Mekong Subregional Cooperation and Vietnam

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(0) Mekong Subregion includes five continental Southeast Asian countries (C, L, M, V, and T) and the southwestern part of China (at present only Yunnan province).

Mekong Subregion from the stage of conflicts and wars to that of peace and cooperaton.

"Mekong congestion" since the conclusion of Paris peace agreement on Cambodia (1991).

After a short recess during the region's economic crisis (1997-98), attention and activities concerning Mekong subregional cooperation have been reactivated and further intensified due to various reasons.

Today's paper intends to give a brief explanation what have been going on concerning Mekong subregional cooperation and how Vietnam have responded to it.

(A) Earlier Efforts for Mekong Basin developmentMekong Committee (supported by the ECAFE and USA) established in 1957Some projects implemented by USA, Japan etc..Cold War period conflicts and Cambodian Conflicts

(B) Mekong Subregion from the stage of conflicts and wars to that of peace and cooperation. Indochinese countries' adoption of new policy (1986) and start of peace talks on Cambodia Peace agreement on Cambodia in 1991

International community's supports for economic recovery in Indochina

*First ICORC (for Cambodia) and *Third Round Table Meeting for Laos in 1992,

*CG meeting for Vietnam in 1993

(C) Multilateral frameworks to support GMS countries before the Economic Crisis: "Mekong congestion"

The following frameworks have started with initiatives of various actors for several (sometimes overlapped) purposes: to help recovery of war torn economies; promote integration of non-member countries into ASEAN and solve "ASEAN divide" problems; help the construction of psychological and physical linkage among countries which had

been separated with each other; preserve ecological environments and sustainable and fair utilization of limited resources etc..

- *Mekong River Commission: MRC (Basic Agreement in 1995).
- *Forum for Comprehensive Development of Indochina: FCDI (ministerial meeting in 1995) with Japanese initiative (Miyazawa Doctrine).
- *GMS cooperation (first ministerial meeting in 1992) with the ADB's initiative.
- *Working Group on Economic Cooperation in Indochina under the AME-MITI (in 1995) with Japanese initiative (Economic Minister Hashimoto).
- *ASEAN Mekong Basin Development Cooperation: AMBDC (first ministerial meeting in 1996) with Malaysian initiative.

Vietnam's earlier attitude toward Mekong subregional cooperation VN participates in all the frameworks, but rather as a passive player. Merits for VN:

- (1) Increase of possible channels through which VN get access to international supports;
- (2) Opportunities to learn in English various behaviors, customs, and way of thinking in ASEAN and capitalist world;
- (3) Opportunities to get contacts with neighbor countries with which VN had more or less sensitive relations right after the conclusion of Cambodia peace agreement.

Reasons behind VN's cautious attitude:

- (1) Embarrassed by "Mekong congestion"; Various projects just started or were about to start without any impressive and tangible achievements yet. VN seems to have regarded GMS cooperation (with ADB's financial backing and whose geographical target includes the whole territory of VN) and MRC (as a
 - unique inter-governmental organization in the Subregion) most important among various frameworks of subregional cooperation;
- (2) Lack of experiences and shortage of specialists who could manage many related activities;
- (3) A fresh memory of VN's involvement in Cambodian Conflicts; Apprehensions by some people about VN's "hegemonic ambition" toward neighbor countries;
- (4) Prospects of Thailand to be a hub of the Subregion and a possibly biggest beneficiary of various projects.
- (D) After the Region's Economic Crisis (1997-98)

Temporal setbacks of concerns toward Mekong subregional cooperation and stagnation of related activities and projects during the Economic Crisis;

- Resumption of activities and projects; and even the start of new initiatives, after the Crisis period, with new factors such as (a) economic recovery of crisis-hit countries; (b) realization of "ASEAN 10" with Cambodia's participation; (c) start of ASEAN+3 meetings and rapid development of China-ASEAN relations; (d) increased concerns about poverty reduction by international donor community, etc..
 - *AEM-METI Economic and Industrial Cooperation Committee: AMEICC (first meeting in 1998) with Japanese initiative.
 - *Idea of Economic Corridors including East-West EC=EWEC

 (approved by GMS ministerial meeting in 1998, Manila and authorized by 2002

 GMS Summit in Phnom Penh).
 - *Idea of West-East Corridor=WEC, raised by Vietnam and included in Hanoi Plan of Actions adopted by ASEAN Summit in 1998 (Hanoi).

 The establishment of Working Group on WEC under the AMEICC (approved by the 2nd AMEICC meeting in 1999 Singapore, and the 1st WG meeting was held in
 - the 2nd AMEICC meeting in 1999 Singapore, and the 1st WG meeting was held in the end of the same year in Hanoi), with Vietnamese initiative.

