

Southeast Asia

Executive Summary

This regional fact sheet provides key trade and investment related statistics for Southeast Asia (SEA). Specifically, it gives an overview of Southeast Asia in terms of the economy, geography and demographics. In addition it shows Southeast Asia's trade and investment figures and markets. The key highlights in the regional fact sheet are provided below:

Overview

- The population of Southeast Asia in 2017 was estimated at around 664 million people. The average annual growth rate over the past decade is around 6.45%.
- The countries in SEA belong to different regional groupings, namely the Association of Southeast Asian Nations (ASEAN), the Asia-Pacific Economic Cooperation (APEC) and the East ASEAN Growth Area (BIMP-EAGA).
- The Gross Domestic Product (GDP) of Southeast Asia in 2016 was around USD2.9trn in current USD.

Trade

- SEA is a net importer of services and this trend has been consistent over time. SEA exports of services were valued at USD317bn and imports were valued at USD330bn.
- Southeast Asia is a net exporter of goods, where exports were valued at USD1.16trn in 2015 compared to USD1.3trn in 2014, declining by 11.09%.
- In 2015, Singapore exported 30% of Southeast Asian exports valued at USD346.8bn. Although Singapore only has the fifth largest GDP in the region, it is a major transport hub re-exporting goods to the rest of Asia.
- South Africa exported goods to Southeast Asia valued at USD1.9bn in 2016, representing an increase of 3.81%, while imported goods were valued at USD5.36bn in 2016, declining by 4.3%.
- The Western Cape exported goods to the value of USD284.21m in 2016 compared to USD317.95m in 2015, representing a decrease of 10.62%, while imported goods declined by 51% in the same year.

Investment

- A total of 18 FDI projects were recorded from South Africa to Southeast Asia from 2003 to 2016. These projects represent a total capital investment of USD184.10m which is an average investment of USD10.20m per project.
- A total of 11 FDI projects were recorded from SEA to South Africa. These projects represent a total capital investment of USD154.60m which is an average investment of USD14.10m per project.
- Thoresen Shipping (Singapore), an operator of dry bulk vessels opened a new office in Cape Town making it the largest capex investor in the Western Cape.

Tourism

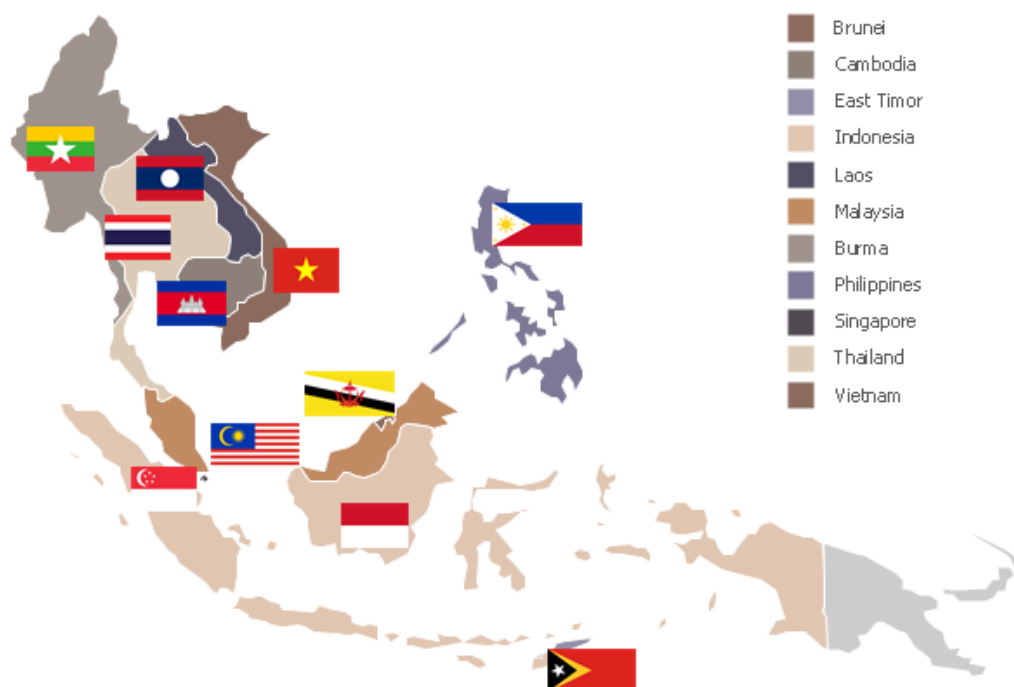
- In 2015 the SEA country with the highest number of arrivals into South Africa was Malaysia with 6,597 arrivals followed by Singapore with 5,149 arrivals.

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1. General Overview

Southeast Asia is a sub-region of Asia, consisting of the countries that are geographically south of China, east of India, west of New Guinea and north of Australia. In the UN scheme of geographic regions, 11 countries constitute the sub-region of Southeast Asia, these are listed below:



Source: Conceptdraw.com

The countries that make up Southeast Asian belong to different regional blocs. The table below shows the countries in Southeast Asia (*italicised*) that belong to the Association of Southeast Asian Nations (ASEAN), the Asia-Pacific Economic Cooperation (APEC) and the East ASEAN Growth Area (BIMP-EAGA). All ASEAN countries belong to the ASEAN Free Trade Area (AFTA). AFTA does not apply a common external tariff on imported goods, instead, each ASEAN member may impose tariffs on goods entering from outside ASEAN based on its national schedules. However, for imported goods originating within ASEAN, ASEAN members are to apply a tariff rate of 0-5 %.

REGIONAL BLOCS THAT INCLUDE SOUTHEAST ASIAN COUNTRIES	
NAME	MEMBER COUNTRIES
ASEAN	<i>Brunei, Cambodia, Indonesia, Laos, Malaysia, Myanmar, Philippines, Singapore, Thailand, Vietnam</i> (<i>East Timor has observer status and has applied for accession to membership</i>)
APEC	Australia, <i>Brunei</i> , Canada, Chile, China, Hong Kong, <i>Indonesia</i> , Japan, South Korea, <i>Malaysia</i> , Mexico, New Zealand, Papua New Guinea, Peru, <i>Philippines</i> , Russia, <i>Singapore</i> , Taiwan, <i>Thailand</i> , United States, <i>Vietnam</i>
BIMP-EAGA	<i>Brunei, Indonesia, Malaysia and the Philippines</i>

Source: WTO, 2014

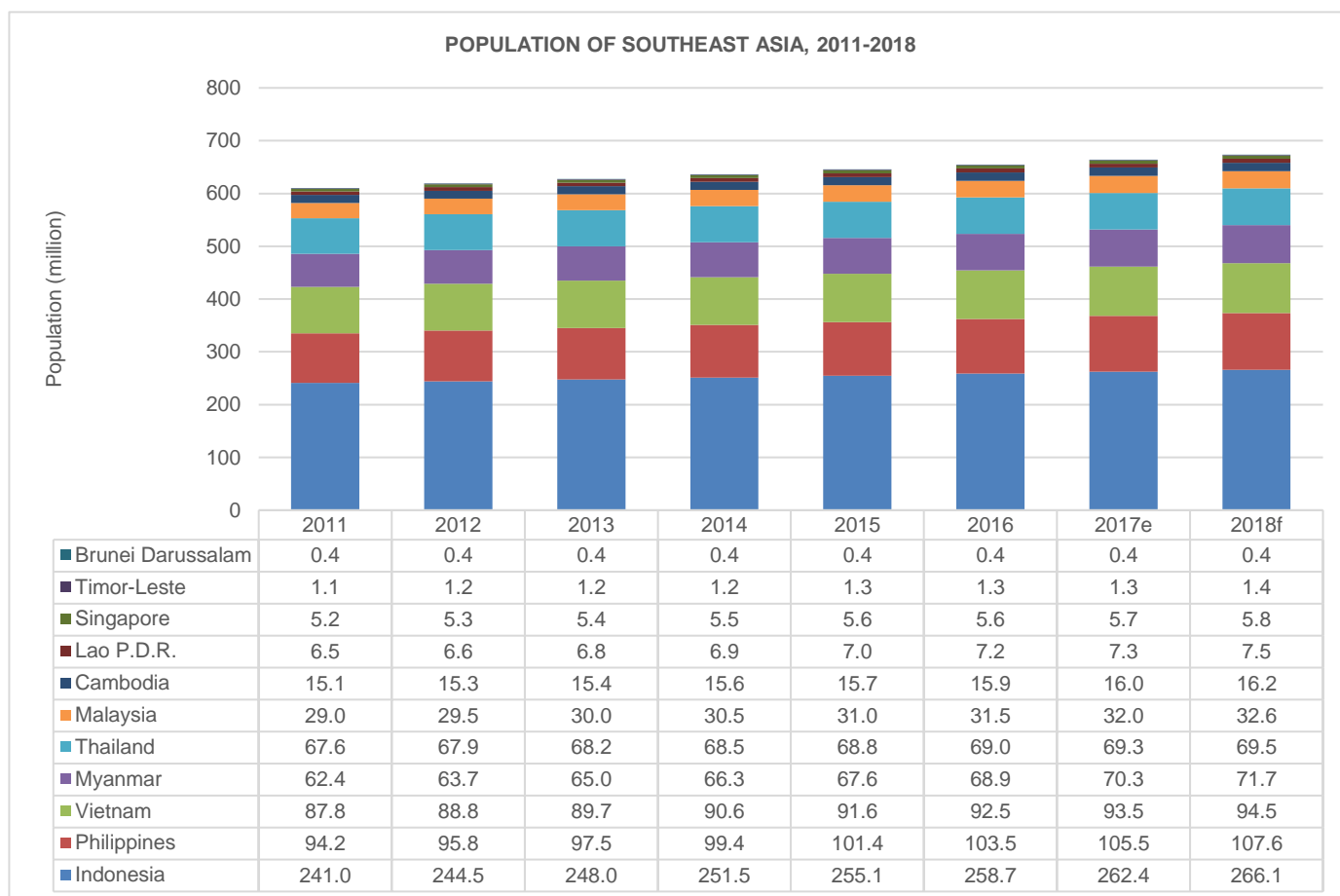
Note: the countries in italics belong to the Southeast Asian sub-region

In April 2009, Brunei and the Philippines also signed a Memorandum of Understanding (MOU) that seeks to strengthen the bilateral co-operation of the two countries in the fields of agriculture and farm-related trade and investments.

