



**AGREED MINUTES
MEETING OF INDONESIA-MALAYSIA-THAILAND GROWTH TRIANGLE
(IMT-GT) WORKING GROUP ON AGRICULTURE, AGRO-BASED INDUSTRY
AND ENVIRONMENT (WGAAE),
PORT DICKSON, NEGERI SEMBILAN, MALAYSIA
3-4 APRIL 2007**

INTRODUCTION

1 The Meeting of Indonesia-Malaysia-Thailand Growth Triangle (IMT-GT) Working Group on Agriculture, Agro-Based Industry and Environment (WGAAE) was convened in Port Dickson, Negeri Sembilan, Malaysia on 3-4 April 2007. The Indonesian delegation was led by H.E. Moehaimin Sovan, Director, Domestic Marketing, Director-General of Processing and Marketing for Agriculture Products, Ministry of Agriculture. The delegation from Thailand was headed by H.E. Sakchai Sriboonsue, Inspector General, Ministry of Agriculture and Cooperatives. The Malaysian delegation was led by H.E. Rubiah bt. Hj. Abd. Rahman, Deputy Undersecretary, Strategic Planning and International Division, Ministry of Agriculture and Agro-Based Industry. The Meeting was also attended by representatives of Asian Development Bank (ADB), Development Partner of IMT-GT. The list of delegations appears as Annex I.

AGENDA 1 : OPENING CEREMONY AND REMARKS BY HEADS OF DELEGATION

2. In his remarks, H.E. Moehaimin Sovan, the Head of the Indonesian Delegation as the Chairperson of the Meeting of IMT-GT WGAAE extended his warm greetings to all delegates and expressed his gratitude to the Government of Malaysia for the excellent arrangements and hospitality extended to all the delegates. He hoped that the new IMT-GT Working mechanism could be in line with the goals of this sub-economic cooperation and to accelerate the economic distribution in the sub-region. He also expected that the IMT-GT Working Group can be used to increase and strengthen the cooperation between the three countries. The full text of his remarks appears as Annex II.

3. H.E. Sakchai Sriboonsue, Head of the Thai delegation expressed his deep appreciation to Malaysia for the warm hospitality. He then pointed out this special bond of friendship among the member countries which has lasted more than a decade. He stated the importance of having a concrete Terms of Reference of the Working Group before further discussion on deliverable projects. He expressed his belief that the implementation of these projects would encourage more trade and investment in the region. The full text of his remarks appears as Annex III

4. The Head of the Malaysian delegation, H.E. Rubiah bt. Hj. Abd. Rahman, Deputy Undersecretary, Strategic Planning and International Division, Ministry of Agriculture and Agro-Based Industry welcomed all delegates to the Meeting as well as to Port Dickson, one of the most famous tourist spots in Malaysia. She also expressed gratitude to the State Government of Negeri Sembilan for co-hosting the Meeting. She mentioned that all delegates have important role to play in ensuring the IMT-GT Roadmap for Development 2007-2011 is fully implemented for the benefit of all the people in the region. The two-day meeting provided the platform for all delegates to deliberate in further details the planning

as well as the implementation of the projects outlined in the Roadmap. The full text of her remarks appears as **Annex IV**.

5. The Meeting was opened by H.E. Abidin Arshad, Undersecretary, Crops, Livestock and Fisheries Industry Division, representing the Secretary-General of the Ministry of Agriculture and Agro-Based Industry Malaysia. He welcomed the delegates from the IMT-GT region and congratulated Asian Development Bank (ADB) for formulating the IMT-GT Roadmap for Development 2007-2011. He informed the meeting on Malaysia's current policy on boosting agriculture as the third engine of growth. The full text of the opening speech appears as **Annex V**.

