

# Chapter 6

## MIEC Objectives

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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.

- Establish appropriate institutional arrangement to coordinate and facilitate development of the Corridor.

## 7. Components of MIEC

Development of MIEC envisages an integrated approach with a comprehensive regional planning perspective to transform the MIEC region into a major economic hub of East Asia. It will focus on building robust industrial and transport infrastructure for each of the countries, including promotion of industries based on locational strengths and exhibiting better efficiency in production. These industries along with good transport infrastructure provided by MIEC will promote inter-industry linkages, provide opportunity to countries to diversify their product lines, shift in production lines in emerging industrial MIEC economies. It is envisaged that high impact nodes are developed at the strategic locations in the corridor that will serve as engines of growth for the corridor. MIEC would therefore have four broad components:

- **Growth Pole:** Focal centre of economic activity or focal production blocks of national significance.
- **Growth Node:** Secondary production blocks or centres of economic activity with high potential to become future growth driver.
- **Transport Linkages:** To promote efficient linkages between the centres for economic activity, reducing service link costs and thereby attracting new production blocks to the corridor
- **Support Infrastructure:** Focuses on improving capacities of human capital to reduce costs in the production blocks and sustain long term development.

**Figure 1: Link between Components, Initiatives & Projects and Exemplary Exhibition of Initiatives & Projects**



After attaining a high-level of economic development, these nodes or production blocks would generate positive externalities thus also benefiting the region outside MIEC area. Further, MIEC concept has identified key **Initiatives** for each growth poles and nodes. These initiatives comprise of overall plans for the region related to Industrial infrastructure such as Comprehensive Development Zone<sup>3</sup>, Integrated Townships, Transport and Support Infrastructure. MIEC in terms of infrastructure primarily deals with only the hard infrastructure development as the soft infrastructure issues (such as regulatory and legal framework, policy controls, required incentives, social development etc.) have been addressed by various other organizations. However, some of the important issues such as border infrastructure, power supply across countries have been addressed

<sup>3</sup> Note: Comprehensive Development Zone is a self-sustained area. Please refer to end note.