

ASEAN Economic Community 2015 and Beyond

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Japan invests in ASEAN



1. India

2. Indonesia

3. China

4. Thailand

5. Vietnam

10. Myanmar

11. Philippines

12. Malaysia

14. Singapore

15. Cambodia

Source: JBIC (2014)

ASEAN Economic Community 2015

- AEC Blueprint adopted in 2007
- Timeline: 31 Dec 2015



4 Pillars

- I. Single Market and Production Base
- II. Competitive Economic Region
- III. Equitable Economic Development
- IV. Integration into the Global Economy

Is it “AEC2015” by the way?

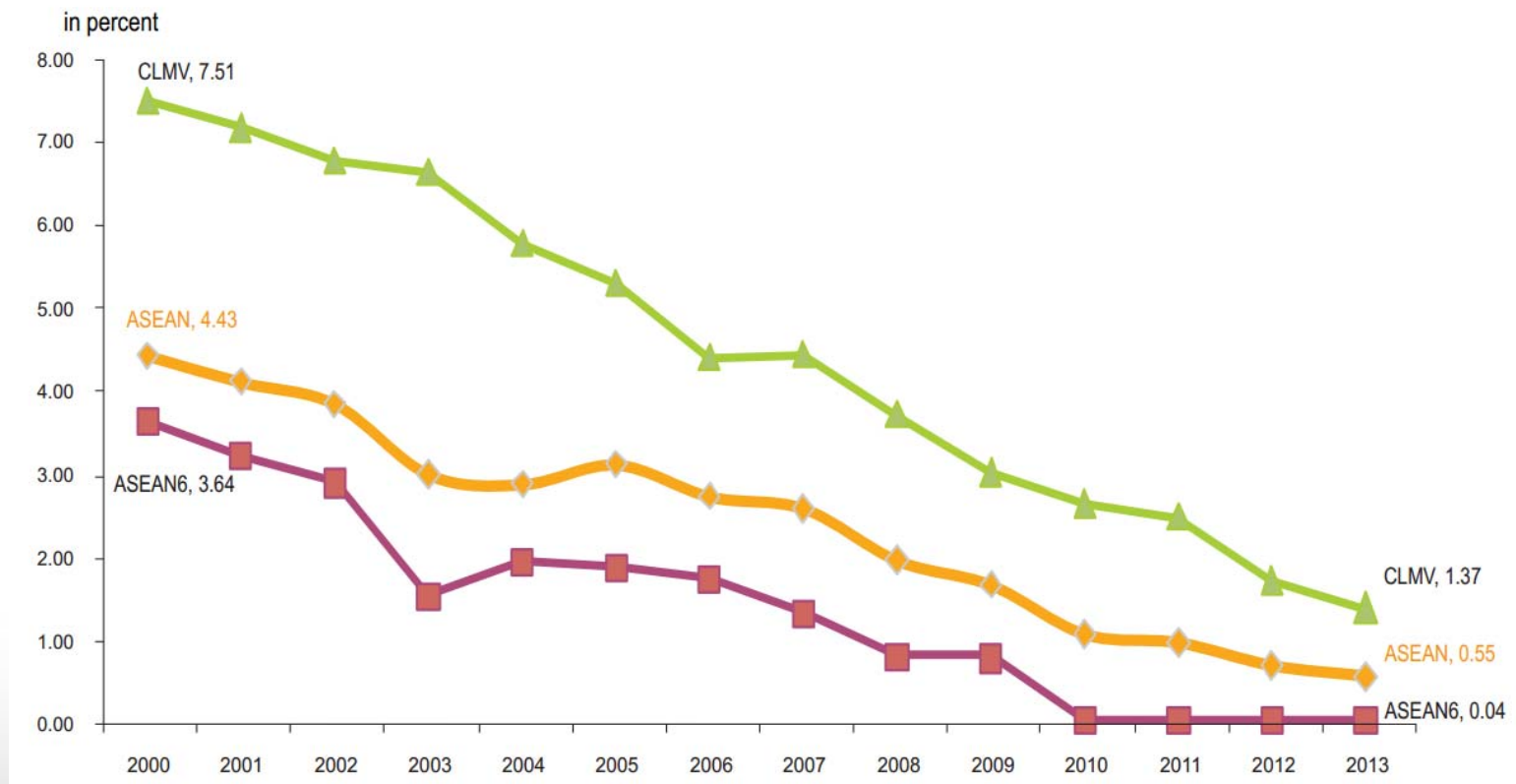


- 2015 is a milestone of continued efforts for integration.
- Tangible outcomes delivered much earlier.

