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**ASEAN ECONOMIC INTEGRATION: CHALLENGES AND OPPORTUNITIES**

In the article it is considered the urgent issues of economic integration of the Association of South-east Asian Nations (ASEAN). It has been explored the influence of ASEAN integration during the ten-year period, from 2007 till 2017. The main goal of the research is to analyze the current situation, challenges and opportunities of ASEAN integration in context of government blueprints till 2025. Within the framework of the goal, the impact of ASEAN integration before and after agreeing to ASEAN for the 10-year period has been investigated. It has been studied the theoretical and methodological backgrounds of ASEAN integration. It has been considered in detail progressive factors of the ASEAN blueprints road-map. The detailed analysis of the main economic indicators of the ASEAN countries has been carried out. The analysis of the current economic situation has confirmed that the main problems are the significant economic, financial, political and social disparities in ASEAN. At the same time, the situation is becoming more acute due to the disputes regarding the South China Sea between several participating countries. The plan for improving indicators has been developed, and recommendations to improve measurement tools have been proposed.

**Key words:** Association of South East Asian Nations (ASEAN), ASEAN Economic Community (AEC), integration, opportunities, challenges, impact.

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**АСЕАН елдерінің экономикалық интеграциясы: мәселелер мен мүмкіндіктер**

Мақалада Оңтүстік-Шығыс Азия елдері қауымдастығының (АСЕАН) экономикалық интеграциясының өзекті мәселелері қарастырылды. 2007 жылдан 2017 жылға дейінгі аралықты қамтитын онжылдық кезеңдегі АСЕАН интеграциясының әсері зерттелді. Зерттеудің негізгі мақсаты – 2025 жылға дейінгі үкіметтік даму жоспарлары мәнмәтінінде АСЕАН интеграциясының қазіргі жағдайын, мәселелерін және мүмкіндіктерін талдау. Осы мақсатта АСЕАН интеграциясының 10 жылдық кезеңдегі әсері зерттелді. АСЕАН интеграциясының теориялық және әдіснамалық негіздері зерттелді. АСЕАН жол картасының прогрессивті факторлары егжей-тегжейлі қаралды. АСЕАН елдерінің негізгі экономикалық көрсеткіштеріне салыстырмалы талдау толық жүргізілді. Ағымдағы экономикалық жағдайға жүргізілген талдау АСЕАН-да маңызды экономикалық, қаржы, саяси және әлеуметтік теңсіздіктер – негізгі мәселелер болып табылатынын растайды. Сонымен қатар, Оңтүстік-Қытай теңізіне қатысты бірқатар қатысушы-елдер арасында дау-дамай жағдайға байланысты жағдай күрделене түсуде. Көрсеткіштерді жақсарту жоспары әзірленді, өлшеу құралдарын жетілдіру жөніндегі ұсынымдар ұсынылды.

**Түйін сөздер:** Оңтүстік-Шығыс Азия мемлекеттерінің қауымдастығы (АСЕАН), экономикалық қоғамдастық, интеграция, мүмкіндіктер, мәселелер, әсер.

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**Экономическая интеграция стран АСЕАН: проблемы и возможности**

В статье рассматриваются актуальные вопросы экономической интеграции Ассоциации государств Юго-Восточной Азии (АСЕАН). Исследовано влияние интеграции АСЕАН в течение десятилетнего периода, с 2007 по 2017 годы. Основная цель исследования – проанализировать текущую ситуацию, проблемы и возможности интеграции АСЕАН в контексте правительственных планов развития до 2025 года. В рамках поставленной цели было исследовано влияние интеграции АСЕАН в течение 10-летнего периода. Изучены теоретико-методические основы интеграции АСЕАН. Подробно рассмотрены прогрессивные факторы дорожной карты АСЕАН. Проведен детальный анализ основных экономических показателей стран АСЕАН. Проведенный анализ текущей экономической ситуации подтверждает, что основными проблемами являются существенные экономические, финансовые, политические и социальные диспропорции в АСЕАН. При этом, положение более обостряется в связи со спорной ситуацией по поводу Южно-Китайского моря между несколькими странами-участницами. Разработан план по улучшению показателей, предложены рекомендации по совершенствованию инструментов измерения.

**Ключевые слова:** Ассоциация государств Юго-Восточной Азии (АСЕАН), экономическое сообщество, интеграция, возможности, проблемы, влияние.

**Introduction**

The association of South East Asian Nations (ASEAN) was found in 1967 (Nesadurai H., 2003). ASEAN is the representative regional which is grouped in Asia countries. However, another integration in economy such as the EU and NAFTA were integrated and jointed respectively regarding to the intention of politics and economy mutually benefit among regional areas. At first, the ASEAN was inspired by politics driven to migrate the potential confliction for stability among members' general concord agreement (Severino R., 2006).

