“Strengthening BIMP EAGA and other Sub-regionals Towards Stronger ASEAN Community”

Public Symposium on Building ASEAN Socio Cultural Community and Nation Building
Marco Polo Hotel, Davao City
August 24, 2017

A presentation by Asec. Romeo M. Montenegro, Deputy Executive Director,
Mindanao Development Authority (MinDA)
BIMP-EAGA in the context of ASEAN Integration: The New Narrative
BIMP-EAGA began as a main agenda item in the high level talks of then President Fidel V. Ramos with his BIM counterpart Heads of States in 1992.

BIMP-EAGA Inaugural Senior Officials’ Meeting and Ministers’ Meeting (SOM/MM) was held in Davao City, Philippines on 24-26 March 1994.
GEOGRAPHY

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

BIMP-EAGA

Trade
Tourism
Investments

BRUNEI DARUSSALAM
Labuan

PHILIPPINES
Palawan

INDONESIA
Sabah
Mindaanao

MALAYSIA
Sarawak

WEST KALIMANTAN
Central Kalimantan

SOUTH KALIMANTAN
East Kalimantan

SOUTH SULAWESI
North Sulawesi

SOUTHEAST SULAWESI
Central Sulawesi

NORTH MALUKU
Maluku

IRIAN JAYA
Brunei Darussalam - Indonesia - Malaysia - Philippines
Ease ASEAN Growth Area (BIMP-EAGA)
Subregional Cooperation
Initiatives GMS, BIMP-EAGA and IMT-GT: Forming the Building Blocks for ASEAN Integration
Strategy Map: GMS, BIMP-EAGA, IMT-GT with Reference to ASEAN

Figure 1: Map of Subregional Programs’ Strategies with Reference to ASEAN

- **BIMP-EAGA** looks at ASEAN SEC to guide & support the Roadmap
- **IMT-GT** seeks greater integration with ASEAN
- **BIMP-EAGA** seen as deepening ASEAN integration
- **IMT-GT** sees itself as contributing to ASEAN goals & vision
- **BIMP-EAGA** IB activities envisaged to complement MPAC
- **IMT-GT** IB activities envisaged to complement MPAC
- **CLMV** actively engaged in ASEAN supply chain

References to ASEAN:
- ASEAN mechanisms are utilized by the subregional program
- ASEAN frameworks serve as basis for subregional initiatives
- ASEAN goals are explicitly shared by the subregional program
- ASEAN provides the regional context of the subregional program

GMS Strategic Framework I
- GMS Helping to narrow the development divide
- IMT-GT Blueprint

GMS Strategic Framework II
- BIMP-EAGA Blueprint
- IMT-GT Blueprint

Source: ADB TA 7718 Study Team
Closer links were observed with ASEAN after AEC

Major Findings:

Strategy Level

- ASEAN mechanisms are utilized by the subregional program
- ASEAN framework serve as basis for subregional initiatives
- ASEAN goals are explicitly shared by subregional Program
- ASEAN provides regional context of the subregional program

2002 2006 2012 2016 2022
Subregional Programs
Strategic Frameworks, Blueprints and Key Features
GMS Strategic Framework (2012-2022)

Vision

- Resource Mobilization
- Knowledge Platform
- Capacity Building
- Stakeholders Engagement
- Monitoring & Evaluation
- Sector Forums
- Working Groups
- Strategic Alliances and Partnerships
- External Partners

More Integrated Prosperous and Equitable Subregion

Sector and Multi-sector Priorities

Corridor Development

Transport Linkages (Roads and Railways)

Energy and Power Market Integration

Tourism (Mekong as single destination)

Agriculture (Competitive, Climate-friendly and sustainable)

ICT Linkages and Applications

Environmental Performance (Enhanced)

HRD initiatives (facilitate process of GMS integration and address negative consequences)
Guiding Framework of IMT-GT Vision 2036 and IB 2017-2021

- An integrated, innovative, inclusive & sustainable subregion by 2036
- Sustainable, inclusive & innovative agriculture sector
- Competitive, innovative and advanced industrial base
- Sustainable, inclusive & competitive cross-border tourism
- Project-centric approach towards greater regional integration
- Project & location-specific regulatory reforms
- Spatial/corridor approach to regional development

