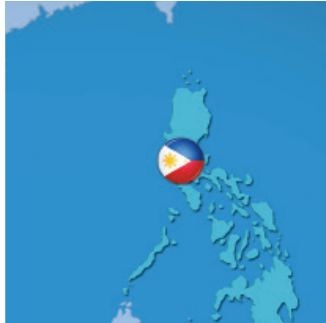




EU - ASEAN Business Update

Edition 4 / September 2015

E - NEWSLETTER



EU-ASEAN Business Networks



Feature Article



ASEAN-EU in 2015 and beyond: Is the glass half full or half empty?

The 4th ASEAN-EU Business Summit was held in Kuala Lumpur, Malaysia, on August 23rd 2015 bringing together over 250 business leaders, policy makers and scholars from Europe and ASEAN. The Summit was held on the occasion of the ASEAN Economic Ministers' Meeting (AEM). The AEM took place from August 22nd to August 25th to put the finishing touches on the formal establishment of the ASEAN Economic Community (AEC) by the end of 2015. Representatives from the SEBSEAM projects were present during the Summit to introduce the organizations and support structures in their countries: Indonesia (EIBN), Cambodia (Eurocham Cambodia), Laos (ECCIL), Thailand (EABC), Malaysia (EUMCCI), Philippines (EPBN) and Vietnam (EVBN). The different organizations embraced under the SEBSEAM umbrella are EU co-funded projects aiming to support European businesses, especially Small-, and Medium-Sized businesses with their endeavor to ASEAN.

Mr. Peter te Kulve, President of Unilever in South East Asia & Australasia started his talk on sustainable development with the question whether the glass for ASEAN is half full or half empty which remained the leading question of the Summit.

Without doubt, the ASEAN-EU relationships have grown significantly over the last decade. With approx. 180 billion EUR in bilateral trade in goods, ASEAN has become the EU's third most important trading

(continues p.2)

Editorial

Following the latest EU-ASEAN Business Summit on 23 August 2015 in Malaysia, the EU-ASEAN Business Networks are pleased to present their fourth edition of the EU-ASEAN Business Update. EU-ASEAN Business Networks' mission is to promote, support and develop EU business interests to do business in the region, as well as facilitate trade, commerce and investments between the EU and ASEAN.

Toward the common goal to contribute export activities of all EU SMEs' in the region and enhance EU-ASEAN Trade, the five networks in Indonesia (EIBN), Malaysia (SEBSEAM-M), Thailand (EABC), Vietnam (EVBN), and the Philippines (EPBN) have been working to ensure that EU companies are able to do business in ASEAN market. SEBSEAM projects are also established in Cambodia, Lao PDR and Myanmar.

At the EU-ASEAN Business Summit where the networks held a joint presentation, EU-ASEAN Business Council Chairman Mr François Guibert said: "ASEAN is an exciting place to be doing business and making investments. There are very good reasons why so many European businesses are trading with the region and making significant investments here. It is a region of great promise: with significant GDP growth predicted to continue for the foreseeable future at somewhere in excess of 5% for the next five years across the region."

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The Green Agenda: Biomass Symposium



Business Confidence Survey Launch



2 Trade Missions to Vietnam



Webinar on Philippine Real Estate



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Furthermore, most respondents do not feel fully informed about the various trade agreements that are in place or being negotiated. That reinforces the need to translate the ASEAN vision into tangible business measures, not only to boost trade and investment, but also to gain and strengthen acceptance in both ASEAN and the EU. Prevailing challenges were discussed in different panels including regulatory and legal challenges as well as non-tariff barriers and questions regarding sustainability. Another question was how to support European and ASEAN Small-, and Medium-Sized Enterprises (SMEs) to benefit from the developments in ASEAN. Out of the approx. 22 million SMEs in Europe, only some have started with their endeavor to South East Asia.

partner outside of Europe. Moreover, the EU is the leading investor in ASEAN with approx. 156 billion EUR in Foreign Direct Investment (FDI). The envisioned economic integration within ASEAN is expected to foster growth further and to boost trade and investment. According to the Business Sentiment Survey* that was launched prior the Summit, 58 % of respondents indicate that further economic integration within ASEAN is important to their businesses' success.

