Mekong Institute
Strategic Plan 2016-2020
STRATEGIC PLAN
2016-2020
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## Acronyms

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<th>Acronym</th>
<th>Description</th>
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<tbody>
<tr>
<td>ADB</td>
<td>Asian Development Bank</td>
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<tr>
<td>ADC</td>
<td>Agricultural Development and Commercialization</td>
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<td>AEC</td>
<td>ASEAN Economic Community</td>
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<tr>
<td>ASEAN</td>
<td>Association of Southeast Asian Nations</td>
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<tr>
<td>CLMV</td>
<td>Cambodia, Lao PDR, Myanmar and Viet Nam</td>
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<tr>
<td>EWEC</td>
<td>East West Economic Corridor</td>
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<tr>
<td>GAP</td>
<td>Good Agriculture Practices</td>
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<tr>
<td>GDP</td>
<td>Gross Domestic Product</td>
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<tr>
<td>GMS</td>
<td>Greater Mekong Sub-region</td>
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<tr>
<td>ICT</td>
<td>Information and Communication Technology</td>
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<td>ILO</td>
<td>International Labor Organization</td>
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<td>IOM</td>
<td>International Organization for Migration</td>
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<tr>
<td>ITC</td>
<td>Innovation and Technological Connectivity</td>
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<td>MEL</td>
<td>Monitoring, Evaluation and Learning</td>
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<td>MI</td>
<td>Mekong Institute</td>
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<tr>
<td>SDC</td>
<td>Swiss Agency for Development and Cooperation</td>
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<tr>
<td>SME</td>
<td>Small and Medium Enterprises</td>
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<td>TIF</td>
<td>Trade and Investment Facilitation</td>
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Since its inception in 1996 Mekong Institute (MI) program has changed in a number of ways. From an initial focus on standalone training as the primary capacity building method the approach evolved into a more holistic learning process through modular training. MI also now conducts research to support multiple needs, including policy dialogues and regional fora. An important new development in 2013 was the start of a direct implementation project designed to enhance local economic development along an economic corridor spanning four countries.

Already a dynamic and rapidly changing region within broader Asian and global trends, the Greater Mekong Sub-region (GMS) will experience even more change beginning in 2016 when the Association of South East Asian Nations (ASEAN) economic integration program comes into effect. The challenge is that there are wide disparities within the GMS and ASEAN. Cambodia, Lao PDR, Myanmar and Viet Nam (CLMV) are at much lower levels of development and need to move forward quickly if they are to benefit from integration. Global and regional changes therefore offer many opportunities for the GMS countries, but these opportunities are accompanied by some risks, such as climate change and the continuing economic imbalances that drive labor migration.

A preparatory step for developing this plan was an internal stocktaking exercise in 2014 to assess achievements against the previous strategic plan. Then in the first half of 2015 MI undertook a wide range of consultations including an on-line survey, individual interviews with key informants, and a regional stakeholders meeting. The Governing Board reviewed the first draft of the plan in July and their guidance and suggestions were incorporated into the final version, which was approved and adopted in December 2015. The information gathered from desk review of internal MI assessments and the consultation process, provided some clear messages that were used to formulate this plan. The primary message was that MI’s role in human resource development and capacity development in the GMS responds appropriately to needs and continues to be of central importance. Further, MI is well positioned to facilitate knowledge sharing, interaction and mutual support among governments, businesses and civil society in the region. Guidance about the program themes, cross cutting issues and implementing strategies was also invaluable for MI to shape the program framework that this document sets out in detail. The key conclusion from enquiries is that all organizations consulted expressed strong support for MI to continue its mandate working on issues of importance to the development of the region and interest to strengthen their relationships with MI in order to explore new ways to jointly contribute to further developing the GMS.

The reviews of MI’s achievements and stakeholder consultations found that MI’s strengths are aligned with the stated objectives of both the GMS countries and also with the focus areas of MI’s development partners, who are interested to respond to the new opportunities in the region. This provides MI with opportunities to continue its contribution to the dynamic changes in the region, especially for the CLMV countries by offering programming that promotes fair and inclusive development. MI is well and uniquely positioned to help the GMS leverage its influence and integration with ASEAN and beyond, by becoming an important regional hub providing not only capacity development services and but also facilitation of cooperation and knowledge sharing initiatives for governments, private sector businesses and civil society actors.

Using the valuable guidance provided through the consultation MI was able to decide which strategic priorities will enable the greatest contribution to regional development over the next five years, and those priorities are now set out in this ‘Strategic Plan 2016 – 2020’. The plan provides the framework to guide MI’s work on three regional development themes, together with the cross cutting issues and implementing strategies it has identified as being and relevant to all three themes. The plan next sets out the approach that will be taken...
for monitoring and evaluating performance, and for integrating continuous learning into all activities. The concluding section gives an overview of the institutional framework that will guide how MI organizes its work and resources. A final institutional goal defines MI’s commitment to strive continually for increased internal capacity to achieve development results.

The institute’s guiding statements, as incorporated in the Charter are its vision and mission, as follows:

**Vision:** Capable and committed human resources working together for a more integrated prosperous and harmonious GMS.

**Mission:** To contribute through human resource development and capacity building to the acceleration of sustainable economic and social development and poverty alleviation in the GMS and promote regional cooperation and integration.

Building on its strong program history and expertise MI will work on capacity development in three major **regional development themes** that have considerable synergy and overlaps between them within 2016-2020. The previous work on rural development will now be reframed in the Agricultural Development and Commercialization. The Trade and Investment Facilitation program remains highly relevant and will continue. Additionally MI plans to develop a third program to focus on Innovation and Technological Connectivity.

The goals for the three regional development themes are to contribute to:

- Improved agricultural profitability, and linkages among the public and private actors in agriculture;
- Capacity and a supportive environment for small and medium enterprises to address entire value chains; and,
- The emergence and application of innovation and technological connectivity in the region.

Analysis of regional needs and issues related to the development themes, including review of MI’s own experience to date, indicates that there are three **cross-cutting issues** of particular importance, namely: gender equality; environmental sustainability; and, labor mobility. MI will ensure that these issues are appropriately addressed in all its activities. The major **implementing strategies** that will be applied cross all programs are:

- Enhance private sector participation and competitiveness;
- Develop strategic alliances with multiple levels of development partners;
- Implement development projects; and,
- Promote good governance.

A new unit will be established to take the lead on MI’s newly developed approach to organization-wide monitoring, evaluation and learning (MEL), which is a key system contributing to the achievement of the program goals, as well as monitoring the effectiveness of the institutional framework to support the program. The results framework and indicators will be adapted from the start of 2016 to reflect the program framework set out in this Strategic Plan. This will ensure that performance measurement links to the specific MI regional development themes and cross cutting issues, and to the institutional goals.

MI’s mandate is grounded in its history and identity as an institute to serve the region through the provision of capacity development services. This original mandate expanded to include a role as a center supporting the essential policy dialogue, networking and research needed for regional development. In response to growing demand MI will continue to develop and expand its core business of providing high-quality, relevant and services and products that meet the capacity development and cooperation needs of member countries. The institutional goals for these services, both focused on the three regional development themes, are to:

- Provide quality capacity development services and products, learning and research that will enhance the capacity of individuals and organizations in the GMS; and,
- Be a regional hub that supports cooperation and integration between the GMS countries through policy dialogue, networking, coordination and information exchange.

