

16/11/2011

Mission REPORT

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| Project: | "Capacity Building for the ASEAN Secretariat, 2011-2013:: Consulting Services on Structuring and Institutional Development of the ASEAN Integration monitoring Office (AIMO)" |
| Activity | Support to AIMO for the developing of data bases to monitor AEC implementation and impact, related to the data based country analyses of ASEAN Member States and in-depth studies of relevant AEC issues" |
| Venue: | Jakarta, Indonesia 24.October.-11.November 2011 |
| GIZ Project No.: | 9913800101 |
| Report prepared by | Klaus Röder, Seidelbaststr.7, 80939 München |
| Date: | 16 November 2011 |

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Report by Klaus Röder (GIZ-Consultant 24.10.-11.11.2011 at ASEC)

The report summarizes the activities and the opinion of the consultant. It is a brief summary of the mission goal, the achievements, progress and product state: Work Program, Stakeholder Contacts, recommendation of further activities.

Other documents about the mission are and will be available: (1) A progress report at the end of the mission, (2) A technical report about the ASEAN integration information platform – AIIP to the contacted stakeholders, (3) A manual of the use of the ASEAN integration information platform – AIIP for users and administrators

The Terms of Reference, recommendations by a prior mission and considerations

A prior mission by Klaus Enders as GIZ consultant (23 May to 30 June 2011) was engaged in support of AIMO and explicitly recommended: *“To monitor progress towards the AEC, AIMO should start assembling a database of relevant indicators, which should be updated frequently and provide the basis for regular reports”*. Further it recommended: *“Along the compliance monitoring dimension, this data base would include/link to all the score card data on progress produced within ASEC under AEC schedules A1 and A2 (free flow of goods and services) for trade integration and A3 and A4 as well as financial services under A2 for financial integration”* and *“For the impact analysis, with regard to financial integration, AIMO will need data on actual financial stocks, flows, interest rates, stock market data and national accounts. The starting point should be access to the IMF's Financial Statistics (IFS)..”*

Moreover the TOR recommended: *“ASEC's statistical unit should be responsible to prepare and maintain these databases, and ensure all AIMO staff (and perhaps other ASEC staff) has ready (electronic) access”*

- These recommendations proved to be very helpful to assess
- The availability of data as ASEAN Stats
- The technical installation suitable to host such a database
- The disposability and capability of the staff of ASEAN stats to support and maintain such a database

A very important aspect, not mentioned in the TOR, is to the understanding of the consultant, the stakeholder demand for such a database.

Some effort has been undertaken to enquire about the (potential) stakeholders demands.

The initial observations, discussions and considerations showed quite a comprehensive set of statistical series collected by ASEAN Stats.¹

The main bulk of statistical data compiled by ASEAN Stats is aggregated in the Statistical Yearbook. Data of Trade, FDI and Tourism are stored in Databases, usually Microsoft Access, and compiled from raw data transmitted from member countries or directly collected from member country's statistics. All other data series of the following sectors: Population & Demography, Education & Health, Labour & Employment, Macro Economy and Transport & Communication are excerpts from international databases but maintained and updated at ASEAN Stats, stored usually in Access databases or EXCEL Files.

The Scorecard mechanism, meant to measure ASEAN integration is currently revised by ERIA². Scorecard results have been compiled but are not available as data series or indicators. However a result of a scorecard analysis has been published [1] by ASEC. It is felt that the scorecard mechanism needs clear definition and publication of continuous (numeric and methodological) result. What is intended could be compared to various documents on EU [2] and Gulf countries integration [3]. However and for the time being, the sole reference to measure integration is the roadmap to ASEAN Integration [4].and [5]. Here the different pillars are defined: *“..The AEC envisages the following key characteristics: (a) a single market and production base, (b) a highly competitive economic region, (c)*

¹ ASEAN Stats (Dr. Agus Sutanto) is reporting directly to AIMO (Dr. Aladdin Rillo).