○ **AGENDA 2 : ELECTION OF THE DRAFTING COMMITTEE**

6. The Meeting appointed two members from each delegation to be in the Drafting Committee as follows:

Indonesia	:	Mr. Maruli Indra
		Mrs. Ratna Siregar
Malaysia	:	Mr Lim An Tong
		Mrs. Tan Geik Hong
Thailand	:	Ms. Lantom Sutti
		Mr. Kittipol Chotipimai

○ **AGENDA 3 : ADOPTION OF THE AGENDA**

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

AGENDA 4 : BUSINESS ARRANGEMENTS

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

AGENDA 5:

i. HIGHLIGHTS OF THE LAST MEETING OF IMPLEMENTING TECHNICAL GROUP (ITG) ON DEVELOPMENT OF HINTERLAND AND INTRA-TRADE (DHIT) IN PALEMBANG, INDONESIA ON 7-8 SEPTEMBER 2006

9. Indonesia briefed the Meeting on the highlights of the last Meeting of ITG on Development of Hinterland and Intra-Trade (DHIT) held in Palembang, Indonesia from 7-8 September 2006. The progress of the projects approved by the three Sub-Implementing Technical Group (Sub-ITG) established under the DHIT were highlighted. The report appears as Annex VIII.

ii. HIGHLIGHTS OF THE IMT-GT PLANNING MEETING ON 31 JANUARY - 1 FEBRUARY 2007 IN KOTA KINABALU, SABAH, MALAYSIA

10. Malaysia informed the Meeting that the IMT-GT Planning Meeting held in Kota Kinabalu Sabah, Malaysia on 31st Jan -1 Feb 2007 was organized by the ADB and the Economic Planning Unit, Prime Minister's Department, Malaysia. The main objective of the Meeting was to identify deliverable projects to be implemented in 2007 as outlined in Annex A, Action Plan of the IMT-GT Roadmap for Development 2007-2011. The establishment of the Coordination and Monitoring Centre which will serve as the central body for monitoring and coordinating IMT-GT public sector activities was also discussed at length. As a result of this Meeting, all the six Working Groups, namely (i) Working Group on Trade and Investment; (ii) Working Group on Agriculture, Agro-Based Industry and Environment (WGAAE); (iii) Working Group on Tourism; (iv) Working Group on Human Resource Development; (v) Working Group on Infrastructure and Transport; and (vi) Working Group On Halal Products and Services came out with projects deemed "deliverables" in 2007. A Calendar of Events for the year 2007 was also prepared.

11. At that Meeting, WGAAE identified five projects to be implemented in 2007 namely:

- i. Palm Oil Tripartite Cooperation;
- ii. Prepare and Disseminate Business Opportunities in Agriculture and Agro-Based Industry in the IMT-GT Region;
- iii. Inventory of Private Sector Fisheries and the Publication of the Web Portal of Ministry of Marine Affairs and Fisheries of Indonesia;
- iv. IMT-GT Expo and Seminar for Fisheries; and
- v. Compile and Disseminate Information on Policies, Rules and Regulation Covering Investments in Agriculture.

12. The Meeting also decided to convene the Meeting of the WGAAE in Malaysia to discuss in further details on the planning as well as the implementation of these five projects and to identify projects for implementation in 2008. As there was no representative from the Department of Environment attending that Meeting, the projects related to environment were not discussed.

iii. WORKING MECHANISM OF WGAAE

13. The WGAAE covers a wide range of sectors namely agriculture (including crops, horticulture, fishery, livestock and forestry), agro-based industry and environment. The delegates discussed the possibility of forming sub-working groups and agreed that the existing mechanism should be continued.

iv. PROGRESS REPORT ON THE IMPLEMENTATION OF THE FIVE PROJECTS

a. PALM OIL TRIPARTITE CO-OPERATION

14. Indonesia informed the Meeting that the Palm Oil Tripartite Cooperation project is a joint-venture between PT Trimitra Sumberbuana, Indonesia with a total investment of 10 billion Rupiah and Perak State Agriculture Development

