



Message from the Director



CIMT wishes to take this opportunity to wish **Season's Greetings** and **A Happy New Year** to all our readers. For those celebrating Christmas we wish them a Merry Christmas. May you all enjoy your festive season and year-end vacation, safe and sound.

Time really flies, taking us now to the end of the year 2010 and the dawn of the year 2011. We are indeed thankful that we have produced our 12 monthly issues of the Bulletin without fail. We can't claim that we are very proud of our achievement as we are aware that we could have published more useful and attractive news and information should we get contributions from all readers. As it was, we hardly received any contribution of news and articles from readers this year.

This year we have spent considerable time in our Mid-Term Review exercise, consolidating the Roadmap 2007-2011 so that the remaining period could be more effectively utilized. The directives from the Leader's Summit in October 2010 in Hanoi would become our strong reference to guide us through 2011 and the coming years with more vigour and enthusiasm.

For sure, the year 2011 is anticipated to approach us with more challenges. The 4th IMT-GT Post Summit Meeting, confirmed now to take place on 20 -21 January 2011 at Koh Samui, Thailand, will provide us a platform where rigorous plans and strategies would be prepared to execute our Leaders' directives. Preparations for the meeting are being done as we speak, so that the meeting would progress positively and the resulting discussions will pave the way for a better and improved IMT-GT.

Once again, we at CIMT wish all our readers a joyous time and a Happy New Year.

By Dr. Hassan Ibrahim

Events in & around the Triangle

Announcement

1st IMT-GT National Secretariats Meeting – 2011

Date : 19 January 2011
Venue : Koh Samui, Thailand

4th IMT-GT Post Summit Planning Meeting

Date : 20-21 January 2011
Venue : Koh Samui, Thailand

3rd IMT-GT Trade, Investment & Tourism Database (ITITD) Task Force Meeting

Date : April 2011
Venue : Thailand

CIMT Bulletin Editorial Team

ADVISOR

Dr Hassan Ibrahim *hassan@imtgt.org*

TEAM MEMBERS

Ritzwan Reza Ibrahim *reza@imtgt.org*

Hamiliana Ali *hamiliana@imtgt.org*

Nurshiela Ismail *shiela@imtgt.org*

Cheng Ho Expo 2010 Kelantan China International Trade Fair

As one of IMT-GT member-states in Malaysia, Kelantan had organized the Cheng Ho Expo 2010 with participants from all over the world including the three IMT-GT member-countries.

Cheng Ho Expo is the first of its kind international trade exhibition organized by the Kelantan State Government in Kota Bharu, Kelantan, featuring more than 300 companies from countries around the world. In celebration of 600th anniversary of Admiral Cheng Ho Naval expedition to Malaysia, the Expo highlighted his life and voyages that had made tremendous strides in bringing social, cultural and economic values towards greater unity and prosperity to the world at his time, thus named "Cheng Ho Expo 2010".

Set against this historical background, the Kelantan State Government organized the Expo with the objective to create a valuable platform of trade and investment opportunities to exhibitors and visitors, both local and international, while playing the role model of Admiral Cheng Ho in promoting unity among Muslims by the value and in establishing trade collaboration and diplomatic alliance among different countries.

Held over a 6-day period from November 21-26, 2010, the exhibition provided a dynamic business avenue that brings together business fraternities from a wide spectrum of industry sectors to explore trade opportunities, which include tourism industry, Halal food, Islamic Banking and Finance industry, biotechnological and agricultural products and many more, under one roof. It also incorporated talks and forums presented by prominent Chinese businessmen, diplomats and young entrepreneurs.

The expo was actually one major event of the "Five Policy" or "Five Basics" economic cooperation between five border provinces of southern Thailand (Yala, Pattani, Narathiwat, Satun and Songkhla) and five states of Peninsular Malaysia (Penang, Kedah, Perlis, Perak and Kelantan), to further enhance economic growth particularly within these ten states and provinces of IMT-GT.

In all, Cheng Ho Expo 2010 was the best focal meeting point that attracted both domestic and international participants to come to interact, transact and source for various products and services.



Launching of the Cheng Ho Expo 2010 Kelantan China International Trade Fair

During the 5th IMT-GT Leaders' Summit on 28 October 2010 in Hanoi, Vietnam, our Leaders proposed the need to improve IMT-GT's air transport infrastructure. . Introduction of new flights are a step forward in achieving the goal.

