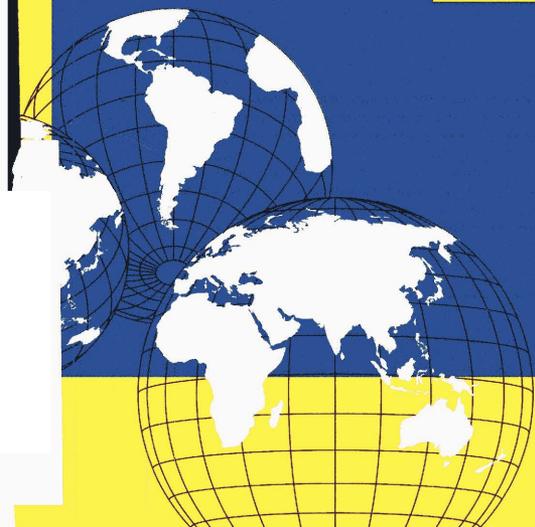


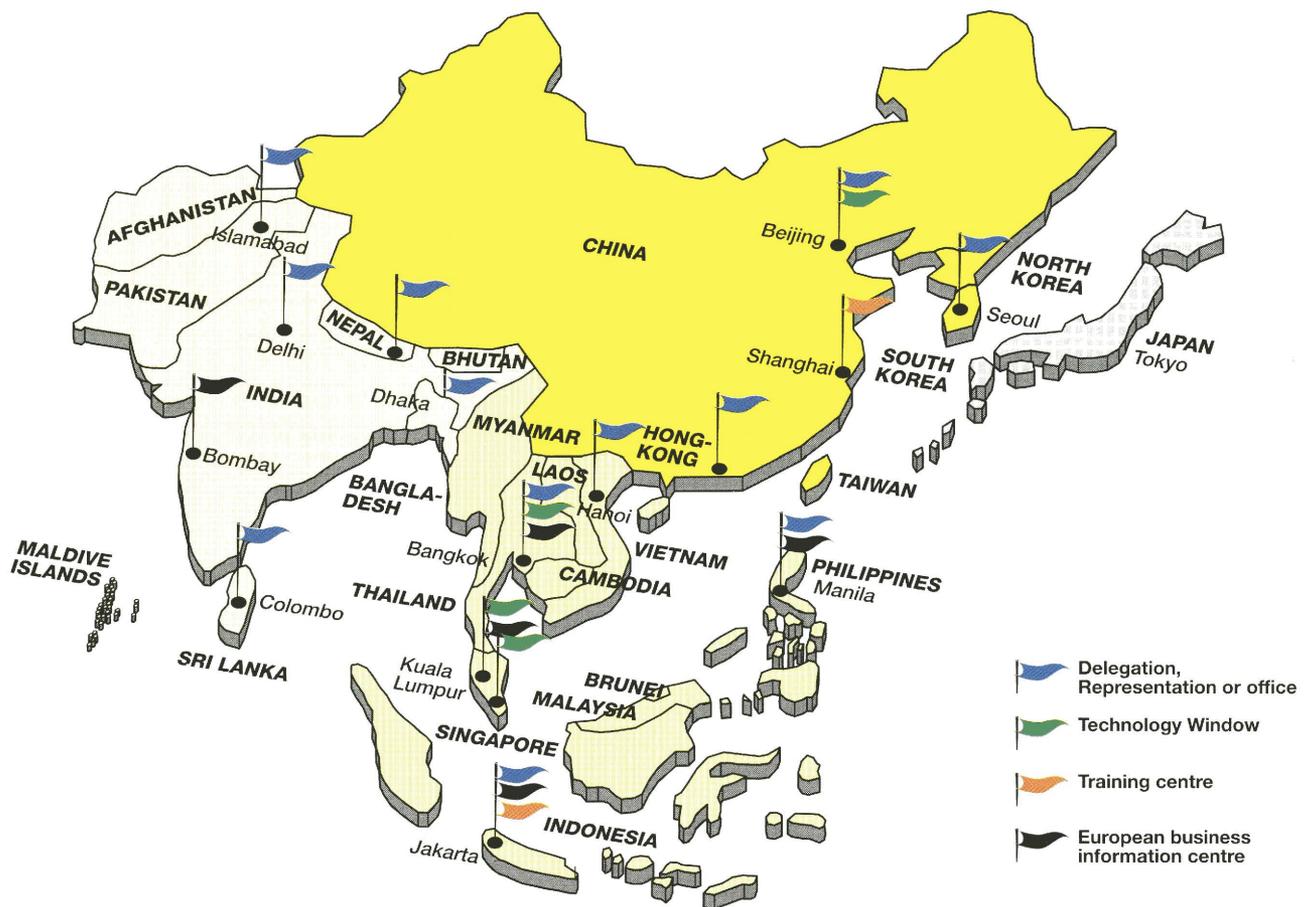
EUROPE PARTNER OF ASIA



EUROPEAN COMMUNITY INSTRUMENTS
FOR ECONOMIC CO-OPERATION



EUROPEAN UNION DELEGATIONS AND OFFICES
 ENGAGED IN CO-OPERATION WITH ASIAN COUNTRIES





CONTENTS

I. PARTICIPATING IN ASIA'S TAKE-OFF	4
Powerhouse for growth	4
Asia: Magnet for investment	4
An economic giant emerges	5
Significant challenges remain	5
Europe risks occupying a marginal position in Asia	5
Asia represents an opportunity for Europe	5
II. TOWARDS A NEW STRATEGY FOR ASIA	8
Raising the EU's profile in Asia	8
Strengthening Europe's economic presence	8
The objectives set by the Council of Essen	8
III. BUILDING ECONOMIC CO-OPERATION	9
IMPROVING THE ECONOMIC, SOCIAL AND CULTURAL CONTEXT BY CREATING A CLIMATE OF CONFIDENCE IN THE WORLD OF BUSINESS	11
Encouraging mutual understanding	11
Developing scientific and technological potential	12
<i>Examples</i>	
<i>The first Chinese business school</i>	13
<i>European studies in Bangkok</i>	14
<i>European and Indian journalists meet</i>	15
MAKING THE LEGAL AND REGULATORY ENVIRONMENT FAVOURABLE TO TRADE	16
Technical assistance in standards, quality control and intellectual property rights	16
Support for transition to a market economy	16
<i>Examples</i>	
<i>Supporting Vietnam's transition to a market economy</i>	17
<i>The promotion of quality: cornerstone of Europe's partnership with the ASEAN countries</i>	18
<i>Partnership with ASEAN to protect intellectual property rights</i>	19
<i>Seminar on build-operate-transfer projects</i>	19
<i>Technical assistance for Indian automotive component manufacturers</i>	20
ENCOURAGING CROSS-INVESTMENT AND BUSINESS CONTACTS	21
Information network	21
Technology Windows	21
Financing business with Asia	22
Support programme for economic co-operation (SPEC)	22
<i>Examples</i>	
<i>RIET: The Partnership for the protection of the environment</i>	23
<i>COGEN: A Power partnership</i>	25
<i>PHILIPPINES: The first European Business Information Centre (EBIC) in Asia</i>	27
IV. THE ASIAN MARKET	28
Economy profile of Asia in 1993	28
IV. LIST OF USEFUL ADDRESSES FOR CO-OPERATION WITH ASIA	30



I. PARTICIPATING IN ASIA'S EMERGENCE

POWERHOUSE FOR GROWTH

Asia* has emerged as the world's fastest-growing region, with a dynamic business culture that few trading partners can afford to ignore.

The European Union (EU) and its Single Market is the World's largest trading bloc.** As the next century approaches, the EU recognises the need for European business to build an even stronger presence in Asia, the emerging giant of the world economy, to the mutual benefit of both regions.

Asia's emergence has been underpinned by striking levels of growth — its share in value of global production rose from 4% in 1960 to 25% in 1991. If this trend continues, Asia could account for 33% of global production on the threshold of the 21st century.

The EU's participation in the emergence of Asian economies is in the interest of European business and its Asian counterparts. By developing new networks and financing projects in Asia the EU is helping to reinforce the development of the global business environment. It is doing this by various means from providing technical assistance to improving quality control and reinforcing intellectual property rights to helping to educate the next generation of Asian business leaders and decision-makers.

Europe is committed to building business links Asia-wide and to promoting stability and development in the region's less prosperous countries. This policy is being developed continuously with widespread positive impact for car manufacturers in France, Germany, Italy and the UK to training statisticians in Laos and upgrading production processes in the Malaysian timber industry.

GLOBAL GROWTH

Annual growth of GNP in %	1991 to 1993	1994	1995	1995 to 2004
South Asia	3.2	4.7	5.0	5.4
South-East and East Asia	8.7	9.3	8.1	7.7
OECD	1.2	2.9	2.9	2.8
Africa	0.6	2.2	4.0	3.8
Latin America and Caribbean	3.2	3.9	2.4	3.5
East-Europe and former Soviet Republics in Asia	-9.4	-7.5	0.7	3.4
Mediterranean, Near and Middle East	3.4	0.3	2.7	3.2

(Source: OECD/World Bank)

ASIA: MAGNET FOR INVESTMENT

In the last 20 years, Asia has attracted large amounts of capital, becoming a leading beneficiary of foreign direct investment (FDI).

The region received 55% of the total FDI channelled to developing countries in 1993, compared to 21% in 1976. China alone absorbed one-quarter of all FDI — ECU 17 billion — directed to developing countries in 1993.

To a great extent, Asian investments are self-financed within the region. Some ECU 164 billion was invested in China between 1979 and 1993, 62% of which came from Hong Kong, 11% from Japan and 8% from Taiwan. Only 6.6% of this FDI was sourced in the USA and 2.8% from Germany, France and the UK.

