

Chapter **1**

Overview

July 2018

This chapter should be cited as

ERIA (2018), 'Overview', in Fujisawa, T. and K. Yamamoto (eds.), *2017 Progress Survey Report of Infrastructure Projects in CADP 2*. ERIA Research Project Report 2017-01, Jakarta: ERIA, pp.1-2.

Chapter 1

Overview

The economic development of the Association of Southeast Asian Nations (ASEAN) and East Asia requires three stages: participation in production networks, formation of industrial clusters, and realisation of urban comfort. The Comprehensive Asia Development Plan 2.0 (CADP 2.0) states the importance of the quality of infrastructure according to the stage of economic development. We presented 761 concrete projects as hard and soft infrastructure improvements to realise the plan. CADP 2.0 was submitted to the East Asia Summit in 2015, along with the Master Plan on ASEAN Connectivity 2025 (MPAC 2025) to continue efforts to improve the East–West Corridor and Southern Economic Corridor and strengthen regional connectivity.¹

In this report, we review the progress² of the 761 projects³ in 11 sectors (Road/Bridge, Railway, Port/Maritime, Airport, Other Transportation, Industrial Estate/Special Economic Zone, Energy/Power, Water Supply/Sanitation, Telecommunication, Urban Development, and Others) in 12 countries (ASEAN, China, and India) in financial year (FY) 2017.⁴

First, we summarise the progress of the CADP 2.0 projects in FY 2017 and show the progress from 2015 for all 761 projects in total and by tier.⁵ We examined the progress

¹ Vientiane Declaration on Promoting Infrastructure Development Cooperation in East Asia (Vientiane, 8 September 2016):

Continue efforts to make regional connectivity vibrant and effective through the early completion of projects listed in the MPAC 2025 and the Comprehensive Asia Development Plan 2.0 to improve East-West Economic Corridor and Southern Economic Corridor.

² The progress is evaluated in four stages: (i) conceptual stage, (ii) feasibility study stage, (iii) construction stage, and (iv) operational stage.

³ When we mention infrastructure projects listed in CADP 2.0, we put project No. in parentheses. See Appendix 1 ‘Selected infrastructure projects’.

⁴ The survey period is from April 2017 to March 2018.

⁵ The CADP 2.0 classifies stages of development in terms of the degree of participation in production networks as follows

- Tier 1: Countries or regions that are already in production networks and where industrial agglomerations start to form.
- Tier 2: Countries or regions that are not yet fully integrated into quick and high-frequency production networks.
- Tier 3: Countries or regions that are unlikely to come into quick and high-frequency production networks in the short run, but would like to provide a new framework for industrial development with the development of logistic infrastructure as a trigger.

based on the situation of policy initiatives in each country. In addition, we detail the contents and views on the project with a focus on each tier.

For Tier 1, we summarise the progress of infrastructure development in the northern Hai Phong district and central Da Nang district of Viet Nam. Also, as a means of improving transportation infrastructure in the metropolitan area, we focus on railway projects in Jakarta (Indonesia) and Manila (Philippines), and describe efforts towards improving urban transport infrastructure suffering from traffic congestion.

For Tier 2, we introduce the status of the high-speed railway linking Kunming in China and the capital Vientiane in the Lao People's Democratic Republic (Lao PDR). The full-scale construction of the railway aims to improve connectivity and industrial development measures in the Lao PDR, as well as the efforts of special economic zones (SEZs) in Pakse, which became operational in FY 2017. In addition, focusing on Poipet, which is the base of the Thailand-Plus-One strategy in Cambodia, we describe the efforts of industrial clustering for innovation by improving both the hard and soft infrastructure.

For Tier 3, we describe the geothermal power plant in Sarulla in north Sumatra and the Trans-Papua road plan as a remote island development policy in Indonesia.

Finally, as a significant future project, we report on the planned infrastructure development plan of Thailand's Eastern Economic Corridor (EEC) project and the present situation of large-scale infrastructure development in the Dawei district of Myanmar.

Infrastructure development takes many years from the conceptual stage through the construction stage to the operational stage. Of the plans listed in FY 2015, some projects have been completed, but there have also been changes and discontinuation due to policy changes that are taking place. We report on the current state of infrastructure development that will contribute to ASEAN connectivity improvement and innovation development in FY 2017.

The outline and progress of the 761 projects can be viewed on the CADP 2.0 Digital Map launched on the website of the Economic Research Institute for ASEAN and East Asia (ERIA) in March 2018 (<http://map.eria.org/>).