



BRUNEI DARUSSALAM - INDONESIA - MALAYSIA - PHILIPPINES
Ease ASEAN Growth Area
(BIMP-EAGA)



“ASEAN Economic Integration And Nation Building: BIMP-EAGA Community and Perspective”

Public Symposium on Economic Integration and Nation Building

Marco Polo Ortigas, Manila

September 21, 2017

A presentation by

USEC. JANET M. LOPOZ, CESO I

Executive Director, Mindanao Development Authority (MinDA)



“ More than 90% of firms in ASEAN Members States are SMEs. ”

- World Economic Forum, 2014

WORLD
ECONOMIC
FORUM

COMMITTED TO
PROVING THE STATE
OF THE WORLD

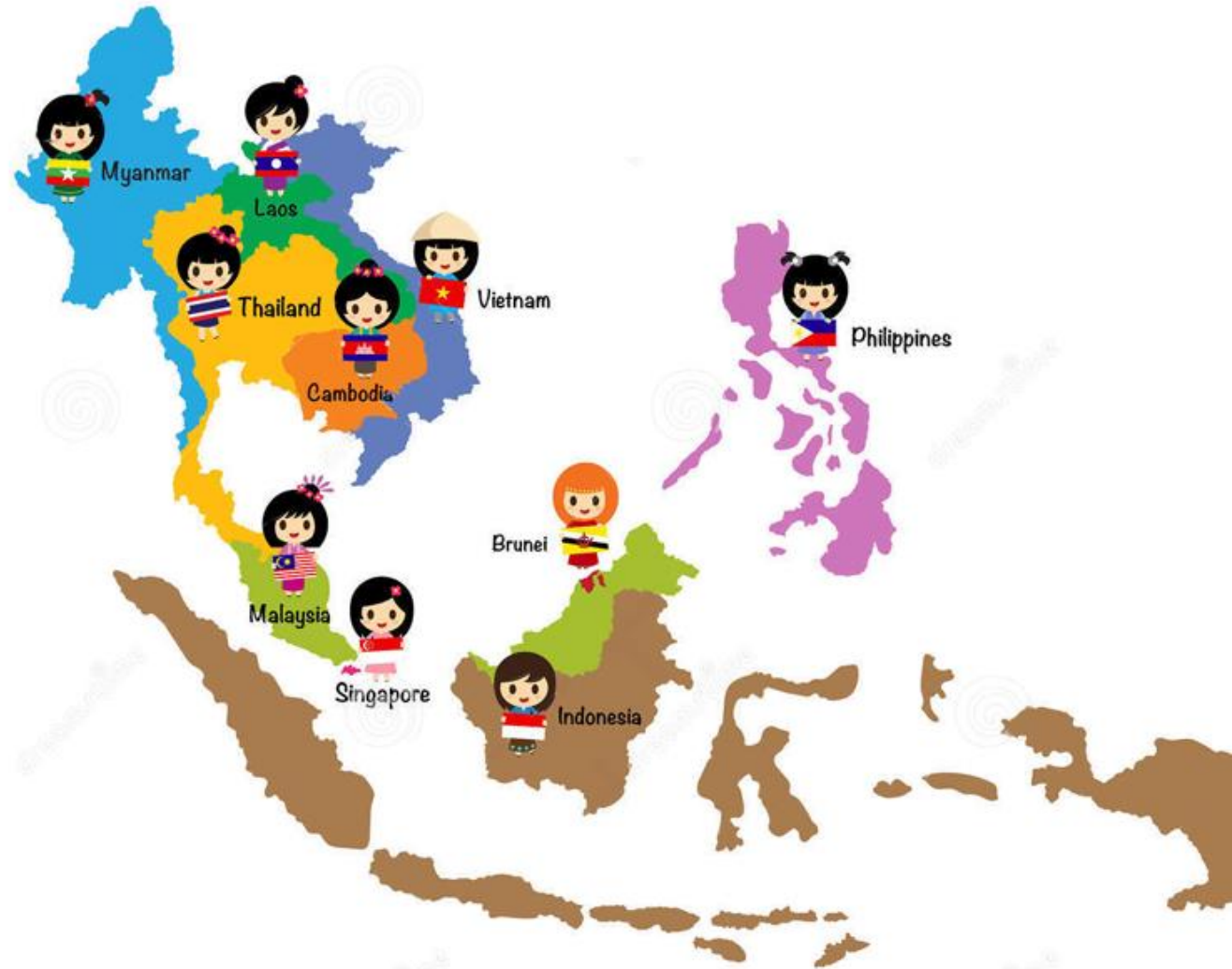
WORLD
ECONOMIC
FORUM



**“ A Single Market Economy that is highly integrated, cohesive, competitive
Inclusive and people-centered community that is integrated with global economy”**



