

Speech for 15<sup>th</sup> BIMSTEC Ministerial Meeting  
August 11, 2017  
Kathmandu

Hon'ble Minister for Foreign Affairs of Nepal and the Chair  
Hon'ble Respected Ministers from all the BIMSTEC  
Countries  
High Level Representatives from the Government of all  
BIMSTEC Countries  
Distinguished Guests  
Ladies and Gentlemen

First of all, on behalf of the Nepalese private sector and on my own, I would like to extend my heartiest gratitude to the Government of Nepal for providing me this opportunity to put across private sector's views in this august gathering.

I would also like to extend our best wishes for the success of this Ministerial Meeting and look forward to a concrete decision to move this regional grouping into a newer height.

BIMSTEC has come a long way since it was formed in 1997 and seen a lot of changes, wherein other countries have also joined. When Nepal joined the BIMSTEC, we, private sector, had a lot of hopes that it would drive the country to new areas of opportunity through a regional cooperation and integration.

But, as we are celebrating the two decades of its existence, we feel that the growth of the regional cooperation and integration has been sluggish. So, we remind all the Hon'ble Ministers and the Governments that we cannot delay any further to provide further impetus towards the success of BIMSTEC.

BIMSTEC, we all know, is one of the least integrated regions in the world- having an intra-regional trade of just above 7 percent. Trade network is limited to only one or two nations within the region. This is because there is inadequate connectivity, there exist tariff and non-tariff barriers and trade facilitation measures are weak. Despite signing of BIMSTEC FTA in 2004, we have not been able to finalize trade liberalization programme. Thus, we private sector feel that a strong political commitment and sense of urgency is needed to move forward in regional trade integration.

However, just having the FTA does not guarantee economic cooperation and integration. So, in order to make the BIMSTEC a successful endeavor, special needs of LDCs in the region like Nepal cannot be ignored. So, we urge Hon'ble Ministers to focus on greater cooperation in developing productive capacity, promoting investment and creating economic opportunities in these countries.

Hon'ble Ministers, for these to happen, we feel that increased flows of intra-regional investment and technology transfer as well as development of regional value chains are crucial. There are several potential areas of investment cooperation among the members of the BIMSTEC, few of which I would like to highlight here briefly.

BIMSTEC is rich in diversified source of energy within the region. Bhutan and Nepal are rich in hydro power, whereas Myanmar and Bangladesh are rich in natural gas. Joint ventures amongst the private sector can be developed to harness these untapped potentials. So, we believe cooperation in development of regional energy grid and natural gas pipeline would greatly enhance the energy capacity and ensure energy security of the region.

Another avenue of cooperation in the region is tourism sector. The region is rich in cultural and natural heritages. Development of a regional tourism plan and strategy could spur economic development across all countries. For instance, people of the region share the common thread of Buddhism. So, we see a great potential in developing a Buddhist circuit connecting major Buddhist landmarks of the region.

क्षेत्रीय पर्यटन सम्बन्धी योजना तथा रणनीतिको विकास मार्फत यस क्षेत्रको पय

Hon'ble Ministers, most importantly, we feel that connectivity is the crucial element to materialize the potentials of the region. Better connectivity is required in the movement of goods, services, and people. This would require investment in trade and transport facilitation infrastructure. So, we request Member countries to focus on cooperation in the development of soft and hard infrastructure ensuring rail, road, sea, air and digital connectivity in the region.

While talking about the connectivity, we should not also forget the ease in movement of people. When people move, trade and investment also flourish. Examples from ASEAN and EU show that ease in movement of people has a positive socio-economic impact on the people and the countries.

BIMSTEC is one of the fastest growing regions in the world. It has a combined GDP of more than 2.5 trillion dollars and is home to about 1.5 billion people. Despite the sluggishness in the BIMSTEC, it has a huge potential. To drive the regional economic growth and also to tap the potentials, we must ensure regular contacts amongst the private sector. We have seen that regular networking of business people has made the region vibrant. So, we firmly believe that an entity like BIMSTEC CCI can greatly contribute in promoting trade and investment in the region.

Before, I conclude, I would once again like to humbly request Hon'ble Ministers that we have seen what drives the regional groupings like ASEAN and EU. So, to drive the BIMSTEC forward, we should also focus on what connects us rather than what rifts up, and let the economic development drive the BIMSTEC forward.

With this, I would once again extend my deepest thanks to the Government of Nepal and wish for its success.

Thank you and in solidarity.