

ERIA economic research body celebrates 10th anniversary, sets three key objectives

Times Reporters

The Governing Board of the Economic Research Institute of Asean and East Asia (ERIA) on May 25 re-elected Professor Hidetoshi Nishimura as president heading up the leading Jakarta-based international economic research organisation.

At the annual board meeting, the Governors were unanimous in their re-election of Professor Hidetoshi. They commended ERIA's achievements in 2017, recognised that the organisation's activities had been strengthened and become more comprehensive, and voiced approval of ERIA's 2018 work plan.

Professor Nishimura has helmed ERIA since its inception in 2008, when he was appointed Executive Director. He subsequently was appointed as ERIA's first President in 2015. His third term comes at an important time as ERIA commemorates its 10th anniversary this year.

Speaking at the meeting, he emphasised that ERIA is key to providing high-quality research and policy recommendations to leaders across East Asia, and laid out three objectives for ERIA to achieve under his leadership over the next five years.

First, ERIA's policy support capacity and its relationships with the governments of individual member countries should be further strengthened. Next, ERIA's academic capacity and academic contributions to the region must be reinforced. Last, ERIA should diversify its sources of funding.

In 2018, as ERIA celebrates its first decade, it can be particularly proud of the support it has provided to the Lao PDR. ERIA has been privileged to make a great contribution in both research and policy on industrial development.

Vice President of the National Institute of Economic Research (NIER), Dr Leebor Leebuapao told *Vientiane Times* on Wednesday, "Over the past 10 years, ERIA has been playing an important role in assisting Asean and East Asia on research to promote economic integration, reduce the development gap between the countries in the region, and sustainable development."

"The ERIA is also an important institute for the economic development of the Lao PDR assisting the NIER in economic research to help the country integrate into the region, because the research is a reference for the government's economic development plans," he said.

"Although being established

only 10 years ago, the ERIA is ranked as one of the most reliable institutions in the world for global economic research," Dr Leebor added.

According to the ERIA, the seminal June 2016 report "Lao PDR at the Crossroads: Industrial Development Strategies 2016-2030" was developed in collaboration with the Ministry of Industry and Commerce and the National Institute for Economic Research.

The report provided useful input for several national development plans, particularly on the issue of industrial estates and key industries such as agriculture and manufacturing, as well as small and medium enterprises. Concrete projects in key sectors of the Lao PDR's economy, including agriculture and food processing, garment production, and small and medium enterprises, have also followed.

Notably, this joint report was commended by prime ministers attending the 8th Japan-Mekong Summit in September 2016, as it will lead to economic development in the whole Mekong region.

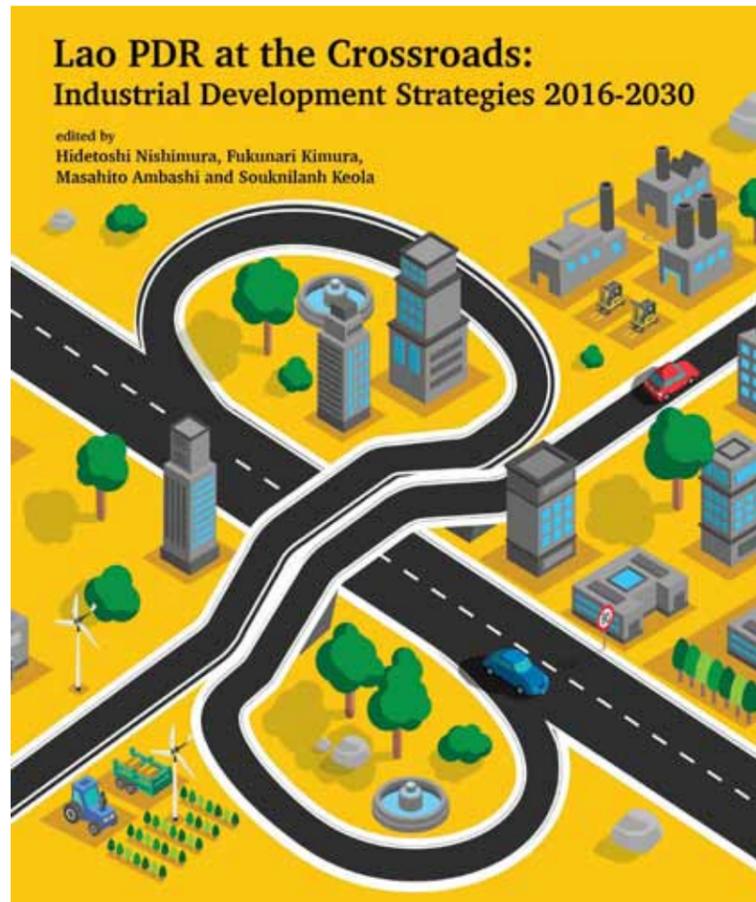
Additionally, ERIA and the Ministry of Industry and Commerce launched a follow-up framework for the industrial development strategies outlined in "Lao PDR at the Crossroads" with strong support from the Embassy of Japan to Laos, the Japan International Cooperation Agency, and the Japan External Trade Organisation.

