

# MEKONG CONNECTION

The Newsletter of Mekong Institute

Q4 2019-Q1 2020



*Sustaining  
Changes,  
Multiplying  
Impacts*

## MI INSIGHTS

# RLED-EWEC is paying forward

by *Jutamas Thongcharoen*

At MI, we strive for positive change.

In the six-year run of the **Regional and Local Economic Development-East-West Economic Corridor (RLED-EWEC) project**, MI opened 4,252 farmer households and 36 SMEs' access to rice, maize, and coffee market value chains in Lao PDR, Myanmar, and Vietnam. It also facilitated expedient cross-border movement between and among countries along the EWEC corridor.

This created an environment for beneficiaries to thrive. As farmers and SMEs gained knowledge in farming and business management, they formalized groups and associations; secured low-interest loan rates; deepened trust towards government; initiated public-private partnerships; acquired seedlings and fertilizers; harvested higher quality yields; and expanded market clientele resulting to increases in incomes and profits.

*(continued on page 2)*



**Dr. Watcharas Leelawath**  
Executive Director

The year 2020 opened with unprecedented challenges as the global spread of COVID-19 exacted heavy death tolls, widespread health emergencies, exposure of social fragilities, and significant economic downturns in over 150 countries.

In the Greater Mekong Subregion (GMS), the Asian Development Bank (ADB) estimated a worst-case scenario of US\$597,409 million in losses from the pandemic. ADB attributed this to the “temporary decline in domestic consumption and investment; slump in tourism and business travel; spillovers of weaker demand to other sectors and economies through trade and production linkages; supply-side disruptions to production and trade; and an increase in disease and mortality as well as shifts in health care spending.”

In the face of great uncertainty, MI stands in solidarity with the governments of Cambodia, P.R. China, Myanmar, Lao PDR, Vietnam, and Thailand in flattening the curve by supporting the enhancement of detection, prevention, and response to the COVID-19 outbreak so normalcy of life can resume for all as soon as safely possible.

This health crisis has greatly impacted MI operations. Travel restrictions across the region curtailed official activities, affecting the smooth implementation of 22 projects for 2020 which are targeted to strengthen capacities of 3,177 direct and indirect beneficiaries from GMS countries in the areas of agricultural development and commercialization; trade and investment facilitation; and innovation and technological connectivity.

Despite these challenges, we remain positive and inspired by the energy, resilience, and commitment of our staff. Following the World Health Organization and Thailand’s Department for Disease Control’s guidelines, our 53 employees are practicing social distancing by working remotely until further notice. They have quickly adapted to this new norm, while pushing forward MI’s mission through innovative approaches.

We are also grateful for the trust of our partners such as the Mekong-Lancang Cooperation Special Fund, the New Zealand Aid Programme, P.R. China, the Republic of Korea, the United Nations Office of South-South Cooperation, Mekong Ganga Cooperation, GIZ Vietnam, Japan-ASEAN Integration Fund, Association for Overseas Technical Cooperation and Sustainable Partnerships, Thailand International Cooperation Agency, National Secretariat of Cambodia for Mekong-Lancang Cooperation, and ADB. They recognize that some deliverables will inevitably be adjusted in the following months.

While this pandemic presents a new reality, MI remains committed to meet our 2020 commitments to our government and international development partners, as well as to our alumni and beneficiaries. Building on the gains of 2019 when we have completed 112 capacity activities which benefitted over 12,000 people, we will move ahead with 49 more activities in the later part of 2020 to enhance capacities in governance, trade facilitation, policy formulation, agricultural development, food security, innovation and technology, as well as power and clean energy generation.

We will also strengthen a wider array of institutions by forging new partnerships, publishing research and policy papers, and advocating evidenced-based policies that address the needs of people across the region. This is so we can collectively establish an enabling environment for GMS countries to sustainably thrive and prosper.

You will continue to hear of our progress and receive MI updates through all our communications channels. Together we will get through this health crisis and advance the building of a prosperous, integrated, and harmonious GMS.

Until then, we wish you safety and good health in the days ahead.

(continued from page 1)

Instilled ownership among beneficiaries also prompted conferment of Good Agricultural Practices (GAP) certifications to 12 rice farmers’ groups in Lao PDR, while businesses such as Vanida Rice Mill secured its Good Manufacturing Practices certificate—a first in Lao PDR. Through RLED-EWEC’s concerted efforts, GAP validity was also extended to two years in the country. These milestones helped farmers and business owners maximize return of investments as they improved the safety and quality of their produce, while at the same time protecting the environment and safeguarding the health and safety of their workers.



