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# Comments on BIMP-EAGA and Other Sub-regionals

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# 1. Economic effects of BIMP-EAGA

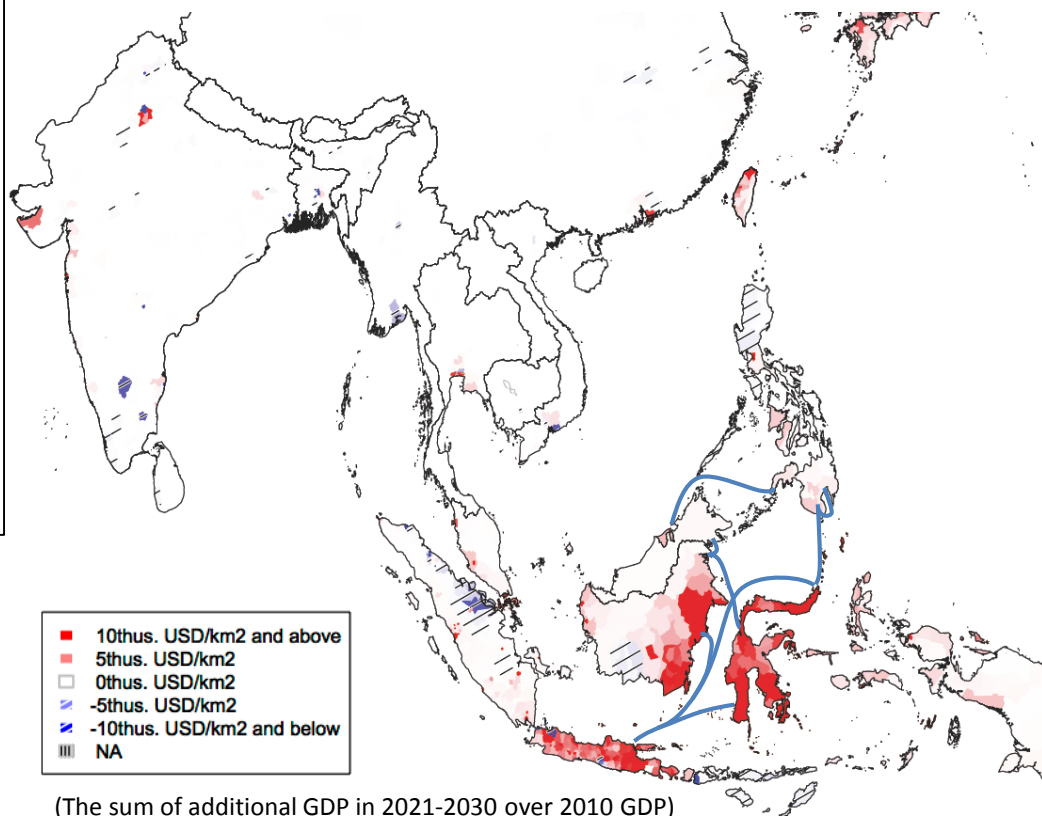
- Geographical Simulation Model developed by IDE-JETRO and ERIA (ERIA (2015)).
- Connectivity is the key for BIMP-EAGA.
- Wider connectivity is even better; connect BIMP-EAGA with economic centers in ASEAN.

## Figure 7.7: Economic Impacts of BIMP (2030, Impact Density)

(e-1) BIMP  
2020

- 1) New RoRo route along Davao-General Santos-Bitung
- 2) New RoRo route between Zamboanga and Muara
- 3) New RoRo route along Tawau-Tarakan-Palu
- 4) Sea route improvement between Surabaya and Makassar
- 5) Sea route improvement between Surabaya and Balikpapan
- 6) Sea route improvement between Surabaya and Bitung
- 7) Port expansion to prevent congestion:  
Port Makassar  
Port Balikpapan  
Port Bitung  
Port General Santos

Top beneficiary regions will be Kota Makassar (513.76%), Kota Pare-pare (468.24%), and Kota Manado (455.73%), on the island of Sulawesi in Indonesia. Top gainer country is Indonesia (27.30%), followed by Brunei Darussalam (1.00%). The BIMP will bring 10.37% of the economic impacts to ASEAN.



