

# Event Highlights



## President of ERIA and Cambodia's Minister of Commerce Launch Monograph on RCEP

Phnom Penh, 14 March 2022



→ To assess the current status of RCEP at the beginning of 2022, the Trade, Training and Research Institute (TTRI) of Ministry of Commerce, Kingdom of Cambodia, in collaboration with ERIA held a hybrid workshop and launched a Monograph titled 'Regional Comprehensive Economic Partnership (RCEP): Implications, Challenges, and Future Growth of East Asia and ASEAN' as part of the side-event of Cambodia's ASEAN Chairmanship.

The book underlines some key features of the agreement and analyses how these could strengthen regional integration. Edited by Fukunari Kimura, Shandre Thangavelu, and Dionisius Narjoko, it shares critical insights on the various elements of the RCEP agreement and discusses the key potential implications for the integration process in the region. It carefully examines the commitments and compares them with those of other agreements, including the Comprehensive and Progressive Agreement for Trans-Pacific Partnership (CPTPP). The impact on businesses, behind-the-border issues, and the domestic capacity of the respective RCEP member countries are discussed, in addition to a formal assessment of the potential benefits of the RCEP. Finally, it also addresses emerging issues – especially with respect to the COVID-19 pandemic recovery.

In his remarks, ERIA President Professor Hidetoshi Nishimura conveyed the significance as well as challenges of RCEP for the future of ASEAN and East Asia integration, especially for the post-pandemic era, 'East Asia and ASEAN have to prepare for the new form that global value chains will take and a new "normal" in trade and investment driven by digital trade and structural transformation.'

In concluding the event, Professor Fukunari Kimura, Chief Economist of ERIA, underlined the importance of collaboration between ASEAN, Cambodia as the chair of ASEAN this year, and ERIA to continuously assess RCEP and the potential benefits from successfully implementing the agreement.

## Decarbonisation of EAS Region the Focus of 10th Energy Research Institute Network (ERIN) Meeting



Jakarta, 9 March 2022



The 10th Energy Research Institutes Network (ERIN) Meeting with the theme 'Opportunity and Challenges of Decarbonisation in the EAS Region' was organised by ERIA and the ERIN Secretariat and held virtually on 9 March 2022. Dr. Kulyos Audomvongseeree, Chairperson of ERIN and Director of the Energy Research Institute (ERI), Thailand, gave his opening remarks. In his speech, he emphasised that the globe is presently dealing with the COVID-19 crisis, which has an impact on people's way of life and work as well as energy consumption.

The opening remarks were delivered by Professor Jun Arima, Senior Policy Fellow for Energy and Environment, ERIA, on the opportunity and challenges of decarbonisation in the EAS region. As signatories to the Paris Agreement, ASEAN countries are pursuing a low-carbon energy transition with vigour and will need to further up their efforts to achieve carbon neutrality. The second opening remarks were delivered by the Chairman and CEO of The Institute of Energy Economics, Japan, Tatsuya Terazawa.

## ERIA Contributes to the OECD Southeast Asia Ministerial Conference Discussions



Jakarta/Seoul/Paris,  
8 February 2022



ASEAN needs to implement measures to realise its vision towards a more inclusive and sustainable ASEAN in the post-pandemic phase. Key areas to support the transition are a faster adoption of digital technologies, training, reskilling and upskilling of individuals, and the implementation of environmental protection frameworks. The social economy approach represents a cutting-edge solution to build back better and more resilient. On 8 February, ERIA organised together with the OECD Directorate for Science, Technology and Innovation the online panel discussion 'Gearing up for a Post-Pandemic World: Designing Policies for an Innovative Sustainable Recovery in East and Southeast Asia.' Senior speakers from ASEAN and OECD countries shared their views on the key measures to implement in support of a more sustainable and inclusive economic recovery across ASEAN: Dr Jaehan Cho, Director, Innovative Growth Policy Division, Korea Institute for Industrial Economics and Trade; Dr Venkatachalam Anbumozhi,

Director of Research Strategy and Innovation, ERIA, who presented recent ERIA research; Dr Julia Tijaja, Former Director of ASEAN Integration Monitoring at the ASEAN Secretariat; Professor Siah Hwee Ang, Professor of International Business and Strategy and Director of Southeast Asia Centre of Asia–Pacific Excellence.

## ERIA President Discusses ASEAN Social and Cultural Community Pillar with the Minister of Education, Youth, and Sport of Cambodia



Tokyo/Phnom Penh, 2 February 2022



HE Dr Hang Chuon Naron, Minister of Education, Youth and Sport (MoEYS) and Vice-chairman of the Supreme National Economic Council (SNEC), held an online courtesy meeting with Professor Hidetoshi Nishimura, President of the ERIA. The discussion focused on the ASEAN Social and Cultural Community Pillar’s priorities during the Kingdom of Cambodia’s year as Chair of ASEAN. HE Dr Hang Chuon Naron is Cambodia’s lead for the ASEAN Social and Cultural Community Pillar.

