

# **Regional Economic Integrations in East Asia and Abenomics**

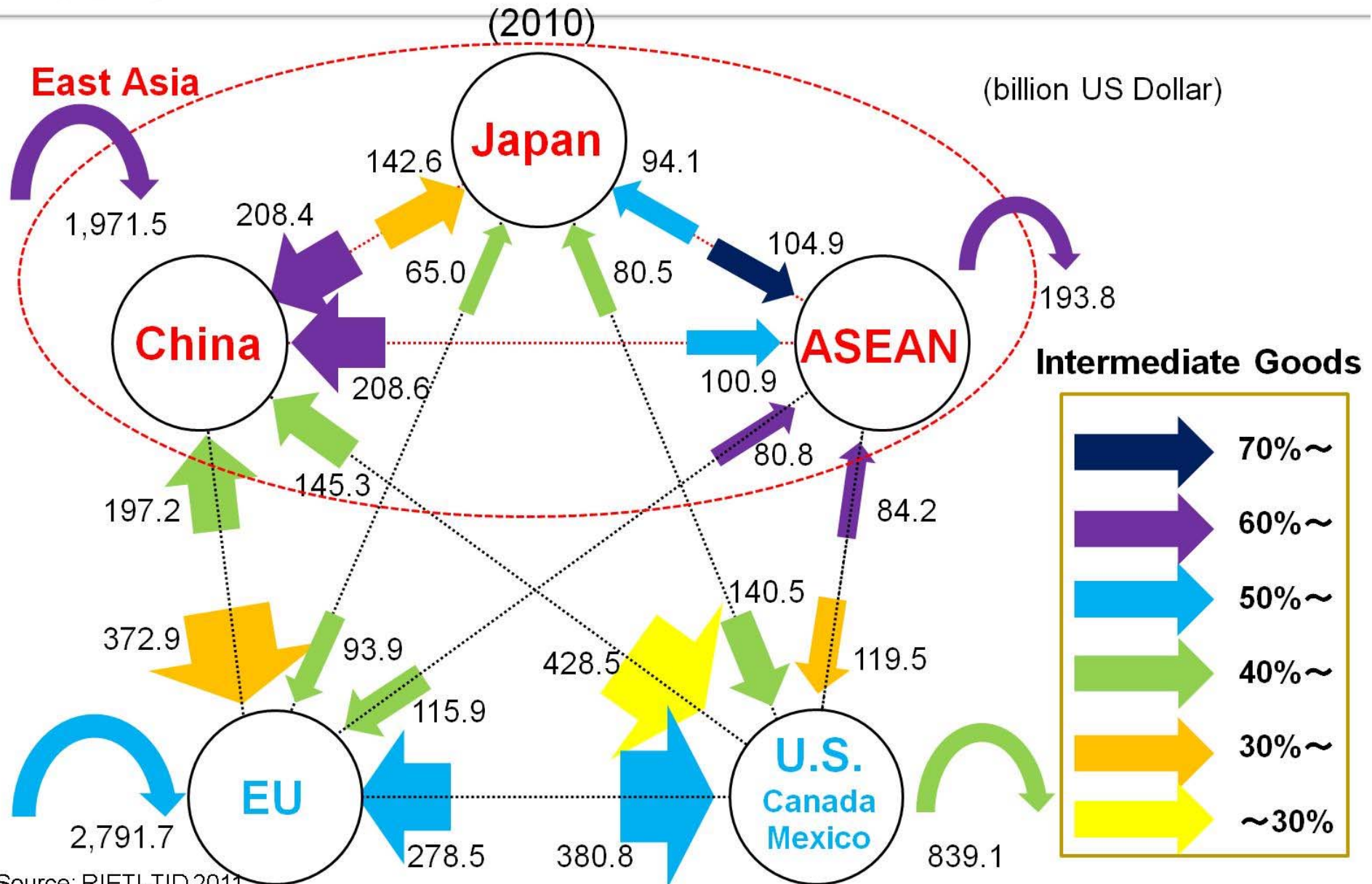
November 2014

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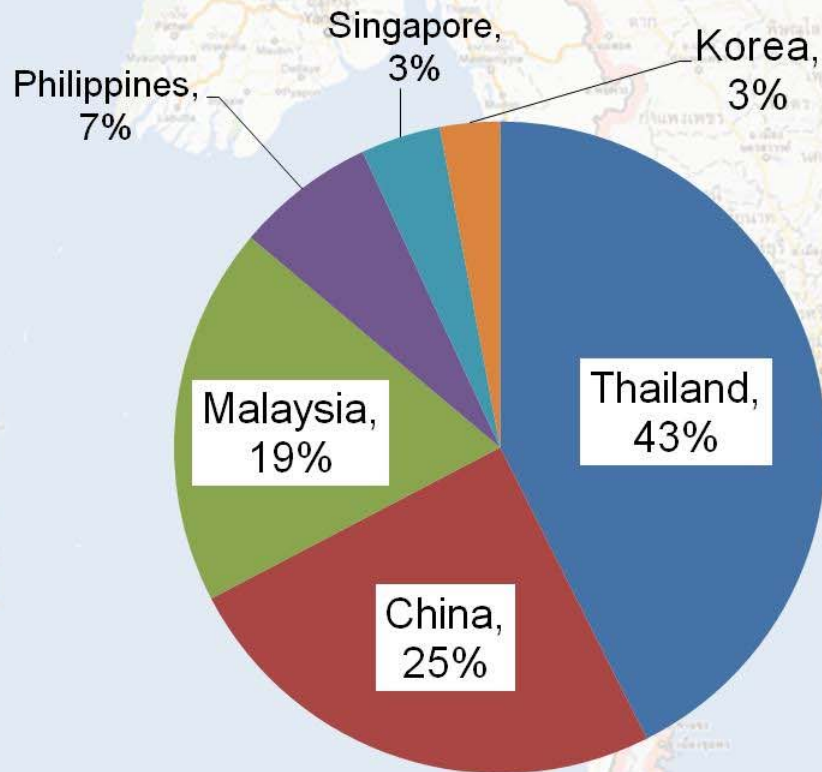
# Supply Chains in East Asia



Source: RIETI-TID 2011