Indonesia, Malaysia, the Philippines and Thailand also belong to the Cairns group, together with South Africa, an interest group of agricultural exporting countries who advocate for the liberalisation of global trade in agricultural produce.

The population of Southeast Asia in 2017 was estimated at around 664 million people. The average annual growth rate over the past decade is around 6.45%. Indonesia is ranked as the 4th largest country by population with around

259 million people in 2016. The graph below shows the population in Southeast Asia, broken down by country, from 2011 to 2018f.



Source: IMF, 2017

Socio-economic indicators for Southeast Asia include the Human Development Index (HDI) and the average life expectancy in the region. The HDI is a composite statistic of life expectancy, education, and income indices used to rank countries into four tiers of human development. The Southeast Asian country with the best HDI ranking in 2015 was Singapore with an HDI of 0.925 (5th globally). Brunei, Malaysia and Thailand also had a global ranking in the top 100 countries with an HDI above 0.74.

HDI GLOBAL RANKING OF SOUTHEAST ASIAN COUNTRIES	
COUNTRY	2015 RANKING
Singapore	5
Brunei	30
Malaysia	59
Thailand	87
Indonesia	113
Vietnam	115
Philippines	116
South Africa	119
East Timor	133
Laos	138
Cambodia	143
Myanmar	145

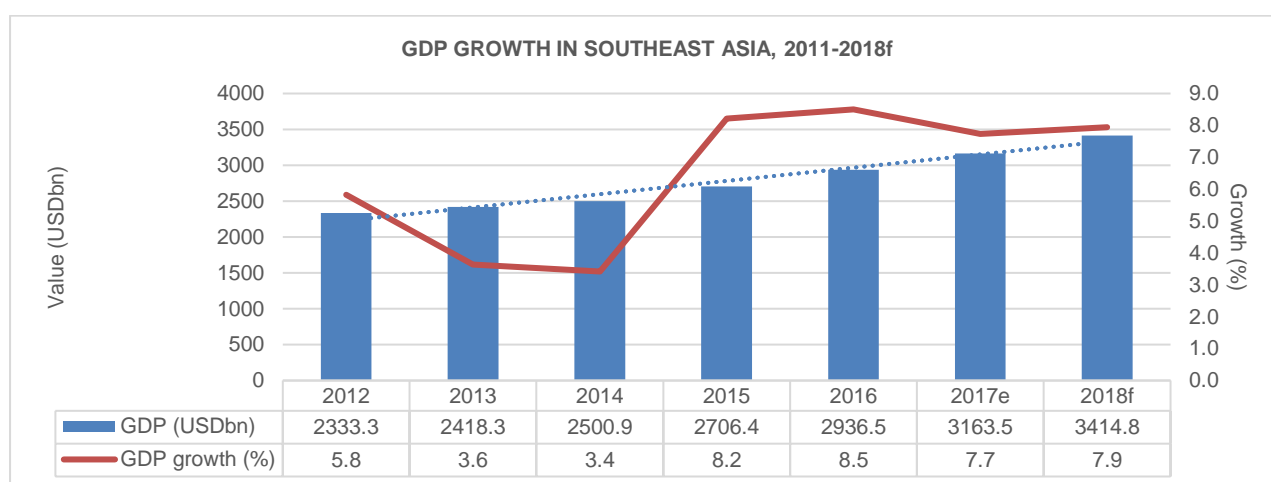
Source: UNDP, 2017

2. Economic Overview

ECONOMIC INFORMATION	
GDP (current USD, 2016)	USD2.91trn
GDP growth (2013)	8.5%
Exports (2015)	USD1.2trn
Imports (2015)	USD1.1trn
Inward FDI (2003-2016)	USD1,253.33bn
Outward FDI (2003-2016)	USD511.99bn

Source: IMF, 2017; Trademap, 2017, Financial Times, 2017

The real GDP growth of Southeast Asia is presented in the graph below. The Gross Domestic Product (GDP) of Southeast Asia in 2016 was around USD2.9trn in current USD. The highest GDP growth by country was seen in East Timor (9.5%) and Cambodia (7.5%). These are countries with low GDP and low HDI relative to the other SEA countries. The average GDP growth was brought down by countries such as Brunei (2.5%) and Singapore (3.9%).



Source: IMF, 2017

Indonesia and Thailand had the largest 2016 GDP in Southeast Asia valued at USD1.03trn and USD490bn respectively. The third largest GDP in the region was in Malaysia valued at USD380bn and the fourth largest was the Philippines valued at USD351bn. The table below shows the GDP of Southeast Asia, broken down by country, from 2011 forecasted to 2018.

SOUTHEAST ASIA GDP PER COUNTRY, (CURRENT USDBN), 2011-2018f								
	2011	2012	2013	2014	2015	2016	2017e	2018f
Indonesia	846.2	878.5	867.5	863.2	941.7	1030.4	1114.4	1212.0
Thailand	345.7	366.0	400.9	422.3	452.6	489.5	521.7	558.0
Malaysia	289.0	304.7	312.4	324.5	351.9	380.6	410.7	443.5
Philippines	224.1	250.2	272.2	292.2	320.8	351.2	384.5	420.5
Singapore	265.6	276.5	287.4	296.0	308.6	321.6	334.9	348.6
Vietnam	134.6	155.6	170.0	187.0	204.6	225.6	247.5	268.7
Myanmar	56.2	55.3	59.4	65.0	71.5	78.9	87.2	96.4
Cambodia	12.9	14.1	15.6	17.2	19.0	21.0	23.1	25.5
Brunei Darussalam	16.7	17.0	16.6	16.8	17.6	18.7	18.9	19.3
Lao P.D.R.	8.2	9.2	10.1	11.0	12.2	13.3	14.8	16.6
Timor-Leste	5.8	6.3	6.1	5.7	5.7	5.7	5.9	5.9

Source: IMF, 2017

3. Transport and Infrastructure

The Strait of Malacca is a narrow, 805km stretch of water between the Peninsular of Malaysia and the Indonesian island of Sumatra connecting the Pacific Ocean with the Indian Ocean. The strait is one of the most important shipping lanes in the world, linking major Asian economies such as India, China, Japan and South Korea. Over 94,000 vessels pass through the strait per year, carrying about one-quarter of the world's traded goods. The strait is not deep enough (at 25 meters) to allow some oil tankers to use it so those that cannot use the Lombok Strait, Makassar Strait, Sibutu Passage or Mindoro Strait. At Phillips Channel near the south of Singapore, the Strait of Malacca narrows to 2.8 km wide, creating one of the world's most significant traffic choke points.



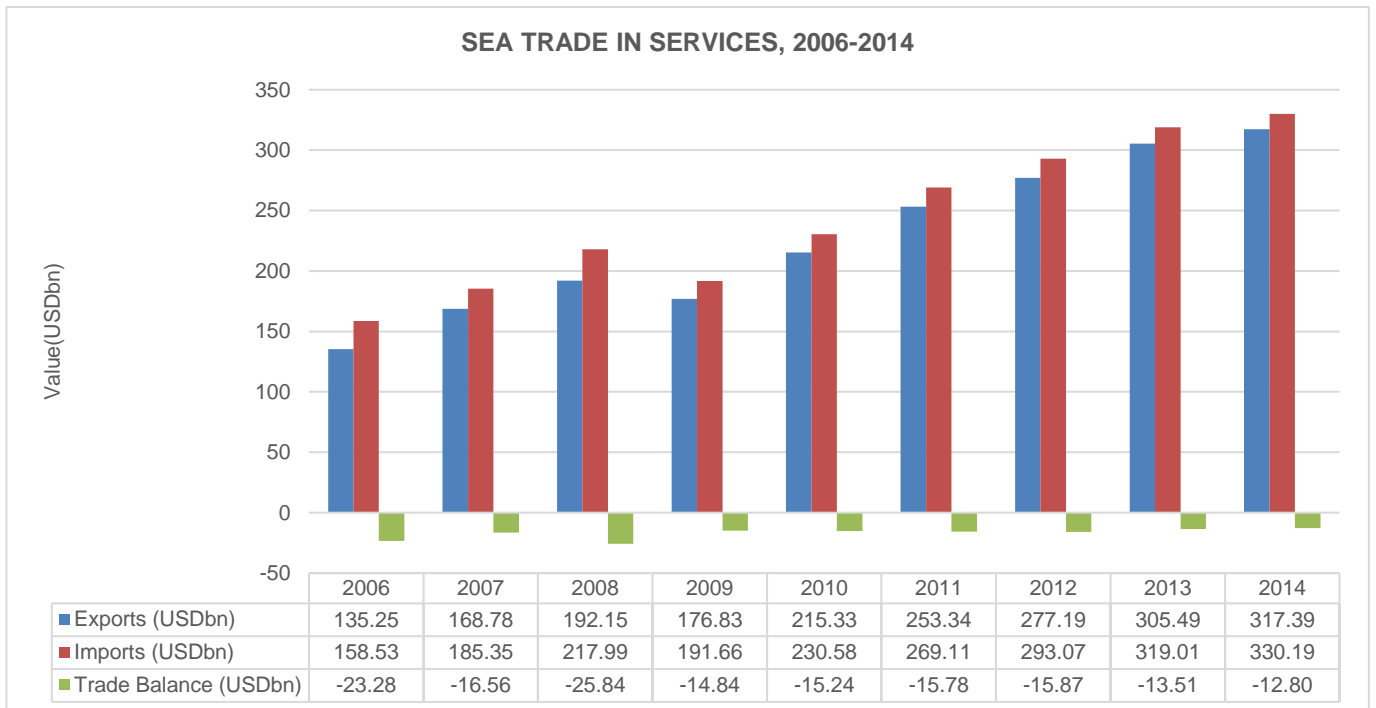
Source: *Earth Encyclopaedia*, 2017

4. Trade profile

4.1 Southeast Asia global trade in services

The figure below illustrates the trend in SEA's global trade in services from 2006 to 2014. SEA is a net importer of services and this trend has been consistent over time. SEA exports of services were valued at USD317bn and imports were valued at USD330bn.

