



Southeast Asian Economic Outlook 2010:

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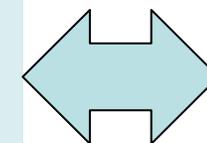
DeFine Annual Meeting
Paris, 10-12 October 2010



Southeast Asian Economic Outlook

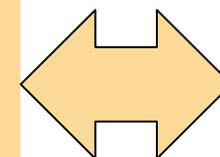
An overview of SAEO 2010

- Near-term macroeconomic prospects
- Medium-term growth projections
- Regional Integration Landscape



Part I:
Regional
Economic
Monitor

- Transport Infrastructure and
Regional Integration



Part II:
Thematic
Focus



Key Messages from SAEO 2010

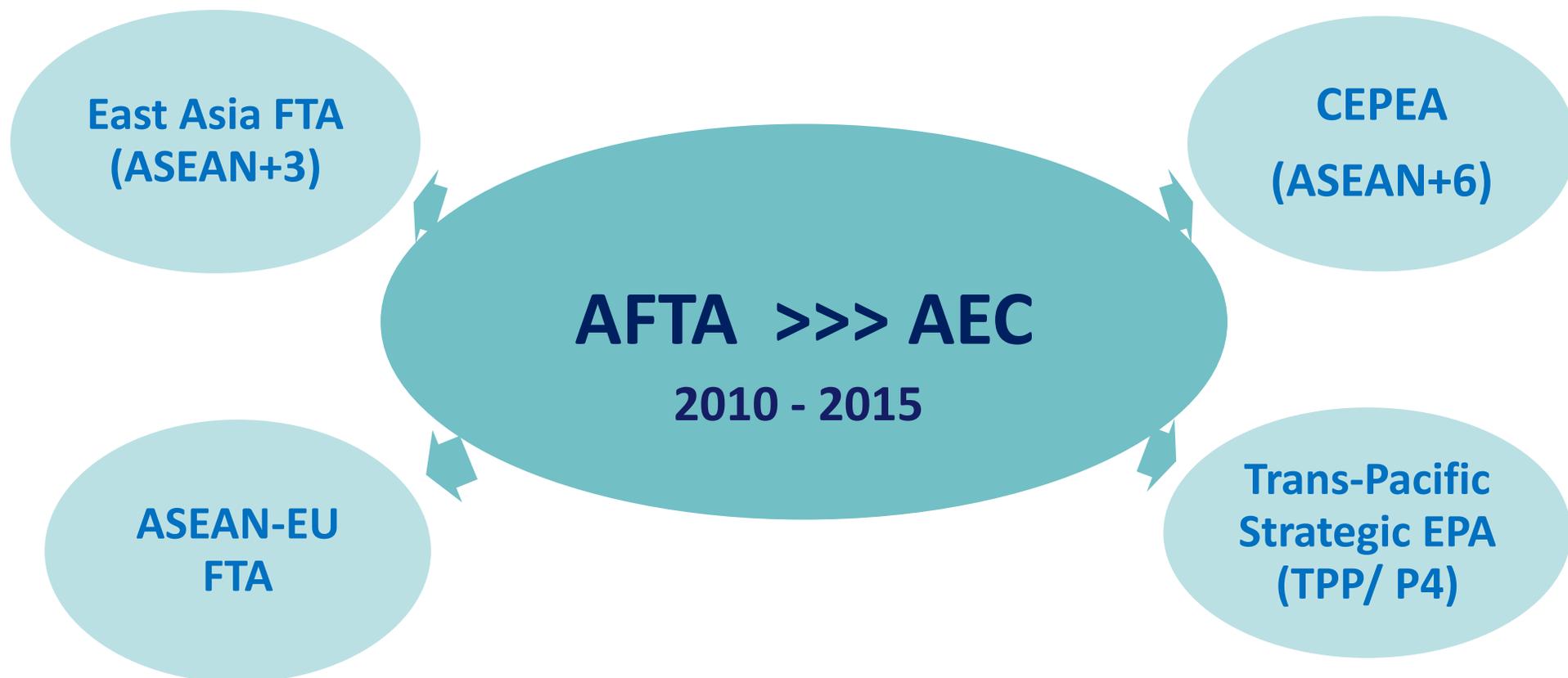
(Transport Infrastructure and Regional Integration)

