



ENHANCING ASEAN CONNECTIVITY: FROM MASTER PLAN TO IMPLEMENTATION

Presented at:

8th ASEAN Leadership Forum

“Reinventing ASEAN’s Potential: Seizing New Opportunities”

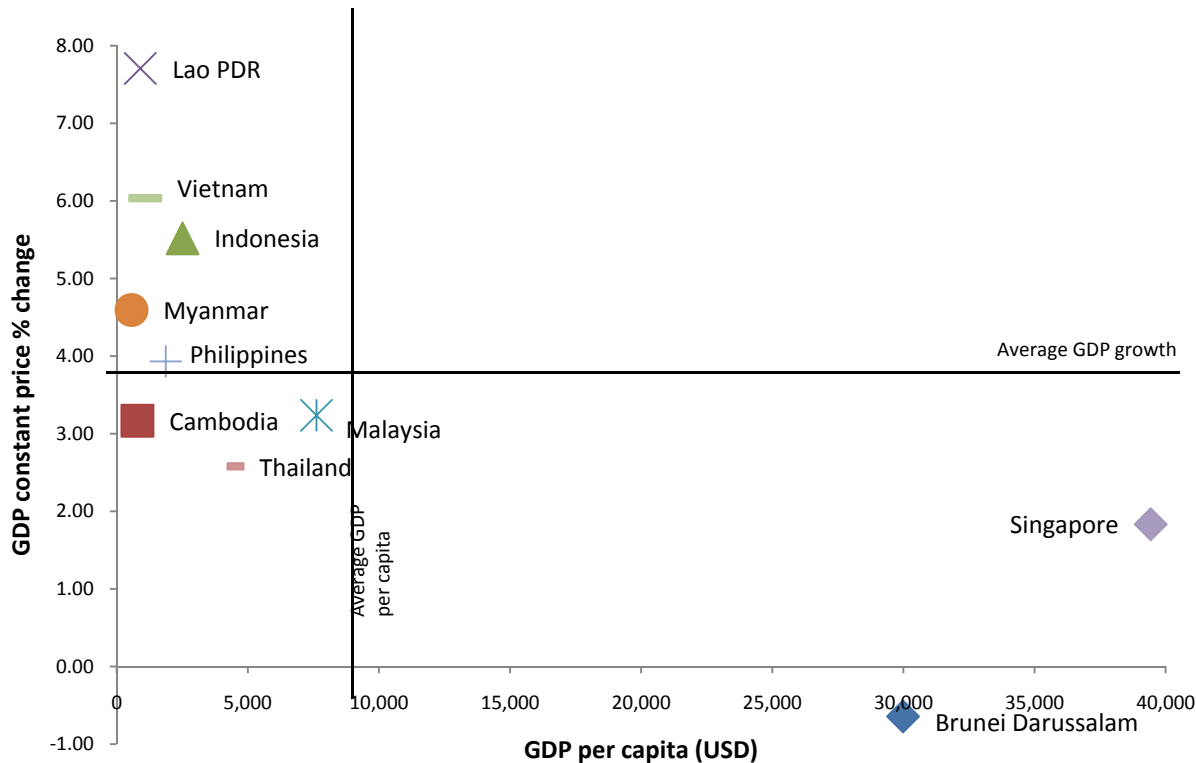
9 May 2011, Jakarta

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ASEAN Connectivity 101

Who	What	When	Where	How
ASEAN	Goals : 1. Enhance trade, investment, tourism development 2. Narrow development gaps 3. Facilitate people-to-people contact Towards AEC 2015	2011-2015	South East Asia	1. Physical connectivity 2. Institutional connectivity 3. People-to-people connectivity

ASEAN's Current Economy (2008-2010)

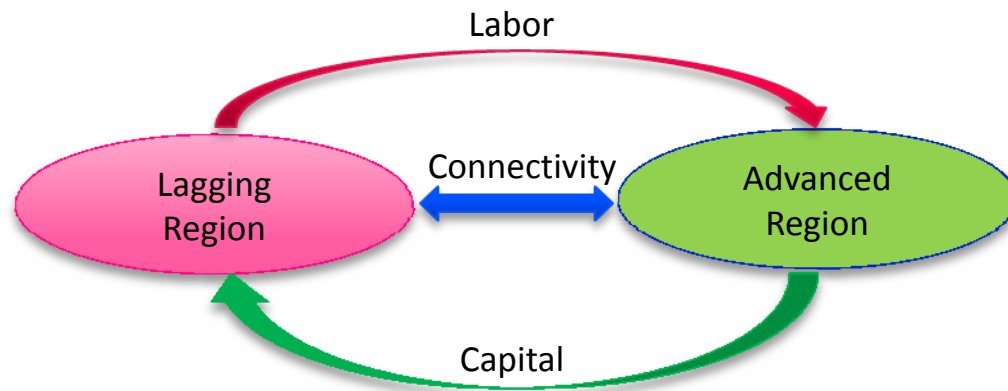


Source: IMF World Economic Outlook, analyzed

- CLMV economies in general have grown faster than the other 6 ASEAN countries. Their collective share to ASEAN GDP has increased from less than 6% in 1998 to around 9% in 2008.
- However, great disparities exist.
- In 2008, the average of GDP per capita of the more developed member states is almost 14 times that of the less developed member states.