# Half of HDDs in the World are manufactured in Thailand.

Share of HDDs Production (2011)



(Source) Fuji Chimera Research Institute

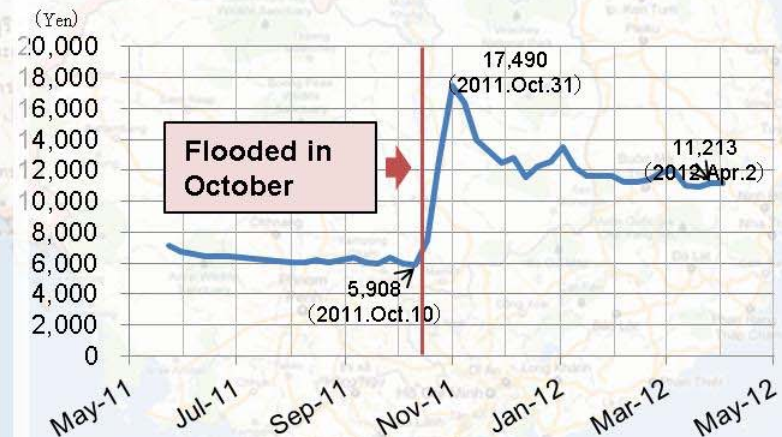
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Price of 3.5 Inch HDDs



