

Trade Mission: Southeast Asia

Southeast Asia Overview

The six major countries in Southeast Asia – Indonesia, Malaysia, Philippines, Singapore, Thailand, and Vietnam – have a combined population of 588 million and a GDP of USD 2.8 trillion. If it were a single nation, it would be the third most populous country and the fifth-largest economy in the world. It would also have the seventh-largest consumption expenditure globally.

The region is among the fastest-growing in the world, with ASEAN (Association of Southeast Asian Nations) having witnessed an average annual GDP growth of 5.3% between 2000 and 2018, supported by an increasingly well-educated workforce, abundant natural resources, and favorable geographic location at the heart of the Asia-Pacific region.

By 2030, 65% of ASEAN's population is expected to be middle class, with 60% under the age of 35. The region's population has a median age of around 30 years, providing an ample labor pool to support growth in the coming years. This youthful demographic profile also translates into receptivity to new technologies, propelled by greater access to the flourishing digital economy and aspirations to better lives for themselves, their families, and their communities

The above makes ASEAN a key export market for the U.S. In 2020, it was the fourth-largest export destination for the U.S., after Canada, Mexico, and China, receiving USD 76 billion worth of exports originating from the U.S.

Opportunities in Southeast Asia

Information and Communication Technology (ICT)

The adoption of new technologies is changing the way business is conducted, and rapid growth in smartphone and internet penetration and social media usage is driving the expansion of the digital economy.

Digital consumption is now ingrained as a way of life in Southeast Asia. Consequently, the region's internet economy reached USD 174 billion in gross merchandise volume (GMV) by the end of 2021 and is headed towards USD 363 billion by 2025 and USD 1 trillion by 2030.



Jakarta, Indonesia

Digitally enabled sectors such as FinTech and EdTech are also growing at a fast pace. For example, educational institutions are conducting virtual classes for students, and governments are coming up with initiatives to facilitate remote learning.

Cleantech

Southeast Asian countries are straining to cope with the pace of rapid industrialization and urbanization. The region faces a combination of rising and sometimes urgent demand for cleantech solutions, coupled with a lack of local expertise in many areas. This has led to policies and regulations that encourage the growth of the cleantech sector in Southeast Asia, which has lower market entry barriers than many other Asian markets.

The rapid growth of volumes of municipal solid waste has become a major concern across all Southeast Asian countries, leading to a growing demand for sanitary landfill technologies, waste segregation and treatment technologies, and waste-to-energy technologies.

The Singapore Green Plan 2030, spearheaded by the Ministries of Education, National Development, Sustainability and the Environment, Trade and Industry, and Transport, was announced in 2021. It seeks to ensure a sustainable future for the city-state, sets concrete targets to be achieved over the next 10 years, and lays out plans ranging from infrastructural development, research, and innovation to training programs.

Energy

Southeast Asia's growth in electricity demand is among the fastest in the world. It has grown by more than 6% annually on average, during the past two decades. The four largest countries in the region by electricity consumption are Indonesia (26%), Viet Nam (22%), Thailand (19%), and Malaysia (15%), which make up more than 80% of total demand.

Renewable energy (RE) accounted for 33.5% of installed capacity in 2020, up from 19.8% in 2010. Around 82% of new capacity in 2020 was from RE and more than 60% of the newly installed capacity up to 2025 will be coming from renewables. Opportunities are present in areas such as technology support for construction, operations and maintenance of solar and wind power projects, energy storage, and smart grid solutions across all the markets.

Infrastructure

The ASEAN infrastructure market holds huge potential for Virginia companies over the next decade. New seaports, airports, railways, highways, and power projects are the principal sectors promising to transform ASEAN countries and help propel economic growth well into the future. The needs of the various ASEAN countries vary markedly, with strong demand coming from Vietnam, the Philippines, and Indonesia.

Infrastructure development to address issues such as challenging traffic conditions and port congestion is a key priority for the country. High volumes of projects are planned for roads, bridges, airports, seaports, and flood mitigation.

The Indonesian government which had plans to invest more than USD 400 billion on infrastructure between 2020–2024, is resuming major projects in 2022, including roads, new airports, and expansion of the gas network.

Details

The objective for this trip is to arrange and conduct quality meetings between you, our VEDP client, and potential sales partners (agents, representatives, or distributors) and/or customers in Southeast Asia. Our ultimate goal is for these meetings to help you generate new sales for your company to customers in Southeast Asia and to provide you with market intelligence only attainable by an in-country visit.

Trade Mission Dates

April 24–28, 2023

Registration Deadline

February 24, 2023

Schedule:

We will focus on markets relevant to your company, keeping in mind there may be meetings in adjacent cities depending on your particular needs. Our consultants will ensure that your meetings are scheduled with the best contacts, regardless of their location. We will keep you apprised as your itinerary develops and suggest travel and logistics options for your itinerary.