By and large, the outlook on ASEAN is positive as growth in turnover and employment are foreseen for the majority of European businesses. Overall, 80 % of respondents expect to increase trade and investment with the region in the next 5 years. To that end, the recent announcement of the EU-Vietnam Free Trade Agreement (FTA) claiming to be the most extensive FTA established with a developing country, sends the right signal. Eventually, "bilateral FTAs can be used to achieve comprehensive region-to-region FTA" said H.E. Luc Vandebon, EU Ambassador in Malaysia.

However, the glass is not necessarily half full. Based on the Sentiment Survey, only half of the respondents have established an ASEAN business strategy as of today. Different speakers reinforced the need not to settle for a "one fits all" strategy, but to work on strategies with global, regional and national elements. "ASEAN is a reality from a management point of view, but catering to different markets is key to any business success." said Peter de Kulve reinforcing that ASEAN diversity needs to be embraced as part of the integration process.



As usual the question whether the glass is half full or half empty is certainly not trivial. The AEC certainly marks an important step towards increasing connectivity in and attractiveness of ASEAN for European businesses. However, if the ASEAN integration is not implemented properly taking into consideration regional and national specifics, the glass might remain half empty. Without doubt, work needs to be done on all levels to keep it full. And after all, the even more important question might be what is actually in the glass?

Jana Ackermann, Deputy Director, EU-Vietnam Business Network (EVBN)

*The survey was disseminated to European businesses in all ASEAN countries.



ABOUT ASEAN

The Association of Southeast Asian Nations is a political and economic organisation of ten countries of Southeast Asia, which was formed on 8 August 1967 by Indonesia, Malaysia, the Philippines, Singapore and Thailand. Since then, membership has expanded to include Brunei, Cambodia, Laos, Myanmar (Burma) and Vietnam. Its aims include accelerating economic growth, social progress, socio-cultural evolution among its members, protection of regional peace and stability, and opportunities for member countries to discuss differences peacefully. In 2015, the ASEAN Economic Community will integrate it into a single market of 600 million consumers, with freer movement of capital, goods and services.

In 2014, its combined nominal GDP had grown to more than US\$2.3 trillion. If ASEAN were a single entity, it would rank as the sixth largest economy in the world, behind the US, China, India, Japan and Germany.

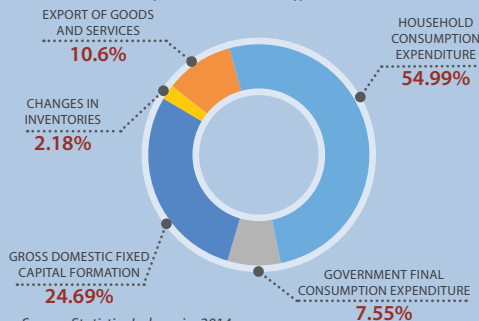
ABOUT INDONESIA



Capital	Jakarta
Area	1.904.569 km ²
Distance East - West	5.120 km
Population	254 million

QUARTERLY UPDATE

Composition of Indonesian GDP (% of total share), 2014



Growth	5.1%
Inflation rate	6.79% (April)
Balance of Trade	+454 m\$ (April)
Budget Balance	-2.3 %

QUARTERLY NEWS HIGHLIGHTS

July 9, 2015
Government prepares incentives for investors in SEZs... [Read more](#)

June 25, 2015
UN Report on FDI Increase in Indonesia... [Read more](#)

June 25, 2015
Government allows foreign ownership... [Read more](#)

EIBN NEWS



June 18, 2015

EIBN Info Session on ICT

EIBN with the support of the Directorate Electronics and Telematics Industry, Ministry of Industry and the Indonesian Global IT Association (INDOGLOBIT) organized the Info Session on Indonesian ICT Market: Towards an Integrated Network. Around 20 participants from European embassies, trade promotion agencies and chambers of commerce were present during the meeting. The discussion approached the ICT market in Indonesia and its potential, a reality also illustrated in EIBN's ICT Sector Report, which copies were handed out to the participants. New facilities and incentives on ICT market were introduced by Ministry of Industry representative. [Read more](#)

