

JOINT STATEMENT FOURTEENTH BRUNEI DARUSSALAM-INDONESIA-MALAYSIA-PHILIPPINES EAST ASEAN GROWTH AREA SUMMIT (14TH BIMP-EAGA SUMMIT)

28 October 2021 Brunei Darussalam

- 1. We, the Leaders of Brunei Darussalam, Indonesia, Malaysia, and the Philippines gathered for the 14th BIMP-EAGA Summit on 28 October 2021 under the Chairmanship of the Republic of Indonesia.
- 2. We are concerned with the prolonged impact of the COVID-19 pandemic as it continues to adversely affect our health and economy. We gather in exceptional times calling for robust cooperation in bouncing back stronger together. Amidst the challenges, we are committed to jointly addressing the impact of COVID-19 and lay the groundwork for economic recovery. We will further enhance our role as a building block of ASEAN as we take decisive steps in aligning BIMP-EAGA recovery and resilience with **ASEAN** measures the Comprehensive Recovery Framework's broad strategies.
- 3. We are reassured by our strong macroeconomic fundamentals that helped us weather the COVID-19 crisis. Our BIMP-EAGA economy contracted by 3.5% in 2020 compared to pre-pandemic GDP growth at 6.9%, and our combined GDP is at US\$322.8 billion. Our total trade in goods fell by 11.4% to US\$95.3 billion last year from US\$107.6 billion because of weaker demand. We are encouraged by the increase in foreign direct investments to nearly 32.0% to US\$12.8 billion in 2020 from US\$9.7 billion in 2019. Domestic investments also increased to US\$9.2 billion in 2020, up 33.3% from US\$6.9 billion in 2019. The increase in investments can help boost our economies to recover coupled with sustained infrastructure connectivity. Tourism remains the hardest hit sector and thus requires revival especially with declines in tourist arrivals by 76% and decrease in tourism receipts by 79.1% to \$6.2 billion in 2020 from US\$29.7 billion in 2019.

- 4. We are continually guided by the BIMP-EAGA Vision 2025 (BEV 2025) as we take bold actions towards economic recovery. We are greatly pleased with the preliminary findings of the midterm review of BEV 2025 as we are on course to meet our targets despite headwinds from the COVID-19 pandemic. We look forward to the completion and endorsement of the midterm review. We also support refinements for the BEV 2025 so our cooperation program continues to be relevant and responsive to our development needs and priorities, and to be strategic in seizing opportunities and mitigating risks especially those caused by the COVID-19 crisis.
- 5. We are encouraged that the pandemic has not deterred the impressive pace of BIMP-EAGA cooperation especially with the completion of almost one third, 27 Priority Infrastructure Projects (PIPs) out of 88 projects. An indicator of our solid commitment towards enhanced connectivity in the subregion is the increase of our PIPs to nearly 65% from 57 to 88 projects with the combined amount of US\$24.23 billion. Eight large scale infrastructure projects have completed phases, 10 projects are due for completion this year, and almost half, with 43 projects are in different stages of implementation. We commit to fortify BIMP-EAGA cooperation in all sectors, build on significant achievements in connectivity, and strengthen economic corridors and special economic zones (SEZs) development to sustain trade and supply chains, attract quality investments, and promote inclusive growth in the new normal.
- 6. We firmly believe that quality, seamless, multi-modal infrastructure is essential to the facilitation of trade, movement of people, and the provision of basic services in our subregion. The completion of the Sultan Haji Omar Ali Saifuddien Bridge, Manado Bitung Toll Road and Balikpapan to Samarinda Toll Road, reduces costs and travel time and leads to greater efficiencies and competitiveness. The development of the ports of Manado and Puerto Princesa contributes to maritime connectivity, and the LNG ISO Tank Export Facilities in Bintulu Port serves as a pioneering ASEAN port exporting alternative and renewable energy sources. The completion of the Juwata International Airport, Mukah Airport and the General Santos Aerotropolis Airport improves access to tourist destinations and movement of cargos.

- 7. We support the establishment of travel bubbles to revive the tourism and travel industries. We task the BIMP-EAGA officials to coordinate and oversee the operationalization of the BIMP-EAGA travel bubbles by developing common measures, ensuring health and safety protocols, and implementing strategies to regain travelers' confidence. In addition, we look forward to the completion of the BIMP-EAGA Tourism Recovery Framework aligned with the Post COVID-19 Recovery Plan for ASEAN Tourism.
- 8. We acknowledge the Bandar Seri Begawan Roadmap: An ASEAN Digital Transformation Agenda to Accelerate ASEAN's Economic Recovery and Digital Economy Integration to drive our responses to the fast-changing demands of the fourth industrial revolution. We urge our officials to be guided by this Roadmap as we continue helping MSMEs in adopting digital technologies such as the Go Digital ASEAN project. We will also continue supporting startup ecosystems through the Startuphub@BIMP-EAGA by ICT CEO Forum.
- 9. We realise the importance of cooperation in responding to the growing energy demand in the subregion. We welcome the completion of the enclave interconnections of the Tideng Pale-Malinau Segment as part of the Tanjung Redep-Malinau 150 kV Transmission in North Kalimantan, Indonesia. We also welcome the Mindanao 230 kV Transmission Backbone Upgrading in the Philippines. We are pleased with the signing of the Sabah-Sarawak 275 kV Interconnection Power Exchange Agreement, marking an additional milestone to actualise the Borneo Grid and complementing the Trans Borneo Power Grid Sarawak-West Kalimantan Interconnection Project. Both interconnections are crucial foundations to the wider ASEAN Power Grid.
- 10. We recognise border cooperation is crucial to sustain trade and ensure supply chains remain open in a safe manner. We acknowledge the One Borneo Quarantine Initiative and expect signing of the Letter of Intent in 2022 to strengthen cooperation in monitoring and inspection in the BIMP-EAGA quarantine systems and enhance protection from pests and diseases. Attracting quality investment, increasing employment, and boosting linkages to supply chains are crucial in ensuring viable trade and investment in the new normal. We look forward to the completion of the Study on Collaborative Approach to SEZs Development and Cooperation in BIMP-EAGA to guide us in identifying strategies and joint actions to promote active clustering in the economic corridors.

