

JOINT STATEMENT TWELFTH BRUNEI DARUSSALAM – INDONESIA - MALAYSIA - THE PHILIPPINES EAST ASEAN GROWTH AREA TRANSPORT MINISTERS MEETING (12th BIMP-EAGA TMM)

JAKARTA, INDONESIA 6 December 2019

- We, the Transport Ministers of Brunei Darussalam, Indonesia, Malaysia and The Philippines met for the Twelfth BIMP-EAGA Transport Ministers Meeting on 6 December 2019 in Jakarta, Indonesia. H.E. Mr. Budi Karya Sumadi, Minister for Transportation, Indonesia chaired the meeting. We had fruitful discussions and constructive exchanges on ways to further strengthen our cooperation in transport connectivity.
- 2. As we celebrate the milestone occasion of BIMP-EAGA's 25th Anniversary, we take pride on our significant achievements especially in transport connectivity. Today the subregion is better integrated, with a solid foundation of infrastructure complemented by agreements to facilitate the movement of goods and people. Building on the success of the past 25 years, and moving forward, improved connectivity continues to play a vital role for the subregion to become more resilient, inclusive, sustainable, and economically competitive.
- 3. We reiterate the long-term directions set forth in the BIMP-EAGA Vision 2025 (BEV 2025) and our aspiration for BIMP-EAGA to be interconnected by seamless and safe multimodal transport. We believe our solid cooperation will help achieve the transport sector strategic priorities laid out in the BEV 2025 and aligned with the Master Plan on ASEAN Connectivity. Effectively addressing connectivity gaps in our subregion will contribute meaningfully to achieve the ASEAN Economic Community.
- 4. We appreciate the remarkable efforts of our transport officials, and all stakeholders on the impressive implementation progress of the BEV 2025 Priority Infrastructure Projects (PIPs). Of the total 72 projects valued at US\$23.27 billion, 64 projects (89%) are in the transport sector including roads, bridges and railways, seaports and airports, and cross-border facilities and inland transport services. We are greatly pleased that after three years of implementation, targets have been exceeded with 24 projects (33%) completed, 5 projects (7%) nearing completion and 44 projects (60%) in various stages of implementation. We acknowledge that our individual and collective efforts to enhance connectivity and reduce non-physical barriers in the subregion is making significant advancement.
- 5. We encourage our national and local agencies to work towards more expeditious and successful implementation of existing PIPs and identify new PIPs to optimize the benefits of integration. We task our senior transport officials and working groups to strengthen coordination across sectors especially with relevant national agencies,

private sector organizations, and development partners, to ensure that actions related to transport infrastructure and transport facilitation stipulated in the BEV 2025 are effectively and efficiently implemented. We also urge BIMP-EAGA stakeholders particularly BIMP-EAGA Business Council (BEBC) to fully utilize the infrastructure established to facilitate trade, investment and tourism in the subregion.

