



## JOINT STATEMENT

### THE 24<sup>th</sup> MINISTERIAL MEETING OF INDONESIA-MALAYSIA-THAILAND GROWTH TRIANGLE (IMT-GT)

1 OCTOBER 2018, MELAKA, MALAYSIA

1. We, the IMT-GT Ministers, held our 24<sup>th</sup> Meeting on 1 October 2018 in Melaka, Malaysia, under the chairmanship of H.E. Dato' Seri Mohamed Azmin Ali, Minister of Economic Affairs, Malaysia. The Meeting was also attended by H.E. Darmin Nasution, Coordinating Minister for Economic Affairs, Republic of Indonesia, and H.E. Arkhom Termpittayapaisith, Minister of Transport, The Kingdom of Thailand.
2. We celebrate 25 years of successful partnership. The remarkable success of our economic cooperation is evidenced by the increase in IMT-GT Gross Domestic Product (GDP) at current Purchasing Power Parity (PPP) from US\$875 billion in 2011 to US\$1,193 billion in 2016. IMT-GT recorded an impressive average annual growth of 4.76 percent for the period 2012 to 2016. Per capita GDP at current PPP increased from US\$11,508 in 2011 to US\$14,557 in 2016. The unemployment rate and poverty incidence in the IMT-GT continue to decline.
3. We are pleased with the initial achievements of the Implementation Blueprint (IB) 2017-2021. We look forward to the establishment of the Project Implementation Teams (PITs) given their crucial role in monitoring and evaluation. To enhance the implementation of the IB 2017-2021, we task the Senior Officials to review and accelerate impactful programmes and projects. In line with this, and to boost economic growth, the existing IMT-GT economic corridors will be reviewed. A study will be conducted on the proposed sixth corridor linking Pattani-Yala-Narathiwat in Thailand with Perak and Kelantan in Malaysia, and Southern Sumatra in Indonesia. Moving forward, IMT-GT will also consider ways to better harness opportunities and adapt to challenges of the Industrial Revolution 4.0.
4. We emphasize the importance of developing a seamless, inclusive, sustainable, safe and secure transport network. The implementation progress of the Physical Connectivity Projects (PCPs), especially the South Sumatera Light Rail Transit in Palembang, Indonesia, Bukit Kayu Hitam Immigration, Customs, Quarantine and Security (ICQS) in Kedah, Malaysia, and Sadao Customs, Immigration and Quarantine (CIQ) in Songkhla, Thailand, have contributed to improved connectivity and competitiveness in our subregion. We reaffirm our commitment to the continued, full, and effective implementation of the PCPs. The Melaka-Dumai RoRo scheduled to operate

in 2019 will reduce travel time and costs of transporting goods. We support the revision and the signing of the IMT-GT Memorandum of Understanding (MOU) on Air Linkages in November 2018. We welcome the establishment of the IMT-GT E-commerce platform spearheaded by the IMT-GT University Network (UNINET).

5. We recognize the important role of agriculture development and agro-processing in pursuing inclusive, sustainable and competitiveness in the subregion. We encourage efforts to enhance collaboration in demand-driven capacity building and innovation in agricultural value chains. We also underscore the importance of practising sustainable agriculture that improves public health, preserves environment, and food security for the subregion and beyond.
6. We are pleased with the adoption of the ASEAN Tourism Marketing Strategy 2017-2020 in the IMT-GT. We encourage all stakeholders, especially the private sector, to maximize cross-border tourism revenue in the IMT-GT by developing well-connected and diverse cluster attractions. We thank the Working Group on Tourism for conducting promotional events such as the 1<sup>st</sup> IMT-GT Tourism Forum planned on 29 October – 1 November 2018 in Langkawi, Malaysia, and the IMT-GT Cruise Business Forum to be held on 21 – 22 November 2018 in Sabang, Aceh, Indonesia. We acknowledge thematic cross-border products such as “The Heritage Race Campaign: IMT-GT Liveable Old Towns”, “IMT-GT Peranakan Nature Trail” and “Travel Expedition Line Cheng Ho” for contributions in increasing international tourist arrivals and enhancing intra-IMT-GT tourism flows.
7. We reaffirm our commitment to intensify and expedite project implementation to promote halal products and services. Toward this, extensive collaboration with state, provincial and local governments, as well as the private sector is crucial. We support the continued effort to mutually recognise the halal certification practices and logo through the Gap Analysis Halal Standard Task Force.
8. We look forward to expediting the finalization of IMT-GT CIQ Framework of Cooperation and conduct of the IMT-GT Time Release Study on cargo clearance. We are committed to accelerating the development and cooperation of Special Economic Zones in all member countries. We support Micro, Small and Medium-sized Enterprises (MSMEs) development through the reactivation of the IMT-GT Business Center. We congratulate the IMT-GT Trade, Investment and Tourism Database Sub-Working Group for their plans to develop a web-based application interface subregional database. We praise the successful outcomes of the 4<sup>th</sup> IMT-GT and BIMP-EAGA Trade Fair held in Songkhla, Thailand on 19 – 22 July 2018 participated by 230 firms. Ten contracts were signed amounting to US\$5 million and a number of contracts are under negotiation.
9. We recognize efforts of the IMT-GT cities in achieving sustainable development and their commitment to implementing their Green Cities Action Plans (GCAPs). We commend the successful conduct of the 1<sup>st</sup> Mayor Green

