

**Basic Framework of ASEAN- Mekong Basin Development Cooperation
Kuala Lumpur, 17 June 1996**

Realising the great economic potential of the Mekong Basin and desiring to cooperate in the development of the Mekong Basin, the Ministers and Representatives of Brunei Darussalam, Cambodia, China, Indonesia, Laos, Malaysia, Myanmar, the Philippines, Singapore, Thailand and Vietnam, as the core group, met in Kuala Lumpur on 17 June 1996, and agreed to the following Basic Framework of ASEAN-Mekong Basin Development Cooperation:

A. Objectives

1 . The objectives of this cooperation shall be:

- (i) to enhance economically sound and sustainable development of the Mekong Basin;
- (ii) to encourage a process of dialogue and common project identification which can result in firm economic partnerships for mutual benefit; and
- (iii) to strengthen the interconnections and economic linkages between the ASEAN member countries and the Mekong riparian countries.

B. Principles of Cooperation

2. The cooperation shall be governed by the principles that it:

- (i) is supportive of and complementary to national development plans of countries in the Mekong Basin;
- (ii) results in direct benefits to people in the Mekong Basin in the form of employment, income generation, social upliftment and rising standards of living;
- (iii) utilises resources fully and ensures stable and sustainable development leading to improved management of natural resources and protection of the environment;
- (iv) complements cooperation initiatives currently undertaken by the Mekong River Commission, donor countries and other multilateral agencies;
- (v) mobilises the participation of the private sector in the implementation of

projects and activities identified collectively; and

(vi) is open for participation of all interested countries as well as regional and international development, financial aid agencies and institutions.

C. Sectors of Cooperation

3. The cooperation shall accord priority to the sectors having the greatest potential for development namely:

(i) development of infrastructure capacities in the areas of transport, telecommunications, irrigation and energy in order to provide services support for development programmes in general;

(ii) development of trade and investment-generating activities;

(iii) development of agricultural sector through the identification of programmes and projects to enhance agricultural production for domestic consumption and for export;

(iv) sustainable development of forestry resources and the development of mineral resources through the identification of programmes and projects based on value-added activities and processing for export;

(v) development of the industrial sector through the identification of programmes and projects to accelerate industrial development especially small and medium enterprises;

(vi) development of the tourism sector;

(vii) human resource development and support for training; and

(viii) science and technology cooperation.

D. Participation

4. The core group welcomes the participation of:

(i) other countries which are currently engaged in development cooperation on bilateral or multilateral basis in the Mekong Basin and/or which formally express interest in the ASEAN-Mekong Basin Development Cooperation; and

(ii) international and regional institutions, financial aid agencies and institutions

which are interested or engaged in assisting the development of the Mekong Basin.

E. Funding and Implementation of Projects

5. The core group recognises the need to mobilise funds for the development of the ASEAN-Mekong Basin cooperation. To demonstrate its commitment and seriousness towards this initiative, ASEAN will consider establishing appropriate modalities for this purpose. It is also recognised that the sources of funds could come from the private sector, international agencies and donor countries.

6. The projects could be implemented through various modes, including privatisation and Build-Operate-Transfer/Build-Operate-Own.

F. Mechanisms for Follow-up

7. To carry out the objectives and aims of this cooperation, the following mechanisms are adopted:

(i) Meeting of Ministers duly assigned the responsibility to follow up on this cooperation together with the Secretary-General of ASEAN shall be convened at least once a year and would be held back-to-back with the Joint Ministerial Meeting of the ASEAN Foreign and Economic Ministers prior to the ASEAN Summit. Special Meetings of Ministers may be convened as required.

(ii) A Steering Committee comprising officials duly assigned by Ministers to follow up on this cooperation together with a representative of the ASEAN Secretariat shall be formed. The Steering Committee shall meet in between meetings of Ministers.

(iii) At these Ministerial and other Meetings, governments of non-core group countries as well as international and regional institutions involved in cooperative ventures with regard to the Mekong Basin could also be invited.