² Economic Research Institute of ASEAN and East Asia,

a region of equitable economic development, and (d) a region fully integrated into the global economy. These characteristics are inter-related and mutually reinforcing.” Measuring the achievements in these four pillars (and their defined sub groups) can be the task for the moment. All the data series available at ASEAN Stats and described above relate to these pillars of the roadmap. If the available data series fully reflect progress in all the different aspects of integration is doubtful but at present this is the best statistical material to measure the progress of the roadmap. It has to be noted that [4].and [5] do not specify quantitative targets and hence no indicators.

It should also be noted, that many efforts have been undertake to measure progress of integration and substantial progress has been made and published not only by ERIA but also by the documents in [6]. Here detailed indicators are proposed for the various pillars and sub sectors. Again this has been proposed in 2007 as well as the implementation of a synthetic indicator platform has been envisaged in these documents but so far no technical implementation can be found. Also a mutual agreement on the methodology of the indicator selection and calculation seems to be missing an agreed framework of this kind is mandatory to implement a monitoring database of this kind. However the ASIAN Development bank (ADB) has published integration indicators in the ASIAN Regional Integration Centre in form of an Integration Indicator Database. These indicators are mostly simple statistics like coefficient of variations, weighted averages and correlation coefficients. The data sources and compilations are for three sectors (Trade, FDI and Money&Finance.) and the sources are exclusively external like Bloomberg or IMF and UNCTAD databases.

With these information and preliminaries the task to develop a monitoring database was not that easy but the approach had to be pragmatic in the following considerations:

1. What is the theoretical and methodological agreed baseline?
2. Which suitable data sources are available?
3. Which technical approach can be proposed without producing another “white elephant”?
4. Which solution is easy to implement and to maintain?
5. What additional work can be shouldered by ASEAN Stats and AIMO to implement and maintain such a system?
6. Which system is attractive enough to invite current and future customers of ASEAN Stats and AIMO to explore and consult the ASEAN integration progress?

Items 1. and 2. of this catalogue have been discussed in this chapter. A technical approach should be simple enough to accommodate existing data mainly available in form of Access or EXCEL files. Based on this the technical solution proposed is an information platform name as a working title: **ASEAN integration information platform – AIIP.**

The AIIP is based on UN-Software Devinfo 6.0 (www.defvinfo.org) with several advantages:

- No data base administration skills required for users
- Limited database administrator skills required for administrator
- Update and Maintenance of time series quick and easy (almost no additional work)
- Software is license free and adaptable to requirements
- Easy to enlarge, adapt and maintain
- Usable in different formats, on different platforms and presentations:
 - Stand-alone (as a PC access database),
 - on SQL Server as a Unix Based enterprise database web based,
 - as a Open source web based application using Unix/ Linux / Apache Server and Open Source Database MySQL database 5.0 or higher ,
 - on CD to be shipped

Some limitations: The AIIP is an information platform to display time series. It is difficult to link external data bases directly to the system however data status has to be secured by a database administrator. It is easily capable to display indicators but these indicators have to be fed / copied to the system although a technical extension would be possible to calculate simple statistics based on existing time series in the imitation of the ARIC indicators of the ADB

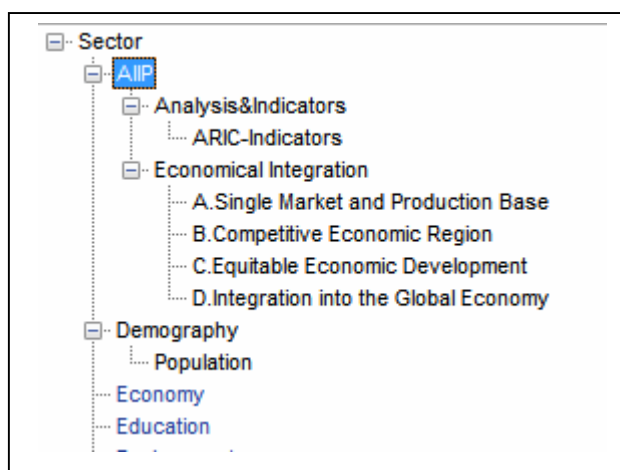
The existing AIIP is a prototype to show the potential but it NOT yet a working integration information platform.