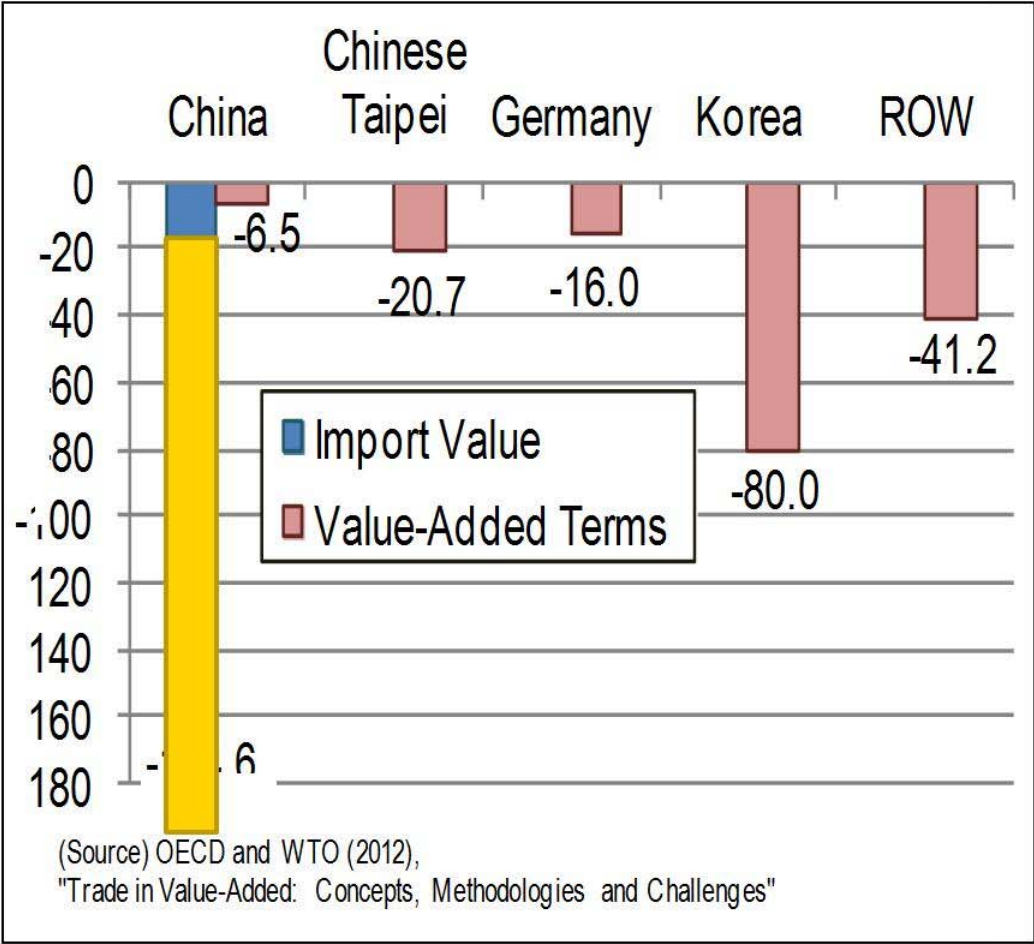
©2012 Western Digital Corporation



(Note) Price are average of "WD20EARX" by Western Digital sold in 25 stores in Thailand.  
(Source) JETRO

