

2ND BIMST-EC MINISTERIAL MEETING

Agenda Item No. 5

**REPORT OF THE
2ND BIMST-EC SENIOR OFFICIALS MEETING**

DHAKA, 17-18 DECEMBER, 1998

1. The Second BIMST-EC Senior Officials Meeting was held during 17-18 December, 1998 in Dhaka, Bangladesh.
2. Delegates from India, Myanmar, Sri Lanka, Thailand and Bangladesh attended the Meeting. The list of delegates appears as Annex 1.

Agenda Item 1 : Election of Chairman

3. The meeting elected, by acclamation, the leader of the Bangladesh delegation as Chairman.

Agenda Item 2 : Adoption of Agenda

4. The meeting adopted the Agenda which appears as Annex 2.

Agenda Item 3 : Business Arrangements

5. The meeting took note of the schedule and arrangements for the 2nd Senior Officials Meeting. The Programme of the 2nd BIMST-EC Senior Officials Meeting appears as Annex 3.

Agenda Item 4 : Consideration of the Report of the Chairman of the BIMST-EC Working Group

6. Meeting appreciated the Report of the Chairman of the BIMST-EC Working Group, which appears as Annex 4.

as agreed that, on assumption of Chair, the member state will provide secretarial support for BIMST-EC Working Group, including the chairing and organizing of the meetings in Bangkok, till the end of the Chair's tenure.

8. The Meeting expressed its appreciation to Thailand for having assumed the chairmanship of Working Group and providing valuable secretarial service to BIMST-EC since its formation.

Agenda Item 5 : Designation of lead Countries for sectors, sub-sectors and projects.

9. The Meeting took note of the interest expressed by member states in the portfolio of projects under consideration. It was decided that a clear framework was necessary for countries, and their private sectors, to implement the projects that may be taken up.
10. It was decided that a three-tier approach would be adopted. At the apex would be the Sectors, with Lead Countries responsible for them. The primary responsibility of the Lead Country would be to coordinate the activities at the apex level, as required. The second tier would be the Sub-Sectors, the responsibility for which would be taken up by the countries heading that tier. Again, the functions would revolve around coordination. The final, and operative, level would be where the Projects would be implemented by the Project Co-ordinating countries. The detailed responsibilities at each of the three tiers is at Annex 5. It was agreed that the Working Group would review this arrangements in Annex 5 and make changes, as required.
11. The details of the sectors, the sub-sectors, project taken up, and the countries that would take up responsibilities at each stage, are indicated in the matrix at Annex 6. In the event new projects are proposed to be taken up, or countries wish to take up new responsibilities, the Working Group in Bangkok should be contacted. The list may be updated by the Working Group and presented to the Senior Officials for approval.

Agenda Item 6 : Private Sector Participation in BIMST-EC activities.

12. The Meeting welcomed the formation of the BIMST-EC Business Forum by the representatives of private sector of BIMST-EC countries at a meeting organised by ESCAP in Bangkok in March 1998. Hope was expressed that the BIMST-EC Business Forum will enhance private sector cooperation among the member-countries of the BIMST-EC region in identified sectors, sub-sectors and projects.

13. The Meeting emphasized the need for establishing a BIMST-EC Economic Forum which will work as an important engine of greater economic co-operation and progress within the BIMST-EC sub-region. The resolve to take all necessary steps for making the BIMST-EC Economic Forum operational for convening at the next BIMST-EC Ministerial Meeting was reiterated. They welcomed the agreement of Bangladesh, current Chairman of BIMST-EC, to take initial steps in establishing the Economic Forum. The BIMST-EC Economic Forum will serve to promote Government-Private Sector cooperation among the member countries.

Agenda Item 7 : Consideration of Criteria for BIMST-EC Observer and/or Guest Status

14. The Meeting reviewed the proposals in respect of the criteria for Observer and/or Guest status in the BIMST-EC Meetings. They agreed on the draft criteria and principles, which are at Annex 7, and decided to recommend them to the Ministerial Meeting for approval.

Agenda Item 8 : Preparations for the Ministerial Meeting

15. The Meeting recommended the Programme and the Provisional Agenda of the 2nd BIMST-EC Ministerial Meeting, which appear at Annex 8 and Annex 9 respectively, for the 2nd BIMST-EC Ministerial Meeting.
16. The Meeting prepared a draft Joint Statement, for consideration by the 2nd BIMST-EC Ministerial Meeting.