The meeting provided an opportunity for a rich discussion about projects prioritised under the ASCC for 2022, as developed by the Ministry of Rural Development, Ministry of Environment and Ministry of Culture and Fine Arts, as well as the MoEYS. This high-level meeting allowed for a sharing of opinions about the context of proposed projects, with project leads from Cambodia and ERIA experts contributing to the discussion. During the courtesy meeting between the Minister and Professor Nishimura, the President of ERIA offered ERIA’s fulsome support to the Minister to achieve the agreed priorities.

ERIA is an international organisation based in Jakarta, mandated by the East Asia Summit to support the chair of the ASEAN. In addition to supporting the ASCC Pillar, ERIA has offered to support the ASEAN Economic Community Pillar’s deliverables.

## President Nishimura Speaks at Harvard Conference on New Ways to Approach a New World

Jakarta, 21 January 2022



ERIA participated in the annual event held by the Harvard College in Asia Program (HCAP): 'Interdisciplinary Innovation – New Ways to Approach the World'. The President of ERIA, Professor Hidetoshi Nishimura, presented on the 'Clean Energy Transition in the South East Asian Region'. He highlighted the importance of fossil fuels to satisfy the economic development in this region while also applying ambitious renewable energy promotion.

Finally, President Nishimura provided key messages on the ASEAN countries availability, accessibility, and affordability of energy supply, and how the carbon neutrality efforts of ASEAN Member States might diversify their pathways. Technology development and international cooperation should be promoted to reduce the cost of de-carbonisation. In the panel discussion, Professor Jun Arima, Senior Policy Fellow on Energy and Environment, drew attention to various challenges in tackling climate change such as the required pace of decreasing greenhouse gas emissions from now until 2030, different prioritisation of the 17 SDGs across countries, low willingness to pay for additional mitigation costs and so forth. He also emphasised the role of education, giving a balanced perspective on the intertwined nature of energy security, climate change, and economic efficiency as well as different national circumstances.

## ERIA Joins the 25th ASEAN Tourism Ministers' Meeting

Preah Sihanouk, 19 January 2022



The President of ERIA, Professor Hidetoshi Nishimura, virtually attended a hybrid 25th Meeting of the ASEAN Tourism Ministers (25th M-ATM) held on 19 January 2022 at Preah Sihanouk Province, Kingdom of Cambodia. Professor Nishimura updated the ministers on the status of the two tourism studies that ERIA is currently undertaking for ASEAN National Tourism Organisations (NTOs). The comprehensive assessment of MRA-TP and the development of a framework on sustainable tourism were also discussed. ASEAN NTOs are expected to leverage the MRA-TP comprehensive study by developing a monitoring mechanism on implementation, and a feasibility study to extend the project to ASEAN+3 in 2023.



During the open discussion, H.E. Dato' Lim Jock Hoi, ASEAN Secretary-General commended Professor Nishimura for ERIA's support to ASEAN tourism cooperation, particularly the conduct of the two studies this year. He acknowledged ERIA as a very important institution that ASEAN has created in the last 10 years not only for tourism but also for other sectors involved in the implementation of the AEC Blueprint. The two tourism studies by ERIA are critical to understanding the contribution of the tourism sector. He also emphasised that good policymaking shall be based on evidence-based research to get the work done in a comprehensive manner. He underlined the importance of the MRA-TP study to the policymakers particularly in identifying key problems in labour mobility and job creation in the tourism sector. In this regard, HE Dato' Lim Jock Hoi suggested for ERIA to do the following:

1. Support the implementation of the Sustainable Tourism Framework after COVID-19;
2. Explore a study-on-study of tourism technology; and
3. Leverage the MRA-TP comprehensive study by developing a monitoring mechanism on implementation, and a feasibility study to extend the MRA-TP project to ASEAN+3 in 2023.

Professor Nishimura thanked all the parties above for their recommendation and appreciation of ERIA's involvement in the studies. In particular, he expressed support for the development of cooperation on the monitoring mechanism for the implementation and feasibility study of extending the Mra-TP project.

ERIA was honoured that the 25th M-ATM appreciated ERIA's studies in MRA-TP and Sustainable Tourism Framework. The consultation meeting was also attended by representatives from ERIA, ASEAN-China Centre ASEAN-Japan Centre, ASEAN-Korea Centre, World Travel and Tourism Forum, US-ABC, ASEANTA, ATRA, UNWTO, and PATA.

