



Completion Report

Project Number: 42518-023
Technical Assistance Number: 8529
March 2017

Support for the Establishment of the Greater Mekong Railway Association

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Asian Development Bank

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TA Number, Country, and Name: TA 8529-REG: Support for the Establishment of the Greater Mekong Railway Association			Amount Approved: \$225,000.00																																		
			Revised Amount: Not Applicable																																		
Executing Agency: Asian Development Bank		Source of Funding: TASF-Others	Amount Undisbursed: \$2,497.71	Amount Utilized: \$222,502.29																																	
TA Approval Date: 4 Dec 2013		TA Signing Date: 4 Dec 2014	TA Completion Date Original: 31 Dec 2015 Actual: 30 Sep 2016																																		
		Fielding of First Consultants: 28 April 2014	Account Closing Date Original: 31 Dec 2015 Actual: 23 Aug 2016																																		
Description Rapid economic development and the associated expansion of trade among Greater Mekong Subregion (GMS) countries are straining current transport links and logistic services. There is a realization that road-based transport cannot meet the growing demand for travel; congestion is already an issue, and ever higher concentrations of heavy-goods vehicles are causing significant damage to the road network; in addition to poor road safety and deteriorating air quality and pollution caused by vehicles. As a high capacity, energy-efficient transport mode that has the ability to cover long distances, railways are well suited to meet the changing transport needs. The GMS countries view railways to be a reliable and efficient transport system to connect the subregion and support continued economic growth. As a result, the GMS countries have collectively agreed on the need to develop their railways as a safe and sustainable alternative to long-distance road-based transport.																																					
To meet the stated objective to develop a regional railway system, there is a need for a GMS railway coordination body. To this end, a Memorandum of Understanding was signed by all GMS countries at the 19th GMS Ministerial Conference in December 2013, which established the Greater Mekong Railway Association (GMRA). The GMRA will develop railway institutional capacity in respective GMS countries, as well as support railway connectivity and interoperability. This regional small scale capacity development technical assistance (S-CDTA) was to provide funding for the first 2 years of the GMRA's operations to support the secretariat and capacity development program.																																					
Expected Impact, Outcome, and Outputs The expected impact of the TA was to improve railway connectivity to promote efficient, safe, and environmentally-sustainable rail transport in GMS countries. The outcome of the TA was to establish an effectively functioning and self-sufficient GMRA serving railway connectivity in the GMS. The TA outputs included: (i) support for the technical working groups on railway connectivity in the GMS; (ii) preparation of a capacity development program for GMS member countries railway bodies; and (iii) facilitation of dialogue with private sector involvement in GMS railway development.																																					
Delivery of Inputs and Conduct of Activities The scope of work was well defined, providing adequate support for the GMRA and, in particular, the formulation and initial function of the secretariat of the GMRA during its first two years of operation. The consultants performed their tasks as the secretariat well, delivering several GMRA working group meetings, as well as two GMRA General Meeting: the 1st meeting was held on 10–12 March 2015 in Kunming, People's Republic of China (PRC); and the 2nd meeting was held on 6–8 September in Beijing, PRC. The scope of the TA work was carried out as proposed, with the outcome achieved. The TA was extended to ensure that Secretariat support was provided to cover the second General Meeting. The Asian Development Bank (ADB) staff provided inputs to the S-CDTA and attended the General Meeting and Working Group meetings. ADB, as the executing agency, performed a key facilitating role with GMS member countries through the S-CDTA, convening meetings, ensuring dialogue on critical issues relating to regional rail connectivity, and delivering agreement on priority missing rail links, as well as draft documentation on interoperability. The performance of ADB is rated satisfactory as the executing agency and on the TA.																																					
<table><tr><th>Meeting</th><th>Venue</th><th>Dates</th></tr><tr><td>1st Working Group Meeting</td><td>Phnom Penh, Cambodia</td><td>7–8 October 2014</td></tr><tr><td>2nd Working Group Meeting</td><td>Bangkok, Thailand</td><td>12–13 November 2014</td></tr><tr><td>Network Integration Working Group Meeting</td><td>Bangkok, Thailand</td><td>21–22 January 2015</td></tr><tr><td>3rd Working Group Meeting and 1st General Meeting</td><td>Kunming, PRC</td><td>10–12 March 2015</td></tr><tr><td>4th Working Group Meeting</td><td>Vientiane, Lao PDR</td><td>9–10 June 2015</td></tr><tr><td>5th Working Group Meeting</td><td>Da Nang, Viet Nam</td><td>15–16 September 2015</td></tr><tr><td>6th Working Group Meeting</td><td>Yangon, Myanmar</td><td>2–3 December 2015</td></tr><tr><td>7th Working Group Meeting</td><td>Phnom Penh, Cambodia</td><td>29–30 March 2016</td></tr><tr><td>8th Working Group Meeting</td><td>Bangkok, Thailand</td><td>7–8 June 2016</td></tr><tr><td>9th Working Group Meeting and 2nd General Meeting</td><td>Beijing, PRC</td><td>6–8 September 2016</td></tr></table> PRC = People's Republic of China; Lao PDR = Lao People's Democratic Republic.					Meeting	Venue	Dates	1st Working Group Meeting	Phnom Penh, Cambodia	7–8 October 2014	2nd Working Group Meeting	Bangkok, Thailand	12–13 November 2014	Network Integration Working Group Meeting	Bangkok, Thailand	21–22 January 2015	3rd Working Group Meeting and 1st General Meeting	Kunming, PRC	10–12 March 2015	4th Working Group Meeting	Vientiane, Lao PDR	9–10 June 2015	5th Working Group Meeting	Da Nang, Viet Nam	15–16 September 2015	6th Working Group Meeting	Yangon, Myanmar	2–3 December 2015	7th Working Group Meeting	Phnom Penh, Cambodia	29–30 March 2016	8th Working Group Meeting	Bangkok, Thailand	7–8 June 2016	9th Working Group Meeting and 2nd General Meeting	Beijing, PRC	6–8 September 2016
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The consultants' performance is rated **satisfactory**. The consultants providing technical expertise on international rail system development and in the organization of the General Meetings and Working Group meetings. However, the TA budget was limited and this restricted the ability to engage the full range of rail expertise and specialists required.

