



AmCham  
SINGAPORE



U.S. CHAMBER OF COMMERCE  
International Affairs

# ASEAN BUSINESS OUTLOOK SURVEY

The ASEAN Economic Community and Beyond

2016



IN COOPERATION WITH:



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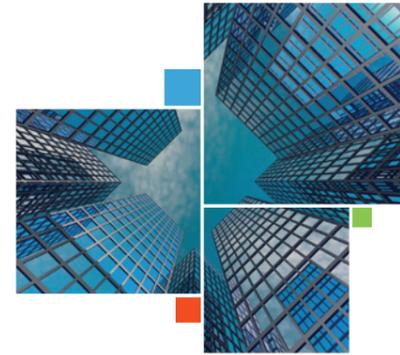
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## PREFACE

For more than a decade, the *ASEAN Business Outlook Survey* has been the key barometer of U.S. business sentiment in Southeast Asia. Executives from both American and foreign enterprises as well as thought leaders from governments, academia, and non-government organizations across ASEAN rely on the survey to understand the opportunities and challenges for American businesses across the region. This year's survey incorporates the responses of nearly 500 senior business executives representing U.S. companies in all ten ASEAN markets. These include small, medium, and large companies in manufacturing, services, and agriculture.

2015 is a watershed year, as ASEAN will usher in the ASEAN Economic Community (AEC). This will not be the end of the process of regional economic integration, but marks an important milestone along the way. The AEC will bolster ASEAN's attractiveness to investors within and outside the region, will boost trade, and will promote increased competitiveness. At the same time, ASEAN's pursuit of preferential trade agreements with other major trading partners through the Regional Comprehensive Economic Partnership, and other negotiations, complements the AEC.

Further, the Trans-Pacific Partnership (TPP) can open up new opportunities for trade and investment between the current ASEAN participants and the United States, and it is our hope that those ASEAN members that are not part of TPP will consider participating. The passage of Trade Promotion Authority by the U.S. Congress has injected new momentum into the TPP negotiations, which are approaching their final stretch. The TPP promises to set new standards for trade agreements moving forward, and will break new ground in areas that most affect international commerce in the 21st century.

The *ASEAN Business Outlook Survey* is a collaborative effort between the American Chamber of Commerce in Singapore (AmCham Singapore) and the U.S. Chamber of Commerce, with support from the American Cambodian Business Council, the American Chamber of Commerce in Indonesia, the American Malaysian Chamber of Commerce, the American Chamber of Commerce of the Philippines, the American Chamber of Commerce in Thailand, the American Chamber of Commerce in Vietnam (Ho Chi Minh City), AmCham chapters in Laos and Myanmar, and American business leaders in Brunei.

The *ASEAN Business Outlook Survey* is broken out into several sections. Section 1 asks a series of questions about the region's overall economic outlook, while Section 2 asks about companies' expansion plans. Section 3 focuses on the image of U.S. businesses in the region, and the extent to which governments seek private sector input in developing laws and regulations. Section 4 examines U.S. companies' responses to ASEAN regional economic integration, and the region's expanding economic ties with other major trading partners. Section 5 looks at the manner in which corruption impacts American businesses in the region. Section 6 looks at factors affecting expatriate recruitment and retention. Sections 7 and 8 assess executives' levels of satisfaction with respect to 16 discrete characteristics of the business environment across the region, in each ASEAN country. The final section breaks out the survey results on an individual country basis. Appendices provide aggregated information on the respondents and explain the survey methodology.

We believe that this year's *ASEAN Business Outlook Survey* is our best yet and we encourage you to use it to deepen your understanding of one of the world's most vibrant and rapidly growing regions. We welcome your feedback on the *ASEAN Business Outlook Survey*, and encourage you to send comments and suggestions to [aseansurvey@amcham.org.sg](mailto:aseansurvey@amcham.org.sg) or [jgoyer@uschamber.com](mailto:jgoyer@uschamber.com).

Sincerely,



**JUDITH FERGIN**

Executive Director  
AmCham Singapore



**TAMI OVERBY**

Senior Vice President, Asia  
U.S. Chamber of Commerce

## EXECUTIVE SUMMARY

The 2016 *ASEAN Business Outlook Survey* shows that U.S. companies remain broadly optimistic about growth prospects in the ASEAN region. Executives representing U.S. companies in all ten ASEAN countries generally expect higher sales this year and next, plan to increase their investments in the region, and anticipate growing their workforces. 59% of respondents across the region expect higher profits in 2015 compared with 2014, and 76% forecast profit increases next year. 63% of respondents expect that their company will expand in the region and 51% expect to hire more workers this year.

2015 is a milestone year for ASEAN, as the region aims to have the ASEAN Economic Community (AEC), or at least major elements of it, in place by the end of the year. While previous years' surveys have shown skepticism on the part of U.S. business that the AEC will meet its deadlines, the surveys have also clearly shown that U.S. companies expect that the AEC will be a reality in the coming years, and are preparing for a more economically integrated region. This year's survey was no exception; a majority of respondents report that key elements of the AEC, such as the elimination of intra-regional tariffs, services trade and investment liberalization, and streamlining of customs practices and procedures are important to their companies' regional operations.

Further, as ASEAN seeks to deepen ties with Australia and New Zealand, China, India, Japan, and Korea through the Regional Comprehensive Economic Partnership (RCEP), executives view this accord as an important opportunity to expand trade and investment. Similarly, nearly half of executives surveyed believe that the Trans-Pacific Partnership (TPP), which currently includes only four of the ten ASEAN countries, will help their companies' regional trade and investment, and one third believe it will impact future investment decisions in the region.

Despite their overall optimism toward the region, executives cite a range of challenges to continued growth in ASEAN. As a result, expectations for profit growth, workforce expansion, and increased investment, though still positive, show a moderate downward trend in this year's survey relative to those of the past several years.

As in previous surveys, executives point to corruption as a primary concern in most ASEAN countries, for which reason this year's report examines this problem in greater depth. Laws and regulations and inadequate infrastructure are also frequently mentioned problems. In most countries, executives report difficulties in moving products through customs. In addition, executives identify exchange rate volatility as a major risk to business in most countries in the region. Conversely, personal security and generally positive sentiment toward the United States are cited as positive attributes.

While responses vary widely among countries, as in previous years, respondents in Singapore report higher levels of satisfaction with various aspects of the business environment than do respondents in any other country in the region. Further, only respondents in Singapore express satisfaction with all government agencies covered by the survey. In other countries, executives most frequently point to taxation and customs agencies as those with which they are most dissatisfied.

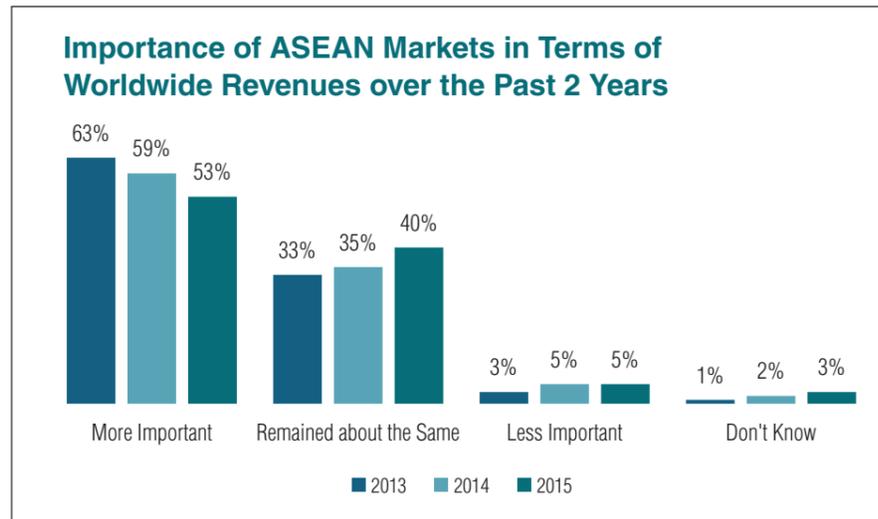
Executives point to the region's growing middle class, increasing levels of consumption, and regional integration as top reasons why ASEAN markets will be more important to their companies' worldwide operations and revenues this year and next. The countries most frequently cited for potential new business expansion are Myanmar, Indonesia, and Vietnam.

# ECONOMIC OUTLOOK

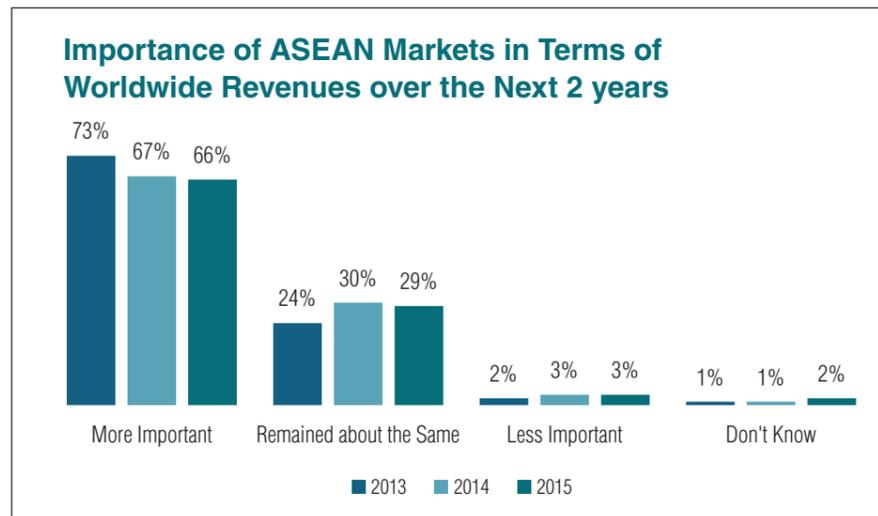
For a number of years, U.S. companies have indicated that the ASEAN markets continue to grow in importance in terms of their worldwide revenues. As a result, their levels of trade and investment in the region continue to increase. As outlined below, several factors are driving this growth. Companies are generally optimistic about the profit outlook in the region. Yet, for each of the factors in this section, optimism has gradually declined over the past few years.

## IMPORTANCE OF ASEAN MARKETS

Over the past two years, ASEAN markets have become more important for 53% of respondents' worldwide revenues. 40% of respondents across the region report that ASEAN markets have held the same importance during that period. However, the percentage of respondents who indicate that ASEAN markets have become more important has eased in recent years.



The majority (66%) of respondents say that ASEAN markets will become more important for their companies' worldwide revenues over the next two years, similar to last year's results.

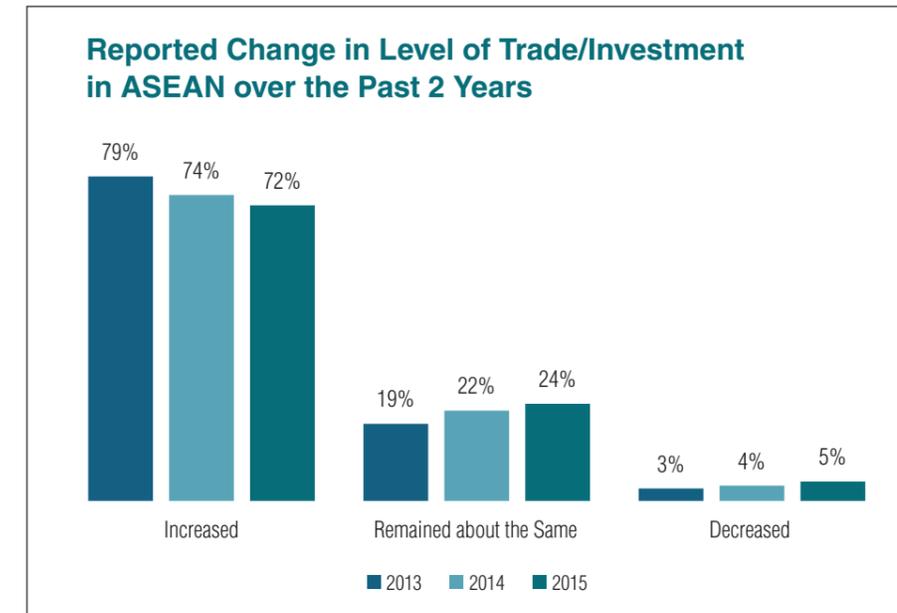


Surveyed executives report that the top three reasons ASEAN markets will be more important for their companies' worldwide operations and revenues over the next two years are: the growth of the middle class/consumer class (58%), limited growth opportunities in other regions (36%), regional economic integration (34%), and improvements in infrastructure (33%).

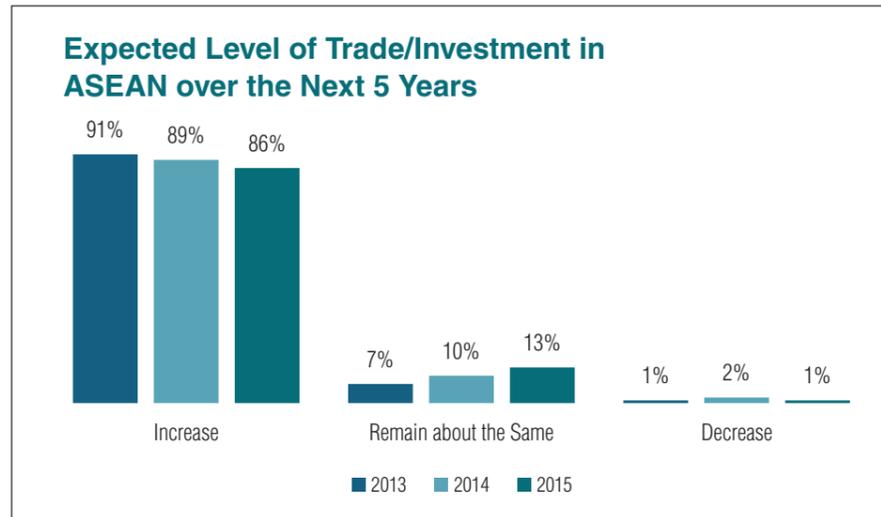


## TRADE AND INVESTMENT IN ASEAN

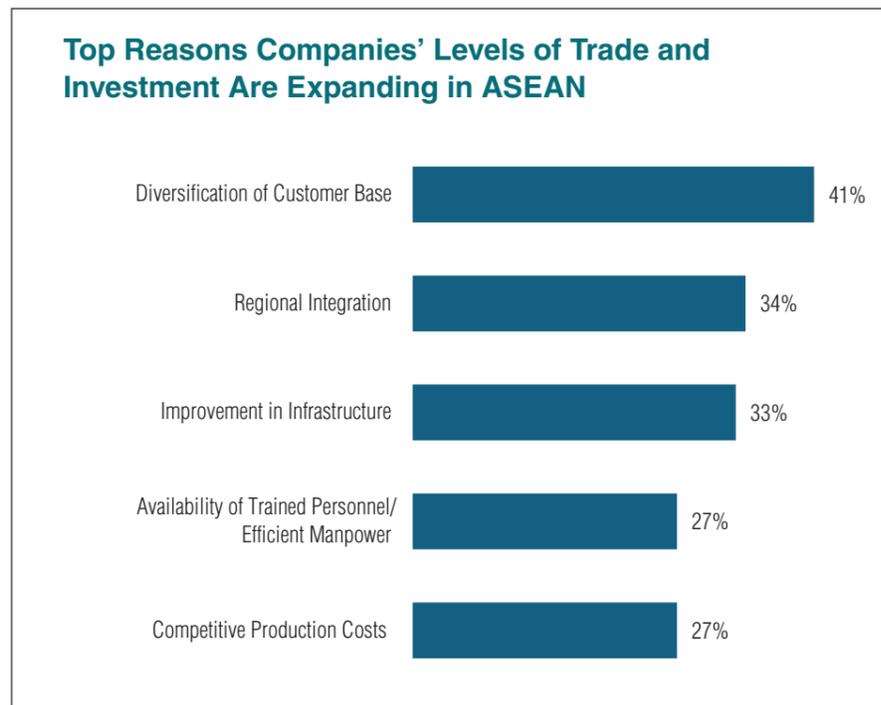
Most (72%) executives report increases in their levels of trade and investment in the ASEAN region over the past two years. In contrast, only 5% report decreases. However, as is the case with other key indicators related to the economic outlook, respondents report slightly less bullish numbers than in past years.



The overwhelming majority (86%) of respondents expect their companies' level of trade and investment in ASEAN to increase over the next five years.



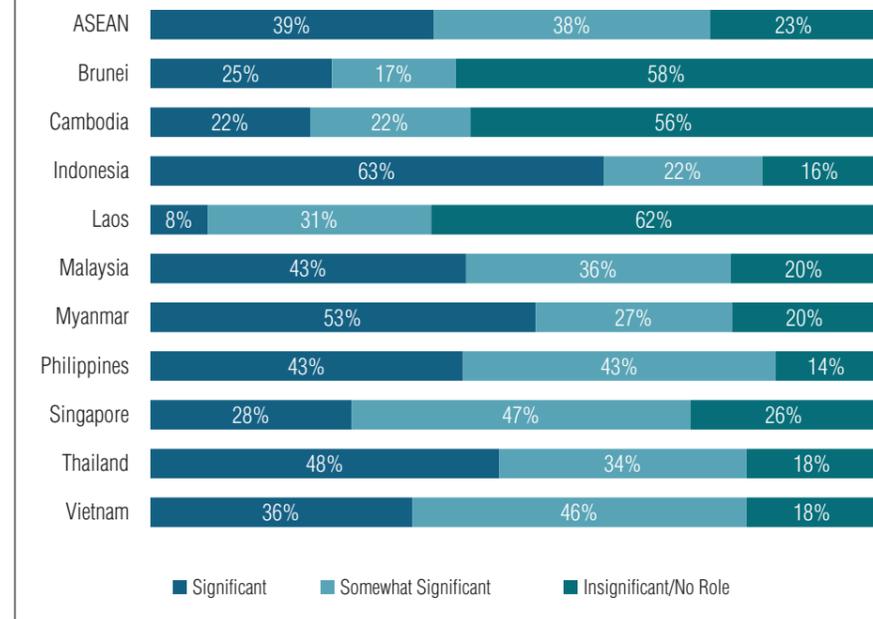
The top three reasons companies plan to increase the level of trade and investment are to diversify their customer base (41%), maximize regional integration (34%), and capitalize on improvements in infrastructure (33%).



## EXCHANGE RATE VOLATILITY

Exchange rate volatility has been a concern across the region in recent years, compounded by uncertainty over U.S. monetary policy, commodity price fluctuations, and other factors. This year's survey therefore asks about the effect on companies' operations in ASEAN. 39% of all respondents report that exchange rate volatility significantly impacts their business operations. More than half of respondents in Indonesia (63%) and Myanmar (53%) indicate that their companies' business is significantly impacted by the exchange rate volatility.

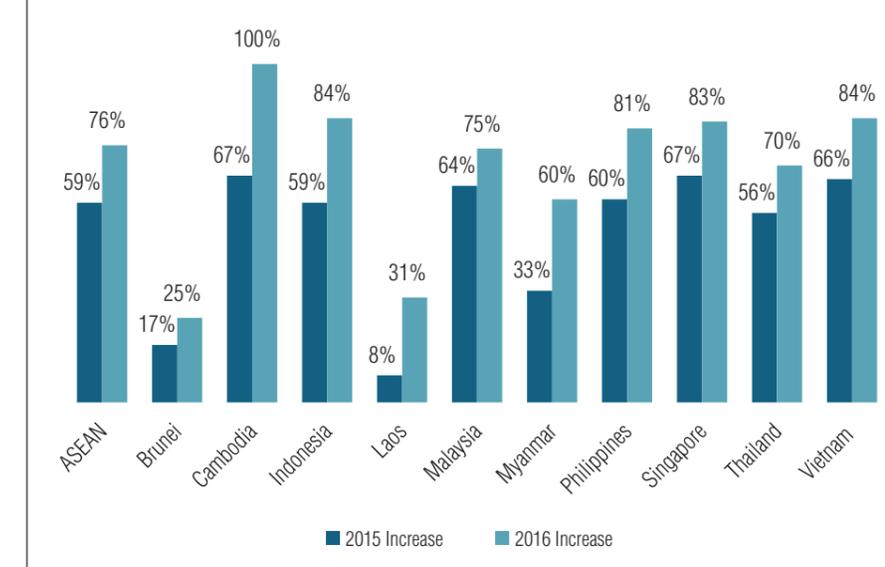
## How Significantly is Exchange Rate Volatility Impacting Your Business in Your Country?



## PROFIT OUTLOOK

Executives are optimistic about their companies' profit outlook in ASEAN for 2015, compared with 2014. They are even more positive about 2016, with 76% of executives expecting an increase in profits. Respondents in Cambodia are especially optimistic about their profit outlook this year and next, with 100% of respondents anticipating a profit increase in 2016. As with other indicators, the ASEAN-wide profit forecasts are slightly lower than those from surveys in the past couple of years, but they remain significantly higher than those made during the Global Financial Crisis.

### ASEAN Profit Outlook in 2015 & 2016, Compared to 2014



Note: The question in this year's survey consisted of two parts: companies' expectations regarding profits in the remainder of 2015 and in 2016, both compared to 2014 profits.

## 2 BUSINESS EXPANSION IN ASEAN

The majority of companies surveyed plan to expand their operations in the region for a variety of reasons, including the need to diversify their customer base, the availability of trained personnel, and reasonable production costs.

