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ASEAN MATTERS FOR AMERICA MATTERS FOR ASEAN



The East-West Center promotes better relations and understanding among the people and nations of the United States, Asia, and the Pacific through cooperative study, research, and dialogue. Established by the US Congress in 1960, the Center serves as a resource for information and analysis on critical issues of common concern, bringing people together to exchange views, build expertise, and develop policy options.

For more than 30 years, the **US-ASEAN Business Council** has been the premier advocacy organization for American corporations operating within the dynamic Association of Southeast Asian Nations (ASEAN). Worldwide, the Council's 150+ member companies generate over \$6 trillion in revenue and employ more than 13 million people. Members include the largest US companies conducting business in ASEAN, and range from newcomers to the region to companies that have been working in Southeast Asia for over 100 years. The Council has offices in: Washington, DC; New York, NY; Bangkok, Thailand; Hanoi, Vietnam; Jakarta, Indonesia; Kuala Lumpur, Malaysia; Manila, Philippines; and Singapore.

The **ISEAS - Yusof Ishak Institute** (formerly Institute of Southeast Asian Studies) is an autonomous organization established in 1968. It is a regional centre dedicated to the study of socio-political, security, and economic trends and developments in Southeast Asia and its wider geostrategic and economic environment. The Institute's research programmes are grouped under Regional Economic Studies (RES), Regional Strategic and Political Studies (RSPS), and Regional Social and Cultural Studies (RSCS). The Institute is also home to the ASEAN Studies Centre (ASC), the Nalanda-Sriwijaya Centre (NSC) and the Singapore APEC Study Centre.

ASEAN MATTERS FOR AMERICA/ AMERICA MATTERS FOR ASEAN

This project explores the important and multi-faceted relationship between the United States and the 10 Association of Southeast Asian Nations (ASEAN) member states. Part of the *Asia Matters for America* initiative, this publication and its associated website provide tools to explore the strong connections in the US-ASEAN relationship.

AsiaMattersforAmerica.org/ASEAN

Project Team

EAST-WEST CENTER IN WASHINGTON

Director: Satu P. Limaye, Ph.D.

Coordinators: Caitlin Brophy, Grace Ruch Clegg

Research & Content: Orrie Johan, David Lee, Jaichung Lee, Jeosu Lee, Karen Mascariñas, Khun Nyan Min Htet, Kim Meihua Roy, Stephen Shao, Matthew Short, Peter Valente, Sarah Wang, Matthew Wong

US-ASEAN BUSINESS COUNCIL

Director: Alexander C. Feldman

Coordinators: Kathleen Lunardi, Anthony Nelson

Contributors: Elizabeth Dugan, Hai Pham, Artha Sirait, Riley Smith, Matt Solomon, Christopher Wells

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Highlights

ASEAN IN PROFILE

The Association of Southeast Asian Nations (ASEAN) Has the 3rd Largest Population in the World and a GDP of \$2.4 Trillion

The 10 countries of ASEAN – Brunei Darussalam, Cambodia, Indonesia, Laos, Malaysia, Myanmar (Burma), the Philippines, Singapore, Thailand, and Vietnam – occupy a strategically important position for trade and security in Asia, and together formed the ASEAN Community in 2015.

ASEAN ECONOMY

The ASEAN Economic Community Is Currently the 3rd Largest Economy in Asia and the 5th Largest in the World

With over \$5.3 trillion in global trade transiting through ASEAN each year, the region is a hub for global trade and one of the fastest growing economies in the Asia Pacific.

ASEAN GROWTH PROJECTIONS

The ASEAN Economy Is Projected to Grow by Over 5% per Year and Become the 4th Largest Economy in the World by 2050

Economic growth is supported by favorable demographics. Almost 380 million people are under age 35 in ASEAN, approximately 20% larger than the entire population of the United States, and the middle class is expected to more than double in size to 334 million by 2030.

THE UNITED STATES AND ASEAN

ASEAN Member States Are Key Diplomatic, Economic, and Security Partners for the US

The US and ASEAN elevated their relationship into a strategic partnership in 2015, and in 2017 celebrated 40 years as dialogue partners. The US participates in the ASEAN-led East Asia Summit (EAS), the ASEAN Defense Ministers Meeting-Plus (ADMM-Plus), and the ASEAN Regional Forum (ARF).

TRADE

The US Exports Over \$100 Billion in Goods and Services to ASEAN

ASEAN member states, taken together, rank 4th after Canada, Mexico, and China as a goods exports market for the United States, and the US is the 4th largest trading partner for ASEAN.

AGRICULTURE

ASEAN Is a Top Ten Destination for US Agricultural Exports

ASEAN is the 6th largest importer of US agricultural goods, and the 3rd largest in Asia after China and Japan.

JOBS FROM TRADE

All 50 States Export to ASEAN, Supporting Over Half a Million Jobs in the US

Employment from trade to ASEAN creates over a quarter of a million jobs in California, Texas, Washington, New York, and Illinois alone.

INVESTMENT

ASEAN Is the Number One Destination for US Investment in Asia

ASEAN has received almost \$274 billion in cumulative investment from the United States, more than the US has directed to China, India, Japan, and South Korea *combined*.

INFRASTRUCTURE

ASEAN Has Over \$2 Trillion Worth of Infrastructure Investment Opportunities

Investment in road, rail, port, airport, power, water, and telecommunications infrastructure is needed across ASEAN in order to maintain economic growth.

DIGITAL ECONOMY

ASEAN's Digital Economy Is Projected to Grow by 500% and Be Worth \$200 Billion by 2025

ASEAN has over 700 million active mobile connections, more than the entire population of the region.

TRAVEL AND TOURISM

Visitors from ASEAN Add \$5 Billion to the US Economy in a Year

Over 780,000 people from ASEAN countries visited the US in 2015, while almost 3.5 million Americans visited ASEAN.

ASEAN AMERICANS AND IMMIGRATION

36% of Asian Americans Identify with an ASEAN Ethnicity

ASEAN is a major destination for remittances from the US, with both the Philippines and Vietnam among the top five recipients after Mexico, China, and India.

EDUCATIONAL EXCHANGE

ASEAN Students Contribute \$1.7 Billion to the US Economy in a Year

Over 5,700 US students studied abroad in ASEAN, while 55,000 students from ASEAN studied in the US.

SISTER PARTNERSHIPS

92 Sister Relationships between the US and ASEAN Build Civic and People-to-People Connections

With 70 sister cities and 22 sister state or sister county connections, these ties between the US and ASEAN link seven ASEAN countries to 22 US states.

STATES & CONGRESSIONAL DISTRICTS

20 US States Send Over \$1 Billion in Goods Exports to ASEAN Each Year

Over half of US congressional districts export more than \$100 million in goods to ASEAN.

The Association of Southeast Asian Nations (ASEAN) Has the 3rd Largest Population in the World and a GDP of \$2.4 Trillion

The Association of Southeast Asian Nations (ASEAN) is a 10-member regional bloc with a combined GDP of \$2.4 trillion, a population of 630 million, and a land mass covering more than 1.7 million square miles. Founded in 1967 by Indonesia, Malaysia, the Philippines, Singapore, and Thailand, ASEAN has since expanded to include Brunei Darussalam, Cambodia, Laos, Myanmar (Burma), and Vietnam. ASEAN holds semiannual ASEAN Summits, numerous ministerial meetings, and convenes Asia Pacific powers to discuss security and political issues.

ASEAN seeks to promote economic growth and regional stability among its members through consultation, consensus, and cooperation based on the Treaty of Amity and Cooperation (TAC). By combining the member states' influence, ASEAN has been able to affect Asia Pacific economic, political, and security trends to a much greater degree than its members could achieve individually. ASEAN's community building effort comprises three pillars: the Political-Security Community; Economic Community; and Socio-Cultural Community.

ASEAN IS AT THE CENTER OF A DYNAMIC ASIA PACIFIC REGION



ASSOCIATION OF SOUTHEAST ASIAN NATIONS (ASEAN)

ASEAN Secretariat: Jakarta, Indonesia
 Population: 630 million
 Chair rotates annually among member states.
 The ASEAN Economic Community was formed on December 31, 2015.



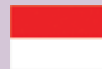
BRUNEI DARUSSALAM

Capital: Bandar Seri Begawan
 Population: 0.4 million
 Member Since: 1984
 US-Brunei treaty relations have been active since 1850.



INDONESIA

Capital: Jakarta
 Population: 255 million
 Member Since: 1967
 Indonesia, the world's 4th largest country by population, formed a strategic partnership with the US in 2015.



CAMBODIA

Capital: Phnom Penh
 Population: 15.5 million
 Member Since: 1999
 The United States is the largest purchaser of Cambodia's exports.



LAOS

Capital: Vientiane
 Population: 7 million
 Member Since: 1997
 In 2016, Barack Obama became the first sitting US President to visit Laos.



MALAYSIA

Capital: Kuala Lumpur
 Population: 31 million
 Member Since: 1967
 The United States is the largest investor in Malaysia.



SINGAPORE

Capital: Singapore
 Population: 5.5 million
 Member Since: 1967
 Singapore was the first US bilateral free trade partner in Asia.



MYANMAR (BURMA)

Capital: Nay Pyi Taw
 Population: 51.8 million
 Member Since: 1997
 The US restored full diplomatic relations in 2012 and removed all sanctions in 2016.



THAILAND

Capital: Bangkok
 Population: 68.8 million
 Member Since: 1967
 Thailand is America's oldest treaty partner in Asia, dating from 1833.



THE PHILIPPINES

Capital: Manila
 Population: 102 million
 Member Since: 1967
 The largest ethnic Filipino population outside the Philippines is in the United States.



VIETNAM

Capital: Hanoi
 Population: 91.7 million
 Member Since: 1995
 Since 1995, US trade with Vietnam grew 100-fold to \$45 billion.



Source: International Monetary Fund 2015 data. Numbers rounded throughout. All monetary values are in US\$. References to the European Union (EU) includes all 28 member states as of 2016. Whenever possible, most recent available data is used.

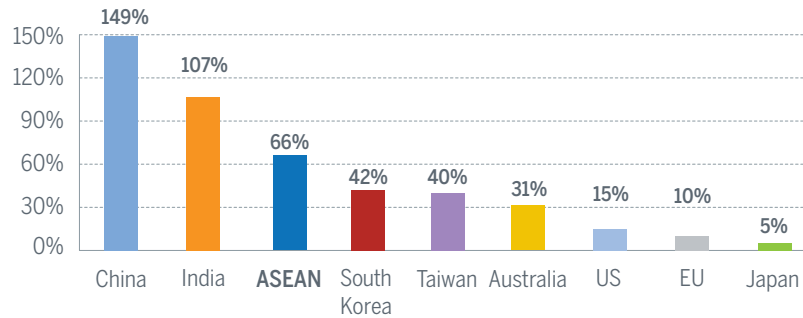
The ASEAN Economic Community Is Currently the 3rd Largest Economy in Asia and the 5th Largest in the World

The ASEAN Economic Community (AEC) has a combined GDP of \$2.4 trillion, and is the 3rd fastest growing major Asian economy after China and India. The AEC seeks to reduce or remove many trade barriers within the region with the goal to facilitate the free movement of goods, services, capital, and skilled labor within the bloc. A single customs window has already been created, with support from the US, while regional agreements to facilitate the movement of ASEAN nationals are also being developed.

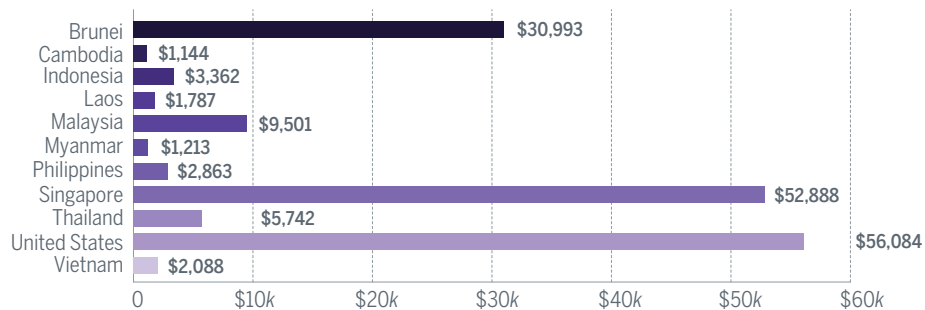
ASEAN has five regional free trade agreements (FTAs) with: Australia/New Zealand; China; Japan; South Korea; and India. Singapore is the only member state to conclude FTAs with both the US and European Union (EU).

