Railway**

Sustainable Development Goals	Fangchenggang – Dongxing – Hai Phong – Hanoi Railway
1. Poverty	The major sources of livelihood in the project area are related to agriculture. Rice is the major crop in the project area. In the lowland areas where the proposed highway will be constructed, crops for household consumption also predominate.
5. Gender Equality	Viet Nam's ability to export agricultural and maritime products to Yunnan province, already a rapidly growing trade area, will also improve substantially. This will increase the amount of small and medium businesses, thereby increasing employment of local people by 70% in 2015.
8. Jobs and Growth	From 2005 to 2018, Vietnam's external trade increased from US\$69 billion to US\$482 billion, while the country's total freight traffic volume more than doubled in the same period from 100 billion ton-km to 238 billion ton-km.
9. Infrastructure	Underdeveloped shipping Infrastructure has started to impact the industry, with annual freight-related losses reaching US\$2.4 billion. Some ports also suffer from being over-burdened with shipments, which has led to congestion and huge delays.
10. Inequality	The current travel time between Kunming and Hai Phong is more than 2 days. This will be reduced to 1 day upon completion of the proposed highway.
17. Partnership	The passage of containerized freight is particularly important for the trading relationship. Forwarders of overseas container cargo in Kunming do not currently use the Kunming–Hekou–Lao Cai–Hanoi–Hai Phong route, partly because of the poor condition of the Lao Cai–Hanoi section in Viet Nam. The proposed Noi Bai–Lao Cai Highway will allow forwarders in Kunming to reach Hai Phong and Cai Lan ports, which contain large container facilities.

**Table 22: Viet Nam - Cat Linh – Ha Dong elevated railway**

	Cat Linh – Ha Dong elevated railway
8. Jobs and Growth	Contributing to the closer all-round cooperation between the two countries under BRI umbrella. With regard to private business. Railway system Cat Linh – Ha Dong, with 13 kilometers in length, might exert positive impacts on private businesses in Hanoi. As this is a small project, Chinese contractors might in-corporate domestic companies rather than their partner in China in order to attain cost efficiency.
11. Communities	Satisfying the escalating demand for traffic in busy area of big cities as Hanoi. This railway system not only serves as Viet Nam's first urban railway using Chinese ODA, but also, alleviates substantial burden on public transport in Hanoi.

## ***V. Opportunities for Enhanced BRI-GMS Cooperation***

31. To elucidate the connection between National Assessments and potential for cooperation between the BRI and GMS, a special assessment was commissioned as part of this Technical Assistance. The objective of this report (published separately) was to ensure the linkages between potential enhanced BRI-GMS cooperation and the BRI implementation and sustainability issues identified by the National Assessments.
32. The report proposes three substantive ‘workstreams’ to support cooperation between the GMS and the BRI. These are
1. **Functional exchange:** where executives from GMS and BRI-linked institutions share best practices and generate new approaches,
  2. **Project Linkages Program:** where BRI and GMS institutions examine, discuss, and support synergies between nearby projects, and
  3. **Cross-Border Projects Program:** cooperation to accelerate the pace of more complex cross-border infrastructure.
33. These proposed ‘workstreams’ arise from the findings of the National Assessments’ focus on sustainability and other impacts, while also responding to the comparative institutional analysis of the GMS and BRI, as detailed in the cooperation report.

### **A. Exchanging Ideas to Address BRI and GMS Implementation of Projects**

34. The first of these ‘workstreams’ – functional exchange – closely reflects the range of BRI implementation challenges identified by national consultants. These challenges fall into three broad categories, as detailed in the paper: how projects are **selected**, how projects are **financed** and how projects are **delivered**. BRI and GMS-linked officials sharing experiences, information and best practices across these challenges through a ‘functional exchange’ will be aimed at enhancing outcomes for regional integration in Mainland Southeast Asia.
35. The cooperation report makes specific recommendations for an initial focus of this ‘functional exchange’, such as mechanisms for handling project pipelines (looking, for example, at the GMS’ Regional Investment Framework), models for project

preparation (consideration, for example, of a joint project preparation facility) and measures for maximising local skills and participation (examining, for example, the GMS' Strategic Framework and Action Plan for Human Resource Development). The initial set of 'functional exchange' recommendations, set out in the report, respond specifically to issues raised by national assessments. In this way, the cooperation report's recommendations seek to drive better outcomes for BRI and GMS-linked projects.

### **B. Maximising Synergies between BRI and GMS Projects**

36. The second 'workstream' – Project Linkages Program – is perhaps the most obvious 'low hanging fruit' for enhanced cooperation between the BRI and the GMS. This exploits a common focus on the transport sector, and the geographic proximity of many projects across evolving economic corridors in Mainland Southeast Asia.
37. The analysis in the cooperation report shows that the GMS's Regional Investment Framework 2022 features **84% of total investment dedicated towards the transport sector**. The BRI's implementation across the PRC-MSAEC has, to-date, **almost exclusively focused on transport and connectivity infrastructure**. This sets transport infrastructure as a natural sectoral focus for enhancing cooperation between the GMS and the BRI.
38. A Project Linkages Program would maximize the benefits and minimize any negative impacts of two or more projects located near to each other. Indeed, mainland Southeast Asia is sprinkled with BRI and GMS projects that are near to each other. This reflects the fact that both initiatives have embedded the concept of evolving economic corridors into their design, as further detailed in the cooperation report.
39. The overall recommendation of the cooperation report is that a Project Linkages Program would comprehensively map projects along these economic corridors, and develop opportunities for project complementarity (enhancing the outcome for two or more projects), while minimizing project substitutability (ensuring no duplication of expected benefits) and maximizing project compatibility (eliminating clashes of technology or standards).

40. The cooperation report provides examples of potential project linkages, and makes suggestions for an initial focus of work. Over time, we would expect that a Project Linkages Program would become a cornerstone of BRI-GMS cooperation.

### **C. Solving Cross-Border Connectivity Challenges in Mainland Southeast Asia**

41. The third suggested 'workstream' – Cross-Border Projects Program – responds to a common tendency for the BRI and the GMS (and other regional cooperative initiatives) to deliver projects located wholly within one country. The report includes some analysis on this overwhelmingly domestic focus, which is perhaps most likely explained by the difficulty in preparing, financing and delivering projects that genuinely cross international borders.
42. The relative infrequency of genuine cross-border projects opens an opportunity for comprehensive BRI-GMS cooperation across the full project lifecycle (sourcing, preparing, financing, procuring, monitoring, delivering etc.) for hard infrastructure, as well as cooperation on 'soft infrastructure', on cross-border projects. The cooperation report suggests some initial areas for cooperation on 'soft infrastructure' for cross-border projects, such as Cross-Border Infrastructure Support Agreements and trade facilitation.
43. Infrastructure that supports cross-border connectivity will come at a time of unprecedented appetite across Mainland Southeast Asia for cross-border flow of goods, services, capital and people. This would be true regional cooperation, with the BRI and GMS cooperating to solve the most complex cross-border connectivity challenges in the region.

### **D. What are the Possible Mechanisms for Enhanced Cooperation between the BRI and GMS?**

44. Decision-making on possible mechanisms for enhancing cooperation between the GMS and the BRI will ultimately be made by senior officials. The cooperation report sets out some 'possible' models for consideration, based on a rigorous analysis of institutional alignment between the two regional initiatives.
45. The report finds that a new cooperative mechanism would be best suited to achieving some or all of 'workstreams' proposed. This is due to no existing



institutional linkages that could develop, facilitate, administer and deliver the substantive work required.