- 11. We underscore the importance of agro-industry and fisheries development to achieve inclusive growth and provide livelihoods to our farmers and fisherfolks especially in the wake of the pandemic. We pledge to accelerate cooperation in the agriculture sector through the subregional value-chain approach in priority commodities at the project level. We encourage our agriculture and fisheries agencies to provide support in increasing productivity, achieving competitiveness and sustainability, promoting high-value food industries, and exploring international market linkages in the BIMP-EAGA priority commodities.
- 12. We will continue pursuing green recovery to help us realise a more sustainable and pandemic-resilient subregion. The BIMP-EAGA Green Cities Initiative (GCI) continues to take strides in implementing green projects and thus we look forward to the completion of the Green City Action Plan (GCAP) in General Santos City, Philippines. We direct our relevant agencies at the national and local levels to provide support in the implementation of key actions laid out in the GCAPs in Kendari, Indonesia and Kota Kinabalu, Malaysia and look forward to the expansion of cities participating in the GCI. We are pleased that the cities of Tomohon (Indonesia), Kota Kinabalu, and General Santos are taking crucial steps to implementing the ASEAN Sustainable Urban Strategy and improving liveability. We welcome initiatives with local communities to adopt and replicate best practices on sustainable ecotourism, agriculture, and fisheries in BIMP-EAGA to foster environmental protection and cooperation.
- 13. We recognise the importance of human resource and socio-cultural development in the pursuit of a cohesive, socially responsible, and people-centered BIMP-EAGA community. To adapt to the crisis and meet labor demands, we underscore the importance of reskilling and upskilling the workforce and strengthening our technical, vocational education and training and higher education institutions. We acknowledge the virtual cultural events, and human resources development activities as well as production of educational materials, which help deepen our shared understanding and values towards one community.

- 14. We commend the active private sector engagement demonstrated by the BIMP-EAGA Business Council (BEBC) and other private sector players in promoting trade, investment, tourism, and other areas of socioeconomic development, amid the pandemic and for their concerted efforts in assisting the subregion's economic recovery. We will promote greater participation by state and local governments in BIMP-EAGA area-based cooperation.
- 15. We recognise the ever-increasing initiatives that are currently being pursued under the BIMP-EAGA cooperation and the need to effectively coordinate and monitor them through a fully-functioning central secretariat. We remain committed to strengthen the institutional capacity of the BIMP-EAGA Facilitation Centre (BIMP-FC) and look forward to the finalisation of the institutional arrangement for the establishment of the BIMP-FC.
- 16. We express profound appreciation for Asian Development Bank's (ADB) steadfast commitment and thank ADB for promptly supporting the subregion, especially the poor and vulnerable, in the wake of the COVID-19 crisis. ADB cooperation includes support for COVID-19 response, economic recovery, and resilience; enhancing connectivity with transport and energy projects in BIMP-EAGA economic corridors; conducting analytical work on border areas and SEZs development; promoting green recovery through the BIMP-EAGA Green Cities Initiative; supporting tourism revival aligned with ASEAN plans; protecting marine ecosystems; and enhancing the capacities of BIMP-EAGA government officials. ADB's assistance in the conduct of the midterm review of BEV 2025 will help the subregion improve implementation, manage the impact of COVID-19, and collectively build back better.
- 17. We will work to ensure our development strategies are aligned with the overall development strategies of ASEAN and our efforts contribute to ASEAN Community building. Towards this end, we encourage stronger collaboration of the relevant BIMP-EAGA bodies with ASEAN sectoral bodies to create greater synergy and convergence in our sectors of cooperation. We look forward to the implementation of key actions to enhance strategic, sectoral and institutional linkages between ASEAN and BIMP-EAGA.

- 18. We note with satisfaction the encouraging progress in BIMP-EAGA's collaboration with our Development Partners and agree to further enhance and strengthen partnerships through existing frameworks. We welcome the joint initiative between BIMP-EAGA and The People's Republic of China on knowledge sharing to boost the trade and economic ties in the post pandemic era. We also look forward to the expansion of new business opportunities and networking in collaboration with the ASEAN- Japan Centre. We appreciate the initiative of the Republic of Korea to deepen engagement and expand BIMP-EAGA cooperation.
- 19. We express our gratitude to the Government of the Republic of Indonesia and to the Government of Brunei Darussalam for the excellent Summit arrangements.

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