

Japan's assistance to ASEAN Connectivity in line with MPAC2025

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0. ASEAN Connectivity and Japan

28 Oct, 2010	Adoption of Master Plan on ASEAN Connectivity (MPAC)
19 Nov, 2010	The 1 st Meeting of Japan's Taskforce on ASEAN Connectivity
25 Apr, 2011	The 1 st Meeting of ASEAN Connectivity Coordinating Committee (ACCC)
1 July, 2011	The 1 st Joint meeting of ACCC and Japan's Taskforce on ASEAN Connectivity (ACCC-J)

Japan formed a taskforce to work on ASEAN Connectivity immediately after MPAC was adopted and even before the establishment of ACCC

The 1st Joint meeting of ACCC and Japan was held in July 2011

“Vision Statement on ASEAN-Japan Friendship and Cooperation” @ASEAN-Japan Commemorative Summit
(2013, Tokyo)

- (1) Partners for Peace and Stability
- (2) Partners for Prosperity**
- (3) Partners for Quality of Life
- (4) Heart-to-Heart Partners

To further enhance comprehensive economic partnership and cooperation for prosperity in the region through enhancing ASEAN Connectivity

ASEAN Connectivity is enhanced

- ➔ ASEAN Integration is strengthened
- ➔ Asia prospers as a region

JAPAN'S Vision for Supporting ASEAN Connectivity

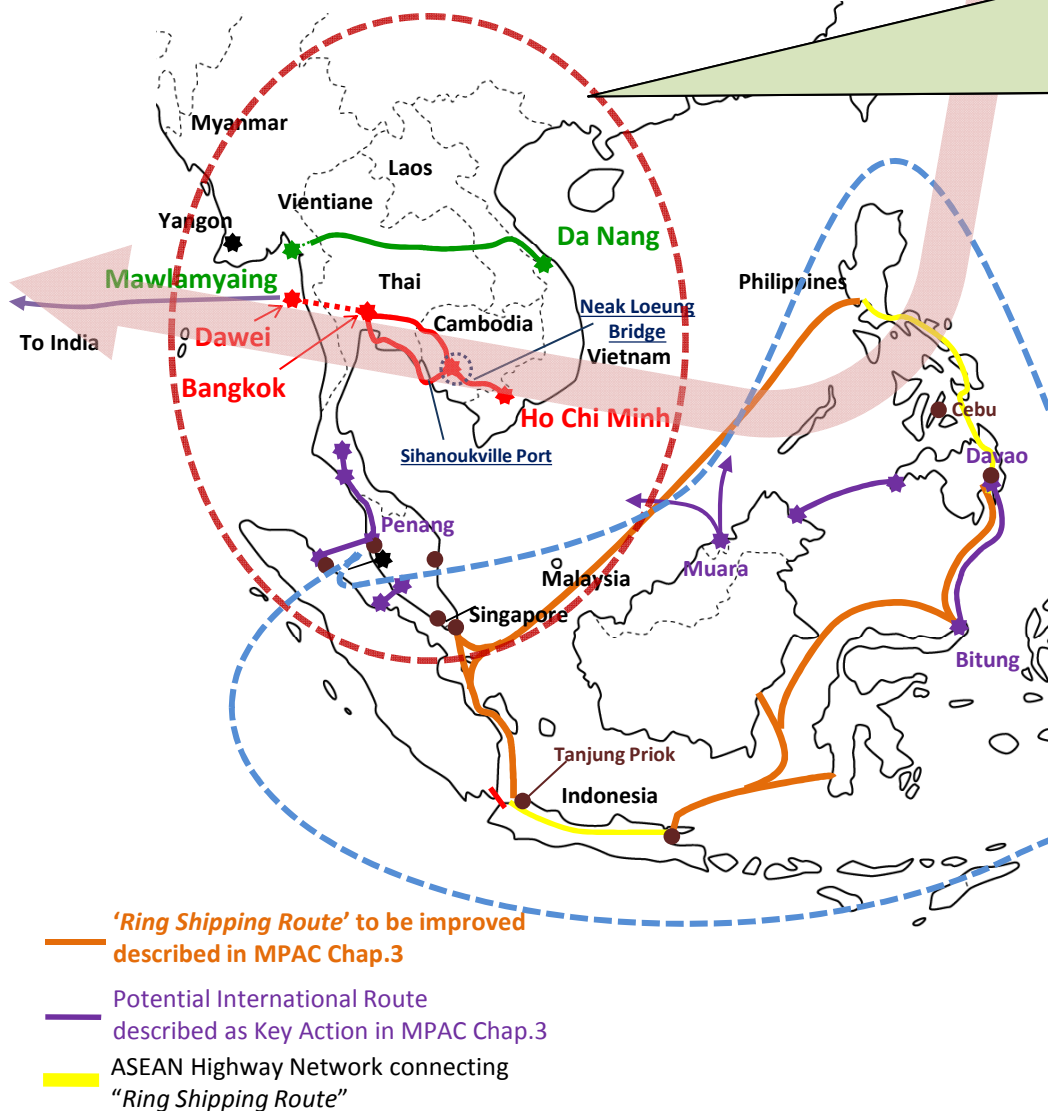
〈Cooperation for enhancing connectivity in all ASEAN countries〉

 EWEC

Da Nang, Vietnam ~ Mawlamyaing, Myanmar

 SEC

Ho Chi Minh, Vietnam ~ Dawei, Myanmar



<Formation of the Vital Artery for East-West and Southern Economic Corridor>

Hard Infrastructure development in Mekong region that connects the South China Sea and the Indian Ocean

Assistance to develop the **“Southern Economic Corridor”** that connects Ho Chi Minh, Phnom Penh, Bangkok and Dawei as well as **“East-West Economic Corridor”** that expands from Da Nang to Mawlamyaing.

⇒Improvement of both corridors will enable overland access across Indochina Peninsula, bringing a great benefit to transportation and distribution of goods.