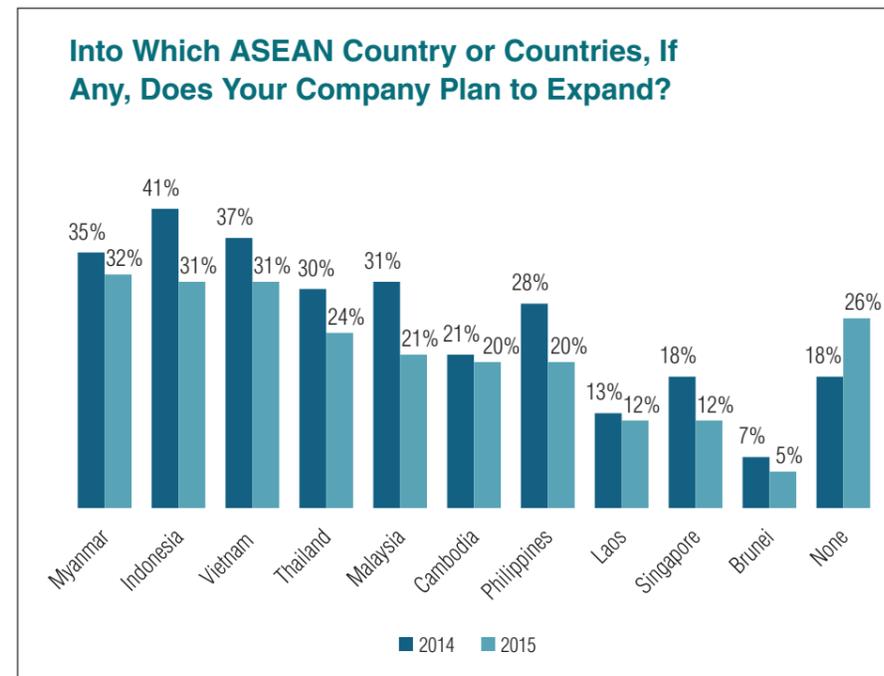
In line with this growth, the majority of respondents expect their companies' workforce to increase this year.

A sizable minority of respondents across ASEAN, especially respondents in Vietnam and Cambodia, plan to diversify some operations from China into ASEAN.

### LOCATION OF BUSINESS EXPANSION IN ASEAN

Region-wide, respondents report that Myanmar, Indonesia, and Vietnam are the priority markets for future business expansion. Respondents indicate the least interest in expanding to Brunei, Laos, and Singapore. Overall interest in expansion across ASEAN has eased over the past few years. Compared with last year, fewer respondents indicate plans to expand into each ASEAN country. The percentage of respondents that do not plan to expand into any ASEAN country increased from 18% to 26%.

Responses varied among industries; for example, executives in the information technology and telecommunications industries indicate greater interest in expanding into Singapore, Malaysia, and Thailand. By contrast, executives in consumer goods, food & food products, oil & petrochemicals, pharmaceuticals & medical, and transportations & logistics indicate the greatest interest in expanding into Myanmar.



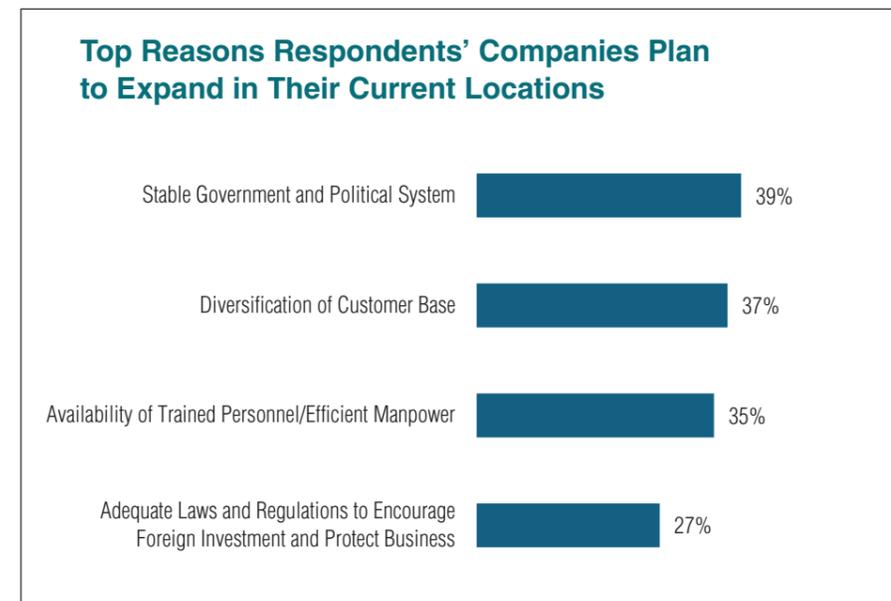
63% of all respondents report that their companies will be expanding in their respective locations, while only 4% expect their companies to contract. Almost all (87%) respondents in Myanmar indicate that their companies plan to expand. Overall, slightly fewer U.S. executives indicate that their companies plan to expand, compared with 2013, when 73% of respondents region-wide indicated expansion plans, or 2014, when the figure was 65%.<sup>1</sup>

<sup>1</sup> Percentages may not add to 100% due to respondents selecting "not sure."



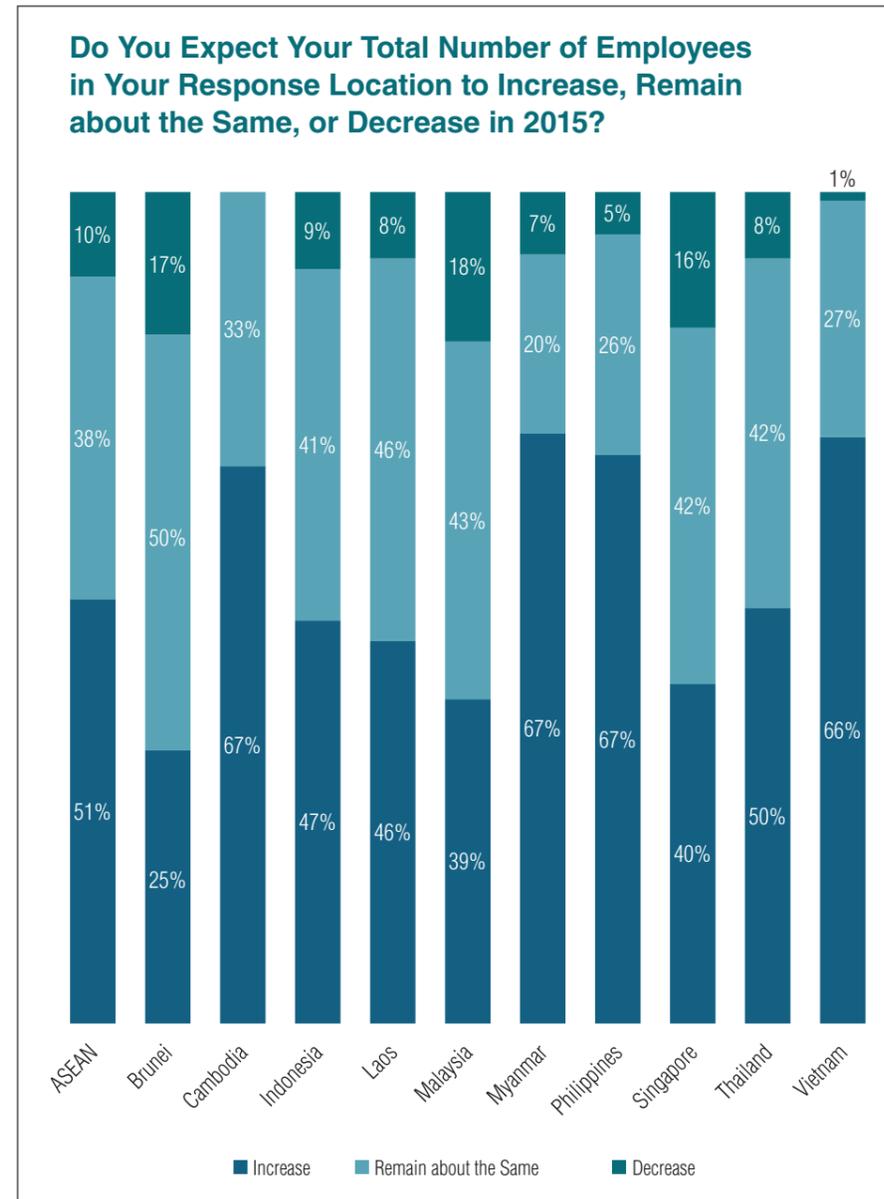
The top three reasons companies plan to expand in their current locations are the presence of a stable government and political system (39%), opportunities to diversify their customer base (37%), and access to trained personnel (35%). Responses from business leaders across ASEAN varied by country. For instance, half of U.S. companies in Cambodia cite political stability as a key factor motivating their plans for expansion in the country, while respondents from other ASEAN countries place less emphasis on this factor. Respondents from Indonesia cite a diversification of customer base as the primary driver of expansion plans. In the Philippines, companies' expansion plans are linked to the availability of trained personnel. In contrast, U.S. companies in Singapore are far less likely to cite diversification of the customer base (9%) than those in Indonesia (53%) or Vietnam (34%).

Responses vary by sector as well. Respondents in the information technology industry are primarily concerned with the availability of trained personnel. Executives in the consumer goods and electronics industries are primarily concerned with competitive production costs. Those in the food and food products industry cite the availability of raw materials as a key factor impacting business expansion.



## WORKFORCE EXPANSION

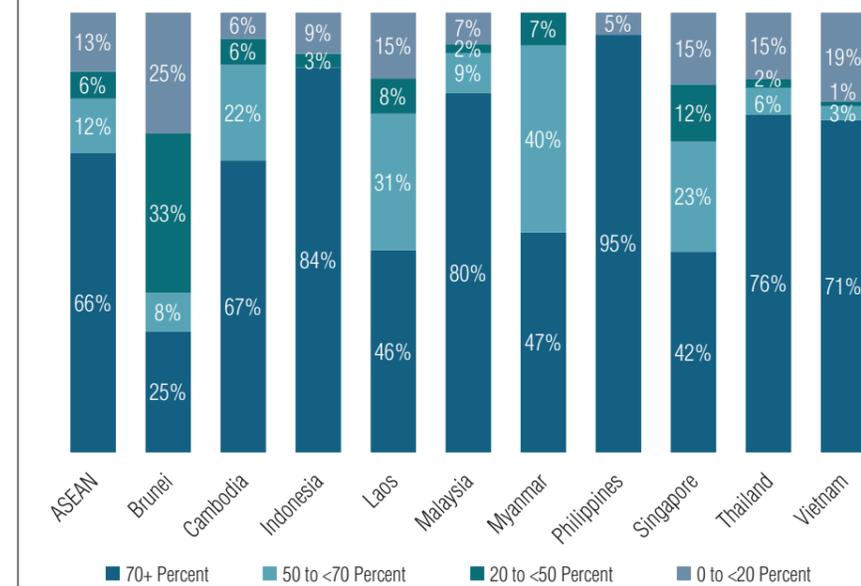
More than half (51%) of the executives surveyed expect to increase their companies' total number of employees in 2015. While still optimistic, there is a downward trend over the past four years. In 2011, 66% of respondents expected to expand their workforces. This year, 67% of respondents in Cambodia, Myanmar, and the Philippines expect to grow their workforces. Conversely, only 39% of respondents in Malaysia and 25% of respondents in Brunei plan to do so. This is a decline from last year, in which 52% of respondents from Malaysia and 31% of respondents from Brunei anticipated increasing their workforces.



## HIRING LOCALLY

U.S. investors place an emphasis on hiring locally in the countries in which they operate. While they still do hire some non-host country nationals, they focus on developing the skillset and leadership potential of their local employees. The vast majority (66%) of respondents indicate that at least 70% of their company's workforce is comprised of host country nationals. In the Philippines and Indonesia, the figures are 95% and 84% respectively.

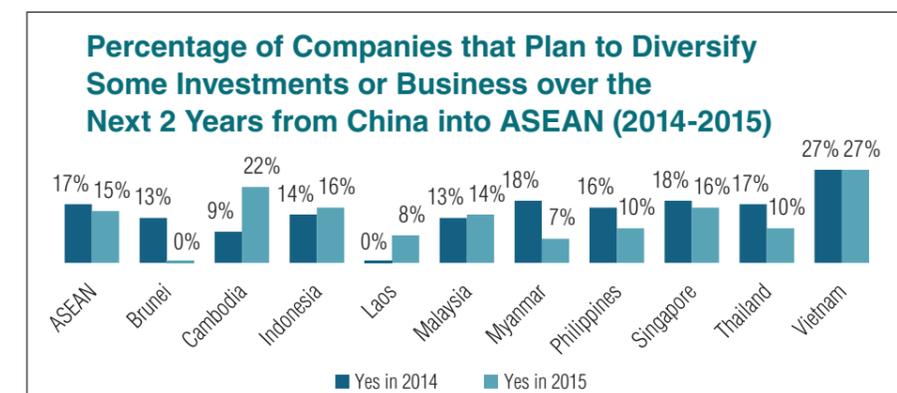
## In Your Response Location, What Percentage of Your Workforce is Comprised of Host Country Nationals?



## DIVERSIFYING OPERATIONS FROM CHINA INTO ASEAN

15% of executives report plans to diversify some of their investments or operations from China into ASEAN over the next two years, a figure slightly lower than that reported in last year's survey. 22% of respondents in Cambodia indicate plans to do so, an increase of 13% from 2014. Conversely, respondents in Myanmar showed the largest drop (-11%) in intent to diversify investments into ASEAN. As indicated in last year's survey, respondents in Vietnam are the most interested in diversifying investments from China with 27% intending to do so this year, the same percentage as last year.

Going back to 2012, survey results show a decreasing percentage of companies that plan to diversify some investments or businesses over the next two years from China into ASEAN. In 2012, 21% of respondents across ASEAN planned to diversify some investments from China into ASEAN. This number fell by six percentage points in this year's survey, with decreases from respondents in Indonesia (-7%), Malaysia (-13%), the Philippines (-17%), Singapore (-5%), and Thailand (-14%). By contrast, respondents based in Vietnam indicated an increased intention to shift investments from China (+3%) compared to 2012.



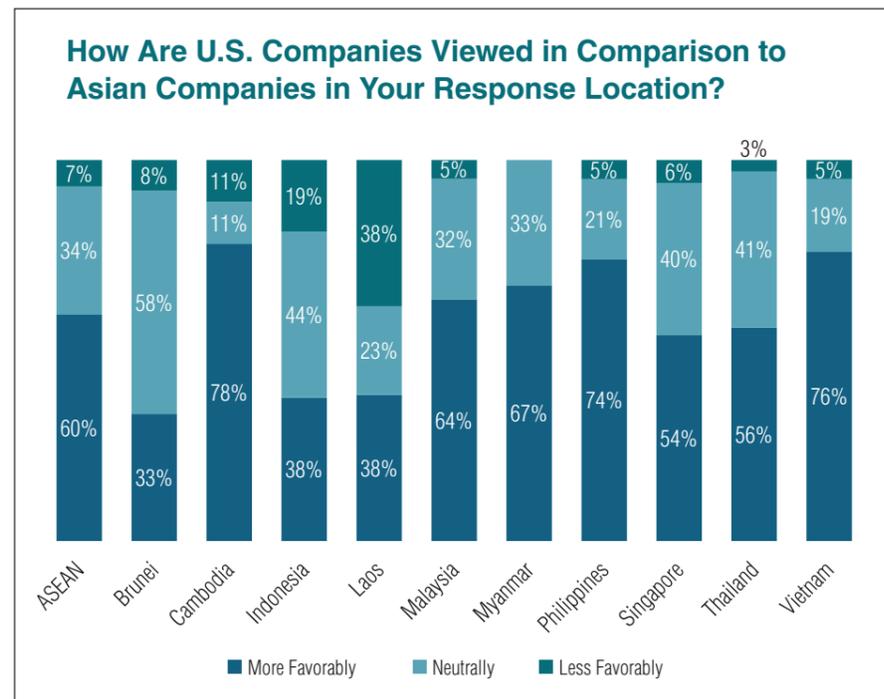
## ENVIRONMENT FOR U.S. BUSINESS

Executives report that U.S. companies are generally perceived positively in comparison to their Asian counterparts across ASEAN. They also have a similar, albeit less pronounced, advantage in perception in comparison to other Western companies.

Region-wide, respondents vary greatly in their perceptions of how frequently the government in their response location seeks and considers input from the private sector. However, in no country did the majority of respondents report that the government often considers input from the business community.

### HOW U.S. COMPANIES IN ASEAN ARE PERCEIVED

60% of this year's respondents report that U.S. companies are viewed more favorably than Asian companies in their response location, while only 7% think the opposite. The respondents cite better quality of products, professionalism, and advances in technology as some of the reasons why U.S. companies are viewed more favorably than their Asian counterparts.



#### Selected Insights from Survey Respondents

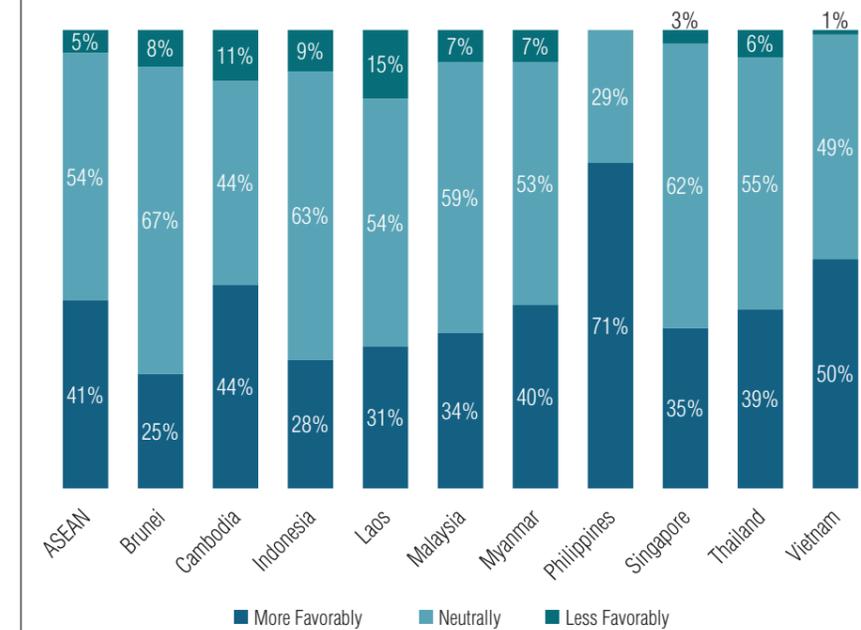
“Generally speaking, U.S. companies offer a higher standard of quality for any goods or services, provided with a high price.”

“They [United States] are known for good business practices, avoidance of corruption, skilled work force, sound management and good relations with the host country.”

“High quality, high operating standards, ethical business practices, possibility for training, worker semi-autonomy.”

Similarly, 41% of this year's respondents say that U.S. companies are viewed more favorably than other Western companies in their response location, while only 5% think the opposite. The respondents attribute this to better employment benefits, respected brands, and transparency in policies. Executives suggest that additional corporate social responsibility activities and local engagement would help U.S. companies to create an even more favorable impression.

### How Are U.S. Companies Viewed in Comparison to Other Western Companies in Your Response Location?



#### Selected Insights from Survey Respondents

##### Praise for U.S. Companies

“U.S. companies care about results. Western European and Japanese companies exert a much greater amount of control.”

“U.S. companies are viewed as being willing to invest to improve the capability of their partners, SMEs in particular.”

“More innovation in many cases”

“Better technical expertise. More willing to be flexible”

“U.S. companies still command respect for their brands, quality of services and products, and quality of leaders.”

##### Recommendations for U.S. Companies

“Increase investment in people development...Impart management skills”

“Increase CSR”

“Better understand local cultures”

“Better communicate benefits to the community”

“Work closely with local companies in developing solutions for them that are applicable to the local market.”

## GOVERNMENT CONSULTATION AND COORDINATION

43% of respondents say that the government in their response location rarely or never seeks and considers input from the private sector when developing new laws and regulations that impact the business environment. This lack of consultation is particularly apparent in Brunei, Indonesia, Malaysia, Laos, and Thailand, where more than 45% of respondents report that the government rarely or never seeks private sector input. Conversely, 42% of the companies in Singapore report that the government always or often considers input from the private sector.

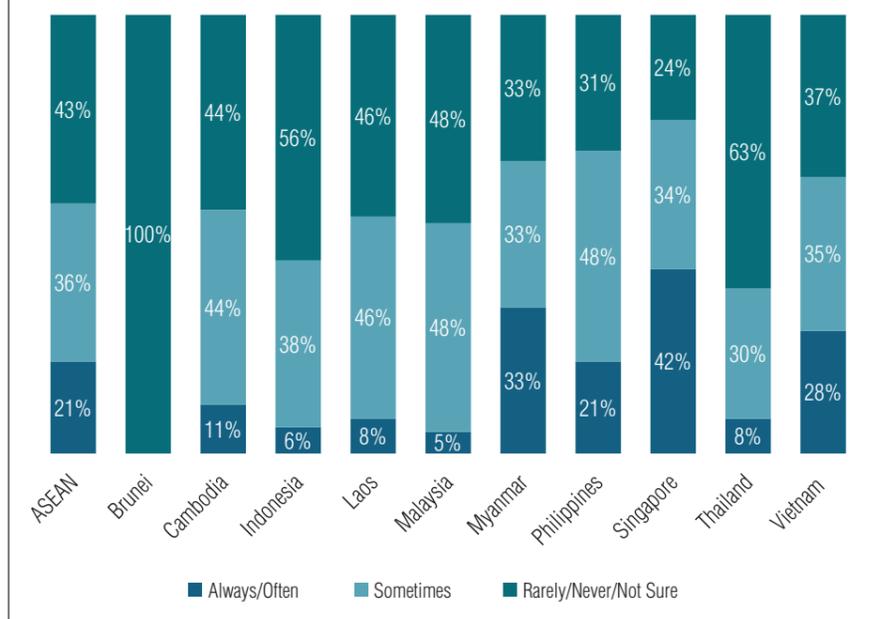
## REGIONAL INTEGRATION & TRADE AGREEMENTS

As the *ASEAN Business Outlook Survey* has shown over the past several years, companies see the prospect of ASEAN's economic integration as an opportunity. At the same time, the Trans-Pacific Partnership (TPP) and Regional Comprehensive Economic Partnership (RCEP) negotiations are prompting companies to develop regional strategies to adapt to increasing economic integration across the broader Asia-Pacific.

