

Foreword

The Indonesia–Malaysia–Thailand Growth Triangle (IMT–GT) currently consists of eight provinces in southern Thailand (Nakhon Si Thammarat, Narathiwat, Pattani, Phatthalung, Satun, Songkhla, Trang, and Yala), eight states of Peninsular Malaysia (Kedah, Kelantan, Melaka, Negeri Sembilan, Penang, Perak, Perlis, and Selangor) and the island of Sumatera in Indonesia (consisting of 10 provinces, namely: Aceh, Bangka–Belitung, Bengkulu, Jambi, Lampung, North Sumatera, Riau, Riau Islands, South Sumatera, and West Sumatera). southern Thailand and northern Malaysia share a land border, while Peninsular Malaysia and southern Thailand are separated from Sumatera only by the narrow Straits of Melaka.

The IMT–GT subregion is a classic growth triangle, characterized by many economic complementarities, geographical proximity, and close historical, cultural and linguistic ties. IMT–GT has a vast potential for development, given large amounts of land, abundant cheap labor, rich natural resources, and a sizeable internal market of nearly 70 million people. Recognizing this potential, the governments of Indonesia, Malaysia and Thailand launched a subregional program of cooperation in 1993 to accelerate the economic transformation of the IMT–GT subregion by exploiting underlying complementarities and comparative advantages; enhancing the subregion’s competitiveness for investment and exports; promoting tourism; lowering transport and transaction costs; and reducing production and distribution costs through greater economies of scale. Since its establishment in 1993, IMT–GT has grown both in geographical scope and activities, supported by the vigor and dynamism of the private sector which built many partnerships and alliances. At the same time, people-to-people contact has increased, helping build trust and confidence and instill a feeling of community in the IMT–GT. There were also significant gains in trade, travel and tourism, as well as improvements in physical connectivity within the IMT–GT subregion.

Progress in the IMT–GT subregional cooperation initiative was, however, slowed down by the Asian financial crisis, the threat of SARS and avian flu epidemic, and security concerns in some parts of IMT–GT. As a result, many of the constraints faced by IMT–GT in its earlier years remain. With the onset of economic recovery and continuing favorable economic outlook in the Asian region, there has been a renewed interest in subregional cooperation initiatives in Asia. Continuing globalization and recent trends in global and regional economic environment affecting trade and investment have also increased the strategic importance of well designed subregional cooperation measures. Thus, during the 1st IMT–GT Summit Meeting held in Malaysia in December 2005, the member governments reaffirmed their commitment to the IMT–GT and its continuing growth and development. To foster a pragmatic and results-oriented approach to cooperation, the member governments agreed that an IMT–GT Roadmap should be formulated to guide cooperative efforts in the next 5 years.

This IMT–GT Roadmap (2007–2011) has been accordingly prepared:

- (i) to provide a vision and framework for cooperation in the IMT–GT, so that all IMT–GT instrumentalities are not only moving in the same direction, but also in a mutually reinforcing manner;

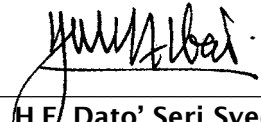
- (ii) to guide the formulation and implementation of IMT-GT programs and projects;
- (iii) to ensure the implementation of IMT-GT programs and projects through continuing improvement of mechanisms for effective implementation, coordination, monitoring and evaluation;
- (iv) to help in mobilizing resources from bilateral and multilateral development agencies, potential investors and financial institutions for the implementation of IMT-GT programs and projects; and
- (v) to broaden the support of the IMT-GT general community in the IMT-GT subregional cooperation initiative.

Along these lines, the Roadmap for 2007–2011 provides both a framework, as well as a plan of action, with milestones being specified to facilitate monitoring and evaluation of progress, as well as to ensure that follow-up measures are pursued. Actual accomplishments in various programs and projects will be matched against targets and planned actions in the course of implementing the Roadmap, and adjustments will be made as required by the circumstances. At the same time, mechanisms will be established to foster clearer lines of responsibilities in the implementation of IMT-GT programs and projects.

For this Roadmap to successfully contribute to the achievement of the IMT-GT's aspirations, sustained commitment and active cooperation from all stakeholders is imperative. We are confident that the shared vision, mission, and goal of stakeholders in the IMT-GT subregion will go a long way in facilitating the realization of the IMT-GT's full potential and concomitantly, in improving the lives of its people.