REAL GDP GROWTH

ASEAN is one of the fastest growing economies in the Asia Pacific from 2006 to 2015



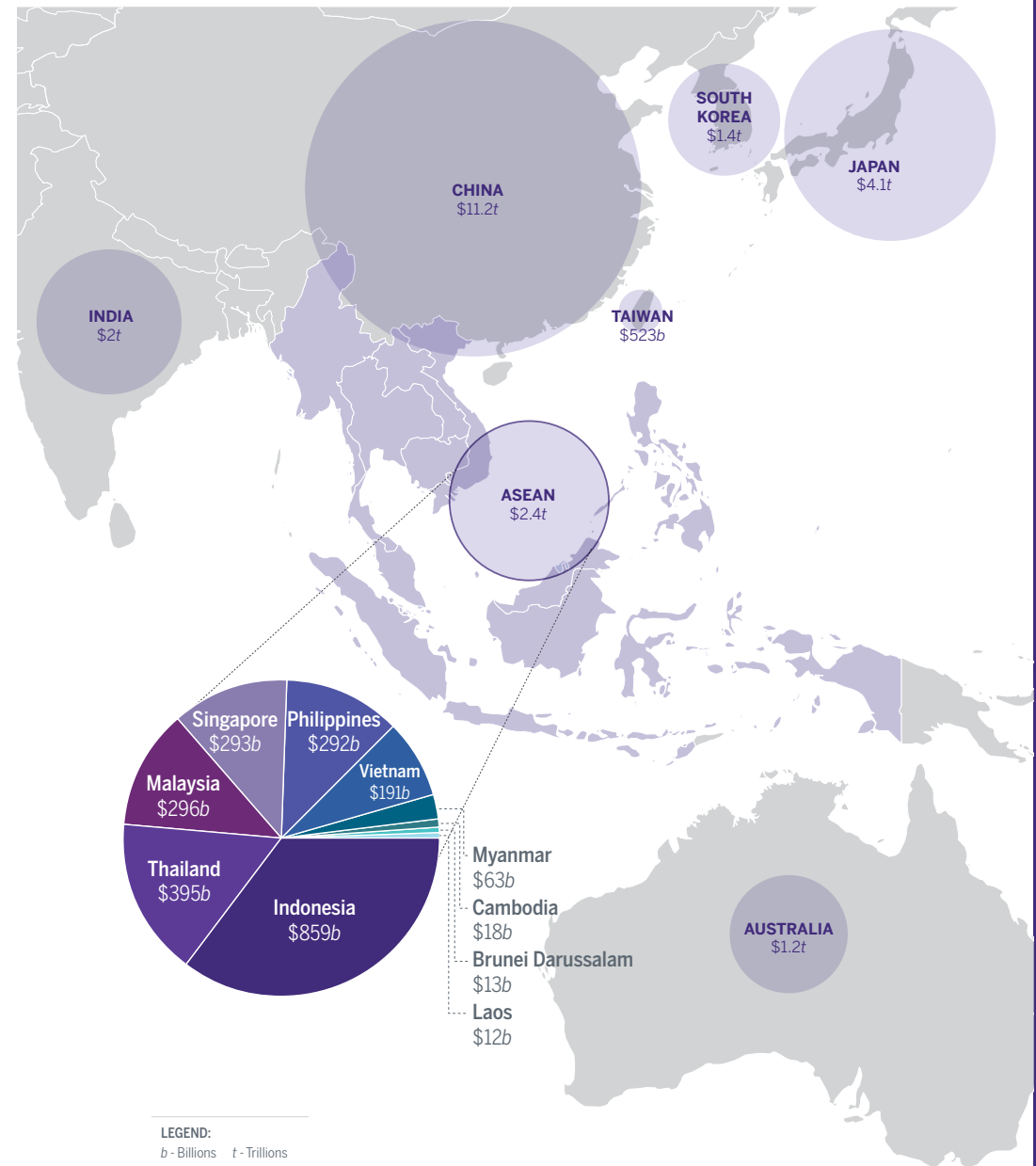
PER CAPITA GDP



Source: International Monetary Fund World Economic Outlook, 2015 data
 * Global GDP rankings include the EU as a single entity
 Note: Real GDP growth was calculated in constant 2010 US\$ using World Bank methodology
 For further information on our methodology please visit AsiaMattersforAmerica.org/ASEAN

GDP COMPARISONS

ASEAN's GDP compared to other major Asia Pacific economies



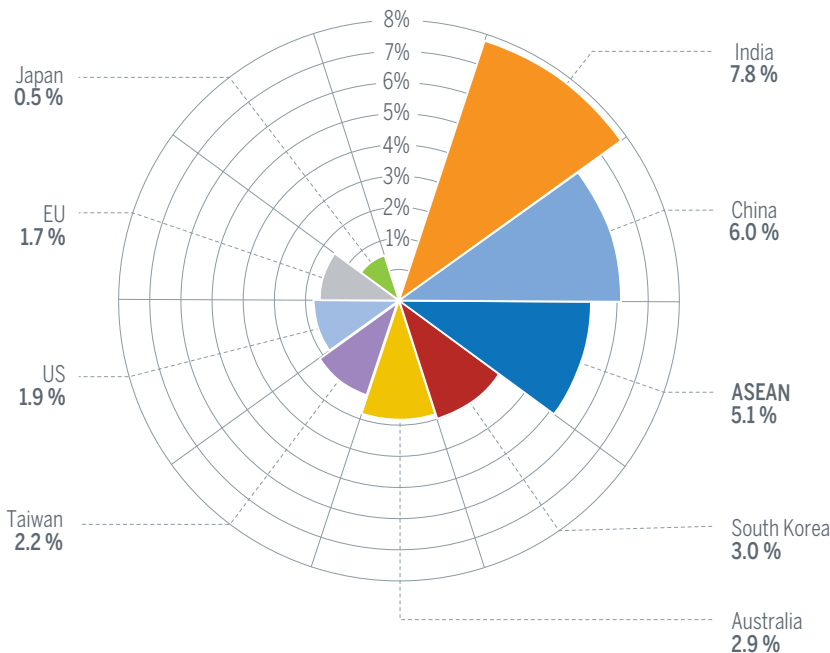
The ASEAN Economy Is Projected to Grow by Over 5% per Year and Become the 4th Largest Economy in the World by 2050

With a projected annual growth rate of over 5% a year, ASEAN is forecasted to overtake the EU and Japan to become the 4th largest economy in the world by 2050, behind China, India, and the US.

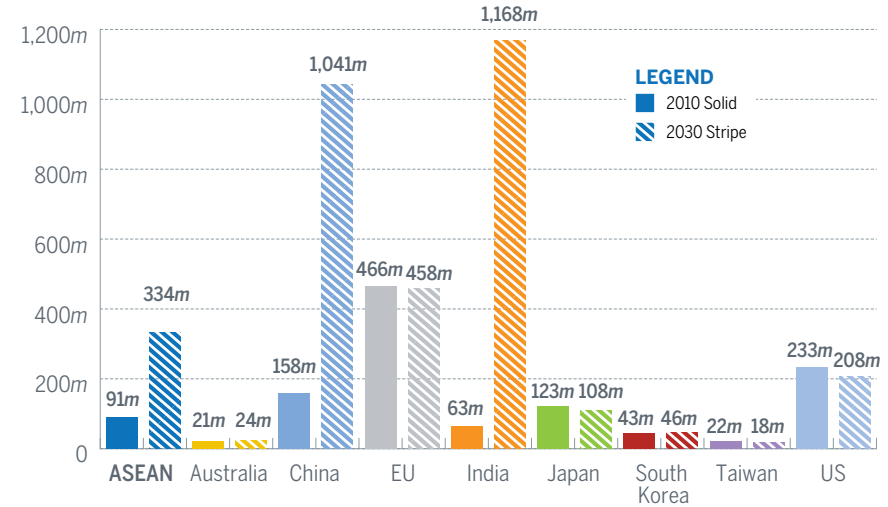
This growth is supported by favorable demographics. Approximately 60% of ASEAN's population is under the age of 35, and 43% under age 24. ASEAN also has the world's 3rd largest labor force, trailing only China and India. ASEAN's middle class is expected to more than double in size from 135 million (24% of ASEAN's population) in 2015 to 334 million (51% of the population) in 2030. In 2012 ASEAN crossed the threshold of having over 50% of its population living in urban areas.

PROJECTED ANNUAL GDP GROWTH RATE

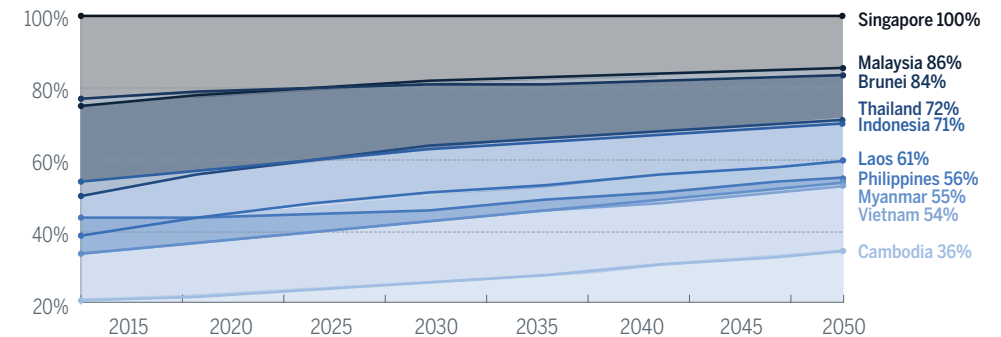
Average annual GDP growth (%) (2017-2021)



GLOBAL MIDDLE CLASS*



PROJECTED URBANIZATION



Sources: International Monetary Fund; UN Department of Economic and Social Affairs; Homi Kharas, "The Emerging Middle Class in Developing Countries", OECD Development Centre Working Papers, No. 285
 *Middle class is defined as those households with daily expenditures between US\$10 and US\$100 per person in purchasing power parity terms

ASEAN Member States Are Key Diplomatic, Economic, and Security Partners for the US

The US-ASEAN relationship began in 1977 and has since expanded significantly. The US signed the Treaty of Amity and Cooperation (TAC) in 2009 and was the first non-ASEAN country to establish a resident ambassador and permanent mission to the organization. The US joined the East Asia Summit (EAS) in 2011, and institutionalized annual ASEAN-US Summits in 2012. In 2015, the US-ASEAN relationship was elevated into a strategic partnership, and in 2016 the first multi-day US-ASEAN Summit was held at Sunnylands in Rancho Mirage, California. In 2017 the US and ASEAN celebrated 40 years as dialogue partners.

The US and ASEAN coordinate on issues ranging from maritime security and terrorism to disaster management, governance, anti-trafficking, and nuclear non-proliferation. The ASEAN Regional Forum (ARF) and ASEAN Defense Ministers Meeting-Plus (ADMM-Plus) both include the US and discuss important security issues. Economic ties were formalized with the US-ASEAN Trade and Investment Framework Agreement (TIFA) in 2006. The US Trade Representative (USTR) also participates in annual consultations during the ASEAN Economic Ministers (AEM) Meetings. The US-Singapore Free Trade Agreement (FTA), which went into force in 2004, was America's first FTA in Asia.

The US-ASEAN Connect framework is a strategic economic initiative organized around four pillars: business, energy, innovation, and policy. Its goal is to support regional integration efforts of the ASEAN Economic Community (AEC) and build upon the positive economic ties between the US and ASEAN.

The US helped ASEAN to set up a public-private body to accelerate the adoption of better aquaculture and fisheries management. The US government sponsors multiple programs to advance the goal of a cleaner, healthier marine environment. The US has also helped provide access to clean drinking water for over 5.6 million people in Indonesia, the Philippines, and Myanmar. Since 2012, grants from the US Agency for International Development (USAID) have protected 64 million acres of forest lands and coastal areas - an area roughly the size of Oregon - in Cambodia, Indonesia, and the Philippines.

