



## Association of Southeast Asian Nations

### IMPROVING CONNECTIVITY IN THE INDO-PACIFIC REGION

**A**t the 17th ASEAN Summit in Ho Chi Minh City, Vietnam, leaders from across the region adopted the Master Plan for ASEAN Connectivity. The Plan laid out a vision for developing infrastructure to better connect countries in the region — one where local markets regularly experience strong economic growth, achieving over 6 percent GDP growth each year. This growth, coupled with expanding populations and rapid urbanization, is placing pressure on local transportation networks to accommodate the movement of people and goods.

The passenger and heavy-haul freight rail network cannot meet demand, which requires ASEAN countries to improve, expand and rehabilitate their rail networks. For example, Indonesia's National Railway Master Plan estimates that by 2025, Indonesian Railway (PT KAI) will need to invest \$1.9 billion to accommodate 324 million passengers and 26 million tons of freight. This will require expanding its network and increasing efficiency by investing in new locomotives, new track, rolling stock and signaling systems.

In support of the region's goals, USTDA hosted the ASEAN Connectivity Through Rail Forum in Jakarta, Indonesia. The Forum connected local project sponsors with U.S. providers of technologies and services that could advance ASEAN's rail infrastructure development goals. With sessions designed to feature investment plans across the region, the event brought together over 100 representatives from the U.S. rail industry, as well as public and private project sponsors from Vietnam, Thailand, Indonesia, the Philippines, Malaysia, Cambodia, India and Singapore.

The Forum provided an opportunity for leaders from across the region to connect with U.S. suppliers to better understand U.S. operations, best practices and technologies that could support the development of railway projects across their respective countries. The event facilitated networking opportunities for overseas buyers and

U.S. sellers, generating more than \$80 million to date in U.S.-manufactured exports and benefitting companies from Illinois to California. The exports include new and refurbished locomotives, as well as consulting and design services.

Supporting the region's goals of becoming better connected through transportation, the Forum led to new partnerships that will meet the increasing demands on the rail sector and drive economic growth across ASEAN. The Forum exemplifies USTDA's win-win model, where American exporters can identify new project opportunities and overseas partners gain access to high-quality, reliable and cost-effective solutions made in America.