In order to be able to fulfill its mandate and achieve its goals MI needs to pay constant attention to its own learning, capacity and internal monitoring processes so that its work remains efficient, effective and relevant to the rapidly changing situation in the region. The final goal is, therefore:
To continually strengthen MI’s capacity to provide integrated and relevant programming for the three regional development themes.

In summary, MI’s intention for the next five years, in response to its own analysis of needs and extensive stakeholder consultations, is to consolidate its position as the preeminent capacity development center in the GMS, and extend activities that will formalize its role as a regional hub for policy dialogue, networking and coordination. At the same time MI will to continue to strengthen its internal organizational systems, including integrating MEL into all its work so as to better demonstrate results. Similarly, MI will seek to diversify its sources of income and ensure financial sustainability by working with a wide variety of partners able to support programs, projects and initiatives. Following through on these commitments will ensure that MI continues to respond with meaningful contributions to the evolving needs of the GMS.

1. Introduction

Mekong Institute was established under the Memorandum of Understanding between the New Zealand Ministry of Foreign Affairs and Trade; and the Thai Department of Technical and Economic Cooperation (presently known as Thailand International Cooperation Agency - TICA) in August 1996. Since its inception, the activities of MI have evolved in a number of ways. From an initial focus on standalone training as the primary capacity building method the human resource development approach evolved into a more experiential learning process supported by modular training. Additionally, MI now conducts research to support a range of learning needs, including hosting policy dialogues and regional fora. An important new development commencing in 2013 was the direct implementation of a project designed to enhance regional and local economic development along the East West Economic Corridor spanning four countries.

During the past five years MI has been implementing a strategic plan that focused on rural development for sustainable livelihoods, trade and investment facilitation, and human migration. In 2014 a review and stocktaking exercise looked at what MI had achieved against the objectives in that strategic plan, and also at the challenges and opportunities in the region as they are currently understood, given that there have been many changes in the Greater Mekong Sub-region (GMS) during this period and even more are anticipated over the next few years. These changes have all been taken into consideration in planning MI’s future strategic directions and activities.

Throughout 2015 MI conducted consultations with many different stakeholder groups including the Governing Board, development partners, alumni and others. The results of these consultations have provided valuable guidance for MI in deciding on the strategic priorities that will enable the greatest contribution to regional development over the next five years.

This ‘Strategic Plan 2016 – 2020’ provides the framework that will guide MI’s work to focus on three regional development themes, together with the issues and strategies it has identified as being cross cutting and relevant to all three themes. The plan next sets out the approach that will be taken for monitoring and evaluating performance, and for integrating continuous learning into all activities. The concluding section gives an overview of the institutional framework that will guide how MI organizes its work and resources. A final institutional goal defines MI’s commitment to strive continually for increased internal capacity to achieve development results.

This plan was developed over a period of several months during 2015. MI undertook a wide range of consultations with stakeholders before moving to the decision making process and drew on lessons learned from internal stocktaking exercises.
1.1 Consultative process for developing the plan

The first step towards developing this plan was a stocktaking exercise undertaken in 2014 in preparation for the major planning activities. This internal exercise assessed achievements against the previous strategic plan. Next, early in 2015, selected stakeholders including MI alumni, GMS country representatives, and bilateral and multilateral development partners were invited to complete an on-line survey. There were 160 respondents, providing a valuable source of information for the planning activities. Thirty key informants such as development partners and Coordinating Agency representatives were interviewed individually. The concluding activity in the first round of consultations was a regional meeting, in April 2015, to seek further inputs from a wide range of MI stakeholders.

Analysis of all the contributions and findings was used to develop the first draft of the plan, which was presented to the Council in July. Following the guidance given by the Council, and inputs from some further individual interviews, the MI management revised and finalized the plan for presentation to the Council meeting in December 2015, where it was approved and adopted.

1.2 Lessons learned and findings from the consultations

The information gathered from the desk review of internal MI assessments, the on-line survey responses, the regional consultation meeting, and the other interviews provided some clear messages. Firstly that MI’s role in human resource development and capacity development in the GMS continues to be viewed by all stakeholders as being of central importance. MI is viewed as being well positioned to facilitate knowledge sharing, interaction and mutual support among governments, business and civil society in the GMS.

Secondly, that MI has substantial in-house capacity for trade and investment facilitation, agriculture and rural development, and development partners are interested in funding programs in both areas, including initiatives which link the two themes. However, although there is recognition of migration as a major issue in the region MI has limited internal capacity in this area and does not have identified sources of program funding for migration at present. Labor mobility should instead be treated as a cross cutting issue alongside gender equality and environmental sustainability. The guidance was that the availability of new technology, innovation and connectivity in the region creating emerging needs that represent opportunities for MI and would be more relevant as a potential program theme.

The third issue is the importance of a number of implementation issues, namely: regional cooperation, networking and policy dialogue; strategic alliances with development partners and other knowledge-based institutes; enhancing private sector participation and competitiveness; implementing development projects; promoting good governance; and, implementing a monitoring and evaluation system.

In summary, the findings from the enquiries and consultations clearly indicate that through 2016-2020 phase MI should:

- Build on its strengths to provide human resources capacity development services in the GMS, and also build programs based on the Institute’s strengths in learning and research;
- Ensure focus on key partners, both target groups and strategic resource partners, working to link development partner support to specific programs based on MI’s core strengths;
- Maintain the current focus on the two programs in which MI has existing capacity and build linkages between them, including projects that promote integration, e.g. using multiple methods to link farmers and small and medium enterprises (SME) to markets;
- Develop a new thematic area that responds to emerging opportunities in the GMS in the areas of technology, innovation and connectivity;
- Fully integrate the cross cutting issues;
- Take advantage of opportunities to coordinate policy dialogues and networking events focused on key GMS, ASEAN and Pacific
initiatives in cross border economic corridors and on cross border agricultural development;
- Place emphasis on building links and agreements with relevant agencies such as FAO and UNIDO;
- Explore opportunities to work with new large regional initiatives such as China’s One Belt and One Road initiative; and,
- Place more emphasis on integrating organizational capacity and learning through putting in place the organization development recommendations including a Monitoring, Evaluation and Learning (MEL) Unit.

The evidence also provided guidance about what MI should cease or avoid. In particular MI should not:
- Continue in the human migration management and care thematic area due to the lack of clear financial support;
- Undertake small initiatives that create a financial loss without clear long term benefits;
- Work on areas beyond the Institute’s core strengths and thematic focus areas; and,
- Aim to become a ‘think tank’ at this time, because the human and financial capacity is currently insufficient.

The key conclusion from enquiries is that all organizations consulted expressed strong interest in working with MI through strengthening their relationships and exploring new ways to jointly contribute to further developing the GMS.