# Trade of iPhone in Value-Added Terms

## EU Imports of One Unit of iPhone

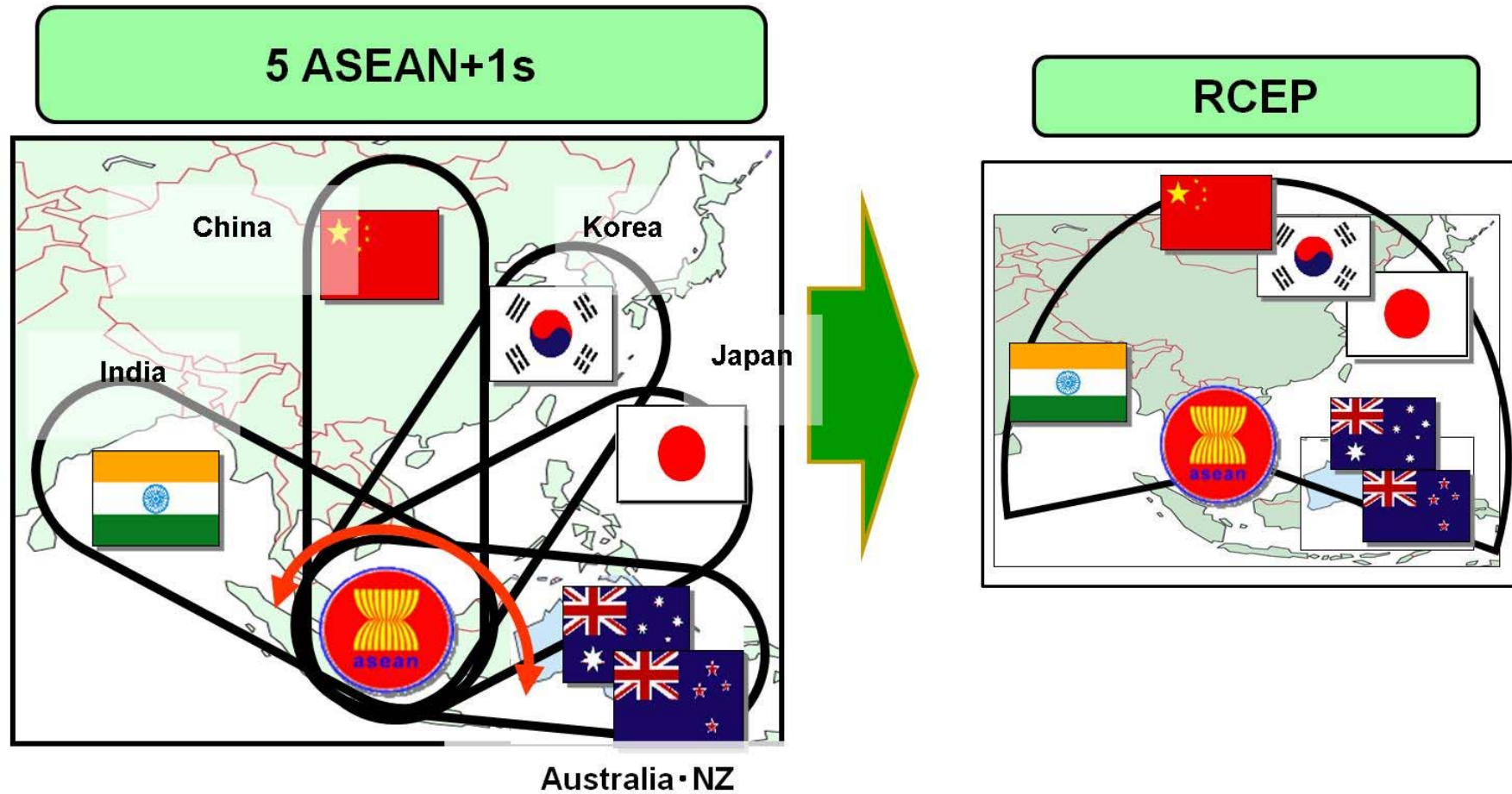


## iPhone 4S

