



REPORT OF THE 4TH POST-SUMMIT PLANNING MEETING (PSPM)

20-21 JANUARY 2011
KOH SAMUI, SURAT THANI PROVINCE, THAILAND

INTRODUCTION

1. The Indonesia-Malaysia-Thailand Growth Triangle (IMTGT) 4th Post-Summit Planning Meeting (PSPM), 20-21 January 2011 was attended by all three Member Countries, represented by their Senior Officials, National Secretariats and respective Working Groups, respective States and Provinces, JBC and CIMT. In addition, the Meeting welcomed the Asian Development Bank, as IMT-GT's Development Partner and the ASEAN Secretariat as an observer.
2. The Meeting was chaired by Dr. Porametee Vimolsiri, Senior Official, Deputy Secretary General of the National Economic and Social Development Board (NESDB) of Thailand. The List of Delegation appears as **Annex I**.

OPENING REMARKS

3. The Meeting was officiated by His Excellency, Mr. Theerayuth Eamtrakul, the Deputy Governor of the Surat Thani Province, Thailand. In his Welcoming Remarks, he thanked NESDB and Asian Development Bank (ADB) for selecting the Island of Samui to be the venue for this meeting. This is the first time for this province had an opportunity to host an IMT-GT event since the Province became a member of the IMT-GT as endorsed during the Third IMT-GT Leaders' Summit on 19 November 2007 in Singapore.

The full text of His Excellency's Opening Remarks appears as **Annex II**.

WELCOMING REMARKS

4. The Senior Official of Thailand, Dr. Porametee Vimolsiri, welcome all delegates to one of the most beautiful provinces in the Gulf of Thailand. This is the first time Surat Thani has the opportunity to be an important venue for IMT-GT activities.
5. He urged all IMT-GT stakeholders to exchange opinion with our Development Partners such as the Asian Development Bank (ADB) and Japan, and also Strategic Partners such as Economic Research Institute for ASEAN and East Asia (ERIA), in order to

achieve mutual benefits derived from new thoughts and new interests with technical support coming from our dialogue partners.

6. He also mentioned that the Master Plan of ASEAN Connectivity has been pushed for IMT-GT to be accelerated as one of the main agenda of ASEAN. The people-to-people contact was also raised by the Leaders that could be accelerated in order with efficient utilization of IMT-GT infrastructure. He also added that the Leader's Directive would guide IMT-GT till the end of the IMT-GT Roadmap 2007-2011 until the next Implementation Blueprint 2012-2016.
7. He hoped that deliberations during the Meeting would result in valuable inputs which would improve the IMT-GT cooperation and lead us to more positive achievements.

The full text of welcoming remarks appears as **Annex III**.

AGENDA 1.0: BUSINESS ARRANGEMENTS

8. The Meeting was held in plenary. The adopted Agenda appears as **Annex IV**.

AGENDA 2.1: OVERVIEW OF 5TH IMT-GT SUMMIT'S DIRECTIVES

9. The Overview of 5th IMT-GT Summit's Directives was presented by Dr. Hassan Ibrahim, Director of Centre for IMT-GT Subregional Cooperation (CIMT). In this presentation, he was highlighted the eight important leader's directives to be completed in 2011.
10. During the Meeting, Indonesia requested IMT-GT to collaborate with China as also practiced in BIMP-EAGA. The Meeting was informed by CIMT that for the time being IMT-GT should focus more on Japan and ERIA, and taking the best opportunity of collaborating with these two before moving further with other Development Partners. CIMT will further update the request once the cooperation with Japan and ERIA is completed. The Meeting also requested CIMT to submit the Framework of Cooperation (FoC) with Japan by mid of 2011 to Senior Officials for endorsement.
11. The Chairman also highlighted that 2011 will see the completion of the 5-year IMT-GT Roadmap (2007-2011) which covers six sectors (tourism; trade & investment; infrastructure & transportation; halal products & services; agriculture, agro-based & environment; and human resources department). With regards to this, all WGs and JBC members were requested to focus on the effective implementation of their projects and activities for 2011 before moving further to the next five-year plan.
12. The Meeting took note of the comprehensiveness of the Leaders' Joint Statement (LJS) is comprehensive. One important initiative to be held this year included *Food safety and High Value Agriculture Conference & Exhibition*.

The copy of presentation appears in **Annex V**.