 *Idea of Development Triangle for border provinces in Indochina, approved by
 - Vientiane Summit of 3 Indochinese Countries (1st occasion since the end of Cambodian conflicts) in 1999, with Vietnamese initiative.
- *Quadripartite Agreement for commercial navigation on Lancang-Mekong River by L, M, T and China in 2000 (Tachileck).
- *2nd ministerial meeting of AMBDC in 2000.
- *GMS-Business Forum (agreed by GMS ministerial meeting in 1997 Manila), established in 2000, whose secretariat was located in Vientiane.
- *Initiative for ASEAN Integration: IAI (agreed by ASEAN Summit in 2000, Singapore) with Singaporian initiative.
- *Mekong-Ganga Cooperation: MGC (first ministerial meeting in 2000, Vientiane), with Indian initiative.
- *Ministerial meeting on EWEC in 2001 Mukdahan, with the participation of C, V, T and Japan agreed to annually hold SO meeting.
- *1st GMS Summit in 2002 (Phnom Penh), with Thai and ADB's initiative.
- *1st Summit of ACMECS (Irrawady, Chao Phraya, and Mekong Economic Cooperation Strategy) in 2003, Bagan, with Thai initiative. First participants are C, L, M, T, excluding VN, but VN was admitted in 2004.
- *ASEAN+Japan Special Summit in 2003, Tokyo, where PM Koizumi declared Japan's support for Mekong development.
- *Increase of cargoes by boat on Mekong river between Yunnan and northern Thiland

- with the adoption of "early harvest measures" for certain agricultural products starting from January 2004.
- *1st Summit of BIMSTEC (Bay of Bengal Multi-Sectoral Technical and Economic Cooperation, established in 1997) in 2004, Phukhet. Members are M, T and 5 South Asian countries.
- *On the occasion of ASEAN Summit in 2004, Vientiane, C, L, V declared again the Development Triangle for border provinces; C, L, M, V declared cooperation for their economic catch-up.

Reasons behind more active participation and even initiative taking by VN:

- (1) Working experiences in multilateral meetings, negotiations and joint actions, and increased number of competent specialists with expertise and self-confidence.
- (2) Faded memory of Cambodian conflicts; VN's relations with neighbor countries have become a part of intra-regional relations after the realization of "ASEAN10".
- (3) Shift of attention by crisis-hit countries, especially Thailand, from Mekong cooperation to domestic economic difficulties, while VN was not faced directly with financial crisis.
- (4) International community's preoccupation to help crisis-hit economies; possibility of less supports for Mekong cooperation.
- (5) Ongoing projects for East-West transport corridor: Route no.9 in Lao and VN territories, construction of 2nd Mekong International bridge, Hai Van tunnel, access route between Route no.1 and Da Nang sea port and improvement of Da Nang port facilities. Poverty reduction campaign in central VN be linked with similar efforts in border provinces in C and L. For instance, simultaneous construction of border commercial zones in Lao Bao (V) and Deng Savan (L).

(E) Questions and problems:

- (1) Establishment of subregional regime for ecological preservation and sustainable and fair utilization of resources in Mekong Basin. Enlarged MRC (with full membership of Myanmar and China) or a new inter-governmental organization as a successor of MRC.
- (2) Rivalry and competition between and among some actors concerning Mekong cooperation. Common interests and goal(s)?
- (3) How to develop East-West transport corridor to a really prosperous economic corridor? What about Southern corridor and North-South corridor.
- (4) Possibility of Mekong subregionalism? If so, what is it? A bridge between ASEAN regionalism and East Asia mega-regionalism?

List of Initiatives and Forums for Mekong Cooperation (chronological order)

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Pre-Economic Crisis Period

- GMS (Greater Mekong Subregion) cooperation advocated by ADB (Asia Development Bank): the first ministerial meeting was held in Manila in October 1992: its regular members are Vietnam, Laos, Cambodia, Thailand, Myanmar and China (Yunnan).
- Quadripartite Cooperation of four Mekong upper-stream countries (China-Yunnan, Myanmar, Laos and Thailand), started in August 1993 with Thai initiative, for joint researches and discussions concerning transportation along the Mekong river.
- FCDI (Forum for Comprehensive Development of Indochina) proposed by Japanese Prime Minister Miyazawa: the first ministerial conference was held in Tokyo in February 1995 with the participation of 25 countries and 9 organizations (including one country and 2 organizations as observers), whose targets are Vietnam, Laos and Cambodia.
- WG (Working Group) on Economic Cooperation in Indochina, organized under the umbrella of AEM-MITI (ASEAN and Japanese economic ministers meeting): the first WG meeting was held in Bangkok in March 1995. The targets were countries which were not regular ASEAN members, namely Laos, Cambodia and Myanmar (Vietnam was also included at the beginning). The WG would be replaced by AMEICC as mentioned later.
- MRC (Mekong River Commission), established in April 1995, as the successor of the Mekong Committee (established in September 1956), consisting of four downstream countries (Vietnam, Laos, Cambodia and Thailand).
- AMBDC (ASEAN Mekong Basin Development Cooperation) initiated by ASEAN with Malaysia's proposal: the first ministerial meeting was held in Kuala Lumpur in June 1996 with the participation of 10 Southeast Asian countries and China.

