



Introduction to the ASEAN Community





Preview

1. ASEAN general information
2. ASEAN and trade facilitation
 - CEPT/AFTA
 - ATIGA
3. Trade facilitation in AEC
 - Vietnam's participation
 - Vietnam's commitments
4. Impacts



GENERAL INFORMATION

- The Association of Southeast Asian Nations, or ASEAN, was established on 8 August 1967 in Bangkok, Thailand, with the signing of the [ASEAN Declaration](#) (Bangkok Declaration) by the Founding Fathers of ASEAN, namely Indonesia, Malaysia, Philippines, Singapore and Thailand.
- Viet Nam on 28 July 1995, which is 7th member of ASEAN
- <https://asean.org/media-gallery/video/>

Members

10 Member States

- **Brunei Darussalam**
(7 January 1984)
- **Cambodia**
(30 April 1999)
- **Indonesia**
(8 August 1967)
- **Lao PDR**
(23 July 1997)
- **Malaysia**
(8 August 1967)
- **Myanmar**
(23 July 1997)
- **Philippines**
(8 August 1967)
- **Singapore**
(8 August 1967)
- **Thailand**
(8 August 1967)
- **Viet Nam**
(28 July 1995)





ASEAN Aims and Purposes

(Bangkok Declaration 1967)

- To accelerate the economic growth, social progress and cultural development in the region through joint endeavours.
- To promote regional peace and stability through abiding respect for justice and the rule of law.



The ASEAN Journey to Community Building

1967

Bangkok Declaration

1997

ASEAN Vision 2020

2003

Bali Concord II

2007

Cebu Declaration

2015

Dec 31st

Realization of the
ASEAN
Community



ASEAN Community Building

**ASEAN:
A people-oriented community**

**ASEAN
Political-Security
Community
(APSC)**

**ASEAN
Economic
Community
(AEC)**

**ASEAN
Socio-Cultural
Community
(ASCC)**

Narrowing the Development Gap (NDG)



Pillar 1

APSC Vision 2025

“Our ASEAN Political-Security Community by 2025 shall be a united, inclusive and resilient community. Our peoples shall live in a safe, harmonious and secure environment, embrace the values of tolerance and moderation as well as uphold ASEAN fundamental principles, shared values and norms. ASEAN shall remain cohesive, responsive and relevant in addressing challenges to regional peace and security as well as play a central role in shaping the evolving regional architecture, while deepening our engagement with external parties and contributing collectively to global peace, security and stability..”





Pillar 1

APSC Blueprint 2025

Rules-based, people-oriented, people-centred Community

A resilient Community in a peaceful, secure and stable region

ASEAN Centrality in a dynamic and outward-looking region

Strengthened ASEAN institutional capacity and presence



Pillar 1 : Thailand's role

- ASEAN Intergovernmental Commission on Human Rights (AICHR)
- ASEAN Human Rights Declaration
- Southeast Asia Nuclear Weapon Free Zone (SEANWFZ)
- Preventive Diplomacy
- ASEANTOM
- ASEAN-NARCO (in Bangkok)
- ASEAN Center of Military Medicine (in Bangkok)
- Non-Traditional Security Threats



Milestones

Competition policy
and law

Consumer
protection laws

International IP
protocols

ASEAN Highway
Network

ASEAN Single
Shipping Market

ASEAN Power Grid

Trans-ASEAN Gas
Pipeline

Principles for PPP
Frameworks

ASEAN Open Skies
Policy

Telecommunication
infrastructure

Milestones

A vertical timeline diagram consisting of five white circles connected by a blue line, positioned on the left side of the slide. Each circle is partially overlapped by a blue horizontal bar containing text.

ASEAN Business Incubator Network

ASEAN SME Guidebook

Initiative for ASEAN Integration (IAI)

ASEAN Framework for Equitable Economic Development

ASEAN Equitable Development Monitor Report

Milestones



cuu duong than cong . com

* Commencement of Negotiations



If ASEAN were a single country, it would already be the *seventh-largest economy in the world*, with a combined GDP of \$2.6 trillion in 2014.

It is projected to rank as the **fourth-largest economy by 2050**.



Pillar 2 : Thailand's role

- ASEAN Free Trade Area (AFTA)
- ASEAN Connectivity
- Energy Security
- Chiang Mai Initiative Multilateralism (CMIM)
- ASEAN Plus Three Emergency Rice Reserve (APTERR)

Pillar 3

ASCC Vision 2025

“Our ASEAN Socio-Cultural Community by 2025 shall be one that engages and benefits the peoples, and is inclusive, sustainable, resilient, and dynamic.”





