

Indo-Pacific Economic Forum – Singapore 2024

Indo-Pacific: Shaping a new global balance

From 9:00 am to 5:15 pm from January 25th to January 26th, 2024
at INSEAD Asia Campus, Singapore

DAY 1 :

09:00 am – 9:30 am – REGISTRATION AND WELCOME RECEPTION

09:30 am – 10:00 am – OPENING SESSION

Introduction :

- **Jean-Hervé LORENZI**, President, Les Rencontres Économiques
- **Francisco VELOSO**, Professor & Dean, INSEAD

Keynote :

- **SIM Ann**, Senior Minister of State, Ministry of Foreign Affairs & Ministry of National Development, Singapore

10:00 am – 11:30 am – SESSION 1 – Is Indo-Pacific a reality or a necessity ?

Where does the outline of the Indo-Pacific region begin and end? Although it is an emerging geopolitical concept, this vast area has become one of the world's most dynamic and strategic regions. First, we will seek to address how the Indo-Pacific is attracting a growing interest from the international community, both economically and diplomatically. That attraction is taking place even though the particularly blurred demarcation of the states involved, and the multitude of economic and political players. In these circumstances, what is the reality of the Indo-Pacific?

Therefore, what does Indo-Pacific means in terms of economic cooperation and to seek reconciliation?

Our second focus will be from the European Union (EU)'s standpoint which is at a turning point in its role on the world stage, seeking to establish strong partnerships with strategic regions to encourage peace, prosperity and international cooperation. Among these regions, the Indo-Pacific stands out as one of the world's most dynamic and promising geopolitical zones. Composed of countries with diverse cultures, rapidly growing economies and a diversity of challenges and opportunities, the Indo-Pacific region has become a focal point of international attention. Cooperation between the EU and Indo-Pacific countries is therefore of crucial importance in an era of global interconnection and interdependence. In this context, how can this cooperation contribute to meeting the global challenges of the 21st century?

Coordination: **Philippe TRAINAR**, Member, Le Cercle des économistes

Speakers:

- **Manu BHASKARAN**, President & Chief Executive, Centennial Asia Advisors
- **Françoise NICOLAS**, Senior Research Fellow and Director, Center for Asian Studies, IFRI
- **ONG Keng Yong**, Vice-President, S. Rajaratnam School of International Studies
- **Rebecca Fatima STA MARIA**, Executive Director, Asia Pacific Economic Cooperation (APEC)
- **Francisco VELOSO**, Professor & Dean, INSEAD

12:00 pm – 2:00 pm – LUNCH

2:00 pm – 3:30 pm – SESSION 2 – The Indo-Pacific's role in value chain reconfiguration

Protectionism, destabilization of production chains due to Covid-19, friend-shoring, nearshoring, onshoring, decoupling, regionalization: during the past five years, the maps of the Indo-Pacific's value chains have been completely reshuffled. With the RCEP becoming effective, the Quad and the IPEF, Southeast Asia is marked by a multiplication of regional agreements. We shall first seek to address that the aim of all these partnerships is to ensure freer trade and facilitate commercial exchanges between member countries. The effects are relatively immediate and strong, with trade between China and ASEAN up by almost 70% since 2018. In addition, the RCEP has been facilitating trade between all actors since 2022. Within the context of opposition to the United States, and in response to decoupling, China is further establishing its value chains in Southeast Asia. Is this the first step in the reshaping of regional value chains? What does this mean for European players and the rest of the world?

For this reason, and to provide a more specific focus, can Indo-Pacific be leading the way in future technologies?

Our second focus will be the production of semiconductors in Southeast Asia - essential components in various sectors: mobile telephony, data storage, artificial intelligence, electric vehicles - which is today in the hands of China (24% of world production), Taiwan (21%), South Korea (19%) and Japan (13%). Decoupling and rising industrial labor costs in China are leading to a rise in the power of Malaysia, the Philippines and Vietnam, particularly in the value chain. Trade in semi-conductors between the USA and ASEAN has tripled in five years, while RCEP has led to an increase in China-ASEAN trade within the industry. The challenge for ASEAN countries is to adopt a neutral stance on trade, while speeding up the training of their engineers. In this regard, India and Malaysia are well ahead of Vietnam, which was recently chosen as a production base for the USA.

