



# FINLAND'S ACTION PLAN FOR SOUTHEAST ASIA



MINISTRY FOR FOREIGN  
AFFAIRS OF FINLAND



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The document at hand continues the series of country and regional strategies and action plans published by the Ministry for Foreign Affairs of Finland. Like in the previous strategies and action plans, the objective is to provide a condensed, general overview of Southeast Asia, its social and economic development, and the foreign policy of the countries in the region, including their participation in international cooperation. Simultaneously, the goal is to assess the significance of the region for Finland, to sketch guidelines for Finland and Finnish society as regards cooperation with the countries in the region, and to encourage the stakeholders to seize new opportunities for cooperation. Southeast Asia currently draws wide international interest, especially in the field of economy. Therefore, it behoves Finland to engage in cooperation early on.

The action plan was prepared at the Ministry for Foreign Affairs' Department for Americas and Asia. During the drafting of the Plan the Ministry closely cooperated with Finland's foreign missions, other ministries and stakeholders in the Finnish society.

This action plan is a medium-term plan. The intention is to regularly monitor the realisation of the goals, in cooperation with interested parties from different fields.





# This is Southeast Asia

## Southeast Asia – a melting pot of peoples and cultures

A rich range of nationalities and cultures characterises the area of Southeast Asia. The countries differ from one another greatly in terms of size, population and geography as well as their social and economic structure. Ethnic and cultural diversity is also prevalent inside each country.

The total population of the area amounts to some 600 million, but the countries are quite different in terms of their populations. Indonesia, with a population of over 250 million people, is the world's fourth largest country. At the other end of the spectrum lie Brunei with its 400,000 people and East Timor, with a population of just over one million. Where the 5.5 million people of Singapore only dwell in one city with a population density of 7,500/km<sup>2</sup>, Indonesia consists of 17,500 islands, 6,000 of which are populated.

In terms of language the continental area is divided into three language families: the Austro-Asiatic (Cambodia, Vietnam), the Tai (Tai and Lao languages) and the Tibeto-Burmese (highland languages and Burmese). For the most part, the Austronesian languages are used throughout the islands. In all, hundreds of languages are used in Southeast Asia. The range of religions in the area is also remarkable. The main religions include Buddhism, which is predominantly practiced on the continent, and Islam on the islands as well as Christianity, the third largest religion. Ethnic and cultural diversity is a resource, even though it simultaneously poses challenges, for example vis-à-vis the rights of indigenous peoples and minorities.

In this action plan, Southeast Asia means the region comprised of the following 11 countries: Brunei, the Philippines, Indonesia, East Timor, Cambodia, Laos, Malaysia, Myanmar, Singapore, Thailand and Vietnam. Apart from East Timor, these are the member countries of the Association of the Southeast Asian Nations, ASEAN. East Timor has also applied for ASEAN membership.

The political systems in Southeast Asia vary greatly, ranging from democracies to single-party states and societies controlled by the military. Some of the countries

are established democracies in which the state leadership is freely elected. While in some democracy is in its nascent stages or is gradually becoming established, yet despite their historical backgrounds and difficulties advances are being made towards being more democratic societies. Some of the countries in Southeast Asia are single-party states which have, however, opened up their economies and are primarily proceeding with economic reforms. This being said, there are countries in Southeast Asia whose governance structures combine features from different societies, or whose political structures even alternate between democracy and military rule. There are also several kingdoms in the area.

Economic growth in most Southeast Asian countries has been rapid and most of them are middle-income countries. For the most part, social conditions have progressed to a more liberalised and stable direction during the past decade. Many governments are presently carrying out ambitious reforms in different areas. Generally, the development of the region appears very promising and all the possibilities for a good future exist.

Alongside with growing prosperity and well-being, there still are prominent social ills in many countries that require national and regional actions. This is often necessary in order to facilitate the positive development of the societies and economies, and for the countries to be able to avoid the 'middle-income trap' characterised by stalling progress, slowing economic development, inequality and other social problems becoming permanent. The strengthening of civil society would benefit the development of many countries.

Some of the countries face challenges associated with undocumented migration and extensive human and drug trafficking. It is not possible to solve these problems without regional cooperation. There are also problems with human rights and gender equality, questions associated with working conditions and the terms and conditions of employment as well as persistent corruption. In some countries modernisation is also hampered by regional crises and even conflicts, the unfinished process of dealing with the past and its associated tensions, or extremism and the threat of terrorism.

Social conditions vary considerably from country to country, and so it is for the most part futile to compare the extremely dissimilar countries in Southeast

Asia with each other. The strengthening regional cooperation can continue to positively affect also the internal development in the countries.

## The economies of Southeast Asia

Southeast Asia is a growing part of the global economy. Although many of the economies in the region are still relatively small and most of them are 'developing economies', their growth figures are for the most part healthy and their market potential can be quite significant. This makes them extremely interesting partners also for Finnish companies.

The economic weight of individual countries varies greatly. Indonesia is the most significant, being the world's 16<sup>th</sup> largest economy (in 2013) and a member of the G20. Thailand, Malaysia and the much smaller Singapore, which nonetheless is the regional financial hub, are larger economies than Finland, albeit smaller than Sweden and Norway. For now the economy of the Philippines, with a population exceeding one hundred million, is only a little larger than Finland's. Some of the countries in the region are small economies, the smallest being East Timor. As for now Myanmar, with a population of 50 million, is one of the poorest countries in Southeast Asia. However, its economy is rapidly picking up speed.

Southeast Asia's share of world trade and its growth is significant. Likewise, ASEAN's role as a supporter of the multilateral trading system and an active participant in the efforts to liberalise trade both globally and regionally is also increasingly important.

Prosperity in the region also varies greatly. The richest and most advanced country in Southeast Asia is Singapore, which had a GDP *per capita* of \$55,000 in 2013, ranking 8<sup>th</sup> in the world, which is clearly higher than, for example, Finland (12<sup>th</sup> place). Singapore's fortes include its strategic location as a transport hub for world trade, an educated population as well as its dynamic and competitive business environment. Also Bruneians are wealthy because of their energy resources, and in many respects the country is similar to the Middle East oil producing countries. Malaysia is in the middle, even with respect to the world

as a whole; its GDP per capita in 2013 was very close to the world average. Other countries are still distinctively developing in terms of wealth. The poorest ones, i.e. Cambodia, Laos, Myanmar and East Timor, are among the Least Developed Countries (LDC).

Country	Population	GNP	GNP p.c.	Growth %
Brunei	415,700	16.1	38,600	1.4
The Philippines	105,720,000	272.0	2,800	6.8
Indonesia	253,198,000	868.4	3,480	5.3
East Timor	1,172,000	6.1	5,200	8.1
Cambodia	15,206,000	15.3	1,000	7.0
Laos	6,804,000	11.1	1,650	8.3
Malaysia	30,090,000	312.4	10,510	4.7
Myanmar	51,400,000	59.4	1,150	6.8
Singapore	5,469,000	297.9	55,180	4.1
Thailand	67,091,000	387.3	5,780	2.9
Vietnam	91,519,000	171.4	1,910	5.3

Data from 2013, USD billion (GNP) and USD (p.c.)  
Source: World Bank

## Stability in Southeast Asia

Positive political and economic development in societies is the best way to improve security and stability in Southeast Asia. Nonetheless, some of the countries in the region have unresolved local crises or even actual armed conflicts. In some cases third parties can be of assistance, as was the case with Finland mediating the solution in Aceh in 2004. However, in many cases the resolution is primarily seen as the internal duty of the state, with the role of outside actors mostly limited to supporting the national process.

From the perspective of the future of some of the countries in the region, it may be necessary for them to undergo a reconciliation process which inclusively lays a sustainable basis for well-being and stability. This may involve a process of

dealing with a past that is associated with previous internal crises or conflicts, relations between ethnic or religious groups, or it may simply be a question of including the poorest segment of the population in building the future. When it comes to, especially, the latter topics, the Nordic model of society can provide useful examples for available courses of action.

Even in an international comparison, cooperation in Southeast Asia has progressed quite far, particularly within the framework of ASEAN, and cooperation and integration are continually being developed. Nevertheless, international disputes flare up in the region. There are still unresolved territorial disputes, particularly in maritime areas and questions associated with water management and rights are also topical in Southeast Asia.

Since the colonial period – and to some extent even earlier – the actions of outside great powers have characterised security policy in Southeast Asia. World War II also extended to Southeast Asia and in the post-war period the region also became a theatre in the Cold War. The dismantling of colonial empires was also occurring at the same time. In the Cold War era ASEAN was initially a grouping of five member states with a foreign- and security-policy role. Brunei joined the ASEAN after gaining independence in 1984. When the Cold War ended Vietnam, Cambodia, Laos and Myanmar also joined ASEAN. It became an actor representing all of Southeast Asia who develops its courses of action as a regional organisation and is increasingly investing in economic integration.

Along with its reform and opening-up policy and rapid economic growth China has become an important economic partner to the countries in the region. China's economic growth has increased the exports of Southeast Asian countries to China and brought investments to them. At the same time Chinese businesses compete with Southeast Asian businesses, and China continues to draw a large share of foreign investments to Asia. Many countries in the region feel that, alongside its deepening economic relations, China has intensified its foreign policy, especially as regards its territorial claims on the islands in the South China Sea, in a manner which raises concern. In turn, this concern has prompted many countries in the region to cooperate with the United States and also with other large countries outside the region. The United States has met this development by emphasising the significance of Asia in its own foreign and security policy.

Southeast Asia is part of the changing geopolitical set-up in the wider Asia-Pacific region, which, on the one hand, highlights the need for cooperation necessitated by economic and other interdependencies as well as the regulation of conflicts, and, on the other hand, some concern and preparedness for undesirable developments for the countries in the region. Comprehensive security policy arrangements in Asia could also improve the security situation in Southeast Asia. However, on a diverse and large continent such as Asia, the creation of such arrangements will take a long time, despite the fact that ASEAN as a regional organisation has been able to generate beneficial and far-reaching cooperation in Asia.

The recent territorial disputes in the South China Sea are the most worrisome security development in Southeast Asia. The continental shelf of the South China Sea contains abundant oil and natural gas deposits, and fish resources are also significant. The South China Sea is the world's busiest maritime transport corridor. While there are conflicting territorial claims between the countries in the region, China's claims are the most extensive: The '9-dash line' territorial claim follows the coastlines of Southeast Asia's countries deep into the south. According to the claim most of the South China Sea would be included in China's territorial waters and economic zone. Time and again the situation has exacerbated especially between China and the Philippines and Vietnam, but, on the other hand, there are also disagreements between China, Brunei, Indonesia and Malaysia. Pursuant to the United Nations Convention on the Law of the Sea the Philippines took the case to the Permanent Court of Arbitration. China prefers to resolve the conflicts through bilateral negotiations. In 2014 the Philippines signed the Enhanced Defence Cooperation Agreement (EDCA) with the United States. Vietnam has sought closer cooperation with the United States, India, Japan and Russia, among others.

Efforts to resolve the territorial disputes within the ASEAN framework have been unsuccessful. In the early 2000s, China agreed on a Declaration of Conduct concerning a Code of Conduct aimed at reducing tension, but no consensus has been achieved on the actual Code of Conduct. The United States has not taken a position on the South China Sea territorial disputes directly, but it stresses the importance of observing international law, international conventions and other rules.

Should the aforementioned disputes become exacerbated, this would have negative political and economic consequences extending beyond Asia, and could also jeopardize the safety or freedom of navigation. Therefore, it is of the utmost importance to avoid escalating the situation, and to proceed to a peaceful resolution in accordance with international law.

