

CHAPTER 2

Will the Emerald Triangle Development Cooperation Be Re-activated? :The Silent Cooperation Scheme between Cambodia, Lao PDR and Thailand

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CHAPTER 2

WILL THE EMERALD TRIANGLE DEVELOPMENT COOPERATION BE RE-ACTIVATED? : THE SILENT COOPERATION SCHEME BETWEEN CAMBODIA, LAO PDR AND THAILAND

Naomi Hatsukano

INTRODUCTION

The Emerald Triangle Development Cooperation is a program which was established in June, 2000 and includes Cambodia, Lao PDR and Thailand. The cooperation is mainly focused on the development of the tourism and agriculture sectors in the border provinces of these countries (Ubon Ratchathani and Si Sa Ket provinces in Thailand, Champasack and Saravane provinces in Lao PDR, Preah Vihear, Stung Treng and Oddor Meanchey provinces in Cambodia). Surin and Buri Ram provinces in Thailand and Siemreap province in Cambodia are not official members of the Emerald Triangle; however, the Emerald Triangle itself is not a formalized institution like other sub-regional frameworks. Therefore, for the purposes of this paper, these provinces, which are located along the border areas in the three countries, will be covered as well (Figure1).

Since its founding in 2000, the Emerald Triangle became active once in the early 2000s to the mid-2000s before becoming inactive. In this paper, I would like to examine the reasons or factors which led to the Emerald Triangle becoming inactive and whether it will be re-activated in the future.

The Emerald Triangle is worth examining because of the following two reasons: first, it is an important area because of the strategy to narrow the gap within ASEAN and GMS countries as these provinces are relatively poor within the region; second, the

government cooperation to cooperation with more local government participation.

1. OVERVIEW OF THE EMERALD TRIANGLE

1.1. Brief History of the Emerald Triangle

The Emerald Triangle was established in June, 2000. It was initially proposed by Cambodia (Table 1). “Emerald” indicates “green” development because the area is so green and has long been rich in historical, cultural and natural attractions.¹ It stands in contrast to the Golden Triangle in the north.

Emerald Triangle cooperation started with a plan to build international golf courses in three countries as proposed by the Thai government in December, 2001 with the purpose of promoting the tourism sector in this area. Since this project was not supported by local stakeholders and the planned area was in a national park full of natural scenery and also a large number of landmines left over from the 1970s and

Table 1: Main Events in the Emerald Triangle since 2000

June 2000	Agreed to establish
December 2001	Emerald Triangle International Golf Course Project
July 2000	Senior officials meeting in Vientiane
August 2003	1 st Foreign Minister Meeting/Pakse Declaration
December 2003	Working Group Conference in Ubon Ratchathani/Action Plan on Tourism Cooperation
December 2004	Working Group Conference in Siemreap
December 2005	Working Group Conference in Champasack
May 2007	Working Group Conference in Ubon Ratchathani
May 2008	Working Group Conference in Sihanoukville
October 2009	Senior officials meeting and 2 nd Foreign Minister Meeting in Siemreap

Source: Ministry of Foreign Affairs of Thailand.

¹ Welcome remarks by H.E. Dr. Sorajak Kasemsuvan, Vice Minister for Foreign Affairs of Thailand on the Emerald Triangle familiarization trip at Thogsang Khongjam Resort, Ubon Ratchatani province, 11 March 2004.

1980s, it wasn't implemented.² This project demonstrated that Emerald Triangle cooperation was initiated more by central governments and not by local people or at the request of local governments. This kind of mind gap, which was seen at the initial stage of Emerald Triangle cooperation, might have led to its lack of activity later.

In 2003, a foreign ministers meeting was held in Pakse, Champasack province, Lao PDR. At the meeting, the Pakse Declaration was adopted. In the declaration, greater focus was placed on tourism sector cooperation in the Emerald Triangle (Table 2). Based on this declaration, the three countries agreed to an action plan on tourism cooperation in December, 2003. Between the years 2003-2007, various projects were implemented in the tourism sector (Table 3). After that, no projects in the tourism sector under the name of the Emerald Triangle are seen. Incidentally, only the International Tropical Timber Organization (ITTO) project to protect biodiversity in the area used the name Emerald Triangle. Additionally, several infrastructure projects were implemented, such as road development in this area in Cambodia (NRs No.67 and No.68) and the Pakse International Airport improvement project (Phase 1) in Laos,

Table 2: Pakse Declaration (August 2003)

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|--|
| <ul style="list-style-type: none">● Encourage and facilitate to exchange experiences and develop joint promotion and marketing to attract tourists● Encourage and promote investment in tourism facilities and services● Develop tourism infrastructure● Develop human resource to support the tourism industry● Upgrade and facilitate international check points to ease travel between countries● Establish a joint working group to formulate the action plan on tourism cooperation by the end of 2003● Undertake cooperation activities such as joint research activities, exchange of visits, and training of personnel● Emerald Triangle summit meeting in 2010 |
|--|

Source: Ministry of Foreign Affairs of Thailand.

² “Emerald Triangle: Outcry Over Golf Course”, February 15, 2002, The Nation and Kuwahara (2012).

