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Speech for H.E. General Prayut Chan-o-cha, Prime Minister of the Kingdom of Thailand Fourth BIMSTEC Summit 30 August 2018

Your Excellency Khadga Prasad Sharma Oli,
Prime Minister of the Federal Democratic Republic of Nepal,
Your Excellency Sheikh Hasina,
Prime Minister of the People's Republic of Bangaldesh,
Excellency Tshering Wangchuk,
Chief Advisor to the Interim Government of Bhutan,
Excellency Narendra Modi,
Prime Minister of the Republic of India,
Excellency Win Mint,
President of the Union of the Republic of Myanmar,
Excellency Maithripala Sirisena,
President of the Democratic Socialist Republic of Sri Lanka,
Distinguished Participants,

It is my great honour to join all of you at the discussion today. I would like to thank the Nepalese Government for convening the 4th BIMSTEC Summit. In the last few years, BIMSTEC has become a subregional framework of cooperation that is in line with the increasing global interest in our region with Southeast Asia and South Asia the strategic link between the two major oceans of the world: the Pacific and the Indian Oceans. This viewpoint corresponds to Thailand's Look West Policy and the Look East policy of South Asian countries, especially India's desire to "Act East". The capacity of BIMSTEC with its population of 1.6 billion people and a combined GDP of 2.8 trillion dollars has turned our region into one of the fastest growing in the world. We should not let this golden opportunity pass us by without actively pursuing tangible results.

Thailand, as the founding member of BIMSTEC 21 years ago, has always been active in this forum. We thus reaffirm our commitment as the key driver in connecting Southeast Asian countries to South Asia by connecting the connectivities through implementing and synchronizing the master plans in other cooperation frameworks such as ACD, ACMECS, ASEAN, and BIMSTEC.

It is now time for BIMSTEC to review our collaboration amidst the volatile political and economic situation, along with the current trend of nationalism, anti-globalization, protectionism and other emerging threats. BIMSTEC must be prepared to tackle these challenges through our dynamic cooperation. BIMSTEC must step up to be a key player to support Asia as a driving force of the global economy.

The success of the 4th BIMSTEC Summit, therefore, lies in the exchange of experience, strengths and expertise of each member country on the basis of mutual trust, mutual respect and mutual benefit so that we can transform our region towards a peaceful, prosperous and sustainable Bay of Bengal.

Excellencies, Distinguished Delegates

I would like to offer the following 5 suggestions for the future direction of BIMSTEC.

Firstly, I would like to congratulate the BIMSTEC Vision for considering a priority list of fields out of the existing 14 areas of cooperation. I concur with my colleagues that we should not focus on quantity, but rather on quality. We must deepen our collaboration for tangible results. Thailand therefore proposed streamlining the areas into five inclusive pillars, namely Connectivity, Trade and Investment, People-to-People Contact, Security, and Science and Technology I am of the view that the restructuring of the areas of cooperation will enable BIMSTEC to be more dynamic. Accordingly, I would like to thank all member states for having trust in Thailand's concept paper as the basis for the consideration.

Thailand stands ready play a leading role in the proposed pillars during our future chairmanship of ASEAN in 2019 and APEC in 2022 to yield tangible results, sustainability, continuity and monitoring system are needed.

<u>Secondly</u>, Connectivity is at the forefront of Thailand's core national policy. For BIMSTEC, I would like to propose that, at this initial stage, we collaborate to promote two main areas - transport connectivity and maritime connectivity.

- <u>Transport connectivity</u>: covers roads, infrastructure, harmonization of regulations, energy and digital development projects. In this connection, I would like to thank all member states for supporting BIMSTEC Master Plan on Transport Connectivity, proposed by my special envoy during the Outreach Summit in Goa, India, in 2016, and drafted by Asian Development Bank. In this summit, I would like to propose that we jointly set a defined timeline for connectivity goals, to seamlessly link the Trilateral Highway among India, Myanmar and Thailand with the East West Economic Corridor of the ACMECS countries as soon as possible. We should aim for a road network to transport people, goods and services as well as for the harmonization of rules and regulations to accommodate seamless movement from India to the east coast of Vietnam in the shortest time possible. Therefore, I urge all sectors involved to accelerate the internal process to finalise the signing of the BIMSTEC Motor Vehicle Transport Agreement MVA at the earliest opportunity.
- In addition, tomorrow we will witness the signing ceremony of the Memorandum of Understanding on the Establishment of the BIMSTEC Energy Network. This will undoubtedly attract investment on effective energy

infrastructure and subregional energy security. I am of the view that this is indeed a prime opportunity, which is in line with the ACMECS Master Plan, under which the ACMECS countries (which consist of Cambodia, Lao PDR, Myanmar, Thailand and Vietnam) have planned to establish energy pipeline network as well. In this regard, as Thailand and Myanmar are located in both BIMSTEC and ACMECS subregions, our two nations stand ready to be the bridge linking and facilitating energy cooperation between our two subregions. Thailand is in the position to receive electricity generated from ACMECS countries to be transferred to BIMSTEC countries. This will ensure a better access to quality, affordable and sustainable energy resources for BIMSTEC members.