* For the purpose of this document, Asia consists of 24 countries and territories divided into 3 geographical regions:

- **South Asia:** Afghanistan, Bangladesh, Bhutan, India, Maldives Islands, Nepal, Pakistan, Sri Lanka.
- **South-East Asia:** Brunei, Cambodia, Indonesia, Laos, Malaysia, Myanmar, Philippines, Singapore, Thailand, Vietnam.
- **East Asia:** China, Hong Kong, Korea, Macao and Taiwan.
- **Japan:** The EU makes separate instruments available for those doing business with Japan, one of the three major economic powers, and has a specific, comprehensive bilateral accord. For this reason, Japan is not included in this brochure.

** European Union: its fifteen Member States: Austria, Belgium, Denmark, Finland, France, Germany, Greece, Ireland, Italy, Luxembourg, the Netherlands, Portugal, Spain, Sweden, United Kingdom.



AN ECONOMIC GIANT EMERGES

The prospects for further development in the next few years are staggering. By the year 2000, Asia will:

- account for one-half of world economic growth,
- account for one-half of world trade,
- represent one-third of world production,
- dedicate ECU 740 billion to its infrastructure.

Trends indicative for the Asian region are equally impressive:

- one billion Asians will possess significant purchasing power,
- 400 million Asians will possess a purchasing power equivalent to that of Europeans today.

SIGNIFICANT CHALLENGES REMAIN

A euphoric vision of Asia has currently tended to replace the 'Asia pessimism' which prevailed in the 1960s. But the region's dynamism should not obscure the deep differences that prevail between Asian economies and societies. To ensure that its development is of a lasting nature, Asia will have to face a number of challenges:

- To bridge the gap between the rich and the poor. Indications are that by the year 2000, South Asia will still contain the greatest concentration of the world's poorest population.
- To reconcile Asia's economic growth with the protection of its environment.
- To respond to the growing needs of a qualified workforce by improving the education system. The Association of South East Asian Nations (ASEAN)* countries have for some years experienced a lack of professional administrative cadre.

* ASEAN countries: Brunei, Indonesia, Malaysia, Philippines, Singapore, Thailand, Vietnam.

EUROPE RISKS OCCUPYING A MARGINAL POSITION IN ASIA

Trading and investment relations between Europe and Asia are limited when the relative size and potential of the two markets are taken into account.

- Europe accounted for nearly 25% in value of imports into Asia in 1970 but only 15% in 1992.
- Between 1986-92, a mere 10% of FDI in Asia originated from the European Union Member States.
- Asia remains a marginal destination for European investors: in 1990, it represented a mere 2.6% of their investment stocks, as opposed to 6% in 1980.
- For each Asian student educated in Europe, four are educated in the USA.

ASIA REPRESENTS AN OPPORTUNITY FOR EUROPE

A widespread belief persists that European companies present in Asia are involved in those industries which have a high manual labour content. This is not borne out by the facts. They are mainly active in the fields of energy, chemicals, and petrochemicals.

European companies have based themselves in Asia to benefit from proximity to the local markets.

The genuine 'relocations' — where companies move to exploit the benefits of cheaper labour and other costs — have been undertaken by East Asian companies who have transferred on a massive scale industries with a high level of manual labour from Japan, Korea, Taiwan and Hong Kong to the developing countries in Asia.

The growth of Asian markets, with a rapidly expanding middle class, calls for an increased presence of European companies in this part of the world. This will have at least three major benefits for the companies and economies of Europe, by:

- securing strategic openings for business opportunities,
- ensuring companies' competitiveness on a global level,
- safeguarding jobs in Europe.



FOREIGN DIRECT INVESTMENT (FDI) MADE BY THE TRIAD* IN ASIA AND PACIFIC**, 1980 – 1993

FDI Stocks	1980	1985	1993
European Union			
(a) Value of FDI in Asia and the Pacific (ECU billion)	5.5	8.7	19.3
(b) Share of (a) in total FDI from the European Union (%)	4.8	4.4	3.9
Japan			
(a) Value of FDI in Asia and the Pacific (ECU billion)	3.3	6.3	22.8
(b) Share of (a) in total FDI from Japan (%)	24.0	18.9	11.7
United States			
(a) Value of FDI in Asia and the Pacific (ECU billion)	6.3	8.2	29.2
(b) Share of (a) in total FDI from the United States (%)	3.9	5.8	7.2

Source: United Nations Conference on Trade and Development, April 1995

BALANCE OF TRADE BETWEEN EUROPE AND ASIA

	1984	1985	1986	1987	1988	1989	1990	1991	1992	1993
South Asia	2,813	3,626	3,971	3,402	2,807	3,034	1,197	172	-67	-57
South-East Asia	166	-193	-620	-1,001	-1,379	-951	-495	-2,633	-3,150	-2,820
East Asia	-3,947	216	-2,718	-6,339	-7,642	-8,394	-9,792	-15,157	-13,179	-6,942
Asia total	-968	3,649	633	-3,938	-6,214	-6,311	-9,090	-17,618	-16,396	-9,819
Japan	-16,304	-18,111	-21,816	-21,139	-24,598	-25,207	-23,504	-29,663	-31,005	-25,076
United States	6,589	16,581	18,508	15,686	3,459	-5,640	-8,621	-20,742	-12,859	-2,216

Source: Eurostat

amounts in million ECU

EXCHANGE RATES

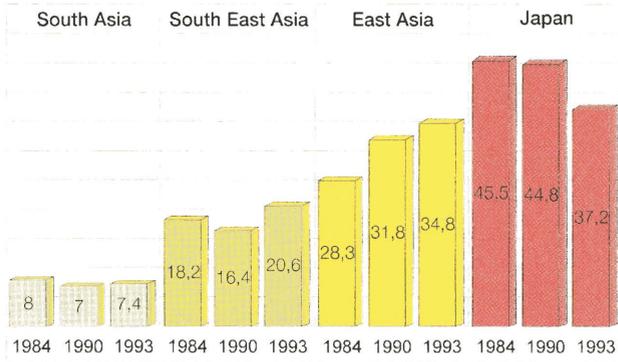
1 ECU = 1.35 US\$ (September 1995)

* Triad: European Union (see footnote page 4), United States, Japan

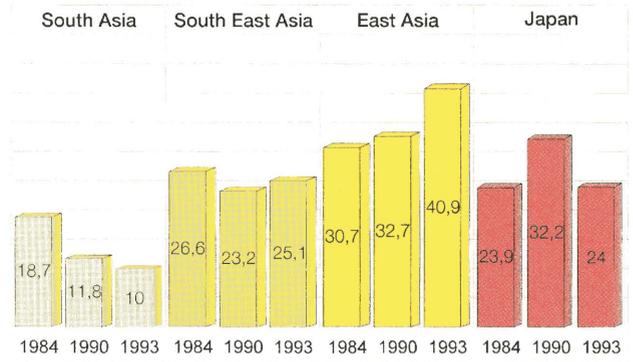
** Pacific: Including South, South-East and East Asia and the Pacific Islands



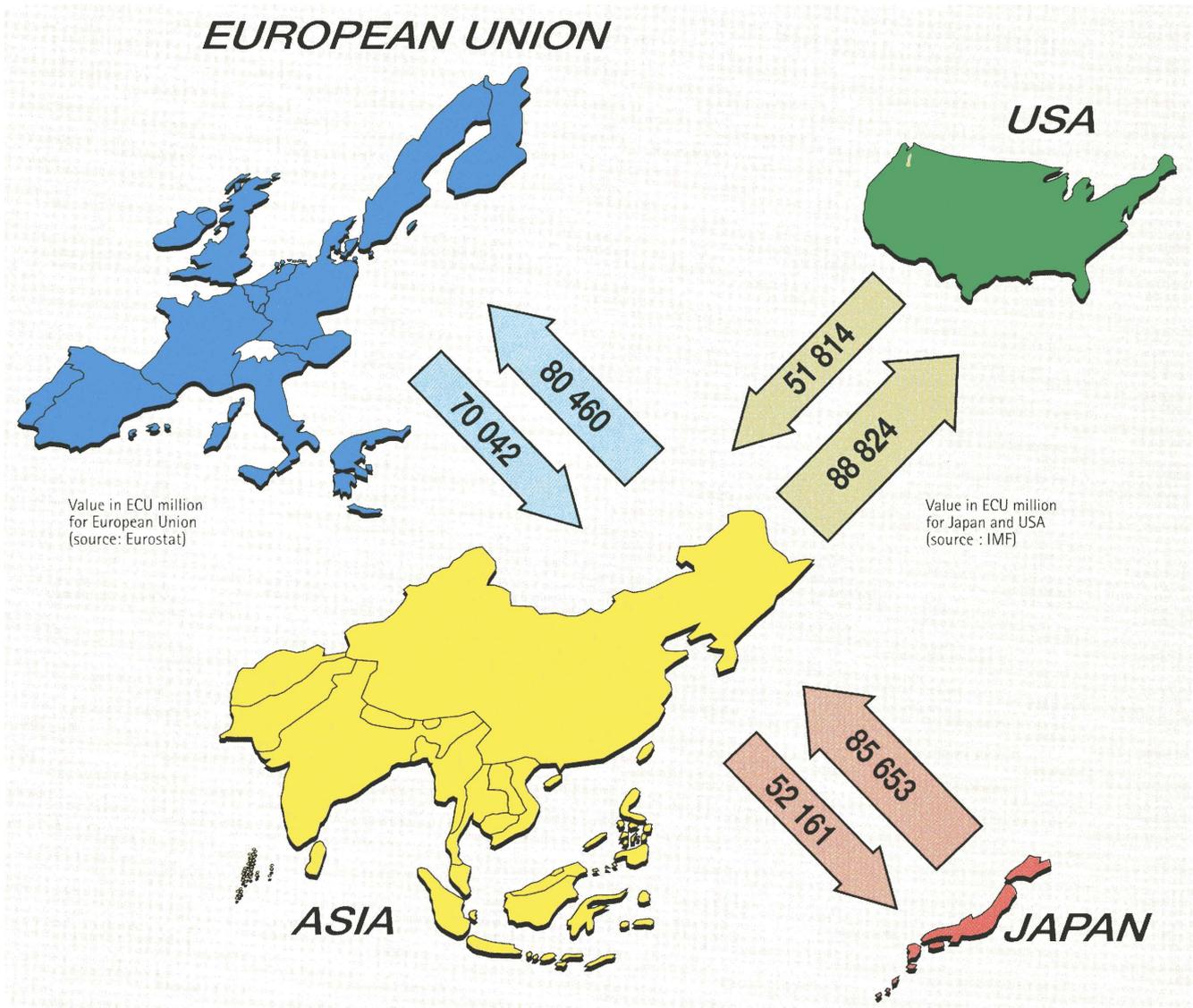
EUROPEAN UNION
IMPORT FROM ASIA (% OF VALUE)



