

Reproduced from *Services Liberalization in ASEAN: Foreign Direct Investment in Logistics*, edited by Tham Siew Yean and Sanchita Basu Das (Singapore: ISEAS – Yusof Ishak Institute, 2018). This version was obtained electronically direct from the publisher on condition that copyright is not infringed. No part of this publication may be reproduced without the prior permission of ISEAS – Yusof Ishak Institute. E-book is available at <<http://bookshop.iseas.edu.sg>>

SERVICES LIBERALIZATION IN ASEAN

The **ISEAS – Yusof Ishak Institute** (formerly Institute of Southeast Asian Studies) is an autonomous organization established in 1968. It is a regional centre dedicated to the study of socio-political, security, and economic trends and developments in Southeast Asia and its wider geostrategic and economic environment. The Institute's research programmes are grouped under Regional Economic Studies (RES), Regional Strategic and Political Studies (RSPS), and Regional Social and Cultural Studies (RSCS). The Institute is also home to the ASEAN Studies Centre (ASC), the Nalanda-Sriwijaya Centre (NSC) and the Singapore APEC Study Centre.

ISEAS Publishing, an established academic press, has issued more than 2,000 books and journals. It is the largest scholarly publisher of research about Southeast Asia from within the region. ISEAS Publications works with many other academic and trade publishers and distributors to disseminate important research and analyses from and about Southeast Asia to the rest of the world.

SERVICES LIBERALIZATION IN ASEAN

**Foreign Direct Investment
in Logistics**

Edited by Tham Siew Yean and Sanchita Basu Das

First published in Singapore in 2018 by
ISEAS Publishing
30 Heng Mui Keng Terrace
Singapore 119614

E-mail: publish@iseas.edu.sg
Website: bookshop.iseas.edu.sg

All rights reserved. No part of this publication may be reproduced, stored in a retrieval system, or transmitted in any form or by any means, electronic, mechanical, photocopying, recording or otherwise, without the prior permission of the ISEAS – Yusof Ishak Institute.

© 2018 ISEAS – Yusof Ishak Institute, Singapore

The responsibility for facts and opinions in this publication rests exclusively with the authors and their interpretations do not necessarily reflect the views or the policy of the publisher or its supporters.

ISEAS Library Cataloguing-in-Publication Data

Services Liberalization in ASEAN : Foreign Direct Investment in Logistics / edited by
Tham Siew Yean and Sanchita Basu Das.

1. Business logistics—Southeast Asia.
2. Transportation—Southeast Asia.
3. Investments, Foreign—Southeast Asia.
 - I. Tham, Siew Yean.
 - II. Basu Das, Sanchita.

HD38.5 S49

2018

ISBN 978-981-4786-18-8 (soft cover)

ISBN 978-981-4786-25-6 (E-book PDF)

Typeset by International Typesetters Pte Ltd
Printed in Singapore by Markono Print Media Pte Ltd

CONTENTS

<i>List of Tables</i>	vii
<i>List of Figures</i>	xi
<i>Foreword by Tan Sri Rebecca Fatima Sta Maria, Senior Policy Fellow, ERIA</i>	xiii
<i>Preface</i>	xvi
<i>Acknowledgements</i>	xviii
<i>Abbreviations</i>	xx
<i>About the Contributors</i>	xxv
1. Introduction <i>Tham Siew Yean and Sanchita Basu Das</i>	1
2. Reforming Indonesia's Logistics Sector <i>Titik Anas and Nur Afni Panjaitan</i>	42
3. FDI Liberalization in Malaysia's Logistics Services <i>Tham Siew Yean</i>	77
4. Logistics Services Liberalization in the Philippines <i>Gilberto M. Llanto</i>	110
5. Services Sector Liberalization in Singapore: Case of the Logistics Sector <i>Sanchita Basu Das and Evelyn Peiqi Ooi Widjaja</i>	148
6. Logistics Services Liberalization in Thailand <i>Ruth Banomyong</i>	181

7.	Services Liberalization in Vietnam: The Case of FDI in Logistics Sector <i>Nguyen Anh Thu, Vu Thanh Huong and Nguyen Thi Minh Phuong</i>	212
8.	Services Liberalization: Case of Logistics in Brunei <i>Tham Siew Yean</i>	242
9.	FDI, Services Liberalization and Logistics Development in Cambodia <i>Vannarith Chheang</i>	268
10.	Services Liberalization in Lao PDR: FDI in Logistics Sector of a Land-linked Country <i>Phanhpakit Onphanhdala and Vanvisa Philavong</i>	297
11.	Facilitating FDI for the Logistics Sector in Myanmar: Agency, Incentives, and Institutions <i>Min Ye Paing Hein and Ruth Banomyong</i>	330
	<i>Index</i>	361

