

## 4. Investment Environment (2)

### Disadvantages in the investment environment (Multiple answers allowed)

※ Only countries for which 30 or more valid survey responses were received are shown here. Percentages are shown in ( ). Choices that more than 50% of firms pointed are colored

Country	Upper manufacturing Lower: non-manufacturing	1st	2nd	3rd
Indonesia	n=81	Underdeveloped infrastructure※ (75.3)	Complicated tax procedures (50.6)	Unclear policy management by the local government (49.4)
	n=39	Complicated administrative procedures (to acquire permits, etc.) (69.2)	Underdeveloped infrastructure※ (66.7)	Complicated tax procedures (64.1)
Malaysia	n=136	Unclear policy management by the local government (49.3)	Complicated administrative procedures (to acquire permits, etc.) (33.1)	Underdeveloped infrastructure※ (23.5)
	n=93	Complicated administrative procedures (to acquire permits, etc.) (48.4)	Restrictions on foreign investment including restrictions on foreign capital ratio (44.1)	Unclear policy management by the local government (38.7)
Philippines	n=87	Underdeveloped infrastructure※ (73.6)	Unstable or insecure political or social conditions (58.6)	Unclear policy management by the local government (55.2)
	n=39	Underdeveloped infrastructure※ (61.5)	Unclear policy management by the local government (59.0)	Unstable or insecure political or social conditions (56.4)
Singapore	n=50	Insufficient land / office space, rising land prices/rent (68.0)	Complicated tax procedures (6.0)	Underdeveloped infrastructure※ (4.0)
	n=131	Insufficient land / office space, rising land prices/rent (82.4)	Unclear policy management by the local government (4.6)	Underdeveloped economic and legal systems, and arbitrary application of the legal system (4.0)
Thailand	n=383	Unstable political and social conditions (64.9)	Unclear policy management by the local government (33.4)	Complicated administrative procedures (to acquire permits, etc.) (33.2)
	n=268	Unstable political and social conditions (68.3)	Unclear policy management by the local government (38.1)	Complicated administrative procedures (to acquire permits, etc.) (36.9)
Vietnam	n=90	Complicated administrative procedures (to acquire permits, etc.) (65.6)	Underdeveloped infrastructure※ (63.3)	Unclear policy management by the local government (51.1)
	n=47	Underdeveloped infrastructure※ (72.3)	Complicated administrative procedures (to acquire permits, etc.) (70.2)	Lack of land/office space, rise in land prices/rent (55.3)
India	n=76	Underdeveloped infrastructure※ (81.6)	Complicated tax procedures (61.8)	Complicated administrative procedures (to acquire permits, etc.) (54.0)
	n=91	Underdeveloped infrastructure※ (83.5)	Complicated administrative procedures (to acquire permits, etc.) (74.7)	Insufficient land / office space, rising land prices/rent (57.1)
Australia	n=26	Insufficient land / office space, rising land prices/rent (42.3)	Complicated administrative procedures (to acquire permits, etc.) (15.4)	Underdeveloped infrastructure※ (11.5)
	n=106	Insufficient land / office space, rising land prices/rent (47.2)	Complicated tax procedures (23.6)	Lowering of custom tariff levels (including the lowering of custom tariff due to FTA/EPA) (11.5)
New Zealand	n=13	Insufficient land / office space, rising land prices/rent (23.1)	Unclear policy management by the local government (15.4)	Unstable political and social conditions (7.7)
	n=25	Underdeveloped infrastructure※ (same as above)	Complicated administrative procedures (to acquire permits, etc.) (same as above)	Complicated tax procedures (same as above)

※Electricity, transportation, communication, etc.

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In Indonesia, Philippines, Vietnam and India, "Underdeveloped infrastructure" ranked top as a major disadvantage.

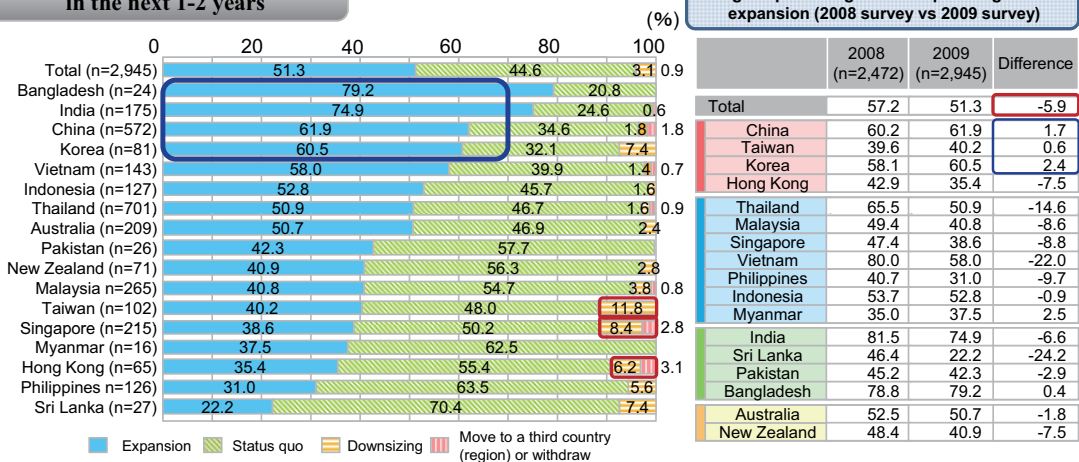
Singapore stood out with "Insufficient land / office space, rising land prices/rent", but none of other demerits rated 10%.

The greatest disadvantage cited for Thailand was "Unstable political and social conditions", the same problem that ranked top in the last survey.

## 5. Future Business Development (1)

### Business development plans in the next 1-2 years

### Change in percentage of firms planning business expansion (2008 survey vs 2009 survey)

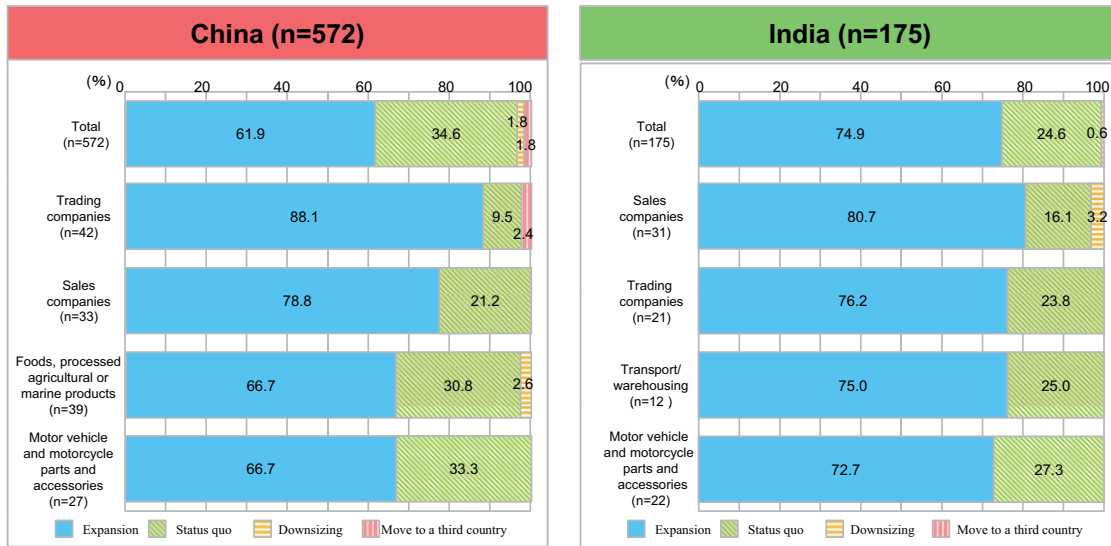


- Asked about business development plans in the next 1-2 years, more than half of respondents (51.3%) foresee expansion. Figures were especially high (over 60%) in the developing economies of Bangladesh, India and China, as well as in Korea, where both domestic demand and exports have made an early recovery.
- The percentage of firms in more fully developed markets such as Taiwan, Singapore and Hong Kong planning to downsize or relocate to a third country average almost 9%.
- Although the percentage of firms planning business expansion fell in 2009, due to the global recession, the drop was only 5.9 points (to 51.3%). The percentage actually climbed in all countries/regions in Northeast Asia, with the exception of Hong Kong.