Agenda Item 9: Future Direction of BIMST-EC

17. The Meeting discussed the future direction of BIMST-EC and agreed that there should be a reference to this item in the joint statement.

Agenda Item 10 : Other Matters

Date and Venue of the 3rd BIMST-EC Ministerial Meeting

18. The Meeting reaffirmed the significant potential for cooperation in tourism sector in promoting people to people contact and reinforcing the historical, cultural and economic synergies of the BIMST-EC sub-region. It appreciated the initiative of India, taken in pursuance of the decisions of the Special Ministerial Meeting of December 1997, in convening the Tourism meet in Calcutta in October 1998 and

noted the Action Plan adopted at the Meeting. It welcomed the recommendation to declare the Year 2001 as Visit BIMST-EC Tourism Year and called upon the concerned authorities and private sector to take tangible steps towards this.

19. The Meeting urged member countries to take advantage of the advances in information technology in coordinating the work of BIMST-EC through *inter alia* virtual conferencing and the internet. It welcomed the offer of India to establish a BIMST-EC Net for facilitating virtual interaction and connectivity.
20. The Meeting noted that, in keeping with the principle of rotation, in alphabetical order, of BIMST-EC Ministerial Meetings in member countries, the next Ministerial Meeting could be held in India. They welcomed the information provided by the delegation of India in that regard.

Agenda Item 11 : Consideration and Adoption of Report

21. The Meeting considered and approved the Report of the 2nd BIMST-EC Senior Officials Meeting.

Agenda

2nd BIMST-EC Senior Officials Meeting

17-18 December 1998

Dhaka

1. Election of Chairman.
2. Adoption of the Agenda.
3. Business Arrangements.
4. Consideration of the Report of the Chairman of the BIMST-EC Working Group.
5. Designation of lead countries for sectors, sub-sectors and projects.
6. Private Sector participation in BIMST- EC activities
7. Consideration of the criteria for BIMST-EC Observer and/or Guest Status
8. Preparations for the Ministerial Meeting
 - Agenda of the Ministerial Meeting
 - Programme of the Ministerial Meeting
 - Consideration of the Draft Joint Statement
9. Future direction of BIMST- EC
10. Other matters
 - Date and venue of the 3rd BIMST-EC Ministerial Meeting
11. Consideration and Adoption of Report

BIMST-EC/II/MM/3
19 December, 1998

Provisional Agenda
2nd BIMST-EC Ministerial Meeting
19 December 1998
Dhaka

Open Session

1. Inauguration of Meeting by the Hon'ble Foreign Minister of Bangladesh
2. Election of Chairman
3. Adoption of the Agenda
4. Business Arrangements

Closed Session

5. Consideration of the Report of the Senior Officials Meeting
 - 5.1 Lead Country for projects to be implemented and formation of Sub-Working Groups
 - 5.2 Private Sector participation in BIMST-EC activities
 - 5.3 Criteria for BIMST-EC Observer and / or Guest Status
6. Consideration of Nepal's Application for Observer Status
7. Future directions of BIMST-EC
8. Consideration of the Joint Statement
9. Other matters
Date and Venue of the 3rd BIMST-EC Ministerial Meeting
10. Adoption of the Report

**SECOND BIMST-EC MINISTERIAL MEETING
17-19 DECEMBER, 1998
DHAKA**

Wednesday, 16 December 1998

Arrival of delegations for the Senior Officials' Meeting.

Thursday, 17 December 1998

0830-0955 hrs. Registration (Surma, Hotel Sonargaon)

1000 hrs. Meeting of Senior Officials (closed session)
Venue: Surma, Hotel Sonargaon

1130 hrs. Coffee/ Tea Break

1145-1300 hrs. Meeting of Senior Officials (continued)

1300 hrs. Lunch
Venue: Hotel Sonargaon (Balcony)

1445 hrs. Meeting of Senior Officials (continued)

1630 hrs. Coffee/Tea Break

1645-1800 hrs. Meeting of Senior Officials (continued)

1945 hrs. Leave Hotel Sonargaon for State Guest House-Padma

1955 hrs. Arrival at State Guest House- Padma

2000 hrs. Dinner hosted by H.E. Mr. Mustafizur Rahman, Foreign Secretary
Venue : State Guest House, Padma

Friday, 18 December 1998

1000 hrs. Meeting of Senior Officials with representatives of International
Organizations (venue: Surma)

