Connecting the Region through Master Plan on ASEAN Connectivity (MPAC)

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The ASEAN Connectivity Challenge

Connecting Peoples

9%

Around 9% of world population.

Connecting Land

3%

Around 3% of world’s land mass.

Connecting Oceans

3X

Around three times larger than available land.
Journey to Greater Connectivity

- 1967 Founding of ASEAN
- 1992 ASEAN Free Trade Area
- 1997 ASEAN Vision 2020
- 1998 Ha Noi Plan of Action
- 2002 Bali Concord II
- 2003 Vientiane Action Programme
- 2007 ASEAN Economic Community Blueprint
- 2008 Entry into force of ASEAN Charter
- 2010 Master Plan on ASEAN Connectivity
- 2011 ASEAN Framework on Equitable Economic Development
- 2012 Phnom Penh Agenda
- 2013 Global Economy

Consistent and coherent local regulations
National efforts to support the Master Plan on ASEAN Connectivity
Coordination with sub-regional arrangements, Dialogue Partners and multilateral development banks
Vision and plans: Master Plan on ASEAN Connectivity, Community Roadmap and sectoral plans
Trends, opportunities and developments
The Master Plan on ASEAN Connectivity (MPAC)

Physical Connectivity
- ASEAN Strategic Plan on Transport
- ASEAN ICT Master Plan
- ASEAN Plan of Action for Energy Cooperation etc.

Institutional Connectivity
- Transport facilitation agreements
- ASEAN Trade in Goods Agreement
- ASEAN Framework Agreement on Services
- ASEAN Comprehensive Investment Agreement etc.

People-to-People Connectivity
- ASEAN Tourism Strategic Plan
- ASEAN Education Work Plan
- Mutual Recognition Agreements etc.

CROSS-SECTOR COORDINATION

Where are we now in connecting the region?
Infrastructure Financing Needs

Global
- USD 17.5 trillion over 10 years

Asia
- USD 8 trillion over 10 years

ASEAN
- USD 600 billion over 10 years

The Limits of Public Funding

Infrastructure Investment Needs as % of GDP (est.), 2010-2020

<table>
<thead>
<tr>
<th>Country</th>
<th>Transport</th>
<th>Electricity</th>
<th>ICT</th>
<th>Water and Sanitation</th>
<th>Total</th>
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</thead>
<tbody>
<tr>
<td>Cambodia</td>
<td>4.43</td>
<td>0.95</td>
<td>2.97</td>
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<td>0.97</td>
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<td>0.65</td>
<td>6.04</td>
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<td>3.69</td>
<td>0.45</td>
<td>0.19</td>
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<tr>
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<td>2.07</td>
<td>3.12</td>
<td>2.38</td>
<td>0.54</td>
<td>8.12</td>
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</tbody>
</table>

Source: Bhattacharyay, ADBI Working Paper 2010
**Physical Connectivity**

**Total Investment in Infrastructure Projects with Private Participation, 1992-2012**

- Cambodia
- Indonesia
- Lao PDR
- Malaysia
- Philippines
- Thailand
- Viet Nam

Source: Private Participation in Infrastructure Database, World Bank

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**Physical Connectivity**

**ASEAN Highway Network (AHN)**

- Upgrade 'Below Class III' sections
- Complete missing links

- 'Below Class III' sections remain: AH12, AH 15 (Lao PDR), AH1, AH2 (Myanmar)
- Missing links remain: AH112, AH123 (Myanmar)
Physical Connectivity

Singapore-Kunming Rail Link (SKRL)

- Construct missing links
- Ongoing: Aranyaprathet-Klongluk (Thailand), Poipet-Sisophon (Cambodia)
- Feasibility study completed, seeking funding: Phnom Penh-Loc Ninh (Cambodia), Loc Ninh-Ho Chi Minh City (Viet Nam)
- Seeking technical assistance for feasibility study: Mu Gia-Tan Ap-Vung Ang (Viet Nam), Vientiane-Thakek-Mu Gia (Lao PDR)