- As for maritime connectivity, it is a well-known fact that water transport is the least-cost mean of transport. Therefore, I urge member states to accelerate the internal process to complete the signing of the BIMSTEC Coastal Shipping Agreement by 2019. This Agreement will greatly enhance connectivity between ports in the Bay of Bengol in line with the Ports-Connectivity approach. In this connection, Thailand would like to propose the linkage of Ranong Port in the West of Thailand with Chittagong Port in Bangladesh as a pilot project. This will enable the connection to Calcutta, Chennai and Visakhapatnam Ports in India, and ultimately to Port of Hambantota in Sri Lanka. Thailand, as a key policy maker, with our experience in "Connect the Connectivities" project, is ready to cooperate and share our experience for tangible results in a timely manner.

Thirdly, On trade and investment, this is a continuing issue from the talk on connectivity. I am of the view that BIMSTEC will shine on the world stage once we successfully reach the BIMSTEC Free Trade Agreement. Excellencies, 21 years ago, when BIMSTEC was conceived, our countries aimed to make BIMSTEC a Free Trade Zone. Therefore, we need to hold on and make more efforts to realize the initial purpose of BIMSTEC founders at the earliest opportunity. Let's not forget that we have full potential in terms of working age population (over 1.6 billion people or 24 % of the world population), and as an emerging market with high purchasing power. Our region is also in a prime location between Indian and Pacific Oceans, flanked by two of the world's top economies like India and China. In this connection, I urge that we set our common goal to make a BIMSTEC a Free Trade Zone by 2021, the year Thailand will become BIMSTEC Chair. To reach for that goal, we have to join hands to accelerate the signing of the six unfinished agreements within the next 3 years. I am convinced that from now on until the next 3 years, member countries will be able to harvest the fruits of our initial Free Trade implementation, or Early Harvest Free Trade Agreement (Low Hanging Fruits). This, coupled with the network of subregional connectivity, will enhance the flow of people, energy, products and services, which will integrate the BIMSTEC subregion into the global supply and value chain, a win-win situation for all. In this regard, cooperation and economic development will move forward hands in hands,

building trust and reducing competitiveness, making us stronger, with more bargaining power with other regions.

Fourthly, BIMSTEC stands out among other cooperation frameworks because of our "people", who are closely related by historical and cultural ties. This is indeed the most crucial basis for building mutual trust. Thailand wishes to emphasize that "people" is always placed at the heart of all our policy implementations. I believe that People to People Contact should be placed at the core of all pillars. This will be a key factor for BIMSTEC to achieve our goal of "leaving no one behind". Thailand will continue to support the human resource development in all BIMSTEC sectors. Also, Thailand will cooperate with member states through Thailand International Cooperation Agency or TICA to promote capacity-building, and to further extend this support in the future. With this in mind, in March this year, TICA, in collaboration with the Department of Fisheries, jointly hosted the workshop on freshwater aquaculture for representatives from BIMSTEC countries. The workshop provided a forum for exchange of knowledge and experience for freshwater aquaculture development. In addition, in 2019, TICA is set to organize training programmes for BIMSTEC members in various fields, such as SMEs development, fisheries, capacitybuilding for women, along with health and tourism. It is my hope that member countries will nominate representatives to join the programme.

Excellencies,

<u>Fifthly</u>, I wish to commend BIMSTEC cooperation on security, especially through India's strong support. It is undeniable that regional and global security is a pre-requisite for peace, stability and economic growth. In this connection, Thailand reaffirm our active cooperation on security matter. It is my hope that member states will jointly sign the Mutual Legal Assistance in Criminal Matters (MLAT), which is a basis of a systematic expansion of security cooperation mechanism, by the end of this year. Also, Thailand looks forward to host the 3rd BIMSTEC National Security Chief in March 2019.

Last but not least, I would like to reiterate Thailand's readiness to be the engine of growth driving BIMSTEC forward, bringing along our experience and development policies. In this regard, Thailand has used Thailand 4.0 policy as an economic model for the country to escape the middle income trap and social disparity, in line with the "Sufficiency Economy Philosophy". This concept focuses on creating value-added industry with technology and innovation, research and development, and innovative enterprises, while at the same time, supporting SMEs, which constitute the production base of our economic structure, as well as developing people's capacity to keep pace with external dynamism. This approach is, indeed, a strengthening from within, focusing on people and economic fundamentals, coupled with connecting Thailand to the global community. I am convinced that the promotion of the five issues I have mentioned will strengthen BIMSTEC, making it stand out and attract interest

from the international community. The internal strength of BIMSTEC needs to be developed in line with the internal restructuring, as reflected in the joint drafting of the BIMSTEC Charter, and the strengthening of the BIMSTEC Secretariat. In this regard, the Fourth BIMSTEC Summit Declaration, which will be adopted tomorrow, is indeed a key factor for the rebranding of BIMSTEC in the future.

Thank you.