1130 hrs. Coffee/Tea Break

1145 hrs. Meeting of Senior Officials (continued)
Venue: Surma

1300 hrs. Lunch
Venue: Hotel Sonargaon (Ball room-3)

1445 hrs. Meeting of Senior Officials *(if required)*/ Sightseeing

(Arrival of Heads of BIMST-EC Ministerial Delegations)

2000 hrs. Dinner hosted by the Hon'ble Minister of State for Foreign Affairs, Mr. Abul
Hasan Chowdhury, Government of Bangladesh.
Venue: Jharna, Hotel Sonargaon

**2nd BIMST-EC Ministerial Meeting
Dhaka, 19 December, 1998**

Joint Statement of the BIMST-EC Ministerial Meeting

The 2nd Ministerial Meeting of BIMST-EC was convened in Dhaka on 19 December, 1998 attended by H.E. Mr. Abul Hasan Chowdhury, Minister of State of Foreign Affairs, People's Republic of Bangladesh, H. E. Mrs. Vasundhara Raje, Minister of State for External Affairs, Republic of India, H.E. U Khin Maung Win, Deputy Minister for Foreign Affairs, Union of Myanmar, H.E. Mr. Lakshman Kiriella, Deputy Minister for Foreign Affairs, the Democratic Socialist Republic of Sri Lanka and H.E. M. R. Sukhumbhand Paribatra, Deputy Minister for Foreign Affairs, Kingdom of Thailand and their respective delegations.

At the conclusion of their meeting, the Leaders of Delegations issued the following Joint Statement :

1. We reaffirm the aims, purposes and principles contained in the Bangkok Declaration of June 6, 1997 on the establishment of the Bangladesh-India-Sri Lanka-Thailand - Economic Cooperation (BIST-EC) and the Declaration of December 22, 1997 on the admission of the Union of Myanmar and renaming BIST-EC as BIMST-EC (Bangladesh-India-Myanmar-Sri Lanka-Thailand - Economic Cooperation).
2. We note with satisfaction the progress already achieved towards the realization of the objectives agreed among us at the special BIMST-EC Ministerial Meeting organized in Bangkok on December 22, 1997.
3. We adopt the criteria for admission of Observers and Guests in future appropriate meetings of BIMST-EC. We welcome all countries and international organizations satisfying the criteria, principles and procedures which we have adopted (defined in the document annexed to this statement), and who may wish to participate in the activities of BIMST-EC as Observers or Guests, and are desirous of contributing to the realization of the goals of social, economic and industrial cooperation and progress within the BIMST-EC sub-region.
4. We note the interest of Nepal in BIMST-EC activities and welcome Nepal as an Observer.
5. We emphasize the need for establishing a BIMST-EC Economic Forum which will work as an important engine of greater economic co-operation and progress within the BIMST-EC sub-region. We reiterate our resolve to take all necessary steps for making the BIMST-EC Economic Forum operational for convening at the next BIMST-EC Ministerial Meeting. We

welcome the agreement of Bangladesh, current Chairman of BIMST-EC, to take initial steps in establishing the Economic Forum. The BIMST-EC Economic Forum will serve to promote Government-Private Sector cooperation among the member countries.

6. We welcome the formation of the BIMST-EC Business Forum by the representatives of private sector of BIMST-EC countries at a meeting organised by ESCAP in Bangkok in March 1998. We hope that the BIMST-EC Business Forum will enhance private sector cooperation among the member-countries of the BIMST-EC region in identified sectors, sub-sectors and projects.

7. We have identified six sectors for cooperation namely, Trade & Investment, Technology, Transportation and Communication, Energy, Tourism and Fisheries. We appreciate the initiatives taken by the member countries to act as Lead Countries in the sectors, sub-sectors and projects as identified by the SOM. We request the respective Lead Countries to take further steps to form sectoral committees for which they have offered to become lead countries so that these committees can draw up detailed proposals of cooperation for implementation. We call upon the lead countries of various sectoral committees to convene the meetings as soon as possible and report the progress to the next Ministerial Meeting.

8. We encourage the participation of the private sector, as required, in BIMST-EC activities at the sectoral, sub-sectoral and project level.

9. We express our appreciation and gratitude to H.E. Dr. Supachai Panitchpakdi, Deputy Prime Minister and Minister of Commerce of the Royal Thai Government for his initiative in organizing the BIMST-EC Economic Ministerial Retreat of August 7, 1998 in Bangkok. The guidelines provided in the form of agreed conclusions reached by the Economic Ministers served as important inputs towards formulation of the work plan of BIMST-EC and would enhance and deepen the scope of trade, investment and infrastructure cooperation among member countries.

