

Chapter 1

Introduction

ERIA Study Team

October 2010

This chapter should be cited as

ERIA Study Team (2010), 'Introduction' in *ASEAN Strategic Transport Plan 2011-2015*, Jakarta: ASEAN Secretariat and ERIA, pp.1-1—1-12.

CHAPTER 1 INTRODUCTION

1.1 BACKGROUND OF ASTP 2011-2015

In designing the ASEAN Strategic Transport Plan (ASTP) 2011-2015, it is necessary to take due account of historical and cross-sectional backgrounds in ASEAN and other ongoing development in the world.

From a historical perspective, the ASTP is regarded as the successor of the ASEAN Transport Action Plan (ATAP) 2005-2010. Although the ATAP itself will expire soon, a number of actions and measures stipulated in the ATAP and other related agreements are still ongoing and will continue to be relevant for the ASTP. In order to maintain the historical consistency, the ASTP would be designed over a comprehensive review of ongoing initiatives in the ASEAN transport cooperation. In addition, the ASTP is expected to envisage a longer term vision on ASEAN transport cooperation beyond 2015, as it would help specifying the goals and actions for the next five years.

From a cross-sectional perspective, the ASTP should be designed in consistence with other overarching initiatives such as the ASEAN Economic Community (AEC) Blueprint and the Master Plan on ASEAN Connectivity (MPAC). The year of 2015 will be monumental for ASEAN as it would usher in the ASEAN Community in accordance with the AEC Blueprint and also the Blueprints for the ASEAN Political-Security Community (APSC) and the ASEAN Socio-Cultural Community (ASCC). The MPAC, which is scheduled to be adopted in the 17th ASEAN Summit in October 2010, is expected to facilitate the establishment of the ASEAN Community. As the transport sector is one of the key components in ASEAN Community building, the role of the ASTP cannot be overemphasized. In addition, the Comprehensive Asia Development Plan (CADP), formulated under the purview of the East Asia Summit (EAS), has strong relevance to the ASTP as it will investigate the impacts of logistic (transport) infrastructure development on industrial placement and economic development with a strong emphasis on ASEAN.

In addition to these ASEAN specific contexts, the ASTP would reflect other ongoing developments in the world. The changing economic landscape, mainly due to emergence of new economic powers such as China and India, has been urging ASEAN to augment its regional competitiveness by further deepening economic integration as well as enhancing regional connectivity. At the same time, this development has opened a new opportunity for ASEAN to physically anchor itself as the transportation, information and communication technology, and tourism hub of this economically vibrant and growing region. Growing global concerns on environments, climate changes, safety and security have emerged as additional challenges for transport cooperation in ASEAN.

The rest of this sub-section will provide more details on the first two of the above mentioned backgrounds of the ASTP. The third issue of growing global concerns will be briefly discussed in the latter half of Chapter 6.

1.1.1 HISTORY OF TRANSPORT COOPERATION IN ASEAN

The remarkable economic growth in many of the ASEAN Member States (AMSs) has been a success story of economic development in the world. During this growth, AMSs have successfully been attracting Foreign Direct Investment (FDI), upgrading industrial structure, and exposing themselves more into the world economy through participation in the regional production and distribution networks. All these developments have been supported by continuous improvement of the transport network in the region. However the challenge is still ongoing. Indeed, an efficient, secure and integrated transport network in ASEAN is still vital for realizing the full potential of the ASEAN Free Trade Area (AFTA) as well as in

further enhancing the attractiveness of the region as a single production, tourism and investment destination. An integrated transport network is also vital for narrowing of development gaps in the region.

In the early days, transport cooperation in ASEAN was conducted as a part of five-year integrated framework plans for the periods of 1982-1986, 1987-1991, and 1992-1996. Reflecting the growing importance of transport sector, ASEAN established the ASEAN Transport Ministers Meeting (ATM) in 1996. At the 1st ATM in Bali, Indonesia, ASEAN Transport Ministers adopted a *Ministerial Understanding on ASEAN Cooperation in Transportation* and revised the implementation timeframe of *the Plan of Action in Transport and Communications* from 1994-1996 to 1996-1998. The subsequent plan, *the ASEAN Transport Cooperation Framework Plan* for 1999-2004, marked a significant step in ASEAN transport cooperation in the sense that it was the first dedicated plan for the transport sector.

In fulfilling its role, the ASEAN transport sector is currently guided by *the ASEAN Transport Action Plan (ATAP) 2005-2010* that covers maritime, land and air transport, and transport facilitation. As ATAP will soon expire in 2010, a successor plan will need to be prepared as *the ASEAN Strategic Transport Plan (ASTP) 2011-2015*. The ASTP 2011-15 will be the final stage of five-year plans and will act as the main reference for ASEAN transport cooperation to support the establishment of the AEC by 2015.