2. MI’s Strategic Context: A unique role in the dynamics of the Greater Mekong Sub-region

Already a dynamic and rapidly changing region within broader Asian and global trends, the GMS will experience even more change as a result of the Association of South East Asian Nations (ASEAN) Economic Community (AEC) beginning in 2016. The GMS is growing, not only the population which is currently 326 million people, see Figure 1, but also in terms of trade and economic development. Asian Development Bank (ADB) figures state that the GMS has doubled its average Gross Domestic Product (GDP) per capita from $1,492 to $2,949 since 2010. The challenge is that within the GMS and ASEAN there is wide disparity between GDPS. The CLMV countries are at much lower levels and need to move forward quickly, in ways that emphasize fair and inclusive growth both within and between countries, promote good governance and with respect for gender equality and environmental sustainability.

GMS countries are now members of cooperation networks including ASEAN, ASEAN-China FTA, and, the Lancang-Mekong River Dialogue and Cooperation, just to name a few. Such cooperative frameworks are intended to address development disparities among ASEAN members, by various approaches to strengthening Cambodia, Lao PDR, Myanmar and Viet Nam (CLMV) to enable their full economic integration into the regional community.

In 2014 MI conducted a review1 of its Strategic Plan 2011 - 2015 as one of the preparatory steps to developing this plan for 2016 - 2020. The review found that MI’s strategy was on track and responding to the needs of the region, with the exception of the human migration focus, which had significant gaps. The report concluded that MI’s strengths are aligned both with the stated objectives of the GMS countries and also with the focus areas of MI’s development partners. Specifically, the conclusion was that the focus on rural development and trade facilitation in the CLMV countries, through capacity development and regional cooperation and integration, was particularly appropriate.

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1Mekong Institute: Mid-Term Review of the 2011-2015 Strategic Plan, July 2014
Additionally, the review offered important analysis about the region:

- In implementation of the AEC, the “soft infrastructure” including harmonizing the legal systems and improving cross border procedures will be much more problematic than “hard infrastructure”.
- Gains in infrastructure and human connectivity in the sub-region have been outstanding and are moving forward well towards linking the entire GMS in all the cross border economic corridors and increasing special economic zones.
- Free trade in ASEAN is progressing well and will include CLMV but is asymmetrical in terms of sub-regional economic growth and integration with the whole.

The findings in MI’s review of its previous Strategic Plan are consistent with the priorities of the ADB’s 2012-2022 Strategic Framework for the GMS, which focused on: 1. Developing human resources; 2. Facilitating trade; 3. Strengthening linkages including cross border trade in food and agricultural products; 4. Enhancing private sector participation and competitiveness; and, 5. Protecting the environment.

Specifically, major areas of focus in the ADB strategic plan cover “trade facilitation – including enhancing coordinated border management and aligning these efforts with regional trade facilitation measures” which, as described in Transport and Trade Facilitation in the GMS, 2012, has been agreed with the GMS countries.

Figure 1: Map of the GMS
Similarly in agriculture, “modernizing agricultural trade” and support for “cross-border supply chains” are a major focus for the ADB and, as described in Rethinking Agriculture in the GMS\(^5\), 2010, the focus needed to “shift from traditional subsistence to modern commercial farming” which is the focus of MI’s agricultural thematic programming area.

The next few years will witness many changes globally as well as in the GMS and ASEAN. The rise of China and India’s importance and influence on the global stage will continue and the GMS should benefit from these developments with its own dynamic growth. With China being a part of the GMS, there is significant opportunity to link with some of China’s activities in trade investment and facilitation. In particular there will be many opportunities arising from China the Belt and Road initiative, which is intended to link China with Southeast Asia and with all other parts of the world. The plan for the Belt and Road features connectivity in transportation, infrastructure and energy intended to improve investment and trade cooperation. The plan also intends to promote increased regional financial cooperation and support increased sharing of technology and knowledge with other regions and sub-regions including the GMS.

However, these opportunities are also inevitably accompanied by some risks, such as the continuing economic imbalances in the countries of the sub-region that drive labor migration and can lead to further imbalances. Additionally, climate change, food security and energy security have emerged as risk factors that need to be managed by countries in the GMS working together. Another important issue is income disparity, as several studies have shown that income distribution in GMS countries has not improved within the past decade, despite the impressive economic growth rate. Therefore, obstacles for inclusive growth need to be addressed.

This brief analysis of regional issues and priorities demonstrates that the overall focus of MI’s program to date has been aligned with the identified needs of the GMS countries and the development partners working in the sub-region. This finding was verified through interviews with multiple development partners early in 2015. Bilateral and multilateral development partners working in the GMS are interested to respond to the new opportunities with several having a focus in either trade or agriculture or a combination of both. The ADB has noted that in their large GMS support program (2002 to present), “Mekong Institute was one of the Phnom Penh Plan (PPP) strongest knowledge partners.”\(^6\) The parallel synergy between MI and ADB priorities continues in this strategic plan. This provides MI with opportunities to continue its contribution to the dynamic changes in the region, especially for the CLMV countries, by offering programming that promotes fair and inclusive development.

MI is well and uniquely positioned to help the GMS leverage its influence and integration with ASEAN and beyond, by becoming an important regional hub providing capacity development services and facilitation of cooperation and knowledge sharing initiatives for governments, private sector businesses and civil society actors.

In 2014, MI drew together initial ideas about what strategy would respond most effectively to needs and opportunities in the region for the next five years. The conclusions were that MI should:

- Continue to emphasize programming that narrows the gaps between CLMV countries and the most economically developed ASEAN members and overcomes inter-governmental differences;
- Support practices that assist farmers with agricultural production, technology and trade;
- Support development of public-private partnership modalities to mobilize the private sector;
- Develop ways to enhance connectivity and support technological advances in the GMS;
- Ensure that concerns of vulnerable groups including women are integrated into programming;
- Recognize the importance of labor migration as a cross cutting issue, even though it is not viable as a primary program theme for MI;

\(^5\)“Rethinking Agriculture in the Greater Mekong Sub region” 2010 by IWMI and Sida
- Find ways to ensure that climate change and environmental sustainability issues are appropriately integrated into programming;
- Continue the focus on human resource development and capacity development;
- Promote initiatives that focus on regional cooperation skills development; and,
- Strengthen institutional links within both the sub-region and ASEAN.

In the current context MI’s multi-faceted approach to engagement with multiple stakeholders provides a transformative opportunity for the Institute to develop into a regional hub and a permanent fixture in the region’s knowledge and governance architecture. The next 5 years will thus be crucial.

3. Overview of MI’s Strategic Framework 2016-2020

This section provides an overview of MI’s Strategic Framework for 2016 – 2020. Details of each component of the framework are elaborated in the sections that follow.

Guiding Statements

The institute’s guiding statements, as incorporated in the Charter are its vision and mission, as follow:

**Vision:** Capable and committed human resources working together for a more integrated prosperous and harmonious GMS.

**Mission:** To contribute through human resource development and capacity building to the acceleration of sustainable economic and social development and poverty alleviation in the GMS and promote regional cooperation and integration.

Regional Development Themes and Goals

Building on its strong program history and expertise in capacity development for agriculture and trade, MI will continue to develop these two core themes of regional development over the next five years. As current and emerging needs become more clearly understood, and learning practices contribute to innovative responses to the needs, MI will work constantly to adapt, innovate and spread its reach on these themes. Additionally, responding to the many new opportunities that offer exciting prospects for facilitating development in the region, MI plans to develop a third program theme that will focus on Innovation and Technological Connectivity. This program will work to learn about and disseminate approaches, methods and resources that facilitate the development of regional capacity in areas such as digital marketing, telecommunications, power trading, and renewable energy.

