



Special ASEAN@50 Edition



ERIA Holds the High Level Forum on ASEAN@50

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The High Level Forum on ASEAN@50 that was held on 19 October 2017 in Pasay City, Manila marked an important milestone for the Economic Research Institute for ASEAN and East Asia (ERIA), since it was the first high level event involving a Head of State, former Heads of State, Ministers, and former Ministers that ERIA has held since its founding in 2008.

It was co-hosted by the Philippines Department of Foreign Affairs (DFA), ERIA, and the Foreign Service Institute (FSI) of the Philippine Government with the support of Japan-ASEAN Integration Fund (JAIF) and ASEAN Foundation (AF).

'The Forum is also the launching of the special commemorative publication, which has expanded into 5 volumes,' said Prof Hidetoshi Nishimura, President of ERIA, in his opening remarks. Prof Nishimura was referring to the five-volume commemorative publication *ASEAN@50: Retrospectives and Perspectives on the Making, Substance,*

'Reading their essays in Volume 1 will clearly show the two are very articulate Leaders who offer both deep understanding, insights, and thought provoking voices for an even better ASEAN for the future,' praised Prof Nishimura.

Significance, and Future of ASEAN.

The publication brings the retrospectives and perspectives of key people who have been involved in the making and working of ASEAN, voices from the ASEAN peoples, and the analytical, insights, perspectives and reflections of eminent persons and experts on the evolution, substance and future of ASEAN.

Prof Nishimura added that 'the Forum is also a tribute, however small, to the contributions of the Leaders and officials and to the support of other stakeholders.'

The morning panel discussion was conducted with the same theme as the Philippine theme: 'ASEAN: Partnering for Change, Engaging the World' involving senior government officials, an expert, and a youth representative. In the afternoon, a panel discussion of former Leaders of ASEAN Member States moderated by Hon Dr Surin Pitsuwan, the Former Minister of Foreign Affairs of the Kingdom of Thailand and the Former ASEAN Secretary-General discussed the Retrospectives and Perspectives on the Making, Substance,



Prof Nishimura delivered his opening remarks

Challenges, and Future of ASEAN.

The panellists were former President of the Philippines H.E. Gloria Macapagal-Arroyo and former Prime Minister of Thailand, H.E. Abhisit Vejjajiva, who also contributed their essays in Volume 1 of the commemorative publication.

'Reading their essays in Volume 1 will clearly show the two are very articulate Leaders who offer both deep understanding, insights, and thought provoking voices for an even better ASEAN for the future,' praised Prof Nishimura.

The High Level Forum on ASEAN@50 is the culmination of a series of commemorative events hosted by ERIA in cooperation with partners in several cities in the Philippines to commemorate ASEAN's golden jubilee, focusing on the three pillars of ASEAN: the ASEAN Political Security Community, the ASEAN Economic Community, and the

ASEAN Socio-Cultural Community.

The first event was the Public Symposium on Building ASEAN Political Security Community and National Resiliency held in Iloilo City on 18 June 2017, in cooperation with the University of the Philippines in the Visayas (UPV). For the second event, ERIA collaborated with the Philippine Institute for Development Studies (PIDS), the Mindanao Development Authority (MinDA), the ASEAN Society (AS), with the support of the Philippines' Department of Foreign Affairs (DFA)-Philippine Mission to ASEAN, to co-host the Public Symposium on ASEAN Socio-Cultural Community and Nation Building held in Davao City on 24 August 2017. The Public Symposium on Economic Integration and Nation Building was the third event in the series. It was held in Manila on 21 September 2017 by ERIA and PIDS, with the support of DFA-Philippine Mission to ASEAN. ■

Featured Stories

Empower the ASEAN Peoples, President Duterte Tells Govts



Philippine President Rodrigo Duterte has called on his counterparts in the Association of Southeast Asian Nations (ASEAN) to 'empower' their people by educating them on the significant role ASEAN has played in their individual lives.

Addressing the High Level Forum on ASEAN @50, President Duterte underscored how ASEAN's past successes have directly contributed to the people's well-being, and how the realisation of ASEAN's goals will make their lives better.

'Together, let us cultivate [in] our peoples a sense of ownership - for them to own the ASEAN story as their story, and to see ASEAN's future as their own,' President Duterte remarked in his keynote speech. The forum was organised by the Department of Foreign Affairs (DFA), the Economic Research Institute for ASEAN and East Asia (ERIA), and the Foreign Service Institute (FSI) of the Philippine Government with the support of Japan-ASEAN Integration Fund (JAIF) and ASEAN Foundation

(AF) as their contribution to the commemoration of ASEAN's 50th founding anniversary.

It was the final of a series of symposia that tackled ASEAN's past successes and where eminent panelists weighed in on how the organisation, borne out of necessity in a post-World War II environment, could increase its relevance in a significantly different world.

President Duterte noted that some political observers before thought of ASEAN 'as an experiment bound to fail' but, half a century later, it instead became 'one of the world's most successful regional communities.'

He did not directly attribute ASEAN's success to any one factor or group of factors but took exception to how ASEAN's core principles of centrality and neutrality has helped the organisation promote 'common interests through mutual cooperation and constructive engagements with Dialogue Partners.'

'ASEAN's crucial role as the fulcrum that balances stability and security in the region is a testament [to] its success in the past 50 years. It was successful not just in bringing together a regional community, but also in shaping the relationships among major players in the [Asia] Pacific region'.

'ASEAN's crucial role as the fulcrum that balances stability and security in the region is a testament [to] its success in the past 50 years,' President Duterte said. 'ASEAN was successful not just in bringing together a regional community, but also in shaping the relationships among major players in the [Asia] Pacific region.'

Prior to his speech, eminent ASEAN leaders such as former Philippine President Gloria Macapagal-Arroyo and former Thai Prime Minister Abhisit Vejjajiva detailed to the audience how the evolution of the ASEAN community has set the course for the grouping's continuing story as a family of nations. It was in that vein that President Duterte recalled that the Philippines, as it accepted the chairmanship of ASEAN from Laos, pledged to uphold shared values and aspirations of regional peace and stability. It is this regional peace and stability that has allowed ASEAN's 10 member states to prosper and develop economically that, as a consequence, brought

financial well-being to its citizens as well.

President Duterte reiterated the Philippines' resolve to uphold shared ASEAN objectives such as regional economic integration and having an adequate response to traditional and non-traditional security threats.

