



ERIA Welcomes New COO Koji Hachiyama

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The Economic Research Institute for ASEAN and East Asia (ERIA) is pleased to announce the appointment of Mr Koji Hachiyama as the Institute’s new Chief Operating Officer and Director-General of Administration and Personnel Department.

Mr Hachiyama started his career in the Ministry of International Trade and Industry of Japan (now known as the Ministry of Economy, Trade, and Industry) in 1992 and served in various positions throughout the years.

This is Mr Hachiyama’s second time working in Jakarta, after a four-year service as the Second Secretary in the Embassy of Japan in Indonesia from 1997 to 2001.

In the past two years, Mr Hachiyama served as the Counsellor in the National Strategy Office of Information and Communication Technology, the Cabinet Secretariat of Japan. From 2014 to 2017, he served as the Director of Information Technology Development in JETRO New York and the Head of the New York Representative Office of Japan’s Information Technology Promotion Agency.

Mr Hachiyama obtained his Bachelor’s and Master’s degree in Engineering from the Tokyo Institute of Technology, Japan. ■



Rashesh Shrestha
Economist at ERIA

Education Reform: A Policy Imperative for Changing Labor Market

' Policymakers in each ASEAN Member States need to prioritize reforms that improve quality of the formal education system. While focusing on learning is important, that should not be the only goal of schooling. It should also deliver skills that will be prized in the future labor market. '

Anxiety about the future of work is growing. Individuals, businesses, and policymakers, worried that increasing automation will make human labor obsolete, are seeking ways to avoid a future where machines displace humans from routine and non-cognitive tasks. When computers became commonplace in the United States, many tasks requiring mid-level skills went to the machines. Today even highly-skilled professional tasks are not immune – artificial intelligence is now better at recognizing lung cancer than human doctors.¹ In ASEAN countries too, many firms will reorganize their production activities around digital technology and automation. This means that workers must increasingly focus on those job aspects that use technical, problem-solving, and critical thinking skills. Soft skills like initiative, leadership, and management will become workers' main strength. Is the region ready for these changes?

Of course, labor market change is nothing new. Workers moving from agriculture to manufacturing and services is an essential characteristic of economic growth. New products and services are brought into existence daily, making other products and services outdated. Workers in sectors that fall out of favor move on to other economic activities. In fact, technological progress had a big role to play in East Asia's economic transformation. Twenty-five years ago, one in two workers in East Asia were in the agricultural sector. In 2017, this ratio was about one in four. Since the 1990s, advances in information and communication technology made it cheaper to outsource labor-intensive tasks from developed to developing countries. Concurrently, trade liberalization provided new markets for products from developing countries. So a large pool of low-cost labor became an important asset for these countries. Trade

and manufacturing employment flourished, which in turn also created opportunities in services and other non-traded sectors like construction. Creation of these jobs was crucial for growth and poverty reduction in the region.

The jobs made intensive use of the cheap labor to carry out highly labor-intensive but simple tasks. Asia became a haven for production of intermediate goods and assembly, making this region the world's factory. China has been the largest beneficiary of this change. In 1990, Asia used to produce about a quarter of world's manufacturing output, now that share has risen to almost fifty percent. However, the same low-skilled and routine jobs are now at the greatest risk from technological progress, especially automation. The use of robots in the production process has been rising, particularly in China. While the labor market has always been changing,

¹ Source: <https://www.nytimes.com/2019/05/20/health/cancer-artificial-intelligence-ct-scans.html>

the current rapid pace of technological change is creating a heightened sense of impending doom.

So, can ASEAN countries overcome the challenges of the future? The verdict so far is mixed. On the positive side, schooling levels have dramatically increased compared to few decades ago. An increasing number of ASEAN workers complete tertiary-level schooling before joining the labor market. Health has also markedly improved over time. Indonesia's under-five mortality rate declined from 84 per 1000 live births in 1990 to 25 in 2017. These positive trends are replicated across the region, so in terms of education and health - two crucial components of human capital - ASEAN is in much better shape than it was quarter century ago.

