

Welcome Remarks
by
Senior Minister Keat Chhon
Minister of Economy and Finance, MP

***Seminar on “Accelerating Development in the Mekong Region –
The Role of Economic Integration”
Jointly Organized by the IMF, the ASEAN Secretariat
and the Royal Government of Cambodia***

Siem Reap, Monday, 26 June 2006

Samdech Prime Minister,

1. Today, we are most honored to have Samdech Hun Sen, Prime Minister of the Royal Government of Cambodia, to deliver his keynote address during this opening session. On behalf of H.E. Takatoshi Kato, Deputy Managing Director of the IMF, H.E. Ong Keng Yong, ASEAN Secretary General, colleagues of the Royal Government and all participants, and on my own behalf, I would like to express our profound gratitude to Samdech Prime Minister for agreeing to deliver a Keynote Address to the seminar, despite your busy schedule.

2. Allow me to extend, on behalf of the government and people of the Kingdom of Cambodia, my warmest welcome to all distinguished participants of this Seminar on “Accelerating Development in the Mekong Region – The Role of Economic Integration” to this ancient city of Siem Reap-Angkor. It is our pleasure to jointly organize this seminar with the IMF and the ASEAN Secretariat to discuss critical policy issues concerning the development and integration in our Mekong region.

3. As you are well aware that addressing the development challenges in the Mekong Region is a highly important issue. In particular, there is a growing recognition that more needs to be done to help the Mekong countries to catch up with the rest of Asia. Thus, the purpose of the

seminar today is to explore how regional initiatives to accelerate economic integration will impact on the development of the Mekong.

4. The Mekong Region is a region with great potentials for economic growth and development. Apart from sharing common borders, the Mekong countries are linked by common histories and cultures and religions. Most importantly, however, the peoples of all these countries make their living from the same source, the famous Mekong River. The histories and livelihoods of the people in this region are more or less linked to the Mekong River. We all drink water from the same source.

5. However, we all also know that the Mekong Region is a region of diversity such as in income levels, living standards and government systems. This makes the task of regional economic integration very challenging. Naturally, we thus see differences in the processes and speed of development. While respecting diversity, however, it is important for us to promote our common interests and our shared goals, recognizing positive influences of each other based on differences among countries. In other words, we must leave behind parochial nationalism and dogmatism, promote mutually beneficial cooperation based on equality in order to enjoy prosperity - this should be our guiding principle.

6. Therefore, for further development in the Mekong Region to take place, it is necessary to increase the economic resilience and competitiveness of each nation. We are convinced that reform is the key to achieving this goal. Each country's individual reform efforts combined with our joint regional efforts will help strengthen the competitiveness of our entire Mekong Region.

Samdech, Excellencies, Ladies and Gentlemen:

7. Today, we will first assess the outlook for the Mekong and review the main challenges (economic, social, and political) to bridging the development gap with the rest of Asia. Thus, the task for us is to explore how greater economic integration might help accelerate economic development in the Mekong and to look at the main opportunities and challenges.

7. Then, we will focus on the specific issues, which would include the role of existing regional integration initiatives aimed at helping the

Mekong countries bridge the development gap with the rest of ASEAN (e.g. Roadmap for Integration of ASEAN (RIA), Initiative for ASEAN Integration (IAI), GMS and the ACMECS initiative) and the challenges that the Mekong countries face as “latecomers” to ASEAN economic integration, and how these initiatives might help the development of the region and whether they are appropriately targeted for this purpose.

8. In the later sessions, we will review the impact of broader trends towards economic integration within Asia, and assess whether they pose a threat or opportunity for the Mekong countries. Then, we step back and assess from a more technical standpoint, whether the proliferation of regional and bilateral trade agreements is a healthy development for the region or whether it will result in an unmanageable “spaghetti bowl” trade regime, which might complicate the process of WTO accession for the Mekong countries.

9. Finally, I strongly believe that this two-day seminar will bring about fruitful discussions on ways to promote cooperation in Asia and Mekong region development, which is home to some of East Asia's least developed countries (LDCs). Once again, I welcome you all to Siem Reap-Angkor and I wish you a successful seminar.

10. During the opening session, we have two distinguished speakers to address the opening remarks, H.E. Takatoshi Kato, Deputy Managing Director of the IMF and H.E. Ong Keng Yong, ASEAN Secretary General. Now I would like to invite H.E. Kato to take the floor.

[Mr. Kato takes the floor and makes an opening remark]

Thank you Your Excellency for your opening remark. May I now invite H.E. Ong Keng Yong, ASEAN Secretary General to deliver the opening remark.

[Mr. Ong Keng Yong takes the floor and makes an opening remark]

Thank you Your Excellency for your interesting remark.

We are honored today to have Samdech Hun Sen here with us, despite his busy schedule, to kindly deliver a Keynote Address to the seminar. I would like to invite Samdech Prime Minister to take the floor.