The EU is not a party to the South China Sea territorial disputes, and does not take a stand on individual territorial claims as such. Rather, the EU stresses the importance of a rules-based international order and the peaceful resolution of territorial disputes in accordance with the principles of international law, including the UN Convention on the Law of the Sea. To safeguard the freedom of navigation and trade is also important for the EU.

## **Southeast Asia in development policy**

Throughout the years Southeast Asia has been an important partner in Finland's development cooperation. Despite the growing prosperity and development in parts of the region many countries are still within the category of the Least Developed Countries. They will be supported by states, international organisations, development banks and NGOs well into the future. Assistance is granted to many sectors, ranging from good governance and the advancement of human rights to the creation of a viable economic base. The EU is the most important donor in Southeast Asia. One of the main partners in Finnish development cooperation since the 1970s up until the 2000s has been Vietnam, which now has become a lower middle-income country. Myanmar, one of the LDCs, will become the most important new development cooperation partner in the region for Finland in the coming years. In addition, Finland has also long supported the sustainable development of natural resources of the region through regional development cooperation programmes.

The Mekong River flows from the Tibetan plateau in the Himalayas through China's Yunnan province, Myanmar, Laos, Thailand, Cambodia and Vietnam into the South China Sea. Mekong hydropower is very important for the countries in the region both in terms of energy supply and as a source of revenue. The greatest disagreements involve the construction of large dams on the main

channel of the Mekong. An essential forum for cooperation is the Mekong River Commission, whose members are Cambodia, Laos, Thailand and Vietnam. Myanmar and China are dialogue members of the Commission. In addition to Finland, large donors to the Commission include Denmark, Australia, Sweden, Germany, Switzerland and the EU. In the context of Asian Development Bank's Greater Mekong Subregion (GMS) program the six countries of the region aim to improve their economic relations and conduct pilot projects especially in the area of infrastructure development, but also other sectors such as tourism. Finland supports the mainstreaming of GMS program's environment and biodiversity protection.

## **Southeast Asia's future prospects and cooperation with the countries in the region**

Southeast Asia's future looks bright. In the long term, the internal stability of the countries in the region has improved and, despite difficulties, democracy has progressed, the rule of law has been strengthened and even in undemocratically governed countries reforms have been made that have reduced poverty and gradually led to their societies opening up in many ways. Even if the rate of progress varies, and occasionally takes a few steps back, the governments in the region invest resources in developing their societies and economies in a diverse manner as well as in numerous reforms.

Southeast Asian economic development has been relatively rapid and the prerequisites for further growth are good. The region is dependent on the global economy, and, above all, on economic developments in the western industrialised countries as well as on Japan and China. Rapid economic development generates also social pressure, such as increasing inequality and a simultaneously growing awareness among the populations of their political rights.

From the Finnish perspective the countries in the region offer prospects for versatile cooperation. In the field of foreign policy the countries in the region and ASEAN are not only useful regional interlocutors, they are also beneficial partners in many topical international questions. When it comes to multilateral cooperation or the significance of international law, for instance, the fundamental



principles of many countries in the region are similar to those of Finland. The dialogue can be extremely advantageous when such principles are applied in response to concrete international problems or in meeting significant global challenges, such as climate change.

Primarily, the countries in Southeast Asia want to solve their problems on a national basis. Even in this case, Finland's experiences can be of use when seeking courses of action to help resolve internal conflicts, promote international dialogue, support the solution to cross-border problems such as water management and human trafficking, help reduce internal inequality, improve human rights or working conditions and curb corruption.

When it comes to the economy, the countries in the region are potentially important trading and investment partners for Finland. Countries with large populations provide growth potential in many key areas, such as ICT, wood processing and the paper industry, the tech industry as well as cleantech and energy, the health sector, educational export and so on. Cooperation is facilitated by the development through which countries are opening up their economies, dismantling the barriers of trade and fighting corruption. It is also possible to operate in Southeast Asia through regional centres. Informing Finnish actors of the opportunities offered by Southeast Asia is a useful way to increase economic interaction in the area. Finland would also welcome investments from the region.

Southeast Asia, especially Thailand, is a popular destination for Finnish tourists. Tourism in the countries of the region keeps growing and is expanding to new countries. It would also be advantageous to encourage the increasingly prosperous Southeast Asians to travel to Finland. The more frequent direct flights between Finland and Southeast Asia are making this easier.

For now, research and innovation cooperation and student exchange with the countries in the region is relative modest in comparison with many other geographic areas. Nonetheless, it can be expected that these will gradually pick up. It is also likely that Finland will receive additional workforce from the area. Finns are increasingly living and working in Southeast Asia and, in some cases, there are already multiple generations of Southeast Asians living in Finland.

## **Finland's objectives and priorities in Southeast Asia**

- Closely monitor and analyse the Southeast Asian countries' political, social and economic development and their mutual relations.
- Further intensify bilateral political relations and foreign policy dialogue, both at the political and public servant level, with Southeast Asian countries.
- Support stability in Southeast Asian countries when Finland's action can be useful in defusing national conflicts or tensions and promoting national dialogue and reconciliation.
- Support the social development of countries in the region by strengthening democracy, good governance, the rule of law and human rights, and by improving working conditions.
- Increase the amount of mutual trade and productive investments by improving opportunities for market access and dismantling trade barriers and by promoting exports and investments, especially in the key areas of 'Team Finland' and in other interesting areas in the region.
- Intensify Team Finland cooperation with both target country networks and operators in Finland to discover and implement ways to pursue Finnish commercial interests more effectively. To this effect, use the Honorary Consul networks more effectively.
- Support sustainable economic, social and environmental development in the region, also by means of development cooperation, supporting Finland's and the region's goals and by appropriately allocating Finland's resources.
- Intensify contacts and dialogue between governments, the business community, universities and research institutions as well as the civil society in the Southeast Asian countries.
- Develop cooperation at national and European levels with Southeast Asia on higher education, research and innovation.

- Raise awareness of Southeast Asian countries in Finland, and awareness of Finland in the countries of the region.
- Promote tourism from Southeast Asia to Finland, and maintain sufficient consular services in the region.
- Maintain a sufficient network of foreign missions and the Team Finland network in Southeast Asia as well as adequate resources at home.
- Support and monitor regional integration in Southeast Asia.
- Support resolving cross-border problems in Southeast Asia through regional and international cooperation, including problems associated with human trafficking.
- Support peaceful resolution of disputes between countries in the region and with third countries, in accordance with the principles and procedures of international law. Support and participate in the EU's activities aimed at the same purpose.
- Support the peaceful resolution of the South China Sea territorial disputes in accordance with the principles of international law, including on the UN Convention on the Law of the Sea. Ensure the freedom and safety of navigation and trade in the South China Sea.
- Be prepared to support the resolution of disputes through mediation.
- Participate actively in the strengthening of relations between the EU and the countries of the region, inter alia, through EU-ASEAN cooperation and by supporting the pursuit of free trade agreements, also serving Finnish interest, with the countries of the region.

## ASEAN – Pioneer of Regional Integration in Asia

Despite differences, the Southeast Asian countries share uniting features: historical, cultural, geographic and economic. They are also united by a strong determination to cooperate with each other and to advance the interests of the region in concert. This manifests itself largely in the aforementioned ASEAN, an organisation for mutual cooperation that five Southeast Asian countries established in 1967. Its founding members were the Philippines, Indonesia, Malaysia, Singapore and Thailand. Later the organisation was joined by Brunei in 1984, Vietnam in 1995, Laos and Myanmar in 1997, and Cambodia in 1999. East Timor has applied for membership in ASEAN.

The motives for the establishment of ASEAN related both to the prevention of conflicts between the countries in the region, many of which were at the time newly independent, and to the containment of communism. After the end of the Cold War, ASEAN expanded to comprise 10 members, including former ideological opponents. It progressively adopted more and more ambitious and far-reaching political, economic and institutional objectives, aimed at the creation of a Southeast Asian Community.

Along with deepening integration between the ASEAN countries, initiatives aimed at intensifying both political and economic cooperation with countries outside the region are significant. By way of the 'RCEP process' (*Regional Comprehensive Economic Partnership*) ASEAN members endeavour to harmonise their free trade agreements with six partner countries (Australia, South Korea, India, Japan, China and New Zealand). Some of the ASEAN members also participate in the US-led TPP project (*Trans-Pacific Partnership*). In addition, the realisation of the China-led FTAAP (*Free Trade Agreement for Asia and the Pacific*), with its very large membership, would in principle be of great importance for Southeast Asia.

ASEAN and its members are active participants in the political and economic dialogue taking place between Asian and Pacific countries in APEC (*Asia-Pacific Economic Cooperation*). ASEAN (more precisely Singapore) was the originator of the dialogue forum for Europe and Asia, ASEM (*Asia-Europe Meeting*). ASEAN is also the key figure in ARF (*Asian Regional Forum*), and EAS (*East Asia Summit*), a forum for East Asian heads of state. These two platforms allow for interaction

between the ASEAN member countries and Japan, China, South Korea, India, Russia, and the United States. In spite of its efforts, the EU has not yet been invited to the latter. AIPR (*ASEAN Institute for Peace and Reconciliation*), established with Indonesia's strong support, aims to prevent and resolve conflicts. The disputes over territory as well as natural resource ownership and possession in the South China Sea are an increasingly pressing issue.

The plans to create a Southeast Asian Community would, if accomplished, create a community in some respects similar to the European Union. Nonetheless, so far the incentives for achieving this kind of integration have not been sufficient. The different political systems and levels of economic development of the ASEAN members, the lack of supranational decision-making and strong institutions as well as limited value-based and cultural incentives to maintain the attractiveness of such integration hamper integration in Southeast Asia.

The ASEAN Economic Community (AEC) will enter into force at the turn of 2015–16. Approximately 80 per cent of the AEC's objectives have already been met. Even so, customs duties have been abolished on 99 per cent of traded goods (only a few key agricultural products are exempted) between the six oldest ASEAN countries, but progress has been slower in dismantling non-tariff barriers, the harmonisation of legislation, and trade in services. It has been estimated that a real economic community would perhaps be achievable by the mid-2020s.

Despite the quantitative and qualitative differences between the achievements and the ambition of European and Southeast Asian integration, the desire of both partners to create rules-based order and an open economic community between their members, and more generally in the world, has created a kind of ideological bond between the EU and ASEAN. Institutionalised contacts between them are close at both political and official levels. The strain caused by the accession of Myanmar to ASEAN has disappeared along with Myanmar's democratisation process, but keeping the EU outside the EAS causes certain friction.

Most concretely the EU and ASEAN and their Member States are linked by trade and investment. The EU is ASEAN's second largest trading partner and the largest source of foreign investment. The fairly bright economic prospects

and the increased share in the world-economy of the ASEAN region make it an increasingly attractive partner for the EU and its Member States. Still, the negotiations on a free trade agreement between the EU and ASEAN are at a standstill. Consequently, the EU has also begun to negotiate bilateral free trade agreements with some ASEAN member countries.

The EU is also the main financial supporter of ASEAN. The EU finances both the development of ASEAN structures and its three 'pillars' (security, economic and social/cultural). The EU has in its 2014–20 financial framework allocated €170 million to ASEAN. The annual contributions from ASEAN member countries to ASEAN's budget amount only to \$1.6 million per country, i.e. \$16 million in total.

The ideas and initiatives developed within ASEAN to create dialogue forums for increasing mutual trust among Asian countries, thereby facilitating a peaceful resolution of disputes and strengthening of international law, are in line with EU objectives.

Finland shares the EU's aforementioned general, political and economic objectives with respect to ASEAN. The realisation of ASEAN's intended internal economic integration would strengthen the region's economic growth and expand markets, which would increase Finnish companies' prospects there. Similarly, Finland would benefit from the strengthening of the region's political stability and the peaceful resolution of disputes between ASEAN member countries and third countries, and from ASEAN's stronger internal emphasis on human rights. Finland is also interested in supporting the development of ASEAN's mediation capacity. Cooperation between the abovementioned AIPR Institute and the European Institute for Peace could be encouraged.