EUROPEAN UNION
EXPORT TO ASIA (% OF VALUE)



COMMERCIAL TRADE OF ASIA (SOUTH, SOUTH-EAST, EAST)
WITH JAPAN, USA AND THE EUROPEAN UNION IN 1993





II. TOWARDS A NEW STRATEGY FOR ASIA

Asia's increasing economic and political weight has led the European Commission to look again at the EU's relations with the region. In response to the need for a new policy a document, entitled 'Towards a New Strategy for Asia', was drawn up by the Commission and accepted by the European Council* of Essen in December 1994. 'Towards a New Strategy for Asia' has two main orientations: to raise the EU's profile in Asia and encourage mutual understanding; and to strengthen Europe's economic presence in the region.

RAISING THE EU'S PROFILE IN ASIA

Close relations between Europe and Asia have existed for centuries. The voyages of Marco Polo and Magellan established early links. These were consolidated by the visits to Europe of Asian sovereigns such as King Rama V of Siam, who attended the eighth Venice Biennale in 1909. Europe's colonial powers established outposts throughout the region. Underpinning the relationship were commercial contacts established all along the Silk Route, which were continued and intensified thanks to the sea routes opened up by the European explorers.

This historical association between Europe and Asia has not, however, removed cultural barriers and misunderstandings. Ultimately, the sheer distance between the two regions helps to explain this even today:

- A deficit in relations between the two regions has to be remedied.
- The EU suffers from a lack of visibility in Asia, where it is either disregarded or confused with the myth of 'Fortress Europe' – a protectionist commercial bloc.

"...Only a united Asia stands some chance of gaining the ramparts of Fortress Europe..."

(The Straits Times, Singapore, 19 April 1995)

STRENGTHENING EUROPE'S ECONOMIC PRESENCE

Owing to a lack of adequate visibility, and a clear and positive profile, the European Union has not yet been able to fully exploit the new opportunities offered by Asia.

The white paper on Growth, Competitiveness and Employment presented to the Council by the Commission in December 1993 reached similar conclusions.

* The European Council is the biannual meeting of the 15 European Union Heads of State and Government and the President of the European Commission.

THE OBJECTIVES SET BY THE COUNCIL OF ESSEN

"... Europe should give a new priority to Asia and carry out a more active and emphatic policy towards the Asian countries ..."

"... This new partnership between Europe and Asia should include raising the profile of each side and intensifying the exchange of information between the two regions, to improve mutual understanding ..."

Information programmes should be strengthened in order to improve knowledge of the Union and its activities in Asia ...

"... More extensive programmes of visits should afford the opportunity to leading figures from Asia of getting to know Europe at first hand. The broadening and consolidation of knowledge of the Asian region and its cultures should be encouraged ..."

"... With a view to a long term improvement in mutual understanding, co-operation in the field of higher education and training would be a priority."

The Council would emphasise that a strengthened European economic presence in Asia and the promotion of comprehensive economic co-operation are playing a key role for the further development of overall relations. In this connection, appropriate co-ordination between the Community and its Member States is required in order to achieve the greatest possible degree of synergy ..."

The Council placed particular emphasis on the following objectives:

- "To create a climate which stimulates trade, favours co-operation between firms, and promotes investment by undertakings, particularly small and medium sized undertakings in Europe and Asia."
- "To eliminate barriers to trade and in particular non-tariff barriers."
- "The protection of intellectual property continues to be a central topic."
- "To encourage countries with centrally governed economic systems, as well as other countries in the process of liberalisation, to carry out market economy reforms."
- "Particular attention should be paid to the promotion and protection of investments in both directions. Above all, investments and joint ventures of small and medium-sized businesses deserve support."

AND SUPPORTED BY THE EUROPEAN PARLIAMENT

The European Parliament, which has played a major role to strengthening Euro-Asia relationships since 1979 through the ASEAN Interparliamentary Organisation, supported these orientations through a resolution voted on June 14, 1995.



III. BUILDING ECONOMIC CO-OPERATION

EXCERPTS FROM REGULATION NO. 443/92 OF 25 FEBRUARY 1992 ADOPTED BY THE COUNCIL OF THE EUROPEAN COMMUNITIES

" Economic co-operation, devised to serve the mutual interests of the Community and its partner countries, shall contribute to the development of the ALA (Asia, Latin America) developing countries by helping them build up their institutional capacity so as to create an environment more favourable to investment and development and make the most of the prospects opened up by the growth of international trade, including the European single market, and by enhancing the role of businessmen, technology and the know-how from all the Member States, particularly in the private sector and in small and medium-sized undertakings. "

" Economic co-operation shall be aimed in particular at establishing a climate of confidence by supporting countries which pursue macro-economic and structural policies that are open to trade and investment and conducive to technology transfer, in particular by protecting intellectual property rights. "

FOCUSING CO-OPERATION FOR THE COUNTRIES OF ASIA: CHINA

Building on the Asia Strategy of 1994, the European Commission is now focusing on the different countries of the region in a series of specific country papers. The first such strategy paper targets China.

The development of economic co-operation is a key element in the new approach towards China. Amongst the central priorities highlighted for the future are elements which echo the European Union's new economic co-operation initiatives across Asia:

- human resource development, to promote the skills base in China,
- encouragement of economic and social reform touching on individual Chinese in different professions and walks of life,
- facilitating co-operation between the private sector in Europe and in China.

The paper explains how Europe has much to offer to China, and how economic co-operation can bring real mutual benefits and make a central contribution to the evolving relations between Europe and China.

THE CRITERIA

The EU's economic co-operation with Asian countries is based on four basic principles:

- Economic co-operation is based on the mutual interest of European and Asian partners, both public and private.
- It is complementary to the actions undertaken by EU Member States by playing the role of catalyst.
- It is adapted to the cultural, economic, social and political characteristics of each of the EU's partners in Asia; to their differences in level of development; and to the degree of liberalisation of their economies.
- It sets up a direct dialogue with the private sector, establishing its needs and priorities to encourage partnership between European and Asian companies. The climate of partnership will facilitate European investment in Asia.



PROSPECTS AND ACHIEVEMENTS OF ECONOMIC CO-OPERATION

The development of dialogue and partnership between the European Union and developing Asia is taking place on three levels, with the aim of:

IMPROVING THE ECONOMIC,
SOCIAL AND CULTURAL CON-
TEXT BY CREATING A CLIMATE
OF CONFIDENCE IN THE WORLD
OF BUSINESS

ENCOURAGING CROSS-
INVESTMENT AND
BUSINESS CONTACTS

MAKING THE LEGAL AND
REGULATORY ENVIRONMENT
FAVOURABLE TO TRADE



In order to reach these objectives, 80 programmes, representing an annual budget of ECU 60 million, have been established as of 31 December 1994. They are administered by the European Commission.



IMPROVING THE ECONOMIC, SOCIAL AND CULTURAL CONTEXT BY CREATING A CLIMATE OF CONFIDENCE IN THE WORLD OF BUSINESS

The projects which are being implemented by the European Union have a dual aim:

- to encourage mutual understanding between Europe and Asia,
- to strengthen the scientific and technological potential of the countries involved.

ENCOURAGING MUTUAL UNDERSTANDING

Mutual understanding is being promoted involving a package of actions covering:

- training and education,
- communication,
- cultural exchanges.

Training and education

A scholarship programme has been set up with the ASEAN countries, benefiting young professionals working in key industrial sectors. The European Union now intends to give this programme a different orientation, by:

- establishing a partnership with European companies to develop a continuous training programme aimed initially at junior managers from the ASEAN region, and subsequently those from other countries,
- adopting a method of practical training, to be centred on in-company training courses.

Support is also necessary for the training of junior European managers in Asia. Candidates will be selected from among those companies which have a strategy for Asia.

A package of support for inter-university exchanges has also been established. These exchanges were recently the subject of a survey. A directory has been published. The first stage of the package consists of promoting European universities' activities and training in Asia and vice versa.

The EU is developing programmes of European studies in Asian universities including Chulalongkorn University in Bangkok. These are helping to raise the profile of Europe in Asia.

The Union is also supporting the training of high-level Asian commercial staff through initiatives including:

- Training in business management to MBA level at the China-Europe International Business School (CEIBS) in Shanghai.
- Support for the Asian Institute of Technology's school of management in Bangkok, where an MBA in international affairs is available.

Asian students prefer US Universities to European Universities

Asian students	in Europe	in the USA
Bangladesh	610	2933
India	2246	35946
Pakistan	1403	8017
Sri Lanka	975	2267
ASEAN	17095	40791
Vietnam	2420	447
China	11063	82558
South Korea	6915	28519
Hong Kong	6810	14018
TOTAL	49537	215496

Source: UNESCO, Statistical Yearbook 1994



Communication

The EU has developed a series of programmes to increase awareness of the potential for co-operation on both sides. These are designed to:

- encourage Europeans, and especially Europe's economic actors, to orient themselves towards Asia,
- to make Asia more receptive to an increased European economic, political and cultural presence during a period of profound change in the region.

