Canada-ASEAN Business Outlook 2016

Opportunities for Canadian Business in the ASEAN Growth Story
Acknowledgments

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The study would also not have been possible without the support of numerous other organizations, including the Asia Pacific Foundation of Canada, the ASEAN-based Canadian Chambers of Commerce, and Global Affairs Canada, particularly several Canadian missions abroad and Canadian Trade Commissioner Service offices operating in the ASEAN region.

The above organizations form the frontline of Canadians working to improve business relations between Canadians and Southeast Asians. We would like to express our deepest gratitude for their expertise, support, and encouragement. Their contributions were vital in ensuring the success of this study.

Finally, we would like to recognize the CABC’s Founding Patron Member - Scotiabank, and Patron Members - BMO Financial Group and Manulife - for their contributions towards the Canada-ASEAN Business Council.
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The Canada-ASEAN Business Outlook survey is a collaborative initiative undertaken by the Canada-ASEAN Business Council (CABC), the ASEAN-based Canadian Chambers of Commerce, and the University of British Columbia (UBC), with assistance from the Asia Pacific Foundation of Canada and the Global Affairs Canada Southeast Asia-based staff. It was enabled by generous support from the International Development Research Centre (IDRC) of Canada. It builds on the “Survey of Canadian Businesses in ASEAN, 2013”, conducted by the Asia Pacific Foundation of Canada, in partnership with the CABC and the United Overseas Bank (UOB).

The relationship between Canada and the ASEAN region is rapidly growing in importance, as both sides recognize the opportunities that emerge from closer cooperation. The aim of this survey is to provide insights on this relationship, as well as on the general business environment and operating conditions for Canadian businesses in the ASEAN region. It is our hope that this study proves to be valuable for planning exercises and policymaking alike.

The report provides analysis on the following areas, all within the ASEAN region:

- Profiles of Canadian businesses
- Opportunities available to Canadian businesses
- Economic integration and trade agreements
- Challenges encountered by Canadian businesses
- Support structures and other elements of the ASEAN policy environment

We believe that this study builds effectively on its 2013 predecessor, and hope to continue this work through subsequent waves in the coming years. To ensure the successful continuation of this project, we encourage you to share your feedback with us. Please contact kai.ostwald@ubc.ca or greg.ross@canasean.com with any comments or questions.

Sincerely,

Kai Ostwald
Project Lead
Canada ASEAN Business Outlook Survey Team

Institute of Asian Research
University of British Columbia
Vancouver, BC
The Canada-ASEAN Business Council, in collaboration with UBC, and with the support of the IDRC, the APF, and the bi-lateral Canadian Chambers of Commerce is pleased to share this 2nd Survey of Canadian Business in ASEAN, following up our original 2013 survey. The release of this survey comes at a turning point in Canada-ASEAN trade.

In August 2016 at the Fifth ASEAN Economic Ministers (AEM) – Canada Consultations in Vientiane, Laos, a joint announcement was made by Canada and the AEM that senior officials would be tasked to begin framing the discussion for a Free Trade Agreement between Canada and ASEAN.

This formal commitment marks the first step in a long process – but it is the first vital step to move this agreement forward. It is heartening to see the persistent efforts in advocating the CABC’s primary policy position of a Canada-ASEAN FTA begin to move the Canadian and ASEAN governments towards achieving such positive results.

ASEAN is, in a word, dynamic. As the region’s economic integration deepens both amongst its member-nations and the rest of the world, so too has Canada’s trade with ASEAN increased dramatically.

It’s significant to note that:

- While our 2013 survey found 81% of respondents felt they had positive future investment opportunities in the ASEAN market, in 2016, 94% were positive about the future of their business in ASEAN.
- We also note that profitability amongst respondents increased from 86% to 89% amongst the same time period.
- Over 72% of respondents in 2016 believe that a Canada-ASEAN FTA will have a positive impact on their business. They will be pleased by the AEM announcements.

Doing business in ASEAN is not without substantial challenges and Canadian companies still face difficulties with regards to corruption, inconsistency of laws and regulations, the availability of cost-efficient labour and cultural gaps. Solutions to these issues are not easy, but the CABC is determined to do its part in continuing to advocate to enable the best conditions in ASEAN for Canadian business with ASEAN governments and organizations.

The CABC is likewise committed to ensuring that the Canadian Government’s regional trade policy reflects the needs of Canadian firms trading in ASEAN, and the feedback we’ve received in our survey is clear that there is still a way to go in this regard.

The CABC also holds policy positions that joining the AIIB and the implementation of a Canadian development bank would assist with Canadian trade and custom in ASEAN – views which are widely held amongst the 2016 survey respondents.

We are definitely encouraged by the positive steps taken by the new Canadian government in its ASEAN trade policy, such as the establishment of Canada’s first dedicated Mission to
ASEAN in March 2016 (also a CABC policy position), and we look forward to a close and productive relationship with Minister of International Trade and Global Affairs Canada in the years to come.

This survey would not have been possible without the support of our members, the ASEAN based Canadian Chambers of Commerce, and the many other respondents who took the time to share their feedback about doing business in ASEAN. We would also like to give special thanks to the CABC Founding Patron (Scotiabank) and Patron Members (Manulife and BMO Financial Group), whose commitment to the CABC has enabled our small team and dedicated volunteers to accomplish so much for the Canadian private sector in ASEAN over the past 4 years.

We hope the results from the survey enable your strategic planning processes for your ASEAN market presence. If the CABC can be of further assistance, please feel free to contact us.

Thank you and best regards,

Wayne Farmer
President
Canada-ASEAN Business Council
Singapore
Executive Summary | 

The 2016 Canada-ASEAN Business Outlook survey was designed to assess the opportunities, challenges, and general operating conditions facing Canadian businesses and Southeast Asia-based firms with strong Canadian ties in the ten countries of the ASEAN region. In total, 175 respondents participated in the survey between June and August 2016.

**Firm profiles:** Respondents represent a broad range of business interests from the primary through the tertiary sectors. They include multinational corporations (MNCs), small and medium enterprises (SMEs), and business support organizations. Responses were received from all ten ASEAN countries and Canada.

**Business optimism:** The growing economic importance of Southeast Asia is reflected in the strong sense of optimism among respondents: fully 94% report being optimistic about the future of their business operations in the ASEAN region. Of those that also conduct business outside of Southeast Asia, 86% expect the importance of the ASEAN region to grow for them relative to other regions over the coming five years.

**Profitability:** 75% of respondents report significant or moderate profits during the past year, with only 10% reporting moderate losses. While there is some variation across countries and firm types, the strong performances are well distributed.

**Economic integration initiatives** have contributed to the lucrative business environments and are widely supported by respondents. Of the major agreements initiated or in discussion, a Canada-ASEAN Free Trade Agreement elicits the most enthusiastic response (72% stating it would positively impact their operations), followed by the TPP (65%). A better understanding of these agreements and their implications for Canadian businesses would enhance the ability of firms to plan for and capture new opportunities.

**Challenges** abound in Southeast Asian markets. Among the most ubiquitous challenges reported by respondents are inconsistent enforcement of laws and regulations (70%), difficulties of obtaining reliable and cost-efficient skilled labour (70%), corruption (66%), and preferential treatment of local firms (65%). These have a disproportionately strong impact on SMEs.

**Business support:** Respondents viewed the support received by Canadian agencies to be generally high quality. However, support agencies appear underutilized, as many new entrants into the region do not engage their services. This suggests an opportunity to improve business conditions through closer public-private interaction.
Financing: A Canadian Development Bank as well as the Asian Infrastructure Investment Bank are both seen as well situated to address the challenge of securing financing and adequate capital, with 64% and 62% stating support for these. In addition, respondents called on Canadian agencies to offer greater assistance in accessing loans through local financial institutions.

Canada’s reputation can be a strong asset in the region, as many respondents noted the generally high regard for Canada. Many also report that this can be difficult to leverage, however, because Canada is not adequately visible in key areas of Southeast Asia. Respondents offered a range of suggestions on how Canada could deepen its engagement in the region and allow Canadian interests to more effectively capitalize on the opportunities it offers.

Section One | Profile of Canadian Business Interests in the ASEAN Region

The Canada ASEAN Business Outlook survey targets Canadian businesses and supporting organizations that operate in (or conduct business with) one or more of the ten countries in the ASEAN region. It also includes ASEAN-based firms with strong Canadian connections, including senior Canadian executives or other Canadian ties. In total, 175 respondents participated in the survey between June and August 2016.¹

This first section provides an overview of these firms and organizations. As is evident from the data below, they are a remarkably diverse group, representing a wide range of business activities and varying in size from small organizations to globally recognized multinational corporations.

Host country and headquarters: Respondents were asked to identify their “host country”, defined as the country in which they are based. This is illustrated in Figure 1.1. We also indicate in brackets (next to country names) the number of respondents that identify that country as their Regional Headquarters (limited to firms that generate revenue in more than one ASEAN country).

Reflecting its central position as a hub for business activity in Southeast Asia, Singapore has the greatest number of respondents in the ASEAN region, and also acts as the regional headquarters for nearly 40% of the firms that generate revenue in more than one Southeast Asian country. Thailand had the next highest level of respondents, with nearly 20% of the firms indicating Bangkok as their regional headquarters. Of the firms that are based outside the ASEAN region and Canada, most are situated in Hong Kong or Taiwan.
Country Clusters: To facilitate interpretation, countries were clustered for many of the analyses. We base the “County Clusters” on level of economic development and structure of the economy. Cluster one is comprised of the highly developed countries of Singapore and Brunei. Cluster two is comprised of the upper middle-income countries of Malaysia and Thailand. Cluster three is comprised of Indonesia and the Philippines. Cluster four is comprised of Cambodia, Laos, Myanmar, and Vietnam (CLMV). Cluster five includes Canada and other countries.

