The Association of Southeast Asian Nations (ASEAN), a trade-driven block of 10 Southeast Asian nations, has gained tremendous momentum in the past 50 years. Founded as a political bloc of the 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.
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 is one of the most attractive regions for international businesses.

ASEAN Population 2018
- 647 million

ASEAN GDP 2018
- 2,923 billion US$

ASEAN GDP growth 2018
- 5.2%

ASEAN Inflation 2018
- 3%

ASEAN Trade volume 2017
- Total export: 2,574 billion US$
- Top export products: Electrical machinery and equipment; Machinery; Mineral fuels and mineral oils; Other vehicles; and Measuring, checking, medical instruments.

ASEAN Export 2017
- Total import: 1,322 billion US$
- Top import products: Electrical machinery and equipment; Mineral fuels and mineral oils; Machinery; Plastics and articles thereof; and Other vehicles.

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: 27 billion US$
- EU: 25 billion US$
- Japan: 13 billion US$
- China: 11 billion US$
- Hong Kong: 8 billion US$
- Korea: 5 billion US$
- USA: 4 billion US$

ASEAN Import 2017
- Total import: 1,252 billion US$

ASEAN Import 2017
- Top import products: Electrical machinery and equipment; Mineral fuels and mineral oils; Machinery; Plastics and articles thereof; and Other vehicles.

ASEAN is one of the most attractive regions for international businesses.
ASEAN
A GLOBAL BRIGHT SPOT

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.

02
ASEAN competitive wages

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.
### ASEAN COUNTRIES OVERVIEW

<table>
<thead>
<tr>
<th>Country</th>
<th>Ease of Doing Business Ranking 2018</th>
<th>Surface Area 2018 (km²)</th>
<th>Population 2018 (million)</th>
<th>Total trade with Germany 2018 (billion EUR)</th>
</tr>
</thead>
<tbody>
<tr>
<td>Indonesia</td>
<td>73</td>
<td>1,913,580</td>
<td>264</td>
<td>6.6</td>
</tr>
<tr>
<td>Malaysia</td>
<td>15</td>
<td>330,345</td>
<td>32</td>
<td>14.1</td>
</tr>
<tr>
<td>Myanmar</td>
<td>171</td>
<td>676,590</td>
<td>53</td>
<td>1</td>
</tr>
<tr>
<td>Philippines</td>
<td>124</td>
<td>300,000</td>
<td>107</td>
<td>6.2</td>
</tr>
<tr>
<td>Singapore</td>
<td>2</td>
<td>719</td>
<td>5.6</td>
<td>14.5</td>
</tr>
<tr>
<td>Thailand</td>
<td>27</td>
<td>513,120</td>
<td>68</td>
<td>11.2</td>
</tr>
<tr>
<td>Vietnam</td>
<td>69</td>
<td>331,230</td>
<td>95</td>
<td>13.9</td>
</tr>
</tbody>
</table>

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

GERMAN TRADE WITH ASEAN

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

Total Trade 2018
69,629 million EUR
+6%

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

GERMAN FDIs 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

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.

Challenges

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

12

13
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).

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

Sources: Deutsche Bank, Destatis, ASEAN Statistics, GTAI
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.

### ECONOMY 2018

**Nominal GDP**

<table>
<thead>
<tr>
<th>Year</th>
<th>Nominal GDP (US$)</th>
</tr>
</thead>
<tbody>
<tr>
<td>2018</td>
<td>355 B</td>
</tr>
</tbody>
</table>

**Annual GDP growth** 4.7%

**Average Inflation** 1%

### ECONOMY OUTLOOK 2020

**Nominal GDP**

<table>
<thead>
<tr>
<th>Year</th>
<th>Nominal GDP (US$)</th>
</tr>
</thead>
<tbody>
<tr>
<td>2020</td>
<td>376 B</td>
</tr>
</tbody>
</table>

**Annual GDP growth** 4%

**Average Inflation** 2.4%

### ECONOMY 2018

**Export 2018**

<table>
<thead>
<tr>
<th>Export Partners 2018</th>
<th>Export (US$ B)</th>
</tr>
</thead>
<tbody>
<tr>
<td>Germany</td>
<td>177 B</td>
</tr>
<tr>
<td>China</td>
<td>207 B</td>
</tr>
<tr>
<td>USA</td>
<td>177 B</td>
</tr>
</tbody>
</table>

**Import 2018**

<table>
<thead>
<tr>
<th>Import Partners 2018</th>
<th>Import (US$ B)</th>
</tr>
</thead>
<tbody>
<tr>
<td>Malaysia</td>
<td>207 B</td>
</tr>
<tr>
<td>China</td>
<td>177 B</td>
</tr>
<tr>
<td>USA</td>
<td>177 B</td>
</tr>
</tbody>
</table>

**FDI Net Inflow 2018**

<table>
<thead>
<tr>
<th>Top FDI Contributors 2017</th>
<th>FDI Net Inflow (US$ B)</th>
</tr>
</thead>
<tbody>
<tr>
<td>Germany</td>
<td>2,9 B</td>
</tr>
<tr>
<td>USA</td>
<td>207 B</td>
</tr>
</tbody>
</table>

### MALAYSIAN-GERMAN RELATIONS

**Export Products 2017**

- Electronics assembly; Chemical products; Electrical engineering; Petrochemistry; and Mineral fuels and mineral oils.