46. The cooperation report canvases some options for consideration, such as a **BRI Cooperation Task Force** within the existing GMS Secretariat (which already contains substantial China representation) and a new standalone '**GMS BRI Exchange and Cooperation Mechanism**' (GB-ECM).
47. Whatever institutional form is ultimately chosen, the focus of enhanced cooperation should be substantive. The 'workstreams' identified offer substantial and concrete beneficial outcomes for Mainland Southeast Asia region.
48. The 'low hanging fruit' of a Project Linkages Program – mapping project linkages and establishing working groups focused on project linkages in specific economic corridors – may be an ideal place to start the substantive work.
49. Any such enhanced cooperation between BRI and the GMS would send a strong signal to the people of Mainland Southeast Asia that the BRI and GMS see regional cooperation and integration as high priorities for policy dialog and other constructive engagement.

## ***VI. Summary of Conclusions from the National Studies***

### **A. Cambodia**

50. Cambodia is supportive of all regional cooperation and integration initiatives that further domestic growth, regional integration, and connectivity. Government leaders and economic policy makers are generally optimistic about BRI opportunities for development of hard and soft infrastructure, facilitation of trade and investment, human capital development, and expansion of regional production bases and networks. While Cambodia's government has proactively engaged in emerging regional mechanisms such as GMS, BRI, and RCEP, these 'partnerships' require societal cooperation to ensure sustainability, maximise benefit, and minimise negative impacts.
51. The case studies showcased a number of potential benefits measured in terms of the SDGs. The projects are compatible with national development policies, RCI initiatives, and other development programmes. These collaborations will diversify industrial bases and enhance competitiveness and productivity, which will help Cambodia move up regional and global value chains and further attract foreign direct investment, stimulate private sector development, and create jobs. They will reduce transport and logistics costs by creating a multimodal transport system, facilitate trade and investment cooperation, and deepen regional integration through a vibrant national logistics system.
52. With respect to BRI, China's public diplomacy has been based on strong elite-to-elite relationships. In contrast, some local discontent has emerged increased with growing Chinese presence in the Cambodian economy. Stakeholder concerns highlight risks from bilateral dependence and indebtedness, low levels of investment quality, minimal trickle-down benefits for and adverse effects on the public. Institutional risks were also associated with BRI, including lack accountability, preferential public goods/service access, weak administrative and law enforcement capacity, and lack of transparency, all of which could undermine the local benefits of projects. The foundation of Cambodia-China cooperation will falter without public support and it must promote local interactions and cultural exchange to build trust and understanding.

## **E. Laos**

53. BRI's impact on the Lao economy is assessed in three periods: (1) construction period, (2) medium-term, and (3) long-term. The construction period's positive impact includes increased employment and local economic development. Its negative impact are negative environmental and agricultural effects, unsuitable compensation, and road damage. Medium and long-term positive impact will be increased tourism, improved productivity, market access, transportation, local economic development, and increased trade and investment. Risks include higher public debt burdens and recurrent costs. Household perspectives on ways to maximize BRI benefits include providing more opportunities for Lao workers, increasing local labor capability, improving enforcement of laws, increasing responsibility and improving weaknesses, limiting illegal workers, involving Lao people, and disclosing project details.
54. Opportunities: The RBI will improve Laos' trade possibilities by transforming Laos from land-locked to land-linked, reducing its logistic costs (highest in the region), improving its business sector competitiveness, and increasing investment, all of which will contribute to Laos' long-run development. Poverty rates and income inequality are both high despite Lao economy's high growth rate and central ASEAN location, but may be reduced in the long-run by the RBI's employment and business opportunities.
55. Risks are dominated by three considerations. Public debt ratios are increasing despite increasing resource sector revenues. The budget deficit increased from 2.6% of GDP in 2007 to 3.4% in 2015 to 6.7% in 2016. The Laos-China High Speed Railway project is estimated to cost 7 billion USD and ADB and World Bank experts are worried the debt, almost 90% of Lao GDP, will be too large to repay and result in Laos being one of the world's most indebted countries (Lim, 2015). Secondly macroeconomic instability may be more serious, caused by large budget deficits and debt, leading to inflation and pressure for exchange rate depreciation, which could negatively affect investment and consumption (Easterly and Schmidt-Hebbel, 1993). The limited supply of skilled labor, technologies, and material inputs in Laos, with significant project labor mainly imported from China, will limit short term positive spillover effects from the Laos-China High Speed Railway project on Lao economy, but most observers agree there will be positive medium and long-term impacts. Finally, there are significant domestic concerns about adverse social and

environmental impacts, during the construction period, medium, and long term, that must be considered during and after the project development period.

#### **F. Malaysia**

56. Malaysia is receptive to BRI projects that can boost its development agenda, especially those that transfer capital and technology, enhance infrastructure links and connectivity, reduce inequality, increase domestic labor productivity, and increase domestic returns to trade and investment. The new Malaysian government is cautious about the project implementation, specifically financing, job creation, and material acquisition. It has emphasized that the new Malaysia *welcomes investment, not loans*, and is focused on *greater localization of employment shared ownership alongside productive technology transfer*. Comparing the successful MCKIP and CRRC to the terminated ECR project suggests that more inclusive and transparent agreements are politically more sustainable because they reduce societal uncertainty and perceived risks. These considerations suggest that while BRI bridges developmental gaps, it must also bridge perceptual and political gaps. Asymmetric information, stereotypes, cultural differences, and misunderstanding about BRI can undermine trust and prevent BRI partners from forging stronger collaborations.

#### **G. Myanmar**

57. Since its political reformation, Myanmar has actively engaged with regional organizations such as ASEAN and GMS. A core part of the BRI is the creation of economic corridors to boost connectivity, facilitating trade and facilitate investment, including much needed external finance, technology transfer, trade in services, and tourism to Myanmar.

58. Chinese officials have revealed ambitious plans to invest hundreds of billions of dollars in new infrastructure and upgrades for highways, pipelines, railroads, and power grids, along with related port and logistics upgrades in maritime partner countries. Road construction in the BRI's East-West and North-South corridors could significantly contribute to Myanmar's socio-economic and infrastructure development by connecting major urban centers and communities with major cities and markets in neighboring countries, notably Bangladesh, China, and India. Experience in other developing economies suggests that BRI road proposals for Myanmar could enhance access employment, education, and healthcare, improve

productivity, raise incomes, reduce trade costs and barriers, and accelerate both agriculture and industrial growth.

59. China is apprehensive over infrastructure security along the corridor, which runs through strife-torn areas like the Kachin and Shan states. Clashes between Myanmar's military and the Northern Alliance have disrupted trade on the Muse-Mandalay highway, a part of China's upgrades and critical to CMEC's success. CMEC will benefit Myanmar's peace process as its projects extend across many of Myanmar's conflict areas and affect local people's livelihoods. China is also involved in the NCA peace process, with Beijing urging the Myanmar government to keep the ceasefire and talking non-NCA armed groups.

#### **H. Thailand**

60. By historical coincidence, the emergence of BRI coincided with Thailand's political transition (a coup in May 2014). The new military government's need for legitimizing growth initiatives predisposed it to an aggressive agenda for bilateral rail development, but implementation has been much less spirited. China remains keen to move the project forward while the Thai government has been hindered by lack of policy determination, bureaucratic inefficiency, and shifting geopolitical alignments.

61. Although the MSEA north-south train project is thus stuck, time is on its side. China will not lose interest but it may need to revise terms and adopt a more consultative approach. Indeed all the Thai case studies revealed similar intrinsic potential, subject to similar implementation risks. Above all, it seems clear that the quality of local stakeholder relationships will determine the ultimate momentum and sustainability of these partnerships, as well as the degree to which they realize their national and regional potential.

62. As Thailand endures another murky election year in 2019, its post-election government is likely to revisit Chinese rail and other BRI stimulus-oriented prospects. EEC for example, is tantamount to Thailand's rice bowl for the next decade and longer, just as the Eastern Seaboard delivered steady growth throughout the 1980s and early 1990s. Progress may not be dramatic, but the EEC has built-in momentum from the earlier generation of industrial policy. The Kra Canal is an outlier among the Thai cases. After decades of wishful thinking, its development depends on the emergence of a new vision of politics during the new

reign, whereby growth strategies that once seemed faraway now seem visionary, viable, and vibrant for a new generation.

