

# GMS = A Greener, More Inclusive, and Sustainable Economy?

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The Greater Mekong Subregion (GMS) includes six countries: Cambodia, China (Yunnan Province and Guangxi Zhuang Autonomous Region), Laos, Myanmar, Thailand, and Vietnam (Figure 1). The subregion has rich natural resources and abundant biodiversity. Its recent economic and social progress is characterised by robust economic growth (an average annual growth in GDP of over 9.5%) and human development. (All countries apart from Myanmar were classified as achieving 'medium' human development in 2010.) Nevertheless, these countries are classified as developing and emerging economies, and they face many ongoing challenges such as poverty and socioeconomic disparity. Vulnerability to climate change and resource scarcity add to these ongoing challenges.

This article discusses the subregional perspective of transition to a green economy, in the context of emerging global aspirations for such a transition. In light of the discussions to take place at Rio+20 in 2012, the relevance of such an approach is examined for the countries of the Greater Mekong Subregion. This article focuses on how the concept of a green economy is understood in the GMS and summarises some achievements already made in greening the subregion's economy, with examples of some country-level measures from Thailand and Vietnam.

## A green economy in the context of GMS

The concept of a 'green economy' is new and there has been no consensus on a common definition. Here the definition of the United Nations Environment Programme (UNEP) is taken as a benchmark:

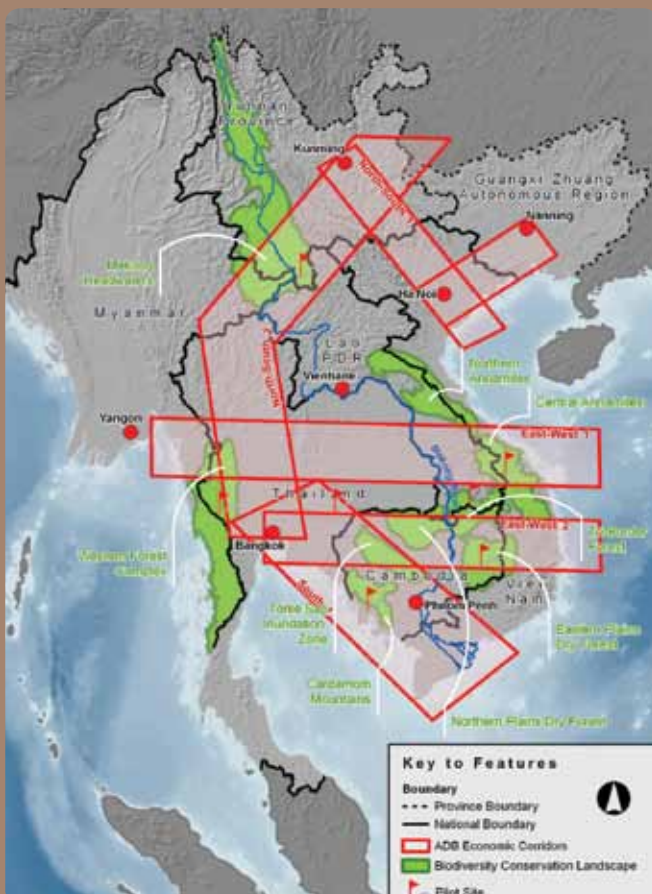
*"[A] green economy is one that results in "improved human wellbeing and social equity, while significantly reducing environmental risks and ecological scarcities." (UNEP 2011, p 1)*

UNEP's concept promotes the use of investments to reduce carbon emissions and pollution; to improve the efficiency of energy and resource use; and to prevent the loss of biodiversity and ecosystem services.

### National 'green growth'

In the Asia-Pacific Region, the term 'green growth' is used more widely than 'green economy' because it is more in tune with the current stage in the region's development. Green growth is considered to be a pivotal factor in poverty eradication and environmental sustainability. Green growth is defined as a strategy that delinks economic growth and environmental degradation, improves eco-efficiency of production and consumption, and promotes effective decision-making (UNESCAP 2006). In the GMS, green growth has been incorporated into development planning; for example, in 2009 Cambodia published a National Green Growth Roadmap.

Figure 1: Economic corridors and biodiversity conservation landscapes in the Greater Mekong Subregion



The GMS has not yet endorsed the green economy concept as a subregional approach, but has been extremely committed to strategies for sustainable development, both nationally and subregionally; to achieving the Millennium Development Goals (MDGs); and to the Johannesburg Plan of Implementation. Some principles of a pro-green economy have been incorporated into the planning and strategies of the GMS and its members. These principles can be found in a number of plans and programmes.

The GMS Sustainable Development Strategy (UNEP 2007), for instance, argues that the strategic approach to sustainable development is based on integrated and equitable economic growth and sustainable management of shared natural resources.

