

Vision of AEC 2025:

A Perspective from Thailand

Athipong Hirunraengchok

Office of the National Economic and Social Development Board

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Outline

1. ASEAN and the Global Society

- 1.1 Change of World Economic Order: A Power Shift from West to East
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2. ASEAN: Where Are We Now?

- 2.1 Three Pillars of the Community: Work in Progress
- 2.2 Strengthening Mechanism and Process

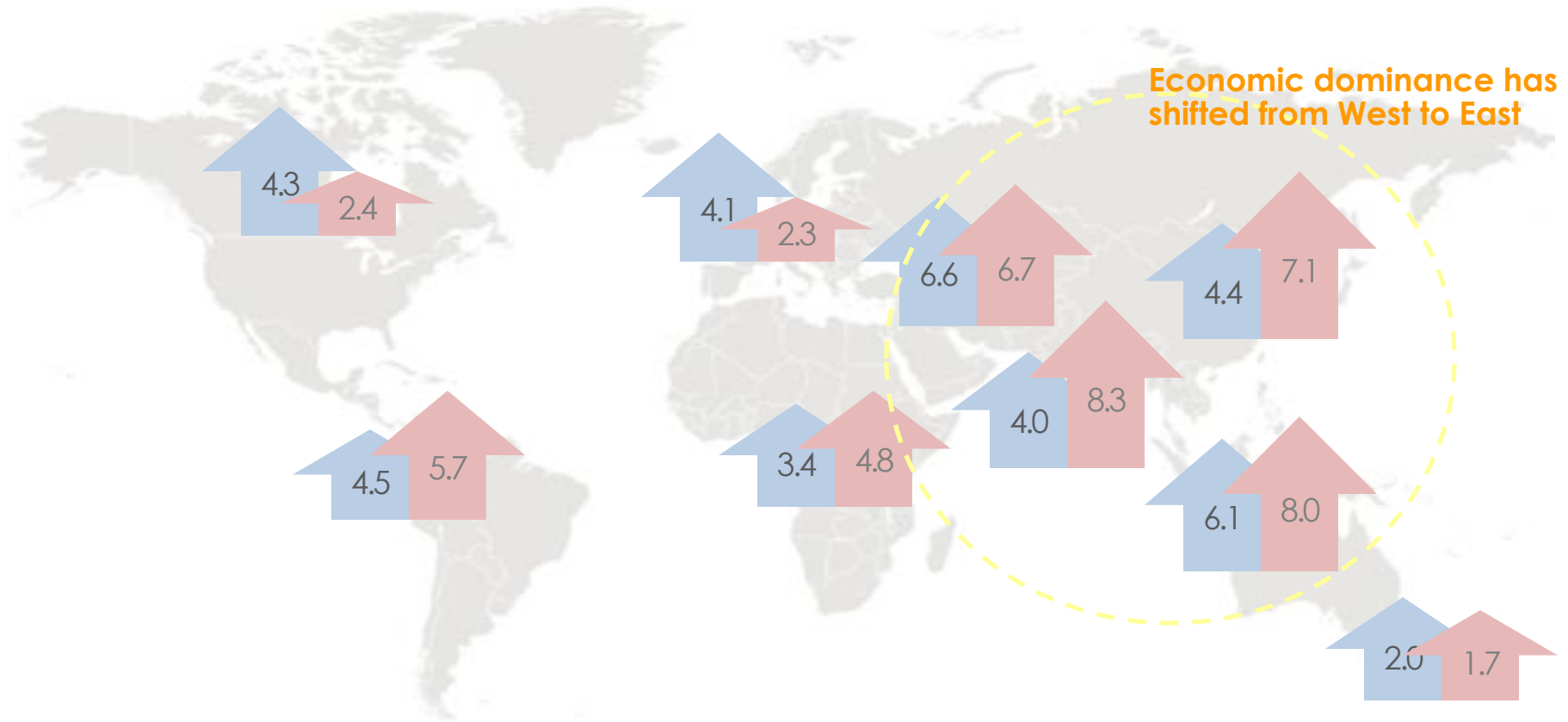
3. Thailand towards AEC 2025

- 3.1 Thailand in the next decade
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ASEAN and the Global Society