AirAsia Introduces Direct Flights to Balikpapan, Indonesia

AirAsia will operate direct flights to Balikpapan in East Kalimantan, Indonesia, from January 12 next year, its 11th destination in Indonesia. It will begin to service the new route with three flights weekly, departing from the Low-Cost Carrier Terminal in Sepang to Sepinggan Airport in Balikpapan on Wednesdays, Fridays and Sundays. The introduction of the new destination will see AirAsia having 126 flights weekly from Kuala Lumpur to various points in Indonesia.

AirAsia's Regional Head of Commercial Kathleen Tan said the airline hoped the new service would enable Malaysians working in the oil palm and coal mining industries to return home more often while also providing expatriates with the opportunity to use the LCCT as a hub for onward travel into other AirAsia destinations throughout Asean.

"We also believe that this new service will stimulate visiting friends and relatives crowd and fuel AirAsia's aggressive growth in Indonesia. In conjunction with the introduction of this new service, AirAsia will offer an all-in-fare from RM58 (USD1 = RM3.14) for the booking period from December 8 till December 15 for the travel period from January 12 to November 10 2011.

Source:

<http://www.antaraneews.com/en/news/1291816472/airasia-introduces-direct-flight-to-balikpapan-indonesia>

Indonesia Invites Malaysia to Develop Food Estates

The Indonesian government has invited Malaysia to develop food estates to boost national rice production. The statement was made by Agriculture Minister Suswono on Monday when briefing the First Joint Committee Meeting on Agriculture Cooperation between Indonesia and Malaysia in Bandung on December 13, 2010, according to a report by Indonesian news agency Antara. The agriculture minister said the Indonesian government gave Malaysia a chance to develop domestic food estates, but not by using existing farmlands.

"We told them if they wanted to make an investment by developing food estates they first have to open new farmlands.

"The existing farmlands are used only to meet the domestic need for foodstuff," he said during the meeting, which was also attended by Malaysian Minister of Agriculture and Industry, Mr. Noh Omar. He said the results of the food estates developed by Malaysia will eventually be used for export, but only after domestic needs are met.

"If self-sufficiency has been achieved and production has reached a surplus, exports can follow," Mr. Suswono said.

He said besides Malaysia, the Indonesian government would also invite Brunei Darussalam to make an investment in the agriculture sector in Indonesia.

In the meantime, in the First Joint Committee Meeting on Agriculture Cooperation between Indonesia and Malaysia in Bandung on December 13, 2010, which also included the Second Technical Working Group and the Second Senior Officials Meeting, some cooperation plans had been reached in the agricultural sector between the two countries.

Source:

http://www.kbrikualalumpur.org/web/index.php?option=com_content&view=article&id=685:ri-invites-malaysia-to-develop-food-estates&catid=57:news&Itemid=180

Indonesia, Malaysia Launch Joint CPO Campaign in EU

Indonesia and Malaysia reached agreement to cooperate in the development of oil palm as a renewable source of energy. The agreement was disclosed by Malaysian Minister of Plantation and Commodity Industries Tan Sri Bernard Dompok and Indonesian Deputy Agricultural Minister Dr. Bayu Krisnamurthi after a meeting with the European Commission in Brussels Tuesday afternoon. The Joint Statement of the two countries was made following discussions with Jane Potocnik of the European Union's Environmental Commission, Connie Hedegaar of the Climate Action Commission, Gunter Oettinger of the Energy Commission and Development Committee Nirj Deva and Chairman of Paolo de Castro Plant Development Committee. After holding the meetings, the two ministers held a dinner with members of the European Parliament and the host Martin Callanan, also attended by Indonesian Ambassador to Belgium, Lusemburg and the European Union, Mr. Arif Havas Oegroseno.

Dr. Bayu Krisnamurthi said that the issues during the discussions included the directive decision of 2009/28/EC on the promotion of the use of renewable energy sources, and sustainable palm oil production. In addition, the problems of indirect land use change (ILUC), biofuel certification, revision of renewable energy, and High Biodiversity Grassland. For Indonesia and Malaysia the palm oil industry is very important in economic development absorbing more than eight million workers in the two countries.

Unfortunately, the palm oil industry is opposed by various public organizations engaged in the sector of environment, and many of them had no proper understanding on the benefits of oil palm for the people.

DR Bayu Krisnamurthi said the benefit of palm oil is ten times as big as the oil produced by other legumes.

The two countries agreed to develop renewable energy from palm oil with its many benefits, both for Indonesia and Malaysia, oil palm is a very important commodity.