Singapore was the largest exporter of services in the region in 2014 with exports worth USD150.7bn, almost half of the regions total exports. Singapore was followed by Thailand with USD55.3bn and Malaysia with USD42bn.



Source: TradeMap, 2017

4.2 Southeast Asia global trade in products

The figure below illustrates the trend in Southeast Asia's global trade from 2007 to 2015. Southeast Asia is a net exporter of goods, where exports were valued at USD1.16trn in 2015 compared to USD1.3trn in 2014, declining by 11.09%. Global imports by Southeast Asia in 2015 were valued at USD1.1trn compared to USD1.2trn in 2014, decreasing by 11.56%.



Source: TradeMap, 2017

In 2015, Singapore exported 30% of Southeast Asian exports valued at USD346.8bn. Although Singapore only has the fifth largest GDP in the region, it is a major transport hub re-exporting goods to the rest of Asia. Thailand was second with USD211bn (18.2%), followed by Malaysia with USD200.2bn (17.2%) and Vietnam with USD162bn (14%). The largest importing country in the region is Singapore again due to its strategic position, importing USD297bn (27%), followed by Thailand importing USD202bn (18%) and Malaysia importing USD176bn (16%).

The largest growth in exports in 2015 was seen in Cambodia, who also was the only country to experience positive growth, with an increase of 25% from 2014. This was mainly due to the increase in exports of electrical machinery which increased by 506% and was the fourth ranking export in 2015. Cambodia's imports increased by 10% in 2015 due to an increase in the value of vehicle imports, ranked second and pearls, ranked fifth.

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TOP 10 SOUTHEAST ASIAN EXPORTERS, 2015				TOP 10 SOUTHEAST ASIAN IMPORTERS, 2015			
RANK	COUNTRY	VALUE 2015 (USDbn)	% GROWTH 2014-2015	RANK	COUNTRY	VALUE 2015 (USDbn)	% GROWTH 2014-2015
1	Singapore	346.8	-15.4	1	Singapore	296.89	-18.94
2	Thailand	210.9	-7.3	2	Thailand	202.03	-11.36
3	Malaysia	200.2	-14.5	3	Malaysia	176.17	-15.63
4	Vietnam	162.0	7.9	4	Vietnam	165.78	12.13
5	Indonesia	150.3	-14.6	5	Indonesia	142.69	-19.92
6	Philippines	58.6	-5.1	6	Philippines	70.15	3.60
7	Myanmar	13.2	-45.6	7	Myanmar	22.23	-0.67
8	Cambodia	8.5	24.8	8	Cambodia	10.67	9.96
9	Brunei	6.4	-39.5	9	Laos	6.57	-9.46
10	Laos	4.0	-13.3	10	Brunei	3.23	-10.27
TOTAL SOUTHEAST ASIAN EXPORTS		1161.0	-11.1	TOTAL SOUTHEAST ASIAN IMPORTS		1096.42	-11.56

Source: TradeMap, 2017

The table below shows Southeast Asia's top 10 traded products for 2015. Electronic integrated circuits and micro-assemblies was the leading export product category, valued at USD289bn. Automatic data processing machines ranked second and refined petroleum oil ranked third valued at USD136.87bn and USD134.28bn respectively. Other top exports are diodes etc (USD41bn) and cars (USD37.99bn). Due to the nature of Singapore being a major

distributor of imported goods in SEA, many top imports are also top exports as these products are being re-exported in the region.

Electronic integrated circuits were also the leading imported product in Southeast Asia in 2015, valued at USD129.45bn, followed by refined petroleum oil and crude petroleum oil. The largest growth in imports was seen for automatic data processing machines which grew by 24% from 2014-2015.

TOP 10 PRODUCTS EXPORTED BY SOUTHEAST ASIA, 2015				TOP 10 PRODUCTS IMPORTED BY SOUTHEAST ASIA, 2015			
RANK	PRODUCT	VALUE 2015 (USDbn)	% GROWTH 2014-2015	RANK	PRODUCT	VALUE 2015 (USDbn)	% GROWTH 2014-2015
1	Electronic integrated circuits and micro-assemblies	289.84	-0.40	1	Electronic integrated circuits	129.45	-5.58
2	Automatic data-processing machines	136.87	-34.81	2	Refined petroleum oils	38.82	0.41
3	Refined petroleum oils	134.28	-3.93	3	Crude petroleum oils	61.16	-37.11
4	Diodes, transistors and similar semiconductor devices	41.19	0.42	4	Telephone sets, incl. telephones for cellular networks or for other wireless networks	21.17	6.08
5	Motor cars and other motor vehicles principally designed for the transport of persons	37.99	-12.67	5	Automatic data-processing machines	12.33	24.20
6	Palm oil and its fractions, whether or not refined	34.14	-0.31	6	Parts and accessories for tractors, motor vehicles for the transport of ten or more persons	25.06	-16.03
7	Parts and accessories for tractors, motor vehicles for the transport of ten or more persons	33.37	-15.67	7	Gold, incl. gold plated with platinum	13.43	-2.38
8	Petroleum gas and other gaseous hydrocarbons	29.33	-25.21	8	Parts and accessories for word processing & office machines	31.91	-34.66
9	Parts and accessories for word processing & office machines	29.11	-11.98	9	Petroleum gas and other gaseous hydrocarbons	14.74	-14.61
10	Gold, incl. gold plated with platinum	26.22	-21.47	10	Diodes, transistors and similar semiconductor devices	6.81	17.64
TOTAL EXPORTS		1160.97	-11.09	TOTAL IMPORTS		1096.4	-11.6

Source: TradeMap, 2017

The top products (HS4) **exported** by the top markets are shown below:

Singapore

- Electronic integrated circuits and parts (USD75.78bn)
- Refined petroleum oils (USD42.11bn)
- Telephone sets including cell phones (USD10.22bn)
- Automatic data processing machines (USD10.05bn)
- Diodes, transistors and semi-conductors (USD8.47bn)

Thailand

- Automatic data processing machines (USD11.41bn)
- Motor cars for the transport of people (USD9.39bn)
- Motor vehicles for the transport of goods (USD8.16bn)
- Electronic integrated circuits (excl. processors, controllers) (USD7.61bn)
- Refined petroleum oils and preparations (USD6.8bn)

Malaysia

- Electronic integrated circuits and parts (USD27.21bn)
- petroleum gas (USD12.71bn)
- Refined petroleum oils and preparations (USD10.6bn)
- Palm oil and its fractions refined but not chemically modified (USD9.5bn)

- Diodes, transistors and semi-conductors (USD8.1bn)

Vietnam

- Telephones for cellular networks mobile telephones or for other wireless (USD31.31bn)
- Other Footwear, outer soles of rubber/plastics uppers of textile material (USD4.85bn)
- Automatic data processing machines (USD4.76bn)
- Other Footwear, outer soles of rubber/plastics uppers of leather (USD4.66bn)
- Electronic integrated circuits as processors and controllers (USD4.08bn)

Indonesia

- Palm oil and its fractions refined but not chemically modified (USD15.39bn)
- Coal; briquettes, and other fuel made from coal (USD14.66bn)
- Petroleum gas (USD10.34bn)
- Crude petroleum oils and oils obtained from bituminous minerals (USD6.46bn)
- Natural rubber, balata and similar natural gums (USD3.7bn)

The top products (HS4) **imported** by the top markets are shown below:

Singapore

- Electronic integrated circuits and parts (USD53.04bn)
- Refined petroleum oils (USD42.7bn)
- Crude petroleum oils (USD18.24bn)
- Telephones for cellular networks mobile telephones or for other wireless (USD8.41bn)
- Turbojets, turbo propellers and other gas turbines (USD6.19bn)

Thailand

- Crude petroleum oils (USD19.45bn)
- Electronic integrated circuits and parts (USD9.36bn)
- Telephones for cellular networks mobile telephones or for other wireless (USD7.20bn)
- Gold, including gold plated platinum (USD6.11bn)
- Parts and accessories for tractors, and people movers (USD5.37bn)

Malaysia

- Electronic integrated circuits and parts (USD24.79bn)
- Refined petroleum oils (USD14.72bn)
- Diodes, transistors and semi-conductors (USD3.85bn)
- Telephones for cellular networks mobile telephones or for other wireless (USD3.81bn)
- Crude petroleum oils (USD3.28bn)

