The Association of Southeast Asian Nations (ASEAN) was established on 8 August 1967. The Member States are Brunei Darussalam, Cambodia, Indonesia, Lao PDR, Malaysia, Myanmar, Philippines, Singapore, Thailand and Viet Nam. The ASEAN Secretariat is based in Jakarta, Indonesia.

For inquiries, contact:
The ASEAN Secretariat
Community Relations Division (CRD)
70A Jalan Sisingamangaraja
Jakarta 12110, Indonesia
Phone: (62 21) 739-0372, 739-2984
Fax: (62 21) 739-0370, 739-2984
E-mail: public@asean.org

ASEAN: A Community of Opportunities
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2. ASEAN – Economic Community

Effective implementation of AEC +1 Free Trade Agreements.

In 2015, ASEAN was the 3rd largest by population with more than half under the age of 30 and 47.7% living in urban areas.

In 2015, ASEAN attracted US$ 121 billion of FDI with intra-ASEAN constituting the largest share of inflows.

Goods Agreement and other ASEAN +1 Free Trade Agreements.

Total trade increased by US$ 700 billion between 2007 and 2015, with intra-ASEAN trade comprising the largest share of ASEAN’s total trade.

Effective implementation of AEC Blueprint 2025 requires key reference for institutionalising monitoring and evaluation mechanisms across AEC sectors. To this end, the AEC 2025 Monitoring and Evaluation Framework was endorsed by the ASEAN Economic Community and the AEC Council in August and September 2016, respectively. This framework enhances the previous mechanism, by going beyond compliance monitoring to also cover the outcomes monitoring and impact evaluation of regional economic integration.
ASEAN Economic Community (AEC)

The formal establishment of the ASEAN Economic Community (AEC), as part of the ASEAN Community, on 31 December 2015, marks an important milestone in ASEAN economic integration agenda. This was preceded by implementation of measures in the first AEC Blueprint (2008-2015), with the following key achievements:

• More open market, with intra-regional tariffs virtually eliminated and formal restrictions in services sector gradually removed;
• Reduced trade costs through simplification of cross-border trading processes, including on customs procedures and rules of origin, harmonisation of technical regulations and mutual recognition arrangements;
• More attractive investment regime, and a more business-friendly and innovation-supportive environment through the adoption of common frameworks, standards and mutual cooperation in various areas; and
• Better connectivity in transportation and other infrastructure networks.

However, community building is not a static end goal but rather a dynamic process that requires continuous reinvention of the region to seek deeper and broader integration as well as ensure its continued relevance in an evolving global economy.

The AEC Blueprint 2025, adopted by the ASEAN Leaders at the 27th ASEAN Summit in Kuala Lumpur, Malaysia, provides broad directions through strategic measures to guide the next phase of ASEAN economic integration from 2016 to 2025. Along with the ASEAN Community Vision 2025, the ASEAN Political-Security Community (APSC) Blueprint 2025 and the ASEAN Socio-Cultural Community (ASCC) Blueprint 2025, the AEC Blueprint 2025 forms part of ASEAN 2025: Forging Ahead Together.

Under the new Blueprint, a stronger AEC is envisaged by 2025 with the following characteristics:

(a) A Highly Integrated and Cohesive Economy;
(b) A Competitive, Innovative, and Dynamic ASEAN;
(c) Enhanced Connectivity and Sectoral Cooperation;
(d) A Resilient, Inclusive and People-Oriented, People-Centred ASEAN; and
(e) A Global ASEAN

The AEC Blueprint 2025 sets higher ambition through the deepening of existing integration areas, and incorporation of new focus areas such as Global Value Chains (GVCs), good regulatory practice, sustainable development, global megatrends and emerging trade-related issues.

At the time of its establishment, the AEC took form as the world’s 3rd most populous market, behind China and India. It is now the world’s 4th largest economy in the world. With a total GDP of $1.9 trillion, which collectively put the region as the world’s 3rd most populous market, behind China and India. In 2016, efforts have been focused on putting in place the fundamentals for effective operationalisation of the AEC Blueprint 2025 through the adoption of various AEC sectoral work plans. In parallel, continued progress was made on completing the remaining AEC 2015 measures as well as initiating the implementation of new measures under the AEC Blueprint 2025.

In its inaugural year of the AEC, and under the chairmanship of Lao PDR, the 48th ASEAN Economic Ministers’ (AEM) Meeting adopted the following priority deliverables:

1) The ASEAN Trade Facilitation Framework;
2) The ASEAN Food Safety Regulatory Framework;
3) The ASEAN Institutional Framework on Access to Finance for MSME;
4) The Report and Work Programme on Starting a Business in ASEAN; and

The Pakse Declaration on ASEAN Roadmap for Strategic Development of Ecotourism Clusters and Corridors was likewise adopted by the ASEAN Tourism Ministers, while good progress was also made in the work on the ASEAN Sustainable Tourism Award.

The ASEAN Solutions for Investments, Services and Trade (ASSIST), which is aimed at delivering practical solutions to help businesses address their concerns and difficulties while doing business in the region (http://assist.asean.org/) is now fully operational; while ASEAN Tariff Finder website (http://tariff-finder.asean.org/) has been launched, providing a cost-free search engine for tariff-related information under the ASEAN Trade in Goods, Services and Investment (ATIGI) Framework.

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ASEAN Economic Community
at a Glance

ASEAN ECONOMY
A dynamic and competitive economic region.

With an average annual real growth rate of 5.3%, collectively ASEAN economy was the 6th largest in the world and the 3rd largest in Asia in 2015.

ASEAN TRADE
A growing and integrated market.

Total trade increased by US$ 700 billion between 2007 and 2015, with intra-ASEAN trade comprising the largest share of ASEAN’s total trade.

ASEAN INVESTMENT
An attractive and attractive destination.

In 2015, ASEAN attracted US$ 121 billion of FDI with intra-ASEAN constituting the largest share of inflows.

ASEAN PEOPLE
A dynamic and mobile community.

In 2015, ASEAN was the 3rd largest by population with more than half under the age of 30 and 47.7% living in urban areas.

Goods Agreement and other ASEAN +1 Free Trade Agreements.

Effective implementation of AEC +1 Free Trade Agreements requires key reference for institutionalising monitoring and evaluation mechanisms across AEC sectors. To this end, the AEC 2025 Monitoring and Evaluation Framework was endorsed by the ASEAN Economic Community and the AEC Council in August and September 2016, respectively. This framework enhances the previous mechanism, by going beyond compliance monitoring to also cover the outcomes monitoring and impact evaluation of regional economic integration.