



WORLD'S BEST
LOW-COST AIRLINE
7 YEARS RUNNING

GLOBAL CHALLENGES & REGIONAL SOLUTIONS: ENGAGING STAKEHOLDERS

25 APRIL 2016
JAKARTA



ASEAN MAKES SENSE BECAUSE...



**ASEAN
625M**

370M MORE PEOPLE!

**INDONESIA
255M**

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 TECHNICIANS

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



INCREASED TRADE FLOWS

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% INCREASE 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

