

THE SPECIAL BIMST-EC MINISTERIAL MEETING

22 DECEMBER 1997

JOINT STATEMENT

A special Ministerial Meeting was convened in Bangkok on 22 December 1997 attended by H.E. Mr. Abul Hasan Chowdhury, Minister of State for Foreign Affairs, the People's Republic of Bangladesh; H.E. Mr. A. N. Ram, Secretary, Ministry of External Affairs, Republic of India; H.E. U. Nyunt Swe, Deputy Minister of Foreign Affairs, Union of Myanmar; the Hon. Mr. Lakshman Kiriella, Deputy Minister of Foreign Affairs, the Democratic Socialist Republic of Sri Lanka; and H.E. M.R. Sukhumbhand Paribatra, Deputy Minister of Foreign Affairs, Kingdom of Thailand, and their respective delegations.

At the conclusion of their Meeting, the Leaders of Delegation issued the following Joint Statement:

We reaffirmed the aims, purposes and principles contained in the Bangkok Declaration of 6 June 1997 on the Establishment of the Bangladesh - India - Sri Lanka - Thailand Economic Cooperation (BIST-EC).

We welcomed the Union of Myanmar into the grouping and decided to rename our organization "BIMST-EC" (Bangladesh - India - Myanmar - Sri Lanka - Thailand Economic Cooperation).

We were highly satisfied with the substantive progress that has been made in forging greater understanding and trust among Member States over the past six months. We were confident that BIMST-EC has the potential to be a key building block in the architecture of peace, stability and economic well-being in Asia.

We strongly reaffirmed our intention to work closely together to strengthen various infrastructural linkages between Member States, especially in the transport and communication sectors that would reinforce complementarities arising out of the Bay of Bengal rim identity of BIMST-EC. We expressed our resolve and determination to move the organization expeditiously into an operational phase through the immediate implementation of a range of cooperative projects.

In this connection, we expressed our appreciation to the ESCAP for drawing up a development programme of sectoral cooperation for consideration of BIMST-EC.

On the basis of the ESCAP study, we have agreed to implement immediately an integrated Cooperative Work Programme composed of the following elements:

- (i) the establishment of an Economic Forum with the participation of public and private sector representatives to promote economic cooperation among Member States, identify and assist in the implementation of cooperative projects in the fields of trade and investment and infrastructure, and provide a forum for high-level exchange of views between policy makers and the business community;
- (ii) the promotion of trade and investment cooperation through the holding of private sector forums in five key sectors, namely textiles and clothing, drugs and pharmaceuticals, gems and jewellery, horticultural and floricultural products, and information technology products and services with technical support from ESCAP;

- (iii) the holding of a senior economic officials meeting to promote intra-regional cooperation on elimination of non-tariff barriers, market access issues, services, and preferential trading arrangements among Member States;
- (iv) the cooperation on technology transfer and endogenous capability building;
- (v) the reinforcement of transport and communication linkages among Member States through :
 - Identification and promotion of new inter-modal linkages within Member States
 - Improving efficiency of international land transport in Member States
 - Promotion of multi-modal transport practices among Member States
 - Study of transport demand and capacity requirements for intra-regional commodity flows with a view to drawing up an action plan to remove any constraints to a potential transport network among Member States.
 - Streamlining and reducing costs of transport system through site studies to identify and propose measures for removing present institutional, operational and infrastructure bottlenecks.
 - Promotion of international transport along inland waterways;
- (vi) The enhancement of intra-regional energy cooperation through an action plan for the development and utilization of natural gas, wind, solar and water/tidal wave energy resources. A roundtable would be held in conjunction with ESCAP to evolve this plan.
- (vii) The establishment of a Working Group on Tourism and the holding of a BIMST-EC Meet on Tourism in 1998 in India to develop an action plan for cooperation in the tourism sector.
- (viii) 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 FAO.

In the implementation of the above Cooperative Work Programme, we agreed to continue our close cooperation with the ESCAP and to seek to engage interested States who can contribute to the progress of the work programme, and the UNDP, ADB, IBRD/World Bank and other relevant international organizations in similar collaborative efforts.

In addition to the Cooperative Work Programme, we agreed to pursue the following:

- (i) establish intra-regional linkages among central banks, financial institutions and credit agencies and exchange views on macro-economic policies;
- (ii) cooperation to address and remove obstacles to intra-regional cooperation on transport and communications such as providing transit agreements, relaxation of documentation requirements, support for multi-modal transport operations, and establishment of transportation links;

- (iii) conclusion of bilateral investment promotion and guarantee agreements and avoidance of double taxation agreements among Member States;
- (iv) cooperation among civil aviation authorities and representatives of national airlines of Member States to discuss modalities for expansion of air services through, inter alia, inter-line arrangements, synchronization of schedules, code-sharing, cargo and charter arrangements.

We reiterated the commitment of BIMST-EC to the principle of open regionalism and reaffirm that this would be emphasized through dialogue with non-Member States, other regional groupings and international organizations that share similar aims and principles.

In order to allow for a requisite period of consolidation to permit the expeditious implementation of the Cooperative Work Programme, we have agreed on a five-year moratorium on the consideration of application for new membership. We also agreed that a geographical definition focused on the Bay of Bengal rim would be one of the key criteria for full membership. Observers and guests would be invited to attend appropriate meetings and participate in various BIMST-EC activities. The criteria for such participation will be drawn up.

On behalf of the Member States of BIMST-EC, we underlined the importance of Asian solidarity, enhanced South-South cooperation, and coordination among developing countries in the face of challenges that are being posed by the globalization of international trading and financial systems. We reiterated the call for the major economies of the G-7 to assume a proportionate role in restoring stability to the financial situation in Asia, which could potentially have wider adverse consequences for the international economic system.

We look forward to the next Ministerial Meeting of BIMST-EC which will be held in Dhaka, Bangladesh, in the second half of 1998.