LIST OF TABLES

1.1	Ranking of ASEAN Countries for Political Stability, Perceived Level of Corruption, and Rule of Law, 2014 or 2015	7
1.2	Infrastructure Competitiveness by Sector, 2015	9
1.3	Human Capital Index, 2015 Ranking, ASEAN	10
1.4	Structure of Commitments by ASEAN Members in GATS	12
1.5	Extent of Liberalization under GATS Commitment	13
1.6	Number of Services Subsectors Covered in AFAS Packages of Commitments	16
1.7	Restrictiveness of AFAS Commitments and Applied Policies	17
1.8	Roadmap for the Integration of Logistics (RILS)	20
1.9	Liberalization Targets in Logistics	21
1.10	Contribution of Logistics Sector to National GDP of ASEAN Countries	23
1.11	Definition/Understanding of Logistics Services in ASEAN Member Countries	32
2.1	Export and Import of Services: Indonesia, 2005 and 2015	47
2.2	Contribution to GDP, 2000–14	51
2.3	Indonesia in Logistics Global Value Chain	52
2.4	FDI for Logistics Sectors	55
2.5	Foreign Equity Limits in Indonesia’s Logistics Sector	59
2.6	List of Trade Logistics Related Responsibility and Their Respective Ministries	62
2.7	Coverage of Sectors in AFAS 8 and AFAS 9	64
2.8	Indonesia’s Hoekman Index by Eleven Subsectors	64

2.9	Foreign Equity Limits in Transport Services Committed in the Ninth Package of AFAS	66
3.1	Foreign Equity Limits in Selected Services, 2016	82
3.2	FDI Restrictiveness Index for Manufacturing and Services in ASEAN, 2015	84
3.3	FDI Stock by Sector as at Year End, 2010–14	86
3.4	Principal Statistics of Transportation and Storage Services, 2010 and 2014	89
3.5	Summary of the Logistics and Trade Facilitation Master Plan, 2015–20	91
3.6	Malaysia's Commitments in WTO and ASEAN for the Logistics Sector, as of 2016	96
3.7	FDI Stock in Transportation and Storage, 2005–15	99
3.8	Exports of Transportation and Storage, 2010–15	100
3.9	Imports of Transportation and Storage, 2010–15	100
4.1	Value Added and Employment in the Philippines, 1980s to 2000s	114
4.2	Gross Value Added of the Services Sector	115
4.3	Employment in the Services Sector, 2014	116
4.4	Annual Survey of Philippine Business and Industry: Transport, Storage and Communication	117
4.5	Philippine Logistics Market Forecast	119
4.6	Domestic Logistics Performance Index, Environment and Institutions, 2016	120
4.7	Philippine International Commitments on Transportation and Logistics Services	128
4.8	Private Investments in the Transport and Logistics Sector, 2015	137
5.1	Share of Services in Total GDP and Employment	151
5.2	Sectoral Distribution of FDI Stock, 1990–2014	153
5.3	Geographic Distribution of Singapore FDI Stock	153
5.4	FDI Inflows into ASEAN Countries	154
5.5	FDI Restrictiveness Index for Manufacturing and Services Sector in ASEAN, 2015	154
5.6	Comparing Restrictiveness of Singapore's ASEAN and WTO Commitments and Applied Policies	155
5.7	Changes in the Work Permit Levy Rate for the Services Sector, 2011–16	160

5.8	Singapore Logistics Industry	161
5.9	Singapore's Commitments in Logistics Subsectors under GATS and AFAS 9	166
5.10	FDI Stocks (end-year) in Singapore Logistics Industry	168
6.1	Definitions of the Services Sector	187
6.2	Schedule of Horizontal Commitments: Thailand for the Ninth Package of Commitments under AFAS	189
6.3	Thailand's List of MFN Exemptions for the Ninth Package of Commitments under AFAS	191
6.4	Categories of Businesses as Listed in the FBA in Thailand	195
6.5	Logistics Services Firms' Registration in Thailand	202
6.6	Geographical Distribution of Registered Logistics Services Firms in Thailand, 2013	202
6.7	Assets Owned by Logistics Firms in Thailand	204
6.8	Challenges Faced by Thai Logistics Service Providers	208
7.1	Vietnam's Services Commitments under GATS and AFAS 7, 8 and 9	219
7.2	Vietnam's Classification of Logistics Services	221
7.3	Number of Logistics Companies in Vietnam, 2015	223
7.4	Limitations on Mode and Capital Contribution Ratio of Foreign Investors Engaging in Logistics Services	225
7.5	Vietnam's Commitments in Logistics Services under AFAS 9	231
7.6	FDI in Transportation and Storage, 2012–15	237
8.1	Nominal GDP by Economic Activity, 2010–15	244
8.2	Investment Incentives	249
8.3	FDI Inflows by Sector and Country, 2008–15	253
8.4	Brunei's Scores for AFAS 8 in FDI Restrictiveness	254
8.5	Key Statistics of Private Enterprises by Sector, 2010	255
8.6	Brunei's Commitments in ASEAN for Logistics Sector, as of 2016	259
9.1	GDP and FDI Inflows, 2000–15	269
9.2	Structure of Output	272
9.3	Service Liberalization AFAS 8, Simple Average of 154 Subsectors	274
9.4	Enterprise Survey 2016	275
9.5	Cambodia's Commitments in ASEAN for Logistics Sector, as of 2016	282