1.1.2 ASEAN ECONOMIC COMMUNITY BLUEPRINT

At the 9th ASEAN Summit in October 2003, ASEAN Leaders declared that the AEC shall be the goal of regional economic integration by the year 2020 (Declaration of ASEAN Concord II). In addition to the AEC, the ASEAN Political-Security Community (APSC) and the ASEAN Socio-Cultural Community (ASCC) were defined as the other two integral pillars of the envisaged ASEAN Community.

At the 12th ASEAN Summit in January 2007, in Cebu, the Philippines, ASEAN Leaders agreed to accelerate the establishment of ASEAN Community from 2020 to 2015. The AEC Blueprint was adopted at the 13th ASEAN Summit in November 2007, in Singapore. The AEC Blueprint is a very significant development in ASEAN's efforts toward deepening regional economic integration in the sense that it defined clearly the end goals and timelines as a binding document for the AMSs.

The AEC Blueprint envisages four characteristics of the AEC: (i) single market and production base, (ii) competitive economic region, (iii) equitable economic development, and (iv) integration into the global economy. For all these characteristics, the expected role of transport sector is substantial. In order to transform ASEAN as a single market and production base and to be a more competitive economic region, all countries and regions in ASEAN need to be connected with a secure and integrated transport network as well as additional measures for trade and transport facilitation. By improving regional transport networks, less developed regions in ASEAN, such as Cambodia, Lao PDR, Myanmar, Vietnam and remote islands are expected to have more opportunities to participate in the regional production and distribution networks which would accelerate their economic development. Improvement in transport linkages with economies outside ASEAN is vital for further enhancing ASEAN's participation in global supply networks.

Table 1-1-1 Transport Undertakings in the AEC Blueprint (Excerpt)

Strategic Approach	Priority Actions			
	2008-2009	2010-2011	2012-2013	2014-2015
A. Towards a Single Market and Production Base				
A2. Free Flow of Services <i>ASEAN Framework Agreement on Services (AFAS)</i>	At least 51% foreign equity participation for the 4 priority services sectors, including air transport and tourism (2008). At least 49% foreign equity participation for logistics services (2008).	At least 70% foreign equity participation for the 4 priority services sectors, including air transport and tourism (2010). At last 51% foreign equity participation for logistics services (2010).	At least 70% foreign equity participation for logistics services (2013).	
B. Towards a Highly Competitive Economic Region				
B4. Infrastructure Development <i>ASEAN Transport Action Plan (ATAP)</i> - Singapore-Kunming Rail Link (SKRL) - Road Safety Requirements	Completion of Poipet-Sisophon Rail Link (2009).	Implementation of the ASEAN five-year Regional Road Safety Action Plan.	AMSs to develop ASEAN standard measures for road safety.	
- ASEAN Framework Agreement on Multimodal Transport (AFAMT)	AMSs have enacted necessary domestic legislations to put into effect the AFAMT (i.e. to allow multimodal transport operators from other AMSs to operate in their respective territory).	At least two AMSs implementing AFAMT.	ASEAN-wide implementation of AFAMT.	
- ASEAN Framework Agreement on the Facilitation of Goods in Transit (AFAFGIT)	Implement AFAFGIT for road transport operations contingent on the speedy conclusion of Protocol 2 (Frontier Ports) and Protocol 7 (Customs Transit). Completion of road construction /improvement of below Class III road sections of the designated Transit Transport Routes (TTR) of Protocol 1 of the ASEAN Highway Network, i.e., Poipet-Sisophon (48km) and Kratie Stung Treng (198km).	Conclude and sign Protocol 6 (Railway Borders and Interchange Stations) of AFAFGIT. Installation of the harmonized Route Numbering signs in the designated TTR under Protocol 1 of AFAFGIT.		Full implementation of the AFAFGIT (for road and rail transport operations)
- ASEAN Framework Agreement on the Facilitation of Inter-State Transport (AFIFAIST)	Conclude and adopt final text of AFIFAIST.	Start implementation of AFIFAIST (2010).		Full implementation of AFIFAIST.
<i>Roadmap for Integration of Air Travel Sector (RIATS)</i> - Multilateral Agreement on the Full Liberalization of Air Freight Services (MAFLAFS) - Multilateral Agreement on the Full Liberalization of Passenger Air Service (MAFLPAS)	Conclude and sign MAFLAFS (2008). Conclude and sign MAFLPAS (2008). Adopt concept and enabling framework for ASEAN Single Market (ASAM) (2008). Develop the implementation arrangement / agreement on ASAM (which will be implemented by 2015).	Implementation of MAFLAFS (in accordance with RIATS) Implementation of MAFLPAS (in accordance with RIATS) Finalize the implementation arrangement / agreement on ASAM.	ASEAN-wide implementation of MAFLPAS (in accordance with RIATS) Implement arrangement / agreement on ASAM.	ASEAN-wide implementation of arrangement / agreement on ASAM.
<i>Roadmap towards and Integrated and Competitive Maritime Transport in ASEAN.</i>	Develop strategies for an ASEAN Single Shipping Market	Implement the Maritime Transport Roadmap.	Implement the Maritime Transport Roadmap.	Review the Maritime Transport Roadmap for the next 3-5 years.