AGENDA 2.2: OVERVIEW OF 17TH IMT-GT SOM/MM AND CMGF DECISIONS

13. The Director of the CIMT presented the overall process and development of the IMT-GT Roadmap. Following are the highlights of the presentation:

- a. The Mid-term Review Process had been initiated in 2009 and 2010, by prioritizing on flagship and more business-oriented projects to be implemented during the remaining portion of the five-year period (2007–2011);
- b. Six sector studies were prepared to assist the Working Groups during the Special Consultation Meeting (SCM), Penang in 2010;
- c. Flagship programmes were scaled down from 36 to 12 and to be selected for those to be implemented in 2011;
- d. Projects and activities that Working Groups would not be able to complete by the end of 2011 were to be carried over to the Implementation Blueprint 2012 – 2016. The IB preparation would closely be coordinated by National Secretariats, CIMT and ADB.
- e. During the Special Consultation Meeting in Penang, a list of ten projects in PCPs for 2010 estimated at USD3.6 Billion were endorsed by the Senior Officials. This list of ten included the initial list of PCPs endorsed during the 16th SOM/MM in 2009 and the potential PCPs identified during the National Consultation Meeting (NCM) conducted between February to May 2010.
- f. The role and function of IMT-GT States and Provinces become strengthened and enhanced with PCP platform.

14. The Meeting took note that:

- a. IMT-GT members need to achieve what had been tasked in the Leaders' Directive and later highlight the success projects to the Leaders during the next Summit;
- b. Indonesia would seriously focus on its six PCPs that have been tasked during the NCM last year;
- c. Relevant JBC requests should be highlighted in every Working Group Meeting; and
- d. JBC should send more representatives for each Working Group Meeting in future.

The copy of CIMT's presentation appears in **Annex VI**.

AGENDA 2.3: OVERVIEW OF THE POST-SUMMIT PLANNING MEETING OBJECTIVES

15. Dr. Hassan continued his presentation and touched on the objective of the Post-Summit Planning Meeting. He also informed the Meeting the specific objective to achieve during the Post-Summit Planning Meeting.

The copy of Dr. Hassan's presentation appears in **Annex VII**.

AGENDA 3.1: PRIORITY CONNECTIVITY PROJECTS (PCPs): PREPARATION PROCESS AND TIMELINE TO BEGIN IMPLEMENTATION OF SOME PCPs IN 2011-2012

16. In Agenda 3.1, Mr. Eric Sidgwick, Head of Representative from Asian Development Bank (ADB) presented the preparation process and timeline to begin implementation of some PCPs I 2011-2012.

17. The details of the discussion were as follows:

- a. ADB requested each National Secretariat to update and follow-up on at least two projects for this year on PCPs to ensure significant progress in order to be reported in next Leaders' Summit.
- b. On Thailand's PCP, the Meeting was informed that Thailand had already requested the budget for **Hat Yai-Sadao Toll Road** project into this year's budget but the project may be late to commence. However, the status can be updated later during this year's SOM and Summit. The Meeting was also informed that Thailand had assigned its Customs Department to coordinate with relevant agencies for this project.

The copy of ADB's presentation appears in **Annex VIII**.

AGENDA 4.1: RECOMMENDATIONS OF BUSINESS PROCESS REVIEW (BPR) IN THE CONTEXT OF INSTITUTIONAL REVIEW

18. Mr. Eric Sidgwick also reported the background and Summit's Directive on the BPR. He also highlighted the need for BPR recommendations as follows:

- a. Improvement in strategy, programme/ project planning and formulation.
- b. Agreement on the important roles of the National Secretariats since NSs need to report steps in undertaking the immediate BPR recommendations at the 18th SOM/MM for implementation in 2012.

c. Restructuring of CIMT and establishment of the IMT-GT Business Forum.

19. The Director of CIMT also presented the finding of the Business Process Review (BPR) from the Eminent Person Group at 17th SOM/MM, Krabi. Highlights of the presentation are as follows:

- a. The organization of working units should be based on projects rather than sectors; the present sector-oriented working groups should be restructured to reflect a delineation between programme/project formulation and implementation functions, establishing working units with clear accountabilities to perform these functions separately; and ensuring the inclusive participation of concerned stakeholders (including the local governments) in these working units;
- b. The analytical capabilities of the National Secretariat should be improved by given technical advice and support to the Local Government and Working Groups (line ministries). National Secretariat should play more roles in identifying programmes and projects of strategic. They should also be screening and filtering project ideas and ensuring linkage between national and subregional programmes; and
- c. A professionally-run regional secretariat, with openly recruited staff, and a governance structure with public and private sector representatives should be established by way of enhancing the present CIMT structure.