Source: ERIA (2015).

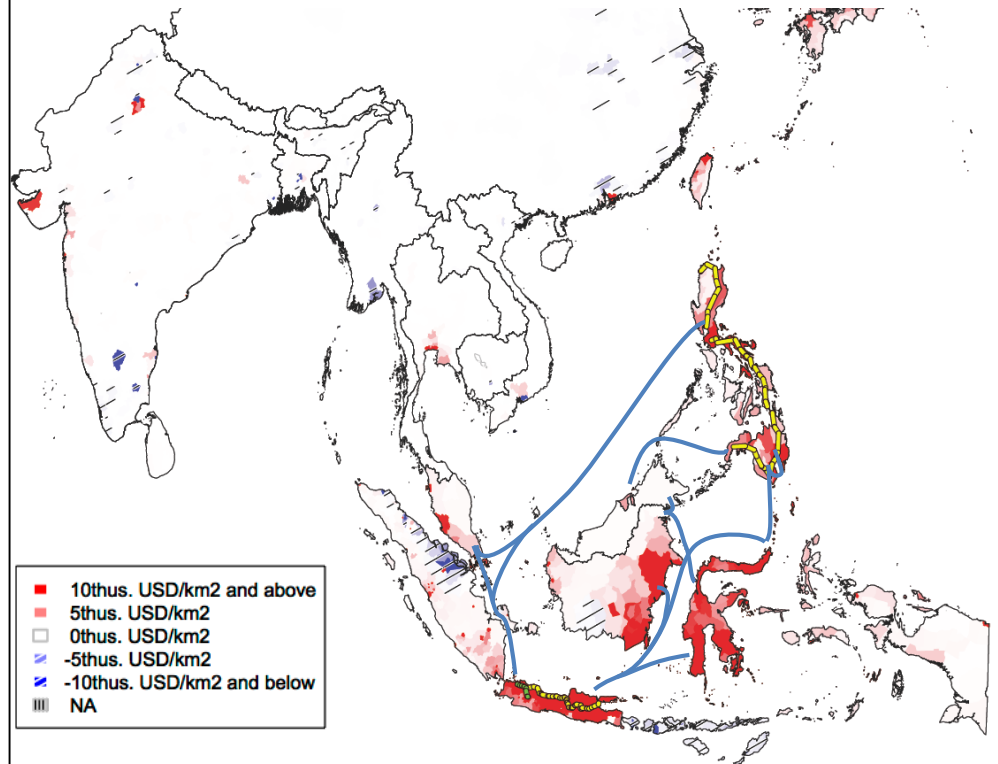
## Figure 7.7 (conti.): Economic Impacts of BIMP (2030, Impact Density)

### (e-2) BIMP Plus

2020

- 1) Road Improvement along Trans-Java Highway between Cirebon and Surabaya
- 2) Road Improvement along Pan-Philippine Highway between Laoag and Guiguinto, Santo Tomas and Matnog, Allen to Liloan, and Lipata and Ipil
- 3) New RoRo route along Davao-General Santos-Bitung
- 4) New RoRo route between Zamboanga and Muara
- 5) New RoRo route along Tawau-Tarakan-Palu
- 6) Sea route improvement between Manila and Singapore, Singapore and Jakarta, and Jakarta and Manila
- 7) Sea route improvement between Surabaya and Makassar
- 8) Sea route improvement between Surabaya and Balikpapan
- 9) Sea route improvement between Surabaya and Bitung
- 10) Jakarta-Bandung High Speed Railway
- 11) Port and Airport expansion to prevent congestion:
  - Port Makassar
  - Port Balikpapan
  - Port Bitung
  - Port General Santos
  - Port Jakarta
  - Port Semarang
  - Port Surabaya
  - Port Manila
  - Airport Ninoy Aquino Intl
  - Airport Soekarno Hatta Intl