Vietnam

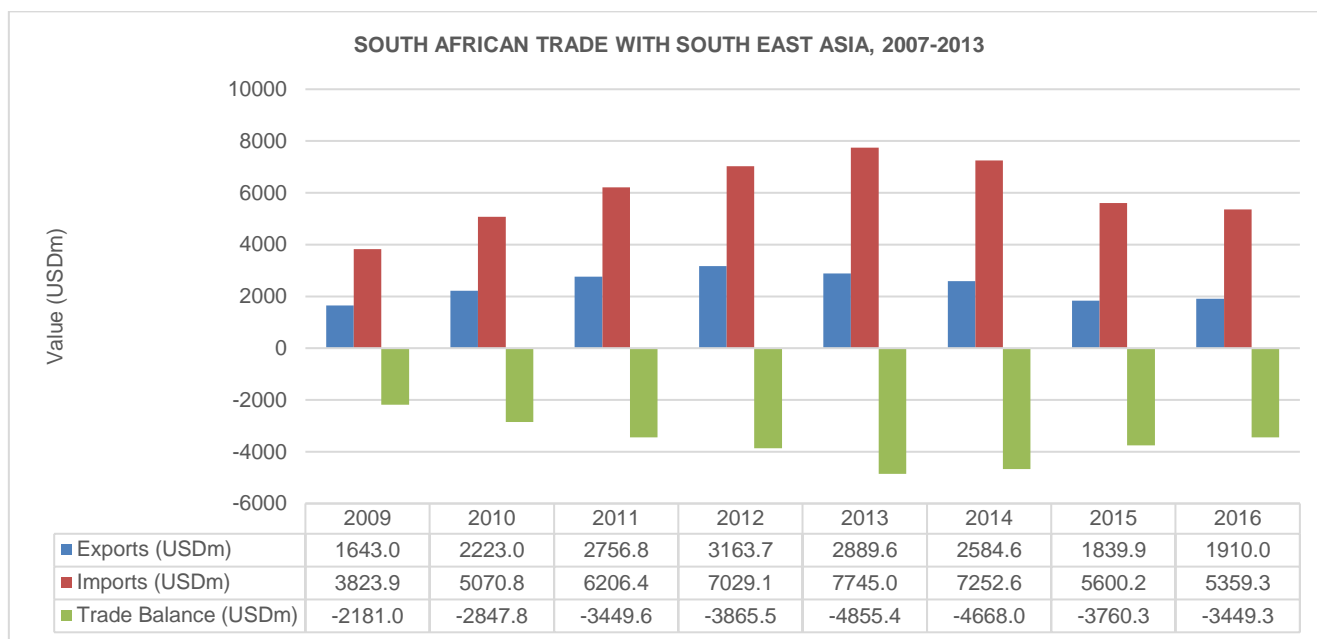
- Electronic integrated circuits and parts (USD12.94bn)
- Telephones for cellular networks mobile telephones or for other wireless (USD11.72bn)
- Refined petroleum oils (USD5.97bn)
- Fabrics, knitted or crocheted of a width of >30cm (USD2.18bn)
- Medicaments, mixed and unmixed (USD2.09bn)

Indonesia

- Refined petroleum oils (USD14bn)
- Crude petroleum oils (USD8.06bn)
- Telephones for cellular networks mobile telephones or for other wireless (USD4.32bn)
- Parts and accessories for tractors, and people movers (USD2.46bn)
- Wheat and meslin (USD2.08bn)

4.3 Trade with South Africa

The figure below shows trade between South Africa and Southeast Asia from 2009 to 2016. In this period South Africa had a trade deficit with Southeast Asia, with the largest deficit in 2013 of USD4.8bn. South Africa exported goods to Southeast Asia valued at USD1.9bn in 2016, representing an increase of 3.81%, while imported goods were valued at USD5.36bn in 2016, declining by 4.3%.



Source: TradeMap, 2017

South Africa's top Southeast Asian country with which it trades is Thailand, which receives the highest exports (USD484.71m) as well as being the largest source market for South African imports (USD2.1bn). The largest exports to Thailand include aluminium and engine parts. South Africa imports a wide variety of goods from Thailand, with rice and parts for tractors and people movers being the major goods. South Africa's second largest destination market in the region is Malaysia (USD464.3m) with the bulk of exports being stainless steel and coal. Singapore is the second largest source market for South Africa from the region (USD1.18bn) with refined petroleum oil accounting for 30% of these imports.

TOP 10 SOUTH AFRICAN DESTINATION MARKETS, 2016				TOP 10 SOUTH AFRICAN SOURCE MARKETS, 2016			
RANK	COUNTRY	VALUE 2016 (USDm)	% GROWTH 2015-2016	RANK	COUNTRY	VALUE 2016 (USDm)	% GROWTH 2015-2016
1	Thailand	484.71	1.43	1	Thailand	2155.0	20.2
2	Malaysia	464.30	6.27	2	Singapore	1187.5	18.0
3	Singapore	431.47	-12.97	3	Vietnam	775.8	12.0
4	Indonesia	255.95	54.27	4	Malaysia	661.2	7.6
5	Vietnam	211.82	9.31	5	Indonesia	380.4	-71.6
6	Philippines	50.91	-20.73	6	Philippines	174.7	26.5
7	Myanmar	6.36	369.45	7	Cambodia	20.4	28.0
8	Cambodia	2.58	-18.88	8	Myanmar	3.8	151.3
9	Brunei	1.37	110.14	9	Laos	0.3	144.9
10	Laos	0.58	153.07	10	Brunei	0.2	22100.0
TOTAL EXPORTS		1910.05	3.81	TOTAL IMPORTS		5359.3	-4.3

Source: TradeMap, 2017

The leading export product from South Africa to Southeast Asia (SEA) was chemical wood pulp valued at USD186.9m. Around 14.9% of all chemical wood pulp from South Africa is exported to Thailand, who is the second largest export destination for this product after China. Indonesia is the fourth largest destination market for this product.

Flat-rolled steel (USD155m) is the second largest export from South Africa, destined for Malaysia (29% of South African exports). These exports are followed by unwrought aluminium worth USD132.4m, mainly to Thailand and Malaysia. The largest growth was seen in the export of motor cars, which grew by 121% in 2015.

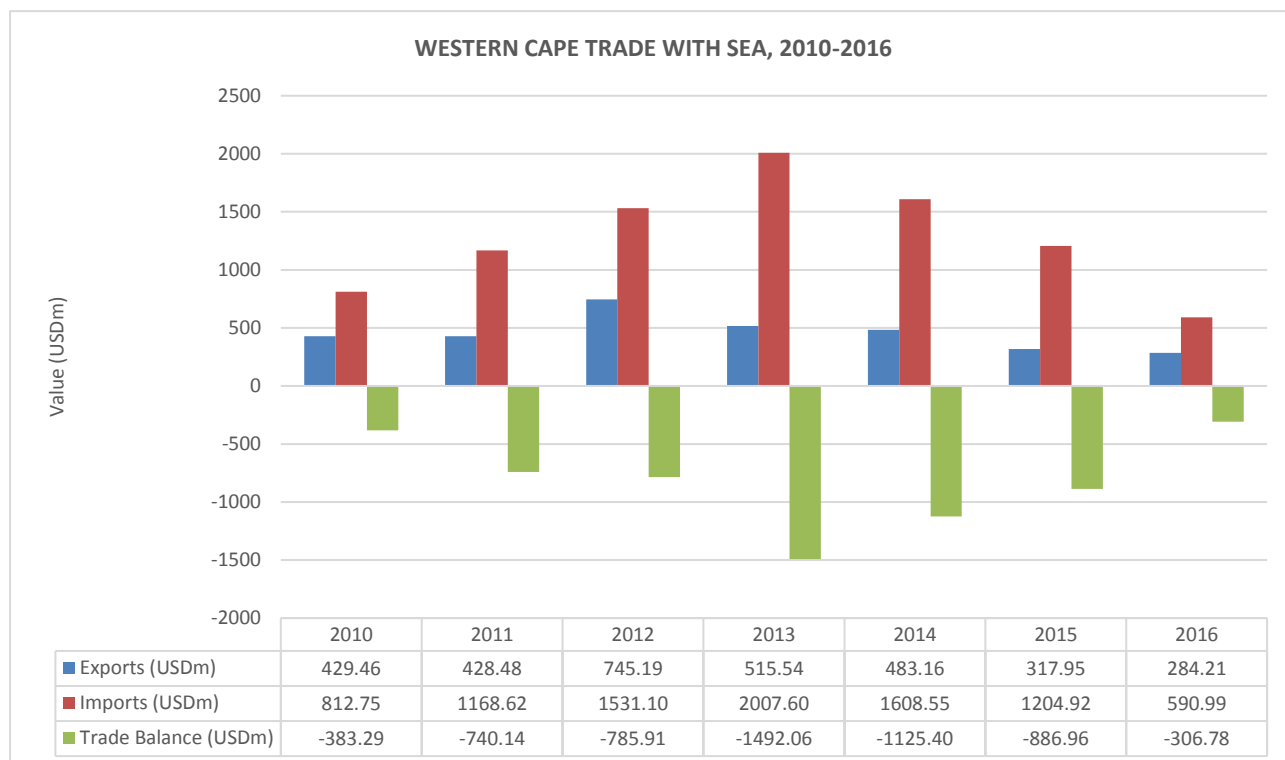
The leading import product from Southeast Asia was telephone sets and cell phones valued at USD750m, followed by palm oil and its fractions (USD285m) and rice (USD241m). The largest growth in imports was seen for palm oil, which grew by 94%.

TOP 10 SOUTH AFRICAN EXPORTS TO SOUTHEAST ASIA, 2016				TOP 10 SOUTH AFRICAN IMPORTS FROM SOUTHEAST ASIA, 2016			
RANK	PRODUCT	VALUE 2016 (USDm)	% GROWTH 2015-2016	RANK	PRODUCT	VALUE 2016 (USDm)	% GROWTH 2015-2016
1	Chemical wood pulp, dissolving grades	186.9	18.45	1	Telephone sets, incl. cell phones	750.4	34.4
2	Flat-rolled products of stainless steel, of a width of >= 600 mm, hot-rolled or cold-rolled	154.7	7.67	2	Palm oil and its fractions	284.6	94.1
3	Unwrought aluminium	132.4	20.46	3	Rice	241.1	70.0
4	Acyclic hydrocarbons	123.3	-12.83	4	Automatic data-processing machines and units thereof	151.9	5.0
5	Coal; briquettes, ovoids	92.3	22.20	5	Footwear with outer soles of rubber, plastics, leather and uppers of textile	148.5	11.0
6	Apples, pears and quinces, fresh	74.2	39.61	6	Refined petroleum oils	127.3	-88.4
7	Motor cars	66.8	120.89	7	Motor cars	121.6	-34.1
8	Engine parts	63.6	-10.30	8	Parts and accessories for tractors and people movers	102.2	52.6
9	Citrus fruit,	54.3	-19.81	9	Printing machinery used for printing by means of plates, cylinders and other printing components	97.7	12.3
10	Centrifuges, incl. centrifugal dryers filtering or purifying machines	45.0	53.02	10	Polymers of ethylene, in primary forms	80.5	29.5
TOTAL EXPORTS		1910.0	3.81	TOTAL IMPORTS		5359.3	-4.3

Source: TradeMap, 2017

4.4 Trade with the Western Cape

The figure below shows trade between the Western Cape and Southeast Asia (SEA) from 2010 to 2016. The province exported goods to the value of USD284.21m in 2016 compared to USD317.95m in 2015, representing a decrease of 10.62%, while imported goods declined by 51% in the same year. Over the period, the Western Cape has demonstrated a negative trade balance with Southeast Asia. The negative trade balance decreased in 2016 due to the decrease in the value of petroleum oil imports from the region.



