

**INDONESIA-MALAYSIA-THAILAND
GROWTH TRIANGLE (IMT-GT)**

**THE 14TH IMT-GT
MINISTERIAL MEETING**

AGREED MINUTES

**Songkhla Province, Thailand
6 September 2007**

AGREED MINUTES
INDONESIA-MALAYSIA-THAILAND GROWTH TRIANGLE
14th MINISTERIAL MEETING
SONGKHLA, THAILAND
6 SEPTEMBER 2007

INTRODUCTION

1. The 14th Ministerial Meeting (MM) of the Indonesia-Malaysia-Thailand Growth Triangle (IMT-GT) was convened in Songkhla Province, Thailand on 6 September 2007. The Indonesian delegation was led by H.E. Police General Tan Sri Da'i Bachtiar, Special Envoy of The President of The Republic of Indonesia on Sub-regional Cooperation, and the delegation from Malaysia was headed by H.E. Dato' Seri Dr. Shahidan Kassim, Chief Minister of Perlis. The Thai delegation was led by H.E. Mr. Sawanit Kongsiri, Deputy Minister of Foreign Affairs, who also acted as the Chairman of the 14th IMT-GT MM.

The full list of delegation is attached as **Annex I**.

**AGENDA ITEM 1: OPENING REMARKS BY GOVERNOR OF
SONGKHLA PROVINCE**

2. In his Opening Remarks, the Right Honorable Dr. Sondhi Tejanant, Governor of Songkhla Province, warmly welcomed all the distinguished delegates and extended his invitation to everyone to enjoy the sights of Songkhla. He noted that the Meeting would provide the opportunity to learn the progress of work of the IMT-GT Working Groups, Senior Officials and the Joint Business Council, as well as to discuss the strategy for the next five years under the IMT-GT Roadmap. He stressed that the Meeting would help build the foundation for a peaceful and prosperous IMT-GT sub-region, given the IMT-GT programme's clear focus on development cooperation. He noted the important role being played by development partners, namely the Asian Development Bank (ADB) and the ASEAN Secretariat in strengthening IMT-GT collaborations. He wished the delegates a fruitful meeting, and hoped that clear ideas and frameworks for achieving a brighter future for the people of IMT-GT are exchanged.

The Opening Remarks of the Governor of Songkhla Province appears as **Annex II**.

**AGENDA ITEM 2: OPENING REMARKS BY HEADS OF
 DELEGATIONS FOR THE MM**

3. In his Opening Remarks, H.E. Mr. Sawanit Kongsiri, the Head of Thai Delegation, noted that IMT-GT cooperation has evolved into a more mature stage, with the expansion in its area coverage, the creation of new mechanisms to drive the cooperation process and the adoption of the IMT-GT Roadmap for 2007-2011, which was developed with ADB support. The implementation of the Roadmap, whose endorsement by the Leaders marked a milestone, would require unwavering commitment of IMT-GT stakeholders and should take into account the challenges of globalization, economic cycles and disasters, and the fact that the IMT-GT is a component of the larger ASEAN framework. He stressed the important role of peace and security in bringing prosperity to the people, and called on the IMT-GT countries to join hands in ensuring peace and calm prevail through by speeding up cooperation and making development impacts more felt. He highlighted some of the promising areas of cooperation that would help enhance competitiveness and attract investments to the subregion, such as: in tourism, to integrate attractive destinations for sub-regional marketing promotion; on halal products and services, to boost cooperation with Thailand which offering its expertise in halal science and laboratory for standard certification; and in energy trade and investment, citing the Thai-Malaysian Gas Pipeline from the Joint Development Area (JDA) in the Gulf of Thailand. He stressed that with the spirit of IMT-GT cooperation growing, continued commitment to the programme would help realize the IMT-GT's common vision and goal of a seamless, progressive, prosperous and peaceful Growth Triangle. This commitment could be translated into action through the vigorous implementation of the IMT-GT Roadmap for Development.

The Opening Remarks of the H.E. Mr. Sawanit Kongsiri appears as **Annex III**.