**Import Products 2017**

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

**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.

**ECONOMY 2018**

Kuala Lumpur

Georgetown

Ipoh

Johor Bahru

Kota Kinabalu

Kuching

Sources: Deutsche Bank, Destatis, ASEAN Statistics, GTAI
Export of garments to Germany increased more than 30% in 2017 - trend continues.

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

### ECONOMY 2018

<table>
<thead>
<tr>
<th>Indicator</th>
<th>2018 Value</th>
<th>2017 Value</th>
</tr>
</thead>
<tbody>
<tr>
<td>Nominal GDP</td>
<td>US$ 68.6 B</td>
<td>US$ 50.3 M</td>
</tr>
<tr>
<td>Annual GDP growth</td>
<td>6.2%</td>
<td>6.7%</td>
</tr>
<tr>
<td>Average Inflation</td>
<td>3.5%</td>
<td>3.5%</td>
</tr>
</tbody>
</table>

### ECONOMY OUTLOOK 2020

<table>
<thead>
<tr>
<th>Indicator</th>
<th>2020 Value</th>
</tr>
</thead>
<tbody>
<tr>
<td>Nominal GDP</td>
<td>US$ 71.4 B</td>
</tr>
<tr>
<td>Annual GDP growth</td>
<td>6.6%</td>
</tr>
<tr>
<td>Average Inflation</td>
<td>6.7%</td>
</tr>
</tbody>
</table>

### EXPORT 2018

<table>
<thead>
<tr>
<th>Partner</th>
<th>Value</th>
</tr>
</thead>
<tbody>
<tr>
<td>Germany</td>
<td>US$ 15.4 B</td>
</tr>
</tbody>
</table>

### IMPORT 2018

<table>
<thead>
<tr>
<th>Partner</th>
<th>Value</th>
</tr>
</thead>
<tbody>
<tr>
<td>Germany</td>
<td>US$ 24.1 B</td>
</tr>
</tbody>
</table>

### FDI NET INFLOW 2017

<table>
<thead>
<tr>
<th>Country</th>
<th>Value</th>
</tr>
</thead>
<tbody>
<tr>
<td>Germany</td>
<td>US$ 4.7 B</td>
</tr>
</tbody>
</table>

### TOP FDI CONTRIBUTORS 2017

- Germany
- China
- Thailand
- Hong Kong
- Japan
- Singapore

### TOP FDI SECTORS 2017

- Petro-chemistry
- Cars
- Chemistry
- Machinery

### TOP German export products 2017

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

### TOP German import products 2017

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

### MYANMAR- GERMAN RELATIONS

#### German export to Myanmar 2018

- €122 M

#### German import from Myanmar 2018

- €958 M

#### Total German FDIs until 2017

- US$ 50.3 M

### MYANMAR EXPORT PARTNERS 2017

- China
- Thailand
- Japan
- Singapore
- India

### MYANMAR IMPORT PARTNERS 2017

- China
- Thailand
- Japan
- Malaysia
- South Korea
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.

**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

**PHILIPPINE-GERMAN RELATIONS**

**Export partners 2017**

- Electronics assembly; Electrical engineering; Food; Chemical products; Machinery.

**Import partners 2017**

- Food; and Textile and garments.

**Top German export products 2017**

- 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.

**Sources:** Deutsche Bank, Destatis, ASEAN Statistics, GTAI
Singapore is one of the world’s greenest cities and ranks #1 in Asia for sustainability. The Sustainable Cities Index by Arcadis 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.