## **I. Vietnam**

63. Enterprises and other local stakeholders in border areas are relatively upbeat about opportunities presented by BRI, but a variety of factors are seen to limit this potential. The seven BRI's projects have had positive contributions in the fight against poverty and the 4 projects considered all promise dividends for technological and productivity improvement. They have led to optimism about the prospects of implementing BOT contracts for BRI's transport infrastructure projects. The primary obstacles regarding BRI's impact on organizations and communities include lack of public information and accessibility to investment opportunities, shifting bilateral relations between Viet Nam China, and weak legal foundations for PPP negotiation and implementation.
64. Most observers acknowledge the potential benefits of external investment, technology transfer, and market access, but there are frequently expressed concerns about institutional and market weaknesses. These include limited national government commitment, low rates of participation by domestic enterprises and workers. Some concern was expressed about debt finance, but firms cared more about the quality of information and inclusive access to investment partnerships. The selection of a bidding partner, the bidding process, and the appraisal and evaluation of loans and bidders are not effectively implemented, and the project may disrupt the balance among provinces in Viet Nam. Additionally, weak national commitment for complementary investments may prevent transport corridors from becoming fully diversified economic corridors, undermining inclusive and sustained national development.

## ***VII. Recommendations From the National Expert Studies***

65. The national studies produced a significant amount of direct evidence on diverse local experiences with BRI across the MSEA. In addition to the SDG indicator results summarized above, stakeholder engagement by national experts harvested many insights regarding more general issues of institutional relations, societal perceptions, and sources of implementation risk. Based on all this research, we synthesized ten recommendations from the observations reported in each the individual national assessments. These are presented succinctly below for consideration by the PRC and other development partners.

### **J. Cambodia**

66. Improve local perceptions of governmental and commercial elite-to-elite relationships by promoting more inclusive relations with local residents and businesses and dealing more proactively with issues of resettlement and compensation, environmental damage, and land acquisition.
67. Enforce Chinese firms' compliance with guidelines for overseas investments, such as the Guidelines on Environmental Protection and Cooperation, with the complementary goals of complying with international best practices and improving reputations of Chinese firms' for project quality and environmental standards.
68. Address Cambodian public perceptions that projects being financed exclusively through loans from China with greater transparency and by facilitating other forms of financing such as through BOT, BOO, and joint venture partnerships, etc.
69. Mitigate long-term impact concerns with more public evidence on project performance, using internationally accepted metrics for economic, social, and environmental viability, making it clear that these standards take precedence over political influence.
70. Incentivize more (business) partnerships on non-governmental level between Chinese and local Cambodian firms to mitigate adverse effects of direct competition from new Chinese enterprises in local markets. These include monopolistic practices in local tourist and hospitality services. Parallel growth of Chinese business and tourism severely restricts perceived growth dividends

benefits felt by Cambodian people and exacerbates discord with local populations, already strained by negative experiences with Chinese tourism.

71. More consistently collaborate with local Cambodian media to periodically inform Cambodian population of current BRI conditions, including concrete benefits of implementing infrastructure projects and the relationship between China and Cambodia. A relatively small portion of public currently knows status of such projects, which prevents population from developing informed opinion. Limited transparency facilitates misunderstandings and may impede projects from reaching full potential and efficiency due to lack of trust. This could be especially significant in the long-term as Chinese-Cambodia relations is largely affected by local perception.
72. Coordinate with Cambodian government to increase the skill development potential of these projects for local and national populations, establishing more vocational training centers, partnered education centers/opportunities, apprenticeship programs in Chinese-invested firms/projects to learn technical skills. Cambodia's effective future development is heavily dependent on infrastructure and human resource development.
73. More closely align BRI project benefits with Cambodia's Industrial Development Policy (IDP) priorities, including reduced electricity cost, enhanced connectivity in transport and logistics, and improved labor market and skills. These contributions, and wider public awareness of them, will be key to strengthening partnership and ensuring long-term successful implementation of BRI.
74. Increase investments in relatively smaller-scale projects, such as second tier infrastructure and utility services (road improvement, electricity, water, telecommunications), to sustain the industrial/service boon and promote more inclusive growth and development.
75. Review and evaluate projects, such as the Phnom Penh - Sihanoukville Expressway, reducing losses incurred by Chinese firms/investors with user fees and other mitigating measures, rather than writing off Chinese losses as sunk costs.



## **K. Laos**

76. Generate more opportunities for the Lao private sector by encouraging direct and partnering investment in local firms. BRI should complement the larger domestic reform agenda to stimulate Lao's private sector as a primary driver of sustained and inclusive growth, especially through increasing number of export-oriented firms.
77. Promote tourism to Laos in China by increasing available tourist packages for tourists and encouraging establishment of Chinese businesses in tourism sector in Laos. Tourism is one of the fastest growing sectors in Laos and essential to poverty reduction.
78. Increase investment in sectors outside primary resources, with higher value added to improve domestic livelihoods. Agriculture still involves 60% of Lao population, but most remain in poverty because of low productivity. This can be mitigated by increasing investment and transfer of agricultural technology through Chinese investment partnership.
79. Leverage BRI project relationship to bypass trade barriers and tariffs in place restricting service sector from foreign investment and seek opportunities to invest in service sectors such as telecommunications and energy.
80. Increase investment human resource development in Laos through local hiring/training centers, exchange programs, and supporting policies to skill development and higher worker productivity.
81. Provide more opportunities for and increase employment of the local Lao population, especially in immediately viable sectors like construction that require unskilled workers. Economic stimulus and national growth dividends from BRI are generally accepted, but one of the most commonly voiced concerns about BRI adverse local labor market impacts due to influx of Chinese workers.
82. Collaborate with Lao government to implement more poverty reduction policies, including increased TVET investments and directly creating more jobs. Not only will this improve short term public perceptions of Chinese presence in Laos, it will ultimately lead to long-term benefits from a larger skilled Lao workforce, increasing number of productive Laos workers for future BRI and other Chinese employers.

83. More actively address negative international perceptions of BRI project implementation, particularly regarding financing and loans. Loans for BRI projects in Laos, especially the Laos-China High Speed Railway, have caused concern in Lao and internationally to the extent that they are perceived as unsustainable and disproportionate in relation to Laos GDP, while the Laos budget deficit has been consistently increasing in recent years.
84. Encourage and incentivize partnerships between Chinese firms and local Lao businesses, especially in relation to BRI projects, to mitigate negative perceptions that Chinese firms are crowding out local firms.
85. Improve public information regarding short, medium, and long term progress of BRI projects in fulfilling domestic and local economic and social development goals.

#### **L. Malaysia**

86. Build an upgraded version of the China-ASEAN Free Trade Area and implement a Belt and Road Initiative for Trade Facilitation. China and Malaysia should more generally develop economic and trade cooperation, optimizing international resource allocation, and extending industrial supply chain.
87. Promote government support for agriculture and invest in higher quality/value for agricultural products. The government should offer preferential treatment for agrifood import and export enterprises in terms of taxation, revenue, credit, land use, etc.
88. Promote the bilateral development of transportation infrastructure linking China and Malaysia. Further deepen cooperation in physical distribution, ports, agrifood cold chains, logistics, and other industries. Improve customs clearance at border crossings to import and export efficiency for agrifood products between China and Malaysia.
89. Enhance investment in production, processing, and marketing cooperation with Malaysia in fishery development. Malaysia's mariculture industry is highly developed and has a relatively complete industrial chain and basic conditions. While expanding imports, Chinese enterprises and allied government agencies can learn and share this advanced experience and technology through investment partnerships.