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## 5. Future Business Development (2)

### Industries expecting an expansion in the next 1-2 years (China, India)



\*Top four industries in which 10 or more respondents replied "Expand" business.

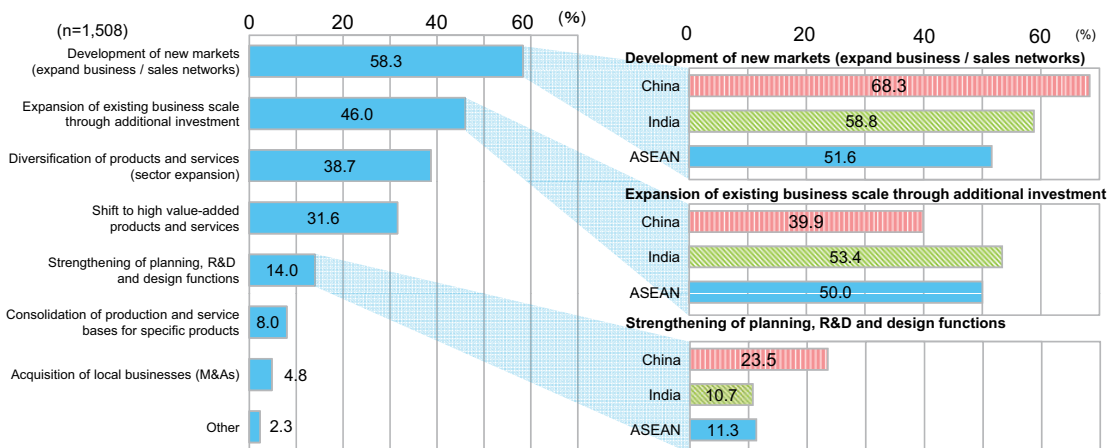
A high percentage of respondents in sales and trading in China and India plan business expansion, reflecting firms' hope for growth in domestic consumption. In addition, firms in the motor vehicle and motorcycle parts and accessories sector were optimistic about expansion, reflecting increased motorization and local procurement among auto makers in these countries.

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## 5. Future Business Development (3)

### Future Directions for Business Expansion (multiple answers allowed)

### Comparison of replies from China, India and ASEAN (China: n=353 India: n=131 ASEAN: n=742)



•Topping the list of future directions for business expansion were: "development of new markets", "expansion of existing business scale through additional investment" and "diversification of products and services (sector expansion)."

•Comparing responses from firms in India, China and ASEAN, different tendencies emerged: respondents in China favor "development of new markets" and "strengthening of planning, R&D and design functions," firms in India favor "development of new markets" and "expansion of existing business scale through additional investment"—a choice that was also relatively popular among firms in ASEAN.

•While respondents in China aim to develop new markets and add new products, firms in India and ASEAN are striving to expand on top of existing businesses.

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## 5. Future Business Development (4)

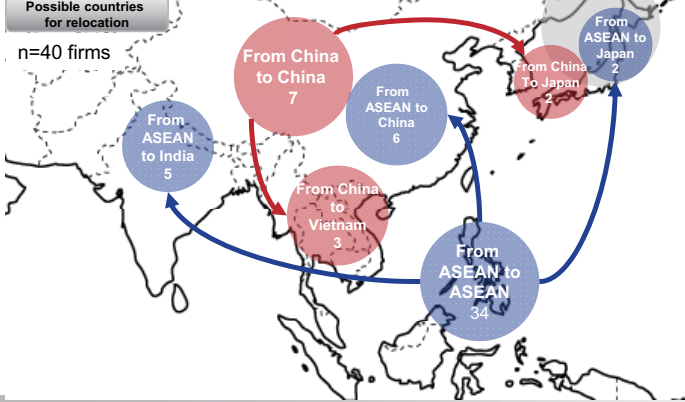
Specific policy for “Downsizing” or “Move to a third country (region) or withdraw,” and the possible countries for relocation

Country	Policy (multiple answers allowed)				Valid answers	Possible countries for relocation (multiple answers allowed)
	Integrate the bases within the local country (region)	Move the production base to a third country (region)	Transfer the production of certain items to an affiliate in a third country (region)	Destination for relocation		
Malaysia	6 54.6%	-	5 45.5%	4	Indonesia (1), Thailand (1), Vietnam (2), Japan (1), China (1), Singapore(1)	
Philippines	3 50.0%	1 16.7%	3 50.0%	4	Indonesia (1), Malaysia (2), Singapore (1), Thailand (2), Vietnam (1), Japan (1)	
Singapore	12 52.2%	5 21.7%	9 39.1%	11	Indonesia (2), Malaysia (5), Philippines (1), Thailand(5), Vietnam(1), Other ASEAN countries (1), India(3), China(2), Other (1)	
Thailand	7 46.7%	3 20.0%	5 33.3%	8	Malaysia(1), Vietnam(5), India(2), China(1), Other(1)	
China*	3 21.4%	6 42.9%	5 35.7%	11	Vietnam(3), Japan(2), China(7), Korea(1), Other(1)	

The country of location and the type of industry of the firms considering moving to Japan

China	Accessories manufacturer (1) Electric machinery and electronic equipment(1)
Korea	Transport/warehousing (1)
Malaysia	Electric machinery and electronic equipment(1)
Philippines	Electric machinery and electronic equipment(1)
Sri Lanka	Construction/plants(1)

\* For firms located in China, other areas within China are included in "the 3rd country (region)" as a location to move to.



- Most firms in ASEAN chose ASEAN countries for relocation, showing that they tend to consider business integration/relocation inside the region.
- On the other hand, out of all firms located in China, seven firms chose areas within China, three firms cited Vietnam and two firms Japan as candidates for the relocation.
- The survey result showed that only seven firms in Asia as a whole chose Japan as a relocation destination. Three of them were in electric machinery and electronic equipment industry.

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## 5. Future Business Development (5)

Promising markets for future operation/products in the next one to three years (main industries only)

※Firms named top three countries including the country of current location. Then points were summed up as follows: Rank 1st=3 points, 2nd=2 points, 3rd=1 point.

Total (1,870)				Manufacturing industries (1,016)				Non-manufacturing industries (854)				
Ranking	Country	Points	Firms	Ratio(%)	Country	Points	Firms	Ratio(%)	Country	Points	Firms	Ratio(%)
1st	India	1,635	766	41.0	Thailand	839	358	35.3	India	816	386	45.2
2nd	China	1,466	631	33.7	India	819	380	37.5	China	682	292	34.2
3rd	Thailand	1,407	614	32.8	China	784	339	33.4	Vietnam	644	319	37.4
4th	Vietnam	1,145	580	31.0	Indonesia	520	238	23.5	Thailand	568	256	30.0
5th	Indonesia	901	440	23.5	Japan	517	236	23.2	Indonesia	381	202	23.7

Motor vehicle and motorcycle parts and accessories(143)				Electric and electronic parts and components(89)				Electric machinery and electronic equipment(80)				
Ranking	Country	Points	Firms	Ratio(%)	Country	Points	Firms	Ratio(%)	Country	Points	Firms	Ratio(%)
1st	India	187	81	56.6	China	128	51	57.3	India	71	33	41.3
2nd	Thailand	149	61	42.7	India	69	32	36.0	China	68	33	41.3
3rd	Indonesia	120	58	40.6	Thailand	53	25	28.1	Thailand	48	21	26.3
4th	China	103	50	35.0	Japan	50	25	28.1	Vietnam	47	21	26.3
5th	Vietnam	52	29	20.3	Vietnam	39	18	20.2	Japan	36	17	21.3

