

IMPROVING THE INVESTMENT CLIMATE IN ASEAN



Investment is a significant driver of economic growth in ASEAN. In 2013, ASEAN attracted US\$122 billion in Foreign Direct Investment (FDI), accounting for eight percent of global FDI¹ - up from US\$114 billion in 2012. Recognising the need to further improve the investment climate through collective and individual measures to face current challenges and increasing competition, ASEAN Member States (AMS) adapted the 2009 ASEAN Comprehensive Investment Agreement (ACIA).

AADCP II is supporting efforts to strengthen the capacity of AMS to implement the ACIA, promote foreign investment through well informed policy-making and strengthen knowledge and understanding of investment trends and best practices in the region.

AADCP II ACHIEVEMENTS

- The development of the **Coordinating Committee on Investment (CCI) work program (2011–2015)** and the publication of an analytical study on intra-ASEAN FDI, **Investment Trends and Prospects Report in ASEAN** significantly contributed to the setting of priorities by the CCI. AADCP II is currently supporting the implementation of a number of these priority activities.
- The publication of the **ACIA Guidebook for Businesses and Investors** and **ACIA Handbook for ASEAN Investment Promotion Agencies**, as well as a series of ACIA Seminars for ASEAN Investment Agencies (IPAs) and investors have built awareness of ACIA and helped the business sector understand how they can maximize the benefits of ACIA.
- Two publications have created awareness of investment opportunities and prospects in the region: the **ASEAN Investment Report 2012** and **The ASEAN Investment Report 2013-2014: FDI Development and Regional Value Chains**. The most recent report was distributed at the 4th ASEAN Investment Forum (AIF) in November 2014. *The ASEAN Investment Report* is an annual public report that provides up-to-date information to relevant stakeholders.

- The <http://investasean.asean.org> website supported by AADCP II, serves as a gateway to promote ASEAN as a single investment destination. It averages around 16,300 views per month.

ONGOING & UPCOMING PROJECT IN 2015

Outsourcing Opportunities in ASEAN

This project is undertaking an assessment of the ASEAN regional production network and ASEAN's role in the global supply chain. It involves a stock take of the current outsourcing situation in the region and an assessment of developments in outsourcing both goods and services within and outside the region. The project is also developing a long-term strategy and work program to facilitate and promote outsourcing opportunities.

Best Practices for Investment Promotion and Facilitation

This project aims to provide useful tools for policymakers and practitioners seeking to develop new policies, strategies and structures for improving the investment and business climate in each AMS. This will help AMS to engage in further dialogue and co-operation, within and outside ASEAN, for a more positive investment and business climate.

Promoting ASEAN Comprehensive Investment Agreement (ACIA) Phase 2

As a follow-on activity to the regional ACIA Forum, this project will support national ACIA forums to build awareness of the agreement among stakeholders in individual AMS. In 2015, Forums are scheduled to be held in Brunei and Indonesia and will be supported by host governments and business chambers.

¹ ASEAN Investment Report 2013 -2014