



# **ASEAN ECONOMIC COMMUNITY**

# Overview

## AEC Timeline

**2015**

- Formal Establishment of AEC
- Launch of AEC Blueprint 2025

**2007**

AEC Blueprint adopted

**2025**

**AEC 2025**

**1997**

ASEAN Vision 2020 adopted

**1967**

Establishment of ASEAN

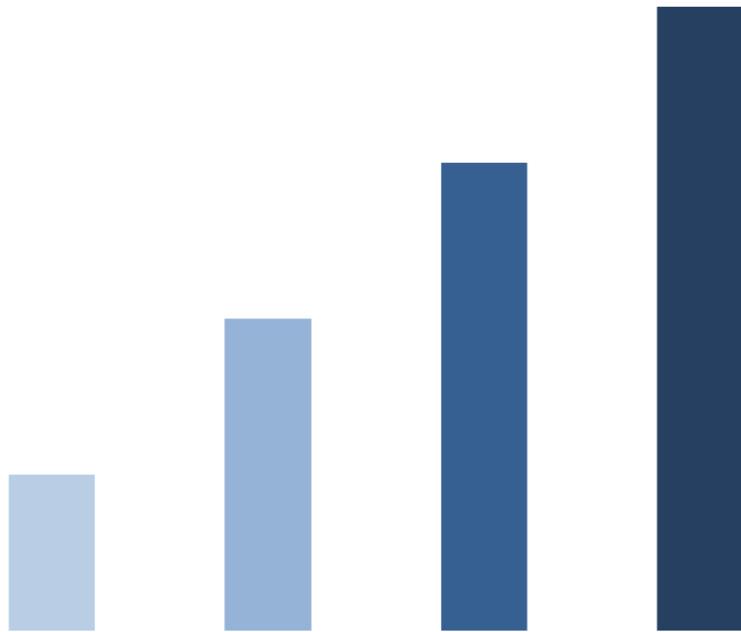
# Overview

## AEC Timeline



# Overview

## AEC at a Glance



**6<sup>th</sup>**

**largest economy in the world,**

**3<sup>rd</sup> largest in Asia**

with a combined GDP of  
US\$2.4 trillion in 2015

**3<sup>rd</sup>**

**largest market in the world**

with a total population of almost 630  
million, behind only China and India.



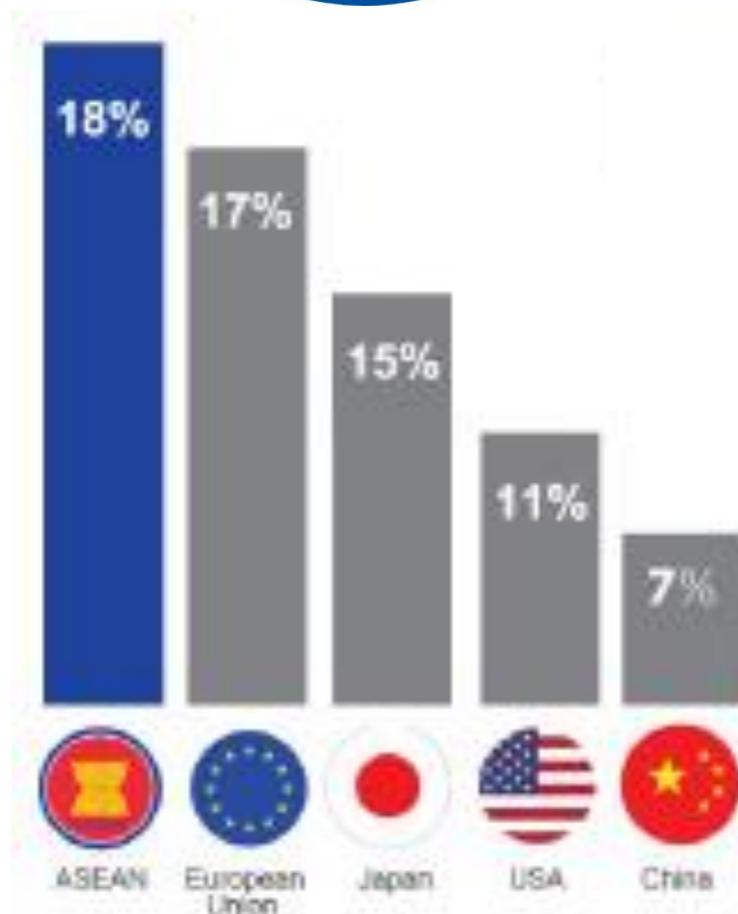
Young population - over half of ASEAN  
population were below 30 years of age  
in 2015.

