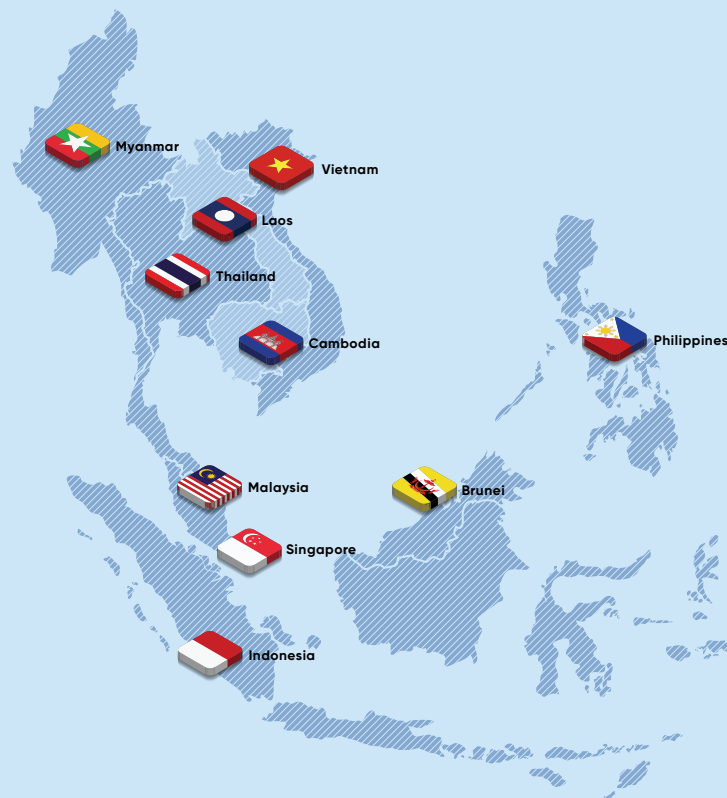


ASEAN SNAPSHOT 2019



FOCUS ON GERMAN
ASEAN RELATIONS

ABOUT ASEAN



The Association of Southeast Asian Nations (ASEAN), a trade-driven bloc of 10 Southeast Asian nations, has gained tremendous momentum in the past 50 years.

Founded as a political bloc of five Southeast Asian countries, ASEAN has evolved into a 10-member economic powerhouse and is now home to some of the world's fastest growing emerging markets.

ASEAN's remarkable journey to becoming the world's sixth-largest economy has been powered by its people, with the establishment of a formidable labor force and subsequently a wealthier middle class that has driven domestic consumption.

CONTENT

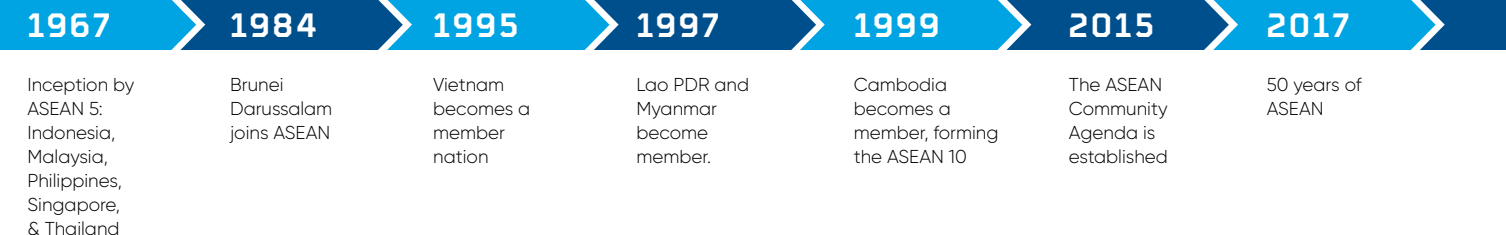


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ASEAN's Timeline





FOREWORD



The Association of Southeast Asian Nations (ASEAN) is the fifth largest economy in the world and is projected to rank as the fourth largest economy in 2050. With its dynamic market of about 647 million populations, it offers huge business opportunities. ASEAN has the third largest labour force in the world, after India and China, with young, motivated, skilled and relatively low-cost workers. It is also one of the fastest-growing economies with an average growth rate of 5.2% during 2019-2023, estimated by the OECD.

ASEAN is the second largest trading partner in Asia for Germany after China, while Germany is its largest EU trading partner. In 2018 the total bilateral trade valued 69.63 billion EUR, an increase of 6% compared to 2017. ASEAN imports from Germany in 2018 accounted for 28.17 billion EUR, an increase of 7% YoY, while its exports to Germany last year valued 41.46 billion EUR, an increase of 3% YoY. Investments from Germany to ASEAN have been steadily growing in recent years with the amount of 2.8 billion EUR last year, mainly in manufacturing, wholesale and retail trade, transportation and storage, and professional scientific and technical activities.