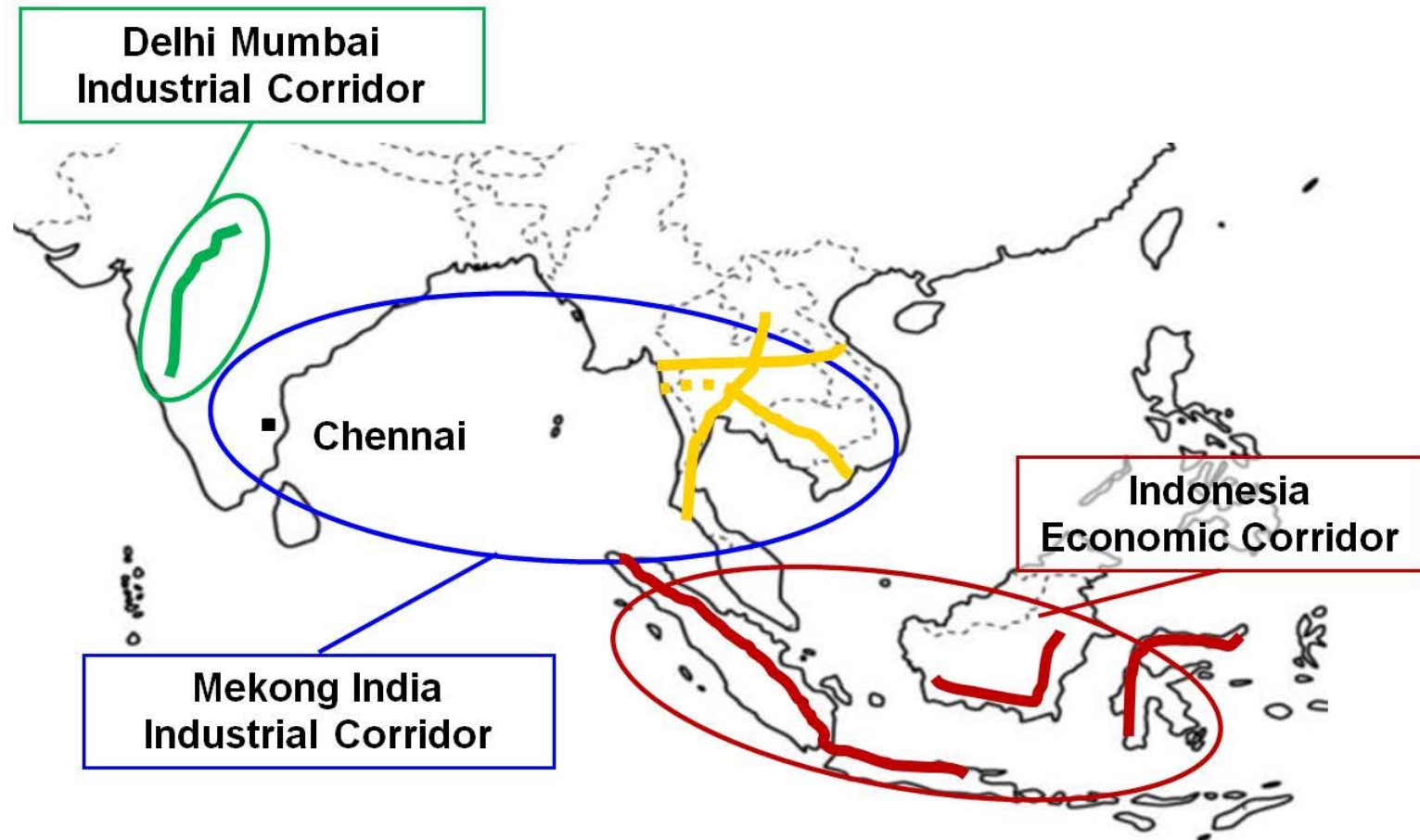


©2012 Apple, Inc.

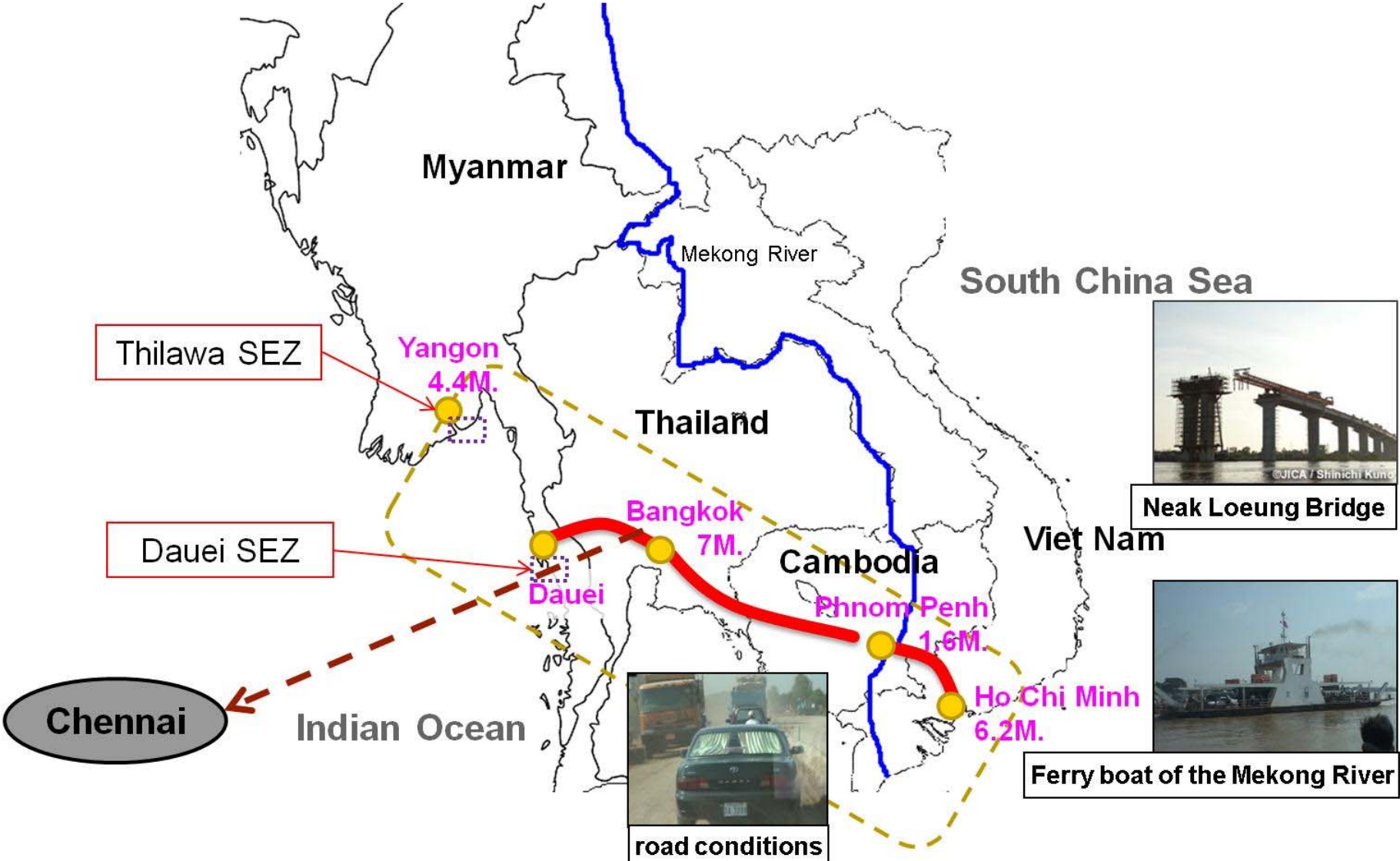
# Regional Economic Integrations in East Asia



