



Structure of the ASEAN Economy

The World Bank's World Development Index (WDI) gives an overview of how the ASEAN economy is structured by compiling the added value of each sector from all member countries. The following points can be discerned from the table below:

1. As a single region, ASEAN economy has the characteristics of a middle middle-income country where the value added of the agriculture sector is above 10% and services is less than 50% of GDP.
2. Contrary to the pattern of development where the share of agricultural sector declines and the share of services increases, in the past decade (2001-2012), growth in the agricultural sector in ASEAN has been impressive, averaging at 14% per annum.
3. The service sector is the most important source of growth, contributing 6% of the 12.56% of the average growth during the past decade.
4. Although the industrial sector grew at the lowest rate of 11.73% during this period, it has a relatively high share (40%) of GDP. It is also the second most important source of growth, contributing 4.85% of the average GDP growth of 12.56%.

	ASEAN GDP at current price												in billion US\$
	2001	2002	2003	2004	2005	2006	2007	2008	2009	2010	2011	2012	Average
Agriculture	65	75	88	95	101	123	151	191	193	241	287	328	161
Industry	238	261	296	337	381	460	540	629	617	764	866	913	525
Services	278	307	339	378	427	504	605	688	703	843	989	1,189	604
GDP	581	644	723	809	908	1,087	1,296	1,508	1,513	1,849	2,142	2,429	1,291
	Share in GDP												percent %
	2001	2002	2003	2004	2005	2006	2007	2008	2009	2010	2011	2012	Average
Agriculture	11.2%	11.7%	12.2%	11.7%	11.1%	11.3%	11.7%	12.6%	12.8%	13.1%	13.4%	13.5%	12.5%
Industry	40.9%	40.6%	40.9%	41.6%	41.9%	42.3%	41.6%	41.7%	40.8%	41.3%	40.4%	37.6%	40.7%
Services	47.8%	47.7%	46.9%	46.7%	47.0%	46.4%	46.7%	45.6%	46.4%	45.6%	46.2%	48.9%	46.8%
GDP	100%	100%	100%	100%	100%	100%	100%	100%	100%	100%	100%	100%	100%
	Annual Growth of GDP at current price												percent %
	2001	2002	2003	2004	2005	2006	2007	2008	2009	2010	2011	2012	Average
Agriculture	-6.47%	15.34%	16.87%	7.66%	6.19%	21.86%	23.41%	25.97%	1.30%	24.97%	18.83%	14.22%	14.18%
Industry	-4.62%	9.90%	13.17%	13.89%	13.11%	20.68%	17.42%	16.61%	-1.91%	23.82%	13.28%	5.47%	11.73%
Services	-2.17%	10.59%	10.31%	11.41%	12.99%	18.23%	19.96%	13.68%	2.15%	19.97%	17.30%	20.17%	12.88%
GDP	-3.68%	10.84%	12.24%	11.97%	12.24%	19.66%	19.27%	16.34%	0.35%	22.18%	15.84%	13.43%	12.56%
	Contribution to Growth by Sectors												percent %
	2001	2002	2003	2004	2005	2006	2007	2008	2009	2010	2011	2012	Average
Agriculture	-0.75%	1.72%	1.97%	0.93%	0.72%	2.42%	2.64%	3.03%	0.16%	3.19%	2.46%	1.90%	1.70%
Industry	-1.91%	4.05%	5.35%	5.68%	5.46%	8.67%	7.37%	6.92%	-0.80%	9.72%	5.49%	2.21%	4.85%
Services	-1.02%	5.07%	4.92%	5.35%	6.06%	8.56%	9.26%	6.39%	0.98%	9.28%	7.89%	9.32%	6.00%

Source: World Bank Development Index (WDI)



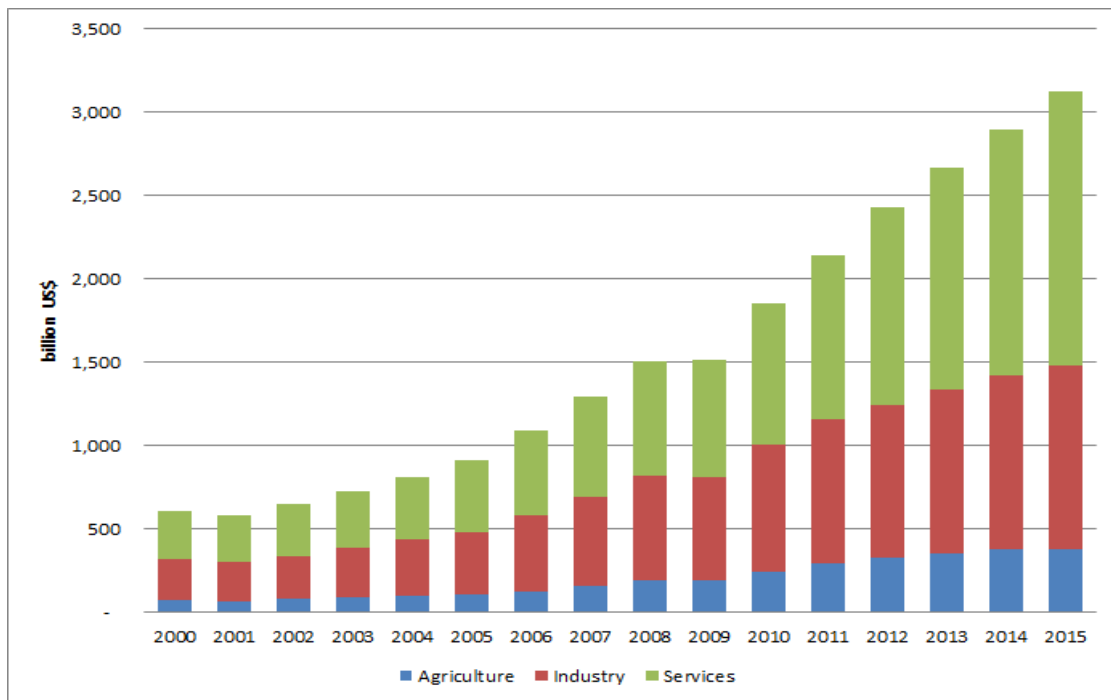
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By extrapolating the growth trends of each sector and combining them with GDP projections from IMF's World Economic Outlook, we can see that the share of services sector will exceed 50% of GDP in 2014.

New investment in transportation and improved communication infrastructures will enhance the continued expansion of the agricultural sector, especially in Myanmar, Cambodia and Lao PDR.

The service sector will have to expand to support further development in infrastructure.

The industry sector is large, but its share of GDP is declining (about 38-40% of GDP). Rising wage rates will put downward pressures on the expansion of ASEAN's labor-intensive industries.



Sources: World Bank Development Index (WDI) and IMF World Economic Outlook (WEO) 2013