90. Promote cultural exchanges with Malaysia. Malaysia's overseas Chinese account for nearly one-third of its total population, so the promotion of cultural exchanges between China and Malaysia will eliminate gaps and misunderstanding between the two countries, with probably benefits for both the quantity and quality of foreign direct investment.
91. Promote development of higher education with coordinated effort from China and Malaysia. New mechanisms and models of international education cooperation and exchange should be explored in depth. To achieve this, international academic activities should be held regularly to enhance the breadth and depth of educational cooperation between China and Malaysia.
92. Focus on the development of Malaysia's specialty tourism products and brands. Malaysia has a wealth of natural resources, so it is beneficial to develop specialized products targeting Chinese tourists. The development of tourism also contributes to cross-cultural exchanges between the two countries, which can be expected to deepen economic relationships.
93. Provide dedicated training services to Chinese companies (BRI and otherwise) operating in Malaysia, facilitating their local adaptation to and respect for Malaysia's local culture and labor laws, customs, and lifestyles. This can reduce friction within firms and in their relations with local counterparts firms and communities.
94. Provide more equal access to primary and secondary BRI activities for SMEs in both countries. Supply of raw materials, cross-border trade, professional services, and even supporting business services such as food, clothing, housing and transportation behind the Belt and Road construction are closely related to SMEs.
95. Promote the development of higher-technology partnerships, offering public incentives where needed to capture innovation and productivity benefits. By drawing more high-tech talents, not only will it encourage the industrial transformation and upgrading, it will also enhance the efficiency of traditional industries as well.

## **M. Myanmar**

96. Capturing the full benefits of BRI requires that both partners commit to the infrastructure and institutions necessary to support increased regional trade and

economic activity that will come with upgrading transport routes such as the Asian Highway and the GMS East-West Economic Corridor. These include laws, agreements, and processes that facilitate customs clearance, transport and logistics more efficient.

97. Greater commitments from both sides to shared standards for negotiation, implementation, monitoring, and communication of BRI financing arrangements.
98. More attention to BRI in the larger context of its contribution and other impacts on bilateral relations, particularly at the local level. Both governments should make clear their commitments to constructive engagement and socially responsible conduct of private sector counterparts.
99. Create tax incentives or other mechanisms to encourage sustainable practices and resource use. This should be coupled with increased accountability, which can either be enforced by requiring that individual companies report their practices or by creating more efficient channels for local employees to submit feedback to a more central authority.
100. Increase public and private media access to projects to improve societal awareness and social responsibility. Media are also an important tool or measure and influence local perceptions towards Chinese policies, enterprises, and investors. This information resource strengthens the hand of local and national policy makers in promoting equity and social responsibility.
101. Invest in public information resources that elucidate the benefits and costs of these investment projects for both countries so that the general public understands better the details of each transaction and is thereby less likely to be influenced by biased political opinions. Official websites, for example, can develop and carry this content and link to media sources that reach more local audiences.
102. Clarify and establish better security measures at and in proximity to investment sites. This includes, but is not limited to, enforcing higher quality equipment and communication channels in the event of accidents. All equipment should pass minimum initial and ongoing inspection standards issued by the central government. Information about incidents should be responded to promptly and publicly to promote compliance and best safety practices.

103. Encourage more third-party research into the impacts of BRI projects so as to advise on potential policy changes in the future that could support more rapid and inclusive economic growth. For example, research could help clarify efficiency levels at different stages along supply chains, transferring positive lessons to overcome challenges elsewhere. This kind of integrated operations management can significantly enhance overall returns for all BRI participating partners, including local stakeholders.
104. Encourage investments in non-tangible assets such as skills that are needed to utilize these improved transport systems and facilities to their full capacity. This requires bilateral commitment to knowledge and technology transfers, the expected productivity benefits will be shared across BRI partnerships and increase positive local spillovers. Because of its many international BRI commitments, China is in an excellent position to transfer best TVET practices and other productivity enhancing strategies with each bilateral partner.
105. Implement measures that explicitly promote appropriate local employment. This will help alleviate some local perceptions that the BRI is replacing the local work force by importing Chinese skilled workers. While employee training may be costly, it has many spillover benefits for both sides of the bilateral partnership, and both governments should promote this, with financial incentives if necessary.

#### **N. Thailand**

106. Facilitate sustained and transparent policy communication between China and Thailand. For example, promote the cooperation between BRI and Thailand's 4.0 strategy to reach a strategic consensus, improving public and private stakeholder awareness by creating demonstration zones for joint investment in enterprise development, trade, and productivity in both countries to set examples for China and Thailand's investment decisions.
107. Promote agricultural cooperation between China and Thailand. Give full play to the advantages of more effectively developing agricultural resources and agrifood supply chains in the both countries, strengthening product differentiation and value added.

108. Promote the interconnection in the infrastructure sector. By carrying out the constructions of railway, ports, and airports, the transportation costs of trade between China and Thailand will be reduced, providing a more convenient and better-quality guarantee for the enterprises in agriculture, manufacturing and tourism.
109. Promote public and private sector cooperation for bilateral tourism development. The profound historical heritage of Thailand and its Buddhist culture can support expansive cultural and religious tourism across Thailand. With a dense population and a large number of tourists, investors in both countries can collaborate on the hospitality sector to meet the needs of the local market.
110. Promote trade between China and Thailand with fiscal and financial incentives, including tax deductions, exemptions, and PPP. The two countries should actively more open bilateralism, reducing trade barriers and facilitating customs and temporary immigration for work, business, and recreation.
111. Improve the legal protections for companies investing in both countries. The political situation in Thailand is currently relatively unstable. To maintain a favorable investment climate, more agreements and policies should be targeted to securing market interactions, property rights, and contracts should be reached in this regard. Relevant public information for both Thai and Chinese enterprises, including training on investment laws, regulations, and protections are encouraged.
112. Enhance the level of public and private financial cooperation between China and Thailand. Improve both Renminbi and Thai Baht liquidity/reserve and exchange mechanisms on both sides, encourage enterprises to use local currency for both transactions and financing, eventually contributing to a regional settlement system. At the same time, an early warning mechanism should be established regarding profitability and liquidity conditions for financial institutions, including clear and effective protocols to limit contagion.
113. Raise bilateral awareness in both country's channels of civil communication. Promote Mandarin language instruction in Thailand, particularly in service sector and commercial education. Both countries should promote mutual awareness, constructive engagement, and economic synergy by investing in broader opportunities for bilateral cultural and social engagement.

114. Encourage bilateral investment in leading innovation and knowledge-intensive sectors such as biotechnology, robotics, and artificial intelligence. Taking scientific research cooperation as the entry point, relaxing investment restrictions, simplifying investment and finance procedures, and protecting contract and intellectual property rights can support mutually beneficial bilateral investment for industrial transformation and upgrading.
115. Promote skill-intensive TVET of all kinds in both countries, with BRI as an incubator of collaborative skill development. Promote regular research and scholarly exchange between the two countries. Increase public and private sponsorship of scientific/engineering symposiums and academic conferences. Promote advanced study abroad between Thailand and China to advance mutual understanding, leadership, and general talent development.

#### **O. Vietnam**

116. Implement measures to help increase worker productivity in Vietnam. Invest in technical training to increase local worker employment and wages on BRI projects and thereafter, improving local community engagement. There is currently a sense among the local labor force that current BRI enterprise practices are actually crowding out opportunities that could otherwise go to Vietnam workers.
117. Improving BRI business practices in leading categories of corporate social responsibility, including labor and environmental standards. This will improve worker and community perceptions, safety, and productivity.
118. Encourage BRI investors to actively consider and take account of observable characteristics of innovation and intangible assets, improving public awareness of their long-term contributions to local communities.
119. Develop a strong financial connection between the two countries by establishing institutions for bilateral investment risk management. This will not only reduce future risks but will improve the investment climate for enterprises from both countries, expanding the collateral benefits of BRI and more fully utilizing the capacity of new infrastructure.
120. Facilitate more transparent and balanced bilateral dialog, particularly at the local level. This is particularly important overcome perceived marginalization and

misunderstandings between implementing agents on both side (e.g. sub-contractors and local agencies/organizations).

