

JOINT STATEMENT FIFTEENTH BRUNEI DARUSSALAM-INDONESIA-MALAYSIA-PHILIPPINES EAST ASEAN GROWTH AREA SUMMIT (15TH BIMP-EAGA SUMMIT)

11 May 2023

- 1. We, the Leaders of Brunei Darussalam, Indonesia, Malaysia, and the Philippines gathered for the 15th BIMP-EAGA Summit on 11 May 2023 in Labuan Bajo, East Nusa Tenggara, Indonesia under the Chairmanship of Malaysia. The Summit was chaired by His Excellency Dato' Seri Anwar Ibrahim, Prime Minister of Malaysia.
- 2. We are pleased with BIMP-EAGA's significant achievements and resilience after almost three decades of cooperation. Despite setbacks due to the prolonged impact of the COVID-19 pandemic, the subregion's economic performance is rebounding with growth registered at 3% in 2021 compared to 1% contraction in 2020. Our combined BIMP-EAGA Gross Domestic Product current prices in 2021 stood at US\$358.6 billion accounting for 18.2% of BIMP, which is on track towards the 20% target by 2025. The total trade in goods increased by US\$65.8 billion in 2022. Foreign Direct Investment increased to US\$6.3 billion signaling investor confidence in our subregion and equally promising is that domestic investment increased to US\$2 billion. International tourism arrivals to the subregion are also returning to prepandemic levels with the number of tourists steadily increasing. Our stable macroeconomic fundamentals are a testament that our steadfast cooperation contributes significantly to regional economic resilience notwithstanding geopolitical tensions, soaring inflation, and fiscal tightening.
- 3. We endorse the Accelerating Cooperation Together (ACT) midterm review of the BIMP-EAGA Vision (BEV) 2025 report. The ACT report builds on earlier accomplishments, identifies lessons, and puts forward key actions required to fast-track implementation and results achievements of the BEV 2025. We recognise the concerted efforts of all BIMP-EAGA stakeholders led by the ministers and senior officials in realising the goals set out in BEV 2025. We task government officials and the private sector to implement measures identified in the ACT report in expanding new focus areas, refining sector strategies and priorities, strengthening project management mechanisms, and improving institutional arrangements. These measures set the foundation for charting BIMP-EAGA's new development pathways in the post-2025 agenda.
- 4. We underscore the importance of regional connectivity as a driver of growth and economic activities in the subregion. We are proud with the more than double increase of our Priority Infrastructure Projects (PIPs) from 57 in 2017 to 126 projects in 2023 amounting to US\$34.45 billion. The pace of implementation is impressive with 49 projects completed, six projects finished major phases, and 71 projects in various stages of implementation, and financing for a significant number of PIPs secured. These PIPs spanning roads, bridges, and railways; seaports and airports;

cross-border facilities and inland transport services; ICT infrastructure; power interconnections; and urban development infrastructure and services have provided our farmers and fisher folks access to markets, delivered reliable energy to rural communities, catalysed trade in the border areas, and boosted tourist arrivals. The establishment of special economic zones spur sustainable trade, quality investments and generate jobs within and outside BIMP-EAGA.