Table 3: Project Lists in the Emerald Triangle

Tourism sector projects	Year
Pakse Tourist Information Center	2003
The Emerald Triangle Familiarization Trip	2003
Marketing and Human Resource Development	2004
Eco-tourism Training	2007

Infrastructure development projects in the Emerald Triangle area by ACMECS	
NR No.67 from Anlong Veng to Thai border	2005-2006
Road Improvement (NR No. 67) Chong Sa Ngam- Anlong Veng- Siemreap	2006-2008
NR No.68 from Thai border-Samrong-Kralanh	
Pakse Airport Improvement Project (Phase 1)	2007-2009

Source: Kuwahara (2012) and ACMECS website.

supported by the Neighboring Countries Economic Development Cooperation Agency (NEDA) and Thailand. These projects can be counted as part of the Emerald Triangle cooperation because the development of infrastructure was mentioned in the Pakse Declaration or the Foreign Ministers meeting statement in 2009, though the name Emerald Triangle wasn't clearly mentioned.

As of the beginning of 2008, the three countries were ready to begin work on the Emerald Triangle.³ However, in July 2008, the Preah Vihear temple, which is located along the border area between Thailand and Cambodia, was approved as a world heritage site by the United Nations Educational Scientific and Cultural Organization (UNESCO). This provoked Thai nationalism and subsequent domestic political confrontations in Thailand and a territorial dispute arose with Cambodia concerning the area around the Preah Vihear temple. At that time, the bilateral relationship between the two countries worsened because of the border conflict.⁴ The Preah Vihear

³ "Thai govt to revive tourism cooperation drive": ASEAN AFFAIRS, 30 March, 2008

http://www.aseanaffairs.com/thailand_emerald_triangle_thai_govt_to_revive_tourism_cooperation_drive.

⁴ Originally, Thailand and Cambodia discussed a joint application to register the temple area as one world heritage site, including the area around the temple. Ultimately, however, only Cambodia applied to register the temple as a Cambodian heritage site. Previously, when this territorial dispute was discussed at the International Court of Justice in 1962, it was judged that the temple itself is located in Cambodia. But the court left open a decision concerning the surrounding area and 4.2 km² were left as a no-man's land.

temple is located in the center of the Emerald Triangle and it has the potential to be one of the main tourism destinations in the area. Instead, it turned into the center of a dispute.

In October 2009, though the unstable relationship between Thailand and Cambodia continued, the three countries (Cambodia, Laos, and Thailand) held the second foreign ministers meeting in Siemreap. They agreed in their joint press statement to broaden their cooperation to include not only tourism, but also infrastructure development and agriculture. However, soon after, the bilateral relationship between Thailand and Cambodia deteriorated because the government of Cambodia nominated former Thai Prime Minister Thaksin to be an advisor in November, 2009.⁵ Cambodia and Thailand exchanged fire several times in their territorial dispute until ASEAN intervened in February 2011.

Though they tried to limit the conflict to the border areas near the Preah Vihear temple, some local economic activities were also affected because the border crossings near the Preah Vihear temple, such as O'Smach (Oddor Meanchey province)–Chong Chom (Surin province) and other temporary crossings were closed several times.⁶ The crossing for tourists and local merchants at Preah Vihear temple was also closed and access to the temple from Thailand, a route that had been the most popular among tourists before the conflict, was restricted. Furthermore, the agreed loan from Thailand to Cambodia for National Road (NR) No. 68 was cancelled in 2010 by the Cambodian government.⁷

Since the improvement of bilateral ties between Thailand and Cambodia after the Thai general election in July 2011, several projects in the Emerald Triangle became active again.⁸ Rural road development in Cambodia, however, is still under discussion because dialogue had only been re-started at the end of 2011. Concerning cooperation between Laos and Thailand, the project at Pakse International Airport (Phase 2) in

⁵ Thaksin resigned the position of advisor in October, 2010.

⁶ The total amount of trade between Thailand and Cambodia decreased in 2008, though it was not only because of the confrontation between the two countries, but also the impact of the worldwide financial crisis and other various factors.

⁷“PM orders Thai loans halted”: Phnom Penh Post, 1 December 2009.

⁸ These projects are called Emerald Triangle projects because they are located in the Emerald Triangle. The projects are operated by NEDA, Thailand.

Laos was agreed to be implemented.

1.2. Scheme of the Emerald Triangle

Most of the committees and working groups have been inactive as of 2012. Therefore, it is hard to paint a precise picture of the Emerald Triangle. Even the relevant provincial officers replied that they didn't know specific Emerald Triangle activities when I visited them in the period August-October, 2012. From fragments of confirmed information, I will try to introduce part of the structure of the Emerald Triangle.

The official members of the Emerald Triangle are: Ubon Ratchathani and Si Sa Ket provinces in Thailand, Champasack and Saravane provinces in Lao PDR and Preah Vihear, Stung Treng and Oddor Meanchey provinces in Cambodia. Surin and Buri Ram provinces in Thailand and Siemreap province in Cambodia are not official members of the Emerald Triangle, but they are located in the same area and share a common background with the potential members. These northeastern provinces in Thailand and northwestern provinces in Cambodia share a border. There are a number of Khmer ruins and many Khmer ethnic people because this area was part of the Khmer empire. They have a common potential and face the same challenges in the tourism and agricultural sectors. Actually, Surin province has requested to join but the application process has been stopped or forgotten because of the inactivity of the Emerald Triangle members. As there are few official activities by official members, this paper will also examine activities by potential members which are located near the Emerald Triangle.