The ASEAN economic integration is the collaboration in between members among countries in South East Asian Countries is one of the main criteria to identify in this paper. However, the huge differences between countries, policies by nations, and free flow capital either from direct investment from government or from multinational companies (MNCs) are dependent factors While the blueprints were agreed to follow roadmap for AEC integration since 2007 (Severino R., 2007). Why ASEAN development is so interested by U.S. regarding to U.S. export destination with the 3<sup>rd</sup> largest trading partners is ASEAN, where the Asian market is the first destination is from China, Japan and ASEAN respectively (Satu L., 2007).

In addition, the standardization of tariff in selected harmonization with Nontariff barrier reduction (NTB) and some elimination of expected flexibility for certain procedures and transparency purpose. In fact, further meaning detailed completely

in certification, standardization, conformity and clarification are the main objective for intra – ASEAN trade. The progression as a framework. The scorecard contains 316 measures in 2008-2009 while in little while years later the total measures are increasing to 611 measures for ASEAN wider outlook in 2016 (ASEAN Secretariat for 2016-2017). Moreover, the devotion from ASEAN plays in the monetary integration scheme to let members adopted in the region like as Euro currency. It is using the optimum currency area where the theory begins to determine a single currency would help ASEAN members for benefits in certain groups of federation or sub group definitely.

**Materials and Methods**

In the given paper it is considered data driven to further analysis step by step from beginning period of the matter of times and sequences. The materials provided by the ASEAN secretariat for 10-year period, World Economic Forum, International Monetary Fund as well as other thematic scientific and research publications are served as the background of the research. These background materials prove the integration is the first priority to be concerned however the initially recorded was from collaboration since 1984. However, the huge differences between countries, policies by nations, and free flow capital either from direct investment from government in terms of infrastructures or from multinational companies (MNCs) to do investment in industrialization are dependent factors. In addition, the standardization

of tariff in selected harmonization with nontariff barrier reduction (NTB) and some elimination of expected flexibility for certain procedures, in fact further meaning detailed completely in certification, standardization, conformity and clarification. The guarantee towards the investment and liberalization among ASEAN members is discussed in this paper, proving the importance of SME opportunity in the global view how ASEAN should prepare. Moreover, the global economy impact after successfully ASEAN integration, what is the enhancement after participation on monetary as a single currency to support their ASEAN members for globally supply competencies to meet emerging economics challenging by 21<sup>st</sup> century.

The research problem is to investigate the effect of ASEAN integration before and after ASEAN concordance since 2007 to present. The main goal of the research is to define the situation of current issues and possibility of ASEAN integration along with assumption before blueprints in year 2025 to be announced. To achieve the research goal, the following objectives has been identified: (1) to study the theoretical background of the ASEAN integration and explore the progressive factors of ASEAN blueprints roadmap; (2) to analyze in existing comparative data quantitative for further analysis; (3) to develop and suggested plan in terms of indicators or measurement tools.

The research methodology of this article is based on conducting the comparative analysis of existing patterns of macroeconomic development, political differences and social issues within ASEAN nations that possibly lead to integration issues. It is implemented systematic vision, causes and consequences analysis, methods of statistic grouping and expert assessment.

It has been explored the influence of ASEAN integration during the ten-year period, from 2007 till 2017. Within the framework of the goal, the impact of ASEAN integration before and after agreeing to ASEAN for the 10-year period has been investigated. It has been studied the theoretical and methodological backgrounds of ASEAN integration. It has been considered in detail progressive factors of the ASEAN blueprints roadmap. The detailed analysis of the main economic indicators of the ASEAN countries has been carried out. A plan for improving indicators has been developed, and recommendations to improve measurement tools have been proposed.

## Literature Review

The beginning of ASEAN actually it started in 1967 from the association between original members which are Indonesia, Malaysia, Philippines, Singapore and Thailand respectively as Table 1 shown. The first era of integration mainly focused on the international security and international peace collaboration. In fact, the communism expansion was extended, coexisted in politics among SEA regions excluded the founder members as previously mentioned.

**Table 1** – ASEAN History Integration by Countries

No	Country	Joined ASEAN
1	Indonesia	1967
2	Malaysia	1967
3	Philippines	1967
4	Singapore	1967
5	Thailand	1967
6	Brunei	1984
7	Vietnam	1995
8	Lao	1997
9	Myanmar	1997
10	Cambodia	1999

Note: Source – Compiled on the base of ASEAN Secretariat for 2016-2017, available at: <http://asean.org/2017>; World Economic Forum, available at: [www.weforum.org](http://www.weforum.org); Kim, M.H., 2014; IMF's World Economic Outlook database, available at: <https://www.imf.org>

This declaration of cooperation was a sign of firstly joined from Foreigner Affairs in each member to insist in a will and strengthen of peaceful community. However, the aims beyond of objectives are to promote the stability, equality of partnership, and to assist closely of common of interest in economy, social, cultures study, and administration for the long- run mutually beneficial cooperation among themselves. Now total members of ASEAN consist of 10 countries which were after ASEAN created since 1967, the respectively joined in following years. Brunei Darussalam joined to ASEAN in 1984. Vietnam joined to ASEAN in 1995. While Laos PDR and Republic of the Union of Myanmar joined to ASEAN in the same year of 1997. Lastly, the Kingdom of Cambodia joined to ASEAN in 1999 (Chia S.Y., 2014). The strategic schedules for ASEAN blueprints, there

are many diverse objectives as shown in Figure 1. However, the main structures of ASEAN criteria or objectives are the followings: (1) single market and production base (Guerrero R., 2015); (2)

competitive economic region (Schmitter P., 1970); (3) equitable economic development (Ito T. et al., 2015); (4) integration into the global economy (Kun Z., 2015).