### **Finland's priorities with regard to ASEAN**

- Support ASEAN's internal integration. Monitor and utilise the opportunities which especially the development of the ASEAN Economic Community offers.

- Support ASEAN in its efforts to promote broader Asian and international cooperation.
- Support ASEAN in strengthening human rights and the rule of law, and in resolving cross-border problems such as human trafficking, along with its associated problems.
- Support ASEAN in its efforts to peacefully resolve disputes among its Member States.
- Support the development of ASEAN’s mediation capacity.
- Support ASEAN efforts to peacefully resolve territorial disputes in the South China Sea in accordance with the principles of international law, and to that end, achieve the South China Sea Code of Conduct.
- Influence ASEAN to accept the EU as a participant in the East Asia Summit.
- Contribute to achieving free trade between the EU and Southeast Asia by way of supporting the completion of high-quality free trade agreements contributing to economic integration and sustainable development between the EU and ASEAN as well as between the EU and ASEAN countries.

## Southeast Asian countries

### Brunei Darussalam

Population	415 700
Area (km <sup>2</sup> )	6 000
GDP (bn USD)	16.1
GDP per capita (USD)	38 600
GDP growth (%)	1.4
Finnish exports (MEUR)	0.3
Finnish imports (MEUR)	0.0

All figures from 2013

Source: World Bank, Finnish customs, Statistics Finland

Brunei is a sultanate of 416,000 inhabitants in the northern part of the island of Borneo. Brunei is an Islamic monarchy, with the sultan holding executive power. Parliament exists in principle, but no elections have been held. The sultan is also the prime minister, minister of finance and minister of defence. The country has been in a state of emergency declared by the sultan since the first half of the 1960s. Brunei's Islamic Sharia law now also extends to the Criminal Code (the so-called Hudud punishments). Issues related to human rights and fundamental freedoms in Brunei have been criticised by western countries.

Brunei's economy is based on abundant oil and natural gas resources, the utilisation of which constitutes 60 per cent of the GDP and 90 per cent of exports. Other sectors of production include construction and transports. Nowadays, revenue is also generated from foreign-invested assets, which are mainly managed by the Brunei Investment Agency. The supply of consumer goods and food is heavily dependent on imports.

Brunei is a member of the UN and most of the other international and Asian regional intergovernmental organisations. It joined ASEAN immediately after gaining independence.

A Partnership and Cooperation Agreement between the EU and Brunei is pending. In this context, certain Hudud punishments (amputation, stonings) in the Brunei Criminal Code are problematic.

Finland established diplomatic relations with Brunei in 1988. The Finnish ambassador in Kuala Lumpur is also accredited to Brunei.

### **Finland's priorities with regard to Brunei**

- Maintain political and economic-commercial relations.



## The Philippines

Population	105 720 000
Area (km <sup>2</sup> )	300 000
GDP (bn USD)	272.0
GDP per capita (USD)	2 800
GDP growth (%)	6.8
Finnish exports (MEUR)	170.2
Finnish imports (MEUR)	142.8

All figures from 2013

Source: World Bank, Finnish customs, Statistics Finland

The Philippines is a country consisting of about 7,100 islands between the South China Sea and the Pacific Ocean. Approximately 2,000 of the islands are inhabited. The Philippines was a Spanish colony until 1898, when it ended up as a possession of the United States. The colonial period ended after World War II; during the war the Philippines was under Japanese occupation. The Philippines has been independent since 1946.

The Philippines is a republic where the president exercises executive power. Democracy has been well established since the 1980s, when the government of the country's long-standing leader Ferdinand Marcos operating under state-of-war powers, lost its position. During the term of Benigno Aquino III, the current president, the country has instituted significant reforms, and tackled corruption and crime in a completely new manner.

Fresh efforts have also been taken into use as regards resolving the situation in Mindanao. On the southern island of Mindanao the government has been fighting secessionist rebel groups since the 1960s. The Philippine government has signed a peace agreement with the strongest rebel movement, the MILF (*Moro Islamic Liberation Front*). The Philippines has sought international support, Finland included, for the peace process. The most appropriate approaches are presently being sought.

The total output comes from agriculture (11 per cent of the GDP), industry (31 per cent) and services (57 per cent). The main industries include electronics assembly, clothing, footwear, pharmaceuticals, chemicals, wood products, food processing, oil refining, and fishing. One of the strengths of the Philippines is a hardworking workforce, mostly fluent in English. Thus, international companies are increasingly outsourcing their customer services and administrative processes to the Philippines. The Business Process Outsourcing (BPO) sector is expected to grow as fast as 26% annually and the Philippines already is India's closest rival in the BPO-sector. In addition, some 11 million Filipinos living overseas remit a great deal of funds (up to 10% of GDP) to their homeland, which contributes to the country's economic development.

The Philippines has been regarded as a high-risk investment destination. The country's infrastructure development was weak for a long time and widespread corruption has made it a difficult business environment. Development has also been slowed down by natural disasters. Income inequality continues to be a problem, as the high economic growth rates have been less impressive *per capita* due to rapid population growth. Also the handling of civil rights activist and indigenous peoples requires resolute measures.

However, the overall situation in the Philippines has been improving greatly due to the determined reforms carried out in the recent years. The reforms have affected the country's economic prospects. Economic growth is expected to continue at the impressive 6–7 per cent annually over the next few years. The international rating agencies have raised the Philippines' credit ratings considerably.

Longer-term growth prospects depend on whether or not President Aquino's fight against corruption, and the subsequent improvement of the economy and business environment, will continue during the next president's term as well as on social conditions remaining stable and investments in the modernisation of the structures of production remaining adequate.

The Philippines is a member of the UN and most of the other international and Asian regional intergovernmental organisations. In security policy, its main ally since 1951 has been the United States. Island disputes with China in recent years have brought the United States and the Philippines closer together. As

noted above, the Philippines has signed a new defence cooperation agreement with the US. This reflects the gravity of the South China Sea territorial disputes and the degree of more general uncertainty vis-à-vis China. The Philippines and China have interacted over the centuries, the country has a large Chinese minority and China is one of the Philippines' main economic partners. Philippine relations with its Southeast Asian neighbours are generally good, and ASEAN cooperation has been active.

In 2012 the EU and the Philippines signed a Partnership and Cooperation Agreement. The EU has supported the peace process between the government and the guerrilla movements operating on the island of Mindanao. The exploration of a possible opening of free trade negotiations between the EU and the Philippines is at an early stage. It is unlikely that they will proceed to actual negotiations before the 2016 presidential elections.

Finland's relations with the Philippines are good. The Philippines and Finland are somewhat better known to each other than countries this distant are on average. An event as distant in time as the marriage of the 1952 Miss Universe, Armi Kuusela, with the Filipino Gil Hilario contributes to this. Another thing that increased awareness of the Philippines in Finland was the taking of two Finns as hostages by the Abu Sayyaf guerrillas in 2000. Approximately 2,700 Filipinos reside in Finland, including spouses of Finns and health sector employees. In addition, each year temporary workers come to Finland from the Philippines, mainly to work in the health sector as well.

Finland has had diplomatic relations with the Philippines since 1955. The Embassy in Manila was closed in the beginning of 2013 and the Finnish diplomatic representation in the Philippines is arranged from Kuala Lumpur; Finland's ambassador in Malaysia is accredited to the Philippines. A consular office operates in Manila at the premises of the Norwegian Embassy.

Economic relations between Finland and the Philippines are on the rise. Key product groups in the trade include electronics components and paper. Approximately 20 Finnish companies have established business operations in the Philippines. Areas of Finnish interest in the Philippines include information technology and ICT technology, renewable energy, and cleantech. The Philippines' young, growing and prospering population, as well as the many

ambitious infrastructure reforms offer a lot of potential to Finnish companies also.

Following the withdrawal of Finpro, the Embassy in Kuala Lumpur remains the only public Team Finland actor in the Philippines, which has forced the operators to adapt to a more restrictive framework. The Nordic Business Council is a natural partner in the Philippines.

### **Finland's priorities with regard to the Philippines:**

- Continue foreign policy dialogue with the Philippines.
- Support the Philippines' internal peace process in a manner agreed with the Philippines.
- Improve and diversify opportunities for market access, dismantle trade barriers. Support the accomplishment of free trade arrangements between the EU and the Philippines.
- Promote the introduction of Finnish information technology and ICT technology.
- Promote the introduction of Finnish clean technologies (cleantech).

### **Indonesia**

Population	253 198 000
Area (km <sup>2</sup> )	1 905 000
GDP (bn USD)	868.4
GDP per capita (USD)	3 480
GDP growth (%)	5.3
Finnish exports (MEUR)	136.1
Finnish imports (MEUR)	124.9

All figures from 2013

Source: World Bank, Finnish customs, Statistics Finland

Indonesia is a country that consists of about 17,500 islands. Approximately 6,000 of the islands are inhabited. It is the world's fourth most populous nation and the world's most populous Muslim-majority nation. Indonesia gained independence in 1945 from the Netherlands; since the 17<sup>th</sup> century it had been first under the authority of the Dutch East India Company and then, since the 19<sup>th</sup> century, a colony.

Indonesia is a republic in which the president has executive power as the leader of the government. The president is elected by direct popular vote. The reign of the founding president Sukarno characterised the first few decades of Indonesia's independence; his regime became increasingly authoritarian over time and ended with an attempted coup against him in the mid-1960s. General Suharto, who quelled the coup attempt, became Sukarno's successor, ruling the country until 1998 when his administration, in turn, fell due to political unrest caused by allegations of corruption and the Asian financial crisis. After Suharto, Indonesia has progressed towards a stable democratic system. The media in Indonesia is among the freest in Southeast Asia. The third democratic parliamentary and presidential elections, held in 2014, were a major milestone because for the first time in the history of Indonesia a democratically elected president handed over power to another democratically elected president.

Indonesia is by far the largest country in Southeast Asia, both in terms of its population and economy. Industry is the largest component of the national economy, about 46 per cent, followed by services (39 per cent) and agriculture (14 per cent). Nearly half (49 per cent) of the workforce is in the service sector, 39 per cent in agriculture and 22 per cent in industry. The main sectors of production are oil and natural gas, textiles, the automotive industry, electric appliances, clothing and footwear, mining, cement, medical equipment, handicrafts, synthetic fertilizers, plywood, rubber, processed agricultural products, jewellery, and travel. Indonesia's natural resources are considerable: forests, oil, bauxite, natural gas, coal, gold, silver, platinum, iron, copper, tin, nickel, chromite, manganese, sulphur, precious stones, rice, coffee, tea, cocoa, corn, spices, palm oil, and rubber.

Of all Asian countries, Indonesia suffered the most from the Asian economic crisis in 1997–98. Since 2007 development has been positive and Indonesia has come through the economic crisis that began at that time in the developed

countries quite well. Excessive regulation, corruption and inefficiency have, however, plagued Indonesia's basically dynamic market economy and require assertive reform measures. Also, unsolved questions related to equality and the protection of minorities, as well as religious fundamentalism are challenges that the Indonesian government faces. Investments to forestry sector have been criticized by environmental and human rights organizations for being the main cause of deforestation. Nevertheless, Indonesia's rising prosperity has created a growing middle class and there is an increased awareness among Indonesia's younger generation of decision-makers of sustainable development.