But not everything is rosy. Quality of schooling varies widely across countries. Studies have shown that many students who complete primary level schooling can barely read and write. In internationally comparable tests like the Programme for International Student Assessment (PISA), there is great variation in how much 15-year-olds know. While Vietnamese students do well, Indonesian students have consistently underperformed. World Bank's Human Capital Index showed that while a child born today in ASEAN could expect to complete 10 to 12 years of schooling, he/she will only learn an equivalent of 6 to 10 years of schooling.²

This is certainly a cause for concern in a technological era where knowledge and problem-solving skills are prized. Complacency in

delivering quality education was not much of an issue in the past decades when creation of relatively well-paid, low-skilled jobs could be relied upon to drive growth and poverty reduction. This cannot be taken for granted any longer. Availability of cheaper production technology – data processing, AI, robotics, machine learning – means that developed countries no longer need to rely on cheaper labor of developing countries and re-shore production. On the other side, improvements in communications technology have further increased opportunities for dispersion of economic activities. A well-trained workforce will be able to take advantage of this opportunity to drive future growth.

Policymakers in each ASEAN Member States need to prioritize reforms that improve quality of the formal education system. While focusing on learning is important, that should not be the only goal of schooling. It should also deliver skills that will be prized in the future labor market. This means reassessing what and how students are taught, focusing not just on academic knowledge but also social and emotional intelligence. This also means forging better partnerships between educational institutions and industry to mitigate gap between the skills that workers learn and what businesses need. Rather than considering vocational and general education as two disparate tracks for students to follow, they should be combined to provide holistic education.

There are many reasons to remain optimistic. For all the threats, technology certainly has also created new opportunities. For example, online platforms have allowed consumers to connect to shops and restaurants

that they would have never visited in person. This means that those shops and restaurants have now found new customers and expanded their market beyond their locality. Given that new technology still needs to be economically feasible to apply to the production process, we might be overestimating the pace of change in the labor market. Having said that, policies also take some time to develop and get right. So, it is never too early to start preparing for the upcoming challenges. The antidote to change is adaptability. ASEAN countries need to focus on building a workforce that is capable of moving toe-to-toe with the changing world. ■

² Source: <http://www.worldbank.org/en/publication/human-capital>

ASEAN Must Chart New Vision Towards 2040



Experts caution ASEAN must make the political commitment to address major external issues confronting ASEAN to ensure ASEAN centrality is not compromised.

Kuala Lumpur, 26 July 2019 - Experts caution ASEAN must make the political commitment to address major external issues confronting ASEAN to ensure ASEAN centrality is not compromised. To achieve that, ASEAN requires enhanced policy capacity, policy coordination and steady institutional change internally; while also requiring coherent ASEAN strategies and engaging regional and global partners in collective leadership.

This heed to caution was made during an ASEAN Roundtable Series organised by CIMB ASEAN Research Institute (CARI) in conjunction with the launch of the ASEAN Vision 2040 report published by the Economic Research Institute for ASEAN and East Asia (ERIA).

Tan Sri Dr Munir Majid, Chairman of CARI, observed in his opening remarks that ASEAN cannot continue to keep alluding to past successes,

including economic growth to becoming - if it was one economy - the fifth largest economy in the world, and not give enough attention to the huge challenges facing the region today. ASEAN must feel the earth move under its feet, adjust to it and, most importantly, organize itself to play an effective role in shaping desirable outcomes.

'ASEAN currently finds itself in a changing geo-economic, geopolitical, and technological landscape since the ASEAN Vision 2020 and the ASEAN Community Vision 2025 were first adopted, and it is of paramount importance to recalibrate a new vision to achieve the goals of a rules-based, people-centred, and sustainable ASEAN,' said Tan Sri Dr. Munir Majid.

The panellists at the roundtable emphasised that ASEAN must take proactive steps in pushing for global multilateralism as an alternative

to waning US hegemony, and that ASEAN must deepen dialogue and cooperation with fellow middle powers including Japan, India, and Australia in order to navigate the current great power rivalry. They warned that ASEAN's traditional policy of non-interference will impede the bloc's development as a regional leader, while competing interests between the Member States results in a lack of a cohesive voice in global affairs.

Director of Communications at ERIA, Lydia Ruddy who presented on the ASEAN Vision 2040 report findings said that the vision is one in which ASEAN steps boldly forward towards the year 2040 to transform the ASEAN Community and secure its position in the region and globally.