The system has been installed on several computers at ASEAN Stats. Several Installation discs have been left at ASEAN Stats and AIMO

An Introduction to Technical Features of AIIP

The data series stored in the AIIP are related to subject groups, very similar to the WB database for World Development Indicators.

A new sector node has been created called AIIP with two sub sectors



1. Analysis&Indicators

2. Economical Integration

The second group of the AIIP prototype will basically use the ASEAN Economic Community Blueprint key characteristics [4] and[5] stored in the **Economical Integration Sector**:

- Single Market and Production Base
- Competitive Economic Region
- Equitable Economic Development
- Integration into the Global Economy

to be statistically described by data series stored, maintained and updated regularly by

ASEAN Stats. This sector divides further in various sub sectors in accordance with the Blueprint.

Other sectors like Demography, Economy belong to the existing Millennium Development Goal Statistics and have been maintained but could be removed easily

The Information to describe these key characteristics is the currently available data series (time series) at ASEAN stats as published in the ASEAN Statistical Yearbook. So far data series available at ASEAN Stats have been attributed to these sectors. These data series are macro economic series like GDP or population statistics, Trade statistics, FDI statistics and Tourism statistics Some other data series have been added from external data sources like World Bank, IMF and others. This will be documented in more detail in other documents.

Another structure includes the sector **Analysis&Indicators**. This includes and is proposed to include in the future statistical data usually from external sources like ADB or ERIA or ASEAN/AusAID. So far - **ARIC-Indicators** of Regional Integration has been added as a sub sector. Synthetic indicators of impact as in the example of ARIC-Indicators to indicate progress will rely on existing work by ASEAN / AusAID or recommendation of other institutes like ERIA. The decision of inclusion of other indicator of integration progress will have to be decided by AIMO. So far and initially only ARIC is recommended as a subgroup because other indicators are not readily available and before entering an ASEAN information platform should be officially endorsed.

All stored data are aggregated data, time series as collected and compiled by ASEAN stats or external sources

The AIIP prototype is based on standard software with Microsoft Office characteristics, easy to be updated and maintained by ASEAN Stats. More characteristics of the information platform will be explained in the separate document (3) A manual of the use of the ASEAN integration information platform – AIIP: and also subsequently in **How to use AIIP, first steps**

Summary of Work Program

An important part of the work program was to meet stakeholders of the information platform to be. The initial and foremost customers should be users in ASEC. No limits exist to enlarge the user group. Porting the software to a web server will be a standard procedure as described in the standard DevInfo documentation (download from http://www.devinfo.org/di_documentation.html)

