OECD-ERIA Joint Regional Symposium
(June 13, 2016 @Hanoi, Vietnam)

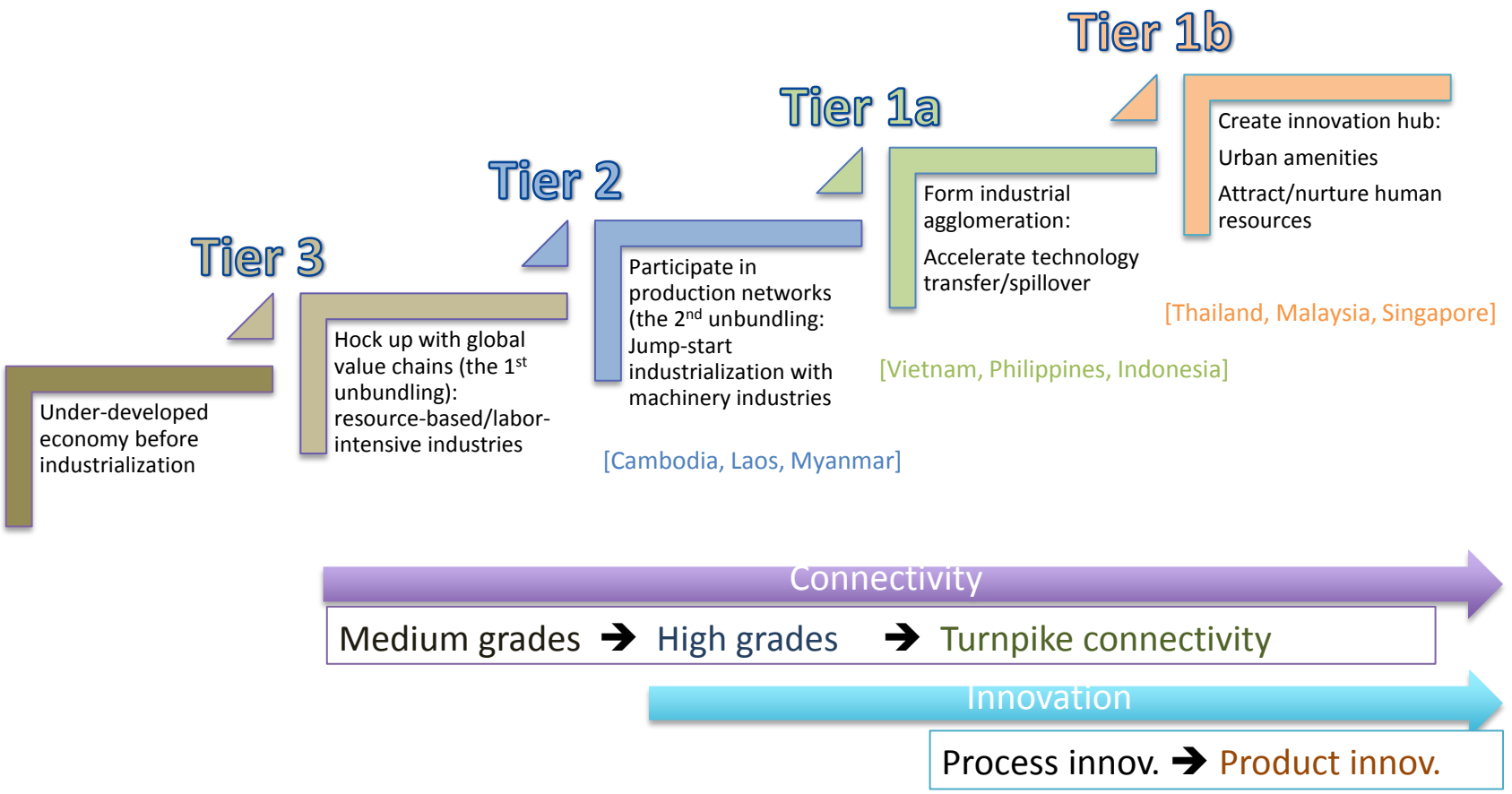
Making the most out of GVC participation