The GMS Economic Cooperation Programme (ECP) Strategic Framework 2012–2022 recognises the need for balanced economic development with environmental protection throughout all sectors. For instance, in the transport sector, the concept of carbon neutral transport corridors is introduced to reduce and offset carbon emissions. In the energy sector, planning for environmentally sustainable power trading, energy efficiency, and clean technologies is promoted.

The GMS Core Environment Programme and Biodiversity Conservation Corridors' Initiative (CEP-BCI) has been implemented in parallel with the ECP since 1995. In the second phase (2012–2016), CEP-BCI intends to bring climate-related and environmental management measures of the ECP into the mainstream to bring about positive impacts through "improved climate-resilience, environmental quality, and sustainable livelihoods in the GMS".

## The subregion's coordinated efforts towards a pro-green economy

The CEP-BCI is the response of GMS countries to subregional environmental problems. The vision of the programme is "a poverty-free and ecologically rich GMS". The programme aims to integrate sound environmental management into key sectors through three specialised components: strategic environmental assessments, environmental performance assessments, and biodiversity conservation corridor initiatives. The programme also includes two cross-cutting components, capacity development and sustainable financing.

A working group on environment was founded in 1995 with a view to capacity development. In addition, eight sector-based working groups were formed to act as focal

points between national administration agencies and the CEP-BCI Secretariat–Environment Operations Centre (EOC). In the course of the transition to the second phase, the EOC established national support units in 2011 (in Laos, Cambodia, and Vietnam) as a means of handing over ownership to national staff.

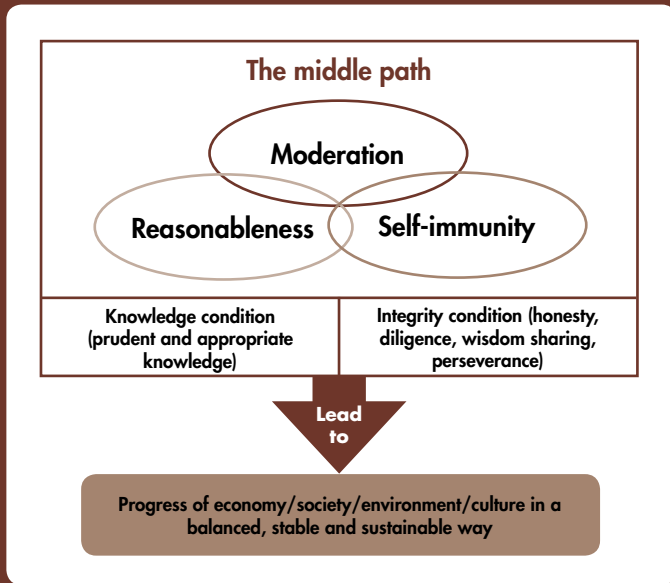
Progress in pro-green growth is reflected in the establishment of eight biodiversity conservation corridors covering a total of 2 million hectares. Cambodia, Laos, and Vietnam together have received US\$ 69 million in loans or grants from the Asian Development Bank (ADB), whereas Thailand and China are mobilising their own public and private investments to upscale BCI activities. Promotion of payment for ecosystem services (PES) has been increasing, and enabling conditions and exchange of knowledge and experience will be supported to facilitate implementation. A strategic environmental assessment carried out for power planning in Vietnam in 2010 recommended improvements in energy efficiency and increased use of renewable energy to reduce dependency on coal-fired power plants. It also recommended increased scrutiny in the use of large-scale hydropower plants. A strategic environmental assessment of the North South Economic Corridor identified the main environmental issues and gave recommendations.

## Thailand: the concept of a 'sufficiency' economy

Thailand's 11th national development plan (2012–2016) emphasises the philosophy of a 'sufficiency economy' (Figure 2). This concept has been the guiding light of the country's development since the Ninth Plan in 2002. The relevant section is reproduced below.

*"[A] Sufficiency Economy stresses the middle path as an overriding principle for appropriate conduct by Thai people at all levels, from family to community to country. (...) 'Sufficiency' means moderation, reasonableness, and the need of self-immunity for sufficient protection from impact arising from internal and external changes. To achieve this, the application of knowledge with due consideration and prudence is essential. (...) At the same time, it is necessary to strengthen the moral fibre of the nation, so that everyone, particularly public officials, academics, and businessmen, adhere first and foremost to the principle of honesty and integrity. In addition, a way of life based on patience, perseverance, diligence, wisdom and prudence is indispensable to create balance and be able to cope appropriately with critical challenges,*

Figure 2: Thailand's philosophy of a sufficiency economy



Source: NESDB 2007

*arising from extensive and rapid socioeconomic, environmental, and cultural changes in the world."*  
(NESDB 2007)

Green economy is then a specific mechanism under the umbrella of 'sufficiency economy' (NESDB 2010).