**Figure 1** – ASEAN Economic Pillar Objectives

Note: Source – Compiled on the base of ASEAN Secretariat for 2016-2017, available at: <http://asean.org/2017>; World Economic Forum, available at: [www.weforum.org](http://www.weforum.org); Kim, M.H., 2014; Schmitter P., 1970; Ito T. et al., 2015; Kun Z., 2015.

ASEAN blueprint is a kind of master plan for roadmap to implement the AEC setup timeline, AEC targets, and for the specific issues to get reformed according to shape practice to meet ASEAN's

objective. The business scale for ASEAN is over 2,400 billion USD (IMF's World Economic Outlook, 2017). As in Table 2 it is shown below the level of total GDP growth in US\$ in 2007 vs. 2016, respectively.

**Table 2** – The ASEAN Regions for Total GDP, US\$, 2007-2016

No.	Country	Joined ASEAN	Population million ppl	GDP \$US billion	GDP Per Capita \$US 2016	GDP Per Capita \$US 2007	% Growth
1	Indonesia	1967	255.5	859	3,362.40	1,855.09	44.8%
2	Malaysia	1967	31	296.2	9,556.80	7,269.17	23.9%
3	Philippines	1967	102.2	292	2,858.10	1,672.69	41.5%
4	Singapore	1967	5.5	292.7	52,887.80	42,650.10	19.4%
5	Thailand	1967	68.6	395.3	5,742.30	3,972.21	30.8%
6	Brunei	1984	0.4	11.8	28,236.60	32,672.37	-15.7%
7	Vietnam	1995	91.7	191.5	2,088.30	919.21	56.0%
8	Lao	1997	7	12.5	1,778.70	709.77	60.1%
9	Myanmar	1997	52.89	67.43	1275.02	410.45	67.8%
10	Cambodia	1999	15.5	18.2	1,168	632	45.9%
<b>Total Amount</b>			<b>630.29</b>	<b>2436.63</b>	<b>108,954.02</b>	<b>92,762.74</b>	<b>37.45%</b>

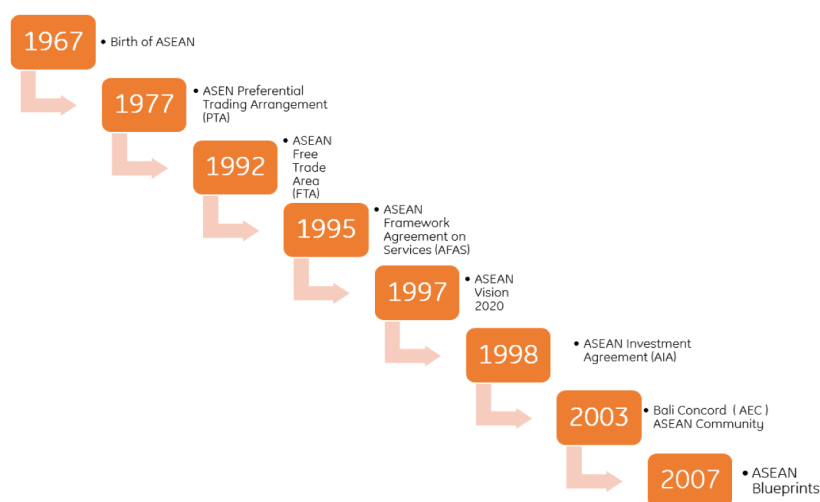
Note: Source – Compiled on the base of ASEAN Secretariat for 2016-2017, available at: <http://asean.org/2017>; World Economic Forum, available at: [www.weforum.org](http://www.weforum.org); IMF's World Economic Outlook database, available at: <https://www.imf.org>; Ito T. et al., 2015; Kun Z., 2015; Plummer M., 2016.

Therefore, the GDP since 2007 hit almost 38% of GDP per capita. While the population also reaches 630 million people compared to the global

view is the 3<sup>rd</sup> largest of the world in 2016 from China and India respectively (Plummer M., 2016). From ASEAN towards making of ASEAN Free

Trade Agreement (AFTA), during 1977 the ASEAN has contributed and operated however the tariffs reduction from each members in ASEAN limited and not yet opened up for Intra-ASEAN trade (Severino R., 2011). Therefore, the Preferential Trading Agreement (PTA) was agreed to do so. However, the result of pushing PTA seems each country were not aware of matter to do liberalization efforts in their points of view. Comparing to EU and NAFTA this agreement aims at export to those area of markets competition policy is equally of importance to support on free trading among 2

organizations (Bhatt P.R., 2014). Hence, on ASEAN side should put much more effort to a higher level in establishing AFTA. As a result of this matters, the agreement is another made for supplementary of particular frameworks such as ASEAN framework on Services (AFAS) in 1995, ASEAN investment Area (AIA) in 1998 respectively. For better understanding the chronological sequences please see below milestones of ASEAN as shown in Figure 2. Therefore, ASEAN members will be a leading advantage and lead to more competitive advantage as a whole.