A S E A N
Economic Community
VISION

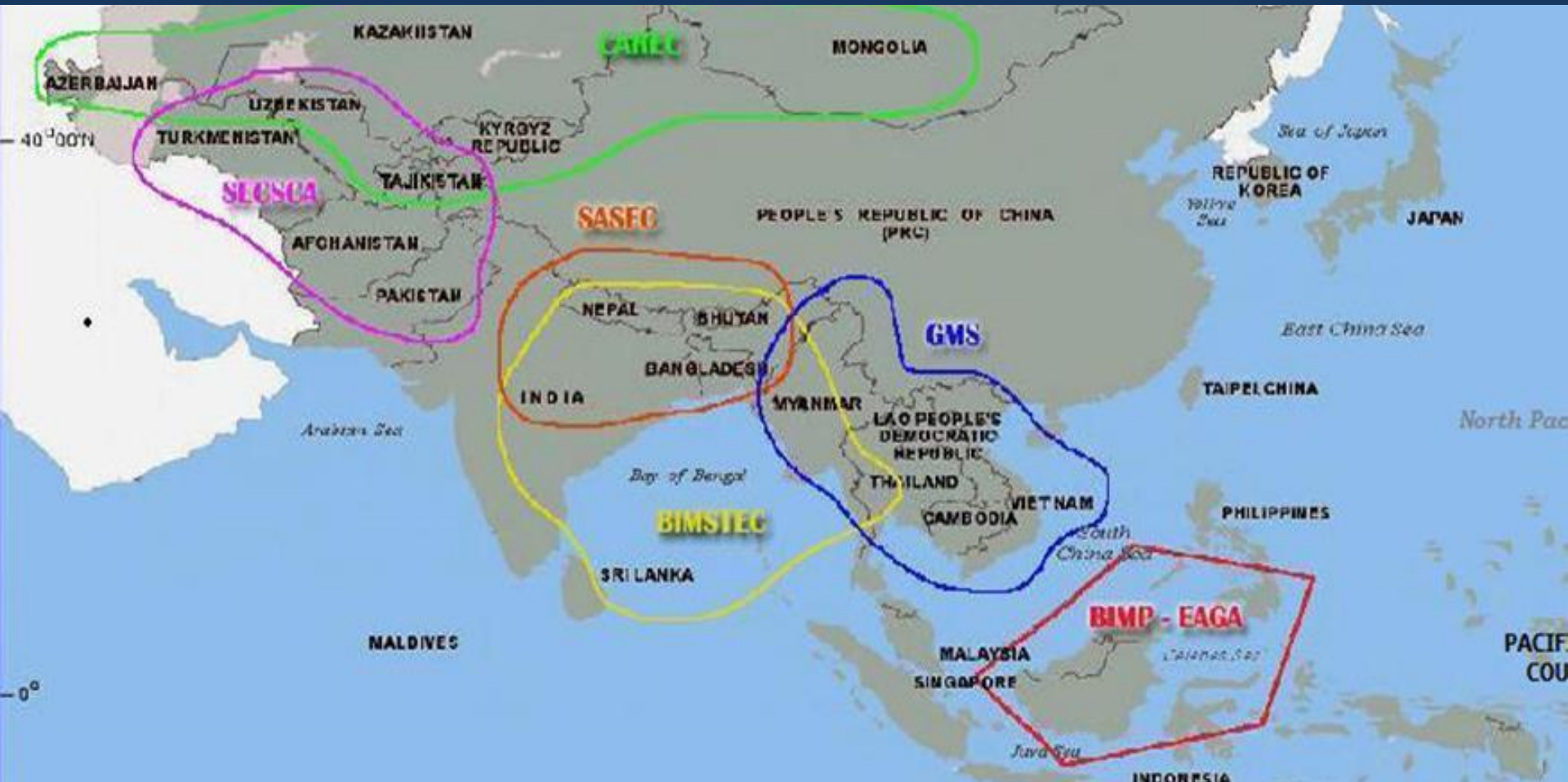


19 NOVEMBER 2007

“ We agreed to have BIMP-EAGA as the TEST bed to accelerate the implementation of the ASEAN economic integration. ”

- 3rd BIMP-EAGA Leader Summit, 2017

Connecting Asia Through Subregional Cooperation Initiatives



BIMP-EAGA	Brunei Darussalam-Indonesia-Malaysia-Philippines East ASEAN Growth Area
BIMSTEC	Bay of Bengal Initiative for Multisectoral Technical and Economic Cooperation
CAREC	Central Asia Regional Economic Cooperation
GMS	Greater Mekong Subregion
SASEC	South Asia Subregional Economic Cooperation
SECSA	Subregional Economic Cooperation in South and Central Asia
IMT-GT	Indonesia-Malaysia-Thailand Growth Triangle