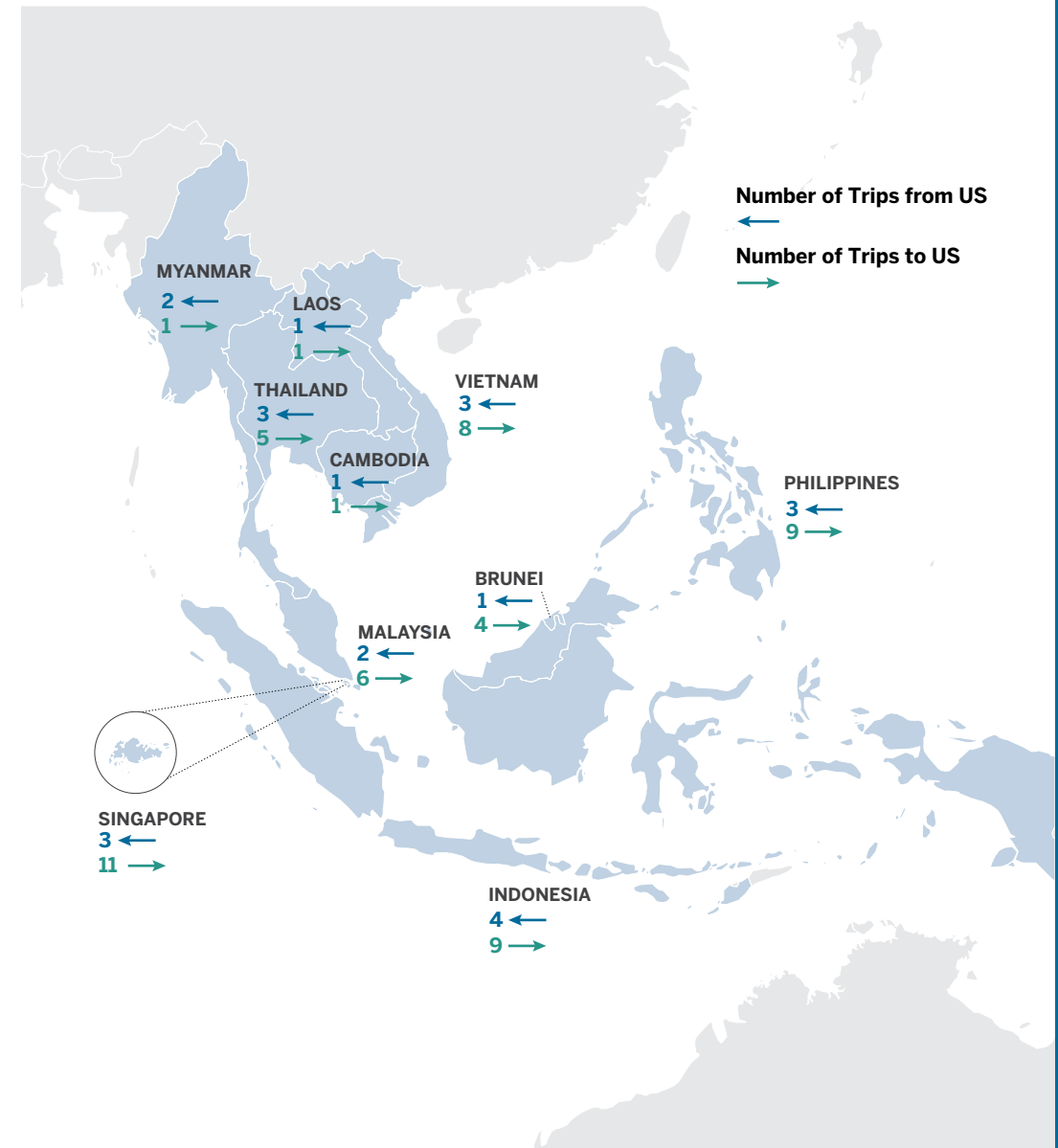


Secretary of State Rex Tillerson meets with ASEAN Ambassadors

Photo: US Department of State

HEADS OF STATE VISITS

Number of official visits by foreign leaders to the US and return visits by US Presidents since 2000*



Sources: US Department of State, Office of the Historian and US Mission to ASEAN
*Only officially recognized heads of state/government are counted

SECURITY COOPERATION

ASEAN occupies a critical geographic position straddling the sea lanes between the Indian Ocean in the west and the Pacific Ocean in the east. With over \$5.3 trillion in trade passing through the disputed waters of the South China Sea each year, including \$1.2 trillion in US trade, maritime security is a priority for both the US and ASEAN. The US has supported regional efforts to increase security and awareness through trainings, workshops, and consultations within the frameworks of the ASEAN Regional Forum (ARF), the Expanded ASEAN Maritime Forum, and the ASEAN Defense Ministers Meeting-Plus (ADMM-Plus). The US government has worked to increase maritime security capacity in ASEAN through the Southeast Asia Maritime Law Enforcement Initiative and the Southeast Asia Maritime Security Initiative.

MAJOR MILITARY EXERCISES

Annual and biennial exercises involving the US and ASEAN member states



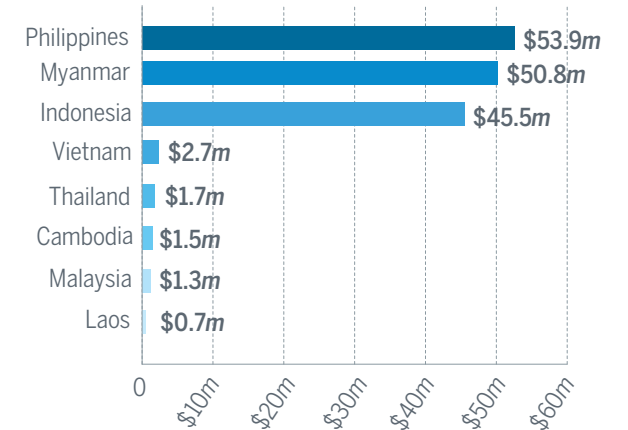
The US military participates in multilateral and bilateral military exercises with eight ASEAN member states. As a region vulnerable to natural disasters such as typhoons, earthquakes, and tsunami, the US military has contributed to Humanitarian Assistance and Disaster Relief (HADR) missions in the region, while the US government and private sector have also provided assistance.

MULTILATERAL EXERCISE PARTNERS IN ASEAN



HUMANITARIAN ASSISTANCE AND DISASTER RELIEF

Aid to ASEAN countries since FY2005 according to amounts obligated by USAID's Office of US Foreign Disaster Assistance*



US-ASEAN SECURITY ALLIES AND PARTNERS

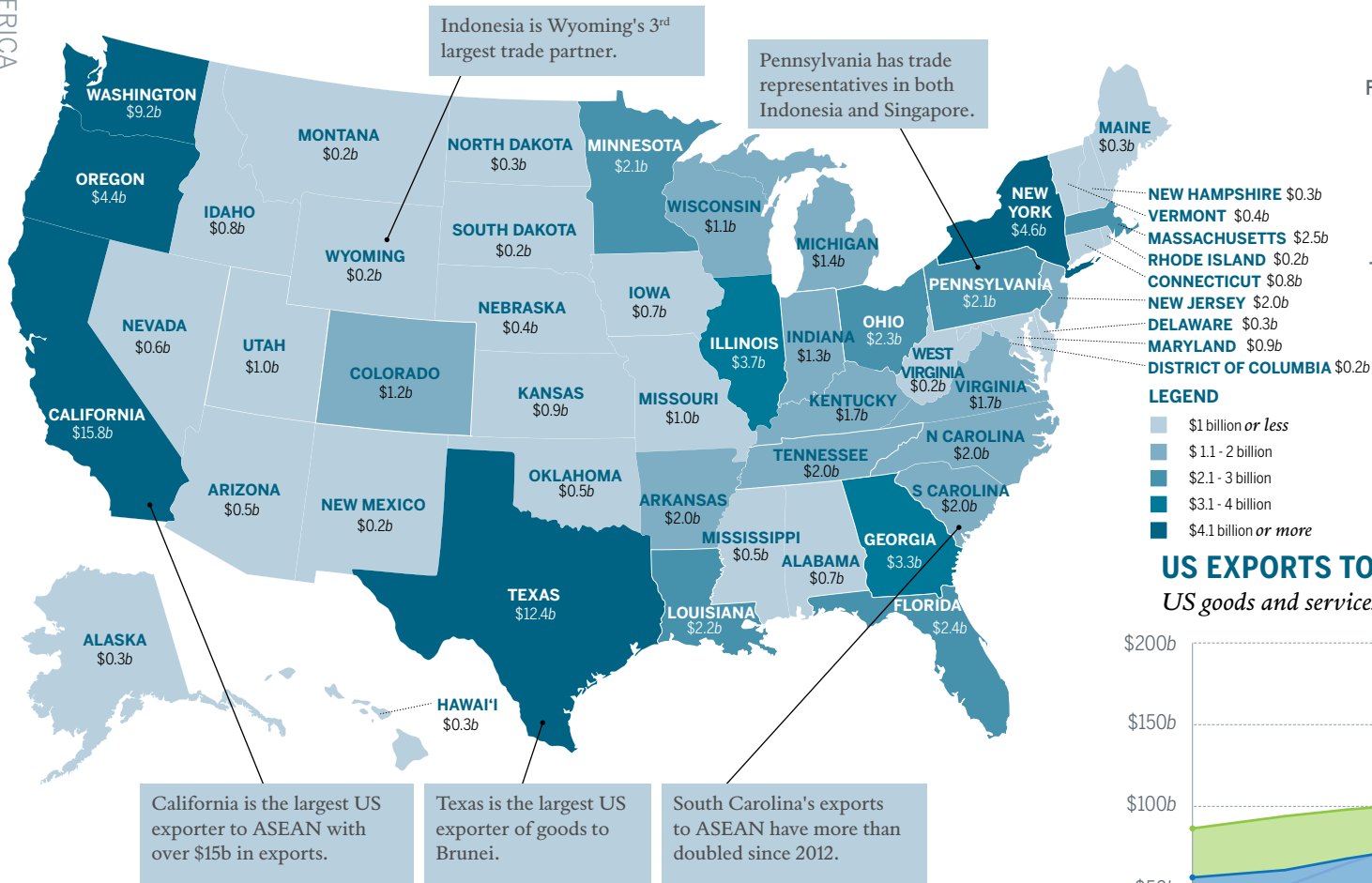
UNITED STATES AND THE PHILIPPINES	UNITED STATES AND THAILAND	UNITED STATES AND SINGAPORE
Major non-NATO Alliance	Major non-NATO Alliance	Enhanced Defense Cooperation Agreement

Sources: US Pacific Command, US Navy; US Army, Pacific; US Marine Corps Forces, Pacific; The Heritage Foundation, Index of US Military Strength
 *Represents only a portion of USAID not whole of US Government aid to the region

The US Exports Over \$100 Billion in Goods and Services to ASEAN

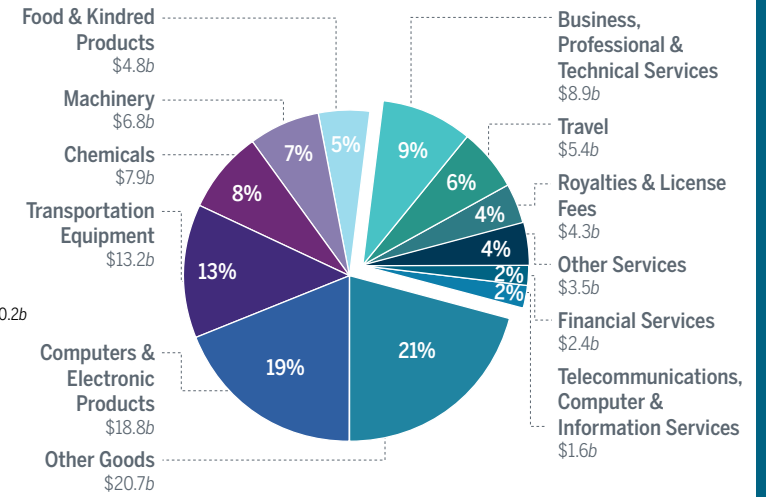
ASEAN member states, taken together, rank 4th after Canada, Mexico, and China as a goods exports market for the United States, and the US is the 4th largest trading partner for ASEAN. The United States exported \$75 billion in goods and \$27 billion in services to ASEAN in 2015, an increase of 81% since 2004.

