



## **Framework Agreement on the BIMST-EC Free Trade Area**

### **PREAMBLE**

**THE GOVERNMENTS** of the Kingdom of Bhutan, the Republic of India, the Union of Myanmar, the Kingdom of Nepal, the Democratic Socialist Republic of Sri Lanka and the Kingdom of Thailand, Member States of BIMST-EC (Bangladesh, India, Myanmar, Sri Lanka and Thailand Economic Cooperation), hereinafter referred to collectively as “the Parties” and individually as “a Party”;

**TAKING NOTE** of the Agreed Conclusions of the BIMST-EC Economic Ministerial Retreat held in Bangkok, Thailand, on 7<sup>th</sup> August, 1998, that BIMST-EC should aim and strive to develop into a Free Trade Arrangement and should focus on activities that facilitate trade, increase investments and promote technical cooperation among member countries;

**MOTIVATED** by the need for strengthening economic cooperation in the region to fully realise the potential of trade and development for the benefit of their people;

**RECOGNIZING** the need to harmonize with the changing global economic environment and the catalytic role that regional trading arrangements can play towards accelerating global liberalization as building blocks in the framework of the multilateral trading system;

**CONVINCED** that a BIMST-EC Free Trade Area will act as a stimulus to the strengthening of economic cooperation among the Parties, lower costs, increase intra-regional trade and investment, increase economic efficiency, create a larger market with greater opportunities and larger economies of scale for the businesses of the Parties, and enhance the attractiveness of the Parties to capital and talent;