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Post-Economic Crisis Period

- Idea of "Economic Corridors" (including East-West EC=EWEC, North-South ECs, and Southern ECs), which was approved by the 8th GMS ministerial meeting in Manila in October 1998. and reconfirmed by the GMS summit in Phnom Penh in October 2002
- AMEICC (AEM-METI Economic and Industrial Cooperation Committee) as a successor of WG on Economic Cooperation in Indochina (mentioned above): with the participation of 10 Southeast Asian countries and Japan: the first Committee meeting was held in Bangkok in November 1998.
- Idea of "West-East Corridor" (WEC) which was raised by Vietnam in the ASEAN summit in Hanoi in December 1998.
- Kunming Inisiative was signed by the Conference participants from China, Myanmar, Bangladesh and India for a highway link project. But the initiative has remained unofficial due to the lack of Indian government support.
- Idea of Development Triangle of border provinces in three Indochinese countries, which was agreed by prime ministers of Vietnam, Laos and Cambodia at the occasion of their summit meeting in Vientiane in October 1999. Vientiane Declaration by 3 countries' summit in November 2004 (see below).
- AMEICC's WG on West-East Corridor (WEC): the first WG meeting was held in Hanoi in December 1999.
- Quadripartite Agreement on Commercial Navigation on Lancang-Mekong River: which was signed by Laos, Thailand, Myanmar and China in Tachileck (Myanmar) in April 2000.
- AMBDC resumed actions with the holding of the second ministerial meeting in Hanoi in July 2000; and at the third ministerial meeting in Chiang Rai (Thailand) in October 2001, agreed to invite Japan and Korea as additional members (thus consisting of ASEAN10 plus China, Japan and Korea).
- GMSBF (GMS Business Forum), established in October 2000, based on the agreement of GMS ministerial meeting in Manila in April 1997. Its head office is located in Vientiane. Members are Vietnam, Laos, Cambodia, Thailand, Myanmar and Yunnan's chambers of commerce and industry.
- IAI (Initiative for ASEAN Integration) which was agreed at the ASEAN Summit in Singapore in November 2000, with the participation of ASEAN 10 countries.

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- MGC (Mekong-Ganga Cooperation): the first ministerial meeting was held in Vientiane in November 2000, with the participation of Vietnam, Laos, Cambodia, Thailand, Myanmar, and India.
- Foreign Ministers' meeting on East-West Economic Corridor in Mukdahan (Thailand) in November 2001, with the participation of Vietnam, Laos, Thailand and Japan.
- GMS Summit held in Phnom Penh in October 2002, with the participation of Vietnam, Laos, Cambodia, Thailand, Myanmar and China.
- Emerald Triangle Cooperation Framework to encourage border-cross tourism among three countries of Thailand, Laos and Cambodia: the inaugural foreign ministers' meeting was held in Pakse (Laos) in August 2003.
- ECS (Economic Cooperation Strategy), recently called as ACMECS (Irrawaddy, Chao Phraya, and Mekong ECS). Its first summit meeting held in Bagan (Myanmar) in November 2003, with the participation of Laos, Cambodia, Thailand and Myanmar. Vietnam was recently admitted as the 5th member.
- ASEAN-Japan Summit in Tokyo hosted by the Japanese government in December 2003, where Prime Minister Koizumi declared Japan's willingness to support the Mekong region's development.
- "Early harvest" measures (prior to official adoption of China-ASEAN FTA) applied to certain agricultural products between China and some of ASEAN countries from January 2004, and rapid increase of cargo traffic on Mekong river between Yunnan and northern Thailand.
- BIMSTEC (originally Bangladesh, India, Myanmar, Sri Lanka, Thailand Economic Cooperation; later the Bay of Bengal Multi-Sectoral Technical and Economic Cooperation). Established in 1997, but relatively inactive during the 1990s. Its first summit was held in Phukhet (Thailand) in February 2004, with the participation of the 5 original members as well as Nepal and Bhutan as new members.
- Vientiane Declaration by Laos, Cambodia and Vietnam concerning the Development Triangle in border provinces of 3 countries: on the occasion of ASEAN summit in November 2004. 3 heads of state met each other.
- Vientiane Declaration by Laos, Cambodia, Vietnam and Myanmar concerning the cooperation for economic catch-up: on the occasion of ASEAN summit in November 2004, 4 heads of state met each other

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