Fabricated metal products (including plated products)(79)				Chemicals and petroleum products(72)				Foods, processed agricultural or marine products(70)				
Ranking	Country	Points	Firms	Ratio(%)	Country	Points	Firms	Ratio(%)	Country	Points	Firms	Ratio(%)
1st	Thailand	96	37	46.8	India	85	38	52.8	China	54	24	34.3
2nd	China	69	30	38.0	China	67	26	36.1	Japan	49	21	30.0
3rd	Vietnam	54	30	38.0	Thailand	63	30	41.7	Europe	37	15	21.4
4th	Indonesia	45	19	24.1	Indonesia	38	18	25.0	Thailand	28	13	18.6
5th	India	38	22	27.9	Vietnam	33	19	26.4	Oceania	27	14	20.0

Sales firms(211)				Trading firms(194)				Transport/warehousing(88)				
Ranking	Country	Points	Firms	Ratio(%)	Country	Points	Firms	Ratio(%)	Country	Points	Firms	Ratio(%)
1st	India	232	101	47.9	India	208	104	53.6	China	103	44	50.0
2nd	China	148	62	29.4	China	173	74	38.1	India	95	45	51.1
3rd	Vietnam	128	68	32.2	Vietnam	168	87	44.9	Vietnam	79	38	43.2
4th	Thailand	124	56	26.5	Thailand	155	65	33.5	Thailand	59	26	29.6
5th	Indonesia	99	52	24.6	Indonesia	101	54	27.8	Japan	44	22	25.0

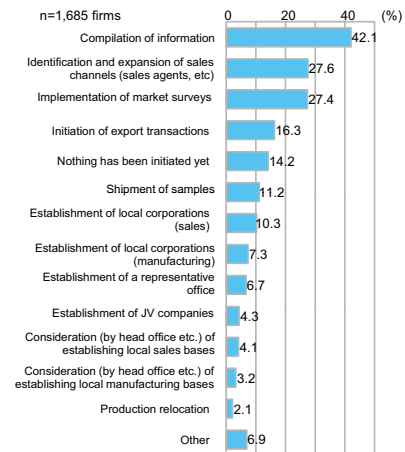
  

Construction/plants(67)				Communications/software(45)				Hotel/travel/restaurant(27)				
Ranking	Country	Points	Firms	Ratio(%)	Country	Points	Firms	Ratio(%)	Country	Points	Firms	Ratio(%)
1st	Vietnam	66	30	44.8	Vietnam	37	18	40.0	Japan	28	11	40.7
2nd	Thailand	51	23	34.3	Thailand	37	17	37.8	China	18	8	29.6
3rd	India	39	19	28.4	Japan	36	14	31.1	Oceania	17	8	29.6
4th	Singapore	35	14	20.9	India	29	13	28.9	Thailand	15	6	22.2
5th	Indonesia	30	20	29.9	China	21	11	24.4	Vietnam	12	5	18.5
	Malaysia	30	14	20.9					India	12	8	29.6

※ Oceania stands for Australia and New Zealand here.

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Approaches currently taken for the market of primary importance after the market of the country of current location (multiple answers allowed)

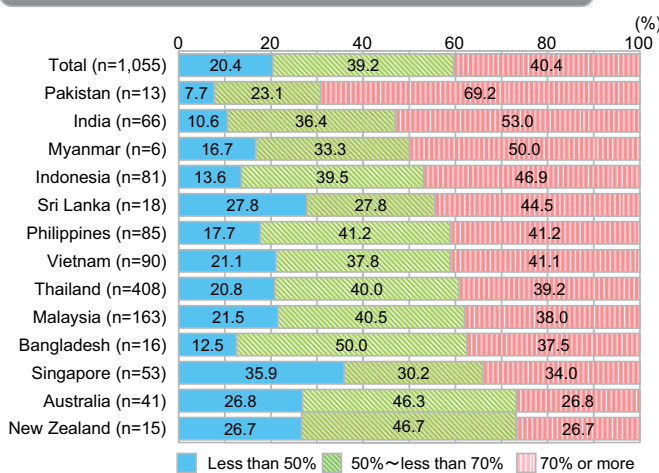


- Question asking to name three countries with most promising markets for the next one to three years received the following results as total scores: India is the 1st, China is the 2nd and Thailand is the 3rd (1870 firms with valid replies).
- India ranked first or second in the top three manufacturing industries (the motor vehicle and motorcycle parts and accessories industry, electric and electronic parts and components, electric machinery and electronic equipment) as well as in the top three non-manufacturing industries (sales firms, trading firms, transport and warehousing). This reveals the fact that Japanese firms operating in Asia are aiming at Indian market.

## 6. Procurement of Raw Materials and Parts (1) \*Manufacturing only

The ratio of the cost for raw materials and parts to the production cost (100%= Total production cost in 2009)

(Comment) The four countries/regions of Northeast Asia are not included in the summary of questionnaires in P27- 31.



Changes in proportion of replies of "The material costs are 70% or more" (2008 to 2009 fiscal year surveys)

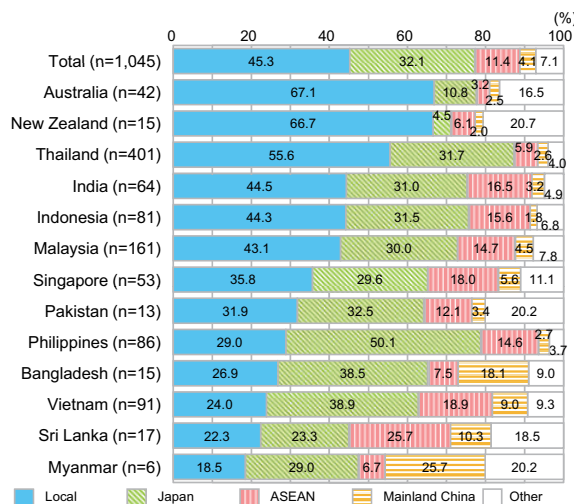
	2008 fiscal year (n=909)	2009 fiscal year (n=1,055)	Fluctuation (points)
Total	43.6	40.4	-3.2
Indonesia	50.5	46.9	-3.6
Malaysia	39.4	38.0	-1.4
Myanmar	50.0	50.0	0.0
Philippines	42.4	41.2	-1.2
Singapore	42.2	34.0	-8.2
Thailand	42.3	39.2	-3.1
Vietnam	45.0	41.1	-3.9
Bangladesh	55.6	37.5	-18.1
India	46.4	53.0	6.6
Pakistan	61.5	69.2	7.7
Sri Lanka	40.0	44.5	4.5
Australia	31.3	26.8	-4.5
New Zealand	40.0	26.7	-13.3

- In Asia and Oceania, 20.4% of firms answered that the ratio of the raw materials to the production cost was "less than 50%", while 79.6% replying "50% or more". These figures indicate that for the overwhelming number of firms the cost of raw materials still accounts for more than half of the production cost.
- New Zealand, Australia and Singapore showed a strong tendency for a low ratio of the cost of raw materials to the production cost. This is due to the fact that the labor costs and management expenditures are quite high in comparison to the rest of countries/regions.
- In Pakistan, India, and Myanmar, more than 50% of the firms answered that the ratio of the material costs exceeded 70%. The ratio was as high as 69.2% in Pakistan, rising substantially from the last survey. It is due to the fact that the exchange rate of Pakistan rupee against the US dollar has fallen and resulted in a surge of the cost of primary materials and parts in the country.