'The ASEAN Community will need to be pro-active with a common diplomatic posture underpinned by the principle of collective leadership;

adaptive and innovative, embracing the digital transformation and Fourth Industrial Revolution (4IR); resilient and sustainable, adopting new technologies and best-practices; integrated and connected, underpinned by good regulatory practice and governance; inclusive, focused on people empowerment and inclusion; and harnessing new networks for people engagement to build a deep sense of identity. All of this must be supported by a strong and effective ASEAN institutional ecosystem,' explained Lydia.

Prof Mari Pangestu, former Minister of Trade for Indonesia and currently Professor of International Economics at the University of Indonesia, discussed how the 4IR presents new challenges for ASEAN integration. She opines that as e-commerce and the digital economy increasingly subsume every aspect of commercial and societal transactions, the challenges to ASEAN integration now includes the challenge of creating a digital market. As the trade in traditional goods and services moves online, existing intra-ASEAN commitments (as well as ASEAN free trade agreements) are rolled back unless they are supported by commitments to keep the digital economy open.

'Data flows and online payments are the 'glue' that integrates all the other freedoms. Digitisation needs freedom of data flows that allow for seamless communications without regulatory frictions, and thereby create new and innovative services which may occasionally make existing regulatory systems obsolete. Rather than resisting such changes, the path forward means managing tensions

within numerous policy disciplines – security, privacy, disruption, competition, taxation, and regulatory agency capacity. Interoperability and standards of technologies and regulations within a country and between countries are essential,' said Prof Mari.

Prof Fukunari Kimura, Chief Economist of ERIA, believes ASEAN should be proactive to utilise both information technology (IT) including artificial intelligence (AI) and robotics and communication technology (CT) such as the internet and smartphones to further activate existing industries and create new businesses.

He observed that the aggressive utilisation of CT has already started. Costs of getting access to information, making communication, and utilising opportunities of matching have drastically reduced, and he observed the rise of various new businesses including social media, e-commerce, matching in transportation and lodging businesses, e-payments, and fintech. Benefits of internet users must be emphasised for both economic efficiency and inclusiveness. The policy environment must be developed for the free flow of data with proper backups to address economic and social concerns.

'ASEAN, particularly Malaysia and Thailand, has aggressively participated in international production networks of machinery industries. There is a preliminary finding in our empirical study suggesting that seeking complementarity between robotics and local resources may be the

key for keeping production blocks in ASEAN. We must avoid massive 'reshoring,' which means that production blocks located in newly developed economies would go back to developed countries,' explained Prof Fukunari.

Dr Donald Hanna, Chief Economist of CIMB Group, added that ASEAN's new vision requires the deepening of financial integration. Hanna believes the challenge for ASEAN will be to develop an efficient and stable financial system to facilitate growth while also deepening financial integration.

'An efficient and stable financial system is a central enabling condition for the investment needs to be mobilised for the ASEAN economic transformation, innovation and productivity growth into 2040. One way to strengthen the financial system would be to make financial firms more autonomous by liberalising the sector to foreign equity and competition. Reducing government ownership of financial institutions (with its implicit guarantee on deposits) would also encourage accountability in the system,' said Dr Hanna.

He also added that the adoption of fintech will help improve the accessibility of financial services to consumers while being supervised by regulations focusing on 'activities' rather than 'institutions' to take into account new services. ■

ERIA Becomes Member of the Council for Global Problem-Solving



'The CGP works outside the official processes of the G20 and related international fora, but it supports these efforts by providing information, analysis of policy proposals and monitoring progress on policy implementation.'

As of July 2019, the Economic Research Institute for ASEAN and East Asia (ERIA) has become a member of the Council for Global Problem-Solving (CGP), a circle of world-class think tanks and research institutions committed to providing long-term policy advice to the G20 and associated international organisations.

The CGP works outside the official processes of the G20 and related international fora, but it supports these efforts by providing information, analysis of policy proposals and monitoring progress on policy implementation. It is also meant to become an important resource for other G20 groups seeking a research-based exchange of ideas on global challenges, taking into account past policy experiences and sensitive to global interdependencies.

The members of CGP fulfill the

following requirements; (1) Generate world-class research relevant to G20 problems, (2) Seek to provide advice to the G20 on a long-term basis, (3) Have access to relevant policy makers in their own countries, as well as at the international level, and (4) Have strong contacts to other think tanks of the Think Tank 20. The primary responsibility of CGP member institutions lies in the identification and addressing of major transnational problems, the formulation of recommendations and visions, the communication of these proposals to potential implementers and monitoring the resulting progress.