As a part of Indonesia's reforms and after the catastrophic tsunami natural disaster, the prolonged conflict in the province of Aceh ended in a peace agreement which was concluded with the help of President Martti Ahtisaari's mediation in 2005. However, the stabilization of the results of the peace process and the development efforts of Aceh continue and require attention also in the future. Also, a conflict between the government and insurgents has been going on in West Papua since the 1960s.

Indonesia is a member of the UN and most of the other international and Asian regional intergovernmental organisations. ASEAN headquarters are located in Jakarta. It is the only Southeast Asian country in the G20. Indonesia is one of the leading forces in the Non-Aligned Movement. During President Suharto's reign, political and economic relations with western countries developed rapidly. Relations with China were strained for a long time because of the wiping out of the Communist Party at the beginning of President Suharto's reign, during which a large number of Indonesian people of Chinese origin were killed. Diplomatic relations with China were established in 1990. Indonesia is a member of the Organization of the Islamic Countries, the OIC.

Central in the relations between Indonesia and the EU is cooperation within ASEAN. The EU-Indonesia Partnership and Cooperation Agreement entered into force in 2014. The agreement covers cooperation in trade and the economy, security issues, and various other sectors. Exploration to conclude a Comprehensive Economic Partnership Agreement began in 2012.

Finland has had diplomatic relations with Indonesia since 1954. An Embassy headed by a resident ambassador was established in Jakarta in 1974. The range

of Finnish activities in Indonesia has since then become more diversified, an impressive manifestation of which is the Aceh peace process led by President Ahtisaari as well as a number of development cooperation projects. However, the economy is still the strongest motive for a diplomatic presence. Indonesia is a promising market. The growing economy combined with the world's fourth largest population offers significant potential in many sectors. In Indonesia's demanding operating environment, interaction at the political level still plays an important role in supporting Finnish business and in establishing trade relations. Finnish officials, business representatives and politicians should personally visit Indonesia. With the help of cooperation between public actors, where the Embassy acts as coordinator in the Team Finland context, ground can be laid for closer trade ties.

Indonesia's growing prosperity has diversified the structure of Finnish exports. The emphasis on exports that in the past mainly lay on wood and paper industry-related goods has shifted more and more to energy, communications, and logistics. A part of the exports to Indonesia transits via Malaysia and Singapore for logistical reasons, which distorts the trade statistics.

Investments in the forestry sector constitute an important, albeit not the only, reason for Finland's business presence in Indonesia. Finnish solutions based on sustainability and efficiency provide tools for Indonesia to further diversify its economy and increase its added value. This offers new business opportunities for Finnish companies, especially in energy, waste management, communications, logistics and education. Finnish universities are ready to export forestry know-how to Indonesia. Finnish operators have also been active in the EU's framework programmes in the forestry sector with Indonesia.

Indonesia's energy consumption is increasing rapidly. The main source of energy is fossil fuels. However, the popularity of renewable energy is growing, accounting for 11 per cent of total energy consumption in 2012. A major part of it is hydropower, but the use of geothermal energy and biomass in particular creates significant business opportunities. Indonesia's national target for the share of renewables is 23 per cent of total energy consumption by 2025. Energy cooperation between Finland and Indonesia has expanded in the 2010s specifically in renewable energy. Indonesia's growing consumption also

translates into more waste. Each day, Jakarta alone generates 6,000 tonnes of communal waste of which only a fraction is converted into energy.

Indonesia had 290 million registered mobile and smart phones, 70 million Internet and 64 million Facebook users in 2014, which shows that the country is already a great power in information technology and social media. There is a major market for high-speed information networks. Because of its high level of networking and usage, Indonesia is also exposed to cyber-attacks. The importance of cyber security is understood and efforts are being made to develop cyber preparedness. There is demand for Finnish information security know-how in Indonesia both in the public and private sectors.

As an island nation, Indonesia's transport and information networks are facing major challenges because of the rapid development of the country. The lion's share of Indonesia's domestic and international freight moves by sea, but its port capacity and efficiency is inadequate. A ship's average 'turn-around' time in Jakarta is 6.8 days, compared to 1.2 days in Singapore. The 10 per cent annual growth forecast for Indonesia's airline passengers (76 million in 2013) creates significant pressure for airports to increase their capacity. The Jakarta airport was designed for 22 million passengers, but the number of passengers in 2013 exceeded 60 million. The growth of the middle class is also evident in the growing number of motor vehicles: in 2013, 1.3 million new cars and 7.7 million motorcycles were sold in Indonesia. Only a fraction of the needed new roads will be completed, and traffic congestion in large cities is massive, as are the business opportunities that transport, urban planning, and the building of infrastructure create.

One of the biggest challenges for Indonesia involves the education system. In the OECD's latest PISA survey in 2012, the Indonesian school system ranked 65th, the second-last among the countries surveyed. There is, however, willingness to invest in improving education; the school sector accounts for about one fifth of Indonesia's state budget. Indonesia is greatly interested in cooperation with the Finnish education sector and the country could be an important market for Finnish educational exports. Then again, judging by actual student exchanges, Finnish students appear to be more interested in Indonesia than vice versa. Along with educational cooperation, Indonesia is keenly interested in developing innovation infrastructure and is looking to Finland for models. Indonesia's



large, and increasingly middle-class, population also creates prospects for Finnish health care sector operators.

Apart from these areas that relate to the overall development of the economy and society, Indonesia is interested in learning from Finnish crisis management training models.

Indonesia is not one of Finland's long-term development cooperation partners and most of the assistance allocated to it has been channelled through international agencies. In 2011, however, Finland launched a bilateral cooperation programme in Indonesia, the Environmental and Energy Partnership Programme, EEP. The goal is to develop energy production from renewable energy sources, in particular from biomass. Under the programme, 20 separate projects in two Indonesian provinces, Riau and Central Kalimantan, have been funded.

### **Finland's priorities with regard to Indonesia**

- Intensify foreign policy dialogue with Indonesia at every level.
- Improve and diversify opportunities for market access and dismantle trade barriers. Support free trade arrangements between the EU and Indonesia.
- Increase cooperation in the communications sector and logistics.
- Increase the use of Finnish energy technology know-how, in particular renewable energy, in Indonesia.
- Increase the use of Finnish waste treatment technologies to solve waste problems in Indonesia's major cities.
- Increase the use of Finnish information security technology in Indonesia.

- Improve the capacity of the Indonesian ports by way of using Finnish know-how.
- Increase Finnish educational exports.
- Cooperate more closely with Indonesia on crisis management.

## East Timor

Population	1 172 000
Area (km <sup>2</sup> )	15 000
GDP (bn USD)	6.1
GDP per capita (USD)	5 200
GDP growth (%)	8.1
Finnish exports (MEUR)	0.03
Finnish imports (MEUR)	0.06

All figures from 2013. Source: World Bank, Finnish customs, Statistics Finland

The eastern part of the island of Timor comprises the state of East Timor (Timor Leste). It became independent in 2002 when Indonesia gave up the region. Indonesia's occupation, which began in 1975, was characterised by civil war and violence, in which an estimated 100,000 to 250,000 people died. After the country become independent and in particular in the end of the first decade of 2000s, the situation in the country has largely calmed down.

East Timor is a republic with executive power exercised by the government and the prime minister. Parliamentary elections are held every five years. The Constitution was based on the Constitution of Portugal, its former colonial master.

Of the total output, agriculture represents less than three per cent, industry, in turn, stands for 81 per cent and services for nearly 16 per cent. Yet 64 per cent of the workforce is employed in agriculture, while the shares of industry and services are 10 and 26 per cent, respectively. The economy, like the whole society,

continues to suffer from the after-effects of the pre-independence period and the development challenges are great. More than a third of the population lives on less than \$1.25 per day, and that one half of it is illiterate. Domestic production relies primarily on commodities such as coffee, marble, oil and sandalwood. Industry produces soap, handicraft products and woven garments but its high GDP share is explained by offshore oil and gas, which are exported to Australia. The private sector is still underdeveloped and the economy dependent on public finances and foreign aid.

East Timor is a member of the UN and several other international and Asian regional intergovernmental organisations. It has applied for membership of ASEAN with the support of Indonesia.

Relations between the EU and East Timor are based on the 2006 Cotonou Agreement. The EU and its Member States have given some €700 million to East Timor in development assistance, which is about half of the foreign aid received. The emphasis of EU assistance has been on agriculture, education, health care, and the promotion of democracy, civil society and human rights.

Finland established diplomatic relations with East Timor right after its independence in 2002. The ambassador of Finland in Jakarta is accredited to East Timor. In the early 2000s Finland provided €2–3 million to East-Timor in development assistance annually, mainly through the World Bank. The aid is now disbursed from 'local cooperation funds', administered by the Embassy in Jakarta.

There may be cooperation prospects for Finnish actors in East Timor, for example, in construction and agriculture.

### **Finland's priorities with regard to East Timor**

- Continue political dialogue in the appropriate manner.
- Develop trade relations and identify opportunities for economic cooperation, inter alia, in construction and agriculture.

## Cambodia

Population	15 206 000
Area (km <sup>2</sup> )	181 000
GDP (bn USD)	15.3
GDP per capita (USD)	1 000
GDP growth (%)	7.0
Finnish exports (MEUR)	0.2
Finnish imports (MEUR)	24.6

All figures from 2013

Source: World Bank, Finnish customs, Statistics Finland

In the mid-1800s Cambodia, which had lost ground to Siam and Vietnam, sought protection under France and became part of French Indochina. The colonial period ended with it attaining independence in 1953. Independence did not, however, at first result in peaceful conditions. Instead, Cambodia became a battleground as the Vietnam War escalated. In 1975 the country was taken over by the Khmer Rouge, during whose reign Cambodia suffered probably the largest and most brutal genocide in relation to population size in modern times. It is estimated that about 1.7 million people, a quarter of the population at the time, was killed, tortured or starved to death. The Khmer Rouge's reign of terror ended in 1979 when Vietnam invaded the country, but only in 1991 was a peace treaty concluded that allowed the return to normalcy. However, the shadow of the suffering and destruction, both human and material, was cast upon Cambodia for a long time. Today, the development of the country has taken off and accelerated in many ways.

A special court set up by the UN and Cambodia has indicted former Khmer Rouge leaders. Finland also financially supports the court as its work is indispensable for the management of the past, and for national reconciliation.

Cambodia is a monarchy, but political power rests with the government and the prime minister. The office has been held by Hun Sen since 1985. The lower chamber of Parliament is elected every five years but the members of the upper chamber are appointed. The opposition became a major player in the 2013

election, but a reform of the electoral legislation would be needed to ensure fairness of the electoral process. The media does not conform to European practices, but the social media has become a central means of communication, especially among the younger generation.

Although Cambodia is one of the least developed countries, the economy is growing at an impressive rate, up to 7 per cent annually. Total output is divided between agriculture, 35 per cent, industry 25 per cent, and services, 40 per cent. However, the labour share of agriculture is 56 per cent. Agriculture, fishing and forestry are important sources of livelihood. Of services, tourism is the fastest growing branch. Along with tourism, important industries include garments, construction, rice production and fishing. Other significant sectors of production are woodworking, rubber, cement, mining of precious stones, and textiles. The garments industry dominates the exports. Oil and natural gas deposits have been found off the coast of Cambodia.

The Cambodian population is young, more than half of the population is younger than 21 years of age. The development challenges are still considerable. Approximately four million Cambodians are estimated to subsist on less than \$1.25 a day, and child malnutrition is extensive. The exclusion of indigenous communities and ethnic minorities from economic and social development and the low level of education among the elderly and people living in rural areas require resolute actions. These problems stem from the Khmer Rouge's reign when schools and other educational institutions were abolished and teachers and other educated segments of the population were for the most part killed. Corruption is considered to be one of the biggest hindrances to development in Cambodia. Abuses related to land use and land expropriation are among the biggest human rights problems. The World Bank has frozen new loans to Cambodia because of the forced relocations of local populations.

