

**Welcoming Remarks  
by H.E. Mme Khempheng Pholsena  
Minister to the Prime Ministers' Office  
Head of Water Resources and Environment Administration at the  
Opening Session of the GMS Environment Ministers Meeting**

**Vientiane, Lao PDR, 29 January 2008**

**Excellencies Ministers, Vice Ministers of the GMS Countries,  
ADB Vice President  
UNEP Regional Director  
Distinguished Delegates and Guests  
Colleagues, Ladies and Gentlemen**

Following the remarks of the Deputy Prime Minister H.E. Mr. Asang Laoly and on behalf of the Government of the Lao People's Democratic Republic, let me also join in warmly welcoming all of you to the second GMS Environment Ministers' Meeting. This meeting is indeed a testimony of how far the GMS member countries have advanced in terms of jointly tackling the various environmental challenges facing the subregion.

The GMS Program, which recently marked its 15<sup>th</sup> anniversary, has been resoundingly successful in realizing its key objective of building infrastructure connectivity which has helped bring about much enhanced levels of cross-border trade, investment and migration, thus fueling economic growth particularly in poorer, remote border regions, and contributing to the reduction of poverty levels across the subregion. However, the march toward greater GMS prosperity also brought to the forefront the concern that this economic growth could come at the expense of the environment. An earlier UN study has pointed out worrisome trends in Asia, where while socio-economic conditions have generally improved, land degradation, deforestation, habitat and species loss and depletion of marine resources have worsened.

To address these concerns the Core Environment Programme (CEP) was launched in 2005 marking a new qualitative development of the GMS economic cooperation programme through an integrated approach to GMS environmental management. I take this opportunity to commend the Environment Ministers, the WGE and the Environment Operations Center, which implements the CEP, for the gains that have been made in a short period of time. I would like to particularly cite the improvements in our strategic

environmental assessment capabilities, as well as the encouraging results being obtained in pilot testing of the biodiversity conservation corridor initiative, which is the CEP's flagship program, in the five selected sites in the subregion. We are extremely encouraged by the generous support being provided by our development partners in financing the CEP. In particular, we wish to acknowledge the contribution from the governments of the Netherlands and Sweden, and from the ADB Poverty Reduction Cooperation Fund. We are pleased to learn that the government of Finland is expected to soon join the CEP partnership. We also recognize the contribution of international NGOs in the implementation of the CEP.

Yet we could not, and must not, be complacent and rest on these gains. Even while the GMS countries, with economies growing among the fastest in the world, have made strong advances in raising incomes and improving living conditions, there are signs that such growth has been leading to more pollution, land degradation and depletion of our natural resources. In UNEP's 2007 Environment Outlook for the GMS, it was stressed that unless these concerns are addressed, irreversible ecosystem damage could result, which will then adversely impact on economic activities that depend on natural resources. With large agrarian populations in our subregion, our efforts to improve our peoples' well-being as well as our drive to enhance the subregion's competitiveness will be severely compromised.

And there are even graver challenges posed by climate change, which, it is now generally acknowledged, could cause disproportionately severe losses to developing countries that are more vulnerable to natural disasters, health threats, and food supply shocks that could result from the warming of the earth's climate system. A further cause of concern is that precise studies of the climate change vulnerabilities of different countries are very limited. Studies and information on the vulnerabilities within countries, across various strata of our societies, are even harder come by. What is already clear however is that the poorer and rural sectors in our subregion will get hit most especially hard, as these sectors are more dependent on the changes in the quality and availability of goods and services that are being provided by the ecosystems of the subregion.

I therefore strongly welcome the launch yesterday of the Human Development Report 2007/208, which stressed the need for greater unity and solidarity of humankind in acting,

with urgency, to avoid the damaging effects of climate change. The Report argues that time is running out, therefore the need to collectively act on reversing course on greenhouse gas emissions. I agree with the Report's contention that "our failure to act now will have dire consequences on human development in our lifetime, and cause severe risks for generations to come."