Physical Connectivity

Maritime Transport

- Conduct feasibility study on the establishment of an ASEAN Roll-on/Roll-off (RO-RO) Network and Short-Sea Shipping
- Study completed, recommendations on implementation of RO-RO prioritised routes and harmonisation of institutional arrangements made
Physical Connectivity

Maritime Transport

- Enhance the performance and capacity of the 47 designated ports
- Develop an ASEAN Single Shipping Market


Physical Connectivity

ASEAN Power Grid

- Implement the Melaka-Pekan Baru Interconnection
- MOU signed by Indonesia and Malaysia in September 2012, expected COD in 2019
- Implement the West Kalimantan-Sarawak Interconnection
- Ongoing, expected COD in 2015
Institutional Connectivity

ASEAN is in the process of developing a robust mechanism to identify and eliminate non-tariff barriers (NTBs).

- The development of the National Trade Repository/ASEAN Trade Repository.

Trading Across Border

<table>
<thead>
<tr>
<th>Country</th>
<th>Docs for Export (number)</th>
<th>Time for Exports (days)</th>
<th>Cost to Export (US$ per container)</th>
<th>Docs for Import (number)</th>
<th>Time for Imports (days)</th>
<th>Cost to Import (US$ per container)</th>
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<td>15</td>
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<td>8</td>
<td>14</td>
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<td>5</td>
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<td>4</td>
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<td>5</td>
<td>13</td>
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<td>6</td>
<td>21</td>
<td>610</td>
<td>8</td>
<td>21</td>
<td>600</td>
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</tbody>
</table>

Institutional Connectivity

National Single Windows (NSWs) and ASEAN Single Window (ASW)

- Substantial but varied progress in most AMS.
- MOU for the ASW Pilot signed (2011).
- NSW fact-finding missions with AMS to review NSW implementation and assess technical assistance needs.

People-to-People Connectivity

Visa Relaxation

- Progressive visa liberalisation/exemption for ASEAN nationals
- Carry out a study on a common visa for non-ASEAN nationals
- ASEAN Member States have generally implemented visa-free entry for ordinary passport holders from ASEAN
- ASEAN Immigration Lanes for ASEAN nationals in major international ports of entry in ASEAN being explored
People-to-People Connectivity

ASEAN Curriculum Sourcebook
- Educating primary and secondary school students about ASEAN and what it means for them.

ASEAN Studies Course
- Enhancing educational opportunities

People-to-People Connectivity

ASEAN Virtual Learning Resource Centre (AVLRC)
- Extensive database on ASEAN and ASEAN Member States, particularly its people, culture, history, places of interest and economy.
Tourism

• ASEAN Tourism Marketing Strategy endorsed

• ASEAN tourism products being developed in four areas, namely: nature, cultural and heritage, community, and cruise and river-based tourism

• [http://aseantourism.travel/](http://aseantourism.travel/)

People Mobility

• Mutual Recognition Arrangements (MRAs): 6 being implemented (Engineering, Architect, Nursing, Tourism, Medical and Dental Practitioners); and the other 2 (Accountancy & Land Surveying) are in the form of Framework MRA to facilitate the actual MRAs in 2+X formula.
Challenges in Implementing MPAC

- Financing large infrastructure requirements
- Communicating MPAC to stakeholders
- Coordinating delivery of MPAC

What are we doing and need to do more to connect the region?

- **Resource** mobilisation through the development of public-private partnerships (PPPs) agenda
- **Engagement** of ASEAN external partners deepened through dialogue relations and development cooperation
- **Awareness** of stakeholders widened through communications activities/products
- **Coordination** mechanisms being enhanced to improve the convergence of purposes and actions of various work plans at different levels
- **Harmonisation** of policies/laws through regulatory reform efforts
Thank You for Connecting with ASEAN