4. In his Opening Remarks, H.E. Police General Tan Sri Da'i Bachtiar, the Head of Indonesian Delegation extended his sincere appreciation for the excellent hospitality he received in Songkhla. He noted that the Meeting today proves the commitment of the three member countries to the development and integration of the economies in this sub-region, which in the face of globalization, requires the member countries to enhance the mobility of goods and people. He

stressed the importance of promoting public-private partnership in the IMT-GT, expressed appreciation to the JBC for making its voice heard, and urged greater private sector participation in IMT-GT activities. He underscored the vital role of the new Working Groups in identifying, prioritizing and implementing doable projects. Within the ASEAN framework to build a Community, the IMT-GT members must share common ground such as through a Mutual Recognition Arrangement (MRA) in the labor sector. In view of the many challenges, he urged closer collaboration between all stakeholders, particularly in carrying out the programmes and projects in the IMT-GT Roadmap 2007-2011. He noted the progress achieved in various sectors, and stressed that the enhancement of connectivity is an important strategy in support of greater mobility of people and goods and promotion of trade and tourism. He urged more supports for improving connectivity through greater participation of the transport sector and local governments. He commended the dialogue between Governors and the private sector, and noted that closer contacts between policy makers and business people would lead to concrete benefits to the sub-region. He hoped the meeting would be fruitful and lead to stronger commitment to cooperation.

The Opening Remarks of H.E. Police General Tan Sri Da'i Bachtiar appears as **Annex IV**.

5. In his Opening remarks, H.E. Dato' Seri Dr. Shahidan Kassim, the Head of Malaysian Delegation, extended his heartfelt appreciation to the host for the efficient and smooth conduct of the IMT-GT meetings. He noted that 2007 marks a challenging first year in the implementation of the IMT-GT Roadmap, and was pleased to announce the launch by the Malaysian Government of the Northern Corridor Economic Region (NCER) in July 2007, with the theme "increasing value add-on from existing industries" emphasizing transformation and expansion of the agricultural, manufacturing, tourism and logistics sectors in the region. He urged the Working Groups to identify IMT-GT initiatives that can ride on this programme. He was also pleased to announce the establishment of the Centre for IMT-GT Sub-regional Cooperation (CIMT) in August 2007, which would strengthen coordination mechanisms and consultation processes among IMT-GT institutions in the sub-region. As the responsibilities of the CIMT are monumental, he urged stakeholders in the IMT-GT, both public and private, to provide full support and cooperation to CIMT. He noted that with the restructuring of the Working Groups, delivery mechanisms in the IMT-GT programme and projects are expected to be improved. He reminded that initiatives under IMT-GT are very much in-line with the aspirations of the ASEAN Economic Community, and

cautioned on the need to ensure that the pace of our development remains sustainable, taking into account the impacts of global climate change. He concluded by expressing optimism that the IMT-GT programme is moving into a more exciting phase and welcomed the six provinces in Southern Thailand as new members. He proposed renaming IMT-GT into Indonesia-Malaysia-Thailand Golden Corridor (IMT-GC) since the sub-region is no longer shaped as a triangle with many more states and provinces have since joined as members of IMT-GT.

The Opening Remarks of H.E. Dato' Seri Dr. Shahidan Kassim appears as **Annex V**.

AGENDA ITEM 3: ELECTION OF CHAIRPERSON

6. H.E. Mr. Sawanit Kongsiri, the Head of Thai Delegation to the Ministerial Meeting, was elected as Chairperson of the 14th IMT-GT Ministerial Meeting.

AGENDA ITEM 4: ADOPTION OF THE AGENDA

7. The Meeting considered and adopted the Agenda which appears as **Annex VI**.

AGENDA ITEM 5: BUSINESS ARRANGEMENTS

8. The Meeting was held in plenary. The programme of the Meeting appears as **Annex VII**.

AGENDA ITEM 6: REPORT OF THE 14TH SENIOR OFFICIALS' MEETING

9. The Hon. Mr. Arkhom Termpittayapaisith, the Head of Thai Delegation to the SOM, and Chairperson of the 14th Senior Officials' Meeting (SOM) of the IMT-GT presented the Report of the 14th SOM for the consideration of the Ministers. He was pleased to note the enhancement in IMT-GT cooperation since last year and discussed the major new developments such as the acceptance of 6 provinces of Thailand as new members (Chumphon, Ranong, SuratThani, Krabi, PhangNga and Phuket), the streamlining of IMT-GT Working Groups to better implement the Roadmap, and the establishment of the Centre for IMT-GT Sub-regional Cooperation (CIMT) to facilitate coordination and implementation of prioritized sub-regional initiatives. The meeting also expressed appreciation to

the JBC for the substantial accomplishments and requested the Working Groups to look into the issues raised by the JBC. The SOM Chairperson then gave the highlights of the reports of the 6 Working Groups,

