



# Fact Sheet: The Growing Prominence of U.S.-ASEAN Trade Relations

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## THE GROWING PROMINENCE OF U.S.-ASEAN TRADE RELATIONS

### Important, Fast-Growing Markets

The Association of Southeast Asian Nations (ASEAN) is an increasingly important U.S. economic partner. Goods trade reached \$198 billion last year and services trade totaled \$30 billion in 2011 (latest available data). U.S. foreign direct investment in ASEAN markets totaled more than \$159 billion in 2011. Collectively, these ten countries (Brunei Darussalam, Burma, Cambodia, Indonesia, Laos, Malaysia, the Philippines, Singapore, Thailand, and Vietnam) have a market of approximately 600 million consumers, GDP of more than \$2.2 trillion, and economic growth that has been faster than the world average for the past decade.

### Leaders-Led Initiative

In November 2012, President Obama and the ten ASEAN Leaders welcomed the launch of the U.S.-ASEAN Expanded Economic Engagement (E3) initiative, a new framework for economic cooperation designed to promote closer economic cooperation between ASEAN and the United States. The Leaders directed their trade ministers to explore and develop new initiatives to expand trade and investment, establish building blocks for potential future trade agreements, and create new business opportunities and jobs in all eleven countries.

### Expanding Cooperation

Under the E3, the United States and ASEAN are working together to develop new cooperative activities that complement work taking place under the ASEAN-United States Trade and Investment Framework Arrangement (TIFA), signed in 2006. Recognizing the importance of foreign investment and the growth of the digital economy as drivers of ASEAN's development, the United States proposed in March that ASEAN and the United States seek to reach agreement on optimal policies and practices in these areas.

Other ongoing activities under the E3 or TIFA include cooperation on standards cooperation, including on technical barriers to trade and good regulatory practices; support for ASEAN trade facilitation efforts; trade and the environment; and the development of open and transparent business environments for Small- and Medium-Sized Enterprises (SMEs).

### Engaging Stakeholders

In their 2012 Declaration, the Leaders highlighted the importance of business-to-business and business-to-government interaction in expanding trade, investment, and commercial ties. The ASEAN Economic Ministers Roadshow to the United States, which took place this week, is an important part of this effort to create new opportunities to encourage job-promoting trade and investment. During their visit, the ASEAN economic ministers and their delegations met with California-based business leaders and local officials to discuss business opportunities in U.S. and ASEAN markets and the policy environments that best promote expanded trade and investment. The ASEAN delegations then came to Washington, D.C. for meetings between government officials as well as discussions with academics, business leaders, Members of Congress, and other government officials.