| Week | Subject of activity | Comments / Request of stakeholders. See comments for requests to letters ^{A-F} |
|-------------------|--|---|
| 24.10.-28.10.2011 | <i>Stakeholder meetings with:</i> Mr.Haridass Nagalingam / Trade and facilitation division | Request for more information on the ASEAN website. Comprehensive information on Trade and Non-Tariff Measures (NTMs) are needed but lacking. Another useful information would be the Single Window access for users, e.g. a business person receives comprehensive information on facilities and regulations for a country / region. ^A |
| Work overview | Data collection, orientation at ASEAN Stats and AIMO. Designing ASEAN integration information platform – AIIP, Adapting to ASEAN corporate design. Developing Data structure and initiating Sector Tree | |
| 01.11.-11.04.2011 | <i>Stakeholder meetings with:</i> Mr.Rony Soerahkoesoemah/ Initiative of ASEAN Integration (IAI) and Narrowing the Development Gap (NDG) | Request for information on less developed regions. So far no aggregation of data available on ASEAN-6, CMLV (Cambodia, Myanmar, Lao, Vietnam), BIMP-EAGA (Brunei, Indonesia, Malaysia, Philippines) and IMT(Indonesia, Malaysia, Thailand) ^B |
| | Ms.Penchan Manawantikul /SME | The availability of SME data is incomplete, a list of data series which should be available and to be completed has been handed over (Annex 1) ^C |
| | Ms. Anna M.Robeniol /External Relation Division | Request for more and easily accessible information on Free Trade Areas (FTA) Bilateral Trade to (e.g.) China Request for accessible information on Merchandise, Trade & Traffic for each Nation, Tariff systems and Trade in Services ^D |
| Work overview | Data Structure elaboration, Mapping and Area specification, Solving technical issues, developing data model, Starting to feed time series | |
| 14.10.-11.11.2011 | <i>Stakeholder meetings with:</i> Lee Chen Chen/ Strategic Planning & Coordination division | Request for Information on Project management. General Request for Indicators on Economic Integration ^E |
| | Chris Tan/ consultant USAID for a renewed ASEAN IT- infrastructure | Request for a Data base on an open source platform (Linux etc.) ^F |
| | Dr. Pociano S.Intal / researcher for ERIA (Economic Research Institute for ASEAN and East Asia) | Comprehensive information on ERIA activities on Scorecards and further recommendations to ASEAN |
| Work overview | Data feeding, training of ASEAN Stats colleagues on handling, adapting of the ASEAN integration information platform – AIIP, Adapting of corporate design. Data structure, Sector Tree. Presentation of results Training of ASEAN Stats staff on the following subjects: Day 1: Use AIIP to present data in tables, business graphs and maps, Select sectors, Areas and Time. Other elements of user interface Day 2: Use Data Base Administration: Create / Use Template, Merge Template to Database, Add Data to restructured database. Add Sectors and Areas to database. Day 3: Limits of Data Base Administration software: Delete; Rename Templates by direct Database access (Access), Restructure sectors and areas. EXCEL Pivot | |

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| tables for data transfer. (See , (3) A manual of the use of the ASEAN integration information platform – AIIP for users and administrators) |
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Comments on Requests of stakeholder

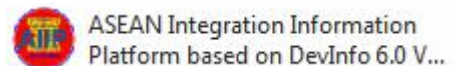
As mentioned before the stakeholders of the AIIP would be foremost ASEC's staff and departments. For this the requests of the in-house stakeholders have prominent importance and are commented subsequently:

- A.** The data series for NTMs are available but maybe not comprehensive. They have not been added in the prototype. The “Single Widow”[7] information can be added directing from an active button at the bottom line . The prototype contains a redirection to the sub page **ASEAN Economic Community** of asean.org for illustration.
- B.** The groups have been added in the AIIP structure. Data have to be prepared for these groups. Even if all country data are available the group value usually has to be calculated as weighted average (or similar). This has been subject of the training for ASEAN Stats staff
- C.** SME data series is a weak spot of the information system at ASEAN. No coordinated and comparable data are available (at least not at ASEAN) for SMEs. It is recommended to use industrial statistics for this purpose and consult national databases on this subject. On international level the high level of aggregation prevents industrial or employment data to be useless for SME information
- D.** Trade data to partners are available and could be made accessible on AIIP with relative ease. Likewise is the information on Trade & Traffic for each Nation available. However information on Tariff systems and Trade in Services are insufficient and improvement for these data sources are necessary.
- E.** AIIP will not be a suitable environment for project management and project monitoring. Another instrument would be needed for this. However information on Indicators on Economic Integration is already available and the scope of information could be enlarged, other indicators etc.
- F.** AIIP can be ported to a Web Host and an open version for a open source Unix database and a Linux/ Unix Server is available under standard DevInfo