The Emerald Triangle held foreign ministers meetings twice, in 2003 and 2009 (Table 1). At the second foreign ministers meeting, they also planned to hold a summit in Thailand in 2010. However, as of the end of 2012, it still had not taken place. They also held senior officials meetings in 2003 and 2009 before the foreign minister meetings. As for the tourism sector, they established a working group in 2003 and held working group conferences five times, in 2003, 2004, 2005, 2007 and 2008. While several projects were implemented in the tourism sector, it seems that the working group has been inactive since the last meeting was held. In each country, the Ministries of Foreign Affairs and Tourism participated in the scheme when it was active. In Cambodia, there is a national committee for the member provinces, though their actual

activities were not clear.⁹

As for funding, the Emerald Triangle is not a scheme like the CLV Development Triangle Area. There is no scheme to invite funding to the Emerald Triangle itself. At the initial stage, there were some projects which used the name of Emerald Triangle, but the several tourism projects that were completed weren't under the name of Emerald Triangle. However, the projects which are located in the Emerald Triangle, are supported by Thailand and those which promote connectivity in the area can be called Emerald Triangle cooperation projects because they follow the concepts indicated in the declarations or joint statements in 2003 and 2009.¹⁰

2. SOCIAL AND ECONOMIC SITUATIONS AND MUTUAL RELATIONSHIPS IN THE EMERALD TRIANGLE¹¹

2.1. Social and Economic Indicators

Social and economic situations in the Emerald Triangle and nearby provinces are shown in Table 4. The provinces in Thailand and Champasack province in Laos are relatively wealthier and their population is larger compared to the other provinces. However, the GDP in Thai provinces in the Emerald Triangle is lower than the average GDP in Thailand.

While Saravane, Laos has less population and smaller GRP per capita than the nation's average, Champasack province is one of the wealthiest provinces in the country, with more agricultural production and more tourists. However, districts which share the border with Cambodia have less population.

As for the provinces in Cambodia, the poverty rate in this area is much higher than other provinces and they have less population. Though the number of ethnic

⁹ In Thailand and Laos, such a committee was not confirmed.

¹⁰ There are some road development projects supported by China in Cambodia in the Emerald Triangle; however, Thailand and Laos never engaged. Therefore, those projects are not included in the Emerald Triangle cooperation comments in this paper.

¹¹ Detailed information concerning Thailand is discussed in the chapter by Supatn Nucharee. Here, some additional information concerning Laos and Cambodia is introduced.

Table 4: Social and Economic Indicators in Provinces in the Emerald Triangle Area

	Area (km ²)	Population (thousand)	Population Density	Poverty rate or GRP/capita	Ethnic Minority
Cambodia	176,520	14,310	80.1	USD 820	
Stung Treng	10,782	150	10	46.11%	9.2%
Siemreap	10,299	896	87	51.84%	0.6%
Oddar Meanchey	6,158	185	30	46.11%	0.3%
Preah Vihear	13,788	171	12	46.11%	12.1%
Laos	230,800	6,288	26.9	USD 1,130	
Champasack	15,415	661	43	USD 1,297	15%
Saravane	10,691	375	35	USD 795	50%
Thailand	510,890	69,520	135.3	USD 4,440	
Ubon Ratchathani	15,744.84	1,816	115	USD 1,450	
Si Sa Ket	8,839.98	1,452	164	USD 1,166	
Surin	8,124.06	1,380	170	USD 1,248	
Buri Ram	10,393.95	1,559	151	USD 1,294	

Note: The poverty rate in Cambodia is based on the Socio Economic Survey, and data in this survey is not calculated by province but by regions including several provinces in the similar background.

Source: World Bank Database, Cambodia Socio Economic Survey and various sources.

minorities is not as high as Ratanak Kiri or Mondol Kiri provinces in Cambodia,¹² their literacy rate is still lower.

2.2. International Border Crossings

In the Emerald Triangle area, there are two international border crossings between Cambodia and Thailand, one international border crossing between Laos and Thailand and one between Laos and Cambodia. Besides these crossings, there are other temporary crossings or unofficial crossings only for the daily use of local people (Table 5).

¹² More than half of the population in Ratanak Kiri and Mondol Kiri provinces are ethnic minorities (chapter by Sau Sisovanna).

Table 5: List of Border Check Points in the Emerald Triangle Area

Border gate	Border area development	Border gate	Border area development
O'Smach(C) (Oddor Meanchey)	Permanent market Two casino hotels	Chong Mek(T) (Ubon Rachathani)	Permanent market and duty free shops
Chong Chom(T) (Surin)	Permanent market	Vang Tao(L) (Champasack)	
Choam(C) (Oddor Meanchey)	No official market One casino hotel	Nongnokkhiem(L) (Champasack)	Market locates at Veun Kham(L) nearby Nongnokkhiem, along the Mekong River
Chong Sa Ngam(T) (Si Sa Ket)	Market on Wednesday and Sunday/ City Development plan near the border	Trapeang Kreal(C) (Stung Treng)	
<i>Chup Koky(C)</i> <i>(Oddor Meanchey)</i>	<i>Market on Friday and Saturday</i>		
<i>Chong Sai Ta Gu (T)</i> <i>(Buri Ram)</i>			
<i>Preah Vihear(C)</i> <i>(Preah Vihear)</i>	<i>Closed since 2008</i>		
<i>Khao Phra Wihan(T)</i> <i>(Ubon Rachathani)</i>			

Source: Author based on the interviews at the provincial governments and observation in August-October 2012.