<table>
<thead>
<tr>
<th>Country Cluster</th>
<th>Respondents</th>
</tr>
</thead>
<tbody>
<tr>
<td>Singapore and Brunei</td>
<td>34</td>
</tr>
<tr>
<td>Malaysia and Thailand</td>
<td>37</td>
</tr>
<tr>
<td>The Philippines and Indonesia</td>
<td>20</td>
</tr>
<tr>
<td>Cambodia, Laos, Myanmar, and Vietnam</td>
<td>39</td>
</tr>
<tr>
<td>Canada and Other</td>
<td>45</td>
</tr>
</tbody>
</table>

Firm Characteristics: Respondents represent a wide range of business and business-support activities. Overall, 74% classify themselves as tertiary sector, providing services in finance, communication and information technology, engineering, legal advising, management, and planning. An additional 16% operate in the secondary sector, mainly in manufacturing and construction. The final 10% operate in the primary sector, largely in agriculture and resource extraction.

Firm Type: To facilitate interpretation, several subsequent analyses are broken down by “Firm Type”, based on the following categories: 1. Multinational Corporations (MNC); 2. ASEAN-based Small and Medium Enterprises (SMEs) operating in multiple countries; 3. ASEAN-based SMEs operating in just one country; 4. Canada-based SMEs; and 5. an “Other” category comprised mainly of support organizations. This is captured in Table 1.2.
Regional or country-specific focus: 40% of ASEAN-based firms currently generate revenue in only one country. Fewer than 10% generate revenue in seven or more of the region’s countries. This is likely to change over the next half decade, as roughly 65% of surveyed firms indicate plans or significant interests in expanding to additional countries within the ASEAN region (examined in greater detail in Section Two).

Canadian connection: 31% of the firms reported generating revenue in Canada. Most of this activity was in Ontario, followed by British Columbia, Alberta, and Quebec.

Employee numbers: Excluding Canada-based SMEs, roughly 35% of the firms have fewer than 15 employees, with the median firm having between 16 and 50 employees. 20% of firms have more than 500 employees.

Revenue generation shows significant variation. Figure 1.2 illustrates the reported revenue of firms in the ASEAN region (in USD). A breakdown of firm revenue by country cluster is presented in the appendix (1.1).
**Length of time in ASEAN region:** As illustrated in Figure 1.3 below, one-third of the surveyed firms are new entrants to the region with less than five years on the ground, whereas more than half have been operating in Southeast Asia for more than 11 years. When separated by firm type, we see that the MNCs have the longest experience in the region, with nearly 75% having arrived before 2005. This data is further disaggregated by country cluster in the appendix (1.2). Perhaps unsurprisingly, it reflects the incredible changes during the past decade in Cambodia, Laos, Myanmar, and Vietnam (collectively referred to as CLMV), where nearly 51% of the firms established presence within the countries during the past 5 years.

![Figure 1.3](image)

**Figure 1.3**
Length of time in ASEAN region (n=170)

**How representative is this survey?** Without a comprehensive list of Canadian business interests in the ASEAN region, it is not possible to accurately estimate the survey’s representativeness. It is clear that some countries, in particular Malaysia, Indonesia, and the Philippines, are somewhat underrepresented. While we have respondents from a very wide range of businesses, some firm types may also be over or underrepresented. Despite this, we believe that this is the most comprehensive survey of its kind to date, given the number and spectrum of respondents. Please see the methodology section for a more detailed discussion of survey representativeness and our selected response to dealing with potential bias.
Despite being overshadowed by Asia’s giants, China and India, the ASEAN region is frequently cited as among the world’s fastest growing markets. The reasons for this are clear: if treated as a single country, its real GDP growth of 5.3% between 2000 and 2015 trails only China and India among all the world’s countries. It has managed this with relatively low growth volatility (1.5%, relative to: Canada 1.7%; China 1.8%; Brazil 2.2%; India 2.4%; Russia 4.2%), low debt to GDP share (39%, relative to: Brazil 66%; India 67%; Canada 89%; Japan 243%), and a modest inflation rate of 3.2%. Due to the opportunities that the region presents, the value of Foreign Direct Investment (FDI) entering Southeast Asia reached $120 billion USD in 2013, narrowly overtaking flows into China and far exceeding those into India ($30 billion).

There are many reasons to believe that the economic importance of the ASEAN region will continue to increase. Between the 2011 and 2015 period, FDI inflows into ASEAN grew by 42%. Total trade in the region increased by 10% between 2014 and 2015 alone. This expansion in trade has been driven by considerable growth in the trade of services, which has increased by 168% since 2005 following significant improvements in human capital. Further opportunity will follow the expansion of the middle class, which Nielsen estimates will reach over 400 million by 2020, double its 2012 size.

**Firm Optimism:** The sentiments of Canadian firms largely reflect this sense of optimism. As captured in Figure 2.1, 94% of respondents report being optimistic about the future of their business in the ASEAN region (50% report “very optimistic” and an additional 44% report “somewhat optimistic”. Only 6% report being “somewhat pessimistic” and none being “very pessimistic”. Interestingly, more than half of those that report some degree of pessimism are Canada-based firms, which suggests obstacles to inter-regional business, rather than unfavourable conditions within Southeast Asia, are the driving factor of their pessimistic sentiments (see appendix 2.1 for breakdown by country cluster). The same analysis by sector suggests that business cycles, particularly the downturn in commodities, are also a factor in the “somewhat pessimistic” responses. This was explicitly noted by some respondents who wrote that the downturn in oil and other commodity prices harmed their operations.
ASEAN and other regions: The growing importance of the ASEAN region relative to other markets is also strongly supported by the survey findings. Of those firms that operate in multiple regions, 86% expect the Southeast Asian market to grow further in importance for their firm relative to other markets in the next five years.

Expansion within ASEAN: Nearly 2/3rds of respondents reported interests or plans to expand to additional countries in the ASEAN region, which further supports the notion of widely held optimism. Figure 2.2 shows the percentage of respondents that report interests or plans to expand to each country (disregarding those already generating revenue in the respective countries). This can be interpreted as a rough indicator of perceived opportunity by country, with the caveat that expansion plans may reflect firm or sector specific opportunities rather than general market conditions.
**Reasons for optimism:** We asked respondents detailed questions about what makes them optimistic about their firm’s future in the ASEAN region. The Canadian perspective largely mirrors that of the broader business community: the rise of the middle class (brought on by economic growth and a young population) was identified as the most important factor. Following this, improvements in *infrastructure* and in *human capital* were seen as the next most important factors. The tables below (first by country cluster, then by firm type) show an index (from zero to three) where higher scores denote a greater sense of importance.

**Table 2.1**

Main drivers of opportunity in ASEAN region (by Country Cluster)

Country cluster responses show an index (from zero to three) where higher scores denote a greater sense of importance (n = 129).

<table>
<thead>
<tr>
<th>County cluster</th>
<th>Rise of the middle class with young population</th>
<th>Improvements in infrastructure</th>
<th>Improvements in human capital</th>
<th>Regional integration in ASEAN</th>
<th>Falling barriers due to trade agreements</th>
</tr>
</thead>
<tbody>
<tr>
<td>Singapore and Brunei</td>
<td>2.02</td>
<td>1.05</td>
<td>0.76</td>
<td>0.73</td>
<td>0.52</td>
</tr>
<tr>
<td>Malaysia and Thailand</td>
<td>1.37</td>
<td>1.10</td>
<td>0.94</td>
<td>0.70</td>
<td>0.56</td>
</tr>
<tr>
<td>The Philippines and Indonesia</td>
<td>2.00</td>
<td>1.60</td>
<td>1.30</td>
<td>0.65</td>
<td>0.70</td>
</tr>
<tr>
<td>Cambodia, Laos, Myanmar, and Vietnam</td>
<td>1.84</td>
<td>1.00</td>
<td>0.97</td>
<td>0.58</td>
<td>0.71</td>
</tr>
<tr>
<td>Canada and Other</td>
<td>1.46</td>
<td>0.64</td>
<td>0.55</td>
<td>0.53</td>
<td>0.40</td>
</tr>
<tr>
<td>All</td>
<td>1.70</td>
<td>1.01</td>
<td>0.85</td>
<td>0.63</td>
<td>0.56</td>
</tr>
</tbody>
</table>

**Table 2.2**

Main drivers of opportunity in ASEAN region (by Firm Type)

Category responses show an index (from zero to three) where higher scores denote a greater sense of importance (n = 129).

<table>
<thead>
<tr>
<th>Firm type</th>
<th>Rise of the middle class with young population</th>
<th>Improvements in infrastructure</th>
<th>Improvements in human capital</th>
<th>Regional integration in ASEAN</th>
<th>Falling barriers due to trade agreements</th>
</tr>
</thead>
<tbody>
<tr>
<td>MNC</td>
<td>2.10</td>
<td>1.00</td>
<td>0.82</td>
<td>0.47</td>
<td>0.37</td>
</tr>
<tr>
<td>SME: ASEAN-based (multi)</td>
<td>1.92</td>
<td>1.37</td>
<td>1.14</td>
<td>0.73</td>
<td>0.43</td>
</tr>
<tr>
<td>SME: ASEAN-based (one)</td>
<td>1.39</td>
<td>1.00</td>
<td>0.85</td>
<td>0.68</td>
<td>0.83</td>
</tr>
<tr>
<td>SME: Canada-based</td>
<td>1.35</td>
<td>0.78</td>
<td>0.39</td>
<td>0.65</td>
<td>0.65</td>
</tr>
<tr>
<td>Other</td>
<td>1.36</td>
<td>0.45</td>
<td>1.27</td>
<td>0.91</td>
<td>0.54</td>
</tr>
<tr>
<td>All</td>
<td>1.70</td>
<td>1.01</td>
<td>0.86</td>
<td>0.64</td>
<td>0.57</td>
</tr>
</tbody>
</table>

**Profitability:** The sense of optimism among firms about the ASEAN region is backed by generally strong business performance. Roughly 75% of firms reported making either significant or moderate profits during the past year, with only 10% reporting moderate losses and none reporting significant losses. This pattern is generally stable across the countries, as captured by Figure 2.3.
When disaggregated by firm type (Figure 2.4), we see especially strong profitability among MNCs and ASEAN-based SMEs that operate in multiple countries. This suggests that efficiency gains can be captured either through economies of scale or through leveraging intra-regional comparative advantages. This is examined in greater detail in Section Three.