- **Transport infrastructure development is central to promoting ASEAN integration and reducing gaps among and within its member countries.**
- **Indonesia's transport infrastructure is less developed than that of other middle-income ASEAN members but a number of steps are being taken to improve the situation.**
- **New financing method can promote private infrastructure investment in Southeast Asia (> PPP/revenue bonds in Thailand)**



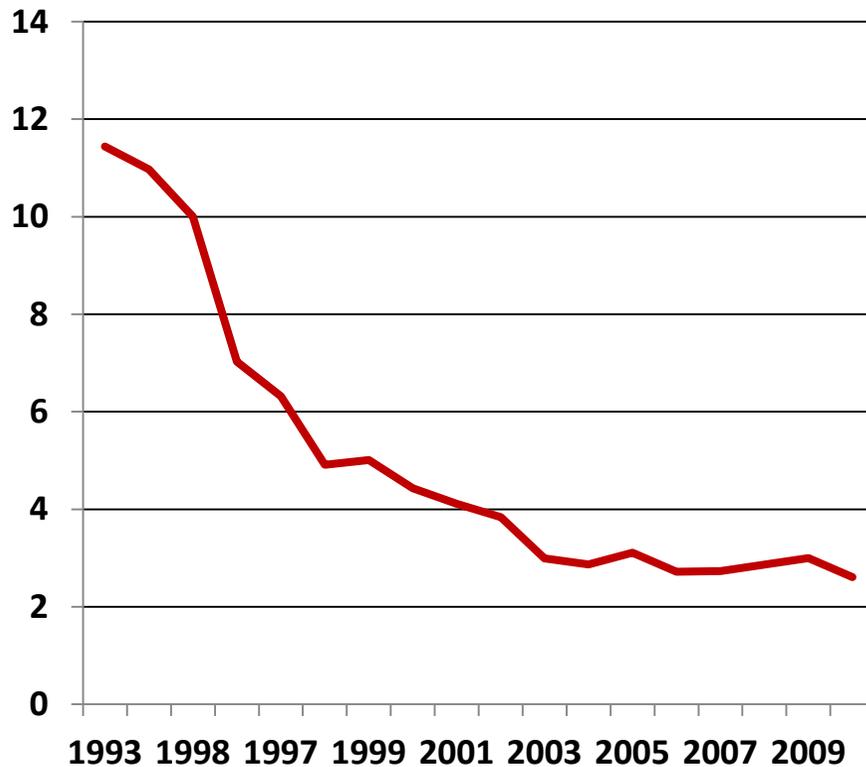
Regional Integration Landscape

ASEAN with Important Partners

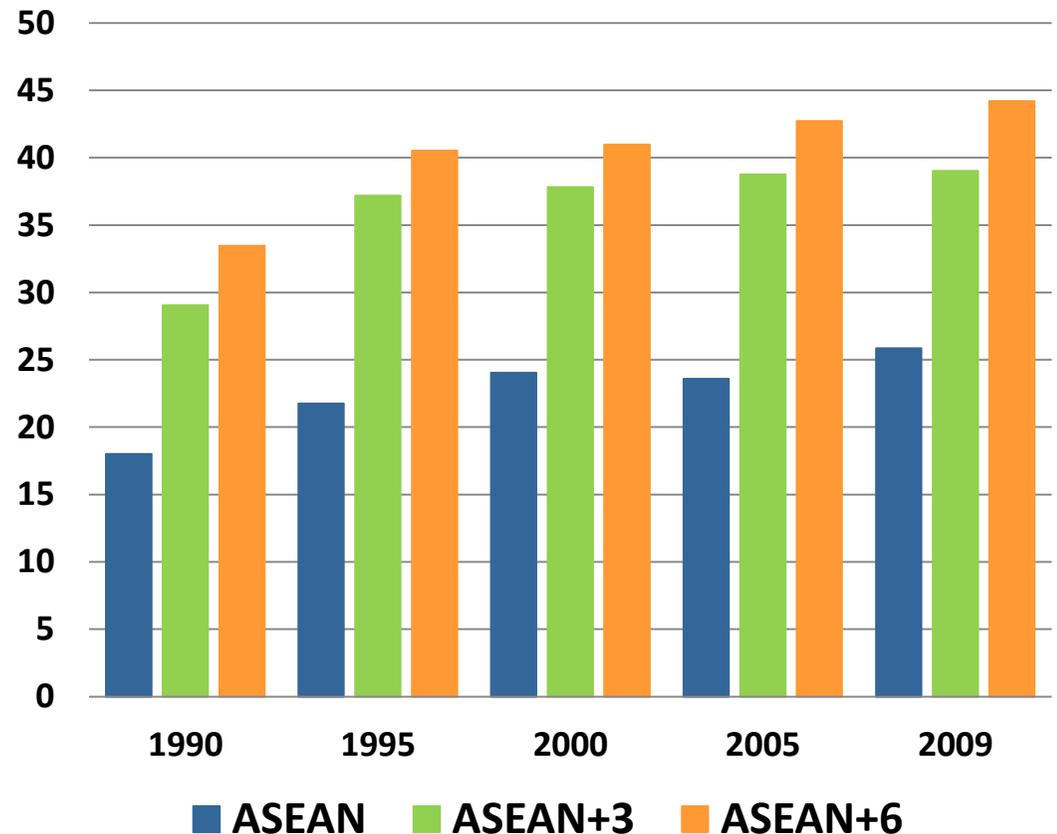


Closer Integration in ASEAN and East Asia

Progress in Tariffs Reduction (Average tariff rate under AFTA, %)



Share of Intra-regional Trade (Percentage of total trade)

