



REPORT OF THE 3rd IMT-GT POST-SUMMIT PLANNING MEETING

20-21 MARCH 2009
PEKANBARU, RIAU, INDONESIA

INTRODUCTION

1. The Indonesia-Malaysia-Thailand Growth-Triangle (IMT-GT) 3rd Post-Summit Planning Meeting (PSPM), was held on 20 - 21 March 2009, in Pangeran Hotel, Pekanbaru, Riau, Indonesia. The Meeting was attended by all three Member Countries, represented by their Senior Officials, National Secretariats and respective Working Groups, JBC and CIMT. In addition, the Meeting welcomed the Asian Development Bank, as IMT-GT's development partner and the ASEAN Secretariat as observer.

OPENING CEREMONY

2. The Meeting was officiated by His Excellency, H. M. Rusli Zainal, SE, MP, the Governor of the Province of Riau, Indonesia. In his welcoming remarks, he cited IMT-GT's achievements in tourism and trade. The Province of Riau, striding the Straits of Melaka, is home to a diverse population of Indonesians and is blessed with natural resources in oil and mining and represents a microcosm of Indonesia. While economic growth in the past was well above the national average, the Province is hoping initiatives in the IMT-GT would help buffer it from the current global economic crisis.

The full text of opening ceremony remarks collectively appears as **Annex I**.

AGENDA 1: WELCOMING REMARKS

3. The Meeting was chaired by Dr. Raldi Hendro Koestoer, Senior Official, Coordinating Ministry for Economic Affairs Republic of Indonesia for Innovation, Technology and Environment. He expressed his warm welcome to all participants to Pekanbaru, the capital of Riau Province. The List of Delegation appears as **Annex II**.

AGENDA 2: BUSINESS ARRANGEMENT

4. The Meeting was held in plenary. The adopted Agenda appears as **Annex III**.

AGENDA 3: (Agenda 3.1) OVERVIEW OF THE PLANNING MEETING'S OBJECTIVES AND PROCEDURE

5. The Meeting took note that Post-Summit Planning Meeting (PSPM) is now incorporated as part of the Official Calendar of Meetings for IMT-GT. Working Group participants were briefed on the main objectives and intended outcomes for this 3rd PSPM. In this regard, in meeting the Leaders' Directives, special initiatives were being planned for 2009 (**Agenda 3.2**), including (i) A Mid-Term Review (MTR) of the IMT-GT Roadmap (**Agenda 3.3**); (ii) A Review of the Business Processes (BPR) of IMT-GT (**Agenda 3.4**) and (iii) Plans for An IMT-GT Investment Forum (**Agenda 3.5**).

Details of the Meeting's objectives, 4th IMT-GT Summit Directives, and presentations/Concept Notes of the MTR, BPR and Investment Forum appear collectively as **Annex IV**.

AGENDA 4: VIEWS AND GUIDANCE FROM SENIOR OFFICIALS

(i) Mid-Term Review (MTR) of the Roadmap

6. The Meeting noted that stock-taking of projects and the progress made is an integral component of the MTR process. Of similar importance was the need for data and measurable indices for tracking and measuring effectiveness, especially now, with the global economic crisis upon us. In line with the Leaders' Directives, the MTR should stress projects relating to the development of the Economic Corridors as well as removing obstacles in the Roadmap.
7. On synergizing the Roadmap with the ASEAN Economic Community (AEC) Blueprint, the Meeting hoped this will raise awareness of ASEAN's related initiatives and provided a platform to build upon. In turn, the Roadmap's initiatives could be calibrated accordingly to avoid duplication.