Anticipated future profits: Firms were also asked to forecast their profitability in the ASEAN region over the next three years. Across all respondents, nearly 80% expect profits to increase during that time period, with the strongest gains expected in the CLMV region (Figure 2.5). Anticipated future profits by Country Cluster are shown in appendix (2.1) and by Firm Type in appendix (2.2).
Time to profitability: Of significant concern to new entrants is the time period required to achieve profitability (see Table 2.3). 65% of respondents reported that their businesses reached profitability in less than three years, with 20% of those reaching that milestone in their first year of operations. This rapid time to profitability is particularly pronounced in Singapore.

### Table 2.3
Average time needed to achieve profitability (by Country Cluster)  

<table>
<thead>
<tr>
<th>Country Cluster</th>
<th>Immediate to 1 year</th>
<th>Between 1 and 3 years</th>
<th>Between 3 and 5 years</th>
<th>Between 5 and 10 years</th>
<th>More than 10 years</th>
<th>Not yet achieved profitability</th>
</tr>
</thead>
<tbody>
<tr>
<td>Singapore and Brunei</td>
<td>23%</td>
<td>62%</td>
<td>0%</td>
<td>12%</td>
<td>0%</td>
<td>3%</td>
</tr>
<tr>
<td>Malaysia and Thailand</td>
<td>22%</td>
<td>37%</td>
<td>11%</td>
<td>15%</td>
<td>0%</td>
<td>15%</td>
</tr>
<tr>
<td>The Philippines and Indonesia</td>
<td>12%</td>
<td>41%</td>
<td>12%</td>
<td>29%</td>
<td>6%</td>
<td>0%</td>
</tr>
<tr>
<td>Cambodia, Laos, Myanmar, and Vietnam</td>
<td>18%</td>
<td>57%</td>
<td>7%</td>
<td>11%</td>
<td>0%</td>
<td>7%</td>
</tr>
<tr>
<td>Canada and Other</td>
<td>22%</td>
<td>28%</td>
<td>6%</td>
<td>16%</td>
<td>6%</td>
<td>22%</td>
</tr>
<tr>
<td>All</td>
<td>20%</td>
<td>45%</td>
<td>7%</td>
<td>15%</td>
<td>2%</td>
<td>11%</td>
</tr>
</tbody>
</table>

Section Three | Economic Integration & Trade Agreements

Deeper economic integration in the ASEAN region promises many potential gains. That is because the countries of the region, despite their geographic proximity, vary dramatically on many dimensions. The resultant diversity in factor endowments—particularly labour skills, capital, and natural resources—can be leveraged through freer movements of goods and services across national boundaries to generate efficiency gains. Beyond this, deeper economic integration promises access to economies of scale, which is critical given the small population sizes of several ASEAN member states.

In recognition of this, deeper economic integration has been a core part of the ASEAN agenda since the initiation of the ASEAN Free Trade Area (AFTA) in
1992. This was superseded by the ASEAN Trade in Goods Agreement (ATIGA) of 2009, which set aggressive tariff reduction targets for intra-regional movements of goods to be met by 2013. While significant non-tariff and regulatory barriers remain, tariffs are now eliminated or at very low levels within the ASEAN 6 (Brunei, Indonesia, Malaysia, the Philippines, Singapore, Thailand) and rapidly falling for the CLMV.

The ASEAN Economic Community (AEC), launched on January 1st 2016, is an attempt to address the remaining regulatory and non-tariff barriers (NTBs), particularly in the area of services. While its immediate impact is questionable (as underscored by respondent sentiments), it is symbolically important for the region’s ongoing economic integration. Two further “next generation” agreements have also been initiated. These are the Regional Comprehensive Economic Partnership (RCEP) and the Trans-Pacific Partnership (TPP), both of which similarly are designed to facilitate trade of both goods and services. Details on the AEC, RCEP, and the TPP can be found in the appendix.

Canada’s business interests in the region run deep: in 2015, Canada-ASEAN bilateral merchandise trade totaled $21.4 billion, up from $18.2 billion in 2014, continuing a trend of roughly 10% growth per annum over the last 5 years. This accounted for a total of 2.02% of Canadian bilateral merchandise trade, eclipsing Germany (1.97%) as Canada’s 6th largest merchandise trade partner. These business interests are well-positioned to benefit from further economic integration, whether intra-ASEAN or inter-regional.

Canada-ASEAN Free Trade Agreement: On August 8th 2016, Global Affairs Canada announced the launch of a feasibility study that will explore the opportunities and challenges for a future Free Trade Agreement between ASEAN and Canada. If passed, the FTA has the potential to significantly deepen the economic partnership, not only by reducing barriers to direct Canada-ASEAN exchange, but also by better positioning Canadian business interests to leverage the deepening intra-ASEAN integration.3

Sentiments about economic integration: Respondent sentiments make clear that Canadian business interests recognize the potential gains from increased economic integration (see Figure 3.1). Fully 70% of respondents believe that continued intra-ASEAN integration through the AEC will positively impact their business. The TPP, of which Canada, Singapore, Malaysia, Brunei, and Vietnam are signatories (with Indonesia and the Philippines signaling interest to join), likewise draws strong support, with 65% of respondents anticipating a positive effect on their businesses. The relatively large proportion of respondents that report uncertainty about the RCEP (20%) reflects its rather nebulous nature.
“Strengthening commercial ties with ASEAN is part of Canada’s plan to create jobs, growth and long-term prosperity for the middle class. ASEAN is composed of some of the fastest-growing and most dynamic markets in the Asia-Pacific region, and we are committed to exploring ways to open these markets for Canadians.”

- Hon. Chrystia Freeland, P.C., M.P., Minister of International Trade

The strong support for the potential Canada-ASEAN Free Trade Agreement is perhaps the most striking, with 72% of respondents stating it will have a positive impact on their business (35% report anticipating a “significant positive impact” with an additional 37% reporting “minor positive impact”).

**Figure 3.1**
Support for specific economic integration initiatives  
(n=135)

**Table 3.1** below breaks this support down by firm type using an index between zero and three, where higher numbers indicate greater support. Of particular note is the broad-based support for the Canada-ASEAN FTA.

<table>
<thead>
<tr>
<th>Firm Type</th>
<th>AEC</th>
<th>TPP</th>
<th>RCEP</th>
<th>Canada-ASEAN FTA</th>
</tr>
</thead>
<tbody>
<tr>
<td>MNC</td>
<td>0.97</td>
<td>1.13</td>
<td>0.84</td>
<td>1.26</td>
</tr>
<tr>
<td>SME: ASEAN-based (multi)</td>
<td>1.15</td>
<td>1.10</td>
<td>0.82</td>
<td>1.47</td>
</tr>
<tr>
<td>SME: ASEAN-based (one)</td>
<td>1.33</td>
<td>1.47</td>
<td>0.67</td>
<td>1.51</td>
</tr>
<tr>
<td>SME: Canada-based</td>
<td>0.84</td>
<td>0.84</td>
<td>0.37</td>
<td>1.26</td>
</tr>
</tbody>
</table>
Specific benefits of economic integration: Respondents were asked to identify which aspects of economic integration would have the greatest impact on their operations. The five most important are as follows:

1. Improve consistency in enforcement of laws and regulations
2. Reduce favoritism to local firms
3. Reduce non-tariff and regulatory barriers to trade
4. Facilitate investment flows
5. Reduce tariffs

It is noteworthy that these measures form the core of many next-generation economic integration initiatives, including those referenced above. There is substantial variation in perceived benefits of integration across the various firm types (see appendix 3.1), which has potential policy implications. It is also interesting to note the variation across country clusters (see appendix 3.2), with consistent enforcement of laws and regulations being significantly more important to respondents in Indonesia and the Philippines than those in Singapore, Thailand, and Malaysia. In the latter countries, emphasis fell on facilitating trade and creating business opportunities through reducing non-tariff barriers and reducing favouritism granted to local firms. Facilitating investment flows was particularly important in the CLMV block.

Actions in response to economic integration: Respondents were asked which actions their firm would take in response to a fully implemented economic integration initiative that effectively reduced barriers to economic activity in the ASEAN region. The following were the most consistently reported responses:

1. Standardize marketing strategy
2. Consolidate personnel
3. Consolidate and centralize regional production
4. Fragment supply or value chains
5. Relocate back office operations

Knowledge of integration initiatives: One of the greatest obstacles to planning for and capitalizing on economic integration initiatives remains the lack of knowledge about them amongst potentially affected firms. Respondents were asked whether they felt they had sufficient information about the region’s major economic integration initiatives to plan for them (Figure 3.2). Despite the publicity that the AEC and TPP have received, more than one in three respondents still reports having little to no understanding about them, with only 16% and 15% respectively saying they feel fully informed. The low awareness around the Canada-ASEAN FTA reflects its very early phase, though as the other agreements demonstrate, steady progression (as with the TPP) and even implementation (as with the AEC) are insufficient to ensure adequate understanding of the initiative.
Effects of low knowledge on integration initiatives: Poor awareness and understanding of integration initiatives hamper enthusiasm for them and limit the ability of Canadian firms to capitalize on emerging opportunities. This is supported by a series of regression analyses, which show a strong and statistically significant positive relationship between levels of knowledge on the various initiatives and the belief that they will positively impact business activity. Furthermore, there is evidence that awareness is correlated with planning: an additional (probit) analysis shows a strongly increased likelihood for creating a regional strategy for the AEC among firms that report higher levels of understanding of the initiative. Breaking down understanding of trade initiatives by firm type (see appendix 3.3) suggests some disparities, with MNCs and ASEAN-based SMEs that operate in more than one country generally being the most informed.

Section Four | Challenges

As rich as the opportunities in Southeast Asia are, the region presents significant and sometimes dramatic challenges as well. Some of these are well-known: from political instability and natural disaster vulnerability, to inefficient bureaucracies and insufficient infrastructure, exposure to risk in Southeast Asian markets is nearly unavoidable. All of these present challenges to Canadian business interests operating in the region.

“[The] political environment is hindering economic and social economic growth.”