## The Next Chapter of ASEAN and Japan Economic Cooperation in the Post-Pandemic Era

Jakarta, 10 January 2022



ERIA, in collaboration with the Foreign Policy Community of Indonesia (FPCI) and the Ministry of Economy, Trade and Industry of Japan (METI), held a virtual public forum as part of the Dialogue for Innovative and Sustainable Growth between Japan and ASEAN. The webinar was held on 10th January 2022 and attracted more than 600 participants from about 50 countries. Dr Dino Patti Djalal, the Founder and Chairman of FPCI, and Mr Arsjad Rasjid, the Chair of Indonesian Chamber of Commerce and Industry, were the speakers at the webinar. ASEAN is at a 'historical turning point for sustainable and innovative transition'. ASEAN and Japan will continue to create innovations that enhance sustainability and contribute to solving social issues in the region. Professor Kimura, in the discussion session, emphasised that ASEAN is at the centre of 'Factory Asia' and that the US–China competition and geopolitical tensions may actually strengthen the importance of ASEAN. To strengthen ASEAN's position in Factory Asia, he insisted that a rules-based trading regime and favourable business environment are essential soft infrastructure. He also said that collaboration between traditional industries and digital businesses requires alignment between incremental innovation and disruptive innovation, and Japan, which has large incremental R&D stocks, can cooperate with ASEAN, which has significant potential for disruptive innovation. Dr Nuki insisted that the reduction of greenhouse gas emissions is an urgent matter and that is only possible with breakthrough innovation and effective technology.

## ERIA Participates in the First Asia–Europe Economic Business Forum

Phnom Penh, 24 November 2021



The first Asia–Europe Economic and Business Forum (AEEBF) was held on 24 November 2021, on the sidelines of the 13th ASEM Summit in Cambodia. Professor Hidetoshi Nishimura, President of ERIA, participated in the AEEBF as a speaker on the panel: ‘Resilient 4th IR for Asian and European Trade Synchronicity amidst Global Pandemic.’

In his intervention during the panel, Professor Nishimura said, ‘In developing Asia, the incremental technological innovations have occurred for the past several decades. ASEAN is the most advanced area which has developed the regional production networks in the so-called, ‘Second Unbundling.’ Developing Asia requires both – an incremental approach to step-by-step industrial innovation, as well as a disruptive innovation to participate in the Industry 4.0 and new digital economy, which have abruptly arrived in developing Asia.’ Professor Nishimura also mentioned that under Industry 4.0, the Internet of Things, and labour-intensive processes should collaborate, as variations in the types of products and human-machinery collaborations will be dramatically increased. Therefore, instead of the unnecessary stock-related work, new and innovative job creation will continue. Digital literacy, such as skill training and education, is important for jobs in Industry 4.0. The nature of manufacturing will undergo a change in Industry 4.0 although greater input of services in manufacturing will take place in Industry 4.0. Conventional industries, such as agriculture, fisheries, and horticulture will also become more advanced due to the feedback effects of communication technology. The report of the AEEBF was presented to the Asia–Europe leaders in the 13th ASEM Summit held in Phnom Penh and virtually on 25–26 November 2021.



## Bappenas and ERIA Launch the Indonesian Manufacturing Sector Review

Jakarta, 17 November 2021



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The Ministry of National Development Planning/National Development Planning Agency, Republic of Indonesia, in collaboration with ERIA launched a book titled 'Kajian Sektor Manufaktur (Manufacturing Sector Review)', which discusses the urgency of industrialisation as part of redesigning Indonesia's economic transformation. The book shares critical insights regarding policy choices and strategies for undertaking structural transformation in the manufacturing sector. This book launch presents constructive views from national economic and industrial experts: ERIA Senior Economist, Dionisius Narjoko; ERIA Chief Economist and Professor at the Faculty of Economics Keio University Fukunari Kimura; Professor at Bandung Institute of Technology, Professor Dradjad Irianto; lecturer and researcher at the Department of Economics Padjajaran University, Dr Maman Setiawan; and Chief Executive Officer of Asakreativita, Dr Vivi Alatas. Strategies listed in the book covers the future development in global value chains (GVCs), especially for the post-COVID-19 pandemic. The impact of the COVID-19 pandemic in the industrial sector is one of the bases for analysis to ensure that various strategies are carefully formulated to support the acceleration of re-industrialisation. 'We hope that this study will be a good start for the efforts of Bappenas and the Indonesian government,' said Dr Amalia Adininggar Widyasanti, Deputy for Economic Affairs at the Ministry of National Development Planning.

## The 13th ASEM Plenary Study Launched

Phnom Penh, 11 November 2021



The 13th ASEM plenary study '13th Asia Europe Meeting: Multilateral Cooperation for Resilient, Sustainable, and Rules-Based Future for ASEM' was officially launched on 11 November in Phnom Penh by H.E. Prak Sokhonn, Deputy Prime Minister and Minister for Foreign Affairs and International Cooperation, Kingdom of Cambodia. Dignitaries from Asia and Europe and Ambassadors of ASEM member countries attended the book launch, which was jointly organised by the Ministry of Foreign Affairs and International Cooperation, Cambodia, National Institute of Diplomacy and International Relations, Cambodia, and ERIA.