Pillar 3

ASCC Blueprint 2025

Human
Development

Environmental
Sustainability

Building
ASEAN
Identity

Social
Welfare &
Protection

Social Justice
& Rights

Narrowing the
Development
Gap



Milestones

1. Heightened commitments

- Declaration on Non-communicable Diseases in ASEAN
- Declaration on Elimination of Violence Against Women and Elimination of Violence Against Children in ASEAN
- ASEAN Joint Statement on Climate Change to the 21st Session of the Conference of the Parties to the UN's Framework Convention on Climate Change (COP21)
- Development of ASEAN instruments for the protection and promotion of the rights of migrant workers

Milestones

2. Quick, tangible action

- Humanitarian assistance through the ASEAN Coordinating Centre for Humanitarian Assistance (AHA Centre)
- **Regional Plan of Action on Elimination of Violence Against Women**
- Regional Plan of Action on Elimination of Violence Against Children
- **ASEAN Post-2015 Health Development Agenda**



Pillar 3 : Thailand's role

- Promotion of Healthcare
- Cultivation of Leadership for Youths
- Regional Plans of Action
- Establishment of the ASEAN Commission on the Promotion and Protection of the Rights of Women and Children (ACWC)
- ASEAN University Network (AUN) and ASEAN Studies
- Cooperation on Disaster Management
- Establishment of Thailand's "ASEAN Cultural Centre" in Bangkok



Benefits of engaging with ASEAN Community

- Opportunities from the 3rd largest consumer market in the world (measured by population).
- Opportunities from a population of 622 million, 53% of which are below 30 years old.
- Opportunities from a highly connected region, conducive to trade and investment.
- Opportunities from a vibrant economy (GDP growth projected at 4.9% in 2015 and 5.3% in 2016).
- Opportunities from rich cultural diversity.
- Regional partner in the promotion of peace and security, SDGs, and in addressing transnational threats and challenges.



ASEAN

SMART CITIES NETWORK

Pilot Cities





ASEAN Smart Cities

- At the 32nd ASEAN Summit on 28 April 2018, the ASEAN Leaders established the ASEAN Smart Cities Network (ASCN).
- The ASCN is a collaborative platform where cities from the ten ASEAN Members work towards the common goal of smart and sustainable urban development
- The ASCN aims to facilitate cooperation on smart cities development, catalyse bankable projects with the private sector, and secure funding and support from ASEAN's external partners.
- To this end, 33 partnerships have been established thus far.



ASEAN FREE TRADE AREA (AFTA)



The ASEAN Free Trade Area (AFTA)

- The AFTA is a trade bloc agreement by the Association of Southeast Asian Nations supporting local trade and manufacturing in all ASEAN countries, and facilitating economic integration with regional and international allies
- The AFTA agreement was signed on 28 January 1992 in Singapore.
- When the AFTA agreement was originally signed, ASEAN had six members, namely, Brunei, Indonesia, Malaysia, Philippines, Singapore and Thailand
- AFTA now comprises the ten countries of ASEAN



The ASEAN Free Trade Area (AFTA)

- It stands as one of the largest and most important FTA in the world, and together with its network of dialogue partners, drove some of the world's largest multilateral forums and blocs, including [Asia-Pacific Economic Cooperation](#), [East Asia Summit](#) and [Regional Comprehensive Economic Partnership](#)



The ASEAN Free Trade Area (AFTA)

The primary goals of AFTA seek to:

- Increase ASEAN's competitive edge as a production base in the world market through the elimination, within ASEAN, of tariffs and non-tariff barriers; and
- Attract more foreign direct investment to ASEAN.



The Common Effective Preferential Tariff (CEPT) scheme

- AFTA does not apply a common external tariff on imported goods. Each ASEAN member may impose tariffs on goods entering from outside ASEAN based on its national schedules.
- However, for goods originating within ASEAN, ASEAN members are to apply a tariff rate of 0-5%
- The more recent members of Cambodia, Laos, Myanmar and Vietnam were given additional time to implement the reduced tariff rates.



