1. APEC and ASEAN

• Distinction of binding and non-binding
  – APEC: non-binding, peer pressure (w/ smiling faces)
  – FTAs: binding, legal (w/ serious negotiations)
• ASEAN Economic Community: the ASEAN way
  – Mixture of FTAs and development agenda, binding and non-binding portions
  – Sometimes start with 10-x
    • Still achieved high-level economic integration (e.g., tariffs, ROO, single windows, investment, air transportation, …)
  – A way to work together with development gaps
• Revival of APEC
  – Tradition of co-working among governments, business, and academics
  – To be progressive with peer pressure, a convincing conceptual framework is the key.
2. The nature of “blueprint”

- ASEAN Economic Community (AEC) Blueprint (2007)
  - FTA and beyond [institutional connectivity]
  - Blueprint to accelerate the process
  - Some parts are “abstract”; binding or non-binding?
  - Monitoring framework was not built-in; mid-term review tasked out to ERIA+ (2011-2012); Track 1.5 monitoring system recommended
- Comprehensive Asia Development Plan (CADP) by ERIA (2010)
  - Indicative infrastructure development plan for EAS16 (centered by ASEAN) [particularly for physical connectivity]
  - Conceptual framework, 695 proposed projects
  - Monitor projects by ERIA and report to EAS; follow-up studies (ASEAN-India connectivity, Comprehensive Myanmar Development Vision)
- Master Plan for ASEAN Connectivity (MPAC) (2010)
  - A pillar for ASEAN economic integration [institutional + physical + people-to-people connectivity]
  - Conceptual framework and illustrative projects
  - ASEAN Connectivity Coordination Committee (ACCC) monitors the progress; annual symposium by ACCC and ERIA (Track 1.5)

3. What to evaluate?

- Layers of evaluation
  - 1) The level of commitments
  - 2) Bureaucratic check list
  - 3) Monitor policy changes/implementation
  - 4) Actual changes/progress/improvements
  - 5) Economic outcomes
- Although AEC Blueprint started with 1)+2) by governments, 3)+4) were called for.
4. Who would evaluate?

- AEC Blueprint, MPAC: Track 1.5
  - Players: governments, private sector, academics
- Considerations
  - Objectivity
    - Need to work with non-governmental players
  - Information
    - Cooperation of governments essential
  - Incentives
    - Common goals

5. How can we make monitors/reviews useful?

- Keep momentum for achieving goals
  - Peer pressure enough?
    - Past experience in APEC
  - “ASEAN way”?
    - Blur border between binding and non-binding portions
    - Start from 10-x; rather than kink-out or opt-out, wait for catching up
- Reorganize commitments and time framework
  - Useful in working with development gaps
- Disclosure of the evaluation
  - Mid-term Review of AEC Blueprint, only for internal use for many countries except the executive summary
  - Desirable for making information open though the clearing process of the review would be cumbersome
6. Implications for APEC Connectivity Blueprint

• If the conceptual framework is convincing, even an indicative plan can be useful.
• To make the cost-and-benefit balance of monitoring/reviewing optimal, track 1.5 with academics-private-government would be a choice.
• The role of PSU and APEC Study Centers, working with ABAC