

TPP



Opportunities for Vietnam

- Exports up 28.4% in 2025 over the “base line” w/o TPP
 - \$239 billion **without** TPP apparel/footwear \$113 billion
 - \$307 billion **with** TPP apparel/footwear \$165 billion
- GDP up 10.5% in 2025 over the “base line” w/o TPP

Source:

Petri, Peter et al., *The Trans-Pacific Partnership and Asia-Pacific Integration: A Quantitative Assessment*

<http://www.amchamvietnam.com/30436144/tpp/>

Vietnam: export changes

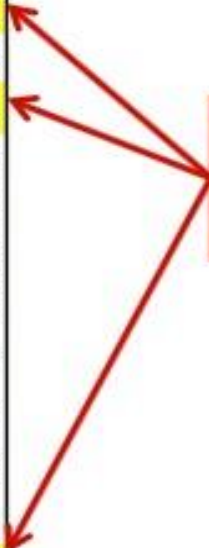
	Baseline	Change in exports \$bill.		
	2025	TPP-12	RCEP	FTAAP
Primary products	22.9	-2.8	0.5	-3.7
Rice	2.4	-0.2	0.1	-0.2
Wheat	0.0	0.0	0.0	0.0
Other agriculture	6.5	-1.3	0.4	-1.4
Mining	14.0	-1.3	0.1	-2.1
Manufactures	207.4	71.5	28.8	142.8
Food, beverages	5.9	-0.9	-0.3	-1.6
Textiles	26.0	12.9	5.0	30.1
Apparel, footwear	113.0	51.9	19.5	106.4
Chemicals	8.8	0.0	1.3	2.0
Metals	5.2	-0.1	0.0	-0.6
Electrical equipment	6.6	1.1	1.0	1.3
Machinery	14.4	2.0	1.7	3.0
Transport equipment	3.2	0.2	0.5	0.5
Other manufactures	24.2	4.3	0.2	1.7
Services	8.6	-0.8	0.5	-1.5
Utilities	0.0	0.0	0.0	0.0
Construction	1.2	0.0	0.7	0.4
Trade, transport, comm.	2.3	-0.3	0.1	-0.4
Private services	5.1	-0.5	-0.2	-1.4
Public services	0.1	0.0	0.0	0.0
Total	239.0	67.9	29.9	137.7

Three largest

Vietnam: import changes

	Baseline	Change in imports in 2025, \$bill.		
	2025	TPP-12	RCEP	FTAAP
Primary products	9.5	2.7	0.8	4.3
Rice	0.0	0.0	0.0	0.0
Wheat	0.5	0.0	0.0	-0.1
Other agriculture	7.8	2.5	0.8	4.1
Mining	1.2	0.2	0.0	0.3
Manufactures	210.9	49.8	25.1	103.6
Food, beverages	13.1	2.6	1.3	5.1
Textiles	41.7	18.4	8.0	40.6
Apparel, footwear	3.5	2.8	1.3	7.4
Chemicals	49.6	9.3	4.7	18.4
Metals	36.9	6.2	3.8	12.0
Electrical equipment	9.5	1.3	0.9	2.3
Machinery	34.5	3.9	1.9	6.5
Transport equipment	13.9	2.3	1.7	4.6
Other manufactures	8.2	3.1	1.6	6.7
Services	19.3	12.9	3.8	27.0
Utilities	0.0	0.0	0.0	0.0
Construction	0.5	0.3	0.0	0.5
Trade, transport, comm.	7.7	5.6	1.6	12.3
Private services	7.1	5.9	1.8	12.2
Public services	4.0	1.1	0.4	2.0
Total	239.7	65.4	29.7	134.9

