

**Report of the 1st Meeting of the Economic Forum
New Delhi, 3 July 2000**

The Economic Forum of BIMST-EC Member Countries met in New Delhi on 3 July 2000.

Government and private sector representatives from Bangladesh, India, Myanmar, Sri Lanka & Thailand participated in the Economic Forum.

Nepal was present as an Observer.

India chaired the meeting of the Economic Forum.

The list of participants in the Economic Forum is at Annex 1.

The Agenda of the Economic Forum is at Annex II.

The Concept Paper on the Formation of the BIMST-EC Economic Forum finalized in Dhaka in November 1999, is at Annex III.

At the commencement of the meeting, delegates recalled the earlier discussions held in Bangkok and Dhaka for finalizing the concept, role and functions of the Economic Forum. Delegates discussed measures to facilitate private sector-government interaction in order to increase trade and investment among the BIMST-EC countries, and agreed as follows:

1. The Economic Forum adopted the Concept Paper as its Terms of Reference.
2. The Economic Forum adopted the following recommendations of the BIMST-EC Private Sector Meeting which met in June 1999 in Bangkok:
 - National Committees will be formed at the nodal focal points in each country to identify the problems in tariff and non-tariff areas, logistic difficulties and recommend specific proposals for remedy to the BIMST-EC Business Forum at the regional level. The National Committees in this respect may be assisted by the Sectoral Committees.
 - The National Committees shall send three representatives to the BIMST-EC Business Forum to deliberate on these recommendations, and formulate a final set of recommendations for placement to the BIMST-EC Economic Forum. The nominees of the National Committees to the regional BIMST-EC Business Forum may be accompanied by the members of the Sectoral Committees.
 - The BIMST-EC Economic Forum, consisting of delegates to the BIMST-EC Business Forum and government representatives, shall deliberate on the
3. The Economic Forum may meet twice a year. The BIMST-EC Business Forum meeting should precede the Economic Forum.
4. The Economic Forum has to link, in respect of Trade & Investment issues, with the Trade & Economic Ministers Meeting as well as with the Meeting of the BIMST-EC Ministers.

5. Economic Forum should deliberate on the proposal for BIMST-EC formally becoming an FTA, and the procedure thereof, including whether a PTA should be an intermediary stage, and including preferential facilities in favour of smaller members.
6. At the national level, within each Member Country, it should be ensured that there are both effective private sector exchanges as well as government-private sector exchanges.
7. Recommendations relating to the private sector of the BIMST-EC Sectoral and Sub-sectoral Meetings in respect of the six sectors identified for co-operation should be examined by the Business Forum and the Economic Forum for implementation/submission to the SOM.
8. Dialogue and co-operation of the private sector of the BIMST-EC countries should be through the Chambers of Commerce and the Industry Associations of the BIMST-EC countries.
9. The private sector should work towards the setting up of a joint BIMST-EC Chamber of Commerce.
10. Each Member Country has nominated a National Chamber or Apex Business Organization for co-ordination of business interaction among the Member Countries. The National Chamber of the Member Country holding the Chairmanship of BIMST-EC will serve as the Floating Secretariat for the private sector co-ordination under the BIMST-EC Business Forum.
11. We have to integrate our co-operation in the Technology Sector with our business endeavors so as to commercialize technologies that we develop. The Economic Forum must co-ordinate the relevant government and private sector efforts.
12. Long-term multiple entry visas to businessmen must be facilitated by the Member Countries. Mobility of business people was also emphasized in the BIMST-EC Trade Ministers' Meeting in Delhi in April 2000.
13. The Economic Forum would consider the problems of the trading and investing community, as identified by the Business Forum, and recommend solutions to resolve them.
14. Efforts should be made to promote the establishment of downstream and value-added industries within BIMST-EC Countries. There should be a mechanism evolved for technology transfer among SMEs.
15. The Economic Forum would deliberate on issues relating to e-Commerce among the BIMST-EC countries, and the integration of such commerce within the proposal for the E-BIMST-EC. In this connection, the offer of India to set up the BIMST-EC portal was noted.
16. This Economic Forum recognized the importance of close co-operation in agro industries, food processing, dairy farming, horticulture, floriculture, animal husbandry etc.
17. In area of fisheries, cooperation should be soon launched in the area of trade and investment in fish & fisheries products, as well as research & development and technical cooperation for mutual benefit.
18. The Sub-sectoral meetings in Processed Foods, and Gems and Jewellery, stressed the importance of cooperation in five areas, viz. Promotion on Intra-Regional Investment,

Human Resource Development in the various segments of the industry, Transfer of Information Technology, and Research and Development.