The Philippines would also like to see 'substantial progress' in the establishment of the Regional Comprehensive Economic Partnership, which would give ASEAN economies deeper access to those

of its partner nations, even as Manila passes on the chairmanship of ASEAN in 2018 to Singapore.

'It is our shared hope [that] our gains will become part of our continuing commitment to ASEAN and the principles for which it stands for,' President Duterte said.

President Duterte's speech was the highlight of the High Level Forum on ASEAN @50, the last installment in a series of symposia organised by ERIA. The series, held in major Philippine cities throughout the year, focused

on the three ASEAN communities - the ASEAN Political-Security Community, the ASEAN Economic Community, and the ASEAN Socio-Cultural Community.

The symposia were attended by over a thousand members of the diplomatic community, the academe, civil society, as well as Philippine and international media. It is part of ERIA's contribution to the commemorative events celebrating the 50th founding anniversary of ASEAN. ■

Former President Macapagal-Arroyo Highlights Social Media Role for ASEAN



Former Philippine President Gloria Macapagal-Arroyo highlighted the importance of state authorities reaching out directly to the people through social media in an age where even the poorest members of society have internet access. 'I think as far as civil society is concerned, I think we've not been remiss. Maybe with media we have to do more,' said

Dr Macapagal-Arroyo, responding to a query fielded during the High Level Forum on ASEAN @50.

The forum was organized by the Department of Foreign Affairs (DFA), the Economic Research Institute for ASEAN and East Asia (ERIA), and the Foreign Service Institute (FSI) of the Philippine Government with the

'For half a century, ASEAN has kept the peace, expanded our economies and drawn closer through trade, diplomacy, and cultural exchanges.'

support of Japan-ASEAN Integration Fund (JAIF) and ASEAN Foundation (AF) as part of commemorative activities for the 50th founding anniversary of the Association of Southeast Asian Nations (ASEAN).

Dr Macapagal-Arroyo was among the eminent leaders invited to speak during the forum where she dis-

cussed how during her presidency she led the Philippines to 38 quarters of uninterrupted growth and how this economic development contributed to the regional economic boom.

Acting as moderator in the afternoon session where the former Philippine President spoke, former ASEAN Secretary General Surin Pitsuwan mused why there appears to be lingering suspicion about the significance and continued relevance of ASEAN.

'You were talking about ASEAN being very leader oriented, not enough dealing with the mass base. So if we were to put ASEAN's attention for communicating somewhere more than another, I would say ASEAN should engage the media more,' Dr Macapagal-Arroyo replied. 'After all now, media is not just newspapers and television and radio. Media is social media.' She explained that social media is a direct link to the people of ASEAN considering that even the poor 'would be characterized as having social media.'

Dr Macapagal-Arroyo, president of the Philippines from 2001-2010, served as leader of one of ASEAN's founding members for one-fifth of the grouping's existence. She served as ASEAN Chairman in 2007, steering the organization toward keeping the doors of global trade open in the aftermath of the collapse of the Doha round of World Trade Organization talks.

It was also under her leadership that ASEAN adopted a convention protecting the rights of migrant works, a complicated undertaking

considering that ASEAN has both labor exporting and receiving members.

ASEAN was also able to forge and convention against terrorism and violent extremism, which has now become the basis for trilateral sea patrols between the Philippines, Malaysia, and Indonesia to prevent armed militants from crossing their porous common borders.

In her speech, Dr Macapagal-Arroyo listed the projects ASEAN has undertaken that has had a direct influence on regional peace and stability that, consequently, allowed ASEAN governments to concentrate on domestic concerns and for their people on personal development.

The Philippines, for instance, was able to focus on managing the conflict with the Moro Islamic Liberation Front (MILF) with the assistance of Malaysia, which facilitated negotiations with the biggest Muslim rebel group in the country.

Dr Macapagal-Arroyo acknowledged that there are simmering conflicts that ASEAN has not been able to fully address - such as the conflicting claims over the South China Sea and the stalled denuclearization of the Korean peninsula.

ASEAN continues to closely work with dialogue partners to manage these issues keep them manageable. 'For half a century, ASEAN has kept the peace, expanded our economies and drawn closer through trade, diplomacy, and cultural exchange,'

she addressed the audience, noting this feat is additionally impressive

considering how diverse ASEAN economies and cultures are. 'It's impressive that ASEAN has resisted the temptation to drift apart.'

Nevertheless, she cautioned against complacency. 'We must ask what will ASEAN look like 50 years from today...The future will belong to those nations who seek common ground to resolve common problems,' she said.

'We must all press for ever closer cooperation in ASEAN if we are to collectively benefit from the good and collectively tackle the challenges together.' ■

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ASEAN can Foster Sense of Belonging, says Former Thai PM Vejjajiva



Abhisit underscored the need to 'make ASEAN produce benefits that are tangible and people centered.' That means projects that the regular man on the street or a farmer in remote regions will recognise as an ASEAN project and get the idea that ASEAN is working and existing for their benefit.

The Association of Southeast Asian Nations (ASEAN) can look to Europe's Brexit experience to ensure that something similar does not happen in the regional bloc. ASEAN can accomplish this by fostering a sense of belonging among ASEAN peoples despite the different realities that the approximately 625 million citizens of ASEAN's 10 member states face every day.

This was the observation of former Thai Prime Minister Abhisit Vejjajiva, who was among the eminent leaders who spoke at the High Level Forum on ASEAN @50 organised by the Department of Foreign Affairs (DFA), the Economic Research Institute for ASEAN and East Asia (ERIA), and the Foreign Service Institute (FSI) of the Philippine Government with the support of Japan-ASEAN Integration Fund (JAIF) and ASEAN Foundation (AF).

'The lesson we take from that is, for a sustained integration arrangement,

you have to create a sense of belonging,' Abhisit addressed the forum, which ERIA organised along with Philippine partners as part of commemorative activities for ASEAN's 50th founding anniversary.

Cultivating a sense of unity is easier said than done considering the disparity in the level of economic development, culture, and history of ASEAN member states. These are actually the same factors that make economic integration difficult even though it has been at the focus of ASEAN community-building these past years.

'All these need changes in the domestic law, and so should be high on the domestic political agenda (but) won't happen until the people of ASEAN feel that these are the priorities,' Abhisit addressed the audience, which was comprised of members of the diplomatic community, the academe, and civil society. This essential integration

can be accomplished more easily, however, if ASEAN states and its people feel a commonality.