< ASEAN Maritime Economic Corridor>

Consolidating connectivity through the development of port, port-associated industries as well as energy and ICT networks in major cities of Malaysia, Singapore, Indonesia, Brunei and the Philippines.

<Soft Infrastructure projects in the ASEAN region>

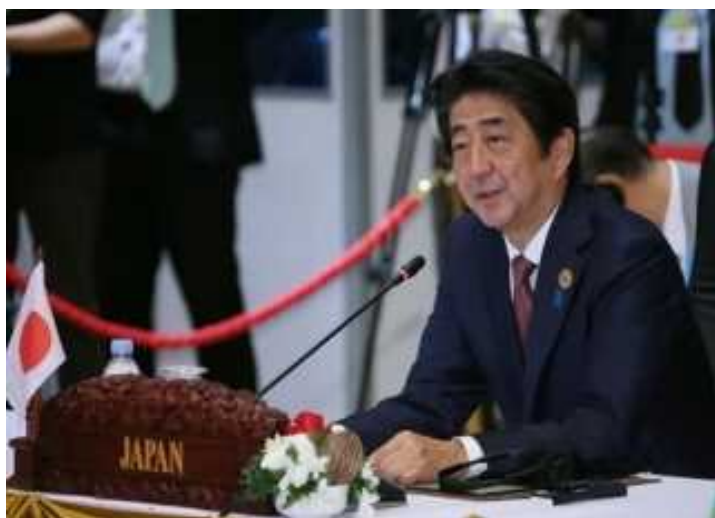
【Examples】

1. ASEAN Smart Network
2. Trade Facilitation
3. Common rules for standards for Automotive
4. Single Aviation Market
5. Logistics Enhancement and Sea-land Intermodal Transportation

“Vibrant and effective connectivity”



Following the proposal made by Foreign Minister Fumio Kishida on May 2, 2016, “Japan-Mekong Connectivity Initiative” was launched at the 9th Mekong-Japan Foreign Ministers’ Meeting on July 25, 2016 in order to realize a vibrant and effective connectivity.



“Infrastructure in the region is interconnected and utilized through institutional improvements and development of the surrounding areas”

Prime Minister Shinzo Abe elaborated Japan’s cooperation on strengthening connectivity including the idea of vibrant and effective connectivity at ASEAN-Japan Summit Meeting.(September 7, 2016, Vientiane)

Japan Mekong Connectivity Initiative Projects (JMCI Projects)

East-West Economic Corridor (Myanmar/Thailand)

【Specific Actions】

- East-West Economic Corridor Improvement Project 【M】(L)
- Pre F/S on East-West Economic Corridor Improvement Project II 【M】(S)
- Project for National Single Window and Customs Modernization by Introducing Automated Cargo Clearance System 【M】(T·G)
- Data Collection Survey on Urban Development Planning for Regional Cities (Mawlamyine) 【M】(S)

Southern Economic Corridor (Myanmar/Thailand)

【Specific Actions】

- Project for Promotion of Economic Development and Connectivity in the Western Region 【T】(T),
- Data Collection Survey on Southern Economic Corridors (Dawei Access Road) 【M】(S)
- Preparatory Survey on Dawei General Hospital 【M】(S)

Southern Economic Corridor (Cambodia/Thailand)

【Specific Actions】

- Preparatory Survey for Southern Economic Corridor Freight Railway Development Project(S) 【T】 , Railway expert 【T】
- Data Collection Survey on Flood Disaster Rehabilitation and Mitigation 【C】(S)
- National Road No. 5 Improvement Project 【C】(L)
- The Project for Establishing Foundation for Teacher Education Reform 【C】(T)
- Preparatory Survey for the Project for the Construction of Teacher Education Colleges 【C】(S)

Assistance for Mekong River

- To conduct survey for regional program for agricultural development with forest conservation

Vientiane – Hanoi Connectivity

【Specific Actions】

- Data Collection Survey for Logistics and Road Sector Development in East-West Economic Corridor 【L】·【V】(S)
- Data Collection Survey on Industrial Human Resource Development 【L】(S)
- Data Collection Survey on Luang Prabang Regional Development 【L】(S)
- Preparatory Survey for Vientiane Logistics Park Development Project 【L】(S)
- Clean Agriculture Development Project 【L】(T)
- Preparatory Survey on The Project for Improvement of Tha Ngon Irrigation System 【L】(S)

East-West Economic Corridor (Laos/Vietnam/Thailand)

【Specific Actions】

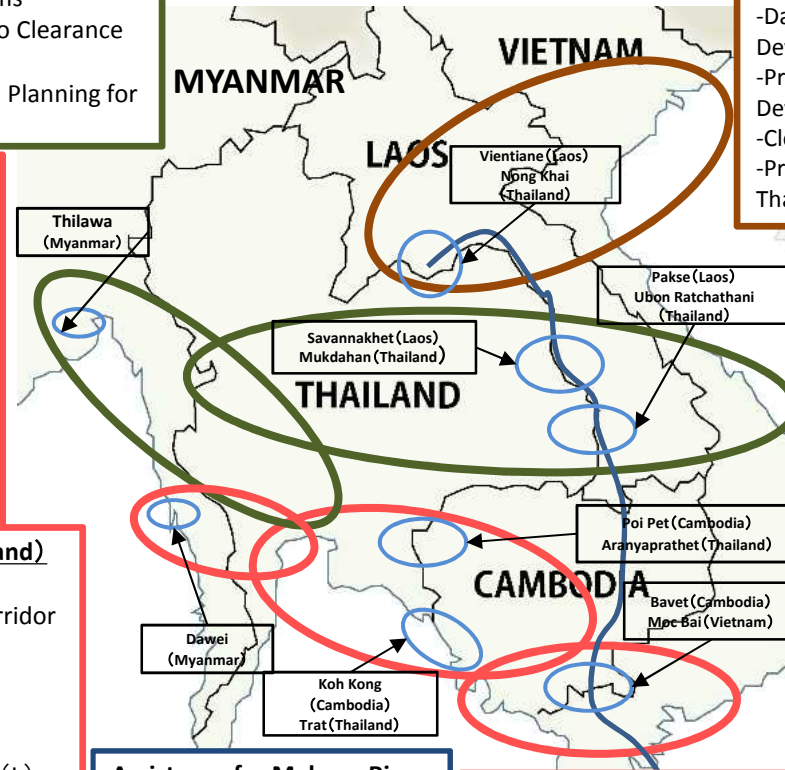
- The Project for Reconstruction of the Bridges on the National Road No. 9 【L】(G)
- Project for Human Resource Development Scholarship 【L】(G)
- Participatory Irrigated Agriculture Development Project for Commodity Production 【L】(T)
- Project on Power System Master Plan 【L】(TCDP)
- North-South Expressway Construction Project (DN-QG) 【V】(L)
- Cooperation for Regional Industrial Development (Project for Regional Brand Creation for Community Development 【T】(T), Regional Integrated SME Promotion 【T】(expert))

