

**ADDRESS BY
HER EXCELLENCY CHANDRIKA BANDARANAIKE KUMARATUNGA
THE PRESIDENT OF SRI LANKA
AT THE BIMST-EC SUMMIT
THAILAND , 31 ST JULY 2004**

Prime Minister Shinawatra,
Your Excellencies,
Distinguished Guests,
Ladies and Gentlemen,

This is a unique occasion. We, the seven heads of Government from South and South East Asia meet at this Summit , manifesting our commitment to a regional group initiated by our host, Thailand . We come from regions that straddle ancient trade routes between Arabia and China . We are heirs to ancient civilizations. We are all mindful of the challenges and opportunities that the 21 st century provides for trans-regional cooperation. In this backdrop, it is my privilege to attend this meeting in Thailand .

My people and the people of Thailand have enjoyed close cultural affinities for centuries. We are once again in touched by the traditional, gracious hospitality we always enjoy in Thailand . May I thank Prime Minister Shinawatra for the leadership he has provided to our Group. I take this opportunity to express my deep gratitude to His Majesty King Bhumibol Adulyadej, Prime Minister Shinawatra and the Government of Thailand for the warm welcome and generous hospitality extended to me and my delegations.

The modest beginning we made with the establishment of the Bangladesh , India , Sri Lanka , Thailand Economic Co-operation group to promote trade and economic activity in the region has now blossomed. Three other friends from our region- Myanmar , Nepal and Bhutan have joined us at different stages. I am particularly pleased to welcome our friends Bhutan & Nepal who join us for the first time at this meeting.

Our group brings together distinct parts of Asia into a cohesive inter-regional unit linking SAARC, ASEAN and ACD among others. Consolidation and focus on practical and tangible projects have been the hall mark of our work. We are now meeting at the Summit level for the first time, at the city this group was inaugurated seven years ago. We have come along way. Our track record has been good. But I believe we have the potential to do more.

It si therefore, time to take stock of our achievements and map out a future strategy as well. When we initiated the group in 1997, we were mindful of our mutual interests and common concerns. We were encouraged by our economic complementarities and were convinced of the potential for common action that would contribute towards peace, progress and prosperity across the region. We were conscious that in this inter-dependent and incessantly globalizing world, the economic well being of our peoples would be best attained by fostering greater understanding, good neighbourliness and practical cooperation among countries. This high-level Meeting today, represents our collective reaffirmation of those ideals, as much as our determination to translate them into real, cooperative ventures that will benefit our peoples.

The structures of the Business forum, Economic forum as well as Senior Officials and the Ministerial level meetings including Trade and Economic Ministers, have served our Group well over the years. We have just achieved a landmark by signing the Framework Agreement for a Free Trade Area. We are happy to see all member states on board.

Our countries are located in a fast track growth region of the world today. All of us are variously capable of working in tandem to synergize this growth scenario ensuring benefits to all our peoples. It requires careful nurturing and bold initiatives. For example, joint action can be taken to broaden the rules of origin criteria applied in GSP regimes to encompass both SAARC and ASEAN regions.

Can we also think of mobilizing Asia bond market resources for an infrastructure development fund for the region, to be managed by the interested Central Banks on a commercial lending basis?

Among other measures envisaged for action by our group, we are keen to device a business travel facility to promote business travel among our people. Sectoral co-operation and specific projects must continue, with greater emphasis on a new order of self-help co-operation among us, based on our economic complementarities, with a view to sharing prosperity. This order must be on the basis that economic and social progress will touch each country and every city, and indeed every village in our region. As leaders of our countries, we have to be mindful of the wishes of our peoples. The overwhelming majority of our people still live in rural areas. We must ensure that the fruits of globalization and regional economic cooperation reach the village and every nook and corner of our countries. Growth without equity, where its benefits do not reach the periphery will neither be meaningful nor sustainable, as amply demonstrated by the voice of our peoples at recent elections in some of our countries. Promotion of Small and Medium Scale Enterprises are also important as they can provide the basis for economic prosperity and social progress to the rural masses.

Let us therefore collectively commit to work for the benefit of the vast numbers of our rural populations, while we ensure robust growth of our economics. I hope this message will emerge loud and clear from the first-ever Summit of our Group.

I thank you.