

Overlook to ASEAN – EU Relationship

ASEAN as a whole represents the EU's 3rd largest trading partner outside Europe (after the U.S. and China) with more than USD 290 billion of trade in goods and services in 2013. The EU is ASEAN's 3rd largest trading partner after China and Japan, accounting for around 13% of ASEAN trade. The EU is by far the largest investor in

ASEAN countries.

The EU's main exports to ASEAN are chemical products, machinery and transport equipment. The main imports from ASEAN to the EU are machinery and transport equipment, agricultural products as well as textiles and clothing.

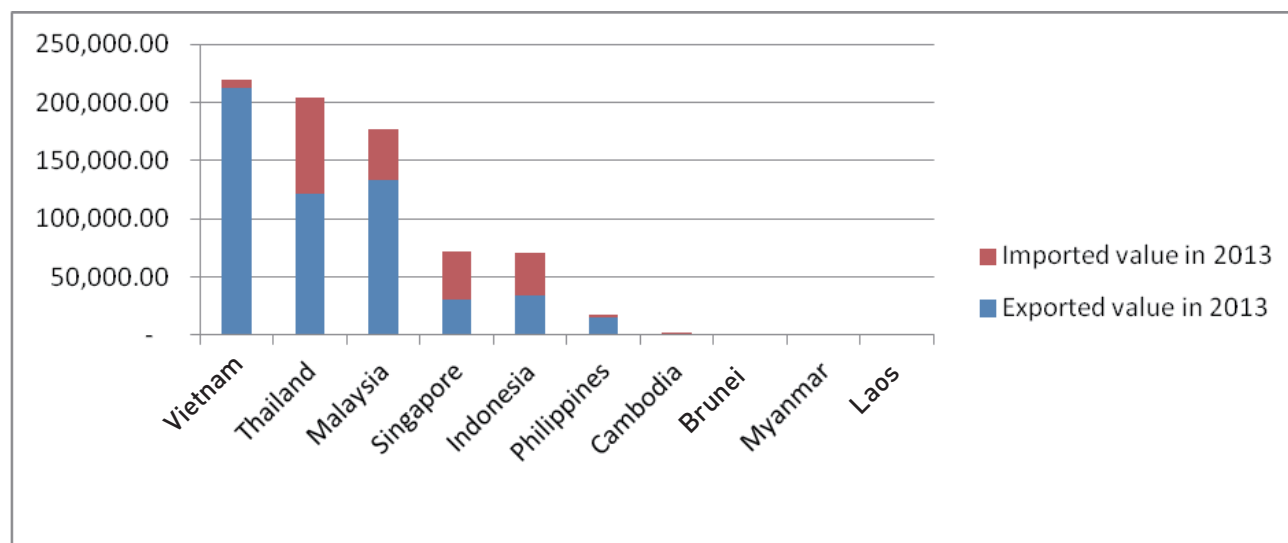
Overlook to Fastener Trade Between ASEAN and EU by Countries

The total value of HS Code 7318 trading between ASEAN and EU factories is about USD 765.00 million, and 72% of this value is export from ASEAN to EU and the rest is ASEAN import from EU.

The main partner of EU region in this sector is Vietnam with a total amount of USD 219.705 million and the second country is Thailand with USD 203.646 million. If we assume fasteners

are an integral part of any industries then the following table shows that the most industrial countries in ASEAN are Thailand, Malaysia, Singapore, and Indonesia. On the other hand, Vietnam with more than USD 210 million exported fastener to the EU has gained about 40% of the EU's market. The following graph shows the total trade of fasteners under HS Code 7318 between ASEAN countries and the EU.