As Figure 2 illustrates, MI recognizes the strong relationships and overlaps between these three regional development themes. In brief, a key factor for successful agricultural development and commercialization will be farmers’ access to regional trade mechanisms. Similarly, given the economic profile of the region, a significant proportion of trade is based on agricultural products and processing. Both agriculture and trade will benefit from and be enhanced by maximizing the application of innovations in technology and connectivity. MI will, therefore, work to develop its approaches to all three themes in ways that maximize interconnected solutions and coordinated responses to needs.

MI’s goals for the three regional development themes are to contribute to:

- Improved agricultural profitability, and linkages among the public and private actors in agriculture;
- Capacity and a supportive environment for small and medium enterprises to address entire value chains; and,
- The emergence and application of innovation and technological connectivity in the region.
Cross cutting issues

Analysis of regional needs and issues related to these regional development themes, including review of MI’s own experience to date, indicates that there are three cross cutting issues of particular importance, namely: gender equality; environmental sustainability; and, labor mobility. MI will ensure that these issues are appropriately addressed in all its activities.

Implementing strategies

The major implementing strategies to achieve these institutional goals are:

- Enhance private sector participation and competitiveness;
- Develop strategic alliances with multiple levels of development partners;
- Implement development projects; and,
- Promote good governance.

Figure 2: MI Strategic Framework 2016 – 2020
Monitoring, evaluation and learning

The development and implementation of MI’s organization-wide MEL system is a key strategy that will contribute to the achievement of the program goals, as well as monitoring the effectiveness of the institutional framework to support the program. In this sense the MEL system is a bridging mechanism that links all aspects of the Institute’s functioning.

Institutional approach and goals

MI’s reason for existing is grounded in its history and identity as an institute created to serve the region through the provision of human resource development activities, primarily training programs. Over time this original mandate expanded, not least in the major innovation of undertaking direct implementation through the project for the East West Economic Corridor (EWEC). A further expansion of MI’s mandate has been to include an important role as a center supporting the policy dialogue, networking and research that are essential for regional development. The need for both of these approaches to help facilitate regional development is rapidly increasing with the dynamic changes currently taking place. MI will therefore continue to develop and expand its core business of providing high-quality, relevant and timely services and products that meet the needs of member countries in the three regional development themes.

The institutional goals for these services, both focused on the three regional development themes, are to:

- Provide quality capacity development services and products, learning and research that will enhance the capacity of individuals and organizations in the GMS; and,
- Be a regional hub that supports cooperation and integration between the GMS countries through policy dialogue, networking, coordination and information exchange.

In order to be able to fulfill its mandate and achieve its goals MI needs to pay constant attention to its own learning, capacity and internal monitoring processes so that its work remains efficient, effective and relevant to the rapidly changing situation in the region. The final goal is therefore concerned with institutional strengthening:

- To continually strengthen MI’s capacity to provide integrated and relevant programming for the three regional development themes.

4. Regional Development Themes and Goals

MI exists to serve the region and therefore understands the importance of periodically reviewing and reframing its program in response to changes in the region. The outline of how MI will refocus it’s the program over the next five years is given in this section of the Strategic Plan. In summary, the Rural Development Program will now become the Agricultural Development and Commercialization Program. The Trade and Investment Facilitation Program remains highly relevant and will not change. The Mekong Development Program, which focused to some extent on human migration, did not have a clear focus or mandate for the future and will be discontinued. In its place MI will initiate a new program theme ‘Innovation and Technological Connectivity’.

4.1 Agricultural Development and Commercialization

Traditionally most of the agricultural economic activity in the GMS has been independent smallholder families producing rice and other agri-food products to meet household food security needs, and then marketing any surpluses locally. This scenario is changing and increasingly agricultural production is managed by farmers’ organizations, sometimes engaged in contract farming with local small- and medium-scale agro-enterprises, and in some cases linked to domestic and regional markets and global value chains. These changes represent a new set of economic, agriculture, ecological and social considerations for the region.

Innovative solutions are now required to introduce new technologies that can help to improve product quality so that current trends and changes are successfully maintained and are beneficial for farming
The goal of the ADC program is:
To develop capacity to improve agricultural profitability, and facilitate linkages among the public and private actors in agriculture.

Another big area of need is for farmers and small agri-business owners to develop management and entrepreneurial skills that will improve their post-harvest systems and market competitiveness. Other new areas of need include fair contract farming practices and harmonization of agricultural standards. Overall, to meet the needs of rural communities in the GMS, it is necessary to create knowledge-based farming systems that enhance the capacity of small-scale producers to join regional and global value chains.

MI therefore recognizes the need to refocus its work in order to remain totally relevant to these current and emerging needs. To reflect how MI will approach its agriculture sector work in future the program name has been changed from Rural Development to ‘Agricultural Development and Commercialization’ (ADC). This change also acknowledges the significant overlap between agriculture and trade, and the need to develop both, if the GMS, especially the CLMV countries, is to maximize its rural assets and benefit from regional integration.

The program will work to achieve this goal by providing all relevant actors, such as government officials, leaders of farmer cooperatives, production clusters, and local SME, with the knowledge and skills needed to enhance agriculture production and marketing in the regional context. Capacity development activities at MI will target both public and private sector personnel from the GMS countries. Participants from the public sector will be mid-high level officials from government/provincial departments involved in agri-production, commerce, industry and those involved in cross-border facilitation processes, as well as agricultural extension workers in CLMV. Participants from the private sector will include representatives from financial institutions, chambers of commerce, business associations, agricultural commodity suppliers, transport companies, export-oriented farmers/growers’ cooperatives and SME, and international investors and buyers.

The focus of program activities will include, but not be limited to:
- Supporting farmers to move from subsistence to modernized, commercial farming by introducing Food Safety Standards, Good Agricultural Practices (GAP) and effective post-harvest systems;
- Promoting value added in agricultural production and processing by supporting:
  - Small-scale farmers and SME to integrate into regional and global value chains;
  - The development of SME clusters and export consortia;
  - Efforts to strengthen cross border and regional agriculture value chains, especially in the GMS Economic Corridors; and,
  - Fair contract farming practices across borders.
- Promoting rural off-farm employment (e.g. value-adding agriculture processing activities and agri-food SME in rural areas);
- Facilitating public, private and community partnerships in the agriculture sector;
- Contributing to agriculture policy development and restructuring, including the harmonization of agricultural standards and agriculture curricula, and other relevant reform efforts in the GMS countries; and,
- Conducting research and field studies on subjects such as the benefits of smallholder farmer integration into cross border contract farming and regional value chains.

This thematic area is closely aligned with the priorities of development partners’ initiatives that support public and private sectors in the GMS, including those that have a specific focus on CLMV. Their intention is to ensure that GMS will benefit from the AEC by being recognized within ASEAN as a producer of safe, high quality produce. This in turn should increase the profitability of GMS agriculture within regional and global markets. In brief, the focus of these development partner initiatives is: capacity development for integrating GMS economies into AEC; introducing and improving GAP; improving cross-border contract farming; and, increasing the number of GMS SME integrated into regional and global value chains. MI therefore anticipates strong and ongoing synergy between the ADC program and the development partners working in the region.

