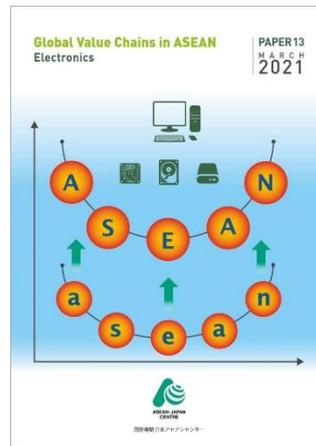


**Electrical and electronics industry is one of the most internationally and regionally integrated industries in ASEAN, spreading all member states, says the ASEAN-Japan Centre**



Report "Global Value Chains in ASEAN: Electronics" is available for download on AJC website

The electrical and electronics (E&E) industry is characterized by internationally fragmented but well-integrated production networks with geographically extensive and highly modular value chains, which provide opportunities for ASEAN countries to easily participate in the E&E value chain, according to the study by the ASEAN-Japan Centre, entitled **Global Value Chains in ASEAN: Electronics**, issued in March 2021. This is the 14<sup>th</sup> report of the 16-paper series of ASEAN global value chain (GVCs) issued by AJC.

The Association of Southeast Asian Nations (ASEAN) is a significant hub of E&E production, contributing approximately \$268 billion to the regional gross domestic product (GDP), employing more than 2.4 million workers and accounting for the largest share of ASEAN's total exports (27 per cent).

Overall, the E&E industry in ASEAN relies on more foreign inputs and technology than other industries, with 53 per cent of E&E exports coming from foreign value added (FVA), or the foreign inputs integrated into ASEAN's E&E exports. Nonetheless, value added in exports differs across the region, depending on each country's position in the E&E value chain.

Intraregional trade among ASEAN countries is the largest contributor to ASEAN E&E exports in terms of FVA, accounting for a quarter of total FVA (\$43.4 billion) in 2017, while the combined FVA created by China and Japan constitutes more than a third of total FVA.

During 1990–2017, ASEAN's GVC participation in E&E equipment declined slightly, from 74 per cent to 70 per cent, while its regional value chain (RVC) participation doubled, from 9 per cent to 18 per cent. The contradictory trends are explained by higher regional production capacity and well-established regional production networks.

With different areas of specialization, ASEAN has become an attractive and important hub for the E&E industry. The region hosts an extensive range of E&E production along the value chain, ranging from labour-intensive and simple activities such as assembly and testing to capital-intensive tasks such as component design and research and development.

To view and download the report, please visit the AJC website as below.

[https://www.asean.or.jp/en/centre-wide-info/gvc\\_database\\_paper13/](https://www.asean.or.jp/en/centre-wide-info/gvc_database_paper13/)

Contact:

ASEAN-Japan Centre (AJC) PR Unit

Tomoko Miyauchi (MS)

URL: <https://www.asean.or.jp/en/>

TEL: +81-3-5402-8118

E-mail: [toiawase\\_ga@asean.or.jp](mailto:toiawase_ga@asean.or.jp)