10. The SOM Chairperson also reported that the Meeting also expressed appreciation to ADB for its support to IMT-GT, particularly in institutional strengthening and development of infrastructure and connectivity which are key elements of the IMT-GT Roadmap. The SOM looked forward to ADB support for institution building and developing economic connectivity corridors. Preparations for the 3rd IMT-GT Leaders' Summit is well underway with Singapore agreeing to host in parallel with the 13th ASEAN Summit on 19 November 2007. A draft of the Joint Summit Statement was circulated for comments and it was agreed that the Statement would be finalized in a National Secretariat Meeting to be hosted by Thailand in October 2007. It was also noted that the 13th ASEAN Summit in Singapore in November 2007 marks ASEAN's 40th year during which ASEAN is expected to endorse the ASEAN Charter making it a rules-based organization.

11. The SOM agreed to hold the next Meeting in either Banda Aceh or Palembang in Indonesia, at a date to be notified by the host later.

12. Indonesia commended the 14th SOM for presenting a very comprehensive and informative report to the Ministers. He noted that while cooperation among border areas in the sub-region has progressed, it should also be fostered between areas that do not share borders. He welcomed the new members which can enrich the cooperation. On human resources, he said that the IMT-GT cooperation to congregate the demand and supplies of employment could answer the challenge in this area. He had a view that through the Working Group on Human Resources Development, the opportunity would be opened for all relevant parties to meet in providing the necessary framework to facilitate traffic among IMT-GT sub-region. On infrastructure and transportation sector, he strongly recommended that the respective related agencies could generate the participation from the private transport companies that have capabilities to operate the sea and air linkage among IMT-GT points. He urged Tourism Working Group to strengthen and expedite their tourism activities and promotion to support the load factor requirement that become the strongest demand from the air operator to materialize their routes among IMT-GT sub-region. He also informed of the new investment law in Indonesia designed to attract new businesses. He hoped that public and private sectors work toward more effective mechanisms to facilitate trade in the sub-region.

13. Thailand proposed strengthening cooperation in a number of areas. In energy, in response to the persistence of high oil prices, it is beneficial to tap the resources available in the sub-region such as natural gas, bio-fuels and other alternative energy sources. On logistics systems, he stressed the need to accelerate connectivity, in terms of both hardware and software, through efficient air, sea and land transport links. He noted the potentials of Malaysia's plan for the development of the Northern Corridor Economic Region (NCER) and Thailand's new southern economic development plan. He said the Ranong-Phuket-Aceh corridor should be developed to further enhance connectivity in the subregion.

14. Mr. Somkiat Anuras, Chairman of the IMT-GT JBC announced the JBC's plan to launch the Visit IMT-GT Year 2008 with a programme in Hat Yai in January 2008, which will consist of a number of activities such as travel fairs, sports and cultural activities. He noted that performers from the three countries have been invited to the activities. Sports activities would include football, basketball and volleyball and sepak takraw, to be participated by teams all around the sub-region. The JBC also proposed cultural events to stimulate grassroots' interests and awareness of the activities to ensure their success. Malaysia said it would support the activities to be launched by the JBC, including dove singing competition but stressed it is not able to participate in the proposed bullfighting and cockfighting activities, since these two activities were traditionally associated to gambling.

15. The Meeting agreed to adopt the recommendations of the SOM. The full text of the Report of the 14th SOM of the IMT-GT is attached as **Annex VIII**.