This commonality can involve 'little things' like a common format in vehicles' plate numbers or the same emergency telephone numbers for first responders. Admittedly, a complication in a unified system like that could arise since not all ASEAN countries use and understand the English alphabet but these are difficulties that are not insurmountable.

Abhisit underscored the need to 'make ASEAN produce benefits that are tangible and people centered.' That means projects that the regular man on the street or a farmer in remote regions will recognise as an ASEAN project and get the idea that ASEAN is working and existing for their benefit.

'These are the kind of little things that might not add up to much

numerically but will be significant in the minds of the people,' Abhisit explained.

Another way to familiarise people with ASEAN is to increase their direct involvement in the organisation's existing or ongoing activities. For instance, during Thailand's chairmanship of ASEAN under Abhisit, he invited civil society, youth groups, as well as members of the different parliaments for a direct interaction with the leaders.

In other words, ASEAN has to 'look for an ASEAN identity' and allow its citizens to own that identity. 'Soon, people won't accept ASEAN being run by a group of politicians and bureaucrats' the same way the British rejected how Brussels had been dictating the path the European Union has been taking.

Abhisit said this decision to embrace a more interactive role for civil society does not necessarily mean ASEAN will need to turn its back

on practices - such as decision-making by consensus - that has allowed the grouping to overcome many stumbling blocks in the past.

'But key is to have to increase participation; not politicians or research institutes. It has to be an agenda for the people,' he said. 'They have to be part of the process, correct the democracy deficit in ASEAN.' ■

ASEAN: From Leader-led to More People-driven



The Association of Southeast Asian Nations (ASEAN) has been a leader-led organisation that is now transitioning to a more people-driven body after a full half a century of existence.

Nevertheless, ASEAN achieved its current success through effective leadership; this new epoch for the grouping would certainly likewise benefit from 'articulate leaders who offer us deep understanding, insight, and thought-provoking voices for an

even better ASEAN for the future.'

'This forum is a tribute, however small, to the contributions of the leaders and officials and the support of other stakeholders,' said Prof Hidetoshi Nishimura, President of the Economic Research Institute for ASEAN and East Asia (ERIA).

ERIA organised the High Level Forum on ASEAN@50 in Manila to showcase the contribution of key leaders and officials to the success of ASEAN as a

'This High Level Forum ASEAN@50 is a tribute, however small, to the contributions of the leaders and officials and the support of other stakeholders.'

regional bloc.

Prof Nishimura extolled former Philippine President Gloria Macapagal-Arroyo and former Thai Prime Minister Abhisit Vejjajiva for sharing their 'understanding, insight, and thought-provoking voices for an even better ASEAN for the future.'

At the same time, he encouraged the hundreds of diplomats and members of civil society in the audience to actively engage the panel of former

leaders, government officials, and diplomats during the morning and afternoon sessions.

'(This is) because transitioning from leader-led to one that is more people-driven means that we get involved much more deeply than before,' Prof Nishimura said.

Interactions such as this would form among the first concrete manifestations of ASEAN's new trajectory as encapsulated in this year's theme Partnering for Change and Engaging the World.

It also sums up in essence the key direction and the implementation challenges that ASEAN needs to overcome as it makes its way to the next decade and beyond.

The High Level Forum on ASEAN@50 is part of the commemorative activities organised by ERIA and its local partners, the Philippine Department of Foreign Affairs (DFA) and the Foreign Service Institute (FSI) of the Philippine Government with the support of Japan-ASEAN Integration Fund (JAIF) and ASEAN Foundation (AF).

It is the culmination of a series of public symposia on the various ASEAN communities: the ASEAN Political-Security Community; the ASEAN Economic Community; and the ASEAN Socio-Cultural Community that ERIA held in cooperation with local partners namely the ASEAN Research Institute for Strategic Studies and Enterprise (ARISE), the University of the Philippines (UP), the Philippine Institute for Development Studies



Presentation of the complete volumes of ASEAN@50 to the former Heads of State

(PIDS), Mindanao Development Authority (MinDA), and ASEAN Society Philippines with the support from the Philippines' Department of Foreign Affairs - Philippine Mission to ASEAN.

Throughout the series of symposia, ERIA gradually launched a five-volume commemorative publication meant to serve as a reference for future leaders and students who seek a better and deeper understanding of ASEAN and its successes.

The book series describes the story of ASEAN, building up from managing intraregional disputes to facilitating the management of pan regional dispute; from economic cooperation to economic integration; and from nation building to community building.

This publication had been the brainchild of ERIA and sponsored

into reality with the help of H.E. Amb Elizabeth Buensuceso, the Philippine Permanent Representative to ASEAN. ■

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ERIA Brings Together Eminent ASEAN Leaders



'ASEAN at 50 is not a complete story, nor [is it] a finished product. It is a steadily evolving pursuit towards the realisation of our vision of a peaceful, stable and resilient community with the capability to respond effectively to the challenges within and outside our borders.'

The Economic Research for ASEAN and East Asia (ERIA) gathered a powerhouse cast of eminent leaders and top diplomats in the Conrad Hotel, Pasay City, Manila for a discussion on how to ASEAN could adapt to the demands of the next 50 years.

The High Level Forum on ASEAN @50 — which was co-organised by ERIA, the Philippine Department of Foreign Affairs (DFA), the Foreign Service Institute (FSI), and supported by the ASEAN Foundation (AF) and Japan ASEAN Integration Fund (JAIF)— is the culmination of a series of public symposia held in major Philippine cities throughout the year. It is part of ERIA's contribution to the commemorative events celebrating the 50th founding anniversary of the Association of Southeast Asian Nations (ASEAN). Over three hundred diplomats, members of the academe, and civil society attended this final forum in Manila.

The string of symposia focused on issues related to the three ASEAN communities - the ASEAN Political-Security Community, the ASEAN Economic Community, and the ASEAN Socio-Cultural Community.

The High Level Forum brought under one roof Philippine President Rodrigo Duterte, former President of the Philippines Dr Gloria Macapagal-Arroyo, and former Prime Minister of Thailand Abhisit Vejjajiva.

President Duterte, in his keynote speech, called on current ASEAN leaders to strengthen the organisation by enabling ASEAN citizens to understand the its significance on their own personal and daily life and how ASEAN's success 'will make their lives better.'

'ASEAN at 50 is not a complete story, nor [is it] a finished product. It is a steadily evolving pursuit towards the realisation of our vision of a peaceful,

stable and resilient community with the capability to respond effectively to the challenges within and outside our borders,' President Duterte said.