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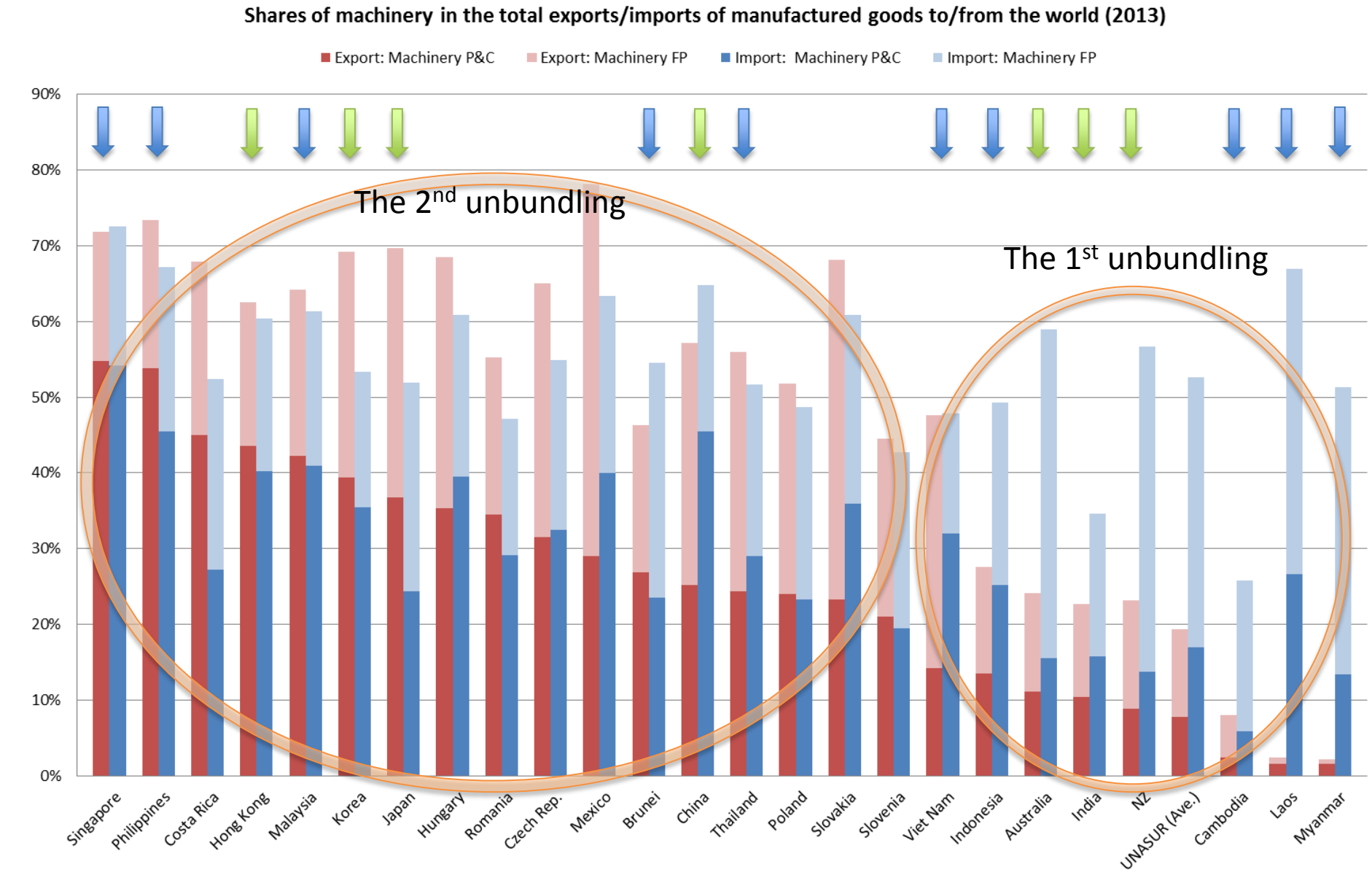
How to utilize GVCs?

