



OPENING STATEMENT
By:



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(Head of Malaysian Delegation)

At the 15th IMT-GT Ministerial Meeting (MM)
Palembang, South Sumatera Indonesia

H.E. Mr. Lukman Edy
Minister of Development for Disadvantaged Areas
Head of Indonesian Delegation

H.E. Mr. Weerasak Kowsurat
Minister of Tourism and Sports
Head of Thailand Delegation

Hon. Chief Ministers and Provincial Governors from Indonesia, Malaysia
and Thailand

Mr. Thomas Crouch
Deputy Director General, Southeast Asia Department
Asian Development Bank

Chairmen of the IMT-GT Joint Business Council

Dr. Hassan Ibrahim
Interim Director of CIMT,

Distinguished Delegates,
Ladies and Gentlemen,

1. It is indeed an honor and a privilege for me to attend this important event, the 15th Ministerial Meeting of Indonesia, Malaysia, Thailand Growth Triangle (IMT-GT) in Palembang, Indonesia. On this occasion, delegation and I would like to express our sincere gratitude and

appreciation for the warm welcome and generous hospitality extended by our host, the Government of the Republic of Indonesia and in particular our local host, the Provincial Government of South Sumatera. We are deeply touched by the excellent arrangements that have been made to ensure that our short stay will be pleasant and memorable in this beautiful city.

Excellencies, Distinguished Delegates,
Ladies and Gentlemen,

2. We meet at a time of considerable global economic uncertainty with the unwelcome spectra of financial turmoil in the United States of America that has spread across Europe and the rest of the world. It is therefore, timely and all the more compelling for us to further strengthen our commitments and put forward our maximum collective efforts to meet current challenging scenario. In doing so, the economic growth in the IMT-GT region must be carefully accelerated through higher and better quality investment that can stimulate forward and backward linkages with the local area.

3. In the 14th IMT-GT Ministerial Meeting held in Songkhla, Thailand on 6 September last year, we had issued several directives to ensure IMT-GT moves in tandem with the Roadmap that has been agreed and more importantly with the bigger strategies envisaged in ASEAN such as the Initiative for ASEAN Integration (IAI) and the ASEAN Economic Community by 2015. IMT-GT must be able to produce results by now to ensure that this sub-region can be easily integrated into mainstream development with reduced development gaps and greater prosperity for the people.

4. This meeting will indeed reaffirm our strong commitment to promote growth and development in the IMT-GT sub-region, creating a solid foundation and impetus for further development. The expansion of the IMT-GT area continues to create greater potential for growth as well as spur prosperity in the sub-region. With a combined population of more than 70 million, business opportunities are there to be harnessed and turned into wealth for the benefit of the sub-region. We continue to make headway in economic and business cooperation through steady and enthusiastic participation of our private sector with fullest support from the public sector.

5. The strong presence of the private sector represented by the Joint Business Council (JBC) has enabled many initiatives at increasing trade and services be realized. This however, needs to be strengthened further and clear directions must be made available for the JBC to be able to play its role effectively in a more innovative and enterprising way.

Excellencies, Ladies and Gentlemen,

6. Regional development is very important to Malaysia in our efforts to reduce the development gap between the under-developed regions and the developed regions. Malaysia's commitment to sub-regional cooperation as a mean towards encouraging economic development in IMT-GT areas is underpinned in our Corridor Development Plans. The Northern Corridor Economic Region (NCER) that encompasses the northern states of Peninsular Malaysia will further provide the impetus and complement the trans-border development within the IMT-GT sub-

region. This is in line with the Roadmap for Development that talks about Corridors Connectivity.

7. The five-year IMT-GT Roadmap, endorsed during the 2nd IMT-GT Summit in Cebu, Philippines will require follow through in ideas and actual implementation of projects to ensure the sub-region's sustainability and viability in the long run. The challenge now is to ensure that the projects identified in the Roadmap can be speedily implemented for the benefit of the communities of member countries. In addition, the successful implementation of the Roadmap is very much dependent on the strengths of the public-private sector partnership. Therefore, I urge for greater public-private partnership to tap the potential trade and investment opportunities in IMT-GT.

