

## **Session 1**

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

**DR. THOMAS G. AQUINO**

Senior Fellow

Center for Research and Communications  
University of Asia and the Pacific

former Senior Undersecretary  
Department of Trade and Industry, Philippines

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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.