Thailand has applied the concept of a green economy in many sectors such as 'green industry', 'green city', 'green energy policy', 'green tourism', 'green transportation system', 'green community', and 'green labelling'. This is substantial evidence that Thailand is not only aware of but also and emphasises the role of a green economy in sustainable development.

The outcome of the sufficiency economy was seen when Thailand suffered less than other countries and rallied swiftly from the global economic crisis in 2008 (Vilmosiri 2011). This is not to say that Thailand is without problems, but it is moving towards increased self-sufficiency in order to protect itself from the impacts of internal and external changes.

## Vietnam

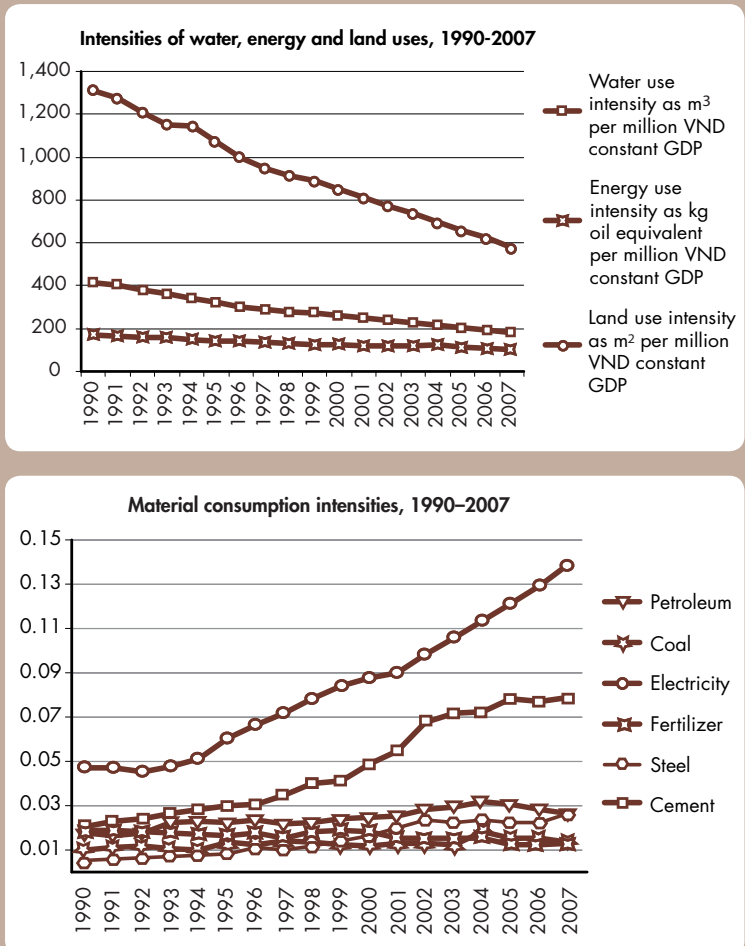
Apart from the achievements made within the framework of the ECP and the CEP-BCI, Vietnam has taken independent steps to embrace the concept of green growth (Vietnews 2010). Internationally, Vietnam hosted the ASEM (Asia-Europe Meeting) Green Growth Forum in October 2011 in Hanoi, jointly promoted with Germany,

the Netherlands, the Republic of Korea, and the United Kingdom at the ASEM Summit in Brussels in 2010. The main objectives of the forum were to raise awareness among member governments and the public and to exchange experience.

In March 2011, Vietnam's Ministry of Planning and Investment was assigned to develop a green growth strategy for Vietnam in tandem with the National Target Programme to Respond to Climate Change.

A study funded by the UN Economic and Social Commission for Asia and the Pacific (UNESCAP) on eco-efficiency indicators (an element of green growth according to the UNESCAP concept) found that over the past 20 years the use of basic resources, such as water, energy, and land use, for economic growth in Vietnam decreased, while the use of key materials such as electricity and cement increased (Figure 3) (CIEM 2009; UNESCAP 2009). This indicates a need to shift to more efficient patterns of production.

Figure 3: Trends in intensity of resource use, Vietnam



Note: VND = Vietnamese Dong  
Source: UNESCAP 2009



## Conclusion

Progress has been made towards achieving a green economy or green growth in the Greater Mekong Subregion, but challenges lie ahead. The subregion faces in particular a number of transboundary challenges, among which are Mekong watershed management, biodiversity conservation, pollution, and associated problems such as the pressure of rapid economic development and risk of resource depletion. International experts and organisations have introduced many ideas to face these challenges, but they often fail to reflect the real regional aspirations and potentials. Most countries in the subregion have common weaknesses in capacity development and financial planning and management.

The broad scope of the green economy concept allows each country or group of countries to pursue its own particular strategies according to its assets, resources, and comparative advantages. Continuing commitment will be needed to implement the green economy concept in the GMS successfully.

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