Southern Economic Corridor (Cambodia/Vietnam)

【Specific Actions】

- Preparatory Survey for Phnom Penh - Bavet Expressway Development Project 【C】(S)
- Preparatory Survey for Sihanoukville Port New Container Terminal Development Project 【C】(S)
- Southern Economic Corridor Distribution Expansion Project 【C】(G)
- Preparatory Survey for Improvement of Battambang Provincial Referral Hospital 【C】(S)
- North-South Expressway Construction Project (BLLT) 【V】(L)

- ◆ Country 【M】=Myanmar, 【T】=Thailand, 【L】=Laos, 【V】=Vietnam, 【C】=Cambodia
- ◆ ODA scheme (L)=ODA Loan, (G)=Grant aid, (T)=Technical cooperation project, (S)=Survey, (TCDP)=Technical cooperation for developing planning,



1. Senior Level Working Group

- Japan and Mekong countries will set up senior-level working groups under the SOM regarding connectivity related to cooperation referred to in "New Tokyo Strategy 2015" and "Japan-Mekong Action Plan for realization of the New Tokyo Strategy 2015".
- First meeting of Senior-level Working Group on Economic Corridors was held on 25th of August.

2. Partnership between Japan and Thailand

- Partnership Arrangement (PA) was signed between Japan International Cooperation Agency (JICA) and Neighboring Countries Economic Development Cooperation Agency (NEDA) on July 14, 2016. Under the PA, JICA and NEDA will work together for enhancement of connectivity and development of the Mekong region in accordance with international standards.

1. Sustainable infrastructure



Strategic Objective 1 - Increase public and private infrastructure investment in each ASEAN Member State as needed (MPAC 2025)



- MPAC2025 focuses on “sustainable” infrastructure. Not only the quantity of infrastructure, but its quality also matters.
- G7 Ise-Shima Principles put forward major elements of quality infrastructure investment.
- Japan has been mobilizing resources in collaboration with World Bank and ADB, to promote quality infrastructure in Asia.

Quality Infrastructure Investment as International Agenda

➤ East Asia Summit (September 2016)

(Vientiane Declaration on Promoting Infrastructure Development Cooperation in East Asia)

EMPHASIZING the importance of promoting quality infrastructure development, which ensures factors such as economic efficiency in view of life cycle cost, safety, resilience and sustainability, job creation, capacity building, transfer of expertise and know-how, and alignment with economic and development strategies while addressing social and environmental impacts [...];

➤ G20 Hangzhou Summit Communiqué (September 2016)

We stress the importance of quality infrastructure investment, which aims to ensure economic efficiency in view of life-cycle cost, safety, resilience against natural disaster, job creation, capacity building, and transfer of expertise and know-how on mutually agreed terms and conditions, while addressing social and environmental impacts and aligning with economic and development strategies.

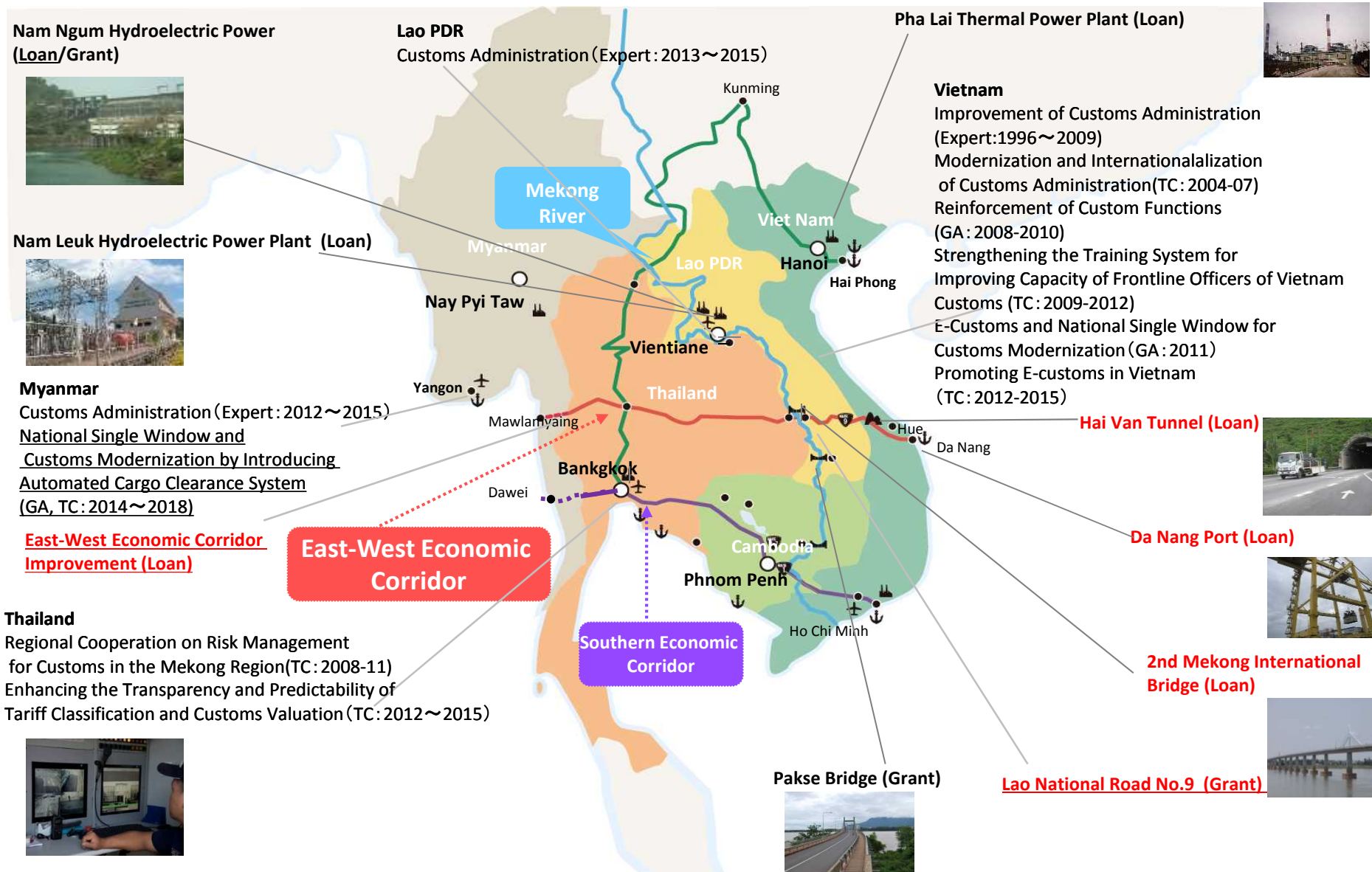
➤ G7 Ise-Shima Leaders' Declaration (May 2016)

