

## Executive Summary

In 2016,<sup>1</sup> the East Asia Industrial Corridor (EAIC) Team conducted a progress survey<sup>2</sup> of 761 infrastructure projects in the Comprehensive Asia Development Plan 2.0 (CADP 2.0). We report the following results:

- Completed projects, including partial operation, comprise about 6% of the total. Projects beyond construction stage increased by 11 percentage points (henceforth, points) from the previous year.

The completed projects by subregion – Greater Mekong (henceforth, Mekong), BIMP-EAGA+ (BIMP+), and IMT+ – increased by 6, 8, and 10 percentage points, respectively. The progress from feasibility study (FS) stage to construction stage in Mekong, BIMP-EAGA+, and IMT+ increased by 11, 10, and 6 percentage points, respectively. Based on the latter results, Mekong's progress is the fastest.

- The percentage of completed projects is high in Viet Nam and Myanmar but low in the Philippines and the Lao People's Democratic Republic (Lao PDR). On the percentage of projects that advanced from feasibility study (FS) stage to construction stage, Indonesia has a high percentage, with 14 points increase, followed by Cambodia and Myanmar. Philippines and Malaysia have a low percentage, with 4 points increase. Although the survey was conducted for only a year, the results of the survey reflect to some extent the political and economic conditions and policies of each country.
- The project progress of special economic zone (SEZ) and energy sectors is relatively fast because it is easy for private companies to enter into these sectors. The progress of railroad projects is slow because of time-consuming process, such as land expropriation, and difficulty in raising funds.
- On tiers,<sup>3</sup> the percentage of projects that advanced to operational stage in Tier 3 is highest. On the projects that progressed to construction stage, the construction ratio

---

<sup>1</sup> The survey period is from January to December 2016.

<sup>2</sup> The progress is evaluated in four stages: (i) conceptual stage, (ii) feasibility study stage, (iii) construction stage, and (iv) completion stage.

<sup>3</sup> The CADP classifies stages of development in terms of the degree of participation in production networks as follows (ERIA, 2010:12):

Tier 1: Countries or regions that are already in production networks and where industrial agglomerations start to form.

is high in the order of Tier 1, Tier 2, and Tier 3. Tier 3 projects are given lower priority than projects in other tiers. However, the progress of Tier 3 projects is the fastest because these projects are relatively small and not complicated.

- Countries, such as Indonesia, Thailand, Philippines, and Viet Nam which have many Tier 1 projects, are expanding infrastructure spending; it is expected that project progress will accelerate. On Tier 3, the progress of projects in Indonesia and the Philippines will also accelerate because these countries will focus on regional development.
  
- Only one cross-border project reached operational stage, and another project reached construction stage. The progress of cross-border projects may be slow compared to that of non-cross-border projects.
  
- The following are the findings based on the follow-up survey conducted by the EAIC Team in 2011–2014:
  - (i) An increasing rate of projects which operationalised per year is about 6 points.
  - (ii) Tier 3 has the highest ratio of projects that reached the operational stage, although it has the highest ratio of projects which did not advance to upper stage.
  - (iii) Of the three subregions, Mekong has the highest progress for operational stage. IMT+ has the highest proportion of projects that did not advance to upper stage.
  - (iv) On classification by sector, SEZ and energy sectors have the highest progress. Many railway projects stopped at the FS stage.

The survey results in 2015–2016 indicate similar tendencies as findings (i), (ii), and (iv) above.

---

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.

