

Future of Mekong-Japan Cooperation

- MIDV2.0 Work Programme -



Ministry of Economy, Trade and Industry (METI), Japan

Mekong Industrial Development Vision(MIDV) 2.0

● MIDV2.0 was adopted at Mekong-Japan EMM in 2019. The vision is composed of three main pillars, towards economic development of the Mekong region while responding to the changes of external environment, in addition to resolving conventional regional issues.

Three pillars

Connectivity

Digital Innovations

SDGs

- Challenges:
 - Insufficient hard infrastructure (road, bridges, etc)
 - Inconsistent enforcement in custom clearance, legislation and taxation
 - Intra-regional supply chain
 - HR developments for MSMEs and R&D

- Emerging trends:
 - Digital start-up solving social issues and integrating existing industries

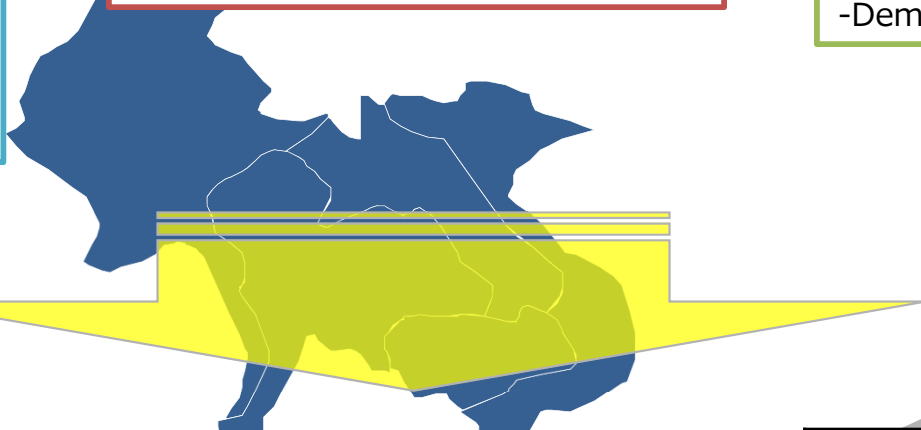
- Environmental and social approach:
 - Water and air pollution
 - Traffic congestion and tight energy
 - Demographic changes

Policy Direction

- Improving Connectivity**
- Improving hard/soft infrastructure

- Promoting Digital Economy**
- Industrial upgrading by utilizing digital technologies

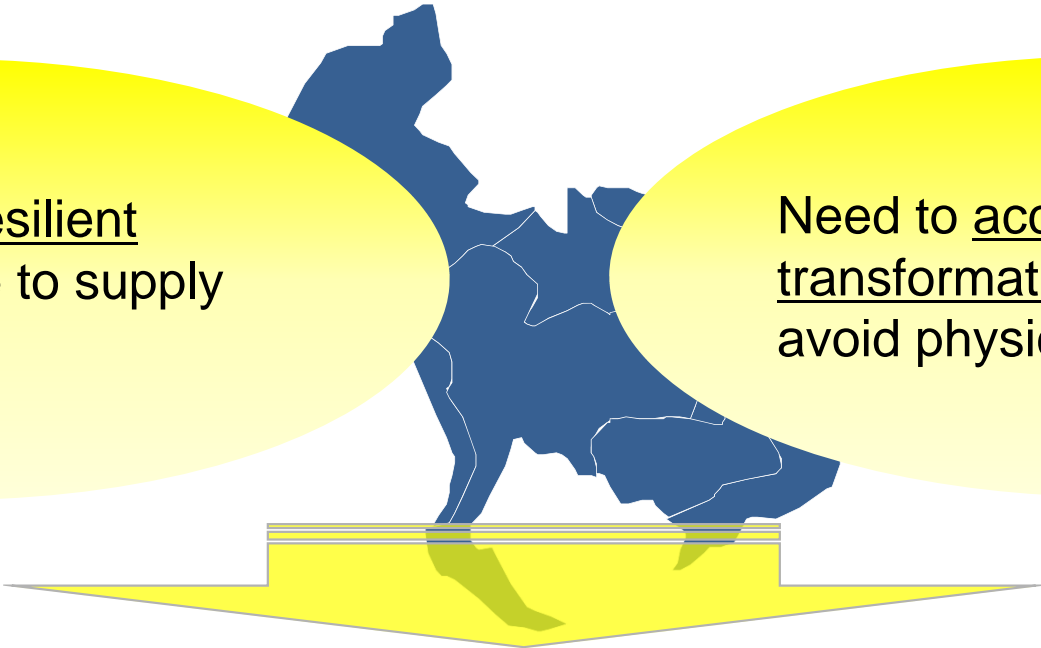
- Responding Social Issues**
- Response to urbanization, environment and energy needs₁



MIDV2.0: Covid-19 impact and its foresight

- COVID-19 outbreak highlighted the challenges of the region.
- MIDV2.0's foresighted vision underlines the importance of implementing MIDV2.0 by actions, leading to economic development of the Mekong region.