(ii) IMT-GT Business Process Review (BPR)

8. The Meeting noted the BPR will explore methods to improve overall effectiveness in the delivery mechanism of the IMT-GT. The BPR will look into both the overall IMT-GT structure as well as rectifying inconsistencies such as formulating Terms of Reference (TOR) for all Working Groups. At present, only the Working Group in Halal Products and Services had a TOR.
9. Malaysia, in welcoming this exercise, indicated the BPR is timely as it would coincide with preparations for its 10th Malaysian Plan. As such, there was an opportunity to incorporate IMT-GT needs into its national development agenda.
10. Thailand remarked that the BPR represented a natural progression from the Roadmap and an opportunity to institute continuous improvements. As there are numerous national players in each Member Country, the BPR could

explore the possibility of a common regional structure but supported by individualised national structures.

(iii) IMT-GT Investment Forum

11. ADB indicated that by investing in the IMT-GT Investment Forum, it was meeting the Leaders' Directive to be a catalytic force in widening the participation of development partners and attract major investments to the subregion. In this regard, it would begin to identify, with the assistance of stakeholders, high value investment opportunities.
12. The Meeting welcomed ADB's suggestions and lauded the initiative as a commendable effort to highlight IMT-GT to a wide external audience. Going forward, the Meeting suggested preparations and themes for the Investment Forum be thoroughly prepared for presentation to Leaders in October 2009 at the forthcoming 5th IMT-GT Summit in Thailand. With the guidance from the Leaders, the Investment Forum could plan for a first quarter 2010 date. The Meeting noted that a Planning Committee, comprising of ADB, National Secretariat officials, JBC and CIMT would be required help to plan the event.

AGENDA 5: BRIEFING ON THE WORKING GROUP PARALLEL SESSIONS & PURSUING JBC'S REQUEST, INCLUDING 15TH SOM/MM

13. Before the Breakout Session, the Meeting was briefed on the objectives and expected deliverables of the Working Group Parallel Session, namely: completion of the Projects Consolidation Sheets (PCS); the overall summary of the projects and their development status; projects planned for 2009; and latest update of their country chairman and focal points.

The briefing on the WG Parallel Session and PCS guidelines appears as **Annex V** and JBC's list of requests as **Annex VI**.

AGENDA 6: WORKING GROUP PLANNING MEETING

14. The Working Groups (WGs) met separately to detail their respective projects by the completion of their Project Consolidation Sheets (PCS). In this regard, the PCS, distributed a month earlier, is intended to be a precursor to the stocktaking exercise to record and manage all IMT-GT programmes and projects. Delegates were encouraged to adopt a thematic approach, for instance along value chains or products/services lines, when categorising projects.
15. Delegates representing all three Member Countries were present for all the six WGs; on Agriculture, Agro-Based Industry and Environment; on Halal Products and Services; on Human Resources Development; Infrastructure and Transport; Tourism and on Trade and Investment.

AGENDA 7: WORKING GROUP PRESENTATIONS

16. The Senior Officials congratulated the WGs for their presentations and efforts to streamline their projects. Going forward, the Meeting felt the need for more result-based monitoring of projects. The Meeting noted that WGHAPAS has been more successful than in its counterpart in ASEAN, with clear outlines and timelines between programmes, projects and activities. In this regard, the Meeting welcomed ADB's intentions to provide capacity building and technical assistance to strengthen Working Groups as part of the MTR/BPR exercise. The WG presentations appear as **Annex VII (a)-(f)**.

17. Specific WG comments were:

(a) WG on Agriculture, Agro-Based Industry and Environment

18. The Meeting commended WGAAE in stressing the importance for project assessment by consolidating and discarding projects as necessary.

(b) WG on Halal Products and Services

19. The Meeting noted that the WGHAPAS was progressive, especially with the inclusion of exchange programmes and country visits to improve coordination and cooperation.

(c) WG on Human Resource Development

20. The WGHRD was applauded for its thematic categorization of its projects into Labor Mobility, Human Resources Development and Goodwill and Solidarity projects. The Meeting proposed the WGHRD to also look into the impact of retrenchment stemming from the economic downturn. Towards this end, ADB suggested it may undertake such an exercise to map the impact on the subregion.