Source: ASEAN Economic Community (AEC) Blueprint in 2007

Key transport undertakings are well positioned in the AEC Blueprint and the attached strategic schedule (Table 1-1-1). As will be reviewed in Chapter 5, some of the scheduled actions are being done in time, while others are delayed. In designing the ASTP, the above schedule needs to be revised with reference to the progress made so far.

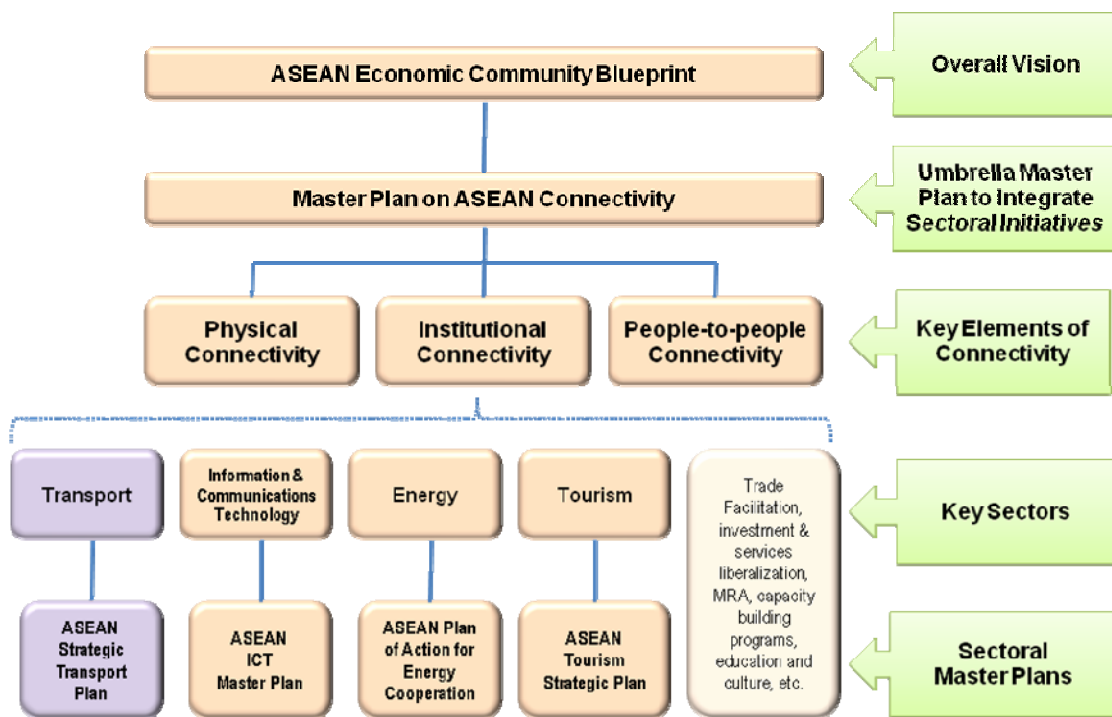
The AEC Blueprint is comprehensive and ambitious enough to identify 17 core elements of the AEC and delineate 176 priority actions. The wide scope of the AEC Blueprint, though a

desirable feature in itself, makes it difficult to trace the progress of implementation. Indeed, in order to ensure the on-schedule implementation of the AEC Blueprint, it is important to take a stock of all ongoing initiatives in the AEC Blueprint and under the purview of various line Ministerial Meetings. The MPAC is expected to contribute to this purpose.

1.1.3 MASTER PLAN ON ASEAN CONNECTIVITY

At the 15th ASEAN Summit in Cha-am Hua Hin, Thailand, in October 2009, ASEAN Leaders issued a statement on ASEAN Connectivity, with the expectation that the concept would (1) intensify and strengthen ASEAN Community building efforts, not only in terms of enhanced regional cooperation and integration, but also through people-to-people contacts; and (2) complement the ongoing regional efforts to realize a people-oriented ASEAN Community by 2015 with a focus on fostering a sense of shared cultural and historical linkages. From a wider perspective, the concept of ASEAN Connectivity is expected to contribute to (i) promote ASEAN centrality in regional architecture; (ii) facilitate the establishment of the ASEAN Community which is competitive and increasingly interlinked with the wider Asia-Pacific region and the world; and (iii) serve as a foundation for a more enhanced East Asian connectivity.

In response to the Leaders’ statement, an ASEAN High Level Task Force (HLTF) was established to draft the MPAC, which would address the regional issues of infrastructure development, trade facilitation, and people’s mobility as key elements, taking into account the work done and planned to ensure optimum synergy rather than duplication of work. In short, the MPAC is expected to serve as the umbrella master plan to integrate existing initiatives, including both those ongoing and currently under development, in order to facilitate the on-time establishment of the ASEAN Community as shown in Figure 1-1-1. The MPAC is to be submitted to the 17th ASEAN Summit in October 2010 for adoption through the ASEAN Coordinating Council (ACC), after consultation with the APSC Council, the AEC Council and the ASCC Council.