In Oddor Meanchey province in Cambodia, the border area was controlled by the Khmer Rouge until the late 1990s. Anlong Veng in Oddor Meanchey province was a strategic city controlled by the Khmer Rouge.¹³ When they had control of the area, the timber business between them and Thailand supported the local economy. After the conflict between the Khmer Rouge and the government of Cambodia ended, toward the close of the 1990s, the area gradually started to open to ordinary people. In 2003, when O'Smach was opened as an international border crossing, two casino hotels and a border market were established near the border crossing. Not many tourists from Thailand to Siemreap use this crossing; most use the crossings only to go to casino hotels in Cambodia. When Thais want to go to Siemreap, they use the Aranyaprathet (Sa Kaeo province)-Poi Pet (Banteay Meanchey province) border crossing more often.

¹³ Near the border gate of Choam is the place where Pol Pot spent his last days in 1998.

As for trade, the O'Smach (Oddor Meanchey province)-Chong Chom (Surin Province) border crossing is much larger than that of Choam (Oddor Meanchey province)-Chong Sa Ngam (Si Sa Ket province) because the Chong Chom border has almost all the facilities for custom procedures, except a quarantine officer for agricultural products. This officer normally stays at Chong Mek (Ubon Ratchathani province). At the Chong Sa Ngam crossing, officials have to ask the Chong Chom office to complete the trade procedures.

Besides these international border crossings, in Chup Koky (Oddor Meanchey province)-Chong Sai Ta Gu (Buri Ram province), both provincial governments are now asking their central governments to upgrade the temporary crossing to an international one.¹⁴ Other than this crossing, between Ubon Ratchathani province and Preah Vihear province, they are also discussing an upgrade to another crossing located to the east of the Preah Vihear temple. If these gates are upgraded, provincial governments and local business people believe that they can promote the local economy. However, like most of the temporary crossings along the border in the Emerald Triangle area, they have poor road infrastructure to access the nearest towns near the border crossings. It will take time to upgrade all the crossings and before work can be done certain areas will need to have the exact placement of the border determined by an official demarcation between the two countries.

Along the Laos and Thailand border, Chong Mek-Vang Tao (Champasack province) is an international border crossing. This crossing is located on the west side of the Mekong River between Laos and Thailand. At the border area, there are many duty free shops and a number of Thai visitors cross the border in Thai tourist buses. This crossing is also important for agricultural products produced in Laos and exported to Thailand. There are several places for Thai trucks to transship the vegetables from Lao trucks along NR No. 16W near Vang Tao, in Laos.

Between Laos and Cambodia, there is an extremely small population on both sides of the surrounding area at Nongnokkhen and Trapeang Kreal. The border crossing along NR No. 7 (Cambodia) and NR No. 13 (Laos) started operating in 2007. Both countries are building immigration and custom offices (as of September, 2012).

¹⁴ This crossing is used by local people and is controlled by the military, who often limit its use when the situation becomes sensitive.

There are some small shops or vendors for the people who cross the border; however, there is no permanent market around the crossing. Before 2007, the crossing along the Mekong River was used for international tourists and local people: the Veun Kham (Champasack province)-Dong Krolar (Stung Treng province) crossing. It is located about 10 km from the present crossing. Along the river near Veun Kham, there is a small market where local Lao and Cambodian people come to buy and sell products, such as daily necessities, fish and vegetables.

2.3. Transport Network in the Area

As far as road infrastructure in the Emerald Triangle is concerned, most of the main national roads are well-developed though a number of provincial, or two digit, roads in Cambodia need some improvement. In Thailand, NR No. 24 connects four provinces to Laos or Cambodia in the Emerald Triangle (Figure 1).

On the Cambodian side, however, road development in this area has been delayed in recent years, though there has been rapid development (Table 6). NR No. 67 and NR No. 68 were rehabilitated with assistance from Thailand in the period 2005-2008. With these roads, it takes only 3.5 hours to travel from the border area to Siemreap. After the world heritage registration of the Preah Vihear temple, road access to the temple area has been improved dramatically: particularly the routes from Anlong Veng to the temple and the temple to Kompong Thom, both funded by the government

Table 6: Road Development in the Emerald Triangle and the Nearby Provinces in Cambodia and Laos

		Cities	Fund
Cambodia	No.64	Siemreap- Tbeang Meanchey – Stung Treng (No.9)	China
	No.66	Choam-Anlong Veng-Siemreap	Thailand
	No.68	O’Smach-Samroang- Siemreap	Thailand
	No. 7	Trapeang Kreal-Stung Treng-Phnom Penh	China
Laos	No. 13	Nongnokkhen-Pakse-Vientiane	ADB
	No.16W	Pakse- (Pakse Bridge)- Vang Tao	ADB, JICA

Source: Ministry of Public Works and Transport, Cambodia and ADB.

of Cambodia.¹⁵ Besides these routes, NR No. 62 (supported by China) to NR No. 78 (supported by China and Vietnam) via NR No. 64, Tbeang Meanchey (Preah Vihear province), Stung Treng (Stung Treng province), Ban Lung (Ratanak Kiri province) to the Vietnam border is part of the Northern Sub-Corridor of GMS road networks. The section between Tbeang Meanchey and Stung Treng City has not been finished yet (as of October 2012); however, the other parts are already paved. Unlike the roads with international border crossings, the roads with local crossings are not yet paved. There are some plans or requests to upgrade these to the international crossings; however, the connecting roads need to be improved at the same time.