Ms Anita Prakash, Senior Policy Advisor in the office of the President of ERIA made a brief presentation on the important findings in the study, especially those related to Asia Europe cooperation in trade and investment, connectivity, SDGs, digital economy, women and youth participation in the economy.

In his speech, President Hidetoshi Nishimura recalled ERIA's sustained contribution to the ASEM summit since 2016. He emphasised that the study conjoins Cambodia's vision for ASEM with priority actions needed within focus areas to support the ASEM member countries to address the global and regional challenges together. He further expressed ERIA's willingness and readiness to support Cambodia's activities as the chair of ASEAN in 2022.

In his speech, H.E. Prak Sokhonn expressed his appreciation for ERIA's work, saying that the study prepared by ERIA was very rich in content and was endorsed by the Prime Minister. H.E. Prak Sokhonn also mentioned Cambodia's forthcoming chairmanship of ASEAN and its continued association with ERIA in 2022.

The ASEM Study was mentioned and endorsed by H.E. Hun Sen, Prime Minister of the Kingdom of Cambodia, in his plenary address at the 13th ASEM Summit on 25 November 2021.

## President of ERIA Participates in the 21st ASEAN Plus Three Agriculture and Forestry Ministers Meeting

Jakarta, 27 October 2021



The 43rd meeting of the ASEAN Ministers on Agriculture and Forestry (AMAF) and associated meetings were held virtually on 27 October. Professor Hidetoshi Nishimura presented ERIA's research projects on food value chains at the 21st AMAF Plus Three meeting. He recommended the establishment of specialised governmental institutions or consolidated teams at the national levels to focus on the development of cold chains.

In his presentation, Professor Nishimura explained that the project on utilisation of digital technologies was designed and implemented to 1) conduct studies on assessment of digital technology adaptation and government initiatives in food and agriculture sector and 2) support the preparation of the 'ASEAN Guidelines on Promoting the Utilization of Digital Technologies in the Food and Agriculture Sector' which was endorsed at the 43rd AMAF. Also, he stressed the importance of a data-driven approach for digitalising agriculture, and the use of FinTech and traceability systems enhanced with digital technology for enhancing food supply chain resilience.

ERIA was honoured that the Joint Press Statement of the 21st AMAF Plus Three and the 43rd AMAF meetings appreciated ERIA's support in formulating the ASEAN Guidelines on Promoting the Utilization of Digital Technologies in the Food and Agriculture Sector.

## ERIA Recognised in Official Statements of 38th and 39th ASEAN Summit and Related Summits

Brunei Darussalam, 26 October 2021



→ The 38th and 39th ASEAN Summit and Related Summits were held virtually from 26 to 28 October 2021. Many of the Summits focused on the discussion of the ASEAN Comprehensive Recovery Framework and its Implementation Plan, which serves as the region's consolidated exit strategy from the COVID-19 pandemic. Several ERIA projects were recognised and commended in the official Statements.

1. ERIA Cited in Chairman's Statement of the 38th and 39th ASEAN Summit
2. ERIA Cited in Chairman's Statement of the 24th ASEAN–Japan Summit
3. ERIA Cited in Chairman's Statement of the 24th ASEAN Plus Three Summit
4. ERIA Cited in Chairman's Statement of the 16th East Asia Summit

## ERIA Holds the 14th ERIA Governing Board Meeting

Jakarta, 12 October 2021



→ ERIA's 14th annual Governing Board Meeting was held online. The Governors discussed how ERIA can play an active role in responding to the aftermath of the COVID-19 pandemic and supporting the region's recovery. Dr Cielito F. Habito was officially approved as the new Chairperson of the ERIA Governing Board in this meeting. Professor Fukunari Kimura, Chief Economist of ERIA, briefed the Governors on the impact of the pandemic on globalisation while Professor Jun Arima, Senior Policy Fellow for Energy and Environment, highlighted the need for a low-carbon energy transition. They also discussed the aftermath of COVID-19 and its impact on the global and regional economy.

In his Opening Remarks, Professor Hidetoshi Nishimura, President of ERIA, highlighted that at the Ninth East Asia Summit (EAS) Economic Ministers Meeting, ERIA presented recommendations on supply chain resilience, scaling up digitalisation, and circular economy. ERIA's studies were highly commended in the EAS ministerial statements.