To promote this, **interactive fora** are organised. These include the forum held in Brussels on 6 October 1994, when the EU's new economic strategy towards Asia was presented and discussed.

Information leaflets on the EU's programmes, aimed at both European and Asian partners, will be published.

A policy to inform and raise the awareness of opinion-makers is being implemented. This includes a new programme of encounters between journalists from India and Europe.

Seminars on the Single European Market have been organised regularly in Asia. In 1994, seminars were held in Pakistan, India, Vietnam, Malaysia and Thailand.

Cultural exchanges

A programme to develop cultural links between Europe and Asia is under way. It is based on the existing network of cultural co-operation established between the EU's Member States.

A survey is being carried out to produce a complete picture of existing Euro-Asian cultural co-operation programmes, undertaken by the Member States and by other bodies, which include the major cities of Europe.

The EU aims to create links which encourage economic co-operation and strengthen the Asian presence of European cultural industries.

Cultural co-operation reinforces the strategy of communication and promotes mutual understanding, drawing particularly on campaigns for the promotion of Asian culture in Europe.

DEVELOPING SCIENTIFIC AND TECHNOLOGICAL POTENTIAL

The European Union has created programmes providing sector-specific technical assistance and promoting the transfer of know-how. These are designed to:

- facilitate co-operation between private operators in Europe and in Asia,
- contribute to economic development,
- raise the level of competence in Asia,
- make Asian players aware of European technological options.

In order to promote these aims the following EU's programmes have been established:

- the Asian EC Energy Management Training and Research Centre (AEEMTRC), based in Jakarta, Indonesia,
- training in the use of remote sensing techniques for the monitoring of ocean pollution, crops, development of towns and forestry management for ASEAN countries,
- training of air flight controllers in the use of European instrumentation and harbour management for ASEAN countries,
- training in forestry management in Laos,
- the South Asia Tourism Human Resource Development Project, aimed at improving the quality of tourist services,
- the China-EC Biotechnology Centre, based in Beijing.



EXAMPLES

THE FIRST CHINESE BUSINESS SCHOOL

The China-Europe International Business School (CEIBS) in Shanghai was opened in November 1994 in the presence of Sir Leon Brittan, European Commissioner for External Economic Affairs.

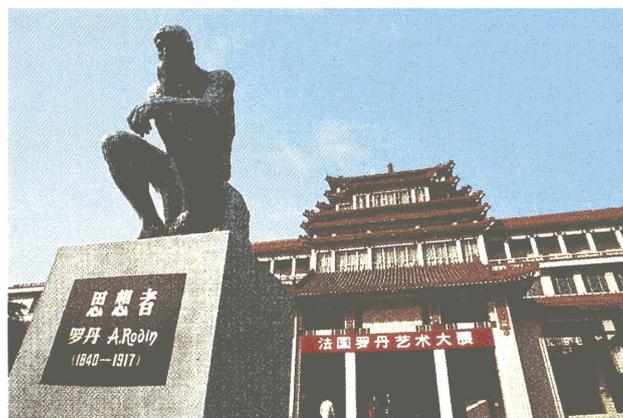
It is one of the showpieces of Sino-European co-operation, founded on the experience gained over the past decade by the China-Europe Management Institute (CEMI) in Beijing. The CEMI has educated Chinese students – 240 of them to MBA level – who now occupy managerial positions.

The CEIBS is the product of a partnership between the City of Shanghai and the European Union, whose budget for the project amounts to ECU 25 million, covering the construction of the building and operating costs for the first years.

A unique example

The CEIBS responds to the great demand in China for well-qualified managerial staff who, apart from being well versed in the realities of economic life in China, are in a position to act effectively in an international business context. CEIBS students obtain a thorough understanding of internationally recognised concepts of management and an ability to relate them to the Chinese environment.

The aim of CEIBS is to become the first business school in China genuinely open to an international environment. It aims to become a benchmark for excellence in this field throughout China and East Asia.



The support of the best schools in the world

The CEIBS benefits from its partnership with the Jiaotong University in Shanghai. One of China's foremost universities, Jiaotong has strong links with local industry, and with the European Foundation of Management Development (EFMD), a grouping of high-level European companies and business schools.

The quality of the programmes will be guaranteed by an academic board which brings together some of the world's leading business schools.

Subsidised in its initial phase by the European Union and the City of Shanghai, the CEIBS will become self-financing in the medium-term. A score of companies are already providing sponsorship.

Programmes of international quality

CEIBS offers its students a number of alternatives to broaden their education.

- The showpiece is an 18-month MBA programme designed for up to 100 young students a year. It is taught in English, with options for specialising in finance and market studies.
- A part-time training course spread out over two years for Chinese administrative staff who are already working within a company. This Executive MBA allows them to perfect their conceptual knowledge.
- Short training programmes aimed at the managers of joint ventures and Chinese companies.



EUROPEAN STUDIES IN BANGKOK

The EU is supporting a programme of European studies in Thailand's most prestigious university, Chulalongkorn University in Bangkok, since 1992. The EU's contribution amounts to ECU 2.9 million in the 1994 - 1998 period.

This programme responds to the need to consolidate Europe's profile in Thailand, a country in full economic expansion whose commercial relations with the EU increased by 16% annually in 1986-92.

The project's objectives are:

- To promote an improved understanding of the EU and strengthen the relations between Thais and Europeans occupying positions of responsibility in politics, economics and cultural life.
- To develop the human resources necessary to support Thailand's economic development within the framework of closer co-operation with the European Union.

Contents of the programme

The programme of European Studies covers four disciplines:

- Community Law
- History
- Economics
- Political Science

A group of Thai lecturers have received in-depth tuition in these four disciplines to allow them to undertake teaching and research in European universities, recognised as leading the field in European studies.

European studies are set to become a permanent feature of the teaching offered by Chulalongkorn University. They will stimulate research in Thailand into European integration and comparative studies with ASEAN. Conferences and seminars on Europe aimed at businessmen, journalists and officials in the Thai public sector are being organised within the framework of the European studies programme.

Taking into account the prestige of Chulalongkorn University, it is expected that this programme will have a knock-on effect on other universities in Thailand and the surrounding region.

A gateway to Europe

A gateway to Europe is guaranteed by a consortium of three European universities – Eberhard Karl University (Tübingen), Robert Schuman (Strasbourg) and Bocconi (Milan)—who are partners in the setting up of the programme. The group is co-ordinated by the University of Tübingen.

European experts from other universities are invited for conferences. Short-term grants, as well as invitations to conferences in Europe, are made to Thai teaching staff to give them the opportunity to extend and update their knowledge of Europe. Researchers and PhD students benefit from grants of longer duration.



EUROPEAN AND INDIAN JOURNALISTS MEET

Avoiding clichés

There is often a considerable divide between reality and individuals perception of it. This is particularly true of the image that Europeans have of India and vice versa.

The dominant image of India in the European media is of a succession of riots, natural disasters and epidemics, set against a background of poverty and backwardness. This obscures another India, which is every bit as real but which often seems invisible: an India which is industrialised, which is advanced in scientific and technological terms, and which has an economy in the full flow of development.

What can be said about the image of the European Union as seen from Poona or Calcutta? It is quite likely that it appears a complete mystery, and that the Maastricht Treaty is consigned to the category of esoteric writings.

In the attempt to avoid clichés and to bring the two continents closer, the European Commission is to support for a period of ten years commencing in 1995 a programme directed primarily at European and Indian journalists working for major newspapers and journals.

This is being done at a time when economic relations between India and the EU have every chance of making considerable progress within the framework of the co-operation agreement concluded in July 1994.

Enhancing the potential of co-operation between India and Europe

The first task will be to establish the motives, expectations and focus of interest of the newspapers involved. This means, for instance, understanding what incites an Indian newspaper to cover a European event. It involves defining the means by which reciprocal visits could be organised, as well as deciding on who should be met and what is to be seen.

On the basis of the replies received, the second phase will involve the organisation of regular contacts between Indian and European journalists; and encounters between political and economic milieux in Europe and India. The aim is to create a stable relationship between Indian and European journalists which will guarantee the circulation of information in both directions in the long-term.

Ultimately, the programme should thus lead to a greater understanding between the two regions and an improved perception of how they complement one another. It should shed more light on the achievements and the potential of economic co-operation between India and the EU.



MAKING THE LEGAL AND REGULATORY ENVIRONMENT FAVOURABLE TO TRADE

Within the framework of the World Trade Organisation (WTO) agreements, the European Union supports an increased integration of Asia into the world market. It hopes that the principle of reciprocity in giving access to markets will be respected and that European companies working in Asia will benefit from a non-discriminatory environment.

By stepping up bilateral and regional dialogue with its Asian partners, the EU upholds the creation of adequate legislative and regulatory structures which will provide investors and economic operators with the guarantees they need and define clear ground rules between companies and states.

The European Union supports the creation of institutional and legal structures favourable to trade through the following activities:

TECHNICAL ASSISTANCE IN STANDARDS, QUALITY CONTROL AND INTELLECTUAL PROPERTY RIGHTS

In co-operation with the seven ASEAN countries, the European Commission supports a programme of modernising quality systems and the protection of intellectual property:

In **India**, several projects are in the process of implementation, to:

- modernise standard tests for household equipment,
- train engineers and instructors in quality control,
- provide expertise to assist the setting up of the National Accreditation Board,
- upgrade laboratories for testing standards so that they meet with internationally recognised criteria,
- improve the quality of motor vehicle construction.

In **China**, a programme of co-operation in the field of intellectual property rights was launched in 1993.

SUPPORT FOR TRANSITION TO A MARKET ECONOMY

The European Union supports the reforms carried out by countries which have opted in the past few years to switch from a centrally planned economy to a free-market economy.

Vietnam is the recipient of the largest programme of technical assistance set up by the EU in Asia in 1995. The programme follows five priorities:

- the global reform of the accounting system,
- the development of a framework of reference for the insurance system,
- assistance to the State Committee for Co-operation and Investment,
- technical assistance in matters of standards and quality,
- the modernisation of the administration of patents.