Source: Quantec, 2017

The table below shows the top 10 traded products between the Western Cape and Southeast Asia (SEA) in 2016. The top exports from the Western Cape were apples, pears and quinces (USD71.39m), citrus fruit (USD33.99m) and grapes (USD21.01m). The largest growth was seen for iron and steel scrap, which fluctuates year-on-year as it is offered to the local market for first-purchase options.

Top valued imports include fossil fuels as well as agricultural goods such as rice and prepared or preserved fish, however, it is more diverse including footwear, aluminium caskets and beneficiated commodities. The highest growth in imports was seen for diodes and transistors etc.

TOP 10 WESTERN CAPE EXPORTS TO SOUTHEAST ASIA, 2016				TOP 10 WESTERN CAPE IMPORTS FROM SOUTHEAST ASIA, 2016			
RANK	PRODUCT	VALUE 2016 (USDm)	% GROWTH 2015-2016	RANK	PRODUCT	VALUE 2016 (USDm)	% GROWTH 2015-2016
1	Apples, pears and quinces	71.39	-0.74	1	Refined petroleum oils	80.90	-87.82
2	Citrus fruit	33.99	-4.32	2	Rice	60.30	-15.04
3	Grapes	21.01	-19.07	3	Prepared or preserved fish; caviar	52.89	-40.84
4	Fruit, nuts and other edible parts of plants, otherwise prepared or preserved	16.11	30.03	4	Diodes, transistors and similar semiconductor devices	50.31	83.28
5	Refined petroleum oils	15.98	-67.82	5	Ceramic wares for laboratory, chemical or other technical uses	22.91	15.47
6	Crustaceans	13.33	-51.32	6	Footwear with outer soles of rubber, plastics, leather or composition leather and uppers of textile materials.	21.21	60.04

TOP 10 WESTERN CAPE EXPORTS TO SOUTHEAST ASIA, 2016				TOP 10 WESTERN CAPE IMPORTS FROM SOUTHEAST ASIA, 2016			
RANK	PRODUCT	VALUE 2016 (USDm)	% GROWTH 2015-2016	RANK	PRODUCT	VALUE 2016 (USDm)	% GROWTH 2015-2016
7	Wine of fresh grapes	7.82	-12.55	7	Pepper	11.63	-1.18
8	Ferrous waste and scrap; of iron or steel.	7.75	5018.83	8	Other furniture and parts thereof.	9.04	-21.03
9	Other nuts, fresh or dried, whether or not shelled or peeled.	6.87	227.77	9	Aluminium casks, drums, cans, boxes and similar containers	8.97	23.79
10	Fruit juices (including grape must) and vegetable juices	5.82	17.04	10	Other footwear with outer soles and uppers of rubber or plastics.	8.91	7.13
TOTAL EXPORTS		284.18	-10.53	TOTAL IMPORTS		590.80	-51.08

Source: Quantec, 2017

Western Cape exports to Southeast Asian (SEA) markets are categorised in the table below. The highest value importer in SEA of Western Cape products is Malaysia, with a 36% share of Western Cape exports to SEA (USD102.37m). Singapore was the second largest SEA importer, with 26% share of exports to the region, exporting 17% of South Africa's Singaporean exports (USD73.7m). Indonesia, the largest market in SEA by population and GDP only imports 10.22 % of South African imports from the Western Cape.

WESTERN CAPE EXPORT MARKETS IN SEA, 2016				
RANK	IMPORTERS	VALUE 2016 (USDm)	% SHARE OF SA EXPORTS TO THE COUNTRY	%SHARE OF EXPORTS TO SEA
1	Malaysia	102.37	22.05	36.02
2	Singapore	73.70	17.08	25.93
3	Vietnam	52.22	24.65	18.37
4	Indonesia	26.17	10.22	9.21
5	Thailand	13.84	2.86	4.87
6	Philippines	13.45	26.42	4.73
7	Cambodia	1.54	59.73	0.54
8	Myanmar	0.74	11.59	0.26
9	Lao People's Democratic Republic	0.13	23.27	0.05
10	Brunei Darussalam	0.05	3.81	0.02
TOTAL EXPORTS		284.21	14.88	100%

Source: Quantec, 2017

The **top products exported** from the Western Cape to the top 3 Southeast Asian importers are listed below. Apples, citrus fruit and grapes are in the top export products for all of the top three importing countries:

Malaysia

- Apples, pears and quinces, fresh (USD48m)
- Citrus fruit, fresh or dried (USD19m)
- Grapes, fresh or dried (USD10m)
- Motor cars (USD3.5m)
- Other agricultural machinery (USD3m)

Singapore

- Refined petroleum oil (USD74m)
- Apples, pears and quinces, fresh (USD14m)
- Citrus fruit, fresh or dried (USD13m)
- Prepared or preserved fruit nuts and edible plants (USD8m)
- Grapes, fresh or dried (USD6m)

Vietnam

- Crustaceans (USD13m)
- Other nuts (USD7m)
- Frozen beef (USD5m)
- Prepared or preserved fruit nuts and edible plants (USD4.6m)
- Grapes, fresh or dried (USD4.5m)

4.5 Trade Agreements and Partnerships

Strengthening South-South relations remains an important pillar of South African's foreign policy, especially in Asia, the country's biggest trading partner. South Africa, however has no FTA with any SEA country.

Malaysia and South Africa have signed several important bilateral agreements. These include a bilateral trade agreement (1997), however it is not a free trade agreement. In December 2013, Deputy Minister Ebrahim was in Myanmar to explore avenues to boost bilateral relations between the two countries. The visit focused on trade and investment. The Philippines-South Africa bilateral consultative forum proposed bilateral cooperation in the fields of education, medical tourism, agriculture, importation of agricultural products, such as citrus fruits, and air services agreements. The South African-Vietnam Partnership Forum also commits the governments of these countries to explore all possible avenues for cooperation and trade.

4.6 Port-to-Port

The table below shows the transit times for shipping from Cape Town to major ports in Southeast Asia:

TRANSIT TIME FROM CAPE TOWN TERMINAL TO VARIOUS PORTS IN SOUTHEAST ASIA, 2017		
TERMINAL	DISTANCE	TRANSIT TIME
Malaysia		
Port Kelang	10079km	25days 5hours
Tanjung Pelepas	10380km	25days 16hours
Tawua	11785km	27days 23hours
Singapore		
Jurong	10424.7 km (5628.9 M)	30 days 18 hours
Singapore Terminals	10428.3 km (5630.8 M)	30 days 18 hours
Indonesia		
Jakarta Port	9624.13 km	15 days(s) 11 hours
Surabaya Port	10306.09 km	16 days(s) 13 hours
Belawan	9784.00 km	15 days(s) 17 hours
Ujung Pandan	9784.00 km	15 days(s) 17 hours
Vietnam		
Ho Chi Minh City Terminal	11503.1 km (6211.2 M)	33 days 12 hours
Haiphong Terminal	12646.9 km (6828.8 M)	35 days 8 hours
Danang Terminal	12646.9 km (6828.8 M)	35 days 8 hours
Philippines		
Manila port	12425.86km	19 days 23 hours
Subic Bay terminal	12413.19km	19 days 22 hours
Batangas, Luzon	12385.85km	19 days 21 hours
Brunei		
Muara	11225.62km	18 days 0 hours
Cambodia		
Sihanoukville	11472.28km	18 days 10 hours

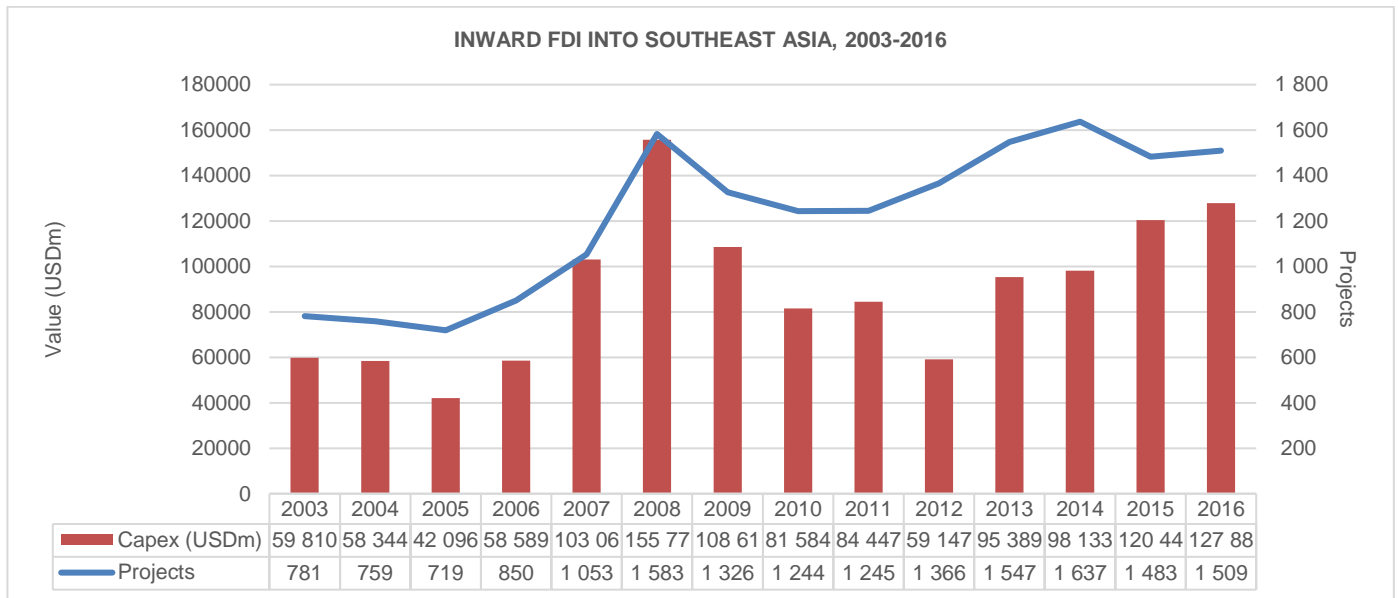
Thailand		
Bangkok	11871.33	19 days 1 hour
Laem Chabang	11776.21	18 days 22 hours