Dr Macapagal-Arroyo and Mr Vejjajiva gave similar recommendations that, if ASEAN were to remain relevant, it needs to get the ASEAN people more invested in ASEAN notwithstanding the different realities in each of the 10 ASEAN member states.

Morning Panel Discussion

The morning discussion centred on the topic ASEAN: Partnering for Change, Engaging the World.

Among the panellists was former ASEAN Secretary General Dr Surin Pitsuwan who underscored the need to move forward with a sense of communal responsibility that had not been necessary in the previous years since ASEAN had its member-

-governments in the driver's seat.

The challenge on how ASEAN could remain relevant in the modern world was likewise discussed by top diplo-mats such as former Philippine Foreign Secretary Amb Delia Domingo-Albert, former Minister of Trade and former Minister of Tourism and Creative Economy of Indonesia Prof Dr Mari Elka Pangestu, as well as former First Deputy Minister for Foreign Affairs of Vietnam Amb Le Cong Phung.

In the same panel were Hon Pehin Orang Kaya Pekerma Dewa Dato Seri Setia Lim Jock Seng, Second Minister of Foreign Affairs and Trade of Brunei Darussalam; Prof Dr Mely Caballero-Anthony, Head of Centre of Non-Traditional Security Studies of the Rajaratnam School of International Studies, Nanyang Technological University; and Mr Henry Motte-Muñoz, Founder and Chief Executive Officer of Edukasyon.ph.

Amb Elizabeth Buensuceso, the Philippines' Permanent Representative to ASEAN, lauded the critique made by the panellists. She said it was evident that here is a group that 'deeply cares' for ASEAN.

Five-Volume Commemorative Publication

The High Level Forum on ASEAN @50 is one of the two major projects that ERIA undertook to commemorate ASEAN's 50th anniversary.

The other is the five-volume



Prof Nishimura presented the five-volume ASEAN@50 publication to President Rodrigo Duterte of the Philippines

publication *ASEAN @50: Retrospectives and Perspectives on the Making, Substance, Significance, and Future of ASEAN*. The volumes were gradually launched in the series of symposia held in Iloilo, Davao, and Manila earlier this year.

The book series describe the story of ASEAN, building up from managing intraregional disputes to facilitating the management of pan regional dispute; from economic cooperation to economic integration; and from nation-building to community-building.

Volume 5 of the series might prove to be the most significant as it tackles the issues around 'the ASEAN Economic Community Into 2025 and Beyond.'

'We hope (the books) can provide an excellent reference materials and

help present and future readers and the student to better understanding of ASEAN,' said Prof Nishimura in his speech introducing the books at the forum. ■

Amb Elizabeth Buensuceso, the Philippines' Permanent Representative to ASEAN, lauded the critique made by the panellists. She said it was evident that here is a group that 'deeply cares' for ASEAN.



Han Phoumin
Energy Economist at ERIA

Benefits of Increasing Emission Standards for Coal-fired Power Plants in ASEAN beyond Environment and Health

'The East Asia Summit region depends heavily on coal, given its abundance, as a reliable energy source. Coal use patterns around the region reflect the rising demand for electricity needed to power and steer economic growth.'

The East Asia Summit region depends heavily on coal, given its abundance, as a reliable energy source. Coal use patterns around the region reflect the rising demand for electricity needed to power and steer economic growth. Hence, building low-efficiency coal-fired power plants (CPPs) is an obvious choice for power-hungry emerging Asia, particularly ASEAN, due to less capital costs. However, such plants cause more environmental harm and health issues due to air pollution, CO₂ and other greenhouse gas emissions.

The Economic Research Institute for ASEAN and East Asia (ERIA) embarked on a study on emission regulations in fiscal Year 2016-2017 for CPPs in ASEAN, with a

comparative analysis of emission standards and regulations for CPPs in ASEAN and some OECD countries.

The results showed that ASEAN countries have relatively high allowable emissions in terms of Sulphur Oxides (SO_x), Nitrogen Oxides (NO_x), and Particulate Matter (PM) (see figures 1). This means that ASEAN as a bloc has lower emission standards compared with advanced countries such as Germany, Korea, and Japan where clean coal technology is mandatory. The study also noted that India has high emission standards for newly constructed CPPs, but enforcement of these standards will need to be monitored. Australia, still uses some traditional coal-fired plants yet to retire, but regulates SO_x and PM

emissions very tightly, except NO_x. Remarkably, China significantly improved its emission standards for CPPs due to the government's policy to reduce air pollution and encourage clean energy.

Emission standards for CPPs in Germany, Korea, and Japan range from 100-150 mg/m³ for SO_x, 50-200 mg/m³ for NO_x, and 10-100 mg/m³ for PM. However, ASEAN as a bloc has CPPs emission standards ranging from 200-850 mg/m³ for SO_x, 380-1,000 mg/m³ for NO_x, and 80-400 mg/m³ for PM.

Major harmful air pollutants, such as SO_x, NO_x, and PM, come from fossil fuel and biomass power plants, and thus, they need to be carefully regulated. It is known that short-

-term exposure to Sulphur Dioxide (SO₂) can harm the human respiratory system and make breathing difficult. Children, the elderly, and those who suffer from asthma are particularly sensitive to the effects of SO₂. Emissions that lead to high concentrations of SO₂ in the air also add to the formation of other SO_x. Furthermore, SO_x can react with other compounds in the atmosphere to form small particles. These particles then contribute to PM pollution, in which, particles can penetrate deeply into sensitive parts of the lungs and cause additional health problems. At high concentrations, gaseous SO_x can harm trees and plants by damaging foliage and decreasing growth. SO₂ and other SO_x can also cause acid rain, which goes on to harm sensitive ecosystems, and react with other compounds in the atmosphere to form fine particles that reduce visibility (also known as haze). The deposition of such particles can stain and damage stone and other materials, including culturally-important objects such as statues and monuments.

The study acknowledges that world leaders have taken action to mitigate climate change as committed to at the 21st Conference of Parties or COP21, whereby each country pledged to implement Nationally Determined Contributions to track the progress of climate change abatement. But also suggests that minimising the emission of air pollutants in ASEAN countries become a pre-condition for the future use of CPPs and to move gradually to meet the current emission standards for CPPs of

the Organisation for Economic Co-operation and Development countries. This would result in clean coal technology for ASEAN and bring many benefits for the people and environment.