Other reports provide comprehensive general overviews of business conditions in the ASEAN region. The World Bank’s Ease of Doing Business report, for example, aggregates challenges into an index and ranks countries accordingly. The region’s diversity is again reflected in this, with Singapore taking the global top spot (out of 189 countries) for ease of doing business in the 2015 rankings, while Myanmar (167), Laos (134), and Cambodia (127) score among the world’s most challenging markets.

Obstacles and challenges in the ASEAN region: Respondents were asked a series of questions on both general and Canada-specific challenges in the region. What
merged falls largely in line with intuitions: the type and intensity of challenges encountered vary significantly by market. Interestingly, Canada-specific challenges were all overshadowed by the general challenges. Of these, corruption, inconsistent enforcement of laws, and availability of cost efficient and reliable labour were the most widely reported.

“Corruption is a problem and it is one that is endemic... It hurts business and makes legal decisions subject to unfair and uncertain judgments.”

For ease of interpretation, Table 4.1 displays an index between zero and four, where higher scores indicate greater intensity of obstacles. We include only ASEAN-based respondents and report only the top ten most widely cited obstacles. Note that while this predominantly reflects business challenges in the host country, it also captures challenges encountered during cross-border business. While unlikely to encounter significant corruption in Singapore, for example, a firm based there may encounter it while conducting business in Myanmar.

<table>
<thead>
<tr>
<th>Types of Obstacles</th>
<th>Overall</th>
<th>Singapore</th>
<th>Thailand and Malaysia</th>
<th>The Philippines and Indonesia</th>
<th>Cambodia, Laos, Myanmar, Vietnam</th>
</tr>
</thead>
<tbody>
<tr>
<td>Corruption</td>
<td>2.75</td>
<td>1.66</td>
<td>2.80</td>
<td>3.35</td>
<td>3.34</td>
</tr>
<tr>
<td>Inconsistent enforcement of laws and regulations</td>
<td>2.68</td>
<td>1.58</td>
<td>2.23</td>
<td>3.52</td>
<td>3.43</td>
</tr>
<tr>
<td>Availability of reliable of cost-efficient labour</td>
<td>2.60</td>
<td>2.68</td>
<td>2.36</td>
<td>2.25</td>
<td>2.89</td>
</tr>
<tr>
<td>Restrictions on foreign investment and ownership</td>
<td>2.36</td>
<td>1.54</td>
<td>2.90</td>
<td>3.37</td>
<td>2.00</td>
</tr>
<tr>
<td>Preferential treatment of domestic firms</td>
<td>2.33</td>
<td>2.29</td>
<td>2.90</td>
<td>2.43</td>
<td>1.79</td>
</tr>
<tr>
<td>Political change and instability</td>
<td>2.28</td>
<td>1.39</td>
<td>3.10</td>
<td>2.62</td>
<td>2.03</td>
</tr>
<tr>
<td>Hiring and retaining local management</td>
<td>2.22</td>
<td>1.91</td>
<td>1.76</td>
<td>2.00</td>
<td>3.13</td>
</tr>
<tr>
<td>Licenses, permits, and regulations</td>
<td>2.21</td>
<td>1.61</td>
<td>2.03</td>
<td>3.29</td>
<td>2.24</td>
</tr>
<tr>
<td>burdensome local tax structure</td>
<td>1.92</td>
<td>1.04</td>
<td>1.20</td>
<td>3.35</td>
<td>2.58</td>
</tr>
<tr>
<td>Obtaining financing and capital</td>
<td>1.81</td>
<td>1.30</td>
<td>1.71</td>
<td>2.06</td>
<td>1.71</td>
</tr>
</tbody>
</table>

Broadly speaking, these results follow the general perceptions on ease of doing business, with countries like Singapore, Malaysia, and Thailand presenting less burdensome obstacles than Indonesia, the Philippines, and the CLMV countries. The results also suggest a strong correlation between the reported complexity of the local permit and licensing systems and the level of corruption, as a larger number required transactions produces a greater opportunity for bribes and under-the-table fees.
Table 4.2 examines the same set of challenges broken down by firm type (ASEAN-based respondents only). Across the board, the larger MNCs report less exposure to obstacles than the ASEAN-based SMEs.

Table 4.2

<table>
<thead>
<tr>
<th>Types of Obstacles</th>
<th>Overall</th>
<th>MNC</th>
<th>SME: ASEAN-based (multi)</th>
<th>SME: ASEAN-based (one)</th>
</tr>
</thead>
<tbody>
<tr>
<td>Corruption</td>
<td>2.75</td>
<td>1.96</td>
<td>3.39</td>
<td>3.00</td>
</tr>
<tr>
<td>Inconsistent enforcement of laws and regulations</td>
<td>2.68</td>
<td>1.8</td>
<td>3.14</td>
<td>3.07</td>
</tr>
<tr>
<td>Availability of reliable cost-efficient labour</td>
<td>2.60</td>
<td>2.12</td>
<td>2.96</td>
<td>2.83</td>
</tr>
<tr>
<td>Restrictions on foreign investment and ownership</td>
<td>2.36</td>
<td>1.36</td>
<td>2.82</td>
<td>2.71</td>
</tr>
<tr>
<td>Preferential treatment of domestic firms</td>
<td>2.33</td>
<td>1.72</td>
<td>3.21</td>
<td>2.12</td>
</tr>
<tr>
<td>Political change and instability</td>
<td>2.28</td>
<td>1.68</td>
<td>2.14</td>
<td>2.78</td>
</tr>
<tr>
<td>Hiring and retaining local management</td>
<td>2.22</td>
<td>1.88</td>
<td>1.86</td>
<td>2.80</td>
</tr>
<tr>
<td>Licenses, permits, and regulations</td>
<td>2.21</td>
<td>1.4</td>
<td>2.81</td>
<td>2.38</td>
</tr>
<tr>
<td>Burdensome local tax structure</td>
<td>1.92</td>
<td>1.68</td>
<td>2.35</td>
<td>1.95</td>
</tr>
<tr>
<td>Obtaining financing and capital</td>
<td>1.81</td>
<td>0.68</td>
<td>2.04</td>
<td>2.55</td>
</tr>
</tbody>
</table>

Additional challenges: While not selected consistently enough to include in the above analysis, several other obstacles warrant brief inspection. Office lease costs are widely seen as an issue in Singapore and (perhaps surprisingly) in Myanmar. Personal security is highlighted as a concern in the Philippines and Indonesia, in contrast to Thailand and especially Singapore, which are seen as relatively safe. Obtaining required work visas/permits is noted as especially burdensome in Indonesia, Myanmar, Thailand, and Vietnam. In fact, nearly 60% of respondents noted facing either “prohibitive” or “significant” obstacles to hiring expatriate employees from Canada or the United States.

Open-Ended Responses: All firms were prompted to elaborate on the most significant challenges they face for operating in ASEAN. The responses largely reinforced the main challenges described throughout this section, but provide depth.

- **Corruption:** “Corruption (mostly government-related) is the most critical issue we face throughout most of ASEAN where we work, followed by local expertise and experience to produce professional work to ‘international standards’.”
- **Labour issues:** “Biggest barrier to expanding business in Cambodia is the low level of capability in the local workforce. Finding skilled higher level workers (managers, technical specialists) is extremely difficult. Corruption is the next biggest barrier.”
• **Canadian visas:** “Malaysians seeking education or job assignments in Canada have been hampered by our slow processing of Visas.”

• **Business intelligence:** “A list of the available resources and work visa requirements for Canadians working and starting businesses abroad would be welcomed.”

• **More support for SMEs:** “The Canadian government and agencies are more effective in assisting Canadian large corporations.”

• **Canada-based financing:** “Urge Canadian banks to ease up on their lending conditions for SME’s trying to get start[ed] in ASEAN.”

### Section Five | Policy Environment and Support

This section provides insights into a range of areas not covered by previous sections, focusing specifically on public-private cooperation across the ASEAN region as well as policy opportunities.

**Support Services:** Breaking into the ASEAN market requires contending with numerous challenges, many of which are a function of the geographic and structural distance from more familiar North American markets. Numerous public and private organizations have a mandate to facilitate the entrance into Southeast Asian markets and to provide ongoing support for business activities.

Respondents were asked to assess the value of the services and support provided by a range of Canada and ASEAN-based organizations to their day-to-day operations. *Table 5.1* reports percentage of respondents for each category.

<table>
<thead>
<tr>
<th>Type of Institution</th>
<th>Very valuable</th>
<th>Somewhat valuable</th>
<th>Minimally valuable</th>
<th>Negative</th>
<th>No contact</th>
</tr>
</thead>
<tbody>
<tr>
<td>Banking Institutions in ASEAN</td>
<td>8%</td>
<td>21%</td>
<td>29%</td>
<td>11%</td>
<td>31%</td>
</tr>
<tr>
<td>Local Canadian Chamber of Commerce</td>
<td>17%</td>
<td>30%</td>
<td>41%</td>
<td>1%</td>
<td>20%</td>
</tr>
<tr>
<td>National-level government offices and officials in the ASEAN region</td>
<td>10%</td>
<td>24%</td>
<td>28%</td>
<td>6%</td>
<td>31%</td>
</tr>
<tr>
<td>Local-level government offices and officials in the ASEAN region</td>
<td>6%</td>
<td>29%</td>
<td>30%</td>
<td>7%</td>
<td>28%</td>
</tr>
<tr>
<td>Canadian government offices and officials in the ASEAN region</td>
<td>26%</td>
<td>28%</td>
<td>34%</td>
<td>1%</td>
<td>10%</td>
</tr>
<tr>
<td>Asia Pacific Foundation of Canada</td>
<td>2%</td>
<td>19%</td>
<td>21%</td>
<td>2%</td>
<td>57%</td>
</tr>
<tr>
<td>Canada ASEAN Business Council</td>
<td>7%</td>
<td>21%</td>
<td>27%</td>
<td>1%</td>
<td>44%</td>
</tr>
</tbody>
</table>

Respondents report the highest levels of contact with Canadian government offices and the local Canadian Chambers of Commerce, with both organizations generally providing strong levels of support. On the whole, Canadian groups rated better, on average, than local services in the ASEAN region. Given the relatively strong levels of support and the proportion of respondents that reported having no contact with at least one of the major Canadian support institutions, there is a clear opportunity to improve the experiences of Canadian firms through increased outreach. It should be noted when interpreting the figure above (particularly the “No Contact”) that not all of the listed organizations have a mandate or are equipped to serve the whole spectrum of Canadian business interests in the ASEAN region.
**Support service for new entrants:** Entrants into the region (less than ten years) were asked a follow up question on the level of support they received when establishing their business operations in the ASEAN region. This is intended to gauge which organizations act as points of first contact, and how effective those interactions are deemed to be. The findings (appendix 5.1) again reflect the opportunity for more and deeper engagement between Canadian support organizations and Canadian business interests, as usage rates are relatively low.