In **China**, training in the economics of the market has been given to economists from key ministries. This programme combines a series of seminars with one month's in-house training in a key economic institution in Europe. The objective is to help economists learn more about the realities of how market economies function in Europe.

In **Laos**, statisticians are being trained to improve public administration. Those in senior positions are being made aware of the market economy.



EXAMPLES

SUPPORTING VIETNAM'S TRANSITION TO A MARKET ECONOMY

In 1986, Vietnam opted for progressive liberalisation of its economy. This is known as *Dôi Mới* (economic reform).

The Paris Conference on Cambodia (1991) and the return of the multilateral institutions (International Monetary Fund, World Bank, Asian Development Bank) to Vietnam in 1992 confirmed this reform. The country is enjoying a rapid and relatively high growth rate (9% in 1994), with a considerable increase in industrial production. Foreign investments – the sign of a growing climate of confidence – increased from ECU 1.5 billion in 1993 to ECU 2.6 billion in 1994. FDI could reach ECU 3.7 billion in 1995.

With a per capita GNP of only ECU 148, however, Vietnam is still one of the poorest countries. Its new development strategy suffers from three major handicaps: the weakness of its infrastructure; institutions and legislation which are not yet adapted to a market economy; and a lack of suitably qualified people.

The success of the reforms depends mainly on Vietnam's ability to attract capital and technology. For this to occur, the country needs a rapid reform of its institutions and its economic infrastructure.

The EU's biggest economic co-operation programme in Asia

Complementing the actions of international organisations and various Member States, the European Union is financing a technical assistance programme to help Vietnam through this crucial stage of transition to a market economy. Planned to last three years (1995-98), and with a contribution of ECU 16 million, it represents the EU's biggest economic co-operation initiative in Asia.

The European Commission programme covers:

- the reform of the most important administrative sectors to give them the means to encourage transition to a market economy,
- high-level training,
- the setting up of a legislative and regulatory framework which facilitates Vietnam's integration into the regional and global environment – and encourages foreign investment, especially from European companies.

Five priorities

The Vietnamese programme comprises five components:

- **The global reform of the accounting system** to bring it into line with those of the region, extend it to all economic operators and provide it with an independent system of control.
- **The development of a framework of reference for the insurance system** which will answer the needs of customers evolving in a free-market environment.
- **Assistance to the State Committee for Co-operation and Investment (SCCI)** to help bring private investment into the public sector and to encourage foreign direct investment.
- **Technical assistance in matters of standards and quality control**, encouraging the adoption of international standards and the checking of products destined for export.
- **The modernisation and the improvement of regulatory environment for the administration of patents and trade marks.**



THE PROMOTION OF QUALITY: CORNERSTONE OF EUROPE'S PARTNERSHIP WITH THE ASEAN COUNTRIES

Taking into account the mutual benefits available for commerce and development, technical assistance to promote standards, certification and quality management has been one of the cornerstones of the European Union's programme of co-operation with the ASEAN region. It is part of the framework of actions undertaken by the EU to encourage an institutional environment conducive to investment and trade.

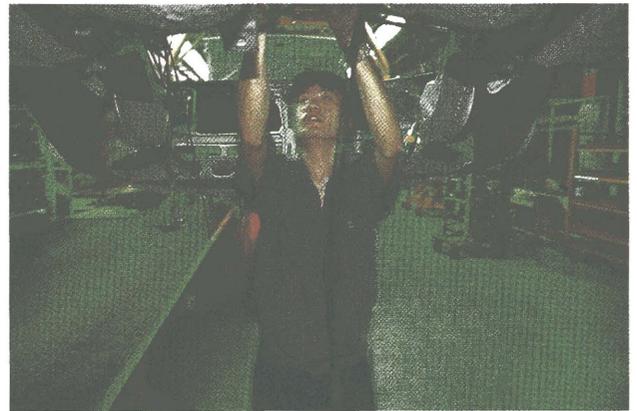
The first phase of this programme started in 1989 and concluded in 1994. The total EU contribution amounted to ECU 5 million. There were two objectives: to improve quality systems, and to harmonise procedures within the ASEAN region.

The improvement of quality systems

In this field, the project implemented over eighty actions, including seminars, workshops, technical assistance, training in Europe and the provision of equipment. It worked to bring about the adoption of international systems of quality assurance.

The programme played a particularly positive role for:

- the promotion of the ISO 9000 system of quality management adopted in 1991 by the Thai International Standards Institute (TISI),
- the dissemination of information concerning national and international standards among Malaysian companies,
- training in quality assurance procedures for Philippino companies, including testing methods and calibration procedures,
- the improvement of laboratory services for quality and accreditation in Singapore, especially in the field of electro-magnetic compatibility. The same applies to the Bureau of Product Standards in the Philippines.



Harmonising procedures

The project's prime objective was to promote coherence in the measures adopted by the ASEAN countries to introduce new standards, quality control, tests and certification. This would help speed up their industrial development and improve their commercial relations with Europe.

One of the first results of this programme was the setting up of an ASEAN Consultative Committee for Standards and Quality (ACCSQ), endowed with regional authority.

The programmes implemented encouraged the harmonisation of norms for quality control systems, tests and certification for the adoption of international and European standards. Standards were also harmonised in some industrial sectors, such as agricultural machinery, electric and electronic products, iron and steel.

In general, the programme was a success, creating a regional dynamism in this field. This was helped by prestigious seminars such as those held in Kuala Lumpur in 1991 (Standardisation and the European Single Market), Indonesia in 1992 (Trading with Europe: The Role of Standards) and Singapore in 1993 (The Information Network on Standards in ASEAN).

The programme's second phase starts in 1995 and is primarily dedicated to establishing a closer link between the measures for improving quality in the ASEAN countries and the economic objectives of Europe and the ASEAN countries, such as commercial trading, investment and joint ventures.

The European Union is setting up similar programmes in India, Sri Lanka and Pakistan.



PARTNERSHIP WITH ASEAN TO PROTECT INTELLECTUAL PROPERTY RIGHTS

The question of the protection of intellectual property rights has acquired a key importance in economic relations and international commerce over recent years. The effective protection of intellectual property rights is essential to encourage investment and technology transfers – and to avoid commercial friction.

The European Union is playing an active role in this:

- The EU participates actively in the work of the World Intellectual Property Organisation (WIPO).
- Each of its commercial co-operation agreements contains a clause on the protection of intellectual property in conformity with internationally accepted standards, included in the GATT agreements.
- The EU has extensive experience which benefits third countries by means of technical assistance programmes. One of these was set up in 1993, for a period of three years, with the ASEAN countries.

The situation in the ASEAN countries

To sustain the rapid growth of the ASEAN countries it is essential to develop and strengthen their intellectual property systems. This will encourage the transfer of technology from more developed countries and protect their own research and innovations.

The European Union has thus put in place a co-operation programme to upgrade the region's intellectual property systems by:

- providing assistance to encourage adherence to major multilateral conventions, in particular the Trade-Related Aspects of Intellectual Property rights (TRIPs),
- helping to develop an effective administration and implementation of intellectual property rights.

Technical assistance programmes in the field of patents and trade marks are also being set up by the EU in India and China.

SEMINAR ON BUILD-OPERATE-TRANSFER PROJECTS

At the initiative of the European Union, a seminar on Vietnam's infrastructure projects* was held in Paris on 21-22 July 1994. The seminar focused on the private financing of infrastructure projects, using **build-operate-transfer (BOT)** techniques. It was attended by a large Vietnamese delegation led by Mr Dau Ngoc Xuan, minister-president of the National Committee for Co-operation and Investment, as well as by representatives of 50 European companies.

During the plenary sessions, and in numerous private encounters, the conference made it possible to:

- indicate to European investors the privately-funded public infrastructure projects which have already received approval and the programme of technical assistance which the European Commission is implementing in Vietnam,
- apprise European companies of the conditions for foreign investment in Vietnam, especially concerning privately-funded public infrastructure projects.

The exchanges allowed the Vietnamese delegation to gain a better understanding of the needs of European entrepreneurs.

European executives emerged with a much better picture of the level of competence and decision-making process involved in project approvals.

The presence at the seminar of leading institutions for financing privately-funded public infrastructure projects – such as the World Bank, the International Finance Corporation and the Commonwealth Development Corporation – was evidence of the interest that exists in developing this type of investment.

By organising this seminar the European Commission highlighted the partnership role it intends to play in promoting private sector infrastructure development.

* By the year 2000, Vietnam's investment requirements will have reached ECU 37 billion, half of which must come from the private sector.



TECHNICAL ASSISTANCE FOR INDIAN AUTOMOTIVE COMPONENT MANUFACTURERS

The radical economic reforms introduced by the Indian government in the mid-1980s had a decisive influence on the development of the local motor industry, which has been enjoying unprecedented growth since the start of the 1990s.

In 1991, the Indian authorities applied to the European Commission for technical assistance to help develop automotive industries. They aimed to:

- improve quality by adopting the standards ISO 9000 (EN 29000),
- develop marketing expertise,
- promote European technology, especially via joint ventures,
- building up closer contacts with the Automotive Component Manufacturers Association of India (ACMA) and its European counterparts.

This project was entrusted to a European consultancy with experience of the car component production in Europe and India.

Twenty Indian component manufacturers took part. The majority had relatively low quality levels, but within the space of a year, the technical assistance programme enabled six manufacturers to adopt ISO 9000/EN 29000. The other 14 companies were also able to boast rapid progress.

At the start of the programme, only two of the companies had a marketing strategy. Twelve months later, half of the companies had adopted one – and put it into practice.

Indian and European manufacturers come together

When they went looking for technical collaboration with Europe, Indian small and medium-sized enterprises (SMEs) came up against a problem of credibility in respect of their ability to produce quality products. The technical assistance programme made a significant contribution to removing this obstacle: in 1993, 20 technical partnerships were concluded between Indian and European SMEs. The collaboration between ACMA and the European associations has been strengthened, giving rise to frequent exchanges between car makers and machine tool manufacturers.