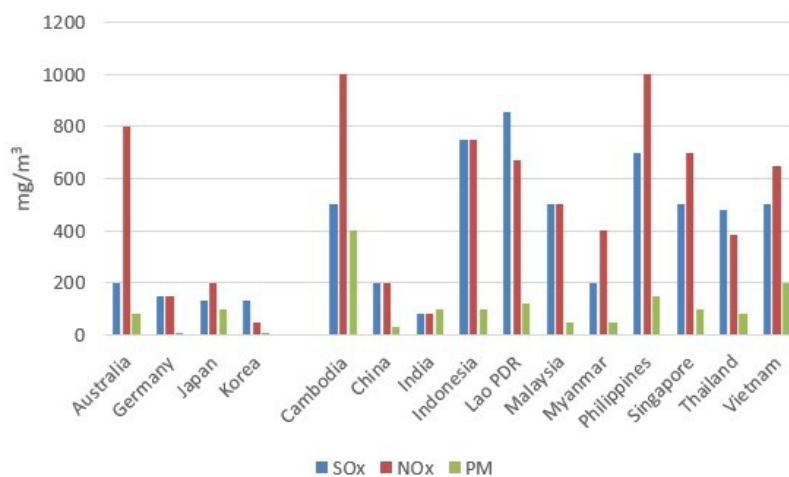
These higher standards, coupled with effective enforcement, may push investors to select more advanced technologies, especially the Ultra-supercritical technology for CPPs. Such plants are considered clean power because they use coal more efficiently and cleanly, compared to traditional Sub-Critical coal fired power plants.

The study findings suggested that governments' stringent regulation of standards and enforcement in CPPs emissions can benefit society and environment at large. In addi-

tion, it could further influence the future ASEAN power exchange and promote ASEAN towards the clean power investment market. ■

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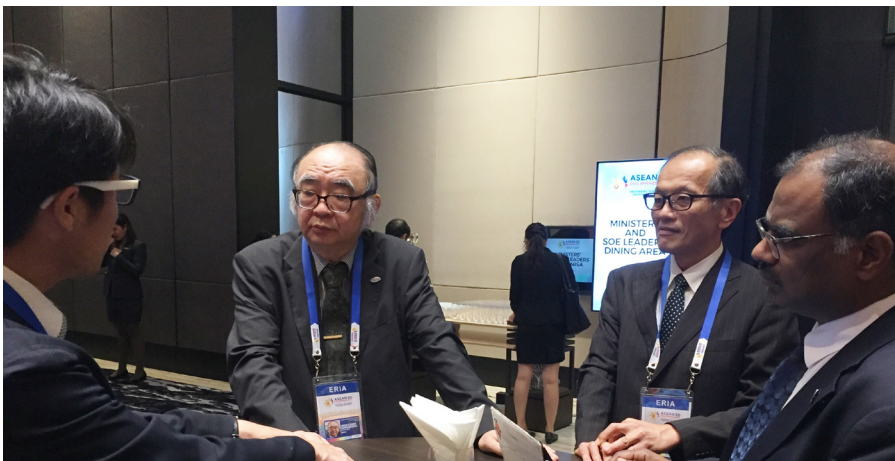
Figure 1: Emission standards for newly constructed CPPs in selected countries (SO_x, NO_x, and PM)



CPP = coal-fired power plant, mg/m³ = milligram per cubic metre, SO_x - sulphur oxides, NO_x - nitrogen oxides, and PM = particulate matter.

Source: Authors.

ERIA's Participation at the 11th EAS Energy Ministers' Meeting and Related Meetings



ERIA's recent research on energy includes 19 projects serving the strategic policy directions spelled out in the EMM, EAS member countries and ERIA, namely, sharing regional supply/demand outlook, enhancement of energy supply security and climate change mitigation and environment protection.

Professor Hidetoshi Nishimura, the President of the Economic Research Institute for ASEAN and East Asia (ERIA) and a high-level delegation of ERIA energy experts attended the Eleventh East Asia Summit (EAS) Energy Ministers Meeting (EMM) and related meetings on 26-29 September 2017 in Manila, Philippines. The delegation consisted of the Senior Policy Fellow Prof Jun Arima, Special Advisor to the President on Energy Affairs; Mr Shigeru Kimura, Director General for Research Administration; Mr Shigeki Kamiyama, Senior Energy Economist; Dr Venkatachalam Anbumozhi, and Energy Economist; and Dr Yanfei Li. Professor Nishimura delivered a presentation on ERIA's research activities at the Eleventh EAS EMM and held several bilateral meetings.

The annual meeting included ASEAN member states and dialogue partners Australia, China, India, Japan, Repu-

blic of Korea, New Zealand, the Russian Federation, and the United States.

Presentation to EAS Energy Ministers

Prof Nishimura presented an overview of ERIA's energy studies to the Ministers on 28 September 2017.

ERIA's recent research on energy includes 19 projects serving the strategic policy directions spelled out in the EMM, EAS member countries and ERIA, namely, sharing regional supply/demand outlook, enhancement of energy supply security and climate change mitigation and environment protection.

Projects in the field of energy supply/demand outlook include:

- Low emissions scenario

Projects in the field of energy security include:

- Oil supply resilience in ASEAN
- Better social acceptance for power plants
- Sustainable development of gas markets
- LNG demand potential and investment in LNG infrastructure

Projects in the field of energy and environment include:

- Energy efficiency in the transport sector in ASEAN
- Emission regulation for coal-fired power plants in ASEAN

Prof Nishimura then presented the key findings and recommendations from two studies: (1) LNG demand potential and investment in LNG logistic infrastructure and (2) the 1st East Asia Energy Forum.

The LNG study was proposed by Japan at the EMM in 2016 and wel-

-comed by the Ministers. The study estimates first the potential growth of gas demand, and second, the necessary investment in infrastructure on the supply side. The findings could serve as a very useful point of departure for a regional discussion on the expanded use of natural gas. Inputs and comments from Member countries reflecting their specific national circumstances would be most welcome.

Prof Nishimura proposed that the next steps for the LNG project would be to organize a workshop to discuss the main outcomes of this analysis with the participation of key players in the public and private sector.