Deeper cohesion between government and business groups was also cemented. Through the project’s dialogue-sustaining platforms, agriculture and cross-border policies were streamlined. These led to the closing of two checkpoints for ease of movement to and from Savannakhet; the installation of signboards on border fees and procedures for transparency in the Khammouane, Savannakhet, and Quang Tri borders; and the formalization of provincial government agreements to foster cross-border trade relations.

At the root of these changes is RLED-EWEC’s participatory approach to community development. At the onset, MI has capacitated its beneficiaries and worked with government and local partners so they can take charge of their development



**“Because of RLED-EWEC, we now work directly with the government.”**

Mr. Ho Minh Phong, Leader, HUC

**“From RLED-EWEC, I learned how to work with the government, which improved the results of our business.”**

Mr. Hanh Chanthalangsy, GA

**“RLED-EWEC’s Business-to-Government approach helped us to implement well our business.”**

Mr. Nguyen Quan

Quang Tri Provincial People



**Ms. Jutamas Thongcharoen** was the Director of RLED-EWEC in Quang Tri Province, Vietnam; and Khammouane and Savannakhet, Laos. She led MI’s organizational development as it established a Model of its project implementation.

process, resources, decision making, and monitoring. Strong support from government and the private sector also ensured that market linkages were opened and maintained.

These achievements would not have been possible without the commitment of government officials, community leaders, and the Swiss Agency for Development and Cooperation who were, and continue to be, invested in helping the Mekong region attain sustainable agricultural development.



RLED-EWEC's positive changes are paying forward. After the project closed in October 2019, farmers' groups continue to upgrade their produce, officials carry on training more farmers, lending companies still offer low-interest loan rates, private business groups remain in contract with SMEs and farmers' groups, and government officials maintain practical cross-border trade facilitation.

Much work remains to be done, particularly in advancing skills of more people in remote communities to maximize their resources, meet production standards and demands, and secure wider partnership agreements to stimulate deeper economic growth. But the foundation of skills building and networking has been set for other organizations to build on RLED-EWEC's gains. ■

"I can now negotiate the prices of our products with company directors."

Long Do Farmer Group, Quang Tri, Vietnam



"I learned farm record keeping and management of my rice plots."

P Rice Farmer, Khammouane, Lao PDR

"Government dialogues helped local leaders to formulate informed action plans."

