



JOINT STATEMENT

THE 28th MINISTERIAL MEETING OF INDONESIA-MALAYSIA-THAILAND GROWTH TRIANGLE (IMT-GT)

Friday, 16 September 2022

1. We, the IMT-GT Ministers, held our 28th Meeting on 16 September 2022 in Phuket, Thailand, under the chairmanship of H.E. Arkhom Termpittayapaisith, Minister of Finance, the Kingdom of Thailand. The meeting was attended by H.E. Dr. Agus Gumiwang Kartasasmita, M.Si, Minister of Industry, Republic of Indonesia, and H.E. Dato' Sri Mustapa bin Mohamed, Minister in the Prime Minister's Department (Economy), Malaysia.
2. We are pleased to see the global herd immunity rate that has set the base for an optimistic stage to recuperate all economic activities through the reopening of the borders and the relaxed travel restrictions. We heartedly applaud all member countries for the progress made in providing nationwide vaccination to control the transmission of the COVID-19 and executing economic stimulus to accelerate economic recovery.
3. We are fully aware of the arising challenges posed by the world's geopolitical dynamics that may disrupt our sailing way to reach immediate recovery. The consequential effect on the global supply chain of energy and food supplies subsequently disrupts the economic rebound of the subregion. Therefore, we urge IMT-GT stakeholders to remain solid in overcoming these challenges.
4. We note that the COVID-19 pandemic has hampered the progress of economic development in the subregion although some of the subregional socio-economic indicators have shown recovery signs. The subregional trade records a significant increase to 618.1 billion USD in 2021 compared with the figure in 2020 which recorded 350.9 billion USD. The total investment in the subregion is also higher in 2021 (58.5 billion USD) compared with its value in 2020 (26.1 billion USD). We also note that the subregional unemployment rate has decreased from 5.3% in 2020 to 5% in 2021. However, this figure is still higher compared with 2019 data which is recorded at 4.2%. The international tourist arrival of the subregion drastically plummeted to 0.5 million persons in 2021 which is the lowest record in tourism sector. In this regard, we call for collective efforts from all stakeholders to continuously revive the social and economic development of the subregion.
5. We appreciate the progress made by the **Working Group on Agriculture and Agro-based Industry** in pursuing the subregional project on Smart Farmer Technology to increase agriculture production. We urge the working group to identify cross-sectoral collaboration to reduce post-harvest losses, reduce food

waste and ensure the availability and accessibility of agriculture inputs to achieve food security and resiliency in the subregion. We look forward to the continuation of the Regional Agriculture Training Programme to promote sustainable agricultural practices and create job opportunities. Furthermore, we acknowledge palm oil as one of the strategic agricultural products in the subregion. Hence, we encourage the working group to explore potential collaboration in developing and promoting this prominent commodity.