As the chair of the ASEAN in 2019, Thailand has chosen 13 economic deliverables to help ASEAN prepare for the fourth Industrial Revolution (4IR); enhance ASEAN's connectivity through trade, investment and tourism; and enable sustainable economic development in ASEAN. German companies can tap the opportunities to enhance their investment and cooperation with ASEAN partners in various areas, especially infrastructure development, digital technology, factory automation and energy efficiency.

The German Chambers of Commerce Aboard in ASEAN (ASEAN AHKs) as a #PartnerInASEAN have cooperated in launching ASEAN Snapshot 2019, featuring an overview of ASEAN-Germany trade and investment relations, as well as key information on individual ASEAN member states. We look forward to supporting companies and institutions from Germany and ASEAN to open up and enhance their trade and investments in the region.

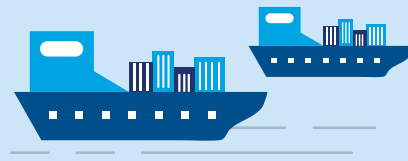
Dr. Roland Wein
Executive Director
German-Thai Chamber of Commerce
GCABC Spokesperson 2019

ASEAN SNAPSHOT 2019

ASEAN is one of the
most attractive regions
for international
businesses

ASEAN Trade volume 2017

2,574
billion US\$



ASEAN Export 2017

Total export
1,322 billion US\$

Top export products



Electrical machinery and equipment; Machinery;
Mineral fuels and mineral oils; Other vehicles; and
Measuring, checking, medical instruments.

ASEAN Import 2017

Total import
1,252 billion US\$

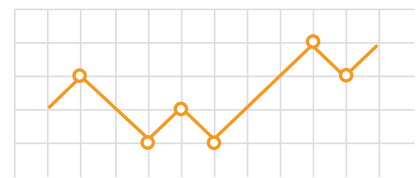
Top import products



Electrical machinery and equipment; Mineral fuels
and mineral oils; Machinery; Plastics and articles
thereof; and Other vehicles.

ASEAN GDP 2018

2,923
billion US\$



Sources: Deutsche Bank, Destatis, ASEAN Statistics, GTAI

ASEAN GPD growth 2018

5.2%

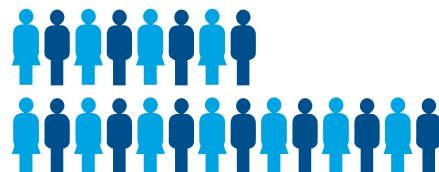
ASEAN Inflation 2018

3%



ASEAN Population 2018

647
million



Net FDI 2017

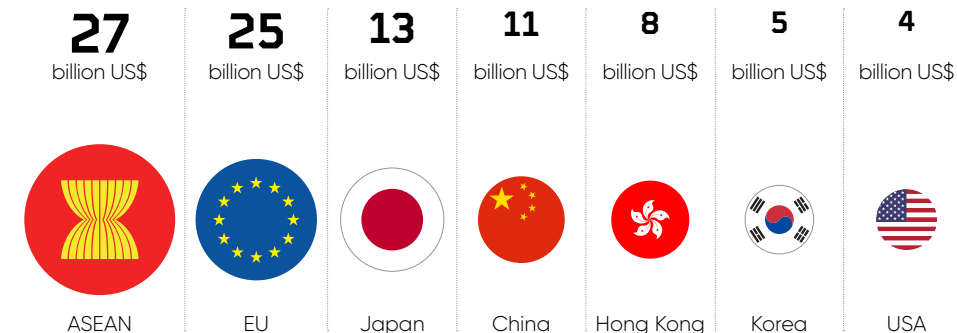
136
billion US\$



Free Trade Agreements:

China ACFTA
India AIFTA
Japan AJCEP
Australia-New Zealand AANZFTA
Republic of Korea AKFTA

Top FDI source countries 2017



ASEAN A GLOBAL BRIGHT SPOT

German investors plan to expand their presence in ASEAN, given its good prospects!

01

Growing consumer market with 647 million people

German companies see ASEAN as an exciting consumer market, with lots of potential for growth, especially in terms of middle class spending.



million

02

ASEAN competitive wages

are a major factor attracting German companies to this region. ASEAN offers young, motivated and skilled workforces.



03

ASEAN's status as a major foreign direct investment magnet

FDI into ASEAN has doubled over the past decade. The manufacturing output is likely to expand, supported by an improving regulatory environment and competitive costs.



04

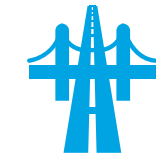
Improving regional integration

The establishment of ASEAN Economic Community AEC, the CPTTP (TPP11) (in which 4 countries in ASEAN participated: Vietnam, Malaysia, Singapore and Brunei) as well as other bilateral FTAs (EU-Singapore and EU-Vietnam) are expected to enhance trade and investment flows to ASEAN.