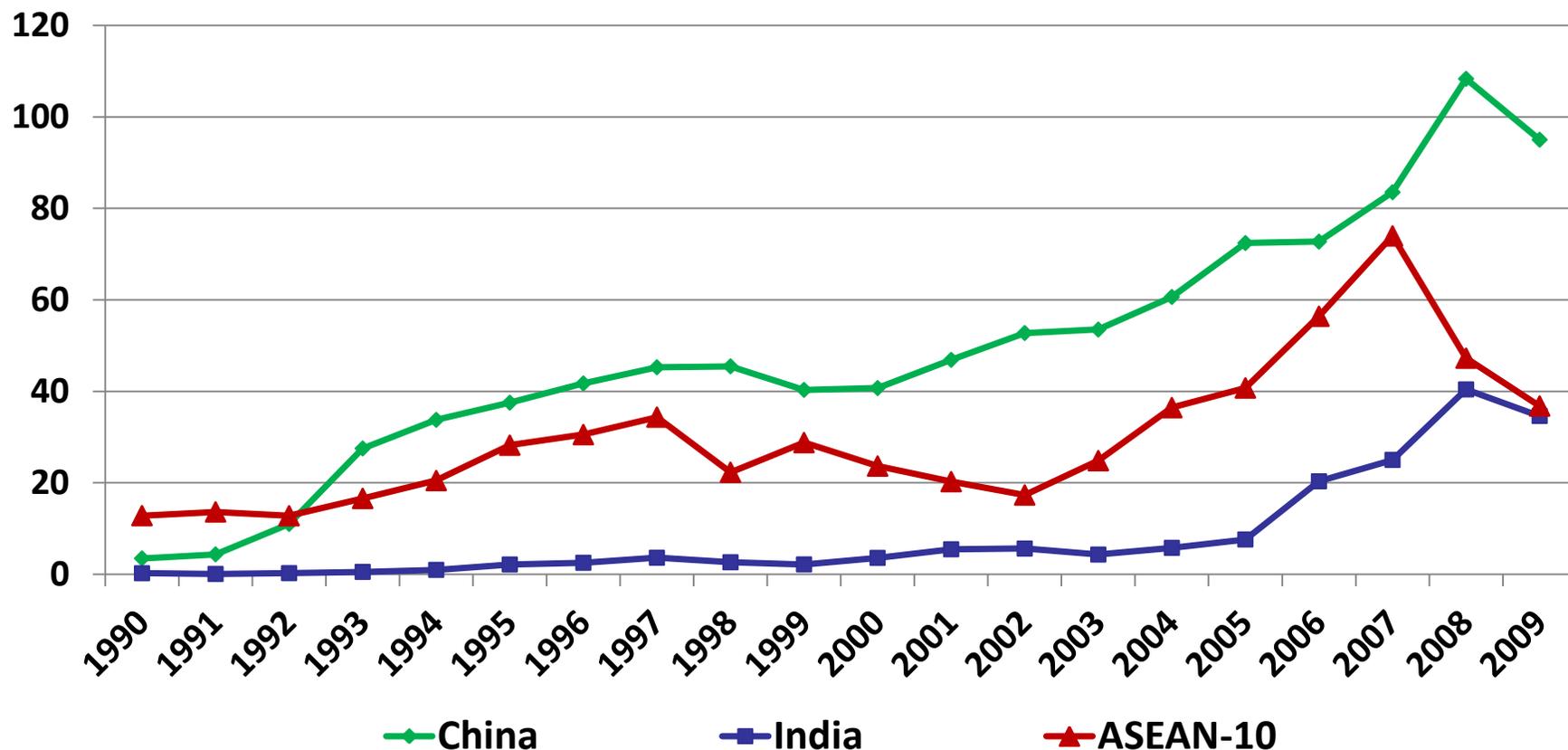


Source: SAEO 2010



FDI Inflows in ASEAN, China and India

(USD Billion)