Cities Meeting and the 3<sup>rd</sup> Green Council Meeting in Banda Aceh, Indonesia, which led to the finalization of the Sustainable Urban Development Framework (SUDF). The SUDF provides guidelines to attract green investment as part of the cities GCAPs implementation. We acknowledge the draft final SUDF report and look forward to the implementation of priority projects and programs.

10. We emphasize the importance of human resources development in IMT-GT. Over the years, our collaboration has deepened and widened with joint programs promoting labor force competitiveness and movement across the subregion. We agree to intensify collaboration in setting up the IMT-GT labor market information system and competency skills standards to respond to high quality labor demands. We encourage youth engagement and civil society participation through student and staff members exchange programs. We welcome the key projects set out in the IMT-GT UNINET Strategic Action Plan, which includes research partnerships in carbon inventory for sustainable city development, sustainable agriculture system, and disaster management.
11. We welcome the Joint Business Council's (JBC's) commitment to register as a legal entity by the end of 2018 as a means to enlarge its membership base to include MSMEs, social enterprises, large and multi-national companies. We appreciate institutional strengthening as well as policy advocacy efforts of the JBC aimed at encouraging active private sector engagements in cross-border trade and investment. We thank JBC for the conduct of the Business Opportunities Forum on 28 September 2018 in Melaka, Malaysia. We encourage the JBC to actively forge new partnerships with regional and international business associations, development partners, and research institutions.
12. We welcome continued efforts of the Chief Ministers and Governors Forum (CMGF) in strengthening the roles of the 32 member states and provinces. We emphasize the importance of multi-stakeholder collaboration of state, provincial and local governments, the private sector, and universities. We commend the role of CMGF in the Green Council Meeting and appreciate its active contributions to green cities development to achieve sustainable IMT-GT in line with Sustainable Development Goals.
13. We extend our appreciation to the Asian Development Bank (ADB) for being our steadfast regional development partner for more than a decade. We commend ADB's technical and strategic guidance in scaling up the IMT-GT Green Cities Initiative through action plans implementation and networking; supporting establishment of sustainable transport in Melaka City, Penang Island, Langkawi, Phuket-Krabi and Sabang; deepening links with ASEAN; building capacities of government officials; strengthening private sector participation through JBC; and providing support to the Centre for Indonesia-Malaysia-Thailand Subregional Cooperation (CIMT).
14. We are committed to strengthening cooperation with ASEAN Secretariat and taking joint actions to foster subregional economic linkages and growth for a

dynamic, inter-connected and prosperous IMT-GT community. We support partnerships with ASEAN Secretariat in relevant projects and programs for inclusive and sustainable development.

15. We recognize the important role that CIMT has undertaken in facilitating and promoting IMT-GT cooperation. In this regard, we continue to support the CIMT to operate and function at its fullest potential.
16. We agree to convene the 25<sup>th</sup> IMT-GT Ministerial Meeting and related Meetings in Thailand in 2019.
17. We express our sincere gratitude to the Government of Malaysia and Melaka State for hosting the 24<sup>th</sup> IMT-GT Ministerial Meeting, and for their warm hospitality and excellent arrangements extended to us during the Meeting.
18. The Meeting was attended by
  - H.E. Dato' Seri Mohamed Azmin Ali, Minister of Economic Affairs, Malaysia.
  - H.E. Darmin Nasution, Coordinating Minister for Economic Affairs, Republic of Indonesia
  - H.E. Arkhom Termpittayapaisith, Minister of Transport, Thailand.
  - H.E. Ramesh Subramaniam, Director General, Southeast Asia Regional Department, Asian Development Bank
  - H.E. Aladdin D. Rillo, Deputy Secretary General for ASEAN Economic Community, ASEAN Secretariat

Dated on 1<sup>st</sup> October 2018