05

Infrastructure development

US\$ 600 billion will need to be spent on infrastructure to support growth.



Transportation



IoT



Mobile internet



Big data

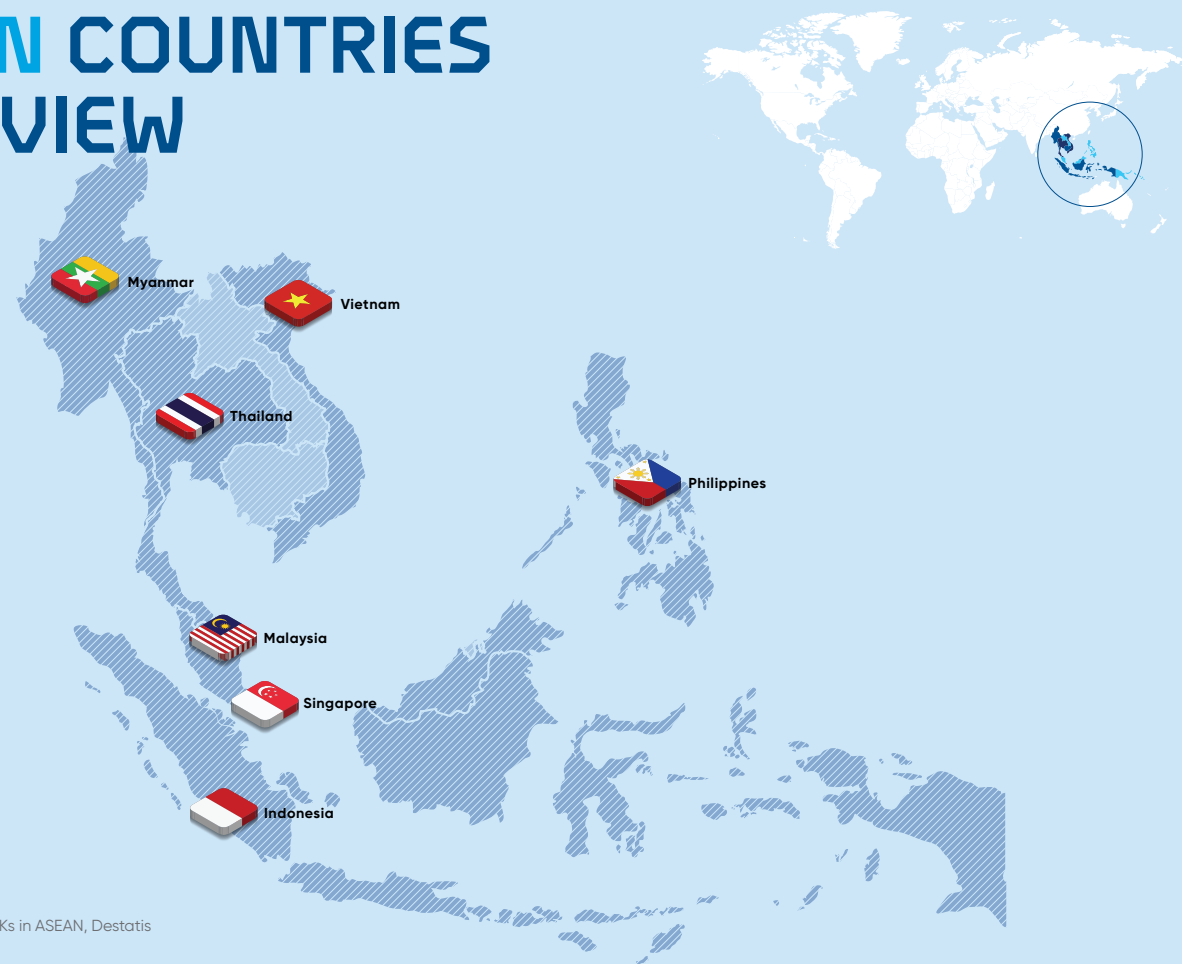


Automation of knowledge work














Cloud

ASEAN COUNTRIES OVERVIEW



Sources: World Bank, IMF, AHKs in ASEAN, Destatis

				
	Easy of Doing Business Ranking 2018	Surface Area 2018 (km ²)	Population 2018 (million)	Total trade with Germany 2018 (billion EUR)
Indonesia	 73	1,913,580	264	6.6
Malaysia	 15	330,345	32	14.1
Myanmar	 171	676,590	53	1
Philippines	 124	300,000	107	6.2
Singapore	 2	719	5.6	14.5
Thailand	 27	513,120	68	11.2
Vietnam	 69	331,230	95	13.9

ASEAN GERMAN RELATIONS

GERMAN TRADE WITH ASEAN

Germany – the largest EU trade in goods partner for ASEAN countries



GERMAN FDI IN ASEAN

2,796 million EUR

TOP FDI Sectors 2017
(million US\$):