**AGENDA ITEM 7: REPORT OF THE 4th GOVERNORS AND CHIEF
MINISTERS' FORUM**

16. The Right Honourable Dr. Sondhi Tejanant, Governor of Songkhla Province and the Chairperson of the 4th IMT-GT Governors and Chief Ministers' Forum, presented the report of the Forum, which was convened in Songkhla Province, Thailand on 5 September 2007. The Indonesian delegation was led by the Right Honorable Eko Maulana Ali Msc, Governor of Bangka-Belitung Province and the delegation from Malaysia was headed by the Honorable Dato' Tang See Hang, State Executive Councilor, Selangor State Government. The

Forum acknowledged the report and update of the 3rd IMT-GT Governors and Chief Ministers' Forum, presented by the Head of Malaysian delegation, the highlights of which included the admission of 6 new provinces of Thailand, and support to the JBC proposals. The Forum noted the report of the Chairperson of the 14th Senior Officials' Meeting (SOM) and endorsed its findings and recommendations particularly with respect to the acceptance of new members from Thailand, the establishment of the CIMT and reorganization of the Working Groups, the new project proposals of the WGs, and agreements and preparations for the Third Leaders' Summit in Singapore in November 2007. The Meeting also noted the report of the JBC particularly with respect to the events and activities for the Visit IMT-GT Year 2008. The Meeting agreed to the JBC proposals with the exception of some events, and committed to provide support to the development of the IMT-GT Plazas and the organization of the Visit IMT-GT Year 2008. The Meeting agreed to hold the 5th Governors and Chief Ministers' Forum in either Banda Aceh or Palembang in Indonesia back-to-back with the 15th IMT-GT SOM.

17. Indonesia recommended strengthening the role of local governments in IMT-GT cooperation. He stressed that local governments should refer to the result of each Working Group and JBC outcomes to enable strengthening of the role of the local governments in IMT-GT sub-region. He said that conducive local regulations and policies are important to support and promote business initiatives. He also mentioned that support from central government is critical in supporting local business initiatives.

18. Malaysia informed of the improvements in its air and port transport facilities to enhance travel and tourism within the sub-region. He stressed the need to provide better support for the development of the economic corridors. Malaysia proposed to implement additional activities in conjunction with the Visit IMT-GT Year 2008, such as the International Convention of Two Cities in April 2008. He suggested that the Governors and Chief Ministers' Forum retain its informal nature in the spirit of the earlier discussions that created it.

19. The Chairman of the Ministerial Meeting commended the Governors and Chief Ministers' Forum on report and for proposing new initiatives and suggestions. As the Head of Thailand Delegation he agreed that the Halal product promotion should look into adopting standards of the Organization of Islamic Conferences (OIC) standard. He agreed with Malaysia's suggestion to keep the Governors and Chief Ministers' Forum an informal one so that people

can be more open and direct in making their views known. He stressed however the need for the Forum to maintain its framework, with a clear agenda so that useful outcomes are obtained in its discussions. For greater chance of success, linkages between and among the SOM, the Governors and Chief Ministers' Forum and the JBC should be strengthened.

20. The JBC noted the importance of establishing focal points between the JBC and Forum. He expressed concern on the slow pace of some initiatives such as the IMT-GT Plazas that could promote exchange of goods among the countries.

21. The MM adopted the report of the 4th IMT-GT Governors and Chief Ministers' Forum. The full text of the Report of the 4nd Governors and Chief Ministers' Forum appears as in **Annex IX**.

AGENDA ITEM 8: OTHER MATTERS

22. **Preparation of the 3rd IMT-GT Summit.** The Meeting took note of the draft Joint Statement for the Summit which was circulated for the consideration of the member countries. The Meeting agreed to the SOM proposal for the draft Joint Statement to be finalized in a National Secretariat Meeting in October 2007 and that comments are still welcomed in the meantime.