The schedule is planned as follows, and is subject to change:

Date	Day	Activity
February 24, 2023	Friday	Last day for registration
April 21, 2023	Friday	Latest day to depart the U.S.
April 23, 2023	Sunday	Rest / Sightseeing
April 24, 2023	Monday	Trade Mission begins; individual meetings
April 25, 2023	Tuesday	Individual meetings; travel to other cities may be required
April 26, 2023	Wednesday	Individual meetings; travel to other cities may be required
April 27, 2023	Thursday	Individual meetings; travel to other cities may be required
April 28, 2023	Friday	Individual meetings; Trade Mission concludes
April 29, 2023	Saturday	Return to the U.S.



Kuala Lumpur, Malaysia

Frequently Asked Questions:

How many Virginia companies will participate?

The registration process is ongoing. Based on past trade missions, we expect 6–10 Virginia companies to participate.

What is the cost for my company to participate?

You must pay the trade mission participation fee of \$2,500 to VEDP at the time of registration. The participation fee includes the following:

- Identifying, contacting, and pre-qualifying local distributors, reps, and/or partners, and organization of your meetings with interested prospects
- Briefing on “Doing Business in Southeast Asia”
- Your VEDP Trade Mission Leader and in-country consultant on hand during the week to ensure everything runs to plan
- Interpreter if needed

Additional *estimated* costs you will incur include (but are not limited to)

Expense	Estimated amount (\$)
Roundtrip airfare from Dulles to Singapore, economy class	2,000
Hotels (7 nights)	1,600
Meals	500
Airport transfers, taxis, public transportation, and other miscellaneous items	500

How are the meetings organized?

VEDP has engaged the services of Orissa International, to identify, screen, and arrange meetings with potential partners for each of our trade mission delegates. Orissa International was selected through a competitive bidding process and has demonstrated extraordinary expertise, enthusiasm and commitment to the work of introducing Virginia companies to their markets. If you would like to learn more about Orissa International, please review their website: <https://www.orissa-international.com>.

In most cases, you will be traveling independently to the locations of the local companies with which you are meeting. Because most appointments will be held at the companies’ locations, travel and other logistics may prevent each delegate from having a minimum of 3–4 meetings each day of the trade mission.

How will I get to my meetings?

For travel between meetings, our consultants will recommend the most effective method of transportation. This will likely be a local car/driver.

Will I need an interpreter?

If required, interpreters will be provided for meetings and are included in your registration fee.

How are airline and hotel reservations handled?

Airline tickets: You book (and pay for) your own airline ticket via local travel agent or online air travel website. If you do not have a travel agent, the Trade Mission Leader can recommend one for you.

Hotels: VEDP will choose the hotel(s) and make reservations at a pre-negotiated government rate for each delegate. **However, delegates will be responsible for their own hotel charges throughout the mission.** All delegates will stay at the same hotel in order to facilitate logistics as well as to encourage the interaction and networking that is always a collateral benefit of traveling with a group. You will pay all hotel room charges directly to the hotel

How can I verify that Southeast Asia is a good market for my company before we register for the trade mission?

Contact your local International Trade Manager or the Trade Mission Leader (see bottom of last page) **immediately!** We only want you to make the trip if we think there is good market potential in Southeast Asia for your company. We can perform exploratory market research within a short period of time to verify market potential for you. The more time you give us, the better job we can do!

What are the entry requirements for Southeast Asia? Will I need a passport or visa?

Some countries in Southeast Asia do require a visa, however, we will determine those needs during our work with you. Your passport should have at least six months of validity remaining.

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The quality and quantity of meetings organized by VEDP's contractor was greatly appreciated. We would have not been able to reach these companies on our own.

Trade Mission to Southeast Asia

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We had great meetings with very good companies and a good potential for us to expand our business in Malaysia.

Trade Mission to Southeast Asia

Registration:

How do I register to participate?

You can register and pay the trade mission fee online by visiting:
<https://se-asia-trade-mission-2023.eventbrite.com>.

Contact the Trade Mission Leader for more information:

Lee Sanderson

International Trade Manager

Phone: 804.545.5755

Email: lsanderson@vedp.org

Scott Kennedy

Trade Mission Manager

Phone: 804.545.5754

Email: skennedy@vedp.org

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We recently submitted a proposal for the Indonesian Mobile Police Corps based on our participation in the SE Asia Trade Mission.

Trade Mission to Southeast Asia

Consultant Bio

Southeast Asia

Sarath Menon

Sarath Menon is the Managing Director of Orissa International, a Singapore-based consulting firm that specializes in providing its foreign clients with market entry services specific to the countries of Singapore, Malaysia, Thailand, Indonesia, Vietnam, and the Philippines. Sarath is an accomplished international business professional with significant experience in the field of U.S.-Southeast Asia trade, which is a tremendous benefit for Virginia companies looking to leverage local expertise in their Southeast Asian commercial endeavors.