



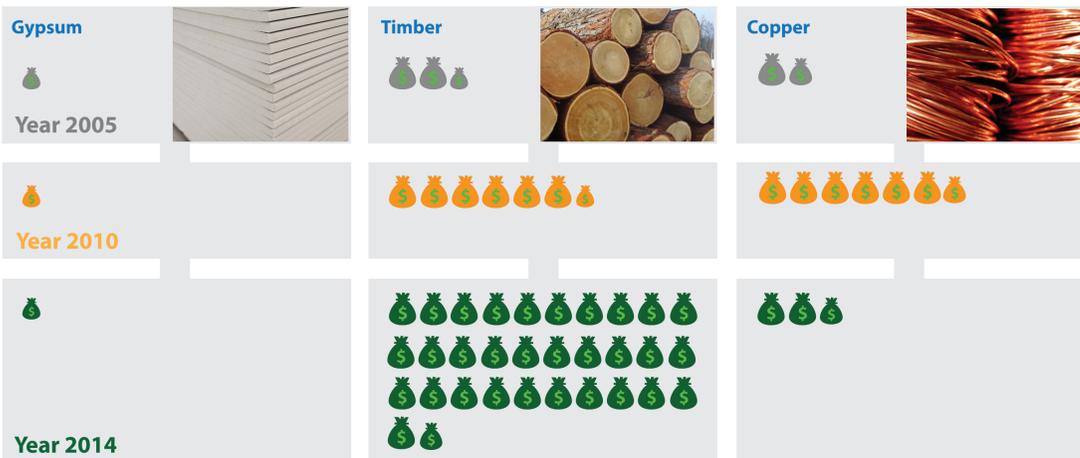
The East-West Economic corridor (EWEC) is an economic development program initiated to promote development and integration of four Southeast Asian countries: Myanmar, Thailand, Laos and Vietnam. The concept was agreed upon in 1998 at the Ministerial Conference of the Greater Mekong Subregion, organized in Manila, the Philippines. The corridor became operational on December 12, 2006. The backbone of the corridor is a road of 1,450 km with the west end at port city of Mawlamyine (Myanmar), crossing Kayin Division, the Thai provinces of Tak, Sukhothai, Phitsanulok, Phetchabun, Khon Kaen, Kalasin and Mukdahan, the Laotian provinces of Savannakhet, and the Vietnamese provinces of Quảng Trị, Thừa Thiên-Hue Province with Da Nang city as the east end.

IMPACTS ON REGIONAL TRADE

Rapid increase in export-import turnover between Laos and Vietnam.



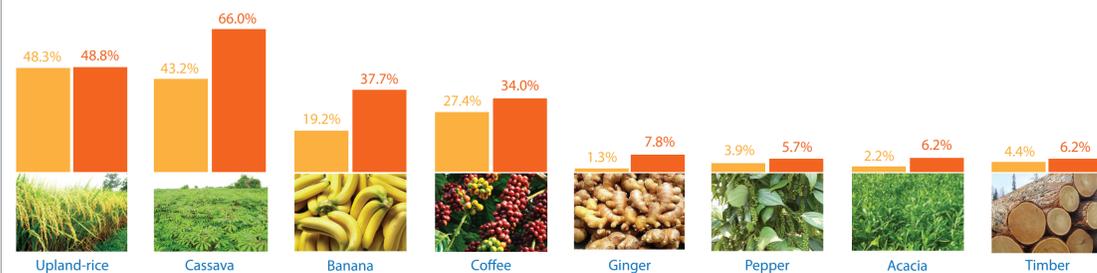
Significant impact on natural resource trades, particularly timber product between Laos and Vietnam.



IMPACTS ON LOCAL LIVELIHOODS

Percent of households (%)

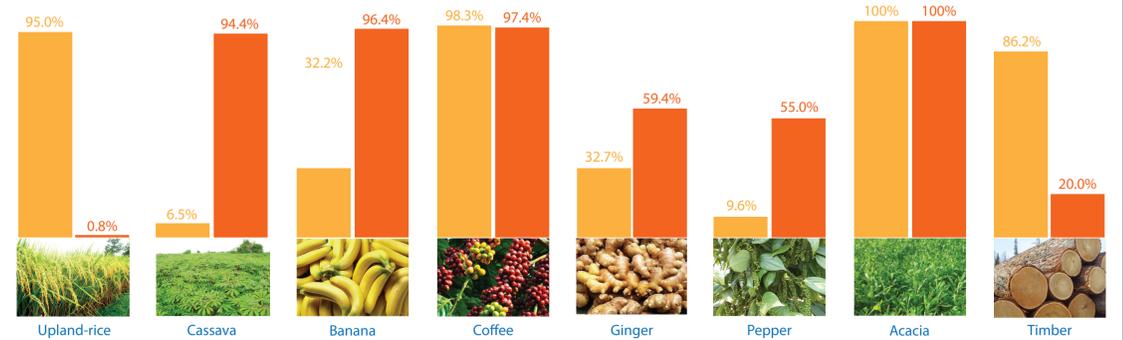
Year 2005 (Orange) Year 2015 (Red)



The livelihoods of forest-dependent villagers have improved when they have shifted from subsistence crops to cash-crops that have gained access to markets through the EWEC.