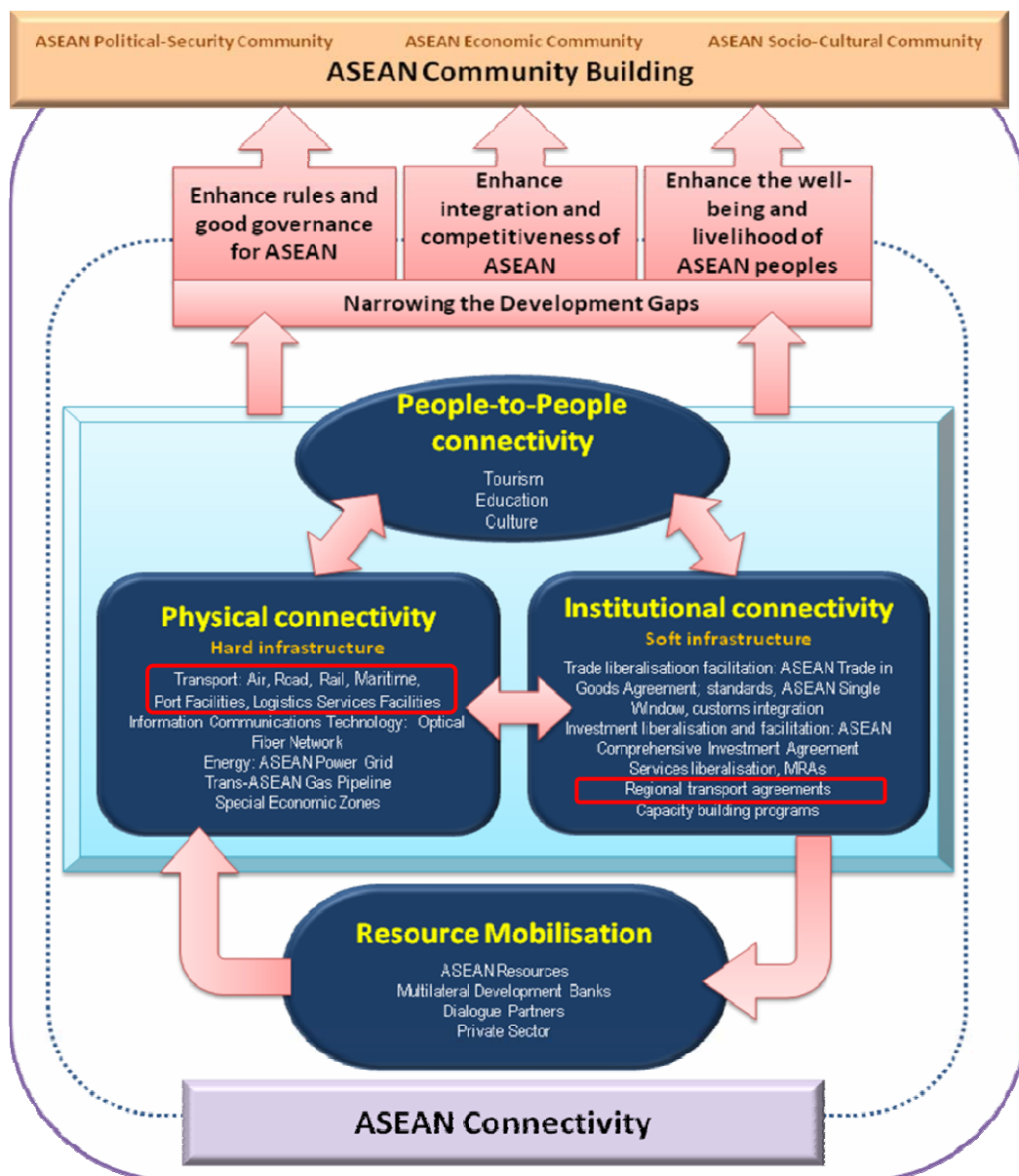


Source: ERIA Study Team.

Figure 1-1-1 ASTP in ASEAN Community Building

According to the outline of the MPAC, ASEAN put a significant emphasis on infrastructure development in the sectors of transport, Information and Communication Technology (ICT) and energy, among others. Except for the ASEAN Plan of Action for Energy Cooperation (APAEC), three sectoral master plans for transport, ICT, and tourism are currently under development. In view of the MPAC as the umbrella master plan, these sectoral master plans, including the ASTP, should be designed in consistence with the visions and strategies of the MPAC and the AEC Blueprint.