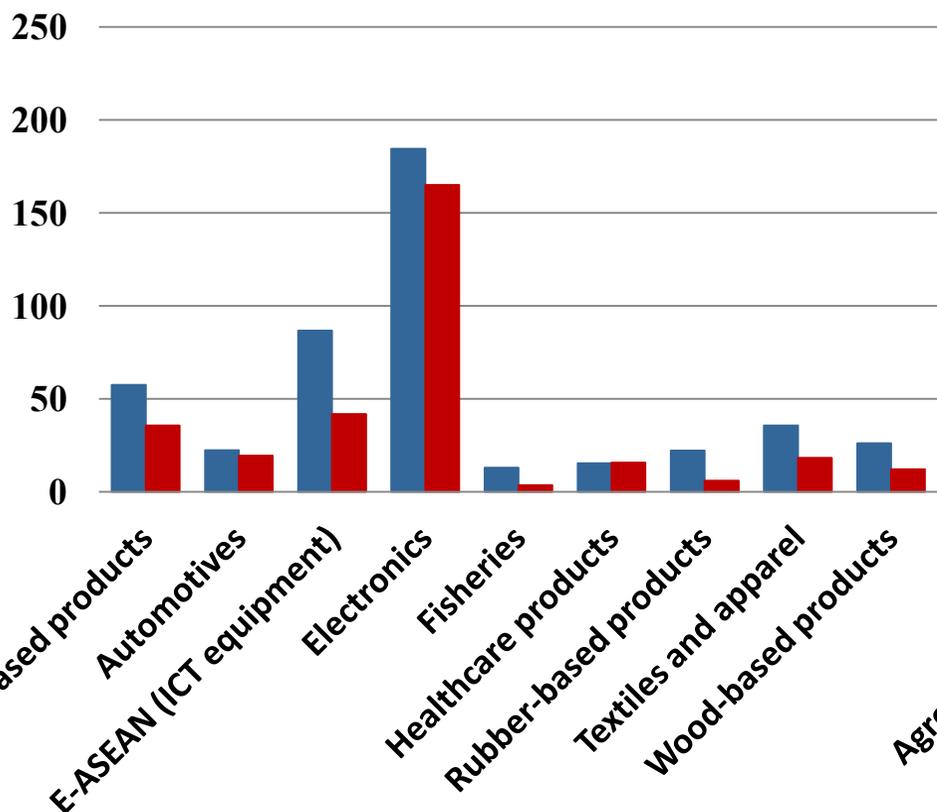
Source: SAEO 2010



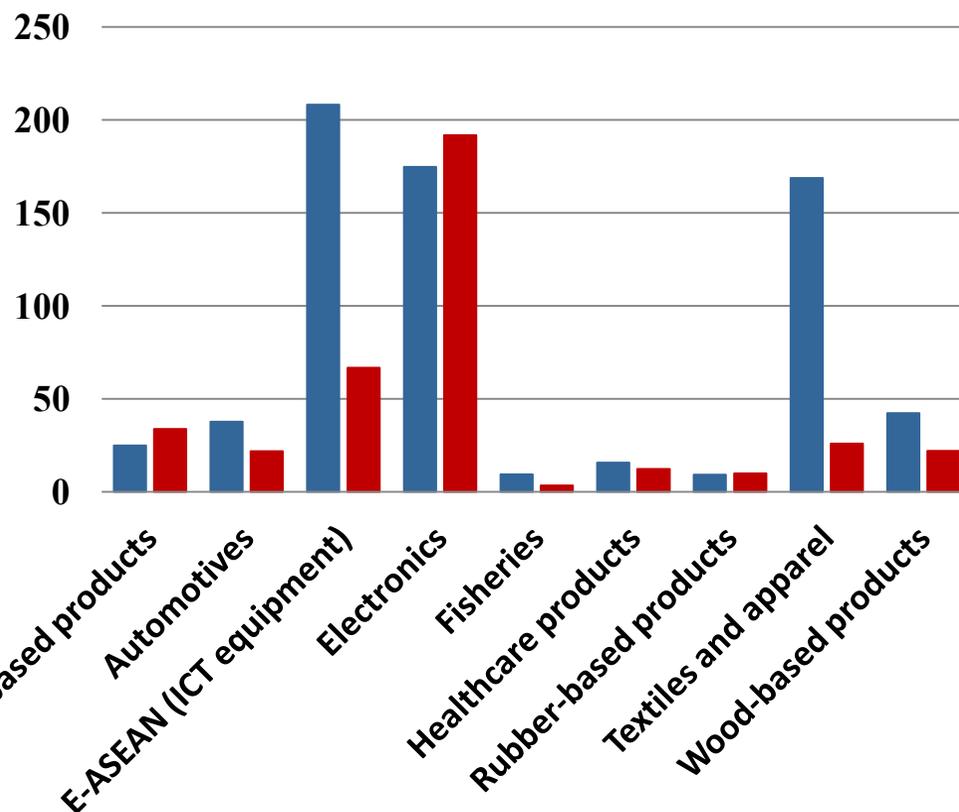
Trade in ASEAN Priority Sectors

