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Delegation from Represented by

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Position Paper for the Economic and Social Commission for Asia and the Pacific

Topic 1: The Role of Infrastructure in the Development of South East Asia

The South East region has been characterized as an area of strong economic potential with emphasis being placed on its prospect for development. South East Asia consist of eleven countries including Myanmar, Thailand, Lao PDR, Cambodia, Vietnam, Malaysia, Singapore, Indonesia, the Philippines, Brunei and East Tremor. These countries represent a diversity of culture, language, history and development. These countries have experienced significant growth through increased regional trade networks, capitalizing on their abundant labour supplies and natural resources, and transforming agricultural economies into manufacturing ones. Because of this, Southeast Asia Growth has exceeded many other developing regions and a 6.5% continued moderate regional growth rate is predicted.

Section 1: Growing Demands for Improved Infrastructure

Economic growth implicates improved standards of living, increased capabilities to solve environmental issues, and alleviate poverty. It is critical for South East Asia to take measures to ensure increased development when it is evident that there is a weak global demand, a declining Chinese economy and uncertain economic conditions in the West. While these countries grew economically, they faced various complications such has declining birth rates, shrinking workforces, and an increased necessity for technological advancement. While addressing the challenging path towards economic success, it is important to recognize the significant role underdevelopment infrastructure plays in plaguing the region, and how improved structural facilities can ensure growth continues in the long term. Economic growth has been restricted by 3-4% in terms of GDP across the region from insufficient energy, transportation, housing, communications and water facilities.

It has been forecasted that by 2025, the Asian market will represent 60% of global infrastructure spending, proving the need for increased infrastructure. It is also estimated that South East Asia will be spending $8 trillion USD over the next 15 years upgrading existing and implementing new infrastructure. Infrastructure spending should have focused on transportation and the distribution of consumer goods as well as raw materials.

Section 2: The Current State of Infrastructure in South East Asia

The infrastructure improvement in South East Asia has not been sufficient enough or even equal across all countries. The most significant infrastructure problems in South East Asia are transportation and Communication. Inland transport systems are not linked to coastal networks, as a result of insufficient policies that fail to link different modes of transport and networks together. The telephone system in South Asia is one of the lowest in the world in terms of density. As well as their internet access, which lags behind both neighbourhood and distant regions.

Section 3: Existing Regional Infrastructure Projects

There are a few regional infrastructure initiatives in place, some of which have even started two decades ago. This is significant as it acknowledges the need to pursue infrastructure in these countries.

Section 4: Constraints of the Financing of Infrastructure Projects

Government funding is the primary means by which infrastructure projects are funded in Asia. These investments face significant risk of political intervention and strict regulatory requirements, which limit the scope and capabilities of the investment.

Section 5: Addressing Challenges to Infrastructure Projects

Regional infrastructure projects are a major goal, it is important to first develop sub-regional relationships and strengthen existing alliances because of regulatory issues, coordination failures, and bottlenecks that can emerge in such negotiations.

Conclusion

While the South East Asia countries have strong potential for long-term prosperity, there are significant infrastructure demands that must be met in order to achieve infrastructure demands. Building alliances among South East Asian countries, regional institutions and the larger international community is necessary to ensure that these emerging economies continue to their growth, and obtain the infrastructure that will enable them to prosper.

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