The 1st East Asia Energy Forum (EAEF) was held back-to-back with Asia Cooperation Dialogue on 9th August 2017, Bohol, Philippines, as a part of Energy Research Institute Network (ERIN) activities. The Forum focused on how to supply and use fossil fuel. The resulting 'Bohol Reflection', was distributed to the Ministers. Its fundamental messages are:

- Fossil fuel will play still dominant role in the region in 2040
- Oil demand will further grow, but emergency preparedness is lagging behind
- Gas demand will also grow and flexibility market and competitive price is essential
- Coal is an important fuel and needs to overcome negative image

Prof Nishimura also presented the EAS Mid Term Energy Policy Research Roadmap, which was formulated through an intensive consultation process with EAS

member countries. The main purpose of the Roadmap is to provide a comprehensive picture of on-going and planned research activities with a view to contributing to strategic policy directions spelled out by the EMM and others.

ERIA Mentioned in the Joint Ministerial Statement of the Eleventh East Asia Summit Energy Ministers Meeting

The Joint Ministerial Statement for the Eleventh EAS Energy Ministers Meeting recognised ERIA's contribution to advance EAS collaboration on natural gas in the ninth paragraph:

9. Initiative on the promotion of natural gas. To advance the EAS collaboration on natural gas, the Ministers noted the progress on Japan's proposal during the 10th EAS EMM to facilitate collaboration and discussion among EAS countries on ways in which governments can encourage the development of natural gas markets and to endeavour to formulate pro-market policy options to ensure that gas markets operate in an efficient and transparent manner within the region. The Ministers further welcomed the ongoing study by the Economic Research Institute for ASEAN and East Asia (ERIA) with the support of the ASEAN Council on Petroleum (ASCOPE) and the ASEAN Centre for Energy (ACE) to formulate policy options for promoting utilisation of natural gas including LNG in the region. The initial findings indicate that natural gas demand in the EAS region could potentially expand

more than two times between now and 2030 and will require about \$80 billion in LNG supply chain investments to meet this demand. It was also noted that increased utilisation of natural gas and LNG as an alternative fuel source could significantly contribute to the region's emissions reductions.

The Statement also recognised ERIA's work in developing the EAS Roadmap for Mid Term Energy Policy Research in the eleventh paragraph:

11. EAS policy research roadmap. The Ministers welcomed the adoption of the new EAS Mid-Term Energy Policy Research Roadmap towards building strong energy research capability in support of EAS discussions on energy cooperation. The Research Roadmap is expected to help provide a longer term view and coherence to the numerous policy research initiatives supporting the policy directions spelled out by the EAS EMM. It is also intended to link to the implementation of the ASEAN Plan of Action for Energy Cooperation (APAEC) and to include other research activities or initiatives promoted within the EAS framework. The Ministers expressed appreciation for the efforts led by Japan and ERIA in developing the Research Roadmap as well as the regular briefings provided to the EAS on the findings and policy implications of ERIA's energy policy research conducted in the past year such as oil supply resilience, emission regulation and public acceptance of

coal-fired power plant, energy efficiency in the transport sector.

The Statement also noted the First East Asia Energy Forum and the 'Bohol Reflection' in the 12th paragraph:

12. Platforms for forum cooperation. The Ministers appreciated China's proposal to formalise the EAS Clean Energy Forum into a regular forum cooperation mechanism for thematic discussions and high-

level multilateral and bilateral dialogues focusing on clean energy development in the region. The Ministers noted that the 3rd EAS Clean Energy Forum was held on 3-4 July 2017 in Kunming, China. The Ministers similarly noted Japan's invitation to the 6th LNG Producer Consumer Conference to be held on 18 October 2017 in Tokyo, Japan. The Conference is an annual event (held since 2012) that serves as a platform for producers, consumers and

other key LNG players to discuss developments and key challenges on LNG in the region. The Ministers also noted the convening of the 1st East Asia Energy Forum held in Bohol, Philippines in August 2017, and welcomed the "Bohol Reflections" prepared by the Philippines, Brunei Darussalam and ERIA. ■

President of ERIA Attends the 18th ASEAN plus 3 Ministers of Environment Meeting



On 13 September 2017 an ERIA delegation participated in the 18th ASEAN plus 3 Ministers of Environment Meeting held in Brunei Darussalam. Prof Hidetoshi Nishimura, President of the Economic Research Institute for ASEAN and East Asia (ERIA) made a presentation titled 'Empowering ASEAN for Circular Economy' as a part of the presentation of Japan.

Prior to that, H.E. Mr Tadahiko Ito, State Minister of Environment for Japan, outlined the new Japan-ASEAN Environment cooperation Initiative under which ERIA is entrusted with producing a new study on 'Environmental and Economic Benefits and Risks of Emerging Waste Management and E-Waste Options in ASEAN.'

ASEAN plus 3 Ministers welcomed the proposal and the Japan-ASEAN Knowledge partnership. On the sidelines of the Ministerial meeting, Prof Nishimura also joined the bilateral discussion with Ministers of Cambodia, Singapore and Viet Nam. ■

Publications

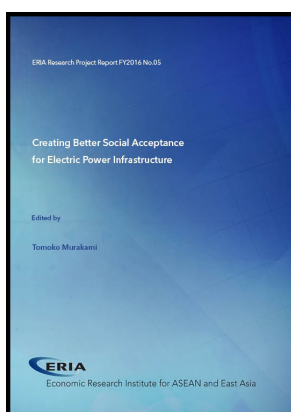


ASEAN @ 50 Volume 1 The ASEAN Journey: Reflections of ASEAN Leaders and Officials

Edited by Surin Pitsuwan, Hidetoshi Nishimura, Ponciano Intal, Jr., Kavi Chongkittavorn, and Larry Maramis

The ASEAN's 50-year journey is a story that needs to be told to this and future generations. Thus, to commemorate the 50th anniversary of ASEAN, ERIA and the Government of the Philippines collaborated to produce the five-volume ASEAN@50 publication. This volume, Volume 1, presents insights and personal reflections of political luminaries comprising Leaders and Senior Officials of ASEAN Member States, and ASEAN Secretaries-General; academics from ASEAN+ countries; and 'friends' of ASEAN - all of whom have been the prime movers of the organisation since its birth in 1967. It also discusses the three pillars of ASEAN that are significant elements in the association's progress and transformation - the Political-Security Community, the Economic Community, and the Socio-Cultural Community - and how its relations with its dialogue partners evolved.