### IMPORTANCE OF ASEAN INTEGRATION

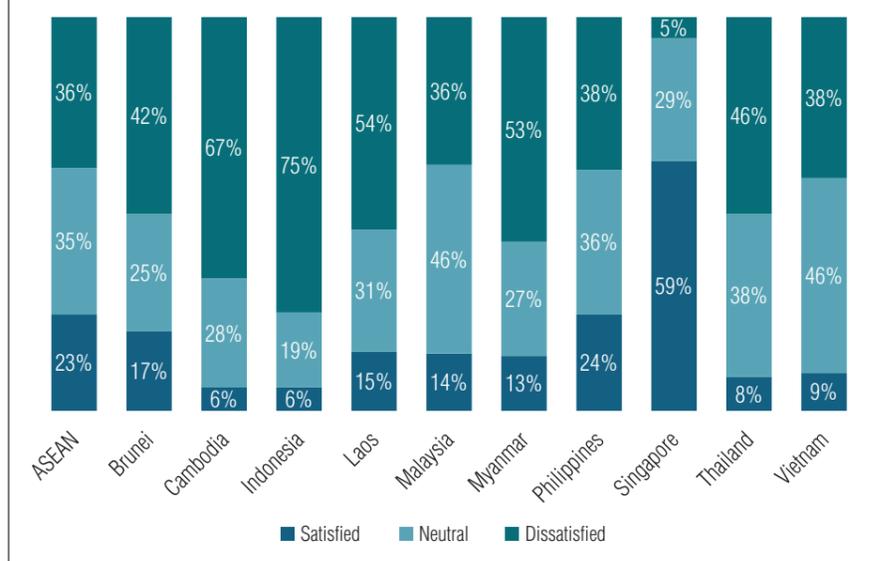
The vast majority (75%) of executives surveyed across all 10 ASEAN countries believe that ASEAN integration is important in helping their companies do business in the region.

**How Frequently Does the Government in Your Response Location Seek and Consider Input from the Private Sector on New Laws and Regulations?**

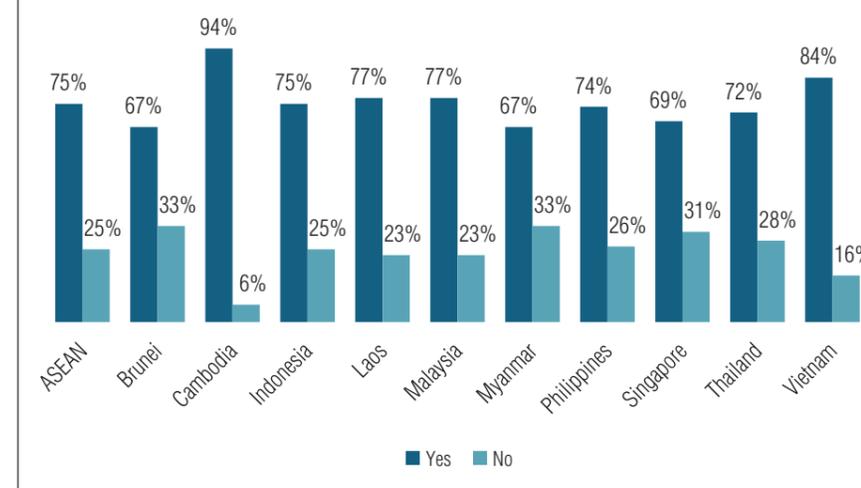


In addition to seeking and considering input from the private sector, it is helpful to investors if ministries liaise and coordinate with other ministries regarding issues that concern business. Respondents to this year's survey indicate dissatisfaction with the ability of government ministries and agencies to liaise and coordinate with other ministries in their host country. Satisfaction is the highest in Singapore (59%), compared with only 6% in both Cambodia and Indonesia.

**How Satisfied Are You with the Ability of Ministries to Liaise and Coordinate with Other Ministries in Your Host Country's Government?**



**Is ASEAN Integration Important to Helping Your Company Do Business in the Region?**



### Selected Insights from Survey Respondents

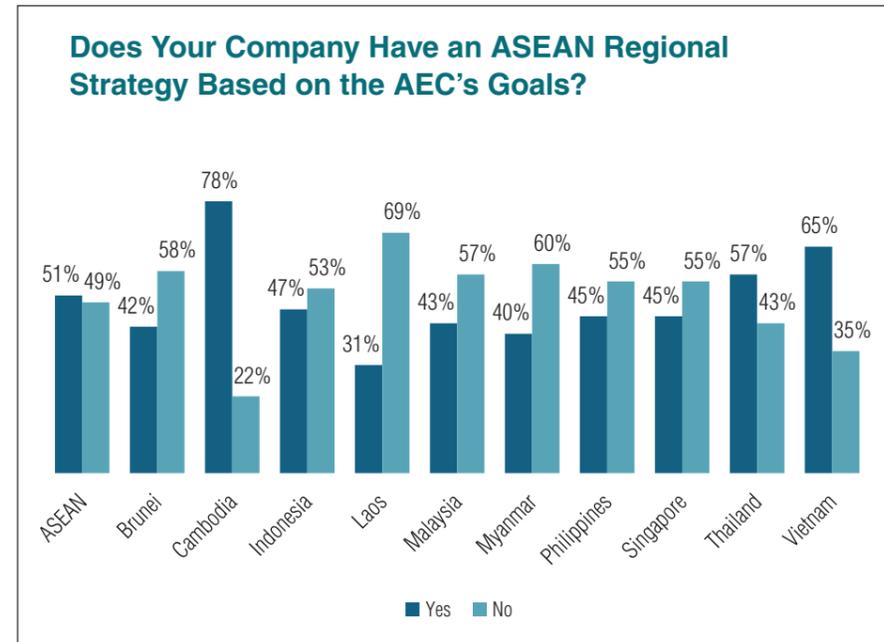
- “An integrated ASEAN provides increased opportunities to our prospects to expand their market share.”
- “It will help to simplify our import-export activities.”
- “Enables efficient operations and potential for less bureaucracy”
- “Opportunity for supply chain efficiencies”

### ASEAN ECONOMIC COMMUNITY

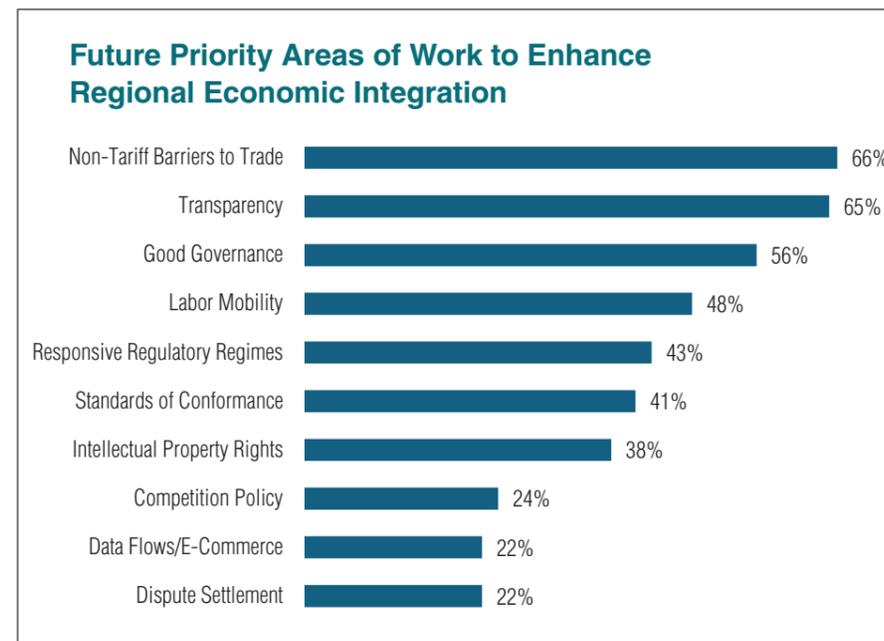
The ASEAN Economic Community (AEC) is the centerpiece of ASEAN's aspirations for greater economic integration among the 10 member countries. The AEC envisions the following key characteristics: 1) a single market and production base, 2) a highly competitive economic region, 3) a region of equitable economic development, and 4) a region fully integrated into the global economy. In order to achieve these goals, ASEAN has developed an Economic Blueprint which outlines

a wide-ranging series of goals for economic integration, including reduction and elimination of barriers to trade in goods, services, and investment, all of which are intended to develop the region as a single market and production base.

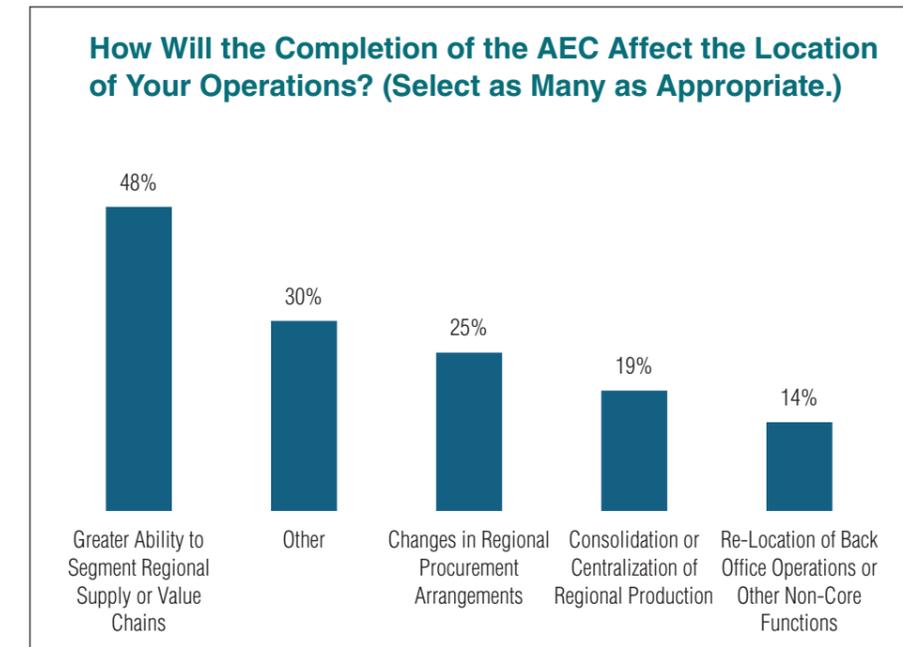
Just over half (51%) of respondents indicate that their companies have an ASEAN regional strategy based on the goals of the ASEAN Economic Blueprint. Of the respondents who did not, many commented that they are still developing their strategy, that they only focus on a single country in ASEAN, or that they are unsure about the timeline and feasibility of ASEAN's Economic Blueprint.



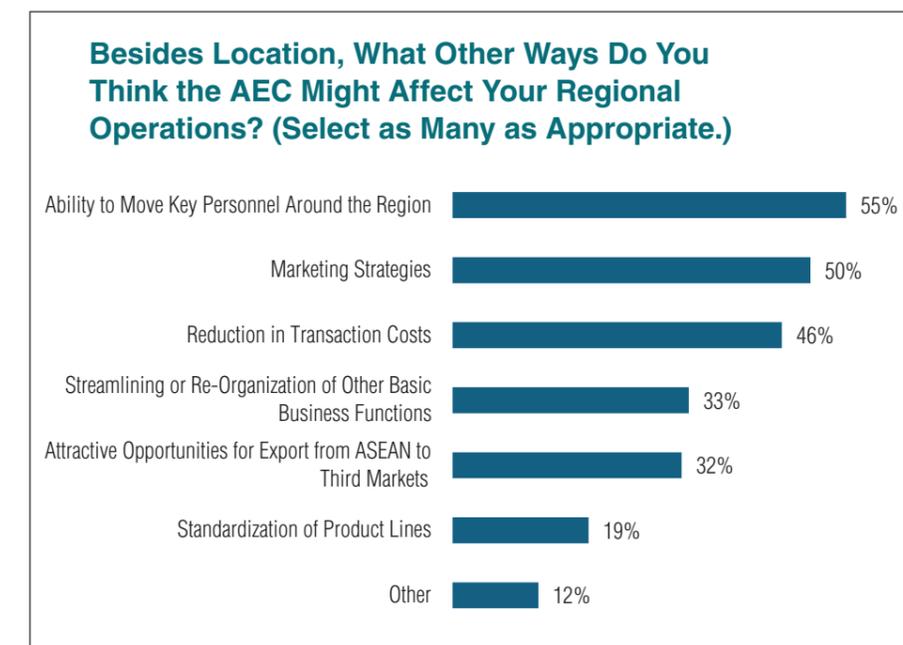
Looking beyond 2015, executives cite non-tariff barriers to trade (66%) and transparency (65%) as priority areas of work to enhance regional economic integration. Respondents also strongly emphasize the need for good governance. Those in the manufacturing sector broadly are most concerned with non-tariff barriers to trade, while executives representing the information technology, consumer goods, and electronics industries are most concerned with intellectual property rights.



Almost half (48%) of respondents indicate that the completion of the AEC will create a greater ability to segment regional supply or value chains, while 25% see changes in regional procurement arrangements, and 19% see the opportunity to consolidate or centralize regional production post-AEC. Among respondents who selected other, the majority stated that they did not anticipate that the completion of the AEC would impact their operations.

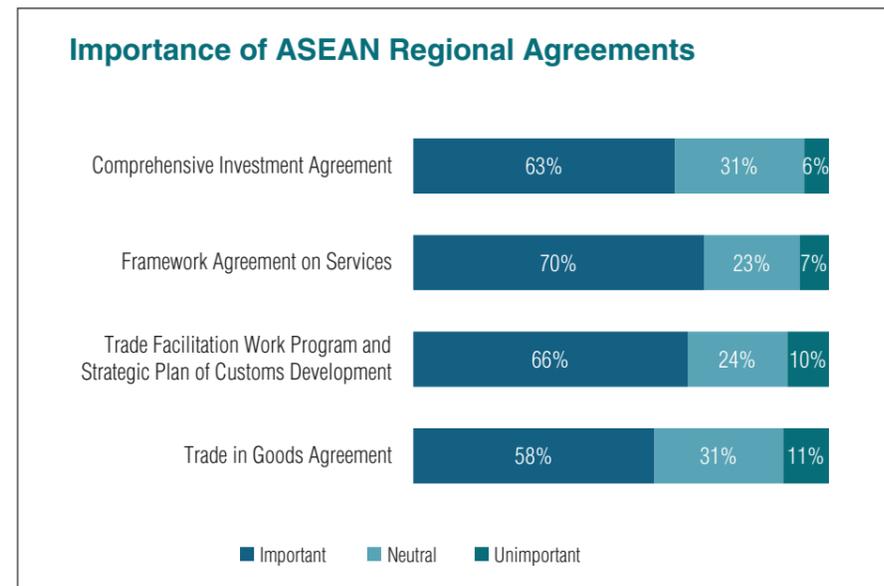


Other than location, U.S. executives highlight the ability to move key personnel around the region as a potential benefit of the AEC. Respondents from the manufacturing sector expect a greater reduction in transaction costs than those in the services sector (59% vs. 40%). Respondents indicate that marketing strategies, streamlining/reorganization of basic business functions, and increased opportunities to export from ASEAN to third markets are all potential ways in which their companies will adapt to or benefit from the AEC.



## REGIONAL FREE TRADE AGREEMENTS

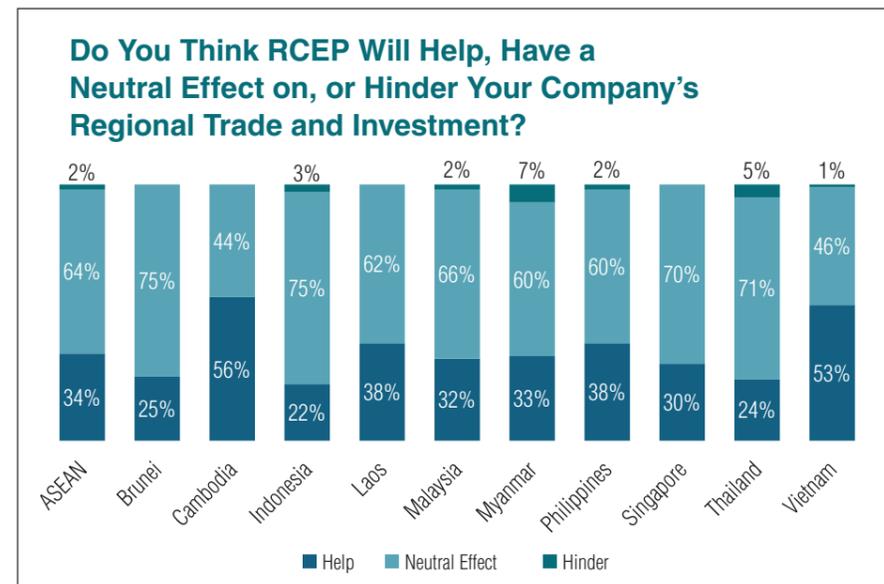
Business executives in ASEAN consider each of the four regional agreements listed below to be important to their companies' investment plans in the region. The largest percentage of respondents considers the Framework Agreement on Services to be important (70%), while 58% consider the Trade in Goods Agreement to be important.



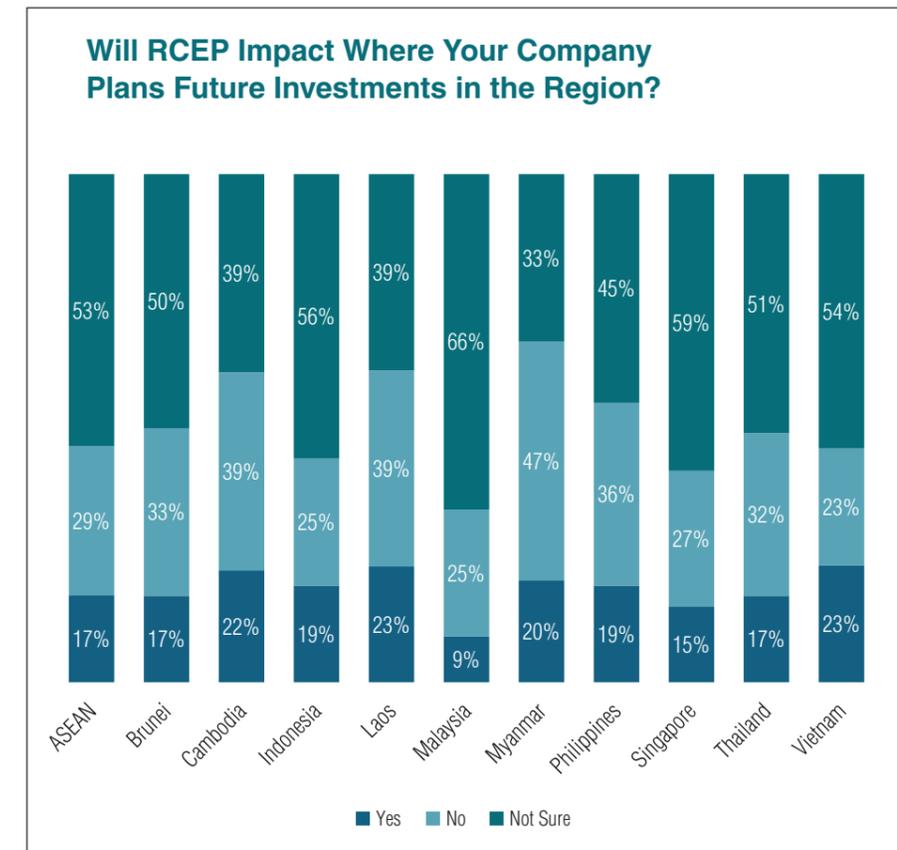
## THE REGIONAL COMPREHENSIVE ECONOMIC PARTNERSHIP (RCEP)

The Regional Comprehensive Economic Partnership (RCEP) aims to consolidate the various "ASEAN +" agreements listed above into one broader regional free trade network.

Very few respondents in the region believe that RCEP will hinder their companies' regional trade and investment as the overwhelming majority (98%) of respondents report that RCEP will either help or have a neutral effect on their companies' operations in the region.



The majority (53%) of respondents are not sure about RCEP's impact on their companies' future investments in the region. 29% believe that RCEP will not impact the location of future investments, while 17% believe that it will.



### Selected Insights from Survey Respondents

*"It [RCEP] could streamline production here for use in both regional and global markets."*

*"Besides China and India for low cost sourcing, the ASEAN countries are now looked upon as valuable sourcing partners. Borderless movement of goods among these countries are thus crucial and maybe a competitive advantage."*

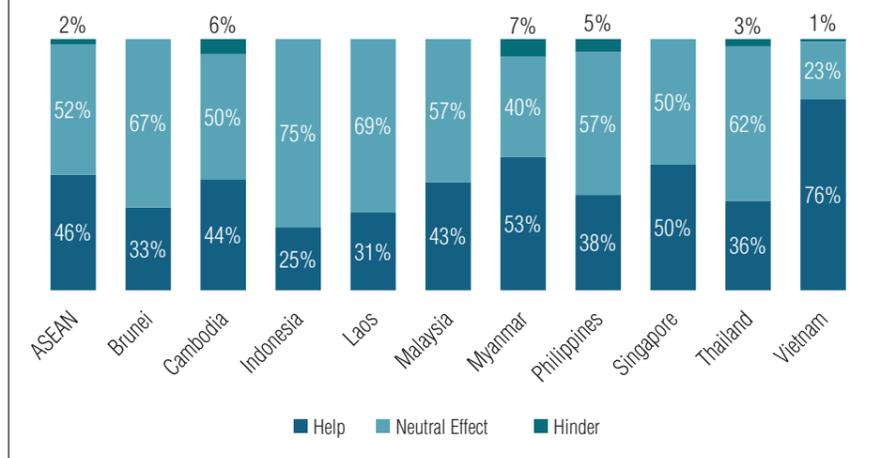
## THE TRANS-PACIFIC PARTNERSHIP (TPP)

The Trans-Pacific Partnership (TPP) aims to lay the foundation for a modern, high-standard free trade area of the Asia-Pacific region. Four ASEAN countries (Brunei, Malaysia, Singapore, and Vietnam) are among the twelve partners negotiating the agreement.