**Figure 2** – Milestones of becoming ASEAN and related agreements

Note: Source – Compiled on the base of ASEAN Secretariat for 2016-2017, available at: <http://asean.org/2017>; World Economic Forum, available at: [www.weforum.org](http://www.weforum.org); Severino R., 2011; Bhatt P.R., 2014.

Actually, the new agreement is to focus on reducing tariffs on various ranges of product items. Therefore, the elimination of tariff barriers, restriction at some points of view, would create a fast speed in processing of transaction and avoid or reduce cost on tariffs and etc. for intra ASEAN members. The single production base will be occurred when all tariffs are eliminated by the targeting is to reduce rate from 5% to 0% or as much as every country take concentration at barrier for trade liberalization (Masron T., Yusop Z., 2015). By the timeline for ASEAN-6 and ASEAN - CLMV must be allied with the plan by 2010 before the come out launching AEC in 2016. In fact, the products which comply the content requirement from ASEAN are considered as The Common Effective Preferential Tariff (CEPT) to gradually control of 40% of value must be from

ASEAN and will be provided as fast track to that product group and given at special rate for maximum of 5%. This is the beginning point of view how the 1<sup>st</sup> pillar works in terms of free flow products as Figure 3 show. By 2003 the export increased from 18% to 23% for intra ASEAN growth rate (Bock M.J., 2016).

When talking about how to move free flow of labor, let's explain about the free flow of capital is to emphasize during 1997, before the financial crisis (Chingono M., Nakana S., 2010), Japan brought the multinational companies to emerged some countries to situate the plants as manufacturing hub in SEA as a part of ASEAN. However, it started the labor and capital flow to AEC regions. Therefore, AEC should foster the equitable of economic development as pillar 3 via SMEs Company whose supply chain



as well as MNCs industrially complementation and production networks among ASEAN joints

investment of the mission to emphasis on regional cluster.

Single Market and Production Base	Competitive Economic Region	Equitable Economic Development	Integration into the Global Economy
1. Free flow of goods	1. Develop competition policy	1. Accelerate the development of small and medium enterprises (SME's)	1. Develop coherent approach towards external economic relations
2. Free flow of skilled labor	2. Strengthen consumer protection	2. Enhance ASEAN integration to reduce development gap between member countries	2. Form and manage Free Trade Agreements (FTAs) and Comprehensive Economic Partnerships (CEPs)
3. Free flow of services	3. Intellectual property rights		3. Enhance participation in global supply networks
4. Free flow of investment	4. Promote infrastructural development and e-commerce		
5. Free flow of capital	5. Reduce double-taxation		
6. Food & agricultural security			
7. Integration of 12 priority sectors			

Figure 3 – Details of particular practice for 4 pillars

Note: Source – Compiled on the base of ASEAN Secretariat for 2016-2017, available at: <http://asean.org/2017>; World Economic Forum, available at: [www.weforum.org](http://www.weforum.org); Masron T., Yusop Z., 2015; Bock M.J., 2016.

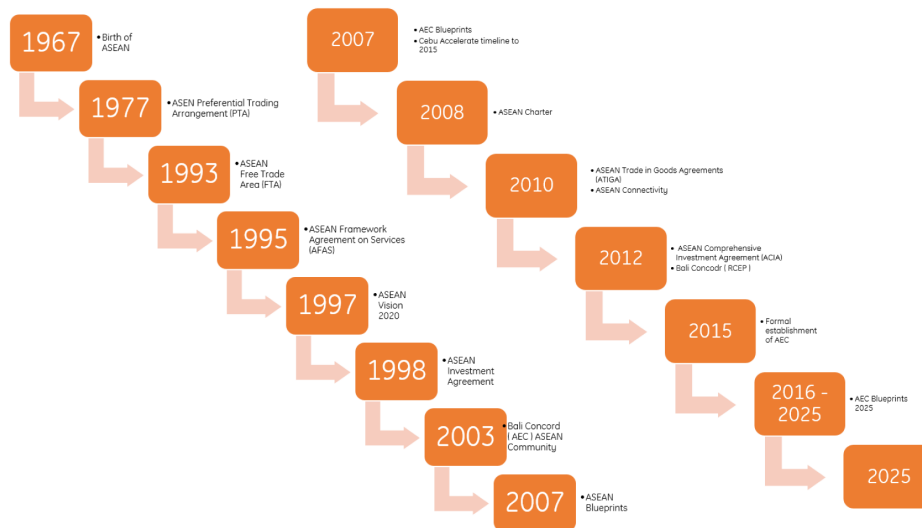


Figure 4 – Milestones of becoming ASEAN and related agreements, 1967-2025

Note: Source – Compiled on the base of ASEAN Secretariat for 2016-2017, available at: <http://asean.org/2017>; World Economic Forum, available at: [www.weforum.org](http://www.weforum.org); Masron T., Yusop Z., 2015; Bock M.J., 2016; Siswanto J., Adityo A., 2017.