9.6	Investments by Sector, 2011–15	283
9.7	Investment Capital, 2011–15	283
10.1	Survey Respondents	299
10.2	List of Key Informants	300
10.3	Top Ten FDI Inflows to Lao PDR, 1989–2015	303
10.4	Top Five Foreign Investors to Lao PDR by Period	303
10.5	Major Points of Law on Investment in Lao PDR, 1988–2016	305
10.6	Incentive or Corporate Profit Tax of Investment Promotion Law 2009	306
10.7	Incentive or Corporate Profit Tax in Investment Law 2016 (draft)	307
10.8	Domestic Restrictions in Logistics Services	308
10.9	Lao PDR Schedule of Logistics Sector Commitments under AFAS 9	310
10.10	Distribution of Freight Firms in Terms of Value of Investment, Staff Qualification and Vehicles Lifetime	313
10.11	Freight Forwarders' Facilitating Equipment	315
10.12	Marketing Strategy of Freight Firms	316
10.13	Distance Between Lao Main Dry Ports and Nearby Countries' Ports	321
11.1	Negative List (Restrictions) Affecting FDI in Selected Logistics-related Activities	348

LIST OF FIGURES

1.1	OECD Regulatory Restrictiveness Index, 2015	8
1.2	Logistics Service Activities	19
1.3	Ranking in Logistics Performance of ASEAN Member States, 2016	22
1.4	Logistics Performance in ASEAN Member States, 2016	22
2.1	Services in GDP, 2000–14	44
2.2	Share of Total Employment in Services, 2014	45
2.3	Average Share of Services in International Trade, 2005–15	46
2.4	OECD Services Trade Restrictiveness Index (STRI) by Sector and Policy Area: Indonesia, 2015	48
2.5	Evolution of Indonesia’s Services FDI Regulatory Restrictiveness	49
2.6	Indonesia’s Direct Investment Projects and Indonesia’s Direct Investment Value	50
2.7	Logistics Cost	53
2.8	Share of Transportation in Indonesia’s Logistics Cost	53
2.9	Indonesia’s Logistics Performance Index, 2016	54
2.10	Overall STRI for Logistics Sectors, 2015	63
3.1	Share of Agriculture, Manufacturing and Services to GDP, 1960–2015	80
3.2	Share of Employment in Agriculture, Manufacturing and Services, 1982–2014	80
3.3	Malaysia’s Inward FDI and Outward FDI by Flows, 1980–2015	85
3.4	Malaysia’s Inward FDI and Outward FDI by Stocks, 1980–2015	85
3.5	Exports of Malaysia, 1980–2015	87

4.1	GDP Shares by Industry, 1998–2016	113
4.2	Regulatory Quality in ASEAN, 2008–13	125
5.1	Growth Rate of Manufacturing and Services, 1990–2015	152
6.1	Value of Agriculture	184
6.2	Value Added of Industry to GDP	185
6.3	Value Added of Service to GDP	186
6.4	Estimated Annual Growth Rate of the Thai Logistics Market	203
7.1	Vietnam’s FDI Inflows, 1991–2015	214
7.2	Vietnam’s Registered FDI Inflows by Group, Accumulated as of 31 December 2015	215
7.3	Vietnam’s Registered FDI Inflows by Group, 2008–15	216
7.4	Vietnam’s Registered Cumulative FDI in Services by Sector, as of 31 December 2015	216
7.5	Value and Share of Transportation and Storage in GDP	222
8.1	Brunei Darussalam Value Added, 1974–2015	246
8.2	Brunei Darussalam FDI, 2001–15	252
9.1	Logistics Performance of Cambodia	276
10.1	FDI Approvals by Sector, 2005–15	302
10.2	Staff Training Programmes	315
10.3	Obstacles of Freight Forwarding Business in Lao PDR	316
10.4	Map of Dry Ports in Lao PDR	319
10.5	Map of North–South Economic Corridor, Lao PDR	320
10.6	Map of East–West Economic Corridor, Lao PDR	322
11.1	Share of Sectors by GDP, 1995–2014	333
11.2	Share of Employment by Sector in Myanmar, 2005–14	333
11.3	Myanmar, Approved FDI, FDI Inflows, FDI Stock	338
11.4	Stock of FDI to GDP	344
11.5	Logistics Performance Index of Myanmar in 2016 Compared with ASEAN Countries (except Singapore)	345
11.6	Services Trade Restrictiveness Index for Logistics Subsectors	347