4.2 Trade and Investment Facilitation

Removal of trade barriers has contributed to the expansion of global trade in recent years and multiple bilateral and multilateral trade agreements have further accentuated the importance of trade facilitation. GMS producers now have greater opportunities to increase income and improve living standards through access to open markets that provide increased prospects for producing and selling new ideas and products locally, regionally and globally.

At the next level, cross border trade facilitation can provide important opportunities for GMS countries by increasing benefits from open trade that in turn contribute to economic growth and poverty reduction. However, GMS countries still have limited capabilities to access markets and take full part in global trade, and their capacity gaps need to be addressed in a timely and effective manner. Development of the GMS Economic Corridors and integration initiatives such as the AEC highlights the importance of complementary measures related to policies and institutions in regional trade. While economic policies in the GMS countries have changed to become more market oriented, there continues to be a shortage of relevant capacities in government and private sector organizations. Those tasked with and involved in trade and investment promotion activities need greater capacity in the form of adequate knowledge, skills and information to support regional development and full and effective participation in the global marketplace.

Building on its strong historical contribution to this regional development theme the work of the Trade and Investment Facilitation (TIF) program will continue, not only to support initiatives that expand trade, but also to focus on the broader aim of supporting sustainable, fair and inclusive economic growth for regional cooperation and integration. This is based on the assumption that economic growth will be a catalyst for poverty reduction by creating broad-based income opportunities.

To achieve this, the TIF program will focus on the means to establish an enabling environment for SME by supporting existing and evolving value chains, through engaging with business associations, chambers of commerce and government agencies involved in trade and SME development in the GMS countries. This will also include initiatives in e-commerce, tourism, transport, logistics and other service sectors.
The goal of the TIF program is:
To contribute to establishing capacity and a supportive environment for small and medium enterprises to address entire value chains.

The focus of program activities will include, but not be limited to:
- strengthening local chambers of commerce and business associations along the GMS Economic Corridors to promote intra- and inter-corridor cross border trade and investment;
- Enhancing utilization of free trade agreements by SME for access to export markets;
- Integrating GMS SME into regional and global value chains though promotion of business networking, cooperation initiatives, and the development of SME product clusters and consortia;
- Conducting policy research and product market research on trade, SME and logistical development to enhance SME entry into export markets;
- Supporting the improvement of trade negotiation skills and trade policy development;
- Promoting certification of logistical professionals as part of logistic sector development in support of trade; and,
- Promoting foreign direct investment and other business links in the GMS.

The TIF program already has strong support, not only from development partners working in the region, but also from a range of other bodies and institutes, including private sector groups, that are currently prioritizing trade development and investment in the GMS. MI therefore expects that the TIF program will be attractive to many different partners for the foreseeable future. Based on current analysis of stakeholder interests and priorities it appears safe to assume that the TIF program will continue to attract both funding support and cooperation opportunities for existing and new initiatives throughout the period of this strategic plan.
4.3 Innovation and Technological Connectivity

Fast evolving technology, particularly information and communication technology (ICT), is now the norm of how the world works, and an everyday reality for many people. Current economic development literature argues that the ability to engage in innovation through collaboration and connectivity is now essential for countries to participate in today’s knowledge-driven, technology-based economies. This type of connectivity and access not only provides information but also attracts investment because it helps with the communication and networking now necessary to understand and respond to market needs.

In the GMS countries, however, access and the ability to utilize ICT remains limited, plus there are significant inequalities of accessibility between urban and rural dwellers. For example, there is yet to be widespread adoption in the region of the types of ICT applications that have, in other parts of the world, proved very successful tools for developing and supporting farmer and SME inclusion in commercial supply chains. These limitations create a constraint on the potential success of other regional development initiatives.

Another area of technological development that the GMS region has yet to fully explore and adopt is that of power trading and renewable energy. Finding the most effective ways to manage and maximize the use of precious environmental resources is a particularly pressing need for the region, not only to support the increase of economic growth but also to respond effectively to the challenges of climate change.

Thus, the need for innovation that introduces and supports technological connectivity constitutes a new regional development theme, essential for the economic growth and prosperity of the GMS, the integration of CLMV countries into the AEC, and for the whole region to be part of the global community. MI recognizes that

The goal of the ITC program will be:
To support initiatives that will contribute to the emergence and application of innovation and technological connectivity in the region.
in today’s complex world no issue, challenge, need or opportunity can be addressed successfully through a one-dimensional approach. Technology is now integral to and essential for the development of both agricultural and trade. For MI, the aim would be to support innovation and technological connectivity as the basis for new programs which link countries in the Mekong with each other and with others in ASEAN. The 2015 Mekong Forum was entitled “Modernizing the GMS towards post-AEC 2015” and focused on issues such as how best to ensure as wide access as possible to new technology, e-commerce and innovations in energy.

It has therefore been decided to establish a new program called “Innovation and Technological Connectivity” (ITC). This program will both look at the issues in their own right, and on how to maximize opportunities that enhance the work of the other two programs.

The exact framework and approach for the new program have yet to be developed and will be put in place during 2016. MI will draw on academic and expert consultant resources to help formulate the details of a viable program approach. However, the focus is already clear, namely innovation and technological connectivity initiatives, in areas such as digital marketing, power trading, telecommunications, renewable energy, etc., and how these are interrelated and together can support GMS integration and competitiveness. The focus will be on creating the right atmosphere and circumstances for the development of innovation and technology in the region; supporting agricultural development and commercialization and trade and investment facilitation. It is expected that the program will develop initiatives and activities that support key actors to address some or all of the following needs that are already understood, and possibly others as they emerge or achieve greater importance for regional development. Known issues under consideration are:

- Technological connectivity to modernize the GMS economies, particularly those concerned with trade investment and facilitation and agricultural development and commercialization, for example how to technically connect farmers to markets, SME to trade opportunities, etc.;
- Innovations to address challenges in specific sectors such as in the GMS power and energy sector;
- Initiatives that promote access to modern sustainable energy, transportation including road corridors, and financial and communication services across the GMS;
- Mechanisms to draw together private-public partnerships to address technological connectivity in innovative ways;
- Capacity development for innovation and technology promotion policy;
- Support for formulation of an effective intellectual property regime;
- Responses to resiliency challenges such as climate change in the GMS through innovative mitigation efforts; and,
- Synchronization of relevant sectoral strategies and plans in the GMS.

An additional area of development that MI will explore is the use of online technology for delivery of its capacity development services. Online training and fora would be a very effective way to augment MI’s work and reach a wider audience, which would generate additional revenue. Another idea to explore is podcasts on practical issues such as post harvest technology, how to develop trade partners, access funding, and understand new cross-border trade opportunities. This would be a way of engaging larger audiences and overcoming some of the practical constraints currently arising from having multiple languages in the region. Until the program is more fully elaborated and specific activities proposed it is not possible to know the extent of development partner and other stakeholders’ interest it would attract. However, MI is already involved in two projects about power trading, and currently a number of MI’s development partners are supporting initiatives in several of these areas and their programs could benefit from the provision of capacity development services. Thus, preliminary indications are that there would be considerable support because all stakeholders who understand the issues in the region are well aware of the importance of improving technological connectivity across the GMS countries.
5. Cross Cutting Issues

MI recognizes that the regional development themes discussed above are not stand alone issues. Not only is there a lot of crossover between them, but there are also some issues that are relevant to all three themes. Those that appear to be of most significance at this time are gender equality, environmental sustainability, and labor mobility. Each of these issues can either support or detract from achievement of overall development goals and results in the region, and are thus integral to success.