Three largest



T&A Trade Pattern in America

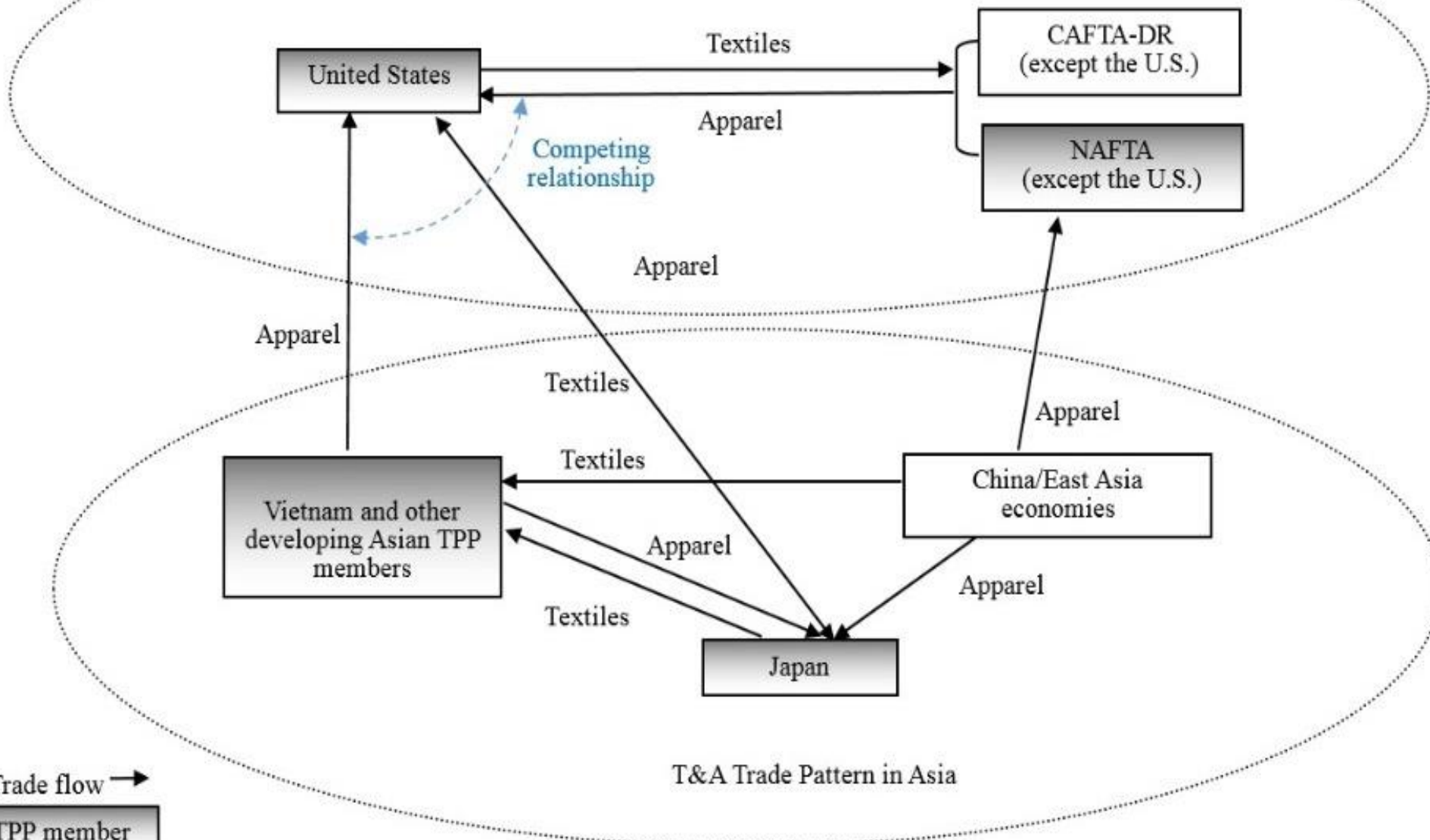
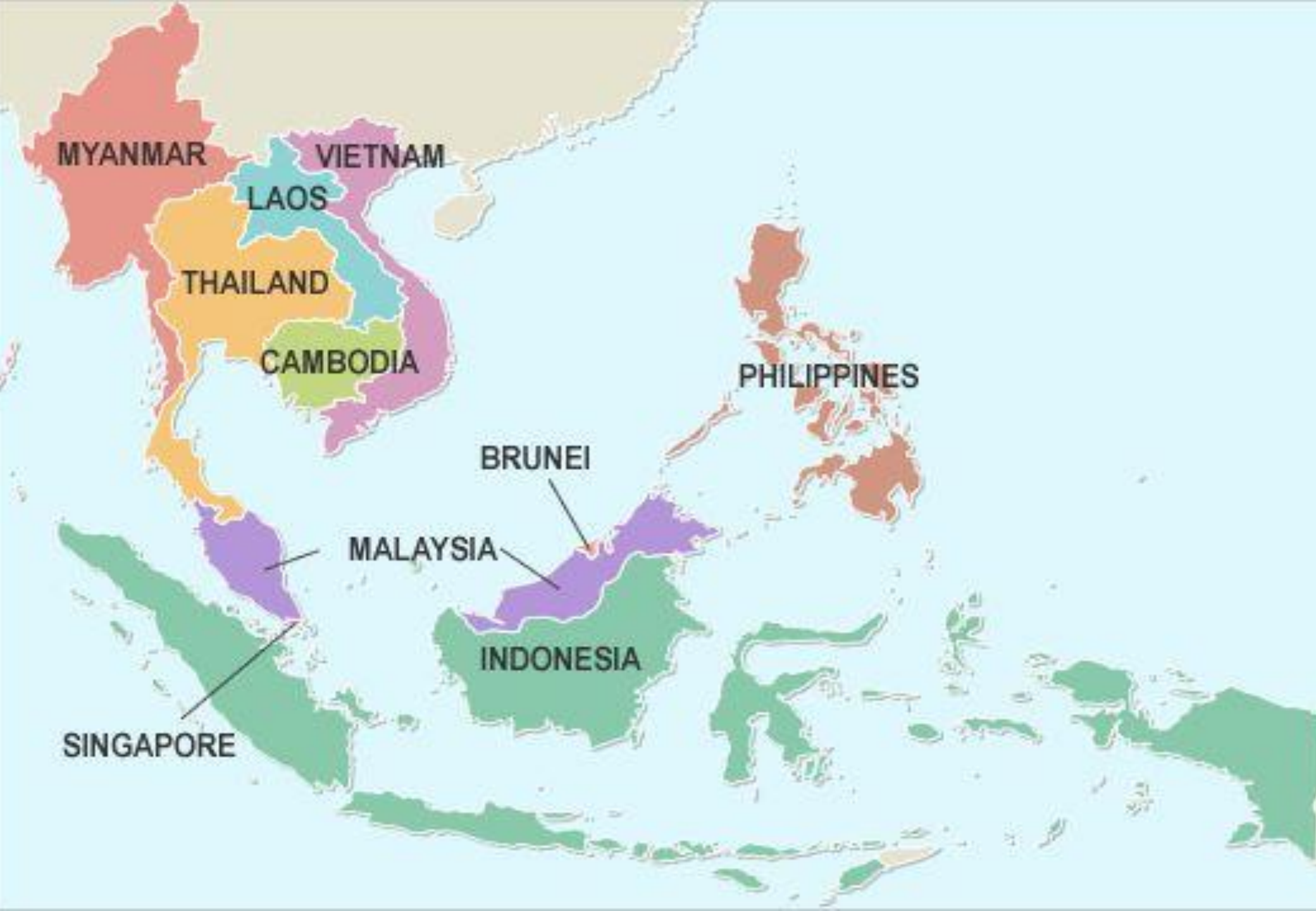