- 5. We welcome the resumption of air, land, and sea connectivity in BIMP-EAGA and encourage key stakeholders to work together especially the private sector for the full resumption of the suspended routes as well as the expansion of viable new routes to service passenger traffic and movement of goods. Thus, we encourage revival of air connectivity between Tawau-Tarakan, Pontianak-Kuching, Zamboanga-Kota Kinabalu, and Davao-Manado. The new sea routes between Muara-Puerto Princesa, Tanjung Silopo-Lahad Datu, Bongao-Labuan, and Bongao-Lahad Datu are expected to increase mobility of people and trade in goods.
- 6. We commend the steadfast commitment of BIMP-EAGA tourism key players in revitalising the industry through innovative solutions to enhance travel safety, implement hygiene standards, and deliver high-quality services. We are optimistic that the tourism industry is bouncing back given increase in tourist arrivals with the ease of travel restrictions and more importantly our unique tourism assets. We commit to improving our tourism development efforts towards greater sustainability, resilience, and innovation to ensure inclusive growth for our local communities. We also acknowledge the endorsement and the implementation of the BIMP-EAGA tourism recovery communications plan which aims to boost travelers' confidence given our subregion is open, easy, and safe, and reiterate that the plan complements national and ASEAN initiatives.
- 7. We strongly support mobility of people and goods across borders without excessive cost or delay and in a safe manner. Thus, we welcome the conclusion of the negotiation for the One Borneo Quarantine Initiative which strengthens cooperation in monitoring and inspection in the subregion's quarantine system and enhance protection from pests and diseases. We look forward to the signing of the Letter of Intent at the 26th BIMP-EAGA Ministerial Meeting in October 2023 in Brunei Darussalam. We also appreciate recommendations put forward by the Asian Development Bank (ADB) study on Special Economic Zones (SEZs) in BIMP-EAGA that can help us implement joint actions to develop investment havens, production networks, and industrial clusters. We look forward to the findings and recommendations of the ongoing BIMP-EAGA economic corridors study, supported by ADB, which assess viability of existing corridors; propose new areas for expansion based on trade, tourism, and investment flows; recommend viable routes to increase connectivity; and identify infrastructure investments.
- 8. We support expanding access to sustainable energy resources as a top priority and critical enabler of BIMP-EAGA's clean energy transition. We await the recommendations of the project on Renewable Energy Certificate Potential in the Area of BIMP-EAGA, supported by the BIMP-EAGA-Republic of Korea (ROK) Cooperation Fund, which is reviewing the renewable energy market for potential investments. We also commend the completion of major enclave interconnections in Tanjung Redeb-Tanjung Selor and the Mindanao-Visayas Interconnection Project.

- 9. We highlight the pivotal role of ICT in achieving a digital economy and thus are committed to intensifying BIMP-EAGA's digital transformation and preparedness for the Fourth Industrial Revolution (4IR). We will jointly collaborate to improve ICT infrastructure and upskilling and reskilling our human resources to meet the demands of the 21st century guided by the ASEAN Economic Blueprint 2025 and the Bandar Seri Begawan Roadmap. We will also continue to foster a more conducive startup ecosystem through the Startuphub@BIMP-EAGA initiative. We congratulate the ICT CEO Forum for their private sector-led approaches in promoting ICT connectivity, building capacities, and developing startups and technopreneurs in our subregion.
- 10. We recognise agro-industry and fisheries development provides livelihoods, mitigate climate change impacts, and address food insecurity. We will work towards integrating subregional value-chain approaches in priority commodities at the project level in line with our goal to be ASEAN's food basket. We urge our agriculture and fisheries agencies to increase engagement with the private sector by promoting-high-value food industries and smart applications of sustainable farming and fishing.
- 11. We firmly believe low-carbon approaches can lead us to green growth. We acknowledge the completion of the General Santos Green City Action Plan (GCAP) which has identified a pipeline of green investments. We welcome ADB's support to Indonesia in formulating the Pontianak GCAP and its assistance to Malaysia in developing GCAPs for the cities of Kuching in Sarawak and the Federal Territory of Labuan. We direct our relevant agencies at the national and subnational levels to accelerate implementation of the BIMP-EAGA Green Cities Initiative. We are greatly encouraged by community-based initiatives in scaling-up best practices on sustainable agriculture. ecotourism. and fisheries to foster cross-border environmental protection and cooperation.
- 12. We promote innovation and equitable growth in BIMP-EAGA by developing competitive human capital and vibrant creative industries. To build a future-ready workforce, we will expand reskilling and upskilling programs and help technical, vocational education and training (TVET) and higher education institutions meet global standards. We welcome the launching of the BIMP-EAGA Higher Education Institutions network on 9 February 2023 in Puerto Princesa City, Palawan and look forward to the establishment of the TVET network. We commend the conduct of the 3rd BIMP-EAGA TVET Conference held on 8 9 March 2023 in Kuching, Sarawak which is a vital platform in sharing best practices in TVET talent development and strengthening collaboration between and among government, academia, and industries. We also strongly support advancing cultural and creative industries and preserving our cultural heritage to nurture sustainable living, which is the foundation of our regional identity.
- 13. We reiterate the benefits of BIMP-EAGA cooperation can only be maximised and made sustainable if robust institutional arrangements are in place. We express appreciation to the private sector through the BIMP-EAGA Business Council (BEBC) for their concerted efforts in assisting the subregion's economic recovery and promoting cross-border economic activities. We commend the conduct of the 2023 BIMP-EAGA Maritime Conference held on 21 23 February 2023 in Jakarta, Indonesia which brought together key logistics and transport business leaders to strategically promote and facilitate trade and economic development throughout BIMP-EAGA. We encourage BEBC to expand its membership to include key industry