- ASEAN and East Asia have explored effective usage of global value chains (GVCs), particularly in machinery industries.
- Vietnam has quickly followed ASEAN forerunners.
  - Possibilities in Tiers 3, 2, and 1b.
  - The central theme now: Tier 1a (forming industrial agglomeration with production networks and accelerating technology transfer/spillover)

A new development strategy for ASEAN and East Asia

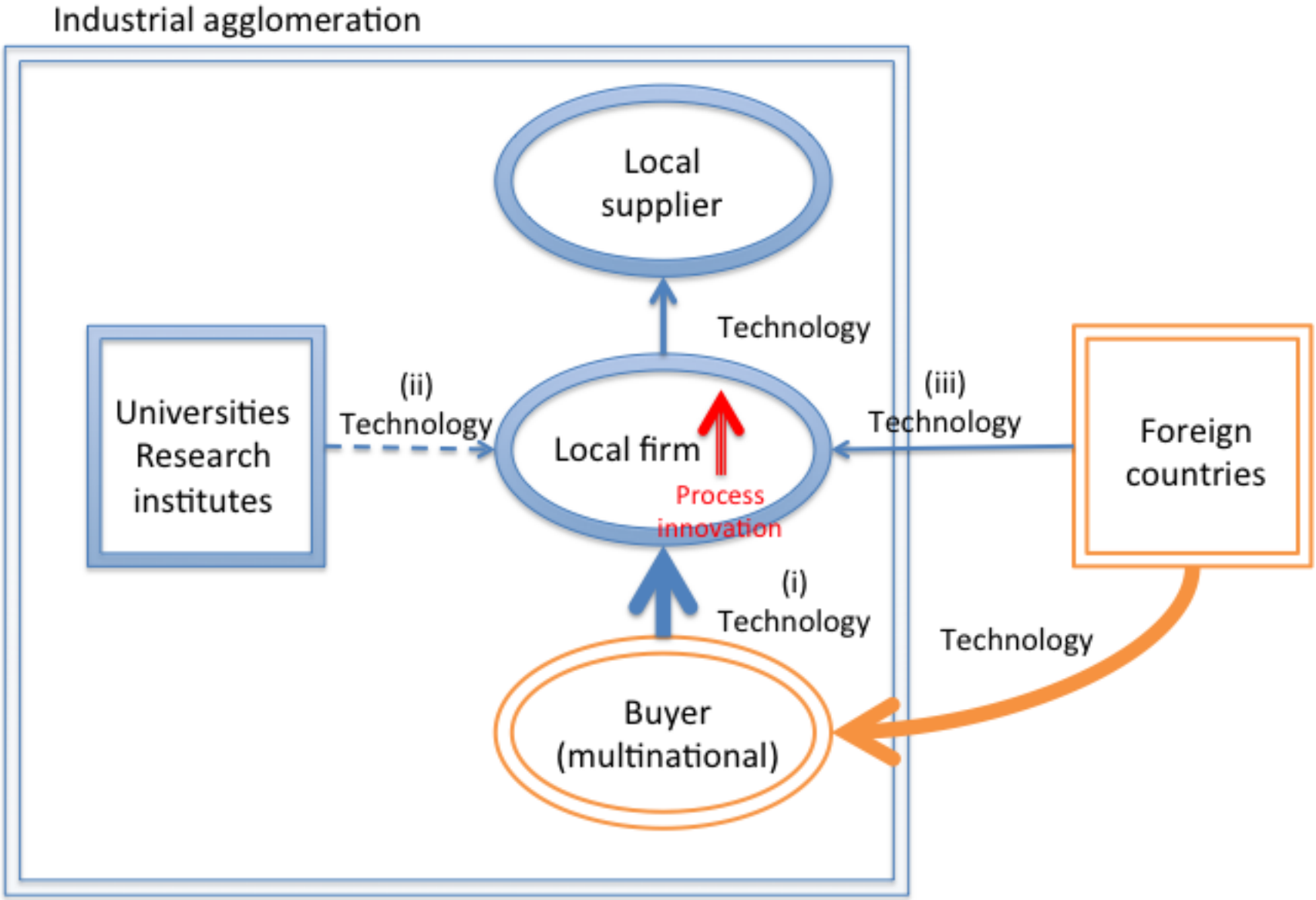


Source: ERIA (2015).



Source: Obashi and Kimura (2016).

