

**EXTRACT FROM THE REPORT OF THE THIRD BIMST-EC
ECONOMIC FORUM MEETING
13TH JANUARY 2004**

BANGKOK, THAILAND

1. The Third BIMST-EC Economic Forum meeting was held in Bangkok, Thailand on 13th January 2004. The representatives of both, the public and private sectors from Bangladesh, India, Myanmar, Sri Lanka and Thailand participated in the meeting.

2. Mr Chana Kanaratanadilok, Assistant Director General, Department of Trade Negotiations of the Ministry of Commerce of Thailand was elected to Chair the Economic Forum by acclamation.

3. Presentation by the Business Forum

The Business Forum submitted the report of its meeting held on 12 January 2004, (See under Business Forum for report). The highlights of the report were placed before the Economic Forum for its consideration. In this regard, the meeting took note of the recommendations relating to:

a. It was pointed out that the existing sectors and sub-sectors of BIMST-EC do not include some of the major trading sectors, which now appear to be significant in this region. Therefore, there is a need to review the existing sectors and sub-sectors in view of the changes that have taken place in the economic environment.

b. Under the changed scenario it is felt necessary that trade and investment be separated in two sectors.

c. With regard to the Services, it was noted that only tourism was identified as a sector for cooperation, whereas there are other important areas of services which are of interest to the BIMST-EC members such as construction, entertainment, financial services, medical and health care, publishing and printing, and education. There is a need to recognize Services as a sector and group the above areas as sub-sectors thereof.

d. Transport and Communication need to be separated in view of the importance of each of the two sectors.

e. It was also pointed out that the criteria for choosing the Lead and the Chair countries for these sectors and sub sectors be reviewed. The selection should be based on the expertise and the comparative advantages of a BIMST-EC member country.

f. To ensure free flow of travel among BIMST-EC countries, a system of issuing BIMST-EC visas be introduced.

g. All future sectoral and subsectoral meetings to be organized jointly by the public and private sector.

h. Emphasized on the necessity to follow up on the initiatives already taken by the private sector in moving the BIMST-EC process forward such as the development of a Balanced Scorecard and the recommendations made at the Convention held in Colombo.

4. Recommendations of the Economic Forum

The Economic Forum had extensive discussions on the suggestions put forward by the Business Forum. It agreed for the following recommendations to be submitted to the STEOM for consideration and appropriate action:

a. The Economic Forum noted that the sectors and the sub-sectors for BIMST-EC had their genesis to the ESCAP report, which was done in 1997 wherein these sectors were identified for cooperation. Since its inception lot of changes have taken place and the private sector has actively monitored the trading and investment patterns, there is a need to strengthen the activities in the BIMST-EC while identifying new areas for cooperation. In this regard, the Economic Forum recommends that the STEOM may consider constituting a Task Force with the objective of expanding the areas of cooperation, providing measures for monitoring and recommending mechanisms for effective implementation of various decisions taken in BIMST-EC. This Task Force should have representatives from both Public and the Private Sectors.

b. To reap the actual benefits of cooperation, it is essential that immediate steps are taken for facilitating the movements of business people of the BIMST-EC region and therefore the recommendation made by the Business Forum for introducing BIMST-EC visa and providing entry visa on arrival is strongly endorsed.

c. The Economic Forum recalled that under BIMST-EC initiatives, the joint participation of public and private sectors has been enshrined in the Charter. Therefore, all future sectoral and sub-sectoral meetings to be organized jointly by the public and private sector.

5. Other Matters

The Economic Forum discussed the following issues:

The subsequent meetings of the Economic Forum could be held on a voluntary rotational basis amongst the member countries back to back with the Business Forum meetings. The date and venue of the subsequent meeting should also be decided in the meeting itself. In this regard the Economic Forum noted that the next meeting of the Business Forum would be held in Dhaka, which would be confirmed by Bangladesh within two months. In case if Bangladesh is unable to host these events, the next Business Forum and the Economic Forum meetings would be hosted by India.

The Economic Forum having realized the importance of the Balanced Scorecard mechanism in monitoring the progress made in the economic cooperation recommends that the process of developing the Balanced Scorecard be continued.

The Economic Forum also felt the need for having exchange of various information on a regular basis relating to the activities of BIMST-EC. In this regard, it was agreed that the national nodal points for the Economic Forum, one each from public and private sector from each member country be identified and information in this regard would be made available to the Chair of the Economic Forum within two months. All future communications would be channeled through the Chair.

6.Consideration and adoption of the Report

The participants acknowledged and thanked the Government of Thailand for making excellent arrangements for the meeting. The Economic Forum adopted its Report on 13th January 2004 in Bangkok, Thailand.