ERIA has supported the Lao PDR in further ways, providing assistance during its year as Chair of Asean in 2016, and also helping to develop the capacity of government officials which, in turn, contributes to the long-term wealth and prosperity of the Lao PDR.

For the last three years, ERIA has worked with the Lao PDR through its capacity building programme. During this time, 80 government officials have participated in 17 capacity building activities. Of these, one third came from the Ministry of Industry and Commerce, and 12 from the Ministry of Planning and Investment.

More importantly, beyond the numbers, are the types of activities they have participated in. These range from working with ERIA on research projects to taking part in practical, hands-on workshops, and undertaking evidence-based data research in order to develop considered policy options.

In research, as a leading think tank and research organisation for the Southeast and East Asian region, ERIA is in a prime position not just to share its research findings



The front cover of "Lao PDR at the Crossroads".

with government officials, but to invite them to observe, comment on, and participate in various ERIA research projects.

One important example is ERIA's study on SME participation in the region, and another on mega Free Trade Agreements and regional integration.

Government officials have also become much more involved in a study on regulatory burdens affecting the coffee sector in the Lao PDR - for which they learnt not just the methodology to address this issue, as pioneered by Malaysia - but also how to calculate the cost-benefit analysis. Based on their participation in a study on the distributional effects of disasters and climate change, government officials are currently working on developing climate and disaster adaptation maps for the Lao PDR.

Away from the involvement in research, ERIA has facilitated five workshops on topical issues for government officials over the last three years. These two-day events are hands-on, practical workshops, in which participants learn how to analyse and calculate technical issues and details.

For example, at a workshop on understanding non-tariff measures, participants learnt how to classify non-tariff measures and distinguish between tariff measures and tariff barriers.

At a workshop on services liberalisation, participants learnt how to interpret the Asean Framework Agreement on Services schedules, which deals with services liberalisation across

Asean. And at a workshop on strengthening fiscal policy for infrastructure delivery, participants discussed issues crucial to the financing of infrastructure projects such as the importance of fair risk allocation and contestability.

ERIA has also been supporting the Lao PDR in better preparing government officials to develop policy options based on undertaking evidence-based data research for themselves. Rather than simply learning the policy modelling tools, participants, over a five-month period, undertake research on topics set by the ministries.

With a prize awarded for the best study, the 2017 award went to a team focused on 'The Impact of Infrastructure Development and Poverty Reduction in the Lao PDR'. This year, participants have been looking at the themes, 'Does Monetary Policy Influence Economic Growth in the Lao PDR?' and 'Human Capital and Export in the Lao PDR: Evidence from Firm Survey'.

ERIA is based in Jakarta and was founded in 2008. It celebrates its 10th anniversary this year with high-level receptions in Tokyo and Jakarta. It was formally launched on June 3, 2008 in Jakarta, following a unanimous 2007 decision by EAS leaders in Cebu, who agreed to set up an international economic research organisation for the region.

Japan has played a prominent role; it was the country's economy, trade and industry minister Toshihiro Nikai who initially proposed such an organisation in August 2006.



President of the Economic Research Institute of Asean and East Asia, Prof Hidetoshi Nishimura.

ERIA was designed to be an international and independent research institute and a common asset for Asean and East Asian nations. It was charged with undertaking policy analysis and research that would result in concrete and tangible action-oriented policy recommendations, as well as to provide a forum for dialogue, and improve capacity building.

Through its research, ERIA supports regional economic integration among Asean member countries and across East Asia. ERIA's research focuses on three areas that are key to ending poverty and ensuring prosperity for all: deepening regional economic integration within Asean and also between Asean and the EAS, narrowing development gaps, and achieving sustainable development.

The institute works closely with the Asean Secretariat, researchers, and research institutes from across East Asia and beyond to provide intellectual and analytical research and policy recommendations on a wide range of topics, including trade, energy, sustainability, innovation, digital economy, agriculture, and health care.

The 10 years since its inception have proven productive and successful. ERIA was ranked as the 24th best international economic think tank in the world in the 2017 Global Go To Think Tank Index, published by the Think Tanks and Civil Societies Programme at the University of Pennsylvania, USA.

ERIA's role in the region is unique. It is the only organisation founded by EAS leaders in order to support Asean and East Asia integration by providing high quality economic research to underpin sound policy-making. Significantly, it is currently assisting the Lao PDR, as well as Cambodia, Myanmar, and Vietnam - the CLMV countries - with long-term development plans.