Although the concept of ASEAN Connectivity is promising to integrate the various initiatives towards the ASEAN Community building, it requires some deliberation to translate the concept into a practical definition in order to establish an effective linkage between sectoral master plans and the MPAC. Figure 1-1-2 below is an illustration to highlight the role of the ASEAN transport cooperation in enhancing the ASEAN Connectivity to contribute to the establishment of the AEC.



Source: *The Master Plan on ASEAN Connectivity*, draft as of 24 September 2010.

Figure 1-1-2 Interaction between ASEAN Connectivity and ASEAN Community

As illustrated in Figure 1-1-2, the ASEAN Connectivity is expected to contribute to the ASEAN Community building by (1) enhancing rules and good governance for ASEAN, (2) enhancing integration and competitiveness of ASEAN, (3) enhancing the well-being and livelihood of ASEAN people, and (4) narrowing the development gaps in ASEAN. The key elements of ASEAN Connectivity are identified as physical connectivity, institutional connectivity, and people-to-people connectivity.

Physical connectivity is observed as physical (hard) infrastructures. In transport sector, physical connectivity can be enhanced by eliminating missing links in transport networks and/or by improving the quality of transport infrastructure, such as roads, railways, ports, and airports. From the perspective of ASEAN as a whole, the initiatives for the ASEAN Highway Network (AHN) and Singapore Kunming Rail Link (SKRL) need to be highlighted as priority.

Institutional connectivity refers to soft infrastructures, i.e. various international/regional agreements to liberalize and facilitate international transaction of goods and services as well as people's mobility across national borders. Specific examples from transport sector include various agreements and initiatives under the ATAP and the ASTP, such as the Roadmap for Integration of Air Travel Sector (RIATS), the Multilateral Agreement on the Full Liberalization of Air Freight Services (MAFLAFS), the Multilateral Agreement on the Full Liberalization of Passenger Air Services (MAFLPAS), the ASEAN Framework Agreement on the Facilitation of Goods in Transit (AFAFGIT), the ASEAN Framework Agreement on Multimodal Transport (AFAMT), the ASEAN Framework Agreement on the Facilitation of Inter-State Transport (AFAFIST), and other initiatives to liberalize logistics services and tourism.

Physical and institutional connectivity are closely interrelated. Without physical connectivity, there is no room to expect the effective role of institutional connectivity. On the other hand, institutional connectivity can also be a prerequisite to enhance physical connectivity as the former often require relevant international/regional agreements. Physical connectivity and institutional connectivity are key policy elements in determining the quality of broadly-defined infrastructure, on which all economic activities take place. Based on this infrastructure, people-to-people connectivity can be enhanced through education, cultural exchanges and tourism.

In order for all these take place, resource mobilization is of crucial importance. In addition to ASEAN's own resources, a new regional financial design such as the ASEAN Infrastructure Fund (AIF) will need to be established. Considering the huge demand for infrastructure development in ASEAN, however, it is inevitable and realistic to take an account of Official Development Assistance (ODA) dialogues and to introduce a new design for private participation into the scope of resource mobilization.

The enhancement of ASEAN Connectivity is a necessary step for ASEAN to deepen economic integration, as it would reduce the costs of international trade in goods and services such as services link costs and network set-up costs. And the resulting deeper economic integration can contribute to narrow development gaps by expanding the frontiers of production and distribution networks, through the fragmentation of production activities. At the same time, the deeper economic integration will increase the chance of people-to-people contacts, further nurturing a sense of community in ASEAN. All in all, the ASEAN transport undertakings are expected primarily to enhance physical and institutional connectivity, thereby to deepen economic integration, and then to contribute to the ASEAN Community building.

1.1.4 COMPREHENSIVE ASIA DEVELOPMENT PLAN

The Comprehensive Asia Development Plan (CADP) was drafted by Economic research Institute for ASEAN and East Asia (ERIA), in response to the request from Leaders of East Asia Summit (EAS)¹. The CADP provides a grand spatial design of economic infrastructure and industrial placement, applying a novel analytical approach based on the fragmentation theory and new economic geography, in order to pursue both ‘deepening economic integration’ and ‘narrowing development gaps’ at the same time, with a strong emphasis on ASEAN. In this sense, the CADP shares a common goal with the AEC Blueprint and the MPAC.

In particular, the key analytical devise in the CADP, Geographical Simulation Model (GSM), can be a powerful tool in designing logistics infrastructure from a region-wide perspective by quantifying the economic impacts of the development of both hard and soft infrastructure. Figures 1-1-3 and 1-1-4 are the examples of simulation analyses using GSM.