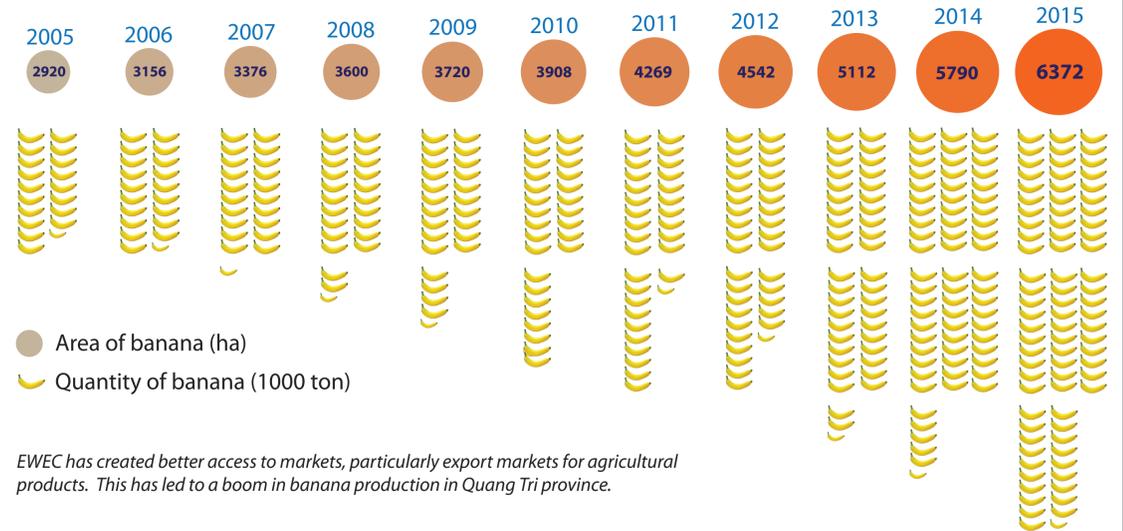
Percent of products for selling (%)

Year 2005 (Orange) Year 2015 (Red)



Under the operation of EWEC, households have cultivated market-oriented crops with the ratio of agricultural commodity increasing sharply between 2005 and 2015

Banana in Quang Tri province

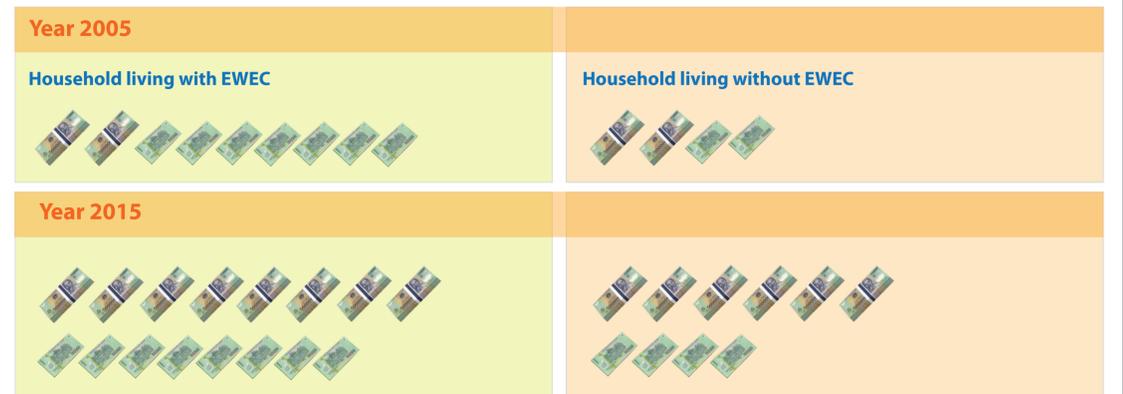


EWEC has created better access to markets, particularly export markets for agricultural products. This has led to a boom in banana production in Quang Tri province.

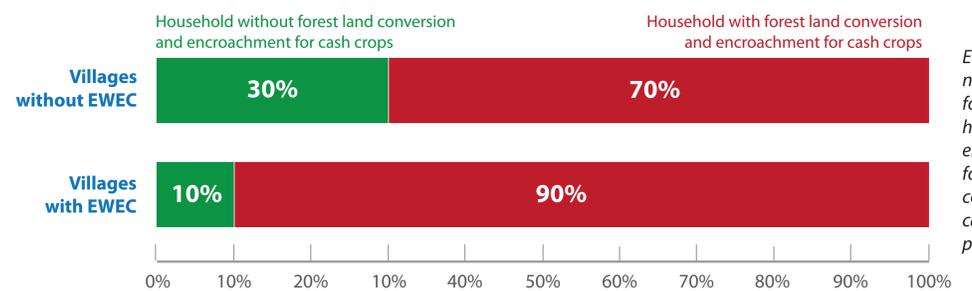
Household Incomes

10 million VND (Green) 1 million VND (Red)

There is a significant difference in income gains between forest dependent villagers living on the EWEC and those who are far from the EWEC. Households close to the EWEC have much higher income.



IMPACTS ON FOREST RESOURCES



EWEC has had a negative impact on forest resources by households encroaching on the forest and converting land to cash-crop production.

Timber imported from Laos from 2005-2014

The operation of the EWEC transport costs have fallen and access to forest resources has increased. 150 timber import enterprises were established and illegal logging has increased. This has resulted in serious deforestation. Approximately 80% of the natural forest resources have been deforested under the operation of the EWEC (KII, 2016).