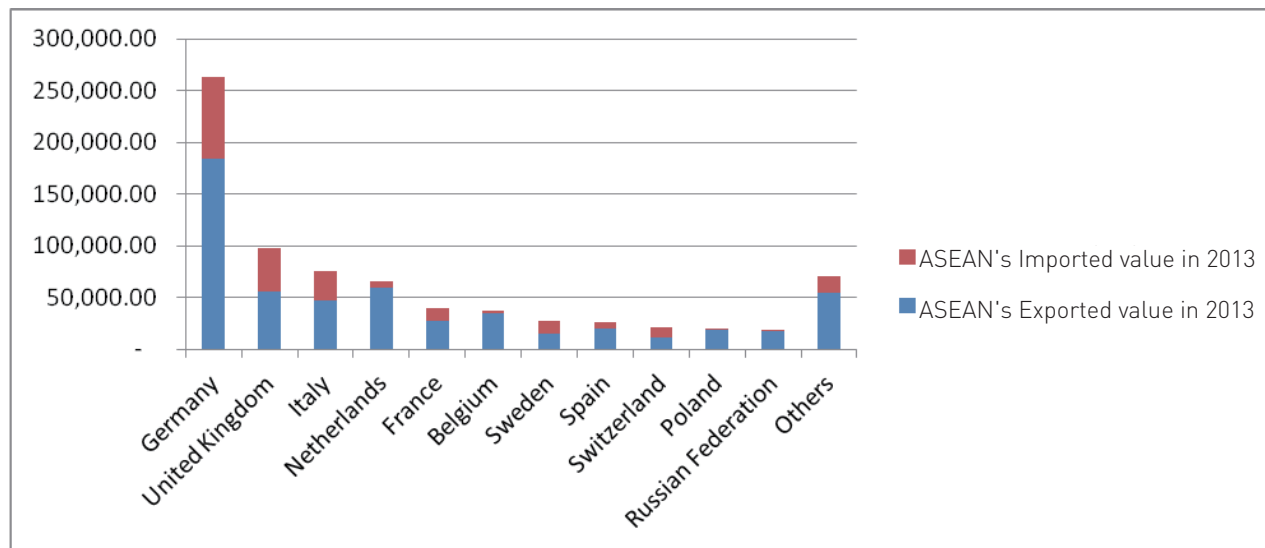
Partner	Exported Value in 2013 (1,000 USD)	Imported Value in 2013 (1,000 USD)	Total Amount (1,000 USD)	Export Percentage	Import Percentage
Association of South-East Asian Nations (ASEAN) Aggregation	548,876.00	216,024.00	764,900	72%	28%
Vietnam	212,163.00	7,542.00	219,705.00	97%	3%
Malaysia	133,921.00	43,528.00	177,449.00	75%	25%
Thailand	121,462.00	82,184.00	203,646.00	60%	40%
Indonesia	34,391.00	36,231.00	70,622.00	49%	51%
Singapore	31,132.00	41,267.00	72,399.00	43%	57%
Philippines	15,018.00	3,116.00	18,134.00	83%	17%
Cambodia	778.00	460.00	1,238.00	63%	37%
Laos	5.00	264.00	269.00	2%	98%
Brunei	4.00	1,149.00	1,153.00	0%	100%
Myanmar	2.00	283.00	285.00	1%	99%



The main buyer of ASEAN's fasteners is Germany with USD 184.754 million imported fasteners from this region. The second buyer is Netherland with USD 59.555 million. Germany is the main fastener seller to ASEAN and United

Kingdom is ranked in the second place. The following graph shows the total trade of fasteners under HS Code 7318 between EU countries and ASEAN.

Partner	ASEAN's Exported Value in 2013 (1,000 USD)	ASEAN's Imported Value in 2013 (1,000 USD)	Total Amount (1,000 USD)	ASEAN's Export Percentage	ASEAN's Import Percentage
Germany	184,754.00	78,593.00	263,347.00	70%	30%
United Kingdom	56,084.00	41,386.00	97,470.00	58%	42%
Italy	47,400.00	27,956.00	75,356.00	63%	37%
Netherlands	59,555.00	6,773.00	66,328.00	90%	10%
France	27,830.00	12,589.00	40,419.00	69%	31%
Belgium	34,687.00	3,108.00	37,795.00	92%	8%
Sweden	15,082.00	12,043.00	27,125.00	56%	44%
Spain	19,997.00	6,210.00	26,207.00	76%	24%
Switzerland	11,767.00	9,926.00	21,693.00	54%	46%
Poland	18,561.00	1,193.00	19,754.00	94%	6%
Russian Federation	18,228.00	418.00	18,646.00	98%	2%
Others	54,931.00	15,829.00	70,760.00	78%	22%



Top 5 Exporters

The following table shows the best five exporters of HSC 7318 to EU and / or ASEAN from 2009 to 2013. The based year of our study is 2009.