players, chambers of commerce, and micro-enterprises to help achieve expanded joint ventures, cross-border trade, and more active participation in clusters and working groups projects.

- 14. We acknowledge efforts to revive and strengthen participation of the BIMP-EAGA states and provincial governments in the subregion's programmes and initiatives as highlighted in the 4th BIMP-EAGA Chief Ministers, Governors, and Heads of Local Government Forum (CMGLF) on 25th November 2022 in Pontianak, West Kalimantan. We encourage the states and provincial governments to mainstream BIMP-EAGA's development agenda in their policies, plans and initiatives. We welcome efforts to explore the establishment of the BIMP-EAGA Parliamentary Forum, which aims to foster greater cooperation and understanding among legislators and parliamentarians from the member countries.
- 15. 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-Facilitation Centre (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 three decades, we reiterate the need and urgency to resolve the issue on institutionalising BIMP-FC in an open-minded and mutually beneficial way within this year. In parallel, improving our respective in-country coordination is crucial as we strive to bolster the institutional structures and mechanisms at the subregional level.
- 16. Given BIMP-EAGA's strategic role as a building block to ASEAN integration and community building, we encourage enhanced coordination between the ASEAN Secretariat and the BIMP-EAGA institutional bodies to boost greater synergies in our cooperation. We congratulate the successful conduct of the Joint Consultative Meeting, virtually in May 2022 and physically in June 2022 and acknowledge the implementation of the Plan of Action to enhance strategic, sector, and institutional linkages between and among ASEAN, BIMP-EAGA, as well as other subregions.
- 17. We express our sincere appreciation to ADB, our longstanding Regional Development Advisor, for its unwavering commitment to BIMP-EAGA through the years. We thank ADB for its technical assistance in the preparation of the Accelerating Cooperation Together (ACT) BEV 2025 midterm review which identified concrete actions to increase trade, tourism, and investment; and foster sustainable, inclusive, and resilient growth in BIMP-EAGA. ADB also provides support to BIMP-EAGA in a wide range of areas including transport and energy projects, analytical work on SEZs cooperation and economic corridors, green recovery via GCAPs and smart and liveable cities development, tourism recovery communications planning and training, capacity building for government officials, and cooperation with ASEAN and other subregions. We also request continued ADB support in implementing the BEV 2025.
- 18. We value the contributions of our Development Partners and are committed to further strengthening partnerships and cooperation through existing frameworks. We appreciate the support from the Republic of Korea for the establishment of the BIMP-EAGA-ROK Cooperation Fund (BKCF) which recently provided funding support for

ten (10) projects in connectivity, environment, tourism, and agriculture. We also look forward to the signing of the Framework of Economic Cooperation between BIMP-EAGA and Japan in 2023. Inspired by this recent development, we will pursue collective efforts in optimising our engagement with other development partners especially at the project level.

19. We express our utmost gratitude to the Government of Malaysia for effectively chairing this meeting and the Government of the Republic of Indonesia for their warm hospitality and the excellent meeting arrangements.

List of Leaders

- 1. His Majesty Sultan Haji Hassanal Bolkiah Sultan and Yang Di-Pertuan of Brunei Darussalam
- 2. His Excellency Ir. H. Joko Widodo President of the Republic of Indonesia
- 3. His Excellency Dato' Seri Anwar Ibrahim Prime Minister of Malaysia
- 4. His Excellency Ferdinand Romualdez Marcos Jr. President of the Republic of the Philippines
- 5. His Excellency Dr Kao Kim Hourn Secretary-General of ASEAN
- 6. His Excellency Masatsugu Asakawa President Asian Development Bank