

JOINT STATEMENT

THE 23RD MINISTERIAL MEETING OF INDONESIA-MALAYSIA-THAILAND GROWTH-TRIANGLE (IMT-GT) BANGKA BELITUNG, INDONESIA

29 SEPTEMBER 2017

1. We, the IMT-GT Ministers, held our 23rd Meeting on 29th September 2017 in Bangka Belitung, Indonesia under the chairmanship of H.E. Darmin Nasution, Coordinating Minister for Economic Affairs, Republic of Indonesia. The Meeting was also attended by H.E. Datuk Seri Abdul Rahman Dahlan, Minister in the Prime Minister's Department, Malaysia and H.E. Arkhom Termpittayapaisith, Minister of Transport, The Kingdom of Thailand.
2. We are pleased to note the IMT-GT impressive growth of 4% between 2011 to 2015. GDP per capita at current PPP\$ has been steadily increasing over the years from 10,719 PPP\$ in 2010 to 13,822 PPP\$ in 2015. Investment has also increased 31.3% since 2010 to a high of US\$15.1 billion in 2015 and the unemployment rate has vastly improved from a high of 8.6% in 2005 to 4.4 % in 2016. Poverty incidence has also been reduced in all IMT-GT areas.
3. We note the successful conclusion of the IMT-GT Implementation Blueprint (IB) 2012-2016. We are pleased with the work undertaken by all IMT-GT stakeholders in this effort. We applaud the detailed report of the 24th Senior Officials' Meeting, incorporating the individual work plans of the six Working Groups; the 14th Chief Ministers and Governors' Forum (CMGF), the 2nd Green Council Meeting and University Network which had incorporated the reports of respective states and provinces.
4. We are pleased that the Leaders have adopted the IMT-GT Vision 2036 (Vision2036) and IMT-GT IB 2017-2021. The implementation of the Vision 2036 and IB 2017-2021 is expected to contribute to the achievement of the overall targets by 2036 as follows:
 - a. Real GDP increases to US\$ 694 billion from US\$ 215 billion in 2014;
 - b. GDP per capita(at current PPP\$) increases to US\$32,120, from US\$13,822in 2015;
 - c. Intra-IMT-GT trade rises to 28 percent of total IMT trade (from 9.2 percent in 2015);
 - d. Average annual FDI inflows increase to US\$24 billion (from US\$ 8 billion in 2015);
 - e. Average annual international visitor arrivals increase to 109 million persons (from 39 million in 2015);

- f. IMT-GT Project Implementation Team and Joint Business Council (JBC) to implement a total of 400 cross-border projects with direct MSMEs and social enterprises' participation (i.e., 20 projects per year); and
 - g. At least 40 cities in IMT-GT to implement the Green City Action Plan (from 5 cities in 2016).
5. We task our Senior Officials to expedite the implementation of projects and programs in the IB 2017-2021 to achieve IMT-GT Vision 2036 as endorsed by the leaders during the 10th IMT-GT Summit, especially the implementation of US\$47 billion worth of physical connectivity projects as well as corresponding improvement in software which will enhance connectivity across IMT-GT. Discussion on related MoUs on new rules and regulations to facilitate cross border transport in the IMT-GT subregion should also be accelerated to be finalized in a specified period in order to reap full benefit from the upgraded connectivity in the subregion.
6. We are determined to strengthen further our cooperation on rubber and oil palm. We are pleased to see progress made in rubber city projects in Songkhla and Kedah and welcome Medan and Palembang as new designated rubber cities. We recognize the importance of increasing collaboration on oil palm particularly on sustainable productivity growth, eco-friendly practices and the equitable sharing of benefits. We task Senior Officials to discuss and make concrete suggestions on ways to take this forward. We encourage all stakeholders to promote the responsible agricultural investment for the development of technology and innovation of high value and knowledge intensive agriculture products including products that place nutritional safety as a central component.
7. We are pleased to endorse the subregional Tourism Strategic Framework to promote cross-border tourism with the goal of making IMT-GT a single world-class tourism destination that is sustainable, inclusive and competitive. To optimise its tourism potential, IMT-GT will: a) improve connectivity between strategic areas of the subregion to support selected thematic cross-border tourism circuit development; b) enhance the sustainability, inclusiveness and competitiveness of the subregion as a destination; and c) market the subregion as a single destination.
8. Considering continued increase in global demand for Halal products, we reaffirm our commitment to intensify and expedite collaboration on Halal products and services. In support of this commitment, we task our Senior Officials to accelerate the consultation and standardization process to get the resolution for the acceptance of halal standards amongst the IMT-GT Member Countries. We welcome the initiatives to promote the transfer of technology and innovation, capacity building and networking among university-based Halal research centres.