This section gives a brief overview of how MI understands the issues and plans to work on them.

5.1 Gender equality

It is now well understood that globally the number of women in poverty is disproportionate. This is no less the case in the GMS than anywhere else, as regional statistics\(^7\) show that women represent two thirds of the poor in Asia, many trapped in hard agricultural livelihoods that are barely sustainable. Where poverty prevails women are especially vulnerable to exploitation in labor practices and human trafficking, among other forms of abuse. In parts of the region with a predominance of ethnic minorities the economic situation of women is frequently even harsher than in other areas. However, it is also known that women’s empowerment, especially their economic empowerment, can contribute a great deal to the fight against poverty and this is particularly so in rural areas. When the situation of women improves it invariably contributes to improvements in society as a whole.

\(^7\)Source UN Women http://asiapacific.unwomen.org/focus-areas/women-poverty-economics, accessed 19.10.2015

In the past MI has not made gender equality a specific focus of its work, though it has been implicit in many aspects of programming. In future however, attention will be paid to how MI’s work can contribute to gender equality in the region by
supporting women’s economic empowerment. While efforts to support women’s economic empowerment must generally also go hand in hand with initiatives to ensure their full participation in the social and political life of their communities that will not be the focus of MI’s engagement on gender equality. The focus will be linked clearly to how women can be supported to; engage fully with agricultural development for less labor intensive methods that give higher productivity; improve their financial situation through means such as establishing SME to gain access to markets; and, make use of technology for learning and market access.

Approaches that MI will put in place to ensure that gender equality is being appropriately addressed in all its work are:

- Encouraging equal participation of women in all capacity development events, and if appropriate, offering women only events;
- Having a gender equality focus integrated into all project design;
- Conducting relevant research; and,
- Promoting the integration of gender issues in policy dialogue processes.

5.2 Environmental sustainability

In MI’s Strategic Plan 2011 – 2015 climate change was incorporated as a sub-theme under rural development but there was an indication that it “could evolve as a main theme as MI gains experience and expertise”. Since then, the adverse impacts of climate change have increased and now demand increased attention and solutions if agricultural and trade development is to be sustainable. It is worthy of note that the GMS is classified as one of the five highest risk biodiversity sub-regions in the world and therefore in need of protection.

Thus the GMS needs to ensure that the drive toward free - flows of goods, services, knowledge and capital across the region, is not at the cost of sacrificing the natural environment and with it the future of the region’s resources and development. The balancing of environmental and economic interests related particularly to agriculture, water and energy in the GMS is essential to fair, inclusive and environmentally sustainable development. In particular, there are concerns both within the GMS and in the broader ASEAN region that environmental degradation and pollution, within countries and across national borders, will rob the region of its momentum and negatively impact on the GMS in multiple ways.

MI recognizes that immediate, as well as long term, responses are required to protect the environment for future generations. The key question for the Institute is how best to integrate an environmental perspective into all programming. To answer that question MI will:

- Ensure that both public and private sector actors understand the need to balance immediate business needs with longer-term environmental sustainability;
- Build climate change resilience and sustainable management of natural resources into all relevant program and project content and activities;
- Research and disseminate the environmental implications of economic policies and business activities undertaken within and across borders;
- Promote climate change resilience in agricultural and natural practices; and,
- Facilitate policy dialogue that creates consensus on regional and national planning priorities for natural resource management.

5.3 Labor mobility

Labor mobility in the GMS is significant: up to five million workers regularly move across borders in the region, and or migrate to different areas within their own country. The majority are economic migrants driven by need, who are engaged as casual and irregular labor in unskilled and low-skill jobs. The strengthened infrastructure in the GMS Economic Corridors has improved connectivity and resulted in an increase in labor mobility and movement. These large flows of labor reflect the uneven pace of development among the economies of the GMS, which still exist despite the economic increases by lower income workers.

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8MI Strategic Plan 2011 – 2015, p4
countries, as well as demographic disparities in individual societies. Upcoming needs are related to AEC implementation, which will start a transition to knowledge-based economies needing highly skilled people, but how this will play out across the GMS cannot yet be known.

One of the most important current issues in need of attention is the increasing number of mobile women and children needing protection, which links to the gender equality cross cutting issue mentioned above.

Previously MI had a Human Migration Management and Care program which conducted research on: economic development and migration in the GMS; the effectiveness of labor agreements; the promotion of harmonization of labor management across the GMS; and, support for standardization and certification of vocational skills training. Although these issues remain important in the GMS, MI’s internal review, and the results of interviews and responses to the on-line survey, suggest MI can contribute best by working with labor mobility as a cross cutting issues, and seeking ways to link to and support the work of multilateral organizations such as the International Organization on Migration (IOM) and International Labor Organization (ILO). MI will, therefore, incorporate a labor mobility perspective into all programming, especially issues related to labor standards and mutual recognition arrangements under the AEC. Specific areas of focus will be:

- Research to fill the current gap in data about labor markets and mobility;
- Facilitation of policy dialogue;
- The development of multi-national, cross-border mechanisms that both protect migrant workers rights and harmonize the response to labor needs; and,
- Active engagement with IOM, ILO and others to support their work.

6. Implementing Strategies

Just as there are important cross cutting issues that are essential for MI to address in its programming, so there are some implementing strategies that are relevant to all three regional development themes and these are: enhance private sector; develop strategic alliances; implement development projects; and, promote good governance. This section briefly sets out the rationale for why these strategies have been identified as important for MI to achieve success in all its program themes.

6.1 Enhance private sector participation and competitiveness

Private sector development, particularly SME in the agricultural sector and public-private partnerships, is essential for ongoing economic development in the region. Yet at present the capacity to support and develop the private sector and to engage in public-private partnerships remains limited and uneven across the GMS. Governments do not yet have all the capacity they need to facilitate and regulate private sector activity in a rapidly changing global context, and private sector entities also need enhanced knowledge and skills in order to become fully profitable in national, regional and global markets. The list of issues that need to be addressed includes, but is not limited to: creation of the enabling environment; support for trade and transport facilitation; SME development; generation of business opportunities; and access to global markets.

In order to address the needs MI will incorporate the following approaches into all work on program themes:

- Enhancing the development of SME and SME clusters;
- Promoting dialogue between public and private sector entities that contribute to creating an enabling environment, which also appropriately protects natural resources and vulnerable groups;
- Supporting the development of networks that can create business opportunities and support private sector capacity development; and,
- Contributing capacity development support and other relevant services to public-private partnerships.
6.2 Develop strategic alliances
Mekong Institute already has strong strategic relationships with the six GMS countries, with several bilateral and multilateral development partners, and with other entities concerned with GMS development. Some of these relationships have been in existence since MI started, others have been formed more recently. The relationships with the Coordinating Agencies in each member country are, of course, of critical importance, and MI will continue to give all the necessary time and resources to maintaining those relationships, both through the formal mechanism of the Governing Board and through any other relevant means. Similarly MI will continue to engage with the priorities of the bilateral and multilateral donors with which it already has partnerships, and with other agencies and institutes where synergy of purpose has already been established.