Corporation through its subsidiary, Ladang Lekir Sdn. Bhd. with a total investment of 15 billion Rupiah. Both parties established the P.T. Pinang Witmas Sejati and has been in operation with permanent permission. The Meeting agreed to drop this flagship project given that it has been in operation for almost a decade and has no identifiable IMT-GT deliverable.

b. TO PREPARE AND DISSEMINATE BUSINESS OPPORTUNITIES IN AGRICULTURE AND AGRO-BASED INDUSTRY IN THE IMT-GT REGION

15. The project to prepare and disseminate business opportunities in agriculture and agro-based industry in the IMT-GT region is already in progress. Indonesia is preparing the data and information on business opportunities in agriculture and agro industry from the 10 provinces of Sumatra (IMT-GT). Indonesia hoped that the IMT-GT countries could disseminate business information through interlinked web sites so that all the relevant information could be easily accessible. The Meeting requested Indonesia to circulate the draft template to Malaysia and Thailand for consideration before finalization and implementation.

c. INVENTORY OF PRIVATE SECTOR FISHERIES AND PUBLICATION OF THE WEB PORTAL OF MINISTRY OF MARINE AFFAIRS AND FISHERIES OF INDONESIA

16. The three countries supported the establishment of the web site of IMT-GT fisheries sector and also supported the suggestion to submit and update information regularly. The Ministry of Marine Affairs and Fisheries, Indonesia is responsible as the administrator of the web site. Malaysia informed the Meeting that four states namely Malacca, Kelantan, Negeri Sembilan and Penang had not yet submitted the inventory of the private sectors. Thailand will submit the required information of the private sectors by end of July 2007.

17. Indonesia informed the Meeting that deliverable of the activities of IMT-GT fisheries sector will be available on line this coming November 2007. The website address is <http://www.pusjui.dkp.co.id>.

iv. IMT-GT EXPO AND SEMINAR FOR FISHERIES 2007

18. IMT-GT Expo and Seminar for Fisheries 2007 will be carried out in Batam, Indonesia from 1-4 November 2007 in line with the Batam Agribusiness Expo. Indonesia invited representatives from Malaysia, Thailand and ADB to present papers at the seminar. Indonesia will prepare the general information and the invitation to participate in the expo and the seminar. Malaysia and Thailand will be provided with five complimentary exhibition booths each. The Meeting supported this activity and noted Indonesia's request that this event be held annually on rotation basis among the member countries.

v. COMPILE AND DISSEMINATE INFORMATION ON POLICIES, RULES AND REGULATIONS COVERING INVESTMENT IN AGRICULTURE AND AGRO INDUSTRY

19. Indonesia is in the process of compiling the information on policies, rules and regulations covering investment in agriculture and agro industry. This information will be disseminated through interlinked websites. The Meeting agreed that Indonesia will provide the draft template and the required information will be posted in the web site which can then be interlinked to the web sites of IMT-GT member countries. The draft template will be circulated and member countries will provide comments on the draft. The focal point for this activity will be nominated by each member country.

AGENDA 6 : SPECIAL PAPER PRESENTATION

20. Indonesia presented two papers, the first one entitled "Policy and Program in Agro Industries and its Striving to Environment Conservation in Indonesia". The paper appears as **Annex IX**.

21. The second paper was on "Business Opportunities and Investment Incentives for Fisheries Industry in Bangka Belitung Islands Province". Malaysia expressed its willingness to learn from Indonesia's experience on the management of freshwater fish culture in ex-mining ponds. The paper appears as **Annex X**.

22. Malaysia presented a paper entitled "Framework of Malaysia and Indonesia Collaboration to Deal with Land and Forest Fires in Riau Province". ADB circulated a concept paper on a proposed technical assistance for supporting trans-boundary haze and environment management in South East Asia. The proposed initiative of Malaysia and the proposed ADB technical assistance provide overlap that can be usefully explored to further develop environmental management in IMT-GT. The papers appear as **Annex XI** and **XII** respectively.