The copy of both ADB and CIMT's presentation appears as **Annex IX**.

20. During the discussion, the following were raised and noted:

- a. The Meeting noted that the BPR had provided many innovative recommendations that deserve serious consideration. Thailand expressed its view that existing Working Groups should continue with their functions until the end of the Roadmap implementation period in 2011;
- b. Malaysia suggested that the legalization of the present CIMT should be first implemented, and thereafter, CIMT's roles and capacities assessed, before considering a new CIMT structure;
- c. JBC informed that during next JBC Meeting in February or March 2011, they will highlight the issues from the Post-Summit Planning Meeting and will update before SOM/MM this year;
- d. The Meeting requested other States and Provinces to highlight their projects to IMT-GT but the profile of the projects must be clear for further deliberation and implementation.

AGENDA 5.1: PREPARATION OF IMT-GT IMPLEMENTATION BLUEPRINT 2012 – 2016

21. ADB presented the concept of IMT-GT Implementation Blueprint (IB) 2012-2016, institutional role and timeline. IB would be consistent with the five strategic trusts embodied in the present Roadmap and the sector strategies that have been endorsed in Mid-Term Review.
22. The Meeting noted that the Working Groups (WGs) and the Joint Business Council (JBC) were instructed to identify their projects and activities within the existing 12 Flagship Programmes (from the Roadmap 2007 – 2011), and those projects that they would not be able to complete by the end of 2011 to be carried over to the IB 2012 – 2016. The IB preparation would closely be coordinated by National Secretariats, CIMT and ADB.

The copy of ADB's presentation appears as **Annex X**.

AGENDA 6.1: GUIDANCE TO WORKING GROUPS ON THEIR DELIBERATIONS

23. CIMT presented the guidance to the Working Groups during their breakout session for their deliberation based on the Meeting's objectives. The deliberation should cover the following tasks:
 - a. WGs to select projects and activities under the 12 Flagship programmes for implementations in 2011;
 - b. WGs to strategise implementation plans of the selected projects and activities in their Project Profile;
 - c. WGs to select programmes and projects for carry-over into Implementation Blueprint 2012-2016;
 - d. WGs to give input for preparation of Framework of Cooperation with Japan and cooperation with ERIA;
 - e. WGs to address JBC requests and issues brought up during the 17th SOM/MM; and
 - f. WGs to update Calendar of Events 2011 with their activities including their Working Group Meeting dates and venue.

24. The Meeting noted that WGs will discuss the above matters and issues during the Breakout Session. The record of discussion will be highlighted in Agenda 7.0 and Agenda 8.0.

The copy of CIMT's presentation appears as **Annex XI**.

AGENDA 7.0: WORKING GROUP PLANNING MEETINGS (BREAKOUT SESSION)

25. The Meeting was formed into Breakout Session among six Working Groups. During this Breakout Session the Senior Officials had an Informal Senior Officials Meeting separately attended by the NS Officials, CIMT and ADB.

The copy of the Synthesis Report of the Informal Senior Officials Meeting appears as **Annex XII**.

AGENDA 8.0: WORKING GROUP PRESENTATIONS

26. In Agenda 8.0, the Working Group were tasked to make a presentation on the following matters:

- a) Flagship Programmes and Projects Planned for Implementation in 2011;
- b) Views on Implementation Blueprint 2012 – 2016; and
- c) Calendar of Events 2011.

(i) Working Group on Trade & Investment (WGTI)

27. The Chairperson of WGTI from Malaysia presented the results from the breakout session from the previous day. WGTI listed the flagship programmes, namely streamlining of trade regulations and procedures; and promotion of logistics / supply chain and business services. Further into the presentation, they listed out the high-priority projects to be implemented by the WGTI:

- 1) Simplification & Harmonization of CIQ procedures;
- 2) Development of IMT-GT Plazas at Klang Harbour City – Malaysia;
- 3) Development of IMT-GT Plazas at Port Dickson, Negeri Sembilan – Malaysia;
- 4) Northgate Manufacturing Park / Pengkalan Hulu – Betong Border Township Development;
- 5) Pengkalan Kubor – Takbai Border Township Development;
- 6) Establishment of economic zones in main border areas to promote manufacturing activities;
- 7) Development of Padang Besar Inland Clearance Depot (ICD); and,
- 8) Perlis Halal Park.