- 6. We are greatly pleased with completion of PIPs in land infrastructure. In Indonesia, these include the Pontianak–Entikong Transport Link, Tanjung Selor to Sabah Brder Road, Balai Karangan–Entikong Road, and the Entikong International Freight Terminal. In Malaysia, the construction of the Pan Borneo Highway Sarawak Package 1 from Teluk Melano to Sematan has been completed. In the Philippines, roads have been constructed in Western Mindanao. We look forward to the timely completion of three additional PIPs in the remainder of 2019, namely the Temburong Bridge in Brunei Darussalam, and the Manado-Bitung Road Enhancement, and the Balikpapan-Samarinda Toll Road in Indonesia.
- 7. We noted the signing of the ASEAN Framework Agreement on the Facilitation of Cross Border Transport of Passengers by Road Vehicles in October 2017. We take pride in BIMP-EAGA's selection as the test-bed of the framework agreement through the pilot implementation involving Brunei Darussalam, Indonesia and Malaysia. We are pleased that the experiences of BIMP-EAGA in the land transport MOUs are being used as reference for the preparation of implementing guidelines and the Standard Operating Procedures (SOPs) of the ASEAN Framework Agreement on the Facilitation of Cross Border Transport of Passengers by Road Vehicles. We look forward to the finalization of the guidelines and SOPs and the pilot implementation in the Borneo Island.
- 8. We appreciate the launching of the BIMP-EAGA Drivers' Log Book at the national level in Malaysia and welcome the proposal of Indonesia to develop the Cross Border e-Logbook that aims to ensure the safety of drivers and passengers as part of the monitoring mechanisms in the implementation of the MOU on the Cross-Border Movement of Buses and Coaches signed in 2007.
- 9. We recognize the need to transform BIMP-EAGA transport networks into economic corridors. We strongly support area-based cooperation in priority points along the economic corridors, which offers the greatest potential for attracting trade, tourism and investment. We greatly appreciate Asian Development Bank's support to assess the existing BIMP-EAGA economic corridors and propose areas for expansion in the corridor routes to ensure flourishing economic activities. We also commend Indonesia's initiative to conduct pre-feasibility studies on roads connecting Jalan-Malinau-Krayan-Long Midang (Indonesia)-Lawas (Malaysia); Jalan Malinau-Mansalong-Tau Lumbis (Indonesia)-Keningau (Malaysia); and Jalan Malinau-Langap-Long Kemuat-Long Nawang (Indonesia)-Sibu (Malaysia). We underscore the need for a comprehensive study to ensure alignment of development plans including road connectivity between Indonesia and Malaysia.
- 10. In terms of seaports, several PIPs and complementary ports have been completed. In Indonesia the upgrading of Bitung Port has been constructed and the Makassar Port Phase I has been completed, and Phase II is currently under development planning. In

Malaysia, the Lahad Datu Industrial Cluster Container Port is operational. In the Philippines, ports have been established and upgraded in Buliluyan, Zamboanga (Phase 1), General Santos (Makar Wharf), Coron, Malalag and Cagayan de Oro (Phase 1). We support the designation of additional BIMP-EAGA Gateway Ports namely Siasi Port, Jolo Port, and Bulliluyan Port, and linkages to the Benoa Bali Port in Indonesia to promote and facilitate intra and extra EAGA maritime trade and movement of people including cruise tourism.

- 11. We acknowledge the importance of information sharing on port facilities development and port safety and security, and the need to establish a comprehensive database on intra and extra-EAGA maritime trade flows, inventory of facilities, shipping services, port tariffs, and cross-border passenger movement. We encourage our transport officials to proactively pursue efforts to establish the transport database that can help facilitate a conducive environment for private sector business operations.
- 12. We reiterate that given BIMP-EAGA's archipelagic geography, maritime transport will continue to play a crucial role in enhancing transport connectivity and bolstering intra-EAGA trade. We welcome the initial undertakings by the BIMP-EAGA transport officials in implementing the signed ASEAN Memorandum of Understanding on the Improvement of Safety Standards and Inspection for Non-Convention Ships within ASEAN Member States, as well as the adoption of the Guidelines for Safety Standards for Non-Convention Ships in BIMP-EAGA. We expect that this will strengthen barter trade operation and promote maritime safety within the subregion.
- 13. We continue to support BIMP-EAGA's aspirations to link with the ASEAN nautical highway, while taking note of its challenges. We urge stakeholders to immediately address pending issues in sustaining sea links especially those related to regulation and load factors given the need to attract more players in the subregion's shipping services. We welcome the soft sailing in June 2019 of the Reefer Lines Express Filipinas with its route Ho Chi Minh-Labuan-Kota Kinabalu-Bitung-Davao. The business activities being generated help improve access to markets and contribute to sustainability of the route. We look forward to the establishment of the Buliluyan–Kudat and the Tanjung Silopo–Lahad Datu routes which are expected to improve cross-border mobility of goods and people.
- 14. We are pleased with the completion of four PIPs airports namely: Brunei International Airport (Phase 1) in Brunei Darussalam, expansion of Adi Soemarmo International Airport in Indonesia, and the San Vincente Airport and Puerto Princesa Airport in the Philippines. We look forward to the completion of the expansion of General Santos Airport in the Philippines in December 2019. The construction and upgrading of airports, have resulted to expansion of air linkages which can spur tourist arrivals.
- 15. We are pleased with the launch of new routes, namely: Pontianak–Kuching by WingsAir in January 2018; the Royal Brunei Airlines to and from Bandar Seri Begawan to Kuching (28 December 2018), Sandakan (28 October 2019), Bintulu (5 November 2019), Tawau (11 November 2019), Sibu (14 November 2019) and Balikpapan (mid December 2019); and as well as the route between Manado and Davao launched by Garuda Airlines on 27 September 2019. We also look forward to the Zamboanga to Kota Kinabalu air