By 2036:
- Real GDP increases to US$ 694 billion from US$ 215 billion in 2014
- Intra-IMT-GT trade increases to 28% (2015: 9.2%)
- Average annual FDI inflows to IMT-GT increase to US$ 24 billion (2015: US$ 8 billion)
- Average annual international visitor arrivals increase to 109 million persons (2015: 39 million)
- IMT-GT Project Implementation Team and JBC implement a total 400 cross-border projects with direct MSMEs and social enterprises’ participation (i.e., 20 projects per year)
- At least 40 cities in IMT-GT implement Green City Action Plan (2016: 5 cities)

Mainstream private sector & local governments

Strategic Pillars
- Transport & ICT Connectivity
- Trade & Investment Facilitation
- Tourism
- Agriculture & Agro-based Industry
- Halal Products & Services
- Environment
- HRD, Education & Culture

Economic Corridor Programmes & Projects

Results-Based Monitoring & Evaluation
BIMP-EAGA Vision 2025: Charting a New Vision

**VISION** (Impact)
- Resilient
- Inclusive
- Sustainable
- Economically competitive

**RISE BIMP-EAGA to narrow development gap**

**GOALS** (Outcomes)
- Competitive and green manufacturing
- Sustainable, competitive and climate-resilient agro-industry and fisheries
- Sustainable tourism destination

**OBJECTIVES**
- EAGA represents 20% of BIMP economy (15%)
- Intra BIMP-EAGA trade increases to 10% of total trade (6%)
- Foreign and domestic tourist arrivals increase by 5% (20 million)
- BIMP-EAGA exports double to $240 billion ($120 billion)
- FDI doubles to $20 billion ($10 billion)

**Base Year: 2015**

**CONNECTIVITY APPROACHES**
- Local Governments
- Institutional
- Physical
- Private Sector

**STRATEGIC PILLARS**
- Connectivity
- Food Basket
- Tourism
- Environment
- Socio-cultural and Education

**ECONOMIC CORRIDORS PROGRAMS AND PROJECTS**

**RESULTS MONITORING AND EVALUATION**
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<tbody>
<tr>
<td>Membership</td>
<td>Cambodia</td>
<td>Brunei</td>
<td>Indonesia</td>
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<td></td>
<td>China</td>
<td>Indonesia (Kalimantan, Sulawesi, island chain in Maluku and Papua) Malaysia (Sabah, Sarawak and Labuan) Philippines (26 provinces of Mindanao and Palawan)</td>
<td>(10 provinces on island of Sumatra) Malaysia (8 states) Thailand (14 provinces in South)</td>
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<td>Lao PDR</td>
<td>Malaysia</td>
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<td>Myanmar</td>
<td>Thailand</td>
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<tr>
<td>Objectives/Focus</td>
<td>Connectivity</td>
<td>Accelerate socio-economic progress of less developed areas</td>
<td>Accelerate economic transformation of member states and provinces</td>
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<td>Mutual Trust</td>
<td>Economic cooperation</td>
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<tr>
<td>Geographic Characteristics</td>
<td>Contiguous</td>
<td>Dispersed</td>
<td>Contiguous except for Indonesia components</td>
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Source: ADB. Regional and Subregional Program Links, Mapping the links between ASEAN, GMS, BIMP EAGA and IMT-GT, September 2013.
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<tr>
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<tbody>
<tr>
<td><strong>Sectors and Areas of Cooperation</strong></td>
<td>Socioeconomic</td>
<td>Socio-economic</td>
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<td><strong>Decision Making Rules and processes</strong></td>
<td>By consensus</td>
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<td><strong>National Secretariat</strong></td>
<td>Economic ministries or agencies except Lao PDR</td>
<td>Economic or planning ministries or agencies</td>
<td>Economic or planning ministries or agencies</td>
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<td><strong>Private Sector Counterpart</strong></td>
<td>GMS Business Forum</td>
<td>BIMP-EAGA Business Council</td>
<td>Joint Business Council</td>
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<td><strong>Local Government Participation</strong></td>
<td>Economic Corridors Forum</td>
<td>Local Government Forum</td>
<td>Governors Forum</td>
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<td><strong>Donor’s Coordination</strong></td>
<td>Development Partners Meeting</td>
<td>Adhoc meetings</td>
<td>Adhoc meeting</td>
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### Sectors of Cooperation: ASEAN, GMS, BIMP-EAGA, IMT-GT

<table>
<thead>
<tr>
<th>Sectors</th>
<th>ASEAN</th>
<th>GMS</th>
<th>BIMP-EAGA</th>
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<tbody>
<tr>
<td>Agriculture</td>
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<td>Telecommunications</td>
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<td>HRD</td>
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<td>Tourism</td>
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<td>Finance</td>
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Economic Corridor Development and Subregional Connectivity
Development Through The Economic Corridor Approach

Infrastructure is developed in specific geographical areas based on economic potential.