6. We are cognisant of the huge potential of the Halal industry for the subregional economy. We applaud the **Working Group on Halal Products and Services'** commitment to promoting halal products and services and increasing halal professionals in the subregion. We encourage the working group to facilitate halal certification and utilise digital and science-based innovation in advancing the subregional halal industry. We also encourage the working group to facilitate industry players in penetrating new halal markets and strengthen cross-sectoral collaboration to elevate the subregion into a global halal hub.
7. We appreciate the progressive development made by the **Working Group on Tourism** in revitalising the tourism sector by conducting activities including the 2nd IMT-GT Cruise Business Forum and the IMT-GT Themed Trails 2022. We welcome the initiative of Self-Drive Tourism & ASEAN Connect Guideline and the Training of Trainer of Elevating the Tourism Community to Digital Economy. We encourage the working group to continuously optimise the tourism recovery endeavour by implementing impactful projects in compliance with health and safety protocol. We urge the IMT-GT member countries to take actions on the preparation of the IMT-GT Visit Year 2023-2025 to revive tourism industry.
8. We underscore the importance of transport and connectivity to facilitate trade and economic activities in the subregion. We are delighted that IMT-GT Physical Connectivity Projects (PCPs) in three countries are in progress. We agree to continuously developing multi-modal transport connectivity and integrating the six economic corridors in the subregion. We encourage the **Working Group on Transport Connectivity** to expedite the progress of the road alignment linking CIQ Sadao-ICQS Bukit Kayu Hitam, Melaka-Dumai Ro-Ro maritime connectivity and the construction of the second bridge Rantau Panjang-Golok River. We urge the working group to further facilitate the improvement of the interconnectedness of the subregion through land, sea, and air connectivity.
9. We remain steadfast to facilitate trade and investment flow to boost confidence and ensure economic stability in the subregion. We congratulate the **Working Group on Trade and Investment Facilitation** for the signing of the Memorandum of Understanding (MoU) on the IMT-GT Rubber Cities and Rubber Industry Cooperation. We foresee impactful initiatives and projects in strengthening and advancing the rubber industry in the subregion. We urge the working group to seize the potential cooperation between Special Economic Zones (SEZs) located in the IMT-GT area to boost the subregional economy and attract more investments. We also encourage the working group to remain committed in monitoring socioeconomic and trade performance in the subregion.

10. We recognise digital technologies and information and communication technology (ICT) play a vital role in accelerating the economic growth of the subregion. We place our high expectation to the newly established **Working Group on Digital Transformation** to bring more benefit to our society and economy of the subregion. We appreciate the working group for its effort in advancing internet accessibility and digital literacy to facilitate more efficient economic activities. We expect the working group to accelerate efforts in promoting the development of digital infrastructure and digital innovation as well as to carry out training programmes for SMEs to further improve the livelihood of the people in the subregion.
11. We note that addressing the climate change, promoting renewable energy, and ensuring environmental sustainability are instrumental to the subregion. In this connection, we encourage the **Working Group on Environment** to strengthen collaboration with IMT-GT Green Cities Mayor Council and the IMT-GT Green Council to accelerate the implementation of projects and programmes under the IMT-GT Sustainable Urban Development Framework (SUDF). Furthermore, we also welcome environmental initiatives to adopt the concept of green, blue, and circular economy.
12. We reiterate the importance of strengthening the human capital development in the subregion. We appreciate the **Working Group on Human Resource Development**'s commitment to pursuing capacity-building programmes to enhance the competency of the labour force in the subregion. We also acknowledge the progress in harmonising skills competency standards and certification to improve competitiveness and mobility of labours in the subregion. We encourage the working group to continuously implement initiatives and programmes to reinforce our workforce's capacity to keep up with the current labour market demand and the Industrial Revolution (IR) 4.0 through upskilling and reskilling training programmes.
13. We underscore the importance of the private sector in propelling the subregional economic growth in line with the IB 2022-2026. We appreciate **IMT-GT Joint Business Council (JBC)**'s commitment to supporting subregional cooperation through active participation in IMT-GT activities. We encourage the JBC to strengthen its institutional mechanism to enhance private sector's role in IMT-GT cooperation.
14. We welcome the new eminent role of **IMT-GT University Network (UNINET)** in preparing a high-quality future generation and providing innovation to accelerate sustainable development in the subregion. We encourage UNINET to take lead in research-based advocacy to support IMT-GT's strategic pillars. We congratulate the UNINET for finalising the UNINET Strategic Action Plan (USAP) 2022-2026 that will guide future collaboration. We encourage UNINET to substantiate its role as the subregional think tank and collaborate with IMT-GT stakeholders to provide innovations and policy recommendations to advance the subregional cooperation.