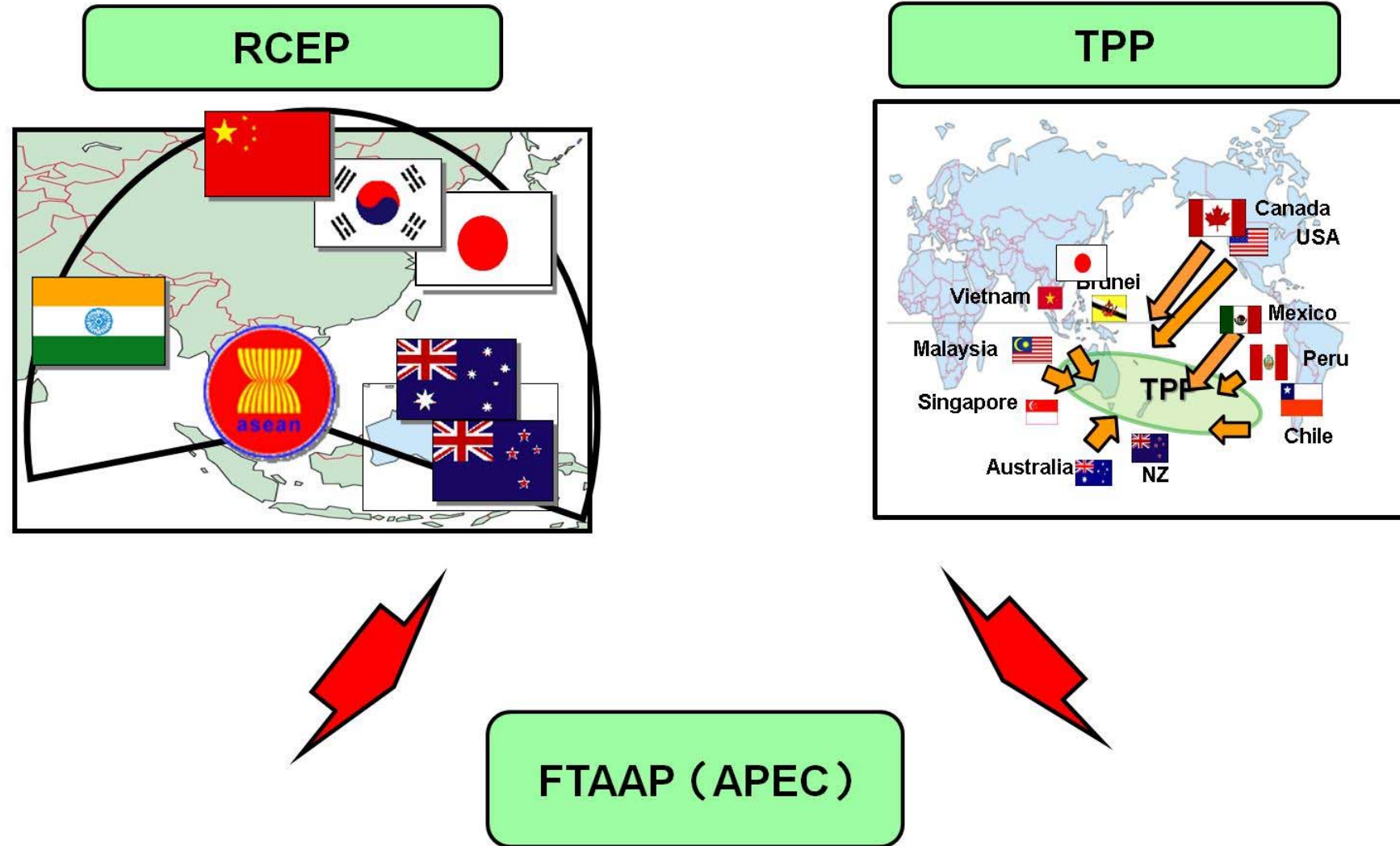
# Connectivity in East Asia



# Southern Industrial Corridor in Mekong
















# Free Trade Area Asia Pacific





# Tariffs by Products in Major Countries (2011)

(%)