service scheduled to operate on 31 March 2020. We stress the need to initiate more activities focused on marketing and product development and for the private sector to promote tour packages to ensure the sustainability of the air routes. We are encouraged that the BIMP-EAGA Air Linkages Roundtable resulted to concrete strategies and actions to enhance connectivity and facilitate trade; and identified collaborative initiatives to expand air linkages.

- 16. We emphasize, however, that transport connectivity alone will not be enough to realize the economic and social goals of BIMP-EAGA. The transport sector will have to pursue greater synergy with other connectivity sectors such as power, ICT, and trade and investment facilitation, and the other four strategic pillars of the BEV 2025 in Food Basket, Tourism, Environment, and Socio-Cultural and Education. We task our senior transport officials to optimize existing working mechanisms to intensify complementation, coordination and convergence with the other sectors.
- 17. We underscore the need to enhance coordination between the transport and trade facilitation sectors to facilitate the cross-border movement of goods, people and services. We acknowledge results of the Time Release Studies (TRSs) for ports in Muara, Makassar, Sandakan and Tawau, and the border crossing of Sungai Tujuh and Tebedu, which helped identify bottlenecks and proposed concrete actions in the movement of cargos. We recognize the successful conduct of the workshops in TRS in November 2018 and Authorized Economic Operator in March 2019 which helped create awareness and develop joint actions on increasing cross-border trade. We support the proposal by the Customs officials to implement the pilot project of the ASEAN Customs Transit Systems in the West Borneo Economic Corridor.
- 18. We commend convergence initiatives between tourism and transport industry players, which are helping to ensure the growth and sustainability of intra-EAGA air services. We are pleased multi-country tourism packages are being marketed to take advantage of connectivity infrastructure and the newly established air linkages. We also welcome the initiative of the tourism sector to establish cruise tourism routes between Northern Territory of Australia and BIMP-EAGA. We encourage our officials and relevant agencies to provide the necessary support related to infrastructure development, regulatory measures and incentives.
- 19. We welcome private sector initiatives to establish new routes in the subregion. To support this, we encourage airport and seaport operators to provide incentives for private sector to establish new routes within BIMP-EAGA to ensure seamless, reliable and affordable connectivity for trade and tourism.
- 20. We commend the BEBC and the private sector for the successful conduct of the BIMP-EAGA Transport Private Sector Meeting held on 24 September 2019 in Davao City, Philippines. We encourage active private sector engagement through concrete recommendations in improving the business environment in the subregion and delivering cross-border projects that can help achieve targets set forth in the BEV 2025.
- 21. We acknowledge with much appreciation the continued technical assistance, project implementation, and strategic guidance of the Asian Development Bank (ADB) as

BIMP-EAGA's Regional Development Advisor. As we move forward with the implementation of various transport initiatives under BEV 2025, we seek ADB's continued support in project implementation, analytical work, financing, and capacity building in infrastructure development and transport facilitation.

22. We expressed our sincere appreciation and gratitude to the Government of Indonesia for the warm hospitality and the excellent arrangements provided.

List of Ministers:

- 1. H.E Mr. Budi Karya Sumadi, Minister for Transportation, Republic of Indonesia
- 2. H.E Dato' Kamarudin Jaffar, Deputy Minister of Transport, Malaysia
- 3. H.E. Dato' Abdul Mutalib Yusof, Minister of Transport and Infocommunications, represented by Mr. Mohammad Nazri Mohammad Yusof, Permanent Secretary, Ministry of Transport and Infocommunications, Brunei Darussalam
- 4. H.E. Arthur P. Tugade, Secretary of Transportation, represented by Mr. Lino Hambala Dabi, Assistant Secretary, Department of Transportation, Republic of the Philippines