15. We reiterate the importance of local government in implementing IMT-GT projects and programmes. We are delighted to welcome the states of Pahang, Terengganu, and Johor of Malaysia as the new members of IMT-GT subregional cooperation. We also welcome initiatives to strengthen **Chief Ministers and Governors Forum (CMGF)** by tapping opportunities from Economic Corridors to prosper the local community in the subregion.
16. We recognise the **Asian Development Bank's** unwavering commitment and valuable support as our Regional Development Partner and sincerely appreciate ADB's assistance in post pandemic recovery. ADB's analytical work in economic corridors and SEZs, and technical guidance in identifying the second-generation projects in the Implementation Blueprint 2022-2026 will help expand existing trade routes, contribute to local supply and value chains development, and enhance trade capitalising on existing and planned infrastructure aimed at multimodal transport systems, and promote inclusive growth especially in lagging and border areas of the IMT-GT economic corridors. We also commend ADB's wide-ranging technical assistance to IMT-GT aimed at helping post pandemic recovery; promoting green recovery through livable and SMART cities, sustainable transport and green financing; supporting tourism recovery and revival focused on communications and capacity building; fostering oceans health and the blue economy through knowledge sharing and mobilising resources; building capacities of IMT-GT government officials and knowledge sharing; and deepening cooperation with ASEAN and subregions. We request ADB to continue and expand its support for IMT-GT cooperation as we take crucial steps towards post pandemic resilience.
17. We greatly appreciate the **ASEAN Secretariat** for its close collaboration with IMT-GT. We welcome the active role of the ASEAN Secretariat in initiating cooperation with the IMT-GT subregion in the area of Sustainable Urban Development and Tourism, and in facilitating the development of Joint Plan of Action with IMT-GT and other subregional cooperation. We hope to commence implementing these collaborative initiatives with support from IMT-GT development partners. We also reaffirm our commitment to aligning IMT-GT projects and initiatives with the ASEAN initiatives (e.g. the Master Plan on ASEAN Connectivity 2025, and the ASEAN Comprehensive Recovery Framework as a concrete action to achieve an integrated and harmonious region.
18. We appreciate the **Centre for IMT-GT Subregional Cooperation (CIMT)** for active engagement with the existing IMT-GT partners and networks whilst pursuing strategic relations with potential partners. We note the effort of CIMT to liaise with the Islamic Development Bank (IsDB), United Nations Economic and Social Commission for Asia and the Pacific (UNESCAP), Institute for Global Environmental Strategies Centre Collaborating with United Nations Environment Programme on Environmental Technologies (IGES/CCET), and Danish Energy Efficiency Partners (DEEP).
19. We welcome **the Republic of India** as the new IMT-GT development partner. We look forward to the finalisation of the Plan of Action (PoA) of cooperation

between IMT-GT and India to materialise the early harvest projects and programmes.

20. We endorse the IMT-GT Implementation Blueprint (IB) 2022-2026 as the guidance for the subregional cooperation in the next five years. We encourage IMT-GT stakeholders to implement the strategic frameworks of all focus areas, namely a corridor-centric approach to regional integration, private sector-driven growth, highly responsive institutional setup, inclusive growth, and adopt the green, blue, and circular economy. We reiterate that the IB 2022-2026 is the compass to achieve our Vision 2036.

21. We agree to convene the 29th IMT-GT Ministerial Meeting and related Meetings in Indonesia in 2023.

22. We express our sincere gratitude to the Government of Thailand for chairing the 28th IMT-GT Ministerial Meeting and excellent arrangements of the meeting.

23. The Meeting was attended by

H.E. Arkhom Termpittayapaisith, Minister of Finance, Kingdom of Thailand.

H.E. Dr. Agus Gumiwang Kartasasmita, M.Si, Minister of Industry, Republic of Indonesia.

H.E. Dato' Sri Mustapa bin Mohamed, Minister in the Prime Minister's Department, (Economy), Malaysia.

H.E. Ahmed M. Saeed, Vice President for East Asia, Southeast Asia, and the Pacific, Asian Development Bank.

H.E. Dr. Lim Chze Cheen, Director of ASEAN Connectivity Division, ASEAN Secretariat.

Dated on 16 September 2022.