GOODS AND SERVICES EXPORTS TO ASEAN



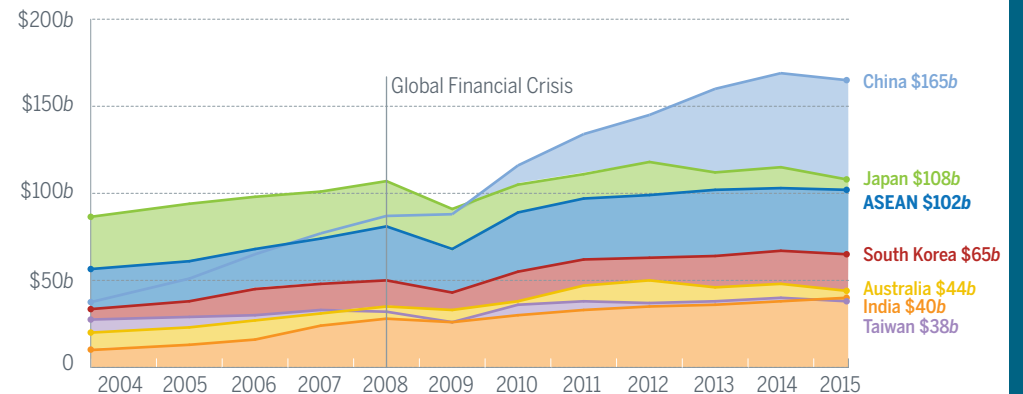
The total value of US-ASEAN bilateral trade has increased 78% since 2004, from \$153 billion to \$273 billion. ASEAN's surplus in goods with the US totaled \$77 billion in 2015, while United States' surplus in services with ASEAN totaled \$8 billion. Overall, bilateral US-ASEAN trade from 2004 to 2015 has grown at an average annual rate of 5%.

COMPOSITION OF US GOODS & SERVICES EXPORTS TO ASEAN



US EXPORTS TO ASIA

US goods and services exports to ASEAN compared with other Asian economies

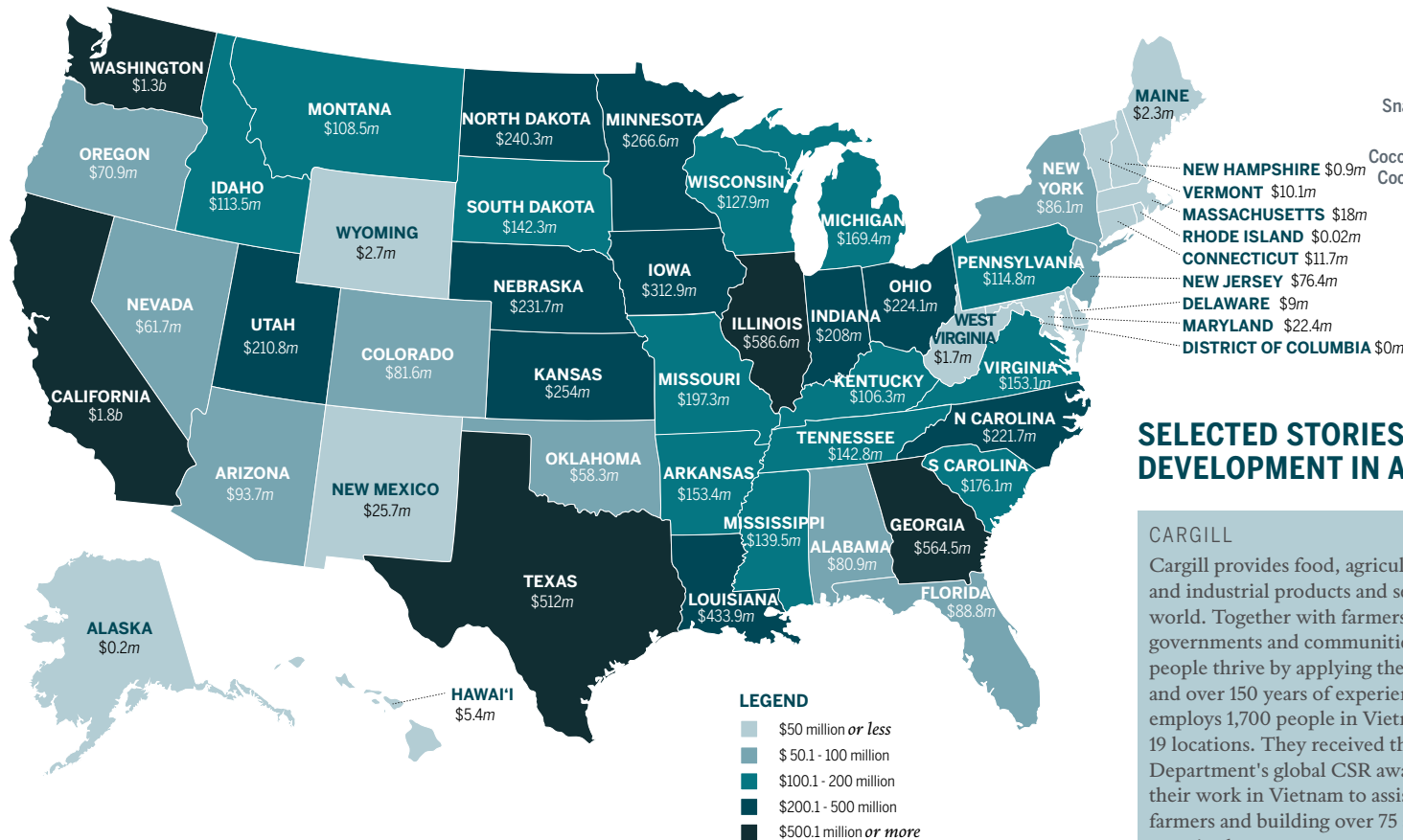


Source Map and Composition of Exports chart: Estimated by Trade Partnership (Washington, DC); Sources US Exports to Asia chart: US Bureau of Economic Analysis, US International Trade Administration Services data not available for Cambodia, Laos, and Myanmar

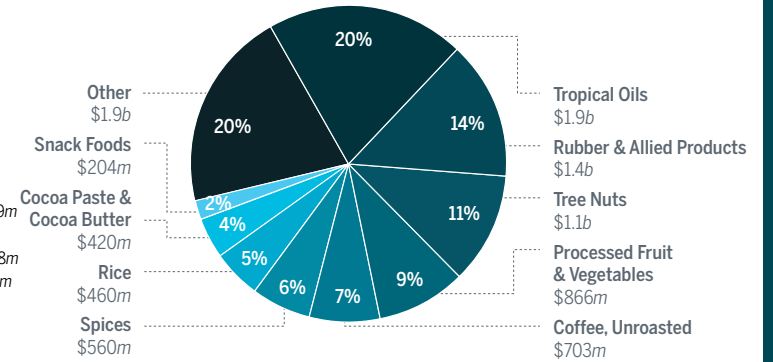
ASEAN Is a Top Ten Destination for US Agricultural Exports

More than \$10 billion in agricultural goods were exported to ASEAN in 2015, including over \$700 million in tree nuts and \$850 million in dairy products. ASEAN is the 6th largest importer of US agricultural goods, and the 3rd largest in Asia after China and Japan. Twenty-eight states export over \$100 million in food and agricultural goods to ASEAN with California, Washington, Illinois, and Georgia the top four exporters.

FOOD AND AGRICULTURE EXPORTS TO ASEAN



COMPOSITION OF ASEAN AGRICULTURAL EXPORTS TO THE US



SELECTED STORIES: US AGRIBUSINESS SUPPORTS DEVELOPMENT IN ASEAN

CARGILL
Cargill provides food, agriculture, financial and industrial products and services to the world. Together with farmers, customers, governments and communities, they help people thrive by applying their insights and over 150 years of experience. Cargill employs 1,700 people in Vietnam across 19 locations. They received the US State Department's global CSR award in 2016 for their work in Vietnam to assist small holder farmers and building over 75 schools in rural areas in the country.

ADM
Archer Daniels Midland Company (ADM) is a global agribusiness company which employs 32,000 people around the world. ADM's Asia and Pacific rim trading and sales operations are headquartered in Singapore is home to the South East Asian sales offices that serve emerging markets in Indonesia, Philippines, Vietnam and Thailand. A key part of ADM's Asia strategy today has been its strategic ownership interest in Wilmar International Limited, Asia's premiere agricultural processing business. ADM's key businesses in Southeast Asia include: Specialty Ingredients, Commodities and Animal Feed.

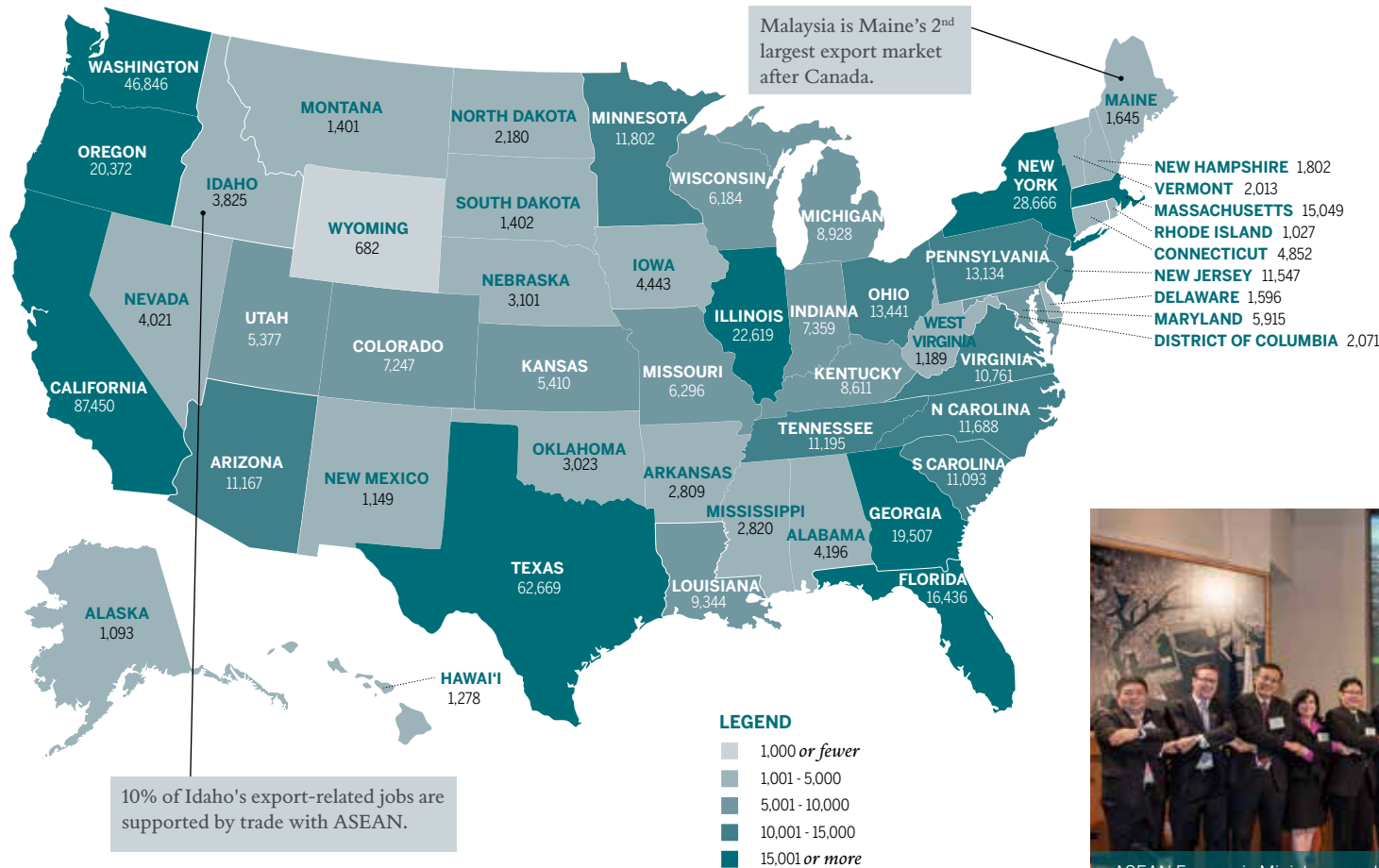
Sources: US Department of Agriculture (USDA), individual companies
State exports map: Estimated by Trade Partnership (Washington, DC)

All 50 States Export to ASEAN, Supporting Over Half a Million Jobs in the US

Almost 42,000 companies across the US export to ASEAN. These goods and services exports support almost 550,000 jobs, directly or indirectly, according to 2015 estimates. Eighteen states have more than 10,000 jobs that rely on exports to ASEAN member states.

In per capita terms, trade with the 10 member states of ASEAN creates the most jobs for Washington, followed by Oregon, Vermont, North Dakota, and Delaware. Employment from trade to ASEAN creates over a quarter of a million jobs in California, Texas, Washington, New York, and Illinois alone.

JOBS SUPPORTED BY EXPORTS TO ASEAN



TOP 10 STATES

SHARE OF EXPORT-DEPENDENT JOBS SUPPORTED BY EXPORTS TO ASEAN

Oregon	13.3%
Idaho	10.1%
Washington	8.7%
Vermont	8.1%
Wyoming	6.6%
Montana	6.2%
Minnesota	6.0%
Maine	5.9%
North Dakota	5.6%
Kansas	5.5%



ASEAN Economic Ministers meet US government and local officials at the Port of Los Angeles during their US Roadshow.