(USD Billion, 2006-2008 Average)

ASEAN-6*



China



*IDN, MYS, PHL, SGP, THA, VNM
(2006-7 av.)

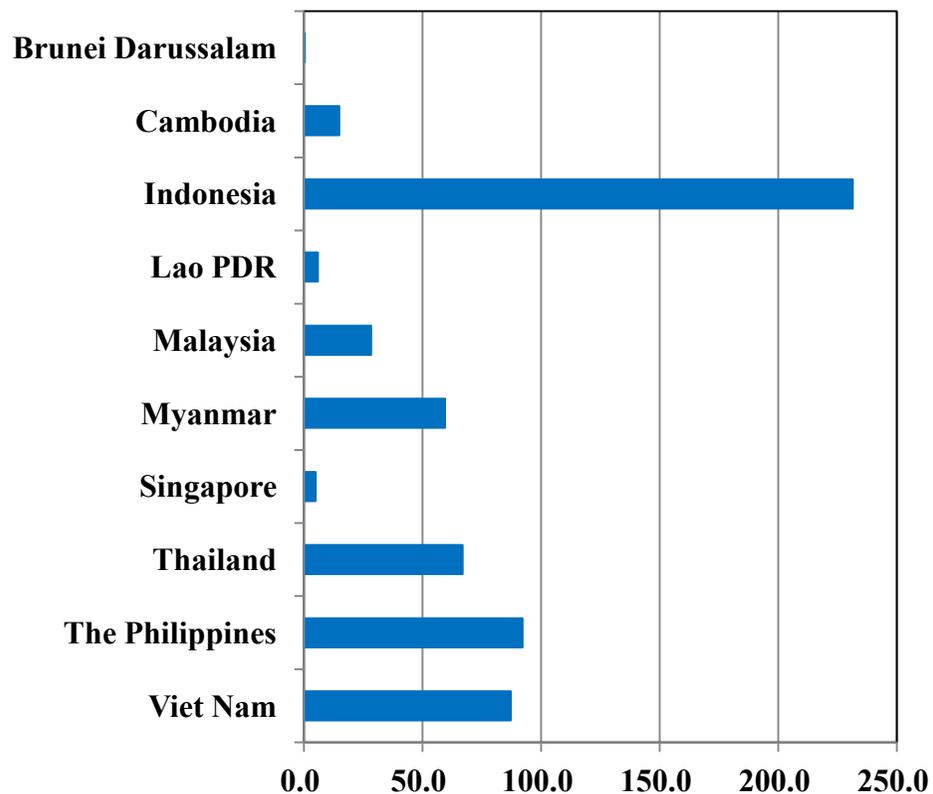
EX (blue) IM (red)

