

**REPORT OF THE
5TH GOVERNORS AND CHIEF MINISTERS' FORUM
TO THE 15TH IMT-GT MINISTERIAL MEETING**

**PALEMBANG, SOUTH SUMATERA, INDONESIA
22nd October 2008**

1. The 5th Governors and Chief Ministers' Forum was convened in Aryaduta Hotel in Palembang, South Sumatera, Indonesia on 22nd October 2008. The Forum was mainly attended by delegates representing the private and public sectors from the Provinces and States of the IMT-GT countries. Officials from the Federal Government of the IMT-GT member countries were also present.
2. The delegates from the provinces of Sumatera, Indonesia were led by His Excellency Mr. Eko Maulana, The Governor of Province of Bangka Belitung, who also acted as chairman of the Forum. The delegates from the states of Malaysia were led by His Excellency Dato' Zainal Deputy State Secretary of Melaka. The delegates from the Provinces of Thailand were led by Honorable Mr. Vitaya Panichong, the Vice Governor of the Songkhla Province, Thailand. The JBC delegates were led by His Excellency Arsyadjuliandi Rachman, Country Chairman of IMT-GT Joint Business Council – Indonesia.
3. In his Opening Speech, the Chairman, particularly highlighted the importance of the successful implementation of the programmes and activities in the IMT-GT Roadmap for Development 2007 – 2011 in uplifting the lives of the people within the subregion, while fulfilling the ASEAN Vision.
4. A representative from the State of Penang, Malaysia made a short presentation promoting Penang as a hub for education, tourism, industry and manufacturing, and human resource. Its good location was also providing access to world market. Penang invited the JBC of both Indonesia and Thailand to make smart partnerships with the private sector in Penang to utilize the facilities, infrastructure and resources available in the state.
5. The Head of Thai delegation also highlighted Southern Thailand as a land of rich natural resources, particularly rubber and palm oil. Phuket, Ranong and Krabi are among the world's most popular tourists' attraction. He particularly invited investments

particularly in the energy industry, with natural gas and petroleum gas being available in this subregion.

Potentials of the South of Thailand :

- a. Base of the production of rubber in the province of Songkla and the base for the production of palm oil in the provinces of Surat Thani and Chumporn in the Gulf of Thailand.
 - b. a base for the production of processed seafood especially in the area near the border with Malaysia in the provinces of Songkla and Pattani.
 - c. a base of world class tourist attraction along the Andaman Coast, the so-called "Andaman Paradise"
 - d. The gateway for trade and connectivity corridor between the South and other countries and the South of Thailand is the landbridge that connects between Andaman Coast and The Gulf of Thailand by multimodal transport.
 - e. a base for steel and energy industries that is to say the natural gas in the gulf of Thailand.
6. The JBC-Chairman of Indonesia gave a comprehensive presentation of the JBC's Report to the Governors and Chief Ministers' Forum (GCMF). The reports were presented in two parts: first part for the GCMF's information, and second part for GCMF's endorsements and facilitations. Among the projects and issues that require the GDMF's endorsements and facilitations were:
- Maritime or Coastal Trade
(requiring the Governors and Chief Ministers' Forum to facilitate in harmonizing and simplifying rules and regulations of the trading within the IMT-GT area in terms of volume of the trade allowed and the types of commodities; and providing assistance in gathering inputs to JBC in its effort to set minimum standard at all ports, jetties, and vessels in IMT-GT to encourage businesses);
 - Business Activities at Buketa-Bukit Bunga Area
(requiring the Governors and Chief Ministers' Forum to consider developing the area to encourage economic activities at the area);

- IMT-GT Plaza
(requiring the Governors and Chief Ministers' Forum to facilitate on the Visa's, Petmits, and Taxes issues pertaining to IMT-GT Plaza, and the Forum's endorsement and facilitation to establish and develop IMT-GT Plaza in every province and state in IMT-GT);
 - IMT-GT Business Opportunity Directory (BOD)
(requiring the Governors and Chief Ministers' Forum to endorse and facilitate the BOD project to be implemented at state and provincial level, and encourage state and provincial GLCs to participate in the BOD project);
 - Trade Delegations and Trade Fairs
(requiring the Governors and Chief Ministers' Forum to consider granting incentives to entrepreneurs who participate in the programme);
 - Investment
(requiring the Governors and Chief Mionisters' Forum's facilitation in providing information on the latest update of the investment regulations at every state and provincial government, and further commitment to the implementation of one-stop centre in every IMT-GT province and state);
 - Airport and Subregion Airline Hub
(requiring the Governors and Chief Ministers' Forum to consider in making Hatyai Airport as the sub-region Airline Hub for Thailand);
7. The Governors and Chief Ministers' Forum endorsed the presentation by JBC, and would facilitate the various requests to ensure that the projects pursued would proceed smoothly with least barriers.
 8. On the presentation on the new Low-Cost Carrier Airline (Fireflyz Sdn Bhd.), by JBC (on behalf of the airline), JBC requested the Governors and Chief Ministers' Forum to take note and facilitate giving landing rights and other related facilities on the new routes that Fireflyz is planning, as this will enhance inter-city connections by air between major cities of IMT-GT, hence saving a great deal of travel time within the IMT-GT area, and savings costs too.

9. The representative of the Asian Development Bank highlighted on the need for strengthening the role of JBC at provincial and state level, and that ADB would continue to provide technical assistance towards achieving this.
10. The Director of the Centre of IMT-GT also highlighted to the Forum on a new IMT-GT website in the process of construction by the Centre with technical and financial assistance of the ADB, and assured the Forum that the website could be referred to as a first reference to find out information on IMT-GT activities through Calender of Events, and other information related to IMT-GT. The website would be linked to the various databases being constructed by the Working Groups, and the websites of IMT-GT National Secretariats, ministries, and agencies, and also that of the private sector.
11. The Meeting closed with the Head of delegations from Malaysia and Thailand expressing their sincere appreciation and gratitude to the Government of the Indonesia, and particularly to the Provincial Government of South Sumatera for the warm hospitality accorded to them and the excellent arrangements made for the Meeting.
12. In his Concluding Remarks, the Chairman of the Forum once again expressed his highest appreciation and gratitude to all participants for their active participation and cooperation to make the Forum meaningful and successful.