June 15 - 20, 2015

EIBN hosts Slovenian Business Delegation

EIBN hosted a 5-day Business Delegation for Gorenje, an Electrical Home Appliances Original Equipment Manufacturer company from Slovenia. Gorenje delegation visited industrial estates located and met with Government representatives. [Read more](#)

August 24, 2015

ASEAN-EU Business Summit

EU-ASEAN Business Council and the EU-Malaysia Chamber of Commerce & Industry jointly organized the ASEAN-EU Business Summit, which took place on August 23, 2015 in Kuala Lumpur, Malaysia. This annual event brought together over 200 participants from the government, business, and academia. [Read more](#)



For more news and information, check www.eibn.org and contact us through our online messaging system

UPCOMING EVENTS



Trade Missions on Healthcare and ICT

October - November, Jakarta

EIBN is taking registrations for its two Pan-European Trade Missions, open to EU SME's from all 28 EU Member States. It is a very valuable opportunity for them to make privileged contact with major players and business events in Indonesia. The Missions

will have two major sector focuses for interested businesses, one on Healthcare and another on ICT. The Healthcare Trade Mission will be held on October 19-23, while the ICT on November 23-27. [Read more](#)

EIBN presence at ELI

16-19 September, 2015

The EIBN team will be present at Electric Power & Renewable Energy Indonesia 2015, with the goal of enhancing the participation of attending EU companies with its business support services. [Read more](#)

Batam Info Session

2 September, 2015

EIBN and the Batam Indonesia Free Zone Authority is organizing a half-day Business Forum on September 2nd "Batam: Renewed Business Opportunities". [Read more](#)

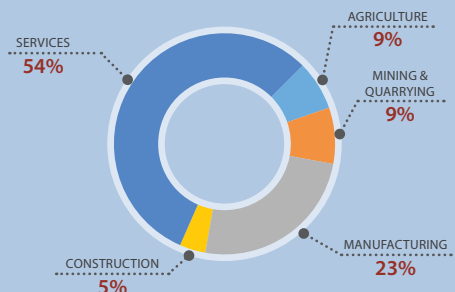
ABOUT MALAYSIA



Capital	Kuala Lumpur
Area	329,847 km ²
Distance East - West	450 km
Population	30.3 million

QUARTERLY UPDATE

Composition of Malaysia Economy 2014 (% of GDP per Sector)



Source: Department of Statistics, Malaysia and Bank Negara Malaysia

GDP Growth	4.9% (Q2 2015)
Inflation rate	3.30% (Q2 2015)
FDI	7980.00 MYR Million
Trade volume	-3.50

QUARTERLY NEWS HIGHLIGHTS

August 21, 2015

EU encourages SMEs to amplify business into Southeast Asia [Read more](#)

August 23, 2015

Malaysia holds 4th ASEAN-EU Business Summit [Read more](#)

April 17, 2015

Bloomberg: No Slowdown in EU-ASEAN Engagement [Read more](#)

SEBSEAM-M NEWS

The Green Agenda:

Investment Opportunities in Bio-based Materials



September 7 - 8, 2015

The Green Agenda: Investment Opportunities in Bio-based Materials Industry in Sabah, Malaysia

The EUMCCI and Palm Oil Industrial Cluster (POIC) Sabah are jointly organizing "The Green Agenda: Investment Opportunities in Bio-Based Material Industry" Symposium & Business Matching from 7-8 September in Kota Kinabalu, Sabah, Malaysia. Meet the Bio-based material industry stakeholders and decision makers in Malaysia, and learn about European solution providers. [Read more](#)

September 9 - 12, 2015

EU Pavilion at International Green-tech & Eco Products Exhibition (IGEM) Malaysia 2015

EUMCCI is organizing the 6th EU Pavilion at IGEM. The EU Pavilion provides a gateway for European and Malaysian SMEs to develop partnerships in the Green technology sector. [Read more](#)

December 8 - 9, 2015

EU-ASEAN Forum on Food Safety

The EU-ASEAN Forum 2015 is a key platform to facilitate the harmonisation of food safety standards, regulation and legislation in the ASEAN region. Connecting EU and ASEAN stakeholders, it tackles regulatory issues and benefits from harmonised standards especially in the context of food quality and safety. [Read more](#)



