

JOINT STATEMENT TWENTY SIXTH BIMP-EAGA MINISTERIAL MEETING 26^{TH} BIMP-EAGA MM

26 October 2023 Bandar Seri Begawan, Brunei Darussalam

- We, the Ministers of Brunei Darussalam, Indonesia, Malaysia, and the Philippines gather in Bandar Seri Begawan, Brunei Darussalam on October 26, 2023 for the 26th Brunei Darussalam-Indonesia-Malaysia-Philippines East ASEAN Growth Area (BIMP-EAGA) Ministerial Meeting chaired by H.E Dato Amin Liew Abdullah, Minister at the Prime Minister's Office and Minister of Finance and Economy II, Brunei Darussalam.
- 2. We are encouraged by BIMP-EAGA's steadfast economic growth amid challenging global conditions. In 2022, BIMP-EAGA's combined real Gross Domestic Product (GDP) at current prices grew at 7.7% to US\$ 392.1 billion. BIMP-EAGA recorded an improvement in its trade balance, which rose to US\$ 84.8 billion from US\$ 70.2 billion. In terms of EAGA trade in goods was US\$ 198.7 billion last year. Total EAGA exports reached US\$ 141.8 billion. Tourism is on track to full recovery with arrivals increasing by 137.3% to 114.8 million in 2022 from 48.4 million in 2021. The subregion continues to be an attractive investment hub. Foreign direct investments rose 46.7% to US\$ 19.9 billion, while domestic investments grew 19.3% to US\$ 8.7 billion. We reaffirm our commitment to implement measures to accelerate the growth of trade, investment, and tourism in BIMP-EAGA.
- 3. We are satisfied with the implementation progress of the Accelerating Cooperation Together Mid-Term Review BIMP-EAGA Vision 2025 (BEV 2025). We task our senior officials and the clusters and working groups (CWGs) to expedite the work on the remaining projects according to the BEV 2025 timeline, including their integration into national policy, budget, and programs integration. We also urge the officials to begin preparatory work for the BIMP-EAGA Post 2025 Agenda. We continue to appreciate the remarkable and collective efforts of BIMP-EAGA Business Officials. Council (BEBC). BIMP-Facilitation Secretariats (NS), CWGs. Centre (BIMP-FC), Development Bank (ADB), Information Communication and Technology (ICT) Chief Executive Officer (CEO) Forum, and the private sector in working tirelessly to achieve the goals set out in BEV 2025 amid global and regional challenges.
- 4. We welcome the enthusiasm shown by our BIMP-EAGA local governments in realising cooperation goals of our subregion in the recently held 5th BIMP-EAGA Chief Ministers, Governors, and Heads of Local Government Forum (CMGLF) on 25th October 2023. We encourage the states and provincial governments to mainstream BIMP-EAGA's development agenda in their policies, plans, and initiatives and to contribute proposals and ideas to BIMP-EAGA cooperation. We

take note of the establishment of the BIMP-EAGA Parliamentary Forum at the ASEAN Inter-Parliamentary Assembly, which aims to foster greater understanding among legislators and parliamentarians of the member countries to promote cooperation on policy legislative measures that will help create an enabling environment for cross-border trade, tourism, and investments. We look forward to the outcomes of their inaugural meeting in Davao City, Philippines in May 2024.

