

Statement from ERIA Governing Board Meeting

September 6, 2010

1. The Economic Research Institute for ASEAN and East Asia (ERIA) Governing Board held their meeting at the ASEAN Secretariat on September 6, 2010.
2. ERIA Governing Board Members recalled the Joint Statement of the East Asia Summit on the Global Economic and Financial Crisis where the Leaders called upon ERIA to provide policy recommendations to stimulate economic growth in the region, deepen regional integration and strengthen partnership in East Asia. ERIA remains committed to provide intellectual support to the Leaders and policy makers of EAS member countries and submit meaningful policy recommendations.
3. ERIA Governing Board Members reiterated their common resolve to support the establishment of the ASEAN Community by the year 2015 and realize an East Asia community as a longer term goal, fulfilling its responsibility to lead the world economy recovering from the aftermath of the world economic and financial crisis.
4. ERIA Governing Board Members were convinced of the importance of addressing shared issues ranging from economic to socio-cultural, such as regional connectivity, logistics and supply chain, trade and investment, agriculture, environment, energy and disaster management. In order to deepen economic integration, narrow development gaps especially in CLMV and achieve sustainable development, Members decided to put focus on the following pillars.

Expanding regional market in East Asia

5. ERIA Governing Board Members affirmed that strong domestic demand is a prerequisite for stable growth. In this connection, they were of the view that expanding domestic demand in East Asia requires, a) reducing poverty, b) expanding and deepening the middle-income population, c) stronger social protection, and d) restructuring domestic growth and development in line with regional integration efforts.

6. ERIA Governing Board Members commended ERIA's studies on social safety nets and small and medium enterprises development which support governments' efforts to expand domestic demand in the region. They noted that the studies have come up with several key policy recommendations for development and reforms in these sectors, promoting communication among policy makers and scholars. Members encouraged ERIA to put focus on long term challenges towards the expansion of middle-income population in the region with a special consideration on the impact of prolonged low-fertility rate and rapid aging, improving technical efficiency of SMEs, and continuous capacity building programs.

Enhancing Industrial Development in East Asia

7. The ERIA Governing Board Members re-affirmed that economic development in this region is the key to achieving prosperity, and were convinced of the feasibility of doubling per-capita income of the people of East Asia by the year 2020 with necessary economic reforms and restructuring. The Comprehensive Asia Development Plan puts forward useful policy packages responding to various development stages and evaluates infrastructure projects that will expand and deepen the regional production networks towards enhancing growth in the region. ERIA Governing Board Members acknowledged the support rendered by ERIA in drafting the ASEAN Connectivity Master Plan and the ASEAN Strategic Transport Plan 2011-2015.
8. ERIA Governing Board Members endorsed ERIA to conduct further in depth studies to strengthen production networking in this region and enhance industrial development in East Asia..

Stimulating innovation in the region

9. ERIA Governing Board Members noted the importance of innovation in production processes. They supported regional initiatives that aim at enhancing the research and development capability. ERIA shall provide analytical data, and tangible strategic policy recommendations so that dynamic innovation activities are conducted in various areas in ASEAN and East Asia. Necessary measures to promote human resource

development and strengthening supporting industries for innovation will also be explored.

Contribution to regional economic integration

10. ERIA Governing Board Members emphasized the need to expedite implementation of ASEAN Economic Community initiative. In this context, Members appreciated assistance of ERIA in improving ASEAN Economic Community Scorecards which analyses the impact of the ASEAN economic integration process with rigorous monitoring and analyses of its impacts. In addition to this, ERIA Governing Board Members noted ERIA's support to undertake stocktaking and comparative analysis of existing FTAs/EPAs. Members urged ERIA to continue to support East Asian countries in conducting regular discussion among government senior officials on the frameworks and implementation details of regional trade and investment liberalization and facilitation.
11. ERIA Governing Board Members strongly urged ERIA to continue its capacity building efforts, utilizing various educational resources, especially among the new ASEAN members, to narrow development gaps in the region.

Achieving sustainable development

12. ERIA Governing Board Members appreciated ERIA's support to EAS Energy Ministers' Meeting through its research works on EAS Energy Outlook, EAS-ERIA Biodiesel Fuel Trade Handbooks, biomass utilization, and study on energy market integration. ERIA will further deepen and expand its various activities, coping with climate change issues, standards and conformity including green technology or chemical management, 3R (Reduce, Reuse, Recycle) policies, biomass related projects, energy market integration, and the promotion of energy efficiency.

Coordination and cooperation with other institutions

13. ERIA Governing Board Members emphasized the importance for ERIA to cooperate with relevant agencies and knowledge institutions both multilateral such as ASEAN Secretariat, ADB, World Bank, OECD,

APEC, UN agencies (e.g., UNCTAD, UNESCAP) and those in each of the EAS member countries. ERIA will also extend its cooperation with various research organizations outside the region, including those in the United States and Europe, as it works on an open regionalism framework.

14. ERIA Governing Board Members encouraged ERIA to contribute to community building efforts in ASEAN and in East Asia and to support ASEAN's role as a driver of regional integration and community building, by working closely with the ASEAN Secretariat and policy makers in ASEAN and East Asia Summit member countries, with strong commitment to conduct rigorous research works on economic growth and restructuring, furthering regional cooperation, and supporting ASEAN centrality in community building in the region.