121. Establish more transparent and timely monitoring capacity for BRI projects, as well as clear financial and regulatory incentives and penalties for compliance with BRI bilateral objectives. In this process both governments should assume more responsibility for project implementation and outcomes.
122. Create a detailed and transparent system of enterprise incentives and penalties compatible with China's overseas enterprise policies toward the UN 2030 SDG agenda (UNDP: 2017). This policy statement looks very good on paper, but there is little evidence yet that BRI implementing firms see it as a priority.
123. Encourage independent third-party BRI impact assessment, including short, medium, and long-term effects on partner businesses, workers, and overall economies. This evidence will help identify best practices, policy coherence with other development partners, and showcase BRI benefits internationally.
124. Promote investments in non-tangible assets such as skill transfers that are needed to utilize new infrastructure systems to their full capacity. For example, high logistical costs can be overcome with improved communication, leading to accelerated growth of transportation services.
125. Promote favorable bilateral perceptions and relations with greater commitment to cultural, social, and educational exchange, including conferences, media support, and research and scholarly exchange. All these measures can improve mutual awareness and the bilateral investment climate.



## ***VIII. Overall Policy Recommendations***

126. The experience of six different GMS economies with BRI has been quite diverse and instructive. Each national author has made individual recommendations offering specific insights for their home countries in partnership with the PRC. In addition to this, the overall TA allows us to derive more general lessons that can improve the benefits of BRI and other bilateral investment initiatives regionally and even globally. In this section, we distill a few broader insights with the goal of promoting the BRI in the context of ADB's core agenda – inclusive and convergent Asian regional development.

### **A. General recommendations**

1. Improve public information on BRI generally, its accomplishments elsewhere, and its relevance to national development experience in each partner country. This should include, but not be limited to, more robust stakeholder engagement and more rigorous, standardized ex ante, ongoing, and ex post project evaluation.
2. Expand the scope of bilateral project management and oversight, including more inclusive prior consultation, formal agreements/contracts, and capacity for dispute resolution.
3. Promote complementary sector development strategies, especially rural and small enterprises that have been constrained by market access barriers. For example, regional governments can leverage BRI and ADB regional connectivity investments by providing preferential treatment for agrifood products import and export enterprises in terms of taxation, revenue, credit, land use, etc.
4. Promote cultural and educational exchanges that improve mutual awareness, cooperation, and shared productivity growth. This will reduce risks of public distrust and improve the investment climate across the region.
5. Promote regional financial integration, improving risk management through diversification, economies of scale, and improved information.

## **B. Recommendations for BRI Partner Governments**

1. Improve transparency, timeliness, and inclusive policy dialog with respect to BRI investments.
2. Clearly align BRI commitments with national development strategy and communicate this to domestic public and private stakeholders at all levels, including other development partners.
3. Clearly communicate both short-term and long-term benefits and costs of BRI projects, especially in terms of direct and indirect growth stimulus, job creation, demographic transition, and environmental impacts.
4. Commit to complementary local investments and institutional development to achieve more inclusive gains from BRI projects. These initiatives should include public and private capacity development, financial services to local enterprises, and labor force development.
5. Cooperate with the PRC to directly monitor operations of every BRI project, measure and publicize progress according to explicit and mutually agreed initial goals and metrics.

## **C. Recommendations for the PRC**

1. Invest in more detailed and timely information on BRI economic goals and individual project contributions to local, national, bilateral, and regional development.
2. Use standardized metrics such as the SDGs to measure and communicate progress, locally, across the partner country, and at home.
3. Develop rigorous, transparent, and internationally recognized performance standards for home and partner-country contractors, including training resources and certification schemes where appropriate.
4. More actively promote BRI as an incubator for partner-country development, technology transfer, and domestic productivity growth. Because of its many international BRI commitments, China is in an excellent position to transfer best practices and productivity enhancing strategies to bilateral partners.

Provide incentives for Chinese firms to increase partner-country joint venture partnership, contracting, and local TVET investments.

5. Investment in capacity utilization: In addition to high-profile infrastructure projects, BRI can support parallel channels of Chinese private investment to utilize this capacity in both directions. This can be facilitated to benefit partner countries through more determined commitments to regional supply chain development, promoting standards, contracting, and trade facilitation for inclusive regional development.

#### **D. Recommendations for ADB**

1. Seek complementarity between existing regional initiatives and BRI, particularly in the context of standards, coordination externalities, and finance.
2. Support local capacity development for best practices related to stakeholder engagement, project evaluation, financing, and oversight.
3. Follow the lead of UN organizations and mainstream SDGs as criteria for development progress generally and project evaluation in particular. Every ADB DMC and Board member is a signatory to the 2015 SDG Agenda, and more determined effort to adopt and propagate these metrics would facilitate policy coherence across the region.
4. Work with all DMCs to promote "bilateralism within multilateralism", more effectively coordinating regional development partnership for inclusive progress.
5. Work with all DMC's to promote complementary policies and investments: Capturing the full benefits of BRI and other individual project investments requires broader commitments to the infrastructure and institutions necessary to facilitate increased regional trade and economic activity that will come with upgrading transport routes such as the Asian Highway and the GMS East-West Economic Corridor. These include laws, agreements, and processes that facilitate customs clearance, transport and logistics more efficient.

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## ***X. Annex 1 – Sustainable Development Goals***

127. On 25 September 2015, the 193 Member States of the United Nations adopted the Sustainable Development Goals (SDGs), a set of 17 aspirational objectives with 169 targets expected to guide development actions of governments, international agencies, civil society and other institutions over the next 15 years (2016-2030).
128. The 17 SDGs aim to end poverty and hunger while restoring and sustainably managing natural resources. They integrate the three dimensions of sustainable development – economic, social and environmental. They are indivisible – no one goal is separate from the others, and all call for comprehensive and participatory approaches. And they are universal – the 2030 Agenda is as relevant to developed as it is to developing nations.

**Figure A1.1: Sustainable Development Goals for the UN Agenda 2030**



129. Harmonized indicators are essential to measuring progress, and SDGs will ultimately be turned into management tools to help countries develop implementation strategies and allocate resources accordingly, measure progress towards sustainable development, and help ensure the accountability of all stakeholders in achieving the SDGs. Because all the countries participating in the current TA are signatories to the 2030 Sustainable Development Agenda, it is appropriate to use SDGs for evaluation of our RCI and BRI initiatives.

**Table A1.1: United Nations Sustainable Development Goals**

	Topic	Title
1	Poverty	<u>End poverty in all its forms everywhere</u>
2	Food	<u>End hunger, achieve food security and improved nutrition and promote sustainable agriculture</u>
3	Health	<u>Ensure healthy lives and promote well-being for all at all ages</u>
4	Education	<u>Ensure inclusive and equitable quality education and promote lifelong learning opportunities for all</u>
5	Women	<u>Achieve gender equality and empower all women and girls</u>
6	Water	<u>Ensure availability and sustainable management of water and sanitation for all</u>
7	Energy	<u>Ensure access to affordable, reliable, sustainable and modern energy for all</u>
8	Economy	<u>Promote sustained, inclusive and sustainable economic growth, full and productive employment and decent work for all</u>
9	Infrastructure	<u>Build resilient infrastructure, promote inclusive and sustainable industrialization and foster innovation</u>
10	Inequality	<u>Reduce inequality within and among countries</u>
11	Habitation	<u>Make cities and human settlements inclusive, safe, resilient and sustainable</u>
12	Consumption	<u>Ensure sustainable consumption and production patterns</u>
13	Climate	<u>Take urgent action to combat climate change and its impacts</u>
14	Marine-ecosystems	<u>Conserve and sustainably use the oceans, seas and marine resources for sustainable development</u>
15	Ecosystems	<u>Protect, restore and promote sustainable use of terrestrial ecosystems, sustainably manage forests, combat desertification, and halt and reverse land degradation and halt biodiversity loss</u>
16	Institutions	<u>Promote peaceful and inclusive societies for sustainable development, provide access to justice for all and build effective, accountable and inclusive institutions at all levels</u>
17	Sustainability	<u>Strengthen the means of implementation and revitalize the global partnership for sustainable development</u>

## ***XI. Annex 2 – Working Consultation***

The working Consultation for ADB Technical Assistance “Study of the Belt and Road Initiative” with Stakeholders in the Greater Mekong Sub-region and Malaysia was held on 24 April 2018 in Beijing, the People’s Republic of China.

