



SENIOR OFFICIALS' MEETING
NINTH SESSION
31 MAY-01 JUNE 2005, DHAKA

BIMSTEC/SOM.9/20

THE REPORT

I. Opening of the Meeting

1. The Ninth BIMSTEC Senior Officials' Meeting was held in Dhaka, Bangladesh on 31 May-01 June 2005. Delegates from Bangladesh, Bhutan, India, Myanmar, Nepal, Sri Lanka and Thailand attended the Meeting. The list of participants is at **Annex I**.

I.1 Inauguration of the Meeting

2. The Ninth BIMSTEC SOM was inaugurated by His Excellency Mr. M Morshed Khan, Foreign Minister of Bangladesh. The text of the inaugural address is at **Annex II**.

II. Adoption of the Agenda

3. The Agenda as adopted by the Meeting is at **Annex-III**.

III. Election of the Chairman

4. The SOM elected by acclamation the leader of the Bangladesh Delegation, Mr. Hemayetuddin, Foreign Secretary of Bangladesh, as Chairman of the 9th SOM. Thailand thereafter, handed over the Chairmanship of the SOM to Bangladesh.

IV. Business Arrangement

5. The meeting took note of the schedules and business arrangements for the Ninth SOM. The Programme of the Ninth SOM is contained in document **BIMSTEC/SOM.9/INF.1**.

V. Report of the Chairman of the BIMSTEC Working Group (BWG)

6. The Report on the BIMSTEC Working Group Meetings (BWG) held in Bangkok since the 8th Senior Officials' Meeting (Bangkok, 30 July 2004) was presented by the Chair of the Group, Mr. Jukr Boon-Long, DDG for International Economic Affairs Department of the Government of Thailand. The report is contained in document **BIMSTEC/SOM.9/3**.

7. The Meeting noted with appreciation, the Report on the work of the BWG since the 8th Senior Officials' Meeting and the First Summit in Bangkok on 31 July 2004. The SOM commended the BWG for its valuable coordinating role in furthering the work of the BIMSTEC. The Meeting noted that with the assumption of Chairmanship of BIMSTEC by Bangladesh, the latter would chair the BWG in Bangkok until further change in BIMSTEC chairmanship. The meeting commended the dynamic leadership provided by the Government of Thailand as chair of BIMSTEC since September 2003. The SOM also expressed its appreciation for the Secretarial and institutional support provided by the Government of Thailand to the work of the BWG.

8. The Meeting took note of the recommendations made by the BWG in its Report, particularly, those on the holding of an Expert Group Meeting on BIMSTEC Business Travel Card, a single official website for BIMSTEC, functions and responsibilities of the BIMSTEC Center/Technical Support Facility, follow-up of the 1st BIMSTEC Summit, observing of 'BIMSTEC Day' on 06 June, institutional issues of the BIMSTEC Chamber of Commerce and Industry, and hospitality norms proposed by India. The SOM decided to consider these issues under concerned agenda items.

VI. Report of the Lead Countries on six priority sectors

9. The Lead and the Chair countries presented progress reports on the sectoral and sub-sectoral activities under their respective areas of responsibilities. The SOM noted, with appreciation, the progress reports presented by the concerned lead/Chair countries in the following order:

Sectors

- VI.1. Report on the Trade and Investment Sector; Document: BIMSTEC/SOM.9/4: **Bangladesh**
- VI.1.(i) Report of the TNC; Document BIMSTEC/SOM.9/5: **Thailand**
- VI.1.(ii) Report of the Task Force on regrouping of the Sectors and Sub-sectors; Document BIMSTEC/SOM.9/6: **Thailand**
- VI.2. Report on the Transport and Communication Sector; Document BIMSTEC/SOM.9/7: **India**
- VI.3. Tourism Sector ; Document BIMSTEC/SOM.9/8: **India**
- VI.4. Energy Sector ; Document BIMSTEC/SOM.9/9 **Myanmar**
- VI.5. Technology Sector; Document BIMSTEC/SOM.9/10: **Sri Lanka**
- VI.6. Fisheries Sector; Document BIMSTEC/SOM.9/11; **Thailand**

Sub-sectors

- VI.1. 7. Textiles and Clothing; Document BIMSTEC/SOM.9/4/I: **Bangladesh**

10. In view of the inclusion of 'Agriculture' in the area of cooperation under BIMSTEC, the SOM decided to rename the Fisheries Sector as the "Agriculture and Fisheries" Sector. The Meeting welcomed the offer made by Thailand to lead this combined sector.