Manufacturing
1,684



Other services activities
1,598



Wholesale and retail trade; repair of motor vehicles and motor cycles
342



Transportation and storage
56



Professional, scientific and technical activities
48



Electricity, gas, steam and air conditioning supply
38

Sources:
Destatis, ASEAN Statistics, DIHK, AHKs in ASEAN

ASEAN EXPORTS TO GERMANY 2018

41,461 million EUR

↑ +3%

Top export products to Germany 2017:



Electrical machinery and equipment



Machinery



Measuring, checking, medical instruments



Footwear



Apparel and clothing accessories



Rubber

ASEAN IMPORTS FROM GERMANY 2018

28,168 million EUR

↑ +7%

Top import products from Germany 2017:



Machinery and mechanical appliances



Electrical machinery and equipment



Other vehicles



Measuring, checking, medical instruments



Pharmaceutical products



Plastics

⚠ Challenges

Demand, economic policy and lack of skilled workers are the main concerns of German investors in ASEAN, according to AHK World Business Outlook Survey 2019



INDONESIA



World's fourth largest country in the world in terms of population, giving it massive economic potential. Indonesia is often included in the list of the world's largest economies of the near future (the next few decades).



Sources: Deutsche Bank, Destatis, ASEAN Statistics, GTAI

ECONOMY 2018



US\$ 1,042 B Nominal GDP 2018

5.2% Annual GDP growth 2018

3.2% Average Inflation 2018

ECONOMY OUTLOOK 2020

US\$ 1,194 B Nominal GDP

4.5% Annual GDP growth

3.2% Average Inflation

EXPORT 2018



US\$ 181 B

(Merchandise exports)

EXPORT PARTNERS 2017



EXPORT PRODUCTS 2017



Mineral fuels and mineral oils; Coal; Natural resources; Foodstuff; and Chemical products.

IMPORT 2018



US\$ 181 B

(Merchandise imports)

IMPORT PARTNERS 2017



IMPORT PRODUCTS 2017



Chemical products; Machinery; Foodstuff; Petro chemistry; and Electrical engineering.

FDI NET INFLOW 2018



US\$ 13.8 B

TOP FDI CONTRIBUTORS 2017



TOP FDI SECTORS 2017



Mining; Electricity, gas, steam and water; Machinery; Real estate; and Chemical-pharmaceutical industry.

INDONESIAN-GERMAN RELATIONS

TOP German export products 2017

Machinery; Chemical products; Electrical engineering; Other vehicles; and Measuring, checking and medical instruments.

TOP German import products 2017

Textile and garments; Footwear; Mineral fuels and mineral oils; Electronics assembly; and Foodstuffs.



German export to Indonesia 2018 **€2,865 M**

€3,769 M German import from Indonesia 2018

Total German FDIs until 2017 **€3,793 M**



MALAYSIA



Since gaining independence in 1957, Malaysia has successfully diversified its economy from one that was agriculture and commodity-based, to one that is a leading exporter of electrical appliances, electronic parts and components. Malaysia is one of the most open economies in the world, with a trade to GDP ratio averaging over 140 percent since 2010. Openness to trade and investment have been instrumental in employment creation and income growth, with about 40 percent of jobs in Malaysia linked to export activities.



Sources: Deutsche Bank, Destatis, ASEAN Statistics, GTAI

ECONOMY 2018



US\$ 355 B Nominal GDP 2018

4.7% Annual GDP growth 2018

1% Average Inflation 2018

ECONOMY OUTLOOK 2020

US\$ 376 B Nominal GDP

4% Annual GDP growth

2.4% Average Inflation

EXPORT 2018



US\$ 207 B

(Merchandise exports)

EXPORT PARTNERS 2017



Singapore China USA Japan Thailand

EXPORT PRODUCTS 2017



Electronics assembly; Chemical products; Electrical engineering; Petro chemistry; and Mineral fuels and mineral oils.

MALAYSIAN-GERMAN RELATIONS

TOP German export products 2017

Machinery, Electronics assembly; Chemical products; Cars; and Electrical engineering.

TOP German import products 2017

Electronics assembly; Electrical engineering; Measuring, checking and medical instruments; Chemical products; and Textile and garments.

IMPORT 2018



US\$ 177 B

(Merchandise imports)

IMPORT PARTNERS 2017



China Singapore USA Japan Taiwan

IMPORT PRODUCTS 2017



Electronics assembly; Chemical products; Machinery; Petro chemistry; and Foodstuffs.