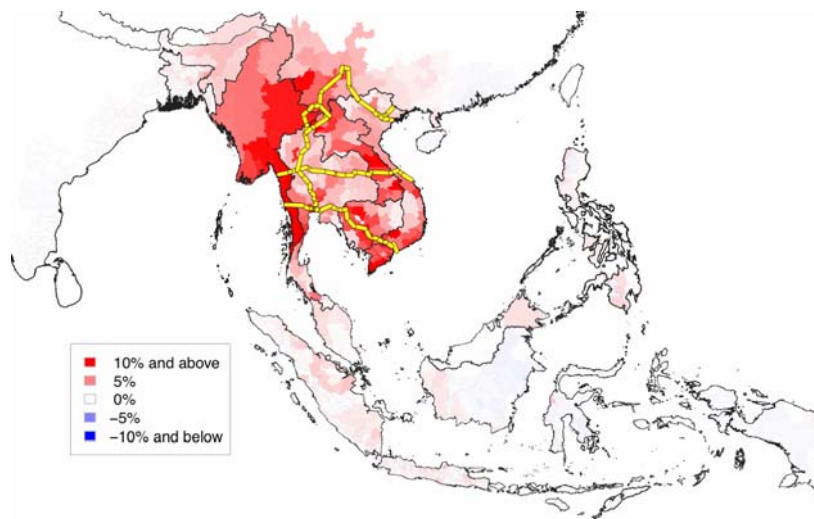
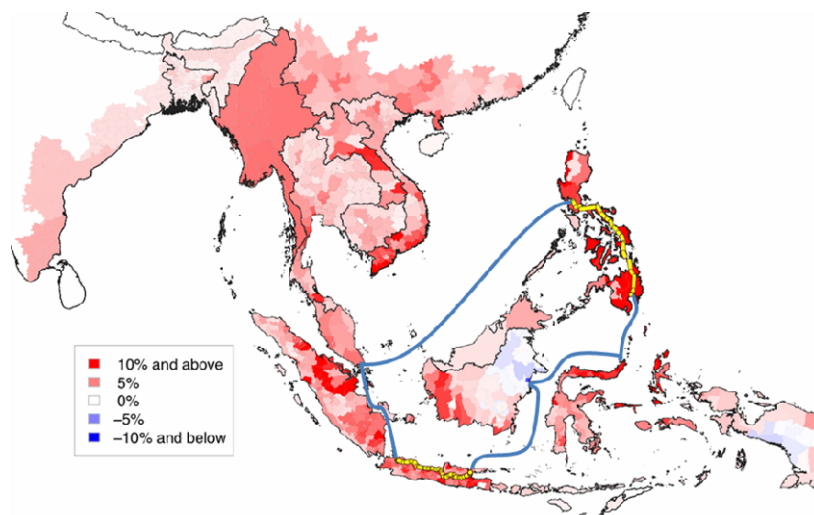


Figure 1-1-3 Gains in Regional GDP as Compared to Baseline Forecast: 10 Years after the Improvement of Three Economic Corridors in the Indochina Peninsular



Source: ERIA (2010). *Comprehensive Asia Development Plan*, ERIA Research Project Report FY2010, No.7-1.

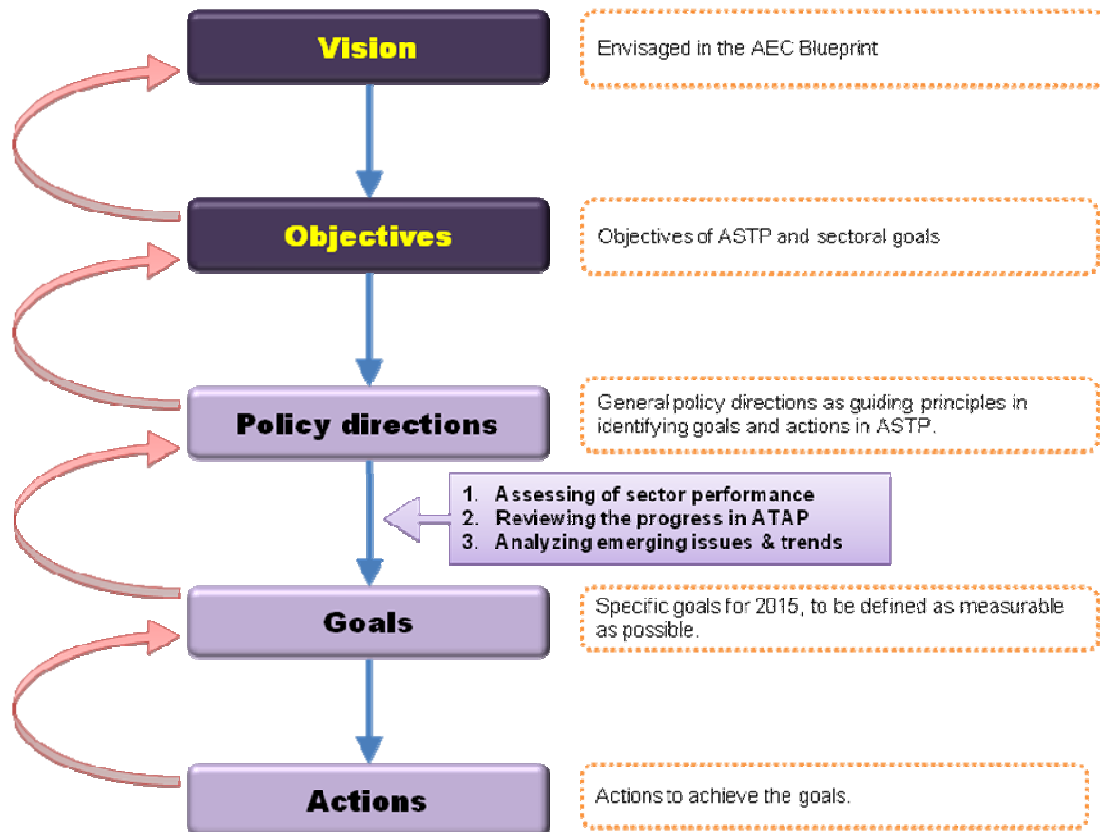
Figure 1-1-4 Gains in Regional GDP as Compared to Baseline Forecast: 10 Years after the Improvement of “Ring” Corridors