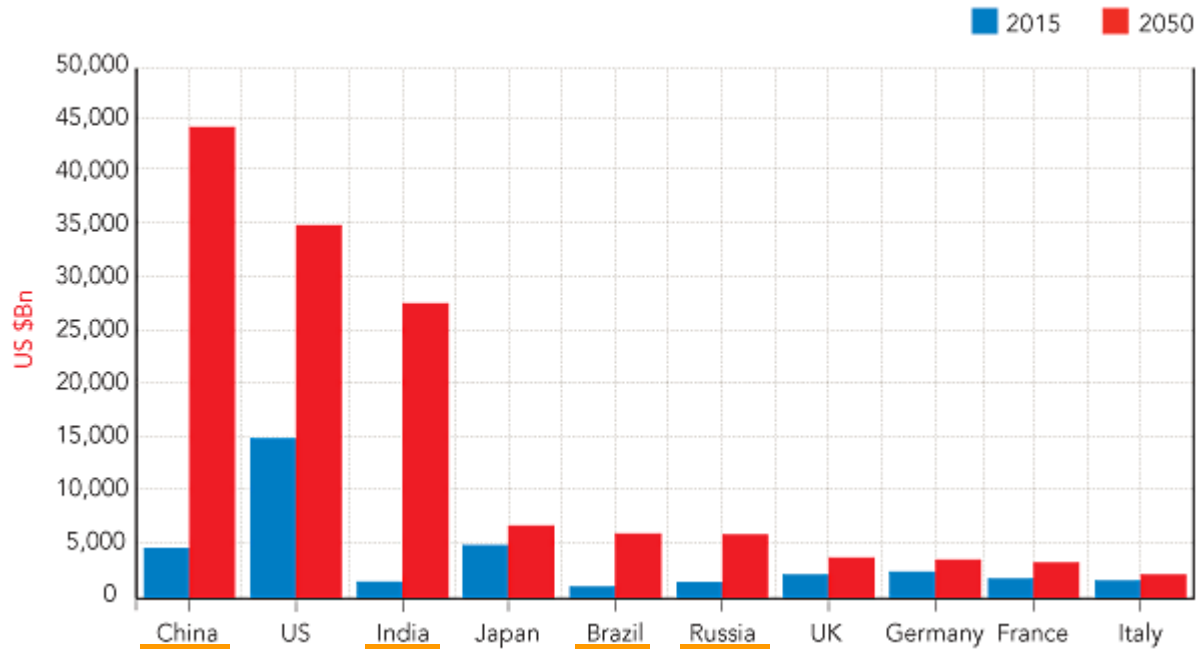
Change of World Economic Order

■ % change in GDP in 2010 (at constant 2005 prices)
■ % change in GDP in 2000 (at constant 2005 prices)



Change of World Economic Order

The predicted shift in the economic balance of power



BRIC
becomes
more
important
in the
global
economy.

Source: Goldman Sachs, BRIC's model projections, Dreaming with the BRICs (2009)

ASEAN Community

ASEAN Community		Compare to ...
Population 580 – 600 million people	>	EU (or approx. 9% of world pop.)
GDP approx. 1.5 billion USD	=	South Korea
Nominal per-capita GDP of ASEAN-5/ASEAN-10	=	4,500 / 3,600 USD (2011)
Nominal per-capita GDP of Singapore/Brunei	=	49,000 / 39,000 USD (2011)
International Trade 1.6 billion USD	=	6 times of Thailand
Direct Investment 50,000 million USD	=	60% of China
International Tourists 65 million persons	=	2 nd Rank of the World (after France)

Source: Siam Commercial Bank (SCB) and DB Research



ASEAN-10 : 583 Millions of Pop. (9% of the world's population)
GDP 1,275 Billions USD (2% of the world's GDP)



ASEAN+3 : 2,068 Mil. of Pop. (31% of the world)
GDP 9,901 Bil. USD (18% of the world's GDP)

ASEAN+6 : 3,284 Mil. of Pop. (50% of the world)
GDP 12,250 Bil. USD (22% of the world's GDP)

ASEAN: Resource & Market of the World



Markets

- Larger number of consumers (600 Mil Pop)
- Cost reduction in production: economies of scale