BIMP-EAGA Growth Area



BRUNEI DARUSSALAM
INDONESIA MALAYSIA
PHILIPPINES

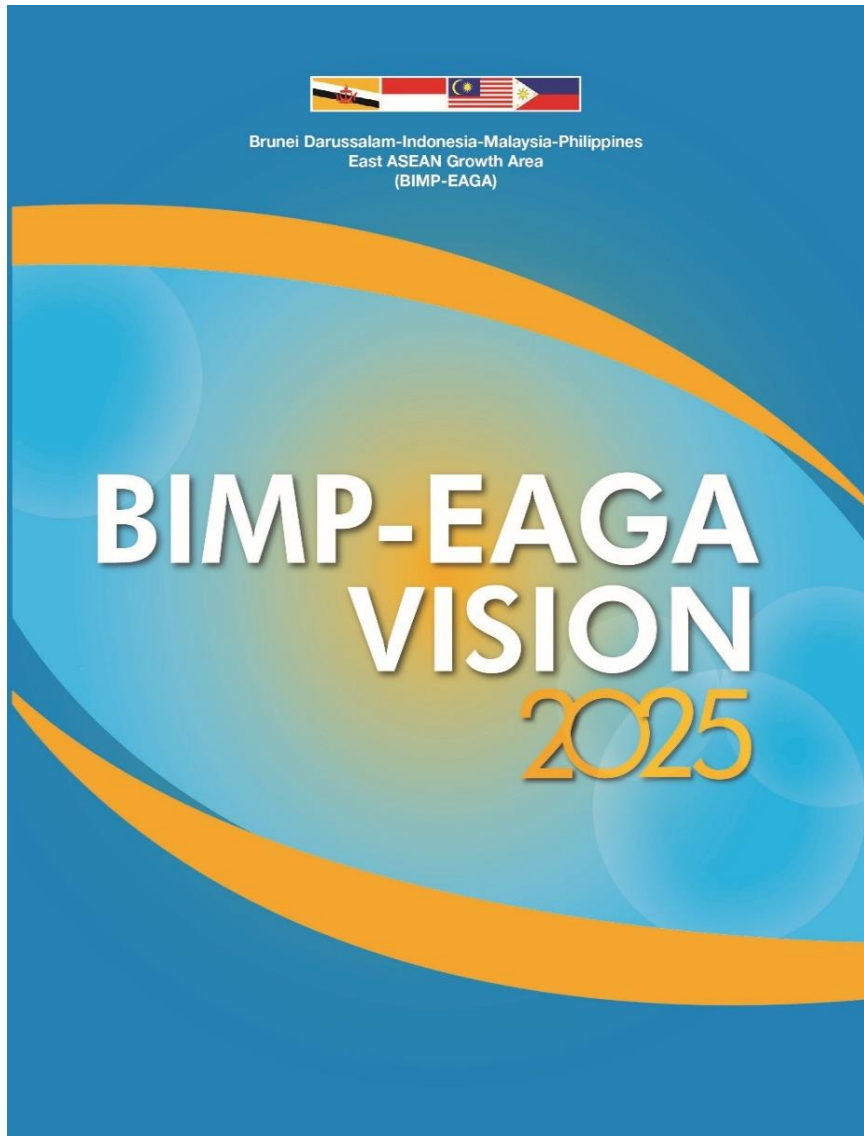
BRUNEI
DARUSSALAM

MALAYSIA

PHILIPPINES

INDONESIA

R.I.S.E BIMP-EAGA to Narrow Development Gap



Resilient



BIMP-EAGA achieves a level of development that will cushion the subregion from impacts of external shocks and will allow early recovery.

Inclusive



BIMP-EAGA narrows development gaps, within each country, and between the subregion and ASEAN.

Sustainable



BIMP-EAGA initiatives consider environmental impacts and sustainably manage natural resources.