FOREWORD

ASEAN turns fifty this year. And there is cause for celebration. For a group of countries that are so economically, politically and culturally varied, it has achieved much over the five decades. To appreciate the strides made by this regional grouping one has to explore ASEAN's economic journey from modest goals of a preferential trade agreement (PTA) in the 1970s through the establishment of the ASEAN Free Trade Area (AFTA) in the 1990s, the AEC Blueprint 2015 (AEC 2015) and AEC Blueprint 2025 (AEC 2025).

The ASEAN story reflects the grouping's step-by-step confidence building approach towards integration. This served the members well, allowing for domestic adjustments even as it deepened its regional commitments, moving from voluntary liberalization under the PTA, through the rules-based ASEAN Trade in Goods Agreement (ATIGA) and services liberalization under the ASEAN Framework Agreement on Services (AFAS), and laying the foundation for an integrated investment region through the ASEAN Comprehensive Investment Agreement (ACIA). The latter three agreements are core to both the AEC 2015 and AEC 2025 as the region looks to deepening economic integration not just among the ASEAN Member States (AMS) but also with its Dialogue Partners.

ASEAN has been successful in the removal of tariffs for intra-ASEAN trade in goods; done significant work on services liberalization; and has managed some measure of streamlining of investment rules. Much work has also been done on Mutual Recognition Agreements and Standards and Conformance.

Even as ASEAN revels in its achievement, much more needs to be done. Key to ASEAN economic integration is trade facilitation. Meaningful market access for both goods and services requires that ASEAN move forward with work on Non-Tariff Measures, domestic regulations as well as continued infrastructure and human capital development. These measures are outlined in the AEC Blueprint 2025, which has the following features: (i) A Highly Integrated and Cohesive Economy; (ii) A Competitive, Innovative,

and Dynamic ASEAN; (iii) An ASEAN with Enhanced Connectivity and Deeper Sectoral Cooperation; (iv) A Resilient, Inclusive, People-Oriented, and People-Centered ASEAN; and (v) A Global ASEAN.

Complementing AEC 2025 is the Master Plan on ASEAN Connectivity 2025 (MPAC 2025). The focus of MPAC 2025 is on (i) sustainable infrastructure; (ii) digital innovation; (iii) seamless logistics; (iv) regulatory excellence; and (v) people mobility. It builds on the work done thus far to improve connectivity in the region and recognizes that much remains to be done to realize the vision of a seamlessly connected ASEAN.

Both these Blueprints highlight that it is difficult to realize economic integration, innovative and inclusive growth, and have its industries weave into global value chains (GVCs), without paying attention to both physical and institutional connectivity. Physical connectivity is a prerequisite for economic development. Trade facilitation in the form of tariff elimination and reduction in logistics costs, efficient physical connectivity of roads, rail and ports, is necessary.

However, physical connectivity must be complemented by institutional connectivity, i.e., higher trade and investment facilitation which allows for transfer of knowledge and attraction of higher level skills, and the liberalization and strengthening of GVC-supporting services such as finance, telecommunication, transport, distribution, and professional services. It is the combination of physical and institutional connectivity which would enhance ASEAN's competitiveness, and draw quality Foreign Direct Investments (FDI) needed for the region's sustained economic growth.

The AEC 2025 and MPAC 2025 stress the importance of the services sector and measures to reduce services trade restrictiveness as these have a positive indirect impact on the manufacturing sectors that use services as intermediate inputs in production. This implies ensuring the development of seamless logistics in the region through strengthening ASEAN competitiveness. Therein lies the challenge. It is in this context that this publication is relevant.