However, for MI to move forward most effectively during 2016-2020 it will not be enough to maintain existing relationships, there is also a need to develop new ones. The need is not only for partnerships that provide financial support, but also for alliances that can help to extend MI’s technical capacity, resource availability and networking reach. Such partnerships will help to strengthen MI internally and extend the scope of its influence and impact. The range of possible partners is large and includes: academic institutes; private sector groups; SME cooperatives or associations; civil society organizations; south-south cooperative initiatives; development partners; and international organizations.

In order to develop its strategic alliances MI will:
- Maintain and strengthen existing relationships and partnerships;
- Periodically map the region to identify the priorities and activities of development partners and other key actors;
- Seek to develop and formalize new partnerships that will be of mutual benefit to MI and others; and,
- Engage in networking and dialogue to promote the Institute’s role in the region and share MI results more widely in the GMS and with ASEAN.

6.3 Implement development projects
A major intention of MI Strategic Plan 2011 – 2015 was to move beyond providing capacity development services in the form of training to also implement projects that have a more holistic approach to addressing capacity needs, in partnership with international and national agencies. This was achieved with the start of the Regional and Local Economic Development project along the EWEC, supported by the Swiss Agency for Development and Cooperation (SDC) regional office based in Vientiane, Lao PDR. The first three-year phase of the project was intended as a pilot for both SDC and MI to learn more about the needs and challenges across the EWEC, and the most effective approaches for creating relevant and sustainable change within and across the four countries involved. This was a large, innovative undertaking for MI, especially as it required the establishment of field offices in other countries for the first time. Since inception of the project MI has sought to learn as much as possible from all the start up and implementation activities, and has documented the lessons learned.

Contributions from some GMS governments have increased and other development partners have also supported a variety of short to medium term projects. The GMS will continue to be a dynamic region and many agencies are interested to support initiatives that will help to strengthen it. Many are looking for a viable partner to facilitate or implement their intended projects, and MI is well positioned to be that partner.

In order to expand its portfolio of development projects MI will:
- Continue implementation of the current SDC
project, and adapt its approach and activities in response to the ongoing lessons learned from implementation; and,

- Identify and engage with new opportunities offered by governments, development partners, and any other relevant entities.

**6.4 Promote good governance**

Since the development of MI’s previous Strategic Plan, there has been some progress in the GMS on governance but many issues identified then continue to persist. For example, investor confidence in the region is still constrained by weak governance on trade in several countries, which is a major block to substantive economic development. One particularly important area of focus under the governance theme is therefore to support the move towards well legislated and managed market-driven economies that are regionally integrated and coordinated. Enabling environments are essential, not only at the regional level, but also at the national level where regulations and frameworks will ultimately be implemented. Thus the governments of the GMS must continue to foster national reforms to support opening up their own economies and putting in place the necessary regulatory frameworks to create an environment conducive to trade.

MI recognizes the importance of continuing to integrate good governance principles into all programming, and to offer services that help to develop the capacity of key actors. The specific areas of focus will be:

- Facilitation of policy dialogue for the creation of an effective enabling environment in terms of legislation, followed by the development of implementation mechanisms, policies and procedures for enactment;
- Services that support hard and soft capacity development on governance principles; and,
- Research and knowledge sharing on needs and good practice examples.

**7. Monitoring, Evaluation and Learning**

Although the recent review demonstrated that MI achieved most of the objectives identified in MI Strategic Plan 2011 - 2015, it also pointed to the need for MI to develop a detailed results-based MEL system through which the Institute can demonstrate its achievements, results and impact on target groups, and work to achieve continuous improvement in all aspects of functioning.

MI recognizes that MEL is an essential element of its program approach because it bridges several important issues, including the quality of program delivery, evidence of results, the effectiveness of operational systems, and learning for continual improvement. For this reason MEL is situated in the Strategic Framework between program themes and institutional approaches.

An organization-wide MEL model, and the related tools and systems, has been created and all relevant staff have been trained for implementation. The results framework and indicators are under development. This will ensure that performance measurement links to the specific MI regional development themes and cross cutting issues, and to the institutional goals.

To reflect the importance of MEL to MI’s success, a MEL Unit is being established. This Unit will serve as the focal point for generating, recording and disseminating the results of MI’s work, but responsibility for data collection and acting on
findings will rest with everyone. Further, the MEL Unit will draw together lessons learned and quality assurance assessments for internal and external use, and for reporting. Where relevant to project activities and reporting requirements, detailed MEL planning and activities will be aligned with the priorities of development partners and their M&E frameworks. The work of the Unit will provide MI management with regular reports of routinely updated data and learning points on progress towards achieving results to guide management decisions, program adjustments and operational procedures. In addition, the MEL Unit will support program staff to integrate MEL into the design and implementation of new projects and activities.

The overview of the MI program results chain is presented at Figure 3 showing how activities lead into enhanced capacity, which results ultimately in outcomes linked to the three program goals.

By the end of 2016 the MEL Unit will produce an evaluation plan covering all programming for 2016-2020. This plan will be used to guide the annual operating plan development process, which will include a review of progress to date against the strategic goals. A mid-term review of this Strategic Plan will be conducted at the end of 2017 and a final evaluation of achievements in mid-2020. The final evaluation results will be used as a basis for the development of the Strategic Plan for 2021–2025, to be completed late in 2020.

Figure 3: An overview of the program results chain

- **Activities**: Training programs, structured learning visits, research, policy consultation, knowledge events, development projects, publications, etc.
- **Outputs**: Participants in MI activities have increased knowledge, skills and experience in subjects relevant to their roles and responsibilities.
- **Intermediate outcomes**: Individuals and organisations apply their new knowledge and skills to:
  - Improve work practices and operational functioning; and,
  - Create enabling conditions for change.
- **Outcomes**: Improved agricultural profitability, and linkages among the public and private actors in agriculture. Capacity and a supportive environment for small and medium enterprises to address entire value chains. The emergence and application of innovation and technological connectivity in the region.
- **Impacts**: Enhanced economic development in the GMS, leading to reduction in poverty rates and inequality.
8. Institutional Approach and Goals

MI will build on its history, achievements and resources by maintaining and extending its work in two key approaches to supporting regional development. Firstly, through the provision of capacity development services and products, and secondly by being a regional hub facilitating policy dialogue, networking, coordination and any other activities that support progress on the three regional development themes. These approaches will involve many different types of activities and services, often deployed in conjunction with each other. There is, of course, crossover between these two functions, and whenever relevant activities will be designed to address both purposes.

8.1 Capacity development services and products

Major challenges in regional capacity development focus on two key areas. Firstly, on improving the functional capacities of individuals and organizations to improve agricultural production and trade. Secondly, on improved analytical skills related to the regional development themes, so that decision makers develop evidence based policies based on understanding of how regional and international standards and applications can be applied in the national context. Given that it is a sub-regional organization working directly with six countries, MI has a particular role to play that will complement the work done by individual institutes in each country. Additionally, being based on the campus of Khon Kaen University offers MI an opportunity to link with that university and draw on its resources as well as the resources of many university partners in the GMS. The location near the geographic center of the GMS, and also on the EWEC, is also advantageous.