The TPP seeks to set high standards for rules in many new areas that have not been fully addressed in previous agreements, including intellectual property (IP) protection and enforcement, competition with state-owned enterprises, regulatory coherence, trade facilitation and supply chains, cross-border data flows, and enforceable investment rules.

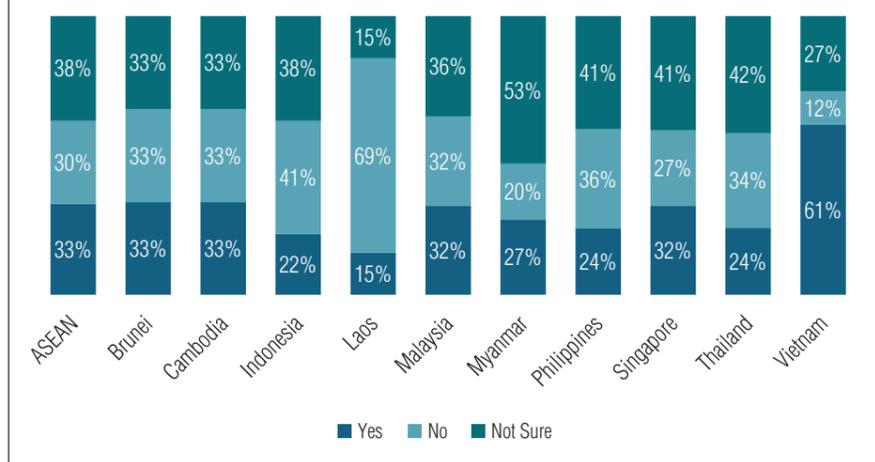
56% of respondents from the ASEAN TPP members believe that the TPP will help regional trade and investment. In contrast, only 36% of respondents from the non-member TPP nations (Cambodia, Indonesia, Laos, Myanmar, the Philippines, and Thailand) believe the agreement will help. Interestingly, more than half of the respondents based in Myanmar, a non-member of the TPP agreement, believe the agreement will have a positive impact on their company's trade and investment.

### Do You Think the TPP Will Help, Have a Neutral Effect on, or Hinder Your Company's Regional Trade and Investment?



Companies across the region have mixed views on whether the TPP will impact future investment planning. 33% of respondents think that the Trans-Pacific Partnership will impact the location of their companies' future investments in the region. Respondents from the four participating ASEAN countries were more certain that the TPP will impact their planning, with 41% responding "Yes," compared to only 24% of respondents from the other six ASEAN countries. Vietnam-based respondents are particularly confident (61%) that the TPP will affect the location of future investments.

### Will the TPP Impact Where Your Company Plans Future Investments in the Region?



#### Selected Insights from Survey Respondents

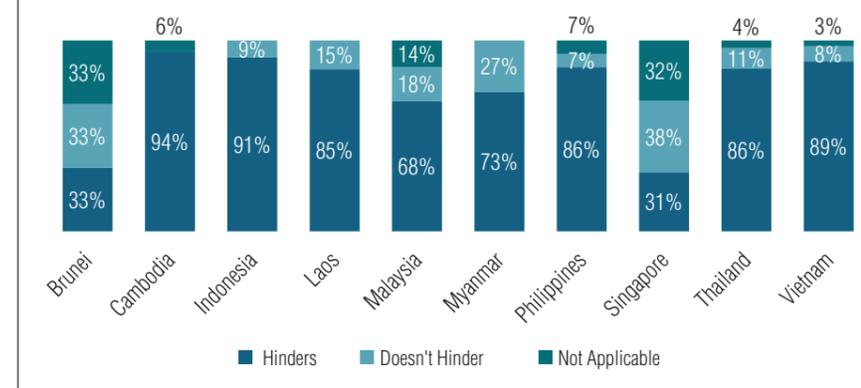
- "This is a game changer. It will make it so much easier to help U.S. companies outsource"
- "Will help grow companies' interest in the region and help them see the Indo-Asia Pacific market in a more holistic way."
- "Greater mobility of goods and services between U.S., Mexico, and ASEAN"

## CORRUPTION RISKS FOR LONG-TERM BUSINESS OPERATIONS

Companies operating in ASEAN face regional and local challenges that can impede business operations. Over the history of the *ASEAN Business Outlook Survey*, corruption has consistently been cited as the most significant challenge to doing business in ASEAN. Therefore, this year's survey explored the issue in greater depth. In this section, respondents were asked a series of questions regarding the manner in which the following challenges/risks impact their long-term business operations in their country.

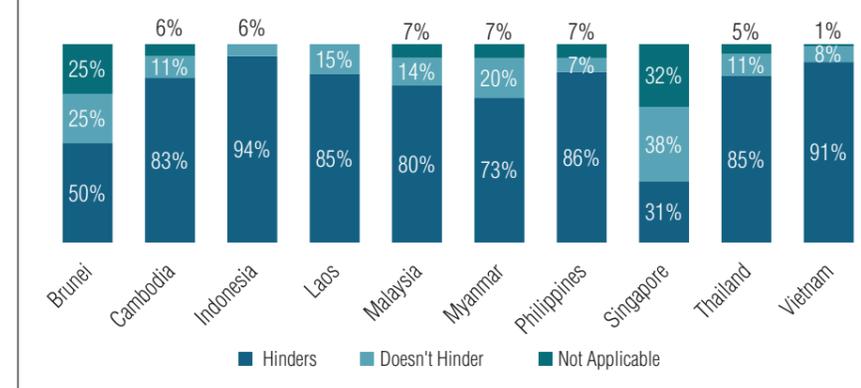
Corrupt business environments can result from the way in which the state enforces the law. Failure to enforce laws fairly is seen as a substantial risk, but the responses varied widely by country. The vast majority of respondents in Cambodia (94%), Indonesia (91%), Vietnam (89%), the Philippines (86%), Thailand (86%), and Laos (85%) foresee this issue as a hindrance to their operations. In contrast, respondents in Brunei (33%) and Singapore (31%) do not foresee nearly the same level of risk.

### Lack of Fair Enforcement of the Law

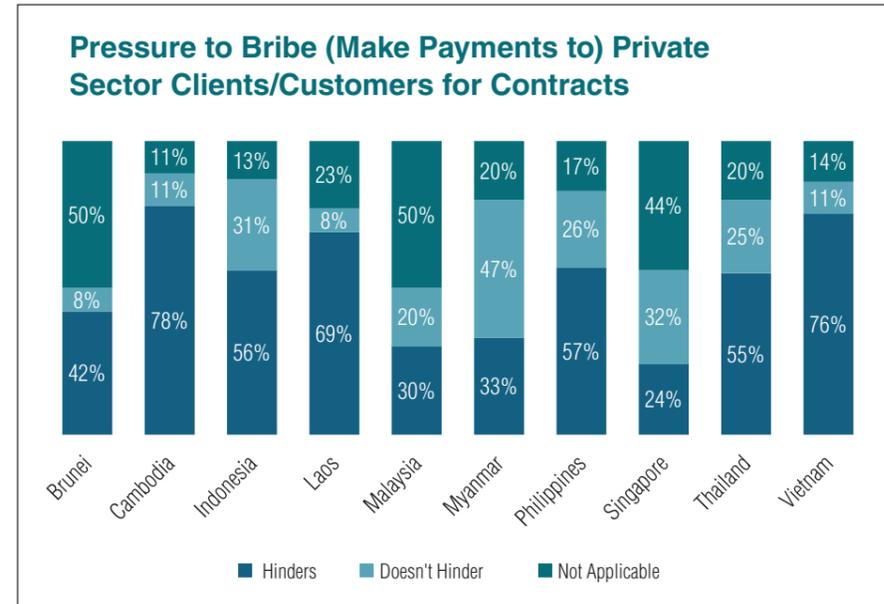


With the exception of Singapore, the majority of respondents in all countries believe that the lack of efficient enforcement of the law will hinder future business operations in their country.

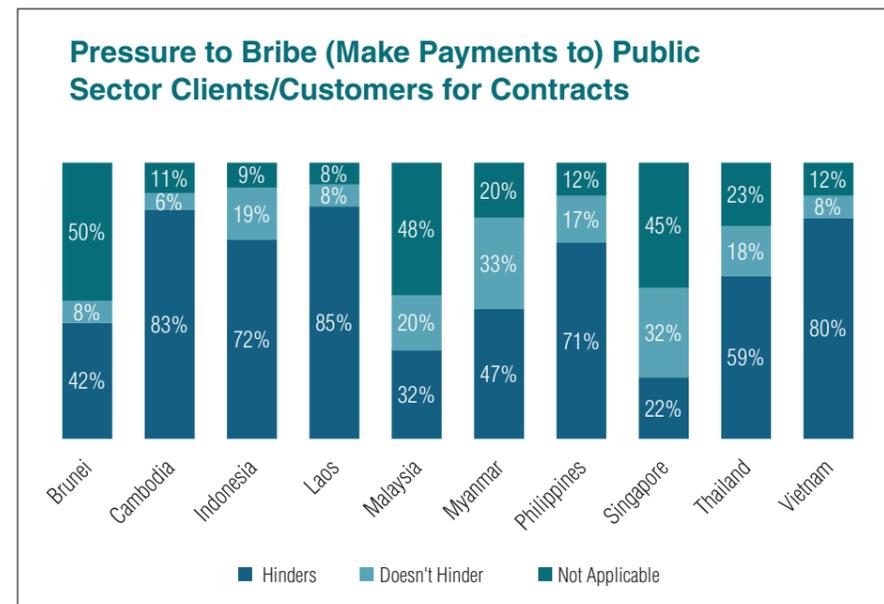
### Lack of Efficient Enforcement of the Law



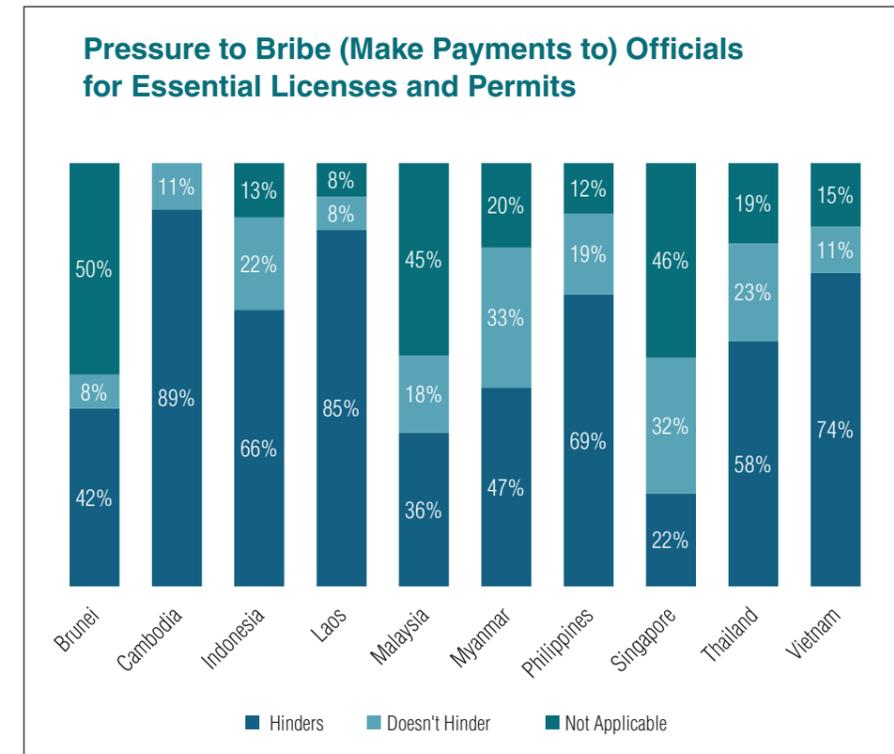
In contrast, the risk of pressure to bribe private sector clients and/or customers for contracts varies much more significantly by country. Respondents based in Cambodia (78%) and Vietnam (76%) indicate greater concern, while relatively few respondents in Malaysia (30%) and Singapore (24%) believe that this risk will hinder their operations in those countries.



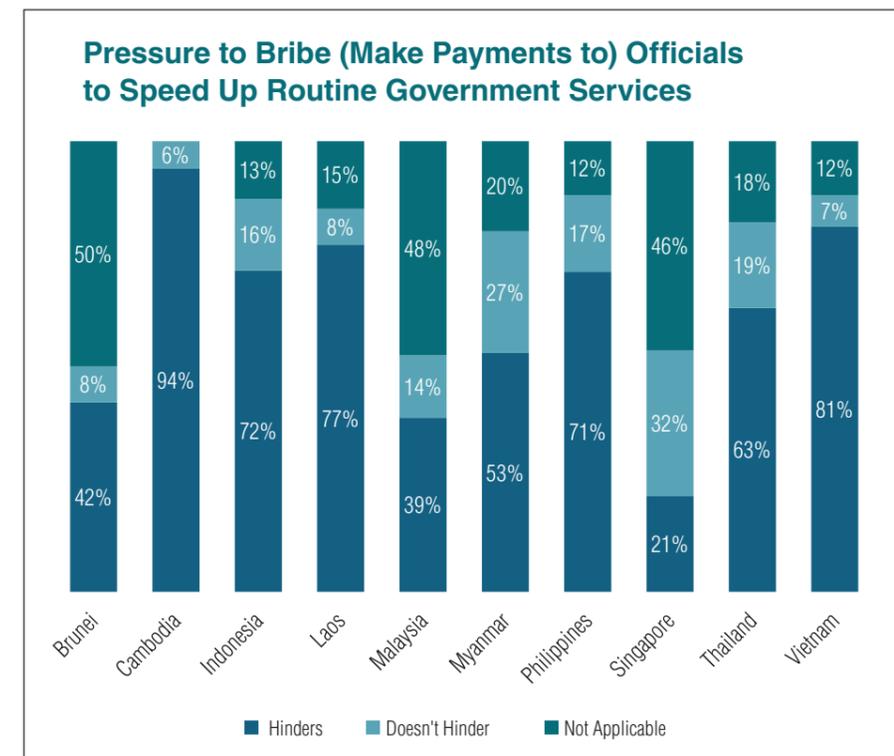
The risk of pressure to bribe public sector clients and/or customers for contracts is perceived as similar to that concerning private sector clients. However, the percentage of respondents that foresee that this risk hinders their long-term operations is slightly higher in almost all countries.



The risk of pressure to bribe officials for essential licenses and permits varies greatly depending on the country from which executives responded. Less than half of the respondents in Brunei, Malaysia, Myanmar, and Singapore foresee that this risk will hinder their long-term operations, while large percentages of respondents in Cambodia (89%), Laos (85%), and Vietnam (74%) foresee that it will.



In contrast, facilitation payments for routine government services are a more common part of international business. (Routine government services may include processing governmental papers, such as visas and work orders, or such services as police protection, power supply, phone service, etc.) In nearly all countries, the risk of pressure to bribe officials to speed up routine government services is slightly higher than the comparable risk for essential licenses and permits.



## EXPATRIATE RECRUITMENT AND RETENTION FACTORS

The ability to employ and retain a diverse workforce is an important factor in investment decisions. U.S. investors place an emphasis on hiring locally in the countries in which they operate, but they also hire some non-host country nationals. U.S. laws regarding taxation continue to create issues for Americans and U.S. companies overseas, causing many U.S. companies to hire fewer Americans. Expatriates in ASEAN are generally pleased with their assignments region-wide and often attempt to extend their time in country. Available space in international schools remains problematic according to a significant minority of respondents across the region, with problems most acute in rapidly growing Myanmar.

### IRS TAXATION

A significant proportion (39%) of respondents say that the taxation of worldwide income earned by U.S. citizens has caused their companies to hire fewer Americans. In particular, 53% of respondents in Myanmar and 51% in Singapore report that this is the case.



### Selected Insights from Survey Respondents

*“The U.S. global taxation puts American expatriates, and companies that employ them, at a competitive disadvantage relative to other nationalities. The U.S. government is hampering the ability of U.S. companies, and U.S. expats, to compete on equal footing with European and Asian companies and expats.”*

*“Double taxation makes U.S. expats a huge problem for competitiveness with local companies and international companies who do not employ U.S. expats.”*

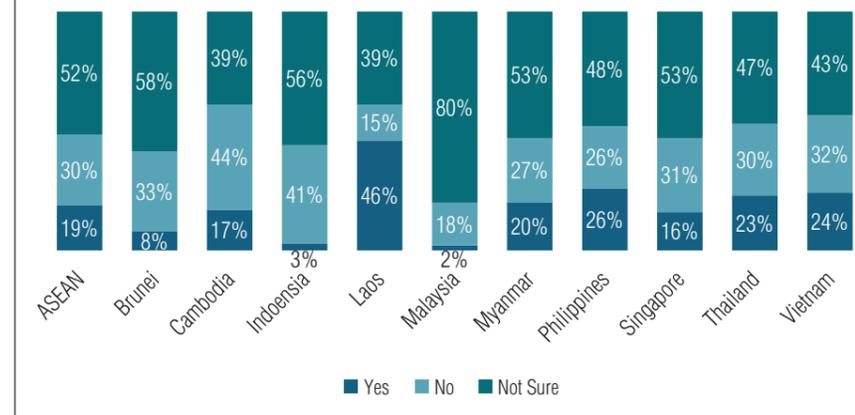
*“Although we have a taxation equalization scheme so Americans are not personally burdened, it significantly raises the cost of a U.S. expat to the company.”*

*“It keeps us from offering competitive salaries.”*

### FOREIGN ACCOUNT TAX COMPLIANCE ACT (FATCA)

Only 19% of respondents think that the Foreign Account Tax Compliance Act (FATCA) regulations have affected or will affect their ability as a company or individual to conduct business or work abroad. While some respondents claim that FATCA's increased business reporting costs create a burden on their business, more than half of the respondents (52%) are unsure, indicating that the United States should consider increasing its outreach efforts in Southeast Asia regarding FATCA.

### Will the Foreign Account Tax Compliance Act Regulations Affect Your Ability to Conduct Business?



### Selected Insights from Survey Respondents

The insights about FATCA are representative of those that submitted written responses, but not of the total population of respondents. As noted above, most responses were “Not Sure,” however all written responses were against FATCA.

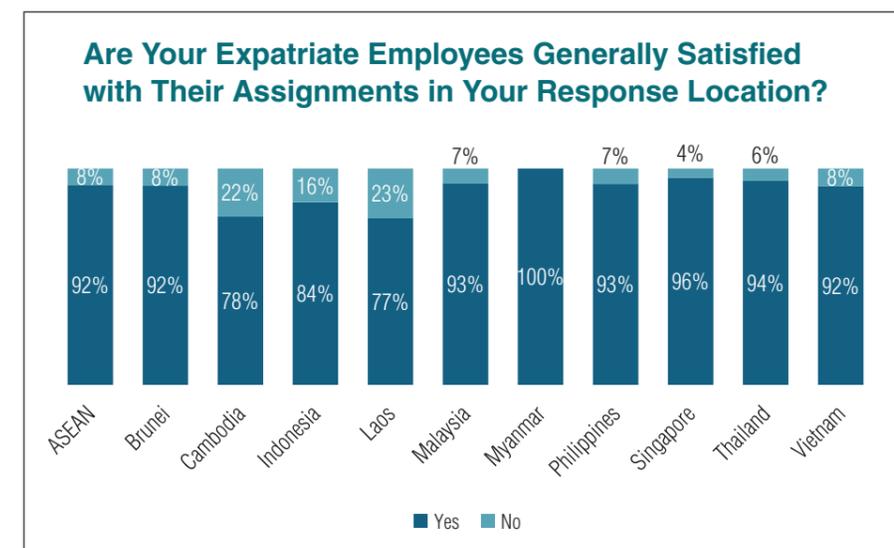
*“The U.S. regulations are excessive, overly intrusive, and in general burdensome to individuals and corporations. While the intention may be sound, the result deters Americans from wanting to work overseas and increases the costs to companies of hiring U.S. citizens.”*

*“There are partners who don't want to deal with my business, because they don't want to be subject to FACTA.”*

*“This makes our ability to conduct business and employ American expats more difficult, which impedes business.”*

### EXPATRIATE ASSIGNMENT SATISFACTION

Business executives surveyed overwhelmingly (92%) report that their expatriate employees are generally satisfied with their assignments. Myanmar has the highest percentage of reported expatriate satisfaction (100%), but respondents in all countries report extraordinary levels of satisfaction.



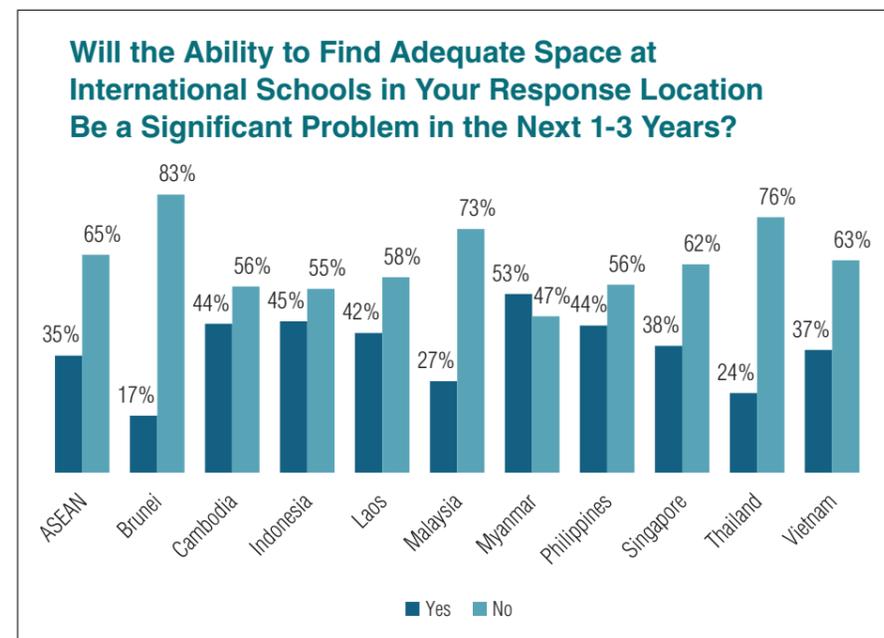
## EXPATRIATE ASSIGNMENT SATISFACTION IN RESPONSE LOCATION

The majority (53%) of total respondents report that their companies do not regularly receive requests from employees based in other locations to work in their response locations. Nonetheless, the majority of respondents in Singapore (68%) and Myanmar (60%) report that employees based in other locations request to be relocated to those locations.