Cambodia is a member of the UN and most of the other international and Asian regional intergovernmental organisations. In 2004 it joined the WTO. China had a central role in the Cambodian events during the Vietnam War and in its aftermath, including the reign of the Khmer Rouge. Even today, China is an important partner for Cambodia. Cambodia receives financial support from China as well as significant Chinese investments and tourism. Cambodia, in turn, supports China in a number of political issues in the international arena.

Cambodia's relations with the USA are somewhat better, although the United States has criticised the current regime. Cambodia is also seeking to strengthen its relations with its neighbours and to resolve border issues through peaceful means. For Cambodia, ASEAN is an important framework in establishing bilateral and multilateral relations with the other Southeast Asian countries. Relations with Thailand are still problematic, however, as evidenced by the border dispute over the Preah Vihear temple area, which has from time to time led to armed skirmishes. The construction of hydropower at the Mekong River has burdened its relations with Laos.

The EU-Cambodia Framework Agreement entered into force in 1999. In 2000, Cambodia also joined the EU-ASEAN Cooperation Agreement. The EU has surpassed the United States as Cambodia's largest trading partner. Thailand, too, is an important export target for Cambodia. Since 2001 Cambodia has been covered by the EU's Everything But Arms (EBA) initiative, which allows for Cambodian products to enter the EU market free of duty and quota. In 2014 the European Parliament proposed that the EBA trade concessions be re-evaluated concerning the products associated with human rights violations. The EU as a whole, including its Member States, is Cambodia's largest donor of development assistance.

Finland and Cambodia have had diplomatic relations since 1976. Finland's ambassador in Bangkok is accredited to Cambodia. Finland has supported Cambodia through bilateral, regional and multilateral projects especially in land use and rural development. Bilateral cooperation ended in 2014, but Cambodia is involved in regional programmes supported by Finland. Finnish NGOs carry out projects in Cambodia, which the Finnish government supports through development funds. Finnish universities (among others, Aalto University and Turku University's Future Research Centre) have cooperated with Cambodian universities and ministries, both locally and regionally. Problems associated with land use practices are under scrutiny and Finnish companies, too, should take into account the accompanying risks to their reputation when investing and engaging in other commercial activities.

Finnish companies have not yet recognised the business opportunities that Cambodia's rapid economic growth provides and which, specifically, the gradual realisation of the ASEAN Economic Community may increase. Especially clean

technologies, renewable energy and energy efficiency, and waste management, are potentially promising sectors for cooperation.

### **Finland's priorities with regard to Cambodia**

- Continue with political dialogue both at the political and public servant level.
- Encourage Cambodia to establish democratic courses of action, improve human rights and resolve land ownership questions, and to appropriately conclude the social and legal processes associated with the management of the past and national reconciliation.
- Develop economic relations, support opportunities for market access and dismantle trade barriers.
- Set up prerequisites for cooperation in clean technologies, especially in water and environmental technologies. Set up prerequisites for cooperation in waste management.
- Set up prerequisites for cooperation in renewable energy and energy efficiency.

### **Laos**

Population	6 804 000
Area (km <sup>2</sup> )	237 000
GDP (bn USD)	11.1
GDP per capita (USD)	1 650
GDP growth (%)	8.3
Finnish exports (MEUR)	4.5
Finnish imports (MEUR)	0.5

All figures from 2013. Source: World Bank, Finnish customs, Statistics Finland

Laos is located on the Indochina Peninsula, between Thailand and Vietnam. For centuries, the Lao state had ups and downs until the 19<sup>th</sup> century when the country divided into three parts, ending up as a French colony. Laos declared independence immediately after World War II, but only attained it in 1953. Laos, which had returned to monarchy, fell victim to the Vietnam War, and the country was ravaged by a civil war, the winner of which, the communist Pathet Lao movement, has ruled the country since 1975.

Laos is one of the world's five remaining communist single-party states. A Soviet-style planned economy was once introduced in Laos, but already in the mid-1980s they re-introduced market economy mechanisms, including private sector activity. The new Constitution, adopted in 1991, formalised the establishment of the market economy, guaranteed property rights and protected foreign and domestic investments. However, corruption is still a challenge.

Laos is rich in natural resources, such as metals, precious stones, fossil energy resources and especially hydropower. On the Mekong River, the largest existing and planned hydropower plants are in Laos, and the sale of electricity makes a substantial portion of its export earnings. The share of commercial farming is small, but rice farming is significant. Economic growth in Laos has been rapid in the 2000s and the proportion of people living below the poverty line has decreased significantly. Laos has set itself an ambitious goal: to get rid of the least developed country status by 2020.

However, Laos still is one of the least developed countries. Agriculture's share of total output is about a quarter, that of industry about a third and services just under 40 per cent. Only five per cent of the land is arable, but agriculture employs almost three-quarters of the workforce. Industry only employs six per cent and services a fifth. Mining (copper, tin, gold, and gypsum), timber, electric power, processed agricultural products, rubber, construction, clothing, cement and tourism are the main economic sectors. A large part of the rural population lives on a subsistence economy and modern infrastructure is scarce, especially outside urban areas.

The Lao economy and its development rely heavily on foreign investment (hydropower and mining), development assistance and concessional credits.



Foreign financing in Laos represents about 10 per cent of the GDP and more than 80 per cent of the state budget.

The biggest development challenges in Laos are the unsustainable use of natural resources and rising income inequality. Fundamental rights and freedoms are not at a level required by international norms and the activities of the civil society are restricted, also through coercion. Laos has repeatedly been accused of human rights violations and in particular, the treatment of the Hmong refugees, who fought on the side of the US and have been forcibly repatriated, has caused criticism. Land issues and related expropriations are a serious problem.

Laos is a member of the UN and most of the other international and Asian regional intergovernmental organisations. It hosted the ASEM Summit in 2012 and joined the WTO in 2013. In its foreign policy, it emphasises friendly relations with all countries. Vietnam's influence in the international relations of Laos has been significant and has, among other things, affected its relationship with China when China and Vietnam had a falling out in the late 1970s. Today, however, China is a major investor in Laos. Thailand is one of the biggest investors in Laos and also a major donor of development assistance. The weak competitiveness of the Lao economy in relation to its neighbouring Thailand and Vietnam is a challenge for the country's participation in the ASEAN Economic Community.

The reduction of poverty has a key role in EU-Laos cooperation, which is based on the Trade and Cooperation Agreement between the European Union and the Lao PDR, signed in 1997. The EU and its Member States are among Laos' most important donors of development and humanitarian assistance and trading partners. Laos has been included in the EU's Everything But Arms Initiative since 2000.

Finland and Laos have had diplomatic relations since 1975. Finland's ambassador in Bangkok is accredited to Laos, in addition to which there is an Honorary Consul of Finland in Vientiane. The bilateral relations are still largely based on development cooperation. Economic relations are quite limited. Infrastructure and the energy sector (renewable energy and energy efficiency), especially sustainable hydropower development, clean technologies and eco-tourism, could be promising areas for economic cooperation in the future.

Finland's development cooperation contributions in Laos mainly materialise through the Mekong region support, in which Laos has been the main target, amounting to approximately €26 million over the period 2009–14. Bilateral aid focuses on sustainable forestry, support for environmental governance, and mapping. The ongoing bilateral projects will continue until 2018.

### **Finland's priorities with regard to Laos**

- Continue with political dialogue both at the political and public servant level.
- Encourage Laos to institute necessary social and economic reform, including the strengthening of human rights, good governance and the rule of law.
- Develop and stabilise trade relations; improve opportunities for market access and dismantle trade barriers.
- Identify opportunities for cooperation in infrastructure.
- Identify opportunities for cooperation in the energy sector (particularly renewable energy and energy efficiency) Identify opportunities for cooperation in clean technologies.

### **Malaysia**

Population	30 090 000
Area (km <sup>2</sup> )	331 000
GDP (bn USD)	312.4
GDP per capita (USD)	10 510
GDP growth (%)	4.7
Finnish exports (MEUR)	244.1
Finnish imports (MEUR)	180.3

All figures from 2013. Source: World Bank, Finnish customs, Statistics Finland

Malaysia's area is divided between the southern part of the Malay Peninsula (with the exception of Singapore at the southern tip) and the northern part of the island of Borneo. Chinese and Indian merchants who settled in these areas at the dawn of the Common Era, and then even more extensively during the colonial period, mark the ethnic composition of the population in Malaysia as well as its religions, but the latter gradually came to be dominated by Islam. Malaysia achieved its independence in 1957. However, at that stage it was not known as Malaysia. The northern parts of Borneo, Sarawak and Sabah, and at that point also Singapore, became part of the country in 1963. Malaysia got its present shape when Singapore separated from it in 1965.

Malaysia is a federal electoral monarchy, where nine hereditary rulers of the sultanates elect a king from among themselves for five years; the four other Malaysian states do not participate in the election. The political system is modelled on federal western lines, especially the British parliamentary model.

Malaysia ranks second in affluence in Southeast Asia. The agriculture's share of the total output is about 11 per cent, industry's and services' are 41 and 48, respectively. The main industries on the Malay Peninsula are rubber and palm oil extraction and processing, oil and natural gas, light industry, pharmaceuticals, medical technology, electronics and semiconductors, and timber. In Sabah on the island of Borneo important industries include timber, oil and gas, and in Sarawak also processed agricultural products.

Malaysia's economy has diversified in recent decades. The energy sector is central to the economy, including the government budget: almost one third of revenue comes from that sector. Along with fossil fuels, Malaysia is one of the leading palm oil producers in the world. As in Indonesia, deforestation is a problem. Malaysia's oil and gas revenues ensure that the investments and logistics in this sector will be a continuously growing priority in the future.

State intervention in the economy is considerable, but it has evolved in a more liberal direction, and nowadays Malaysia is consistently ranked high, even higher than most Nordic countries, in business environment comparisons, including as a target for investments. Due to its stable business environment Malaysia, along with Singapore, is a natural base for companies seeking to enter the large Chinese and Indian markets in addition to the domestic Malaysian

and ASEAN markets. Malaysia is also one of the leading countries in 'Islamic banking'. Economic growth has been rapid in recent years, around five per cent annually, and it is projected to continue at that level.

Ethnic issues play an important role in domestic politics, where Malay and indigenous peoples benefit from the 'Bumiputra' policy in, *inter alia*, employment, education, business and housing policy. During the entire period of independence executive power has been in the hands of the same political party coalition, the Barisan Nasional, in which the main party is the UMNO (*United Malays National Organization*). The composition of constituencies favours the government in elections and the government has a strong hold on the media. From the rule of law and human rights perspective, it has raised concerns how the Criminal Code is used against the opposition. On the agenda of UMNO and Islamic opposition party PAS, which controls one state, is the strengthening of the influence of Islam (including sharia) in the society.

The society is, however, stable and the three main groups, ethnic Malays, Chinese and Indians, get along. The market economy has functioned without interruption, and no political party calls it into question. Basic foreign trade practices are liberal.

Malaysia is a member of the UN and most of the other international and Asian regional intergovernmental organisations. Central to its foreign policy are the OIC, the Non-Aligned Movement and, in particular, ASEAN cooperation. At the same time, however, Malaysia also strives to maintain exceptionally good relations with the great powers. Officially Malaysia pursues neutrality and is not militarily allied with any country. It has launched a moderate global movement: the Global Movement of the Moderates and as a moderate Muslim country it plays an active role in interreligious dialogue. Defence sector cooperation with the United States, however, is close. Malaysia has not recognised Israel and it strongly supports Palestine. It is active in peacekeeping and also interested in mediation. Malaysia participates in the ongoing US-led TPP free trade negotiations. Malaysia's relations with its neighbouring countries in Southeast Asia are mostly free of problems. Although the status of Sabah is an unresolved issue with the Philippines and there are some territorial water issues with Singapore, there are also many common interests, including maritime security

in the Strait of Malacca. Also Malaysia's territorial claims in the South China Sea overlap those of China.