We therefore reaffirm the crucial importance for stakeholders [...] to work coherently to bridge the existing gaps by promoting quality infrastructure investment, [...].

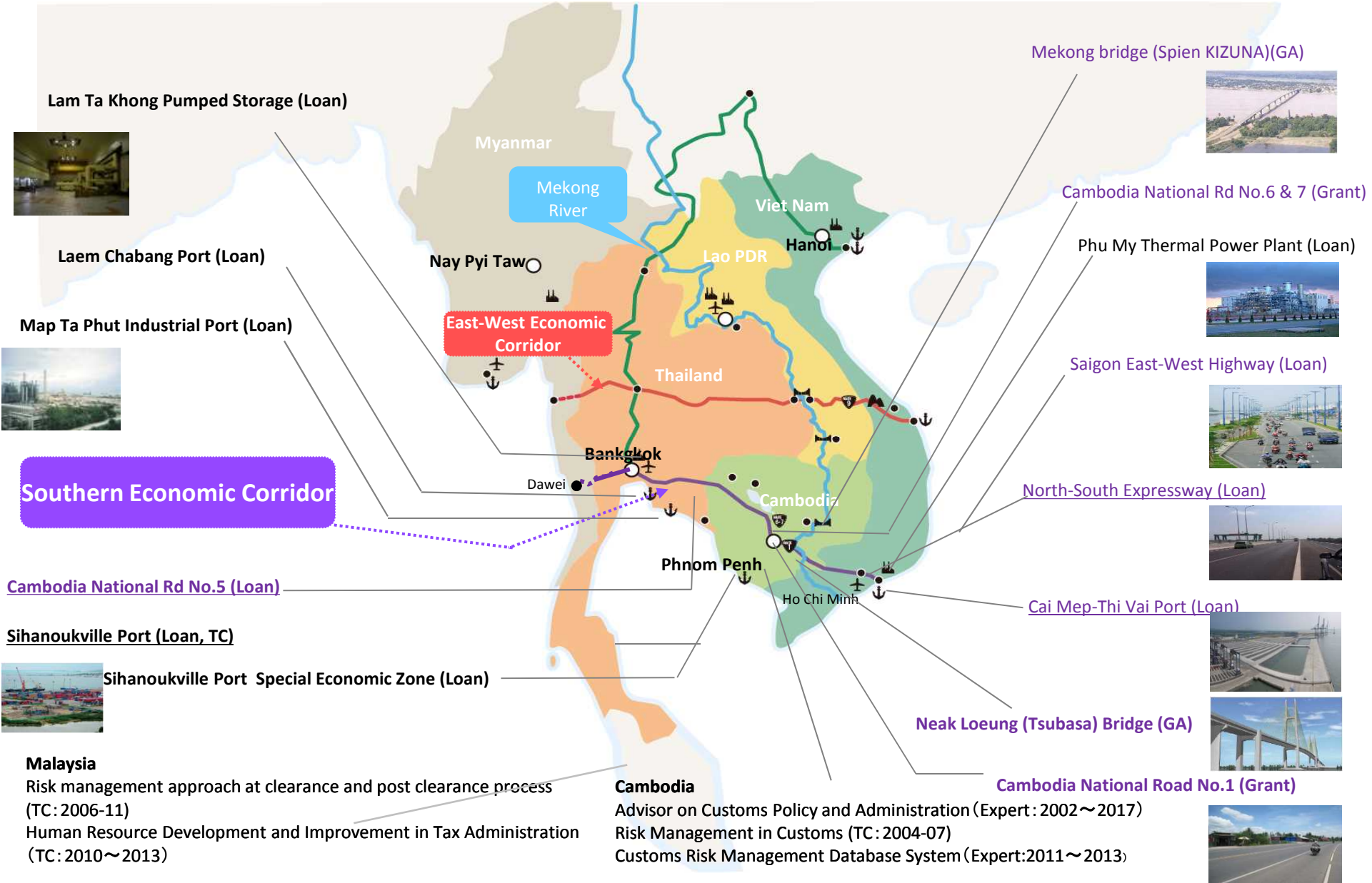
To promote such quality infrastructure investment, we strive to align our own infrastructure investment with the G7 Ise-Shima Principles for Promoting Quality Infrastructure Investment [...].

We further encourage the relevant stakeholders, [...] to align their infrastructure investment and assistance with the Principles, [...].