Source: SAEO 2010

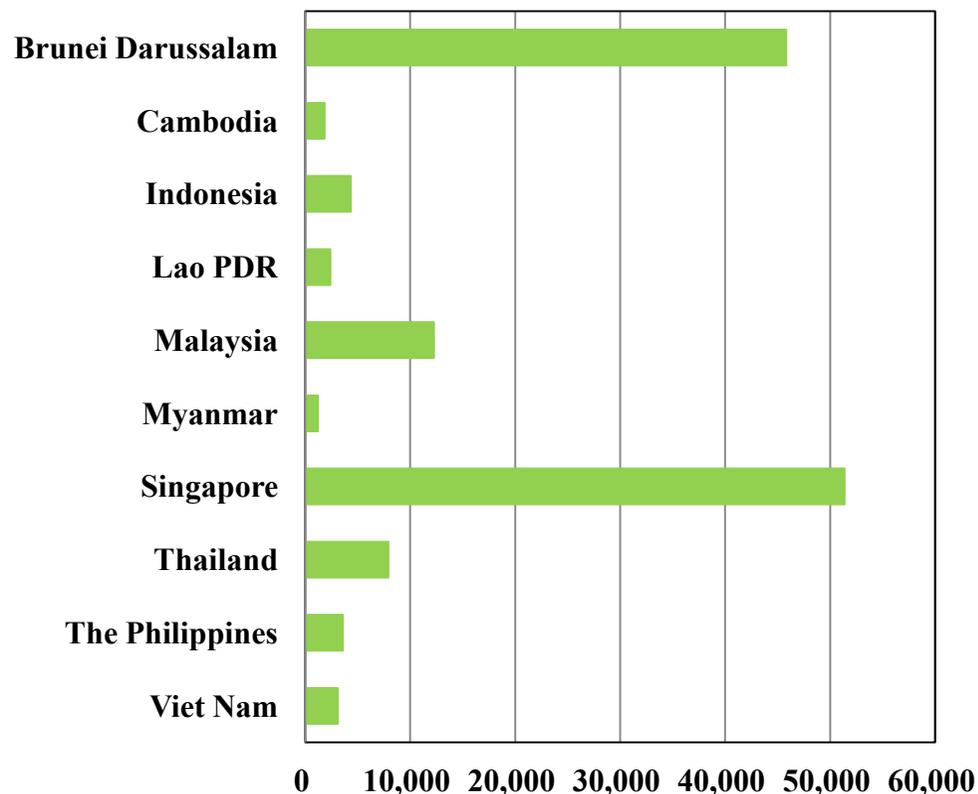


Turning the Region's Diversity into Opportunities

Population in 2009 (p)
(Million)



GDP per capita in 2009 (e)
(US \$ PPP)



Sources: ASEAN Secretariat; IMF; (p) Preliminary; (e) Estimates



ADB Projections for 2010-2020 (a)

Country	Estimated Investment Needs (USD Billion)*	Total Investment per Capita (USD)*
Cambodia	13	918
Indonesia	450	1,981
Laos	11	1,833
Malaysia	188	6,962
Myanmar	22	438
Philippines	127	1,407
Thailand	173	2,566
Viet Nam	110	1,273
ASEAN (8)	1,095	2,172
China	4,368	3,297
India	2,173	1,906

* In 2008 USD; (a) Energy, transport, telecom, water and sanitation; Source: ADBI (2010)



Asian Highway Network

Private Investment in National Transport Projects (USD Million)



	2000-04 Average	2005-08 Average
Indonesia	32	378
Malaysia	735	492
Philippines	189	133
Thailand	188	0
Viet Nam	4	191

Source: SAEO 2010 based on UNESCAP (Jan 2010)

Source: World Bank



Conclusions

ASEAN economies have emerged strongly from the global crisis, but development is likely to be uneven across countries and sectors, unless necessary measures are taken:

- **Foster regional and sub-regional connectivity through infrastructure development (> transport infrastructure);**
- **Support new growth areas in ASEAN priority sectors;**
- **Institute a credible medium-term fiscal framework to support rebalancing growth**



Southeast Asian Economic Outlook: A Tool for Policy Dialogue

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