The CGP member list includes leading think tanks, academic institutions, and policy making organisations (in their research and advisory capacities), in the spirit of global citizenship. Council members are chosen with a view to mobilising best thinking and best practice

worldwide to work together in overcoming problems. Other than ERIA, prominent members of CGP include the Centre for Strategic and International Studies (CSIS), the OECD Policy Studies Branch, the Oxford Martin School, The Brookings Institution, L'Institut Français des Relations Internationales (IFRI), the Asian Development Bank Institute (ADBI), and the Korea Development Institute (KDI). The work of the CGP members is organised into thematic networks, in which its members work together to produce and discuss new research. These networks support the Task Forces of the T20 and other G20/G7 groups to produce Policy Briefs, which are submitted to the relevant policy makers and related international fora. ■

Enhancing the Readiness of ASEAN Smart Cities



'The workshop examined how cities can develop smart city programmes including the costs versus benefits.'

Chiang Mai, 24 July 2019 - ERIA, in collaboration with Asian Institute of Technology (AIT), Srinidhorn International Institute of Technology (SIIT), and Chiang Mai Municipality, organised a two-day workshop on 'Realising Smart Cities' on 23 and 24 July in Chiang Mai, Thailand. The workshop examined how cities can develop smart city programmes including the costs versus benefits.

Experts analysed critical needs including energy, economy, environment, and governance while exchanging experiences on key adjustments required in policy planning relating to the transition to smart cities. They also addressed sustainability implications identified necessary measurements and data protocols required to enhance the readiness of ASEAN smart cities.

About 30 experts representing academia, city officials and private sector participated.

Highlights included:

- Urbanisation fuelling economic growth, but its pace leaving many cities struggling to meet multi-dimensional economic, environmental, and social challenges and providing services to meet the needs of surging services by both the young and ageing population. While the challenges have been growing in scope, new technologies are available to tackle some of these issues, particularly in energy and environment.
- Smart cities paving the way for new methods of city governance by harnessing the potentials of the Internet of Things (IoT) through the utilisation of information and communication technologies throughout the city. By deploying responsive technologies across urban systems such as energy, water, public transport, street lighting, parking, and waste management, the smart city initiative aims to increase the quality of life and service delivery.
- Data feeds collected from all over the city need to be brought together into central computing platforms, processed, and analysed. Outputs can be distributed to the users and decision makers.
- Without a strategic vision for economic integration, infusion of IoT into various versions of smart city may yield differentiated outcomes and delayed implementation. The Comprehensive Asia Development Plan (CADP 3.0) offers a wholistic thinking for more successful urbanisation and economy for the future cities.
- The challenges and risks arising from smart city projects also need elaboration through further research. Moreover, providing methodologies to cope with important IoT-centric smart city challenges such as the privacy rights of data users/residents, is still an area where further research is needed. ■

ERIA and GECF Discuss Energy and Natural Gas Outlook at Joint Workshop



Prof Nishimura also emphasised the importance of natural gas in the regional energy mix as a transitional fuel in competitive and transparent liquefied natural gas markets.

Energy demand in ASEAN and East Asia will continue to rise and natural gas will be a key component to meet the rising demand. However, there are challenges that will hamper efforts to reach the full potential of natural gas for power generation. The Economic Research Institute for ASEAN and East Asia (ERIA) and Gas Exporting Countries Forum (GECF) discussed this topic, among others, during the Joint Workshop held in Jakarta on 23 July 2019.

'Today the East Asia region faces various challenges due to fast changes and growing uncertainties in the global economic and geopolitical landscapes, such as the evolving major power dynamics. These circumstances present ASEAN and the members of the East Asia Summit (EAS) with an opportunity to shape energy security and energy cooperation in the region. Natural gas will be a key component of

meeting the rising energy demand in the region as affordable and cleaner fossil fuels,' said President of ERIA Prof Hidetoshi Nishimura in his opening remarks for the event, which was held under the theme 'Energy and Natural Gas Outlook: ASEAN and East Asia Focus'.

Prof Nishimura also emphasised the importance of natural gas in the regional energy mix as a transitional fuel in competitive and transparent liquefied natural gas markets, the message that he shared in his presentation during the G20 Ministerial Meeting on Energy Transitions and Global Environment for Sustainable Growth in Karuizawa, Japan last month.