Figure 2.9. Three Channels to Get Access to Technology

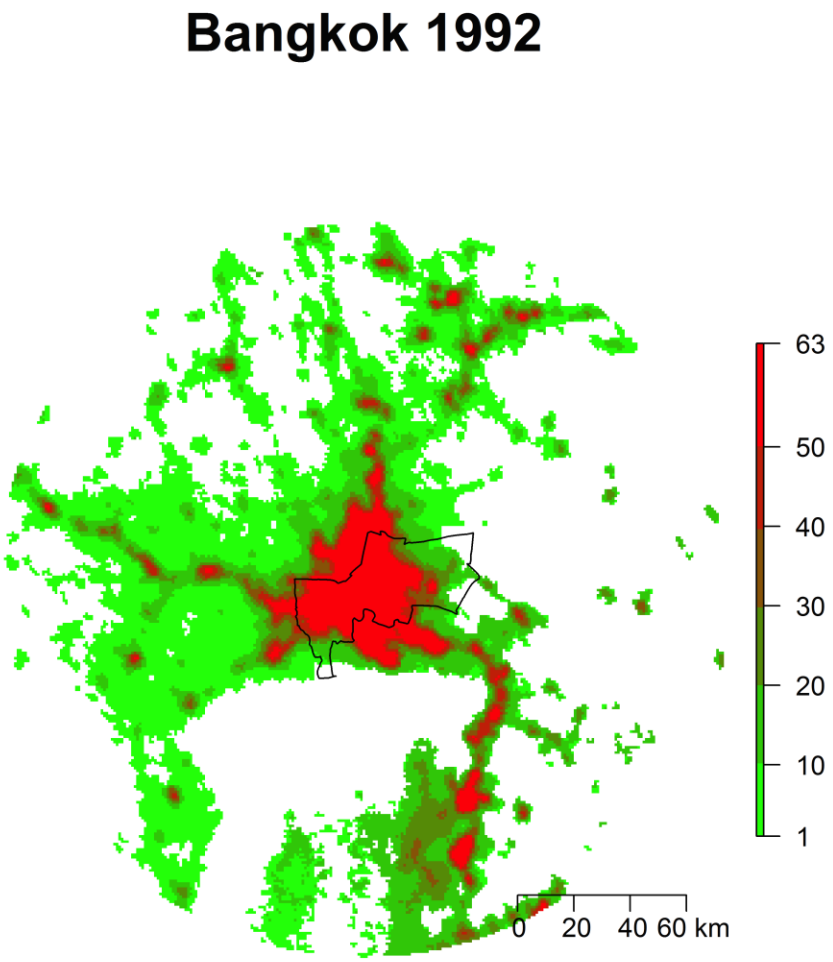


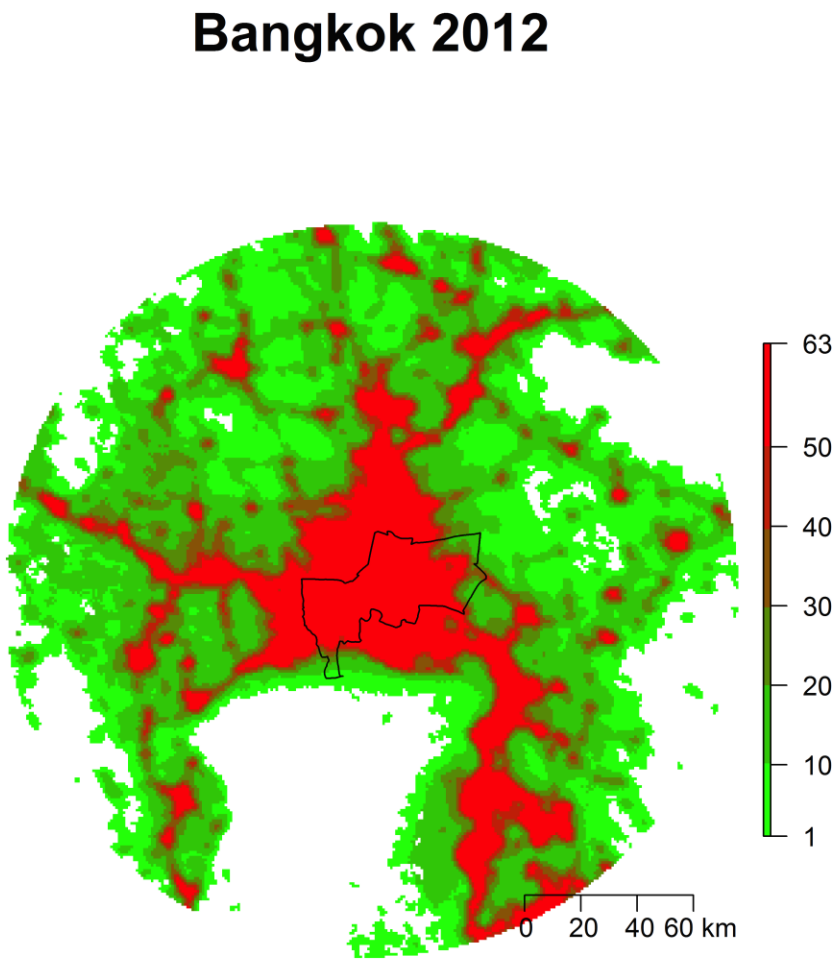
Source: ERIA (2015).