How to use AIIP, first steps

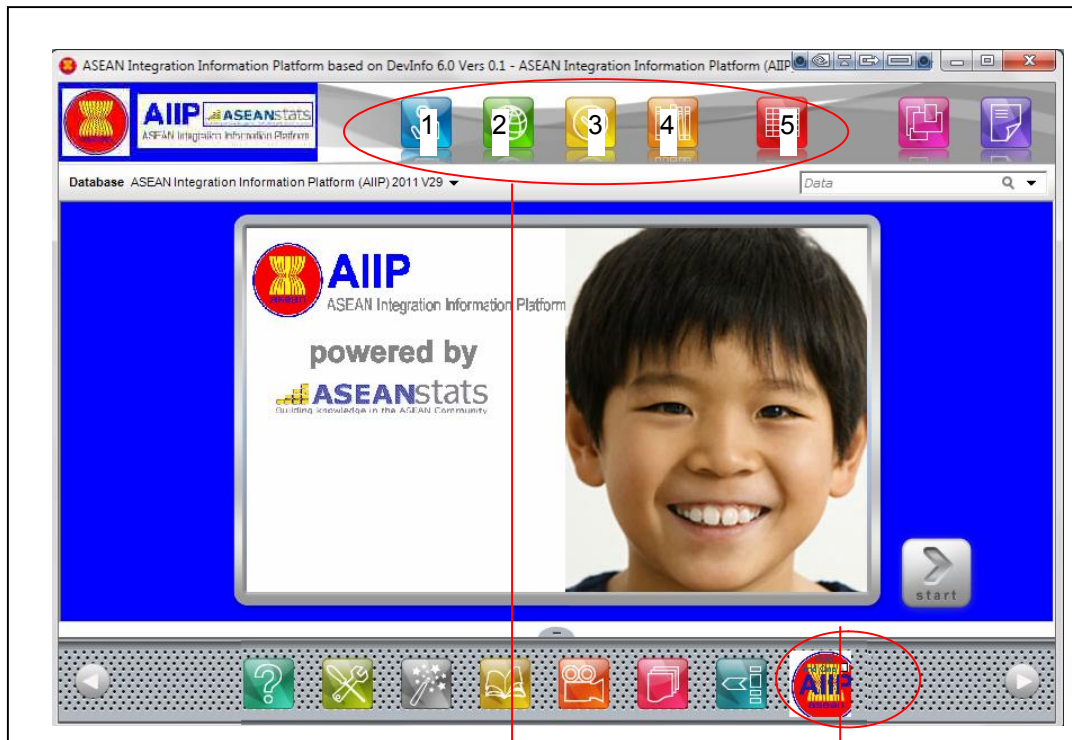
More information on handling and maintaining AIIP , examples of the generated query, special features of maintenance and recommendations of handling in (3) A manual of the use of the ASEAN integration information platform – AIIP for users and administrators

1. Call AIIP by Icon



This icon is available after installation from CD and to be replaced by clicking on the standard DevInfo icon. Then choose replace icon from the properties menu and select the above icon from the installation CD.

Principal Screen

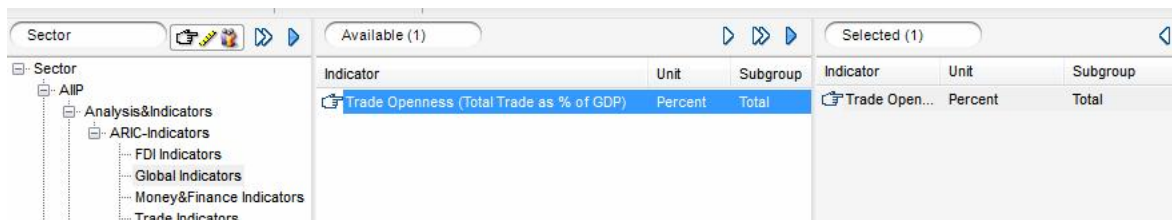


The essential user interface: 1.Choose series 2.Choose Area 3.Choose time (usually years) 4.Choose source.
Then click on 5. Data (to show the result of your query)

Click button for help on "Single Window". This feature is only a template in this prototype; it leads to the sub page **ASEAN Economic Community** of asean.org. An appropriate webpage could / should be addressed if made available by ASEAN Secretariat

All other features are standard as for DevInfo 6.0 but more adaptation is easily possible. Please refer to the user guides (download from http://www.devinfo.org/di_documentation.html) for more information on how to use and how to personalize AIIP.

