

The ASEAN Economic Community: An Overview

9 September 2008

ASEAN Economic Community

- One of the three key pillars of the envisaged ASEAN Community
- End goal of economic regional integration as declared by the ASEAN Leaders at the Bali Summit in October 2003 (Bali Concord II)
- To be established by 2015 as agreed by the ASEAN Leaders at the 12th ASEAN Summit

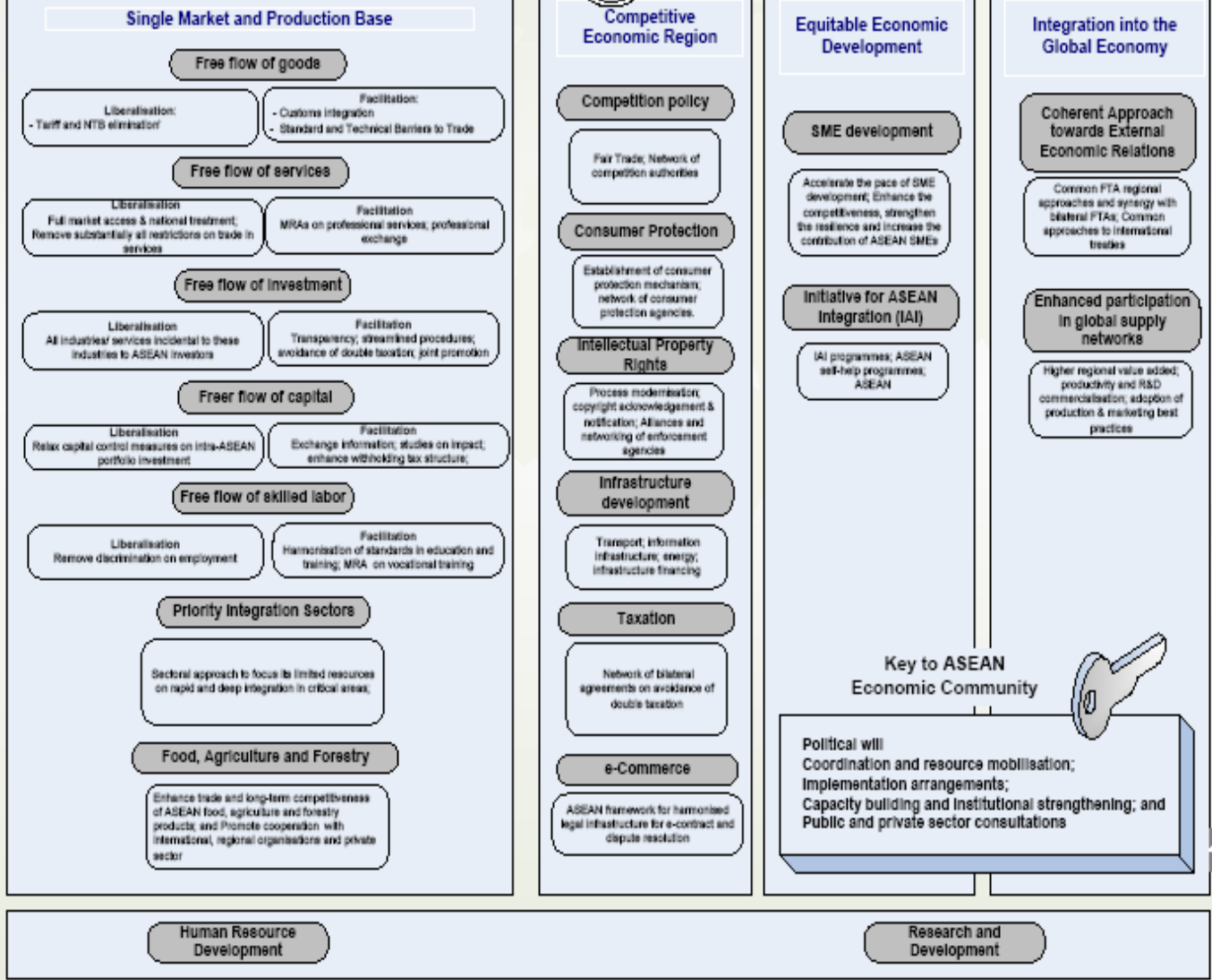
Characteristics of the AEC

- a. A single market and production base
 - b. A highly competitive economic region
 - c. A region of equitable development
 - d. A region fully integrated into the global economy
- These characteristics are inter-related and mutually reinforcing.

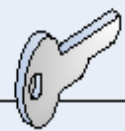
Flexibility

ASEAN ECONOMIC COMMUNITY

Strategic Schedule



Key to ASEAN Economic Community



Political will
 Coordination and resource mobilisation;
 Implementation arrangements;
 Capacity building and Institutional strengthening;
 and Public and private sector consultations



Beyond 2015



Single Market and Production Base

- Comprises five core elements: (i) free flow of goods, (ii) free flow of services, (iii) free flow of investment, (iv) freer flow of capital, and (v) free flow of skilled labour
- Also includes two important components, namely, priority integration sectors, and food, agriculture and forestry.

Free Flow of Services

- Substantially no restriction to ASEAN services suppliers in providing services and in establishing companies across national borders within the region, subject to domestic regulations.
- Recognition of professional qualifications, with a view to facilitate their movement within the region

Priority Integration Sectors

1. Agro-based products
2. Air-travel
3. Automotives
4. e-ASEAN
5. Electronics
6. Fisheries
7. Healthcare
8. Logistics
9. Rubber-based products
10. Textiles and apparels
11. Tourism
12. Wood-based products

Free Flow of Services: Timelines

- **2010:** Healthcare, e-ASEAN, Air Travel and Tourism
- **2013:** Logistics
- **2015:** AFAS for non-Priority Integration Sectors