Given the complexity of the services sector it is appropriate that this publication has focused on logistics as it is not only one of the twelve priority integration sectors for ASEAN, but it also encompasses key aspects of the manufacturing supply chain. Echoing MPAC 2025, the authors reiterate that an effective logistics sector enhances efficiencies in supply-chain movements, reduces trade costs and facilitates trade across countries.

Using the OECD Regulatory Restrictiveness Index, the World Economic Forum's (WEF) Human Capital Index, the WEF's Global Competitiveness Reports, the World Bank's Ease of Doing Business reports, the World Bank's Logistics Performance Index (LPI), and analyses of ASEAN's services

commitments in AFAS and WTO GATS, the authors highlight the variation in performance and commitments across the region. The country chapters identify in detail the challenges for each AMS and dive deeper into measures that may be taken to address them.

The authors have aggregated the issues, provided substantial analyses of the challenges, and put forward recommendations that ASEAN, collectively, and each AMS, may take towards achieving the goals set out in AEC 2025 and MPAC 2025.

Policymakers in each AMS should find the individual case studies useful as they work to overcome the challenges in liberalizing and facilitating an FDI-enabling environment for the services sector in general, and the logistic sector, specifically.

Tan Sri Rebecca Fatima Sta Maria

Senior Policy Fellow

Economic Research Institute for ASEAN and East Asia (ERIA)

(and former Secretary-General,

Ministry of International Trade and Industry, Malaysia)

22 May 2017

PREFACE

A frequent question raised in discussions on Free Trade Agreements (FTAs) is the impact of liberalization in services on inflows of Foreign Direct Investment (FDI). Policymakers are concerned if liberalization has encouraged FDI inflows while researchers are keen to test the same relationship. Likewise, the public is curious as to whether FTAs are as useful as touted. Yet the relationship between liberalization and inflows of FDI is not as straightforward for services as in the case of manufacturing. This is because the services sector is frequently highly regulated due to information asymmetries between producers and consumers. Domestic regulations therefore play an important role in protecting domestic consumers but these regulations can at the same time hinder the entry of both domestic and foreign service providers. While liberalization is important, it is not sufficient and any attempt at investigating the impact of liberalization on inflows of FDI has to take into consideration the FDI enabling environment in a country.

Given this, we are motivated to undertake a study that can illuminate the academics, policymakers and businesses on liberalization issues in the services sector for the ten member countries in ASEAN. We decided to focus on FDI liberalization in services as commercial presence is considered as the most important mode of trade in services. Given the heterogeneity of the services sector, we chose to focus on the logistics industry as a case study as the industry plays a key role in the movement of goods, services and people across ASEAN.

The main objective of this book is, thus, to compare international and domestic policy measures for attracting FDI and its impact on inflows of FDI in the services sector in the ten ASEAN member countries. This has implications for ASEAN's economic cooperation, in general, and for the logistics sector integration, in particular.

To meet the objective, we gathered experts from ten Southeast Asian countries. We conducted one closed-door workshop and one public conference at ISEAS – Yusof Ishak Institute, Singapore to discuss the content of the chapters and gather feedback and comments from participants. The meetings were conducted in June 2016 and November 2016, respectively.

The book begins with an overview chapter that covers the literature on FDI in services sector, together with an analytical framework that is subsequently used in the country chapters and discussions on the logistics industry. The overview chapter also provides a preview of the subsequent country-chapters and outlines key findings and policy recommendations. It is then followed by ten country chapters written by experts on the services and logistics sector.

We hope this book will help stakeholders of ASEAN member countries and other interested parties in understanding the current state of services liberalization and facilitation measures in order to attract FDI. It will help readers to develop an understanding of the logistics sector in the region and the key factors that make it difficult to provide a seamless movement of goods and services across ASEAN member countries' borders. We hope the policy recommendations can provide food for thought for policymakers in the region.

ACKNOWLEDGEMENTS

This book would not have made it without the kind support from many within the ISEAS – Yusof Ishak Institute, Singapore. We sincerely thank ISEAS Director, Mr Tan Chin Tiong, for his unwavering support from the start to the completion of this book project. His trust in us, as coordinators of the project and subsequently as the editors of the book, has spurred us to do our very best. We also thank Dr Ooi Kee Beng, former Deputy Director of ISEAS, for his kind suggestions and advice over the course of the project.

Our heartfelt thanks to the authors, who made time for us to write the country chapters and also to attend the two meetings at ISEAS, Singapore, during the course of the project. Their frank and balanced opinion and willingness to share ideas and experiences have helped to improve the initial drafts greatly. In particular, we thank Dr Gilberto M. Llanto, President, Philippine Institute for Development Studies (PIDS) and Associate Professor Dr Ruth Banomyong of Thammasat University for sharing their insights with us at the two meetings of the initial draft chapters. We genuinely thank all authors for their patience and perseverance to work on their chapters during the review and the editorial process. It is their combined efforts that have enabled this book to be completed on time.