Coordination: El Mouhoub MOUHOUD, Member, Le Cercle des économistes

Speakers:

- **Sameer HASIJA**, Professor of Technology and Operations Management, INSEAD
- **Prakash KANNAN**, Chief economist & Director of the Economics & Investment Strategy department, GIC
- **LIEW Chin Tong**, Deputy Minister of Investment Trade and Industry, Malaysia
- **Jean-Pierre MARCELLI**, Director, AFD Southeast Asia
- **Jayant MENON**, Senior Fellow, Institute for Southeast Asian Studies (ISEAS)
- **XU Qiyuan**, Deputy Director, Institute of World Economics and Politics

3:45 pm – 5:15 pm – SESSION 3 – Identifying key players in the Indo-Pacific

China's efforts to attract the region's second-largest economy into the free-trade agreement, of which China is the driving force, have been turned down. The Regional Comprehensive Economic Partnership (RCEP) became effective in January 2022 and brought together 15 economies in the region (including China, Japan, South Korea, Australia, and New Zealand). It is also characterized by the notable absence of one country: India. By joining not only the Quad (USA, Japan, Australia, India) but also the Indo-Pacific Economic Framework (IPEF), initiated by Joe Biden, India's signal to the region could not be clearer: to mark the primacy of geopolitical power relations over economic integration, by acting as a counterweight to China. By refusing to enter China's sphere of influence, which China is expanding under the guise of economic integration, Narendra Modi's India is instead joining the American arc, which aims to contain Beijing's ambitions.

Coordination: Emmanuelle AURIOL, Member, Le Cercle des économistes

Speakers:

- **Pushan DUTT**, Area Chair & Professor, Economics and Political Science, INSEAD
- **Thomas FRIEDBERGER**, CEO & co-CIO, Tikehau Investment Management
- **WANG Huiyao**, Founder & President, Center for China and Globalization

DAY 2 :**09:00 am – 9:30 am – REGISTRATION AND WELCOME RECEPTION****9:30 am – 11:00 am – SESSION 4 – Challenges of climate change and energy transition**

For several decades, the Indo-Pacific has been one of the world's most dynamic regions. As a result of this economic development, energy consumption has been increasing since 2000 and is expected to continue to do so until 2040. With three quarters of its energy mix coming from fossil fuels (oil, coal and gas), the region's energy transition seems less imperative than its economic development. And yet, it is one of the regions most exposed to the consequences of climate change, with economic losses that could have an impact on annual GDP of up to 11% by 2100 if current trends continue. In this context, what factors are available to kick-start an energy transition that is as essential as it is complex? What role can India and China, the region's main energy players, play as driving forces? That will be our first focus of discussions.

Second and linked to energy, we will be addressing that Indo-Pacific countries are currently undergoing major transformations (high levels of urbanization and economic growth) and are consequently facing a series of pressing environmental challenges, including climate change, biodiversity loss, air and water pollution, and the sustainable management of natural resources. Moreover, because of their specific geographical, demographic, and economic characteristics, and their exposure to natural disasters, these countries are particularly vulnerable to the consequences of intensifying climate change. In this context, ecological transition in the Indo-Pacific is a crucial issue: how can the nations and communities of the Indo-Pacific succeed in reconciling their economic development with the preservation of their natural environment and cultural heritage? Is adaptation to climate risks sufficient to meet this unprecedented challenge?

Coordination: Patrice GEOFFRON, Member, Le Cercle des économistes

Speakers:

- **Roger FOUQUET**, Senior Research Fellow, Energy Studies Institute (ESI), National University of Singapore (NUS)
- **Isabella HUANG-LOH**, Chairman, Singapore Environment Council
- **Tiza MAFIRA**, Director, Climate Policy Initiative
- **Jackie B. SURTANI**, Head, Asian Development Bank, Singapore
- **ZEN Fauziah**, Senior Economist, Economic Research Institute for ASEAN and East Asia (ERIA)

11:15 am – 12:45 pm – SESSION 5 – A dynamic employment area under pressure

Migration flows in the Indo-Pacific region obey several economic and demographic logics, even as they intensify. First and foremost, they traditionally flow from less developed countries to more advanced economies, following a dynamic approach that follows the development of these countries. Thus, countries that were once emigration hubs, such as Malaysia, have become immigration hubs. Indonesia, the Philippines and the countries bordering the Mekong are now the region's main labor-exporting countries. Secondly, labor shortages and skill levels drive migration flows, with the bulk of economic migrants responding to needs for low-skilled labor that are no longer being met by rising skill levels within economies. On the other side of the spectrum, a brain drain is affecting certain countries, such as India and the Philippines. Finally, the levers are also demographic, with transfers of immigrant workers from countries with a high demographic dividend helping to offset the aging of certain regional economies, such as China. How do these different logics fit together, and how do they redefine the competitiveness of the region's economies? Are current economic migratory flows in the Indo-Pacific creating new virtuous balances in terms of qualifications?

Coordination : **Alexandra ROULET**, Assistant Professor of Economics, INSEAD

Speakers:

- **NG Nichol**, CEO, X-INC ; Co-founder, The food bank Singapore ; Former President, ONE Singapore
- **Manjula PRADEEP**, Founder, Foundation WAYVE
- **Alain VILLEMEUR**, Scientific Director, University Chair « Transitions Démographiques, Transitions Economiques »

12:45 pm – 1:00 pm – CONCLUSION

Speakers :

- **Phillipe TRAINAR**, Membre, Le Cercle des économistes
- **Francisco VELOSO**, Professor & Dean, INSEAD