Relations between the EU and Malaysia are largely free of problems. Negotiations on a Partnership and Cooperation Agreement and a free trade agreement began in 2010. Also bilateral relations between Finland and Malaysia are good and problem-free. Diplomatic relations were established in 1972. The Embassy in Kuala Lumpur was opened in 1981 and Finland has had an ambassador in Malaysia since 1988.

Malaysia is a long-term, well-known partner to Finland and Finnish companies, where Finnish companies have established themselves for a long time already. Finland's main exports to Malaysia are machinery and equipment, paper, and chemicals. Imports consist mainly of electronic equipment as well as palm oil and rubber. Some 50 Finnish companies operate in Malaysia. There is also cooperation in the education sector.

Finland's principal objective with regard to, and together with, Malaysia is to promote mutual trade, and to secure equal opportunities for Finnish companies established in Malaysia. This is done both within the EU and bilaterally through Team Finland cooperation. The achievement of a free trade agreement between the EU and Malaysia would improve market access for Finnish products and increase interest in Malaysian markets. More high-level visits between Finland and Malaysia will benefit the promotion of economic relations. In security policy, Finland and Malaysia share an interest in mediation, which fits Malaysia's profile as a Muslim country that has established a world movement of the moderates.

After Finpro's withdrawal, the Embassy in Kuala Lumpur remains the only public Team Finland player in Malaysia, which makes it necessary to adapt the activities to more limited resources. Among the local partners in Malaysia are the MFBC (*Malaysia-Finland Business Council*), as well as the EUMCCI (*EU-Malaysia Chamber of Commerce and Industry*). Particularly interesting sectors include information and communications technology, energy (especially renewable energy and energy logistics) and clean technologies, information security, and educational exports. Finnish academies and research institutes have well-functioning cooperation with Malaysia in several fields. Malaysia is also an interesting destination for student exchanges.

## Finland's priorities with regard to Malaysia

- Increase foreign policy dialogue both at the political and public servant level.
- Encourage the often similar-minded Malaysia to resolve problems associated with human rights and to strengthen interreligious dialogue. Participate in EU activities to promote good governance and human rights.
- Support opportunities for market access and dismantle trade barriers. Facilitate the establishment of Finnish companies in Malaysia, and support them to obtain equal treatment, when needed.
- Increase cooperation in information technology, ICT technology and information security.
- Increase cooperation in the energy sector, in particular in renewable energy and energy logistics.
- Increase cooperation in clean technologies.
- Promote educational exports.

## Myanmar

Population	51 400 000
Area (km <sup>2</sup> )	677 000
GDP (bn USD)	59.4
GDP per capita (USD)	1 150
GDP growth (%)	6.8
Finnish exports (MEUR)	2.1
Finnish imports (MEUR)	0.6

All figures from 2013

Source: World Bank, Finnish customs, Statistics Finland

Myanmar is also known by its former name Burma. Its administrative capital is Nay Puy Taw but at the same time, Yangon is a significant economic center. The various state formations ruling Burmese territories were able to resist the conquest designs of the European colonial powers, as well as those of China, Siam, Vietnam and the Khmer until the 1880s, when Great Britain conquered and annexed it as part of India, which it was ruling. Burma achieved independence in 1948.

In 1962, there was a military coup in Burma. Following large-scale civil unrest in the late 1980s, free elections were held in the country in 1990. The winner was the pro-democracy activist Aung San Suu Kyi's NLD party. The military regime did not accept the election result. Aung San Suu Kyi, who was awarded the Nobel Peace Prize in 1991, was on several occasions under house arrest for a total of 15 years. In 1989 the military regime made the decision to change the name of the country to Myanmar, which is used in correspondence with the government and other authorities.

In 2008 the military regime organised a referendum on a new Constitution, followed by parliamentary elections in 2010. Both elections were criticised for irregularities. After this, however, the military regime launched a series of political and economic reforms and, among other things, freed Aung San Suu Kyi from house arrest. She has since engaged in dialogue with the government and been able to partake in political activities.

The military regime was abolished in 2011. The new government led by President Thein Sein instituted a series of important reforms towards democracy and measures to improve the human rights situation, and began negotiations for a ceasefire with ethnic groups. As a consequence, Myanmar's international isolation ended.

The reform process in Myanmar will likely take a long time, and the results will only appear gradually in the lives of ordinary people. The list of problems to be solved and challenges to be met is long. It includes the accomplishment of the peace process and peace agreements with the ethnic groups, prevention of religious clashes and human rights violations, economic development, constitutional reform and the presidential election in 2015.

The position of the military in Myanmar's administration is still strong. Majority of the ministers, as well as the president, have a military background and the 2008 Constitution guarantees a quarter of Parliament seats to the military. According to the current Constitution, Aung San Suu Kyi cannot be elected president, even if her party won the election.

The discrimination and oppression of Myanmar's national minorities is the cause of decades-long rebel movements and violent unrest. Armed ethnic groups continue to govern several regions that are beyond the reach of the central government. The peace process in Myanmar seeks to resolve this state of affairs. The peace process, including the realisation of the related ceasefire agreements, is an important part of internal stabilisation and a prerequisite for bringing forward democratic reforms. One of the most difficult issues is the plight of the Rohingya minority in Myanmar's Rakhine state. The government needs to act resolutely so as to resolve the situation.

Myanmar is one of the least developed countries. Of the total output, the share of agriculture is 38 per cent, that of industry 20, and services 42. Labour shares are 70, 7 and 23 per cent, respectively. Important sectors of production include processed agricultural products, wood and wood products, copper, tin, tungsten, iron, cement, building materials, medicines, fertilizers, oil and gas, clothing, jade and precious stones. About 90 per cent of the world's rubies come from Myanmar. The utilisation of oil and natural gas deposits is increasing. Economic reforms made after 2011 have accelerated the economic growth to 6–7 per cent; it is expected to continue at this level in the coming years if foreign investment takes off.

Poverty is still widespread, and the physical, financial and administrative infrastructure (such as railways, roads, banking, and tax collection) is still quite substandard. Reforms are required in nearly every sector. The business environment is opaque, corrupt and inefficient. Significant illicit opium production for drugs and medicinal products continues. As much as a quarter of the world's heroin may originate in Myanmar. In addition to drugs, the underground economy extends to the smuggling of precious stones and timber. The revenue accrued from the sales of these has enabled the financing of armed conflicts.



Myanmar is a member of the UN (The Burmese U Thant was the UN Secretary-General from 1961–71) and most of the other international and Asian regional intergovernmental organisations. China is still a key source of foreign investment, especially in infrastructure and utilisation of natural resources. Singapore as well as Thailand and Japan have made large investments in Myanmar. Relations with Thailand are also generally good, although the refugee and migration flows between the countries are substantial. In 2014, Myanmar held the Presidency of ASEAN.

The EU restricted political and economic interaction with Myanmar and applied sanctions against it until 2012, at which time they were removed, with the exception of the arms embargo. Myanmar was also readmitted to the EU's system of generalised preferences (GSP). In 2013 the EU adopted the 'Comprehensive Framework' for promoting democracy, development and trade in Myanmar. In 2013 the EU and Myanmar started negotiations on an agreement to protect investments.

Finland established diplomatic relations with Myanmar in 1954. From 1988 cooperation with Myanmar was suspended, but since 2011 relations have been revived. Finland's ambassador in Bangkok is accredited to Myanmar; however, a liaison office headed by a chargé d'affaires a.i. was opened in 2013 in Yangon. Development cooperation with Myanmar was re-launched in 2012 and the allocated funds will be raised to €16 million by 2018. In addition, debt relief and humanitarian assistance will be granted and the activities of the civil society will be supported. Finland also supports Myanmar in its national process of resolving internal problems in a sustainable manner.

Finland's economic relations with Myanmar are quite limited. Just a few Finnish companies have established operations in Myanmar; several have explored business opportunities there and operate in the country through their bases in Southeast Asia. During the recent years, there has been tremendous international interest towards Myanmar, due to the considerable reforms and opening up of the economy. There is a lot of business potential in many sectors and the markets are promising. Finnish companies would be wise to explore that potential early on. The diplomatic mission of Finland in Yangon supports Finnish companies within the framework of Team Finland. Finpro's representative in Thailand promotes Finnish business interests in Myanmar

and strives to increase awareness about it. Finland has an Honorary Consul in Yangon who is also active in promoting economic relations.

Myanmar is still a largely untapped market for natural resources where business opportunities exist for Finnish companies in the technology industry, the service sector, health care and medical technology, tourism, green energy, and eco-construction. Problems with business activities in Myanmar relate to weaknesses in the operating environment and difficulties in money transactions, which the government is nonetheless seeking to correct through its reform policies.

### **Finland's priorities with regard to Myanmar**

- Strengthen political relations with Myanmar at every level.
- Support Myanmar's reform and peace processes, including democracy and national dialogue with the goal of achieving a lasting peace solution and a modern Constitution.
- Elevate Myanmar to become the third main development cooperation partner for Finland in Asia in accordance with the principles of the 2014 country programme. Support Myanmar with development cooperation in its transition towards a democratic rule-of-law state. Strengthen Myanmar's economic base, among other things, through better management of natural resources.
- Strengthen and stabilise trade relations. Support opportunities for market access and dismantle trade barriers.
- Identify prerequisites for and support cooperation in various fields, including health services and medical technology, renewable energy, mining, construction and tourism.
- Strengthen the Yangon liaison office to secure its effective functioning.

## Singapore

Population	5 469 000
Area (km <sup>2</sup> )	700
GDP (bn USD)	297.9
GDP per capita (USD)	55 180
GDP growth (%)	4.1
Finnish exports (MEUR)	293.0
Finnish imports (MEUR)	207.4

All figures from 2013

Source: World Bank, Finnish customs, Statistics Finland

Singapore is a dynamic city-state at the southern tip of the Malay Peninsula. Singapore's modern history dates back to 1819 when the British East India Company established a trading post there. Shortly thereafter, the whole of Singapore Island became a British colony and its rapid development began, for which an excellent starting point was a good port overlooking the world's busiest future maritime transport route, the Strait of Malacca. Singapore received self-government in the late 1950s and independence from Great Britain in 1963. After a short transition phase, in 1965 it withdrew from the present Malaysia and became the independent Republic of Singapore.

Singapore is a parliamentary republic. The unicameral Parliament has both elected and appointed members. Executive power rests with the government headed by the prime minister, and to some extent, the president. The judiciary is independent and highly qualified, but some penal practices such as corporal punishment for certain crimes have been criticised. A single party, the People's Action Party, whose leader Lee Kuan Yew became prime minister even before full independence in 1959, and who led the country until 1990, has held political power during the whole period of independence. Prime Minister Lee Hsien Loong, in office since 2004, is his son. During Lee Kuan Yew's and his successors' reigns Singapore has developed into a highly organised and disciplined society where corruption is very low and the business environment created by the government, such as infrastructure, legislation and its enforcement, public services, and taxation, is very favourable. However, Singapore's political system does not follow the western model of democracy in all respects.

Singapore is the world's eighth most prosperous country when measured by the GDP per capita, and the wealthiest in Asia. Services dominate the total output by a share of more than 70 per cent, and the remainder represents industrial production. Agriculture is virtually non-existent. Approximately 80 per cent of the permanently resident workforce is employed in services and the rest in industry. About 45 per cent of the workforce is non-Singaporean. Singapore also has a large number of temporary residents. The ethnic Chinese hold a strong position in the economy.