ERIA also participated in the EAS Energy Ministers Meeting to present low-carbon energy transition scenarios. Professor Nishimura added that together with the ASEAN Secretariat, ERIA is developing 'the ASEAN Guidelines on Promoting the Utilization of Digital Technologies for ASEAN Food and Agricultural Sector.' On marine plastic debris, ERIA has developed a 'Private Sector Platform' to promote awareness of what companies across East Asia are doing to address the problem. During his welcoming remarks, H.E. Dato Paduka Lim Jock Hoi, Secretary-General of ASEAN, said that some countries still struggle to contain the pandemic, but overall the region is seeing encouraging signs of a turnaround. He said, 'The next stage of ASEAN regional integration demands us to place at the centre collaboration and partnership to bring together a variety of expertise like ERIA as we address the complexities of the emerging challenges we face today, especially in the area of climate change.' Mr Koji Hachiyama, ERIA's Chief Operating Officer, delivered remarks emphasising ERIA's continued focus on research and activities on a wide range of issues including regional economic integration, trade, energy, agriculture, digitalisation, and climate change. He added that ERIA should continue to provide strong support to governments in the region to tackle the aftermath of COVID-19 and to understand the future of Southeast and East Asian integration more deeply.

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## Digital Transformation and Economic Recovery in ASEAN Take the Spotlight at 10th Editors Roundtable

Jakarta, 8 October 2021



ASEAN Member States have made remarkable progress in digitalisation and economic recovery. However, the region must also counter problems encompassing the digital divide, rising unemployment, and a widening inequality gap. The 10th ERIA Editors Roundtable (ERT) gathered editors, journalists, and other experts to address the multitude of challenges facing Southeast Asia in a post-pandemic world. The severity and duration of the pandemic have, nonetheless, added immense pressure on companies to strive for efficiency as limitations on the movement of professionals led to higher logistics costs for industries. President of ERIA, Professor Hidetoshi Nishimura, offered his remarks for the event that was held virtually for a second consecutive year. He highlighted the ERT's decade-long milestone this year and thanked the experts and journalists who have continuously supported the event over the years. His speech also covered the importance of regional integration for ASEAN stating that 'ASEAN must remain united to ensure ASEAN Centrality and to catch up with the digitalised world.' Dr Narjoko offered three recommendations to ease the burden – (1) Aim for faster digital adoption; (2) Streamline the supply process by upgrading technologies; (3) Enhance human capital and skills transformation to cope with more high-tech machines.

## Ambassadors Congratulate ERIA on its Achievements

Jakarta, 6 October 2021



ERIA convened its annual Ambassadors Meeting of ERIA Member States and Dialogue Partners virtually for the first time since the start of the pandemic. The meeting was attended by Ambassadors and representatives of 18 countries, the Deputy Secretary-General (DSG) of Asean for AEC, nine Governing Board (GB) members, and the Academic Advisory Council (AAC) Chairperson. Professor Hidetoshi Nishimura, President of ERIA, expressed his sincere gratitude to all Ambassadors for their guidance and insights regarding ERIA's role in supporting the region. Professor Nishimura said that the meeting aimed to provide an overview of ERIA activities and highlight the research on economic and energy issues. ERIA's Chief Operating Officer, Mr Koji Hachiyama, reviewed the Work Plan for Fiscal Year 2021 and beyond, followed by presentations from Senior Economist Dr Dionisius A. Narjoko on 'Strengthening AEC: Agenda for Beyond 2025', and Senior Energy Economist, Dr Han Phoumin, on 'ASEAN Low Carbon Energy Transition Scenarios.' The Ambassadors and country representatives expressed appreciation for ERIA's activities and its significant and constant contribution to the ASEAN community and East Asia Summit (EAS). The Excellencies highlighted the key issues and challenges in the region including economic recovery, climate change, renewable energy, digital transformation, global value chains, and sustainable development, and emphasised that the policymakers depend on adequate statistics and data to be able to develop proper policies to address the challenges, especially those that result from the pandemic. ERIA's Chief Economist, Professor Fukunari Kimura, responded to the Ambassadors' comments by explaining that global value chains did not stop despite the current difficult circumstances: 'We are having a hard time, but we can believe in the globalisation of economic development. This is the important message that we can learn from COVID-19.' He also mentioned that digital technology is important to upgrade and rejuvenate traditional industry and government. Senior Research Advisor to the President, Professor Shujiro Urata, added that the Regional Comprehensive Economic

Partnership (RCEP) is very important to promote investment and trade. Dr Phoumin added that both natural and artificial carbon sinks will be key for the energy transition by 2050. Considering the diversity of ASEAN countries, ERIA will continue to support each country individually to reach the goal of net zero emission.