8. On the other hand, the role of the State/Provincial Governments in IMT-GT would be catalytic in investment facilitation. Strong support and commitment from the state and provincial Government is a prerequisite to further help accelerate economic cooperation and integration of IMT-GT. Implementation of business ventures will be dependent on the speed at which they respond to proposals and initiatives from the private sectors. In this sense, I wish to call upon the state and local Governments to continue to have more regular dialogues with the private sector to ensure that the measures taken by the Governments are in tandem with the expectations of business community

Distinguished Delegates, Ladies and Gentlemen,

9. Recognizing the latest development on the legalization process of the establishment of the Centre for IMT-GT Sub-regional Cooperation (CIMT), all member countries commitment to have CIMT legally established with an International Organization status has now bear fruit. At the Senior Officials level, issues have been ironed out to ensure CIMT to be fully operational after the signing of the Agreement on the Establishment of CIMT, latest by December 2008 during the IMT-GT Summit in Bangkok.

10. As we strive towards economic progress, we must continue to ensure that the pace of our development and progress remains sustainable. The impact of global warming and climate change as a result from unsustainable development is increasingly alarming. Our region has experienced a devastating episode relating to global climate change when the Tsunami struck in 2004 and inflicted massive physical destruction and lost of lives. Therefore, prudent management of our assets and resources are indeed instrumental in minimising disastrous consequences to our region.

11. Following the directive of our Leaders during the 3rd IMT-GT Summit on 19 November 2007, in Singapore, on the need for us to strengthen and accelerate our cooperation on energy and environment, and in line with the rest of the world in promoting cooperation on sustainable development and mitigating of global warming phenomenon, we must streamline and focus our minds in order that we can integrate this concern in our programmes and activities.

Distinguished Delegates, Ladies and Gentlemen,

12. I am very happy to note on the continuous efforts and progress shown by all of the Working Groups.

a) Tourism

- Visit IMT-GT Year 2008-2009;
- Joint tourism package;
- Joint promotion on health tourism;
- Information and experience exchange;
- Tourism website; and
- 3 Star Hotel Directory.

b) Human Resource Development

- Training for skills and competencies as required by the priority sectors in the IMT-GT region;
- Adoption of mutual recognition arrangement and accreditation programmes in line with agreements under the ASEAN framework of cooperation;
- Facilitation of the entry of foreign workers and professionals among the IMT-GT sub-regions, including easing of travel requirements such as visa and work permit; and
- Promotion of cooperative HRD programmes among educational and training institutions in the IMT-GT region.

c) Transport and Infrastructure

- Transportation sector as a key factor and a critical enabler toward realizing the vision of an ASEAN Community by 2015;

- Strengthening the inter connectivity as well as to ease mobility of people and goods to create better growth in the region; and
- Guided by the IMT-GT Roadmap in enhancing the transportation links.

d) Trade and Investment

- A continuous effort in building favorable business environment through various Government's initiatives to facilitate and promote trade and investment in the sub-region; and
- Malaysia's Northern Corridor Economic Region (NCER), which is geographically positioned near Thailand and Sumatra which aims to develop and improve the development of industries in the sub-region, such as manufacturing, agriculture, energy and services sectors.

e) Agriculture and Agro-base Industry and the Halal Programme

- Malaysia to become the leading Global Halal Hub;
- Vast opportunities for IMT-GT partners to join efforts with Malaysia; and
- Malaysia's Halal Parks in the states of Perlis, Kedah, and Selangor with adequate fundamental infrastructure and facilities focusing on three main Halal industries, namely, Food, Pharmaceuticals and Cosmetics.

Distinguished Delegates, Ladies and Gentlemen,

13. In conclusion, let me reiterate my optimism that the IMT-GT has a big potential to become a major investment destination particularly in infrastructure, transportation, agro-based industry, tourism and telecommunications. In this regard, it is necessary for our respective Governments to enhance this cooperation through improved and favorable investment climate. As a sub-region cooperation, IMT-GT should focus more on mobilizing our resources to build our competitive strength, create opportunities and jobs, which will ultimately bring about a better quality of life for the population in the IMT-GT sub-region. As the core of existence of IMT-GT is to build a dynamic future and as we share the same vision – **a seamless, progressive, prosperous and peaceful sub-region with improved quality of life**, it is our hope that we can stand and work together to achieve this.

19. The Malaysian Government will continue to provide unwavering commitment to the agreed resolutions of this meeting and translate them into concrete projects for implementation. I sincerely hope that we will have a fruitful meeting today. I firmly believe that through our discussions and deliberations we will further strengthen our relations and provide clear directions to enhance development and contribute to the well-being of the people of the sub-region.

Thank you.

23 October 2008