Singapore's industrial production, which consists to a large extent of the further processing of imported raw materials and semi-finished goods, includes, *inter alia*, consumer electronics, chemicals, information technology products, pharmaceuticals, oil drilling equipment, the processing and production of rubber and processed agricultural products. The country's economic foundation, however, is foreign trade and related services such as port and other transport services. The port of Singapore is the world's second largest. Singapore's airport, Changi, has repeatedly been voted the best in the world. Particularly important key service sectors are banking and other financial services. Singapore's service sector is, in all, very diversified. It is, among other things, quite the tourist attraction and for this purpose it is developing a variety of attractions, ranging from casinos to health care services. Likewise, Singapore has become a very important provider of educational services, especially for Asians. Many foreign companies from the United States, Japan and Europe, and other parts of Asia, are based in Singapore, and Singapore is a regional hub for many businesses. Singaporean companies as well as the Government of Singapore Investment Corporation are for their part comparatively large foreign investors in Asia.

Singapore is a member of the UN and most of the other international and Asian regional intergovernmental organisations. It strongly supports Southeast Asian economic integration pursued in the ASEAN framework, and has actively promoted cooperation between countries in Asia and beyond. The proposal for a Southeast Asian Community originally came from Singapore. Likewise, the idea for an Asia-Europe meeting, ASEM, originated in Singapore. Singapore's relations with other countries are generally good, although there are some historical tensions in its relations with some of its neighbours. Relations with China and the United States are close. Freedom of trade and investment is vital to Singapore, and so it actively advances these objectives both in multilateral

forums such as the WTO as well as regionally and bilaterally. It has signed several free-trade agreements and it is also involved in the TPP negotiations.

The EU is Singapore's second biggest trading partner after Malaysia. For the EU, Singapore is the largest trading partner in ASEAN and the 18<sup>th</sup> biggest globally. For many EU companies, Singapore is an Asia-Pacific regional centre or a logistics and distribution hub. An EU Centre has been established in Singapore aiming to raise awareness of the EU through education programmes, research, academic cooperation and public information campaigns. Negotiations between the EU and Singapore on a Partnership and Cooperation Agreement were completed in 2013, and on a comprehensive free trade agreement in 2014. Both agreements are yet to enter into force.

Finland established diplomatic relations with Singapore in 1973. An Embassy headed by an ambassador was set up in 1996. Political relations are good and free of problems. Singapore is Finland's largest trading partner in ASEAN with trade and other economic cooperation dominating the relationship. More than half of Finnish exports consist of machinery, equipment and means of transport. Other important export products include manufactured goods as well as chemicals and related products. Also 80 per cent of imports consist of machinery, equipment and means of transport.

As a dynamic hub of the world economy, Singapore is important for Finnish companies not only as a national market but as a regional gateway to Southeast Asian markets and beyond in Asia and the Pacific. More than 80 Finnish companies are based in Singapore. Finnish companies established in Singapore often operate in the entire Southeast and East Asia, and Australia. In addition to large companies, there are numerous small and medium-sized enterprises. In recent years, small information technology and games industry start-up companies have been interested in Singapore as a gateway to the Asian market.

Both Finland and Singapore are pioneers in IT technology, and they have also cooperated more generally in supporting research and innovation. Singapore is interested in Finnish know-how, as it has earmarked more government funding for research and innovation in recent years. Cleantech, and its applications, is a particularly promising field for technology cooperation. Since Singapore does not have significant natural resources, it is particularly interested in utilising renewable energy sources and improving energy efficiency.

The population is aging both in Singapore and Finland, and the need for health care services is growing. In both countries, the search is on for health care innovations that tap into new technologies.

Finnish educational know-how interests the Singaporeans. Both Singapore and Finland have been very successful in international student assessments. Since the countries' school systems are very dissimilar, they can learn from each other. Finnish higher education institutions are engaged in active cooperation with Singapore. It is the only Southeast Asian country with which Finnish student exchanges are reasonably balanced.

Construction technology is yet another area where Finnish companies' expertise can be utilised. In addition, both countries have been successful in the marine and shipbuilding industry. Singapore, a maritime nation and an observer in the Arctic Council, is interested in the utilisation of the Northeast Passage for international trade.

When the EU-Singapore Free Trade Agreement enters into force, it will further facilitate trade between Finland and Singapore. The stability of the Singaporean financial market as well as the lack of restrictive regulation attracts foreign businesses and investors. Furthermore, the availability of skilled labour, the lack of corruption, and the widely adopted English language has made Singapore one of the world's most important economic centres.

### **Finland's priorities with regard to Singapore**

- Increase foreign policy dialogue with Singapore at every level.
- Increase dialogue aimed at strengthening the dynamism of societies, and exchange the lessons learned. Increase cooperation in research and innovation between Finland and Singapore in particular in clean technologies, renewable energy and energy efficiency.
- Increase cooperation in the health sector and educational sector.

- Increase cooperation in marine industry and shipbuilding.
- Increase cooperation in construction.
- Increase cooperation in Arctic shipping and in the utilisation of the Arctic's natural resources.

## Thailand

Population	67 091 000
Area (km <sup>2</sup> )	513 000
GDP (bn USD)	387.3
GDP per capita (USD)	5 780
GDP growth (%)	2.9
Finnish exports (MEUR)	193.4
Finnish imports (MEUR)	240.0

All figures from 2013

Source: World Bank, Finnish customs, Statistics Finland

Thailand was the only Southeast Asian nation which managed to avoid becoming a colony by skilfully balancing between the British and French territorial ambitions. Thailand also began to drastically modernise its society and integrate into the international economy already in the mid-1800s. During World War II, Thailand was formally allied with Japan, and at war with Great Britain and the United States, but in reality it can be considered to have been occupied by Japan.

Thailand was an absolute monarchy until 1932 when a bloodless coup took place which resulted in the transition to a constitutional monarchy. After World War II, Thai political life has been marked by alternating military regimes, states of emergency and civilian governments.

Thailand's most recent situation has been characterised by Prime Minister Thaksin Sinawatra's term in office (2001–2006) that ended in a military coup

and his exile in 2006. This was followed by the electoral victory of his re-named party and the appointment in 2011 of a government led by his sister, which led to large-scale protests staged by political opponents. These again resulted in a new military coup in May 2014. An exceptional feature in the situation has been the fact that not only the military and the conservative elites but also the urban middle class have taken a stand against the majority that the party won in elections and the party's democratic governing mandate. This illustrates the division and the unresolved problems in Thai society. The resolving of these problems would be an integral part of the internal reconciliation, return to democracy and stabilization of Thailand in the long term.

In Thailand's three southernmost provinces, where the population is predominantly Muslim, there is a smouldering conflict. Its roots go back to the annexation of the independent sultanate of Pattan to Thailand in 1909. The conflict flared up again in 2004 after a long quiet period and efforts to calm it down have not succeeded. Thousands of people have lost their lives and human rights violations have also been committed during the state of emergency in the area.

Thailand is a relatively prosperous Southeast Asian country and has been one of the most developed economies in the region for a long time. Services and industrial production are roughly equal, 43 to 44 per cent of the total output; agriculture represents about 12 per cent. Agriculture employed approximately 38, industry 14 and services 48 per cent of the labour force. The main industries are tourism, textiles and clothing, processed agricultural products, tobacco, cement, precious stones, electrical equipment, computers and integrated circuits, furniture, plastics, automobiles, and automotive parts. Thailand is the second largest tungsten and the third largest tin producer in the world. Negative phenomena such as prostitution and human and drug trafficking have also gained a foothold around the large tourist industry. Thailand's textile and canning industries employ around two million migrant workers, but their vulnerable situation and working conditions have also become the focus of international attention and criticism.

Thailand's infrastructure is well developed and its economic policies are based on free enterprise and the creation of a favourable investment climate as well as a strong export industry. Economic growth has been quite rapid in the long



term. Political unrest and the military coup in 2014 affected the most recent economic developments and prospects so that current forecasts estimate less than three per cent growth.

Thailand is a member of the UN and most of the other international and Asian regional intergovernmental organisations. Thailand's Supachai Panitchpakdi has been Secretary-General of both the WTO and the UNCTAD. Thailand supports the strengthening of ASEAN. It has since World War II had a close relationship with the United States, which had troops in the country until the mid-1970s. Thailand has participated in the military operations in Afghanistan and Iraq, and the United States has granted it a non-NATO allied country status. Thailand's relations with China were severed in the early years of the Cold War, but have since evolved into a strategic partnership. Thailand has good relations with its neighbours, although tensions have surfaced regarding the repatriation of Lao and Myanmar refugees and with Cambodia on the Prear Vihear temple situated in their border region.

Thailand lost the EU's GSP benefits as of 2015 because it had become an upper middle-income country. The EU and Thailand are negotiating on a bilateral free trade agreement. After the 2014 coup, the EU has frozen political-level interaction with Thailand's military junta, but technical cooperation between them continues.

Finland established diplomatic relations with Thailand – known as Siam at that time – in 1954. There has been an Embassy headed by a resident ambassador in Bangkok since 1986. Bilateral relations are problem-free. Nevertheless, in accordance with the EU's guidelines Finland has frozen political-level interaction with Thailand. Technical cooperation continues. In addition to relations at the government level, tourism upholds Thai-Finnish contacts, Thailand having become one of the most important travel destinations for Finns. Some 160 000 Finns visit Thailand annually. Approximately two thousand Finns reside permanently in Thailand and about 8,000 Thais in Finland. In addition, temporary labourers arrive in Finland annually, mainly to pick berries. In 2004, a devastating earthquake and the ensuing tsunami in the Indian Ocean touched the Finns specifically through Thailand because 179 Finnish tourists in Thailand were killed or went missing.

Thailand is Finland's second most important trading partner in Southeast Asia. Forest industry products have played a key role in the trade, but in recent years, trade in services has grown in importance. About 40 Finnish companies are established in Thailand, and the total value of their investments in Thailand is approximately €1 billion. In Thailand Finland is regarded as a model country to learn from in technology, especially green technologies, and innovations. Also, opportunities to cooperate in energy saving and the environment are of interest to Thailand. Promising economic cooperation exists in education, cleantech and the life science-sector. These are also the priorities of cooperation for Team Finland in Thailand. In addition, elderly care, health tourism and lifestyle disease prevention constitute a potential growth area for the health sector. There is increasing interest in Thailand among retiring Finns who need health care services.

Tourism and job-seekers have increased the need for a variety of consular services in Thailand. These include the issuance of visas, residence permits and related services as well as the services required by the increasing number of marriages between Finns and Thais.

### **Finland's priorities with regard to Thailand**

- Continue political dialogue with Thailand when the conditions again make it possible.
- Support and, when possible, contribute to balanced social developments in Thailand, including the return to democracy, strengthening human rights and social dialogue as well as alleviation of social problems like human trafficking and sub-standard labour conditions.
- Encourage Thailand to resolve its cross-border problems.
- Intensify trade relations, support opportunities for market access and dismantle trade barriers. Ensure equal treatment of Finnish companies operating in Thailand.

- Intensify cooperation in the field of energy, in particular in energy saving and in clean technologies.
- Intensify cooperation in health care, including elderly care, health tourism, lifestyle diseases and life sciences.
- Intensify cooperation in education and increase educational exports.
- Attract investments to Finland.

## Vietnam

Population	91 519 000
Area (km <sup>2</sup> )	331 000
GDP (bn USD)	171.4
GDP per capita (USD)	1 910
GDP growth (%)	5.3
Finnish exports (MEUR)	89.3
Finnish imports (MEUR)	140.9

All figures from 2013

Source: World Bank, Finnish customs, Statistics Finland

Vietnam is located on the eastern side of the Indochina Peninsula. In 1945 Vietnam declared independence under the French colonial rule, but South and North Vietnam were finally merged into a single Communist Party state in 1976 after the Vietnam War.