Economically competitive

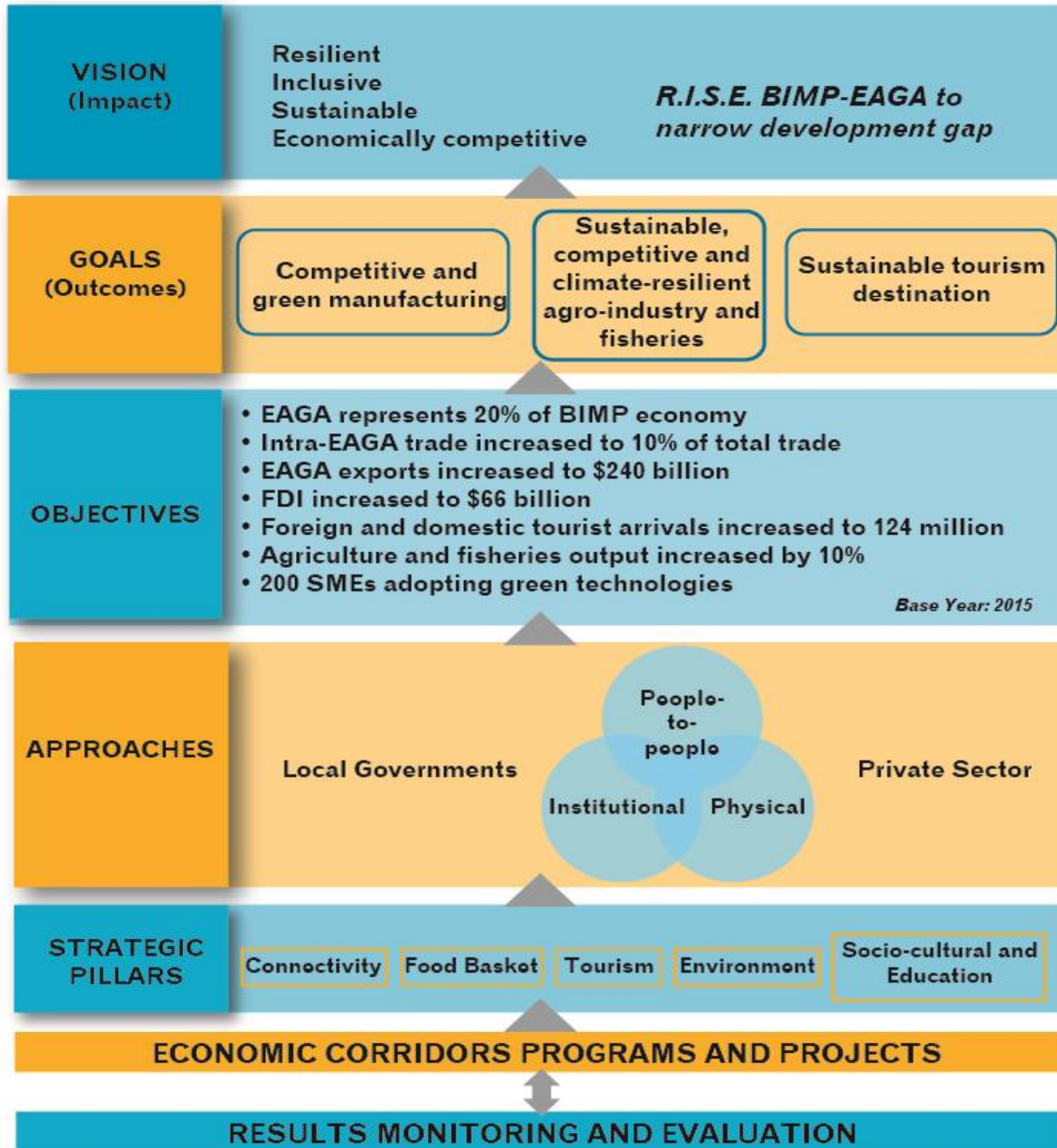


Development efforts directed at growing industries where BIMP-EAGA already has or could easily develop a competitive advantage.



BRUNEI INDONESIA MALAYSIA PHILIPPINES - EAST ASEAN GROWTH AREA

BEV 2025: Guiding Framework



The ASEAN Economic Development Pillars

- 1. Single Market and Production Base**
- 2. Highly Competitive Economic Regions**
- 3. Equitable Economic Development**
- 4. Fully Integrated to the Global Economy**



