

**Address by Neak Okha Kith Meng Chairman of the GMS Business Forum
to the 20th GMS Ministers' Conference
10th September 2015 in Nay Pyi Taw, Myanmar.**

Excellencies, Ladies and Gentlemen,

On behalf of the GMS Business Forum, I am very honored to report to the 20th Ministers' Conference in Nay Pyi Taw. Since the 5th GMS Summit in December 2014 in Bangkok, the activities of the GMS-BF have been centered on facilitating cross border transportation through the operations of the GMS Freight Transport Association (FRETA), on promoting SMEs' access to finance, on preparing the private sectors participation in the GMS Regional Investment Framework (RIF), and lastly on developing an efficient public and private sector disaster risks management and monitoring systems. The progresses of the activities are as follows.

Today the Cross Border Transport Agreement (CBTA) has not been systematically and fully implemented in all major check points of the GMS corridors yet. Therefore, the costs of land transport across countries are still very high and also not competitive. It is an impediment to industrial investment along the GMS corridors. GMS FRETA found difficulties in setting up its operation in a number of GMS countries due to the reluctance from local operators that are benefiting from the old system. During the 18th GMS Ministers Conference in Nanning a GMS-FRETA Priority Plan has been presented listing 12 practical measures identified by the private sector as immediate action. Today some progress has been in capacity building through the " Certified Logistics Master Program" implemented by the Mekong Institute under the funding of the Mekong Republic of Korea Cooperation Funds (MRCF). GMS-BF is asking for more importance to be given by the GMS Governments to the role of GMS-FRETA in the dialogue with National Transport Committees as well as Trade and Transport Facilitation Committees. Support will be also needed from government and development partners to seed the application of GMS-FRETA's 12 measures.

Access to finance is a big issue for SMEs in the GMS, especially in CMLV countries. Since 2013, GMS-BF with the support from ADB and UNESCAP has studied the development of a model for SME credit guarantee scheme. Recently, GMS-BF has established a SME Private Sector Working Group to study the issue and coordinate with concerned Government Agencies, development partners and other SME working group at national and regional level such as the ASEAN SME Working Group. The Mekong Business Initiative (MBI) that was launched in 2014 would support this initiative, however the GMS-BF is asking for more support to get the SME credit guarantee facilities into place at soon as possible.

It is anticipated that public and private partnership (PPP) would be one of financing model used for the investment projects specified in the GMS Regional Investment Framework (RIF). Actually the involvement of the private sector in the preparation of the PPP project is very limited. GMS-BF would be an important platform to promote PPP pipeline projects and would be happy to organize it self to work with established PPP centers in the region.

Climate changes with increased number of disaster such as the floods in Thailand in 2012 increased the demand or private sector participation in disaster risk management and mitigation. During the 5th GMS Summit in Bangkok, the GMS-BF proposed to establish a PPP task force for disaster risk management. A Term of Reference has been drafted, and we would like your Excellencies to endorse the creation of such important task force.

Excellencies, Ladies and Gentlemen,

Please allow me to present a number of additional thoughts for enhancing public and private partnership for sustainable economic and social development of the GMS. The GMS-BF, which is already operating as an association registered in Lao PDR, with a permanent secretariat in Vientiane, has operated for more than 15 years and has achieved several successful activities recognized by all GMS countries. 15 years ago plans and agreements by the Governments were not consulted with the private sectors, and today there is a great need for public and private partnership in all matters to achieve peace and prosperity in the region. It is time for the private sector to be more pro-active and participate in all public and private partnership (PPP) activities of the GMS Cooperation Program. In the past there was limited or practically no dialogue engaged with the private sector.

First the GMS-BF Board of Directors decided to change the name of GMS-BF to GMS Business Advisory Council (GMS-BAC). This will give a stronger profile to the private sector, and be more efficient to cope with dialogue and interaction with the public sector. In term of name GMS-BAC provides a higher official status than GMS-BF.

Secondly, GMS-BF would like to recommend the GMS Governments to seriously expand the economic corridors by connecting them with national transport network and create integrated development corridors for peace and collaboration. The official participation of the GMS-BF and GMS-FRETA in the Economic Corridor Forum and in the National Transport Committee Conference is a must to engage strategic PPP activities in that field.

Thirdly, GMS-BF would like the GMS Government to initiate the “GMS Business Travel Card (BTC)” for CEOs of enterprises that are participating in the GMS Economic Program under the Regional Investment Framework. The GMS BTC should not provide free entry visa to the cardholders but would facilitate immigration and customs checking in all international airports and ports of the GMS. This initiative will also encourage enterprises to join private sector activities of the GMS-BF.

The private sector in the GMS is committed to work in strong partnership with all GMS Governments to realize the vision of a stable, prosperous and equitable Mekong Sub-region. To these final words, I would like your Excellencies, GMS Ministers to support and consider the views that I have addressed today. I wish the conference a great success.

Thank you.