Since the launch of the programme, several European manufacturers, including Mercedes, Fiat, Volkswagen, Peugeot and Rover have concluded manufacturing co-operation agreements with Indian partners.

European technical assistance was certainly an important factor in the Indian companies' choice of a European partner in the face of strong pressure from Japanese, Korean and American firms all wishing to strengthen their position in India.

The rapid expansion of the Indian automotive sector has brought to light a considerable lack of quality components. This deficiency presents great opportunities to European component and machine tool manufacturers, as well as to those with technological and design know-how.

Such is the programme's success that the European Commission and the Indian authorities have decided to continue it in the mutual interest of the two regions.



ENCOURAGING CROSS-INVESTMENT AND BUSINESS CONTACTS

The EU can help European companies enter a highly competitive Asian market.

The European Commission is closely co-ordinating its actions with the EU Member States and envisages holding a regular dialogue with the representatives of the European private sector.

The Commission is progressively putting in place a package of complementary tools concerning information, technology and financial instruments. Organised as a network, these can accompany and facilitate the launch of European companies in Asia.

INFORMATION NETWORK

The EU is setting up European Business Information Centres (EBICs) in Asia in collaboration with Member States' chambers of commerce.

The EBICs are designed to assist local companies seeking to do business in Europe, and European companies keen on entering the Asian market.

They provide companies with strategic information on:

- the state of the markets,
- commercial openings,
- investment possibilities,
- opportunities for partnerships,
- regulations relating to markets in Europe and in Asia.

They help to ensure greater visibility for the European Union in Asia.

The first EBIC was established in Manila in 1993. Other EBICs are being opened in 1995 and 1996 in Kuala Lumpur, Malaysia; Bangkok, Thailand; Bombay, India; and Jakarta, Indonesia.

TECHNOLOGY WINDOWS

Whether it is a question of transport, telecommunications, energy, environmental protection, banking and insurance services, or information management, experience gained in Europe is of guaranteed interest to Asia. These rapidly expanding sectors offer European companies a market with a huge potential.

The European Union is setting up several regional technology centres, co-financed by the country or the region hosting them. These are being established in the following sectors:

- **Energy:** COGEN, specialised in the promotion of technologies for the provision of energy derived from biomass, based in Bangkok since 1991 and covering the ASEAN countries.
- **The Environment:** Regional Institute of Environmental Technology (RIET), based in Singapore since 1993 and covering the whole of Asia.
- **The timber industry:** ASEAN Timber Technology Centre (ATTC), operating from Kuala Lumpur since 1987.
- **Agri-business:** China-EU Centre for Agricultural Technologies (CECAT), based in Beijing since 1991.

The role of Technology Windows is to:

- stimulate the use of European technology,
- gather information,
- establish contacts,
- carry out strategic studies,
- help European SMEs to expand the scope of their competence and make them more competitive,
- to facilitate opportunities for partnership between European and Asian operators,
- to raise the profile of Europe in Asia.



FINANCING BUSINESS WITH ASIA

European Community Investment Partners (ECIP)

To facilitate European investment in Asia, the European Commission has made available since 1988 the European Community Investment Partners (ECIP) scheme, which is intended to promote the creation of joint ventures in Asia, Latin America and the Mediterranean region. ECIP offers four 'facilities' to support the different stages of the creation and launching of joint ventures:

- Identification of projects and partners,
- Preparation for the creation of a specific joint venture,
- Financing of capital requirements,
- Human resource development.

Between 1988 and 1993, ECIP supported almost 300 projects for joint ventures in Asia, representing a commitment of ECU 30 million: 76% of the spending was within the context of Facilities 1 and 2, promoting identification and preparation.

In 1994, the European Commission extended ECIP financing to public infrastructure projects on private concession, which is especially relevant to business in Asia.

European Investment Bank (EIB)

Since 1993, European companies have had access to the capital of the European Investment Bank (EIB) to finance their operations in Asia.

Over the first three years (1993-1995) – which is seen as a pilot phase – ECU 150 million could be committed each year to projects of mutual interest, such as:

- joint venture projects between Asian and European firms,
- projects with a high content of technology transfer from Europe,
- projects incorporating a significant environmental component,
- projects fostering regional integration.

In 1993 and 1994, the EIB committed ECU 200 million in five different Asian countries for seven different projects. These include two projects each in energy production or distribution and gas transportation, and one each to support airport development, private industry and a leasing company. The average size of the projects is ECU 30 million, with a maximum of ECU 55 million and a minimum of ECU 10 million.

ASIA-INVEST

In order to facilitate linkages between European and Asian economic operators through, for example, European Business Information Centres and counterpart organisations (e.g. business associations and chambers of commerce) in Europe, the multi-million ECU Asia-Invest programme will be established during 1996.

Asia-Invest follows on from the Support Programme for Economic Co-operation (SPEC) and will be run by a Secretariat to be set up in Brussels. As well as directly facilitating business linkages, Asia-Invest will make available several instruments to promote economic co-operation. These are: **Asia-Interprise and Partenariat**, to cofinance EU-Asian business meetings; **the Business Priming Fund**, to support groups of European and Asian companies in their efforts to prepare for collaboration; and **the Asia Invest Facility**, principally to support pre-competitive research into investment opportunities in Asia and the subsequent dissemination of information.

Asia-Invest will ensure linkages with ECIP (see above) and with Commission-supported initiatives such as the Euro-Info-Centres, the Business Co-operation Network (BC-Net), and the Bureau de Rapprochement des Entreprises (BRE).



EXAMPLES

RIET: THE PARTNERSHIP FOR THE PROTECTION OF THE ENVIRONMENT

There can only be sustainable development in Asia if the region's rapid growth is accompanied by measures aimed at protecting the environment.

The Rio Conference in 1992 and the World Summit on the Environment in Berlin in March 1995 underlined the need to strengthen international co-operation in order to create an ecologically better approach. It is in this context that the European Commission and the Singapore Institute of Standards and Industrial Research (SISIR) combined forces to set up in Singapore, in July 1993, a joint organisation which is both independent and non-profit-making: the Regional Institute of Environmental Technology (RIET).

A technology window for the environment

Environmental action provides a good example of the dialogue and the partnership which the European Union hopes to develop with Asia.

Europe has considerable experience in environmental management. Over the past twenty years, it has also focused on environmentally-friendly technologies. The countries of Asia can benefit from the opportunities this provides.

The role of RIET is to promote environmental protection in Asia — acting as a 'technology window' to bring together the technologies and expertise of European companies and the needs of public authorities and manufacturers in Asia. It is also intended to set up co-operation agreements between environment technology producers in the EU and Asia.

The requirements are enormous: the World Bank estimates that in the year 2000, Asian demand for environmental protection equipment will exceed ECU 14.8 billion a year.

160,000 potential partners

One of RIET's main functions is to collect and disseminate information about available technologies, legislation, markets, opportunities for business and other data that can make projects work.

Its database contains 160,000 industrial contacts in Asia, 27,000 suppliers of components or services in Europe and Asia, 900 verified products or components, and the possibilities of joint ventures.

Since September 1994, on-line access to RIET has made this information instantly available. In four months, 1,800 industrial companies and 78 companies specialised in environmental technology became members of RIET, benefiting from a telephone information resource service.

RIET has established contacts and concluded agreements with several official bodies responsible for environmental protection and research in China, Thailand, Vietnam and the ASEAN region, playing an active role in the promotion of standards for environmental management.

In Europe, RIET has already established close links with several of the leading centres of research and development, and has opened a representative office in Brussels.

RIET organises and participates in trade fairs, conferences and seminars, which are a further means of creating a partnership between European and Asian firms. With the support of the European Commission, RIET organised a conference in Brussels in March 1995 on *The Urban Environment in Asia*, and is jointly organising in Beijing from 12 to 16 September 1995 the Conference and Exhibition on the Protection of the Environment in China.



Technical expertise for consulting

The network of contacts which RIET enjoys in the region put the organisation in an ideal position to conduct feasibility studies, inquiries and research at the request of national or local governments. Some examples of the work carried out in 1994 include:

- an environmental technology market survey in Vietnam,
- a study of appropriate technology for the tanneries of India,
- an evaluation of acid rain in the Chinese province of Kweichow,
- a feasibility study on the creation of an ecology label in Thailand,
- co-operation in a Toxic and Hazardous Waste Management Studies project in Manila, Philippines,
- the definition of an environmental management strategy for an industrial park in the Chinese province of Fujian – a sector in which RIET hopes to play an active role.

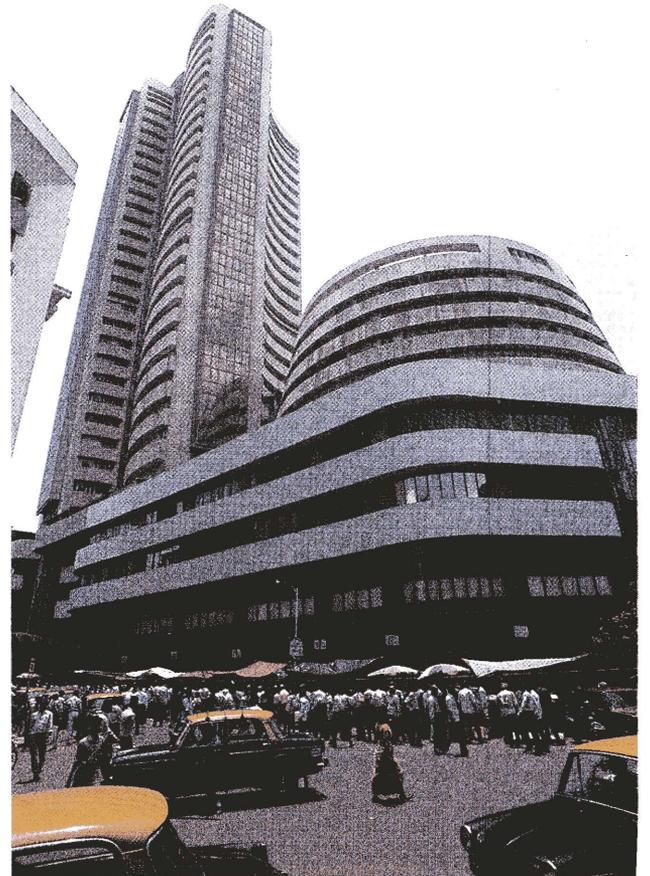
RIET also offers a broad range of technical services to private companies wishing to develop their operations in the region:

- research and selection of partners for joint ventures,
- selection of local agents or representatives,
- market entry strategy,
- market research.