## AEC at a Glance



# 7%

of global FDI inflows in **2015**, equivalent to US\$121 billion (up from 5% in 2007).



# 1<sup>st</sup>

**Intra-ASEAN trade** comprised **the largest share** of ASEAN's total trade in 2015, followed by the European Union.

# AEC - WHERE ARE WE NOW

## UNFINISHED AGENDA

ELIMINATION OF **NON-TARIFF BARRIERS**

INTEGRATION OF **SME**  
INTO REGIONAL PRODUCTION  
NETWORKS AND GLOBAL SUPPLY  
CHAIN

NARROWING  
**DEVELOPMENT GAPS**  
WITHIN AND BETWEEN  
ASEAN MEMBER STATES

ENHANCEMENT AND  
DEVELOPMENT OF EXISTING/NEW  
**INFRASTRUCTURE** TO  
SUPPORT SUSTAINABLE GROWTH

CONCLUSION  
OF ON-GOING  
**FTA NEGOTIATIONS**  
TO SERVE AS A BUILDING BLOCK  
TO REGION-WIDE FTA

# AEC – WHERE ARE WE NOW

## IMPACT ON ASEAN ECONOMIC PERFORMANCE

	2007	2015
GDP	US\$ 1.325 T	US\$ 2.4 Trillion
GDP PER CAPITA	US\$ 2,343	US\$ 3,890
TRADE	US\$ 1.61 T	US\$ 2.3 Trillion
INVESTMENT	US\$ 85 B (5% OF WORLD FDI)	US\$ 121 Billion (7% OF WORLD FDI)

# Where Are We Headed

## AEC Blueprint 2025



- Adopted by Leaders at the 27<sup>th</sup> ASEAN Summit 22 Nov 2015
- Part of ***ASEAN 2025: Forging Ahead Together***
  1. KL Declaration
  2. ASEAN Community Vision 2025
  3. APSC Blueprint 2025
  - 4. AEC Blueprint 2025**
  5. ASCC Blueprint 2025

# Where Are We Headed

**2015**

**2025**

Single Market &  
Production Base

Highly Integrated & Cohesive Economy

Competitive  
Economic Region

Competitive, Innovative  
& Dynamic ASEAN

Enhanced Connectivity  
& Sectoral Cooperation

Equitable  
Economic Development

Resilient, Inclusive,  
People-Oriented & People-Centered ASEAN

Integration into the  
Global Economy

A Global ASEAN

# Where Are We Headed

## AEC 2025 Key Elements

### Highly Integrated and Cohesive Economy

- Trade in Goods
- Trade in Services
- Investment Environment
- Financial Integration, **Financial Inclusion**, and Financial Stability
- Movement of Skilled Labour and Business Visitors
- Participation in **Global Value Chains**

### Competitive, Innovative, and Dynamic ASEAN

- Competition Policy
- Consumer Protection
- IPR Cooperation
- **Productivity-Driven Growth, Innovation, R&D, and Tech Commercialisation**
- Taxation Cooperation
- **Good Governance**
- **Regulations and Good Regulatory Practice**
- **Sustainable Economic Development**
- **Global Megatrends** and Emerging Trade-related Issues

### Enhanced Connectivity and Sectoral Cooperation

- Transport
- **Information and Communications Technology**
- E-commerce
- Energy
- Food, Agriculture, and Forestry
- **Tourism**
- **Healthcare**
- Minerals
- **Science and Technology**