Figure 1 T&A Trade Flows in the TPP Region



MYANMAR

VIETNAM

LAOS

THAILAND

CAMBODIA

PHILIPPINES

BRUNEI

MALAYSIA

INDONESIA

SINGAPORE

WHY ASEAN MATTERS TO US

ASEAN policy to form an Economic Community with free movement of goods, services, labour and capital by 2015



ASEAN FDI inflows

overtook China in

2013

Asean's economy could exceed

US\$4 TRILLION
by 2020 (roughly that of Germany in 2013)

and nearly

4 times larger
by 2030

Home to nearly

10% of the world's population

Will rank as

5th LARGEST ECONOMY BY 2018

Annual average growth of

5.6% for the NEXT 5 YEARS

More than double the USA, triple that of the EU

Demographics are positive

and hugely advantageous to growth - young labour force.



Between

2014 AND 2018
the region's labour force will expand BY 1.7% (adding 28m new workers).

Will be the world's

3rd LARGEST EXPORTER BY 2018



ASEAN consumerism

is set to grow

EXPONENTIALLY

Productivity is creating a giant middle class.

Middle Class



Middle class households

will more than double BY 2018 TO 80m

Significant opportunities for

retailers, luxury market, manufacturers, auto industry, IT industry, healthcare, financial services and more



US-ASIA DIRECT INVESTMENT



LEAS

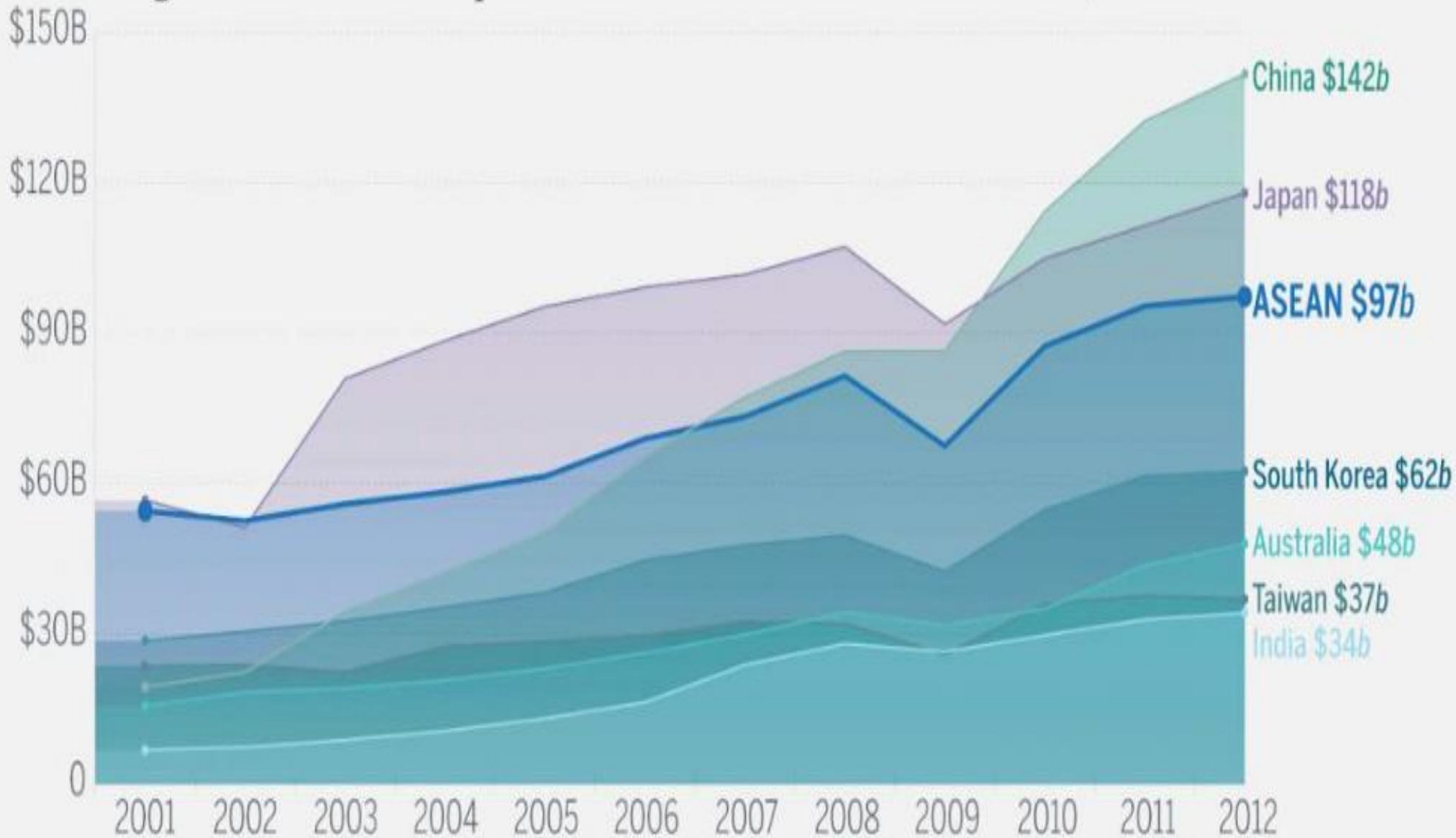
US-ASEAN
 BUSINESS COUNCIL

EAST-WEST CENTER
 COLLABORATION • EXPERTISE • LEADERSHIP

US-Asia direct investment levels (stock), through 2012.

US EXPORTS TO ASIA

US goods and services exports to ASEAN were valued at almost \$100 billion in 2012.



MIDDLE CLASS CONSUMER SPENDING

OUTER RING: 2030 in trillions, USD (projected)

INNER RING: 2009 in trillions, USD