### **ASEAN's Energy Transition Goals Outlined by ERIA at 1st Asia Green Growth Partnership Ministerial Meeting** → Tokyo, 4 October 2021



The Ministry of Economy, Trade, and Industry (METI) Japan hosted the First Asia Green Growth Partnership Ministerial Meeting, which brought together Ministers from 20 countries and international organisations. Under the Alternative Policy Scenario, which incorporates aggressive energy-saving targets, ASEAN's primary energy demand is on course to double with fossil fuels projected to account for nearly 80% of the region's major energy mix. Energy conservation, electrification in end-use industries, and low-carbon power supply must consider wide-ranging types of technology. Various types of 'low-carbon' technologies can efficiently cut carbon dioxide emissions during the transition period. Cost reduction and international cooperation are required to support cost-effective decarbonisation goals. Southeast Asia's energy consumption had been steadily increasing with fossil fuels meeting 90% of regional energy demand over the last 20 years. Professor Nishimura outlined three key policy takeaways based on ERIA's research studies on clean energy transition – (1) Energy conservation, electrification in end-use industries, and low-carbon power supply must consider wide-ranging types of technology; (2) Various types of 'low-carbon' technologies can efficiently cut carbon dioxide emissions during the transition period; (3) cost reduction and international cooperation are required to support cost-effective decarbonisation goals. With the continued use of fossil fuel in ASEAN's future energy mix, Professor Nishimura underscored the integral role of CCUS in achieving regional carbon



neutrality. As such, ERIA and METI established the Asia CCUS Network in June 2021, and since then it has hosted two workshops and a capacity-building programme. As a prominent research institute, ERIA is committed to promoting pragmatic policy statements that reflect realistic regional energy transition and will work to support Indonesia in its G20 Presidency role in 2022.

## ERIA Holds 13th Academic Advisory Council Meeting

Jakarta, 22 September 2021



ERIA held the 13th Academic Advisory Council (AAC) Meeting. Due to the ongoing pandemic, it marked the second year of hosting the event virtually. Important themes for the low-carbon energy transition were presented by ERIA at the EAS Energy Ministers Meeting held in mid-September. Professor Hidetoshi Nishimura, President of ERIA, highlighted a recent survey that indicated 23% of firms in ASEAN have accelerated the adoption of digitalisation during the pandemic. The East Asia Summit Institute for International Affairs (ERIA) held a virtual meeting with its Academic Advisory Council (AAC) members in Singapore. The AAC provides advice and support to ERIA on the annual work programme, research outcomes, and the performance of researchers. Professor Nishimura and Dr Lim from the Singapore Institute of International Affairs moderated this virtual meeting. In closing, both Professor Nishimura and Dr Lim highlighted ERIA's commitment to strengthen the ASEAN economy and contribute to promoting ASEAN integration, centrality, and economic community.

## ERIA Attends the 15th EAS Energy Ministerial Meeting

Bandar Seri Begawan,  
16 September 2021



The 15th East Asia Summit – Energy Ministers Meeting (EAS EMM) was hosted virtually by the Ministry of Energy, Brunei Darussalam. All the leaders reaffirmed their commitment to advance partnerships in promoting sustainability within the region, particularly in addressing the adverse socio-economic impacts of COVID-19. Most of the states were committed to continue their efforts towards energy efficiency and renewable energy utilisation while ensuring security, accessibility, affordability, and reliability of energy supply. ERIA's President Hidetoshi Nishimura presented the results of a project on ASEAN Low Carbon Energy Transition scenarios and updates on the Asia CCUS Network. Main policy lessons from the scenario analysis covered energy saving and electrification in end-use sectors, combined with low-carbon power supply utilising all technologies. Cost reduction and international cooperation are essential for affordable decarbonisation, and cost optimisation scenarios could be utilised for each country's consideration of its unique transition pathway.

A project on ASEAN Low Carbon Energy Transition scenarios aimed to provide insights to ASEAN Member States on developing a carbon neutrality roadmap that reflects different national circumstances. Main policy lessons from the scenario analysis covered (1) energy saving and electrification in end-use sectors, combined with low-carbon power supply utilising all technologies, would be core strategies for decarbonising ASEAN energy systems, (2) during transition periods, various kinds of 'low-carbon' technologies can reduce CO<sub>2</sub> emissions effectively, (3) cost reduction and international cooperation are essential for affordable decarbonisation, and (4) cost optimisation scenarios could be utilised as inputs for each country's consideration of its unique transition pathway.

## ERIA Participates in the 53rd ASEAN Economic Ministers' and Related Meetings

Jakarta, 8–15 September 2021



The 53rd ASEAN Economic Ministers (AEM) Meeting, the 9th East Asia Summit (EAS) Economic Ministers' Meeting (EMM) and other related meetings were held virtually between 8 and 15 September 2021. Professor Hidetoshi Nishimura, President of ERIA, presented ERIA's paper on 'Supply Chain Resilience and Post-Pandemic Recovery in East Asia Summit Region' to the EAS Economic Ministers on 15 September 2021.

In the Joint Media Statement of the 53rd ASEAN Economic Ministers Meeting, ERIA was commended for its continued support and contribution towards ASEAN regional economic integration and ASEAN Economic Community (AEC) building efforts.