	Japan 	U.S. 	EU 	South Korea 	China 	Australia 
Rice 	*778.0	11.2	0.0	5.0	65.0	0.0
Spinach 	3.0	20.0	10.4	27.0	13.0	0.0
Carrots 	3.0	13.9	13.6	0.0	13.0	0.0
Lemons 	0.0	0.8	12.8	30.1	11.0	0.0
TVs 	0.0	4.7	14.0	8.0	30.0	5.0
Automobiles (medium size) 	0.0	2.5	10.0	8.0	25.0	5.0
Light Trucks 	0.0	25.0	10.6	10.0	25.0	5.0

\*3.4USD/kg

# Negotiating Sectors of EPAs

Sectors	TPP	J-EU	WTO
Tariffs	○	○	○
Safeguards	○	○	○
SPS	○	○	○
TBT	○	○	○
Intellectual Property Rights	○	○	○
Competition	○	○	—
Investment	○	○	△
Government Procurement	○	○	○
Environment	○	○	—
Labor	○	○	—
Service	○	○	○
Dispute Settlement	○	○	○
Cooperation	○	○	—

# JAPAN – EU EPA

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Negotiation

Started in April 2013

Issues

✓ Tariff

- Autos
- Agriculture Products

✓ Non Tariff Measures

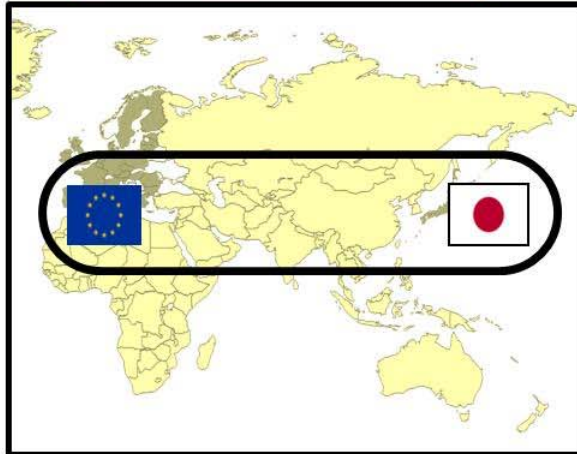
- Regulations
- Government Procurement
- GI

# APEC ASEAN+3 G20

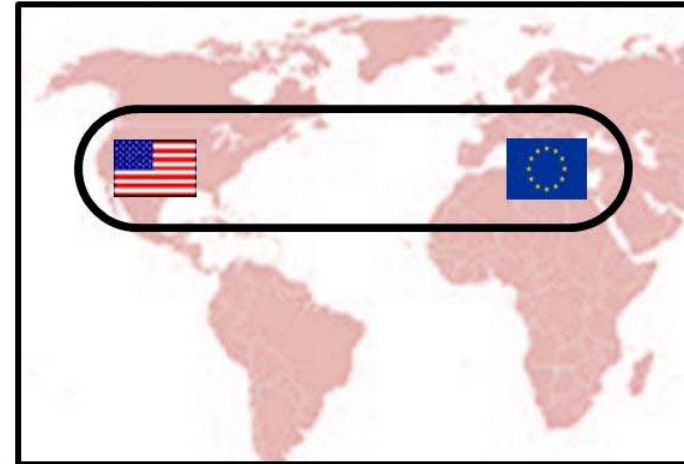


# Mega FTAs

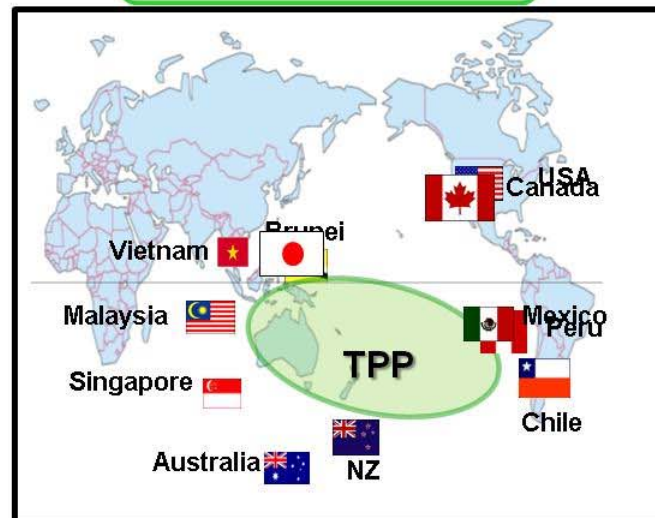
Japan-EU



TTIP



TPP



# Abenomics and Economic Recovery

## Three Arrows:

- ① Aggressive Monetary Policy
- ② Flexible Financial Policy
- ③ Growth Strategy That Encourages Private Investment