In Laos, NR No.13, which provides access from the Cambodian border to Pakse, and NR No. 16W, from Pakse to the Vang Tao border area, are well-developed, having been funded by the ADB. In Thailand, NR No. 24 connects the area with Laos and Cambodia.

As for cross-border transport for vehicles from Thailand and Cambodia moving between the two countries, this occurs only at the Poi Pet border. At the border crossings at O'Smach-Chong Chom and at Choam-Chong Sa Ngam, no cars are allowed to go across except vehicles with special permission from the central governments.¹⁶

Between Cambodia and Laos, only in the limited area between Stung Treng and Champasack provinces, can the vehicles go through the border crossing at Nongnokkhen-Trapeang Kreal. Since the people living in Stung Treng province have fewer attractions on the Cambodian side, some local people visit Laos by car to see Khonphapheng waterfall on a one day trip.¹⁷ International buses between Phnom Penh and Vientiane also take this route, NR No. 7 (Cambodia) to NR No. 13 (Laos), but they never go to Thailand.

Between Thailand and Laos, vehicles are allowed to pass the border crossing. Subsequently, there are many more Thai tourist buses entering Champasack province.

¹⁵ NR No.64 including this route will be classified as NR No.9 (See the chapter by Sau Sisovanna).

¹⁶ Cambodian officers at the Choam border told us that members of government delegations who have permission from the Ministry of Interior in Cambodia can enter Cambodia with their vehicles (October 2012).

¹⁷ Based on an agreement at the border office, they allow vehicles to enter the surrounding districts.

However, they can't enter Cambodia without changing vehicles. Therefore, major tour routes are limited in Laos. Tourism sites beyond the border are not yet well-connected. As for the airports (Table 7), there is one airport in Pakse where people can fly to Siemreap, Cambodia, Ho Chi Minh City, Vietnam and, domestically, flying to Vientiane, Suvannakhet and Luangprabang. This airport can connect the world heritage sites in the Emerald Triangle to those in nearby countries. In Cambodia, there is Siemreap International Airport, which has flights to various countries. In Thailand, in Ubon Ratchathani and in Buri Ram, there are airports, but both have only domestic flights to Bangkok. Since the Ubon Ratchathani airport is only for domestic flights, Pakse international airport can be used by the people around Ubon Ratchathani province because it is closer.

2.4. Flow of Goods in the Emerald Triangle

The international check-points in the Emerald Triangle are not the biggest land border crossings for each country; however, they are important to support the local economy. The main products are often agricultural products from Cambodia or Laos to Thailand and daily goods from Thailand to Cambodia or Laos (Table 8).

Table7: Airports in the Emerald Triangle and Nearby Provinces

	International flights	Domestic flights
Siemreap	Seoul, Pusan, Shanghai, Kunming, Guangzhou, Hanoi, Ho Chi Minh City, Luangprabang, Vientiane, Pakse, Bangkok, Phuket, Kuala Lumpur, Singapore, Danang, Frankfurt, Kaohsiung	Phnom Penh, Sihanoukville
Pakse	Bangkok, Siemreap, Ho Chi Minhm, Danang	Vientiane, Savannakhet, Luangprabang
Ubon Ratchathani	None	Bangkok
Buri Ram	None	Bangkok

Source: Cambodia airport website and Lao Airlines website.

Table 8: Trade among the Emerald Triangle Provinces

Thailand and Cambodia							
	All Gates		Chong Chom-O'Smach		Chong Sa Ngam-Choam		Main goods
	2011	2012 ¹⁾	2011	2012 ¹⁾	2011	2012 ²⁾	
Cambodia to Thailand	158.45	170.72	0.86	4.04	0.00079	0.0085	Cassava, used trucks/tractors
Thailand to Cambodia	1905.33	1756.5	25.96	32.95	0.0065	0.012	Petro, Cement, Beer
Laos and Thailand							
	All Gates		Chong Mek- Vang Tao		Main goods		
	2011	2012 ¹⁾	2011	2012 ¹⁾			
Thailand to Laos	2616.93	2639.22	276.72	225.68			
Laos to Thailand	662.45	569.29	36.67	38.72	Vegetable		
Cambodia and Laos							
	All Gates	Main goods					
	2010						
Cambodia to Laos	0.88	Fish, Rice					
Laos to Cambodia	1.50	Coffee, tea, soft drink etc.					

Note: 1) January- September 2012, 2) January- August 2012.

Source: Chong Sa Ngam Custom House, Data compiled by Thammasart University study team, and The General Department of Customs and Excise of Cambodia.

For Cambodia, there is a certain amount of demand for daily goods for the international tourists in Siemreap. In addition, petrol and construction materials are imported to Cambodia through the O'Smach or Choam crossings. Cassava is the main product to be exported from Cambodia to Thailand. Interestingly, there are more second-hand bicycles imported from Japan and exported to Thailand via Sihanoukville port in Cambodia and the O'Smach border. These are sold to Thais at the market in Chong Chom.

