Session 1
Role of regional integration in ensuring stable supply of resources (energy, minerals, food, etc.), parts and industrial materials.

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“Seeking a new balance in the regional integration of the Asia-Pacific region”

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Japan Economic Foundation (JEF)
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A. Historical background: revolutions leading the global value-chain

- Revolution in transportation and travel
- Revolution in industrial production
- Revolution in management systems
B. Responding to supply disruptions

• Traditional options:
  – Consolidate production in a single location
  – Maintain dispersed sourcing locations, but have higher inventory levels
C. Nuances of regional integration and stability of supply

• Regional integration should also encompass cooperation (government, business and communities)
• Stability of supply should also consider situations of excess supply
• Discussion of resources should also include human resources
• Definition of disasters should be updated and plans of action should be upgraded.
C. Four main points for consideration

• Globalize business outlooks and appreciation of risks
• Regional approach to disaster recovery plans
• Cooperation in learning more about disasters
• Regional business-to-business and business-to-community cooperation
Important lesson

• Supply disruptions occur NOT because economic systems have been integrated; BUT because . . .
  – economic systems have not integrated enough
  – governments, business and communities do not have a regional disaster recovery plan of action.