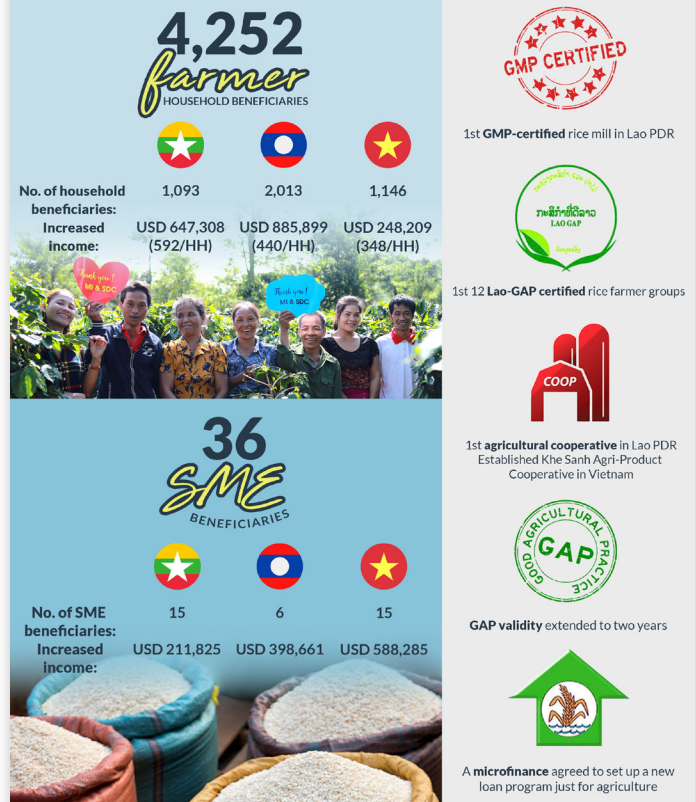
Phan Chinh, Vice Chairperson

of the Provincial People's Committee, Quang Tri, Vietnam

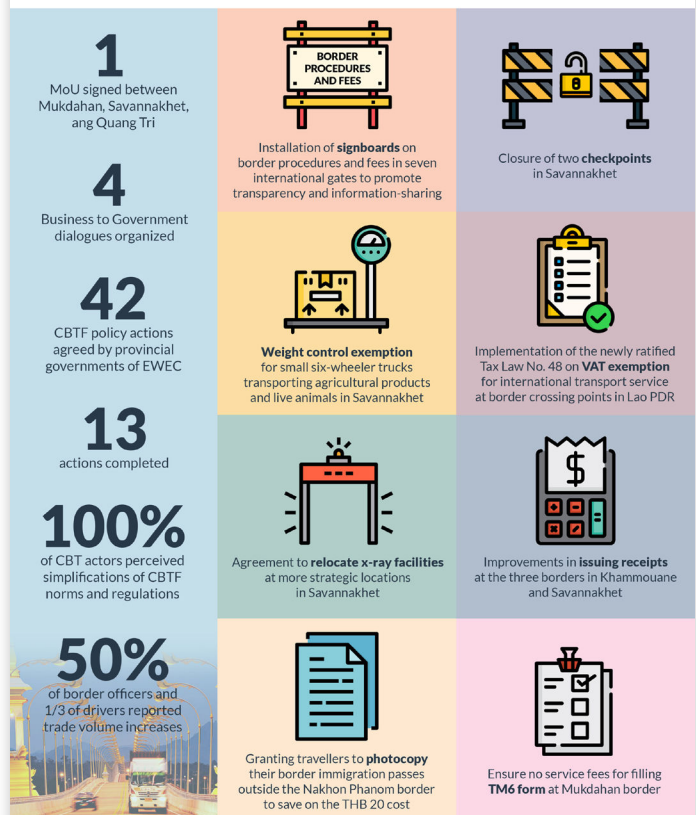


"RLED-EWEC from 2018-2019. Under her leadership, nine staff operated in Kayin State, Myanmar; Savannakhet Provinces, Lao PDR. Alongside gains on the ground, the project also strengthened the Monitoring, Evaluation and Learning Unit to systematize transparency and accountability in all

# VALUE CHAIN DEVELOPMENT



# CROSS-BORDER TRADE FACILITATION



## MI and partners craft Strategic Plan 2021-2025

About 33 government and international development partner representatives in the GMS highlighted human resource development trends and opportunities of GMS countries during the Development Partners' Meeting on March 2 and 3 in Bangkok, Thailand.

"This ensures that MI strategically maximizes its resources to support development priorities of GMS countries," Dr. Narongchai Akrasanee, Chairman of MI's Steering Committee, said of the activity's participatory approach in formulating MI's Strategic Plan for 2021-2025. He added that critical issues such as energy power, labor movement, and digitalization were included in discussions to help advance the competitive socioeconomic growth of Cambodia, P.R. China, Lao PDR, Myanmar, Thailand, and Vietnam.

The MI-facilitated meeting incorporated diverse perspectives on strengthening critical areas in agricultural development and commercialization; trade and investment facilitation; and innovation and technological connectivity to ensure an effective and comprehensive organizational roadmap in the next five years.

A second meeting was also conducted on March 4 and 5 in Khon Kaen, Thailand, where MI officers recommended programmatic specialization and metrics to tailor MI's efforts with the macro-scale development plans of GMS partners.

Currently, MI's Senior Management Team is consolidating all inputs into the draft Strategic Plan for submission to MI Council and Steering Committee members in July 2020.



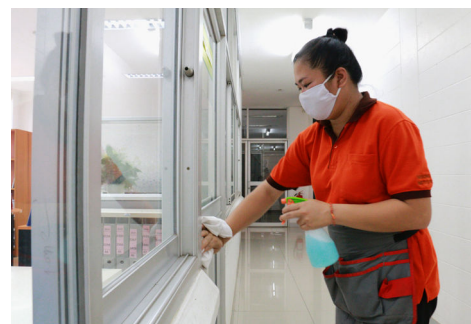
## Safety in the time of COVID-19

With guidance from Thailand's Ministry of Public Health, MI temporarily closed its office from March 25 to April 24 to safeguard the health and well-being of its 53-member staff and training participants during the COVID-19 pandemic.