23. Thailand presented a paper entitled "The Continuous Cooperation of Crude Palm Oil Production" and the paper appears as **Annex XIII**. The Meeting agreed this proposal could provide a platform to further explore tripartite cooperation in palm oil.

24. The Meeting took note of all the papers. It was also proposed that the paper on "Framework of Malaysia and Indonesia Collaboration to Deal with Land and Forest Fires in Riau Province" would be submitted to the relevant authorities in Indonesia and the Riau provincial government for further action. The Meeting also agreed that this project to be considered as deliverable project in 2007.

**AGENDA 7 : IDENTIFICATION OF PROJECTS TO BE IMPLEMENTED
IN 2008**

25. The Working Group identified projects to be implemented in 2008 as already outlined in Annex A, Action Plan of IMT-GT Roadmap. The projects identified include:

- i. Establishment of Beef Cattle Breeding Center in IMT-GT Regions (Training on Artificial Insemination on Beef Cattle);
- ii. Joint Venture on Banana Estate in Nanggroe Aceh Darussalam (NAD);
- iii. Market Access and Quality Improvement for Horticulture Products;
- iv. Freshwater Cluster Industry Development in Ex-mining Ponds;
- v. Integrated Seaweed Industry in IMT-GT Region;
- vi. Marine Culture Development in IMT-GT Region;
- vii. Develop Policies and Framework for Strengthening Cooperation in the Management and Protection of Natural Resources in the IMT-GT Region to Ensure Sustainability of Development in the Region;
- viii. Promote and Support the Use of Environmentally-friendly Technologies and Approaches in Agriculture, Agro Industry and Tourism in the IMT-GT Region such as (a) Programme for Pollution Control, Evaluation and Rating for Agro Industries; (b) Promoting IMT Agro Industrial Products through Green Campaign; and (c) Capacity Building for Local Government Institutions on Agro Industries and Environment in IMT-GT Region; and
- ix. Cooperate in the Control and Improve Surveillance, Public Awareness and Response to Pandemics due to Possible Trans-boundary Animal Diseases and Natural Disasters to Complement Measures being taken in ASEAN Including Early Warning System on Natural Disasters.

26. As regards to projects on agro-based industry, each country will submit their proposals to Indonesia by end of June 2007.

27. The Meeting was informed that ADB will organize Planning Meeting after the IMT-GT Summit in September 2007 to discuss further on the projects to be implemented in 2008.

AGENDA 9 : OTHER MATTERS

28. The Meeting agreed that the next Meeting of the WGAAE will be hosted by Thailand in Phuket in May 2008. The host country would inform member countries on the agenda of the meeting and other information at least one month ahead.

29. The Meeting also emphasized on the importance to follow up on the projects to be implemented in 2007 and urged all member countries to internally discuss and articulate the agenda for the next year and deliverable projects for 2008. The lead country will coordinate the initiatives and also report to the Coordination and Monitoring Center.

AGENDA 10 : ADOPTION OF THE AGREED MINUTES

29. The Meeting considered and adopted the Agreed Minutes of the Meeting of IMT-GT WGAAE.

AGENDA 11: CLOSING REMARKS

30. H.E. Moehaimin Sovan (Indonesia) and H.E. Sakchai Seiboonsue (Thailand) expressed their sincere appreciations to the Government of Malaysia for the warm hospitality accorded to all the delegates. They also thanked the Negeri Sembilan State Government for co-hosting the Meeting.


31. The Head of Malaysian Delegation congratulated the Chairman for his excellent stewardship of the Meeting and thanked all delegates for their full

participation in the Meeting. She was happy to note that the outcome of the Meeting was commendable and believed that with the full commitment demonstrated during the Meeting, the program and projects identified for implementation this year and next year would be fully implemented. She also expressed her appreciation to the Negeri Sembilan State Government for its support and cooperation in organizing this Meeting.

Done in Port Dickson, Negeri Sembilan, Malaysia on 4th April 2007.



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Ministry of Agriculture,
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.....
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