For more news and information, check www.eumcci.com/sebseam-m or contact us at communications@eumcci.com

UPCOMING EVENTS

Green Construction Made in Europe: Symposium & Business Matching for EU SME's in Engineering, Architectural, and Quantity Surveying

September 10 - 11, 2015 - Kuala Lumpur



In conjunction with International Construction Week and the International Greentech and Ecoproducts Exhibition and Conference in Malaysia, SEBSEAM-Malaysia will organize a

two-day Symposium and Business Matching sessions with a focus on EU SME's in the construction industry. [Read more](#)

Market Research Report on Construction Industry

September 2015

Market study for European and Malaysian engineers, architects, and other service providers in the Construction Industry. [Read more](#)

European Railway Sector Seminar: High Speed Train

Spring 2016

One day event with presentations by EU companies to Malaysian stakeholders in the railway sector. [Read more](#)

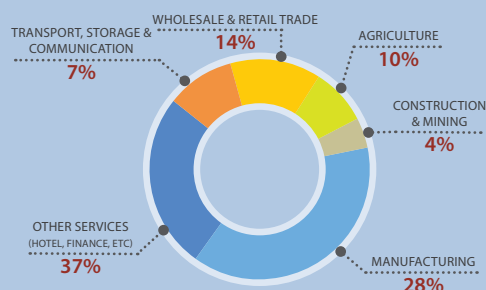
ABOUT THAILAND



Capital	Bangkok
Area	513,000 km ²
Distance East - West	780 km
Population	67 million

QUARTERLY UPDATE

Composition of Thai Economy 2014 (% of GDP per Sector)



Source: Bank of Thailand

Growth	2.8% (Q2, 2015)
Inflation rate	-1.1% (Q2, 2015)
Balance of Trade	+7.84 billion \$ (Q2, 2015)
Unemployment Rate	0.9% (Q2, 2015)

QUARTERLY NEWS HIGHLIGHTS

August 21, 2015

Businesses see change in Thai cabinet as a step in the right direction... [Read more](#)

August 22, 2015

So far 271 foreign firms given approval to start business operations in Thailand... [Read more](#)

August 25, 2015

ASEAN looking to enhance FTA's with East Asian Economies... [Read more](#)

EABC NEWS

June 9, 2015

EABC Dinner Talk with Deputy PM



The EABC recently hosted a Dinner Talk with Deputy Prime Minister of Thailand, Dr Wissanu Krea-ngam at the Sofitel So in Bangkok. The event featured an in depth discussion of the Thai Government's new Licensing Facilitation Act in order to upgrade Thailand's Ease of Doing Business and Transparency status, by keynote speaker and Law Councilor Mr Pakorn Nilrapunt. Participants were able to interact with both the Deputy PM and Mr Pakorn to discuss and inquire further about the new law, as well as about current and future initiatives by the Thai government to improve the overall business environment in Thailand. [Read more](#)

July 23, 2015

ASEAN's Mid-Year Economic Review 2015

Through collaboration with its consortium network, the EABC recently organized a joint chambers lunch talk to review the progress of ASEAN's economic developments under the topic "ASEAN Economic Community (AEC): Illusion or Reality?" The event consisted of an in depth panel discussion followed by a luncheon where participants were able to network with the panelists. [Read more](#)

August 23, 2015

EU-ASEAN Business Summit

The EABC's President Mr Rolf-Dieter Daniel, Automotive WG Chairperson Mr Michael Grewe and ICT WG Vice Chairperson Mr Bob Fox recently attended the 4th ASEAN-EU Business Summit held in Kuala Lumpur, Malaysia. Both Mr Grewe and Mr Fox represented the EABC as speakers for the panel discussions, in each of their respective industries. [Read more](#)



For more news and information, check www.eabc-thailand.eu or contact us at info@eabc-thailand.eu

UPCOMING EVENTS

EABC Business Confidence Survey Launch

September 25, 2015 - Bangkok



Following the success of our first business confidence survey in 2012, the EABC will publish the results of its much anticipated 2nd business confidence survey, of European business in Thailand this September. The results of the business confidence survey are intended to provide a European perspective on the Thai economy. The event will feature a key note address on the state of Thailand's and the importance of strengthening the economic relationship between the EU and Thailand followed by an afternoon luncheon and networking event. [Read more](#)