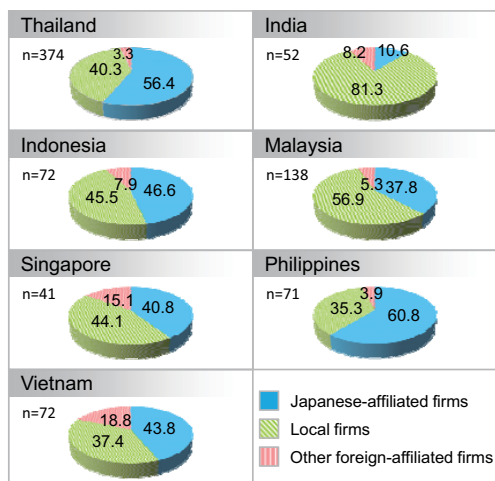
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## 6. Procurement of Raw Materials and Parts (2)

The breakdown of procurement sources (Averages; the ratios total 100%)



The breakdown of local procurement sources (Averages; the ratios total 100%)

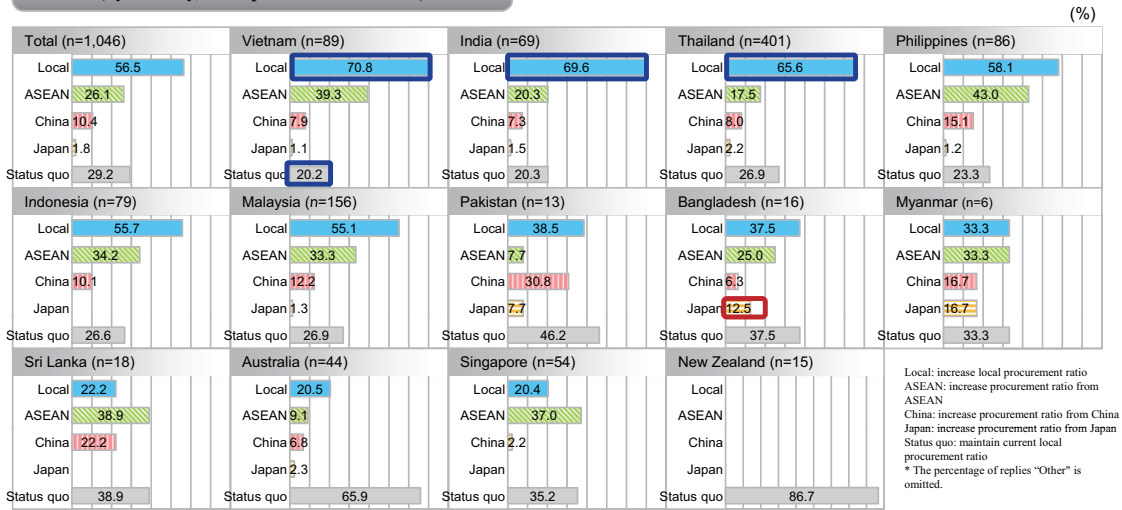


- In Australia and New Zealand, the local procurement ratio reached nearly 70%, higher than those in ASEAN and Southwest Asia. In addition, for these two countries the procurement ratio from Asia was low, suggesting that there is a different supply chain from that in Asia.
- In ASEAN, the local procurement ratio was high in Thailand (55.6%), Indonesia (44.3%) and Malaysia (43.1%), showing the high level of accumulation of the supporting industries. In these three countries, the procurement ratio from ASEAN, including the location country itself, and Japan reached around 90%.
- The local procurement ratio in other ASEAN nations such as Philippines and Vietnam is low as it was in the last survey (29.0% and 24.0% respectively). Both countries had a very high procurement ratio from Japan, especially high in Philippines exceeding 50%.
- India with its highest local procurement ratio after Oceania and Thailand, had an extremely high (81.3%) procurement ratio from local firms.

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## 6. Procurement of Raw Materials and Parts (3)

### Plans for procuring raw materials and parts in the future (by country, multiple answers allowed)

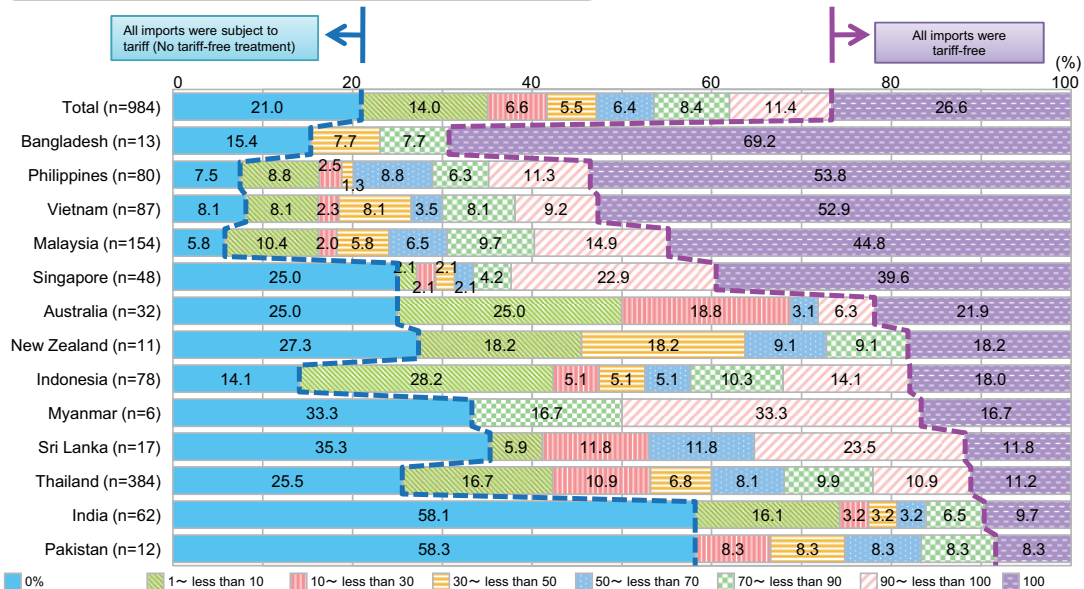


- In terms of plans for procuring raw materials and parts in the future, the answer "increase local procurement ratio" was top at 59.6% in ASEAN and at 54.3% in Southwest Asia. On the other hand, in Oceania, which has already achieved a high local procurement ratio, the reply "maintain current ratios of local procurement" was top at 71.2%.
- In Vietnam the percentage of firms which answered "increase local procurement ratio" was the highest among the countries surveyed at 70.8%, while the percentage of answer "maintain current local procurement ratio" was the lowest in Asia at 20.2%. These figures show that achieving cost reduction by increasing the local procurement ratio is an urgent problem in Vietnam.
- After Vietnam, the countries with the highest percentage of replies "increase local procurement ratio" were India at 69.6% and Thailand at 65.6%. Although these two countries have already achieved a comparatively high local procurement ratio as the figures show, they intend to raise local procurement ratio higher.
- The percentage of firms which answered "increase procurement ratio from Japan" was relatively high in Bangladesh at 12.5%.