23. Mr. Kuniki Nakamori, Deputy Director General, Southeast Asia Department, ADB, expressed his great pleasure at participating in the Meeting, citing ADB's involvement in the Roadmap development equipping it with comprehensive familiarity with the IMT-GT family of which ADB is happy to be part of. He noted that ADB focused its resources in two areas: strengthening institutional capacities and coordination mechanisms, and facilitating development of economic connectivity corridors. He said ADB has proposed initiatives and studies to increase its analytical understanding of issues in transport, trade and investment, which will help benchmark its future position relative to the present, and provide empirical analysis to support policy dialogues. He hopes the Meeting will endorse these initiatives to continue development of the IMT-GT economic connectivity corridors. He reiterated ADB supports for capacity building and technical assistance to the Centre for IMT-GT Sub-regional Cooperation (CIMT) and the Working Groups to help them implement programmes under the Roadmap. He said ADB recognizes the vital role of the private sector in the development of the sub-region, and looked forward to

working with the latter in deepening private participation in investment and enhancing public-private partnerships.

24. Dr. Anish Kumar Roy, Director, Office of Coordination, Bureau of External Relations and Coordination of ASEAN Secretariat, welcomed the need for better synergies between IMT-GT and ASEAN as reiterated by the Heads of delegations in their Opening Statements. As ASEAN moves towards establishing an ASEAN Community by 2015, he said initiatives such as IMT-GT are vital to regional integration and narrowing development gaps. He agreed with the call of the Meeting for stronger cooperation in protecting the environment, and noted that the 13th ASEAN Summit is expected to sign a declaration providing a framework for cooperation between ASEAN, the international community and the private sector in promoting sustainable development. He said the ASEAN Leaders are expected to endorse an ASEAN Charter to make it a rules-based organization.

AGENDA ITEM 9: DATE AND VENUE OF 15TH MM

25. It was agreed that Indonesia would host the next IMT-GT Ministerial Meeting, back-to-back with the SOM, the Governors and Chief Ministers' Forum and the JBC meeting. The venue and date of the meeting would be announced by Indonesia later through the respective National Secretariat. Thailand and Malaysia expressed appreciation to Indonesia for the kind invitation.

AGENDA ITEM 10: CONSIDERATION OF THE MINUTES OF THE 14TH IMT-GT MM

26. The Ministers considered and adopted the Agreed Minutes of the 14th IMT-GT MM.

AGENDA ITEM 11: SIGNING OF THE MINUTES OF THE 14TH IMT-GT MM

27. The Ministers signed the Agreed Minutes of the 14th IMT-GT MM.

AGENDA ITEM 12: CLOSING

28. In his closing statement H.E. Police General Tan Sri Da'i Bachtiar, the Head of Indonesian delegation noted that the meeting succeeded in taking stock

of progress and setting the way forward in IMT-GT cooperation, and stressed the need for full commitment to enhancing public-private partnerships. He urged that the focus be in mobilizing resources to build on competitive strengths and creating jobs to improve the quality of life of the people and to realize the sub-region's potentials and make it a growth center of ASEAN. He thanked the host, the Government of Thailand and the Province of Songkhla, for the excellent arrangements and warm hospitality.

29. In his closing statement, H.E. Dato' Seri Dr. Shahidan Kassim, the Head of Malaysian delegation thanked the Government of Thailand and the Province of Songkhla for graciously hosting the Meeting and for providing excellent arrangements and warm hospitality accorded to all delegates. He commended the delegates for tackling the issues well and providing new directions to enhance cooperation and achieve the subregion's development vision. He welcomed the new members of IMT-GT composed of 6 provinces in Thailand, which would provide a bigger market for the business sector in the sub-region. He said that the people of the sub-region are waiting for tangible results and enjoined everyone to do their best in promoting equitable development in the sub-region.

30. In his concluding remarks, H.E. Mr. Sawanit Kongsiri, the Head of Thai delegation as the MM Chairperson noted that the Meeting has been a productive one and succeeded in identifying new areas for expanding cooperation endeavors, reflecting the strong spirit of partnership in the area. He encouraged all members to follow up on the issues raised to obtain the desired results. He encouraged the private and public sectors to work together in exchanging views and developing business linkages. He wished the CIMT success in its work and thanked the Ministers and all delegates and the Secretariat for contributing to the Meeting's success. He said Thailand looks forward to enhancing cooperation among the member countries and the support of the development partners. He concluded by thanking the Heads of delegation of Indonesia and Malaysia for their support and invited everyone to the press conference which would be held after the Meeting.