Dr Yury P. Sentyurin, Secretary General of GECF, briefly explained about the GECF Global Gas Outlook, which consists of global economic and energy price prospects, energy

policy developments and emissions trade, energy and natural gas demand outlook, natural gas supply outlook, gas trade and investment, as well as alternative scenarios. He also pointed out several of GECF's participations in the Global Climate Agenda.

A similar expectation regarding natural gas demand was conveyed by Mr Dmitry Sokolov, the Head of the Energy Economics and Forecasting Department of GECF, during his presentation. However, he mentioned that coal would continue to have a high share in the regional energy mix and referred to ERIA's EAS Energy Outlook.

'Natural gas demand is expected to reach about 1,300 bcm (bank cubic metres) by 2040, driven by growing electricity requirements, industrial needs, continuing coal-to-gas switching and efforts to promote CNG (compressed natural gas) fuelled

vehicles. China, India, and Indonesia will be the main contributors of incremental gas demand volumes. Strong competition from coal and renewables, as well as the lack of policy measures, hinders natural gas to unlock the full potential within the power-generation sector,' said Mr Sokolov.

ERIA's Special Advisor to the President of Energy Affairs Mr Shigeru Shimura introduced the EAS Energy Outlook 2019 that was published by ERIA and suggested several policy recommendations based on the outlook, such as prioritising energy efficiency and conservation to reduce energy demands.

Dr Sentyurin and Prof Nishimura stated their commitment to uphold the memorandum of understanding between GECF and ERIA signed in November 2017 for cooperation on research regarding supply of and demand for natural gas, and developing the outlook for natural gas in this region. ■

ERIA Attends AIIB Annual Meeting 2019



Based on the works on Asia-Europe connectivity, ERIA had earlier provided information and guidance to the AIIB team in raising the first Infrastructure Investment Forum in the annual meeting in Luxembourg.

The Economic Research Institute for ASEAN and East Asia (ERIA) was invited to attend the Asian Infrastructure Investment Bank (AIIB) annual meeting held in Luxembourg on 11 to 13 July 2019. Anita Prakash, Director of Policy Relations attended the annual meeting and its related events.

Based on the works on Asia-Europe

connectivity, ERIA had earlier provided information and guidance to the AIIB team in raising the first Infrastructure Investment Forum in the annual meeting in Luxembourg. Accordingly, the leaders and senior officials discussed the theme of Asia Europe connectivity and cooperation in the Forum.

Several side events on the themes

of financing, cooperation, sustainable development of infrastructure, and public private partnerships were also held during the meeting. ERIA will continue to associate and cooperate with AIIB in its work in the coming days. In particular, the new initiative of Multilateral Cooperation Center for Development Finance will be explored for further cooperation. ■

ERIA CBP Holds Workshop on E-commerce in Naypyitaw



The experts presented on how government should prepare for negotiation, how to enhance International Trade and Regional Integration thorough E-commerce.

On 11-12 July 2019, ERIA's Capacity Building Programme facilitated a workshop in Nay Pyi Taw on 'E-commerce for Trade Negotiators', co-hosted with the Ministry of Transport and Communications (MoTC), Republic of the Union of Myanmar and UNCTAD. The workshop was held with support from the Australian Government.

The workshop was opened with a key note given by U Sai Saw Lin Tun, Director General of Information Technology and Cyber Security, MoTC, Martine Kidane, Economic Affairs Officer, ICT Policy of UNCTAD and Jeremy Gross, Director of Capacity Building of ERIA.

The first day of the workshop was attended by over 80 government officials from all ministries and agencies involved in e-commerce. The first session covered, *Trends and Developments in Digitalization and E-Commerce: Globally and*

Regionally, with speakers Ms Martine Julsaint Kidane and Ms Maria Lourdes A. Yaptinchay, Director, Bureau of Trade and Industrial Policy Research, Dept of Trade and Industry, the Philippines.

The second session was on *Developments in Digitalization and National Development Strategies for E-Commerce in Myanmar and Bridging National Interests and Global Trends* with Mr Sven Callebaut, International Trade and E-Trade Adviser, Daw Nwe Ni Soe Yin, Director, Information Technology and Cyber Security Department, MoTC, Daw Su Thet Hnin, Assistant Director, Trade Department, Ministry of Commerce and Dr Tun Thura Thet, Vice President, Myanmar Computer Federation and CEO, Myanmar Information Technology PTE, as speakers.