11. The Meeting recalled the decision of the 7th SOM (Phuket, February 2004) to consider rotation of the lead countries on various sectors during the intersessional 9th SOM. The Meeting

agreed that following current distribution of lead countries would be maintained until further review:

Trade & Investment – Bangladesh.

Technology – Sri Lanka

Transportation and Communication – India

Energy – Myanmar

Tourism – India

Agriculture and Fisheries – Thailand.

12. The SOM requested Member countries that have not yet provided data and other material for reports under the respective sectors and sub-sectors to do so as early as possible. The SOM urged the relevant Lead and Chair countries to take early action to convene sectoral and sub-sectoral meetings that have not yet been held since the First BIMSTEC Summit. The offers for convening of the following sectoral and sub-sectoral Expert Group meetings announced by Lead/Chair countries were welcome by the SOM:-

Agriculture and Fisheries- Thailand – Expert Group Meeting on Fisheries cooperation.

Progress in Transport and Communication Sector

13. The SOM took note of progress made in cooperation under the Transport and communication sector following the First Summit. It appreciated India's initiative in holding the meeting of the Chief Executives of Railways and endorsed the conclusions and recommendations of the Meeting. It also commended the ongoing feasibility studies on major surface routes and border crossings, Inland water ways and short sea shipping undertaken by member countries. It also welcomed the initiatives of preparation of a compendium of training facilities in the sector. The SOM recommended early elaboration and implementation of regional projects for enhancing connectivity among BIMSTEC member countries.

Progress in Technology Sector

14. The SOM encouraged follow-up of the outcome of the 2002 Expert Group Meeting held in Sri Lanka in particular exploring project cooperation in agro-based technologies, food processing, herbal products, biotechnology, ICT sector etc. It also urged member countries to expedite implementation of proposed priority projects under various sectors and related sub-sectors through agreed funding and monitoring mechanism.

Agriculture and Fisheries Sector

15. The Meeting noted with appreciation the offer made by Thailand to lead the combined sector of Agriculture and Fisheries. It took note with appreciation offer of technical assistance and management of agricultural products, sharing of experience in agricultural insurance and of a credit line for importing agricultural products from Thailand and requested circulation of detailed information in this regard. The meeting welcomed the offer of Thailand to host the sectoral meeting on fisheries in August 2005.

Tourism Sector and Visit BIMSTEC Year 2004-2005

16. The SOM welcomed the adoption of the Kolkata Declaration on Tourism Cooperation and a Plan of Action at the BIMSTEC Round Table and Workshop of Tourism Ministers held in Kolkata on 21-23 February 2005 and called upon member countries to effectively implement various provisions of the Declaration and the Plan of Action to enhance inter-regional tourism among BIMSTEC members.

17. The Meeting noted with appreciation initiatives and actions taken by member countries in observing and creating public awareness about the "Visit BIMSTEC Year 2004-2005" including creation of the tourism website, the production of tourism promotion materials such as CD-ROMs, posters, brochures and directories of BIMSTEC tourist destinations etc. It urged members to provide updated information regarding activities undertaken to observe Visit BIMSTEC Year 2004-2005 in order to post it on the BIMSTEC website. It called for acceleration of programme implementation by member countries including updating of the Meeting Incentive Convention Exhibition(MICE) Directory and other programmes to observe the year 2005.

Energy Sector

18. The SOM noted progress made in the Energy Sector following the First BIMSTEC Summit including the 5th Energy Sector Experts /Officials Meeting held in Myanmar on 27 January 2005 and called for follow-up and implementation of agreed decisions of the meeting including on a Trans-BIMSTEC Gas Pipeline Project, outcome of the Tripartite Meeting of the Energy Ministers of Bangladesh, India and Myanmar, BIMSTEC Trans-power Exchange and Development Project and Renewable Energy Development Project.

19. The Meeting noted with appreciation the dates proposed by India for the Ministerial Meeting on Energy to be preceded by Senior Energy Officials Meeting to be held in New Delhi on 04 October 2005. It also appreciated the proposed agenda and requested member countries to provide comments on the same. The SOM appreciated the active leadership of Myanmar in the energy sector and agreed that Myanmar should continue as the Lead country for this sector.

Realization of the BIMSTEC FTA

20. The SOM noted, with appreciation, the Report on the progress of work of the Trade Negotiating Committee(TNC) including on the draft Agreement on Trade in Goods, Modality of Tariff Reduction/Elimination Rules of Origin and Dispute Settlement Mechanism. The report of the TNC is contained as **Document BIMSTEC/SOM.9/5**.