Japan's contributions to Infrastructure in Mekong Region (East-West Economic Corridor)



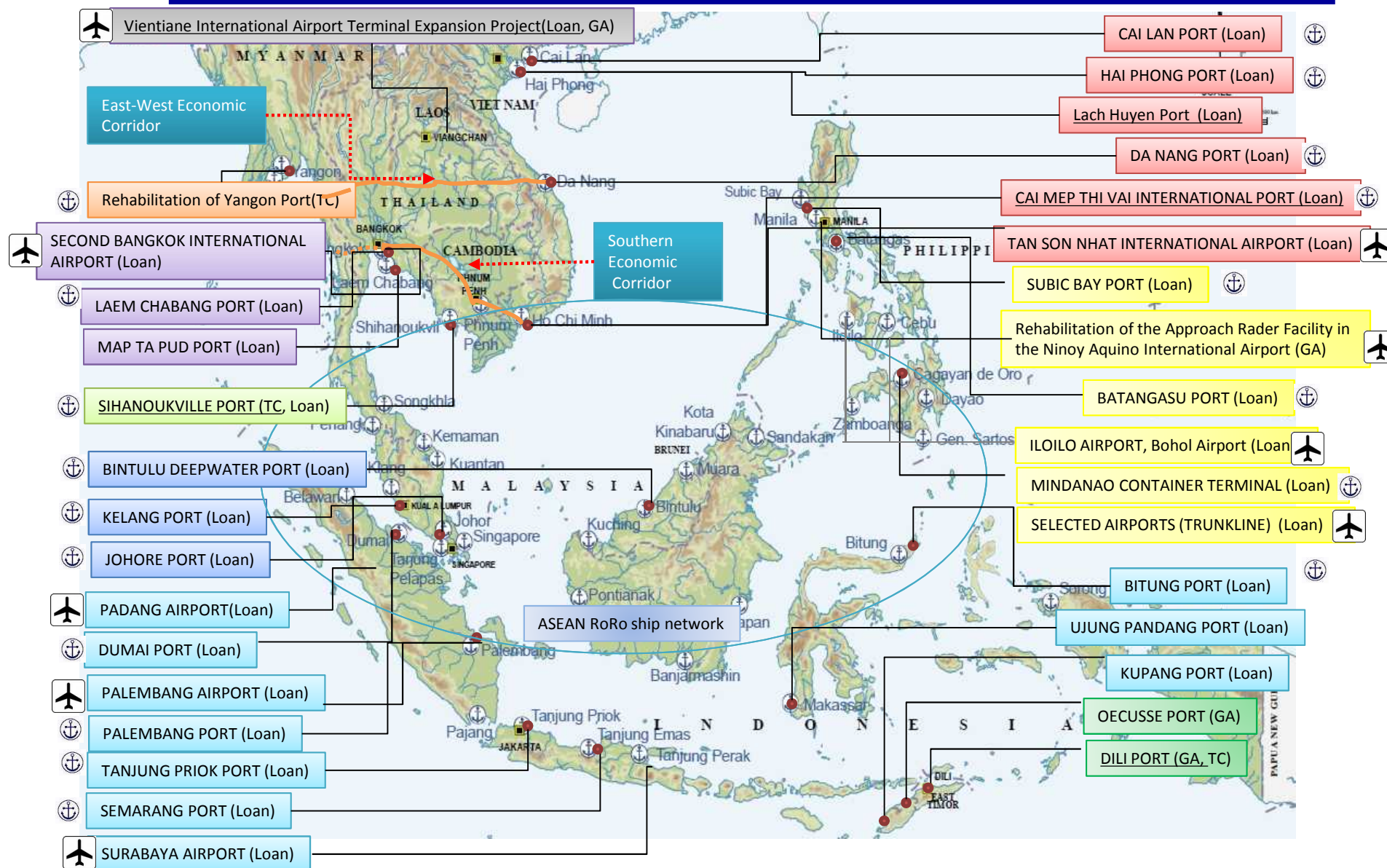
Japan's contributions to Infrastructure in Mekong Region (Southern Economic Corridor)



(note) Purple letters: Southern Economic Corridor, Loan: ODA Loan, GA: Grant Aid, TC: Technical Cooperation, UNDERLINED: ongoing projects, **without underline**: completed projects

Japan's contributions to Infrastructure

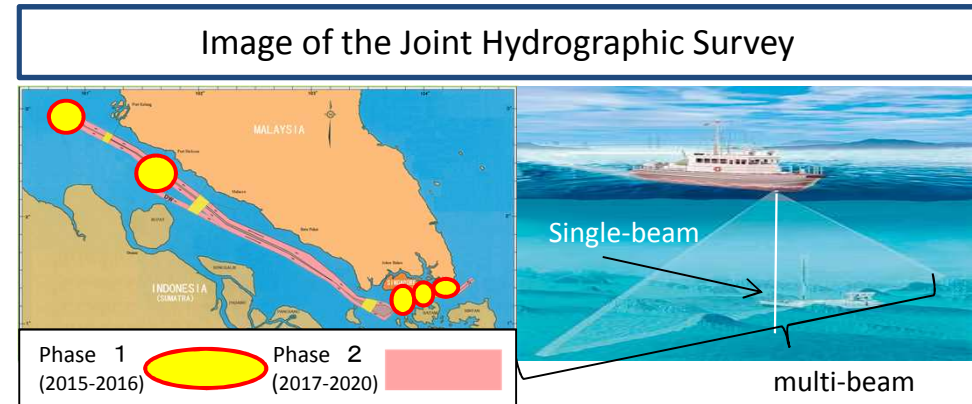
Maritime and Air Economic Corridor



Japan's soft infrastructure projects for ASEAN connectivity

Joint Hydrographic Survey of the Straits of Malacca and Singapore

Ensures safety of navigation and protection of the marine environment in the Straits of Malacca and Singapore by updating electronic navigational charts (ENCs) with multi-beam echo-sounder technology. <Japan-ASEAN Integration Fund (JAIF)>



Development of VTS (Vessel Traffic Service) Operator's Capacity

Secures safety of navigation for maritime transport through the development of VTS operator's capacity in accordance with international standards and the establishment of the ASEAN Regional Training Center. <Japan-ASEAN Integration Fund (JAIF)>



Image of Corporation



Training Center (Malaysia)



Image of Training Center

Joint Research on Road Technologies for ASEAN Cross-Border Corridors

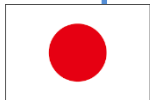
Creates technical references on road pavement and overloading control to improve quality of transit highway networks for better connectivity.