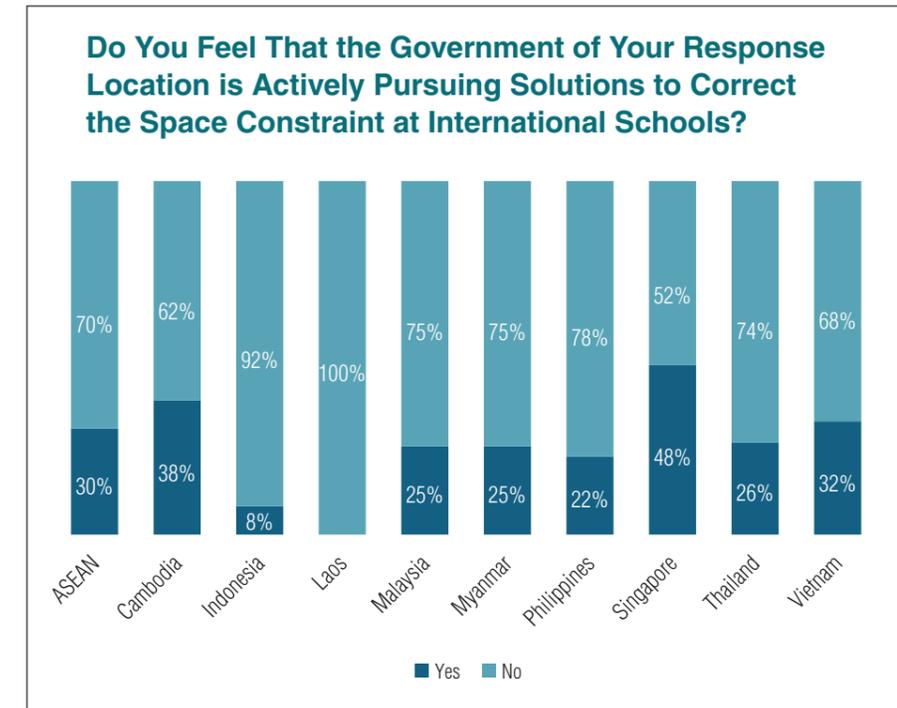


## INTERNATIONAL SCHOOLS

Over a third (35%) of this year's respondents expect difficulties in finding adequate space at international schools in the next 1-3 years. Respondents in Myanmar (53%), Indonesia (45%), Cambodia (44%), and the Philippines (44%) are especially concerned about finding adequate space at international schools.



Of the respondents who indicate that the ability to find adequate space at international schools could be a problem, the majority (70%) do not believe that the governments in their locations are actively addressing the issue. This issue is widespread among ASEAN nations.



In addition, 43% of respondents report that the lack of adequate space at international schools affects their companies' decisions to hire more local employees over foreign employees.



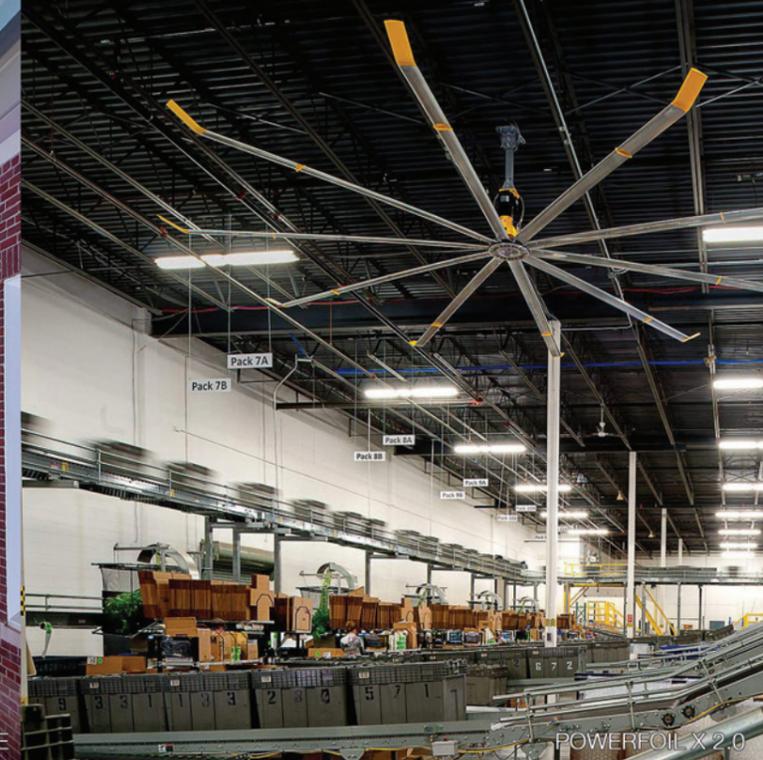
*Note: Brunei is excluded from the two previous charts because too few respondents indicated that the ability to find space at international schools would be a significant problem over the next one to three years.*

# 7 CURRENT LOCAL BUSINESS ENVIRONMENT

The table below summarizes executives' views of 16 business environment factors, listed in the left-hand column, across each of the 10 ASEAN countries. Corruption continues to be the greatest concern for U.S. companies across ASEAN, except in Brunei and Singapore. This is similar to findings over the history of the survey. Personal security and sentiment towards the U.S. remain highly positive across the ASEAN region, with the exception of Malaysia (for personal security).

Factors	ASEAN	Brunei	Cambodia	Indonesia	Laos	Malaysia	Myanmar	Philippines	Singapore	Thailand	Vietnam
Availability of Low Cost Labor	38%	42%	67%	44%	77%	36%	33%	67%	54%	40%	64%
Availability of Raw Materials	36%	58%	39%	28%	38%	39%	53%	33%	37%	37%	42%
Availability of Trained Personnel	39%	67%	50%	59%	77%	50%	73%	74%	48%	43%	36%
Ease of Moving Your Products through Customs	34%	42%	56%	69%	38%	36%	47%	57%	68%	31%	45%
Free Movement of Goods within the Region	36%	42%	39%	47%	38%	48%	53%	40%	56%	38%	47%
Housing Costs	37%	58%	50%	53%	54%	41%	87%	40%	76%	52%	39%
Infrastructure	47%	58%	61%	91%	69%	66%	80%	52%	92%	49%	59%
Lack of Corruption	48%	67%	78%	84%	92%	48%	60%	69%	93%	63%	66%
Lack of Local Protectionism	44%	33%	44%	53%	54%	48%	47%	48%	59%	44%	58%
Laws & Regulations	36%	42%	44%	94%	54%	45%	60%	50%	87%	41%	55%
New Business Incentives Offered by Government	38%	42%	56%	59%	54%	45%	40%	38%	59%	47%	45%
Office Lease Costs	35%	50%	44%	53%	46%	45%	87%	38%	64%	43%	47%
Personal Security	68%	100%	56%	53%	54%	48%	80%	55%	97%	65%	62%
Sentiment towards the U.S.	59%	42%	56%	56%	69%	57%	73%	79%	78%	47%	58%
Stable Government & Political System	47%	83%	56%	53%	46%	39%	60%	48%	94%	53%	45%
Tax Structure	35%	75%	50%	53%	62%	43%	40%	67%	83%	43%	46%

■ Strength: 50% or Greater Satisfaction Rate  
■ Strength: Plurality Are Satisfied but Satisfaction Rate Is Less Than 50%  
■ Concern: 40% or Greater Dissatisfaction Rate  
■ Concern: Plurality Are Dissatisfied but Dissatisfaction Rate Is Less Than 40%  
■ Neutral: The Plurality Are Neutral or the Factor Is Inapplicable



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## 8 CHANGE IN SATISFACTION OF LOCAL BUSINESS ENVIRONMENT (2010 VS. 2015)

The following table summarizes executives' changing views of 16 business environment factors, listed in the left-hand column, across each of the 10 ASEAN countries. The numbers listed show the change in satisfaction between respondents' answers in 2010 and 2015, with the number representing the difference between the answers in percentage points. The green cells indicate positive changes in satisfaction, while the red cells indicate negative changes in satisfaction. The intensity of the shade of green or red indicates the significance of the change. Unshaded cells indicate minimal change.

Overall, respondents indicated incremental changes in most factors across the region, with improvements in lack of corruption (4%) and personal security (4%) ranking highest and a decrease in the availability of low cost labor lowest (-14%).

Factors	ASEAN	Cambodia	Indonesia	Malaysia	Philippines	Singapore	Thailand	Vietnam
Availability of Low Cost Labor	▼14%	▲2%	▼20%	▲5%	▼8%	▼14%	▼27%	▲4%
Availability of Raw Materials	▼7%	▲16%	▲3%	▼4%	▼2%	▼15%	▼13%	▲7%
Availability of Trained Personnel	▼9%	▲16%	▼11%	▼18%	▲5%	▼9%	▼12%	▲10%
Ease of Moving Your Products through Customs	▼1%	▼1%	▲4%	▲6%	▼7%	▲5%	▼3%	▼4%
Free Movement of Goods within the Region	▼5%	▼19%	▼9%	▲1%	▼4%	0%	▼8%	▲3%
Housing Costs	▼2%	▲4%	▼16%	▼4%	▼11%	▲2%	▼9%	▲16%
Infrastructure	▼6%	▼7%	▼16%	▼4%	▼13%	▼4%	▼15%	▲4%
Lack of Corruption	▲4%	▲5%	▼2%	▲1%	▲8%	▲6%	▼1%	▲3%
Lack of Local Protectionism	▼6%	▼7%	▼25%	▲8%	▼7%	0%	▼11%	▼6%
Laws & Regulations	▼2%	▲11%	▼2%	▲5%	▼13%	▲4%	▼3%	▼6%
New Business Incentives Offered by Government	▼3%	▼1%	▼22%	▲25%	▲13%	▼16%	▼5%	▲3%
Office Lease Costs	▼10%	▲15%	▼19%	▲5%	▼23%	▼13%	▼16%	▲13%
Personal Security	▲4%	▲8%	▲20%	▲2%	▲8%	▲4%	▲5%	▼12%
Sentiment towards the U.S.	▼12%	▼21%	▼5%	▲7%	▲10%	▼7%	▼26%	▼9%
Stable Government & Political System	▲3%	▼19%	▼11%	▼6%	▲22%	▲5%	▲11%	▼13%
Tax Structure	▼4%	▼12%	▼7%	▲7%	▼12%	▲4%	▼15%	▼6%

Notes: 5 year data is not available for Brunei, Laos, and Myanmar. Cells measure the change in those reporting that they were **satisfied** with a given factor, not dissatisfied or neutral.

- Increase: 10% or Greater Increase in Satisfaction
- Moderate Increase: Between 5% and 9% Increase in Satisfaction
- Decrease: 10% or Greater Decrease in Satisfaction
- Moderate Decrease: Between 5% and 9% Decrease in Satisfaction
- Minimal Change: The Satisfaction Percentage has Changed Less Than 5%

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# BRUNEI



## IMPORTANCE OF ASEAN MARKETS



**33%** of respondents in Brunei report that ASEAN markets have increased in importance over the past two years.



**33%** of respondents expect ASEAN's importance to increase over the next two years.



**67%** regard ASEAN integration as important to helping their companies do business in the region.

## LEVEL OF TRADE AND INVESTMENT IN ASEAN



**42%** of respondents indicate that their companies' level of trade and investment in the ASEAN region has increased over the past two years.



**58%** expect their companies' level of trade and investment in ASEAN to increase over the next five years.

## BUSINESS EXPANSION

The most targeted countries for expansion are



Indonesia  
**42%**



Malaysia  
**42%**



Philippines  
**33%**

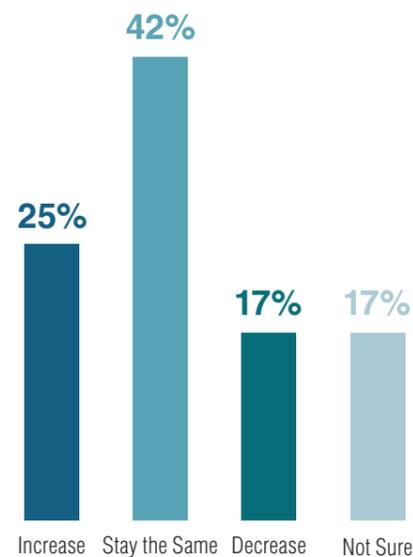


**42%** plan to expand in Brunei.

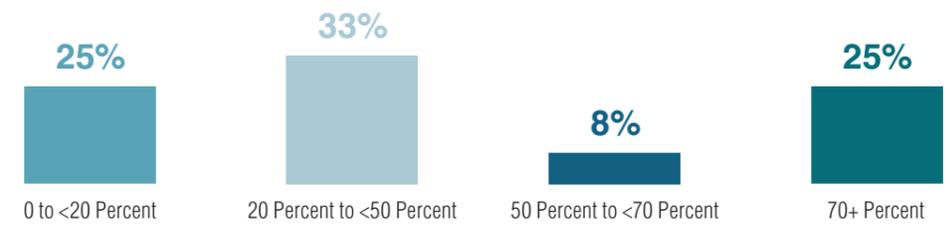


**25%** expect their workforce in Brunei to increase in 2015.

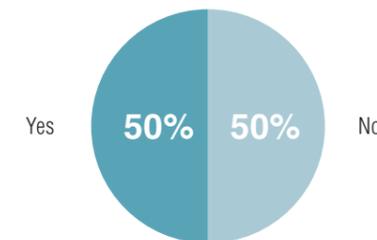
## PROFIT OUTLOOK 2016



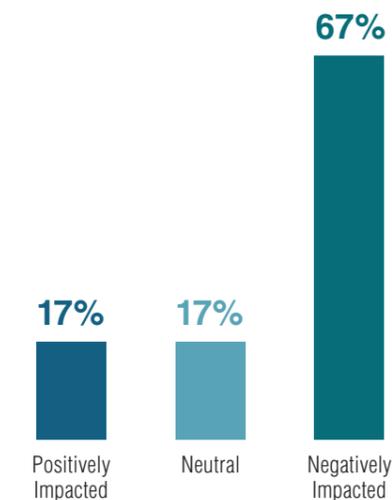
## WHAT PERCENTAGE OF YOUR WORKFORCE IS COMPRISED OF HOST COUNTRY NATIONALS?



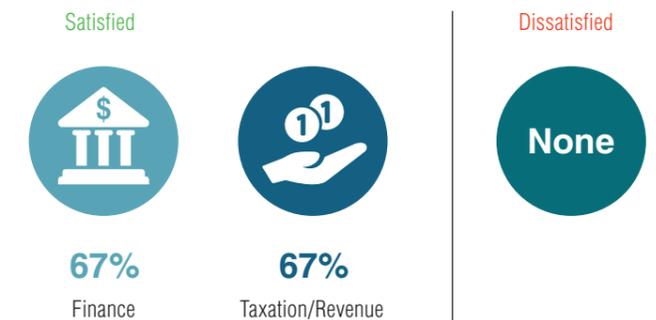
## DOES THE ONGOING IMPLEMENTATION OF THE SHARIA PENAL CODE SYSTEM SINCE APRIL 2014 IMPACT THE BUSINESS ENVIRONMENT IN BRUNEI?



## HOW HAS IT IMPACTED THE INTERNATIONAL BUSINESS ENVIRONMENT IN BRUNEI?

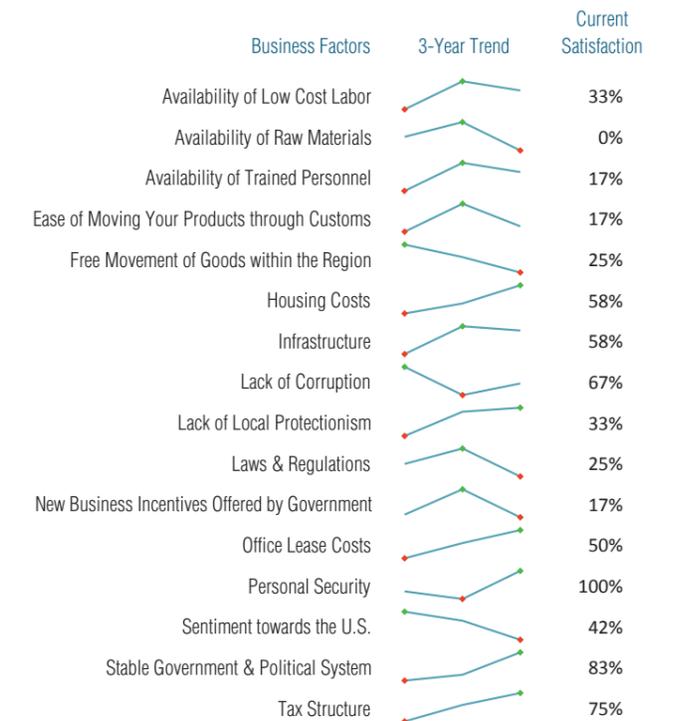


## SATISFACTION WITH GOVERNMENT AGENCIES



## LOCAL BUSINESS ENVIRONMENT

The chart below tracks U.S. investor satisfaction with 16 aspects of the business environment from 2013-15. The percentage of those indicating satisfaction in 2015 is listed in the right-hand column.



# CAMBODIA



## IMPORTANCE OF ASEAN MARKETS



**72%** of respondents in Cambodia report that ASEAN markets have increased in importance over the past two years.



**67%** of respondents expect ASEAN's importance to continue to increase over the next two years.



**94%** regard ASEAN integration as important to helping their companies do business in the region.

## BUSINESS EXPANSION

The most targeted countries for expansion are



Myanmar  
**56%**



Vietnam  
**39%**



Laos  
**33%**



**83%** plan to expand in Cambodia.



**67%** expect their workforce in Cambodia to increase in 2015.

## LEVEL OF TRADE AND INVESTMENT IN ASEAN

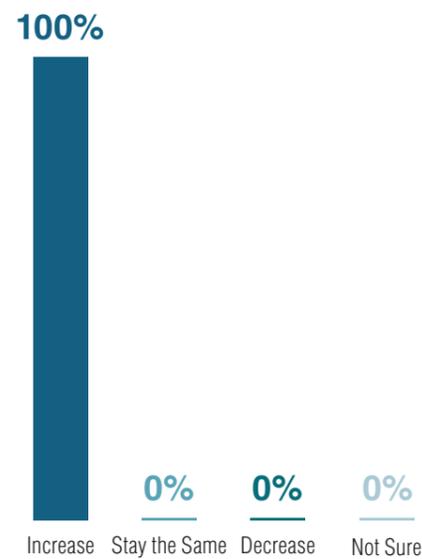


**67%** of respondents indicate that their companies' level of trade and investment in the ASEAN region has increased over the past two years.



**94%** expect their companies' level of trade and investment in ASEAN to increase over the next five years.

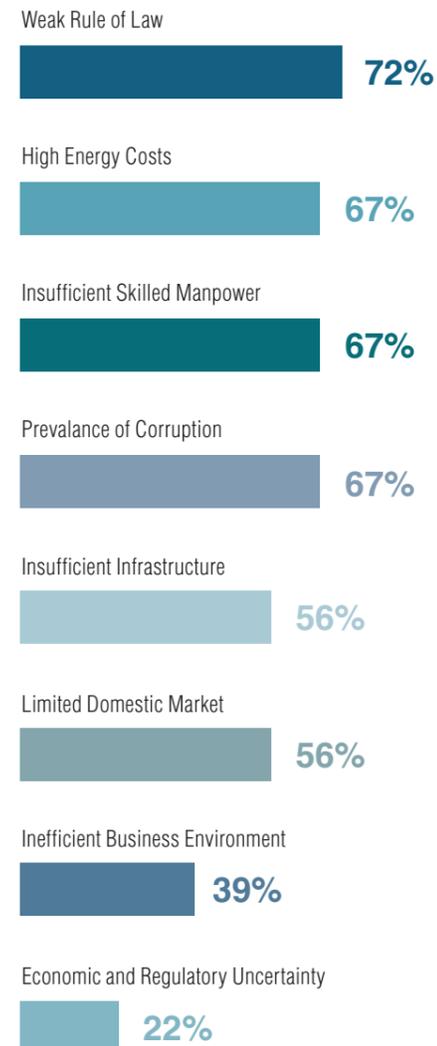
## PROFIT OUTLOOK 2016



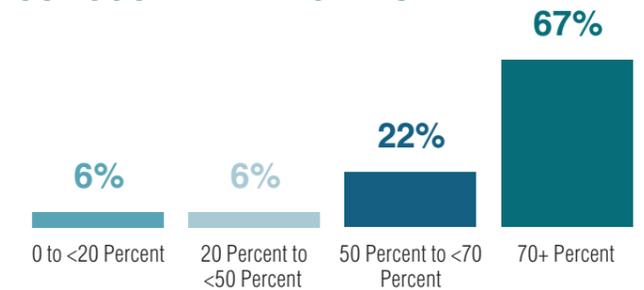
## SATISFACTION WITH GOVERNMENT AGENCIES



## WHICH OF THE FOLLOWING FACTORS DO YOU FEEL ARE THE GREATEST BARRIERS FOR POTENTIAL NEW INVESTORS TO ENTER CAMBODIA?

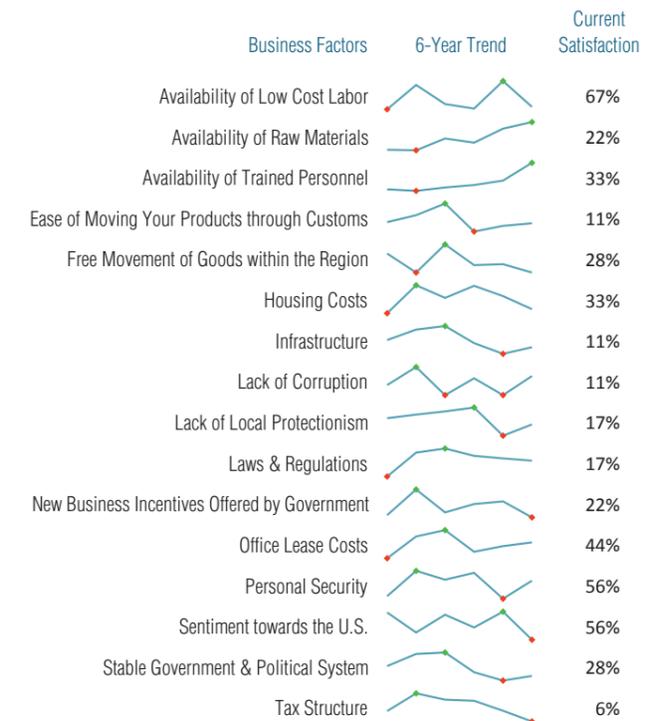


## WHAT PERCENTAGE OF YOUR WORKFORCE IS COMPRISED OF HOST COUNTRY NATIONALS?



## LOCAL BUSINESS ENVIRONMENT

The chart below tracks U.S. investor satisfaction with 16 aspects of the business environment from 2010-15. The percentage of those indicating satisfaction in 2015 is listed in the right-hand column.