The Common Effective Preferential Tariff (CEPT) scheme

ASEAN members have the option of excluding products from the CEPT in three cases:

- Temporary exclusions (products for which tariffs will ultimately be lowered to 0-5 %, but which are being protected temporarily by a delay in tariff reductions)
- Sensitive agricultural products (such as rice, ASEAN members have until 2010 to reduce the tariff levels to 0-5 %)
- General exceptions (protection of national security, public morals, the protection of human, animal or plant life and health, and protection of articles of artistic, historic, or archaeological value)



ASEAN Trade in Goods Agreement (ATIGA)

1. The ASEAN Trade in Goods Agreement (ATIGA) was signed in February 2009 and subsequently entered-into-force on 17 May 2010. The ATIGA replaced the earlier Agreement on Common Effective Preferential Tariff of the ASEAN Free Trade Area (CEPT-AFTA) scheme signed in 1992
2. [https://www.miti.gov.my/miti/resources/fileupload/Write
=
up%20on%20ASEAN%20Trade%20in%20Goods%20A
greement%20\(ATIGA\).pdf](https://www.miti.gov.my/miti/resources/fileupload/Write%20up%20on%20ASEAN%20Trade%20in%20Goods%20Agreement%20(ATIGA).pdf)



ASEAN Economic Community (AEC)

<https://www.youtube.com/watch?v=zKTIqVeSPoU>

Pillar 2

AEC Vision 2025

“ASEAN Economic Community (AEC) by 2025 shall be a highly integrated and cohesive economy, a competitive, innovative and dynamic ASEAN, a resilient, inclusive and people-oriented, people-centred ASEAN, enhanced connectivity and sectoral cooperation, and a global ASEAN.”





Pillar 2

AEC Blueprint 2025

Highly integrated
and cohesive
economy

Competitive, innov
ative and dynamic
ASEAN

Enhanced
connectivity and
sectoral
cooperation

Resilient, inclusive, pe
ople-oriented and
people-centred
ASEAN

Global ASEAN



ASEAN Economic Community (AEC)

- The ASEAN leaders made a declaration on the establishment of the ASEAN Economic Community (AEC) on 31/12/2015
- The objective of the AEC is to promote economic development in an equitable manner, to establish economic zone with higher competitiveness, facilitating for the full integration of ASEAN into the global economy.

ASEAN ECONOMIC COMMUNITY

STRATEGIC SCHEDULE OF THE AEC BLUEPRINT (2008-2015)

Pillar 1 **Single Market & Production Base**

- Free flow of goods
- Free flow of services
- Free flow of investment
- Freer flow of capital
- Free flow of skilled labor
- Priority Integration Sectors
- Food, agriculture and forestry

Pillar 2 **Competitive Economic Region**

- Competition policy
- Consumer protection
- Intellectual property rights
- Infrastructure development
- Taxation
- E-Commerce

Pillar 3 **Equitable Economic Development**

- SME development
- Initiative for ASEAN Integration

Pillar 4 **Integration into the Global Economy**

- Coherent approach towards external economic relations
- Enhanced participation in global supply networks

HUMAN RESOURCE DEVELOPMENT

RESEARCH AND DEVELOPMENT



Vietnam's participation

- Since joining ASEAN in 1995, Viet Nam has actively committed to CEPT/AFTA terms and conditions – gradually removing tariffs and jointly signed multilateral FTAs between ASEAN and other countries (Japan, Australia – New Zealand, Korea, etc.)
- Viet Nam has committed to gradually remove tariffs on 10,455 tariff lines to 0% for almost all products in 2015 and to 7% in 2018 for the rest of the products



Vietnam's participation

- AEC has various opportunities for Viet Nam including
 - (1) regional stability support for Viet Nam's **socio-economic development**;
 - (2) AEC helps promote Viet Nam's further **integration into the global economy**;
 - (3) AEC improves the **bargaining power** of Viet Nam with other major trade and investment partners.



Summary

- The Association of Southeast Asian Nations, or ASEAN, was established on 8 August 1967 in Bangkok, Thailand, with the signing of the ASEAN Declaration (Bangkok Declaration) by the Founding Fathers of ASEAN, namely Indonesia, Malaysia, Philippines, Singapore and Thailand.
- 10 members including Brunei Darussalam, Cambodia, Indonesia, Lao PDR, Malaysia, Myanmar, Philippines, Singapore, Thailand and Vietnam



Summary

- ASEAN Community building: ASEAN Political-Security Community (APSC), ASEAN Economic Community (AEC) and (ASEAN Socio-Cultural Community (ASCC)
- ASEAN Free Trade Area
- Vietnam's Participation in AEC