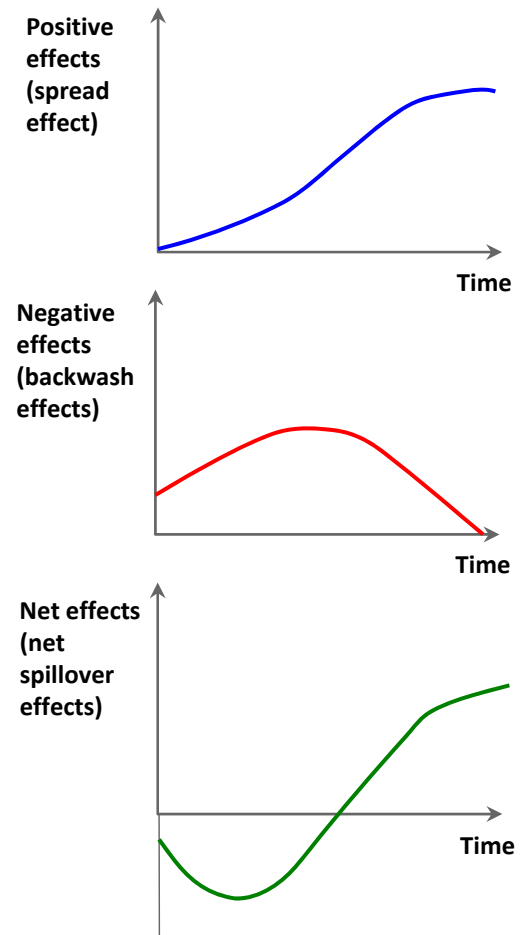
What would happen and what are the risks surrounding regional connectivity

- Equilibrium if domestic connectivity is strong
- Resource drain if domestic connectivity is weak, thus the gap remains or widens.



Source: adapted from Capello, 2007

- Negative implications possibly occur in the early period of a well-connected region. It is possible that the larger economies will crowd out the smaller economies
- The negative effects could be subsequently diminished, when smaller economies reorganize themselves around their larger counterparts.



Source: Capello, 2007

Key Strategies for Enhanced ASEAN Connectivity

	Physical	Institutional	People to People
Key Strategies <div style="border: 1px solid red; padding: 5px; display: inline-block; margin-top: 10px;">19</div>	<ol style="list-style-type: none"> 1. ASEAN Highway Network (AHN) 2. SK Railway Link (SKRL) 3. Inland Waterway Network (INL) 4. Maritime Transport Network (MTN) 5. Multimodal Transport for Transport Hub in the Region (MULTI) 6. ICT Infrastructures & services (ICT) 7. Resolve Institutional Issues in Energy Infrastructure Project (ENERGY) 	<ol style="list-style-type: none"> 1. Framework Agreement on Transport Facilitation (FATF) 2. Inter-state passenger land transportation (LT) 3. ASEAN Single Aviation market (ASAM) 4. ASEAN Single Shipping Market (ASSM) 5. Eliminate barriers for trade (TRADE) 6. Competitive logistics sector (LOG) 7. Trade Facilitation (TF) 8. Border Management (BOR) 9. Open Investment (INV) 10. Institutional Capacity and Regional-Sub regional Coordination (INS) 	<ol style="list-style-type: none"> 1. Intra ASEAN Social & Cultural Understanding (SOC – CUL) 2. Intra ASEAN People Mobility (MOB)
	TOTAL: 7 Key Strategies	TOTAL: 10 Key Strategies	TOTAL: 2 Key Strategies
Key Actions <div style="border: 1px solid red; padding: 5px; display: inline-block; margin-top: 10px;">84</div>	<ol style="list-style-type: none"> 1. AHN – 5 Key actions 2. SKRL – 4 Key actions 3. INL – 1 Key actions 4. MTN – 1 Key actions 5. MULTI – 4 Key actions 6. ICT – 7 Key actions 7. ENERGY – 6 + 4 Key Actions 	<ol style="list-style-type: none"> 1. FATF – 4 Key actions 2. LT – 2 Key actions 3. ASAM – 5 Key actions 4. ASSM – 1 Key actions 5. TRADE – 4 Key actions 6. LOG – 2 Key actions 7. TF – 6 Key actions 8. BOR – 3 Key actions 9. INV – 2 Key actions 10. INS – 3 Key actions 	<ol style="list-style-type: none"> 1. SOC-CUL - 10 Key actions 2. MOB – 10 Key actions
	TOTAL: 32 Key Actions	TOTAL: 32 Key Actions	TOTAL: 20 Key Actions

15 Priority Projects for ASEAN Connectivity

Physical Connectivity

1. Completion of the ASEAN Highway Network (AHN) – Land Transport
2. Completion of the Singapore-Kunming Rail Link (SKRL) – Land Transport
3. Establish ASEAN Broadband Corridor (ABC) – ICT
4. Malaka-Pekan Baru Interconnection -- Energy
5. West Kalimantan-Sarawak Interconnection -- Energy
6. Study on RORO Network and Short Sea Shipping – Maritime Transport