- 5. We underscore the importance of regional connectivity as a driver of economic growth and social inclusion in the subregion. We are proud that the Priority Infrastructure Projects (PIPs) almost tripled from 57 projects in 2017 to 129 projects in 2023 amounting to US\$ 38.87 billion. Equally impressive is the pace of project implementation with 48 projects completed and 81 projects in various stages of implementation, and financing for a significant number of PIPs has been secured. These projects include roads, bridges, and railways; seaports and airports; cross-border facilities and inland transport services; ICT infrastructure; power interconnections; and urban development infrastructure and services. The PIPs provided our farmers and fisherfolk access to markets, delivered reliable energy to rural communities, catalysed trade in border areas, and boosted tourist arrivals.
- We are pleased with the resumption of air, land, and sea connectivity in BIMP-EAGA and encourage key stakeholders to work in tandem with the private sector to ensure the sustainability of routes that are critical to moving passengers and goods in the subregion. Thus, we task our officials to undertake concrete actions to revive air services in the Tawau-Tarakan, Pontianak-Kuching, Zamboanga-Kota Kinabalu, and Davao-Manado routes. The newly established air service between Balikpapan and Bandar Seri Begawan will expedite the movement of goods and services. We appreciate the efforts of the private sector and the local governments from Tawi-Tawi and Sabah for launching the Bongao-Lahad Datu and Tawau-Bongao sea routes. We also welcome their initiatives to establish sea connectivity between West Sulawesi and Sabah through Tanjung Silopo-Lahad Datu and between North Kalimantan and Sabah through Tarakan-Tawau. These transport linkages are expected to increase the mobility of people and trade in goods. We also welcome efforts of the transport sector to improve transport facilitation in land and sea by reviewing the Memorandums of Understanding (MOUs).
- 7. We acknowledge marketing and communication efforts to promote BIMP-EAGA as a premiere tourism destination showcasing rich diversity, warmth, resilience, and adventure. The success of the BIMP-EAGA Tourism Village Forum held from 12 to 13 May 2023 in Labuan Bajo, Indonesia is a significant step in expanding sister tourism villages in BIMP-EAGA. We are committed to steering tourism development in the subregion towards greater sustainability, inclusion, resilience, and innovation, benefitting local communities. We support convergence efforts in promoting signature cultural events and cruise development to help diversify the subregion's tourism assets and services.
- 8. We strongly support sustaining and strengthening trade flows and supply chains and keeping borders open while ensuring adherence to safety measures. Thus, we welcome the signing of the Letter of Intent for the One Borneo Quarantine Initiative, which is aimed at strengthening cooperation in monitoring and

inspection and enhancing protection against pests and diseases. We welcome the upgrading of the Customs, Immigration, Quarantine and Security Working Group to a full-fledged Trade Facilitation Cluster given their role in streamlining rules, regulations, and procedures to improve the ease of doing business and facilitate the seamless movement of people and goods in BIMP-EAGA,

- 9. We acknowledge the pivotal role of Micro, Small and Medium Enterprises (MSMEs) in cross-border trade, employment, and economic inclusion. We emphasise the importance of nurturing MSMEs through improved access to financing, business coaching, mentoring, and capacity-building programs, and promotion of partnerships with large companies and digital technology adoption for business expansion. We commend the success of the 2023 Sabah International Expo (SIE) on 21 to 24 September 2023 in Kota Kinabalu, Sabah, Malaysia featuring 340 exhibitors from 22 countries (including from BIMP-EAGA), attracted 38,600 visitors, and generated US\$ 1.9 million in over-the-counter sales and future orders of US\$ 34 million. MOUs were also signed between private sector from Brunei Darussalam and Sabah, and between Sabah and the Philippines on food and skincare products. We therefore encourage the officials to sustain inclusive participation to the BIMP-EAGA and IMT-GT Trade Fair and Exhibition.
- 10. We appreciate the preliminary findings from the Review and Assessment of the BIMP-EAGA Economic Corridors, a study conducted by ADB that aims to promote a strategic, spatial, and socially inclusive approach to corridors development. The results from the Corridors Study can provide inputs to planning and can guide developing project pipelines for the remaining period of BEV 2025. The Corridors Study will also provide insights for crafting the post-BEV 2025 agenda, which will commence preparation in 2024. We support the key actions and preliminary recommendations on the new configuration and expansion of the BIMP-EAGA economic corridors with the end goal of establishing spatial transformation corridors that can mobilize and accelerate cross-border activities; promote access to markets; reduce trade and transport costs; facilitate growth between neighboring production, export, and consumption points; and improve the general wellbeing of people.
- 11. We underscore the need for increased cooperation and collaboration, innovation, and resilience in the food and agriculture sectors. We recognise Farm Konekt's Agro Supply Chain Management project for its agri-clustering and integration solutions which has led to data-driven marketing systems for agriculture value chains. We continue to urge our agriculture and fisheries agencies to increase engagement with the private sector and continue providing support in improving the productivity, competitiveness, and sustainability of smallholder farms and fisheries by leveraging Industrial Revolution 4.0 (IR 4.0), adopting climate-smart technology and practices, and promoting high-value food industries.
- 12. We recognise the need for economic growth, sustainable use of natural resources, and protection of the environment. We welcome the development of the joint BIMP-EAGA and IMT-GT Blue Economy Strategy 2030 that will identify high-impact operational activities for sustainable use of marine resources. We acknowledge the completion of the General Santos Green City Action Plan (GCAP), which has identified a pipeline of green investments, and ADB's assistance to the Government of Indonesia to develop the GCAP for Pontianak