(d) WG on Infrastructure and Transport

21. Noting the long gestation period for Infrastructure & Transport projects, the Meeting recommended that WGIT work closely with ADB. The ADB Studies on Logistics and Maritime for example could provide fresh inputs and ideas in meeting the Leaders' Directives on advancing the Economic Corridors.

22. On overall responsibility for Energy issues, the Meeting noted that an acceptable solution has yet to be found. On this note, the Meeting suggested this issue could be addressed in the MTR and BPR exercise.

23. Malaysia informed the Meeting that its double-track railroad project from Padang Besar to Ipoh is now under construction and is expected to be completed within three years.

(e) WG on Tourism

24. The Meeting noted that 2009 was deemed as IMT-GT Celebration Year and the need for coordinated via websites is desirable to avoid clashes and accentuate events. For information of the Meeting, the MATTA fair in Malaysia had generated RM80 million in sales.
25. Malaysia took the opportunity to request Indonesia to continue extending an exemption on the IDR2.5 million fiscal charges for departures from Sumatra. Furthermore, if this was not deemed to be a national issue for Indonesia, the WG on Tourism would pursue this objective.

(f) WG on Trade and Investment

26. The Meeting reminded the WGTI to work closely with the private sector. With regards to the dedicated IMT-GT Television station project, the Meeting suggested a sunset clause of two years be placed to enable JBC to provide concrete proposals to the relevant authorities, facilitated by the WGTI. The WGTI should look into participating in the annual ASEAN-China Expo in Nanning, China as part of its activities.

AGENDA 8: FOLLOW-UP TASKS OF WORKING GROUPS

27. The Meeting took note of the follow up tasks with regards to the inputs required by the Mid-Term Review and the reporting mechanisms to SOM/MM. In this regard, Senior Officials reminded delegates that CIMT and WG Chairs were empowered to complete as necessary all actions required to ensure the effective implementation of the Roadmap.
28. The Meeting requested that all remaining incomplete Project Consolidated Sheets from all Working Groups be submitted to CIMT no later than **10 April 2009**, and sought the cooperation from WG Chairs to adhere strictly to the deadline.

The presentation outlining the tasks ahead for the coming year in support of the special activities appear as **Annex VIII**.

AGENDA 9: FINALISATION OF MTR, BPR, IMT-GT INVESTMENT FORUM AND IMT-GT CALENDAR OF EVENTS

29. ADB presented timelines for the MTR and BPR activities and outlined the requirements from the respective parties involved. The timelines for the MTR and BPR collectively appears as **Annex IX**.
30. As the timelines were tight, Malaysia announced that the SOM/MM would now be held on 17 – 19 August 2009 with the venue in Melaka. Given the

additional month, ADB informed the Meeting that new timelines will be distributed to National Secretariats.

31. As with the new timelines for the MTR and BPR, CIMT informed the Meeting that it would distribute a revised Calendar of Events incorporating inputs from the WGs' presentations. The revised Calendar of Events for 2009 appears as **Annex X**.

AGENDA 10: OTHER MATTERS

32. The Senior Officials instructed that the presence of Senior Officials in future Planning Meeting should be taken advantage of in terms of getting their directions and guidance in resolving issues, rather than presenting to them mostly projects information. On administration matters related to the roles of CIMT, the Senior Officials also suggested that CIMT, given the overall mandate by the Senior Officials to improve in the coordination, monitoring and facilitating of the IMT-GT, should continue to move forward without having to deliberate too much in meetings such as the Planning Meeting.
33. The Meeting specially thanked ADB for working very closely with all stakeholders of the IMT-GT throughout 2008, and in particular by making the 3rd IMT-GT Post-Planning Meeting possible through its financial and technical support.

AGENDA 11: CLOSING REMARKS

34. The Meeting considered and agreed to the adoption of the report of the 3rd Post-Summit Planning Meeting, Pekanbaru, Indonesia, 20-21 March 2009.
 35. The Meeting expressed its appreciation to Indonesia, in particular the Government and people of the Province of Riau, Indonesia for the warm welcome and for the excellent arrangements.
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