21. The SOM recalled the affirmation by BIMSTEC leaders at the First BIMSTEC Summit to take all possible steps including timely completion of the Free Trade Area negotiations for realization of the full potential of BIMSTEC trade and investment, taking into account the special needs of individual member countries. The Meeting called upon the TNC to continue its work on all outstanding issues so as to ensure early completion of negotiations on the Agreements and mechanisms for timely realization of the BIMSTEC Free Trade Area, taking into account the need for provision for special and differential treatment and flexibility to the LDC member countries. The Meeting welcomed the completion of internal procedures by some member countries for entry into force of the BIMSTEC FTA and urged those member countries that have not yet done so to expedite completion of internal procedures for Entry into Force of the BIMSTEC FTA.

Regrouping of Sectors and Sub-sectors

22. The SOM noted, with appreciation, the Report of the Task Force on Regrouping of the Sectors and Sub-sectors along with recommendations emanating from the 4th Meeting of the Task Force including those on review and restructure of the existing Trade and Investment Sector and its sub-sectors. The report of the Task Force is contained in **Document BIMSTEC/SOM.9/6**. The Meeting also noted the recommendations of the Task Force on operational mechanism for various Sectors, sub-sectors/Projects and the proposed Funding Mechanism for projects through voluntary contributions from member countries and also from international agencies and the private sector. The SOM expressed hope that the next meeting of the STEOM would provide further direction in this regard.

23. The SOM observed that as per its TOR the Task Force for Regrouping of Sectors and Sub-sectors was mandated by the 5th Meeting of the Trade Ministers (February 2004) to review sectors and sub-sectors for economic cooperation among member countries. However, it was noted that the Task Force has undertaken review and restructuring of only the Trade and Investment Sector due to lack of enabling mandate and expertise in the other techno-economic sectors and sub-sectors. In this regard, the Meeting recommended that any eventual need for review of other sectors and sub-sector would be examined by the BWG on receipt of inputs from Expert Group meetings in relevant areas.

VII. Progress in Priority Projects

24. The SOM noted the compendium of the short-listed priority projects and the progress reported by member countries in their implementation. A List of priority projects endorsed by the 7th SOM is contained in **Document BIMSTEC/SOM.9/12**. The meeting encouraged Lead Countries in respective sectors and line ministries of each member country to closely coordinate implementation of these projects expeditiously.

25. The SOM recalled the decision of the BIMSTEC leaders at the First Summit to accord priority to projects that could be clearly conceptualized, adequately funded and effectively implemented, based, as far as possible, on internal financing from within the BIMSTEC countries. In this regard, the SOM noted that one of the impediments to effectively implement BIMSTEC projects is the lack of a clear funding mechanism. The meeting took note of the proposal of the Task Force on Regrouping of the Sectors and Sub-sectors, for providing a suitable mechanism for the funding of projects not only through voluntary contributions from member countries but also from international agencies as well as the private sector.

26. The meeting encouraged member countries to expedite implementation of priority projects already identified. The meeting stressed the need for a review of the existing priority projects, including with the involvement of the private sector wherever possible, so that a more pragmatic set of projects could be identified that would bring tangible results for the member countries. The Meeting recommended the new project proposals submitted by member countries under the Trade and Investment Sector for consideration by the STEOM at the first instance.

27. The Meeting called upon member countries to provide voluntary contributions as much as possible, to fund those projects already endorsed and explore funding possibilities by

international agencies and the private sector, through their respective governments and Chambers of Commerce and Industry.

VIII. Follow-up action on the decisions of the First BIMSTEC Summit

28. The SOM reviewed the progress of follow-up of decisions taken by the BIMSTEC leaders at the First BIMSTEC Summit held in Bangkok on 31 July 2004. A table of such actions is contained in Document **BIMSTEC/SOM.9/13**.

VIII.1 People-to-People Contact

29. The SOM recalled that at the First Summit BIMSTEC leaders decided to proactively promote increased interaction among peoples of the BIMSTEC member countries through various programmes of exchanges and interactions.

30. The SOM noted briefings by Member countries about initiatives already taken by their governments as well as offers of new initiatives for 2005-2006 to promote people- to-people contact. The Meeting expressed special appreciation for efforts undertaken by the Government of Thailand to enhance people-to-people contact, including, BIMSTEC Young Ambassadors' Programme, Exploring BIMSTEC Cultural Ties in Thailand, BIMSTEC Exhibition, and Getting to Know the New Members.

