

ASEAN Greenfield Investment Environment

April 2024

-  Strategize
-  Expand
-  Set up
-  Invest

Reveal your international potential

01

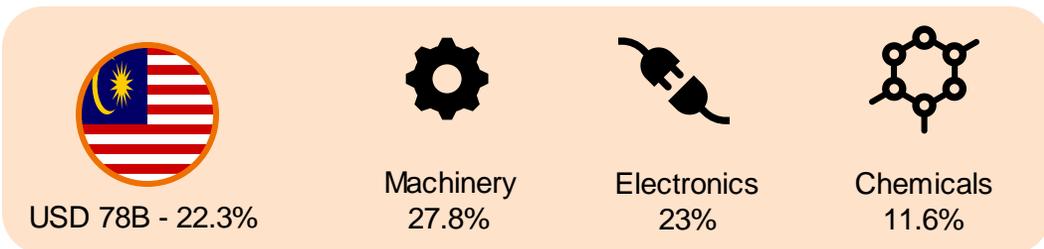
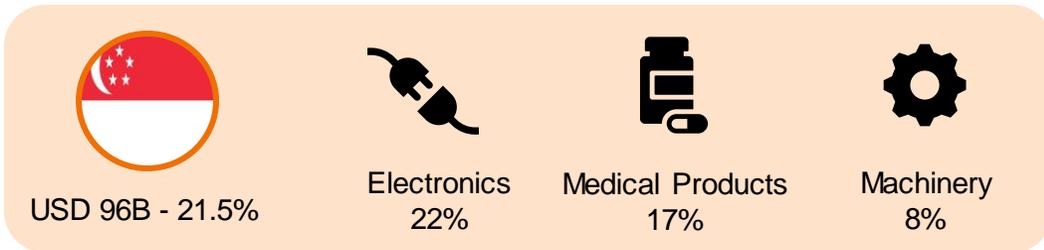
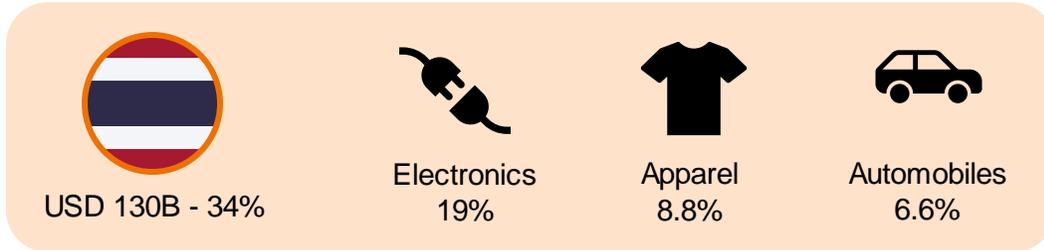
Greenfield Environment in ASEAN