H.E. Boediono
*Coordinating
Minister for
Economic Affairs*



**H.E. Dato' Seri Syed
Hamid Syed Jaafar Albar**
*Minister of Foreign
Affairs*



**H.E. Nitya
Pibulsonggram**
*Minister of Foreign
Affairs*

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Second IMT-GT Summit
Cebu, Philippines

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INDONESIA-MALAYSIA-THAILAND GROWTH TRIANGLE

I. Population and Land Area, 2005

Country Province/State	Population (000)	Land Area (sq km)	Population Density
Indonesia			
· Aceh	4,310	57,366	75
· Bangka Belitung	963	17,250	56
· Bengkulu	1,693	19,789	85
· Jambi	2,614	53,436	48
· Lampung	7,136	35,376	201
· North Sumatra	12,658	71,681	176
· Riau	5,483	95,000	58
· Riau Islands	802	21,992	36
· South Sumatra	7,488	53,436	140
· West Sumatra	4,538	42,297	108
IMT-GT Indonesia	47,685	467,623	102
Malaysia			
· Melaka	723	1,652	438
· Kedah	1,854	9,425	197
· Kelantan	1,515	15,020	101
· Negeri Sembilan	960	6,645	144
· Penang	1,496	1,030	1,452
· Perak	2,283	21,005	109
· Perlis	226	795	284
· Selangor	4,869	7,930	614
IMT-GT Malaysia	13,926	63,502	219
Thailand¹			
· Nakhon Si Thammarat	1,615	9,942	162
· Narathiwat	766	4,475	171
· Pattani	567	1,377	411
· Phatthalung	514	3,424	150
· Satun	275	2,478	111
· Songkhla	1,311	7,393	177
· Trang	635	4,917	129
· Yala	477	4,521	106
IMT-GT Thailand	6,160	38,527	160
IMT-GT	67,771	569,652	118.9

Source: IMT-GT government authorities

¹ Data for 2004.

INDONESIA-MALAYSIA-THAILAND GROWTH TRIANGLE

II. Economic Profile 2005

Country Province/State	GDP/Capita ² (US \$)	Structure of Production (%)			Total Labor Force (000)	Unemployment Rate (%) ³
		Agri- culture	Manufacturing	Services		
Indonesia						
• Aceh	970	41.0	11.5	10.6	61.8	2.4
• Bangka- Belitung	902	25.0	21.3	7.2	209.9	7.1
• Bengkulu	414	32.8	4.9	17.3	713.3	6.3
• Jambi	621	30.2	14.5	16.8	-	6.0
• Lampung	-	-	-	-	-	11.1
• North Sumatra	-	29.6	21.5	7.78	-	-
• Riau	822	8.7	20.5	3.2	-	15.3
• Riau Island	1,351	-	-	-	-	-
• South Sumatra	-	20.7	20.9	6.8	-	8.4
• West Sumatra	763	24.4	12.2	16.3	1,196.9	12.8
862						
IMT-GT Indonesia						
Malaysia						
• Melaka	5,115	3.4	48.5	45.4	305.0	1.2
• Kedah	2,937	11.8	20.7	64.6	735.0	3.7
• Kelantan	1,974	18.7	2.2	78.1	480.0	3.3
• Negeri Sembilan	4,522	7.2	41.4	48.7	422.0	3.5
• Penang	7,208	1.7	55.1	40.6	702.0	2.2
• Perak	4,068	12.9	25.0	58.7	902.0	3.3
• Perlis	3,237	23.7	5.1	67.9	82.0	2.9
• Selangor	6,140	1.7	43.6	50.4	2,219.0	3.1
IMT-GT Malaysia	4,865				5,847.0	2.9
Thailand⁴						
• Nakhon Si Thammarat	1,517	27.6	12.9	59.5	907.6	1.7
• Narathiwat	1,048	48.2	5.2	46.6	348.8	1.5
• Pattani	1,489	46.8	4.2	49.0	295.8	0.8
• Phatthalung	1,109	32.7	31.4	35.9	136.3	2.1
• Satun	1,832	48.6	13.7	37.7	744.3	3.8
• Songkhla	2,408	25.4	30.8	43.8	744.3	3.8
• Trang	1,723	45.6	14.2	40.2	342.2	0.4
• Yala	1,395	39.1	9.3	51.6	210.0	1.3
IMT-GT Thailand					3,297.2	1.8

Source: IMT- GT Government Authorities

² 2005 current prices.

³ Data for 2004.

⁴ Data for 3rd quarter 2004.