The third session was an opportunity to hear more specifically from the

private sector, with speakers coming from leading e-commerce players in Myanmar: Visa, Shop.com.mm, SBS Express Service, Information Matrix Co., Ltd. Representatives from these companies shared knowledge of global and regional trends and development in digitalization, how Myanmar is faring with the development of digitalization and E-commerce and how the gap between the country's current situation and global trends of e-commerce could be bridged.

The second day of the workshop was limited to 30 participants – those more directly involved in negotiating. The experts presented on how government should prepare for negotiation, how to enhance International Trade and Regional Integration thorough E-commerce and gave an overview of E-commerce provisions in Free Trade Area (FTA) negotiations. There were group discussions and simulation exercise

on different topics related with E-commerce negotiation.

After these presentations and

discussions, participants were divided into small groups for a simulation exercise on selected issues such as cross boarder data

flow, custom duties and online consumer protections. ■

ASEAN Needs to be Nimble and Proactive



Prof Fukunari Kimura, Chief Economist of ERIA, reiterated that ASEAN can no longer afford the 'business as usual' approach as in the past.

The Bangkok—29 July 2019: To face unpredictable challenges in the future, ASEAN has to be nimble and proactive, Prof Fukunari Kimura told the Thai audience attending 'ASEAN Week' at Chulalongkorn University.

Prof Fukunari Kimura, Chief Economist of ERIA, reiterated that ASEAN can no longer afford the 'business as usual' approach as in the past. He then outlined seven visions that ASEAN must have in coming years in order to transform ASEAN into an effective organisation.

He said that first of all, ASEAN has to take up the principle of collective leadership with a common diplomatic posture, to ensure ASEAN centrality.

Secondly, ASEAN needs to be adaptive and innovative, embracing and harnessing the digital transformation and fourth Industrial Revolution. Thirdly, to achieve sustainable ASEAN, it must embrace the new technologies and best-practices to achieve a resilient and energy-secure future.

Fourthly, Kimura reiterated that ASEAN must employ good regulatory practice and governance to ensure a seamless ASEAN that is well integrated and connected. Fifthly, an inclusive ASEAN that is focused on people empowerment and inclusion.

Sixthly, to strengthen a sense of

belonging and identity, ASEAN must harness new technologies, networks, and people. Finally, for the ASEAN Community to prosper and be strong, it needs an effective ASEAN institutional ecosystem.

The 500-member audience, which is comprised of students, diplomats, and officials attended the three-day event, known as ASEAN Week, with a range of activities to promote public awareness of ASEAN.

Kimura said that ERIA completed the report ASEAN Vision 2040 earlier this year for the Thai chairmanship of ASEAN. 'The report outlined ASEAN achievements and new challenges,' he said. ■

ERIA Expresses Condolences on the Passing of H.E. Mr Soulivong Daravong



H.E Mr Soulivong Daravong's contributions could never be forgotten. Our thoughts are with him and the family during this time of mourning.

We are deeply saddened to hear that H.E Mr Soulivong Daravong, former Minister of Energy and Mines, Lao People's Democratic Republic (Lao PDR), passed away on 15 July 2019. He served as ERIA's first Governing Board member from Lao PDR from 2008 to 2009.

After he no longer served as a Governing Board member, Minister Daravong still supported many ERIA activities. For example, in 2011 under Minister Daravong's leadership the Lao PDR Ministry of Energy and Mines hosted the first East Asia Summit (EAS) Energy Efficiency Conference, which was co-organised by ERIA and the ASEAN Secretariat. Minister Daravong gave the welcoming remarks at the

conference, which was the first major forum organised in the context of the EAS Energy Ministers' Meeting.

Minister Daravong also remained in close contact with the President of ERIA, Prof Hidetoshi Nishimura. In addition to meeting Minister Daravong on the sidelines of EAS Energy Ministers' Meeting over the years, Prof Nishimura paid a courtesy visit to Minister Daravong in 2013. During the meeting, Prof Nishimura briefed Minister Daravong about recent ERIA activities and presented him with a special report 'Southeast Asia Energy Outlook' that was jointly published by ERIA and the International Energy Agency (IEA) in October 2013.