FDI NET INFLOW 2018



US\$ 2.9 B

TOP FDI CONTRIBUTORS 2017



Singapore Japan Hong Kong Netherlands USA

TOP FDI SECTORS 2017



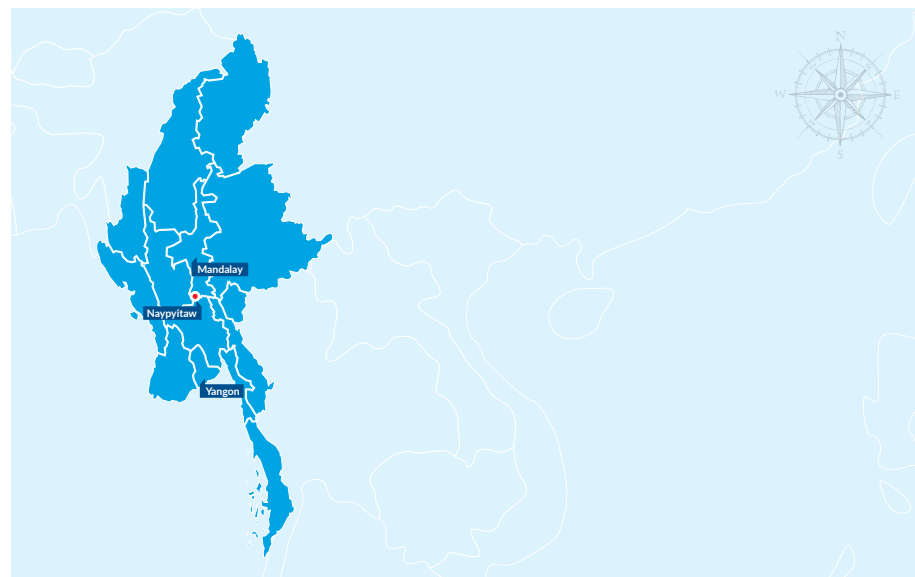
Manufacturing; Financial and Insurance activities; and IT.



MYANMAR



Export of garments to Germany increased more than 30% in 2017 – trend continues.



Sources: GTAI, ASEAN Statistics, Destatis, World Bank, Myanmar Government

ECONOMY 2018



US\$ 68.6 B Nominal GDP 2018

6.2% Annual GDP growth 2018

3.5% Average Inflation 2018

ECONOMY OUTLOOK 2020

US\$ 71.4 B Nominal GDP

6.6% Annual GDP growth

6.7% Average Inflation

EXPORT 2018



US\$ 15.4 B

(Merchandise exports)

EXPORT PARTNERS 2017



China



Thailand



Japan



Singapore



India

EXPORT PRODUCTS 2017



Foodstuffs; Gas; Garments; Natural resources; and Other vehicles.

IMPORT 2018



US\$ 24.1 B

(Merchandise imports)

IMPORT PARTNERS 2017



China



Singapore



Thailand



Japan



Malaysia

IMPORT PRODUCTS 2017



Petro chemistry; Cars; Chemistry; Foodstuffs; and Machinery.

FDI NET INFLOW 2017



US\$ 4.7 B

TOP FDI CONTRIBUTORS 2017



Singapore



China



Hong Kong



Thailand



South Korea

TOP FDI SECTORS 2017



Oil and gas; Energy; Transportation and communication; and Manufacturing.

MYANMARESE-GERMAN RELATIONS

TOP German export products 2017

Machinery; Chemical products; Measuring, checking and medical instruments; Electrical engineering; and Foodstuffs.

TOP German import products 2017

Textile and garments; Footwear; Non-metallic minerals; Foodstuffs; and Natural resources.



German export to Myanmar 2018 **€122 M**

€858 M German import from Myanmar 2018

Total German FDIs until 2017 **US\$ 50.3 M**

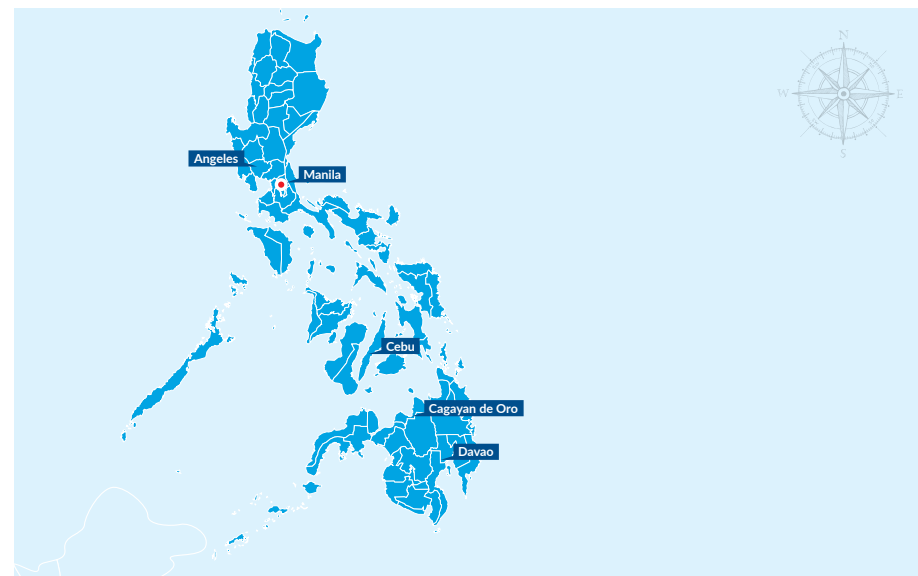


PHILIPPINES



The current administration has prioritized the development of the country's infrastructure and intends to spend around \$158 billion over the next five years on its "Build, Build, Build" program.