(1,000 USD)	2009	2010	2011	2012	2013
Vietnam	52,059	107,611	157,325	140,852	212,163
Germany	96,234	177,835	255,677	174,956	184,754
Malaysia	160,213	288,373	210,012	124,634	133,921
Thailand	40,716	68,151	170,267	128,719	121,462
Netherlands	40,797	62,124	81,612	47,007	59,555

The following table shows the first five exporters of HSC 7318 from EU and / or ASEAN from 2009 to 2013. The based year of our study is 2009.

(1,000 USD)	2009	2010	2011	2012	2013
Thailand	31,851	43,441	61,399	80,673	82,184
Germany	42,231	61,886	69,158	79,945	78,593
Malaysia	28,989	34,446	40,127	38,001	43,528
United Kingdom	24,596	28,059	35,362	41,809	41,386
Singapore	30,747	27,302	27,758	36,074	41,267

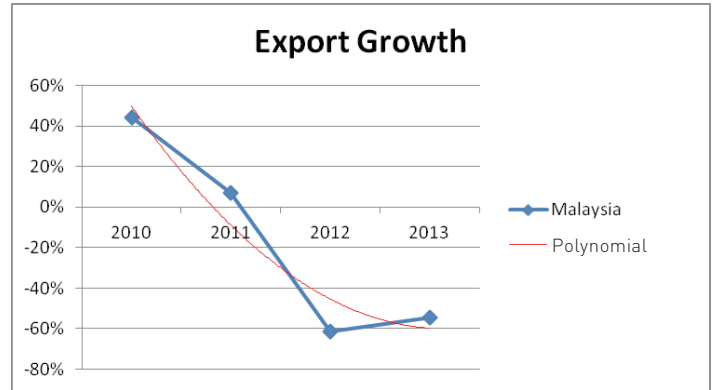
The highlights about fastener trading between ASEAN and EU is as follows:

- Germany, Thailand and Malaysia as the 1st to 3rd ranked countries in the EX-IMP fastener have decreased their export to ASEAN region since 2010 and also have decreased imported fasteners from ASEAN in the same period.
- Other high ranked countries in the fastener business between the EU and ASEAN also have the same phenomenon.
- In a simple word, ASEAN's export to the EU and vs. has decreased their business in the field of fasteners since 2009!

The following tables and graphs prove these claims.

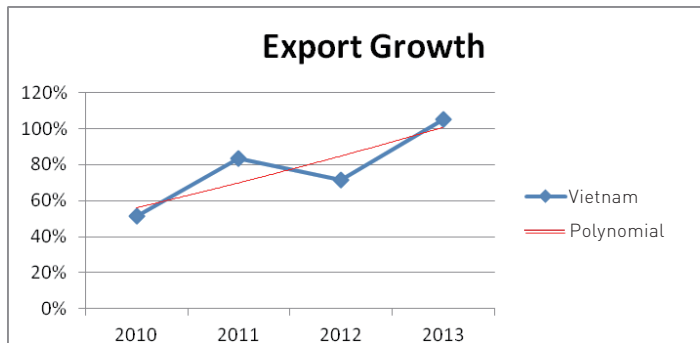
Malaysia:

Export Growth	2010	2011	2012	2013
Malaysia	44%	-37%	-69%	+7%



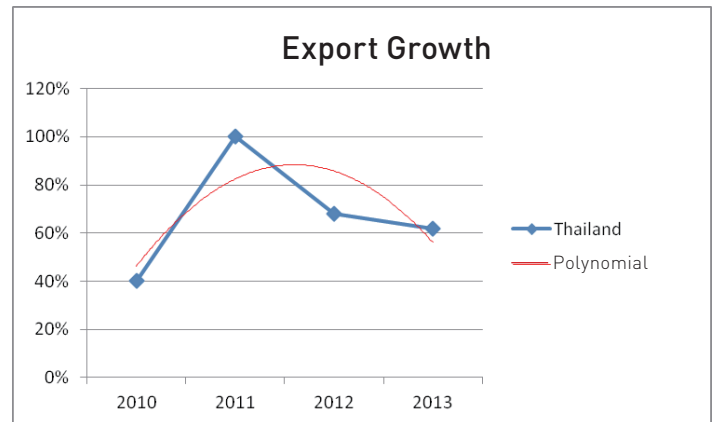
Vietnam:

Export Growth	2010	2011	2012	2013
Vietnam	52%	+32%	-12%	+34%



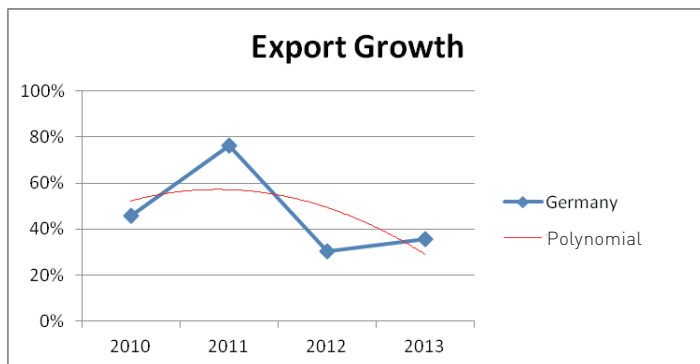
Thailand:

Export Growth	2010	2011	2012	2013
Thailand	40%	+60%	-32%	-6%



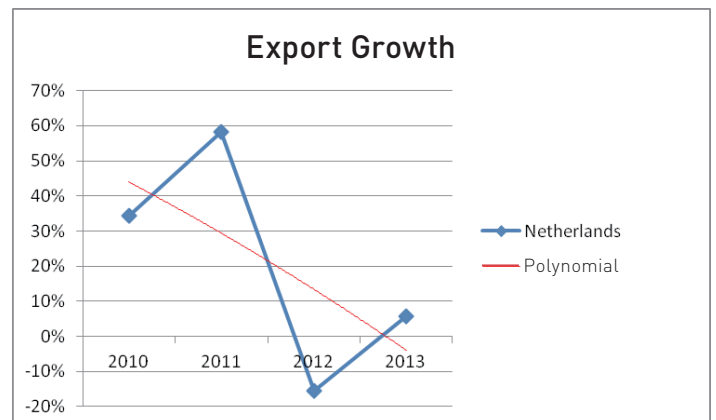
Germany:

Export Growth	2010	2011	2012	2013
Germany	46%	+30%	-46%	+5%



Netherland:

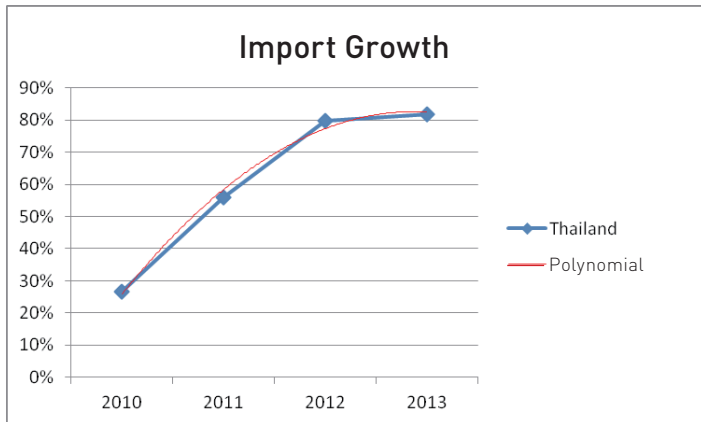
Export Growth	2010	2011	2012	2013
Netherlands	34%	+24%	-74%	+21%



Top 5 Importers

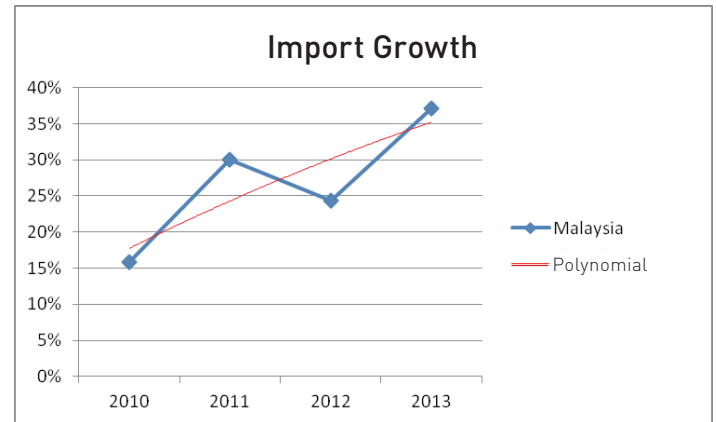
Thailand:

Import Growth	2010	2011	2012	2013
Thailand	27%	+29%	+24%	+2%



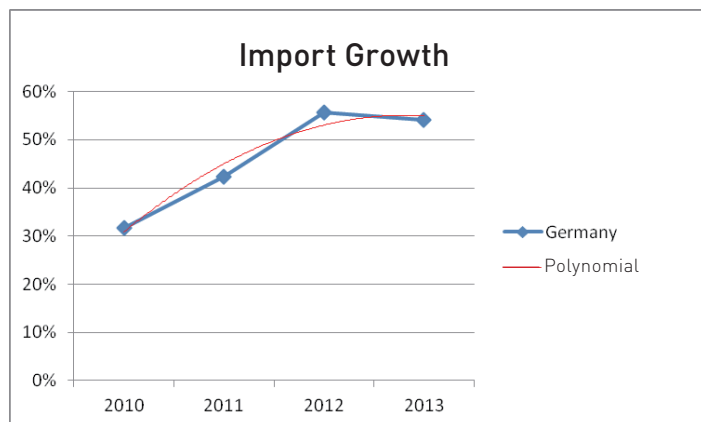
Malaysia

Import Growth	2010	2011	2012	2013
Malaysia	16%	+14%	-6%	13%



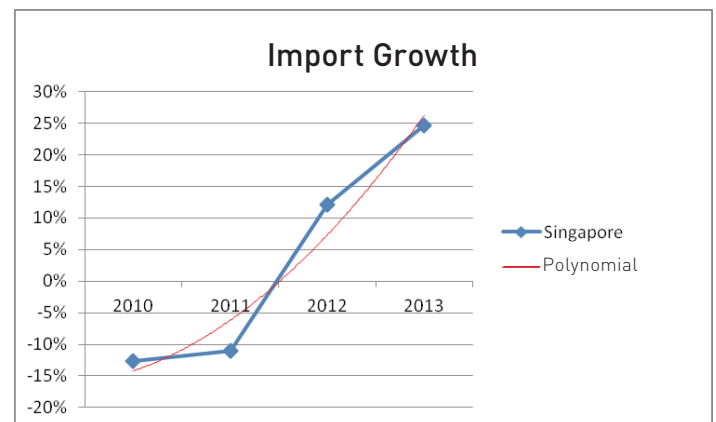
Germany:

Import Growth	2010	2011	2012	2013
Germany	32%	+11%	+13%	-2%



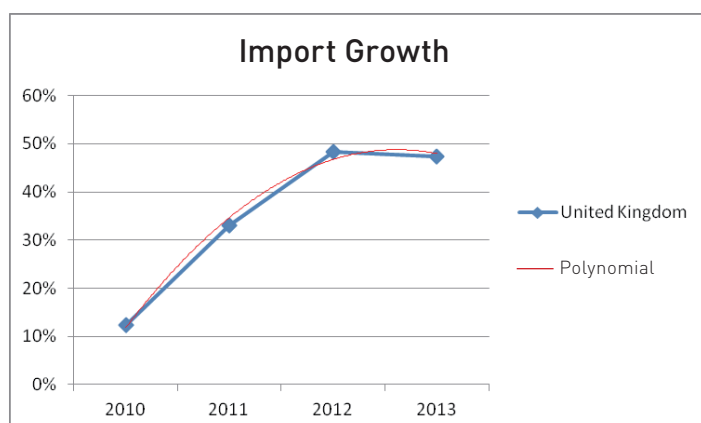
Singapore:

Import Growth	2010	2011	2012	2013
Singapore	-13%	+2%	+23%	+13%



United Kingdom:

Import Growth	2010	2011	2012	2013
United Kingdom	12%	+21%	+15%	-1%



Conclusion

All in all we can say that so many reasons decrease the business between these two regions, such as the political crisis in Thailand, anti-dumping laws in the EU, prices of fasteners made in EU. Therefore, the high ranked managers in these regions start to think about a new way. The European Union has expressed readiness to join a trading negotiation with ASEAN and will begin an ASEAN-EU Free Trade Agreement in the future. The Permanent Secretary of Ministry of Foreign Affairs attended the meeting of the 20th ASEAN - EU Ministerial Meeting (AEMM) at Brussels, Belgium with delegations from 38 countries. □