31. The SOM encouraged member countries to propose and undertake specific collaborative programmes involving all BIMSTEC member countries to promote people-to-people contact including exchange of visits by parliamentarians, members of the press and the media and cultural troupes among BIMSTEC member countries, holding of a BIMSTEC Film Festival, holding of a BIMSTEC Motor Car/Motor Cycle Rally etc.

32. The SOM welcomed the proposal by Thailand to observe 6 June as the 'BIMSTEC Day' in observance of the adoption of the Bangkok Declaration establishing the Grouping. The SOM proposed that member countries could observe the day in a befitting manner to create greater awareness about BIMSTEC among the people of the BIMSTEC region, including issuance of messages from Heads of State/Government, publication of special supplements and holding of seminars/symposiums, fairs etc. The proposal would be recommended to the next Ministerial Meeting for endorsement.

VIII.2 Report of the Joint Working Group on Counter-Terrorism and Transnational Crimes

33. The SOM expressed satisfaction at the progress made in following up of the decisions of the First BIMSTEC Summit decision, to co-ordinate efforts to combat the menace of international terrorism and transnational crimes.

34. The SOM endorsed with appreciation, the Terms of Reference and the Report of the First Meeting of the BIMSTEC Joint Working Group on Counter-Terrorism and Transnational Crimes (JWG-CTTC) held in New Delhi on 9-10 December 2004(contained in Document BIMSTEC/SOM.9/14).

35. The SOM commended the progress in the work of the BIMSTEC Joint Working Group on Counter-Terrorism and Transnational Crimes(JWG-CTTC) and welcomed the timely holding of meetings of the Sub-Group on Intelligence Sharing in Sri Lanka and the Sub-Group on

Financing of Terrorism in Thailand and their respective outcomes. The meeting also requested designated Lead Shepherds of the other two Sub-groups for early holding of the meetings on Prevention of Illicit Trafficking of Narcotic Drugs and Psychotropic Substances and Precursor Chemicals and on Law and Legal Enforcement Issues respectively, before the Ministerial Meeting in 2005 .

VIII.3 BIMSTEC Business Travel Card

36. The SOM stressed the need for expediting action by member countries to follow-up the Summit decision to facilitate travel within the region, including business travel, through the introduction of a BIMSTEC Business Travel Card/Visa. The SOM took note of the Preliminary Study on Business Travel Visa Exemption Scheme for BIMSTEC prepared by the BIMSTEC Centre. In this context, the SOM endorsed the recommendation of the BIMSTEC Working Group to hold an Expert Group Meeting which could take the Preliminary Study by the BIMSTEC Center as a basis for discussion. The Meeting welcomed the offer of Nepal to host the Expert Group Meeting by the end of 2005.

37. The Meeting noted with appreciation the various options and proposals from member countries on the BIMSTEC Business Travel Card/Visa including a BIMSTEC Travel Card/Sticker similar to the SAARC Visa Sticker Scheme, Schengen Visa , e visa etc. Member countries also stressed the need to explore expansion of this Business Visa scheme to common tourists of the BIMSTEC member countries to promote greater movement within the region. It was decided that the matter will be further examined by the Experts Group meeting in Nepal.

VIII.4 Other Areas

Private sector cooperation

38. The SOM noted with satisfaction the establishment of the BIMSTEC Chamber of Commerce and Industry in Sri Lanka and exchanged views on the Chamber's constitution and budget management. The SOM recommended that member countries may encourage their apex Chambers of Commerce and Industry to coordinate efforts to discuss the Constitution and budget management for the BIMSTEC Chamber of Commerce and Industry and forward a report in this regard to the STEOM.

Other Socio-economic sectors

39. The SOM exchanged views on the status of follow-up of the decision at the First Summit to explore the expansion of BIMSTEC Cooperation into the areas of culture, education, and public health, protection of biodiversity and traditional knowledge, weather & climate research, natural disaster mitigation & management.

40. In this regard the SOM welcomed the initiatives undertaken by India to set up a BIMSTEC Centre on Weather and Climate in New Delhi and to host a workshop on Weather and Climate in New Delhi on 21-23 July 2005. The SOM requested member countries to forward views on India's concept paper on Sharing of Remote Sensing Data on Agriculture, Environment, and Natural Disaster Management and recommended that the Workshop in New Delhi should come up with specific projects and mechanisms for cooperation in this area.