"This is a necessary step to protect our people. However, even with the closure, our 53 employees will be working remotely to meet our 2020 commitments to the governments of Cambodia, P.R. China, Lao PDR, Myanmar, Thailand and Vietnam, as well as to our international development partners, alumni, and beneficiaries," MI Executive Director Dr. Watcharas Leelawath said in his official statement last March 24.

Since the start of the pandemic, MI enforced health safety guidelines recommended by the World Health Organization and Thailand's Center for Disease Control to help stop people from contracting and spreading the virus.

"In a crisis such as this, it is imperative to anticipate the needs of those we serve," Mr. Rithy Buth, Director of Finance and Operations, explained. He along with his 17-member team led a strong awareness and action-driven campaign on hand hygiene, temperature scanning, social distancing, and travel history documentation for MI staff and training participants. MI also prepared facilitative procedures for its people to access medical attention when necessary.



## MI strengthens food safety culture in CLMV

Under the PROSAFE: Promoting Safe Food for Everyone project, MI completed two of its scheduled eight trainings in 2020. One of these was the *Postharvest Safe Food Handling Regional Training* last March 9 to 13 at the MI Training Center in Khon Kaen, Thailand.

"This training will optimize the quality and safety of our fruits and vegetables. Thus, increasing our competitiveness in the local, regional, and international markets" said Mr. Taing Koungveng who represented Cambodia's Ministry of Agriculture, Forestry and Fisheries at the start of the session.



Under MI's Agricultural Development and Commercialization (ADC) Department, the training helped enhance capacities of 21 representatives from government agencies, fresh produce companies, and research and academic institutions to apply critical postharvest practices in securing food safety, reducing fruit and vegetable decay, and maintaining quality of produce.

"You are the food safety champions of your country and the region," Ms. Maria Theresa S. Medialdia, Director of MI's ADC Department, said during the opening ceremony. "Our combined commitment will create a sustainable food safety culture wherein the safety and quality of products are assured."

In line with global and regional standards, MI's training provided coordinated and scaled-up capacity building initiatives to promote food safety perception and practices in Cambodia, Lao PDR, Myanmar and Vietnam (CLMV).

CLMV representatives were exposed to innovative postharvest safe food handling processes, including the critical function of water quality and biofilm development in fortifying safe food operations. The activity also included knowledge exchange among participants of country-specific best practices, as well as ocular visits to the Samsung Vegetable Community and Tops Supermarket in Khon Kaen to learn firsthand standardized procedures and requirements on food safety handling, storing, packaging, transporting, and product display.

Supported by the New Zealand Aid Programme, PROSAFE is a five-year initiative that provides training and support services to CLMV agricultural and food safety government officials and private sector actors. The project aims to enhance their food safety knowledge and expertise, as well as to assist them in preparing and implementing appropriate food safety regulations and standards for select value chains and market outlets both within and outside their respective countries.



## MI secures four MOUs in first quarter 2020

In the first quarter of 2020, MI signed four Memorandum of Understandings (MOU) with the Lao National Chamber of Commerce and Industry, Thailand's Ministry of Agriculture and Cooperatives (MOAC), Mahidol University International College, and the Greater Mekong Subregion-Freight Transport Association (GMS-FRETA) to formally converge expertise in policy support, research development, information-sharing, and capacity building.

Under MOAC, MI will implement two three-year-term projects with Thailand's Rice Department to help strengthen rice production practices and technologies in Cambodia, P.R. China, Lao PDR, Myanmar, Thailand, and Vietnam. While MI's partnership with GMS-FRETA will launch a dynamic Green Freight Logistics Database to help enhance GMS transport and logistics providers' services in the region.

These four new MOUs tally to 12 new MI partnerships with government and international development organizations as of March 2020. The others include the United Nations Office of South-South Cooperation, Mekong Ganga Cooperation, GIZ Vietnam, Japan-ASEAN Integration Fund, Association for Overseas Technical Cooperation and Sustainable Partnerships, Thailand International Cooperation Agency, National Secretariat of Cambodia for Mekong-Lancang Cooperation, and the ADB.