...and a leading role in training

There is great demand in Asia for qualified personnel in the field of environmental management. This sector is experiencing an increase in legislation and the active imposition of international standards.

In collaboration with the Singapore Association for Environmental Companies (SAFECO), RIET is carrying out the first training in Asia of staff qualified in the control of environmental management systems.





COGEN: A POWER PARTNERSHIP

The proper environment to exploit biomass

With growth rates among the highest in the world, the seven ASEAN countries are confronted with a rising demand for energy. In order to limit their dependence on oil and the burden of external debt, they are encouraging the production of energy based on the use of agricultural remains and forest waste.

The ASEAN countries have these resources in considerable quantity, being among the world's leading producers of rice, cane sugar, palm oil and coconuts. Malaysia and Indonesia are among the major exporters of timber and timber products. Besides the evident advantage for the environment, the authorities are recommending to the private sector the production of biomass energy to avoid the considerable expense of investment.

Some of the new technological resources necessary for putting this strategy into practice do not yet exist in Asia — but Europe has the available know-how. Thus there exists the ideal terrain for a partnership between the two regions, all the more so because, especially in the field of technology, ASEAN should no longer just be considered as a simple export market, but rather as a partnership zone. Such a partnership was set up by the European Union in 1990 when the first phase of the COGEN programme was launched in co-operation with ASEAN.

Promoting the transfer of technology and know-how

In order to maximise the opportunities for technology transfers between Europe and ASEAN, the COGEN programme concentrated initially on informing potential partners. For the ASEAN countries, it explained the range of technologies and of know-how available in Europe to produce energy on the basis of biomass. On the European side, COGEN made companies aware of both the potential and the particular features of the ASEAN market.

Identifying partners

The crucial element in the programme consists in identifying partners. COGEN is first and foremost aimed at medium-sized companies whose technological excellence is acknowledged and who hope to extend their activities in the ASEAN region. COGEN encourages intra-European co-operation, which strengthens the competitiveness and credibility of companies on the ASEAN market. The programme has retained only companies which have proven technologies, not taking into account research projects, pilot plants and prototypes. A guide to European technologies and manufacturers has been produced and widely distributed throughout the ASEAN region.

To identify partners, COGEN is orienting its approach towards:

- agricultural industries producing easily recoverable waste,
- local manufacturers of equipment for the production of biomass-based energy.



Making the partnership work

On the European side, the COGEN programme, during its initial phase (1990–94), relied on a network of technical centres to identify companies and provide technical assistance to ASEAN partners.

Working with a Belgian company, *Entreprise*, COGEN's second phase (1995–97) benefits from having a focal point for advising European companies on their approach to the ASEAN zone. This helps with market studies and research for partners and finance.

On the ASEAN side, the project has set up relay teams in ASEAN countries composed of representatives of public administrations and the private sector. The European Commission and ASEAN have entrusted the overall co-ordination of the programme to the Asian Institute of Technology (AIT) in Bangkok.

Pilot projects

Whether it is a question of encouraging the transfer of technology, of identifying the beneficiaries, or setting up an organisation, the first phase of the programme has prepared the way for the economic partnership which should become firmer now with the launching of the programme's second phase in 1995.

COGEN will support pilot projects in the ASEAN countries which use technically and economically viable European equipment and prove that such equipment is adapted to the local environment. To succeed, the project sponsors must present technology which has proved itself in the use of biomass and is not harmful to the environment.

COGEN can contribute to the investment (up to 15% of the costs before tax of European or Euro-ASEAN equipment), provide training in Europe or the ASEAN countries, and monitor the efficiency of the project by an independent organisation.

COGEN will continue its work of disseminating information which highlights the available technologies, the characteristics of the ASEAN market and, above all, the reinforcing of links between European and local companies.



PHILIPPINES: THE FIRST EUROPEAN BUSINESS INFORMATION CENTRE IN ASIA

The European Union is setting up a network of European Business Information Centres (EBICs) to facilitate partnerships between European and Asian private operators.

The first of these centres was established in Manila in January 1993. The Business Information Development Services (BIDS) project was launched in collaboration with the European Chamber of Commerce in the Philippines.

Support for Economic Partnership

To strengthen commercial and investment relations to the benefit of both Europe and the Philippines, the EU plans to support SMEs which, either in the Philippines or in Europe, are seeking new export markets and commercial partners. To this end, it puts at their disposal services designed to provide them with information on markets, commercial opportunities for investment and partnership.

Four types of service have been created:

LINK TO AN INFORMATION NETWORK: THE BUSINESS CO-OPERATION NETWORK (BC-NET)

The BC-Net was set up and managed by the European Commission. It is a sort of information marriage bureau, facilitating exchanges, via computer, of profiles of companies which are regularly updated.

This service has been set up in Manila, under the auspices of the European Chamber of Commerce for the Philippines, and is linked to the European information network.

Between March 1993 and July 1994, 67 co-operation profiles of Philippino companies were registered, 60% of them involving the technological sector. Once integrated into the European network, they led to the signing of six partnership contracts. The Philippine Chamber of Commerce and Industry (PCCI) and Philexport are part of the Philippine network.

EUROPEAN BUSINESS INFORMATION CENTRE

The European Business Information Centre makes available a range of information to Philippino companies on markets in Europe, quality standards, the system of credit, customs laws, and other key issues for business decisions.

Similar information on the Philippines is also available to European investors. The office also provides assistance in monitoring the partnership operations generated by the information network.

In 1994, the office assisted 1,800 customers, most of them SMEs, of which 80% are Philippino exporters. One-quarter of Philippino exporters used this service. The information requested primarily concerned European market and, increasingly, to applied technologies.

This office also assists companies in the monitoring of partnership operations generated by the information network, especially by the use of ECIP facilities.

A BUSINESS CO-OPERATION FUND

The EU's Business Co-operation Fund (BCF) offers support to local companies on a co-financing basis. It is targeted at firms who wish to improve their technological capacity and productivity, with the aim of developing a partnership with European companies.

This contributes to the creation of strategic alliances between European and Philippino companies on the basis of mutual interest.

It is planned to extend the BCF to European companies seeking partners in the Philippines, and to support round-table business meetings.

RAISING EUROPE'S PROFILE IN ASIA

The integration of all these services into the European Chamber of Commerce activities in the Philippines has made it possible for companies to benefit from the experience gained by the Chamber and to be operational within a short space of time.

The setting-up in Europe of the Asia-Invest Secretariat will assist the development of links between Chambers of Commerce and European professional organisations.

Liaison with other European Business Information Centres opening throughout Asia in 1995 and 1996, as well as linking up with European technology centres, is one of the key elements for raising Europe's profile in Asia.



IV. THE ASIAN MARKET

It would be wrong to describe Asia as a sleeping economic giant. Many of its economies have become so vigorous in the past two decades that they have become world leaders in industrial production and in generating growth. Other nations are emerging rapidly as the 'new tigers' of the Pacific Rim.

The European Union is working to develop even closer relations across the region, helping in the process to assimilate Asian economies ever more into the global economy, and create new opportunities for European economies.

The opportunities for European business are enormous in the world's fastest growing region as the key data published in the following tables indicates.

The scale of the potential is underlined by the growth of business with China, where the EU's trade has risen 14-fold in the last 15 years to ECU 35 billion in 1994. China is now both the Union's fourth largest market and fourth largest supplier. Trade with the ASEAN zone is even greater.

Many of Asia's countries remain relatively very poor. Bhutan, Nepal and Laos have per capita gross national product (GNP) of well below ECU 222. But even in these countries, private sector projects are taking off and, to help improve living conditions, the European Union remains fully committed to support the continued flow of its multilateral aid programmes.