Photo: US-ASEAN Business Council

Source: Estimated by Trade Partnership (Washington, DC)

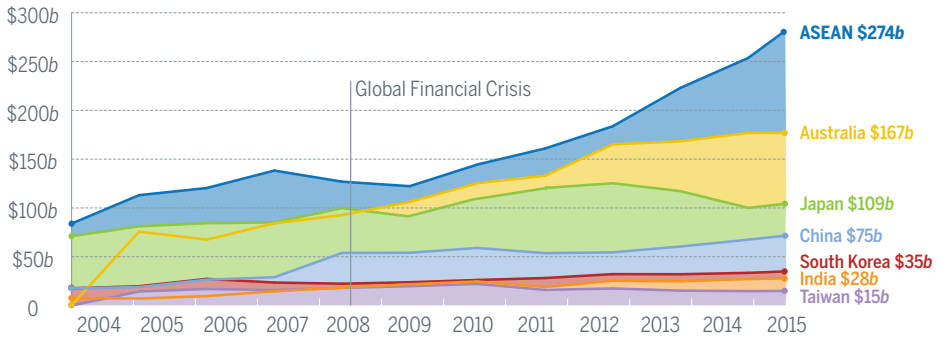
ASEAN Is the Number One Destination for US Investment in Asia

ASEAN member states have increased their investment into the US by over 1,000% from \$2.3 billion in 2004 to over \$26 billion in 2015. The US receives more investment from ASEAN than from China and India combined.

ASEAN has received almost \$274 billion in cumulative investment from the United States, more than the US has directed to China, India, Japan, and South Korea combined. US FDI in ASEAN has increased by an average annual rate of 12% since 2004 and now accounts for over a third of US investment into Asia.

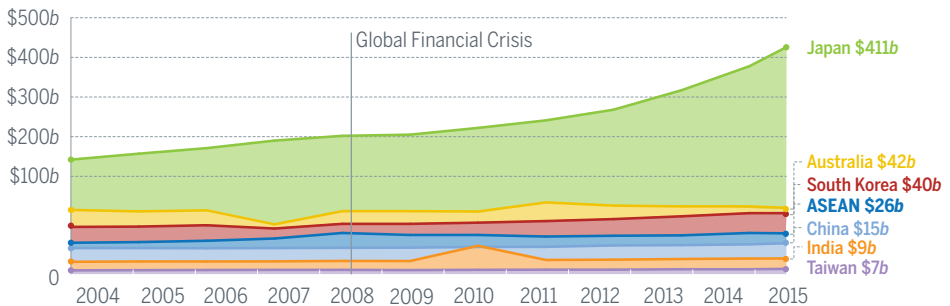
CUMULATIVE US DIRECT INVESTMENT (STOCK) IN ASIA

US investment in ASEAN increased at an average annual rate of 9% since 2004

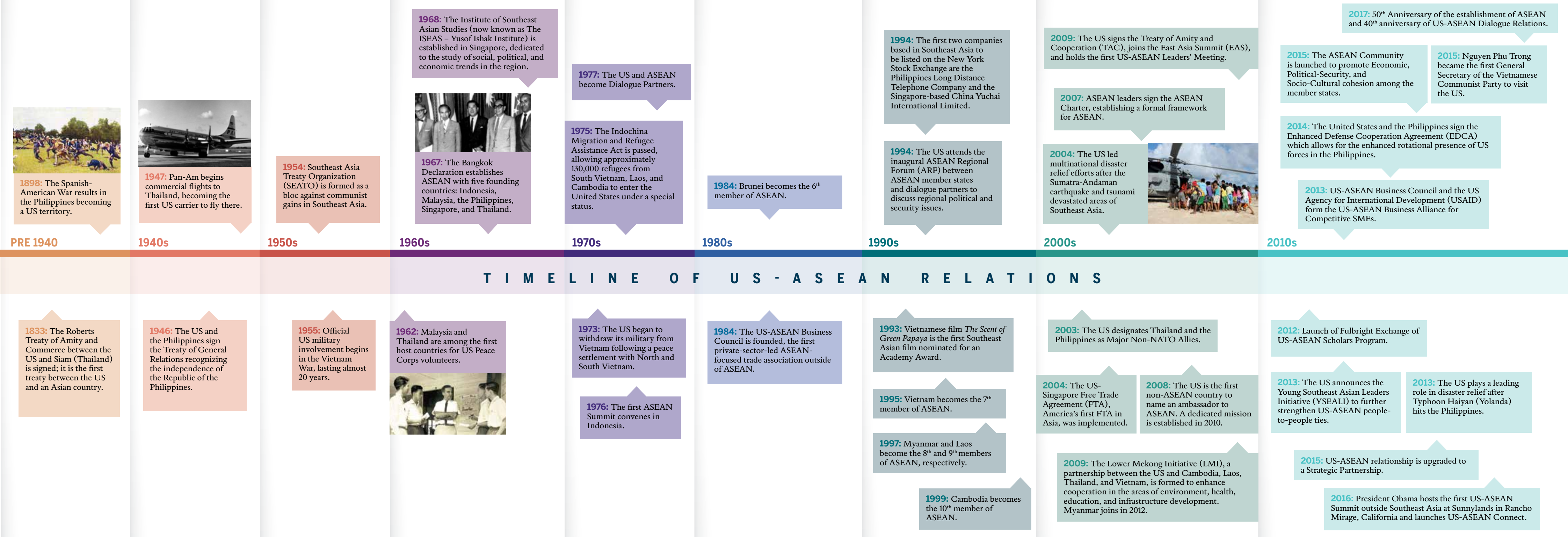


CUMULATIVE ASIAN DIRECT INVESTMENT (STOCK) IN THE US

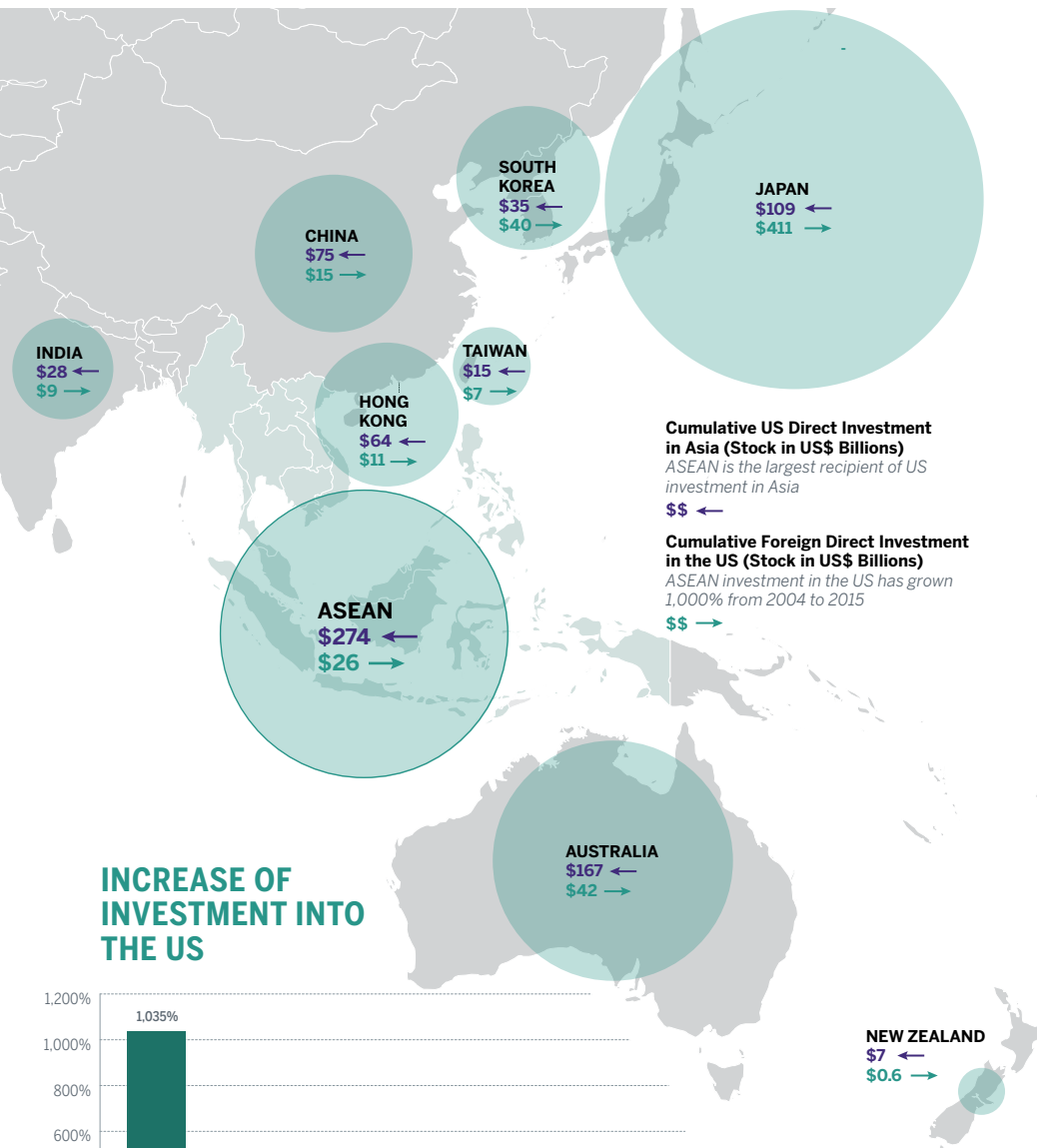
Investment from ASEAN in the US increased at an average annual rate of 28% since 2004



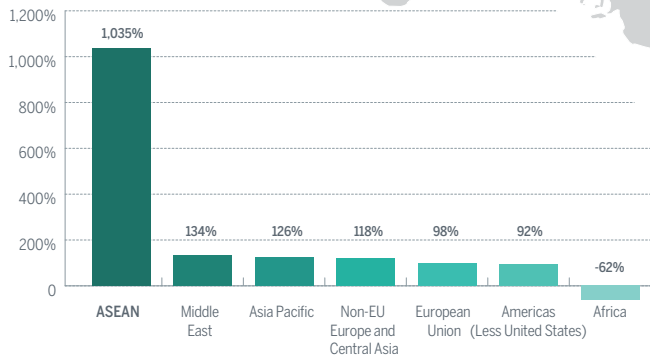
Source: US Bureau of Economic Analysis



US-ASEAN DIRECT INVESTMENT IN A REGIONAL CONTEXT



INCREASE OF INVESTMENT INTO THE US

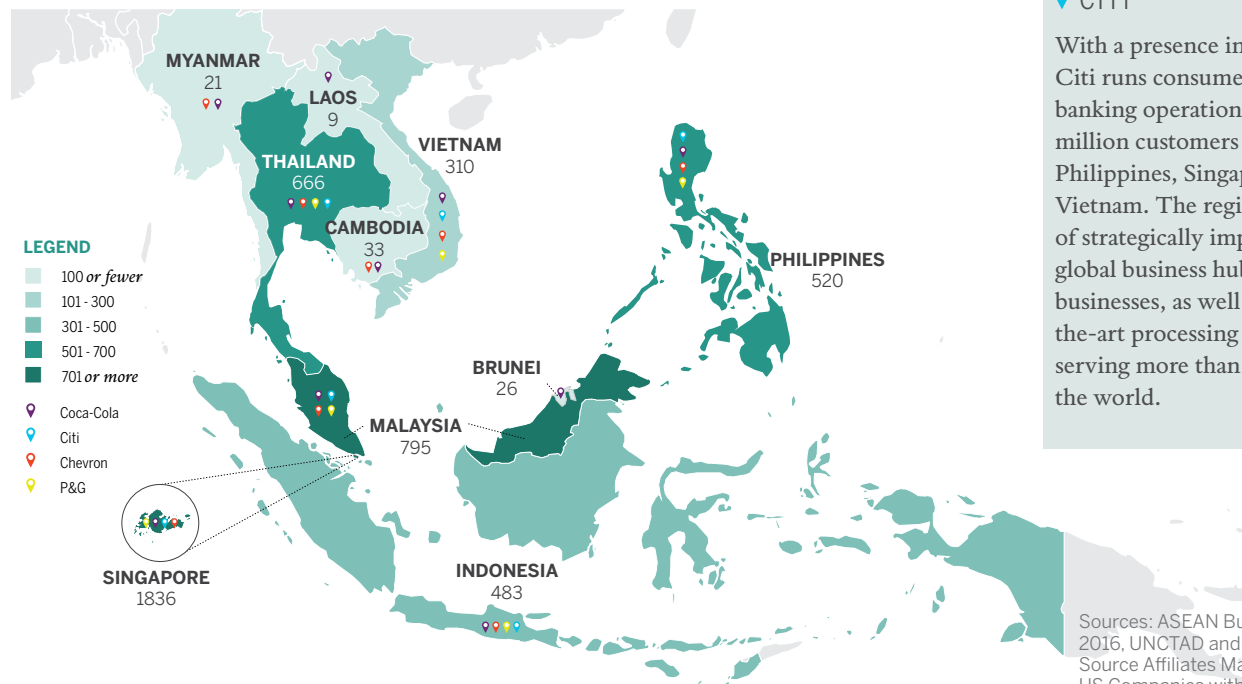


US COMPANIES INVESTING IN ASEAN

Over 3,000 US companies operate in ASEAN, including 70% of the 130 US multinational enterprises (MNEs) listed in the Global Fortune 500 in 2015. Many US companies use ASEAN as a production platform to export within the region and to other parts of the world, facilitated by ASEAN's free trade agreements with many other Asia Pacific countries. US companies in ASEAN create significant business linkages involving local suppliers and contractors in the region, and a majority of these companies operate in multiple ASEAN member states.

