

**Media Statement by H.E. Dato Seri Rafidah Aziz, Chairman of the 7th Ministerial Meeting on the ASEAN-Mekong Basin Development Cooperation
Kuala Lumpur, 28 November 2005**

The Seventh Ministerial Meeting of ASEAN-Mekong Basin Development Cooperation (AMBDC) was held on Monday, 28 November 2005, at Mandarin Oriental Kuala Lumpur.

2. The Meeting was attended by representatives from ASEAN member countries and PR China. Representatives from Japan, the United Nations Development Programme (UNDP) and Asian Development Bank (ADB) also attended the Meeting as observers.
3. The Meeting noted the progress of the AMBDC activities, including the Singapore – Kunming Rail Link (SKRL) project which is one of the flagship projects under AMBDC framework.
4. The Meeting also noted that AMBDC member countries are undertaking their commitments to realise the SKRL, including donors such as Republic of Korea and Asian Development Bank. Member countries are also undertaking rehabilitation of national rail tracks and construction of new rails, in addition to the feasibility study undertaken for spur lines to provide inter-connectivity among member countries.

The progress of work in SKRL is in Attachment 1.

5. The Meeting expressed appreciation to the lead role assumed by Malaysia since 1996 in undertaking the feasibility study costing US\$533,000 and in presently hosting the SKRL Regional Secretariat for three years from 2004-2006.

6. In order to enhance greater awareness of the SKRL to the private sector, potential investors and funding agencies, Malaysia agreed to undertake:

- the production of a video on the Singapore – Kunming Rail Link; and
- to organise a high-level seminar on the SKRL to disseminate information and opportunities on this flagship project of ASEAN.

7. Malaysia also further reiterated its commitment to provide 106 km of rail tracks for the 48 km Poipet - Sisophon missing link in Cambodia. Of these, 103 km rail tracks are ready to be handed over to Cambodia subject to the finalisation of transport and storage arrangements.

8. Apart from the SKRL activities, the Meeting also noted that, to date:

- 31 projects have been implemented or are on-going with funding of US\$11.3 million, mainly related to human resources development and capacity building initiatives; and
- efforts are being undertaken to secure funding for the remaining 24 projects, some of which are hard infrastructure projects.

9. These projects are funded by Malaysia, Singapore, PR China, Korea and other donor countries and agencies. Malaysia's involvement is in two of these projects:

- the project on Training in Ground Water Resources management for Cambodia, Lao, Myanmar and Viet Nam was implemented with funding from Malaysia amounting to US\$96,800 and US\$97,988 from ASEAN Foundation. 17 participants attend the training programme held in Kuala Lumpur in 2005;
- the project on HRD in Remote Sensing and Geographic Information System for Forestry Personnel of Cambodia, Laos, Myanmar and Viet Nam (CLMV) will be implemented in early 2006.

10. In addition, ASEAN-6 countries are also providing assistance to the CLMV countries under the Initiative for the ASEAN Integration (IAI).

11. Malaysia is among the leading contributors under IAI in ASEAN with US\$1.53 million in 29 projects, covering soft infrastructure projects such as training programmes, education and capacity building initiative.

12. Taking cognizance of the importance of ensuring that projects submitted for funding under the AMBDC are relevant and fulfill the objectives of the framework, the Meeting agreed to Malaysia's proposal to establish specific criteria for project approval. The Meeting agreed to the criteria as in Attachment 2.

13. To further strengthen the existence and cooperation in the Mekong Basin, the outcome of this Meeting will be submitted for consideration of the 11th ASEAN Summit which will be held from 12 to 14 December 2005 in Kuala Lumpur.

Attachment 1

No	Link/Spur Line	Donor	Status
1	48 km Poipet-Sisophon (Cambodia)	Malaysia, Thailand	<p>Ongoing</p> <ul style="list-style-type: none">• 103 km of rail tracks by Malaysia is now ready for delivery to Cambodia• Thailand had done the feasibility study on re-establishing the Bangkok - Aranyaprathet- Phnom Penh railway line since August 2000

2	Railway Network in Cambodia (Track rehabilitation & upgrading and restructuring of Railway Authority)	ADB	Ongoing (US\$ 40 million loan available in 2006)
3	Preliminary Technical Study on Phnom Penh–Loc Ninh Missing Link (Cambodia, Vietnam)	PR China	Completed (US\$ 1.0 million)
4	Loc Ninh–Ho Chi Minh (Vietnam)	Vietnam	Completed Seeking foreign funding for construction work
5	Nam Tok–Three Pagoda Pass Spur Line (Thailand, Myanmar)	Republic of Korea	Ongoing To be completed by February 2007
6	Three Pagoda Pass–Thanphyuzayat Spur Line (Myanmar)	Republic of Korea	Ongoing To be completed by February 2007
7	East – West spur line (Route 3) Vung Ang – Tan Ap – Mu Gia (125 km) connecting the SKRL from Lao PDR	Vietnam	Completed
8.	rehabilitation of 141km railway link between Yuxi and Mengzi in PR China on the Kunming – Hekou route	PR China	On-going US\$540 million
9.	Construction of the 3.5 km section from the middle of Friendship Bridge between Thailand and Laos to Ban Thanaleng in Laos.	Thailand	On-going US4.9 million

Attachment 2

Specific Criteria for Non-SKRL Project Evaluation and Approval under the ASEAN – Mekong Basin Development Cooperation

- a) the projects must strengthen interconnections and economic linkages between the ASEAN member countries and the Mekong Riparian countries;
- b) projects must have regional content that would lead to synergies and complementarities;
- c) projects initiated should involve at least two countries in the Mekong Basin;
- d) projects should promote development within the Mekong Basin countries with the

view to their contribution to deepen integration of the region;

e) AMBDC accord priority to the short-term needs of the Mekong Basin countries;

f) the cost of soft projects, where possible, should not exceed US\$100,000;

g) the projects which do not secure funding for two years be taken out of the list or be reviewed; and

h) projects which require donor country assistance should meet the regional content criteria.