Indonesia and Malaysia are the world's biggest oil palm suppliers including for Europe reaching 90 percent. Forty-two percent of the production in Indonesia came from small farmers, and in Malaysia 40 percent. The palm oil industry has managed to reduce poverty, create employment and raise the income of the people. The Indonesian government has a great interest in the sustainable production of palm oil which in 2010 reached 21 million tonnes of CPO from 7.5 million hectares of oil palm estates. In the meantime, total world CPO production reached 44.3 million tonnes in 2010. There are 1.5 million small farmers engaged in the CPO industry, and many of them succeeded in raising themselves from poverty by way of oil palm.

Prior to 2000 the average income of oil palm farmers reached 1,000 to 1,100 Euros per year, and only 37 percent produced only 600 to 700 Euros per year.

In 2009 the income of the farmers doubled to 2,000 Euros per year, while farmers who previously had an income of less than 700 Euros were reduced to 16 percent.

The energy produced in one hectare of oil palm land reached 3.74 tonnes per year with energy produced almost ten times as much, while soyabean only produced 0.38 tonnes and sun flower 0.48 tonnes.

The outcome of a study in Indonesia, according to the Chairman of the Indonesian Palm Oil Council Dr. Rosedana Suharto showed a default value of CPO reaching 60 percent. Therefore Indonesia felt it is necessary to hold a dialogue between the European Union and Indonesia as the world's biggest CPO producer.

The European Union set the standard default value of CPO at 19 percent, while 35 percent is needed for biofuel. The European Union said Renewable Energy Directive of the European Union (EU-RED) is still open with inputs from various countries to enable them to produce the right policy beneficial for everyone.

Source: <http://www.antaranews.com/en/news/1292531184/ri-malaysia-launch-joint-cpo-campaign-in-eu>



5 Thailand Provinces, 5 Malaysian States, and 5 Economic Sectors

Certain sectors within the Thailand and Malaysia Governments have planned to work together to boost economic growth under what they called the "Five Policy" or sometimes called "5-5-5 Project".

The "5-5-5" means five border provinces in southern Thailand (Yala, Pattani, Narathiwat, Satun and Songkhla); five border states in Peninsular Malaysia (Penang, Kedah, Perlis, Perak and Kelantan); and five strategic sectors for cooperation (trade, investment, tourism, logistics and halal products).

The 5-5-5 Project initiative is designed to increase not only cooperation between the two IMT-GT countries but to ensure trade growth under the ASEAN Economic Community. Under the ASEAN Economic Community, the Thai government will enhance cooperation with other neighbouring countries such as Laos, Cambodia and Burma, using its "Five Policy" strategy with Malaysia as a role model for such relationships.

Thailand hosted the first "Five Policy Summit" in Songkhla from 22 – 26 September 2010 to tighten linkages between Thai and Malaysian private enterprises. The summit brought together 500 government officials and private-enterprise representatives from both countries. Business matching were held for 500 enterprises, while 500 booths were set up showcasing Thai and Malaysian products.

It was reported that the "Summit" would support the establishment of a permanent "Five Policy" Office to serve Thai and Malaysian enterprises in the long run.

The project would be promoted under other economic blocs including the Bay of Bengal Initiative for Multisectoral Technical and Economic Cooperation and the Indonesia-Malaysia-Thailand Growth Triangle.

Adapted from The Nation 27August 2010

Thailand's Far South to be Promoted as a Regional Islamic Study Centre

BANGKOK, Dec 27 (Bernama) -- The Thai government is promoting the country's three southernmost provinces of Yala, Narathiwat and Pattani to be a regional Islamic study centre, Thai News Agency (TNA) reported Monday.

Thai Prime Minister Abhisit Vejjajiva promised that his administration would materialise the plan to benefit Muslim brothers and sisters in Thailand's deep south and in other countries in the region.

Prime Minister Abhisit expressed his appreciation on Prince of Songkla University Pattani Campus' initiative of hosting an International Conference on Islamic Study on 21 December 2010 -- in which Muslim delegates from countries in Southeast Asia and the Middle East participated and jointly issued a statement showing their positive understanding on Thailand's efforts to take care of and to meet diverse demands of the public, including the development of the Islamic Study, and on the Kingdom's policy on equal rights and freedom for citizens of all religions to meet their different spiritual needs.

The Prime Minister also revealed that the participants have agreed to hold another international conference of its kind in Pattani over the next two years to further promote cultural and educational diversity in the region.

Prime Minister Abhisit also expressed his appreciation to the United Nations's recent endorsement of the so-called "Bangkok Rules" on better treatment of women prisoners, saying that the UN move represented Thailand's unprecedented diplomatic success in advancing justification of legal standards among UN member states and also polishes the Kingdom's image as a pioneer on the issue.

By BERNAMA 27 December 2010