**Financing and access to capital:** Over half of all respondents reported that obtaining financing and capital was an obstacle for their operations. Firms were queried on their preferred method of accessing capital (Figure 5.1).

![Figure 5.1 Preferred method of accessing capital](n = 134)

**Canadian Development Bank:** The idea of a Canadian development bank in particular presents an intriguing policy opportunity for the Canadian government. When asked explicitly about a development bank similar to the ones run by the US, the UK, the Netherlands, and Germany, fully 43% of respondents (n = 134) stated that they saw this as a “high priority”, with only 13% seeing it as “unnecessary” (Figure 5.2). Notably, support for a development bank was significantly higher among SMEs than MNCs, likely reflecting disparate challenges in securing adequate funding.

**Asian Infrastructure Investment Bank (AIIB):** Respondents were also asked about the (AIIB). Sentiments largely mirrored those for the Canadian development bank, with 43% of respondents believing that joining the AIIB should be a “high priority” for the Canadian government. An additional 20% support the initiative but see it as a “low priority”; only 7% see it as unnecessary.

“**Canadian companies are trusted, Chinese companies are feared, [because Canadian companies] are perceived to be more trustworthy than local or Chinese firms by local consumers.”**
Perceptions of the “Canada” Brand: Numerous respondents reflected on the value of the “Canada” brand within ASEAN. Several indicated that Canadian companies are well received in the ASEAN region among those with a general awareness of Canada. This is especially because Canada is clustered with the United States in perceptions of quality (in contrast to Chinese firms, for example), but simultaneously viewed as more politically neutral and less of an aggressor.

Canada as an unknown entity: Yet these positive sentiments are repeatedly accompanied by statements that Canada is a largely unknown and invisible entity in the region. Numerous respondents call on the Canadian government and other support institutions to increase their visibility through greater engagement.

- “Too little knowledge in general for people to have much of an impression of Canada.”
- “Canadian companies by and large don’t have the same brand recognition as US companies - and to be honest the ones that do have brand recognition are often thought to be US.”
- “Too little is known about Canadian companies in comparison to other foreign companies, it is because there is not much promotion of Canadian companies.”
- “Canada has a positive reputation but needs additional resourcing from Gov of Canada to promote our expertise and brand.”
• “In general, Vietnam has more exposure to American companies, and perhaps more interested in doing business with the US. Therefore, building a Canadian brand is important, specifically the advantages of doing business with Canada.”

• “There are some world class Canadian companies. However, their name awareness is low due to limited media coverage. This is an area Canadian government and associations can help a lot to market and even lobby for business.”

Educational mobility: Supporting educational partnerships with Southeast Asian institutions and firms is widely supported as means to deepen engagement and increase the visibility of Canada throughout the region.

<table>
<thead>
<tr>
<th>Table 5.2</th>
<th>Support for educational partnerships ((n = 135))</th>
</tr>
</thead>
<tbody>
<tr>
<td></td>
<td>High Priority</td>
</tr>
<tr>
<td>Canadian students have access to internships in ASEAN</td>
<td>58%</td>
</tr>
<tr>
<td>Canadian students have access to Exchange Programs in ASEAN</td>
<td>54%</td>
</tr>
<tr>
<td>Students from ASEAN region have access to internships in Canada</td>
<td>60%</td>
</tr>
<tr>
<td>Students from ASEAN region have access to exchange programs in Canada</td>
<td>62%</td>
</tr>
</tbody>
</table>

A significant obstacle inhibiting deeper educational partnerships lies with the difficulty of obtaining student visas for Southeast Asian students, which one respondent notes is substantially more difficult in Canada than in Australia, New Zealand, the United Kingdom, and the United States. More generally, 45% of respondents noted that obtaining a Canadian visa for training or business visits to Canada presented an obstacle. As this frequently impacted their own ASEAN-based employees or customers, it interfered with business activities.

“Canadian businesses should go beyond the just making profits at all cost mentality of businesses from certain countries. Canada will have to position itself as contributing to the social and environmental stewardship and upholding high values.”

Corporate Social Responsibility (CSR): CSR initiatives are another avenue through which Canadian interests extend their engagement in the region. A large majority (78%) of firms surveyed reported having some form of CSR program. There is no significant variance in prevalence of CSR initiatives across firm types or country clusters. Of the CSR initiatives, the most prevalent involve training and knowledge transfer (43%), environment and sustainability (41%), and local community initiatives (41%).

Policy and support needs: Respondents were given an opportunity to share what they see as the most effective initiative the Canadian government can implement to generate opportunities for Canadian firms in Southeast Asia. The following three general themes emerged from this:
1. Information and intelligence: Respondents consistently identified the need for greater insights on opportunities in the ASEAN region as well as on the Canada-ASEAN relationship.

- **Provide expertise:** provide “education and training coordination on infrastructure investments”, consolidate and share “available resources and work visa requirements”, “sponsor and organize more professionals to do training in the region.”
- **Provide insights on opportunities:** “help identify the areas where Canadian firms can provide goods and services needed by the local population”, “identify and communicate needs that Canadian companies have an advantage fulfilling vs. local or international players”, and provide “market intelligence; suggest reliable local partners.”
- **Network hub:** In addition, the request was voiced that support agencies act as network hubs to connect Canadian interests with the relevant counterparts, suggesting that they “hold more industry events”, “partner further with the local chamber of commerce”, “keep connected with Canadian organizations”, “facilitate meetings with industry leaders”, and “reinforce the Canadian Trade Commissioner Network.”
- **Successful models:** Take lessons from the success of countries with deep roots investing in the region: “follow the Japanese model with JETRO and JICA”, provide “support similar to the American government.”

2. Canadian Visibility: It was repeatedly mentioned that Canadians are not able to capitalize on all opportunities because Canada does not have the same visibility and presence in the region as other countries. Respondents suggested to expand branding for Canadian firms outside of traditional sectors such as natural resources and banking in order to reflect the firm diversity in the region.

- **General presence:** “Bring more gov’t/private sector trade missions to show seriousness”, bring “greater visibility and branding of perceived strengths”, “promote a national Canadian brand”, and expand “trade missions beyond natural resources, MNCs, and banking.”
- **Engage politically:** “Negotiate tax treaties”, “sign more bilateral agreements”, “appeal for the reduction of trade and FDI barriers”, and numerous requests for a “free trade deal.”
- **Branding / expos:** “Invest in demonstration projects of CanTech to reduce risk for ASEAN customers”, “hold more industry events” and “more trade fairs.”
- **Educational exchange:** “Encourage . . . student exchange”, “create pathways to study, work and learn in Canada”, make “education part of Trade Commissioners Portfolios.”

3. Bureaucratic obstacles: Finally, Canada is losing out to competitors in areas such as education as noted above because of visa delays and obstacles. This is closely linked with information and intelligence, as information on bureaucratic procedures was one of the most common requests.
- **Visas and permits:** “Get APAC cards for Canadians working so we can travel more easily”, “simplify visa process for Asian visitors to Canada”, improve the “ease of visas.”

- **Navigating local bureaucracy:** “information sessions for local Canadian businesses on legal environment”, and “advise Canadian firms on how to navigate local regulations.”

As their own words show, the businesses we surveyed overwhelmingly emerge as willing partners in an expanded Canadian partnership with ASEAN. This report provides not just a snapshot of the operating environment for Canadian businesses in ASEAN, but also provides insight into numerous opportunities for cooperation between the Canadian government and private sector. It is our hope that this study proves to be valuable for planning exercises and policymaking alike.
Country Overviews |

Brunei

- Capital: Bandar Deri Begawan
- Population (millions): 0.4
- Total area: 5,765 km²
- Currency: Brunei dollar (BND)
- Language(s): Malay, English, Chinese
- GDP ($ billions) PPP: $33.22
- Real GDP Growth (%): -0.2
- GDP per capita PPP ($): $79,700
- Inflation (%): -0.4
- Unemployment (%): 6.9

Brunei’s economy has been dominated by the oil and gas industry for over 80 years. As a result, the country of just under 420,000 citizens has one of the highest per capita GDPs in the world. The Brunei government is attempting to diversify its economy away from its current dependency on hydrocarbon exports. Presently, these account for over 90% of its export and more than 50 percent of its Gross Domestic Product (GDP). From 2012 to 2014, Canada exported an annual average of $12.8 million worth of merchandise to Brunei.

Trade and Investment Value 2014
(in millions of dollars)
- Canada’s merchandise exports: $10.6
- Canada’s merchandise imports: $7.2

Cambodia

- Capital: Phnom Penh
- Population (millions): 15.68
- Total area: 181,035 km²
- Currency: Cambodian Riel (KHR)
- Language(s): Khmer, Chinese, Vietnamese, French, English
- GDP ($ billions) PPP: $54.21
- Real GDP Growth (%): 6.9
- GDP per capita PPP: $3,500
- Inflation (%): 1.2
- Unemployment (%): 0.3

While Cambodia’s economy has seen strong growth for over a decade, it remains a relatively underdeveloped country. Canada’s Market Access Initiative for Least Developed Countries creates a quota-free and duty-free environment that grants Cambodia a competitive trade relationship. Despite Cambodia’s close ties to Vietnam and China, Canada is consistently ranked as one of Cambodia’s most important destination countries for exports.