¹ Joint Press Statement of the EAS on the Global Economic and Financial Crisis, 3 June 2009.

1.2 OUTLINE OF ASTP 2011-2015

1.2.1 OVERRIDING VISIONS AND LOGICAL STRUCTURE

As described in the previous section, the fundamental role of the ASTP 2011-2015 would be to support the on-time establishment of the ASEAN Community, the AEC in particular, by enhancing the ASEAN Connectivity. Therefore, the specific objectives of ASTP should be defined with reference to the overriding visions envisaged in the AEC Blueprint; (i) single market and production base; (ii) competitive economic region; (iii) equitable economic development; and (iv) integration into the global economy.



Source: ERIA Study Team.

Figure 1-2-1 Logical Structure of ASTP

In addition, ASEAN Leaders clearly defined the ultimate objective of the ASEAN transport cooperation, in the ASEAN Leaders’ Statement on ASEAN Connectivity issued in October 2009, viz. to develop an efficient and integrated transport system which will support the realization of the AEC and will help ASEAN to integrate with the global economy, improve its competitiveness and enhance the inflow of foreign direct investment.

All elements in Figure 1-2-1, starting from visions, objectives, policy directions, goals and actions, should maintain logical consistency. While the basic strategy of the ERIA Study Team is a top-down approach as indicated in blue arrows in Figure 1-2-1, the reverse causality should also be paid adequate attention as indicated in pink arrows. Specific actions needs to be designed to achieve specific goals, the goals should be defined to be as measurable as possible and in accordance with the policy directions. The policy directions should be in line with the objectives of the ASTP and ensure that the ASTP should contribute in ASEAN Community building.

1.2.2 OBJECTIVES OF ASTP AND SECTORAL GOALS

Based on these premises, the specific objectives of the ASTP 2011-2015 have been defined as follows.

- (1) To identify strategic actions to support the establishment of the AEC by 2015, that will also compliment existing transport undertaking.
- (2) To identify long-term vision of the ASEAN transport cooperation beyond 2015.
- (3) To undertake a comprehensive assessment of the current transport situation in ASEAN and of the implementation of the current action plan with a view to identifying the gaps and priorities for the period 2011-2015 and beyond.

Based on “Overview on ASEAN Connectivity in ASEAN Secretariat Information Paper”, which was authorized at the 1st meeting of the high level task force on ASEAN Connectivity on 10-11 March 2010, sectoral goals are proposed below.

(1) Land Transportation

- Establishment of safe, efficient, intelligent and environmentally-friendly integrated sustainable regional land transport network and corridors for the promotion of trade and tourism within ASEAN and with other countries.
- Implementation/establishment of the Singapore-Kunming Rail Link and the ASEAN Highway Network.

(2) Air Transportation

- ASEAN integration in air transport through establishing regional open sky agreements and achieving globally-acceptable standards in aviation security and safety

(3) Maritime Transport

- Establishment of integrated, competitive and seamless maritime transport network.
- Realizing the environment/user-friendly port, and safety navigation.

(4) Transport Facilitation

- Establishment of integrated, efficient and globally competitive logistics and seamless multimodal transport system to enhance the intra ASEAN Connectivity.
- Implementation of green logistics for global environment preservation.

1.2.3 TASKS AND STUDY PLAN

In order to achieve these objectives, the Terms of Reference (TOR) for the ASTP mandated the ERIA Study Team to fulfill the following tasks.

- (1) Comprehensively take stock of the progress achieved, results realized and the challenges and issues facing the implementation of the ATAP 2005-2010, RIATS and the Roadmap towards an Integrated and Competitive Maritime Transport in ASEAN as well as other relevant ASEAN agreements.
- (2) Identify and analyze emerging social, environmental and economic developments at the national, sub-regional, regional and global levels that may impact on the economies of the region and transport requirement.