Evaluation of Outputs and Achievement of Outcome

The key output of the TA was the GMRA secretariat support for the Working Group (WG) Meetings and the GMRA General Meetings. Three WGs were established as a result of the TA, including: (i) WG 1: Network Connectivity, led by GMS country leads from Cambodia and Viet Nam; (ii) WG 2: Network Integration and Inter-operability, led by GMS country leads from Lao PDR and Thailand; and (iii) WG 3: Partnerships and GMRA Operations, led by GMS country leads from PRC and Myanmar. The establishment of the WG and many WG meetings (listed above) provided opportunities for the delivery of the capacity development program for GMS member countries railway bodies. However, being a small scale TA the financial resources were limited, which prevented the full range of capacity required. Many of the WG meetings engaged resource persons in specialist areas to support the advancement of the GMRA and to provide specific inputs within the limited budget.

WG1 achieved its output with the agreement by the GMS member countries of nine priority regional railway links. The further evaluation of these links for implementation is now being undertaken by an ADB regional policy and advisory TA that will provide support to the GMRA by examining financial delivery of the priority regional railway links and assess the network impacts of regional rail development.¹ Capacity development activities were undertaken with GMRA member countries in terms of needs assessment associated with regional railway network development and linkages to national railway development and operations.

WG2 undertook considerable work in the development and delivery of sample multilateral and bilateral agreements for railway network development and operations. The GMRA has agreed to the formal preparation, and subsequent approval, of a Cross Border Framework for railway operations within the GMS, based on the work support by the S-CDTA. The framework will provide a high level strategic document augmented by a series of existing or new bilateral agreements, as required.

WG3 has led to the agreement by the GMRA Board of the need for an international body covering regional rail in the GMS and, that the GMRA should evolve into a legal entity that will fulfil this role. This WG has also engaged in dialogue with international organizations (such as the International Union of Railways) and the private sector in the development of the GMRA. The GMRA Board was unable to agree on the amounts for the 3-year rolling budget.

The 2nd GMRA General Meeting was successfully held on 6–8 September 2016 in Beijing, PRC, which included the handover of chairmanship from Cambodia to PRC.

The outcome of the TA was to establish an effectively functioning and self-sufficient GMRA, serving railway connectivity in the GMS. Through the establishment of the WG and the hosting of the WG meetings, as well as the General Meeting, the outcome of the TA was achieved.

Two consultants were recruited under the TA. The international railway specialist undertook the needs assessment and capacity development of GMRA country members, including preparing a work program for addressing the priority missing rail links (WG1); provided insight on international rail agreements (WG2); and engagement with other international rail bodies (WG3). The national coordination and capacity development specialist undertook the planning, hosting, and conclusion of the General Meeting and various WG meetings. In addition, the specialist provided support to the three WGs from the virtual secretariat office, housed within ADB HQ.

The international rail expert provided timely technical inputs at each of the working group meetings. His knowledge of the working relationships of international rail bodies was of particular relevance, as well as the technical understanding on issues such as railway gauge, cross-border operations, and comparative advantages of passenger and freight rail services. The national coordination and capacity development consultant provided excellent support to the GMRA, notably at the General Meeting, and also in the preparation and delivery of the numerous working group meetings.

Overall Assessment and Rating

The TA is rated **successful**. All outputs of the TA were achieved which led to the achievement of the TA outcome.

¹ ADB. 2016. *Technical Assistance for Connecting the Railways in the Greater Mekong Subregion into Regional Cooperation*. Manila (TA 9123-REG).

There were notable successes with the establishment of the GMRA WGs and the delivery of key outputs on rail connectivity, capacity development, and engagement with private sector to advance the development of the GMS rail network

Major Lessons

The TA ensured that the GMS countries continue to develop its regional rail network and that the GMS countries meet regularly to discuss the physical and legal arrangements for regional rail connectivity through the GMRA General Meetings and Working Group meetings. However, the TA budget was limited and this restricted the ability to fully engage the range of rail expertise and specialists required. Support for the development and ongoing operation requires full agreement and commitment from the respective governments, including financial contributions to ensure the continued operations and support of the Secretariat. Currently the Secretariat role is assumed by the Chair of the GMRA, which is on a rotation basis. The TA provided opportunities to ensure continued support of the GMS members for the development of national and regional rail network development of the GMS member countries; this resulted in the agreement of the GMS countries to self-finance the GMS secretariat activities. The TA completion date was extended to provide secretariat support up until the 2nd General Meeting.

Recommendations and Follow-Up Actions

With the strong commitment shown by the GMS countries for the development of a regional rail system in the GMS, ADB should continue to provide support both for project investment opportunities and for the governing body, the GMRA.

Prepared by: James A. Leather

Designation and Division: Principal Transport Specialist, SETC