# INDONESIA



## IMPORTANCE OF ASEAN MARKETS



**72%** of respondents in Indonesia report that ASEAN markets have increased in importance over the past two years.



**75%** of respondents expect ASEAN's importance to continue to increase over the next two years.



**75%** regard ASEAN integration as important to helping their companies do business in the region.

## LEVEL OF TRADE AND INVESTMENT IN ASEAN



**81%** of respondents indicate that their companies' level of trade and investment in the ASEAN region has increased over the past two years.



**91%** expect their companies' level of trade and investment in ASEAN to increase over the next five years.

## BUSINESS EXPANSION

The most targeted countries for expansion are



Vietnam  
**50%**



Myanmar  
**47%**



Thailand  
**28%**

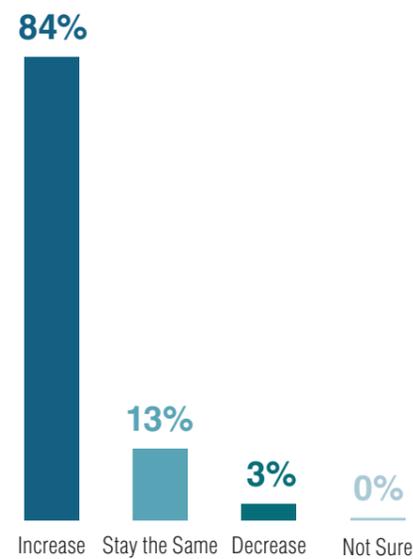


**75%** plan to expand in Indonesia.

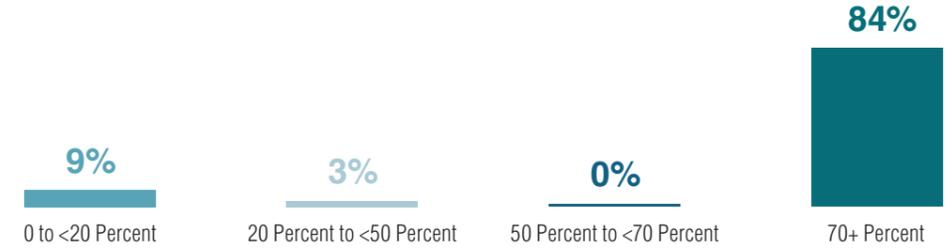


**47%** expect their workforce in Indonesia to increase in 2015.

## PROFIT OUTLOOK 2016



## WHAT PERCENTAGE OF YOUR WORKFORCE IS COMPRISED OF HOST COUNTRY NATIONALS?



## AFTER SIX MONTHS IN OFFICE, WHAT EFFECT DO YOU FEEL THE JOKOWI GOVERNMENT HAS HAD ON INDONESIAN TRADE AND INVESTMENT POLICY VIS-À-VIS FOREIGN INVESTORS?

Significantly Improved

**0%**

Improved

**19%**

Neutral/Remained about the Same

**44%**

Weakened

**25%**

Significantly Weakened

**13%**

## SATISFACTION WITH GOVERNMENT AGENCIES

Satisfied



**None**

Dissatisfied

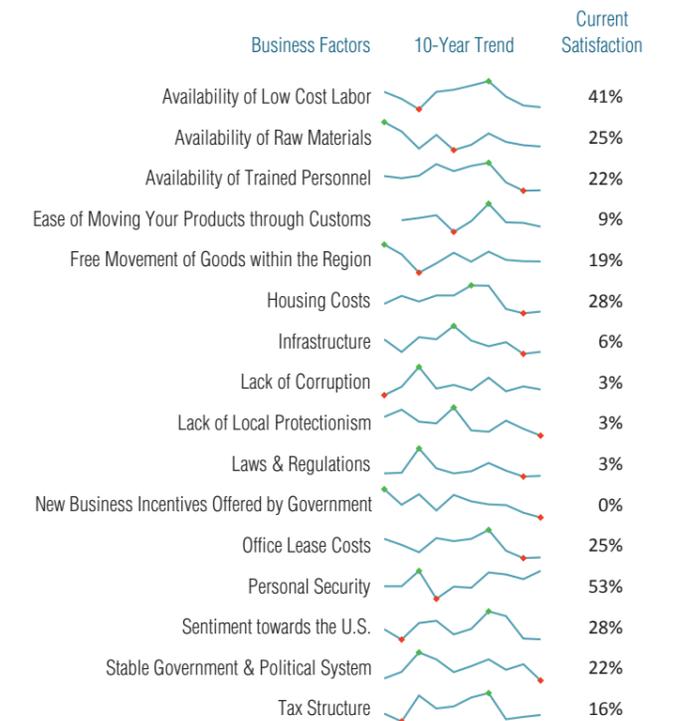


**66%**

Customs

## LOCAL BUSINESS ENVIRONMENT

The chart below tracks U.S. investor satisfaction with 16 aspects of the business environment from 2006-15. The percentage of those indicating satisfaction in 2015 is listed in the right-hand column.



# LAOS



## IMPORTANCE OF ASEAN MARKETS



**23%** of respondents in Laos report that ASEAN markets have increased in importance over the past two years.



**46%** of respondents expect ASEAN's importance to continue to increase over the next two years.



**77%** regard ASEAN integration as important to helping their companies do business in the region.

## LEVEL OF TRADE AND INVESTMENT IN ASEAN



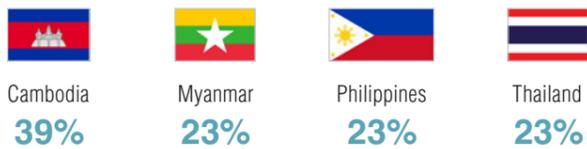
**54%** of respondents indicate that their companies' level of trade and investment in the ASEAN region has remained about the same over the past two years.



**54%** expect their companies' level of trade and investment in ASEAN to increase over the next five years.

## BUSINESS EXPANSION

The most targeted countries for expansion are

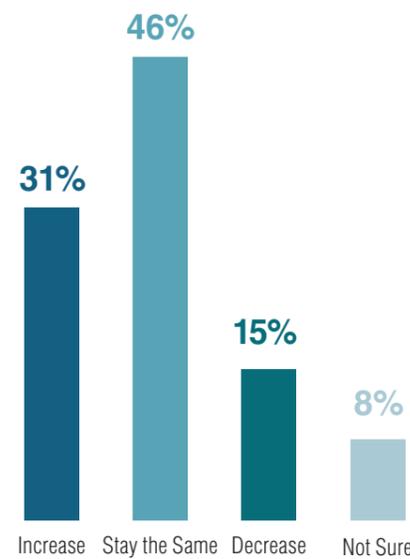


**46%** plan to expand in Laos.

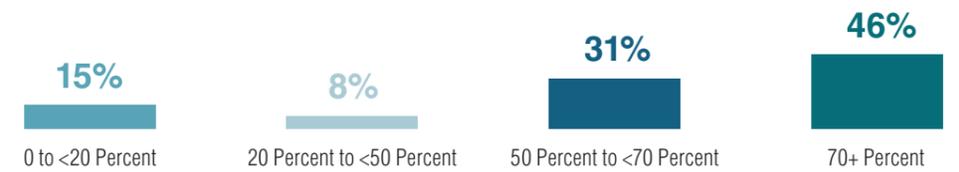


**46%** expect their workforce in Laos to increase in 2015.

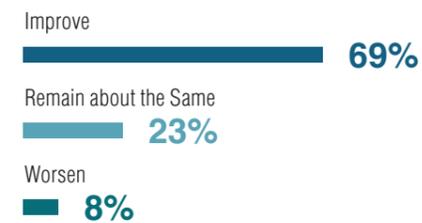
## PROFIT OUTLOOK 2016



## WHAT PERCENTAGE OF YOUR WORKFORCE IS COMPRISED OF HOST COUNTRY NATIONALS?



## IN 2014, LAOS RECEIVED A US\$3.9 MILLION GRANT TO EXPAND THE RULE OF LAW. HOW WILL THIS IMPACT DOING BUSINESS IN LAOS?



## WHICH OF THE FOLLOWING FACTORS DO YOU FEEL ARE THE GREATEST BARRIERS FOR POTENTIAL NEW INVESTORS TO ENTER LAOS?

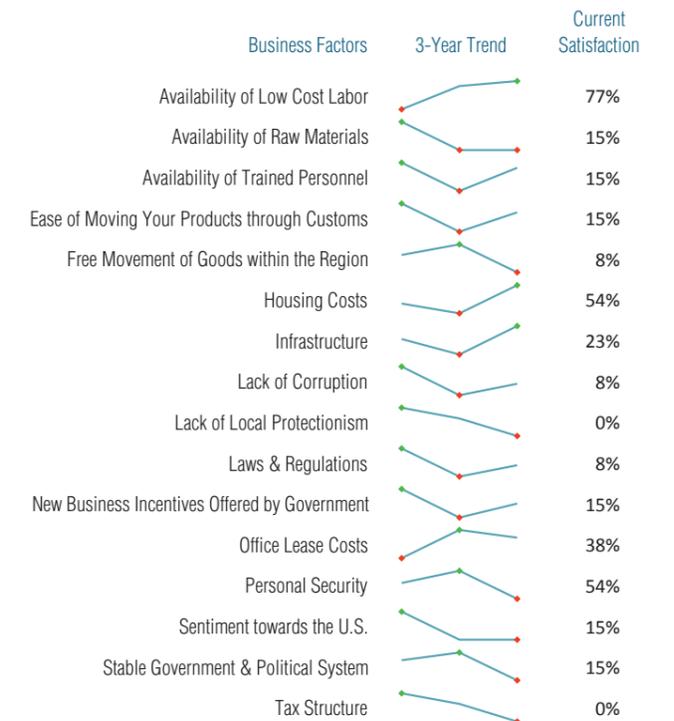


## SATISFACTION WITH GOVERNMENT AGENCIES



## LOCAL BUSINESS ENVIRONMENT

The chart below tracks U.S. investor satisfaction with 16 aspects of the business environment from 2013-15. The percentage of those indicating satisfaction in 2015 is listed in the right-hand column.



# U.S. Investors' Sentiments and Perceptions in MALAYSIA



## IMPORTANCE OF ASEAN MARKETS



**61%** of respondents in Malaysia report that ASEAN markets have increased in importance over the past two years.



**66%** of respondents expect ASEAN's importance to continue to increase over the next two years.



**77%** regard ASEAN integration as important to helping their companies do business in the region.

## LEVEL OF TRADE AND INVESTMENT IN ASEAN



**77%** of respondents indicate that their companies' level of trade and investment in the ASEAN region has increased over the past two years.



**91%** expect their companies' level of trade and investment in ASEAN to increase over the next five years.

## BUSINESS EXPANSION

The most targeted countries for expansion are

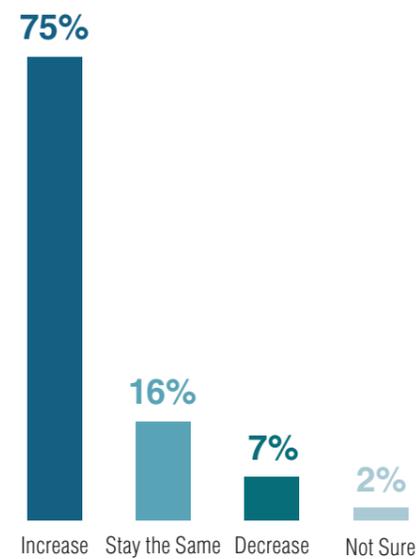


**59%** plan to expand in Malaysia.

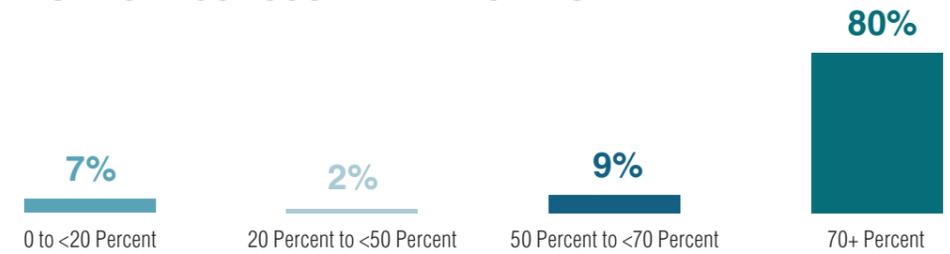


**39%** expect their workforce in Malaysia to increase in 2015.

## PROFIT OUTLOOK 2016



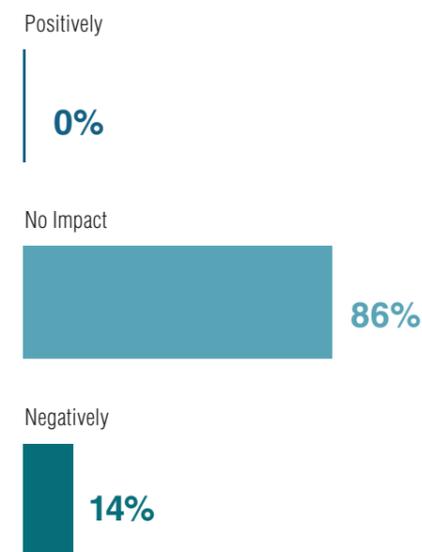
## WHAT PERCENTAGE OF YOUR WORKFORCE IS COMPRISED OF HOST COUNTRY NATIONALS?



## SATISFACTION WITH GOVERNMENT AGENCIES

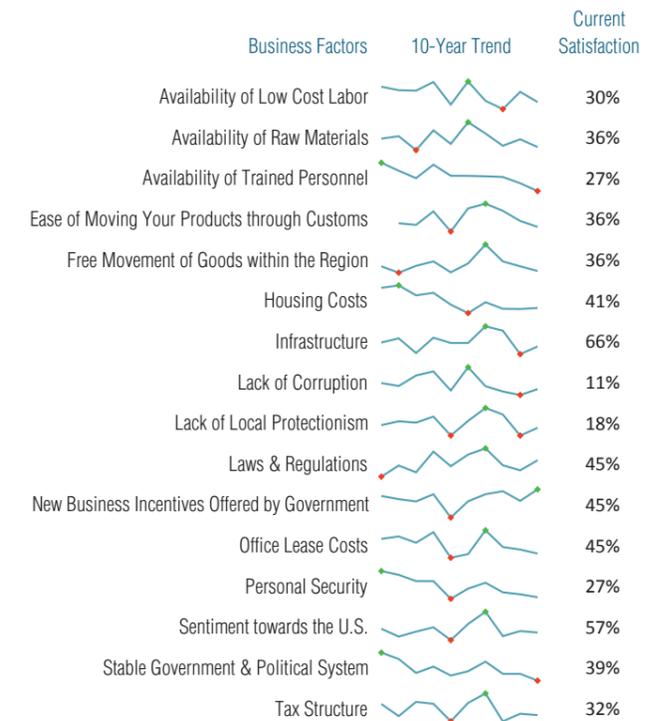


## TO WHAT EXTENT, IF ANY, HAS THE ONGOING POLITICAL TENSION IN MALAYSIA IMPACTED YOUR INVESTMENT PLANS?



## LOCAL BUSINESS ENVIRONMENT

The chart below tracks U.S. investor satisfaction with 16 aspects of the business environment from 2006-15. The percentage of those indicating satisfaction in 2015 is listed in the right-hand column.



# U.S. Investors' Sentiments and Perceptions in MYANMAR



## IMPORTANCE OF ASEAN MARKETS



**40%** of respondents in Myanmar report that ASEAN markets have increased in importance over the past two years.



**53%** of respondents expect ASEAN's importance to continue to increase over the next two years.



**67%** regard ASEAN integration as important to helping their companies do business in the region.

## LEVEL OF TRADE AND INVESTMENT IN ASEAN



**73%** of respondents indicate that their companies' level of trade and investment in the ASEAN region has increased over the past two years.



**93%** expect their companies' level of trade and investment in ASEAN to increase over the next five years.

## BUSINESS EXPANSION

The most targeted countries for expansion are

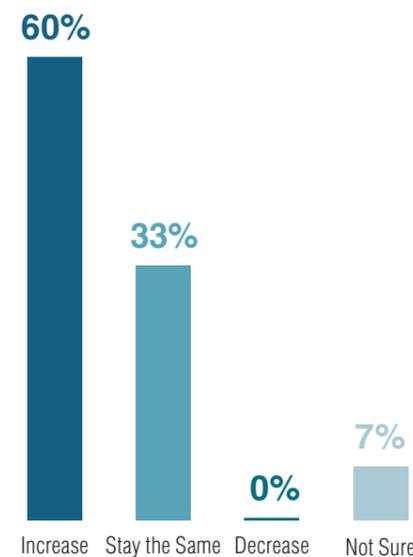


**87%** plan to expand in Myanmar.

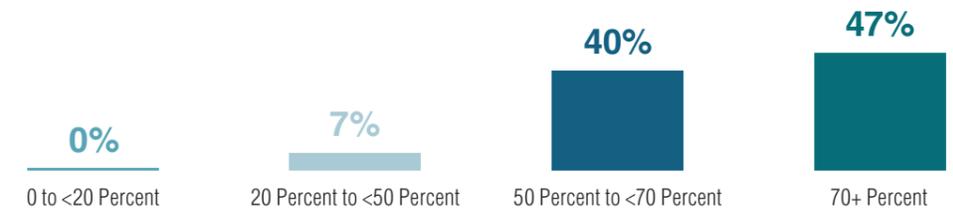


**67%** expect their workforce in Myanmar to increase in 2015.

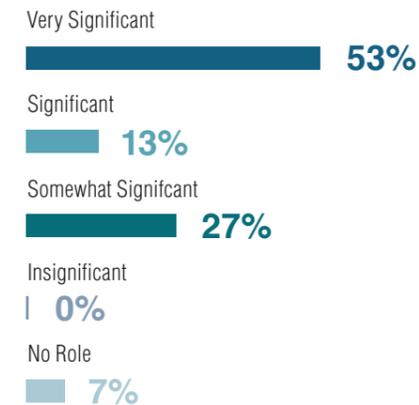
## PROFIT OUTLOOK 2016



## WHAT PERCENTAGE OF YOUR WORKFORCE IS COMPRISED OF HOST COUNTRY NATIONALS?



## HOW SIGNIFICANT A ROLE DO ONGOING U.S. SANCTIONS AGAINST MYANMAR (SDN LIST, REPORTING REQUIREMENTS, PROHIBITION ON CONTRACTS WITH THE MINISTRY OF DEFENSE, JADEITE RESTRICTIONS, ETC.) PLAY IN YOUR INVESTMENT DECISIONS?



## SELECTED INSIGHTS FROM SURVEY RESPONDENTS

"Sanctions clearly scare away potential customers and partners from the U.S."

"Additional complications on due diligence and cost of reporting"

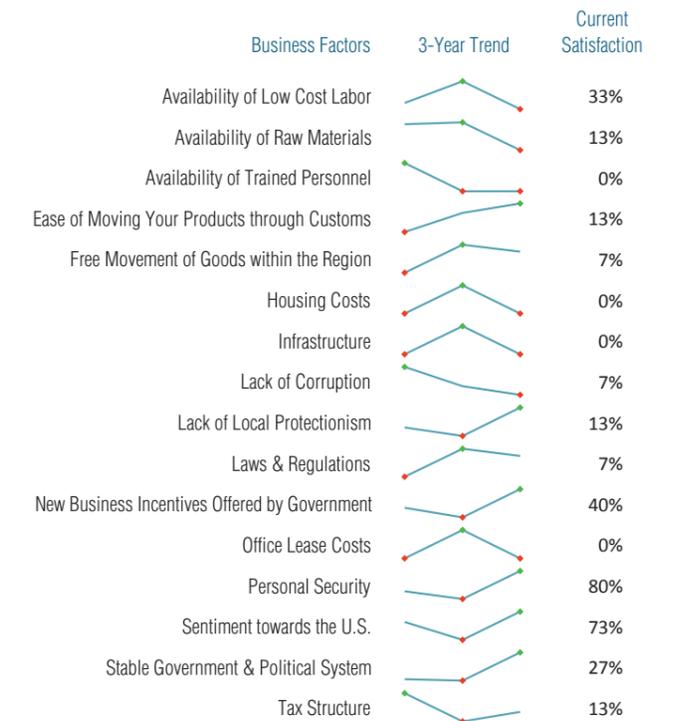
"The constant checking of SDN status of partners; significant banking barriers; loss of reputation due to reporting requirements; difficulty of securing OFAC licenses."