Trade and Investment Value 2014
(in millions of dollars)
- Canada’s merchandise exports: $26.38
- Canada’s merchandise imports: $103.05

Indonesia

- Capital: Jakarta
- Population (millions): 251.5
- Total area: 1.8 million km²
- Currency: Rupiah (IDR)
- Language(s): Bahasa Indonesia
- GDP PPP: $2.842 trillion
- Real GDP growth (%): 5.0
- GDP per capita PPP: $11,100
- Inflation (%): 6.4
- Unemployment (%): 6.1

With nearly half of Southeast Asia's population, Indonesia is the ASEAN region’s giant and largest single economy. Its rapidly growing middle class makes Indonesia a highly attractive market for expansion. A renewed emphasis on addressing the country’s ailing infrastructure may likewise support continued growth. In 2015, Indonesia was Canada’s second largest bilateral merchandise trading partner amongst ASEAN countries with trade reaching $3.4 billion.

Trade and Investment Value 2014
(in millions of dollars)
- Canada’s merchandise exports: $26.38
- Canada’s merchandise imports: $103.05

The Lao People’s Democratic Republic

- Capital: Vientiane
- Population (millions): 7.01
- Total area: 236,800 km²
- Currency: Laos Kip (LAK)
- Language(s): Laos, French, English
- GDP ($ billions) PPP: $37.32
- Real GDP growth (%): 7.0
- GDP per capita PPP: $5,300
- Inflation (%): 5.3
- Unemployment (%): 1.4 (2013)

The economic climate in Laos reflects the country’s burgeoning development, which has seen strong growth in several sectors after many years of relative stagnation. As Southeast Asia’s only landlocked country, Laos faces inherent structural challenges, but it offers rich opportunity in the capital-intensive natural resource sector. Canada is well situated to assist the development of Laos’ hydropower sector, in addition to mining, logging, and construction.

Trade and Investment Value 2014
(in millions of dollars)
- Canada’s merchandise exports: $5.7
- Canada’s merchandise imports: $23.7
Malaysia

- Capital: Kuala Lumpur
- Population (millions): 30.3
- Total area: 328,550 km²
- Currency: Ringgit (MYR)
- Language(s): Malay, English, Hokkien, Cantonese, Tamil
- GDP ($ billions) PPP: $815.6
- Real GDP growth (%): 5.0
- GDP per capita PPP: $26,300
- Inflation (%): 2.1
- Unemployment (%): 2.7

Malaysia is an upper-middle income country with a strong multi-sector economy. It was Canada’s third-largest bilateral merchandise trading partner amongst ASEAN countries in 2014, with bilateral trade reaching $3.2 billion. From 2012 to 2014, Canada exported an annual average of $987.9 million of merchandise to the country. As some sectors of Malaysia’s economy develop further along the value added production chain, new opportunities for partnerships with Canadian firms emerge.

Trade and Investment Value 2014 (in millions of dollars)
- Canada’s merchandise exports: $793.7
- Canada’s merchandise imports: $2,419.7
- Canadian investment: $573

Myanmar

- Capital: Naypyitaw
- Population (millions): 51.4
- Total area: 678,500 km²
- Currency: Kyat Myanmar (MKK)
- Language(s): Burmese (ethnic languages widely used)
- GDP ($ billions) PPP: $283.5 billion
- Real GDP growth (%): 7.0
- GDP per capita (PPP): $5,500
- Inflation (%): 11.5
- Unemployment (%): 5

Since the initiation of reforms in 2010, Myanmar has opened its doors to the world. It remains a challenging environment in which to conduct business, but with its rapid reintegration into the world economy, its strategically important location, and its vast human and natural resource wealth, it offers early entrants a myriad of opportunities. Furthermore, Canadian expertise can play an important role in the development of the country’s institutional capacities and infrastructure.

Trade and Investment Value 2014 (in millions of dollars)
- Canada’s merchandise exports: $21.6
- Canada’s merchandise imports: $14.1

The Philippines

- Capital: Manila
- Population (millions): 99.4
- Total area: 298,170 km²
- Currency: Peso (PHP)
- Language(s): Tagalog, English
- GDP ($ billions) PPP: $741
- Real GDP growth (%): 5.8
- GDP per capita (PPP): $7,300
- Inflation (%): 1.4
- Unemployment (%): 6.3

The Philippines was one of Asia’s fastest growing economies in 2015, with a real GDP growth rate of 6.7%. This strong performance is due in large part to its well-educated and English speaking workforce, as well as to its relative resilience to global shocks. Among its greatest impediments is its low tax to GDP ratio, which hinders vital infrastructure investment. Under Canada’s Global Markets Action Plan (GMAP), the Philippines is a priority market for the creation of new jobs and trade investment to promote economic growth.

Trade and Investment Value 2014 (in millions of dollars)
- Canada’s merchandise exports: $569.5
- Canada’s merchandise imports: $1,238.9

Singapore

- Capital: Singapore
- Population (millions): 5.5
- Total area: 700 km²
- Currency: Singapore dollar (SGD)
- Language(s): English, Chinese, Malay, Tamil
- GDP ($ billions) PPP: $471.9
- Real GDP growth (%): 2.0
- GDP per capita (PPP): $85,300
- Inflation (%): -0.5
- Unemployment (%): 2.0

Singapore is Southeast Asia’s leading financial and high-tech hub and has one of the most dynamic, pro-business, and open economies in the world. Singapore is Canada’s second-largest destination in Southeast Asia for foreign direct investment (valued at $2.2 billion in 2014), and is Canada’s largest source of foreign direct investment from Southeast Asia ($983 million in the same year).

Trade and Investment Value 2014 (in millions of dollars)
- Canada’s merchandise exports: $1,308.7
- Canada’s merchandise imports: $1,155.0
- Canadian investment in Singapore: $2,963
- Singaporean investment in Canada: $695
Thailand

- Capital: Bangkok
- Population (millions): 68.7
- Total area: 510,890 km²
- Currency: Baht (THB)
- Language(s): Thai
- GDP PPP: $1.108 trillion
- Real GDP Growth (%): 2.8
- GDP per capita (PPP): $16,100
- Inflation (%): -0.9
- Unemployment (%): 1

Thailand is an upper middle income country with a well diversified economy, an efficient labour force, and strong infrastructure. Political uncertainties have caused some strain, particularly in the tourism industry, but strong fiscal stimulus and monetary buffers have stabilized the economy. Since 2012, Canada has sought to increase its bilateral trade relationship with Thailand in the hopes of a free trade agreement.

**Trade and Investment Value 2014**

- Canada’s merchandise exports: $716.4
- Canada’s merchandise imports: $2,865.9
- Canadian investment in Thailand: $188
- Thailand investment in Canada: $9

Vietnam

- Capital: Hanoi
- Population (millions): 90.6
- Total area: 329,560 km²
- Currency: Vietnamese Dong (VND)
- Language(s): Vietnamese, English, French, Chinese, Khmer
- GDP ($ billions) PPP: $552.3
- Real GDP Growth(%): 6.7
- GDP per capita (PPP): $6,000
- Inflation (%): 0.6
- Unemployment (%): 3

Vietnam’s transition to an open and dynamic market economy began in 1986 with Doi Moi. Since then, it has consistently produced among the world’s highest growth rates. Its disciplined workforce, together with large and growing middle class, make it a particularly attractive destination for expansion. Vietnam is a priority emerging market under Canada’s Global Markets Action Plan; the major sectors of potential for Canada include agriculture, garment production, commercial technologies, and natural resource extraction.

**Trade and Investment Value 2014**

- Canada’s merchandise exports: $477.7
- Canada’s merchandise imports: $2,833
The survey on which the above research is based was administered online between June and August 2016. In total, 175 respondents took the survey, with roughly 135 providing comprehensive responses. The survey was self-administered through an online platform. There was no enforcement on participation. The survey is comprised of 40 multiple choice questions with an additional number (dependent on the response country) of open ended questions.

**Sampling strategy:** The sample consists of Canadian companies, Canadian business interests, and Canadian support organizations active in the ASEAN region. Respondents were contacted through three channels:

1. Members of the ASEAN-based Canadian Chambers of Commerce were contacted through their respective Chambers. In addition, members of the Canada-ASEAN Business Council (CABC) and the Asia Pacific Foundation of Canada (APF) were invited to take the survey.
2. Representatives of Canadian firms were contacted through the Commercial Economic sections of Canadian missions abroad operating in various ASEAN nations.
3. Representatives of Canadian firms were contacted directly by the survey team.

**How representative is this survey?** We are not aware of a comprehensive sample frame for our target population (Canadian business interests in the ASEAN region, together with their supporting organizations). This precludes accurate estimates of our sample’s representativeness. The remarkable diversity of Southeast Asia compounds this. For this reason, we have opted to present raw data where possible, rather than weighting to correct for suspected imbalances, given the lack of reliable data on which to base those corrections. Indices likewise do not employ corrective weighting.

In general, the respondents draw from a wide range of sectors and firm types. In this sense, we can confidently state that the survey is inclusive, but we cannot rule out that some firm types are over or underrepresented. At the country level, it is likely that Malaysia, Indonesia, and the Philippines, are underrepresented. But as before, without accurate data on the magnitude, we opt not to take haphazard corrective measures.

Breaking down responses by country cluster and firm type helps mitigate against issues of representativeness. Hence, we do so where feasible. Ultimately, while our sample is not fully representative, we believe that this survey is the most comprehensive of its kind to date, and consequently that it provides the most accurate overview of Canadian business interests in the ASEAN region that is available.