His contributions could never be forgotten. Our thoughts are with him and the family during this time of mourning. ■

Call for Proposals

The Economic Research Institute for ASEAN and East Asia (ERIA) invites submission of original research proposals for its project, **Human Capital Development in Asia**. Through rigorous quantitative analysis of micro data, the project aims to shed light on the incentives and barriers to human capital investment and skill development in the region. Each researcher in the project team will develop an original research proposal and conduct rigorous empirical research.

The project objective, background, potential topics, and other information can be found in the accompanying Terms of Reference (TOR).

ERIA will provide financial support of US\$8,000 (eight thousand US dollars) for one paper (see Terms and Conditions in TOR). In addition, ERIA will cover the travel and lodging costs of the researchers to attend the project's workshops.

Research proposals should be submitted by email to Dr Rashesh Shrestha (rashesh.shrestha@eria.org) no later than 5 PM Jakarta time (GMT+7) on Friday, 23 August 2019. Earlier submissions are encouraged. We will notify the authors of selected proposals by 15 September 2018 at the latest.

Proposals should be a maximum of 1,200 words and clearly lay out the research question, methodology, possible data sources, and relevance to the theme of the project.

Please include your latest CV and one example of recent empirical research (published or working paper) with the submission.

Publications

The final papers will be published as ERIA discussion paper. Selected papers may also be included in a special issue journal article or academic book.

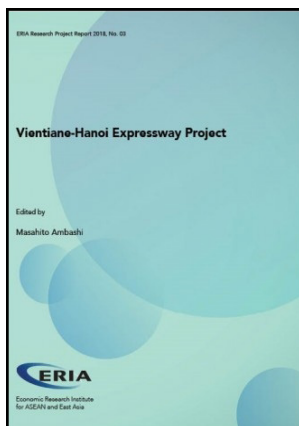
Project Timeline

- 23 Aug 2019 – Research proposals due
- 15 Dec 2019 – Preliminary paper draft due
- xx Jan 2020 – First workshop to discuss preliminary paper draft (Date TBD)
- 15 Apr 2020 – Complete paper draft due for peer review and feedback
- xx Apr 2020 – 2nd workshop to present full papers (Date TBD)
- 31 July 2020 – Final paper draft due incorporating comments and feedback

Visit our website for more information:

<http://www.eria.org/research/call-for-proposals-human-capital-development-in-asia/>

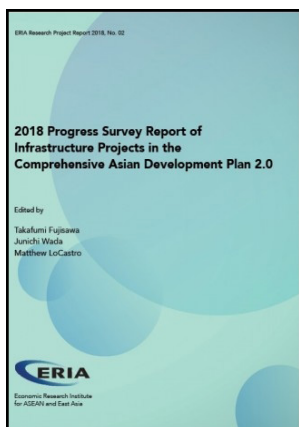
Publications



Vientiane-Hanoi Expressway Project

Edited by Masahito Ambashi

The Vientiane–Hanoi Expressway (VHE) has been one of the most anticipated transportation projects between Lao PDR and Viet Nam. This report (1) explores the potentiality of the corridor between Hanoi and Vientiane as designated by the Greater Mekong Subregion Economic Development Program; (2) illustrates impacts on economies and industries of Lao PDR and surrounding countries of the VHE; (3) sets out industrial development strategies for Lao PDR, Viet Nam, and Thailand that take maximum advantage of the VHE; and (4) suggests appropriate financial mechanisms to construct the VHE. Thus, this report focuses on how Lao PDR and neighbouring countries can benefit from the expressway by strengthening relevant industries and forming a Bangkok–Vientiane–Hanoi industrial corridor from the perspective of global value chains and production networks developed in the Mekong region.



2018 Progress Survey Report of Infrastructure Projects in the Comprehensive Asian Development Plan 2.0

Edited by Takafumi Fujisawa, Junichi Wada, Matthew LoCastro

The Economic Research Institute for ASEAN and East Asia (ERIA) submitted the Comprehensive Asia Development Plan 2.0 (CADP 2.0) to the East Asia Summit in 2015. CADP 2.0 updates the infrastructure projects from the first CADP, reformulates the conceptual framework for connectivity and innovation, and discusses the quality of infrastructure projects. It lists 761 East Asian infrastructure projects in a wide range of sectors – such as roads and bridges, railroads, ports, and electric power – which were surveyed in 2017–2018.

This study presents the progress of those infrastructure projects and summarises the trends and prospects obtained from the survey. The results reflect to some extent the political and economic situation in each country and the influence of its policies.



