

Chapter 3

Corridor Alignment and Influence Zone

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due to growing trade and investment linkages between India and Mekong countries. The share of total trade of India with Mekong countries has more than doubled in a span of 15 years. India has signed partial FTA with Thailand and Comprehensive Economic Cooperation Agreement (CECA) with Singapore. India's FTA with ASEAN was signed on 13 August 2009 and FTA with Malaysia as individual country is under negotiation and close to signing.

The corridor would provide opportunities to individual countries of Myanmar, Thailand, Cambodia and Vietnam to build a strong economic and industrial base and a world-class infrastructure. The emphasis of the corridor is on expanding the manufacturing base and expand trade with rest of the world particularly India. The corridor will enable these economies to further integrate and collectively emerge as a globally competitive economic bloc.

MIEC is expected to augment trade with India by reducing travel distance between India and MIEC countries and removing supply side bottlenecks.



Table 1: Distance Comparison between India and MIEC Countries (with and without MIEC)

Country	Approximate <i>Current</i> Travel Distance between India and MIEC Countries (Km)	Approximate <i>Expected</i> Travel Distance between India and MIEC Countries (Km)
Thailand	4,500	2,500
Cambodia	4,200	3,000
Vietnam	4,200	3,500

The secondary alternative for possible connection between India and Mekong can be through Southern Seaboard located in South Thailand on Andaman Sea and borders with Malaysia. The Government of Thailand is developing a Southern Seaboard Development Project (SSBD) in the region on the similar lines of Eastern Seaboard project. Thus a route through SSBD forms an alternative to the Andaman Sea for MIEC which can be accessed through Pak Bara Port. The details of possible connection between MIEC and SSBD are appended in Annexure 3.

3. Corridor Alignment and Influence Zone

MIEC corridor is conceptualized to be the region around the main highway connecting Vung Tau in Vietnam to Dawei in Myanmar passing through Ho Chi Minh City, Phnom Penh and Bangkok. The highway passes through three borders of (i) Moc Bai-Bavet (Cambodia-Vietnam); (ii) Poipet-Aranyaprathet border (Cambodia-Thailand); and (iii) Sai Yok-Bong Tee (Thailand-Myanmar). There is an existing road from Vung Tau to Bong Tee on Thailand-Myanmar border, after which there is only unpaved path till Dawei. In addition to several major cities it covers key towns - such as of Bien Hoa (in Vietnam), Battambang, Sisophon (in Cambodia), Chachoengsao, Prachinburi and Kanchanaburi (in Thailand).

This road alignment connecting major economic centres will serve as the main transport spine for the corridor. The **Influence Zone** for the corridor is considered to be extended up to 80-100 km on

both sides of the alignment. For the purpose of development of this concept plan, the 'MIEC Corridor Region' is delineated as provinces which are majorly within 80-100 km of the influence zone. In order to optimize the development of corridor, it includes all key economic centres and seaport locations along western coast. MIEC Corridor region encompasses of the 21 provinces of Thailand, 17 provinces of Cambodia and 20 provinces of Vietnam. It covers an area of 265,000 sq. km. and constitutes about 25% of the total area of MIEC countries.

Map 1: MIEC Corridor Region



4. Vision for MIEC

The vision for the corridor is “to create a strong economic base that provides employment, reduces poverty, and promotes human resources development through provision of world class infrastructure and facilitation of trade between Mekong region and India”.

5. MIEC Goals

MIEC project will be conceptualized to achieve the following goals:

- Enhance economic development and trade between India and Mekong region.
- Boost Investments in the corridor with focus on attracting FDI.
- Generate employment and opportunities for social development.
- Exploit underlying comparative advantages and complementarities within the corridor.

6. MIEC Objectives

In order to achieve this vision, the corridor will focus on the following objectives:

- To facilitate trade among member countries.
- To facilitate efficient movement of goods and people within the Corridor.
- To improve infrastructure in the Corridor to facilitate investments and industrial development.
- To achieve balanced regional development and distribute the benefits of future economic growth by promoting major economic zones in under-developed areas.
- To maximize private sector investments in the Corridor towards development of infrastructure and industries in form of FDI and Public and Private Partnerships.
- To maximize social development and employment opportunities.
- To strengthen the human resource potential of the MIEC region.