The percentages in the report may not add to 100% due to respondents selecting multiple answers, answering “not sure”, rounding errors, or submitting incomplete responses. Some quotes were edited for grammar and clarity.
## Appendices | Appendix A: Data Tables

### APX 1.1: Revenue Generation in ASEAN Region (by Country Cluster) (n = 130)

<table>
<thead>
<tr>
<th>Revenue Generated</th>
<th>Less than $1 million</th>
<th>$1-10 million</th>
<th>$11-50 million</th>
<th>$51-100 million</th>
<th>More than $100 million</th>
</tr>
</thead>
<tbody>
<tr>
<td>Singapore</td>
<td>19%</td>
<td>28%</td>
<td>16%</td>
<td>6%</td>
<td>31%</td>
</tr>
<tr>
<td>Malaysia and Thailand</td>
<td>45%</td>
<td>23%</td>
<td>18%</td>
<td>0%</td>
<td>15%</td>
</tr>
<tr>
<td>Indonesia and The Philippines</td>
<td>20%</td>
<td>35%</td>
<td>20%</td>
<td>10%</td>
<td>15%</td>
</tr>
<tr>
<td>Cambodia, Laos, Myanmar, and Vietnam</td>
<td>45%</td>
<td>29%</td>
<td>8%</td>
<td>3%</td>
<td>16%</td>
</tr>
</tbody>
</table>

### APX 1.2: Years Operating in the Region (by Country Cluster) (n = 175)

<table>
<thead>
<tr>
<th>Years of Operation</th>
<th>Less than 1 year</th>
<th>1-2 years</th>
<th>3-5 years</th>
<th>6-10 years</th>
<th>11-30 years</th>
<th>30 years +</th>
</tr>
</thead>
<tbody>
<tr>
<td>Singapore</td>
<td>9%</td>
<td>3%</td>
<td>15%</td>
<td>14%</td>
<td>44%</td>
<td>15%</td>
</tr>
<tr>
<td>Malaysia and Thailand</td>
<td>11%</td>
<td>5%</td>
<td>14%</td>
<td>11%</td>
<td>43%</td>
<td>16%</td>
</tr>
<tr>
<td>Indonesia and The Philippines</td>
<td>5%</td>
<td>0%</td>
<td>10%</td>
<td>25%</td>
<td>40%</td>
<td>20%</td>
</tr>
<tr>
<td>Cambodia, Laos, Myanmar, and Vietnam</td>
<td>16%</td>
<td>11%</td>
<td>24%</td>
<td>14%</td>
<td>24%</td>
<td>11%</td>
</tr>
<tr>
<td>Canada and Other</td>
<td>17%</td>
<td>12%</td>
<td>7%</td>
<td>17%</td>
<td>28%</td>
<td>19%</td>
</tr>
</tbody>
</table>

### APX 2.1: Future Business Perspectives (by Country Cluster) (n = 175)

<table>
<thead>
<tr>
<th>Perception Level</th>
<th>Very Optimistic</th>
<th>Somewhat Optimistic</th>
<th>Somewhat Pessimistic</th>
<th>Very Pessimistic</th>
</tr>
</thead>
<tbody>
<tr>
<td>Singapore</td>
<td>44%</td>
<td>53%</td>
<td>3%</td>
<td>0%</td>
</tr>
<tr>
<td>Malaysia and Thailand</td>
<td>57%</td>
<td>38%</td>
<td>5%</td>
<td>0%</td>
</tr>
<tr>
<td>Indonesia and The Philippines</td>
<td>55%</td>
<td>40%</td>
<td>5%</td>
<td>0%</td>
</tr>
<tr>
<td>Cambodia, Laos, Myanmar, and Vietnam</td>
<td>46%</td>
<td>54%</td>
<td>0%</td>
<td>0%</td>
</tr>
<tr>
<td>Canada and Other</td>
<td>49%</td>
<td>38%</td>
<td>13%</td>
<td>0%</td>
</tr>
</tbody>
</table>

### APX 2.2: Future Profitability Outlook (by Firm Type) (n = 135)

<table>
<thead>
<tr>
<th>Level of Profitability</th>
<th>Overall</th>
<th>MNC</th>
<th>ASEAN-based SME (multi)</th>
<th>ASEAN-based SME (one)</th>
<th>Canada-based SME</th>
</tr>
</thead>
<tbody>
<tr>
<td>Significantly more profitable</td>
<td>38%</td>
<td>32%</td>
<td>29%</td>
<td>52%</td>
<td>37%</td>
</tr>
<tr>
<td>Slightly more profitable</td>
<td>40%</td>
<td>46%</td>
<td>45%</td>
<td>31%</td>
<td>37%</td>
</tr>
<tr>
<td>About the same</td>
<td>20%</td>
<td>22%</td>
<td>26%</td>
<td>12%</td>
<td>21%</td>
</tr>
<tr>
<td>Slightly less profitable</td>
<td>1%</td>
<td>0%</td>
<td>0%</td>
<td>2%</td>
<td>0%</td>
</tr>
<tr>
<td>Significantly less profitable</td>
<td>1%</td>
<td>0%</td>
<td>0%</td>
<td>2%</td>
<td>0%</td>
</tr>
</tbody>
</table>
APX 3.1: Most Important Aspects of Economic Integration (by Firm Type)

<table>
<thead>
<tr>
<th>Economic Integration</th>
<th>Overall</th>
<th>MNC</th>
<th>ASEAN-based SME (multi)</th>
<th>ASEAN-based SME (one)</th>
<th>Canada-based SME</th>
</tr>
</thead>
<tbody>
<tr>
<td>Consistent enforcement of laws and regulations</td>
<td>1.02</td>
<td>0.96</td>
<td>1.27</td>
<td>1.04</td>
<td>0.74</td>
</tr>
<tr>
<td>Reduce favouritism to local firms</td>
<td>0.89</td>
<td>0.69</td>
<td>1.43</td>
<td>0.96</td>
<td>0.43</td>
</tr>
<tr>
<td>Reduce non-tariff and regulatory barriers</td>
<td>0.89</td>
<td>0.65</td>
<td>1.14</td>
<td>1.02</td>
<td>0.83</td>
</tr>
<tr>
<td>Facilitate investment</td>
<td>0.86</td>
<td>0.71</td>
<td>0.95</td>
<td>1.02</td>
<td>0.52</td>
</tr>
<tr>
<td>Reduce tariffs</td>
<td>0.66</td>
<td>0.37</td>
<td>0.92</td>
<td>0.77</td>
<td>0.65</td>
</tr>
<tr>
<td>Protect intellectual property rights</td>
<td>0.56</td>
<td>0.43</td>
<td>0.54</td>
<td>0.58</td>
<td>0.74</td>
</tr>
<tr>
<td>Harmonize product / service standards</td>
<td>0.45</td>
<td>0.28</td>
<td>0.57</td>
<td>0.47</td>
<td>0.61</td>
</tr>
</tbody>
</table>

Country cluster responses show an index (from zero to three) where higher scores denote a greater sense of importance (n = 129).

APX 3.2: Most Important Aspects of Economic Integration (by Country Cluster)

<table>
<thead>
<tr>
<th>Economic Integration</th>
<th>SG/BR</th>
<th>MY/TH</th>
<th>IN/PH</th>
<th>CLMV</th>
<th>Can/Oth</th>
</tr>
</thead>
<tbody>
<tr>
<td>Consistent enforcement of laws and regulations</td>
<td>1.47</td>
<td>0.92</td>
<td>1.45</td>
<td>1.10</td>
<td>0.73</td>
</tr>
<tr>
<td>Reduce favouritism to local firms</td>
<td>0.85</td>
<td>0.74</td>
<td>1.19</td>
<td>1.35</td>
<td>0.56</td>
</tr>
<tr>
<td>Reduce non-tariff and regulatory barriers</td>
<td>0.74</td>
<td>0.74</td>
<td>1.08</td>
<td>1.30</td>
<td>0.82</td>
</tr>
<tr>
<td>Facilitate investment</td>
<td>0.85</td>
<td>0.85</td>
<td>0.65</td>
<td>1.00</td>
<td>1.41</td>
</tr>
<tr>
<td>Reduce tariffs</td>
<td>0.50</td>
<td>0.50</td>
<td>0.73</td>
<td>0.75</td>
<td>0.72</td>
</tr>
<tr>
<td>Protect intellectual property rights</td>
<td>0.59</td>
<td>0.59</td>
<td>0.62</td>
<td>0.70</td>
<td>0.33</td>
</tr>
<tr>
<td>Harmonize product / service standards</td>
<td>0.53</td>
<td>0.53</td>
<td>0.49</td>
<td>0.55</td>
<td>0.36</td>
</tr>
</tbody>
</table>

Category responses show an index (from zero to three) where higher scores denote a greater sense of importance (n=129).

APX 3.3: Knowledge of Economic Integration (by Firm Type)

<table>
<thead>
<tr>
<th>Regional Integration Forms</th>
<th>Overall</th>
<th>MNC</th>
<th>ASEAN-based SME (multi)</th>
<th>ASEAN-based SME (one)</th>
<th>Canada-based SME</th>
</tr>
</thead>
<tbody>
<tr>
<td>AEC</td>
<td>1.87</td>
<td>1.89</td>
<td>1.86</td>
<td>2.00</td>
<td>1.58</td>
</tr>
<tr>
<td>TPP</td>
<td>2.39</td>
<td>2.62</td>
<td>2.47</td>
<td>2.12</td>
<td>2.37</td>
</tr>
<tr>
<td>RCEP</td>
<td>1.41</td>
<td>1.67</td>
<td>1.43</td>
<td>1.34</td>
<td>1.00</td>
</tr>
<tr>
<td>Canada-ASEAN FTA</td>
<td>1.67</td>
<td>1.87</td>
<td>1.64</td>
<td>1.48</td>
<td>1.79</td>
</tr>
</tbody>
</table>

Using an index from zero to four, with higher scores indicating greater awareness (n=134).

APX 5.1: Value of Services Available when Entering ASEAN Markets

<table>
<thead>
<tr>
<th>Available Services</th>
<th>Very Valuable</th>
<th>Somewhat Valuable</th>
<th>Not Valuable</th>
<th>Did Not Use</th>
</tr>
</thead>
<tbody>
<tr>
<td>Local Canadian Chamber of Commerce</td>
<td>15%</td>
<td>29%</td>
<td>6%</td>
<td>50%</td>
</tr>
<tr>
<td>Canadian Embassy</td>
<td>29%</td>
<td>21%</td>
<td>11%</td>
<td>39%</td>
</tr>
<tr>
<td>Consulting firm (ASEAN-based)</td>
<td>8%</td>
<td>21%</td>
<td>13%</td>
<td>58%</td>
</tr>
<tr>
<td>Consulting firm (Canadian-based)</td>
<td>5%</td>
<td>12%</td>
<td>14%</td>
<td>69%</td>
</tr>
<tr>
<td>Local bank</td>
<td>15%</td>
<td>37%</td>
<td>19%</td>
<td>29%</td>
</tr>
<tr>
<td>A Canadian firm already operating in ASEAN</td>
<td>9%</td>
<td>19%</td>
<td>10%</td>
<td>62%</td>
</tr>
<tr>
<td>Revenue Canada</td>
<td>3%</td>
<td>8%</td>
<td>14%</td>
<td>75%</td>
</tr>
<tr>
<td>Southeast Asian government agency</td>
<td>6%</td>
<td>24%</td>
<td>9%</td>
<td>61%</td>
</tr>
</tbody>
</table>
Appendices

Appendix B: Summaries of Economic Integration Plans

ASEAN Economic Community (AEC)

Two decades after beginning serious steps towards economic integration, the ASEAN Economic Community (AEC) was formally established in January of 2016.