Kota Makasar (544.93%), Kota Pare-pare (496.66%), and Kota Manado (469.94%) will gain the most. It must be noted that those top three regions are the same as the BIMP scenario and they gain more than the previous scenario. The BIMP Plus will also give considerably bigger economic impacts on ASEAN (23.16%), in particular Indonesia (57.88%) and the Philippines (13.08%), compared with the BIMP (10.37% on ASEAN, 27.30% on Indonesia, 0.97% on the Philippines).



(The sum of additional GDP in 2021-2030 over 2010 GDP)

Source: ERIA (2015).

## Economic Impacts in Ten Years Cumulation (2021-2030, %)

Economy	MIEC	EWEC	NSEC	IMT	IMT Plus	BIMP	BIMP Plus	BIMSTEC	All Infra.	NTB	SEZ	All-All
Australia	0.52%	0.00%	0.02%	0.08%	0.15%	0.22%	0.33%	0.65%	1.28%	0.84%	-0.04%	2.10%
Brunei	1.95%	0.01%	-0.29%	0.39%	0.61%	1.00%	1.41%	1.93%	5.32%	82.07%	-0.12%	88.33%
Cambodia	144.45%	0.00%	-0.58%	-0.02%	-0.02%	-0.03%	-0.06%	-0.26%	24.86%	8.44%	125.39%	160.30%
China	0.15%	0.00%	0.00%	0.00%	-0.01%	-0.01%	-0.02%	0.06%	0.10%	7.74%	0.02%	7.99%
India	0.56%	0.00%	0.00%	0.02%	0.03%	0.02%	0.03%	6.61%	6.59%	12.21%	-0.01%	19.28%
Indonesia	0.07%	0.00%	0.00%	2.20%	35.01%	27.30%	57.88%	0.07%	91.87%	25.86%	0.03%	118.50%
Japan	0.52%	0.00%	0.02%	0.10%	0.12%	0.18%	0.22%	0.57%	1.39%	1.29%	-0.03%	2.67%
Korea	0.71%	0.03%	0.03%	0.11%	0.15%	0.33%	0.36%	0.55%	1.74%	2.44%	-0.03%	4.17%
Lao PDR	-1.58%	25.55%	2.69%	-0.03%	-0.04%	-0.03%	-0.04%	-0.09%	61.85%	12.85%	79.06%	156.58%
Malaysia	1.64%	0.04%	0.02%	0.54%	0.75%	0.25%	0.69%	1.47%	3.46%	54.36%	-0.01%	58.55%
Myanmar	9.80%	44.27%	5.54%	-0.05%	-0.06%	-0.07%	-0.09%	76.70%	89.19%	25.35%	70.54%	193.82%
New Zealand	0.56%	-0.01%	0.03%	0.09%	0.13%	0.17%	0.24%	0.71%	1.29%	0.28%	-0.06%	1.52%
Philippines	0.19%	0.00%	-0.01%	-0.04%	0.46%	0.97%	13.08%	0.07%	13.76%	25.10%	0.03%	39.82%
Singapore	3.74%	0.15%	0.04%	1.25%	1.50%	0.67%	1.36%	4.86%	7.86%	6.06%	-0.11%	13.92%
Thailand	4.64%	0.02%	0.51%	0.11%	0.22%	0.05%	0.18%	0.44%	7.86%	41.68%	0.02%	51.58%
Vietnam	57.57%	1.05%	-0.20%	-0.01%	-0.02%	-0.03%	-0.03%	0.20%	17.14%	47.47%	56.86%	124.81%
ASEAN	6.11%	1.34%	0.23%	1.06%	13.37%	10.37%	23.16%	2.92%	42.08%	31.19%	6.33%	80.87%
EAS 16	1.02%	0.15%	0.04%	0.16%	1.50%	1.21%	2.61%	1.25%	5.87%	7.76%	0.67%	14.55%