- Initially highly efficient transport system that allows people and goods to move around Subregion
- Subsequently focus on improving “software” and infrastructure investments for urban development
- Holistic strategy improves quality and reach of intraregional infrastructure benefitting both subregion and individual economies
- Transport corridors to provide a backbone or spatial focus for regional cooperation projects and activities, clustering them along corridors or at nodal centers on the corridors
**Sarawak Corridor of Renewable Energy (+ oil palm, fish & aqua, livestock)**

- Oil palm
- Cocoa
- Rubber
- Seaweed

**Sabah Development Corridor**
- Oil palm
- Cocoa
- Rubber
- Seaweed

**Mindanao & Palawan Corridor**
- Tropical fruits (pineapple, banana, mango, papaya), rice, coconut, rubber, fishery (seaweeds, tuna & sardines), poultry

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

**LAND AREA** : 1.6 million sq. km

**POPULATION** : 57.5 million
Harnessing Potentials Under BIMP-EAGA:

• A test-bed for ASEAN protocols and agreements
• A building-block towards achieving ASEAN Integration
BIMP-EAGA Through the Years

Ramos Administration
Asian Financial Crisis/El Nino/La Nina

1994-1997
1998-2000

Early Gains:
❖ Surge of investments and activities (eg. Air linkages – Dvo-KK, Dvo-Manado, Zamboanga-Sandakan, Marco Polo Hotel, MayBank, Petronas, Motolite, etc)
❖ Downturn in EAGA initiatives
❖ Decline in EAGA meetings during this period
❖ Focus on in-country initiative to cushion crisis impact

EAGA Revitalization

2001-2005

❖ Regaining investor confidence
❖ Organization and Capacity Building of EAGA institutions (NSs, BEBC, BIMP FC, etc)
❖ ADB as Reg’l Dev’t Advisor

BIMP-EAGA Roadmap

2006-2011

❖ Air and Sea Linkages including Policy Incentives
❖ Business Development and Investment
❖ Transport and Trade Facilitation
❖ Tourism and Promotion
❖ Natural Resources Development
❖ Institutional Strengthening
❖ Enhancing Information Dissemination
❖ Cooperation with Strategic Partners

Implementation Blueprint

2012-2016

FIVE strategic pillars:
❖ Food basket Connectivity Tourism Environment SCE

BEV 2025

2017-2025

❖ Economic Corridors
❖ PIPs
❖ ASEAN Alignment
# Dynamic Public-Private Partnership

<table>
<thead>
<tr>
<th><strong>Private Sector</strong></th>
<th><strong>Public Sector</strong></th>
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<tbody>
<tr>
<td>• Engine of growth</td>
<td>• Establishes the enabling environment for private sector investments</td>
</tr>
<tr>
<td>• Takes advantage of emerging trade, tourism and investment opportunities</td>
<td>- Infrastructure (transport, energy, ICT)</td>
</tr>
<tr>
<td>• Principal advocate for a more business-friendly policy and regulatory environment</td>
<td>- Trade facilitation (CIQS)</td>
</tr>
<tr>
<td></td>
<td>- Addressing other non-tariff barriers</td>
</tr>
</tbody>
</table>
BIMP-EAGA STRATEGIC PILLARS

**Connectivity**
- Infrastructure Development
- Air, Sea, & Land Services
- Power Interconnection & Renewable Energy
- ICT
- Trade Facilitation

**Food Basket**
- Food Security
- Export Development
- Sustainable Livelihood

**Tourism**
- Community-based Ecotourism
- Marketing and Promotion

**Environment**
- Sustainable Management of Critical Ecosystems
- Climate Change
- Clean and Green Production Technologies
- Trans-boundary Issues
- Environment Mainstreaming