19. The first BIMST-EC Expert Group Meeting on Pharmaceuticals agreed on TOR for the pharmaceuticals sub-sector, and agreed on the following areas of cooperation: Intra-Regional Trade, Intra-Regional Investment, Human Resource Development in the various segments of the industry, and Information exchanges.
20. In the Drugs and Pharmaceuticals sector, cooperation can take place in areas such as inclusion of Ayurveda/Traditional medicine systems into the general category of drugs and pharmaceuticals, establishment of mechanisms to safeguard intellectual property rights for traditional remedies, establishment of a universal standards for prepared traditional medicines, exploration of possibilities for joint ventures in manufacture of pharmaceuticals and drugs, introduction of a compulsory health insurance scheme, exchange of information on companies engaged in counterfeit drug trading and smuggling activities.
21. Cooperation in the pharmaceutical sector should also include R & D in diseases such as TB, Malaria etc. which are common to our region; joint work in traditional systems of medicine, as well as in biotechnology; between our Universities & R & D institutions; in intellectual property issues relating to the drug sector.
22. In the auto components sector, market studies should be commissioned to develop country profiles to bridge information gaps, after which a meeting can be held to assess the needs of Member Countries in the auto components sector.
23. A number of sectors, such as Drugs and Pharmaceuticals, Textile and Clothing, Information Technology, Gems and Jewellery, Horticulture and Floricultural Products and Processed Food and Tourism were identified in the previous meetings as areas in which initial collaborative efforts could be undertaken by the Economic Forum to promote trade and investment. As a first step, we should start promotion of business in these sectors by studying and simplifying tariffs and tariff-link measures, rules of origin, non-tariff barriers, import licensing, quantitative restrictions, customs procedures including pre-shipment inspection, customs nomenclature, customs valuation etc., evaluating market disruption criteria such as dumping, subsidies, countervailing, duties, safeguards etc., that prevail in each of the member states.
24. The Economic Forum should examine trade facilitation issues such as Customs harmonization, Standards, Business Travel, Investment arrangements, Avoidance of Double Taxation, Intellectual Property Issues, and exchange of trade information via the BIMST-EC Portal.
25. The Economic Forum felt that it would be useful to have countries volunteer to take a lead on the issues in respect of Trade Fair participation. SME development and related employment creation activities. The lead country should give its report within a year on what has been achieved.
26. The Economic Forum should examine Infrastructure issues such as multimodal Transport covering air, land and sea routes, and energy cooperation.
27. Information Technology sector cooperation can take place in areas such as establishment of an IT Training Institute for Member Countries, joint ventures to set up IT Parks, improving communication links, setting up of independent BIMST-EC Software Quality Assurance Testing and Certifying Labs, creation of public awareness of IT through common TV programmes etc.

28. In the Gems and Jewellery sector, cooperation can be in the following areas – setting up of training programs amongst the BIMST-EC countries for the training of gem and jewellery personnel, exchange of technical personnel, exchange of trade missions to promote gems and jewellery trade, setting up of joint ventures in mining, cutting and polishing of gemstones, and jewellery manufacture etc.
29. In Textiles and Clothing sub-sector, cooperation can take place in areas such as promotion of intra-regional trade, intra-regional investments, human resources development, research and development, and information dissemination.
30. In Tourism Sector, cooperation can take place in areas such as facilitation of travel formalities, human resource development, strengthening of transportation networks, development of new tourism products, marketing and promotional strategies, incentives for tourism investment opportunities, environmental management of tourism and cultural preservation, exchange of information on regulatory issues, clearing bottlenecks that impede growth etc.
31. In the area of Tourism, the following recommendations were also made:
- Task Force to study and recommend measures to expand air-seal capacity and frequency to remove bottlenecks to enhance Tourism, Trade, Investment & Growth.
 - Aim to Visa-Free travel ultimately, with the interim facility for visa-on-arrival for businessmen of the Member Countries.
 - Countries to collaborate on areas of joint promotion for the awareness and the publicity of BIMST-EC tourism.
 - Areas of Possible Tourism Collaboration identified were:
 - Buddhist circuit
 - Brahmaputra circuit
 - Spice route circuit
 - Coastal circuit (of the Bay of Bengal)
 - Cultural circuit
 - Youth/Student Exchange which would facilitate holiday travel and use of hostel accommodation.
32. The Economic Forum felt it useful to obtain information from the Member Countries, as had been provided by Myanmar, on the focal point for the different sub-sectors under the Trade and Investment Sector.
33. Myanmar offered to host the next meeting of the Economic Forum.