- City in West Kalimantan and to the Government of Malaysia to develop the GCAP for Kuching in Sarawak. We direct our relevant agencies at the national and local levels to provide support in the implementation of the BIMP-EAGA Green Cities Initiative. We are highly encouraged by the actions taken by local communities to adopt and replicate best practices on sustainable ecotourism, agriculture, and fisheries to foster environmental protection across borders.
- 13. We support expanding access to sustainable energy resources as a top priority and critical enabler of BIMP-EAGA's clean energy transition. We welcome the adoption of the Joint Statement (JS) of the Brunei Darussalam-Indonesia-Malaysia-Philippines Power Integration Project (BIMP-PIP), as the initial step to establishing interconnection and power trade within the BIMP region, at the 41st ASEAN Ministers of Energy Meeting on 23rd August 2023. We are pleased to note that one of the outcomes of the JS BIMP-PIP is the signing of the Memorandum of Understanding between PT PLN (Persero), Tenaga Nasional Berhad, Sabah Electricity Sdn Bhd, and ASEAN Centre of Energy on the Cross-Border Power Interconnection trade. We take note of the preliminary findings of the study on the Renewable Energy Certificate Potential (RECAP) in BIMP, which confirm the benefit of setting up a regional cross-border market for RECs. We look forward to the increase in transfer capacity of the Mindanao-Visayas Interconnection Project by October 2023 and the completion of the 11kV Network to Mukim Sukang, Belait, which will provide grid connectivity to remote areas in Ulu Belait Mukim Sukang by December 2023. The Workshop on Energy Conserving Design (ECODE) for Buildings on 26th September 2023 aims to consolidate energy efficiency initiatives, guidelines, standards and best practices for green buildings. We acknowledge Indonesia through PT Kayan Patria Pratama and Malaysia through Sarawak Energy Berhad on the development of the Mentarang Induk Hydroelectric Power Plan in Malinau, North Kalimantan, which will provide support to industrial parks in that area.
- 14. We emphasise the pivotal role of ICT in digital economy development and the broader digital transformation and services in the subregion. We are committed to improving ICT infrastructure and upskilling and reskilling our human resources to meet the demands of the 21st century in line with relevant ASEAN initiatives, including the Bandar Seri Begawan Roadmap and the recently launched ASEAN Digital Framework Agreement. We are pleased that Letter of Intent among business leaders at the BIMP-EAGA ICT CEO Forum to collaborate on innovation and technopreneurship projects as well as on startup ecosystems has resulted to an MOU between Sarawak Digital Economy Corporation Berhad and Farm Konekt on smart agriculture.
- 15. We aim to catalyse innovation and foster equitable growth in BIMP-EAGA by developing human capital and vibrant creative industries. We welcome the establishment of the BIMP-EAGA Higher Education Institutions Network with MOUs between Palawan State University, the Universiti Malaysia Sabah, and Sabah Institute of Art, as well as partnerships with BEBC of Sabah and Palawan. The 3rd BIMP-EAGA Technical and Vocational Education Training (TVET) Conference held on 8 9 March 2023 in Kuching, Sarawak served as a vital platform for sharing best practices in TVET talent development and strengthening collaboration among government, academia, and industries. We congratulate Indonesia for the success of the 4th Budayaw Festival held on 1 to 5 September 2023 in Makassar, South Sulawesi which was attended by 300 artists.

We look forward to the hosting of the 5th Budayaw in the Philippines in 2025. We also welcome the establishment of the youth and sports development working group and the formulation of an action plan to further strengthen youth and sports cooperation for peace and development.