The Filipino population is young with an average age of 23 years, speaks good English, and is consumer-oriented, interestingly, the Philippines has also the narrowest Global Gender Gap in ASEAN



Sources: Deutsche Bank, Destatis, ASEAN Statistics, GTAI

ECONOMY 2018



US\$ 331 B Nominal GDP 2018

6.2% Annual GDP growth 2018

5.2% Average Inflation 2018

ECONOMY OUTLOOK 2020

US\$ 373 B Nominal GDP

5.5% Annual GDP growth

2.8% Average Inflation

EXPORT 2018



US\$ 52 B

(Merchandise exports)

EXPORT PARTNERS 2017



EXPORT PRODUCTS 2017



Electronics assembly; Electrical engineering; Food; Natural resources; and Other vehicles.

PHILIPPINE-GERMAN RELATIONS

TOP German export products 2017

Machinery; Electronics assembly; Chemical products; Food; and Cars.

TOP German import products 2017

Electronics assembly; Electrical engineering; Measuring, checking and medical instruments; Foodstuffs; and Textile and garments.

IMPORT 2018



US\$ 101 B

(Merchandise imports)

IMPORT PARTNERS 2017



IMPORT PRODUCTS 2017



Electronics assembly; Chemical products; Food; Cars; and Machinery.

FDI NET INFLOW 2018



US\$ 5.9 B

TOP FDI CONTRIBUTORS 2017



TOP FDI SECTORS 2017



Manufacturing; Real estate; Administrative services; Electricity and gas; and IT.



German export to Philippines 2018 **€2,579 M**

€3,671 M German import from Philippines 2018

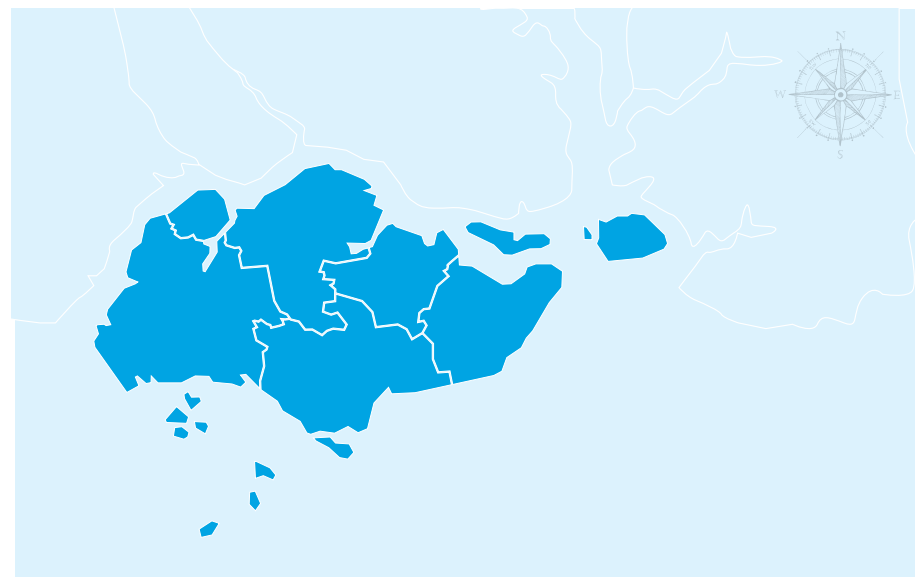
Total German FDIs until 2017 **€988 M**



SINGAPORE



Singapore is one of the world's greenest cities and ranks #1 in Asia for sustainability. The Sustainable Cities Index by Arcadi ranks 100 global cities according to three facets of sustainability: social, environmental and economic. Moreover, Singapore is one of the top cities in the world in terms of ease of doing business. The World Bank's Doing Business survey looks at measures such as trading across borders, enforcing contracts, getting credit and paying taxes.



Sources: Deutsche Bank, Destatis, ASEAN Statistics, GTAI

ECONOMY 2018



US\$ 361 B Nominal GDP 2018

3.2% Annual GDP growth 2018

0.4% Average Inflation 2018

ECONOMY OUTLOOK 2020

US\$ 370 B Nominal GDP

2.5% Annual GDP growth

0.8% Average Inflation

EXPORT 2018



US\$ 451 B

(Merchandise exports)

EXPORT PARTNERS 2017



China



Hong Kong



Malaysia



Indonesia



USA

EXPORT PRODUCTS 2017



Electronics assembly; Chemical products; Petro chemistry; Machinery; and Electrical engineering.