Professor Nishimura presented ERIA's paper on 'Supply Chain Resilience and Post-Pandemic Recovery in East Asia Summit Region'. The paper was prepared pursuant to the mandate given by the Economic Ministers during the Eighth East Asia Summit – Economic Minister Meeting (EAS EMM) in 2020. Professor Nishimura also outlined ERIA's proposed measures to achieve resilient supply chains in the region, which is based on three key areas: enhancing supply chains for essential goods, scaling-up digitalisation of supply chains, and enhancing the sustainability and circularity of supply chains.

First, as part of enhancing supply chains for essential goods, the East Asia Member Countries (EASMC) should approach the measures by: (i) consulting with the private sector to establish a list of essential components used extensively in their production and trade; (ii) considering replicating initiatives from the Memorandum of Understanding on the Implementation of Non-Tariff Measures on Essential Goods; (iii) conducting an in-depth assessment of supply chains risks in the region; and (iii) working together to eliminate trade barriers in essential goods for example, in the vaccine supply chain. The aim of the first measure is to secure the supply chains to limit the exposure to shortages of essential products in the EAS region.

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Second, under the digitalisation measure, the EASMC may consider re-thinking their GVC strategies by accelerating digitalisation that was already underway. Digitalised supply chain is easier to monitor and will increase the ability to respond to future shocks.

Market mechanisms should be the main engine of digital transformation, with policy intervention facilitating this process. Region-wide cooperation in ICT development and digital trade facilitation, with strong support by markets and business councils, is imperative therefore.

The third important measure is to enhance the sustainability and circularity of supply chains.

Good ASEAN initiatives such as the ASEAN Framework on Circular Economy could also be emulated as ASEAN Member States are geared towards transitioning into a circular economy.

In conclusion, Professor Nishimura pointed out that to be better prepared for future crises, stronger, more resilient, and flexible supply chain structures would need to be in place. No country can efficiently address the complexities of supply chains in isolation; hence, international cooperation remains urgent.

ERIA was honoured that the Joint Media Statement of the Ninth EAS Economic Ministers' Meeting noted ERIA's significant contributions to the region.

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## The 4th East Asia Energy Forum: A Low-Carbon Energy Transition in the ASEAN Region

13 September 2021



ASEAN countries need to pursue low-carbon energy transition pathways aimed at carbon neutrality as their ultimate objective taking into account each country's specific national circumstances. The Paris Agreement sets the long-term temperature goal to hold the increase in the global average temperature to well below 2°C above pre-industrial levels. With the participation of policymakers, energy analysts, and the private sector, the Fourth East Asia Energy Forum will discuss feasible and ASEAN specific pathways towards carbon neutrality. Carbon Capture Utilization and Storage (CCUS) is one of the indispensable zero-carbon technologies. The role of natural gas and Variable Renewable Energy (VRE) such as solar photovoltaic (PV) will be discussed in the transitional phase until the time when hydrogen, ammonia, and CCUS technologies will be commercially available after 2040.

## ERIA Participates in the 42nd AIPA General Assembly

Tokyo, 23 August 2021



A delegation of ERIA, headed by Professor Hidetoshi Nishimura, President of ERIA, participated in the 42nd General Assembly of the ASEAN Inter-Parliamentary Assembly or AIPA-GA, which was held online.

AIPA is the annual meeting for the speakers and members of the 10 member states of ASEAN's national assembly. ERIA has been invited to the annual meeting since 2017 based on the Memorandum of Understanding between AIPA and ERIA titled 'Develop AIPA's Capacity on Matters Concerning ASEAN Economic Community and ASEAN Economic Integration in Various Areas,' which was originally signed in 2016, and renewed in 2019.

ERIA and the AIPA secretariat have co-hosted events on regulatory management systems, economic integration, as well as waste management and marine plastic debris issues.

## Addressing CO<sub>2</sub> Emissions in Asia: CCUS Network Launched

Jakarta, 22 June 2021



→ The Asia CCUS Network is an international industry–academia–government platform for utilisation of carbon capture, utilisation, and storage (CCUS) throughout the Asian region. Thirteen EAS member countries and more than 100 companies, research institutions, and international organisations have so far expressed their intention to participate in the network. CCUS may account for nearly 15% of the cumulative reduction in global emissions to achieve carbon neutrality. The Asia CCUS Network aims to contribute to the decarbonisation of emissions in Asia through collaboration and cooperation on development and deployment of CCUS. The forum was attended by honourable Ministers from Brunei Darussalam, Cambodia, Indonesia, Lao PDR, Philippines (proxy), Singapore, Thailand, Australia, and the United States. It will serve as a platform for collaboration on low emission technology that will eventually accelerate the deployment of CCUS.

