

GLOBAL CHALLENGES & REGIONAL SOLUTIONS:

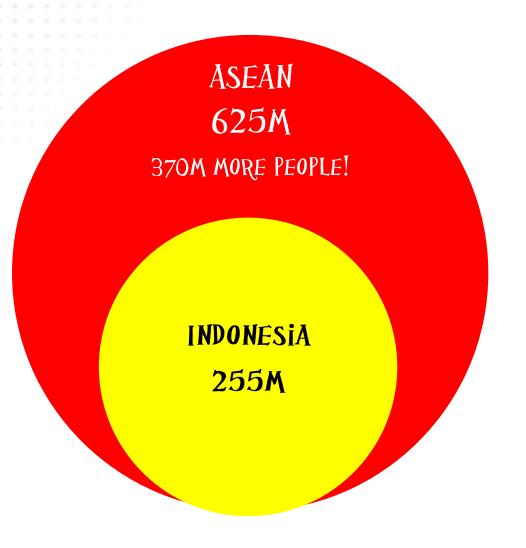
ENGAGING STAKEHOLDERS

25 APRIL 2016 JAKARTA



ASEAN MAKES SENSE BECAUSE...





HUGE MARKET

- 625M PEOPLE
- ASIA'S 3RD IN GDP
- WORLD'S 7TH IN GDP

AiR TRAVEL

A NECESSITY

TO GROW MIDDLE CLASS

STRONG TALENT POOL

AEC

NEW REGIONAL COMMUNITY

EU VS ASEAN



	EU	ASEAN
POPULATION	508	625
PROJECTED NO. OF AIRCRAFT	IN 2014: 4350 BY 2032: 8010	IN 2014: 1600 BY 2032: 3490

LEARNINGS FROM EU: BENEFITS OF LIBERALIZATION

879M

TRAVELERS WITHIN EU (2014)

TOURISM GROWTH

€91 BN

AVIATION'S CONTRIBUTION TO EU'S GDP

ECONOMIC CONTRIBUTION

106M

TRAVELERS BETWEEN EU'S TOP 6 COUNTRY PAIRINGS ALONE

REGIONAL CONNECTIVITY

95K PiLOTS 101K TECHNIC<u>i</u>ANS

NEW PILOTS AND TECHNICIANS NEEDED IN EUROPE 2015-2034

JOBS CREATION

WHAT'S IN IT FOR INDONESIA

INDONESIA CAN BE
THE "GERMANY" OF ASEAN

LARGEST ECONOMY \$888.5 BN

LARGEST MARKET 255M PEOPLE (41%)

WORLD'S 4TH LARGEST MIDDLE CLASS 17.3M HOUSEHOLDS (2014) 20M HOUSEHOLDS (EST. 2030)

MEMBER OF G20 ONLY MEMBER FROM ASEAN



LEARNING FROM NAFTA: BENEFITS OF REGIONAL AGREEMENT



FROM \$290 BN IN 1993, JUST BEFORE NAFTA CAME INTO EFFECT, TO OVER \$1.1 TN IN 2012 AMONG MEMBER COUNTRIES

REGIONAL PARTNERSHIPS

USA, CANADA, MEXICO WORK TOGETHER TO BOOST TRADE AND ECONOMY- AEC

LIFTING OF BARRIERS TO GROWTH

EX. IN FIRST 3 YEARS OF
AGREEMENT'S SIGNING, US AND
CANADA HAD
25-30 INCREASE IN CAPACITY AND
15%NCREASE IN US-CANADA
AVIATION MARKET

DEVELOPMENT BEYOND CAPITALS

EX. SMALLER TRAVEL HUBS
BENEFIT. AFTER NAFTA
AGREEMENT, CONTINENTAL
AIRLINES MORE THAN DOUBLED
FLIGHTS TO MEXICAN CITIES FROM
ITS HOUSTON HUB ALONE — FROM
10 IN 1994 TO 21 IN 2000

PROMOTES INVESTMENTS

FROM BOTH DOMESTIC AND FOREIGN SOURCES

STRONGER MARKETS

GROW TRADE, IMPROVE WORKFORCE, COMPETITIVENESS, BOOST GDP



NEED TO DO IN ASEAN

INTRODUCE ASEAN COMMON VISA

INTRODUCE E-Visa system

STRENGTHEN THE ASEAN SECRETARIAT

INCREASE FUNDING: \$ 17M BUDGET NOT ENOUGH

HIRE MORE STAFF: 300 STAFF OVERSTRETCHED

HIRE EXPERTS

CONTRIBUTION BASED ON GDP/ CAPITA WITHOUT AFFECTING VOTING WEIGHTAGE

THANK YOU





