As for Laos, many agricultural products produced by contract farming are exported to Thailand via the Chong Mek-Vang Tao border crossing. Laos also exports

tea and coffee, while Cambodia exports fish and rice. In addition, some goods from Thailand flow into Stung Treng province via the Nongnokkhen-Trapeang Kreal border crossing. The biggest land border crossing with Thailand is Poi Pet, Banteay Meanchey province, but for an area like Stung Treng province, the route from Ubon Ratchathani, Champasack to Stung Treng is much easier to access and costs less. The amount of trade is quite small. Many goods are carried in relatively small vehicles by individual travelers and not by commercial trucks. Consequently, even the custom officers cannot follow all the trade at this crossing.

2.5. Agricultural Sector in the Emerald Triangle

Agriculture is one of the core industries in the Emerald Triangle area.¹⁸ In Laos, there is a great deal of vegetable production in Saravane province and the Bolaven Plateau is famous for its cabbage production. In these two Laotian provinces, there are a number of Thai businessmen investing in the agricultural sector for contract farming because they can communicate easily as the languages are similar. They set a minimum price to buy vegetables from Lao farmers to avoid an exploitive trade.

Cambodia produces a great deal of cassava (Table 9), although rubber plantation is under-developed. A number of other agro-industries are increasing. However, there are not many Thai investors in the area due to a lack of trust reflecting the unstable relationship at the central government level even though there is a bilateral investment agreement to protect investments in Thailand. Problems include not only the Preah Vihear temple dispute, but also the existence of anti-Cambodian or anti-Thai movements in both countries. For example, in 2003, there was a serious anti-Thai demonstration in Phnom Penh. Furthermore, along the border, the Danglek Mountains block the two countries and they only connect smoothly at the two international border crossings. Cambodia and two large-scale investments by Thai companies in the agricultural sector were approved by the Cambodia Investment Board in 2012. When organizers of a trade fair invited Thai business people to Preah Vihear province in September 2012, the Thais agreed to buy a quantity of cassava from Preah Vihear. These examples indicate some possibility of changing the business relationship

¹⁸ The industrial development in provinces in Thailand is explained in the chapter by Supatn Nucharee.

Table9: Agricultural Production in the Emerald Triangle (in Cambodia and Laos)

	Rice	Production of the Industrial Crops	Main Investment Projects/Industries
Oddor Meanchey	58,031ha (145,345t)	Cassava 9,075t, Soy bean 3,844t, Maize 1,325t	Rubber plantation and other agro-industry, rice milling, handicraft
Preah Vihear	44,965ha (116,978t)	Maize 40,145t, Cassava 82,515t, Sweet potato 21,540t	Handicraft, rubber plantation, iron ore (under survey)
Siemreap	196,810ha (544,513t)	Cassava 82,324t, Soybean 1,500t, Corn 1,146t	Rubber plantation
Stung Treng	25,773ha (62,628t)	Cassava 110,754t, Sugar cane 5,313t, Soy bean 3,477t	Agriculture, agro-industry, fruits
Champasack	100,912ha (240,493t)	Coffee 32,753t, Corn 33,056t, Tomato 22,234t	Coffee processing, Rubber processing, Rice milling, Beer
Saravane	10,319ha (27,865t)	Maize 7,450t, Coffee 2,305t, Sugarcane 2,450t	Rubber plantation

Source: Cambodia Investment Board Provincial data and Data compiled by NERI Study team, Lao PDR.

between Cambodia and Thailand in this area.

2.6. Tourism Sites in the Emerald Triangle

The tourism sector is the most strategically important sector in the Emerald Triangle. There are a number of national parks and Khmer historical ruins including world heritage sites, such as Angkor Wat, Preah Vihear and Wat Phu.

In Cambodia, Angkor Wat was registered as a world heritage site in 1992, soon after a peace agreement in 1991. In 2011, more than one million tourists visited Siemreap province, where Angkor Wat temples are located. The Preah Vihear temple¹⁹ is another world heritage site in Cambodia and it was expected to be one of the core destinations in the Emerald Triangle. Unfortunately, it became famous due to a border dispute with Thailand. Before the conflict started in 2008, most of the tourists visited the temple from Thailand because of easier access on a well-developed road. After 2008, Cambodia hurried to develop an access road to the temple and in 2012 it is said that more than 93,000 people visited the temple from the Cambodia side and 93% of

¹⁹ It is called “Khao Phra Wihan” in Thailand.

Table10: Number of Tourists in the Main Three Provinces in the Emerald Triangle

	2010	2011
Siemreap	1,305,256	1,610,076
Champasack	301,669	393,921
Ubon Ratchathani ¹⁾	1,080,616	1,201,296
	<i>81,477</i>	<i>88,656</i>

Note: 1) Number in Ubon Ratchathani includes Thai visitor and foreign visitor. Number in italic is for foreign visitor.

Source: Ministry of Tourism, Laos (2012), Ministry of Tourism, Cambodia (2012) and statistics by Ubon Ratchathani tourism department.

them were domestic tourists.²⁰ Besides these tourism resources, there are a number of casino hotels located along the border in Cambodia and many Thais visit them. As of 2012, two casino hotels in O'Smach and one casino hotel in Choam were operating.