Source: SeaRates, 2017

5. Foreign Direct Investment

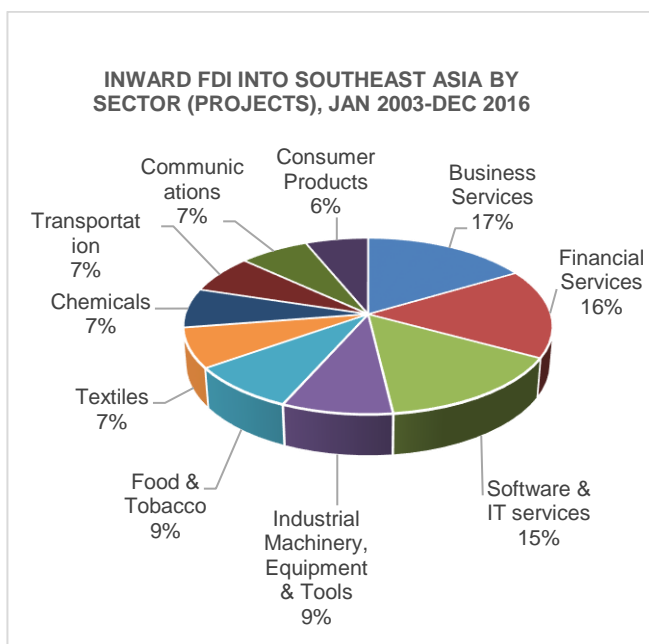
5.1 Global Foreign Direct Investment into Southeast Asia

Between January 2003 and December 2016 a total of 17,102 FDI projects were recorded into South East Asia. These projects represent a total capital investment of USD1,253.33bn which is an average investment of USD73.30m per project. During the period, a total of 4,182,394 jobs were created.

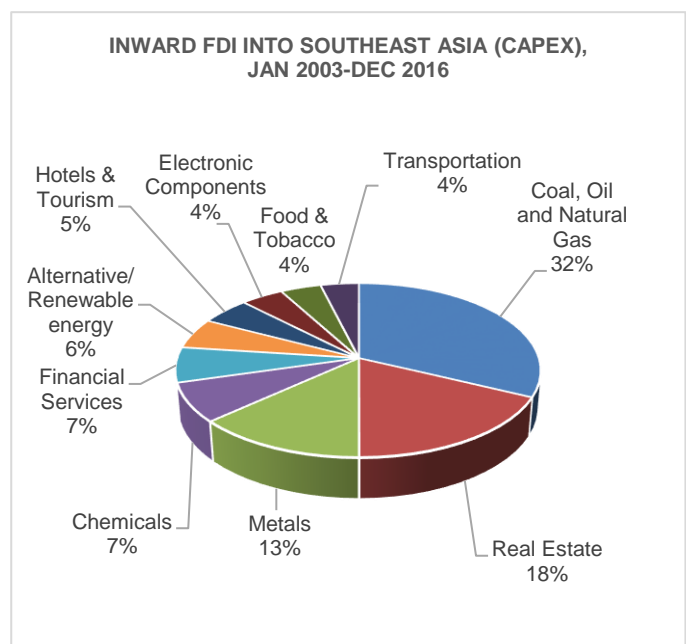


Source: FDI Intelligence, 2017

The figures below show global inward FDI into Southeast Asia by sector, for the period January 2003 to December 2016 by number of projects and capex. Business services and financial services accounted for 17% and 16% of FDI projects respectively. In terms of capex, the coal, oil and natural gas sector and the real estate sector received 32% and 18% respectively.



Source: FDI Intelligence, 2017



The United States was the largest source market for inward FDI into Southeast Asia (SEA) in terms of projects, with 3,248 investment projects, which accounted for 18.99% of projects. Japan and the United Kingdom are

ranked second and third accounting for 18% and 8% respectively. Six of the top 10 investing markets are Asian and Singapore and Malaysia are the only SEA market represented in the top 10.

TOP 10 SOURCE COUNTRIES FOR FDI INTO SOUTHEAST ASIA, 2003-DEC 2016						
RANK	COUNTRY	PROJECTS	%PROJECTS	CAPEX (USDm)	% CAPEX	COMPANIES
1	United States	3248	18.99	178233.20	14.22	1992
2	Japan	3126	18.28	214562.30	17.12	1678
3	UK	1357	7.93	57305.00	4.57	900
4	Germany	966	5.65	39308.70	3.14	501
5	France	636	3.72	39773.80	3.17	361
6	South Korea	614	3.59	91062.60	7.27	361
7	China	588	3.44	118964.80	9.49	404
8	Singapore	561	3.28	57374.20	4.58	313
9	India	520	3.04	32494.60	2.59	339
10	Malaysia	516	3.02	62092.40	4.95	281
TOTAL		17102	100	1253328	100	10011

Source: FDI Intelligence, 2017

When breaking the investment down to the destination countries in SEA, Singapore received the most projects (4,490), followed by Vietnam (3,041) and Thailand (2,495). In terms of capex, Vietnam received the bulk of investment (23.9%) followed by Indonesia (22.7%) and Malaysia (13.9%).

TOP 10 DESTINATION MARKETS FOR FDI INTO SOUTHEAST ASIA, 2003 – SEPT 2014					
RANK	COUNTRY	PROJECTS	%PROJECTS	CAPEX (USDm)	% CAPEX
1	Singapore	4 490	26.3	164 540.3	13.1
2	Vietnam	3 041	17.8	299 590.9	23.9
3	Thailand	2 495	14.6	116 929.7	9.3
4	Malaysia	2 481	14.5	174 519.2	13.9
5	Indonesia	1 827	10.7	284 854.6	22.7
6	Philippines	1 590	9.3	97 198.8	7.8
7	Myanmar (Burma)	520	3.0	52 718.7	4.2
8	Cambodia	387	2.3	30 705.8	2.4
9	Laos	200	1.2	17 706.4	1.4
10	Brunei	61	.4	8 374.1	.7
TOTAL		13 242	100.0	11 177 013.5	100.0

Source: FDI Intelligence, 2017

The top parent company investing into SEA was Mitsubishi Corporation, investing in 116 projects to the value of USD27.14bn, which makes it the largest investor for projects and capex. This was followed by Toyota, also from Japan with 99 projects. The Automotive OEM sector companies dominated investment projects in the region.

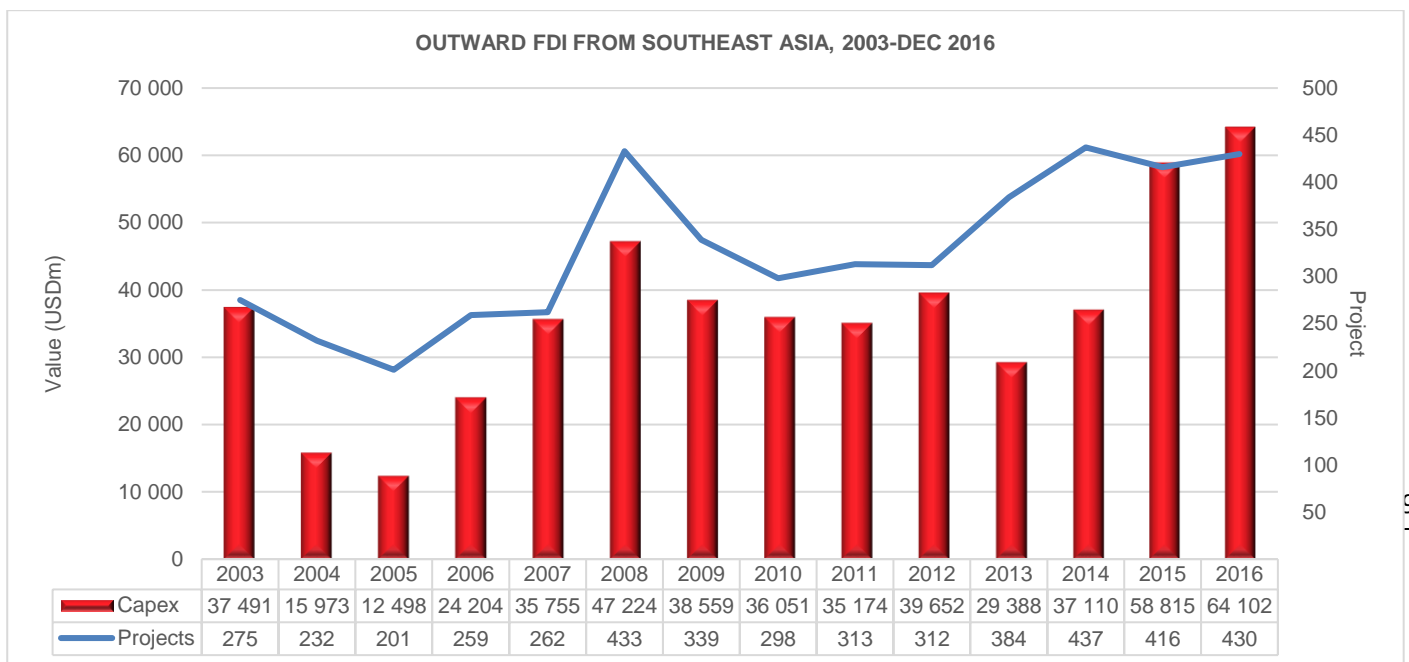
TOP INVESTING COMPANIES INTO SOUTHEAST ASIA, 2003- DEC 2016					
RANK	INVESTING COMPANY	COUNTRY OF ORIGIN	SECTOR	PROJECTS	CAPEX (USDm)
1	Mitsubishi Corporation	Japan	Automotive OEM	116	27 147.6
2	Toyota Motor	Japan	Industrial Machinery, Equipment & Tools	99	9 368.1
3	Deutsche Post	Germany	Transportation	88	2 495.2
4	Sumitomo Group	Japan	Automotive Components	85	13 110.6
5	HSBC	United Kingdom	Financial Services	72	2 000.9
6	Maybank	Malaysia	Financial Services	63	2 175.3
7	Panasonic (Matsushita)	Japan	Consumer electronics	61	4 095.4
8	IBM	United States	Software & IT	59	1 097.4

