



Regional: Greater Mekong Subregion Healthy Border Special Economic Zones Project

Project Name	Greater Mekong Subregion Healthy Border Special Economic Zones Project				
Project Number	53290-001				
Country	RegionalCambodiaLao People's Democratic RepublicMyanmar				
Project Status	Proposed				
Project Type / Modality of Assistance	Loan				
Source of Funding / Amount	<table border="1"> <tr> <td>Loan: Supporting Regional Economic Cooperation in the Greater Mekong Subregion through the Healthy Special Economic Zones Project</td> <td></td> </tr> <tr> <td>concessional ordinary capital resources lending / Asian Development Fund</td> <td>US\$ 72.00 million</td> </tr> </table>	Loan: Supporting Regional Economic Cooperation in the Greater Mekong Subregion through the Healthy Special Economic Zones Project		concessional ordinary capital resources lending / Asian Development Fund	US\$ 72.00 million
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Strategic Agendas	Environmentally sustainable growth Inclusive economic growth Regional integration				
Drivers of Change	Governance and capacity development Knowledge solutions Partnerships Private sector development				
Sector / Subsector	Health - Disease control of communicable disease - Disease control of non-communicable diseases and other priority programs - Health care finance - Health insurance and subsidized health programs				
Gender Equity and Mainstreaming	Effective gender mainstreaming				
Description	The proposed project will support the Governments of Cambodia, Lao People's Democratic Republic (Lao PDR), and Myanmar to enhance regional integration and economic cooperation in the Greater Mekong Subregion (GMS). A cofinancing and knowledge partnership with the Government of Thailand will be explored during the project design. The proposed project will improve access to health services for men and women migrant workers in the GMS border special economic zones (SEZ) through social infrastructure development and health financing support. The proposed project showcases the comparative advantage of the Asian Development Bank (ADB) in the GMS, building on ongoing support for health security, migrant population health, communicable disease control, and health systems strengthening.				
Project Rationale and Linkage to Country/Regional Strategy	<p>SEZs are driving economic growth in the GMS regional economic corridors. Over the past 50 years, SEZs have been successful in promoting export- and foreign-direct investment in Asia, providing strategic support for new policies and innovations. Since the establishment of the Association of Southeast Asian Nations (ASEAN) Economic Community in 2015, the number of SEZs has grown significantly. Currently, over 500 SEZs exist in the GMS region (excluding the People's Republic of China), and they are increasingly located in border zones to better access low cost labor, power, transport, and trading opportunities with neighboring countries.</p> <p>Low-cost migrant labor helps drive SEZ border development. SEZs benefit from low labor costs by hiring migrant workers. In 2018, estimates show that roughly 3.9 million migrants came to Thailand from Cambodia, Lao PDR, Myanmar, and Viet Nam. Migrant workers constitute over 10% of the 38.7 million Thai labor force, contribute around 6.6% of gross domestic product in Thailand, and send about \$2.8 billion in remittances to their home countries. Further, migrant workers contribute significantly to the local economy, especially in border economic zones. The benefits of migration are not one way a recent study shows that two-thirds of migrant workers returning to Myanmar who reportedly had worked in Thailand have improved their financial situation. Migrant workers are particularly vulnerable to health care shocks due to lack of financial protection, job security or family support. For women migrant workers, access to basic health care services is critical, especially sexual and reproductive services and protection from gender-based violence, which is currently lacking in many SEZs across the region.</p> <p>SEZs underinvest in health leading to poor health outcomes. Existing SEZs have prioritized industrial parks as economic hubs; and investments in social services, like health services, are lacking. SEZs' capacity to provide health services is strained by the growing number of migrants. The situation is worsened due to poorly maintained hospitals, outdated equipment, and under-capacitated staff to meet growing demand. Few private hospitals are operational and affordable for most migrants, with statistics showing disease burdens to be higher in SEZ provinces than in non-SEZ provinces. Rates of suicide were higher in the 10 SEZ provinces of Thailand than nationwide, which may reflect the poorer socioeconomic outcomes in these areas. In Kayin State (Myanmar) and Savannakhet Province (Lao PDR), studies found much higher malaria infection rates than in the general population. As the region integrates further and countries establish more border SEZs, health investments in SEZs become more critical. Low standards on occupational and environmental health for migrants. Industries located within SEZs often require work with hazardous chemicals, repetitive work, and awkward working postures, which have severe health effects. SEZs have weak enforcement of core labor standards, and rarely promote safe working conditions. As a result, adherence to environment and safety protocols often falls short of recommended standards. For women laborers, the problems are more complex, as access to sexual and reproductive health care is often limited.</p> <p>No GMS country covers health care costs outside their borders. GMS countries, to different degrees, are ensuring health financial protection for their citizens: Thailand has a universal health coverage scheme, which allows those without employment-related health insurance access to free health facilities; Myanmar is working on providing an essential health service package to all for free; Lao PDR's national health insurance covers the majority of the population; and Cambodia's three major schemes are currently being merged to provide a comprehensive health protection framework. However, no regional, mutually beneficial health financing scheme currently exists to financially support migrants' access to health care. Only Thailand has a health insurance scheme for incoming registered migrants (compulsory migrant health insurance) provided by the Ministry of Public Health, and health insurance for formal sector workers under Social Security. Despite this, only 51% of Cambodia, the Lao PDR, Myanmar, and Viet Nam migrants in Thailand have any form of health insurance. Without coverage, migrants defer seeking necessary health care services. Moreover, many health facilities in border towns (especially in Thailand) are obliged to treat migrants should they need care; as a result, if the migrant is unable to pay, the facility (and therefore, the Thai government) is liable to pay the bill.</p>				
Impact	GMS cross border collaboration and migrant workers' quality of life improved (ASEAN Consensus on the Protection and Promotion of the Rights of Migrant Workers)				
Outcome	Access to affordable health services by men and women migrant workers in selected SEZs improved				
Outputs	Inclusive cross-border and subregional cooperation on universal health coverage for men and women migrant and mobile populations improved Health care service delivery in selected SEZs strengthened. Regional health financing mechanism established				
Geographical Location	Cambodia - Nation-wide; Lao People's Democratic Republic - Nation-wide; Myanmar - Nation-wide				

Safeguard Categories	
Environment	B
Involuntary Resettlement	B
Indigenous Peoples	B

Summary of Environmental and Social Aspects	
Environmental Aspects	
Involuntary Resettlement	
Indigenous Peoples	
Stakeholder Communication, Participation, and Consultation	
During Project Design	
During Project Implementation	

Responsible ADB Officer	Rikard Elfving
Responsible ADB Department	Southeast Asia Department
Responsible ADB Division	Human and Social Development Division, SERD
Executing Agencies	Ministry of Health No. 151-153, Avenue Kampuchea Krom 1537 Phnom Penh Kingdom of Cambodia Ministry of Health Simuang Road Vientiane LAO PDR Ministry of Health and Sports Office No. 4, Naypyitaw, Myanmar Ministry of Public Health Bangkok Thailand National Economic and Social Dev. Board 962 Krung Kasem Road Bangkok 10100 Thailand

Timetable	
Concept Clearance	30 Sep 2019
Fact Finding	18 May 2020 to 29 May 2020
MRM	31 Jul 2020
Approval	-
Last Review Mission	-
Last PDS Update	09 Dec 2019

Project Page	https://www.adb.org/projects/53290-001/main
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