In Laos, Wat Phu was registered as a world heritage site in 2001. It is a Khmer ruin built during the Khmer empire (9th-11th centuries) and it is the starting point of the ancient King's Road to Angkor Wat. About 150 km from Pakse City, near the Cambodian border in Champasack province, there are more attractions for tourists, such as Siphundon (thousand islands) where Irrawady dolphins are found and Khonphapheng, the largest waterfall in the southeast Asia.

In Ubon Ratchathani, Thailand there are plenty of national parks boasting natural vistas: Phu Chong-Na Yoi National Park, Kaeng Tana National Park and Pha Taem National Park. In the four provinces along the Cambodia border in Thailand as well as in Nakhon Ratchasima province, there are more ancient Khmer temples or castles, such as Phimai, Prasat Phanom Rung and Prasat Muang Tam.

2.7. Cross-border Tourism

The promotion of cross-border tourism is one of the main issues in the Emerald Triangle cooperation. In the present system, vehicles from Thailand and Cambodia cannot travel freely in the area and all the significant points in the area are not yet

²⁰ "Preah Vihear temple sees dramatic rise in tourists," Phnom Penh Post, 14 December 2012.

connected. For projects planned by the Tourism Working Group, the Tourism Information Center in Pakse was built in 2004 and offers training programs for marketing in the field of tourism (Table 3). The working group has since been inactive. However, bilateral cooperation between Laos and Thailand in the tourism sector has been continued. Some Lao tour agencies or officers at the tourism department in Champasack province are sometimes invited to Ubon Ratchathani province to join training courses.

Visiting southern Laotian provinces from Thailand is popular among Thai people. Many start from Ubon Ratchathani province and visit Wat Phu or the waterfalls along NR No. 13. Thais don't have to have a visa to travel to Laos since 2004 and international tour buses have been operating since 2006. Such cross-border tour routes are operated jointly between Thai and Lao agencies.

Between Cambodia and Thailand in the Emerald Triangle area, such cross-border tourism is not so popular for Thais at present. The most popular way to visit Siemreap from Thailand is by air or by land via the Poi Pet border crossing. There are some routes using the crossings at Chong Chom and Chong Sa Ngam; however, these routes are not so popular among tourists yet because they have to change transportation at the border.

Cambodian people who live in Stung Treng province tend to visit Champasack province for sightseeing on short trips. Within a limited area, Lao and Cambodian vehicles can cross the border, as previously indicated. There are international buses which connect the capitals of Cambodia and Laos (Phnom Penh and Vientiane). These buses cross the land border at Nongnokkhiem-Trapeang Kreal. International tourists can stop by Champasack and Saravane provinces or Stung Treng province on the way.

The cross-border tour visiting three countries is not popular yet; however, some tour agencies in Ubon Ratchathani province have started to propose new routes to visit three or four countries beyond the border, such as the tour that starts at Ubon Ratchathani and visits Siemreap, Phnom Penh, Ho Chi Minh City in Vietnam, and Pakse in Laos and returns to Ubon Ratchathani or starting at Ubon Ratchathani and visiting Pakse and Attapeu in Laos, Kon Tum and Ho Chi Minh City in Vietnam, etc. These offers started at the beginning of 2012. Therefore, their future cannot be determined at this point. However, the trips show the possible ways to develop

cross-border tourism in the Emerald Triangle.

3. COOPERATION SCHEMES IN THIS AREA

3.1. Central Government Level

There are several cooperation schemes which include Cambodia, Laos and Thailand. These schemes can include or even replace the Emerald Triangle. As a sub-regional cooperation scheme, the Greater Mekong Sub-region (GMS) is the most well-known in this area. In addition to GMS, The Ayeyawady-Chao Phraya-Mekong Economic Cooperation Strategy (ACMECS), started in 2003 by Thailand to support neighboring countries, such as Cambodia, Laos, Myanmar, and Vietnam, can also replace the Emerald Triangle. The Cambodian government, itself, explains the Emerald Triangle as a scheme to complement the GMS, ACMECS or East-West Corridor activities.²¹

The tourism sector cooperation by the Emerald Triangle also took over the follow-up of the working group of tourism in GMS, which was started in the 1990s. The infrastructure projects initiated in the Emerald Triangle area have been funded by ACMECS utilizing the fund from Thailand. These also facilitate development in the Emerald Triangle area. Therefore, the Emerald Triangle can also be recognized as a part of other sub-regional schemes like GMS or ACMECS. ACMECS is more active than the other schemes in the Emerald Triangle though the name Emerald Triangle, itself, has not been mentioned. The projects implemented in the Emerald Triangle under ACMECS, such as NR No. 67 in Cambodia, can be recognized as an Emerald Triangle project.

There are many other schemes besides GMS or ACMECS in which the three countries participate.²² Unlike the Japan-Mekong or Lower Mekong Initiatives (LMI), the participants of the Emerald Triangle are not big international donors. Thailand has just become an emerging donor with limited budgets. After the establishment of the Emerald Triangle, similar concept schemes within the Mekong area were started. They do not oppose, but rather complement each other. The Emerald Triangle may be

²¹ Hor (2003) and Khieng (2009)

²² There are many frameworks which include Cambodia, Laos and Thailand other than GMS and ACMECS, such as the Mekong River Commission (CLTV), AMEICC (CLMVT, ASEAN and Japan), Japan-Mekong (CLMVT and Japan), LMI (CLMVT and the US) and so on.

thought of as a kind of semi-independent concept to highlight the border areas among the three countries.