Challenges highlighted by Covid-19



Need for more resilient supply chain due to supply chain disruption.

Need to accelerate Digital transformation in order to avoid physical contact.

Work Programme

Connectivity

Digital Innovations

SDGs

- Work Programme is drafted based on priorities and requests of Mekong countries and industries.
- Japan supports Mekong countries' initiatives in the area with high expertise and advantages where possible.

Outline of “Work Programme” under MIDV2.0

- Currently, work programme based on proposals by Member governments and development partners, consists of total 25 projects: connectivity(17), digital innovations(4) and SDGs (4).
- The programme has evolving nature to include further projects in next year cycle when countries and partners complete preparations.

Pillar Connectivity

Optimizing trade procedure and developing infrastructure

Promoting investment/business collaboration

Fostering competitive MSMEs

Improving operational excellence

Introducing global/regional rules

Pillar Digital Innovations

Upgrading industries through digital technologies

Incorporating regional innovations

Pillar SDGs

Promoting green economy

Building sustainable society

Work Programme – List of projects

- Logistics improvement :
[Construction of Bridges](#), [Road Improvement](#), [Research for Single Window](#), Capacity Building of MACCS
- Investment promotion :
[Workshop for Promotion Officer](#), [Promotion Seminar](#), [Consultation Counter](#), [Financial Support for strengthening Supply chain](#), Strengthen the power generation capacity.
- MSMEs :
Capacity Building of Digital Ecosystem, [HR Development for Agriculture](#), Internationalization, Survey and Policy Recommendations, [Good Agriculture Practice Certification](#)
- Digital :
Regional Digital Transformation(DX), [Joint Pilot Project between Mekong and Japanese Companies](#), [Digital Transformation\(DX\) Platform](#), Smart city
- SDGs :
[Weather Forecasting and Flood Early Warning](#), [HR Development in Pollution Management](#), [Resource Circulation System for Waste Electronic Equipment / End of Life Vehicles](#)

Highlights of Work Programme

● Improve hard/soft logistics in Mekong region

➤ Construction of Bridges in Myanmar (JICA)

- Eliminate traffic limitation for heavy vehicles by replacing bridges.



➤ National Road No.5 Improvement in Cambodia (JICA)

- Construct 4-lane road and bypass to detour city area. This road connects to the new border.



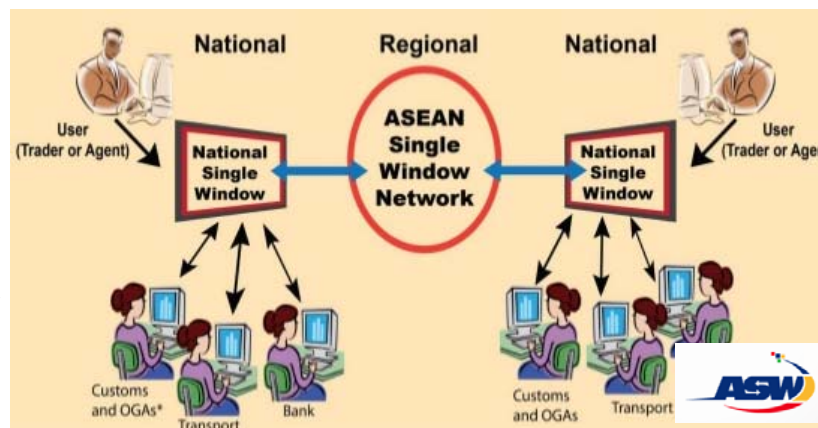
Past achievement

- In 2008, Sri Sophorn - Poipet section pavement. 50km running time shortened from 2 hours to 45 minutes.