Tariff (intra-ASEAN)



- ASEAN-6: virtually zero in 2010
- CLMV: 1.37% in 2013; elimination 2015-18

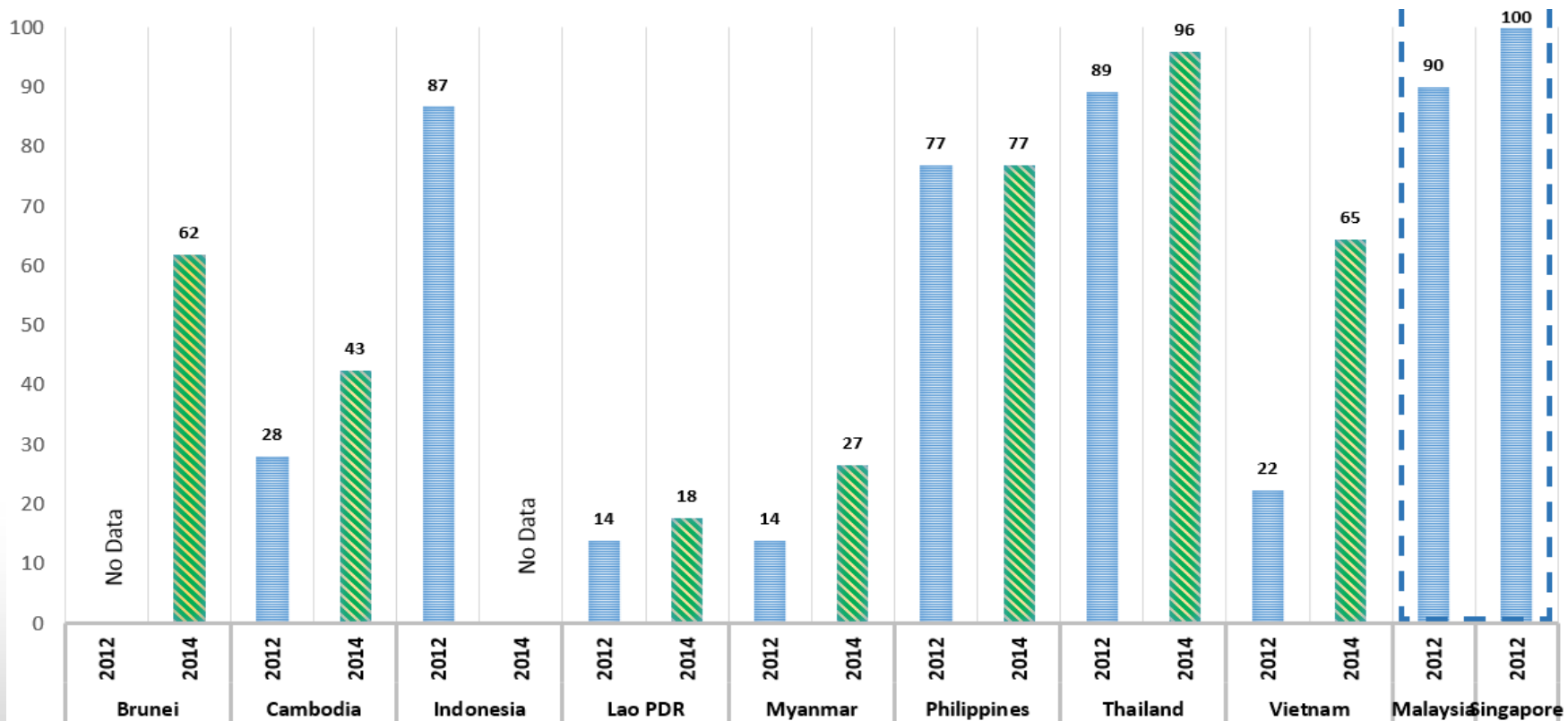


Source: ASEAN Economic Community Chartbook 2013

Single Window



- 5 members have established NSWs
- BR & VN at the advanced stage of NSW dev't
- ASW pilot project ongoing including 7 members



Services Liberalization



- Increasing coverage of services commitments
 - 7th – 65 sectors
 - 8th – 80 sectors
 - 9th – 104 sectors
 - 10th – 128 sectors → 2015?
- Movement of Natural Persons Agreement in 2012

Possible 2015 Deliverables (sectoral)



- 93% tariff elimination in CLMV (7% in 2018)
 - Regional self-certification system
 - ASEAN Single Window (by 7 members?)
 - ASEAN Trade Repository
 - 9th package of AFAS (services) (or even 10th?)
 - ASEAN Trade in Services Agreement (ATISA; upgrade from the current AFAS package)
 - Auto-parts MRA
- + RCEP, AJCEP (S&I), AHKFTA, ACFTA upgrade



Home works after 2016?



- Non-tariff barriers
- Standards and conformance
- Movement of people
- Competition policy (state aid)
- Taxation

Key Deliverables in 2015



- **ASEAN Community's Post 2015 Vision**
- **Assessment of AEC 2015**

AEC Post 2015 Vision



Nay Pyi Taw Declaration on the ASEAN Community's Post-2015 Vision (Nov 2014)

- Post 2015 = 2016-2025
- **New elements of AEC:**
 - Innovation
 - Green technology
 - Resiliency (e.g. disaster management)

Challenges for AEC



- Protectionism
- Nationalist sentiment
- Capacity
- Inequality within countries
- Awareness

AEC as a building block?



- AEC is an open regionalism.
- AEC expanded to “ASEAN+1 FTAs”.
- RCEP = ASEAN+6 FTA
 - Conclusion target in 2015

Where is TPP?



- Impetus for deeper integration
 - TPP / AEC / RCEP
- Bring new ideas on economic integration
- Early conclusion of TPP is critical

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