ASEAN Integration and Japan-ASEAN Collaboration from Business and Science and Technology Perspectives

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Japan and ASEAN in trade and investment

Total trade:
$108 Bil in 2001——→$260 Bil in 2012

Investment by Japanese companies:
$35 Bil in 2001——→$120 Bil in 2012

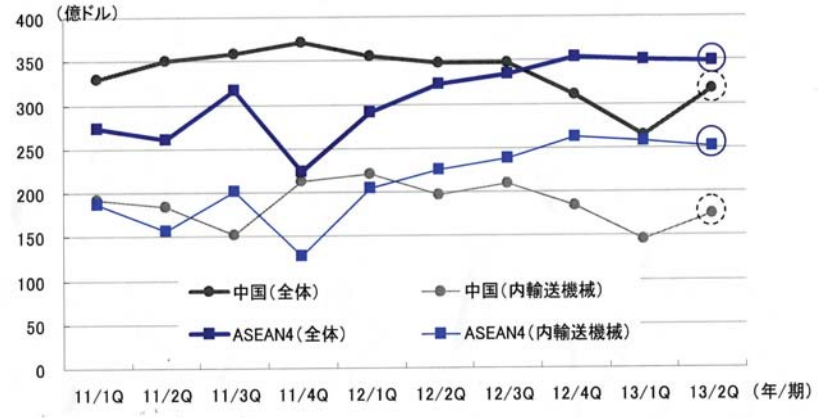
No. of Japanese companies operating in ASEAN in 2013:
4,700

ASEAN by 2020

Population: over 620 million

GDP　　: over 4 trillion dollars

■図表：日本企業の現地法人売上高（居住国内販売分）推移



（注）ASEAN4はタイ、インドネシア、フィリピン、マレーシア。

（資料）経済産業省「海外現地法人四半期調査」よりみずほ総合研究所作成

Purposes and actions of Japanese corporations to go into GMS

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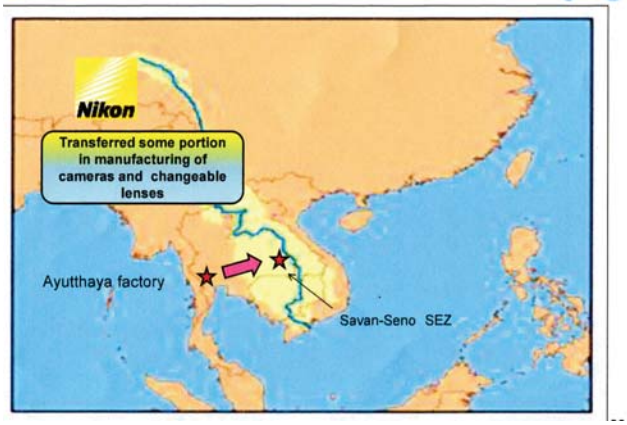

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Japan/ASEAN Collaboration on a long term basis

- expanding the flow of goods, services and investment
- enhancing the attractiveness of ASEAN as an investment destination
- increasing technology transfer from Japan to ASEAN
- nurturing small and medium sized companies including young ventures
- developing science and technology collaboration in such fields as energy efficiency and conservation, healthcare
- expanding cooperation in education and capacity building
- collaborating on disaster and emergency preparedness and response

Reverse Innovation: Create far from home, win everywhere

(Govindarajan and Trimble, Dartmouth Business School, 2012)

Global dynamics of innovation are changing. No longer will innovation traverse the globe in only one direction, from developed nations to developing ones. They will flow in reverse.

Innovations originally developed for poor countries come to the rich world. In the next few decades market leadership in poor countries will be a prerequisite to continued vitality in rich ones. If you stand by and watch while others solve problems in poor countries, you will discover not just that you have new rivals, but that you have fallen far behind, perhaps too far behind to ever recover. Winning in poor countries today assures success in rich countries tomorrow.

“ The High-Intensity Entrepreneur “（HBR2010年9月号）

High potential ventures are surfacing where no one is looking for them— in Beirut instead of Boston, in Cape Town instead of Silicon Valley-among people who have historically been outside the economic power structure.

What's surprising is that so many of these companies aren't in the fast-growing markets the world is already watching, such as India or Brazil. They are cropping up in places like Jordan, Saudi Arabia, and Africa. Finding and investing in them may be one key to reenergizing the global economy.

Three trends that will accelerate high-growth entrepreneurship in the emerging world:

1. Migration of talent: Entrepreneurial talent is being distributed around the world as the best and brightest leave the West and return to their home countries to start companies.
2. A pent-up supply of entrepreneurs: As political and economic conditions relax in emerging countries, and as more entrepreneurs from Africa, Asia, Latin America, and the Middle East become household names, we expect to see entrepreneurship take off as it has done in India and China.
3. Relatively low seed-capital requirements: Among firms that have applied to be part of our fast-growth rankings, the average first-year investment was $200,000. Most midcareer entrepreneurs have little trouble raising that amount from their own savings or from their first round of customers.

We may be on the verge of a global entrepreneurial heat wave. High-intensity entrepreneurs are beginning to flourish in unlikely places, generating new product-market combinations with unbounded potential.

MINATEC (France)

* Micro- and nanotechnology innovation campus based in the heart of Greater Grenoble

* With higher education, fundamental and applied research, industrial innovation, technological R&D infrastructures and investors, the MINATEC campus brings together in one place the resources to match the stakes and challenges of these fields, * Open to exchanges and cooperation of all kinds, the campus is a multicultural melting pot of ambitious projects and advanced learning, * More than 400 companies and universities from 35 countries participate, * Intellectual property experts, patent lawyers and venture capitalists also participate, * Shared facilities include laboratories, advanced equipment, incubation center, and clean rooms.

---Cooperation and partnership are key words for competitiveness in research and innovation. Bridging research and industry is of mounting importance.

NanoTech Complex at College of Nanoscale Science and Engineering (CNSE), State University of New York at Albany

* Originally established and funded by IBM and New York State Government as School of Nanoscience and Nanoengineering at SUNY Albany in 2001 and as a combined vision of government, academia and industry,

* Accredited as CNSE in 2004, $14 billion endowment, 800,000-square-foot complex

* More than 3,100 scientists, researchers, engineers, students, and faculty on site at Nanotech Complex including those from IBM, AMD, GlobalFoundries, SEMATECH, Toshiba, Applied Materials, Tokyo Electron, ASML, Lam Research, Vistec Lithohgraphy

Proposed science, technology and innovation diplomacy of Japan

・expansion of Science and Technology Research Partnerships for Sustainable Development or SATREPS, East Asian Science and Innovation Area Joint Research Program or a-ASIA JRP, and Southeast Asia Engineering Education Development Network or SEED-NET not only on a bilateral basis but also on a multilateral basis in ASEAN

・collaboration in capacity building including exchanges of talents in ASEAN

・collaboration in commercialization of research with the objective of innovation

・nurturing of young entrepreneurial ventures in ASEAN
that vitalize industry and economy, creating jobs

・joint establishment of international open innovation research centers in ASEAN

・collaboration in designing and implementing of funding mechanism for research and development in ASEAN

・closer coordination with the private sector