## ERIA President Delivers Keynote Speech to Brunei Darussalam Conference on Agriculture

Bandar Seri Begawan, 12 June 2021



→ Brunei Darussalam Conference on Agriculture Agricultural Sector: Challenges & Way Forward was held at the International Convention Centre in Bandar Seri Begawan. Professor Hidetoshi Nishimura, President of ERIA delivered a keynote speech at the conference attended by high-level government officials, diplomats, industry leaders, academics, and experts from across the region. Professor Nishimura also shared information about new ERIA research on agriculture and digital technology from the project 'Enhancing food supply chain resilience and food security in ASEAN with utilisation of digital technologies.' This project is composed of research activities including an assessment of digital technologies adaptation and support of the formulation of ASEAN guidelines on the utilisation of digital technologies in agriculture. Lastly, Professor Nishimura stressed ERIA's support to Brunei Darussalam, as the Chair of the ASEAN Summit and the East Asia Summit in 2021, through the implementation of research activities such as a study to prepare the masterplan for the economic development of Temburong.

## ASEAN–Japan Business Week: Toward Innovative and Sustainable Growth

Tokyo, 24 May 2021



ASEAN–Japan Business Week is a brand-new online event hosted by multiple organisations from ASEAN and Japan. The 5-day event was officially started on 24 May 2021 and streamed by more than 200 participants. The speakers highlighted the importance of digitalisation, especially in the time of the pandemic. ASEAN has launched the Comprehensive Recovery Framework to promote programs and policies that will support a strong and resilient post-pandemic economy. JETRO JICA actively supports members companies of small and medium-sized enterprises in a number of ways, including by providing a consultation desk. Digitalisation can also bring Japan to the Southeast Asian market.

According to Mr Hachiyama, COO of ERIA, ASEAN has contained the impact from COVID-19 and is expected to continue to have high growth after the pandemic. Digitalisation is in the rapid transition stage from 'electronic commerce, etc.' to 'area activities' (data free flow and common data platform, digital transformation) Japanese technology could contribute positively to digitalisation in ASEAN. Circular economy is a concept that prioritises material recovery at the end of a product lifecycle to bring resources back into the production process and eliminate waste. Regarding the future energy landscape, ASEAN faces tremendous challenges in the race to carbon neutrality ('net zero emissions' by the middle of the 21st century). ERIA Senior Energy Economist Dr Han Phoumin gave a keynote speech entitled 'Decarbonisation Scenarios for ASEAN: Methodology and Expected Results' during the session on 'Promoting Green Business for Sustainable Development in Southeast Asia.' The Mekong subregion could play a significant role as baseload power that can complement the high penetration of solar and wind energy. In the absence of a thermal power plant, a large capacity of electrical battery storage is necessary as power backup during days of less sunshine and wind.

## ERIA Renews MoU with OECD in a Virtual Signing Ceremony

Tokyo/Paris, 28 April 2021



ERIA and OECD signed the second renewal of the Memorandum of Understanding (MoU) between the two organisations, putting greater emphasis on a variety of research topics such as the environment, social development, small and medium-sized enterprises (SMEs), green growth, infrastructure, and connectivity. 'We hope that the OECD and ERIA will play an important role in the economic recovery from the pandemic caused by the new coronavirus,' said Mr Toshihiro Nikai, who contributed to the creation of ERIA. In his remarks, Professor Nishimura recounted the projects and collaboration that ERIA and OECD had developed together.' Based on the MoU, ERIA and OECD have cooperated on research and policy proposals in various fields related to economic integration in East Asia, such as the development of the ASEAN SME Policy Index and the ASEAN Trade Facilitation Indicators,' said Professor Nishimura, adding that both organisations had presented the prospect for East Asia's economic development on the sidelines of the annual ASEAN Summits. 'Last year, for example, in the forum with OECD, we discussed the idea that ASEAN's efficient international production network had contributed to suppressing negative COVID-19 impact and that this could be a model for the era of the New Normal. ERIA offered this idea as input for the East Asia Summit leaders and ministers.'

Mr Gurria acknowledged the success of the ASEAN SME Policy Index, saying that 'the Index has become an important reference within the ASEAN system for measuring [the] progress of reforms in areas such as SMEs and innovation policies, SMEs and women entrepreneurship, SMEs and business climate issues, and SMEs and green growth.' He also reminisced about the signing of the first MoU with ERIA at the Chateau de la Muette in Paris on the occasion of the 50th Anniversary of Japan's accession to the OECD. Before the signing ceremony, Mr Gurria spoke on a press briefing 'OECD Secretary-General on Japan after the COVID-19 Pandemic and Its Role in the Indo-Pacific Region' organised by the Foreign Press Centre Japan. He said that Japan's outlook for the next couple of years is positive, with price inflation to remain muted; however, fiscal sustainability in the long term should be observed and maintained.