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## 6. Procurement of Raw Materials and Parts (4)

### Percentage of the total amount of imported raw materials and parts not subject to tariffs (100 = Total import amount)

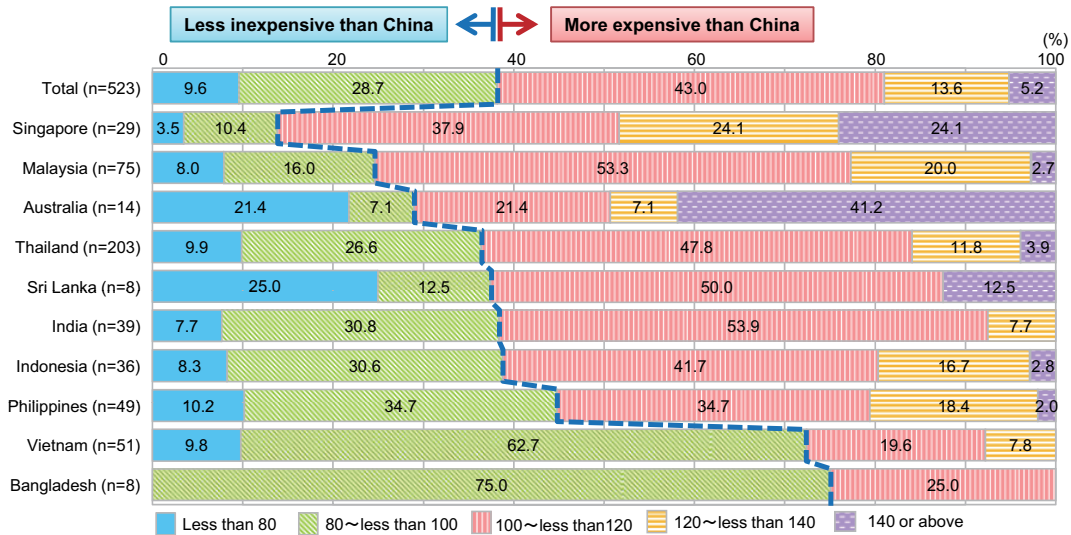


- Bangladesh (69.2%), Philippines (53.8%) and Vietnam (52.9%) had a high percentage of firms replying that all imports were tariff-free.
- Nearly 60% of the firms in India and Pakistan answered that all imports were subject to tariff.

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## 6. Procurement of Raw Materials and Parts (5)

Manufacturing costs of the main products manufactured locally, assuming the manufacturing costs for the same products by an affiliated company in China to be 100

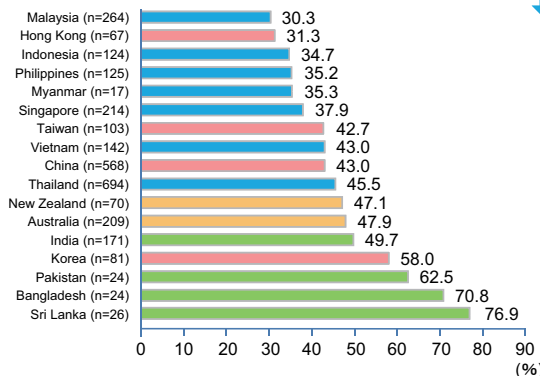
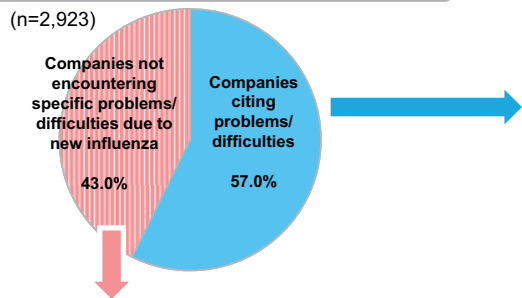


- Assuming the manufacturing costs at an affiliated company in China to be 100, the percentage of the firms answering "the local manufacturing costs were 100 or more" (= the local manufacturing costs were higher than the manufacturing costs in China) was highest in Singapore at 86.1%, followed by Malaysia at 76.0%.
- The percentage of the firms answering "the local manufacturing costs were less than 100" (= the local manufacturing costs were lower than the manufacturing costs in China) was highest in Bangladesh at 75.0%, followed by Vietnam at 72.5%.

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## 7. Measures Against New Influenza A (H1N1) (1)

### Impact of new influenza on firms



### Top three problems/difficulties by region

Region	1st	2nd	3rd
ASEAN (n=1,580)	Procurement of antiviral flu drugs (20.8)	Deciding whether to evacuate expatriate staff and families or not (18.9)	Health checks for visitors to workplaces (18.5)
Southwest Asia (n=245)	Procurement of antiviral drugs (22.0)	Procurement of masks (12.2)	Deciding whether to evacuate expatriate staff and families or not (11.4)
Oceania (n=279)	Observing staff who have returned from affected countries (20.1)	Gap between assumed pathogenicity and actual measures (15.1)	Absence of employees due to themselves or families being affected by the virus, etc. (14.3)
Northeast Asia (N=819)	Procurement of antiviral flu drugs (25.8)	Deciding whether to evacuate expatriate staff and families or not (20.6)	Health checks for visitors to workplaces (16.7)

- Procurement of flu medicine topped the list in all regions except Oceania, where respondents were more concerned with observing staff who have recently returned from affected regions.

### Concrete measures against new influenza strain

Region	1st	2nd	3rd
ASEAN (n=1,585 2009)	Health education (such as coughing etiquette and hand washing) (63.2)	Stockpiling of daily necessities, masks and disinfectants (58.6)	Preparation of manuals (25.9)
(n=661 2008)	50.8	22.7	32.5
Southwest Asia (n=246 2009)	Health education (such as coughing etiquette and hand washing) (51.6)	Stockpiling of daily necessities, masks and disinfectants (36.6)	Preparation of manuals (30.5)
(n=109 2008)	49.5	21.1	32.1
Oceania (n=281 (2009))	Health education (such as coughing etiquette and hand washing) (55.9)	Stockpiling of daily necessities, masks and disinfectants (39.2)	Restrictions on business trips (32.7)
Northeast Asia (N=822 (2009))	Health education (such as coughing etiquette and hand washing) (63.1)	Stockpiling of daily necessities, masks and disinfectants (60.8)	Preparation of manuals (35.9)

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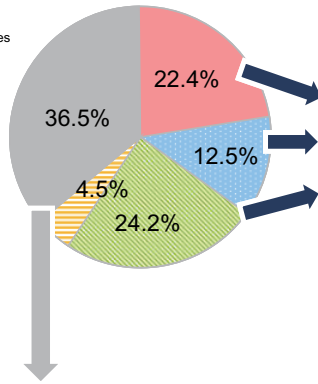
## 7. Measures Against New Influenza A (H1N1) (2)

### Measures firms would take if new influenza mutated into a more deadly strain

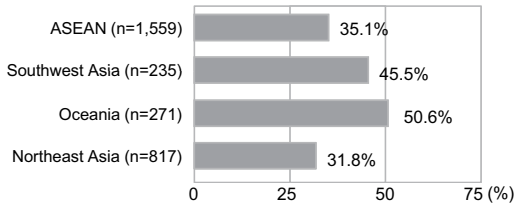
(n=2,882)

- Evacuation to home countries or surrounding countries of some expatriate employees only
- Prompt evacuation to home countries or surrounding countries
- Remain in the local area
- Other
- Unknown

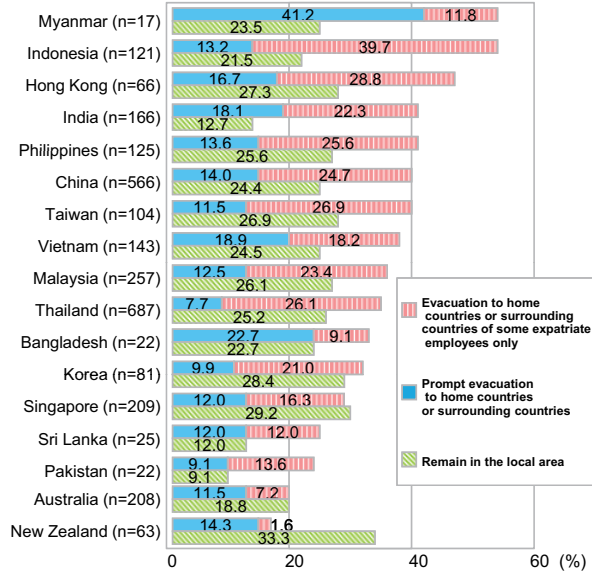
The proportion of respondents selecting "unknown" was relatively small in ASEAN and Northeast Asia.



