

Table of Contents

Abbreviations..... 1

Abstract.....3

Introduction..... 4

Problem Case.....4

Scope of studies..... 4

Course of action..... 5

Chapter 1 ASEAN Free Trade Agreement (AFTA).....6

1.1 Free Trade Agreement Definition..... 6

1.2 ASEAN Free Trade Agreement..... 7

 1.2.1 Association of Southeast Asian Nations – What is ASEAN? 7

 1.2.2 ASEAN in the WTO 10

 1.2.3 What is AFTA? 11

Chapter 2 Automotive Industry with Regard to AFTA.16

2.1 International Automotive Background - Overview..... 16

2.2 Automotive background and market of AFTA members..... 19

 2.1.1 Malaysia 19

 2.1.2 Thailand 25

 2.1.3 Indonesia 30

 2.1.4 Singapore 34

 2.1.5 The Philippines 36

 2.1.6 Vietnam 38

2.2.1	Development of automotive import policies and taxes of AFTA members	41	
2.2.1	Malaysia	42	
2.2.2	Thailand	44	
2.2.3	Indonesia	44	
2.2.4	Singapore	45	
2.2.5	The Philippines	46	
2.2.6	Vietnam	47	
2.3	Overview of tax structure before and after AFTA.....	49	
2.3.1	Malaysia	50	
2.3.2	Thailand	51	
2.3.3	Indonesia	53	
2.3.4	The Philippines	54	
2.3.5	Singapore	56	
2.3.6	Vietnam	57	
2.4	Summary: ASEAN automotive Industry before and after AFTA		59

Chapter 3 “Think Regional, Act Global”.....61

3.1	ASEAN – Free Trade Agreements.....	62	
3.1.1	ASEAN – China (CAFTA)	62	
3.1.1.1	The Challenge of CAFTA	64	
3.1.1.2	Effects of CAFTA – Especially on Japan and Korea	65	
3.1.1.3	CAFTA as a Threat for Korea	66	
3.1.2	ASEAN Plus Three (ASEAN + China, Australia and New Zealand)		67
3.1.3	ASEAN – Korea (AKFTA)	68	
3.1.4	ASEAN – Australia / New Zealand	69	
3.1.5	ASEAN – India (AIFTA)	69	
3.1.6	Is an ASEAN – EU FTA coming?	70	
3.1.7	Summary	71	
3.2	Bilateral Free Trade Agreements.....	71	
3.2.1	Malaysia Free Trade Agreements	72	
3.2.2	Thailand Free Trade Agreements	74	
3.2.3	Indonesia Free Trade Agreements	79	
3.2.4	Philippines Free Trade Agreements	80	
3.2.5	Other bilateral free trade agreements	81	
3.3	Impact and consequences of Free Trade Agreements.....	83	

3.4 Summary..... 84

Chapter 4 Forecast – Automotive future in Asia 84

4.1 Impacts of specific free trade agreements on the automotive market.85

4.2 Scenario 1: China – The Future Market.....86

4.2.1 Chinas economic background 86

4.2.2 Cars getting famous in China 86

4.2.3 The automotive market in China 90

4.2.4 China as a threat 93

4.3 Scenario 2: India – The Other Future Market..... 94

4.3.1 India’s background 95

4.3.2 The automotive market in India 95

4.3.3 China plus India – The upcoming giants 97

4.4 Scenario 3: ASEAN10 plus partners..... 99

4.5 Summary..... 99

Conclusion..... 100

List of Figures..... 102

List of Tables..... 103

References..... 104

Websites..... 104

Useful links..... 108

Journals, Reports, Magazines and Newspapers..... 109