Policies for Vietnam

- FTA strategies
  - TPP and Vietnam-EU FTA
    - Set a standard for trade/investment liberalization and international rule making
    - Accelerate domestic reform
  - AEC and RCEP
    - Competitors or collaborators?
- Polices for forming industrial agglomerations
  - Full size: 100km diameter
  - Infrastructure
    - Highway network
    - Large-scale ports/airports
    - Large and stable supply of infrastructure services (e.g., electricity)
- Preparation for innovation

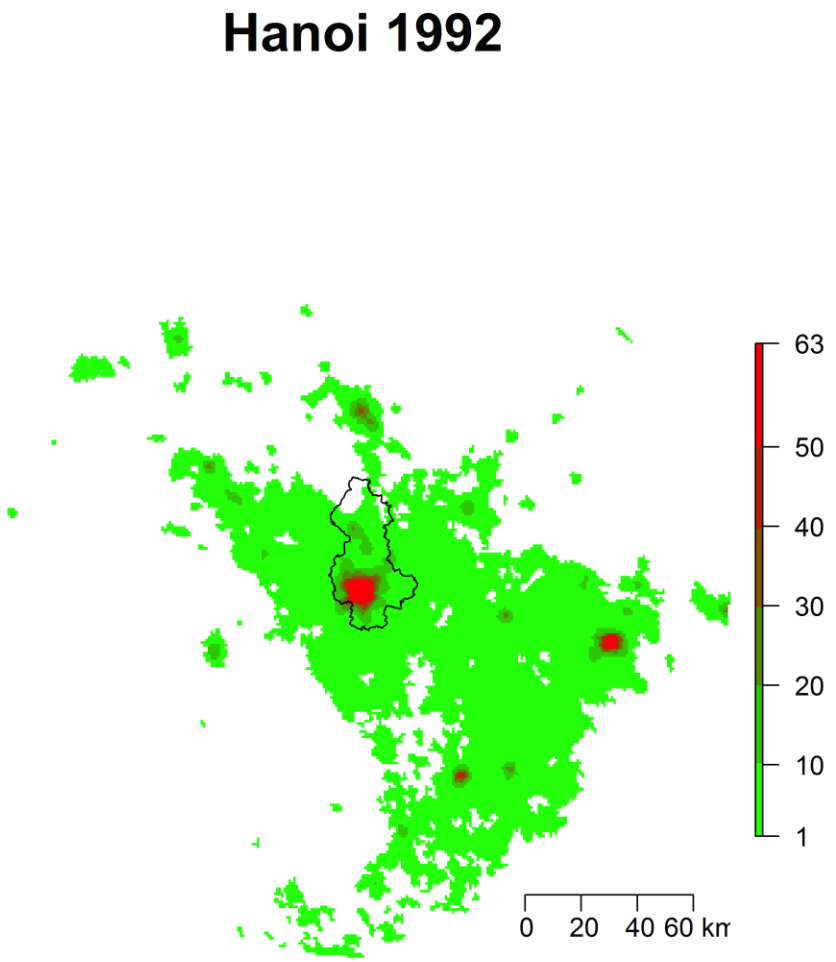
Figure 4.3.1. City Size with Nighttime Light from Satellite (conti.)