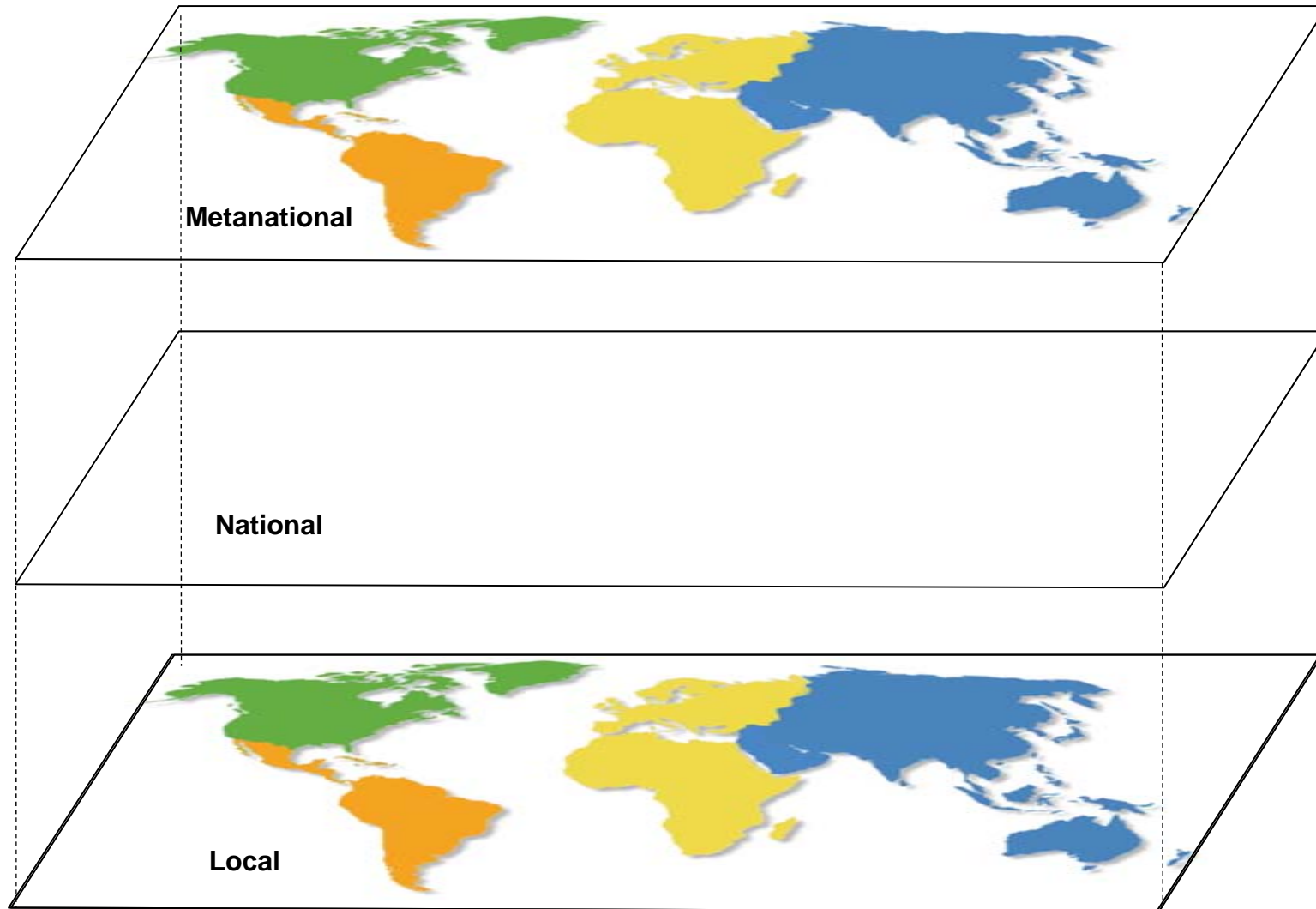
Institutional Connectivity

1. Develop and Operationalise Mutual Recognition Arrangements (MRAs) – Free Flow of Goods
2. Establishing Common Rules for Standards and Conformity Assessment Procedures – Free Flow of Goods
3. Operationalise all National Single Windows (NSWs) by 2012 – Free Flow of Goods/ASEAN Single Window
4. Options for a Framework Modality towards Phased Reduction and Elimination of Scheduled Investment Restrictions – Free Flow of Investments
5. Operationalisation of the ASEAN Agreements on Transport Facilitation – Transport Facilitation

People-to-people Connectivity

1. Easing Visa Requirements for ASEAN Nationals – Movement of People, Tourism
2. Development of ASEAN Virtual Learning Resource Centres (AVLRC) – Culture
3. Develop ICT Skill Standards – ICT
4. ASEAN Community Building Programme – Culture, Education

Connectivity Hierarchy & Metanational Competition



Source: adapted from Doz, 2001

THANK YOU