Meanwhile, investor preferred avoiding the taxation as pillar 2<sup>nd</sup> among ASEAN with bilateral agreements on initiatives as linking related parties for investment agencies. Then, the forms of investments are particularly offered in the form of investment liberalization, investment of facilitation, and investment of protection and investment of promotion of MNCs as previously mentioned.

Those were agreed to setup ASEAN comprehensive investment Agreement (ACIA) in 2012, when 3 years later (Siswanto J., Adityo A., 2017). The equitable economic development of AEC blueprints there are only 2 measures which are SEM and Intra-Country-ASEAN Integration (IAI) in 2010-2016 this agreement targets to narrow down of gap between ASEAN 6 and CLMV. The milestones of

becoming ASEAN and related agreements for the whole analyzed period are represented in Figure 4.

**Results and discussions**

**Results.** The progress refers to the ASEAN blueprints have been conducted since officially born of ASEAN collaboration since 2007 till nowadays. This part mainly talks about the research in economical quantitative records. By the quantitative raw information resources are from many places

since old data is recorded from ASEAN secretariats, IMF, UN, GCI, and etc.

From the economic research institute in tariff reduction for CEPT rates 0% into ASEAN-6 including ASEAN- CLMV shows the CEPT with rating 2.6%. For policy of New Single Window (NSW), identified the eliminating of tariff lists, in order to expand the service in liberalization in the pillar 1. Therefore, the score card is created for evaluation in particular topics as shown in Figure 5.

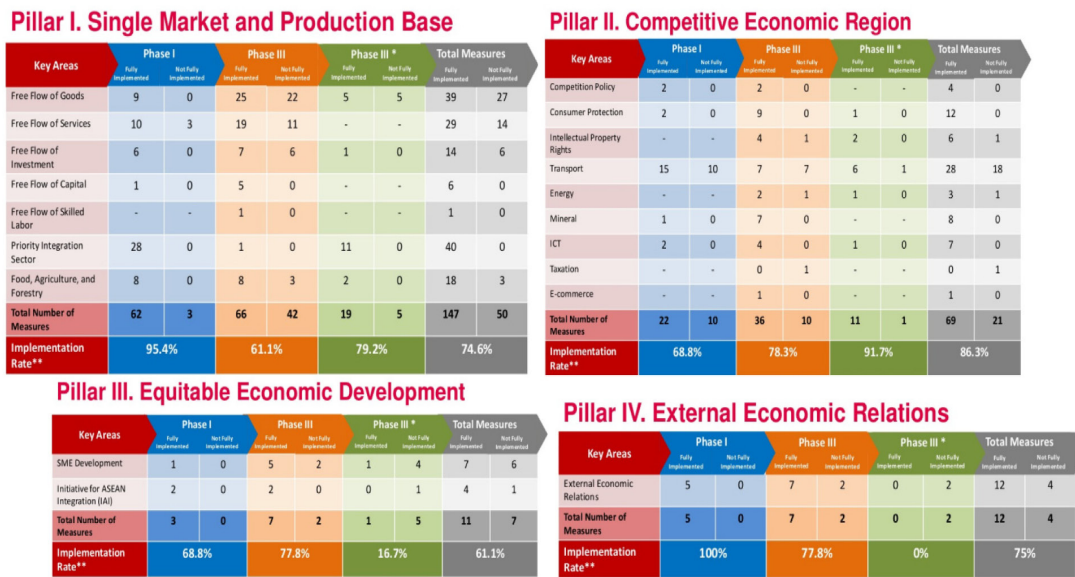


Figure 5 – Pillar 1-4 Score Card

Note: Source – Compiled on the base of ASEAN Secretariat for 2016-2017, available at: <http://asean.org/2017>; World Economic Forum, available at: [www.weforum.org](http://www.weforum.org); Haokip T., 2012; Sundararajan J.A., 2014; Ito H., 2017; Roy S.K. et al., 2017; Heydarian R.J., 2015.

In addition, after consider in details of each country by looking at the challenging those are currently facing are listed from global competitive index (GCI). The most common problem for most agreed in giving score

is financial accessibility while the second runner up is about inadequate of government officer as same as labor education and labor ethics as shown in Figure 6 and Figure 7, respectively.