TOP INVESTING COMPANIES INTO SOUTHEAST ASIA, 2003- DEC 2016					
RANK	INVESTING COMPANY	COUNTRY OF ORIGIN	SECTOR	PROJECTS	CAPEX (USDm)
9	Mitsui & Co	Japan	Chemicals	57	10 123.8
10	Honda	Japan	Automotive OEM	56	3 592.4

Source: FDI Intelligence, 2017

5.2 Global Foreign Direct Investment from Southeast Asia

Between January 2003 and December 2016 a total of 4,591 FDI projects were recorded from Southeast Asia. These projects represent a total capital investment of USD511.99bn which is an average investment of USD111.50m per project. During the period, a total of 1,302,466 jobs were created.



Source: FDI Intelligence, 2017

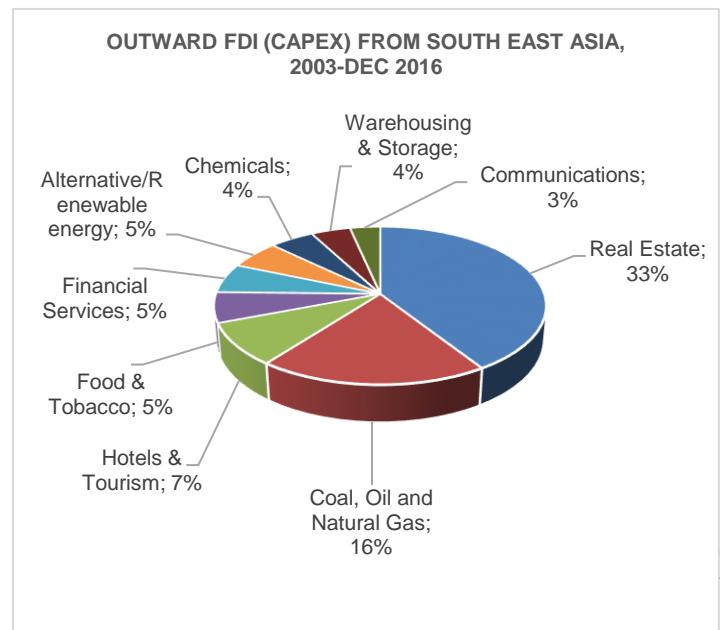
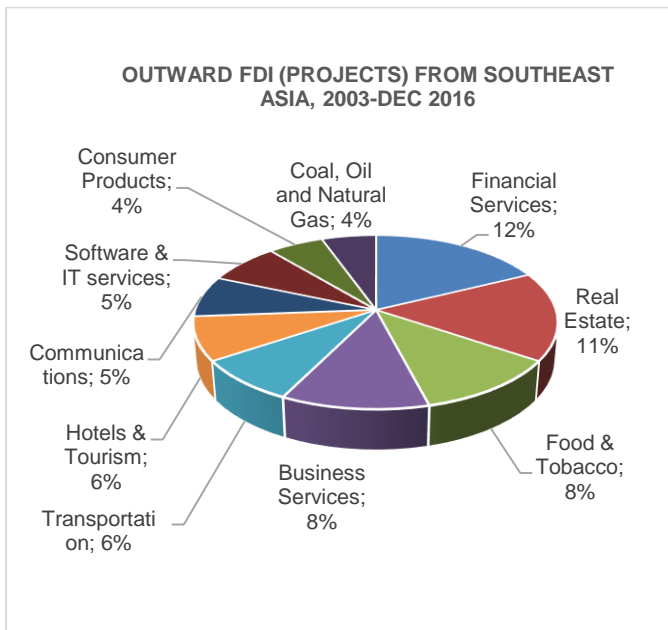
The table below shows the destination markets for outward FDI from Southeast Asia for the period January 2003 to December 2016. China was the largest destination market in terms of projects, with 776 investment projects, which accounted for 17% of all projects. Vietnam and India are ranked second and third accounting for 8.6% and 7.7% respectively. Six out of the top ten destination markets are fellow Southeast Asian countries.

TOP 10 DESTINATION MARKETS FOR FDI FROM SOUTHEAST ASIA, 2003 – DEC 2016					
RANK	COUNTRY	PROJECTS	%PROJECTS	CAPEX (USDm)	% CAPEX
1	China	776	16.9	129 304.2	25.3
2	Vietnam	396	8.6	61 189.4	12.0
3	India	354	7.7	31 554.2	6.2
4	Indonesia	321	7.0	43 624.3	8.5
5	Malaysia	200	4.4	12 338.7	2.4
6	United States	186	4.1	5 309.1	1.0
7	Myanmar (Burma)	172	3.7	15 657.9	3.1
8	Cambodia	160	3.5	13 520.9	2.6
9	Thailand	160	3.5	8 259.2	1.6
10	Australia	139	3.0	27 127.6	5.3

TOP 10 DESTINATION MARKETS FOR FDI FROM SOUTHEAST ASIA, 2003 – DEC 2016					
RANK	COUNTRY	PROJECTS	%PROJECTS	CAPEX (USDm)	% CAPEX
TOTAL		4 591	100.0	511 993.2	100.0

Source: FDI Intelligence, 2017

The figures below show Southeast Asia's global outward FDI by sector, for the period January 2003 to December 2016 by number of projects and capex. Financial services received the largest share of FDI from Southeast Asia in terms of projects accounting for 12%, followed by real estate and food and tobacco accounting for 11% and 8% respectively. Real Estate received the highest percentage of total capex, accounting for 33%, followed by the coal, oil and natural gas sector (16%) and the hotels and tourism sector (7%).



Source: FDI Intelligence, 2017

The top company investing from Southeast Asia was CapitalLand, with 108 projects worth USD36.12bn followed by Charoen Pokphand Group with 80 projects. Six out of the top 10 investing companies are located in Singapore. Four of the top 10 investing companies are in the real estate sector.

TOP 20 COMPANIES INVESTING FROM SOUTHEAST ASIA (BY PROJECTS), 2003-DECEMBER 2016					
RANK	COMPANY NAME	SECTOR	SOURCE COUNTRY	PROJECTS	CAPEX (USDm)
1	CapitalLand	Real Estate	Singapore	108	36,115.8
2	Charoen Pokphand Group	Food & Tobacco	Thailand	80	9,570.5
3	Flextronics	Electronic Components	Singapore	69	7,974.0
	Maybank	Financial Services	Malaysia	67	2,353.5
4	Government of Singapore Investment Corporation (GIC)	Real Estate	Singapore	56	15,487.2
5	The Kuok Group	Transportation	Malaysia	56	5,269.3
6	Keppel	Real Estate	Singapore	45	9,114.8
8	Petronas	Coal, Oil and Natural Gas	Malaysia	45	23,506.5
9	Fraser & Neave (Fraser and Neave)	Real Estate	Singapore	43	9,575.0
10	OCBC Bank	Financial Services	Singapore	42	1,422.7

Source: FDI Intelligence, 2017

5.3 Foreign Direct Investment relations between South Africa and Southeast Asia

5.3.1 Outward Investment from South Africa and the Western Cape into Southeast Asia

The table below shows FDI from South Africa to Southeast Asia from 2003 to December 2016. A total of 18 FDI projects were recorded in this period. These projects represent a total capital investment of USD184.10m which is an average investment of USD10.20m per project. During the period, a total of 1,618 jobs were created.