According to the ASEAN Business Outlook Survey 2017, 87% of US companies expect that their level of trade and investment in ASEAN will increase over the next five years. Survey respondents were very supportive of the ASEAN Economic Community (AEC) that was initiated in 2015, with 93% believing the AEC is important to their companies' future investment plans, and citing that it will provide greater flexibility and efficiency in managing their regional operations.

US COMPANIES IN ASEAN MEMBER STATES



SELECTED STORIES: US COMPANIES OPERATING IN ASEAN

COCA-COLA

The Coca-Cola Company's heritage in ASEAN dates back more than 100 years. Today, along with their bottling partners, they proudly manufacture and distribute their portfolio of brands across the entire ASEAN region. For all the reasons this report outlines, ASEAN remains a top growth opportunity for their business. The Coca-Cola Company looks forward to continuing to invest in the region and to supporting its sustainable development through initiatives focused on empowering women, improving access to clean drinking water and strengthening communities.

CHEVRON

Chevron operates in eight countries in ASEAN and provides the energy to support economic growth in this burgeoning area of the world. Chevron is the largest resource holder and producer among international oil companies in the region, where the company has had a presence for over a century. Chevron is the top oil and natural gas producer in Thailand, the largest oil producer in Indonesia, and has interests in refinery operations in Singapore and Thailand.

CITI

With a presence in ASEAN since 1902, Citi runs consumer and institutional banking operations serving over 3.7 million customers in Indonesia, Malaysia, Philippines, Singapore, Thailand, and Vietnam. The region also hosts a number of strategically important regional and global business hubs for multiple Citi businesses, as well as a number of state-of-the-art processing hubs and data centers serving more than 90 countries around the world.

PROCTER & GAMBLE

Procter & Gamble (P&G) is the largest household and personal care company in the world. P&G serves millions of consumers around the world every day with one of the strongest portfolios of trusted, leadership brands. P&G entered Asia Pacific in 1935 with the acquisition of the Philippine Manufacturing Company, and has since expanded its presence to various markets across ASEAN. P&G brands are available in every ASEAN member state.

Sources: ASEAN Business Outlook Survey 2017, US Chamber of Commerce; ASEAN Investment Report 2016, UNCTAD and ASEAN Secretariat; Fortune; individual corporations
Source Affiliates Map: Uniworld Business Publications (accessed March 2017)
US Companies with Affiliates Map counts US parent companies with subsidiaries in ASEAN countries, as recognized by Uniworld. For more information on our methodology, please visit AsiaMattersforAmerica.org/ASEAN

ASEAN Has Over \$2 Trillion Worth of Infrastructure Investment Opportunities

The McKinsey Global Institute forecasts the need for over \$2 trillion in investment in road, rail, port, airport, power, water, and telecommunications infrastructure across ASEAN to maintain economic growth. China, Japan, and the United States have pledged funding for major infrastructure projects across all sectors via government aid and public-private partnerships. However, in all sectors of infrastructure, a significant funding gap remains. A 2017 Asian Development Bank (ADB) report estimates an infrastructure investment gap of \$92 billion in ASEAN until 2020.

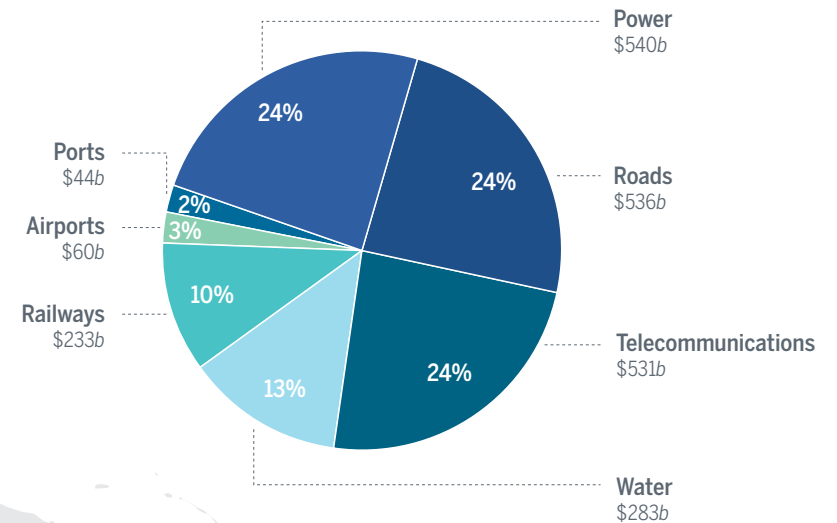
ESTIMATE FOR INFRASTRUCTURE INVESTMENT NEEDS, 2016-2030



Source: McKinsey Global Institute ("Rule of Thumb" Need Estimation based on 71% stock level)

Through the US-ASEAN Connect framework's Energy Connect pillar, the US has pledged to invest in a five-year effort in ASEAN to increase the supply of grid-connected renewable energy. Focused on the Lower Mekong River Delta countries of Cambodia, Laos, Thailand, and Vietnam, the program will support the installation of at least 500 megawatts of grid-tied renewable energy generation. It will also assist in implementing laws, policies, strategies, and regulations that contribute to the reduction of greenhouse gas emissions and support commitments made under the Paris Climate Agreement.

ESTIMATED INFRASTRUCTURE INVESTMENT NEEDS BY SECTOR, 2016-2030



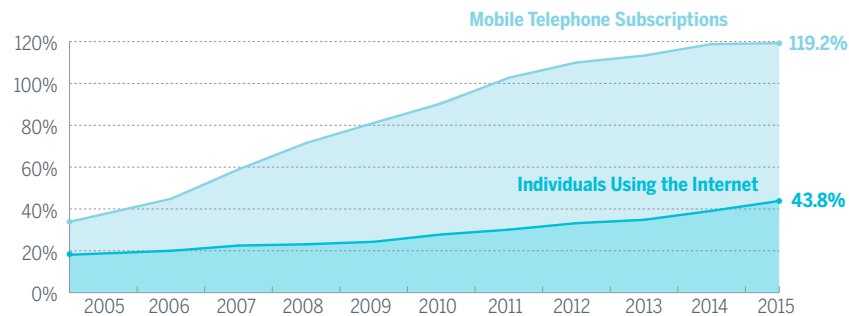
ASEAN's Digital Economy Is Projected to Grow by 500% and Be Worth \$200 Billion by 2025

ASEAN is the world's fastest growing internet region. It is forecast that by 2020 the internet user base will reach 480 million, up from 260 million in 2016. That translates to nearly 4 million new users coming online every month. ASEAN has gone "mobile first" with over 700 million active mobile connections, more than the entire population of the region. The user base is large and growing quickly, and is increasingly middle class and predominantly young. Social media is used by over half of ASEAN's population of 630 million people, making it one of the world's largest social media markets.

With digitalization comes increased opportunities for both ASEAN and US businesses to reach new customers and suppliers. It is projected that online spending could rise 6.5 times to \$200 billion by 2025, fueled by consumption of electronics, clothing, household goods and groceries, and by increased travel within the region. ASEAN SMEs especially stand to

INTERNET PENETRATION AND MOBILE SUBSCRIPTIONS IN ASEAN

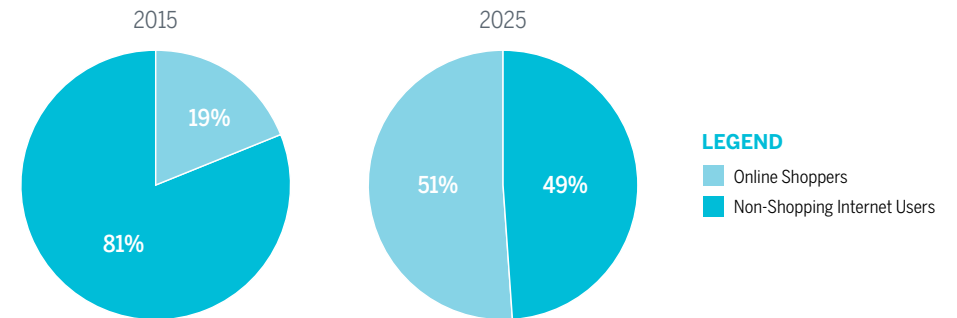
Mobile penetration outpaces traditional internet access across the region



Sources: US-ASEAN Business Council/Deloitte study: Advancing the ASEAN Economic Community: The Digital Economy and the Free Flow of Data; Internet and Mobile Penetration: International Telecommunications Union (ITU); Online Shoppers: Google/Temasek report (based on data from Indonesia, Malaysia, Philippines, Singapore, Thailand, and Vietnam)

benefit from increased connectivity, access to digital tools, and rising online consumer demand. To harness this potential, the US government and businesses have provided support to over 120,000 entrepreneurs since 2011, including through the US-ASEAN Business Alliance for Competitive SMEs and the online ASEAN SME Academy.