41. The SOM also noted with appreciation Thailand's offer to serve as the lead country for the sector of Protection of Biodiversity and Traditional Knowledge. The Meeting recalled the decision of the First Summit to set up a network of national centers of excellence to promote traditional medicine and generic drugs. It welcomed India's offer of 30 annual scholarships for study on traditional medicine and Sri Lanka's offer to host an Expert Group Meeting on Protection of Biodiversity and Its Intellectual Property Dimension in 2005. The Meeting requested member countries to identify their Nodal Points for Protection of Biodiversity and Its Intellectual Property Dimension.

42. The SOM encouraged member countries to elaborate well-defined project proposals that would bring tangible results relevant to the needs of peoples of the BIMSTEC member countries to address HIV/AIDS and other threats to public health such as malaria, tuberculosis and polio. The SOM also stressed the need for collaboration in the areas of culture, education, rural community development, small and medium-scale enterprise, construction, environment, information and communications technology and biotechnology. The Meeting also requested the delegations of Thailand and India to provide detailed information regarding the fields of the training scholarships offered to member countries (Thailand 100 and India 300).

IX. BIMSTEC Centre and BIMSTEC website

43. The SOM noted with appreciation the progress report by the BIMSTEC Centre on the ongoing and future activities of Centre and the BIMSTEC Website. The report is contained in **Document BIMSTEC/SOM.9/15**.

44. The SOM agreed that there would be a single official website for BIMSTEC. The Meeting expressed appreciation for the current BIMSTEC website(www.bimstec.org) developed and maintained by the National Chamber of Commerce of Sri Lanka. It was decided that the BIMSTEC official website will be www.bimstec.org and the BWG would supervise the contents and regular updating of the site. It was decided that the matter will be revisited by the BWG following the expiry of the mandate of the TSF/BIMSTEC Center.

45. The SOM also recommended that the BIMSTEC Acronym, Logo and URL should be registered with WIPO to prevent unauthorized use and requested the Chair to take necessary action in this regard.

X. Dates of the inter- Summit Meetings

46. Member countries briefed the SOM about the possible dates for the following meetings:

- a) Trade Ministers' Meeting preceded by Senior Trade and Economic Officials Meeting (Dhaka, September 2005)
- b) Ministerial Meeting on Poverty Alleviation (Dhaka, early 2006)
- c) Ministerial Meeting on Culture (Bhutan, May 2006)
- d) Ministerial Meeting on Energy to be preceded by the Senior Energy Officials' Meeting(India, 03-04 October,2005)
- e) 10th Senior Officials Meeting followed by 8th Foreign Ministers Meeting(Dhaka, Third Week of December 2005)

- f) 11th SOM (to be held prior to the Second Summit at which BIMSTEC Chairmanship will be handed over to the next Chair, India).

XI. Dates of the Second Summit of BIMSTEC

47. The SOM welcomed the indication by India to host the Second BIMSTEC Summit in the second half of 2006.

XII. Any Other matter

48. Under this item the SOM exchanged views on the Indian proposal on hospitality norms (Document BIMSTEC/SOM.9/17) and agreed on the following hospitality norms to be followed at various levels of BIMSTEC meetings:

Summit:	Leader +5
Ministerial Meeting:	Leader +2
SOM	Leader+1
Working Group Meetings	Leader
Expert Level meetings	Leader
Other Meetings	Leader
(sub-sectoral)	

49. It was further decided that the host country would provide full local hospitality (accommodation, transport and meals) for the above persons, while the participating countries would bear the international travel costs of their delegates. The SOM decided to continue these hospitality norms for relevant BIMSTEC Meetings until further review. It was also decided that the host country would provide conference and secretarial services including documentation.

BIMSTEC-ADB cooperation:

50. The SOM noted ADB's proposal (Document BIMSTEC/SOM.9/18) to establish collaborative relationship with BIMSTEC. The SOM recommended that member countries may examine the ADB proposal further on receipt of a formal proposal. The matter may be discussed initially at the BWG and subsequently at the next SOM. The Meeting agreed that cooperation in specific sectors would have to be mutually agreed and as per priority of the member countries.

Expansion of BIMSTEC membership:

51. The SOM exchanged views on the future expansion of BIMSTEC membership and requested the BWG to discuss the matter further.

XIII. Consideration and adoption of the 9th SOM Report.

52. The SOM adopted by consensus the report of the Ninth BIMSTEC Senior Officials' Meeting contained in Document BIMSTEC/SOM.9/20.

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