28. Before concluding the presentation, the WGTI Chairperson remarked that WGTI was placing more emphasis on hosting trade and investment fairs or missions to enhance trade and investment opportunities that will have direct benefits to IMT-GT stakeholders. Furthermore, more regular WG Meetings are planned and the next one is scheduled in May 2011. WGTI also mentioned that they saw no need for a separate Project

Formulation Groups & Project Implementation Teams, as there is right representations of members in WG from member countries.

The details of the WGTI's presentation appear in **Annex XIII (A)**.

29. The Meeting commended WGTI for the thorough and informative programmes and projects updates. The Meeting also expressed concern on the amount of projects available which may not be viable to be implemented and suggested to further trim them out by having more regular meetings leading up to the next SOM/MM.

(ii) Working Group on Infrastructure & Transport (WGIT)

30. The representative of WGIT from Malaysia presented the result from the discussions between respective WG members. WGIT's sole flagship programme, the Five Connectivity Corridors has high priority projects, nine (9) of which are included in the Priority Connectivity Project (PCP) list. The projects are:

1) Road Transport

- a. Nathawi-Prakob/Durian Burong-Alor Setar;
- b. ASEAN Highway Route 25 between Banda Aceh and Palembang in Sumatera (N-S link);
- c. Toll Road Projects:
 - i. Binjai-Medan-Tebing Tinggi (AH25);
 - ii. Medan-New Kualanamu Airport;
- d. Road transport facilitation through mutual recognition of road vehicle registration; transport operating licence; vehicle inspection certification;
- e. Golok River Bridges: Takbai – Pangkalan Kubor Bridge;
- f. Development of Mainline Trans- Sumatera Railway consisting of:
 - i. Bandah Aceh-Besitang-Medan-Rantau Prapat (access to prime agricultural land);
 - ii. Rantau Prapat—Duri Line also to the Port of Dumai;
 - iii. Kerta Pati-Simpang Km3-Tarahan;

2) Marine Transport

- a. Development of Passenger Ferry Services in IMT-GT;
- b. Ro-ro ferry services to and from Indonesia and Malaysia;
- c. Improvement of Belawan Port (North Sumatra, Indonesia);
- d. Improvement of Existing Kantang Port;
- e. Development of new Kantang Coastal Port at Naklua (Thailand);
- f. Harbor City Development in Port Klang;

3) Air Transport

- a. Provide incentives and support for increased private sector involvement and/or public-private sector partnerships in the development of transport infrastructure and provision of transport services in priority routes, especially those underserved.

The WGIT representative also mentioned that they were going for regular WG Meetings this year to speed up the implementation process of the projects.

The details of the WGTI's presentation appear in **Annex XIII (B)**.

31. The Meeting commended on the progress of the high priority projects done in WGIT, particularly the projects listed in the Priority Connectivity Projects (PCPs) list and also acknowledged the progress made in fulfilling the Leader's Directive in enforcing further development in IMT-GT air linkages.

(iii) Working Group on Tourism (WGT)

32. WGT representative from Thailand started the presentation by apologizing for the lack of updates as most of WGT members were at the *ASEAN Travel Forum 2011*. The sole flagship programme of the WGT was to develop thematic tourism routes or circuits with a logical sequence of destinations and sites. With this, the projects that may or may not be implemented are:

- a. Indonesia: Religion and Heritage, Home-stay, Special Interest, Leisure and Shopping, Health and Wellness, MICE, Youth and Education;
- b. Malaysia (Melaka): Cultural and Heritage Tourism;
- c. Thailand: Cultural Tourism.

WGT also mentions that the next WG Meeting would be held on April or May 2011 in Thailand (Bangkok, Surat Thani or Hat Yai).

The details of the WGT's presentation appear in **Annex XIII (C)**.

33. The Meeting commented on the JBC request on giving eight (8) air freedom rights for airlines operating in the IMT-GT, saying that they should focus more on the available air freedom rights first rather than going for more. The Meeting also stresses the importance of cultural tourism and the promotion of IMT locally and globally.

(iv) Working Group on Halal Products & Services (WGHAPAS)

34. WGHAPAS representative from Thailand presented the HAL-Q Open Source Technology System (HOST), a concept from The Halal Science Centre, Chulalongkorn University, together with other activities implemented in 2010. WGHAPAS also listed out their calendar of events for the year 2011.