	2012	2013				2014		
	III	I	II	III	IV	I	II	III
Economic Growth	▲2.2%	+5.6%	+3.2%	2.4%	▲1.6%	6.7%	▲7.3%	▲1.6%

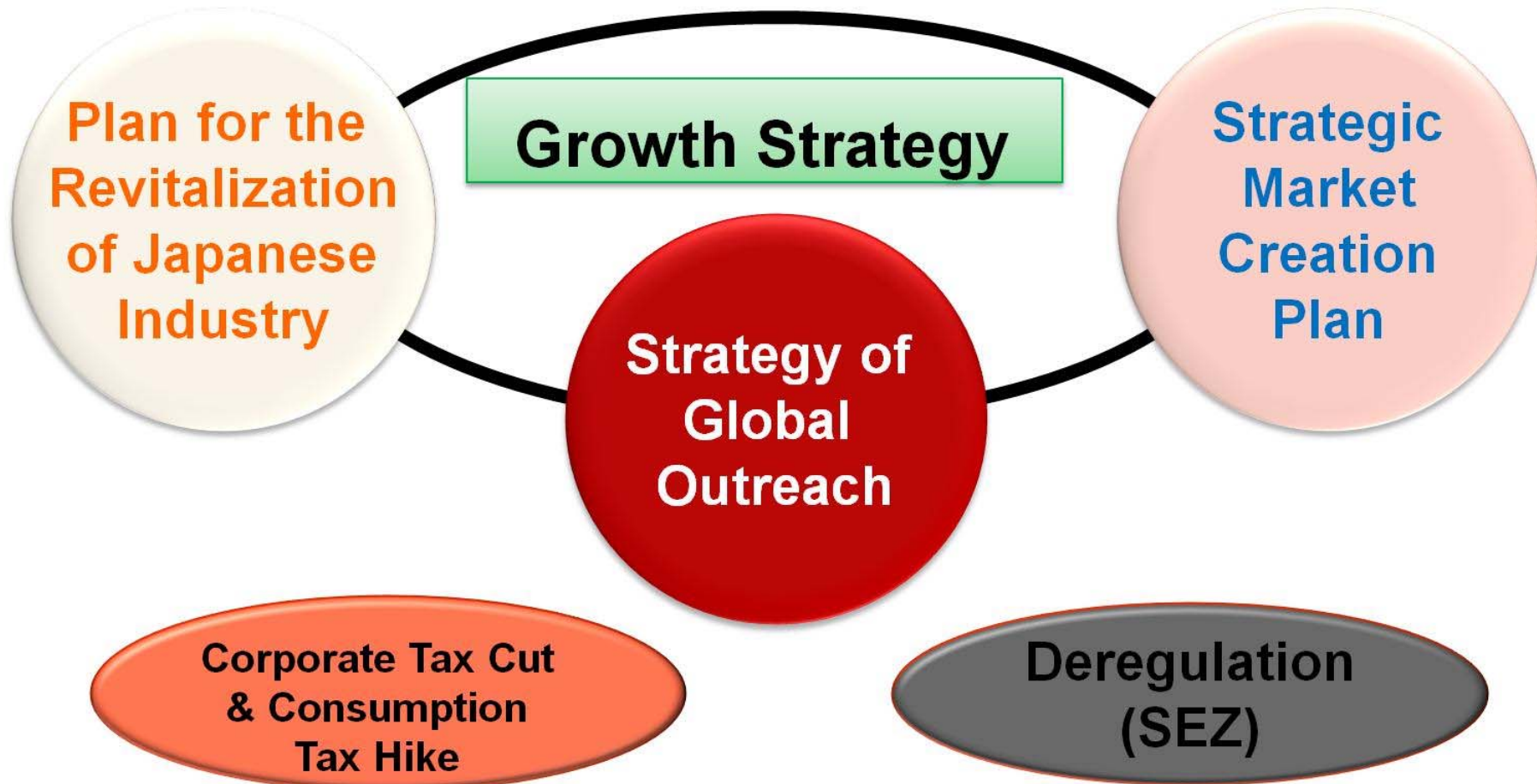


New Administration



Consumption  
Tax Hike

# Third Arrow



- Enhance Corporate Governance
- Stimulate Innovation
- Enhance Women's Participation and Advancement
- Agriculture and Healthcare Industries

# Skyline near Tokyo Station





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