Proportion of respondents selecting "Unknown" by region



### Comparison of replies by country/region about evacuating staff or allowing them to remain



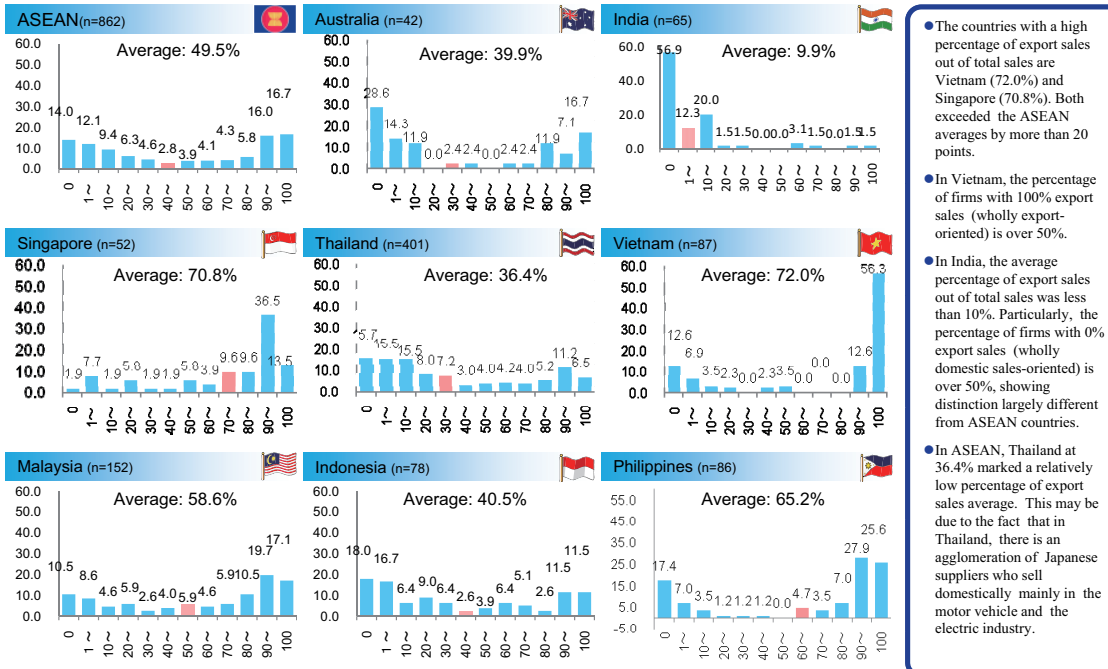
- A higher proportion of respondents in all locations (with the exception of Oceania and also Singapore) would evacuate staff to some degree.
- The percentage of firms choosing "evacuate staff" was high in Hong Kong and Indonesia, reflecting firms' high evaluation of risk in these locations.

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## 8. Exports/Imports (1)

### Percentage of export out of total sales (Manufacturing industries)

\*The four countries/regions of Northeast Asia are not included in the total amount for this question (P34-41).



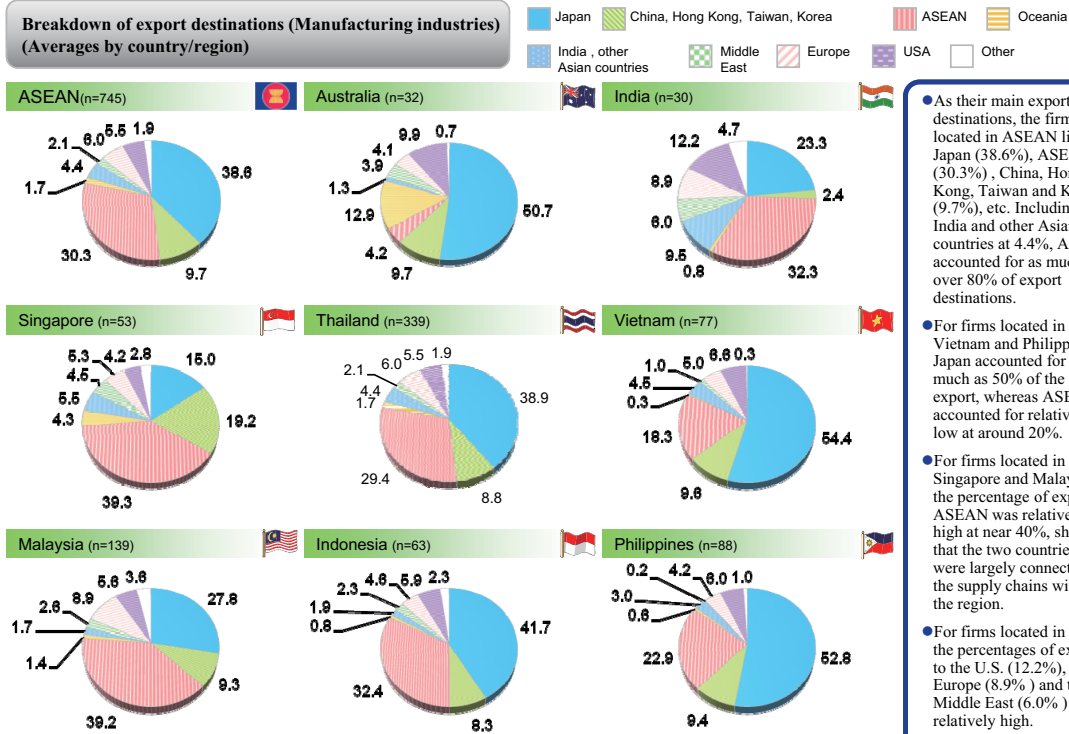
- The countries with a high percentage of export sales out of total sales are Vietnam (72.0%) and Singapore (70.8%). Both exceeded the ASEAN averages by more than 20 points.
- In Vietnam, the percentage of firms with 100% export sales (wholly export-oriented) is over 50%.
- In India, the average percentage of export sales out of total sales was less than 10%. Particularly, the percentage of firms with 0% export sales (wholly domestic sales-oriented) is over 50%, showing distinction largely different from ASEAN countries.
- In ASEAN, Thailand at 36.4% marked a relatively low percentage of export sales average. This may be due to the fact that in Thailand, there is an agglomeration of Japanese suppliers who sell domestically mainly in the motor vehicle and the electric industry.

Comment: Except 0% and 100%, the mean value of the respective ranges was averaged.

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## 8. Exports/Imports (2)

**Breakdown of export destinations (Manufacturing industries)**  
(Averages by country/region)



- As their main export destinations, the firms located in ASEAN listed Japan (38.6%), ASEAN (30.3%), China, Hong Kong, Taiwan and Korea (9.7%), etc. Including India and other Asian countries at 4.4%, Asia accounted for as much as over 80% of export destinations.

- For firms located in Vietnam and Philippines, Japan accounted for as much as 50% of the total export, whereas ASEAN accounted for relatively low at around 20%.

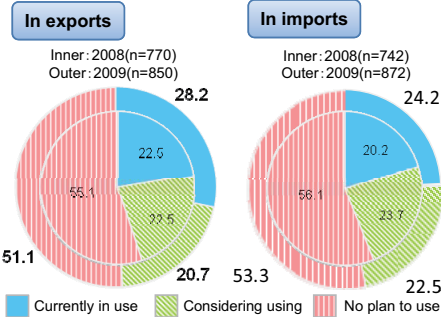
- For firms located in Singapore and Malaysia, the percentage of export to ASEAN was relatively high at near 40%, showing that the two countries were largely connected to the supply chains within the region.

- For firms located in India, the percentages of export to the U.S. (12.2%), Europe (8.9%) and the Middle East (6.0%) were relatively high.