1. Single Market and Production Base



Mindanao:
**A Modern
Agricultural Center
& BIMP-EAGA's
Food Basket**



FOOD BASKET of the Philippines



38%
of the
country's
farm area

43%
of the country's
total farm
produce

89%

of the country's
pineapple production



82%

of the country's
banana production



99%

of the country's rubber
production



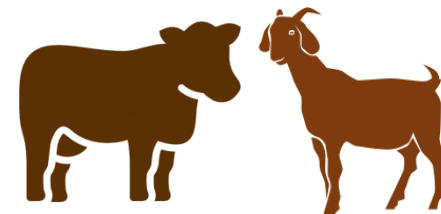
74%

of the country's
coffee produce

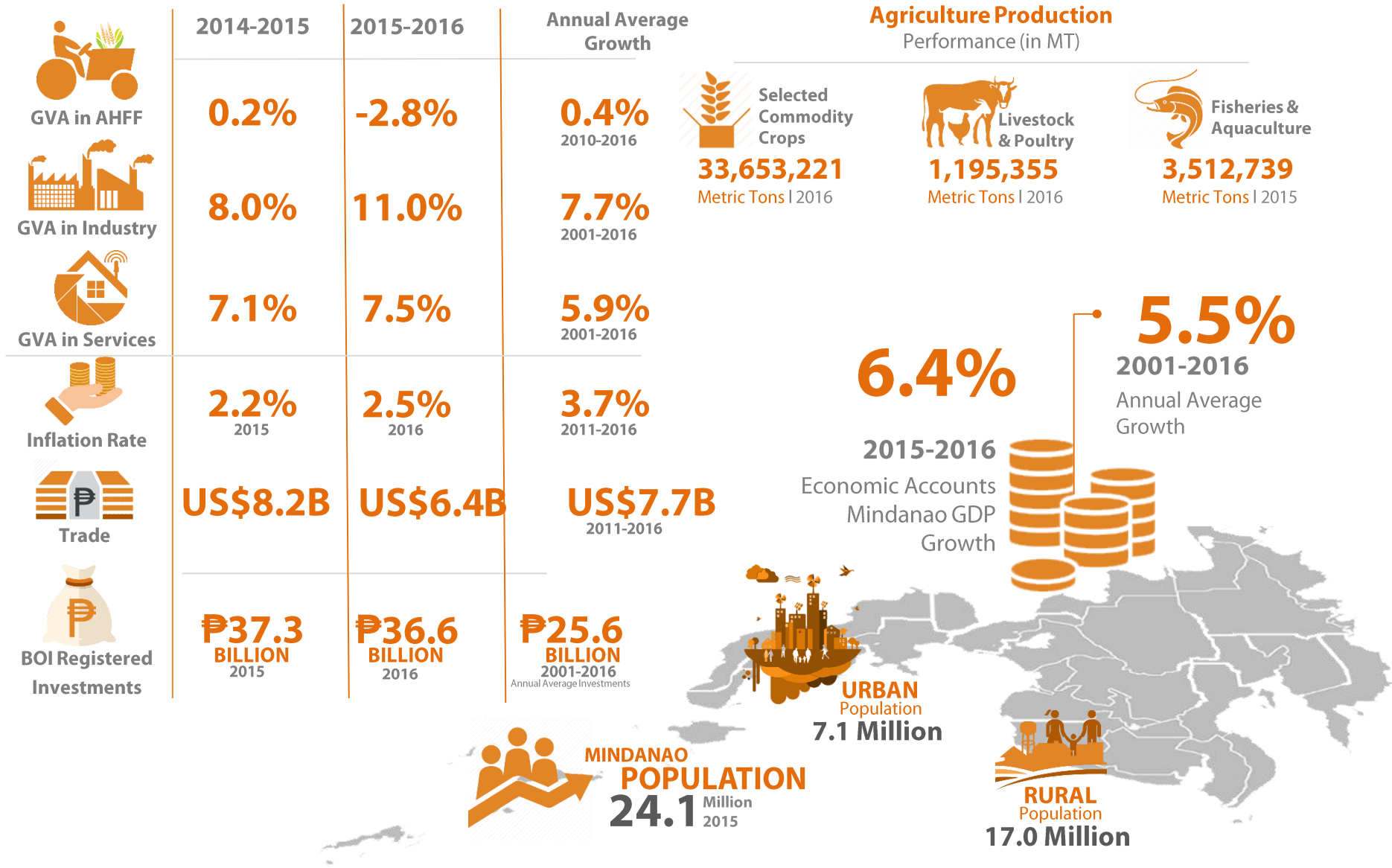


39% & 44%

of the country's
goats and cattle



Mindanao Macro Economic Status



MINDANAO POPULATION
24.1 Million
 2015

URBAN
 Population
7.1 Million

RURAL
 Population
17.0 Million

West Borneo Economic Corridor

Sabah Development Corridor
 - Oil palm
 - cocoa
 - rubber
 - seaweed

Sarawak Corridor of Renewable Energy (+ oil palm, fish & aqua, livestock)

Mindanao & Palawan Corridor
 [tropical fruits (pineapple, banana, mango, papaya), rice, coconut, rubber, fishery (seaweeds, tuna & sardines), poultry]

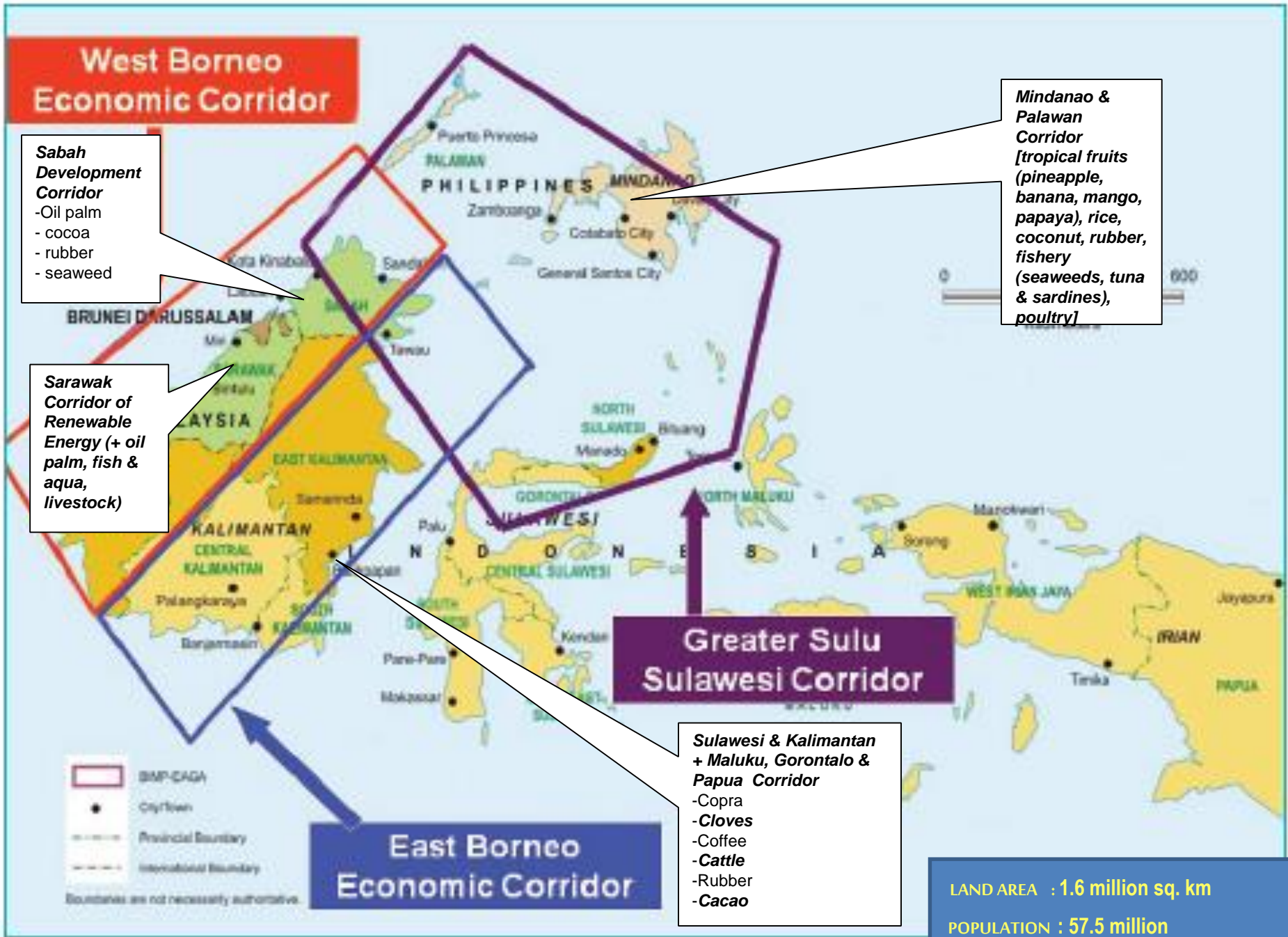
Greater Sulu Sulawesi Corridor

Sulawesi & Kalimantan + Maluku, Gorontalo & Papua Corridor
 - Copra
 - Cloves
 - Coffee
 - Cattle
 - Rubber
 - Cacao

East Borneo Economic Corridor

BMP-CAGA
 City/Town
 Provincial Boundary
 International Boundary
 Boundaries are not necessarily authoritative.

