

Agreed Conclusions
BIMST-EC Economic Ministerial Retreat
7th August, 1998
Bangkok, Thailand

The Economic Ministers of BIMST-EC considered the following guidelines for economic co-operation and will instruct Senior Officials to expedite the establishment of an action agenda, taking into account the mutual benefits to member countries. These guidelines will be used as inputs for the second BIMST-EC Annual Ministerial Meeting to be held in Dhaka on 8-10 September, 1998.

1. BIMST-EC should aim and strive to develop into a free trade arrangement and should focus on activities that facilitate trade, increase investment and promote technical co-operation among member countries. Furthermore, BIMST-EC activities should be designed to form a bridge linking ASEAN and SAARC.
2. The BIMST-EC Economic Ministers meeting would be held at least once a year in order to follow-up and accelerate the implementation of economic co-operation initiatives.
3. A Senior Economic Officials Committee will be established consisting of officials not below the level of Secretary or an equivalent rank. Various working committees for each area of co-operation should be established to enable these working committees to jointly draw up an action agenda and monitor results. The lead country for each area should be responsible for arranging their respective sub-working group meetings and to report the results of such meetings to the Senior Economic Officials Committee Meeting.
4. BIMST-EC should initially begin co-operation efforts in 6 areas, namely Trade and Investment, Technology, Transportation and Communication, Energy, Tourism and Fisheries and may gradually expand to other areas whenever required and agreeable to all member countries. For the initial 6 sectors, it was agreed that responsibility be delegated as follows:
 - Trade and Investment (Bangladesh)
 - Technology (India)
 - Transportation and Communication (Thailand)
 - Energy (Myanmar)
 - Tourism (Sri Lanka)
 - Fisheries (Sri Lanka)
5. In the Trade and Investment area, guidelines for economic co-operation should cover the following issues:
 - Exchange of information and establishment of a database involving tariff rates, trade statistics, non-tariff measures, import/export regulations and regulations related to investment and products.
 - Promotion of joint investment and business between members.
 - Implementation of trade facilitation measures such as customs procedures and mobility of business people.
 - Provision of technical co-operation, training and seminars.

- In the tourism area, an action plan will be developed and adopted at the Tourism Summit to be held in India later this year.

Countries which are in a position to implement these activities should proceed and may do so on a bilateral basis, and where possible, provide technical assistance to the other member countries.

In order to promote private sector participation in the BIMST-EC co-operation projects and to ensure implementation of work plans, it is necessary to establish a BIMST-EC Chamber of Commerce and Industry (BIMST-EC CCI) and to designate private sector representatives to coordinate work in each sub-sector among private sector groups of member countries.

6. In order to promote expansion of trade and investment in the region, co-operation in the following trade and investment sub-sectors should be included in addition to the existing five sub-sectors for co-operation viz: textiles and clothing, drugs and pharmaceutical, gems and jewellery, information technology products and services and horticultural and floricultural products:

- Trans-Asia Railway and Highway
- Rubber, Tea, Coffee, Coconut and Spices
- Automotive industry and parts thereof
- Processed food, including processed seafood products, processed fruit and vegetables, rice products such as rice flour and raw materials for processed food and other industries.

It is recognized that the South Asia region is a potentially large and unsaturated market unlike in other regions. BIMST-EC can therefore use this advantage to expand trade and investment in other sectors on a gradual basis within the group.

Affirming the importance and priority attached to developing road and rail connectivity among BIMST-EC countries for generating greater economic interaction and development in the sub-region, it was agreed that we should work for early operationalization of the BIMST-EC component of the Southern Corridors of the Trans-Asia Railways and Asian Highway projects. It was also agreed that necessary mechanisms will be established to coordinate efforts and funding options.

7. BIMST-EC should work closely together to formulate a common position in areas to be addressed in the forthcoming discussions of the new WTO Round. Areas of mutual interest may incorporate issues such as Investment, Environment, Intellectual Property Rights and Electronic Commerce which is a fast moving issue and will have far and wide implications for all BIMST-EC countries. BIMST-EC should also work closely with the business sector to accelerate the development of regulatory framework for the use of electronic commerce so that BIMST-EC will be prepared as a group in such discussions at the WTO meetings.