10. We reaffirm the significant potential for cooperation in tourism sector in promoting people to people contact and reinforcing the historical, cultural and economic synergies of the BIMST-EC sub-region. We appreciate the initiative of India, taken in pursuance of the decisions of the Special Ministerial Meeting of December 1997, in convening the Tourism Summit in Calcutta in October 1998 and note the Action Plan adopted at the Meeting. We welcome the recommendation to declare the Year 2001 as Visit BIMST-EC Tourism Year and call upon the concerned authorities and private sectors to take tangible steps towards this.

11. Conscious of the important role that can be played by transport and communication linkages in enhancing commercial, industrial, cultural and social interaction and tourism in the BIMST-EC sub-region, we reiterate the emphasis that we place on developing rail, road, multi-

modal transport, shipping and air linkages. This would reinforce complementarities arising out of the Bay of Bengal rim identity of BIMST-EC. In this context, we recognise the importance of the speedy implementation of BIMST-EC component of Trans Asian Railway and Asian Highway Projects.

12. We reaffirm that the energy sector being another important dimension of BIMST-EC cooperation, it will receive priority attention. Efforts will be made to draw up appropriate action plans and to work out arrangements for the enhancement of cooperation in the areas of natural gas, wind, solar and water/ tidal wave energy resources.

13. We reiterate the need for the promotion of cooperation in Fisheries, through the conduct of a comprehensive study on marine resources, processing and marketing to be conducted in coordination with the relevant international organizations.

14. We acknowledge the important contribution of ESCAP towards furthering economic cooperation among the BIMST-EC countries. We request that, in pursuance of the UN GA draft resolution (agenda item 114 on Programme Planning, ref. doc. no. A/C.5/53/L.18 dated 11. December 1998), ESCAP should continue to play an active role in the BIMST-EC projects by assisting the various sectoral committees, specially in the aspects of providing background information for cooperation, technical support, seeking funding and participating in other required areas.

15. We shall seek to forge stronger links with development partners and international organizations, including the World Bank, the Asian Development Bank and the UNDP.

16. We urge member countries to take advantage of the advances in information technology in coordinating the work of BIMST-EC through *inter alia* virtual conferencing and the internet. We welcome the offer of India to establish a BIMST-EC Net for facilitating virtual interaction.

17. We agree that on assumption of Chair, a member state would provide secretarial support for co-ordination of BIMST-EC activities till the end of the Chair's tenure. Upon assuming chairmanship that member country will also chair the Working Group meetings. We express our profound appreciation to Thailand for having assumed the Chairmanship of the Working Group and provided valuable secretarial services to BIMST-EC since its inception.

18. We reiterate our faith in the importance of Asian solidarity, enhancing South-South cooperation among developing countries in the face of opportunities and challenges that are being presented by globalization and liberalization of the international trade and financial systems.

19. We reaffirm our belief in the need to coordinate our positions and policies on major issues relating to international flows of goods, services and capital within the framework of international institutions such as the World Trade Organization and others.

20. In addressing the future directions of BIMST-EC, we resolve to :

- i) Fully exploit the complementarities within our region;
- ii) Exert combined political will for the success of the Organization;
- iii) Ensure that each of us individually is able to reap adequate benefits from BIMST-EC cooperation, with special attention to those at lower stages of development;
- iv) Develop short, medium and long term plans and strategies and to implement them in a systematic and coordinated manner;
- v) Act as a bridge between the South Asian and South East Asian Regions;
- vi) Aim and strive to develop BIMST-EC into a free trade arrangement and to focus on activities that facilitate trade, increase investment and promote technical cooperation among member States.
- vii) Foster South-South cooperation and help in our equitable and beneficial integration into the global economy;
- viii) Act as a vehicle for making the international economic and trading system more favourable to developing countries;
- ix) Remove constraints and facilitate trade in goods and services and in people to people contacts;
- x) Vigorously pursue sub-regional energy cooperation; and
- xi) Work towards transport and communication network and linkages.

21. We look forward to the next Ministerial Meeting of BIMST-EC which would be held in New Delhi, India in the last quarter of 1999.

22. We would like to express our sincere appreciation to Bangladesh for the warm hospitality extended to us and for the excellent arrangements made for the Meeting.