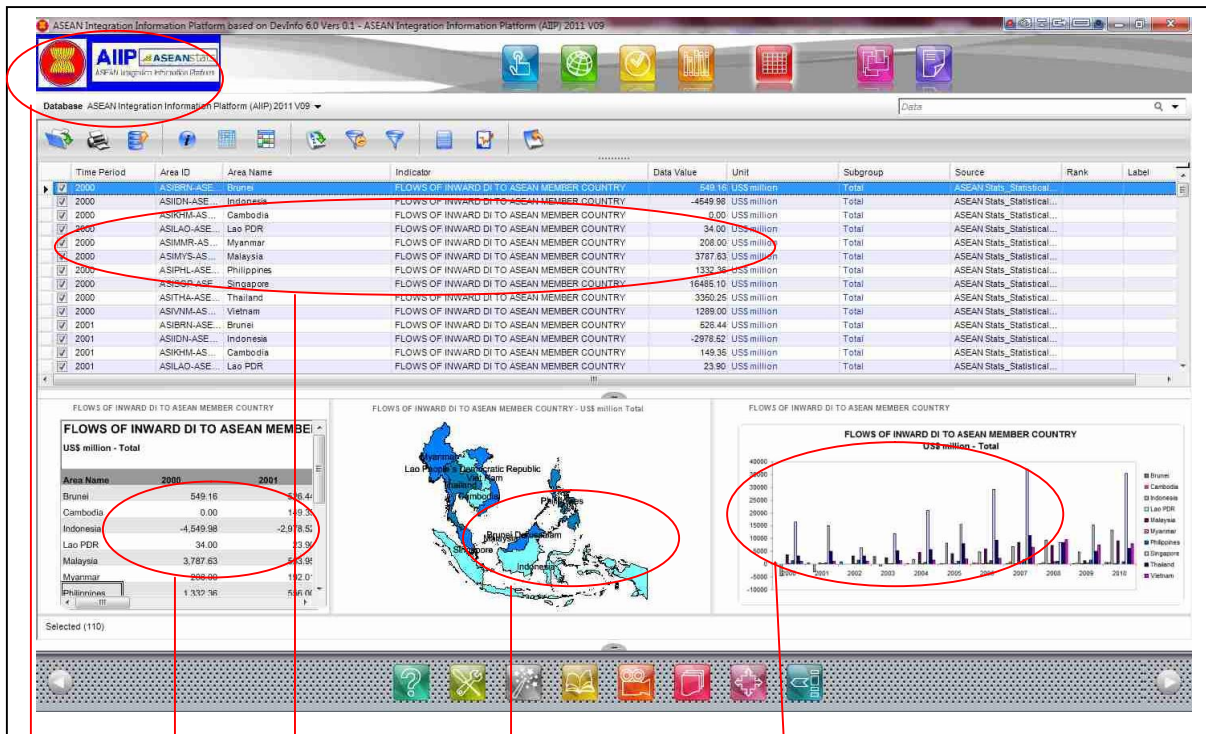
The standard approach to choose series is by clicking on button 1. and choose from the available sector selection. The data series, called indicators are associated to sectors or sub sector. The selection of sectors helps you to narrow the scope of series to choose from.



The sub sector Global Indicators has only one indicator associated: **Trade Openness (Total Trade as % of GDP)**. You select the indicator by dragging it to the rightmost window, the centre window shows all associated items, the left window shows the sector structure which opens and collapses browser like,

2. Call Series (e.g. FDI, Trade, Tourism), Areas (ASEAN, ASEAN-6, CMLV, BIMP-EAGA), Time (years)

New and adapted User Interface



Tables

Maps

Graphs (MS Office - EXCEL Style)

AIIP Design

Results of Query

The areas and times (years) are chosen likewise pick and select from the available items and drag them to the rightmost windows. The results are shown in the 4 standard windows (as above). The query results as lines of data base table (big window). The query results in table format (leftmost window on bottom), the query results in maps format (centre window on bottom), the query results in business graph format (rightmost window on bottom),

All of these elaborated results in the bottom windows are adaptable to suit the users demands. Details about the adaptation are found in the users guides. Query results can likewise be stored in a "Gallery", all in EXCEL (.xls) format for

1. Retaining the table or graph file or
2. Continuing to work on the file in EXCEL or
3. Maintaining a selection of gallery templates, file formats which will can be retrieved and refreshed with current data at a posterior stage

