

Statement from ERIA Governing Board Meeting

June 23, 2012

Community Building Efforts through Consultation, Cooperation and Consensus

1. Our region, ASEAN and East Asia, is expected to play a greater role as a growth center of the world when some other regions are still having difficulty in the aftermath of the Global Financial Crisis. This region is characterized by the existence of sophisticated cross-border production networks that utilize economic dynamism created by ample diversity among countries and regions as a source of its strength. What is necessary is to maximize the benefits of integration and to minimize its disruptive effect, especially to the ordinary people.
2. A new growth model with greater dependence on domestic and regional demand should be established and promoted. Suitable policies and measures shall be designed and applied in the context of regional cooperation and coordination, with deeper understanding on vast divergence and differing development stages across countries and regions. Liberalization and facilitation of economic activities shall be accompanied by economic cooperation and mobility of people that will strengthen the economic foundation of each country and region.
3. With this background, ASEAN integration efforts have been following consensus-based approach that has been the guiding principle to secure a steady advancement toward community building. This approach through consultations provides clues and pathways to achieve wider regional integration such as the East Asian community as a long-term goal, where we need to tackle much greater differences among members.

Key approach for ASEAN and East Asian Economic Integration

4. ASEAN is targeting to establish a single market and production base in 2015. The extensively and intensively intertwined production networks in this region will spread out the basis for job creation and the opportunity for local enterprises to climb up the ladder of development, empowering people through human resource development, and inducing innovation. Improving connectivity is one of the key elements of these efforts and shall be pursued not only within ASEAN but also all over East Asia and beyond. For this, ASEAN shall accelerate internal consolidation so that it can strengthen its position as a center of the cross road over East Asia.
5. In ASEAN and East Asia, the efforts for community building will take a people-centered approach, intended to bring the benefit of integration to ordinary people, achieving inclusive growth. In doing so, special consideration shall be paid to the variety and differences of socio-cultural background and economic situation. Measures to narrow the gaps not only among countries but also within each country are essential, with policies aiming at economic growth, with a well designated redistribution system, social safety nets, and education and also utilizing dynamism generated through connectivity.

Immediate Actions

6. With the year 2015 coming closer, ASEAN needs to double the effort to achieve ASEAN Community, especially ASEAN Economic Community, and such effort shall be facilitated

through clearer prioritization for policy areas and concrete actions. For this, ERIA is providing analytical support in the form of AEC Blue Print Mid Term Review and also assist conceptualizing efforts of Phnom Penh Agenda proposed at the ASEAN Summit. Materialization of Jakarta Framework to establish more prosperous ASEAN Community beyond 2015 shall be worked out in parallel.

7. It is important to establish a monitoring mechanism for achieving ASEAN Community in 2015, which is based on objective data analyses and involving various stakeholders' inputs to secure steady progress, based on informed consensus. ERIA's effort to improve AEC scorecard can evolve into the core element of this monitoring mechanism, in cooperation with the ASEAN Secretariat. In this context, the Chair's Statement of the ASEAN Summit posited "we appreciate ERIA's support for its undertaking of the midterm review of the AEC Blueprint and the improvement of the AEC Scorecard Monitoring System and Mechanism to facilitate the timely establishment of the ASEAN Economic Community by 2015".
8. ERIA supports empowerment of SMEs to have an integrated production base within ASEAN and to be resilient to natural disasters and external shocks. An ASEAN SME Policy Index is being developed by ERIA which includes legislation, markets, technology, education, ICT and concerns of smaller enterprises.
9. ERIA will support acceleration of regulatory reform for more transparency and stability in the regulatory system, providing ample occasions for governments and various stakeholders to exchange views and opinions. Through this process, the member states can articulate the needs for consumer protection and labor protection seeking appropriate levels of convergence and streamlining of the legal system and economic institutions, and thus protecting people.
10. Based on its experience to establish ASEAN based FTAs within itself and with dialogue partners, ASEAN can lead efforts to launch negotiations of Regional Comprehensive Economic Partnership within this year, with ambitious modalities and strengthened economic cooperation scheme. ERIA's comprehensive mapping work shall provide necessary information to facilitate the discussions among policy makers.
11. ERIA will provide academic analysis to promote cooperation among ASEAN Member States and other EAS members to assist CLMV countries to strengthen measures and policies to narrow development gaps not only on the country-to-country basis but also on the people-to-people basis. ERIA will also prepare policy recommendations to promote regional cooperation to create environment to foster innovations to achieve more inclusiveness and prevent middle-income countries to fall back into a trap of sluggish growth. Sustainable growth shall be achieved taking care of energy and environment issues, based on objective analysis by ERIA.
12. ERIA will strengthen communication with policy makers on more intensive and frequent basis on various levels so that ERIA's research works, especially its findings and policy recommendations can be appropriately reflected to their policies and accelerate implementations.