SOUTH AFRICA'S INVESTMENTS INTO SOUTHEAST ASIA, 2003- DECEMBER 2016								
PROJECT DATE	INVESTING COMPANY	SOURCE STATE	DESTINATION STATE	INDUSTRY SECTOR	SUB-SECTOR	INDUSTRY ACTIVITY	CAPEX (USDm)	JOBS
Jun 2015	Cartrack	Gauteng	Singapore	Software & IT services	Software publishers, except video games	Design, Development & Testing	13	90
Jun 2015	Cartrack	Gauteng	Philippines	Software & IT services	Software publishers, except video games	Sales, Marketing & Support	6.4	25
Apr 2015	Cartrack	Gauteng	Thailand	Software & IT services	Software publishers, except video games	Sales, Marketing & Support	6.4	52
Mar 2015	Cartrack	Gauteng	Malaysia	Software & IT services	Software publishers, except video games	Sales, Marketing & Support	3.2	20
Mar 2015	OLX	Western Cape	Philippines	Software & IT services	Internet publishing & broadcasting & web search	Headquarters	6.3	77
Feb 2015	Cartrack	Gauteng	Indonesia	Software & IT services	Software publishers, except video games	Sales, Marketing & Support	6.4	22
Feb 2015	BitX	Western Cape	Indonesia	Software & IT services	Software publishers, except video games	Sales, Marketing & Support	6.4	22
Nov 2012	Rand Refinery	Gauteng	Singapore	Metals	Nonferrous metal production & processing	Design, Development & Testing	11	188
Sep 2012	Investec	Gauteng	Singapore	Financial Services	Investment management	Business Services	34.8	73
Sep 2011	Wings Travel	Gauteng	Singapore	Hotels & Tourism	Travel arrangement & reservation services	Sales, Marketing & Support	0.9	9
Jun 2010	Intact Integrated Services	Gauteng	Singapore	Software & IT services	Custom computer programming services	Sales, Marketing & Support	6.4	19
Jun 2010	Irdeto	Western Cape	Singapore	Software & IT services	Software publishers, except video games	Design, Development & Testing	13	90
Jan 2009	SRK Consulting	Gauteng	Indonesia	Business Services	Architectural, engineering, & related services	Business Services	2.2	10
Nov 2008	ComputaMaps	Western Cape	Singapore	Business Services	Professional, scientific & technical services	Business Services	5.3	9
Jun 2007	Irdeto	Western Cape	Singapore	Software & IT services	Software publishers, except video games	Sales, Marketing & Support	6.4	19
Sep 2006	Scope Technologies	Gauteng	Singapore	Software & IT services	Software publishers, except video games	Sales, Marketing & Support	6.4	19
Feb 2004	Nandos Chickenland	Gauteng	Malaysia	Food & Tobacco	Food services	Retail	6	437
Feb 2004	Nandos Chickenland	Gauteng	Singapore	Food & Tobacco	Food services	Retail	43.6	437

Source: FDI Intelligence, 2017

The investments into Southeast Asia that originated from the Western Cape are highlighted above. Two Western Cape investments were carried out by Irdeto into Singapore, in 2007 and 2010. Computamaps a leading geodata manufacturer and supplier was the second Western Cape investor, expanding its international presence with an Asia Pacific office in Singapore in 2008. This was a strategic step to support the company's global expansion. ComputaMaps Asia-Pacific promotes ComputaMaps' geodata solutions, products and services to its fast growing base of commercial and government customers in the Asia Pacific Region.

More recently Naspers subsidiary OLX, the classified advertisement site has opened a new larger office in Cebu, the Philippines. The 105 sq m location will function as the firm's main headquarters for Cebu, Visayas and Mindanao. BitX, a subsidiary of Switchless, also opened a new office in Jakarta, Indonesia in 2015. BitX's service in Indonesia will centre around a market-price buy-sell exchange.

5.3.2 Inward Investment from Southeast Asia into South Africa and the Western Cape

The table below shows FDI from Southeast Asia to South Africa from 2003 to December 2016. A total of 11 FDI projects were recorded in this period. These projects represent a total capital investment of USD154.60m which is an average investment of USD14.10m per project. During the period, a total of 4,440 jobs were created. The Southeast Asian (SEA) countries that invested into South Africa in the period were Singapore, Malaysia, Thailand and Vietnam. The largest investment was from Vietnam into Gauteng in 2003 from the Vietnam News Agency in the paper, printing and packaging sector in a manufacturing project.

Africa Director of eSys Technologies said about the 2006 investment: "South Africa is emerging as the continent's information technology hub and offers a dynamic market for IT services and products. It also serves as a link with neighbouring countries in the region. Through our new representative office, eSys Technologies will position the products it manufactures and distributes, among home-users, students, small and medium business enterprises and the health and government sectors in the South African region."

SOUTHEAST ASIA'S FDI TO SOUTH AFRICA, 2003- DECEMBER 2016								
PROJECT DATE	INVESTING COMPANY	SOURCE COUNTRY	DESTINATION STATE	INDUSTRY SECTOR	SUB-SECTOR	INDUSTRY ACTIVITY	CAPEX (USDm)	JOBS
Aug 2015	Minor International	Thailand	Gauteng	Hotels & Tourism	Accommodation	Sales, Marketing & Support	0.9	13
Jan 2015	Arcade	Singapore	Western Cape	Business Services	Advertising, PR, & related	Business Services	6.8	15
Aug 2014	Asia Offshore Group	Singapore	Western Cape	Industrial Machinery, Equipment & Tools	Agriculture, construction, & mining machinery	Sales, Marketing & Support	2.9	17
Mar 2014	Thoresen Thai	Thailand	Western Cape	Transportation	Water transportation	Sales, Marketing & Support	15.3	10
Jun 2009	Kamdar	Malaysia	Eastern Cape	Textiles	Clothing & clothing accessories	Retail	11.9	86
May 2009	Nam Viet Joint Stock Company (NAVIFICO)	Vietnam	KwaZulu-Natal	Wood Products	Furniture, homeware & related products (Wood Products)	Manufacturing	12.33	4000
Oct 2006	ESCO	Singapore	Gauteng	Medical Devices	Medical equipment & supplies	Sales, Marketing & Support	1.5	15
Jun 2006	eSys Technologies	Singapore	Not Specified	Business Machines & Equipment	Computer & peripheral equipment	Sales, Marketing & Support	1.3	29
Feb 2004	Vietnam National Garment & Textile Corp. (Vinatex)	Vietnam	Not Specified	Textiles	Clothing & clothing accessories	Sales, Marketing & Support	1.7	17
Oct 2003	Vietnam News Agency (VNA)	Vietnam	Gauteng	Paper, Printing & Packaging	Printing & related activities	Manufacturing	84.7	76
Jan 2003	Flextronics	Singapore	Not Specified	Software & IT services	Computer systems design services	Design, Development & Testing	15.3	162

Source: FDI Intelligence, 2017

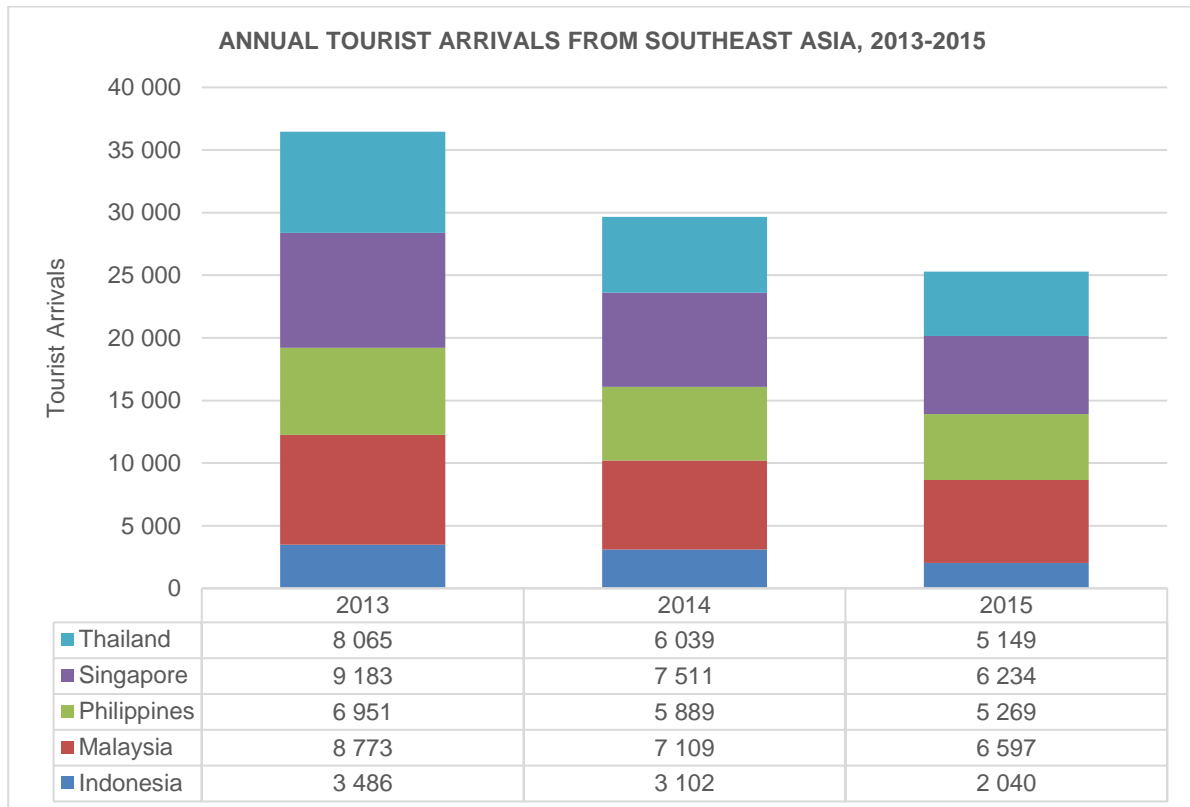
Arcade, Asia Offshore Group and Thoresen Thai invested into the Western Cape from SEA. Singapore-based Arcade, a marketing and advertising agency, opened a new office in Cape Town, South Africa. Asia Offshore Group (AOG), a holding company active in a number of sectors including; offshore engineering solutions and sale/rental packages for offshore equipment, opened the company's Africa head office branch in Cape Town, South Africa. They rent and sell DNV 2.7-1 and EN 12079 certified offshore cargo carrying units into the east and west African regions, both through its own offices as well as through its partners and territory representatives.

Thoresen Thai, an operator of dry bulk vessels opened a new office in Cape Town making it the largest capex investor in the province. The office operates as Thoresen Shipping South Africa and serves the company's customers in South Africa and Europe.

6. Tourism

6.1 Southeast Asian Tourist Departures to South Africa

The only Southeast Asian (SEA) countries for which annual South African arrivals are recorded by SATourism can be seen below. Arrivals from these nations made up around 10% of all Asian arrivals to South Africa in 2015. In 2015 the SEA country with the highest number of arrivals into South Africa was Malaysia with 6,597 arrivals followed by Singapore with 5,149 arrivals. The graph below shows the breakdown of arrivals according to country.



Source: SATourism, 2015

SATourism did not have large enough figures to record the arrivals from SEA countries into the Western Cape.

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