Country List	Problem 1	Score 1	Problem 2	Score 2	Problem 3	Score 3	Problem 4	Score 4	Problem 5	Score 5
Indonesia	Corruption	11.8	Inefficient Gov. officer	9.3	Inadequate Infrastructure	9.0	Access to financing	8.0	Inflation	7.6
Malaysia	Access to financing	12.4	Corruption	8.8	Inefficient Gov. officer	8.4	Instability Government	8.1	Restricted labour regulation	7.2
Philippines	Inefficient Gov. officer	18.8	Inadequate Infrastructure	17.8	Corruption	16.9	Tax rate	10.8	Tax regulations	8.3
Singapore	Restricted labour regulation	28.4	Insufficient innovation	20.6	inflation	14.9	Inadequate educate labour	11	Poor work ethics in national	6.0
Thailand	Instability Government	16.7	Inefficient Gov. officer	11.9	Corruption	11.3	Policy instability	9.9	Insufficient innovation	9.9
Brunei	Inefficient Gov. officer	17.4	Access to financing	15.3	Restricted labour regulation	13.3	Poor work ethics in national	12.4	Inadequate Infrastructure	12.2
Vietnam	Inadequate educate labour	11.6	Policy instability	10.6	Tax regulations	9.8	Tax rate	9.7	Access to financing	9.7
Lao	Inadequate educate labour	20.6	Access to financing	12.3	Poor work ethics in national	11.9	Tax rate	8	Inadequate Infrastructure	7.8
Myanmar	Access to financing	18.1	Corruption	13.9	Inefficient Gov. officer	9.7	Inadequate educate labour	8.7	Policy instability	8.6
Cambodia	Corruption	18.2	Inadequate educate labour	9.6	Inefficient Gov. officer	8.7	Tax regulations	7.4	Poor work ethics in national	7.0

Figure 6 – ASEAN Problematic lists by countries

Note: Source – Compiled on the base of ASEAN Secretariat for 2016-2017, available at: <http://asean.org/2017>; World Economic Forum, available at: [www.weforum.org](http://www.weforum.org); Checchi F., 2017; De Castro R. C., 2012; Ehret M., 2018.

In Figure 7 shows the grouping of problem within the same criterion the financial accessibility, government officer or government policy instability, including the problem of working with government

cooperation about implicit corruption from the policy. Moreover, tax issue regarding the regulations are also concerned. In terms of innovation is insufficient in industrial driven. Is important for development.

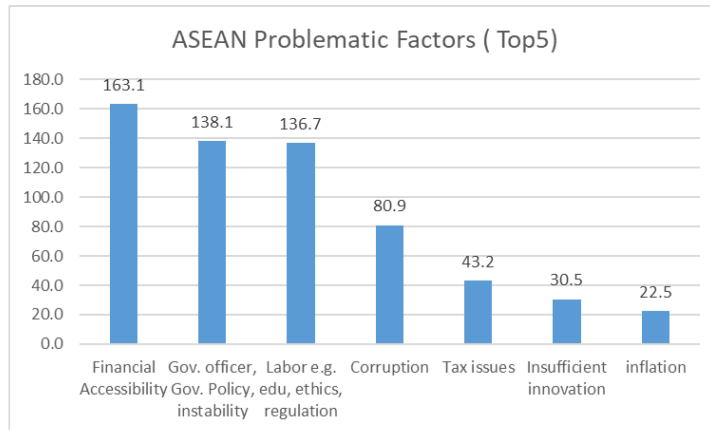


Figure 7 – ASEAN Top-5 Problematic Factors

Note: Source – Compiled on the base of ASEAN Secretariat for 2016-2017, available at: <http://asean.org/2017>; World Economic Forum, available at: [www.weforum.org](http://www.weforum.org); IMF’s World Economic Outlook database, available at: <https://www.imf.org>; Official Data of World Bank, Ease of doing business index, available at: <https://data.worldbank.org>.

From the pace over 50 years, ASEAN Community developed the foundation from scratches. Firstly implemented the economic as basis. ASEAN Political-Security Community is setup for the peaceful restriction among members of which processes in the settlement of intra-regional differences and it has: political development, shaping and sharing of attitudes, conflict summation prevention, conflict resolution, and building the driven-mechanisms. In addition, ASEAN Economic Community (AEC) is a community firstly settled to create another organization.

Furthermore, in order to create stability of competition in the region. Where among this region composes of free flow capital goods, services, investment, giving the equitable economic development and reducing gap of poverty by the in year 2020. Lastly, the ASEAN Socio-Cultural Community – visualizes a community of caring societies and founded on a common regional identity, with cooperation focused on social development aimed at raising the standard of living of disadvantaged groups and the rural population as Figure 8 shown.