## GMS countries reaffirm support for MI

On December 17 and 18, 2019, high level government officials from Cambodia, P.R. China, Lao PDR, Myanmar, Thailand and Vietnam, as well as representatives from the New Zealand Aid Programme, ADB, Hue University and Khon Kaen University reaffirmed support for MI's work in human resource development and capacity building at the MI Governing Board Meetings in Da Nang, Vietnam.



During the bi-annual meeting, GMS country representatives shared that MI's 112 capacity building activities in 2019, including the 155 trainings and workshops completed by MI alumni, helped deepen connectivity and collaboration in the region.

Mr. Yang Shaocheng, Chief of the Regional Cooperation Office representing the Foreign Affairs Office of the People's Government of Yunnan Province, disclosed favorable feedback from Chinese professionals who completed the Mekong Institute Young Scholars Program.

While Mr. Than Aung Kyaw, Director General of the Foreign Economic Relations Department under Myanmar's Ministry of Investment and Foreign Economic Relations shared that MI's RLED-EWEC project contributed to national peace building as the project enhanced economic opportunities and cross-border facilitation among farmers, traders, and business groups in ethnic minority areas in the country.

In a testament of confidence towards MI's expanding work in the region, Cambodia, Lao PDR, and Myanmar increased their annual contributions to the intergovernmental organization, while other member countries such as P.R. China and Thailand committed to intensify their partnership with MI in 2020 so more beneficiaries can gain from MI's technical trainings in program management, technological innovation, monitoring and evaluation, and on-the-job exposures.

## 2<sup>nd</sup> Lancang-Mekong Business Forum convened 69 meetings

MI's 2<sup>nd</sup> Lancang-Mekong Business Forum bridged 69 meetings among agro-food companies. Of these, company representatives completed 21 meetings on business negotiations, while 48 focused on business information exchange to explore import-export partnerships.

"The Lancang-Mekong Business Forum increased my understanding of foreign companies' marketing and product strategies. This will help my company develop more competitive products," said Mr. Phongsavath Sisouvong Khamephon, one of over 100 participants who attended the forum.

Held on November 7 and 8, 2019 in Ho Chi Minh, Vietnam, the forum was attended by representatives from government ministries, regional organizations, food processing enterprises, import-export enterprises, transport and logistics enterprises, food processing equipment and technology companies, as well as food processing support organizations, and other business associations.

The two-day activity provided business-to-business support through a dynamic web platform for online business matching sessions and a smart phone application system to sustain networking and entrepreneurial longevity among stakeholders in the agro-food processing sector.

In addition, MI facilitated panel discussions, product exhibitions, and structured learning visits to highlight priorities, needs, opportunities, and challenges of the business sector for the enhancement of trade policies in the region.

"Our goal is to boost intra-regional trade activities among Lancang-Mekong member countries, which only stands around 23 percent. By strengthening capacities, deepening strategic partnerships, and introducing innovations, all actors in the value chain can broaden their marketability," Mr. Madhurjya Kumar Dutta, MI's Trade and Investment Facilitation Director, said during an interview.

Supported by the Lancang-Mekong Special Cooperation Fund, the 2<sup>nd</sup> Lancang-Mekong Business Forum was implemented by MI with Thailand's Ministry of Commerce and the Vietnam Chamber of Commerce and Industry Ho Chi Minh Branch.

The next forum in 2020 will be held in Cambodia to support its government and companies' efforts to strengthen local market competitiveness so they can effectively expand business activities across and beyond the GMS.

For more MI news features, please visit [www.mekonginstitute.org](http://www.mekonginstitute.org)



# BUILDING CONSUMER TRUST THROUGH FOOD SAFETY

## BEST PRACTICES

by *Huynh Thi Thuy Hanh*

Results from the 2018 High Quality Product Survey in Vietnam revealed that today's customers demand safe agri-products, food, and beverages. This trend is reflected by the 421 percent increase of total area of Vietnamese Good Agricultural Practices (VietGAP) certified establishments in 2018 from an approximated 19,000 hectares in the previous year.

The milestone enhanced the competitiveness of Vietnamese business companies in the local, regional, and international markets. It also created a sustainable and environment-friendly farming industry, as well as contributed to closer linkages among farmers, scientists, entrepreneurs, and government officials.



To further these gains across the region, MI with the New Zealand Aid Programme launched **PROSAFE: Promoting Safe Food for Everyone** to build capacities of farmers in applying food safety standards across the fresh produce value chain in Cambodia, Lao PDR, Myanmar, and Vietnam.