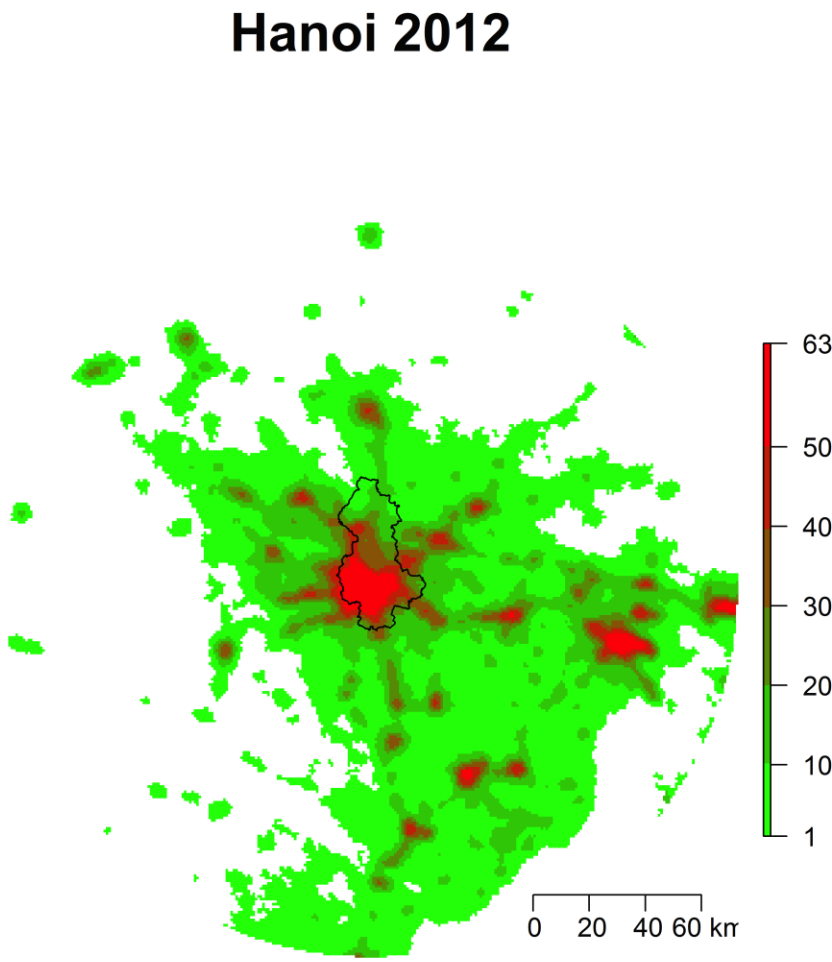




Source: ERIA-IDE GSM Team.