ONLINE SHOPPERS AS A PERCENTAGE OF INTERNET USERS IN ASEAN



SELECTED STORIES: BUILDING ENTREPRENEURIAL EXPERTISE



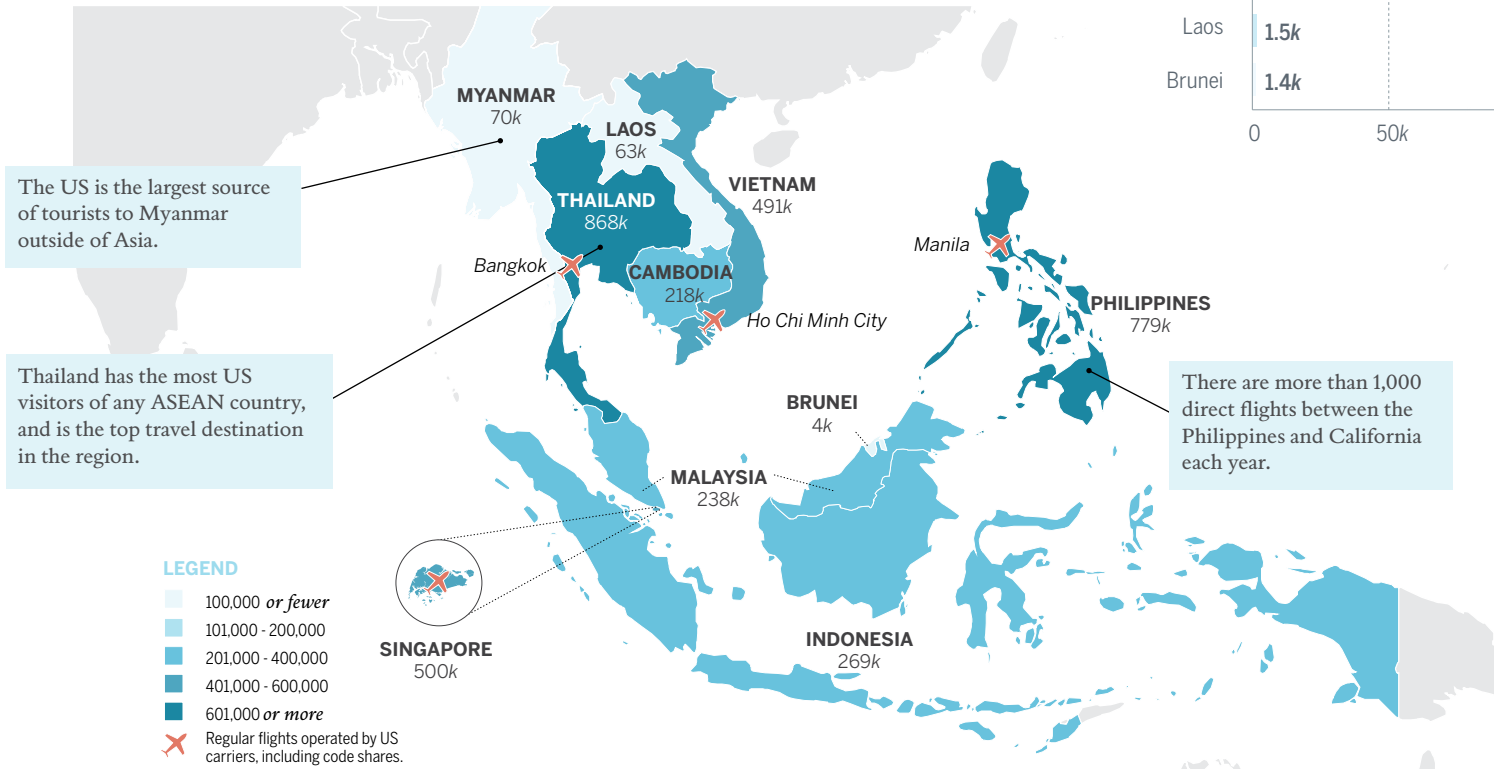
Photo: US-ASEAN Business Council

US companies have supported digital skills for SMEs in ASEAN through the ASEAN SME Academy, a program of the US-ASEAN Business Alliance for Competitive SMEs. The Business Alliance, a joint program of the US-ASEAN Business Council and USAID, has trained more than 5,000 entrepreneurs across all 10 ASEAN member states. US companies taking the lead include top Business Alliance sponsors UPS, which has led training focused on giving SMEs the skills to enter the global supply chain in a wide variety of markets; and Facebook, which has offered courses on building sales through online marketing.

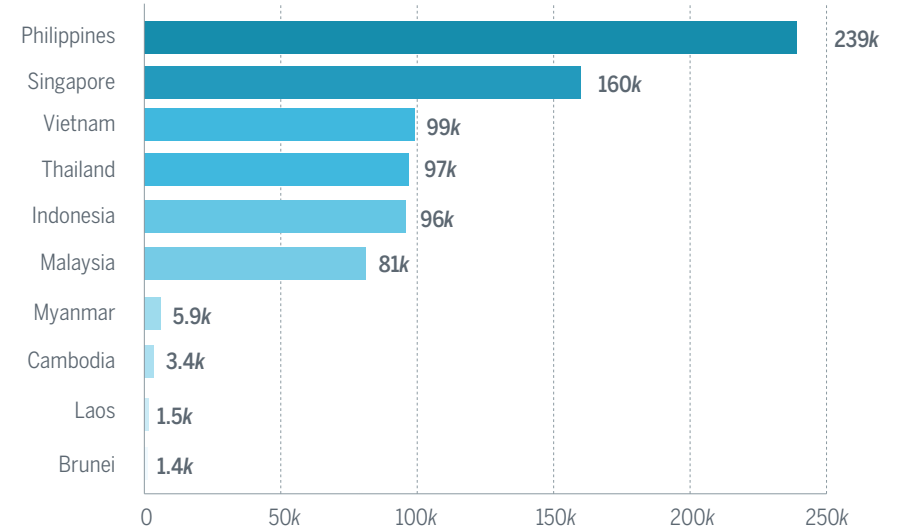
Visitors from ASEAN Add \$5 Billion to the US Economy in a Year

Over 780,000 people from ASEAN countries visited the US in 2015, while almost 3.5 million Americans visited ASEAN. Thailand, the Philippines, Vietnam, and Singapore are the top four destinations with over 2.6 million visitors from the US combined. US airlines serve cities in all four of these countries.

VISITORS FROM THE US TO ASEAN



VISITORS FROM ASEAN TO THE US



TOP 10 STATES

ASEAN VISITOR SPENDING

California	\$791m
New York	\$548m
Florida	\$439m
Texas	\$330m
Massachusetts	\$247m
Pennsylvania	\$221m
Illinois	\$188m
Nevada	\$162m
Georgia	\$129m
Ohio	\$128m

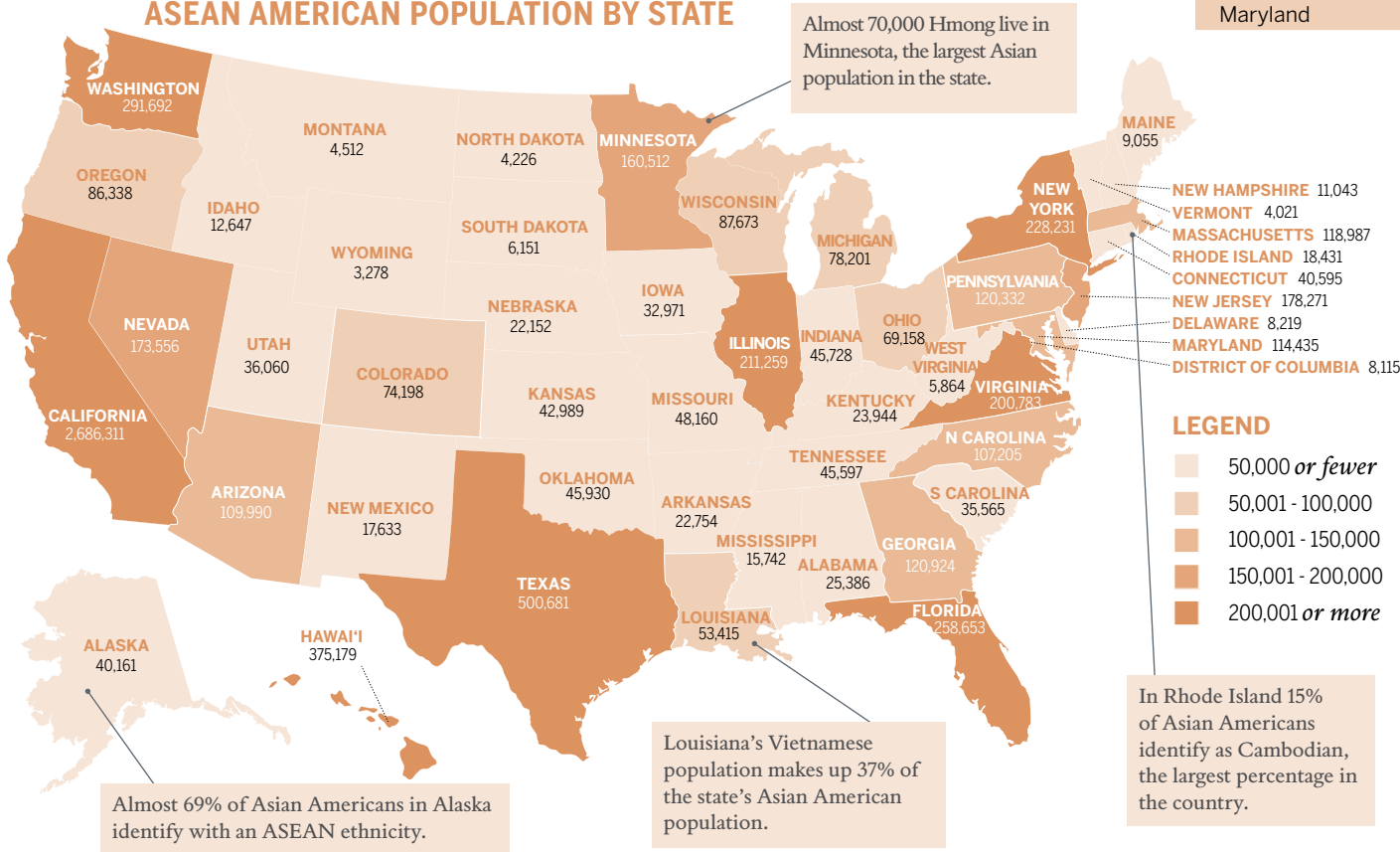
Source Visitor Numbers: Brunei Ministry of Primary Resources and Tourism, Cambodia Ministry of Tourism, Statistics Indonesia, Laos Tourism Development Department, Malaysia Department of Immigration, Myanmar Ministry of Hotels and Tourism, Philippines Department of Tourism, Singapore Tourism Board, Thailand Department of Tourism, Viet Nam National Administration of Tourism
 Source Visitor Spending: Estimated by the Trade Partnership (Washington, DC)
 Source Visitors from ASEAN to the US: World Tourism Organization, Yearbook of Tourism Statistics
 2016 © UNWTO, 92844/37/16

36% of Asian Americans Identify with an ASEAN Ethnicity

Of the estimated 20 million Asian Americans in the US, 7 million identify with an ASEAN ethnicity. Filipino and Vietnamese are the largest groups, with populations of 4 million and 1.9 million respectively.

Immigrants from ASEAN member states accounted for over 11% of all naturalizations in the US in 2015, and 34% of naturalizations by Asians. Remittances, funds that immigrants send to individuals in their home countries, represent a major financial flow between the US and ASEAN. The Philippines and Vietnam are among the top five recipients of remittances from the US after Mexico, China, and India.

ASEAN AMERICAN POPULATION BY STATE



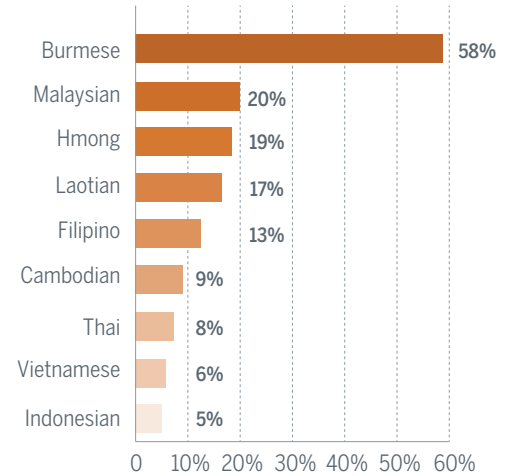
TOP 10 STATES

PERCENTAGE OF US RESIDENTS WHO IDENTIFY WITH AN ASEAN ETHNICITY

Hawai'i	26.6%
California	7.0%
Nevada	6.2%
Alaska	5.5%
Washington	4.4%
Minnesota	3.0%
Virginia	2.4%
Oregon	2.2%
New Jersey	2.0%
Maryland	1.9%

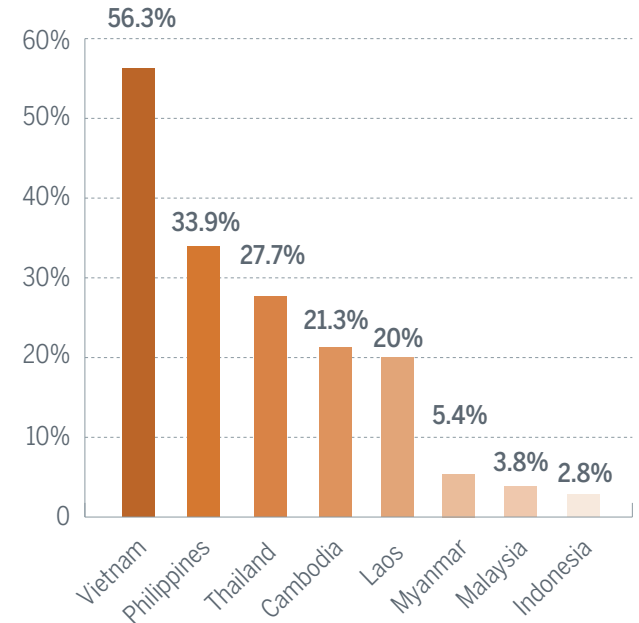
US POPULATION GROWTH

By ASEAN nationalities and ethnic groups, 2011-2015



REMITTANCES FROM THE US TO ASEAN MEMBER STATES

US share of total remittances received by each country

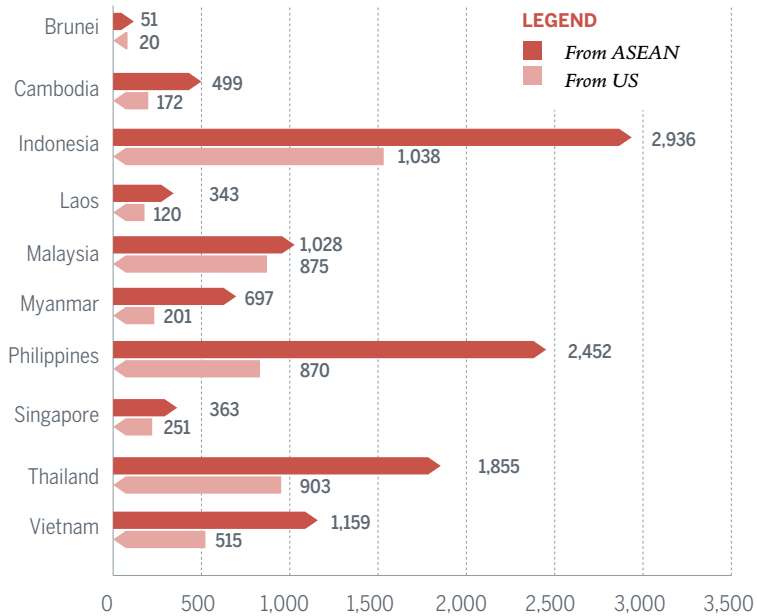


Sources: US Census Bureau, American Community Survey, US Department of Homeland Security, Source Remittances: World Bank Bilateral Remittances Matrix (Estimates), 2015 data

FULBRIGHT PROGRAM

In the 2014/15 academic year almost 700 students, teachers, and scholars participated in Fulbright exchanges between the US and ASEAN. Participants from all 10 ASEAN member states took part in the program. Since the program's founding in 1949, over 11,000 students, teachers, and scholars from ASEAN have participated, including nearly 3,000 from Indonesia and 2,500 from the Philippines. US participants in the region have numbered over 5,000 since 1949, with the greatest number of participants taking part in the Indonesia, Philippines, and Thailand programs.