- (3) Evaluate the relevance of the transport development-related measures under the AEC Blueprint including transport related studies, considering the progress made and the emerging challenges in the internal and external economic environments.
- (4) Determine if the current institutional structures and mechanisms are appropriate and facilitating or otherwise constraining the accelerated implementation of the ASEAN transport initiatives.
- (5) Recommend policy directions for intensified cooperation in the ASEAN transport sector for 2011-2015 and its actions for a regulatory framework and planning strategies including the institutional structures and implementation arrangements, if necessary, as well as measures to enhance its effectiveness for submission to the ASEAN Senior Transport Officials Meeting (STOM) or ASEAN Transport Ministers Meeting (ATM).
- (6) Indicate priorities that ASEAN might have to pursue in the next five years (2011-2015) to achieve accelerated increase in trade, tourism and investments.

Translating these tasks into a practical study plan, the ERIA Study Team has been working for the followings.

- (1) Reviewing the implementation of following ongoing initiatives and maintaining continuity of the actions undertaken in these initiatives:
 - a) AEC Blueprint
 - b) ATAP
 - c) RIATS
 - Multilateral Agreement on the Full Liberalization of Air Freight Services (MAFLAFS)
 - Multilateral Agreement on the Full Liberalization of Passenger Air Services (MAFLPAS)
 - d) Roadmap towards an Integrated and Competitive Maritime Transport in ASEAN
 - e) Transport Facilitation Agreements
 - AFAFGIT
 - AFAMT
 - AFAFIST
 - f) Transport sector cooperation with the Dialogue Partners
- (2) Maintaining consistency with other development agenda:
 - a) MPAC
 - b) CADP
- (3) Reviewing economic and social circumstances of ASEAN:
 - a) Poverty
 - b) Accessibility
 - c) Urbanization
- (4) Reviewing current status of the transport sector and identifying overall issues
 - a) Current status of the ASEAN transport sector performance
 - b) On-going initiatives under the ASEAN and sub-regional cooperation

- (5) Evaluating and analyzing the following:
 - a) Trend of the ATAP 2005-2010
 - b) Impact of transport infrastructure to regional economy
- (6) Identifying additional action items and recommending adjustments to on-going action items in response to the emerging developments and issues in the following perspectives:
 - a) Intra-ASEAN development trends
 - b) Regional perspective
 - c) Global perspective
 - d) Environmental perspective
 - e) Safety and Security perspective

1.2.4 PROPOSED POLICY DIRECTIONS

The ERIA Study Team proposes the following six policy directions, as guiding principles to translate the visions and objectives into practical and implementable goals and actions.

- (1) Maintain **the continuity of actions** for the implementation of the AEC Blueprint to develop an integrated and harmonized trans-ASEAN transportation network.
- (2) Enhance connectivity of **intra-ASEAN transport networks to support** the MPAC.
- (3) Leverage on the strong Asian economic growth and increased cooperation of ASEAN with regional partners, strengthen **transport network links with regional partners**, in line with the objectives of the MPAC.
- (4) Capitalize on the **strategic geographical location** of ASEAN and accelerated pace of globalization, upgrade selected transport infrastructure components and services to serve as vital links to international supply routes.
- (5) Incorporate **environmental and climate change** considerations in planning, development, operations and management of ASEAN transport networks in line with relevant global initiatives.
- (6) Enhance regional capability to further improve the level of **safety and security** in the provision of transport services.

1.2.5 SPECIFIC GOALS AND ACTIONS

Based on the studies and policy directions identified in the previous two sub-sections, the ERIA Study Team has been working to extract specific goals and actions to be listed in the ASTP. The tentative list of goals and actions, mainly based on the review of existing transport undertakings, is proposed in Chapter 6 of this Final Report.

1.3 STRUCTURE THE FINAL REPORT

The remainder of the Final Report is organized as follows. Chapter 2 overviews economic, social and environmental backgrounds of ASEAN region before discussing transport specific issues related directly to the ASTP. Chapter 3 reviews the current status and performance of the transport sectors such as road, rail, inland waterways, air and maritime transport in ASEAN. In addition, the chapter also discusses the current status of transport facilitation initiatives that is vital for improving the performance, efficiency and effectiveness of the other three major transport sectors especially at the intra-ASEAN level. Chapter 4 takes stock of previous and ongoing transport undertakings in ASEAN, and reviews the progress of implementation of the 48 actions proposed in the ATAP, as well as the specific measures defined in the RIATS and the Roadmap towards an Integrated and Competitive Maritime Transport in ASEAN. Chapter 5 discusses the emerging development trends and challenges surrounding the ASEAN transport cooperation. Based on the assessment in Chapters 4 and 5, Chapter 6 presents a list of specific goals, actions, and milestones for the ASTP. Chapter 7 highlights tentative proposals to facilitate the implementation of actions proposed in the ASTP, based on an assessment on the current institutional arrangements in ASEAN with an explicit focus on the monitoring and implementation mechanisms. Chapter 8 discusses the future direction of the transport sector cooperation in ASEAN beyond 2015.