Today's Leading Manufacturers in ASEAN and Key Industries

Manufacturing as % of GDP

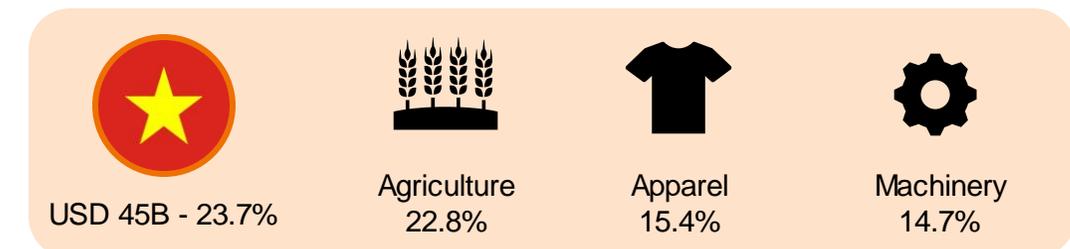
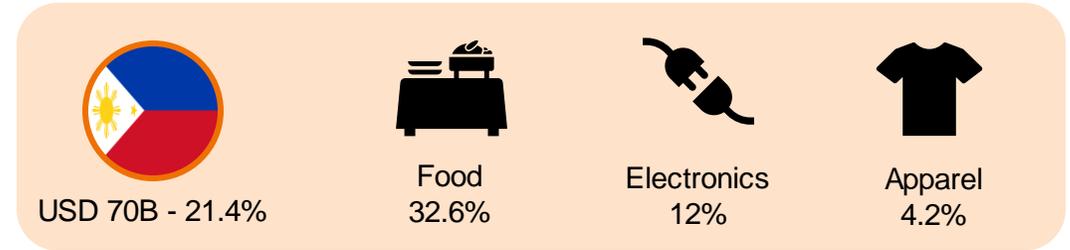
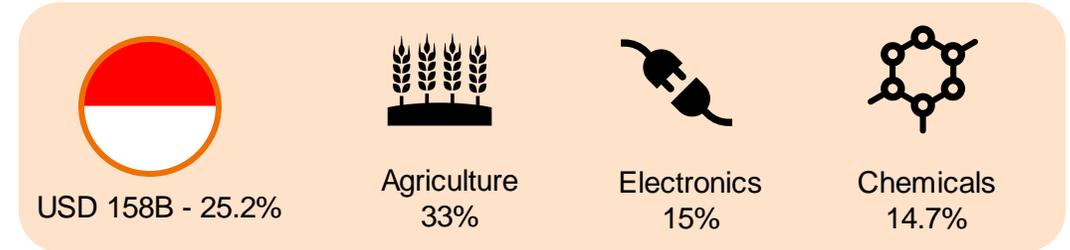
Segment as % of Manufacturing GDP



Emerging Nations and Key Industries

Manufacturing as % of GDP

Segment as % of Manufacturing GDP



Greenfield Environment in ASEAN

Key Figures



Indicators	Singapore	Vietnam	Indonesia	Malaysia	Thailand	Philippines
Minimum Paid Up Capital (EUR)	0.69	0	585,912	98,000	52,000	185,000
Growth Rate (% Manufacturing)	2.3	11.4	5.0	6.0	4.4	2.6
Unemployment Rate (%)	1.9	1.92	5.3	3.4	1.1	3.1
Active Labour Force (million)	3	52.4	147	18.1	40.2	46
Average Salary Per Month (EUR)	4342.47	288	780	1370	947	732
Corporate Tax Rate (% Foreign)	17	15	22	24	20	25
Ease of Doing Business (World Bank)	2	70	73	12	21	95



Strengths: Well connected (important port in the centre of Southeast Asia), skilled labour

Weaknesses: expensive, highly competitive, rising competition elsewhere



Strengths: Richly endowed in agricultural resources, long coastlines, diversified exports

Weaknesses: inadequate infrastructure, shortage of skilled labor, high corruption perception



Strengths: Strong supply chain, lots of industrial experience, lower costs

Weaknesses: infrastructure for logistics is still developing, approvals and permits are not granted quickly



Strengths: Diverse manufacturing opportunities, cost effective access to Asian markets

Weaknesses: political corruption, volatile export market



Strengths: diverse natural resources, low labour costs, huge internal market

Weaknesses: large infrastructure gap, market fragmentation, exposure to shifts in Chinese demand, corruption



Strengths: Strong consumer confidence, investment-friendly, gov. support

Weaknesses: low level of development, monopolies in strategic industries, labor rigidities

02

Industries in the Spotlight



Industries in the Spotlight

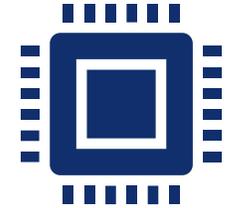
Industry 1: Electronics

Key Trends

- Southeast Asia is becoming a hub for research and development (R&D) in E&E.
- The accelerating digital transformation across industries—driven by AI (artificial intelligence), IoT (Internet of Things), AR/VR (augmented reality/virtual reality), quantum computing, and autonomous machines—creates tremendous opportunities for the semiconductor industry.
- Many companies are actively seeking alternative supply markets to China. Southeast Asia, with its lower labor costs, enhanced manufacturing capabilities, and trade agreements, is an attractive destination for E&E manufacturing. Foreign companies can take advantage of this diversification by establishing production facilities in the region