FULBRIGHT SCHOLARS SINCE 1949



NOTABLE FULBRIGHT PARTICIPANTS FROM ASEAN

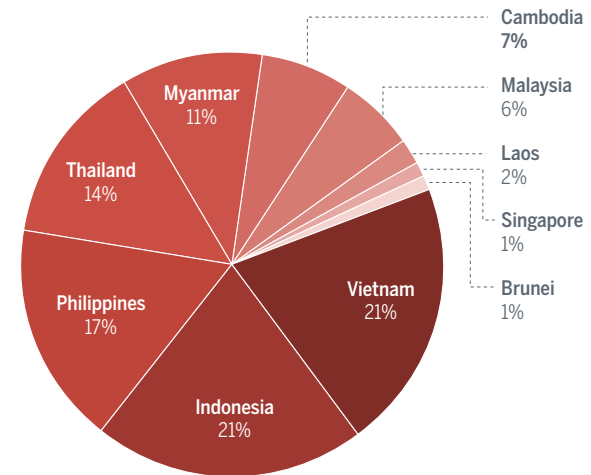
JUWONO SUDARSONO , Former Indonesian Minister of Defense – Fulbright student at Columbia University	KAKA BAG-AO , Member of the House of Representatives of the Philippines – Humphrey Fellow at University of Minnesota
SUYOI OSMAN , Bruneian Minister of Education – Fulbright student at Johns Hopkins University	V P HIRUBALAN , Deputy Secretary-General of ASEAN for the Political-Security Community – Fulbright student at Yale University

Sources: Bureau of Education and Cultural Affairs, US Department of State; US Mission to ASEAN

THE YOUNG SOUTHEAST ASIAN LEADERS INITIATIVE (YSEALI)

The Young Southeast Asian Leaders Initiative (YSEALI) is a program focused on strengthening leadership development in ASEAN. Since 2014, more than 100,000 young people, ages 18-35, have joined the program, and over 80,000 are active on digital platforms. Through YSEALI, the US government has assisted over 19,000 ASEAN youth through regional workshops and exchanges, professional and academic fellowships to visit universities, businesses, and non-profits in the US, and community-focused grants in order to develop ties between the US and ASEAN.

YSEALI PARTICIPATION BY COUNTRY



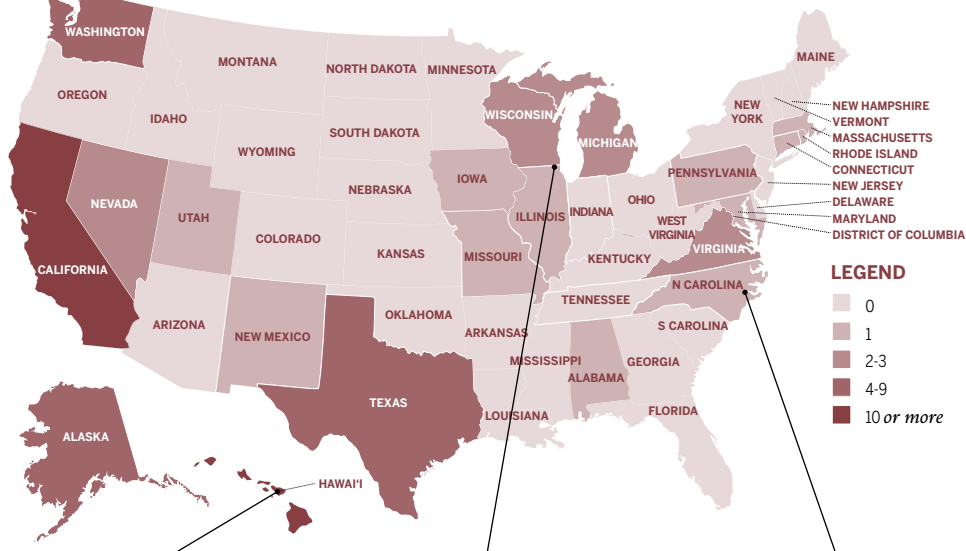
YSEALI - EWC Environmental Leadership Institutes participants visiting Kualoa in Oahu, Hawai'i

Photo: East-West Center

92 Sister Relationships between the US and ASEAN Build Civic and People-to-People Connections

Sister relationships are local partnerships between cities, counties, and states with similar jurisdictions. These build ties between communities and support commercial and cultural initiatives. With 70 sister cities and 22 sister state or sister county connections, these ties between the US and ASEAN link seven ASEAN countries to 22 US states.

US SISTER RELATIONSHIPS WITH ASEAN



Maui County in Hawai'i has the most sister relationships in ASEAN of any US city, county, or state with 11 sister relationships.

Elgin, Illinois is the only US city to share a sister relationship with a city in Laos.

Beaufort, North Carolina enjoys a sister city relationship with Beaufort, Malaysia.

US	ASEAN
Mobile, AL	Bolinao, PH
Juneau, AK	Camiling, PH
Juneau, AK	Kalibo, Aklan, PH
<i>State of California</i>	<i>Yogyakarta, Special Province, ID</i>
Berkeley, CA	Uma-Bawang, MY
Carson, CA	La Carlota, PH
Chula Vista, CA	Cebu City, PH
Fremont, CA	Lipa City, PH

US	ASEAN
Long Beach, CA	Bacolod, PH
Long Beach, CA	Phnom Penh, KH
Los Angeles, CA	Jakarta, ID
Los Angeles, CA	Makati, PH
Milpitas, CA	Dagupan City, PH

LEGEND
 Cambodia - KH; Indonesia - ID; Laos - LA;
 Malaysia - MY; Philippines - PH; Thailand - TH;
 Vietnam - VN

US	ASEAN
Newport Beach, CA	Vung Tau Ba Ria City, VN
Oakland, CA	Da Nang, VN
Orinda, CA	Lanphun, TH
Palo Alto, CA	Palo, PH
Rohnert Park, CA	Tagaytay, PH
Sacramento, CA	Manila, PH
Sacramento, CA	Pasay, PH
Salinas, CA	Cebu City, PH
San Bernardino, CA	Roxas, PH

ASEAN SISTER RELATIONSHIPS WITH THE US



Mawlamyine currently shares the status of 'friendship city' with Fort Wayne, Indiana.

The Philippines has the most sister city relationships with the US of all ASEAN countries at 61.

US	ASEAN	US	ASEAN	US	ASEAN
San Diego, CA	Cavite City, PH	Honolulu, HI	Candon City, PH	Sterling Heights, MI	Sorsogon City, PH
San Francisco, CA	Ho Chi Minh City, VN	Honolulu, HI	Cebu, PH	St. Louis, MO	Bogor, ID
San Francisco, CA	Manila, PH	Honolulu, HI	Hue, VN	Las Vegas, NV	Angeles City, PH
Santa Barbara, CA	San Juan, PH	Honolulu, HI	Laoag City, PH	Reno, NV	Udonthani, TH
Santa Clarita, CA	Sariaya, PH	Honolulu, HI	Manila, PH	Angel Fire, NM	Quang Tri Town, VN
South San Francisco, CA	Pasig City, PH	Honolulu, HI	Vigan, PH	Beaufort, NC	Beaufort, MY
Stockton, CA	Battambang, KH	Kauai County, HI	Bagued, PH	Pittsburgh, PA	Da Nang, VN
Stockton, CA	Iloilo, PH	Kauai County, HI	Urdaneta, PH	Providence, RI	Phnom Penh, KH
Suisun, CA	Naguilian, PH	Maui County, HI	Bacarra City, PH	Austin, TX	Siem Reap, KH
Union City, CA	Baybay, PH	Maui County, HI	Badoc, PH	Benbrook, TX	Pailin Province, KH
Union City, CA	Chiang Rai, TH	Maui County, HI	Cabugao, PH	Commerce, TX	Pailin Province, KH
Union City, CA	Pasay City, PH	Maui County, HI	Manila, PH	Fort Worth, TX	Bandung, ID
Vallejo, CA	Baguio, PH	Maui County, HI	Puerto Princesa, PH	Salt Lake City, UT	Quezon City, PH
Walnut, CA	Calamba, PH	Maui County, HI	Quezon City, PH	Norfolk, VA	Cagayan de Oro, PH
New Haven, CT	Hue City, VN	Maui County, HI	San Juan, PH	Virginia Beach, VA	Olongapo, PH
Washington, DC	Bangkok, TH	Maui County, HI	San Nicholas, PH	Lakewood, WA	Bauang, PH
<i>State of Hawai'i</i>	<i>Cebu Province, PH</i>	Maui County, HI	San Miguel, PH	Seattle, WA	Cebu City, PH
<i>State of Hawai'i</i>	<i>Ilocos Norte Province, PH</i>	Maui County, HI	Sarrat, PH	Seattle, WA	Hai Phong, VN
<i>State of Hawai'i</i>	<i>Ilocos Sur Province, PH</i>	Maui County, HI	Zambales Province, PH	Seattle, WA	Sihanoukville, KH
<i>State of Hawai'i</i>	<i>Isabela Province, PH</i>	Elgin, IL	Vientiane, LA	Seattle, WA	Surabaya, ID
<i>State of Hawai'i</i>	<i>Pangasinan Province, PH</i>	<i>State of Iowa</i>	<i>State of Terengganu, MY</i>	Tacoma, WA	Davao, PH
Hawai'i County, HI	Ormoc City, PH	<i>State of Maryland</i>	<i>Ninh Thuan Province, VN</i>	Kenosha, WI	Quezon City, PH
Honolulu, HI	Baguio, PH	Lowell, MA	Phnom Penh, KH	Milwaukee, WI	Medan, ID
		Sterling Heights, MI	Legazpi City, PH		

Sources: Sister Cities International; individual sister city associations



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AsiaMattersforAmerica.org

ASEAN Matters for America/America Matters for ASEAN

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Asia Matters for America is an initiative of the East-West Center in Washington and can be contacted at:

Asia Matters for America
East-West Center in Washington
1819 L Street, NW, Suite 600
Washington, DC 20036 USA
Tel: (+1)202.293.3995
Fax: (+1)202.293.1402
Washington@EastWestCenter.org

The East-West Center headquarters is in Honolulu, Hawai'i:

East-West Center
1601 East-West Road
Honolulu, HI 96848 USA
Main Telephone: (+1)808.944.7111
EastWestCenter.org

ISEAS - Yusof Ishak Institute is located in Singapore and can be contacted at:

ISEAS - Yusof Ishak Institute
30 Heng Mui Keng Terrace
Singapore 119614
Tel: (+65)6778.0955
ISEAS.edu.sg

The US-ASEAN Business Council headquarters is in Washington, DC and can be contacted at:

US-ASEAN Business Council
1101 17th Street, NW, Suite 411
Washington, DC 20036 USA
Tel: (+1)202.289.1911
USASEAN.org