IMPORT 2018



US\$ 353 B

(Merchandise imports)

IMPORT PARTNERS 2017



China



Malaysia



USA



Taiwan



Japan

IMPORT PRODUCTS 2017



Electronics assembly; Petro chemistry; Machinery; Chemical products; and Mineral fuels and mineral oils.

FDI NET INFLOW 2018



US\$ 44.8 B

TOP FDI CONTRIBUTORS 2017



USA



Cayman Islands



British Virgin Islands



Netherland



Japan

TOP FDI SECTORS 2017



Financial and insurance activities; Wholesale and retail trade; Manufacturing; and Professional, scientific and technical activities.

SINGAPOREAN-GERMAN RELATIONS

TOP German export products 2017

Machinery; Chemical products; Electrical engineering; Cars; and Electronics assembly.

TOP German import products 2017

Chemical products; Electronics assembly; Measuring, checking, medical instruments; Machinery; and Electrical engineering.



German export to Singapore 2018 **€7,970 M**

€6,574 M German import from Singapore 2018

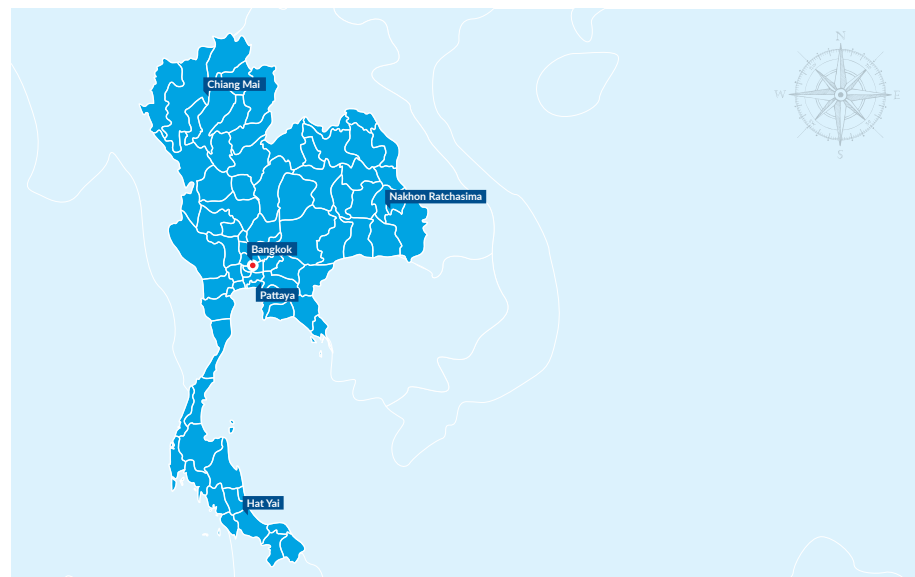
Total German FDIs until 2017 **€15,351 M**



THAILAND



Thailand is the second largest economy in ASEAN, after Indonesia. The Eastern Economic Corridor (EEC) will be developed into a hub for manufacturing, transport and logistics and offers huge investment opportunities.



Sources: Deutsche Bank, Destatis, ASEAN Statistics, GTAI

ECONOMY 2018



US\$ 505 B Nominal GDP 2018

4.1% Annual GDP growth 2018

1.1% Average Inflation 2018

ECONOMY OUTLOOK 2020

US\$ 560 B Nominal GDP

3.5% Annual GDP growth

1.7% Average Inflation

EXPORT 2018



US\$ 235 B

(Merchandise exports)

EXPORT PARTNERS 2017



EXPORT PRODUCTS 2017



Electronics assembly; Cars; Foodstuffs; Machinery; and Chemical products.

THAI-GERMAN RELATIONS

TOP German export products 2017

Machinery; Chemical products; Cars; Electrical engineering; and Electronics assembly.

TOP German import products 2017

Electronics assembly; Electrical engineering; Machinery; Foodstuffs; and Cars.

IMPORT 2018



US\$ 230 B

(Merchandise imports)

IMPORT PARTNERS 2017



IMPORT PRODUCTS 2017



Electronics assembly; Machinery; Chemical products; Mineral fuels and mineral oils; and Foodstuffs.

FDI NET INFLOW 2018



US\$ -5.7 B

TOP FDI CONTRIBUTORS 2017



TOP FDI SECTORS 2017



Financial and insurance activities; Automobile; Manufacturing; Real estate; and Electronics assembly.