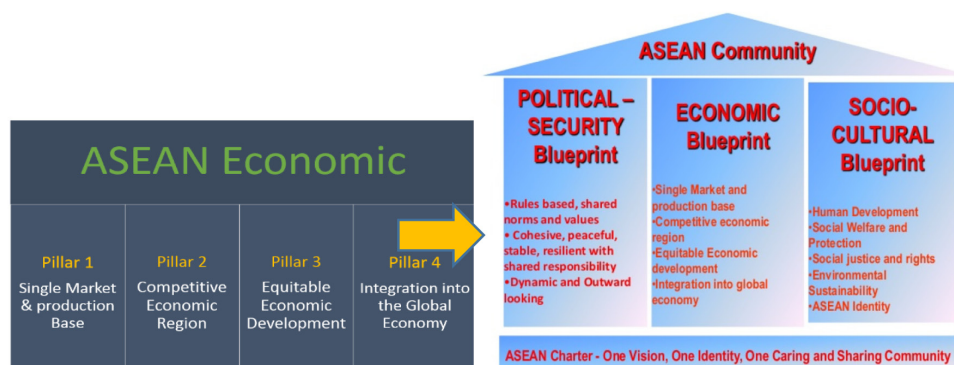


Figure 8 – The ASEAN transformation AEC community

Note: Source – Compiled on the base of ASEAN Secretariat for 2016-2017, available at: <http://asean.org/2017>; World Economic Forum, available at: [www.weforum.org](http://www.weforum.org); IMF’s World Economic Outlook database, available at: <https://www.imf.org>; Guerrero R., 2015; Kim, M.H., 2014; Schmitter P., 1970; Ito T. et al., 2015; Kun Z., 2015; Checchi F., 2017; De Castro R. C., 2012; Ehret M., 2018; Tay S.S., Tijaja J.P., 2017.



The result of transformation in procedures according to pillars structures ; there make a lot of improvement for economic scale. The GDP

increases from year 2010 to 2016 comparatively; the numbers started from 1.33 trillions US\$ leap to 2.4 trillions US\$ as Figure 9 shown.

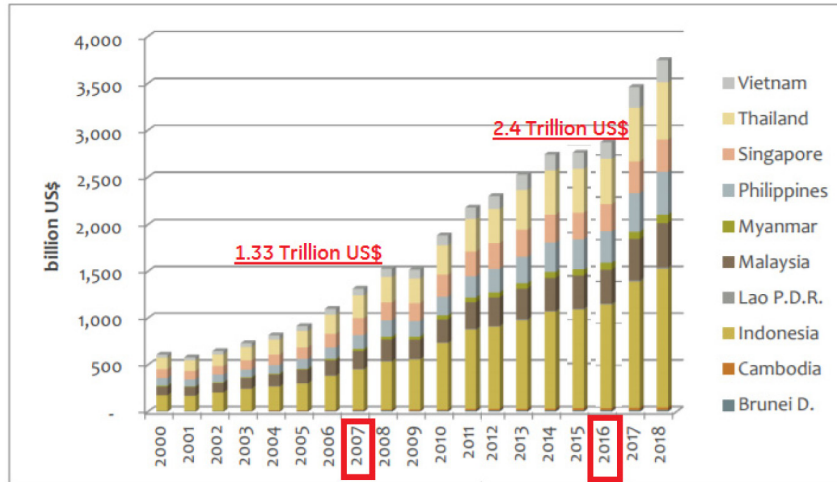


Figure 9 – GDP Forecast in ASEAN

Note: Source – Compiled on the base of IMF’s World Economic Outlook database, available at: <https://www.imf.org>; Official Data of World Bank, Ease of doing business index, available at: <https://data.worldbank.org>.

Besides, we have found the database from ASEAN service of import and export recorded from year 2010

to 2016 shows that after period of formation of AEC blueprints there are a lot of impact to economic activities.

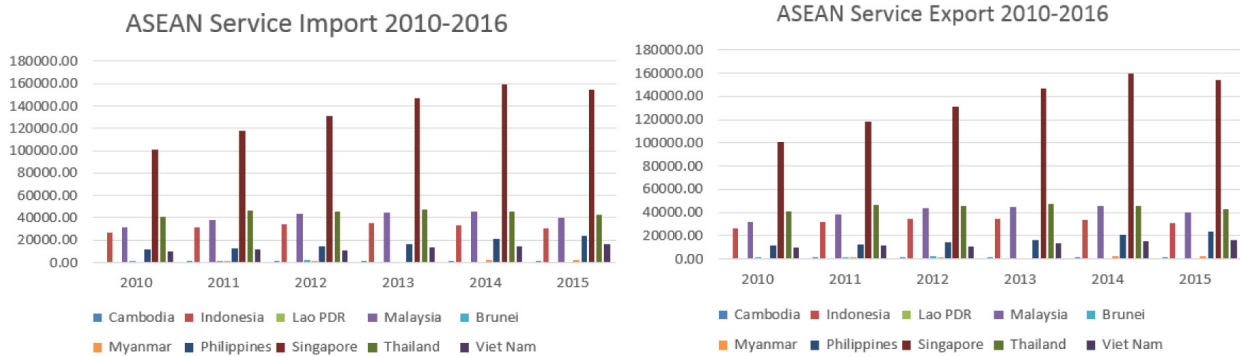


Figure 10 – ASEAN service by countries, 2010-2016

Note: Source – Compiled on the base of ASEAN Secretariat for 2016-2017, available at: <http://asean.org/2017>; World Economic Forum, available at: [www.weforum.org](http://www.weforum.org); IMF’s World Economic Outlook database, available at: <https://www.imf.org>; Official Data of World Bank, Ease of doing business index, available at: <https://data.worldbank.org>.