EABC Transfer Pricing Seminar

September 8, 2015

The EABC in close collaboration with KPMG in Thailand is organizing a seminar for members of the European business community on Thailand's new transfer pricing law... [Read more](#)

EABC at TIDE 2015

September 17 - 20, 2015

Join us at the upcoming Thailand Design & Innovation Expo in Bangkok, where we will be hosting an EU Pavilion... [Read more](#)

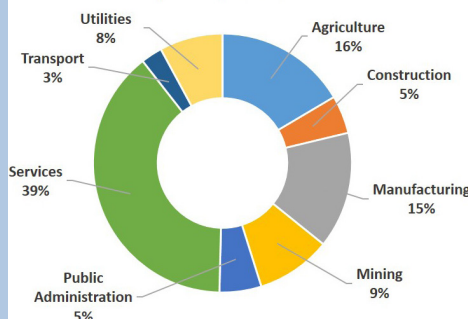
ABOUT VIETNAM



Capital	Hanoi
Largest city	Ho Chi Minh City
Area	332.210 km ²
Population	93 million

VIETNAM UPDATE

Composition of Vietnam Economy 2014
(% of GDP per sector)



GDP Growth	6.44% (2st quarter 2015)
Inflation rate	1% (2st quarter 2015)
FDI	\$ 2622 mio (2st quarter 2015)

QUARTERLY NEWS HIGHLIGHTS

June 1 2015

Vietnam, EU look to expand comprehensive cooperation. [Read more](#)

July, 2015

Social and economic situation in seven months. [Read more](#)

August 10

EuroCham index shows slight rise in confidence. [Read more](#)

EVBN NEWS

August, 2015

EU and Vietnam reach agreement on free trade deal



After 2 ½ years of negotiations, the EU and Vietnam have reached an agreement paving the way for a comprehensive and ambitious free trade agreement. The EU-Vietnam FTA will eliminate nearly all tariffs on goods traded between the two economies. The symmetrical liberalization agreed upon - with adequate transition period to allow Vietnam to adopt - is the first of its kind that the EU has concluded with a developing country. Further to the elimination of tariffs, the removal of export duties and non-tariff barriers to European exports are foreseen under the frame of the agreement.

[Read more](#)

July, 2015

Webinars: Green Technologies & Lifestyle

Following the success of last webinar provided useful information on the Vietnamese market, EVBN proudly hosted the series of webinars in different sectors "Green Technologies" & "Interior Design". The webinars succeeded to provide European companies overall information about the Vietnamese markets which have strong demands & opportunities to develop. Please click here to learn about the webinars of [Green Technologies](#) & [Interior Décor](#).

August, 2015

EVBN Update

In July & August four new team members joined the EVBN. Mr. Philip Endersby recently joined in the role as Business Development Manager emphasizing on the delivery of high-quality services to European companies. Ms. Huong Nhan joined as new EVBN Accountant & Ms. Dung Pham will support EVBN as Business and Administration Officer. Our trainee Ms. Thien Bui will focus on the upcoming Lifestyle Mission. [EVBN services](#)



For more news and information, check www.evbn.org or contact us at info@evbn.org

UPCOMING EVENTS

EVBN touring Europe in September

EVBN TOURING EUROPE

MAISON & OBJET Paris · HOMI Milano
HUSUM Germany · RWM Nec Birmingham

September marks a very active month of EVBN outreach activities after the summer vacation with the visits of four fairs in Europe including: MAISON ET OBJET in France, HOMI in Italy, RWM in UK and HUSUM in Germany.