EUR 92 bn

Projected Southeast Asia's revenue from the digital economy (2023)



22 %

Annual Growth Rate (2024 - 2028)



Key Players



Key Associations

Singapore	Association of Electronic Industries in Singapore
Vietnam	Vietnam Electronic Industries Association (VEIA)
Indonesia	Asian Farmers Association for Sustainable Rural Development
Malaysia	The Electrical and Electronics Association of Malaysia
Thailand	Thailand Printed Circuit Board and Electronics Association

Industries in the Spotlight

Industry 2: Agriculture

Key Trends

- Agriculture is vital to the productivity of the ASEAN region, with significant exports like palm oil, rubber, rice, seafood, and fruits. Yet, challenges such as **climate change, overfishing, and unsustainable farming practices** pose significant threats to the sector.
- Despite this, there is optimism as various digital technologies offer opportunities to transform agriculture in the region. These technologies can reduce **acquisition costs, gather valuable farm data, and streamline paperwork**, ultimately enhancing sustainable production.
- Countries like Thailand, Malaysia, Indonesia, the Philippines, and Vietnam offer favorable conditions for large-scale AgriFoodTech manufacturing with opportunities for scaling up production and distribution.

EUR 56 bn

Import value projected in Southeast Asia's in 2024



12.12 %

Annual Growth Rate (2024 – 2028)



Key Players

<p>Agri-Businesses</p>	<p>Food Ingredients</p>
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Key Associations

Singapore	Singapore Agro-Food Enterprises Federation
Vietnam	Vietnam Organic Agriculture Association (VOAA)
Indonesia	Asian Farmers Association for Sustainable Rural Development
Malaysia	Malaysia Agricultural Producers Association
Thailand	
Philippines	Philippines Association of Agriculturists

03

China + 1 in ASEAN



China +1 Strategy in ASEAN

OVERVIEW



The **China Plus One Strategy**, also known as **Plus One or C+1**, is a supply chain strategy that encourages companies to minimize their supply chain dependency on China by diversifying the countries they source parts from.

The goal here is to **reduce the risk of over-relying on a single country** for sourcing and manufacturing—if you’ve ever heard the famous saying, “Don’t put all your eggs in one basket”, it’s a very similar approach.

Key strategies



Risk Mitigation: It is the likely reason you’re considering China Plus One in the first place. Supply chain disruptions can be caused by several factors, from natural disasters to political tensions to global pandemics.



Cost Savings: Adopting China Plus One allows your company to explore competitive labour costs, favourable exchange rates, and tax incentives in different countries to achieve cost savings.



Market Access: If you can diversify your manufacturing or supply chain operations to those areas learn about your target audience more directly.

 <p>VN : 15% CN : 10% KH : 70% BD : 90%</p> <p>Clothing</p>	 <p>KH : 12% BD : 3%</p> <p>Footwear</p>	 <p>CN: 49% ID: 49% VN: 46% TH: 39%</p> <p>Vehicles & parts</p>	 <p>ID : 23 % MY : 16%</p> <p>Minerals, oil & gas</p>
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China +1 Strategy in ASEAN

OVERVIEW



With the **ASEAN Plan of Action for Energy Cooperation (APAEC) Phase II (2021-2025)**, the region is committed to achieving Renewable Energy targets by **2025**:

- 23% in Total Primary Energy Supply (TPES)
- 35% share in installed power

Key strategies



Create an ASEAN power grid: To expand regional multilateral electricity trading, strengthen grid resilience and modernisation, and promote clean and renewable energy integration.



Promote energy efficiency and conservation: To reduce energy intensity by 32% in 2025 based on 2005 levels and encourage further energy efficiency and conservation efforts, especially in transport and industry sectors.



Policy: To advance energy policy and planning to accelerate the region's energy transition and resilience.

Singapore's Connectivity To APAC

GATEWAY TO APAC



Singapore is also **well connected to APAC.**

- **2 hours** away from **Ho Chi Minh City, Jakarta, Bangkok**
- **6 hours** away from **Seoul** and **Beijing**
- **7 hours** away from **Tokyo** and **Sydney**



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