## SATISFACTION WITH GOVERNMENT AGENCIES



## LOCAL BUSINESS ENVIRONMENT

The chart below tracks U.S. investor satisfaction with 16 aspects of the business environment from 2013-15. The percentage of those indicating satisfaction in 2015 is listed in the right-hand column.



# PHILIPPINES



## IMPORTANCE OF ASEAN MARKETS



**50%** of respondents in the Philippines report that ASEAN markets have increased in importance over the past two years.



**74%** of respondents expect ASEAN's importance to continue to increase over the next two years.



**74%** regard ASEAN integration as important to helping their companies do business in the region.

## LEVEL OF TRADE AND INVESTMENT IN ASEAN



**76%** of respondents indicate that their companies' level of trade and investment in the ASEAN region has increased over the past two years.



**86%** expect their companies' level of trade and investment in ASEAN to increase over the next five years.

## BUSINESS EXPANSION

The most targeted countries for expansion are



Indonesia  
**36%**



Vietnam  
**36%**

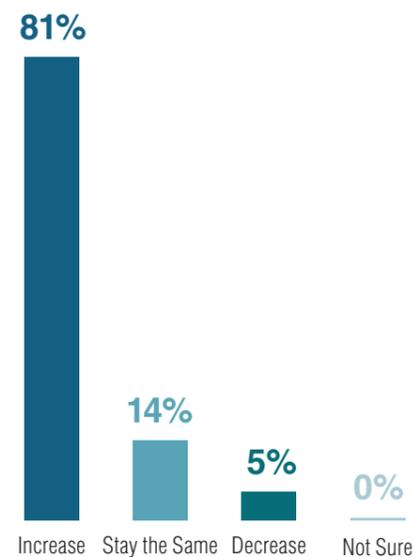


**71%** plan to expand in the Philippines.

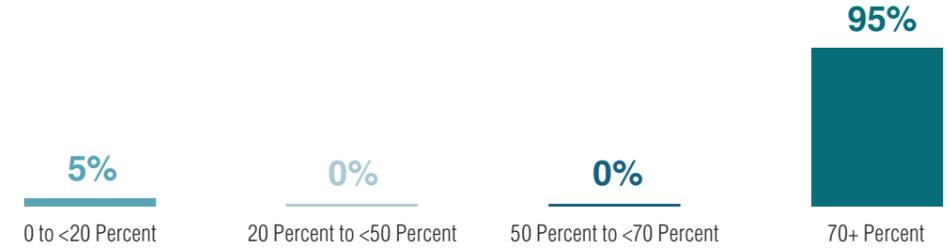


**67%** expect their workforce in the Philippines to increase in 2015.

## PROFIT OUTLOOK 2016



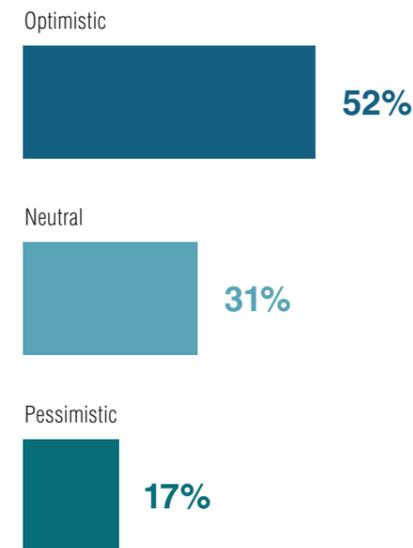
## WHAT PERCENTAGE OF YOUR WORKFORCE IS COMPRISED OF HOST COUNTRY NATIONALS?



## SATISFACTION WITH GOVERNMENT AGENCIES

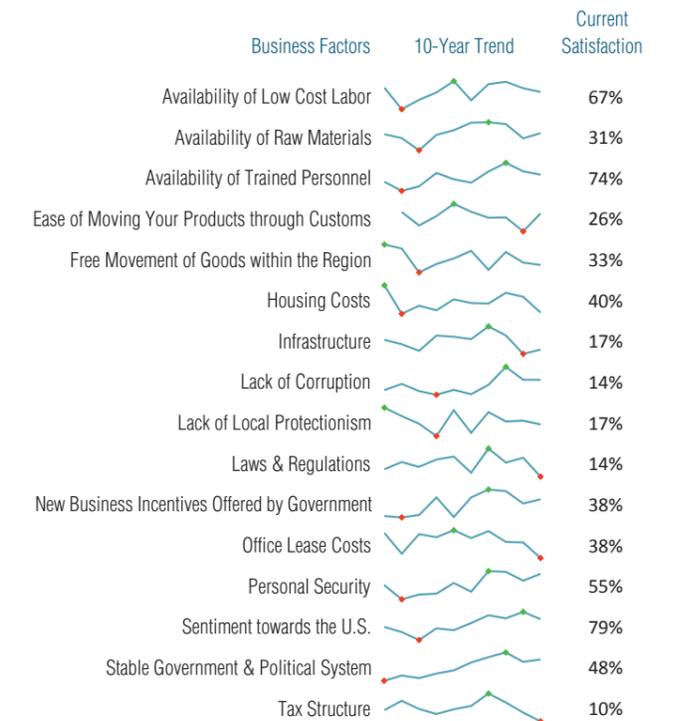


## TO WHAT EXTENT ARE YOU OPTIMISTIC OR PESSIMISTIC THAT PRESIDENT AQUINO'S ECONOMIC REFORM ACHIEVEMENTS WILL BE SUSTAINED BEYOND HIS PRESIDENCY?



## LOCAL BUSINESS ENVIRONMENT

The chart below tracks U.S. investor satisfaction with 16 aspects of the business environment from 2006-15. The percentage of those indicating satisfaction in 2015 is listed in the right-hand column.



# SINGAPORE



## IMPORTANCE OF ASEAN MARKETS



**50%** of respondents in Singapore report that ASEAN markets have increased in importance over the past two years.



**64%** of respondents expect ASEAN's importance to continue to increase over the next two years.



**69%** regard ASEAN integration as important to helping their companies do business in the region.

## LEVEL OF TRADE AND INVESTMENT IN ASEAN



**79%** of respondents indicate that their companies' level of trade and investment in the ASEAN region has increased over the past two years.



**89%** expect their companies' level of trade and investment in ASEAN to increase over the next five years.

## BUSINESS EXPANSION

The most targeted countries for expansion are



Indonesia  
**46%**



Thailand  
**37%**

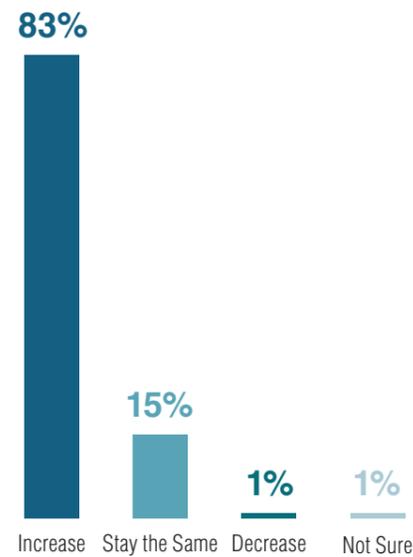


**50%** plan to expand in Singapore.



**40%** expect their workforce in Singapore to increase in 2015.

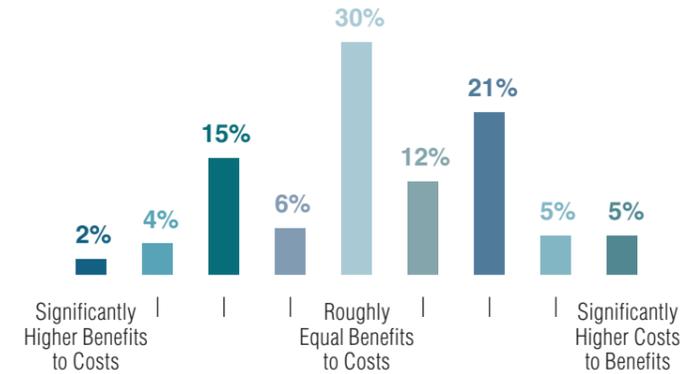
## PROFIT OUTLOOK 2016



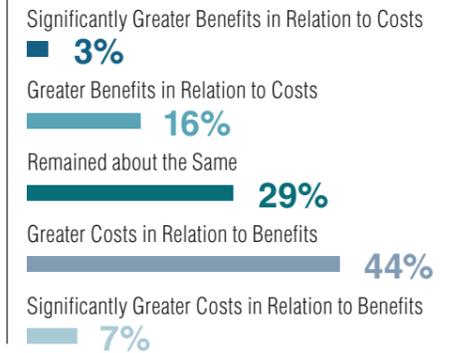
## WHAT PERCENTAGE OF YOUR WORKFORCE IS COMPRISED OF HOST COUNTRY NATIONALS?



## PLEASE RATE YOUR COMPANY'S CURRENT SATISFACTION WITH THE COST-BENEFIT RATIO OF OPERATING IN SINGAPORE



## HOW HAS YOUR COMPANY'S COST-BENEFIT RATIO OF OPERATING IN SINGAPORE CHANGED OVER THE PAST FIVE YEARS?

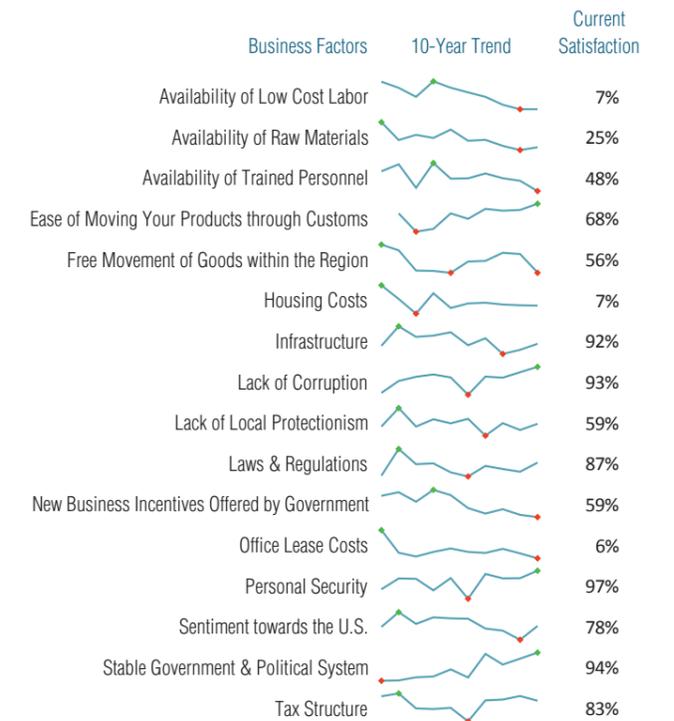


## SATISFACTION WITH GOVERNMENT AGENCIES



## LOCAL BUSINESS ENVIRONMENT

The chart below tracks U.S. investor satisfaction with 16 aspects of the business environment from 2006-15. The percentage of those indicating satisfaction in 2015 is listed in the right-hand column.



# THAILAND



## IMPORTANCE OF ASEAN MARKETS



**44%** of respondents in Thailand report that ASEAN markets have increased in importance over the past two years.



**61%** of respondents expect ASEAN's importance to continue to increase over the next two years.



**72%** regard ASEAN integration as important to helping their companies do business in the region.

## BUSINESS EXPANSION

The most targeted countries for expansion are



Myanmar  
**36%**



Vietnam  
**24%**



**57%** plan to expand in Thailand.



**50%** expect their workforce in Thailand to increase in 2015.

## LEVEL OF TRADE AND INVESTMENT IN ASEAN

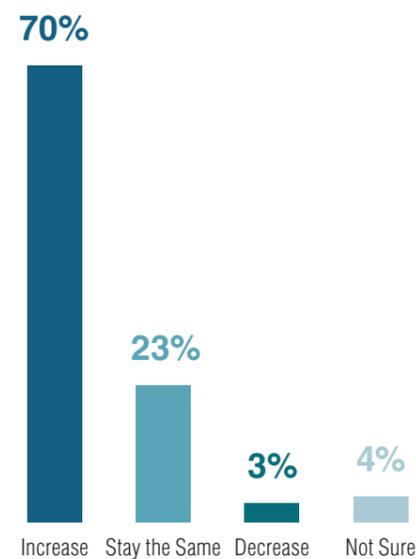


**63%** of respondents indicate that their companies' level of trade and investment in the ASEAN region has increased over the past two years.

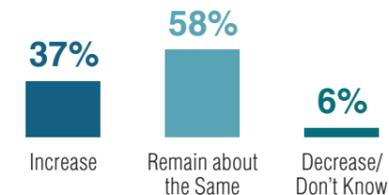


**80%** expect their companies' level of trade and investment in ASEAN to increase over the next five years.

## PROFIT OUTLOOK 2016



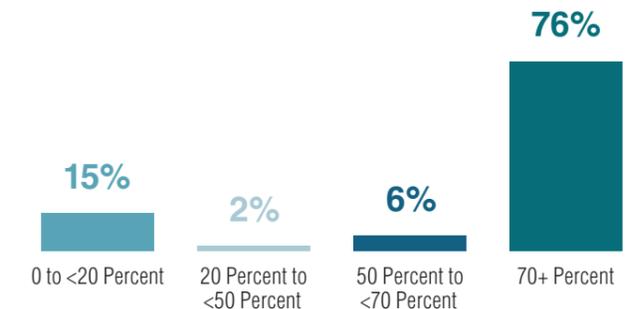
## IF THAILAND WERE TO INDICATE THAT IT WILL JOIN THE TPP IN THE FUTURE, HOW WOULD THIS IMPACT YOUR INVESTMENT IN THAILAND?



## IF THAILAND WERE TO JOIN THE TPP, WHAT WOULD BE THE MOST IMPORTANT ADVANTAGES TO YOUR COMPANY?



## WHAT PERCENTAGE OF YOUR WORKFORCE IS COMPRISED OF HOST COUNTRY NATIONALS?

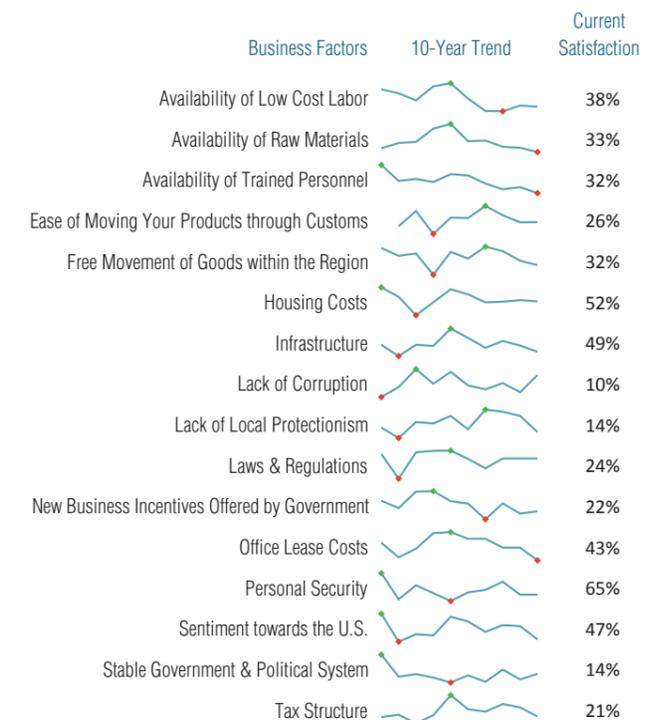


## SATISFACTION WITH GOVERNMENT AGENCIES



## LOCAL BUSINESS ENVIRONMENT

The chart below tracks U.S. investor satisfaction with 16 aspects of the business environment from 2006-15. The percentage of those indicating satisfaction in 2015 is listed in the right-hand column.



# VIETNAM



## IMPORTANCE OF ASEAN MARKETS



**64%** of respondents in Vietnam report that ASEAN markets have increased in importance over the past two years.



**78%** of respondents expect ASEAN's importance to continue to increase over the next two years.



**84%** regard ASEAN integration as important to helping their companies do business in the region.

## LEVEL OF TRADE AND INVESTMENT IN ASEAN



**77%** of respondents indicate that their companies' level of trade and investment in the ASEAN region has increased over the past two years.



**95%** expect their companies' level of trade and investment in ASEAN to increase over the next five years.

## BUSINESS EXPANSION

The most targeted countries for expansion are



Myanmar  
**34%**



Cambodia  
**32%**

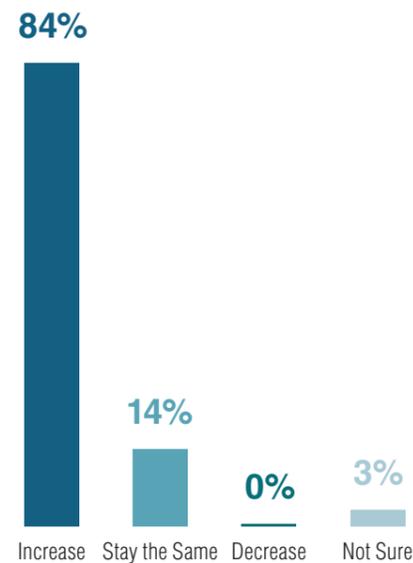


**80%** plan to expand in Vietnam.

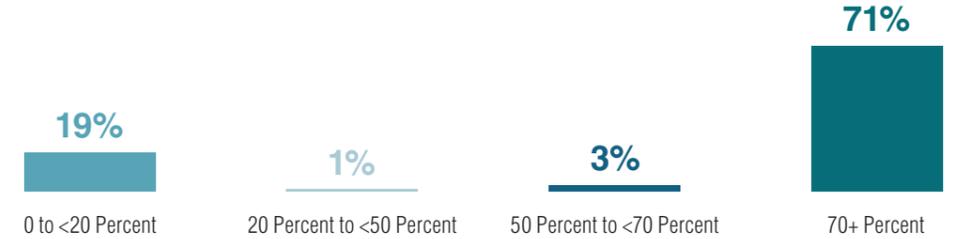


**66%** expect their workforce in Vietnam to increase in 2015.

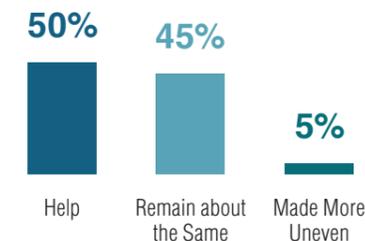
## PROFIT OUTLOOK 2016



## WHAT PERCENTAGE OF YOUR WORKFORCE IS COMPRISED OF HOST COUNTRY NATIONALS?



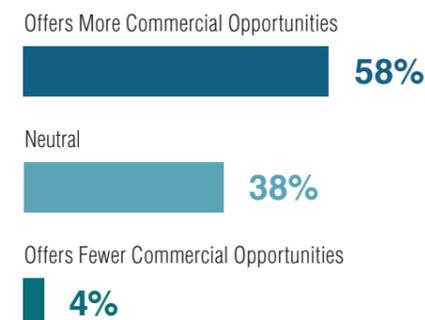
## TO WHAT DEGREE DO YOU FEEL THAT THE REFORM OF VIETNAM'S STATE-OWNED ENTERPRISES (SOEs) HAS HELPED TO LEVEL THE PLAYING FIELD BETWEEN SOEs AND THE PRIVATE SECTOR?



## SATISFACTION WITH GOVERNMENT AGENCIES

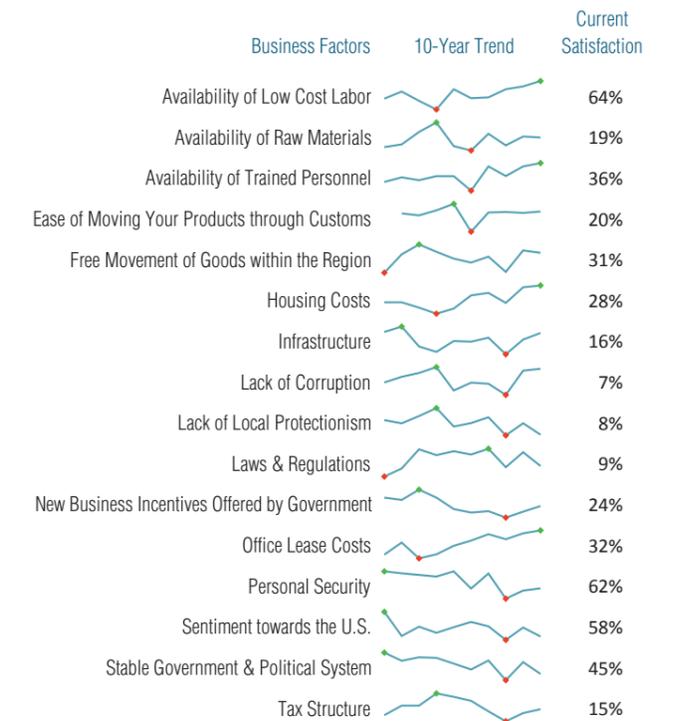


## TO WHAT DEGREE, IF ANY, DO YOU THINK THAT THE EQUITIZATION/ PRIVATIZATION OF VIETNAM'S SOEs PRESENTS COMMERCIAL OPPORTUNITIES FOR YOUR COMPANY (OR YOUR INDUSTRY)?



## LOCAL BUSINESS ENVIRONMENT

The chart below tracks U.S. investor satisfaction with 16 aspects of the business environment from 2006-15. The percentage of those indicating satisfaction in 2015 is listed in the right-hand column.



# TECHNICAL APPENDIX: BUSINESS EXPANSION IN ASEAN

Based on the survey results, U.S. companies in ASEAN plan to expand their operations for a variety of reasons and to a variety of ASEAN markets. As shown in Table 1, Myanmar is the top country for expansion, chosen by 31.6% of respondents, followed by Indonesia and Vietnam. As shown in Table 1, different industries also consider different ASEAN markets attractive.<sup>2</sup>

<sup>2</sup> Of the 25 industry choices in the survey (page 55), 10 were selected by more than 30 respondents, and are more statistically meaningful than those industries selected by fewer respondents. Thus, only these 10 industries are listed in the table below.