9. To enhance trade and investment growth, we task our Senior Officials to expedite the implementation of projects under IB 2017-2021, such as the Special Economic Zones (SEZ) including Sei Mangkei in North Sumatera, Songkhla and Narathiwat; the development of Tok Bali Industrial and Fisheries Park and Dumai – Melaka Roro Service. These projects are crucial to facilitate cross-border value chain and promote cross-border movement of people, goods and services within the subregion. We commend the success of the BIMP-EAGA and IMT-GT Trade Expo in 2012, 2014 and 2016 and welcome Thailand to host the trade expo in 2018.
10. We are pleased to note a further enhanced subregional air connectivity with more flights connecting cities in IMT-GT. We encourage the private sector to maximize the potential of air linkages between 40 domestic airports and 18 international airports within the subregion to enhance trade, investment and tourism. We are pleased that the IMT-GT MoU on Expansion of Air Linkage signed in April 1995 will be reviewed and updated to enhance air connectivity and to complement the ASEAN Open Skies arrangements.
11. We task our Senior Officials to fast track the finalisation of the Sustainable Urban Development Framework for IMT-GT cities which will upscale the Green City Initiative by implementing the existing Green Cities Action Plan (GCAP), and expanding initiatives to other potential cities as well as developing a green cities network. We are looking forward to the Energy Efficiency for Buildings Project which has been successfully piloted in Melaka to be expanded to other IMT-GT Cities such as Songkhla, Thailand and Banda Aceh, Indonesia.
12. We welcome the adoption of the IMT-GT University Network (UNINET) Charter and Strategic Action Plan 2017-2021, which will further enhance the role of IMT-GT universities in IMT-GT development and growth through research and innovative technology. We task our Senior Officials to expedite the implementation of IMT-GT UNINET Strategic Action Plan focusing on collaboration with IMT-GT local governments, business sector and local communities and enhance people connectivity through cultural and education exchange activities. We encourage IMT-GT members to promote close collaboration between the private sector and research centres of IMT-GT universities under UNINET and even beyond in increasing welfare, productivity and capacity of small holders and young farmers through training and technology transfer.
13. Recognizing that efficient workforce is key to IMT-GT growth and competitiveness, we emphasize the utmost importance of moving forward collaboration on human resource development. We agree to strengthen efforts in improving worker skill facing the 3 lead sectors in IMT-GT; tourism, agriculture and agro-based industries, and Halal Industries. We task Senior Officials to facilitate the improvement of labour mobility and enhance people-to-people connectivity through socio-cultural

cooperation. For IMT-GT to achieve its long-term development goals of becoming an innovative subregion, it is important to focus collaboration on demand-driven skills trainings and to undertake capacity building, competency skills development and knowledge exchange as well as promoting life-long learning especially education in relation with innovation, design and creativity. We welcome initiatives on pilot skills competency recognition in selected professionals as well as the establishment of a labour market information system in IMT-GT.

14. We underscore the importance of enhancing the role of the States and Provinces in the implementation of IMT-GT projects and program under the IB 2017-2021. We encourage the roles of Chief Ministers and Governors in collaborative activities that lead to inclusive and sustainable growth in close collaboration with the private sector and the civil society as well as related central agencies in the Working Groups. We are pleased to note the success of the second Green Council Meeting under the chairmanship of the Chief Minister of Melaka which was held on 7 August 2017 in Songkhla. Initiatives of States and Provinces related to green activities should be further strengthened. We welcome more subregional projects and activities initiated by CMGF responding to real demands from IMT-GT stakeholders and especially local people in an inclusive way.
15. As the IMT-GT engine of growth, we call for the private sector to explore and develop the IMT-GT trade and investment opportunity. We task Senior Officials to consider extending support through granting of exclusive franchises for the JBC to organise IMT-GT trade and investment events on the grounds that such activity will allow the JBC to fulfil its mandate of promoting private sector interaction and enhancing business networking. We also call for the JBC to create bonds with IMT-GT local communities and people in order to create sustainable projects and activities. We encourage the IMT-GT private sector to be more active and efficient in its collaborative efforts and to reassess its effectiveness as a voice for the private sector in IMT-GT. To be an influential and credible voice, the JBC should build aggressive membership drive and it must grow a diverse membership base, including representatives from MSMEs, social enterprises, large domestic corporations and multinational corporations. The JBC also needs to invest in enhancing its research capacity to better convey concerns and interests of the private sector to the IMT-GT governments and the public at large.
16. We continue to strengthen the strategic partnership with Asian Development Bank (ADB) as our Regional Development Partner in the key areas of expanding the green cities network with knowledge-sharing initiatives, exploring feasible special economic zones in the subregion, promoting tourism competitiveness consistent with ASEAN strategies, enhancing capacities and learning experiences of IMT-GT officials, and greater collaboration with ASEAN.

17. We reaffirm the importance of working closely with the ASEAN Secretariat. In order for IMT-GT to be a meaningful building block of ASEAN, we task CIMT for continued deliberation with ASEAN Secretariat to develop collaboration plans that enable IMT-GT cooperation to be an integral part of all efforts in achieving the targets of ASEAN 2025.
18. We agree to convene the 24th IMT-GT Ministerial Meeting and Related Meetings in Malaysia in 2018.
19. We express our sincere appreciation and gratitude to the Government of the Republic of Indonesia, and Bangka Belitung Province for hosting the 23rd IMT-GT Ministerial Meeting and for their warm hospitality and excellent arrangements extended to us during the Meeting.
20. The Meeting was attended by
 - H.E. Darmin Nasution, Coordinating Minister for Economic Affairs, Republic of Indonesia
 - H.E. Datuk Seri Abdul Rahman Dahlan, Minister in the Prime Minister's Department, Malaysia
 - H.E. Mr. Arkhom Termpittayapaisith, Minister of Transport, Thailand.
 - H.E. Mr. Vongthep Arthakaivalvatee, Deputy Secretary-General of ASEAN for ASEAN Socio-Cultural Community
 - H.E. Mr. Ramesh Subramaniam, Director General, Asian Development Bank

Dated on 29th September 2017