### Resilient, Inclusive and People-Oriented, People-Centred ASEAN

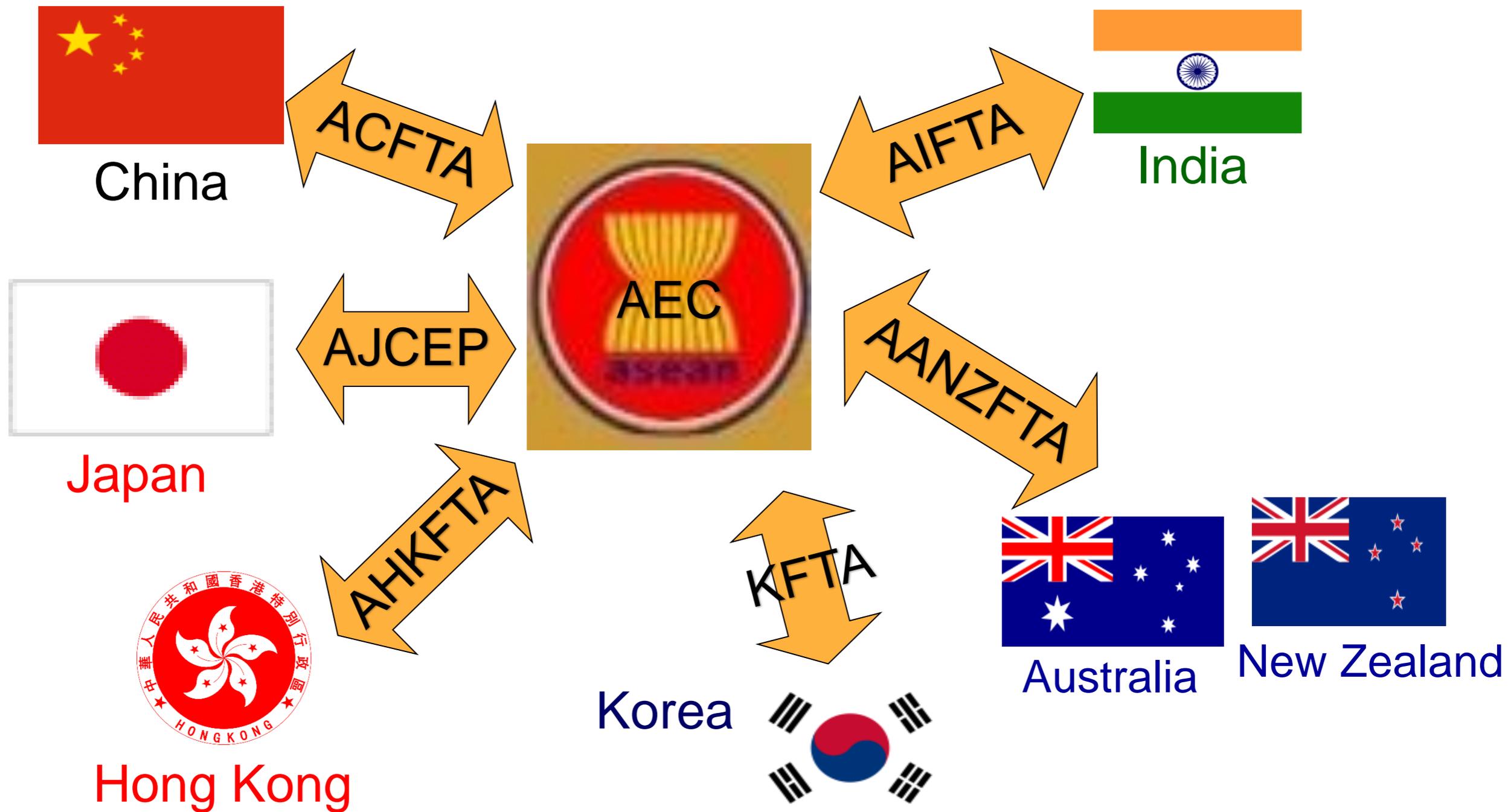
- **Micro, Small, and Medium Enterprises**
- Strengthening **the Role of the Private Sector**
- **Public-Private Partnership**
- Narrowing the Development Gap
- **Contribution of Stakeholders** on Regional Integration Efforts

### Global ASEAN

- Strategic and coherent approach towards external economic relations
- **Review existing FTAs**
- Enhance economic **partnerships with non-FTA Dialogue Partners**
- Engage with **regional and global partners**
- Supporting the **multilateral trading system** and actively participating in regional fora
- Engagement with **global and regional institutions.**

\*New areas are highlighted

## 6 FTAs between ASEAN and 7 Dialogue Partners



External Relations

# Expanding Regional Integration

## RCEP

3.3 billion population  
(50% of world population)

GDP: US\$ 17.1 trillion  
(27% of world's GDP)

- Market size (16 countries)
- Regional supply chain
- FDI (intra-extra region)

# Thank you!



Royal Thai Embassy,  
Mexico City