LAND AREA : 1.6 million sq. km
POPULATION : 57.5 million



BIMP EAGA Economic Growth Corridors & Transport Connectivity

EAGA INTER-MODAL TRANSPORT LINKAGES
ARTERIAL ROAD NETWORK

Sarawak Corridor of Renewable Energy (SCORE):

- Palm Oil
- Fish and Aquaculture
- Livestock

Sabah Development Corridor (SDC):

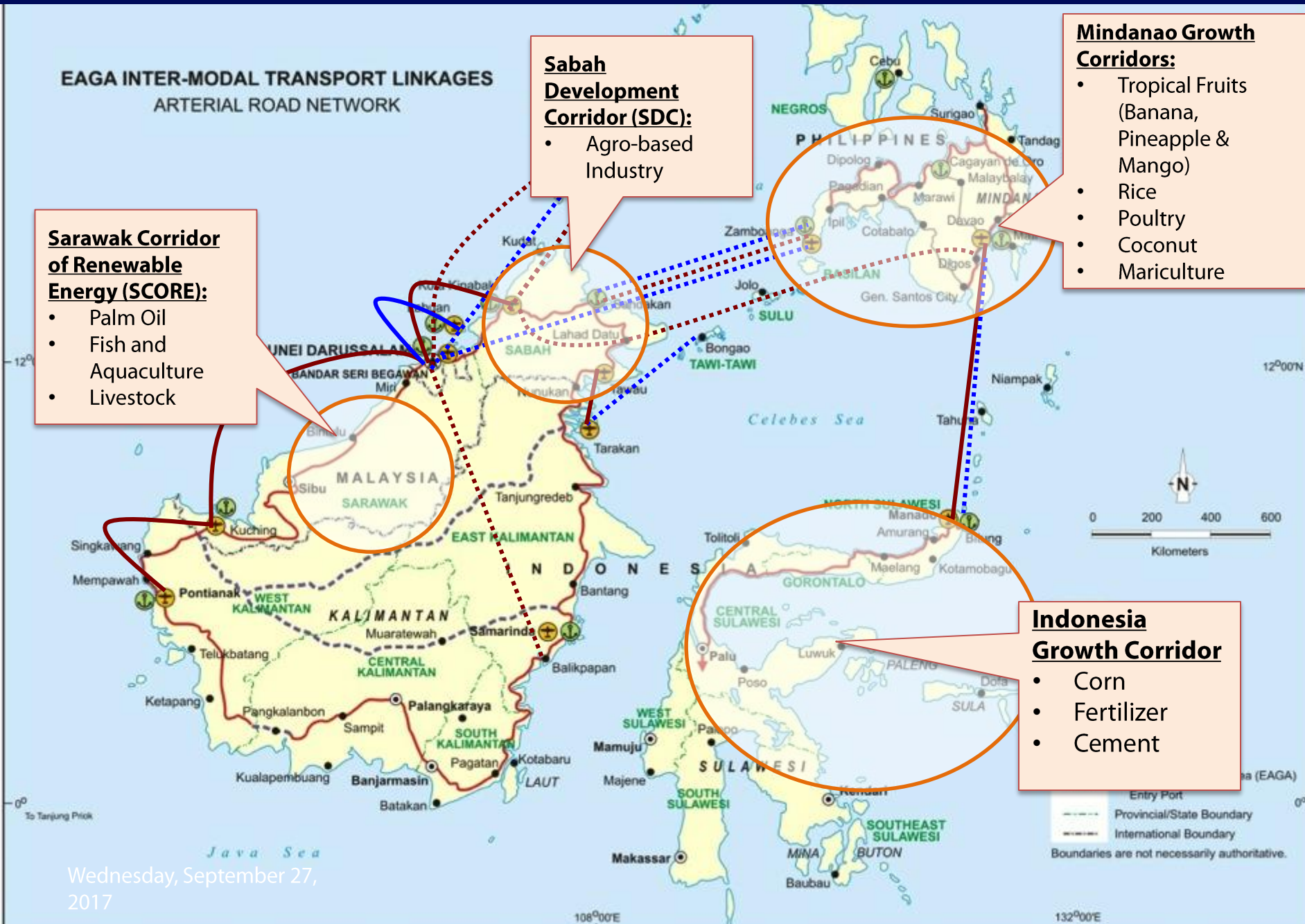
- Agro-based Industry

Mindanao Growth Corridors:

- Tropical Fruits (Banana, Pineapple & Mango)
- Rice
- Poultry
- Coconut
- Mariculture

Indonesia Growth Corridor

- Corn
- Fertilizer
- Cement



Joint Venture on Hybrid Rice Seeds Production

Country	Area planted (in hectares)		% Increase
	as of 2013	as of 2014	
Indonesia	81,000	91,000	12.3
Malaysia	800	3,800	375.0
Philippines	31,893	72,307	126.7
Total	113,893	167,107	46.7



Transfer of Technology courses on hybrid rice production in Sarawak, Malaysia



Hybrid rice production in Indonesia



Early vegetative stage of SLAC hybrid rice variety SL-12H in Isulan, Sultan Kudarat, Mindanao



Hybrid rice variety in Bataraza, Palawan

2. Highly Competitive Economic Regions



Mindanao Collective Trademark (MCT)



Mindanao. Phi
Cornucopia of Products

Air Connectivity



Legend:

- Existing (Air)
- - - - Proposed (Air)