### **Consultation at a Glance**

The Asian Development Bank (ADB) technical assistance, Study of the Belt and Road Initiative (BRI) (TA-9124), seeks to facilitate regional dialogue on the BRI and other regional cooperation frameworks and initiatives involving the People’s Republic of China (PRC), other Greater Mekong Sub-region (GMS) countries and Malaysia, as a pilot focus.<sup>3</sup>

Of these countries, Cambodia, Lao PDR, Malaysia, Myanmar and Thailand signed the Guiding Principles on Financing the Development of the Belt and Road Initiative with the PRC during the Belt and Road Forum held in May 2017, committing to establishing common platform(s), building an enabling financing system and policy environment, in order to facilitate the development of the Belt and Road. In parallel, the Government of Viet Nam has signed several memorandums of understanding (MOU) and an Economic and Trade Cooperation Agreement with the PRC to strengthen economic integration and connectivity between the two countries.

During the Belt and Road Forum, ADB, together with five other multilateral development banks (MDBs) including the Asian Infrastructure Investment Bank, European Bank for Reconstruction and Development, European Investment Bank, New Development Bank and the World Bank Group, signed an MOU with the PRC’s Ministry of Finance. The MOU confirms the six MDBs’ willingness to cooperate with BRI, in the context of each institution’s mandate, their country partnership strategies and projects, and (sub)regional cooperation strategies and programs (such as GMS and Central Asia Regional Economic Cooperation, supported by ADB). The BRI can present an opportunity to strengthen and/or complement the existing regional cooperation framework in Asia and globally.

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<sup>3</sup> The “Mainland-Southeast Asia economic corridor” was identified as one of six economic corridors for consideration in the PRC’s Visions and Actions Statement on the BRI. Government of the People’s Republic of China, National Development and Reform Commission; Ministry of Foreign Affairs; and Ministry of Commerce. 2015. *Visions and Actions on Jointly Building the Silk Road Economic Belt and the 21st-Century Maritime Silk Road*. Beijing.

This working consultation will serve to prepare a regional workshop to be held under the TA to help inform the positioning of the BRI in the overall regional cooperation and integration landscape and related policy development. This consultation will convene participants from research institutions in the PRC and other GMS countries and Malaysia, as well as other regional and international experts. It will facilitate dialogue among academic representatives from the concerned countries on the potential synergies among BRI and other regional cooperation frameworks and initiatives to promote economic growth and regional cooperation and integration efforts in the PRC, GMS and wider region; and will explore emerging priority areas and channels for investment.

### **Consultation Venue**

China World Summit Wing, Room SW41

No. 1 Jianguomenwai Avenue

Beijing 100004

Tel. (86-10) 6505 2299

Website: <http://www.shangri-la.com/beijing/chinaworldsummitwing/>

### **Consultation Participants**

Experts from academic and research institutions, and other stakeholders, in the PRC:

- Dr. Song Junying, Deputy Director, Department of Asia Pacific Study, China Institute of International Studies
- Mr. Xu Ningning, Executive President, China-ASEAN Business Council
- Dr. Song Qingrun, Associate Professor, Unit Chief of Bay of Bengal Rim Unit, Institute of South and Southeast Asian and Oceanian Studies, China Institute of Contemporary International Relations

Experts from academic institutions in other GMS countries and Malaysia:

- Dr. Pham Sy Thanh, Director of Chinese Economic Studies Program, University of Economics and Business, Viet Nam National University
- Dr. Vannarith Chheang, Visiting Fellow at ISEAS-Yusof Ishak Institute in Singapore and former Chairman of the Cambodian Institute for Strategic Studies
- Dr. Neak Chandarith, Director of the 21st Century Maritime Silk Road Research Center, Royal University of Phnom Penh
- Dr. Cheng-Chwee Kuik, Associate Professor at the Strategic Studies and International Relations Program, National University of Malaysia

TA-9124 expert consultants:

- Mr. Weidong Liu, TA consultant and team leader
- Mr. Zhang Jianping, TA consultant
- Mr. Taidong Zhou, TA consultant
- Mr. Danny Burrows, TA consultant

Asian Development Bank and ADB Institute:



- Mr. Ying Qian, Director, Public Management, Financial Sector and Regional Cooperation Division of the East Asia Department, ADB
- Mr. Peter Morgan, Senior Consulting Economist and Co-Chair of the Research Department, ADB Institute
- Mr. James Villafuerte, Economist, Economic Research and Regional Cooperation Department, ADB
- Ms. Stephanie Kamal, Regional Cooperation Specialist, EAPF/EARD, ADB

## **Consultation Agenda**

08:30 – Registration

09:00

09:00 – Welcome Remarks:

- 09:15
- Mr. Ying Qian, Director, Public Management, Financial Sector and Regional Cooperation Division of the East Asia Department, ADB

09:15 –  
12:00 SESSION I: Understanding the BRI in the context of various bilateral and multilateral agreements and memoranda of understandings to help accelerate regional and global connectivity and growth.

The BRI was formerly announced by President Xi Jinping of the PRC in 2013 and has since evolved to encompass an increasing number of bilateral and multilateral agreements to enhance its scope and ambitions for trans-continental connectivity and policy coordination. While bilateral and multilateral engagements on the proposed initiative are growing and demonstrated through high-level agreements at the levels of governments, public and private sector organizations, there remains communication and information gaps and a related lack of understanding of its underlying “win-win” proposition. The objectives of the first and second sessions of the workshop are to understand different country perspectives on the role that the BRI can play in promoting investment in regional connectivity and economic integration, and its anticipated impact on regional economic growth, in the PRC and Southeast Asia.

**Moderators:** Mr. Ying Qian, Director, EAPF/EARD, ADB; and Ms. Stephanie Kamal, Regional Cooperation Specialist, EAPF/EARD, ADB.

09:15 –  
09:45 **SESSION Ia:** Panel to present PRC experts’ views on, and discuss, the PRC’s initiative to develop and implement a multi-layered cross-border connectivity development strategy under the BRI from the PRC perspective:

- (i) Prospective role of the BRI as a convenor of financing and accelerator of regional cooperation and integration and promotion of open regionalism; existing channels for investment in BRI-linked projects/programs and cross-border cooperation.
- (ii) Progress of, and lessons learned from, regional connectivity initiatives and demonstration projects/programs under the BRI, and their differences, if any from other regional cooperation and integration initiatives and projects.
- (iii) Ongoing reforms in the PRC to facilitate implementation of the BRI, including to expand shared interests and mutual investment areas and facilitate deeper integration with the regional economic system.

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**Panellists:**

- Mr. Weidong Liu, TA-9124 consultant and team leader
- Mr. Zhang Jianping, TA-9124 consultant
- Mr. Taidong Zhou, TA-9124 consultant
- Dr. Song Junying, Deputy Director, Department of Asia Pacific Study, China Institute of International Studies
- Mr. Xu Ningning, Executive President, China-ASEAN Business Council
- Dr. Song Qingrun, Associate Professor, Unit Chief of Bay of Bengal Rim Unit, Institute of South and Southeast Asian and Oceanian Studies, China Institute of Contemporary International Relations

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09:45 – Open Floor Discussion

10:15

10:15 – Tea/Coffee break

10:30

10:30 – **SESSION Ib:** Panel to present perspectives of experts from other countries on the BRI, including expectations and concerns by discussing:

11:30

- (i) Conceptual understanding and views on the BRI by stakeholders in GMS countries and Malaysia, and potential synergies with national and sub-regional development priorities and initiatives.
- (ii) PRC, GMS and Malaysia economic corridor network investment gaps, and anticipated economic benefits of economic corridor development and transmission mechanisms in the region.