We are grateful, too, to Dr Francis Hutchinson, Coordinator of the Regional Economic Studies Programme, and to Dr Tang Siew Mun, Head of the ASEAN Studies Centre, both divisions based at ISEAS, for overseeing our work from inception to its final delivery. Both of them have always given us encouragement whenever we encounter unexpected difficulties during the year long duration of this project. Special thanks goes to Dr Francis Hutchinson, Dr Cassey Lee and Dr Siwage Dharma Negara of ISEAS, and Associate Professors Dr Toh Mun Heng and Dr Teofilo C. Daquila of the National University of Singapore, for moderating sessions during the two meetings of the project and also for

their useful comments. We thank all the attendees during the meetings at ISEAS for their feedback on our papers and presentations.

We are grateful to Mr Ng Kok Kiong, Head of ISEAS Publishing, and his team for their meticulous work and to Mr Ang Swee Loh and his administrative and finance staff for their dedication in performing their tasks related to the project.

Our sincere thanks also extend to Ms Pham Thi Phuong Thao, Research Officer at the ASEAN Studies Centre for her diligent and excellent assistance and other support during the final stage of the project.

We earnestly thank Tan Sri Dr Rebecca Fatima Sta Maria, Senior Policy Fellow at Economic Research Institute for ASEAN and East Asia (ERIA) and former Secretary-General, Ministry of International Trade and Industry, Malaysia, for giving an insightful foreword for this volume. Tan Sri Rebecca was also an ASEAN SEOM Leader and had served as an eminent member for ASEAN's High Level Task Force for Economic Integration.

We are thankful to all who have helped us with the project to make it a success. Any shortcomings during the course of the study or in this publication are entirely our own.

Tham Siew Yean and Sanchita Basu Das
The Editors

ABBREVIATIONS

10MP	Tenth Malaysia Plan
11MP	Eleven Malaysia Plan
2PLs	Second Party Logistics
3PLs	Third Party Logistics
AANZFTA	ASEAN–Australia–New Zealand Free Trade Area
ACFTA	ASEAN–China Free Trade Agreement
ADB	Asian Development Bank
AEC	ASEAN Economic Community
AFAS	ASEAN Framework Agreement on Services
AFC	Asian Financial Crisis
AFFA	ASEAN Freight Forwarders Association
AMs	ASEAN Member States
ASPBI	Annual Survey of Philippine Business and Industry
ASW	ASEAN Single Window
ATIGA	ASEAN Trade in Goods Agreement
ATISA	ASEAN Trade in Services Agreement
BCC	Brunei Competition Commission
BDNSW	Brunei Darussalam National Single Window
BEDB	Brunei Economic Development Board
BIMP-EAGA	Brunei Darussalam–Indonesia–Malaysia–Philippines East ASEAN Growth Area
BOI	Board of Investment
BOO	Build-Own-Operate
BOT	Build-Operate-Transfer
BRUFA	Brunei Freight Forwarders Association
CAAP	Civil Aviation Authority of the Philippines
CAGR	Compound Annual Growth Rate
CAMFFA	Cambodia Freight Forwarders Association
CAPEX	Capital Expenditure
CBTA	Cross-Border Transport Agreement

CDG	Capability Development Grant
CFE	Committee on the Future Economy
CLM	Cambodia, Lao PDR and Myanmar
CLMV	Cambodia, Lao PDR, Myanmar and Vietnam
CO	Certificate of Origin
CPC	Central Product Classification
CPPM	Customs-Private Sector Partnership Mechanism
CSEZB	Cambodian Special Economic Zone Board
DDA	Doha Development Agenda
DICA	Directorate of Investment and Company Administration
DOS	Department of Statistics
DOTC	Department of Transportation and Communication
DOTr	Department of Transportation
DPWH	Department of Public Works and Highways
DTAs	Double Taxation Agreements
DTIS	Diagnostic Trade Integration Study
DVA	Domestic Value Added
ECER	East Coast Economic Region
EDB	Economic Development Board
EPU	Economic Planning Unit
EU	European Union
EVFTA	EU–Vietnam FTA
EWEC	East–West Economic Corridor
FAST	FDI Action and Support Centre
FBA	Foreign Business Act
FBL	Foreign Business License
FDI	Foreign Direct Investment
FESR	Framework for Economic and Social Reforms
FIC	Foreign Investment Committee
FIL	Foreign Investment Law
FIMC	Foreign Investment Management Committee
FTAs	Free Trade Agreements
GAFA	Gross Additions to Fixed Assets
GATS	General Agreement of Trade in Services
GDCE	General Department of Customs and Excise
GDL	Goods Drivers Licence
GDP	Gross Domestic Product
GFC	Global Financial Crisis
GLCs	Government-Linked Companies
GMS	Greater Mekong Sub-region