The details of the WGHAPAS' presentation appear in **Annex XIII (D)**.

35. The Meeting commented that most of the events listed were solely in Thailand and commented that in future the WG should add more events from Malaysia and Indonesia.

(v) Working Group on Human Resource Development (WGHRD)

36. WGHRD representative from Indonesia presented the calendar of events for the year 2011.
37. The Meeting acknowledged the problems in WGHRD and hoped the steps to remedy the problem are done swiftly.

(vi) Working Group on Agriculture, Agro-based Industry & Environment (WGAAE)

38. WGAAE representative from Malaysia presented their projects that are contained in their flagship programmes, namely:
- a. Marine Fisheries and Aquaculture Development
 - i. Investment on Tuna Fish in West Sumatera;
 - b. Application of New Technologies for Livestock
 - i. IMT-GT Network for Animal Production and Biotechnology;
 - c. Trade and Agriculture
 - i. Cooperation on Rubber and Rubber Wood Industry;
 - ii. IMT-GT Expo and Seminar for Fisheries;
 - d. Environment-friendly Agriculture
 - i. Promote and support the use of environmentally-friendly technologies and approaches in agriculture, industry and tourism in the IMT-GT region.
39. WGAAE also presented a new project under the JBC programmes on Modified Starch. The JBC Chairman of Malaysia explained the details of the project. WGAAE acknowledged the need for more regular WG Meetings for the purpose of finalizing programmes and projects.

The details of the WGAAE presentation appear in **Annex XI (E)**.

40. The Meeting commended on the good progress made by the WGAAE members on the projects. The Meeting remarked positively on the Modified Starch project being a business type project where the IMT countries truly are working together in making the project successful.

AGENDA 9.1: VIEWS/GUIDANCE/DECISIONS FROM SENIOR OFFICIALS

41. The Meeting remarked that JBC issues should be detailed and documented, where the document must contain the issue and its relevant information. This is to ease the process of rectifying the issue in an efficient and informative manner.

42. On the issue of BPR, the Meeting agreed that each member countries conduct an internal consultation on implementing the mechanism for the year 2012 until 2016, guided by the BPR recommendations. The Meeting also noted that any proposed new mechanism must be resolved before the October 2011. The current institutional mechanism should be maintained until the end of the roadmap.
43. ADB requested WG to take stock on their projects or programmes before SOM/MM. ADB also requested all Chairpersons of the WG to follow-up on the project implementation.
44. Working Groups were requested to organise their WG Meeting in March or April 2011 to trash out any pending issues.
45. On JBC issues, CIMT request JBC to put in written form their Issues and Requests details and submit to relevant WGs or CIMT for further perusals by relevant parties. JBC also informed that JBC Meeting will be held in Kuala Lumpur on March 2011 with a new format. The invitation letter will be issued later once it was confirmed.

AGENDA 10.0: OTHER MATTERS

46. NS Malaysia representative presented preparations for the Food Safety and High-Value Agriculture Conference & Exhibition tentatively in July 2011.
47. The NS-Malaysia representative explained that after getting some inputs from reputable organizations and institutions the conference would focus on High-Value Agriculture only, and not including Food-Safety as Food Safety is by itself a very focused topic. The said that the conference would be jointly organized by IMT-GT, BIMP-EAGA and Japan, in November 2011 in Melaka, as the earlier proposed date of June/July 2011 would be too tight. He further added that the First Conference and Exhibition Announcement would be issued by end of March 2011.
48. CIMT presented preparations for the Framework of Cooperation (FOC) with Japan. The details of the presentation appear in **Annex XIV (A)**.
49. The Meeting requested all WGs and JBC members to submit any project proposals that need collaboration with Japan and ERIA.
50. CIMT presented the status of the cooperation with ERIA. The details of the presentation appear in **Annex XIV (B)**.
51. CIMT presented the updated IMT-GT Calendar of Events for the year 2011. CIMT remarked the most updated calendar will be uploaded later to the CIMT website. CIMT also remind all Working Group to submit their final date and venue of each Working Group Meeting before 15 February 2011 to CIMT for further action. The details of the presentation appear in **Annex XIV (C)**.

A copy of follow-up tasks by the WG and JBC appears as **Annex XIV (D)**.

AGENDA 11.0: CLOSING REMARKS

52. The Meeting expressed its appreciation to the Government of Thailand and the Provincial Government of Surat Thani for the warm welcome and for the excellent arrangements to make the Meeting successful.