**ECONOMY 2018**

US$ 361 B Nominal GDP 2016

3.2% Annual GDP growth 2016

0.4% Average Inflation 2016

**ECONOMY OUTLOOK 2020**

US$ 370 B Nominal GDP

2.5% Annual GDP growth

0.8% Average Inflation

**ECONOMY 2018**

US$ 451 B Nominal GDP 2016

3.2% Annual GDP growth 2016

2.5% Average Inflation 2016

**ECONOMY OUTLOOK 2020**

US$ 44.8 B Nominal GDP

2.5% Annual GDP growth

0.8% Average Inflation

**EXPORT 2018**

US$ 451 B (Merchandise exports)

**IMPORT 2018**

US$ 353 B (Merchandise imports)

**FDI NET INFLOW 2018**

US$ 44.8 B

**EXPORT PARTNERS 2017**

China, Hong Kong, Malaysia, Indonesia, USA

**IMPORT PARTNERS 2017**

China, Malaysia, USA, Taiwan, Netherland, USA, Japan

**TOP FDI CONTRIBUTORS 2017**

Germany, China, Malaysia, USA, Singapore

**EXPORT PRODUCTS 2017**

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

**IMPORT PRODUCTS 2017**

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

**TOP FDI SECTORS 2017**

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

**SINGAPOREAN-GERMAN RELATIONS**

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

**German import from Singapore 2018** €6,574 M

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

**Sources:** Deutsche Bank, Destatis, ASEAN Statistics, GTAI

**ECONOMY OUTLOOK 2020**

US$ 451 B Nominal GDP 2016

3.2% Annual GDP growth 2016

2.5% Average Inflation 2016

**ECONOMY OUTLOOK 2020**

US$ 44.8 B Nominal GDP

2.5% Annual GDP growth

0.8% Average Inflation

**EXPORT 2018**

US$ 451 B (Merchandise exports)

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US$ 353 B (Merchandise imports)

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US$ 44.8 B

**EXPORT PARTNERS 2017**

China, Hong Kong, Malaysia, Indonesia, USA

**IMPORT PARTNERS 2017**

China, Malaysia, USA, Taiwan, Netherland, USA, Japan

**TOP FDI CONTRIBUTORS 2017**

Germany, China, Malaysia, USA, Singapore

**EXPORT PRODUCTS 2017**

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

**IMPORT PRODUCTS 2017**

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

**TOP FDI SECTORS 2017**

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

**SINGAPOREAN-GERMAN RELATIONS**

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

**German import from Singapore 2018** €6,574 M

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

**Sources:** Deutsche Bank, Destatis, ASEAN Statistics, GTAI
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.

**ECONOMY 2018**

- **Nominal GDP 2018**: US$ 505 B
- **Annual GDP growth 2018**: 4.1%
- **Average Inflation 2018**: 1.1%

**ECONOMY OUTLOOK 2020**

- **Nominal GDP**: US$ 560 B
- **Annual GDP growth**: 3.5%
- **Average Inflation**: 1.7%

**THAI-GERMAN RELATIONS**

- **German export to Thailand 2018**: €5,062 M
- **German import from Thailand 2018**: €6,114 M
- **Total German FDIs until 2017**: €3,617 M

**EXPORT PRODUCTS 2017**

- Electronics assembly, Cars, Foodstuffs, Machinery, and Chemical products.

**IMPORT PRODUCTS 2017**

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

**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.

**THAILAND**

Sources: Deutsche Bank, Destatis, ASEAN Statistics, GTAI
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.

**Vietnamese-German relations**

**Top German export products 2017**
- Electronics assembly; Textile and garments; Foodstuffs; Footwear; and Electrical engineering.

**Top German import products 2017**
- Electronics assembly; Chemical products; Machinery; Textile and garments; and Foodstuffs.

**Economy 2018**
- **Nominal GDP** 2018: US$ 245 B
- Annual GDP growth 2018: 7.1%
- Average Inflation 2018: 3.5%
- **Economy Outlook 2020**
- **Nominal GDP** 2020: US$ 285 B
- Annual GDP growth: 6.3%
- Average Inflation: 4.4%

**Export 2018**
- **Merchandise exports** 2018: US$ 244 B

**Import 2018**
- **Merchandise imports** 2018: US$ 231 B

**FDI Net Inflow 2018**
- **Total German FDI** until 2017: €1,800 M
- **German export** to Vietnam 2018: €4,109 M
- **German import** from Vietnam 2018: €9,754 M
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

www.gcabc.asia
**PHILIPPINES**

Dr. Martin Henkelmann
martin.henkelmann@gpcci.org
+63 2 85198110
www.philippinen.ahk.de

**SINGAPORE**

Dr. Tim Philippi
tim.philippi@sgc.org.sg
+65 64335331
www.sgc.org.sg

**MALAYSIA**

Daniel Bernbeck
daniel.bernecke@malaysia.ahk.de
+60 3 92351800
www.malaysia.ahk.de

**THAILAND**

Dr. Roland Wein
wein@gtcc.org
+66 2 0550611
www.thailand.ahk.de

**MYANMAR**

Martin Klose
martin.klose@myanmar.ahk.de
+95 9 450629364
www.myanmar.ahk.de

**VIETNAM**

Marko Walde
walde.marko@vietnam.ahk.de
+84 28 38239775
www.vietnam.ahk.de