EVBN representatives will visit these exhibitions in the sectors of Interior Décor and Green Technologies in order to provide interested European companies with market entry information to the two upcoming trade missions: Lifestyle Trade Mission and Green Technologies Trade Mission. Meet our experts at the fair, [click here](#)

Lifestyle Trade Mission to Vietnam

October 27-30, 2015

Sectors: Gourmet & Fine food, Food Products & Ingredients, Wine, Spirit & Beers, Tableware & Accessories, etc. [Read more.](#)

Green Technologies Trade Mission to Vietnam

November 24 - 27, 2015

Sectors: Energy Efficiency, Renewable Energy, Water Management, Waste Management [Read more](#)

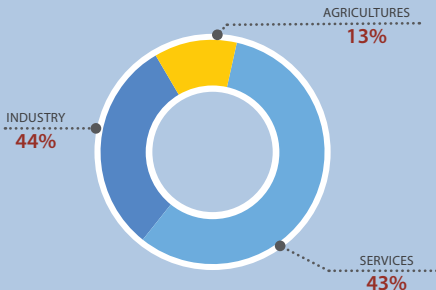
ABOUT PHILIPPINES



Capital	Manila
Area	300,000 km ²
Distance	1,127 km
Population	100 million

QUARTERLY UPDATE

Composition of Philippine Economy Q1 2015 (% of GDP per Sector)



Source: Philippine Statistics Authority; Department of Finance

GDP Growth	5.2% (April 2015)
Inflation rate	2.2% (April 2015)
Balance of Trade	264 million USD (March 2015)
Budget Deficit	60% (Q1 2015)

QUARTERLY NEWS HIGHLIGHTS

July 21, 2015

President Aquino Signs Competition Act and Cabotage Law Amendments. [Read more](#)

August 25, 2015

PH safe haven for Businesses. [Read more](#)

May 29, 2015

PH Real Estate Industry Bullish on ASEAN 2015
[Read more](#)

EPBN NEWS

May 12 - 21, 2015

Roadshow to Baltic and Nordic countries



EPBN, together with European Association for Business and Commerce (Thailand), EU-Indonesia Business Network, EU-Malaysia Chamber of Commerce and Industry and EU-Vietnam Business Network organized an ASEAN road show in the Baltic and Nordic countries, from May 12-21, 2015. Business seminars and country-specific sessions were organized in Lithuania, Latvia, Estonia, Finland and Sweden. [Read more](#)

July 2015

Philippine Business Insider

The Philippine Business Insider, EPBN's newest monthly newsletter, gives its readers an overview on the viable business prospects in the country. It aims to inform investors about the latest projects, booming sectors and upcoming events and trade fairs. It gives the readers a glimpse on doing business in the country and its accompanied incentives and advantages. [Read more](#)

May 27, 2015

ASEAN Partners' Coordination Meeting

EPBN participated in a coordination meeting with the other SEBSEAM Project partners in Kuala Lumpur, on 27th of May. The focus of the meeting was on sharing project experiences in terms of outreach and advocacy activities. The event helped in gaining a better understanding of the different setups of the EPBN partner projects in Malaysia, Thailand, Indonesia, Vietnam and Cambodia and the specific issues they encountered. [Read more](#)



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or contact us at
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UPCOMING EVENTS



Webinar on Philippine Real Estate

September 16, 2015

Philippines is currently one of the fastest growing economy in the world with an average GDP growth of 6.3% over the past five years. A major growth driver is the real estate industry, in which local developers are committed to capital investment plans amounting to over EUR 6 billion in 2015. EPBN will be conducting a webinar focused on the opportunities available for SMEs in one of the bullish industries in the country. [Read more](#)

EPBN Healthcare Advocacy Workshop

October 14, 2015

Being one of the essential indicators for holistic development in a country, providing primary healthcare to the Filipinos is a priority for the government and industry alike. EPBN will host a healthcare advocacy workshop, bringing together key healthcare-related stakeholders from the Philippine government, private sector and the representatives of the EU - Philippine Health Sector Reform Contract to identify common goals for mutually beneficial reforms in the Healthcare sector which will ensure the success of the Universal Healthcare programme of the government and the long term sustainability of positive reforms implemented under the EU Technical Assistance programme.

Sharing of Best Practices on Competition Policy

September 10, 2015

With the opportunity of EU Competition Policy expert, Ms Tiina Pitkanen's visit to the Philippines, the breakfast dialogue aims to look at the main features of EU Competition Policy and the Philippine Competition Act: Sharing Best Practices

Dialogue on GSP+ Implementation

September 18, 2015

Following the granting of GSP+ status of the European Union to the Philippines in December 2014, the Directorate-General for Trade of the European Commission will explain the GSP+ monitoring process, and seek views from participants on the implementation of GSP+ in the Philippines