GMS-CBTA	Greater Mekong Sub-region Cross Border Transport Agreement
GRP	Good Regulatory Practices
GSA	General Sales Agent
GSO	General Statistics Office
GSP	Generalized System of Preferences
GVA	Gross Value Added
GVCs	Global Value Chains
IAI	Initiative of ASEAN Integration
ICD	Inland Container Depot
ICT	Information, Communication and Technology
IDA	Infocomm Development Authority of Singapore
IE	International Enterprise
IILS	International Integrated Logistics Services
ILO	International Labour Organization
ILS	Integrated Logistics Services
IMP	Industrial Master Plan
INSW	Indonesia National Single Window
IO	Input-Output
IP	Intellectual Property
IPA	Investment Promotion Authority
IPD	Investment Promotion Department
ISIC	International Standard Industrial Classification
ITA	International Trade Administration
ITM	Industry Transformation Map
JETRO	Japan External Trade Organisation
JICA	Japanese International Cooperation Agency
KAMSAB	Kampuchea Shipping Agency and Brokers
KII	Key Informant Interview
LIFFA	Lao International Freight Forwarder Association
LPI	Logistics Performance Index
LRTA	Light Rail Transit Authority
LSPs	Logistics Service Providers
LTFRB	Land Transportation Franchising and Regulatory Board
MFN	Most Favoured Nation
MIAA	Manila International Airport Authority
MIC	Myanmar Investment Commission
MIDA	Malaysian Investment Development Authority
MIFFA	Myanmar International Freight Forwarders' Association
MLC	Malaysian Logistics Council

MNCs	Multinational Companies
MNP	Movement of Natural Persons
MoC	Ministry of Commerce
MoIC	Ministry of Industry and Commerce
MoPWT	Ministry of Public Works and Transport
MoTC	Ministry of Transport and Communications
MPAC	Master Plan on ASEAN Connectivity
MPC	Malaysia Productivity Corporation
MPI	Ministry of Planning and Investment
MRAs	Mutual Recognition Agreements
MSC	Multimedia Super Corridor
MSIC	Malaysia Standard Industrial Classification
MSMEs	Micro, Small and Medium Enterprises
NCC	National Competitiveness Council
NEDA	National Economic and Development Authority
NEM	New Economic Model
NESDB	National Economic and Social Development Board
NLA	National Logistics Association
NLD	National League for Democracy
NLMP	National Logistics Master Plan
NPDIR	National Policy on the Development and Implementation of Regulations
NSA	National Single Window
NSEC	North-South Economic Corridor
OECD	Organisation for Economic Co-operation and Development
OFDI	Outward Foreign Direct Investment
OLI	Ownership, Location and Internalization
PIC	Productivity and Innovation Credit
PIS	Priority Integration Sector
PISFA	Philippine International Seafreight Forwarders Association
PNR	Philippine National Railways
PPAP	Phnom Penh Autonomous Port
PPP	Public-Private Partnership
PSIC	Philippine Standard Industrial Classification
RCEP	Regional Comprehensive Economic Partnership
RIA	Regulatory Impact Analysis
RILS	Roadmap for the Integration of Logistics
RORO	Roll-on Roll-off

RTAs	Regional Trade Agreements
RURB	Reducing Unnecessary Regulatory Burdens
SEEs	State Economic Enterprises
SEF	Services Export Fund
SEOM	Senior Economic Officials Meeting
SEZA	Special Economic Zone Authority
SEZs	Special Economic Zones
SISLOGNAS	Development of the National Logistics System (Sistem Logistik Nasional)
SLA	Singapore Logistics Association
SMEs	Small and Medium Enterprises
SOEs	State-owned Enterprises
STRI	Services Trade Restrictiveness Index
TBP	Temporary Border Pass
TDSP	Trade Development Support Program
TFCP	Trade Facilitation and Competitiveness Project
TISA	Trade in Services Agreement
TiVA	Trade in Value Added
TPP	Trans-Pacific Partnership
TPPA	Trans Pacific Partnership Agreement
TVET	Technical Vocational Education and Training
UMFCCI	Union of Myanmar Federation of Chambers of Commerce and Industry
UNCTAD	United Nations Conference on Trade and Development
UNESCAP	United Nations Economic and Social Commission for Asia and the Pacific
UNIDO	United Nations Industrial Development Organization
VAT	Value Added Taxes
VLA	Vietnam Logistics Association
WDA	Workforce Development Agency
WGI	Worldwide Governance Indicators
WSQ	Workforce Skills Qualification
WTO	World Trade Organization