MI’s role in human resource development and capacity building to accelerate poverty alleviation, and its contribution to regional cooperation and integration in the GMS is well recognized. All the lines of evidence drawn upon in the development of this Strategic Plan support the fact that MI is addressing the need for quality human resource development programs for senior and mid-level government officials as well as, increasingly, representatives of the private sector and non-governmental organizations operating in the GMS. This dynamic mix of participants provides a valuable cross-fertilization of new and exciting ideas.

The institutional goal for this component of MI approach is to:
- Provide quality capacity development services and products, learning and research that will enhance the capacity of individuals and organizations in the GMS.

The immediate challenge is to consolidate the achievements that MI has made over the past years into an integrated system that can provide capacity development services and products relevant to the three regional development themes. These services and products will include, but not be limited to, training programs, project implementation, structured learning visits, case studies, research studies, and policy briefs. MI staff will continue to work with Coordinating Agency representatives of the six MI governments, development partners, the business community and civil society organizations to identify capacity needs for different target groups.

Additional capacity to support this approach could also be integrated into MI through attracting academics on sabbatical to offer their services as visiting experts to conduct research and work with local governments or with the private sector.

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10This role was agreed by 92% of on-line survey respondents, in MI reviews and by all those interviewed during preparation of this Strategic Plan.
8.2 Regional hub

One of the main reasons for the establishment of MI was to strengthen regional cooperation and integration, and MI has worked to do this since it started in 1996. Providing a platform for regional cooperation, dialogue, innovation and the opportunity for countries to work together at the sub-regional level has been one of MI’s strengths. Examples where MI has been able to support integration initiatives can be found in areas such as transportation and the Economic Corridors. Current areas of growing regional cooperation for which all actors could benefit from some support are fiber-optic communication networks, power generation, and the free movement of goods and people in the region. Because MI activities invariable bring together representatives of some, if not all, GMS countries regional cooperation is inherent to everything the Institute does. For many participants in MI capacity development activities it is their first exposure to their regional peers. Such factors mean that MI is a contributor to developing an integrated GMS identity.

Regional cooperation initiatives, which are well regarded, include MI’s annual Mekong Forum event, which brings together multiple stakeholders from the GMS around a specific topic, and therefore places MI at the center of GMS networking on key issues. These events provide a springboard for increasing support for regional cooperation and encourage increased linkages with governments, development partners and other actors. MI also needs to be as actively involved as possible with other regional fora such as the GMS Summit and relevant ASEAN events.

The ADB Strategic Framework for 2012 – 2022 is one of the major long-term strategic plans for the regions that GMS leaders have endorsed. This framework supports measures to strengthen regional cooperation and emphasizes the importance of balancing economic development and environmental protection. This approach also supports strategies that enhance agricultural development and food security. The context is complex and the needs for coordination and collaboration across the countries in the region are therefore huge. Many different support mechanisms are needed, and no single agency can hope to address all the needs on its own. This creates opportunities that MI can explore.

During the consultation process most stakeholders expressed the view that MI could contribute more to regional cooperation and the integration of the GMS countries by positioning itself as a platform to support policy dialogue and knowledge sharing. MI will work to achieve this greater contribution by extending existing activity areas to position itself more strongly as a regional hub. To this end efforts will be made during 2016-2020 to strengthen MI communications, both in terms of maximizing opportunities to share MI research reports and other publications, and also in terms of making more agencies and institutions aware of what MI does and how it can support their regional work.

MI has formulated a goal that will mandate a stronger effort to respond to the expressed needs, as follows:

- Be a regional hub that supports cooperation and integration between the GMS countries through policy dialogue, networking, coordination and information exchange.

This goal is partly an existing reality and partly aspirational because, as already noted, policy dialogue, coordination and networking do take place at MI, but it is recognized that the volume of activity at this level will need to be increased considerably for MI to make a more substantive contribution in this role. It will therefore work to increase the number and scope of activities including facilitation of policy dialogue among governments, and knowledge sharing events where governments, private sector and non-governmental organizations come together. The level and scope of communication and outreach activities will also be increased.

MI is already recognized as an important knowledge partner of a large number of international and regional organizations operating in the GMS. During the period of this strategic plan it will seek ways to consolidate its knowledge assets and make them more readily available as a resource to all those working on regional development issues. The various research reports and policy briefs that MI produces or supports as part of its capacity development activities will be a valuable resource for this area of work. An example includes the Research Working Paper series in which Masters students have their papers published under MI – New Zealand Ambassador’s Scholarship program. Creating greater synergy across the various
strategies and products will enhance MI’s ability to be a regional learning center and hub contributing to regional cooperation and integration.

**8.3 Institutional strengthening**

As noted above, MI recognizes that in order to be able to fulfill its mandate and achieve its program goals it needs to pay constant attention to its own learning, capacity and internal processes so that it remains efficient, effective and responsive to the rapidly changing situation in the region. The final goal is therefore concerned with institutional strengthening:

- To continually strengthen MI’s capacity to provide integrated and relevant programming for the three regional development themes.

The essence of this goal is that MI needs to focus its efforts on building robust internal systems and capacity that provide a strong base for delivery of the program. Some of the key components of these internal systems include:

- Strengthened human resource management systems with all staff held accountable for performance against up-to-date and relevant positions descriptions;
- Financial and operational management systems that maximize the effective use of all MI resources;
- Development of a communications and knowledge management strategy to support program activities, and to increase MI’s profile in the region;
- Strengthened internal governance;
- Management decision making that reflects the findings and learning generated from the MEL system; and,
- Ongoing analysis of stakeholder needs and emerging opportunities relevant to the three program themes.

A key focus of the overall approach to strengthen MI will be efforts to promote good internal governance. Senior management will lead the way in upholding the principles and practice of good governance through accountable and transparent decision making that is predictable because it follows approved policies and procedures, especially for functions such as recruitment, promotion and resource allocation. Ways will also be sought to increase the level of staff participation in all appropriate aspects of institutional functioning in order to deepen their ownership of and commitment to MI and its work.

**8.4 Organizational structure**

While the structure of MI remains fundamentally the same, some changes are required to enhance organizational functioning to make it as effective as possible for delivery of the program over the next five years. A department needs to be created to deliver the new regional ITC development theme. The MEL Unit also needs to be shown in the structure. As part of this streamlining process the information technology personnel will transfer to the Operations Department. See the organization structure diagram below for details.

**9. Concluding Comments**

In summary, MI’s intention for 2016-2020, in response to its own analysis of needs and extensive stakeholder consultations is, firstly, to consolidate its position as the preeminent capacity development center in the GMS, and, secondly, to extend activities that will formalize its role as a regional hub for policy dialogue, networking and coordination. At the same time MI will to continue to strengthen its internal organizational systems including integrating MEL into all its work, in order to better demonstrate results. Similarly, MI will seek to diversify its sources of income and ensure financial sustainability by working with a wide variety of partners able to support programs, projects and initiatives. Following through on these commitments will ensure that MI continues to respond with meaningful contributions to the evolving needs of the GMS.
Figure 4: MI Organizational Structure 2016 - 2020