➤ Research for Building and Implementing National Single Window and ASEAN Single Window (AMEICC)

Survey research by **AMEICC**
e.g. legal issues are bottleneck



Thailand—Myanmar (from Bangkok to Yangon)	
Customs clearance and waiting time	12
Time spent on the road	19
Others (including overnight stay)	13
Total (hour)	44

Research conducted on the road in 2019

Target of the Programme:

- ✓ To improve transportational capacity, efficiency and stability of logistics

Highlights of Work Programme

- Promote investment in Mekong region
- Foster competitive MSMEs in Mekong region

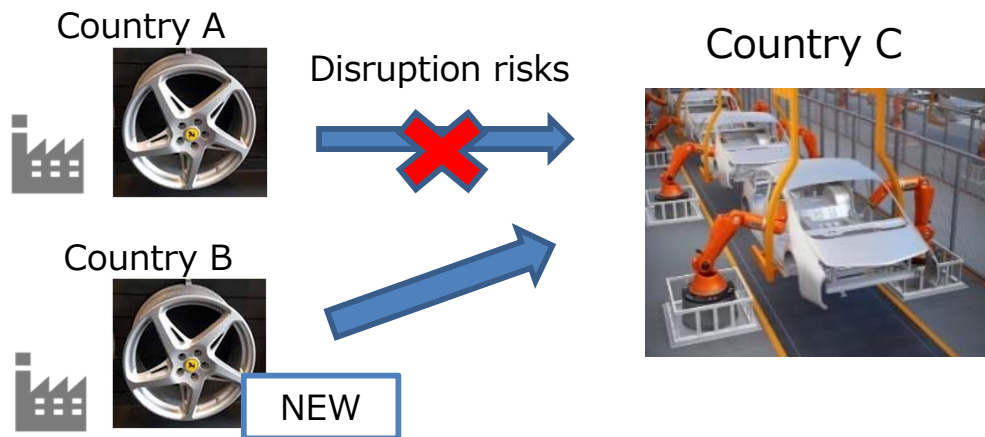
➤ Workshop for the investment promotion officers (JICA)

➤ Investment promotion seminars and business matching events (JETRO)

➤ Consultation counters for businesses affected by COVID-19 (JETRO)

➤ Financial Support Program for Strengthening Overseas Supply Chains (JETRO, AMEICC, METI)

Diversification of suppliers



Cambodia investment seminar in Japan

- HR Development through Partnership with Agri-Food Universities (MAFF, Japan)
- International-level Good Agriculture Practice Certification (MAFF, Japan)



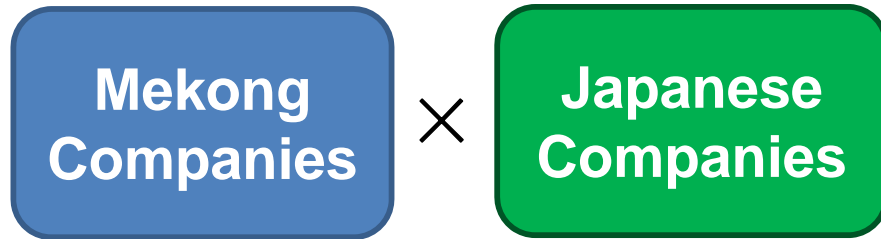
Target of the Programme:

- ✓ To create employment and strengthen supply chain resilience
- ✓ To create the basis of industrial structure through competitive MSMEs

Highlights of Work Programme

● Promote collaborations between Mekong and Japanese companies online

- Joint Pilot Project between Mekong and Japanese Companies on Digital Transformation(DX) (JETRO, AMEICC, METI)