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**Panellists:**

Representatives of the academic community in GMS countries and Malaysia:

- Dr. Pham Sy Thanh, Director of Chinese Economic Studies Program, University of Economics and Business, Viet Nam National University

- Dr. Vannarith Chheang, Visiting Fellow at ISEAS-Yusof Ishak Institute in Singapore and former Chairman of the Cambodian Institute for Strategic Studies
- Dr. Neak Chandarith, Director of the 21<sup>st</sup> Century Maritime Silk Road Research Center, Royal University of Phnom Penh
- Dr. Cheng-Chwee Kuik, Associate Professor at the Strategic Studies and International Relations Program, National University of Malaysia

Mr. James Villafuerte, Economist, Economic Research and Regional Cooperation Department, ADB

11:30 – Open Floor Discussion

12:00

12:00 – Lunch

14:00

14:00 – SESSION II: Identifying challenges that need to be addressed and potential mechanisms to ensure synergies among the BRI and other (sub)regional cooperation and integration frameworks and efforts.

16:30

The objectives of Session II are to identify issues, preferably through case studies of actual projects, and deliberate means to resolve those issues that may be pursued in the context of various bilateral and multilateral agreements relating to the BRI, and other projects under various (sub)regional cooperation and integration efforts. How to ensure economic and financial billability and debt sustainability of the projects, their adherence to the highest level of environmental social safeguard standards, and good governance principles and practices? How to track the results of each project and learn from the lessons?

**Moderators:** Mr. Ying Qian, Director, EAPF/EARD, ADB; and Ms. Stephanie Kamal, Regional Cooperation Specialist, EAPF/EARD, ADB.

14:00 – Panel discussion on:

15:15

- How to identify and develop projects to be implemented under BRI bilateral and multilateral agreements, and other (sub)regional cooperation frameworks and initiatives? How to ensure strong mutual ownership?
- How best for all stakeholders to address challenges in making investments inclusive both regionally and within countries with solid implementation arrangements and standards to mitigate risks and ensure sustainability and transparency, and carrying out the reforms needed to maximize regional cooperation and integration benefits?
- For projects involving private sector investments partially or fully – how to assign various kinds of risks between public and

private sectors? And in the case of projects involving more than one country, how the public sector risks should be shared among different governments?

- Existing cross-border project sourcing and financing mechanisms and coordination challenges; and how existing mechanisms can be used for technical cooperation on BRI-related investments and programs?
- The role of, and recommended channels for, the private sector in scaling up financing for BRI-linked investments and for other (sub)regional cooperation frameworks and efforts.
- Emerging institutional landscape for BRI development and implementation and cross-border coordination mechanisms; potential solutions for more inclusive and transparent multi-country coordination and investment planning and financing of BRI projects/programs.

Panellists:

Representatives of the academic community in the GMS and Malaysia:

- Dr. Pham Sy Thanh, Director of Chinese Economic Studies Program, University of Economics and Business, Viet Nam National University
- Dr. Vannarith Chheang, Visiting Fellow at ISEAS-Yusof Ishak Institute in Singapore and former Chairman of the Cambodian Institute for Strategic Studies
- Dr. Neak Chandarith, Director of the 21<sup>st</sup> Century Maritime Silk Road Research Center, Royal University of Phnom Penh
- Dr. Cheng-Chwee Kuik, Associate Professor at the Strategic Studies and International Relations Program, National University of Malaysia
- Dr. Song Junying, Deputy Director, Department of Asia Pacific Study, China Institute of International Studies
- Dr. Song Qingrun, Associate Professor, Unit Chief of Bay of Bengal Rim Unit, Institute of South and Southeast Asian and Oceanian Studies, China Institute of Contemporary International Relations

Mr. Danny Burrows, TA-9124 Consultant

Mr. Peter Morgan, Senior Consulting Economist and Co-Chair of the Research Department, ADB Institute

15:15 – Tea/Coffee break

15:30

15:30 – Open Floor Discussion

16:30

16:30 – Summary of discussions and closing statements (ADB)

17:00

## ***XII. Annex 3 – Inception Workshop***

### **INCEPTION WORKSHOP FOR THE TECHNICAL ASSISTANCE STUDY OF THE BELT AND ROAD INITIATIVE**

#### **TENTATIVE PROGRAM**

ADB, Manila, Philippines  
29 November 2018

#### **Purposes of the Inception Workshop**

1. Present and review BRI project evaluations in GMS countries.
2. Consult with ADB and DRC/PRC collaborators and experts on interpretation of findings, results communication and emphasis, and related project experiences.
3. Identify key focal points for ongoing author support, timetable, individual and team deliverables, and key next steps.

#### **Participants**

- **PRC:** Representatives the Development Research Center of the State Council, PRC.
- **GMS Partner Country Experts:** Authors of individual national assessments.
- **ADB and Other International Experts:** Representatives from companies in the PRC, and relevant academic and research institutions.

#### **Co-Chairs**

The consultation meeting is proposed to be co-chaired by ZHOU Taidong, DRC/PRC and Stephanie Matter-Kamal, ADB.

Time	Item	Executor
<b>28 January 2018</b> Arrival of delegates in Manila		
<b>29 January 2018</b>		
08:30 – 09:00	Registration	ADB
<b>Session 1: Opening and welcome</b>		
09:00 – 9:15	Opening remarks	<ul style="list-style-type: none"><li>- ZHOU Taidong, DRC/PRC</li><li>- Stephanie Matter-Kamal, ADB</li></ul>
09:15 – 9:30	Group photo	

Session 2: Transport Infrastructure		
	This session reviewed the national assessments for BRI projects related to transportation infrastructure.	
09:30 – 11:15	<p><b>Rail Transport</b></p> <ul style="list-style-type: none"><li>1. Lao PDR: China-Lao Railway</li><li>2. Malaysia: East Coast Railway</li><li>3. Thailand: East Economic Corridor</li><li>4. Vietnam: Three Railway Project</li></ul> <p><b>Road Transport</b></p> <ul style="list-style-type: none"><li>1. Cambodia : Sihanoukville Expressway</li><li>2. Viet Nam : Three Highway Project</li></ul> <p><b>Water Transport</b></p> <ul style="list-style-type: none"><li>1. Myanmar – Floating Port</li></ul>	Ms. Stephanie Matter–Kamal Young Professional, ADB
11:15-11:30	Coffee Break	
11:30-12:30	<p><b>ADB Panel of Transport Specialists</b></p> <p>The national presentations will briefly describe each BRI project and summarize preliminary assessment results, inferences, and expected further evidence.</p> <p>ADB panelists will comment on the presentations and from their own experience offer guidance regarding further research, interpretation, results communication, and how best to support policy dialog.</p>	
12:30 – 13:30	Buffet Lunch hosted by ADB	
Session 3: Trade/FDI Facilitation		
	This session reviewed the national assessments for BRI projects related to bilateral economic and trade cooperation, BEZ development, and RCI.	
13:30 – 16:15	<ul style="list-style-type: none"><li>1. Cambodia: Sihanouk Port SEZ</li><li>2. Malaysia: Support for Maoyan Exports</li><li>3. Myanmar: Myanmar Towa SEZ</li><li>4. Thailand: Taizhong Luoyong Industrial Park</li><li>5. Viet Nam: Two Corridors, One Belt</li></ul>	Ms. Stephanie Matter–Kamal Young Professional, ADB
16:15-16:30	Coffee Break	
16:30-17:30	<p><b>ADB Panel of Trade/RCI Specialists</b></p> <p>The national presentations will briefly describe each BRI project and summarize</p>	