Through trainings and workshops facilitated by New Zealand and

regional experts, MI provided practical approaches and innovative solutions to food safety issues. MI also worked with participants in designing food safety action plans that are now strengthening development strategies and increasing farmers' understanding of the benefits of Good Agricultural Practices (GAP) certification in their home countries.



In Vietnam, Mr. Nguyen Le Ky Phan of the National Agro-Forestry and Fisheries Quality Assurance Department (Branch 3) worked with Dak Nong Province's local government in training over 300 extension workers. The series of activities resulted to the improvement of food safety regulations and the application of VietGAP guidelines.

Mr. Huynh Thanh Loc and Ms. Nguyen Thi Kim Thoa from the Southern Horticultural Research Institute also conducted localized trainings for 30 durian farmers on how to use pesticide in safe food production. Another MI alumna, Ms. Dang Thuy Linh shared knowledge on effective agrichemical and integrated pest management for

30 dragon fruit farmers in Tien Giang Province.

Reinforcing the merits of VietGAP as an efficient step to boost income, Ms. Nguyen Thi Hong Cong, a food safety trainer and quality consultant, helped seven vegetable producers in Tan Ha Commune, located in Lam Dong Province's Lam Ha District, form their first cooperative with VietGAP group certification. The cooperative, in turn, forged partnerships with local traders to supply products to hotels, supermarkets, and restaurants.



While challenges to produce safe food according to VietGAP standards still remain, capacity-building investments on food safety are the pathways that strengthen compliance with applied agricultural best practices. In due time, all farmers, cooperatives, and companies will meet VietGAP standards and gain the trust of its consumers. ■



*Ms. Huynh Thi Thuy Hanh is a Program Officer under MI's Agricultural Development and Commercialization Department.*



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MI’s RLED-EWEC project supported Myanmar’s peace- and trust-building agenda.

**H.E. Mr. Than Aung Kyaw**  
Director General  
Foreign Economic Relations Department  
Ministry of Investment and  
Foreign Economic Relations  
Republic of the Union of Myanmar

MI Steering Committee Meeting  
Da Nang, Vietnam, December 1, 2019



With support from the Swiss Agency for Development and Cooperation, MI’s Regional and Local Economic Development-East West Economic Corridor project helped increase the income of farmers and SMEs in remote communities in Kayin State, Myanmar; Khammouane and Savannakhet Provinces, Lao PDR; and Quang Tri Province, Vietnam from 2013 to 2019. It also facilitated stronger cross border trade of agricultural products in the East West Economic Corridor for deeper integration and cooperation across the Greater Mekong Subregion.

With the Rice Department of Thailand’s Ministry of Agriculture and Cooperatives, MI’s Agricultural Development and Commercialization Department will implement the "Development of Rice Pest and Natural Disaster Monitoring, Forecasting, and Warning Center for Sustainable Rice Production under Climate Change in the Mekong-Lancang Subregion" and "Development and Implementation of Common Rice Production Standard in the Mekong-Lancang Subregion" projects. Supported by the Lancang-Mekong Cooperation Special Fund, the projects’ aim is to enhance agricultural sustainability in Cambodia, P.R. China, Lao PDR, Myanmar, Thailand, and Vietnam.



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These projects under the LMCSF prioritize sustainable agriculture, an area MI specializes on in the region.

**Mr. Li Hong**  
Permanent Representative of China  
to UNESCAP and MI Steering  
Committee Member  
January 23, 2020/Bangkok, Thailand



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For an undertaking such as this, it is important to have the right partner.

**Mr. Chalot Wongsanguan**  
GMS-FRETA Chairman  
MI-GMS FRETA Signing Ceremony  
Khon Kaen, Thailand/ February 28, 2020



MI and the Greater Mekong Subregion-Freight Transport Association formalized their partnership last February 28 to launch a dynamic Green Freight Logistics Database. The database will provide transport and logistics companies from Cambodia, Lao PDR, Myanmar, Vietnam, and Thailand access to a comprehensive directory of company profiles and information to enhance the quality and timeliness of transport and logistics services, as well as to maximize business matching opportunities within and outside the region. Spearheaded by MI’s Trade and Investment Facilitation Department, the database is supported by the Mekong-Republic of Korea Cooperation Fund.



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