More information on handling and maintaining AIIP , examples of the generated query, special features of maintenance and recommendations of handling in (3) A manual of the use of the ASEAN integration information platform – AIIP for users and administrators

Recommended activities for Product AIIP

- Resolve missing data issue (e.g.SME / Trade in Services etc.)
- Resolve issue of access to international data (like IMF, ADB, WB databases)
- AIIP data structure completion
- Indicator concept, calculation and feeding to AIIP
- Resolve issue of Document storage in AIIP (Single Window)
- Continue Training / Briefing of ASEAN Stats Technical staff. Training has been initiated during the project mission
- Definition of indicators

The remaining activities have to be decided by ASEAN-AIMO office and missing structure and data probably have to be implemented by staff of ASEAN Stats.

Conclusion of recommendations

As an ad-hoc information system AIIP could be useful to make ASEAN Statistics visible. To measure advances in integration is a complex issue. The current approach is pragmatic: use of available statistics and relate them to the agreed Roadmap. Data reports can be generated easily and for the benefit of users and stakeholders. Use of available indicators and room for future and possible enhancements

It must be clear that staff and time has to be set aside for the feeding and maintenance of such system. Three staff members / Technical Officers at ASEAN Stats are currently maintaining the ASEAN Stats data (Lia Emalia, Sri Warhani Bakri, M.Fathur Rachman) and prepare the publications of ASEAN Stats. These officers should probably be responsible for the technical support of the AIIP. Database administration maintenance is best only done by one officer with one substitute; however data update can easily be maintained by all officers alike

Availability as a web based application with dedicated user rights on an Intranet would probably be the most appropriate way of dissemination for ASEAN. (Chris Tan/ consultant USAID for a renewed ASEAN IT-infrastructure might be available for technical support)

The main criteria for a success should be demand oriented, if stakeholders use the system AIIP, then it will be a success. The response rates, user's frequency and satisfaction should be observed and monitored.

References

- [1] Charting Progress towards Regional Economic Integration ASEAN ECONOMIC COMMUNITY SCORECARD. ASEAN Secretariat, March 2010
- [2] EU integration seen through statistics, European Commission, Eurostat, 2006 Edition
- [3] Integrating, Not Integrated A Scorecard of GCC Economic Integration 2011 Booz & Company Inc
- [4] ASEAN Economic Community Blueprint Jakarta ASEAN Secretariat, January 2008
- [5] Roadmap for an ASEAN Community 2009-2015 Jakarta ASEAN Secretariat, 2011
- [6] ASEAN Community progress monitoring system COUNTRY INDICATORS and MONITORING TOOLS Vol 1 and 2 ASEAN and AusAID 2007
- [7] ASEAN SINGLE WINDOW – ASEC Fact Sheet 2009

Annex 1

ASEAN SMEs BASIC DATA

| Data Name | Formula | Unit | 2005 | 2006 | 2007 | 2008 | 2009 | 2010 |
|--|---|-------------------|-----------------------|------|------|------|------|------|
| GDP Growth Rate | | % | 5.30% | | | | | |
| SME Growth Rate | | % | 7.30% | | | | | |
| SME Contribution to GDP (Value) | GDP value contributed by SMEs | Value in Currency | N/A | | | | | |
| SME Contribution to GDP (%) | GDP value contributed by SMEs % to Total GDP | % | 29.40% | | | | | |
| SME Contribution to Export (Value) | Value of Export contributed by SMEs | Value in Currency | N/A | | | | | |
| SME Contribution to Export (%) | Value of Export by SMEs as % of Total Export | % | 19% | | | | | |
| SME Contribution to Employment (Value) | No. of employment in SMEs | No. of Headcounts | 5.6 million | | | | | |
| SME Contribution to Employment (%) | No. of employment in SMEs as % of total employment | % | 56.40% | | | | | |
| SME Breakdown by Sector: | - Agro-based - Manufacturing - Services - Others | % % % 100% | 6.2 72.866 100% | 100% | 100% | 100% | 100% | 100% |

Source : Department of Statistic Malaysia, Census of Establishment and Enterprises (2005)