	<p>preliminary assessment results, inferences, and expected further evidence.</p> <p>ADB panelists will comment on the presentations and from their own experience offer guidance regarding further research, interpretation, results communication, and how best to support policy dialog.</p>	
Session 5: Closing		
17:30 – 18:00	<p>Closing remarks</p> <p>The speakers will summarize agreements on the way forward and key actions to support implementation of this TA for cross-border cooperation support.</p>	<ul style="list-style-type: none"><li>- Stephanie Matter-Kamal, ADB</li><li>- ZHOU Taidong, PRC</li></ul>
30 November 2018		
08:30 – 12:00	TA Team Meeting to Agree on Revisions, Timetable, and Key Next Steps	
12:00 – 13:30	Lunch hosted by ADB	

### ***XIII. Annex 4 – Final Workshop***

#### **TECHNICAL ASSISTANCE STUDY OF THE BELT AND ROAD INITIATIVE TA-9124**

#### **FINAL WORKSHOP AGENDA**

Beijing, 29 March 2019

#### **Background**

The Technical Assistance (TA-9124) Study of the Belt and Road Initiative (BRI) is supporting the People's Republic of China (PRC) State Council's Development Research Center (DRC) in its knowledge work on the BRI. The TA seeks to advise on institutional arrangements and tools that can enhance the BRI's impact as a regional cooperation and integration (RCI) initiative and better engage with participating countries – with a focus on mainland Southeast Asia (i.e. Cambodia, Lao PDR, Thailand, Malaysia, Myanmar, and Viet Nam).

A team of academic researchers from the PRC and mainland Southeast Asia (MSEA) together with two international consultants are undertaking the study under TA-9124. It will present (i) an institutional-level analysis of the BRI and its positioning in the RCI landscape MSEA, (ii) mapping of physical progress in developing the PRC–MSEA Corridor (listed in the BRI Vision and Actions Statement, 2015<sup>4</sup>) and case studies of related BRI projects, and (iii) recommendations for more effective engagement at the institutional-level to enhance policy coherence and financing for shared RCI objectives<sup>5</sup>.

Since the commencement of this TA, two interim workshops have been conducted, in April and November 2018 respectively. The final project workshop has been scheduled in Beijing on 29 March 2019, where consultants will present their draft reports.

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<sup>4</sup> Government of the PRC, National Development and Reform Commission; Ministry of Foreign Affairs; and Ministry of Commerce. 2015. *Vision and Actions on Jointly Building the Silk Road Economic Belt and 21<sup>st</sup>-Century Maritime Silk Road*. Beijing.

<sup>5</sup> Ibid.



## AGENDA

### China World Summit Wing Hotel Beijing

**Beijing, 29 March 2019**

Objectives	<ul style="list-style-type: none"> <li>• Present the draft reports on (i) mapping of existing and emerging (PRC-invested) infrastructure projects connecting the PRC–MSEA Economic Corridor, (ii) institutional-level analysis of the BRI as an RCI platform, and (iii) main findings and recommendations for stakeholders.</li> <li>• ADB and DRC will consult the major stakeholders of PRC side on TA research findings and recommendations; collect feedback for report finalization.</li> </ul>
Participants	<ul style="list-style-type: none"> <li>• PRC: State Council's DRC and Other BRI related ministries and academic institutions</li> <li>• TA consultants.</li> <li>• Asian Development Bank</li> </ul>
Date and Location	<ul style="list-style-type: none"> <li>• 29 March 2019: Beijing, PRC</li> </ul>
0830 – 0900	Registration
0900 – 0920	<p>Session 1: Opening Session</p> <p>Welcome Dr. Gong Sen, Exectutive Vice-President, Center for International Knowledge on Development, Development Research Center, State Council, PRC</p> <p>Remarks: Mr. Ying Qian, Public Management, Financial Sector, and Regional Cooperation Division, East Asia Department, Asian Development Bank</p>
0920 – 1050	<p>Session 2 : GMS and BRI</p> <p>In this session, participants will compare the two RCI mechanisms from the following perspectives: origin and evolvement, vision and strategy, institutional arrangement, project identification and financing, and discuss opportunities for alignment and coordination, both between development partners and with local public and private actors.</p> <p>Covered topics:</p> <ul style="list-style-type: none"> <li>- Origin, evolvement and lessons learnt from GMS</li> <li>- Project host country's perception of these two mechanisms</li> <li>- Possible coordination mechanism between two RCI initiative</li> <li>- Participation country internal coordination approach</li> <li>- ADB's possible contribution</li> </ul> <p>Presenters: Asadullah Sumbal, Priciple Regional Cooperation Specialist TA consultant/Zhang Jianpin</p>

	<p>Moderator:</p> <p>Mr. Ying Qian, ADB</p> <p>(Note: After the presentation, moderator will open the floor for discussion.)</p>
1050 – 1115	Coffee break
1115 – 1245	<p>Session 3: BRI project assessment</p> <p>In this session, the ADB TA team will present their findings to DRC and other participants, inviting comments for report finalization. At the beginning of this session, Dr. David Roland Holst, UC Berkeley, will give an overview of the main findings and recommendations. National report authors will then be available to comment and answer questions about their studies.</p> <p>Presenter: Dr. David Roland Holst, UC Berkeley,</p> <p>Moderator: Mr. Bo An, ADB (Note: After the presentation, moderator will open the floor for discussion.)</p>
1245 – 1330	Lunch
1330 – 1500	<p>Session 4: Economic corridor development</p> <p>ADB staff will begin with an overview of economic corridor development across the GMS, including the concept and evolution of economic corridors, development strategies and action plans, progress and regional impact, and ADB's role in economic corridor development generally. Chinese experts will present their own assessment of progress for the PRC-MSEA economic corridor.</p> <p>Covered topics:</p> <ul style="list-style-type: none"> <li>- EC vs. SDG</li> <li>- Lesson learnt from GMS</li> <li>- BRI ECs vs. GMS ECs</li> <li>- Project identification and funding approach comparison</li> <li>- Project host countries comments</li> <li>- Project fiscal sustainability</li> </ul> <p>Preseters: Asadullah Sumbal, Principle Regional Cooperation Specialist PRC expert (TBD)</p> <p>Moderator: Mr. Taidong Zhou, DRC</p> <p>(Note: After the presentation, moderator will open the floor for discussion.)</p>

1500 – 1510	Coffee Break
1510 – 1640	<p>Session 5: Safeguard issue and international investment</p> <p>In this session, ADB will introduce its safeguard policy (environment, social safeguard, and policies towards indigenous peoples). PRC will then comment on relevant BRI safeguards, followed by discussion of opportunities for GMS countries, development partners, and financial institutions to cooperate on safeguard standards applicaiton and compliance.</p> <p>Covered topics:</p> <ul style="list-style-type: none"> <li>- International standard</li> <li>- ADB policy and project experience</li> <li>- PRC overseas investment experience</li> <li>- BRI projects experience</li> </ul> <p>Presentors: Juan Quintero (Consultant)</p> <p>(Note: After the presentation, moderator will open the floor for discussion.)</p>
1640 – 1700	Closing remarks

**ADB staff:**

Ying Qian, Director, Public Management, Financial Sector, and Regional  
Coordination Division, EARD

Bo An, Public Management Specialist, EARD

Asadullah Sambal, Principle Regional Cooperation Specialist, SERD

**TA Consultant team:**

David Roland Holst, Professor and Assistant Dean for International Program,  
College of Natural Resources, UC Berkeley, Team Leader

Danny Burrows, Trade & Investment Specialist, Adam Smith International( Australia)

Cheng-Chwee Kuik, Associate Professor, National University of Malaysia

Phyo Kyaw Thu, Project Manager Myanmar Research Division( MMRD), Myanmar

Phouphet Kyophilavong, Associate Professor, National University of Laos, Laos

Pham Sy Thanh, Director, Chinese Economic Studies Program, University of  
Economic and Business, Viet Nam National University Ha Noi, Viet Nam

Thitinan Pongsudhirak, PhD, Faculty of Political Science, Chulalongkorn University,  
Thailand

Sok Kha, Consultant, Cambodia