The AEC is evidence on the free flow of goods, services, labor relocation, and investment. Its objective is to build 4 components as mentioned in the beginning in 4 topics; a single market and

production base, a highly competitive economic region, a region of equitable economic development, and the region successfully integrated into the global economy. The effect of changing in population

growth, the implications will be changing in size, age group, including the fertility rate. The changes in population structure at young age seem having a positive common of interest and healthy for labor point of view. Therefore, the opportunity in terms of labor free flow is able to do efficiently. In order to do a lower formal trading barriers. It has to firstly prepare unified to struggle the business taking openly through the world economies. The limitation of each countries containing each own limitation as business background are different points of view. Some industries are identical to some countries for developing of liberalization for example Myanmar and Cambodia are influenced by investors to expand and build business for activity toward the regions.

Our opinion about main industries which quiet profitable growth is motor vehicles or car spare parts manufacturing where those countries are big players in the market such as Thailand, Malaysia, Indonesia and Philippines. The most recommended country to produce automobile is Thailand as number one as regards to quality and cost consideration. While Vietnam the labor cost of production is the cheapest among this region but insufficient educated labor. Definitely about Chemicals Thailand as having a resourceful in LPG and natural gas therefore the raw material for producing the polymers is highly advocated with high quality but lower cost compared to Singapore. Or even the food and beverage industry, Thailand is located in Tropical zone therefore the animals and farming, fruits and natural ingredients are much more comparative advantage. From the score card shows that Thailand is number one for Automobile components, Chemicals, and food industry.

The key research finding have shown that the lessons and learn can be found from the beginning as seen on 1967. It took over 50 years for ASEAN integration. The obstacles are obviously known as challenging difference in cultures, business, infrastructure, and business agreement procedures from each country. As the Asian countries are not only geographical center of Asia Pacific (APAC) but it is also not well understood deeply. The 50 years it's journey it strongly influences to their attention among ASEAN for economic relation. While in western sides pressure competitiveness: Challenges for developing countries

In fact, there is a lot of things to consider for ASEAN integration. The first induced countries to bring a lot business and investment flow is Singapore which this country has helped a lot of the rest national members become outstanding. Comparing the global competitiveness business index (GCI)

Singapore apparently shows as number 2<sup>nd</sup> of the global ranking (Tay S.S., Tijaja J.P., 2017). Singapore is attracting the most business activity to this region by giving manufacturing inquiries, and investment through these destinations. And causing to China making investment flows since 2013. The last 50 years shows that ASEAN members are important to business outlook whereas the regions potential bring out significant future hope after integration. As a whole members have to keep their minds that convincing themselves in stable trust, integration, and reliability could be the key of accomplishment. However, the difference in political sides are also important. Because, each country has their own reason to protect benefits or strong man of dictators somehow such as in Myanmar Cambodia or Thailand 's military government. Therefore, in order to integrate smoothly despite the quickly integration in politics mutually associate will not support for common interest during next 8 years in 2025 for the next ASEAN Blueprints. Moreover, those countries who joined is decisively cannot go back as a digital age becomes a part of business unavoidably with fast changing environments for their opportunities consequence. Those countries are Cambodia, Lao, Myanmar and Vietnam countries stand up for benefit significantly through infrastructure development, and the opening up of remote inland and less-developed regions to be improved. It is very s for facility and financing accessibility to particular regions important to improve accessibility to attract investors from EU and investors directly.

### Conclusion

The ASEAN economic integration is the collaboration in between members among countries in South East Asian Countries is the main criteria to identify in this paper. In this paper demonstrate for data driven to further analysis step by step from beginning period of the matter of times and sequences. The integration is the first priority to be concerned however the initially recorded was from collaboration since 1984. However, the huge differences between countries, policies by nations, and free flow capital either from direct investment from government in terms of infrastructures or from multinational companies (MNCs) to do investment in industrialization are dependent factors. In addition, the standardization of tariff in selected harmonization with Nontariff barrier reduction (NTB) and some elimination of expected flexibility for certain procedures, in fact further meaning detailed completely

in certification, standardization, conformity and clarification. The guarantee towards the investment and liberalization among ASEAN members shall be discussed in this paper, also the importance of SME opportunity in the global view how ASEAN should prepare. In short, the global economy impact after successfully ASEAN integration, what is the enhancement after participation on monetary as a single currency to support their ASEAN members for globally supply competencies to meet emerging economics challenging by the twenty first century.

To conclude, the ASEAN integration takes time more than 50 years and has developed agreement to make the ASEAN members opened. Therefore, the most important persons are the main representatives

to insist in collaborating in liberalization in trade, products, services, and FDI inflows capital. Including, to raise intellectual property rights (IPR) to be concerned to all members as awareness. So, that the enforcement of imposing will reduce transitional terrorism, money laundering, and crimes by increasing the legal and regulation become strictly. ASEAN integration will help to balance dominated countries like China, and India. For FDI must be increased and needed for both either intra-ASEAN development or from external investment from the WTO and business partners outside the ASEAN accordingly. For the pillar one seems the most successfully achieved and that point of view could bring status carried on, while improving more on tariffs and CEPT for zero import duty.

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