The Lao PDR, along with its GMS neighbors is a party to various international declarations and convention that seek to promote environmental sustainability and address the effects of climate change. These include:

- The "Declaration on Environmental Sustainability" signed by ASEAN leaders at the 13<sup>th</sup> ASEAN Summit in Singapore, held in November 2007. This Declaration affirmed ASEAN's commitment to environmental protection and management, outlined its response to climate change, and stressed its efforts to conserve natural resources and biodiversity.
- The "Singapore Declaration on Climate Change, Energy and the Environment", also signed at the November 2007 East Asian Summit by the ASEAN's leaders and those of its partner countries, namely Australia, the People's Republic of China, India, Japan, the Republic of Korea, and New Zealand. This Declaration emphasized the role that all countries should play in addressing climate change. However, it qualified that such a role would be differentiated in terms of responsibilities based on respective capacities. The Declaration committed the signatory countries to participate actively in the process of developing more effective, comprehensive and equitable climate change arrangements after 2012, all within the United Nations Framework Conservation on Climate Change.
- The decision reached at the 13<sup>th</sup> Conference on the United Nations Framework Convention on Climate Change, held in Bali, Indonesia in December 2007, on a clear agenda for the key issues to be negotiated up to 2009. This agenda includes action for adapting to the negative consequences of climate change. The actions would address floods and drought, reduction in greenhouse gas emission, wide deployment of climate-friendly technologies, and financing for both mitigation and adaptation for climate change.

With the CEP in place and marking its third year, we in the GMS are certainly in a better position to act and follow through on our international commitments to environmentally sustainable development and addressing climate change. This is indeed an opportune time for us to meet and discuss new directions and recommend more effective strategies for promoting sustainable environmental management to our very own Leaders, who will convene here in Vientiane this coming March for their triennial meeting. The Third GMS Summit, which will have as its theme “Enhancing Competitiveness Through Greater Connectivity”, aims to sustain and deepen economic cooperation and integration in order to realize the GMS countries’ common vision of an integrated, harmonious and prosperous subregion.

I am heartened to note that you have all come to this meeting prepared to consider new and novel ways for meeting future environmental challenges and taking advantage of opportunities that can be harnessed more effectively as a solid regional grouping facing similar, although in varying degrees, environmental threats and constraints. Some of these are certainly not new, having been discussed extensively in various international and academic forums. One involves “mainstreaming” environment in both national and regional planning and investment decisions, which is one of the principal aims of the CEP. This will involve among others giving environment agencies greater clout, building a sustainable regional organization that is strongly supported and owned by the countries, and promoting practices that will reflect more accurately the social and environmental costs in project decisions. Such a move will help create a more level playing field for various initiatives competing for scarce development resources, and would certainly give an edge to say, rural programs that not only promote sustainable agriculture and natural resource practices, but will also directly impact on poverty levels.

Another is to be able to channel our collective efforts into improving our knowledge and understanding of the real challenges of climate change to our peoples, and into enhancing our capacities for innovation and technological development and adaptation to better confront and address these challenges. These could be undertaken through regional centers of excellence focusing on regional environmental issues and concerns and providing regional support mechanisms for institutional capacities development in the GMS. The peoples of the GMS would then be better prepared for the kind of

technological renewal that would be demanded by say, transitioning our economies into a more sustainable mix of energy sources in the future.

Recent efforts of the EOC in response to climate change issues, such as the holding of last year's Biodiversity Conference in Kunming, and planning for studies on carbon neutral transport corridors, rural waste management and risks and adaptation from the impacts of climate change, are indeed steps in the right strategic direction as I have earlier outlined.

Excellencies,

Colleagues, ladies and gentlemen,

We have indeed come a long way since the 2005 GMS Environment Ministers Meeting in Shanghai. As we have demonstrated in the three years since the launch of the CEP, by acting together, we are in a better position to act coherently and consistently and therefore more effectively in promoting sustainable environmental practices toward a more prosperous and competitive subregion, which is aligned with our Leaders' common vision for the GMS. We have much work to do, and admittedly the road ahead is expected to be rough, but I am confident that as champions of the environment in your respective countries, you will all do your best in working for continuing improvement in the lives of the people of our subregion while helping preserve the environment for the benefit of future generations of the world.

I wish all of us productive deliberations ahead.

Thank you.