The 1st ASEAN – Japan Experts Group Meeting on Joint Research on Road Technologies for ASEAN Cross-Border Corridors



Strategic objective 3 - Increase the deployment of smart urbanisation models across ASEAN (MPAC 2025)



- Japan develops infrastructure and human resources to tackle problems associated with urbanisation, such as traffic congestion, traffic safety, and housing supply

< Cooperation to relieve Traffic Congestion and Traffic Accidents >

● Traffic planning and measures for traffic safety

- Review of Urban Transport Development Programme in the Greater Yangon 【Myanmar】
- Cooperation on Road safety 【Thailand】 etc.

● Improvement of public transportation

- Construction of Jakarta Mass Rapid Transit North-South Line Project (Phase I) 【Indonesia】
- Mass Transit System in Bangkok (Purple Line) 【Thailand】
- Mass Transit System in Bangkok (Red Line)【Thailand】
- Ho Chi Minh City Urban Railway Construction Project (Line 1) 【Viet Nam】 etc.

● Construction of bypass roads etc

- Davao City Bypass Construction Project 【Philippines】
- Metro Manila Interchange Construction Project (Phase 4)【 Philippines 】 etc.

● Physical and Institutional support for maintenance, registration and inspection systems for Vehicle

< Cooperation on Housing >

● Capacity building related to Housing

- Cooperation on formulating of housing and urban policy, enhancement of housing development project, improvement of administration, promotion of related industries 【Myanmar】
- Cooperation on capacity building related to housing and urban policy, housing supply, housing finance, housing management 【Cambodia】

2. Digital innovation

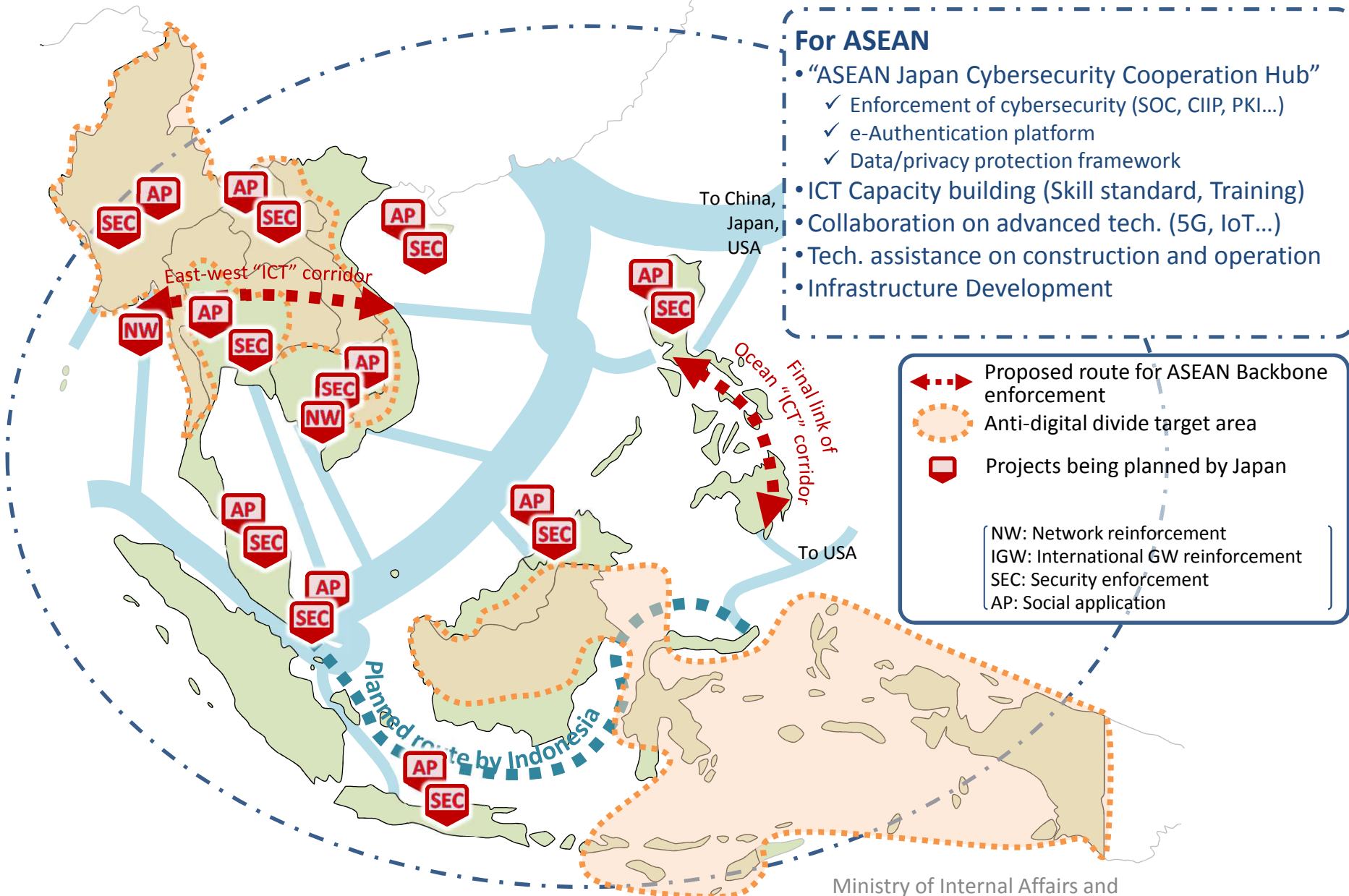


Strategic Objective 4 - Support enhanced data management in ASEAN Member States (MPAC 2025)



- Japan cooperates with ASEAN to enhance its data management through ICT capacity building, technical assistance, and infrastructure development.