Existing Air Linkages

- **KK – BSB (Maswings)**
- **Kuching - BSB (MASwings)**
- **Kuching – Pontianak (MASwings)**
- **Tawau – Tarakan (MASwings)**
- **Davao – Manado (Wings Air-Charter)**

Proposed Air Linkages

- **Puerto Princesa – KK**
- **Zamboanga – Sandakan**
- **Balikpapan – Kuching (MASwings)**
- **Balikpapan- KK (MASwings)**
- **Pontianak- Miri (Kalstar Air)**
- **Tarakan – KK (Kalstar Air)**

Sea Connectivity



- Existing Sea Link**
- **Zamboanga – Sandakan (Passenger Ferry)**
- New Initiative**
- **Davao – GenSan – Bitung (RORO)**
- Proposed Sea Linkages**
- **Brooke's Point – Kudat (RORO)**
 - **Zamboanga – Muara**
 - **Brooke's Point – Labuan – Muara**

Legend:

- Existing (Sea)
- - - Proposed (Sea)



AIRPORTS & SEAPORTS

LAGUINDINGAN AIRPORT
₱14.62B
Indicative Cost



Target Completion - **TBD**

FRANCISCO BANGROY INTERNATIONAL AIRPORT
₱40.47B
Indicative Cost



Target Completion - **TBD**

COTABATO AIRPORT
(Principal Class 1)
₱1B
Indicative Cost



Target Completion - **TBD**

NEW ZAMBOANGA INTERNATIONAL AIRPORT
₱9.87B
Indicative Cost



Target Completion - **TBD**

GENERAL SANTOS CITY AEROTROPOLIS
₱1.6B
Indicative Cost



Target Completion - **TBD**





AIRPORTS & SEAPORTS

**TAWI-TAWI
INTEGRATED
DEVELOPMENT
PROJECT**
₱20B
Indicative Cost



Target Completion - **TBD**

**PICONG
INTEGRATED
DEVELOPMENT
FS PROJECT**
₱100M
Indicative Cost



Target Completion - **TBD**

**POLLOC
FREEPORT
DEVELOPMENT
PROJECT**
₱1.8B
Indicative Cost



Target Completion - **2019**

**ZAMBOANGA
ECOZONE
PORT**
₱9.7B
Indicative Cost

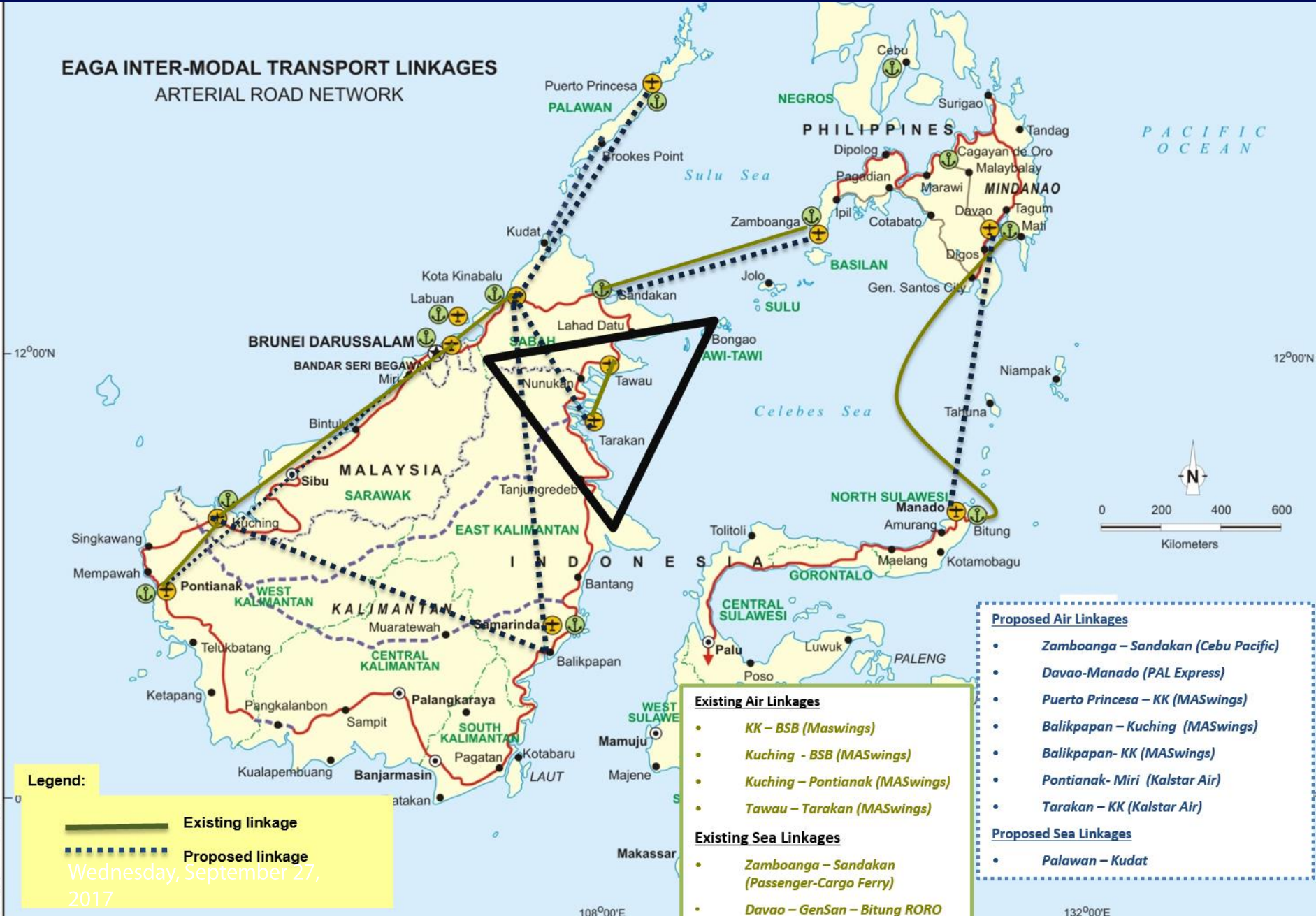


Target Completion - **TBD**

Source: PPP Center, DOTr, Zamboecozone, PPA, MinDA

BIMP EAGA Transport Connectivity

EAGA INTER-MODAL TRANSPORT LINKAGES ARTERIAL ROAD NETWORK



Legend:

- Existing linkage
- Proposed linkage

Wednesday, September 27, 2017

- Existing Air Linkages**
- KK – BSB (Maswings)
 - Kuching - BSB (MASwings)
 - Kuching – Pontianak (MASwings)
 - Tawau – Tarakan (MASwings)
- Existing Sea Linkages**
- Zamboanga – Sandakan (Passenger-Cargo Ferry)
 - Davao – GenSan – Bitung RORO

- Proposed Air Linkages**
- Zamboanga – Sandakan (Cebu Pacific)
 - Davao-Manado (PAL Express)
 - Puerto Princesa – KK (MASwings)
 - Balikpapan – Kuching (MASwings)
 - Balikpapan- KK (MASwings)
 - Pontianak- Miri (Kalstar Air)
 - Tarakan – KK (Kalstar Air)
- Proposed Sea Linkages**
- Palawan – Kudat



Transport Agreements in the BIMP-EAGA:

- **MOU on Expansion of Air Linkages**
January 12, 2007
- **MOU on Establishing and Promoting Efficient and Integrated Sea Linkages**, November 2, 2007
- **MOU on Cross-Border Movement of Commercial Buses and Coaches**, November 2, 2007

Pending:

- **MOU on Non-Convention Sized Ships (NCSS) Operating in BIMP-EAGA**



3. Equitable Economic Development





2nd BIMP-EAGA & IMT-GT Trade Fair and Business Leaders' Conference