The Role of Industrialisation and ICT in Africa's Growth and Integration into Global Value Chains

By Anita Prakash

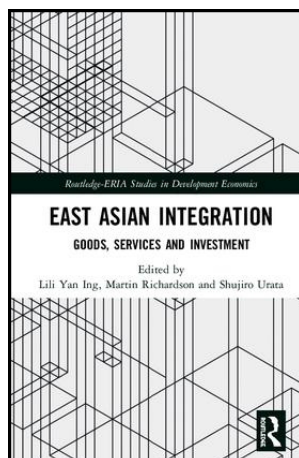
Industrialisation is important for Africa's growth and sustainable development. Deepening the manufacturing sector and greater integration in global value chains will build more resilient economies. Industrialisation will harness Africa's huge resources – in agriculture, mining, and maritime resources, as well as a youthful labour force. Suitable and focused policies can harness these resources. African countries can leverage digitalisation and information and communication technologies to further their goal of industrialisation. Industrial development will be the key to sustained and inclusive employment-led development.



The Importance of Industrialisation and Trade Facilitation for Employment-Led Growth in the Digital Economy

By Anita Prakash

The digital economy will affect the patterns and geographical locations of industries, employment, trade and economic growth. Structural transformation and employment generation policies in developing Asia and Africa must understand, prepare for, and respond to these changes. Investments in industrialisation and manufacturing will continue to drive employment-led growth in Asia and Africa. Countries in different stages of development can address the opportunities and disruptions arising in the employment sector through development strategies that focus on technology-aided industrialisation, trade and investment facilitation, physical and institutional connectivity, and investment in human capital. Developing countries can support their efforts by creating an appropriate business, training, and trade facilitation ecology.



East Asia Integration: Good, Services and Investment

Edited by Lili Yan Ing, Martin Richardson, and Shujiro Urata

The growth of world trade has been stagnant in recent times; trade liberalisation now has been challenged. The recent rise of anti-globalisation calls for a better integration in East Asia. How should East Asia manage its openness? This book provides profound analyses on rules of origins, non-tariff measures, restrictiveness in services and investment.

It gives insight into how East Asian countries should shape its trade, investment and industrial policies. This book helps to answer what kind of a better integration it should be, and how East Asia can realise it.



ERIA Annual Report 2018

ERIA's Annual Report 2018 presents the organisation's various activities – such as research, seminars, capacity building, policy design, and dissemination initiatives – in fiscal year 2018. In 2018, ERIA celebrated its 10th anniversary with the Economic Ministers in the margins of the 50th ASEAN Economic Ministers Meeting. ERIA also published a four-volume book on ASEAN Vision 2040 in support of Thailand's chairmanship of ASEAN. Prof Hidetoshi Nishimura, President of ERIA, also noted in his message how ERIA strengthened its role in the energy field with 40% of ERIA's research studies covering energy and energy-related issues. The Institute worked together with ministries in member states, developing the Lao PDR and Myanmar Energy Statistics, and the Cambodia Basic Energy Plan with the governments of Lao PDR, Myanmar, and Cambodia, respectively.

Upcoming Events

FGD and Site Visit Project of Indonesia Maritime Policy and Progress: An Analytical Review

Date: 8-9 August 2019
Venue: Sorong, Indonesia

AmCham ERIA Dialogue on: ASEAN and US-China Trade War

Date: 9 August 2019
Venue: Jakarta, Indonesia

First Workshop of the Economic Integration and Firm Competitiveness

Date: 21-22 August 2019
Venue: Jakarta, Indonesia

In-country Training on Non-tariff Measures

Date: 22-23 August 2019
Venue: Bangkok, Thailand

In-country Training on Non-tariff Measures

Date: 26-27 August 2019
Venue: Hanoi, Viet Nam

The Second Trade and Industry Advisory Council Meeting

Date: 27 August 2019
Venue: Kuala Lumpur, Malaysia

The 10th ASEAN Connectivity Symposium

Date: 27 August 2019
Venue: Bangkok, Thailand

Towards Population Ageing in Africa

Date: 29 August 2019
Venue: Yokohama, Japan

In-country Training on Non-tariff Measures

Date: 29-30 August 2019
Venue: Manila, Philippines

The 6th Workshop on Follow Up of 'Lao PDR at the Crossroads'

Date: 3 September 2019
Venue: Vientiane, Lao PDR

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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