German export to Thailand 2018 **€5,062 M**

€6,114 M German import from Thailand 2018

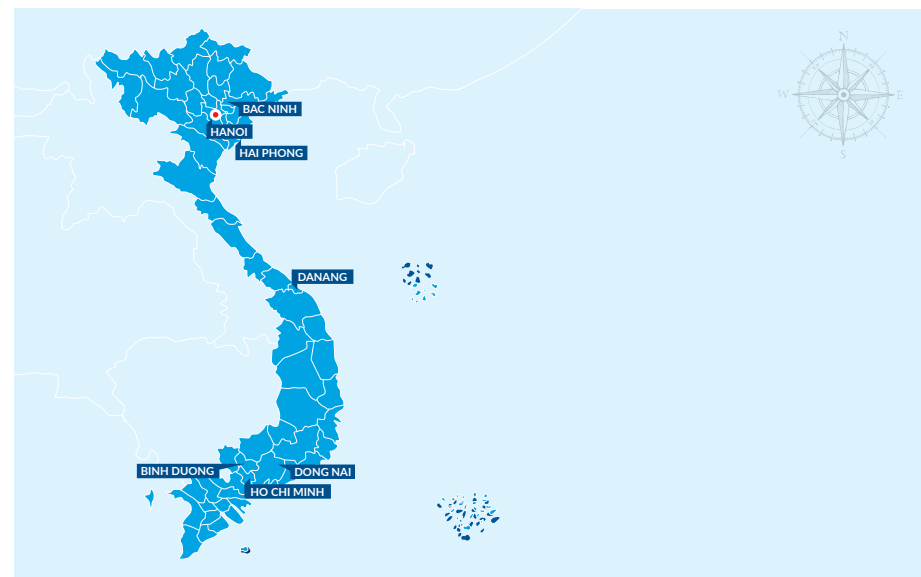
Total German FDIs until 2017 **€3,617 M**



VIETNAM



Vietnam's economy is one of the fastest-growing in Asia with the lowest barrier to entry the market, the young, motivated and reliable workforces. Germany and Vietnam have excellent economic relations and Germany enjoys an outstanding reputation in Vietnam, which is unique in this form in the ASEAN region. Moreover, Vietnam is the only country in ASEAN that is in all relevant free trade initiatives in the region, including CPTPP (TPP11) and the FTA between the EU and Vietnam.



Sources: Deutsche Bank, Destatis, ASEAN Statistics, GTAI

ECONOMY 2018



US\$ 245 B Nominal GDP 2018

7.1% Annual GDP growth 2018

3.5% Average Inflation 2018

ECONOMY OUTLOOK 2020

US\$ 285 B Nominal GDP

6.3% Annual GDP growth

4.4% Average Inflation

EXPORT 2018



US\$ 244 B

(Merchandise exports)

EXPORT PARTNERS 2017



EXPORT PRODUCTS 2017



Electronics assembly; Textile and garments; Foodstuffs; Footwear; and Electrical engineering.

VIETNAMESE-GERMAN RELATIONS

TOP German export products 2017

Other vehicles; Machinery; Chemical products; Measuring, checking and medical instruments; and Electrical engineering.

TOP German import products 2017

Electronics assembly; Footwear; Textile and garments; Foodstuffs; and Handbags and travel items.

IMPORT 2018



US\$ 231 B

(Merchandise imports)

IMPORT PARTNERS 2017



IMPORT PRODUCTS 2017



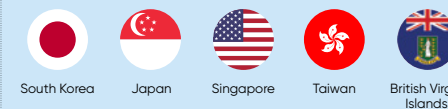
Electronics assembly; Chemical products; Machinery; Textile and garments; and Foodstuffs.

FDI NET INFLOW 2018



US\$ 13 B

TOP FDI CONTRIBUTORS 2017



TOP FDI SECTORS 2017



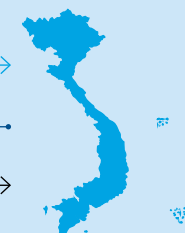
Manufacturing; Electricity; Real estate; Wholesale and retail trade, repair of motor vehicles and motor cycles; and Mining.



German export to Thailand 2018 **€4,109 M**

€9,754 M German import from Thailand 2018

Total German FDIs until 2017 **€1,800 M**



THE GERMAN CHAMBERS ASEAN BUSINESS COUNCIL

The German Chambers of Commerce and Industry in Indonesia, Malaysia, Myanmar, the Philippines, Singapore, Thailand, and Vietnam established the German Chambers ASEAN Business Council to provide a dialogue platform, strengthen regional cooperation and to support regional trade and investment.

OUR CONSULTING SERVICES



Exploring the ASEAN markets



Finding business partners



Setting up in ASEAN



Participating at trade fairs



Recruiting staff



Vocational education and training



German Chambers
ASEAN Business Council



www.gcabc.asia

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Delegation of the German Industry and
Commerce in Vietnam

Supported by:

Federal Ministry for Economic Affairs and
Energy

Layout

Incamedia

Printing

Incamedia

Status

June 2019

Legal Information

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in Vietnam, June 2019

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