**Socio-Cultural and Education***
- Human Resource Skills and Technical Development
- Socio-Cultural

*New Pillar
**Targets by 2030**

- EAGA represents 20% of BIMP economy (15%, 2015)
- EAGA exports double to $240 billion ($120 billion, 2015)
- Intra-EAGA trade increases to 10% of total trade (6%, 2015)
- FDI doubles to $20 billion ($10 billion, 2015)
- Foreign & domestic tourist arrivals up by 50% (20M, 2015)
<table>
<thead>
<tr>
<th>PROJECT</th>
<th>Estimated Project Cost (US$ Million)</th>
</tr>
</thead>
<tbody>
<tr>
<td>Roads, Railways and Bridges</td>
<td>12,659</td>
</tr>
<tr>
<td>Inland Transport Services</td>
<td>23</td>
</tr>
<tr>
<td>Airports</td>
<td>1,740</td>
</tr>
<tr>
<td>Seaports</td>
<td>3,776</td>
</tr>
<tr>
<td>Power and Energy Infrastructure</td>
<td>2,2186</td>
</tr>
<tr>
<td>ICT</td>
<td>150</td>
</tr>
<tr>
<td>Trade Facilitation (CIQS Facilities and Ecozones)</td>
<td>433</td>
</tr>
<tr>
<td>Environment and Urban Development</td>
<td>400</td>
</tr>
<tr>
<td><strong>GRAND TOTAL</strong></td>
<td><strong>$21,367</strong></td>
</tr>
</tbody>
</table>

Preliminary list as of April 2017. Projects and estimated costs are subject to review and validation by member countries.
BIMP-EAGA: RENEWAL OF CENTURIES-OLD BROTHERLY TIES
BIMP-EAGA and Strategic Partners
ASEAN Secretariat

- Strengthened collaboration between BIMP-EAGA institutions and ASEAN Secretariat
- Facilitated the fast-tracking of ASEAN agreements/initiatives in the BIMP-EAGA
- Assisted in profiling BIMP-EAGA to ASEAN Dialogue Partners
- Assisted in mobilizing resources from Dialogue Partners
Asian Development Bank (ADB)

- Developing power and transport infrastructure projects
- Continuing technical assistance in transport, power, transport facilitation, economic corridor, climate change adaptation; and capacity building
- Linking BIMP-EAGA with ASEAN sectoral bodies and other sub-regional groupings (IMT-GT, GMS)
- Support for institutional and operational links with CTI and HOB
People’s Republic of China

- 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)

Government of Japan

- 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
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
Current Updates and Recent Developments in the BIMP-EAGA
Pillar 1: Enhancing Sub-regional Connectivity
Air Connectivity

**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

Legend:
- Existing (Sea)
- Proposed (Sea)

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
Investment Profiling in BIMP-EAGA Corridors

Greater Sulu-Sulawesi Corridor (GSSC)

West Borneo Economic Corridor (WBEC)

Indonesia Economic Corridors
Pillar 2: Establishing BIMP-EAGA as a Food Basket for ASEAN and the Rest of Asia
The previously identified Economic Corridors of EAGA (under ADB TA) can be reviewed & expanded.
Pillar 3:
Promoting BIMP-EAGA as a Premier Regional Tourism Destination
Community-based Ecotourism (CBET) New Sites

- Kampung Patau-Patau, Labuan, Malaysia
- Kampung Kiudang, Brunei Darussalam
- Kampung Sungai Labu, Labuan, Malaysia
- Santa Cruz Island, Zamboanga City, Philippines
Pillar 4: Ensuring Sustainable Management of the Environment
- Climate Change Vulnerability Assessment
  - Capacity building program for local governments and local communities on climate change mitigation and adaptation best practices
- Operational collaboration with Coral Triangle Initiative (CTI) and the Heart Of Borneo (HoB)
New Pillar 5: Socio-Cultural and Education
New Pillar: Socio-Cultural and Education

- **Components**
  - **Human Resource Development**
    - Technical and vocational education and training
    - Higher education – university network and student exchange
  - **Socio-Cultural Development**
    - Social and cultural heritage
    - Sports and other events
BIMP-EAGA FRIENDSHIP GAMES
As the Association of Southeast Asian Nations (ASEAN) turns 50, Brunei, Indonesia, Malaysia and the Philippines in the East Asian Growth Area (BIMP-EAGA) come together to celebrate their rich diverse cultures and shared heritage.

**BUDAYAW**

The BIMP-EAGA Art and Culture Festival 2017

20-24 September 2017

General Santos City and Sarangani Province
Mindanao, Philippines

The Budayaw logo is inspired by the Sarimanok, the mythical bird soaring in the popular imagination of Mindanao in the Southern Philippines, reflecting the shared symbols of the culturally diverse but interconnected peoples of the BIMP-EAGA.
BIMP-EAGA in the context of ASEAN Integration: The New Narrative
Thank You
Terima Kasih
Maraming Salamat