Economic integration through the AEC is based on four pillars:

1. Single market and production base
2. Competitive economic region
3. Equitable economic development
4. Integration into global economy

The AEC aims to increase the attractiveness of the ASEAN market for foreign investors, in part by taking steps to streamline the commercial economic processes and increase the freeness with which goods, services, investment, and skilled labour flow within the region. Achieving this necessitates not only a reduction in tariffs, but also reducing the bureaucratic burdens placed on firms operating between and within ASEAN nations.

ASEAN integration is beneficial to Canada in two main ways: (1) the free flow of goods allows for greater exporting potential, and (2) reduced costs help the profit markets of Canadian firms relying on ASEAN nations for intermediate goods.

Regional Comprehensive Economic Partnership (RCEP)

The Regional Comprehensive Economic Partnership is often described as China’s alternative to the TPP. It is an expansion of ASEAN’s five existing ASEAN+1 FTAs with China, India, Japan, South Korea, and Australia and New Zealand. The centrality of ASEAN has led some to argue this agreement is more ASEAN led than Chinese led.

Negotiations between the 16 nations have been ongoing since 2013. The block includes more than 3 billion people and combined GDP of 17 trillion USD. The Pacific Economic Cooperation Council estimates that RCEP would contribute 644 million USD to the global economy by 2025, nearly ten times the amount the same study estimates for the TPP contribution.

RCEP negotiations are set to conclude shortly. Some concern has been voiced about limited enforcement mechanisms within the agreement’s framework.

Trans-Pacific Partnership (TPP)

The Trans-Pacific Partnership aims to create an Asia-Pacific free trade area comprising 12 countries. Of those, Brunei, Malaysia, Singapore, and Vietnam are signatories, with Indonesian and the Philippines having recently expressed interest in joining as well.

The agreement imposes high standards of compliance in the following below. It is seen as having strong enforcement mechanism:

- Intellectual property rights
- Protection and enforcement
- Competition with state-owned enterprises
- Regulatory coherence
- Trade facilitation and supply chains
- Cross-border data flows
- Enforceable investment rules

While the Canadian government signed the agreement on February 4th, 2016, ratification discussions continue in parliament. Concerns abound about the future of the agreement, given the current domestic political climate in the United States.
Kai Ostwald

Kai is an assistant professor at the Institute of Asian Research and the Department of Political Science at the University of British Columbia. He is also the director of UBC’s Centre for Southeast Asia Research. His research examines various aspects of Southeast Asia’s political economy, with an emphasis on development. He has conducted numerous surveys in Southeast Asia, and worked in the private sector in Singapore prior to transitioning into academics.

Kiran Alwani

Kiran is passionate about global development, and hopes to utilize her strong research, writing, and data analysis skills to create meaningful impact through policy making. She has worked at the Institute for Canadian Citizenship in Toronto, Teach For Pakistan, and at The Conference Board of Canada’s Public Policy division with the Northern and Aboriginal Policy research team. In the future, Kiran is interested in working on policies to promote inclusive and sustainable growth in emerging Southeast Asian markets.

Denea Bascombe

Denea Bascombe is a current MPPGA candidate with a political science background, which stems from various positions within the Liberal Party of Canada in British Columbia and STAND Canada. Currently, Denea is an active contributor to the United Nations Association in Vancouver and Observatory Media’s online presence. Her policy interests surround natural resource and water management and security throughout Southeast Asia.

Corrin Bulmer

UBC’s MPPGA program has provided Corrin with the opportunity to specialize in the quantitative presentation of qualitative data. Her interests are in identity creation and its impact on policymaking in contemporary Asia. Some of the countries she has done work on are Taiwan, Bhutan, Japan, Cambodia, and Thailand. Recently, she worked with Global Affairs Canada in the evaluation and monitoring procedures for many of Canada’s missions abroad.

Zameena Dadani

Zameena’s policy interests include creating effective business strategies, which pertain to governance, trade, and development. Working for Global Affairs Canada’s advocacy division, she has developed a passion for digital communication and results based management. With a research focus on bilateral and multilateral relationships in Asia-Pacific and ASEAN, Zameena aims to pursue a career creating innovative strategies to bridge the gaps between trade and development.

Brady Fox

Brady’s current focus is on performing impact evaluations of Southeast Asian policies, such as initiatives to improve public health, democracy, institutional capacity, and an open business environment. He aims to continue his work on these types of projects and promote Canada-ASEAN relations through activities such as founding the Mount Pleasant - Cambodia Health Initiative, a non-profit facilitating educational exchange between Canada and Cambodia and supporting health infrastructure projects.
Emily Mann

Emily’s research interests include how technology and public participation can be used to improve strategies for policy implementation in development projects. She has a background in marketing and project management with a focus on branding and business development. Some projects she has worked on include, an examination of Canada’s Arctic governance and of Southeast Asia’s diverse democratic structures.

Chad Rickaby

Chad is currently pursuing his interests in environmental studies and development policy through UBC’s MPPGA program, where he focuses primarily on the Asia Pacific region. In the future, he hopes to work in Asia, implementing and evaluating policies aiming to facilitate sustainable development and green growth. Chad was part of the UBC team coordinating the *Vision 20: International Summit on Global Governance’s New Frontiers*, which occurred at Zhejiang University earlier this year.

Sonia Takhar

Sonia’s academic interests include such multifaceted policy issues as those involved in the development of security and governance policies in the Middle East and Southeast Asia. She just completed a work term with the Industry, Business and Strategy division of *The Conference Board of Canada* and plans to pursue a career in public policy in the private sector. She hopes to pursue further projects intended to improve development through trade facilitation in the ASEAN region.

Canada-ASEAN Business Council

Wayne Farmer

**President**
Canada-ASEAN Business Council

Wayne has served as President of the Canada-ASEAN Business Council since 2014. Wayne is the Managing Partner of Islemount Limited, a firm specializing in providing transactional advice to entrepreneurs, families and professionally managed businesses in sourcing and negotiating private capital investment as well advising institutional LPs and GPs on fund positioning, structuring and direct investing. Wayne has extensive experience in Asian private equity in a wide variety of industry sectors and over the past eighteen years has been based at various times in Hong Kong, Singapore and Vietnam. Wayne attended Queen’s University, the Ivey Business School of the University of Western Ontario, and Singapore Management University.

Nicholas Stipp

**Communications Chair**
Canada-ASEAN Business Council

Nicholas has served as Communications Chair of the CABC since 2015. Nicholas is Director of Asia Operations for the Global Trade Business of Thomson Reuters. In this role, he leads a team of international customs and trade specialists across Asia who help global companies navigate the complex free trade agreements and customs regulations in the region, and automate trade-related processes to increase efficiency. Prior to Singapore, he worked with Thomson Reuters in Beijing, New York and Philadelphia. Originally from Vancouver, Nicholas holds Bachelor’s Degrees from the Wharton School of the University of Pennsylvania and an MBA from New York University’s Stern School of Business.

Greg Ross

**Executive Director**
Canada-ASEAN Business Council

Greg Ross has been Executive Director of the CABC since 2015, overseeing the delivery of all programs and services for the Council in its core pillars of advocacy, education and networking. Prior to the CABC, Greg spent the last two years in Asia, studying Mandarin in Beijing, China, and working in business development in the Chinese healthcare industry. Before coming to Asia, Greg held several leadership roles with not-for-profit organizations in Canada, and has a Bachelor of Commerce from the University of Victoria.
About UBC’s Masters of Public Policy and Global Affairs

This project was completed by Professor Kai Ostwald and a team of students from UBC’s Master of Public Policy and Global Affairs (MPPGA).

The MPPGA program is a highly challenging and rewarding graduate program that equips future leaders to navigate complex policy problems while driving positive global change.

The two-year, fulltime program provides a path for high-performing professionals to enhance their careers or transition into senior management roles in international institutions, companies, non-governmental organizations and various levels of government in all parts of the world. A strong focus on Asia throughout the program positions graduates to better understand and leverage key global changes.

- Gain a global perspective on complex political, socioeconomic, environment and cultural challenges
- Develop applied skills in policy design, implementation, analysis and communication
- Enjoy integrated learning in a global policy project with real world clients
- Choose from three streams in development and social change, sustainability, and global governance

Contact:

mppga.ubc.ca
mppga.program@ubc.ca
@ubcMPPGA

BECOME A GLOBAL CHANGE MAKER
GET THE POLICY DEGREE THE WORLD DEMANDS
The Canada-ASEAN Business Council (CABC), founded in 2012, is the preeminent organization with an ASEAN region-wide mandate to promote and increase trade relations between Canada and ASEAN.

At its core, the mission of CABC is simple: to provide our members with concrete commercial opportunities to build and grow their companies. The CABC offers our members advocacy, networking and integration, as well as education.

**Advocacy**
We work closely with national, regional and local governments to represent our members’ interests and concerns as well as to provide a platform through which to enact change. The CABC enjoys a productive and collegial relationship with key decision makers in the Canadian Governments and looks to continue to grow its relationship with the ASEAN secretariat and ASEAN Governments.

**Networking & Business Integration**
The primary purpose of the CABC is the creation, maintenance and growth of commercial interests within the Canada-ASEAN economic corridor. To this end, the CABC provides high quality networking opportunities to our members in order to build and grow their organizations.

**Education**
We educate our members about ASEAN and its opportunities by providing regional and industry-specific resources to help companies make the right decisions, at the right time.

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