ASEAN Smart Network Initiative



- For ASEAN**
- "ASEAN Japan Cybersecurity Cooperation Hub"
 - ✓ Enforcement of cybersecurity (SOC, CIIP, PKI...)
 - ✓ e-Authentication platform
 - ✓ Data/privacy protection framework
 - ICT Capacity building (Skill standard, Training)
 - Collaboration on advanced tech. (5G, IoT...)
 - Tech. assistance on construction and operation
 - Infrastructure Development

← - - - - - → Proposed route for ASEAN Backbone enforcement
 Anti-digital divide target area
■ Projects being planned by Japan

NW: Network reinforcement
 IGW: International GW reinforcement
 SEC: Security enforcement
 AP: Social application

3. Seamless logistics



Strategic Objective 2 - Improve speed and reliability of supply chains
in each ASEAN Member State (MPAC 2025)



- Japan implements assistance to improve the speed and reliability of logistics services through enhancing regional supply chains.
- Japan's efforts include improvement of infrastructure, regulations and procedures, as well as human resource development.

● Reinforcement of Supply Chain

Ministry of Land, Infrastructure, Transport and Tourism has conducted logistics pilot projects in Myanmar utilizing Japan's high-quality logistics system to increase the amount of agricultural goods distributed. Issues and challenges relating to logistics have been identified through the project. In addition, several seminars will be held to help raise the level of logistics service in ASEAN, including:

Logistics Policy Dialogue (Oct 2016, Myanmar)

to help address ASEAN logistics system issues,

Human Resource Development for Logistics

(Mar 2017, Lao PDR), and

Green Logistics Expert Group Meeting

(Feb 2018, in Malaysia).



Policy Dialogue on Logistics
(Feb. 2016, Malaysia)



HRD Program at University
(Feb. 2016, Viet Nam)

● Development of Food Value Chains

Japan contributes to improvement of food value chains in ASEAN by holding bilateral dialogues for promoting development of food-related infrastructure, such as cold supply chains and relaxing of logistics-related regulations.

● Infrastructure Development Project in Thilawa Area, Myanmar Phase I

- Infrastructure development of the Greater Yangon Region as a part of the “East-West Economic Corridor” will strengthen ASEAN community.
- Promoting inflows of foreign direct investment in Thilawa Area by developing necessary infrastructure contributes to economic development of Myanmar.
- In the port sector, new container terminals and related infrastructure are being established in Thilawa Area.

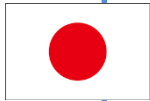
● Customs Modernization

- JICA started providing cooperation to customs agencies in ASEAN countries in the 1990s.
- Customs modernization through capacity-building for customs officers has promoted trade facilitation.
- Introduction of “the Nippon Automated Cargo and Port Consolidated System (NACCS)” and “the Customs Intelligence Database System (CIS)” has reduced the time required for import and export customs clearance and improved the predictability of international supply chain.

4. Regulatory excellence



Strategic Objective 1: Harmonise or mutually recognise standards, conformance, and technical regulations for products in key sectors (MPAC2025)



● Japan supports the development of legal systems related to economic activity, including the improvement of legal consistency, to facilitate trade and to support ASEAN economic integration.

● Legal technical assistance

- Japan supports the development and improvement of legal and judicial systems by ASEAN countries:
 - mainly in the civil and commercial law fields;
 - the operation of judicial systems; and
 - human resource development of legal professionals
- The environment for investment in each country will be further improved through legal technical assistance for intellectual property (IP) law systems
- JICA supports the drafting and implementation of laws through capacity development of regional legal professionals, which helps establish the basis for ASEAN economic integration.

5. People mobility



Strategic Objective 1 - Support ease of travel throughout ASEAN
(MPAC2025)



- Japan facilitates access to information about ASEAN so that Japanese tourists can see ASEAN as one single destination.

● Cooperation to promote tourism through Visit ASEAN@50: Golden Celebration
(ASEAN-JAPAN Centre (AJC) supported by Japan)



- Presentation on VA@50 (Visit ASEAN@50)

AJC introduced VA@50 to stakeholders (the public, travel agents, governments, media, journalists, tourism professionals, etc) during JATA Tourism EXPO 2016, Japan`s largest tourism event. It also set up a booth to publicize VA@50 in the EXPO.

- Publicizing VA@50 at tourism events in Japanese localities

AJC provided tourist information on ASEAN countries and VA@50 to visitors by participating in tourism events in Japanese localities. Participating ASEAN countries also promoted VA@50 by placing the official logo in their booths.





Strategic Objective 2 - Reduce the gaps between vocational skills demand and supply across ASEAN (MPAC2025)



- Japan supports human resource development of ASEAN Member States with a country-to-country approach to reduce gaps between demand for and supply of vocational skills in the region.
- Japan offers ASEAN youth internships at companies in Japan and opportunities to study at Japanese universities and research institutes.

Major efforts under “Industrial Human Resource Development Cooperation Initiative”

Japan has assisted more than 16,857 personnel in ASEAN countries* since Prime Minister Shinzo Abe announced this initiative in November 2015.

*personnel benefitted by the projects of MOFA, METI and JICA as of August 2016



Major measures

Step1: Needs for Industrial human resources vary according to the development stage of each country. Therefore, identifying the needs accurately should be essential for effective industrial human resource development.

Under the initiative, Japan has made efforts to identify the needs of each country through;

- ◆ Policy dialogues with relevant government officials of each country.
- ◆ Surveys conducted by Japanese Embassies, JICA, and relevant agencies.
- ◆ Interviews with Japanese companies operating locally.



Step2: Assistance should be extended based on identified needs for effective industrial human resource development. Therefore, a wide range of menus for assistance are needed to meet each of various needs for appropriate and effective assistance.