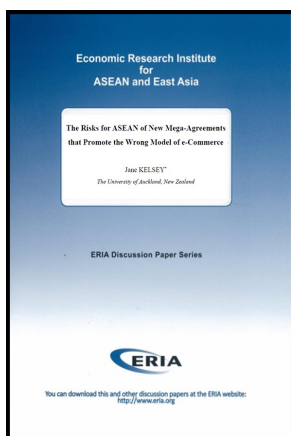
Featuring memorable quotes from the ASEAN founders, photos of ASEAN's milestones in the last 50 years, personal reflections and stories of ASEAN Leaders and 'friends', this volume will hopefully make ASEAN's journey come alive for readers and paint a clearer picture of its and the ASEAN peoples' future.



Creating Better Social Acceptance for Electric Power Infrastructure

Edited by Tomoko Murakami

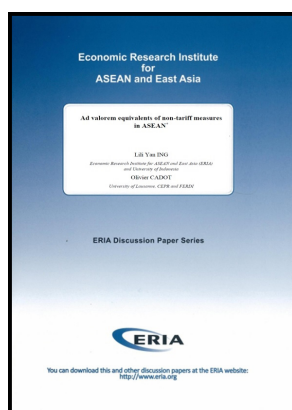
This study comprehensively evaluates issues related to public acceptance of coal-fired power plants in Thailand and thus derives policy implications on how to mitigate public protests and prevent movements that oppose coal power plants. In general, its implications can be extended to achieving better public acceptance for any electric power infrastructure. For this purpose, an intensive survey of the energy system and case studies of coal-fired power plants in Thailand was conducted. The research revealed five major factors behind the strong opposition to the construction of coal power plants in Thailand, especially in the southern part. It also thoroughly reviewed the accumulated experience and knowledge of advanced countries in Europe and of international organizations regarding social acceptance and public involvement issues. These practices lead us to highlight several policy recommendations.



The Risks for ASEAN of New Mega-Agreements that Promote the Wrong Model of e-Commerce

By Jane Kelsey

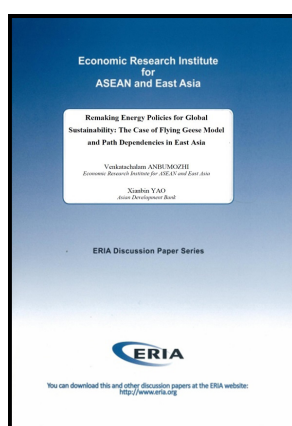
Digital technology offers exciting new opportunities and advances for ASEAN member states, individually and as a region. The benefits have so far been captured by first movers, especially in the United States. ASEAN countries need time and flexibility to develop their own digital industrialization strategies that can harness the potential gains and minimize the risks, and regulate accordingly. This paper explains how that opportunity would be foreclosed by a new normative framework on electronic commerce and cross-border services that is being systematically advanced by developed countries on behalf of their globally dominant digital industries. Starting with the Trans-Pacific Partnership Agreement, the template is being promoted through a network of mega-regional trade and investment agreements, including the Regional Comprehensive Economic Partnership and potentially the World Trade Organization. Instead of delivering a digital dividend to ASEAN countries, this model of e-commerce could impede their development, create negative fiscal and employment consequences, and leave them dependent on an oligopoly of private corporations that control the global digital infrastructure and mass data. ASEAN member states will need to resist those proposals if they are to maintain their regulatory sovereignty and the policy space to capitalize on the 21st century digital revolution.



Ad valorem equivalents of non-tariff measures in ASEAN

By Lili Yan Ing and Olivier Cadot

To measure Ad valorem tariff equivalents (AVEs) of non-tariff measures (NTMs), we propose a new alternative that relies on the estimation of bilateral trade flows on two-way panels at the HS 2-digit level with importer, exporter, and product fixed effects and interaction terms between NTM variables and a full vector of country-specific characters. Our results show AVEs for technical barriers to trade measures on manufactured products, for ASEAN countries and the whole sample are 4.5% and 5%, respectively. The AVEs for sanitary and phytosanitary measures on agricultural and food products for ASEAN countries and the whole sample are 6.5% and 6.7%, respectively. It should be noted that AVEs can mean very different things depending on whether they play as correction of a market failure. This depends on the technical capabilities of domestic regulatory agencies.

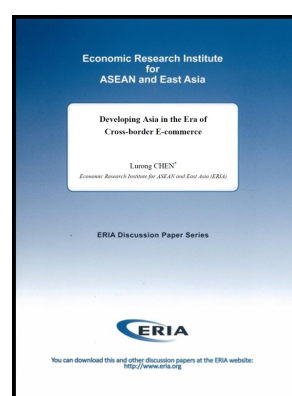


Remaking Energy Policies for Global Sustainability: The Case of Flying Geese Model and Path Dependencies in East Asia

By Venkatachalam Anbumozhi and Xianbin Yao

In East Asia, the path of economic integration that started at the end of World War II, through catch-up industrialization, took a distinguished path. Started in Japan and supported by diffusion of technologies through learning and easier relocation of industries within the region, energy intensive industrialization expanded into countries with fewer development operations. Aided by official development assistance and foreign direct investment, the emergence of production networks across Southeast and East Asia permitted second- and third-tier economies to catch up with advanced economies in technology, technical skill development, and narrow the development gaps. The pattern of East Asia's catch-up has been extensively studied, with the 'Flying Geese' model being the well-known paradigm. This process of catch-up also leads to increased emissions and air, water, and soil pollutions, and to movement of emission intensity and pollutions to second- and third-tier economies. From the perspective of the energy-development nexus, does it mean that East Asia's growth pattern still could not break away from the historical path dependency in energy-intensive industrialization observed elsewhere?

This and the following questions are pursued in the paper: What factors lead to the emergency and subsequent dispersal of the 'flying geese'? What were the main characteristics of integrated environmental and energy policy formulation during the dispersal, and what lessons could be learned from those experiences for sustainable future? To our knowledge, this paper is the first such direct attempt to understand the link between the Flying Geese model and energy policies in East Asian economic development. Using the historical data on trade and energy consumption, we demonstrate that East Asian governments have proactively addressed energy intensity concerns, and have further intensified the policy. We also draw lessons learned from the model for its potential application in solving global sustainability challenges.



