

**Report to the
15th IMT-GT
Senior Official Meeting**

Asian Development Bank

Palembang, Sumatra
21 October 2008

ADB

Outline

- ADB support to IMT-GT in 2008
- Proposed support to IMT-GT in 2009

ADB Support to IMT-GT in 2008

- IMT-GT Connectivity Corridors
 - Studies: Logistics Study, Maritime Connectivity
 - Project financing Dumai-Port Dickson Ro-ro
 - Workshop on NCER/Southern Thailand Development Plans
- SITS
- CIMT, Working Groups
 - Website initiated
 - Consultant to support CIMT operations
 - Consultant to support 2 WG: TI and Infrastructure
- JBC
 - Seminar on After AFTA; Project financing
 - Workshop on ADB private-sector operations
- ITITD (Phase 1)



ADB

Recommendations

- Establish an **Expert Group on Maritime Transport** to coordinate and monitor plan of action (under WGTI)
- **Pilot project for trade and transport facilitation** measures between Hat Yai and Medan (CIQS)
- **Expansion of bilateral exchange of traffic rights** arrangements between Thailand and Malaysia (CIQS)
- **Automated Customs Clearance**, ASYCUDA to be adopted by IMT-GT countries to ensure IMT-GT wide has a system that is uniform its application, process and procedure to facilitate seamless trading (CIQS)
- **Develop logistics capacity**, establish logistics platforms/centres: Hat Yai/Songkhla Trang, Phuket, Penang, Port Klang, Malacca, Banda Aceh, Medan, Dumai & Palembang
- Inadequate **hinterland connectivity** : Dumai, Belawan, and Teluk Bayur
- **Infrastructure upgrading** in Sumatra



ADB

Sumatra Investment and Trade Survey (SITS)

- Initiated Feb; Data collection May-July; Partnership with LPEM, UI
- Representative of entire Sumatra manufacturing: 950 firms, 4 sectors
- What are constraints for manufacturing, and policy response?
- What constraints for exporting/trade?
- IMT-GT Awareness
- Only 1% for IMT, 37% ASEAN; less than 0.5% for Thailand, 2% for Malaysia
- Business Dev Framework, Database
- Draft report available at Leaders' Summit

ADB Support to IMT-GT in 2008

- IMT-GT Connectivity Corridors
 - Studies: Logistics Study, Maritime Connectivity
 - Project financing Dumai-Port Dickson Ro-ro
 - Workshop on NCER/Southern Thailand Development Plans
- SITS
- CIMT, Working Groups
 - Website initiated
 - Consultant to support CIMT operations
 - Consultant to support 2 WG: TI and Infrastructure
- JBC
 - Seminar on After AFTA Project financing
 - Workshop on ADB private-sector operations
- ITITD (Phase 1)

Proposed ADB Support in 2009

- **Connectivity corridors**
- **Institutional strengthening and capacity building**
- **Private Sector Development and Support**
- **Knowledge Products**

Connectivity Corridors

- Continue focus on maritime CCs: Ronong-Phuket-Aceh, Medan-Penang, Dumai-Malaka (RETA)
- Support JBC Task Force on Ro-ro
- CIQS (RETA)
- Logistics: Lampung-Banda Aceh (case study on transport subsector)
- Workshop on impact of NCER/Southern Thailand on CC development – Follow up

Institutional Strengthening

- Third Annual Planning Meeting
- Continue support to CIMT, including developing joint deliverables
- Support WGs: Infrastructure and TI, followed by others as needed
- Strengthen IMT-ASEAN-ADB dialog; Review of links with AEI blueprints
- Review of IMT-GT Business Processes
- Support for local government capacity building

Private Sector Development and Support

- SITS – Value Chain analysis, Trade, Access to Finance,
- Develop a Business Support Framework drawing on best practices (GEM, PENSA, etc)
- Increased private sector dialog
- Project financing

Knowledge Products

- Phase 2 of the ITITD
- Workshops
- Sector/policy studies, including identification of issues at WG level and development of proposals to address the same
- Demand driven

Economic Connectivity Corridors