Resources

- Resources to share between member countries
- Free movement of labours



Negotiation Power

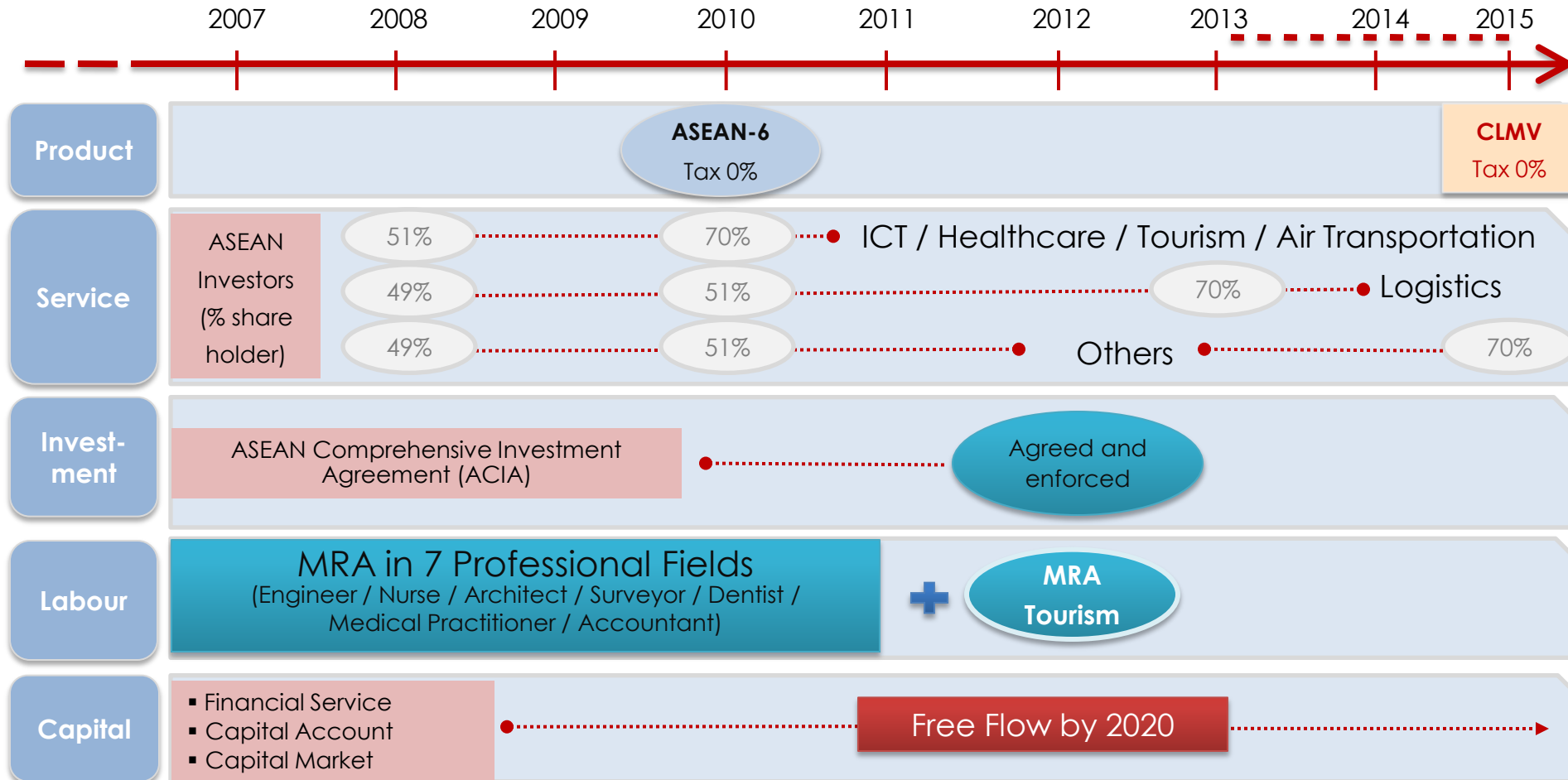
- Higher power of negotiation
- Benefits for FTAs and other cooperation

Beyond ASEAN: Connecting the world



ASEAN: Where are we now?

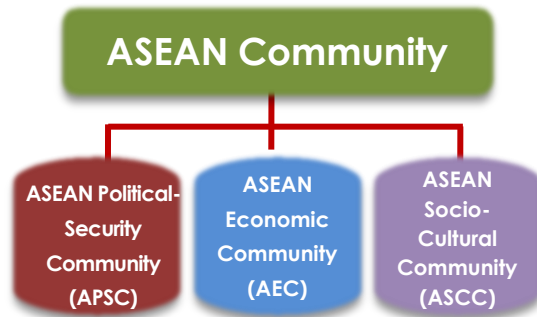
Thailand's Milestone towards AEC 2015



Strengthening Mechanism and Process

Government Policies

ASEAN Blueprints



Ministry of Foreign Affairs
Ministry of Commerce
Ministry of Social Development and Human Security



National ASEAN Commission

The 11th National Economic and Social Development Plan and Strategies towards ASEAN 2015



Office of National Economic and Social Development Board (NESDB)



Ministry of Foreign Affairs

Thailand's Development Strategy

Country Strategy

1. Growth and Competitiveness



Infrastructure Development ~70,000 Mil. USD



Road Network



Railway Improvement



High-speed Train

Thailand towards AEC 2025

Thailand in the next decade

Upper-Income Country

Income per capita will increase from 4,420 USD in 2011 to 6,394 USD in 2017 and 12,276 USD in 2027

Regional Economic Centre

Center of the region for trade & investment, with sufficient infrastructures to connect with the world



Just & Fair Society

People at all ages have good quality of life, provided fundamental education, healthcare services and other necessary welfares.

Environmental-friendly Society

Greenhouse gas will reduce 5 tons/person/year

Competitiveness Enhancement

- Kitchen of the world
- Hub of automotive industry in Asia
- ASEAN capital city of tourism

Challenges ahead



1. Connectivity

- to develop infrastructures (road-rail-maritime-air) to link between members states
- to support multi-modal transport and transport facilitation

2. Inequality between members

- to reduce inequality and disparity between member states in both economic and social aspects

3. Security of the States

- to strengthen the security of the States by seeking cooperation between members
- to settle any disputes and reduce any tensions between member states