<sup>3</sup> Differences of more than 10% from the full sample average (green) are shown in red and those of more than 20% in bold.

<sup>4</sup> "Other than your response location, into which specific ASEAN country or countries, if any, does your company plan to expand?"

## EXPANSION TO OTHER ASEAN MARKETS

Table 1 shows a number of industry trends. For example, respondents from IT/telecoms are far more likely to choose Singapore, Malaysia, and Thailand compared to respondents from other industries. (This can be seen in the figures in bold red,<sup>3</sup> where the percentage of respondents choosing those countries is more than 20% higher than the average for all industries in green.) While fully 35.6% of IT/telecoms companies plan to expand to Singapore, only an average of 11.9% of respondents across all industries have such plans. Likewise, the consumer goods industry is much more enthusiastic about Myanmar compared to other industries. While 53.5% of consumer goods companies plan to expand to Myanmar, only an average of 31.6% of respondents across all industries have such plans. In general, Myanmar received the most interest, with respondents in five of ten industries showing a marked preference for Myanmar (consumer goods, pharma/medical, oil/petrochemicals, food/food products, and transport/logistics), and only those in one industry with significant below average interest toward Myanmar (electronics). In Myanmar, Vietnam, Cambodia, and Laos, the business expansion interest for the consumer goods industry was even higher than the business expansion interest for all industries.

**Table 1: Target ASEAN Country(s) for Business Expansion<sup>4</sup>**

Planned Target Country	All Industries	Consumer Goods	Consulting	Electronics	Financial Services	Food/Food Products	IT/Telecoms	Oil/Petro-Chemicals	Pharma/Medical	Transport/Logistics	Wholesale/Retail
Expanding to Brunei	4.9%	9.3%	6.2%	2.5%	2.5%	0.0%	15.6%	6.5%	0.0%	2.9%	6.3%
Expanding to Cambodia	19.5%	34.9%	13.6%	10.0%	15.0%	27.8%	15.6%	16.1%	33.3%	14.7%	18.8%
Expanding to Indonesia	31.4%	30.2%	30.9%	25.0%	35.0%	30.6%	40.0%	35.5%	36.7%	26.5%	25.0%
Expanding to Laos	12.1%	25.6%	9.9%	5.0%	15.0%	13.9%	13.3%	6.5%	23.3%	8.8%	21.9%
Expanding to Malaysia	21.2%	18.6%	14.8%	30.0%	22.5%	8.3%	44.4%	22.6%	30.0%	14.7%	21.9%
Expanding to Myanmar	31.6%	53.5%	32.1%	15.0%	27.5%	44.4%	28.9%	48.4%	50.0%	44.1%	37.5%
Expanding to Philippines	20.0%	23.3%	18.5%	20.0%	20.0%	19.4%	28.9%	12.9%	20.0%	26.5%	15.6%
Expanding to Singapore	11.9%	14.0%	14.8%	12.5%	20.0%	11.1%	35.6%	9.7%	6.7%	5.9%	9.4%
Expanding to Thailand	23.8%	30.2%	23.5%	22.5%	30.0%	27.8%	44.4%	19.4%	33.3%	17.6%	28.1%
Expanding to Vietnam	30.6%	41.9%	30.9%	32.5%	30.0%	30.6%	26.7%	25.8%	40.0%	35.3%	37.5%
Expand to ANY ASEAN Country	74.3%	83.7%	72.8%	67.5%	72.5%	83.3%	84.4%	74.2%	90.0%	82.4%	78.1%
Expanding in OWN Country	63.9%	78.1%	65.0%	64.1%	66.7%	65.7%	73.3%	56.7%	60.0%	61.8%	67.9%

## EXPANSION WITHIN ASEAN MARKET OF OPERATIONS

Aside from expansion to other countries, Table 1 above also shows that 63.9% of respondents plan to expand in their own country of operations (i.e. the country from which they are responding). This is only slightly lower than the 74.3% planning expansion to some other ASEAN country. Clearly, expansion in-country is nearly as common as expansion to other ASEAN markets and is therefore worth examining in further depth below.

<sup>5</sup> Differences of more than 10% from the full sample average (green) are shown in red and those of more than 20% in bold.

As shown in Table 2, U.S. companies in ASEAN plan to expand their operations in-country for different stated reasons depending on the country. For example, fully half of U.S. companies in Cambodia cite political stability far more often than they do in other ASEAN countries. Likewise, those in Indonesia plan to expand far more often to diversify their customer base (53.1%), while U.S. companies in the Philippines are far more attracted by the availability of trained personnel (50.0%) when deciding to expand in that country. All such country trends are shown in red below, with the most prominent in bold.<sup>5</sup> Table 2 also shows comparisons between expansion reasons in different countries. For example, U.S. companies in Vietnam cite political stability (37.8%) far more often than those in Thailand (11.5%) or Indonesia (12.5%). Likewise, those in Myanmar are more likely to cite adequate laws/regulations for FDI (33.3%) than those in Brunei (0.0%) and Indonesia (0.0%).

<sup>6</sup> "Please give the top three reasons why your company plans for business expansion [in your response location]." Note that the percentages are based on the full sample of 471 respondents, regardless of whether among those planning to expand.

**Table 2: Top Reason(s) for Business Expansion In-Country<sup>6</sup>**

Expansion Reason	ASEAN	Brunei	Cambodia	Indonesia	Laos	Malaysia	Myanmar	Philippines	Singapore	Thailand	Vietnam
Openness on Business/Land Ownership	8.1%	8.3%	33.3%	0.0%	15.4%	11.4%	13.3%	2.4%	8.5%	2.9%	10.8%
Competitive Production Costs	15.5%	8.3%	22.2%	21.9%	15.4%	15.9%	6.7%	21.4%	4.3%	15.4%	28.4%
Availability of Raw Materials	2.3%	0.0%	0.0%	0.0%	7.7%	2.3%	13.3%	2.4%	0.0%	3.8%	2.7%
Availability of Trained Personnel	21.9%	0.0%	16.7%	15.6%	7.7%	20.5%	6.7%	50.0%	22.2%	19.2%	23.0%
Diversification of Customer Base	23.6%	16.7%	16.7%	53.1%	23.1%	29.5%	20.0%	28.6%	8.5%	22.1%	33.8%
Limited Growth in Other Regions	12.3%	8.3%	11.1%	28.1%	7.7%	11.4%	26.7%	11.9%	4.3%	13.5%	16.2%
High Level of Personal Security	3.6%	16.7%	11.1%	3.1%	0.0%	2.3%	6.7%	0.0%	3.4%	3.8%	2.7%
Low Level of Corruption	4.0%	8.3%	0.0%	0.0%	0.0%	2.3%	0.0%	0.0%	12.0%	1.0%	2.7%
Adequate Laws/Regulations for FDI	17.0%	0.0%	5.6%	0.0%	7.7%	18.2%	33.3%	9.5%	27.4%	15.4%	17.6%
Stable Government/Political Conditions	24.6%	25.0%	50.0%	12.5%	15.4%	22.7%	33.3%	19.0%	29.9%	11.5%	37.8%
Low Level of Local Protectionism	1.7%	0.0%	0.0%	3.1%	0.0%	0.0%	0.0%	0.0%	3.4%	2.9%	0.0%
Weak Competition in the Market	7.9%	8.3%	0.0%	15.6%	7.7%	6.8%	26.7%	11.9%	2.6%	7.7%	9.5%
Improvement in IPR Protection	4.0%	0.0%	5.6%	0.0%	0.0%	0.0%	6.7%	7.1%	5.1%	4.8%	4.1%
Improvement in Infrastructure	15.3%	0.0%	16.7%	25.0%	7.7%	15.9%	13.3%	31.0%	6.8%	11.5%	24.3%

Aside from these country trends, the table also shows the expansion reasons for the full sample of U.S. companies in ASEAN. The five most commonly cited reasons are political stability (24.6%), diversification of customer base (23.6%), availability of trained personnel (21.9%), adequate laws and regulations for FDI (17.0%), and competitive production costs (15.5%).<sup>7</sup> Two of these five can be considered political/regulatory reasons, not pure business reasons. These are again the stated reasons U.S. companies in ASEAN select when asked why they want to expand in-country.

<sup>7</sup> Note that since three reasons are allowed, higher percentages do not necessarily imply higher rankings. A given reason may be cited very often as one of three top reasons, while rarely being considered the most important one by many respondents.

<sup>8</sup> Multiple regression is a statistical technique in which an outcome is explained by multiple factors. Our outcome is expansion in-country. All factors helping to explain this outcome are analyzed simultaneously. This means that if any one factor among many factors is found to help explain the outcome, this already takes into account the statistical contribution of all other factors.

<sup>9</sup> Any statistical model includes a number of factors meant to explain an outcome. Our outcome is expansion in-country. Our model includes: (1) key company characteristics - profit, expansion in ASEAN trade/investment, years in ASEAN, manufacturing, services, revenue, increase in % ASEAN vs. global revenue, # ASEAN offices, (2) all 10 locations, and (3) all 14 reasons for expansion.

<sup>10</sup> The table ranks the most significant factors among all those in the model specified in footnote 7 above. All factors but #4 and #10 are among the reasons in Table 2. The ranking applies to the full sample of companies in ASEAN, not any one ASEAN country.

<sup>11</sup> Details of the full model and documentation of this figure can be found online. Variation in expansion plans is defined by differences in these possible responses: "expand significantly," "expand," "remain the same," "contract," and "contract significantly."

<sup>12</sup> See footnote 7 above for all company characteristics included in the regression model.

<sup>13</sup> Aside from Myanmar, only Cambodia and to a much lower degree Brunei are significant geographic predictors.

## UNDERLYING CAUSES OF EXPANSION WITHIN ASEAN MARKET OF OPERATIONS

Many factors help determine why any company decides to expand. Some are among those listed in Table 2, while others are not. Multiple regression analysis<sup>8</sup> was therefore performed on a larger number of factors to uncover which best predict in-country expansion. These factors were not limited to the stated reasons, but included other factors, including (1) key company characteristics and (2) location. This resulted in a statistical model<sup>9</sup> yielding the top predictors shown in Table 3.

**Table 3: Top Predictors of Business Expansion In-Country from Regression Model<sup>10</sup>**

	Ranking of Statistical Significance in Predicting Business Expansion In-Country	Type of Factor
1	Competitive production costs	Business
2	Limited growth opportunities in other regions	Business
3	Diversification of customer base	Business
4	Expansion in ASEAN trade and/or investment over the past two years	Business/Company
5	Improvement in infrastructure	Business
6	Openness on business and land ownership	Political/Regulatory
7	Stable government and political conditions	Political/Regulatory
8	Adequate laws and regulations to encourage FDI and protect business	Political/Regulatory
9	Availability of trained personnel/efficient manpower	Business
10	Responding from Myanmar	Geographic

As shown in Table 3, the top five predictors of business expansion in-country are (1) competitive production costs, (2) limited growth opportunities in other regions, (3) diversification of customer base, (4) expansion in ASEAN trade and/or investment over the past two years, and (5) improvement in infrastructure. These are the underlying causes of expansion in-country among U.S. companies in ASEAN, not just their stated reasons. The regression model used for Table 3 explains fully 67% of the variation, or 2 out of 3 cases, of in-country expansion of U.S. companies in ASEAN.<sup>11</sup>

## BUSINESS FACTORS ARE MORE IMPORTANT THAN POLITICAL/REGULATORY FACTORS

Business factors are more important than political/regulatory factors as the underlying causes of business expansion in-country. This contrasts with Table 2, where political/regulatory factors are more prominent. In particular, political stability ranks #1 among the reasons in Table 2, but only #7 in Table 3. This is because the model used for Table 3 considers a greater number of factors other than just respondents' stated expansion reasons. In multiple regression, all factors are analyzed simultaneously, and taken together other factors yielded far more explanatory power than political stability. Indeed, six of the top ten are business factors.

## BUSINESS AND POLITICAL/REGULATORY FACTORS ARE MORE IMPORTANT THAN GEOGRAPHIC FACTORS AND COMPANY CHARACTERISTICS

Company location and other key company characteristics are not nearly as important as business and political/regulatory factors in predicting further expansion. Put differently, intrinsic factors like what a company is like and where it is matter less than extrinsic "pull-factors." Of the company characteristics analyzed,<sup>12</sup> only ASEAN trade/investment is a top predictor. Past expansion in ASEAN trade/investment tends to predict future expansion, likely due to "corporate inertia." Of the countries, only Myanmar is a top predictor. This means that Myanmar-specific considerations play a decisive role in predicting expansion in Myanmar. However, this also means that country-specific factors play little role in explaining expansion of U.S. companies in most ASEAN countries.<sup>13</sup>

## PROFILE OF RESPONDENTS

- In the 2016 ASEAN Business Outlook Survey, the largest represented country is Singapore whose respondents constitute 25% of the total sample, followed by Thailand at 22% of the total sample. For the third year in a row, Brunei, Myanmar, and Laos were included in the survey. Nonetheless they are the still the least represented in the survey; combined, they represent only 8% of the total sample.
- The majority of respondents are responsible for more than one country (57%) and the primary activity of respondents is in the services sector (62%).
- More than half (51%) of surveyed business executives have been operating in the ASEAN region for 20 years or more.

### Area of Responsibility

	ASEAN	Brunei	Cambodia	Indonesia	Laos	Malaysia	Myanmar	Philippines	Singapore	Thailand	Vietnam
Only ONE country	43%	50%	72%	69%	23%	43%	60%	62%	9%	49%	50%
Multiple countries	57%	50%	28%	31%	77%	57%	40%	32%	91%	51%	50%

### Companies' Global Business Functions

	ASEAN	Brunei	Cambodia	Indonesia	Laos	Malaysia	Myanmar	Philippines	Singapore	Thailand	Vietnam
Services	62%	67%	83%	56%	77%	45%	77%	67%	60%	63%	62%
Accounting	2%	8%	0%	6%	8%	0%	0%	2%	2%	3%	1%
Architecture & Engineering	6%	8%	6%	6%	0%	2%	0%	12%	4%	9%	4%
Banking	3%	0%	0%	0%	15%	0%	0%	0%	3%	3%	4%
Business Process Outsourcing	3%	0%	0%	6%	0%	7%	0%	17%	1%	1%	1%
Consulting	17%	8%	17%	22%	23%	14%	20%	19%	15%	23%	11%
Education	3%	0%	11%	0%	31%	2%	0%	2%	1%	7%	0%
Healthcare	6%	8%	0%	6%	0%	11%	13%	0%	3%	8%	7%
Hospitality/Tourism	5%	25%	22%	6%	23%	5%	0%	2%	2%	5%	3%
HR Services	4%	0%	0%	6%	8%	2%	7%	10%	2%	5%	1%
Insurance Brokers	1%	0%	0%	3%	8%	0%	0%	2%	0%	1%	1%
Legal	5%	0%	17%	6%	15%	0%	33%	0%	1%	6%	7%
Marketing & Communications	6%	0%	6%	3%	15%	7%	7%	5%	12%	4%	0%
Other Financial Services	8%	0%	6%	6%	15%	2%	13%	7%	13%	8%	8%
Real Estate Development Leasing	3%	0%	17%	3%	0%	0%	7%	2%	2%	3%	1%
Software, IT, & Telecommunications	10%	17%	0%	6%	0%	7%	0%	17%	14%	7%	11%
Transportation & Logistics	7%	8%	6%	6%	0%	2%	7%	7%	10%	6%	9%
Wholesale & Retail	7%	25%	17%	3%	0%	0%	7%	10%	5%	8%	8%

	ASEAN	Brunei	Cambodia	Indonesia	Laos	Malaysia	Myanmar	Philippines	Singapore	Thailand	Vietnam
Manufacturing	37%	33%	28%	44%	23%	55%	33%	29%	39%	37%	35%
Aerospace & Defense	4%	25%	0%	3%	0%	9%	7%	2%	5%	3%	1%
Automotive	4%	8%	11%	9%	0%	5%	0%	5%	2%	7%	0%
Consumer Goods	9%	0%	17%	19%	8%	16%	0%	2%	7%	9%	11%
Electronics	8%	0%	6%	3%	0%	25%	0%	10%	6%	10%	8%
Food & Food Products	8%	8%	22%	6%	15%	0%	13%	10%	6%	9%	7%
Oil & Petrochemical	7%	8%	6%	9%	0%	11%	7%	7%	9%	6%	1%
Machinery & Equipment	5%	8%	6%	6%	0%	9%	7%	0%	9%	5%	0%
Pharmaceuticals/Medical	6%	0%	6%	6%	0%	9%	13%	5%	9%	5%	4%

	ASEAN	Brunei	Cambodia	Indonesia	Laos	Malaysia	Myanmar	Philippines	Singapore	Thailand	Vietnam
Other	21%	25%	22%	19%	23%	16%	20%	21%	21%	19%	28%

# SURVEY METHODOLOGY

## Size of Workforce (Number of Employees)

	ASEAN	Brunei	Cambodia	Indonesia	Laos	Malaysia	Myanmar	Philippines	Singapore	Thailand	Vietnam
Below 50	31%	50%	44%	25%	62%	18%	67%	17%	29%	32%	31%
50 to <500	39%	42%	44%	44%	15%	32%	20%	48%	32%	44%	49%
500 to <1,000	9%	0%	6%	9%	0%	18%	7%	2%	9%	9%	11%
1,000 to <1,500	5%	0%	0%	6%	8%	5%	0%	7%	7%	5%	4%
1,500 to <2,000	3%	0%	6%	3%	8%	5%	0%	0%	4%	2%	0%
2,000 or more	12%	0%	0%	9%	0%	20%	0%	26%	17%	9%	5%

## 2014 Turnover in Response Country (US\$)

	ASEAN	Brunei	Cambodia	Indonesia	Laos	Malaysia	Myanmar	Philippines	Singapore	Thailand	Vietnam
Below \$1 million	17%	25%	39%	13%	54%	9%	27%	21%	14%	12%	20%
\$1 to <\$50 million	41%	67%	50%	34%	38%	25%	47%	36%	39%	43%	46%
\$50 to <\$100 million	11%	0%	6%	19%	8%	9%	0%	12%	13%	13%	7%
\$100 to <\$500 million	15%	0%	6%	25%	0%	30%	13%	12%	11%	15%	16%
\$500 to <\$1 billion	5%	0%	0%	3%	0%	14%	0%	7%	6%	5%	1%
\$1 billion or more	4%	0%	0%	6%	0%	7%	0%	0%	5%	6%	1%

## Percentage of Global Turnover Represented in Response Location

	ASEAN	Brunei	Cambodia	Indonesia	Laos	Malaysia	Myanmar	Philippines	Singapore	Thailand	Vietnam
Less than 5%	53%	58%	44%	75%	38%	59%	40%	60%	59%	42%	50%
5% to <25%	23%	8%	28%	13%	15%	27%	13%	19%	25%	22%	27%
25% to <50%	8%	8%	6%	3%	15%	14%	7%	7%	7%	7%	8%
50% to <75%	3%	8%	0%	3%	0%	0%	7%	0%	2%	8%	1%
75% to <100%	5%	8%	6%	3%	8%	0%	13%	7%	3%	7%	8%
100%	8%	8%	17%	3%	23%	0%	20%	7%	5%	14%	5%

## Percentage of ASEAN Turnover Represented in Response Location

	ASEAN	Brunei	Cambodia	Indonesia	Laos	Malaysia	Myanmar	Philippines	Singapore	Thailand	Vietnam
Less than 5%	20%	50%	28%	16%	31%	11%	47%	24%	19%	12%	24%
5% to <25%	31%	25%	28%	53%	31%	41%	13%	31%	25%	30%	35%
25% to <50%	17%	0%	11%	13%	0%	23%	7%	17%	24%	17%	14%
50% to <75%	10%	0%	0%	9%	0%	9%	0%	5%	15%	13%	9%
75% to <100%	9%	17%	6%	6%	15%	7%	13%	12%	11%	6%	7%
100%	13%	8%	28%	3%	23%	9%	20%	12%	7%	23%	11%

## Length of Company's Time in ASEAN

	ASEAN	Brunei	Cambodia	Indonesia	Laos	Malaysia	Myanmar	Philippines	Singapore	Thailand	Vietnam
Less than 2 yrs	4%	8%	33%	0%	8%	2%	0%	5%	4%	2%	3%
2 yrs to <5 yrs	9%	0%	6%	6%	15%	11%	27%	12%	7%	7%	11%
5 yrs to <10 yrs	15%	17%	17%	0%	23%	14%	7%	12%	14%	15%	24%
10 yrs to <20 yrs	20%	8%	11%	19%	8%	18%	13%	12%	22%	25%	26%
20 yrs or longer	51%	67%	33%	75%	46%	55%	53%	60%	52%	49%	36%

**Sample Size** A list of AmCham members from U.S. companies with email contacts was provided by each American Chamber of Commerce or chapter:

Cambodia: List of 118 members, response rate was 15% (18)

Indonesia: List of 141 members, response rate was 23% (32)

Laos: List of 22 members, response rate was 59% (13)

Malaysia: List of 192 members, response rate was 23% (44)

Myanmar: List of 51 members, response rate was 29% (15)

Philippines: List of 223 members, response rate was 19% (42)

Singapore: List of 1,080 members, response rate was 11% (117)

Thailand: List of 386 members, response rate was 27% (104)

Vietnam: List of 305 members, response rate was 24% (74)

A list of business executives were contacted with the help of the U.S. Embassy in the response location:

Brunei: List of 47 executives, response rate was 26% (12)

Overall: List of 2,565 members & executives, response rate was 18% (471)

**Data Collection Method** Web-based, self-administered survey. No enforcement on participation.

**Date Collection Period** May 11, 2015 to June 8, 2015

*Note: Throughout the report, percentages on graphs may not add to 100% due to respondents selecting multiple answers, respondents selecting "not sure," rounding during the editing process, or incomplete entries in the data set.*

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