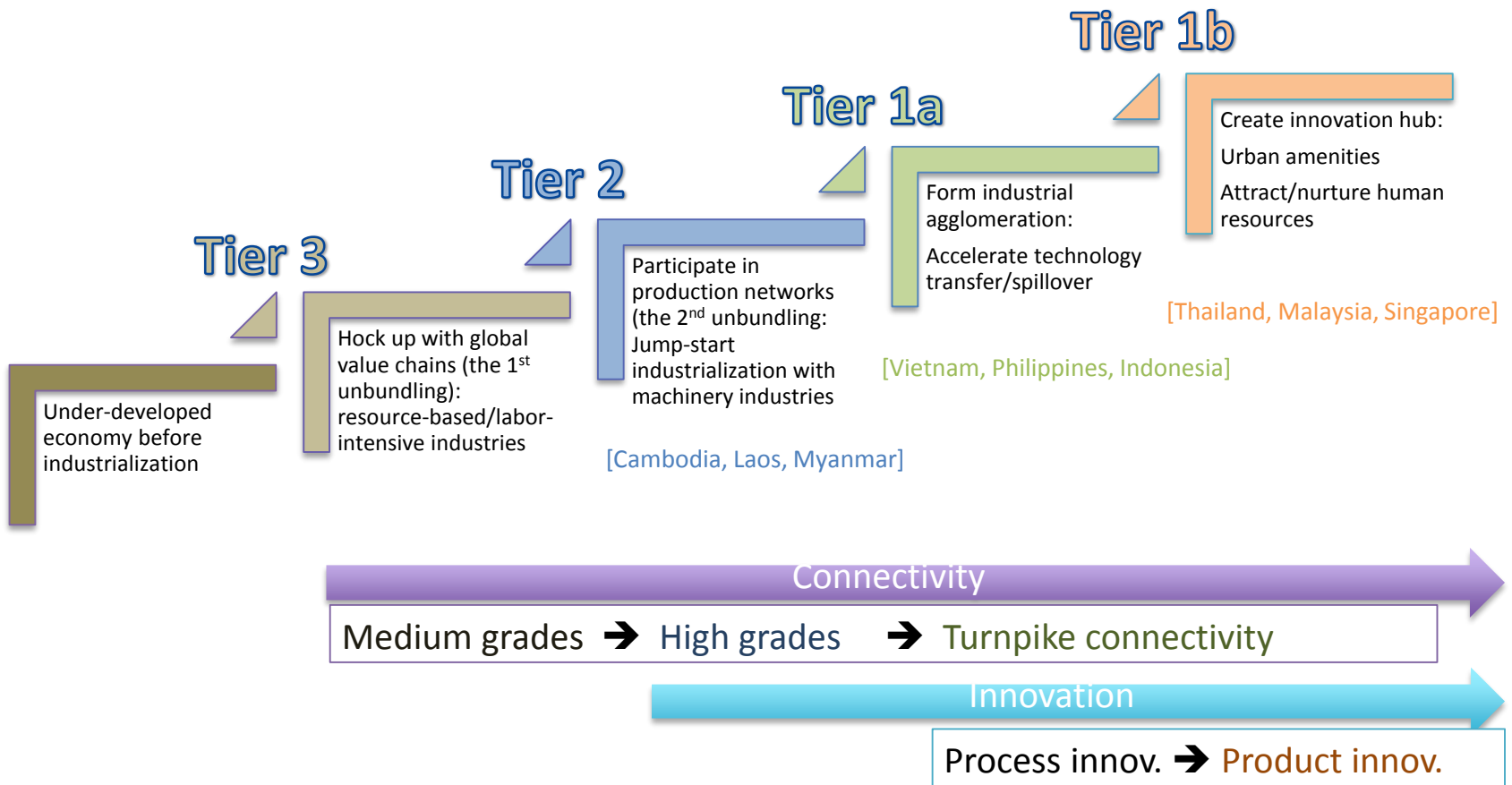
Source: IDE/ERIA-GSM simulation result.