- 16. We acknowledge the efforts of the BIMP-EAGA Business Council for organizing the BIMP-EAGA Trade Convention 2023 (BETCON 23) to promote trade, investment, and tourism in the subregion. We also express appreciation to the private sector through the BEBC for their concerted actions in promoting cross-border economic activities. We support BEBC's efforts to expand its membership to include key industry players, chambers of commerce, and micro-enterprises to realise joint private-sector ventures and cross-border trade. We also commend the signing of an MOU between the National Chamber of Commerce and Industry of Brunei Darussalam and the Malaysian International Chamber of Commerce and Industry Sabah on 23rd October 2023 to foster the development and diversification of economic cooperation and the widening of commercial exchanges between Brunei Darussalam and the State of Sabah, Malaysia.
- 17. We recognise the need for more effective and efficient coordination, implementation, and monitoring of existing and new BIMP-EAGA initiatives through a fully functional central secretariat. We highly appreciate steps taken by the member countries to fast-track legalisation and institutionalisation of the BIMP-FC. These efforts reinforce our solid commitment to take BIMP-EAGA cooperation to the next level by having a fully functioning secretariat. With the goodwill and trust we have built for almost 3 decades, we reiterate the need and urgency to resolve the issue on institutionalising BIMP-FC and to have this resolved in time for the preparation for the BIMP-EAGA Post 2025 agenda. In parallel, improving our respective in-country coordination is crucial as we strive to bolster the institutional structures and mechanisms at the subregional level.
- 18. We sincerely appreciate the valuable contributions of ADB, our longstanding Regional Development Advisor, for its steadfast commitment to BIMP-EAGA for almost 3 decades. ADB provides support to BIMP-EAGA in a wide range of areas, including transport and energy projects; analytical work on economic corridors and SEZs cooperation, including the ongoing review and expansion of BIMP-EAGA corridors; green recovery focusing on liveable and smart cities; fostering healthy oceans and the blue economy through strategy development, capacity building, and financing; tourism revival and smart tourism adoption; trade facilitation, including customs cooperation; capacity building for government officials; and cooperation with ASEAN and other subregions. We thank ADB for its invaluable assistance in identifying concrete actions to increase trade, tourism, and investment, and to foster sustainable, inclusive, and resilient growth in BIMP-EAGA as set forth in the Accelerating Cooperation Together (ACT) BEV 2025 Midterm Review. We request continued ADB support in the preparation of the post-BEV 2025 agenda.
- 19. We advocate for greater cooperation with ASEAN, given BIMP-EAGA's strategic role as a building block to ASEAN integration and community building, by fostering synergy and improving coordination between the ASEAN Secretariat and BIMP-EAGA institutional bodies. We look forward to the implementation of key actions to enhance strategic, sectoral, and institutional linkages between and among ASEAN, BIMP-EAGA, and other subregions.

- 20. We are gratified with the outcomes of the 14th BIMP-EAGA and China Senior Officials Meeting on 25th October 2023 and the progress in implementing various activities in the BIMP-EAGA China Cooperation Plan of Action 2020–2025. We are pleased to note the active involvement of local governments and businesses from BIMP-EAGA and China to explore markets on trading, manufacturing, and tourism, which will further enhance cooperation.
- 21. We appreciate the support from the Republic of Korea (ROK) for the successful conduct of the 5th BIMP-EAGA ROK Senior Officials Meeting in Seoul, Korea. We thank ROK for funding support to twenty-one (21) projects in connectivity, environment, tourism, and agriculture under the BIMP-EAGA Korea Cooperation Fund (BKCF). We acknowledge the ROK's plan to increase its contribution to the BKCF to US\$6 million per annum by 2027. We take note that the 6th BIMP-EAGA and ROK SOM will be held in Sabah, Malaysia in 2024.
- 22. We take note the findings of the feasibility study conducted by the ASEAN Japan Centre on the opportunities for BIMP-EAGA to capitalise on the circular economy, focusing on SMEs in Malaysia, and look forward to the outcome of the similar study for Brunei Darussalam. We reiterate our intention to upgrade our level of engagement with Australia as BIMP-EAGA Development Partner. We look forward to the finalisation of the Frameworks of Economic Cooperation of BIMP-EAGA and Australia and with Japan.
- 23. We express our gratitude to the Government of Negara Brunei Darussalam for the warm hospitality and the excellent meeting arrangements.

List of Signing Ministers

- H.E Dato Amin Liew Abdullah, Minister at the Prime Minister's Office and Minister of Finance and Economy II, Brunei Darussalam
- 2. H.E Dato Hajjah Hanifah Hajar Taib Deputy Minister of Economy Ministry of Economy, Malaysia
- 3. H.E Secretary Maria Belen Sunga Acosta Chairperson of Mindanao Development Authority, Philippines
- 4. Hon. Dr. Rizal Edwin Manansang Senior Advisor to the Minister, Coordinating Ministry for Economic Affairs, Indonesia

Lists of State Ministers/Provincial Governors

- 1. H.E. Dato Sri Haji Abdul Karim Rahman Hamzah Minister for Tourism, Creative Industry & Performing Arts & Minister for Youth, Sports and Entrepreneur Development, Sarawak, Malaysia
- 2. H.E. Prof. Dr. Zudan Arif Fakrulloh Governor of West Sulawesi, Republic of Indonesia

- 3. Honorable Yshmael I. Sali Governor, Province of Tawi-Tawi Bangsamoro Autonomous Region in Muslim Mindanao (BARMM), Philippines
- 4. Honorable Mohammad Sofian bin Haji Basri Acting District Officer, Tutong District Office, Ministry of Home Affairs, Brunei Darussalam