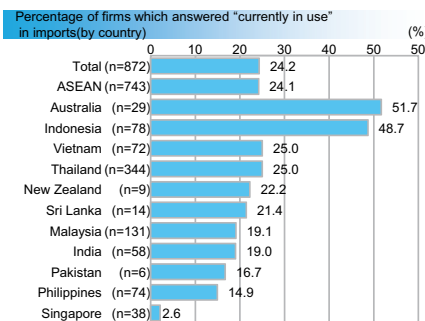
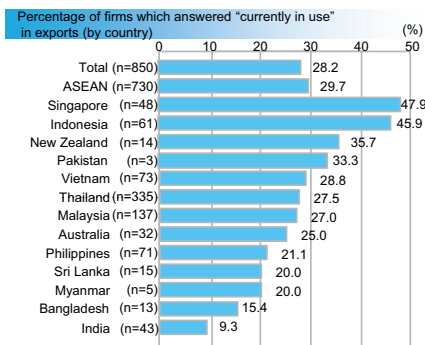
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## 8. Exports/Imports (3)

**Use of FTA/EPAs**  
(Only manufacturing companies doing exports and imports)



**The shift of the percentage of Japanese-affiliated firms in ASEAN using FTA/EPAs (Manufacturing industries)**



- The percentage of firms using FTA/EPA manufacturing industries shows a stable rise from the survey of the 2006 fiscal year. Compared with the last survey, the increase was 4.1 point in import and 5.7 point in exports.

- Singapore has the largest number of concluded/ entered into effect FTAs within Asia, using them largely for exports. On the other hand, the low rate of use in import is due to the fact that import tariffs for the most types of products have already been abolished.

- The percentage of firms using FTAs in Indonesia is high for both export and import.

- Among them, FTAs with a high percentage of use in export were the AFTA (16 firms of 61), and the Japan-Indonesia EPA (15 firms of 61). As for import, the most used FTA was the Japan-Indonesia EPA (34 firms out of 78).

- In Australia, many firms use bilateral FTA with Thailand for import (8 firms out of 29).

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## 8. Exports/Imports (4)

### FTA/EPAs most used by Japanese-affiliated firms (manufacturing industry)

Top 10 FTA/EPAs most used by Japanese-affiliated firms in exports

Country of present location	Export to:	FTA/EPAs	Number of valid responses	Number of firms using FTA/EPAs	Utilizing rates
Singapore	ASEAN	ASEAN Free Trade Area (AFTA)	48	18	37.5
Indonesia	ASEAN	ASEAN Free Trade Area (AFTA)	61	16	26.2
Indonesia	Japan	Japan-Indonesia EPA	61	15	24.6
Singapore	Japan	Japan-Singapore EPA	48	10	20.8
Singapore	China	Japan-ACEAN Agreement (AJCEP)	48	10	20.8
Singapore	China	China-Singapore FTA	48	10	20.8
Malaysia	ASEAN	ASEAN-Free Trade Area (AFTA)	137	23	16.8
Singapore	Korea	ASEAN-Free Trade Area (AFTA)	48	8	16.7
Vietnam	Japan	Korea-Singapore FTA	73	12	16.4
Philippines	ASEAN	ASEAN-Korea FTA	71	11	15.5
Malaysia	Japan	Japan-Vietnam EPA	137	21	15.3
		ASEAN Free Trade Area (AFTA)			
		Japan-Malaysia EPA			

Top 10 FTA/EPAs most used by Japanese-affiliated firms in imports

Country of present location	Import from:	FTA/EPAs	Number of valid responses	Number of firms using FTA/EPAs	Utilizing rates
Indonesia	Japan	Japan-Indonesia EPA	78	34	43.6
Australia	Thailand	Thailand-Australia FTA	29	8	27.6
Indonesia	ASEAN	ASEAN Free Trade Area (AFTA)	78	16	20.5
Thailand	Japan	Japan Thailand EPA	344	62	18.0
Australia		Japan-ACEAN Agreement (AJCEP)	29	5	17.2
Vietnam	ASEAN	Outside Asia / Oceania	72	12	16.7
Malaysia	Japan	ASEAN Free Trade Area (AFTA)	131	18	13.7
Philippines	ASEAN	Japan-Malaysia EPA	74	9	12.2
Malaysia	ASEAN	ASEAN Free Trade Area (AFTA)	131	13	9.9
Thailand	ASEAN	ASEAN Free Trade Area (AFTA)	344	34	9.9

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## 8. Exports/Imports(5)

### Problems of utilizing FTA/EPAs for exports (only firms currently using FTA/EPA in manufacturing industry; multiple answers allowed)

<b>ASEAN (n=213)</b> 1st 34.6% No specific problems 2nd 30.0% The procedures for obtaining a certificate of origin are complicated 3rd 11.1% Complexity arising because existing FTA/EPA regulations vary in different rules of origin	<b>Thailand (n=92)</b> 1st 34.8% The procedures for obtaining a certificate of origin are complicated Also 1st 34.8% No specific problems 3rd 13.0% Rules of Origin create too many obstacles	<b>Singapore (n=23)</b> 1st 56.5% No specific problems 2nd 13.0% Complexity arising because existing FTA/EPA regulations vary in different rules of origin 3rd 8.7% There is a reduction or exemption of custom tariffs at the export destination, so an FTA provides no advantages The procedures for obtaining a certificate of origin are complicated	<b>Philippines (n=15)</b> 1st 26.7% The cost of checking and issuing a certificate of origin is high Also 1st 26.7% The procedures for obtaining a certificate of origin are complicated 3rd 13.3% No specific problems Complexity arising because existing FTA/EPA regulations vary in different rules of origin	<b>Vietnam (n=21)</b> 1st 33.3% Complicated procedures involved in obtaining certificates of origin 2nd 28.6% No specific problems 3rd 9.5% There is a reduction or exemption of custom tariffs at the export destination, so an FTA provides no advantages The procedures for obtaining a certificate of origin are complicated The cost of checking and issuing a certificate of origin is high
<b>Myanmar (n=1)</b> No specific problems	<b>Malaysia (n=37)</b> 1st 29.7% The procedures for obtaining a certificate of origin are complicated Also 1st 29.7% No specific problems 3rd 16.2% Complexity arising because existing FTA/EPA regulations vary in different rules of origin	<b>Pakistan (n=1)</b> Complexity arising because existing FTA/EPA regulations vary in different rules of origin	<b>Sri Lanka (n=3)</b> 1st 33.3% The cost of checking and issuing a certificate of origin is high Also 1st 33.3% No specific problems	<b>India (n=4)</b> 1st 25.0% Rules of Origin create too many obstacles Also 1st 25.0% No FTA/EPA exists with the export destinations No specific problems
<b>Indonesia (n=28)</b> 1st 35.7% No specific problems 2nd 32.1% The procedures for obtaining a certificate of origin are complicated 3rd 7.1% General custom tariffs at export destinations are low, so an FTA provides no advantages There is a reduction or exemption of custom tariffs at the export destination, so an FTA provides no advantages Rules of Origin create too many obstacles The cost of checking and issuing a certificate of origin is high Complexity arising because existing FTA/EPA regulations vary in different rules of origin	<b>Bangladesh (n=2)</b> 1st 50.0% The procedures for obtaining a certificate of origin are complicated Also 1st 50.0% No specific problems	<b>Australia (n=8)</b> 1st 62.5% No specific problems 2nd 25.0% No FTA/EPA exists with the export destinations	<b>New Zealand (n=5)</b> 1st 40.0% No specific problems 2nd 20.0% There is a reduction or exemption of custom tariffs at the export destination, so an FTA provides no advantages Also 2nd 20.0% Rules of Origin create too many obstacles The cost of checking and issuing a certificate of origin is high The procedures for obtaining a certificate of origin are complicated	

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## 8. Exports/Imports (6)

### Problems of utilizing FTA/EPAs for imports (only firms currently using FTA/EPA in manufacturing industry; multiple answers allowed)