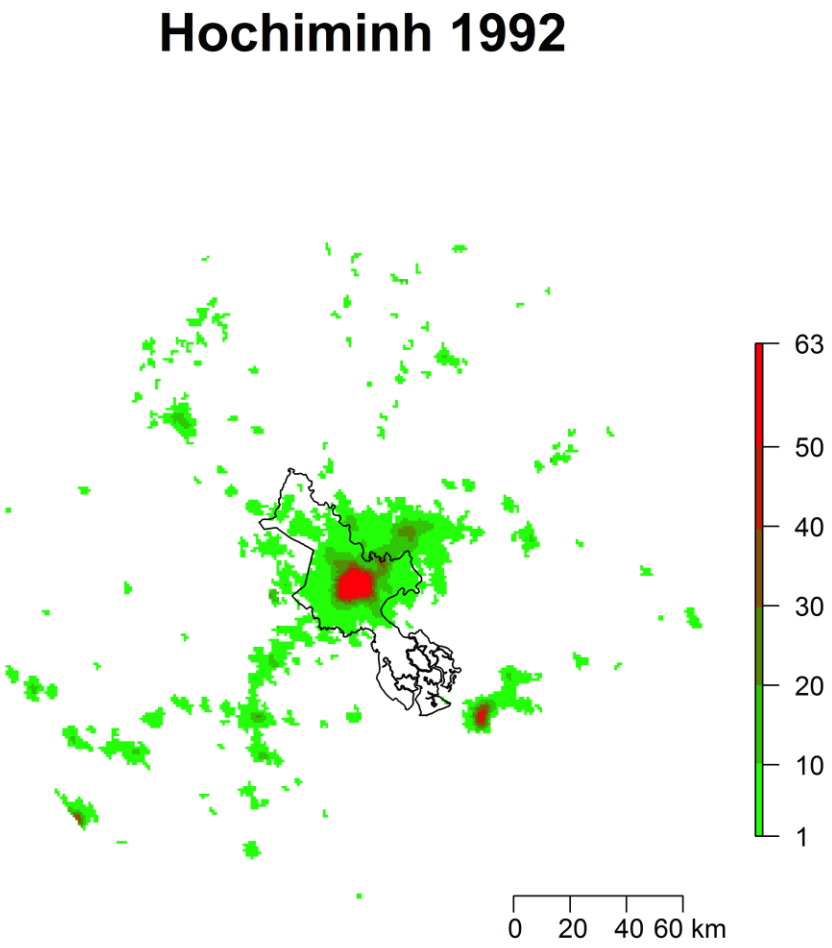
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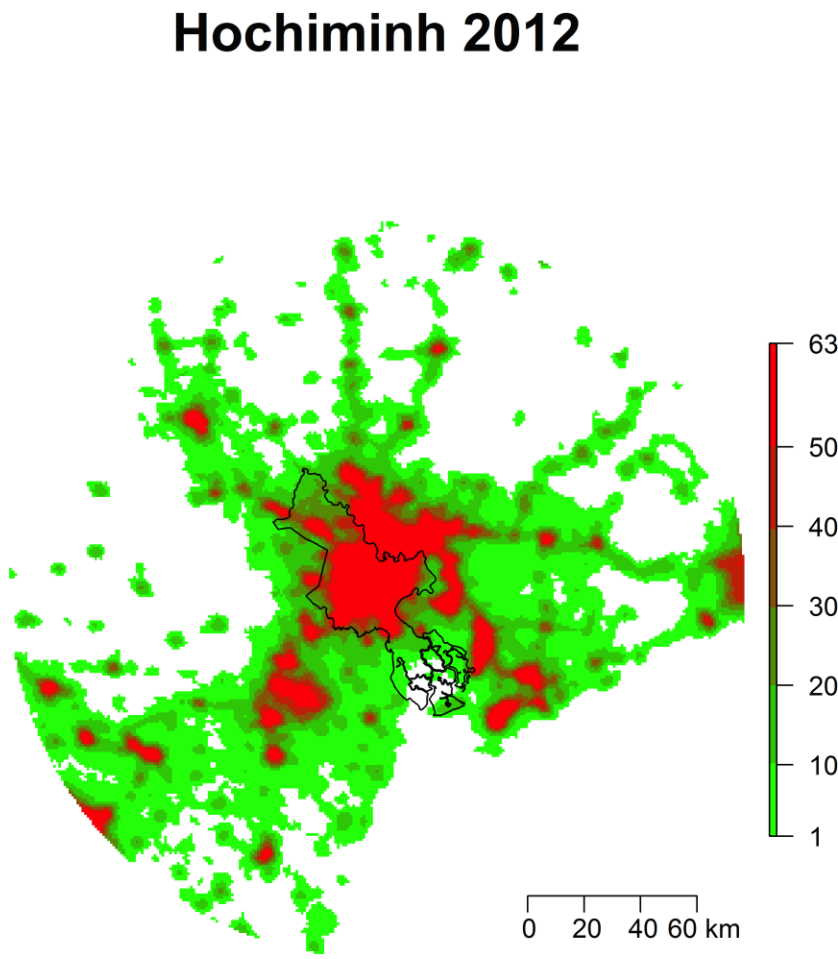




Source: ERIA-IDE GSM Team.

Figure 4.3.1. City Size with Nighttime Light from Satellite (conti.)





Source: ERIA-IDE GSM Team.

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: ERIA.
- Obashi, Ayako and Kimura, Fukunari. (2016) "Deepening and Widening of Production Networks in ASEAN." ERIA Discussion Paper 2016-09 (http://www.eria.org/publications/discussion_papers/DP2016-09.html).