3.2. Provincial Government Level

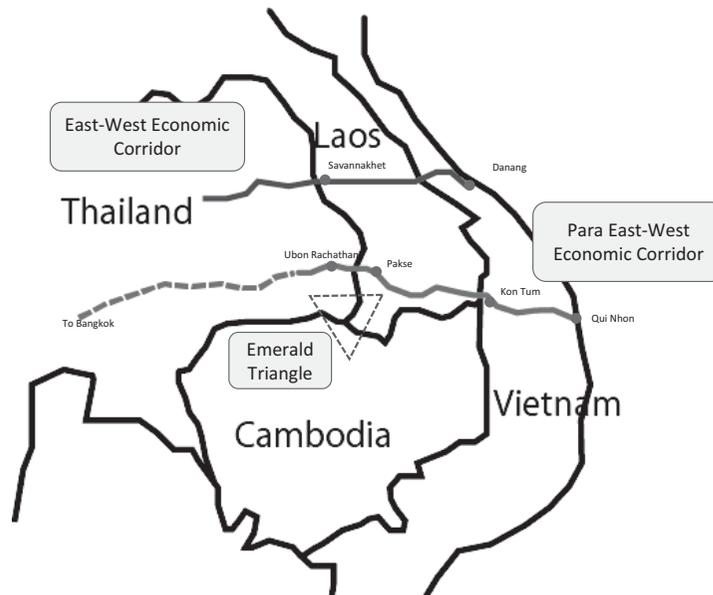
Apart from the central government movement, provinces along the border started to cooperate among themselves, such as the MOU between provinces and the Para-East West Economic Corridor.

Si Sa Ket province, for example, agreed to MOUs with three provinces in Cambodia in the months August-September, 2012 in the field of education, agriculture and trade fairs. In educational cooperation, some scholarships are provided to Cambodian students to study in Si Sa Ket province. The similar actions are taking place in other provinces with more students from neighbouring countries studying in the Emerald Triangle provinces in Thailand.

Ubon Ratchathani province is more active than others in cooperation with other provinces in this region, not only with Cambodia and Laos. It also communicates regularly with the Central Highland areas in Vietnam, such as Kon Tum province. They named this framework as the Para-East West Economic Corridor, which is located parallel to the East-West Economic Corridor (Figure 2). This agreement originated from provincial government; central governments don't manage this framework. Member provinces are Ubon Ratchathani, Si Sa Ket in Thailand, Champasack, Saravane, Sekong, Attapeu provinces in Laos and Kon Tum and Binh Dinh provinces in Vietnam. The agreement doesn't include any provinces in Cambodia, but a map in Ubon Ratchathani province suggests the involvement of some provinces in Cambodia. Between Cambodia and Laos, in the Emerald Triangle area, provincial level communication has been noted. For example, Preah Vihear province and Champasack province share a border along the Mekong River. They hold a boat race every year in the Mekong River along the border.

These movements will support Emerald Triangle cooperation at the local level if central government relations are stable.

Figure 2: Para East West Economic Corridor



Source: Author based on the map provided by Ubon Rachathani Chambers of Commerce and People’s Committee of Kon Tum Province.

CONCLUSION

The Emerald Triangle in Cambodia, Laos and Thailand consists of relatively poorer provinces, like other triangle areas. The Emerald Triangle cooperation was agreed in 2000; however, cooperation projects named “Emerald Triangle” were implemented only in the mid-2000s. Following that, there were fewer projects because of the following reasons: 1) they were initiated only by central governments and not supported with local participation (e.g. the international golf course project in 2001), 2) the bilateral relationship between Cambodia and Thailand worsened in 2008 because of a territorial dispute over the area surrounding the Preah Vihear Temple and 3) other sub-regional schemes may have replaced the Emerald Triangle since it doesn’t have its own funds or a formal institution and the Emerald Triangle has come to indicate only the name of the specific area.

Development cooperation in the Emerald Triangle will not be forestalled due to the necessity to narrow the gap within ASEAN and the desire to promote the unique regional potential of tourism and agriculture. As a cooperative scheme to realize its

potential, the Emerald Triangle doesn't have to establish its own independent institution. To utilize ACMECS or GMS to invite other donors funding is a more realistic scenario because there are so many duplicated areas covered by many similar frameworks. The Emerald Triangle can take up a role as the brand name for a green area.

Since the end of 2011, the improvement of the relationship between Cambodia and Thailand has promoted cooperation in the Emerald Triangle. This cooperation will expand its sectors (to infrastructure and agriculture) and areas (to Vietnam) and will be supported by local governments and local private sectors. Though the name of the Emerald Triangle, itself, may not be mentioned to any large degree, the cooperation in this area is activated more in a multi-tiered way, at the local, central government and sub-regional levels.

The Emerald Triangle area has been the center of war with many land mines in its history. This area can, however, be promoted as a symbol of peace. However, when only central governments hurry to develop the area with big projects, like those at the initial stage of the cooperation in 2001, the local people will not benefit. Furthermore, the central governments should avoid disrupting the local governments or local people's communication as this will also disrupt the area's development. To avoid the possibility of deadlock, the border should be demarcated in order to build a stable management scheme for the area between countries. The northwestern provinces of Cambodia have fewer products to export compared to southern Laos. To develop export products will be another challenge when promoting cooperation in the Emerald Triangle area.

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