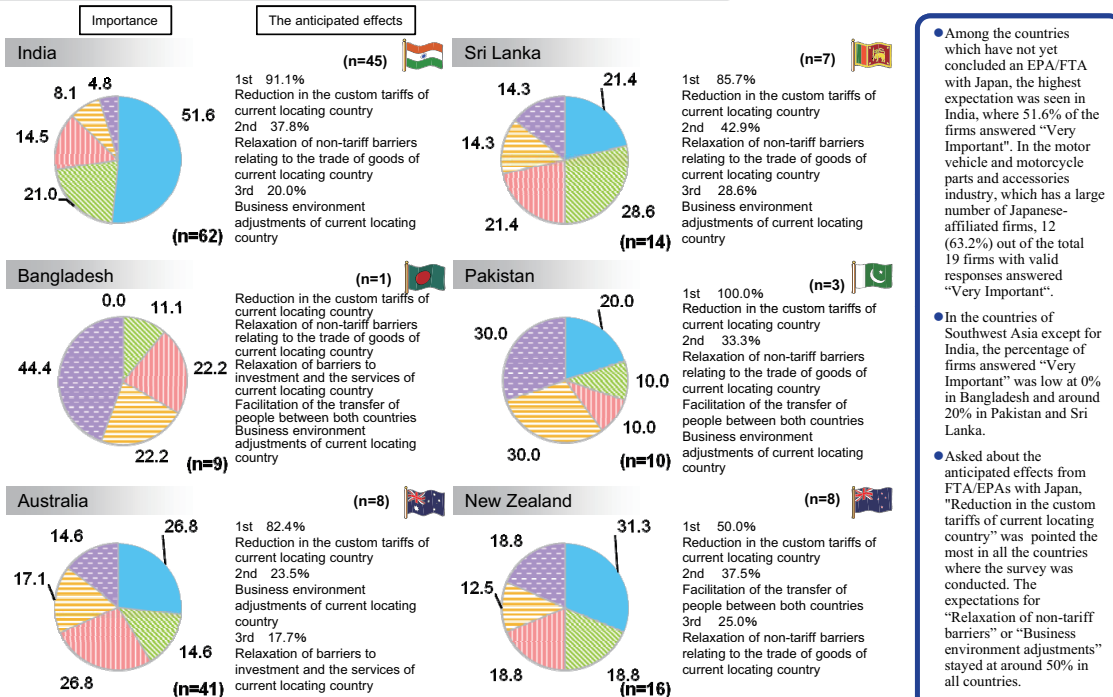


\*EPZ, investment incentives, etc.

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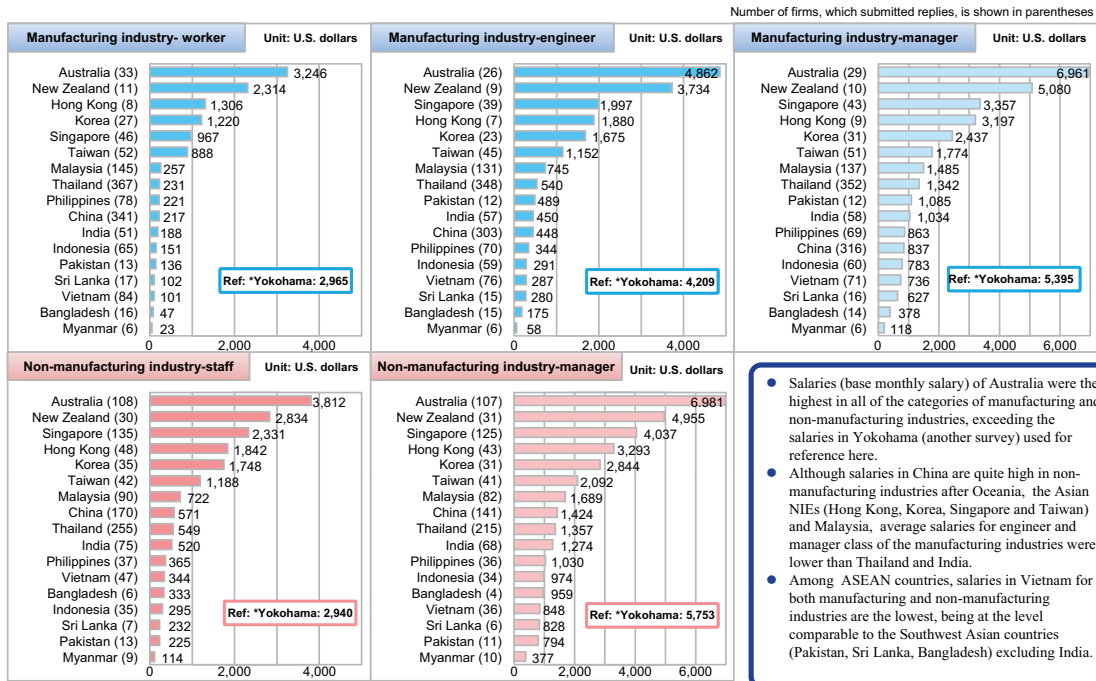
## 8. Exports/Imports (7)

### Importance of FTA/EPAs with Japan, and the anticipated effects from the FTA/EPAs (only firms of manufacturing industries located in Bangladesh, India, Pakistan, Sri Lanka, Australia and New Zealand, which have not as yet entered into an FTA/EPA with Japan)



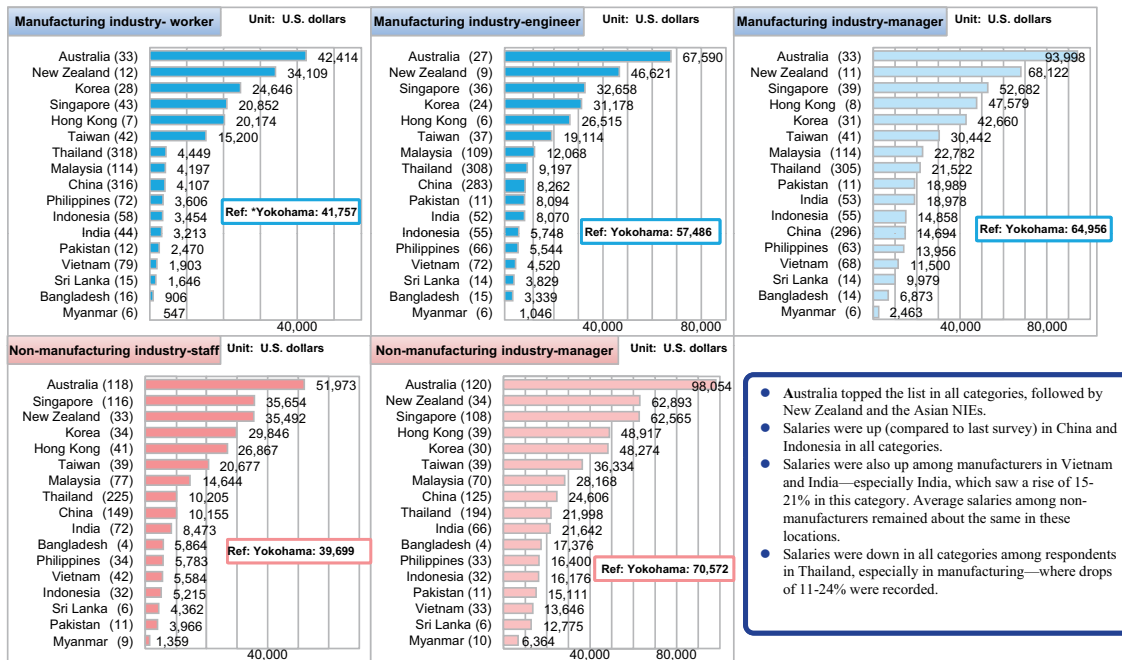
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## 9. Average Salary (1) Base monthly salary



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## 9. Average Salary (2) Annual total pay burden



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