

SEVENTH BIMST-EC SENIOR OFFICIALS' MEETING

REPORT OF THE SEVENTH BIMST-EC SENIOR OFFICIALS' MEETING (PHUKET, 6 FEBRUARY 2004)

1. The Seventh BIMST-EC Senior Officials' Meeting was held on 6 February 2004 in Phuket, Thailand.

Delegates from Bangladesh, Bhutan, India, Myanmar, Nepal, Sri Lanka and Thailand attended the Meeting.

Mr Tej Bunnag, Permanent Secretary of the Ministry of Foreign Affairs of Thailand, chaired the Meeting.

2. **Report of the Chairman of the BIMST-EC Working Group (BWG)**

The Meeting noted, with appreciation, the report on the BIMST-EC Working Group Meetings held in Bangkok, which was presented by Mr Pisan Manawapat, Chairman of the Working Group, since the intersessional Senior Officials' Meeting in Bangkok, Thailand in September 2003. (See under BWG for report)

The Meeting exchanged views on the issues addressed by the report, particularly the criteria of membership, technical support facility, business travel facilitation and the quorum for meeting.

The Meeting noted Nepal's suggestion that the nomenclature of the cooperation be changed to reflect the presence of two new members.

3. **Report of Senior Trade and Economic Officials' Meeting (STEOM)**

The Meeting noted, with appreciation, the report on the outcome of the Senior Trade and Economic Officials' Meeting on 14-15 January 2004 in Bangkok, which was presented by Mr Chana Kanaratanadilok, Assistant Director-General, Ministry of Commerce of Thailand. (See under STEOM for report)

The Meeting noted that the Trade and Economic Ministers' Meeting would be held on 7 February 2004 in Phuket.

4. **Follow up on the results of the 5th BIMST-EC Ministerial Meeting**

- (a) **Report of Lead Countries on progress in each sector of cooperation**

The Meeting noted the progress reports presented by the lead countries on their respective sectors of responsibility.

- Bangladesh: Trade and Investment Sector For report see under Trade & Investment)
- India: Transport and Communication Sector, and Tourism Sector (See under respective sectors)
- Myanmar: Energy Sector (See under Energy Sector)
- Sri Lanka: Technology Sector (See under Technology Sector)
- Thailand: Fisheries Sector (See under Fisheries sector);

The Meeting noted the compendium of short-listed priority projects as identified by member countries (See under Priority Projects). The Meeting endorsed the compendium as a guideline for future implementation of projects, and encouraged the line ministers of each member country to implement these projects expeditiously.

The Meeting noted that rotation of the lead countries on various sectors would be discussed during the intersessional SOM in September 2004. However, with regard to the energy sector, the meeting requested Myanmar to continue to be the lead country the energy sector and further develop concrete cooperation programmes on the hydrocarbon and hydropower energy potential of the region.

The Meeting expressed appreciation to the International Institute for Trade and Development (ITD) for holding the Workshop on Rules of Origin in December 2003 in Bangkok and welcomed the offer by ITD to provide capacity building services such as training workshops and seminars to BIMST-EC countries in the field of international trade, investment and finance.

The Meeting urged members to continue cooperation in the areas of technical cooperation, management and sustainable utilization of fisheries resources in the Bay of Bengal, short-sea shipping and trilateral highway linkage. The Meeting welcomed the offer by Thailand of 100 training scholarships to member countries, and the offer by India of 150 training scholarships. The Meeting also agreed to recommend that Ministers further discuss liberalization of air transport within BIMST-EC.

(b) Report of Group of Experts on FTA

The Meeting noted with appreciation the report of the Group of Experts on FTA, which was last held during 15-17 December 2003 in New Delhi. (See under FTA for report)

The meeting noted that pending the decision by Trade and Economic Ministers' Meeting on 7 February 2004 arrangements have been made for the signing of the Framework Agreement for BIMST-EC FTA on 8 February 2004.

(c) Visit BIMST-EC 2004

The Meeting welcomed the launch of the "Visit BIMST-EC 2004", which took place in New Delhi on 23 January 2004. The Meeting noted the Visit BIMST-EC 2004 activities, particularly the creation of the tourism website, the production of tourism promotion materials such as CD-ROMs, posters, brochures and directories of BIMST-EC tourist destinations including those of new member countries. The Meeting urged members to arrange activities in their capitals to support this initiative. Nepal and

Bhutan will provide tourism related information to the focal point of the tourism sector, which would be reflected in these materials.

The Meeting welcomed the first BIMST-EC Youth Football Tournament on 3-8 February 2004 and encouraged members to organize the 2nd Football Tournament in the future.

(d) Criteria of Membership

The Meeting discussed criteria of membership, and referred the decision to the Ministers. (See under Miscellaneous Reports for Membership Criteria)

(e) Rotation of BIMST-EC Chairmanship

The Meeting agreed that the Chairmanship would be handed over from Thailand to Bangladesh at the next intersessional SOM in September and expressed appreciation to Bangladesh for offering to host and chair the meeting.

(f) Future Direction of BIMST-EC

The Meeting noted Thailand's concept papers on the establishment of a Technical Support Facility (See Miscellaneous report) and on the BIMST-EC Business Travel Card (See under Miscellaneous report).

The Meeting exchanged views on the establishment of a Technical Support Facility (TSF) based on the ESCAP – funded study by Dr. David Oldfield and the Thai concept paper. The Meeting expressed support for the establishment of a TSF in Bangkok for a trial period of 2 years in order to provide secretariat support to BWG, coordinate BIMST-EC activities and undertake outreach activities. The Meeting encouraged TSF to collaborate with research institutions in the member countries in conducting research and analysis pertaining to BIMST-EC. The Meeting expressed appreciation for Thailand's offer to fund the TSF, and agreed that other members may voluntarily contribute to the TSF in cash or kind. The Meeting agreed to recommend Thailand's proposal to the Ministerial Meeting for endorsement. The Meeting recommended that each member country also establish appropriate facilities at its headquarters to facilitate better coordination and implementation of BIMST-EC projects.

The Meeting exchanged views on business travel facilitation within BIMST-EC. The Meeting encouraged the issuance of long-term multiple entry visas to business persons of member countries to facilitate increased business travel and promote business activities in the region.

The Meeting recommended that the Ministerial Meeting adopt the principle of requiring at least 3 member countries for project implementation, and at least 4 member countries for the convening of an Expert Group, while a consensus is required for any decision relating to policy issues and membership.

The Meeting noted Bangladesh's paper on enhancing people-to-people contact (See under Miscellaneous Report for report on People to People contact). The Meeting

reaffirmed the importance of this initiative, and welcomed the proposed activities, as well as ongoing ones such as the 1st BIMST-EC Youth Football Tournament, and urged members to arrange the 2nd BIMST-EC Youth Football Tournament and other activities to enhance people-to-people contact in BIMST-EC.

The Meeting noted Sri Lanka's paper on the application of the Balanced Scorecard approach to BIMST-EC project implementation (See under Miscellaneous Reports for Balance Score Cards). The Meeting noted the potential of such an approach and agreed to revisit the issue after more projects are completed.