Under the initiative, Japan is providing a variety of assistance to meet various needs.

(Examples)

- ◆ Laos: Human resource development in alignment with the 8th Five-Year National Socio-Economic Development Plan (e.g. projects in the agriculture, manufacturing and infrastructure sector etc.)
- ◆ Cambodia: Teachers’ capacity building in basic education
Improving technical vocational education and training (TVET)
(e.g. Assisting colleges for training teachers, public vocational training institutions, etc.)
- ◆ Vietnam: Improving higher education and vocational training
(e.g. Master’s courses at Vietnam-Japan University will be inaugurated in September.)
- ◆ ASEAN countries: Endowed courses, intensive courses and seminars at universities for upgrading the industrial structures, improving agricultural productivity, and etc.



Industrial Human Resource Development Cooperation Initiative Project Examples

● Industry

Japan provides industrial human resource development projects together with Japanese companies such as:

- endowed courses,
- training for ASEAN employees working at Japanese partner companies operating locally,
- capacity building for officials engaged in infrastructure development

These projects are implemented by AMEICC (AEM-METI Economic and Industrial Cooperation Committee).

● Agriculture

Japan is establishing endowed courses in one major university in each ASEAN Member States. Experts from Japanese companies present lectures on agricultural production, food processing, distribution, and consumption to facilitate human resource development.

● Education

Japan helps the ASEAN Member States to introduce the Colleges of Technology (Kosen) system. It supports, in accordance to the needs of each country, the improvement of the quality of engineer education, through drafting curricula and training teachers for the Kosen-style education system.

“Innovative Asia” Initiative

~ A New Whole-of-government Policy Package for Circulation of Asia’s Competent Human Resources ~

Japan will take the following measures through mobilizing diverse governmental resources so that competent human resources of Asian developing/emerging countries play more active roles in industrial growth of their home countries. Participants will gain deeper working experience at innovative Japanese companies, and will have the chance to know better how innovation is being promoted in Japan:


1. To launch a new initiative of ODA to offer opportunities for study and internship in Japan for competent students* studying IT, IoT, AI, etc. at top universities (undergraduate and graduate schools, to be designated as “partner schools”**).

*Approximately 1,000 students over five years from FY 2017 are expected.

**The membership of the “partner schools” is to be specified.

2. To hold job-matching events and provide related information for students who are interested in working in Japan, under the collaboration among Japanese Embassies, JETRO, JICA, etc.

3. When students* of “partner schools” wish to work in Japan, take necessary measures such as providing preferential treatment with regard to their visa status (incl. providing special extra points based on the “Points-based Preferential Immigration Treatment for Highly Skilled Foreign Professionals”). * Students need to be qualified and certified by MOFA.

 Through these measures, the Initiative will enhance circulation of competent human resources between Japan and Asian countries. From Japan's perspective, innovative human resources from Asia to Japan will be beneficial as they are expected to bring about diversity to the Japanese business community.



Strategic Objective 3 - Increase the number of intra-ASEAN international students (MPAC2025)



- Japan supports the intra-ASEAN university network by promoting research programs on common regional issues and student exchanges among ASEAN Member States.

● **ASEAN University Network/Southeast Asia Engineering Education Development Network (AUN/SEED-Net)**

After the economic downturn in ASEAN region in 1997, the need for sustainable development was acutely felt, and AUN/SEED-Net was officially established as a sub-network under the auspices of ASEAN University Network(AUN) in 2001 for the purpose of Industrial Human Resource development. The network of AUN/SEED-Net is composed of 26 Member Institutions from 10 ASEAN countries selected from leading engineering institutions in respective countries. Project activities have been implemented by member institutions and the AUN/SEED-Net Secretariat with support from the 14 leading Japanese Supporting Universities and the JICA Project Office for AUN/SEED-Net. Based on research collaborations among ASEAN countries and Japan in the field of 10 types of engineering, AUN/SEED-Net has been contributing to enhancing capacity of Member Institutions and mobility of their academic staffs through scholarship programs to obtain Master and/or PhD degrees in the region and Japan, as well as addressing regional common issues in all dimensions through research funding which extensively helps to promote science and technology in the region.

● **Re-Inventing Japan Inter-University Exchange Project**

MEXT (Ministry of Education, Culture, Sports, Science and Technology) carried out “Re-Inventing Japan Inter-University Exchange Project” to support quality-assured intercollegiate exchange between foreign universities and Japanese universities. From FY2013, the university consortium consisted of seven Japanese universities participating in the “AIMS” program led by ASEAN (SEAMEO).

Furthermore, exchanges with universities of CLMV countries (Cambodia, Laos, Myanmar, and Vietnam), where there were fewer exchanges, have been expanded in 2016. Through creating and implementing educational programs related to professional development for those who support infrastructure and the creation of social systems, the project is expected to promote various exchanges of students and universities within the ASEAN region as well as among Japan-ASEAN.

● **Developing Highly Skilled Science and Tech Engineering Professionals and Researchers**

This ongoing project provides scholarships for 47 future ASEAN leaders to pursue a master's degree or a PhD program at the Malaysia-Japan International Institute of Technology (MJIT) in Malaysia. The project is funded by the Japan-ASEAN Integration Fund (JAIF) and educates and develops highly-skilled science and technology professionals and researchers.

● **Working Group on Mobility of Higher Education and Ensuring Quality Assurance of Higher Education among ASEAN Plus Three (APT) Countries**

Japan proposed the establishment of the ASEAN+3 Working Group on Higher Education (WG) at the 1st ASEAN+3 Education Ministers Meeting in 2012. The WG has been held three times and has been a good opportunity for members to share outcomes and discuss obstacles to enhancing student mobility and promoting quality higher education activities in the ASEAN+3 countries. The WG produced the APT Guidelines on Student Exchanges and Mobility, which was formally approved at the APT Education Ministers Meeting in May 2016. The WG will continue contributing to higher education development cooperation. WG activities also contribute to capacity building for countries endeavoring to develop their higher education systems and institutions.