Solution of social issues including SDGs by utilizing Digital technology



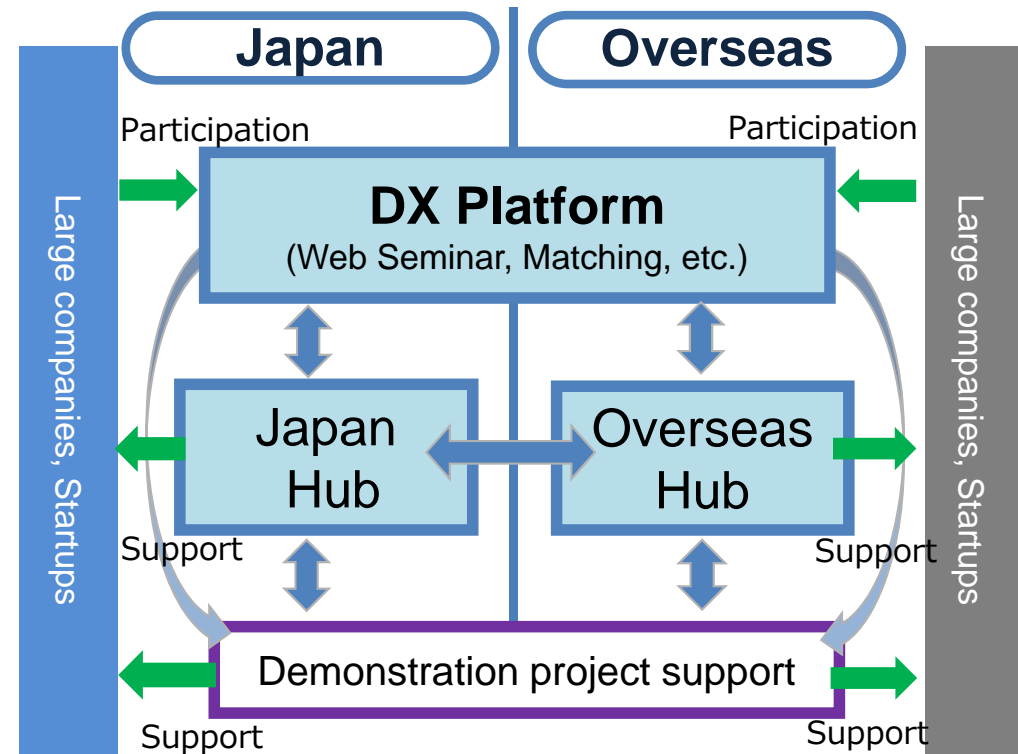
Income growth in rural areas utilizing digital technologies

Easier access to medical service

Inclusive growth with enhanced opportunities for low income earners

- Digital Transformation(DX) Platform (JETRO)

• Facilitate the promotion of open innovation collaboration



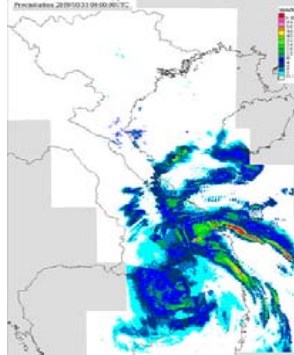
Target of the Programme:

- ✓ To upgrade industries through digital innovation

● Build more resilient and sustainable economy in Mekong region

➤ Strengthening Capacity in Weather Forecasting and Flood Early Warning System (JICA)

- Improve capabilities to provide more accurate and rapid weather information to residents



Quantitative Precipitation Estimate

➤ Safe, Eco-friendly and Energy-Saving Resource Circulation System (NEDO, METI)

- Conduct demonstration project in Thailand to build a recycling system of Waste Electrical Equipment / End-Of-Life Vehicles.



➤ Cooperation for HR Development in Pollution Management (METI)

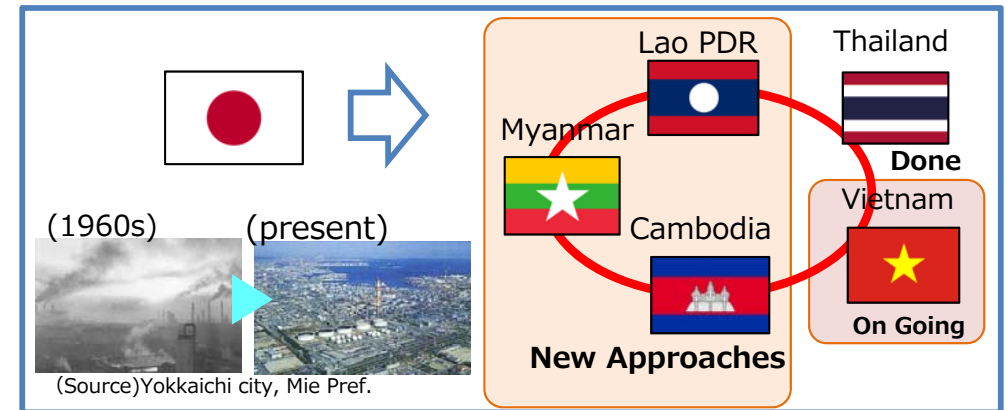
- Share Japanese experience overcoming Industrial pollution
- Support for national qualification system of Pollution Control Manager through textbook creation, seminars and others



Text Books



National Examination



Target of the Programme:

- ✓ To solve social issues caused by urbanization, demographic changes and others