ECONOMY PROFILE OF ASIA IN 1993

	Population (in million)	GNP in ECU billions	GNP per capita in ECU
South Asia			
Afghanistan	20.0	–	–
Bangladesh	117.6	19.2	164
Bhutan	1.4	0.1	71
India	906.3	194.7	214
Maldiv Islands	0.2	–	–
Nepal	19.8	2.2	115
Pakistan	123.8	39.2	318
Sri Lanka	17.7	7.4	435
Total	1,206.8	262.9	217
South-East Asia			
Asean	334.0	316.1	946
Brunei	0.2	–	–
Indonesia	187.6	101.4	542
Malaysia	19.0	44.4	2,336
Philippines	65.6	40.7	626
Singapore	2.8	40.7	14,535
Thailand	58.9	88.8	1,531
Cambodia	9.0	–	–
Laos	4.4	0.7	159
Myanmar	43.7	–	–
Vietnam	70.5	8.8	125
Total	461.6	325.6	705
East Asia			
China	1,187.1	430.1	362
South Korea	44.0	250.2	5,681
North Korea	22.6	–	–
Hong Kong	5.8	77.7	13,396
Macao	0.4	–	–
Taiwan	21.0	–	–
Total	1,280.9	758.0	592
Total Asia			
Total	2,949.3	1,346.6	456
Japan			
Total	124.0	2,610.0	21,048
European Union			
Total	348.0	5,021.5	14,429
United States			
Total	258.0	4,727.7	18,324

Source: World Bank



EUROPEAN UNION
IMPORTS AND EXPORTS WITH ASIA

European Union Imports
(in million ECU)

European Union Exports
(in million ECU)

	1984	1990	1993	1984	1990	1993
South Asia						
Afghanistan	98	65	30	73	50	49
Bangladesh	338	501	903	446	402	433
Bhutan	---	---	2	1	3	5
India	2,966	4,553	5,882	4,800	6,019	6,229
Maldiv Islands	2	13	16	8	21	18
Nepal	39	92	193	54	52	47
Pakistan	711	1,461	1,678	1,578	1,428	2,028
Sri Lanka	385	440	730	392	347	566
Total	4,539	7,125	9,434	7,352	8,322	9,375
South-East Asia						
Asean	10,060	16,748	25,666	10,167	16,083	22,921
Brunei	32	223	397	253	380	588
Indonesia	1,659	2,863	5,034	2,434	2,841	4,067
Malaysia	2,902	3,606	6,247	1,977	2,497	3,985
Philippines	1,348	1,257	1,886	683	1,247	1,730
Singapore	2,166	4,694	6,427	3,487	5,689	7,593
Thailand	1,953	4,105	5,675	1,333	3,429	4,958
Cambodia	---	1	36	4	9	26
Laos	2	5	39	5	7	11
Myanmar	146	39	59	149	94	80
Vietnam	33	84	544	82	190	486
Total	10,241	16,877	26,344	10,407	16,383	23,524
East Asia						
China	3,323	10,603	19,538	3,765	5,318	11,302
South Korea	2,945	6,557	7,735	2,242	6,061	7,752
North Korea	196	68	80	69	92	141
Hong Kong	5,172	5,916	6,590	3,981	6,602	11,299
Macao	442	519	518	11	50	61
Taiwan	3,875	9,159	10,398	1,957	4,917	7,573
Total	15,953	32,822	44,859	12,025	23,040	38,128
Total Asia						
Total	30,733	56,824	80,637	29,784	47,745	71,027
Japan						
Total	25,668	46,224	47,649	9,364	22,721	22,573
United States						
Total	87,112	85,182	86,276	73,701	76,561	84,059
World (not including trade within European Union)						
Total	390,640	462,720	485,975	350,859	419,814	482,588

source: Eurostat



IV. LIST OF USEFUL ADDRESSES FOR CO-OPERATION WITH ASIA

EUROPEAN COMMISSION HEADQUARTERS

Directorate-General IB
Directorate for South and South-East Asia
Rue de la Loi / Wetstraat 200
1049 Brussels
Belgium
Tel: (32 2) 299 06 10
Fax: (32 2) 299 08 72

Directorate-General IB
Directorate for North-South Relations (ECIP)
Rue de la Loi / Wetstraat 200
1049 Brussels
Belgium
Tel: (32 2) 299 07 61
Fax: (32 2) 299 09 15

Directorate-General I
Directorate for Relations with
Far Eastern countries
Rue de la Loi / Wetstraat 200
1049 Brussels
Belgium
Tel: (32 2) 299 22 26
Fax: (32 2) 299 02 04

EUROPEAN INVESTMENT BANK

100, bd Konrad Adenauer
2950 Luxembourg
Luxembourg
Tel: (35 2) 43 79-1
Fax: (35 2) 43 77 04

EUROPEAN UNION DELEGATIONS, REPRESENTATION AND OFFICES IN ASIA

SOUTH ASIA

Bangladesh
House 7, Road 84
Gulshan, Dhaka
Tel: (880 2) 88 47 30 /31/32
Fax: (880 2) 88 31 18

India

65 Golf Links
New Delhi 110 003
Tel: (91 11) 462 92 37 / 38
Fax: (91 11) 462 92 06

Pakistan

N.9, Street N°88, Sector G 6/3
Islamabad
Tel: (92 51) 21 18 28 / 21 24 15 / 21 30 26
Fax: (92 51) 82 26 04

Sri Lanka

81 Barnes Place
Colombo 7
Tel: (94 1) 69 97 45 / 69 88 19
Fax: (94 1) 69 88 20

Nepal

Office of the European Commission
Padma Shree Building (19th floor)
New Baneshwor, Kathmandu
P.O. Box: 730
Tel: (977 1) 22 85 85
Fax: (977 1) 22 94 51



SOUTH-EAST ASIA

Philippines

7th Floor Salustiana D.Ty Tower
104 Paseo de Roxas
Corner Perea Street
Legaspi Village, Makati
Metro Manila
Tel: (63 2) 812 64 21-30
Fax: (63 2) 812 66 86 / 812 66 87

Thailand

Kian Gwan House II, 19th floor
140/1 Wireless Road
Bangkok 10330
Tel: (66 2) 255 91 00
Fax: (66 2) 255 91 14

Representation in Indonesia

Wisma Dharmala Sakti, 16th floor / 32
JL. Jendral Sudirman,
Jakarta 10220
Tel: (62 21) 570 60 76 / 570 60 68
Fax: (62 21) 570 60 75

Vietnam

Up to the end of 1995,
c/o Programme Co-ordination Office
European Commission's Technical Assistance Programme
for Transition to Market Economy
5 Thai Phien Street
Hanoi
Tel: (844) 22 83 49 / 25 51 18
Fax: (844) 22 81 71

EAST ASIA

China

15 Dong Zhi Men Wai Dajie Sanlitun
100600 Beijing
Tel: (86 10) 5 32 44 43
Fax: (86 10) 5 32 43 42

Japan

Europa House
9-15 Sanbancho
Chiyoda-Ku
Tokyo 102
Tel: (81 3) 32 39 04 41
Fax: (81 3) 32 61 51 94

South-Korea

109 1st ga Changehoog-Dong
CPO Box 9553
Choong-Ku, Seoul
Tel: (82 2) 2 71 07 81-3
Fax: (82 2) 2 71 07 86

Office in Hong Kong

19/F St John's Building
33 Garden Road
Central Hong Kong
Tel: (85 2) 25 37 60 83
Fax: (85 2) 25 22 13 02



TECHNOLOGY WINDOWS

Asean Timber Technology Centre (ATTC)

PO Box 12969
50794 Kuala Lumpur
Malaysia
Tel: (60 3) 263 37 32
Fax: (60 3) 263 37 34

Cogen

Headquarters

Asian Institute of Technology
G.P.O Box 2754, Bangkok
10501 Thailand
Tel: (66 2) 524 53 99
Fax: (66 2) 524 53 96

In Europe

Entreprise

103, avenue P. Hymans
1200 Brussels
Belgium
Tel: (32 2) 772 10 53
Fax: (32 2) 772 10 31

Regional Institute of Environmental Technology (RIET)

Headquarters

3 Science Park Drive
04-08 SISIR Annex
Singapore 0511
Tel: (65) 777 26 85
Fax: (65) 773 28 00

In Europe

215 rue Américaine
1050 Brussels
Belgium
Tel: (32 2) 640 12 35
Fax: (32 2) 640 96 17

China - Europe Centre for Agricultural Technology (CECAT)

11 Nongzhanguan Nanli
100026 Beijing
Tel: (86 10) 45 42 85 65 00
Fax: (86 10) 45 45 83 13 05

EUROPEAN BUSINESS INFORMATION CENTRES (EBICs)

The Council of the European Community Chambers of Commerce in India / European Business Information Centre

3rd Floor, Y.B Chavan Centre
Gen. J.Bhosale Marg,
Bombay - 400 021
Tel: (91 22) 285 45 63 / 283 54 17
Fax: (91 22) 285 45 64

European Business Information Centre in Thailand

Vanissa Building, 8th floor
29 Soi Chidlom - Ploenchit RD
Bangkok 10330
Tel: (66) 2 655 06 27
Fax: (66) 2 655 06 28

European Business Information Centre in Indonesia

Care of the Representation of the European Commission
Wisma Dharmala Sakti, 16th floor / 32
JL. Jendral Sudirman
Jakarta 10220
Tel: (62 21) 570 60 76 / 570 60 68
Fax: (62 21) 570 60 75

European Business Information Centre in Malaysia

Level 7, Wisma Hong Leong
18, Jalan Perak
50450 Kuala Lumpur
Tel: (60 3) 26 26 298
Fax: (60 3) 26 26 198

European Business Information and Development Services in Philippines

c/o European Chamber of Commerce of the Philippines
5/F Kings Court II Building
2129 Pasong Tamo Street
1253 Makati
Metro Manila,
Tel: (63 2) 811 22 34 to 43
Fax: (63 2) 815 26 88



TRAINING CENTRES AND OTHERS OFFICES

Asean-EC Energy Management,
Training and Research Centre

(AEEMTRC)
c/o PPPTMGB
G.P.O 1089
Jakarta 10010, Indonesia
Tel and Fax: (62 21) 739 82 79

Asean-EC Management Centre

Simpang 347
Jalan Kiulap
Gadong
3186 Negara Brunei
Darussalam
Tel: (673 2) 44 58 51 / 52
Fax: (673 2) 44 58 56

Vietnam:

European Commission's Technical Assistance Programme
for Transition to Market Economy Programme
Co-ordination Office

6 Thai Phien Street
Hanoi
Tel: (84 4) 22 83 49 / 21 51 18
Fax: (84 4) 22 81 71

China-Europe International Business School (CEIBS)

Jiaotong University
300 Dongchuan Road
200240 Shanghai
Tel: (86 21) 435 94 62
Fax: (86 21) 435 89 28

Support Programme for Economic Cooperation (SPEC)
with Asia

DEG - Deutsche Investitions- und
Entwicklungsgesellschaft mbH
Postfach 45 03 40
50878 Köln
Germany
Tel: (49 221) 498 61 53
Fax: (49 221) 498 61 11





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Rue de la Loi / Wetstraat 200
1049 Brussels, Belgium
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