ABOUT THE CONTRIBUTORS

Titik Anas is Managing Director at Presisi Indonesia and a Lecturer in the Faculty of Economics and Business of Padjadjaran University, Indonesia. She received her PhD from the Australian National University, Australia. She can be contacted at tanas@presisi-indonesia.com.

Ruth Banomyong is currently an Associate Professor at the Department of International Business, Logistics and Transport Management at the Faculty of Commerce & Accountancy (a.k.a Thammasat Business School), Thammasat University in Thailand. He has a PhD in International Logistics from Cardiff University. He can be contacted at ruth@banomyong.com.

Vannarith Chheang is a Visiting Fellow at ISEAS – Yusof Ishak Institute, Consultant at the Nippon Foundation, and Chairman of the Advisory Board at the Cambodian Institute for Strategic Studies (CISS). He has a PhD in Asia Pacific Studies from the Ritsumeikan Asia Pacific University, Japan. He can be contacted at chheangcam@gmail.com.

Sanchita Basu Das is Fellow and Lead Researcher (Economic Affairs) at the ISEAS – Yusof Ishak Institute. She holds a Masters in Economics from University of Delhi, India, and Masters in Business Administration from National University of Singapore. She is currently pursuing her PhD from the Nanyang Technological University, Singapore. She can be contacted at sanchita@iseas.edu.sg and sanchitabasu@yahoo.com.

Min Ye Paing Hein is Executive Director of Myanmar Development Institute and member of the Development Assistance Coordination Unit (DACU) of the government of the Union of Myanmar. He received his PhD from the University of Wisconsin-Madison. He can be reached at myhein@wisc.edu.

Gilberto M. Llanto is President of the Philippine Institute for Development Studies. He was formerly Undersecretary (Deputy Minister) of the National Economic and Development Authority, and President of the Philippine Economic Society. He is Regional Coordinator of the East Asian Development Network. He has a PhD in Economics from the School of Economics, University of the Philippines. He can be reached at gllanto@mail.pids.gov.ph and gmlanto@gmail.com.

Nguyen Anh Thu is a Lecturer at the University of Economics and Business, Vietnam National University and presently is the Vice Rector of the University. She has a PhD in Economics (International Development) from Yokohama National University, Japan. She can be contacted at thuna@vnu.edu.vn.

Nguyen Thi Minh Phuong is a Lecturer at the University of Economics and Business, Vietnam National University. She has a M.A. degree in International Economics from the Berlin School of Economics and Law. She can be contacted at phuongntm.ueb@vnu.edu.vn.

Phanhpakit Onphanhdala is Deputy Director of Laos-Japan Human Resource Development Institute, National University of Laos. He has a PhD in Economics from Kobe University, Japan. He can be contacted at o.phanhpakit@gmail.com.

Nur Afni Panjaitan is Junior Economist at Presisi Indonesia, and a graduate student in the Faculty of Economics and Business of Padjadjaran University, Indonesia. She can be contacted at npanjaitan@presisi-indonesia.com.

Vanvisa Philavong is a Visiting Research Fellow at Faculty of Economics and Business Management, National University of Laos. She holds a M.S. in Economics from National University of Laos. She can be contacted at visa0373@gmail.com.

Tham Siew Yean is a Senior Fellow at ISEAS – Yusof Ishak Institute and an Adjunct Professor at the Institute of Malaysian and International Studies (IKMAS), Universiti Kebangsaan Malaysia. She has a PhD in Economics from the University of Rochester, United States. She can be contacted at siew_yeen@iseas.edu.sg and tham@ukm.edu.my.

Vu Thanh Huong is a Lecturer at the University of Economics and Business, Vietnam National University, Hanoi. She has a Master in Natural Resource Economics from University of Queensland, Australia. She can be contacted at huongvt@vnu.edu.vn.

Evelyn Peiqi Ooi Widjaja is a Senior Research Analyst at TRPC Pte. Ltd. and was a former research associate at ISEAS – Yusof Ishak Institute. She has a Masters in Education specializing in International Education Policy from Harvard Graduate School of Education. She can be contacted at peo526@mail.harvard.edu.