Source: ERIA (2015).

# 2. Connectivity

- The tier structure in utilizing global value chains (GVCs).
- Simultaneous improvement of connectivity/location advantages in Tier 3, Tier 2, and Tier 1a/1b.
  - Tier 3 for remote/isolated areas
    - Medium-grade connectivity will generate various business models in ag./fishery/food processing, mining, cottage industry, tourism, and others
  - Tier 2 for secondary cities (Davao, Cebu, Zamboanga, ...)
    - High-grade connectivity will make them participate in production networks
    - High potential for starting from labor-intensive industries/production processes
  - Tier 1a/1b for GVCs/ICT connectivity as a gateway to the innovation in the world

# A new development strategy for ASEAN and East Asia and the quality of infrastructure



Source: ERIA (2015).

Table 4.4.1. Forecasted Population Size of Urban Agglomeration in ASEAN (thousands)

Country	Urban Agglomeration	2015	2030
Cambodia	Phnom Penh	1,731	2,584
Indonesia	Jakarta	10,323	13,812
	Surabaya	2,853	3,760
	Bandung	2,544	3,433
	Medan	2,204	2,955
	Semarang	1,630	2,188
	Makassar	1,489	2,104
	Palembang	1,455	1,888
	Batam	1,391	2,486
	Pekan Baru	1,121	1,731
	Denpasar	1,107	1,870
	Bogor	1,076	1,541
	Bandar Lampung	965	1,350
	Padang	903	1,254
	Samarinda	865	1,291
	Malang	856	1,156
	Tasikmalaya	787	1,305
	Banjarmasin	682	955
	Balikpapan	655	973
	Jambi	604	874
	Pontianak	603	844
	Surakarta	504	668
	Mataram	457	662
	Manado	426	579
	Ambon	425	679
	Yogyakarta	385	503
Lao PDR	Vientiane	997	1,782
Malaysia	Kuala Lumpur	6,837	9,423
	Johor Bahru	912	1,249
	Ipoh	737	998
	Kuching	560	755
	Kota Kinabalu	478	673
	Kuantan	440	617
	Seremban	422	585

Country	Urban Agglomeration	2015	2030
Myanmar	Yangon	4,802	6,578
	Mandalay	1,167	1,654
	Nay Pyi Taw	1,030	1,398
	Bago	518	783
	Mawlamyine	487	698
	Monywa	478	748
Philippines	Manila	12,946	16,756
	Davao City	1,630	2,216
	Cebu City	951	1,278
	Zamboanga City	936	1,313
	Cagayan de Oro City	688	958
	General Santos City	616	859
	Bacolod	559	753
	Iloilo City	457	611
	Lapu-Lapu City	447	681
	Basilan City	424	570
	Mandaue City	374	521
	Cotabato	351	543
Singapore	Singapore	5,619	6,578
Thailand	Bangkok	9,270	11,528
	Samut Prakan	1,814	3,139
	Udon Thani	526	772
	Chon Buri	518	796
	Nonthaburi	409	526
	Lampang	382	576
	Nakhon Ratchasima	368	505
	Rayong	332	527
Viet Nam	Ho Chi Minh City	7,298	10,200
	Ha Noi	3,629	5,498
	Can Tho	1,175	1,902
	Hai Phong	1,075	1,569
	Da Nang	952	1,365
	Bien Hoa	834	1,225
	Vungtau	351	512

Source: United Nations (2015).



# References

- Economic Research Institute for ASEAN and East Asia (ERIA). (2015) *The Comprehensive Asia Development Plan 2.0 (CADP 2.0): Infrastructure for Connectivity and Innovation*. Jakarta: Economic Research Institute for ASEAN and East Asia.
- United Nations (2015), [World Urbanization Prospects: The 2014 Revision](#). New York: United Nations.