"Realizing the Opportunities of ASEAN Integration"



- **Held in Davao City, Philippines on 22-26 October 2014**
- **More than US\$3.7 million booked and US\$74.5 negotiated sales**
- **B2B sessions – US\$140 million business agreements**
- **Indonesia to host 3rd Trade Fair and Conference in Makassar, South Sulawesi in October, 2016**



4. Fully Integrated to the Global Economy



BIMP-EAGA CHINA CAEXPO 2017

- *BIMP-EAGA Mutual Trade and Investment Mission in China by SMED*
- *Technical visit to Key Infrastructure Sites in China by Land Transport WG*
- *Green ICT and E-Waste Management Seminar*

Area of Interest:

- *Tourism promotion facilities (i.e. water parks)*



BIMP-EAGA JAPAN EXPO 2016

- *Continued to provide support on capacity building program*
- *On-going consultation on Framework of Economic Cooperation (FoEC) with Japan*

Areas of Interest:

- *Sharing Japan's experience through dispatch of experts from Japan or invitation to Japan and symposium*
- *Implementation of development projects*
- *Private sector cooperation*



NORTHERN TERRITORY OF AUSTRALIA

- *Deepen economic cooperation with BIMP-EAGA through:*
 - *Enhancement of multi-modal transportation links*
 - *Sharing of technologies and best practices, inter alia, in renewable and clean energy*
 - *Tourism promotion*
 - *Freer movement of people*
 - *Sustainable development*
 - *Food security*



Challenge

As a testbed for ASEAN Economic Integration Protocols, there are critical development constraints that largely limits private sectors' participation on BIMP EAGA:

1. Inadequate Infrastructure, Logistics,
2. Transportation
2. Complex Customs Regulations
3. Non-Tariff Barriers (in consistent port regulations, non-harmonized quarantine standards, etc.)
4. Cost of Doing Business
5. Lack of info on International Trading Ecosystem
6. Human Resource preparedness/corporate governance in a complex market integration regime

Conclusion

- 1. BIMP-EAGA viable platform for pilot testing ASEAN Protocols' efficiency, effectiveness & inclusivity having a unique econ terrain to start with;**
 - 1. For AEC to be inclusive, it should be a development strategy that will ensure that SMEs are benefiting and actively participating (Innovative Inclusive Business Models)**
 - 1. Support the process of private sector devt to take full advantage to AEC**
- 

“

It has been said
that arguing against
globalization is like
arguing against the
laws of gravity. ”

- Kofi Annan





Thank you!



Republic of the Philippines **Mindanao Development Authority**



Old Davao Airport Road, Km. 9, Sasa, Davao City 8000 Philippines | Telephone Nos.: (6382) 221 1345 & (6382) 221 7195 |

Telefax No.: (6382) 221-8108 | Email: info@minda.gov.ph | Website: <http://www.minda.gov.ph>

 facebook.com/MinDAgovphOfficial  [@MinDAgovph](https://twitter.com/MinDAgovph)  plus.google.com/+MinDAGovPH