Developing Asia in the Era of Cross-border E-commerce

By Lurong Chen

Cross-border e-commerce has been a major development trend of international trade and globalization. In the next 5-10 years, the top three fastest-growing markets in the world—India, Indonesia, and Malaysia—will all come from Asia. Connectivity is the cornerstone of e-commerce development. E-commerce supporting connectivity aims to ease free information flow, logistics, free cash flow, and seamless links between the virtual and physical parts of e-commerce network. Accordingly, policy efforts include: increasing the supply of public goods to improve connectivity infrastructure in both physical world and cyberspace; establishing rules and regulations to ensure dynamics and competition of online marketplace; improving connectivity-derived services to generate more value added; prioritizing smartphone economy and Internet financial innovation, and collaboration in the region-wide E-commerce supporting environment.

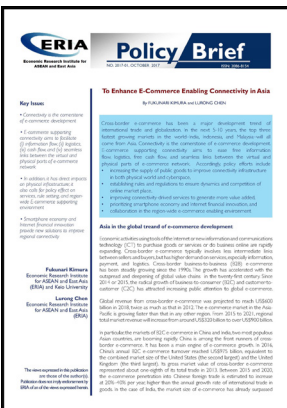


E-Commerce as Asia's New Growth Engine

By Fukunari Kimura and Lurong Chen

The development of cross-border electronic commerce (e-commerce) is changing the world's economic landscape. To better grasp the opportunities of this global trend of growth, Asian countries will still need to make progress in areas such as connectivity, services, rules and regulations, and labour skills. In addition to market mechanism that shall lead the transition, government policy can help the market maximize the advantage of information revolution, and avoid potential market failure. Asian countries may consider policy effort on promoting e-commerce from following aspects:

- Enabling an e-commerce growth environment
- Improving connectivity
- Encouraging value-added services
- Accelerating rule-setting and regulatory harmonization
- Promoting Internet financial innovation
- Prioritizing the development of smartphone economy



To Enhance E-Commerce Enabling Connectivity in Asia

By Fukunari Kimura and Lurong Chen

Cross-border e-commerce has been a major development trend of international trade and globalization. In the next 5-10 years, the top three fastest growing markets in the world-India, Indonesia, and Malaysia-will all come from Asia. Connectivity is the cornerstone of e-commerce development. E-commerce supporting connectivity aims to ease free information flow, logistics, free cash flow, and seamless links between the virtual and physical parts of e-commerce network. Accordingly, policy efforts include:

- increasing the supply of public goods to improve connectivity infrastructure in both physical world and cyberspace,
- establishing rules and regulations to ensure dynamics and competition of online market place,
- improving connectivity-driven services to generate more value added,
- prioritizing smartphone economy and Internet financial innovation, and
- collaboration in the region-wide e-commerce enabling environment

Call for Proposals

The Economic Research Institute for ASEAN and East Asia (ERIA) is inviting research proposals for **ERIA-UNCTAD Project on NTMs**.

[Background]

- In 2015, ERIA and UNCTAD had conducted the first comprehensive data collection of NTMs in the 10 ASEAN countries.
- In 2018, ERIA and UNCTAD will carry the mandate of the 49th ASEAN Economic Ministerial (AEM) meeting to renew the NTM database on a regular basis and analyze policy options for addressing NTMs.

[Objective]

- To update the existing ASEAN NTMs database, by collecting and validating the most up-to-date NTM information from official sources.
- To further develop export capacities by improving NTM transparency and providing trading partners with access to NTMs related information.
- To conduct rigorous analyses on NTMs and how these will affect trade policy and overall trade performance.
- To provide insights for NTMs streamlining in ASEAN.

[Project Outputs]

- Updated NTMs Database for the 10 ASEAN Member States.
- ERIA-UNCTAD Country Reports of the 10 ASEAN Member States.

[Responsibilities]

- Each consultant will collect all NTM information from official sources (e.g. government regulations) and classify each NTM into the right category based on the UNCTAD's NTMs classification system. Each consultant will be given proper trainings, guidelines, and ready-to-use templates to accommodate this task.
- Prior to data collection, selected consultants are expected to: (i) take an NTM on-line course ; and (ii) attend a mandatory training on the latest data collection method of identification, collection and classification of NTMs. All training materials will be provided by ERIA-UNCTAD.

[Consultant's Responsibilities & Outputs]

- Comprehensive updated data of NTMs in respective country recorded in UNCTAD template in English. Each consultant will be assigned to one specific country and is responsible to record all NTMs that are in effect and implemented by March 2018.
- A descriptive analysis of NTMs in the country which consultant is assigned to and policy recommendations on streamlining NTMs in that country.

Visit our website for more information:

<http://www.eria.org/news/FY2017/10/call-for-proposals-eria-unctad-project-on-ntms.html>

Upcoming Events

7th Asian Ministerial Energy Roundtable

Date: 1-3 November 2017
Venue: Bangkok, Thailand

Book Dissemination: Production Networks in Southeast Asia & The Indonesian Economy: Trade and Industrial Policies

Date: 10 November 2017
Venue: University of Padjajaran, Bandung

31st ASEAN Summit and Related Summits including ASEAN Business and Investment Summit 2017 (ABIS 2017)

Date: 12-15 November 2017
Venue: Manila, Philippines

Book Dissemination: Production Networks in Southeast Asia & The Indonesian Economy: Trade and Industrial Policies (at the 15th Economix)

Date: 13 November 2017
Venue: University of Indonesia, Depok

ADBI - IADB - WTO Conference on Making Trade Inclusive

Date: 16-17 November 2017
Venue: Tokyo, Japan

Book Dissemination: Production Networks in Southeast Asia & The Indonesian Economy: Trade and Industrial Policies

Date: 18 November 2017
Venue: University of Gadjah Mada, Yogyakarta

Asia Think Tank Summit

Date: 22-23 November 2017
Venue: Singapore

The ASEAN-INDIA Workshop on Blue Economy

Date: 24-25 November 2017
Venue: Nha Trang, Viet Nam

ASEAN Seamless Trade Facilitation Indicators (ASTFI) Workshop

Date: 28 November 2017
Venue: Jakarta Indonesia

Workshop on Trade Transactions Cost

Date: 29 November 2017
Venue: Jakarta Indonesia

About Us

The Economic Research Institute for ASEAN and East Asia (ERIA) is an international organisation based in Jakarta, Indonesia that conducts in-dept research on issues facing the people and governments of ASEAN and East Asia.

ERIA works closely with the ASEAN Secretariat and research institutes from across East Asia and beyond to provide innovative and analytical research and policy recommendations. Our projects are organised under three research pillars:

- Deepening Economic Integration
- Narrowing Development Gaps
- Achieving Sustainable Development



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