The party still rules Vietnam and no major changes to its basic political line are expected in the impending generational change. The party's control affects all levels of the legislative, administrative and judiciary branches as well as state-owned enterprises. The party's dominance is based on legitimacy acquired in the independence struggle and victory in the Vietnam War, and on the subsequent good economic development which has reduced poverty significantly, to less than 10 per cent of the population.

Since the mid-1980s, the party has been engaged in reform policy, transforming planned economy structures towards a market economy by allowing private ownership, dismantling regulation and allowing and attracting foreign investment. In strategically important sectors, however, state control has been maintained. Vietnam's economic growth picked up significantly thanks to the reforms and has grown at the rate of 5–6 per cent annually in recent years. The actions of foreign companies account for about two-thirds of Vietnamese exports. Foreign direct investment in Vietnam has been approximately \$10 billion annually in recent years. Japan is the largest investor, followed by Singapore, South Korea and Taiwan. The colourful Vietnam draws business world's interest.

The share of agriculture in Vietnam's total output is just below 20 per cent, that of industry 38 and services 42 per cent. Of the labour force 48 per cent is employed in agriculture. Key sectors of production include processed food, clothes, shoes, machinery, mining, coal, steel, cement, fertilizer, glass, tyres, oil, and mobile phones. Vietnam achieved a lower middle-income country status in 2010 and is striving for an industrialised country status by 2020. Shortcomings in infrastructure, education, social welfare and health systems, require development measures. Battling corruption is crucial and unprofitable state-owned enterprises pose a challenge and also exacerbate the difficulties of the banking system. Rising sea levels brought about by climate change would, according to estimates, have dramatic consequences in Vietnam.

As Vietnam's economic growth has picked up, income inequality has also increased. The ethnic minorities living in rural areas are in the most disadvantaged position and in need of support; their educational level is low and business opportunities are limited. There is still much room for improvement as regards the materialization of human rights in Vietnam, which is a central challenge for the country's future development. Political dissidence and independent civil activism is being limited.

Vietnam is a member of the UN and most of the other international and Asian regional intergovernmental organisations. It acceded to the WTO in 2007. ASEAN is an important frame of reference for Vietnam, within which it has also resolved outstanding disputes with its neighbouring countries. In its foreign policy Vietnam is participating more actively in international activities. It also

started to participate in UN peacekeeping operations by deploying personnel to the mission in South Sudan in 2014. Vietnam's historically most important neighbouring country has been, and still is, China. Stressing its cultural and political independence in relation to China is an essential part of Vietnam's national identity. The communist social order and the common interests during the Vietnam War brought the two countries closer together, but this has not prevented tensions from erupting, even to the point of war. In 1979 China and Vietnam fought a short war, the underlying cause for which was China's dissatisfaction with Vietnam's invasion of Cambodia. Later Vietnam modelled its own economic reforms on China, and economic interaction between the countries has grown rapidly. On the other hand, China and Vietnam are at odds regarding the South China Sea territorial disputes. Vietnam-US relations were cold for a long time after the Vietnam War, but have since thawed. Diplomatic relations were established in 1995, followed by a bilateral trade agreement and later Vietnamese participation in the TPP project. During the Vietnam War the Soviet Union was Vietnam's most important ally, and relations with Russia are also good.

Vietnam has been one of the largest recipients of international development assistance, but since it became a lower middle-income country in 2010 most donor countries are bringing their development cooperation programmes to an end and are moving on to commercial relations. The bulk of development financing to Vietnam has been in the form of concessional credits. Foreign direct investments received by Vietnam are much larger than development assistance. Also the remittances of Vietnamese individuals residing abroad are significant. The largest development donors to Vietnam are Japan, the World Bank and the Asian Development Bank.

The EU is Vietnam's second-largest trading partner after China and the second largest export market after the United States. The free trade agreement between the EU and Vietnam, still being negotiated, as well as the TPP agreement would further increase the attractiveness of Vietnam as a market and target of investment. The expectation is that the agreements will gradually improve the Vietnamese business environment, which is now at an average global level. In recent years, the EU and its Member States have been Vietnam's largest grant-based donors, but their assistance is declining. During 2016–2020 EU support

will focus on good governance, energy and climate change issues. Vietnam is also the EU's GSP beneficiary.

Finland and Vietnam established diplomatic relations in 1973. An Embassy headed by an ambassador has operated in Hanoi since 1974. The extremely good bilateral political relations are based on more than 30 years of development cooperation. Vietnam's economic opening up and rapid economic growth have created the prerequisites for diversifying relations in a situation where also Finland's development cooperation funding to Vietnam will gradually diminish. Trade and economic issues will become the point of emphasis in bilateral relations with the populous and economically developing Vietnam. The aim is to create the best possible conditions for the decades-long cooperation to lay the foundation for increasing collaboration between the two countries in as many fields as possible, such as education, research, culture, economy and trade. The Finnish, and the Nordic, society can provide useful examples to Vietnam as regards courses of action in different areas.

Trade between Finland and Vietnam has grown rapidly in recent years. The trade is, however, modest compared to the size of the Vietnamese market. The majority of Finnish exports to Vietnam are machinery and equipment, but also wood, paper, iron and steel are exported. From Vietnam Finland imports footwear, furniture, textiles and clothing, and office supplies.

Approximately 70 Finnish companies are established in Vietnam. Whereas a few dozen operate on a permanent basis, the rest have organised their presence through sales representatives or other arrangements. A number of Finnish universities, institutes and NGOs cooperate with Vietnamese partners. Vietnam is home to 130 Finns, in addition to which an estimated 11 000-12 000 Finnish tourists visit the country annually. This number will likely continue to grow. In Finland, there are about 7 500 Vietnamese speakers, most of whom are Finnish citizens.

Vietnam's business environment is demanding, and it takes time and resources to set up a business there. However, if the effort is successful, the potential is high. Among other things Vietnam needs expert and design services, better energy efficiency, information technology and automation as well as intelligent water management and waste treatment solutions, and urban planning. There

are also great demands in the education and health sectors, food safety, cyber security as well as in agriculture and forestry. Growth in consumption and retail trade can open business opportunities for Finnish actors.

Active work is being done to awaken Finnish companies and other parties to the opportunities in Vietnam. High-level visits are an excellent way to open doors in Vietnam, and the same applies to the prestige services of the Embassy. It is important to identify and foresee those events in which Finnish operators should be visible in Vietnam. In Finland such services and financial channels must be provided to companies that enable them to create partnerships and to compete with companies from other countries in both public and private procurement. In addition, cooperation between universities and other public institutions as well as among civil society and cultural actors is important. Of the foreigners studying in Finnish universities and universities of applied sciences, the nearly 1,400 Vietnamese students form the third largest group. The objective is to intensify alumni activities among them because the vast majority of them return home. Vietnam has also become an interesting destination of student exchanges for Finnish students.

The priorities of the action plan for Team Finland in Vietnam are education and learning, the manufacturing industry and related information technology, digitalisation, and clean technologies. Also the Finnish Water Forum, together with Finnish companies, promotes water management cooperation in Vietnam.

Vietnam has been one of the main target countries of Finland's development cooperation since the late 1970s. All in all, Finland has allocated approximately €370 million to Vietnam in development assistance financing. The bilateral cooperation programmes will be concluded by 2018. At present the cooperation focuses on forestry and information economy as well as water management. Concrete projects include the building of a modern forest management information system (FORMIS), developing water management in small cities and the Finnish-Vietnamese innovation partnership programme (IPP). The concessional credits to Vietnam amount to nearly €180 million. In addition, Finland has supported increasing the use of renewable energy and energy efficiency in Vietnam through the Mekong region energy and environment partnership programme.

## **Finland's priorities with regard to Vietnam**

- Continue with political dialogue at the political and public servant level.
- Support social and human rights development and make available Finnish lessons learned as necessary.
- Support the development of Vietnam towards an open civil society and competitive economy through development cooperation, with an emphasis on environmental and climate sustainability.
- Create prerequisites for a successful transition from development cooperation to trade and economic cooperation and other mutually beneficial cooperation.
- Deepen trade relations, support opportunities for market access and dismantle trade barriers. Ensure equal treatment of Finnish companies operating in Vietnam.
- Develop cooperation especially in information technology and information security, automation, energy sector, clean technologies (especially in water technology and waste management), urban planning, education sector, health sector and agriculture and forestry
- Develop crisis management cooperation.



# ANNEX 1 Statistics on Southeast Asian Countries

## Population and the economy

Country	Population	GNP	GNP p.c.	Growth %
Brunei	415 700	16.1	38 600	1.4
The Philippines	105 720 000	272.0	2 800	6.8
Indonesia	253 198 000	868.4	3 480	5.3
East Timor	1 172 000	6.1	5 200	8.1
Cambodia	15 206 000	15.3	1 000	7.0
Laos	6 804 000	11.1	1 650	8.3
Malaysia	30 090 000	312.4	10 510	4.7
Myanmar	51 400 000	59.4	1 150	6.8
Singapore	5 469 000	297.9	55 180	4.1
Thailand	67 091 000	387.3	5 780	2.9
Vietnam	91 519 000	171.4	1 910	5.3

Data from 2013, USD billion (GNP) and USD (p.c.). Source: World Bank

## Development indices

Country	HDI	Gini	DB	CPI ranking	CPI Index
Brunei	0.852	...	98	...	...
The Philippines	0.660	44.8	86	85	38
Indonesia	0.684	36.8	117	107	34
East Timor	0.620	31.9	174	133	28
Cambodia	0.584	37.7	134	156	21
Laos	0.569	36.7	155	145	25
Malaysia	0.773	46.2	20	50	52
Myanmar	0.524	...	178	156	21
Singapore	0.901	46.3	1	7	84
Thailand	0.722	39.4	28	85	38
Vietnam	0.638	37.6	72	119	31

Data from 2013, Gini data from various years, corruption ranking and index 2014

Sources: UNDP, World Bank, Transparency International

## Foreign trade

Country	Exports	Imports	Trade balance
Brunei	9 639.3	4 111.7	5 527.6
The Philippines	59 654.9	68 348.0	-8 693.1
Indonesia	161 971.6	175 587.5	-13 616.0
East Timor	26.8	541.3	-514.5
Cambodia	5 327.3	6 988.1	-1 660.8
Laos	1 817.1	2 543.8	-726.7
Malaysia	200 951.0	178 128.1	22 823.0
Myanmar	7 104.3	7 942.6	-838.3
Singapore	445 950.1	392 081.8	53 868.3
Thailand	223 813.7	213 817.5	9 996.2
Vietnam	101 265.9	95 373.8	5 892.1

Data from 2013, MEUR. Source: World Bank, CIA World Factbook

## Finland's trade, goods and services combined

Country	Exports	Imports	Trade balance	Import penetr. %
Brunei	0.3	0.0	0.3	0.008
The Philippines	170.2	142.8	27.4	0.249
Indonesia	136.1	124.9	11.3	0.078
East Timor	0.03	0.06	-0.03	0.005
Cambodia	0.2	24.6	-24.40	0.003
Laos	4.5	0.5	4.0	0.178
Malaysia	244.1	180.3	63.8	0.137
Myanmar	2.1	0.6	1.5	0.027
Singapore	293.0	207.4	85.6	0.090
Thailand	193.4	240.0	-46.6	0.075
Vietnam	89.3	140.9	-51.6	0.094

Data from 2013, MEUR  
Source: Finnish Customs

## Finland's trade, goods

Country	Exports	Imports	Trade balance
Brunei	0.3	0.0	0.3
The Philippines	139.1	124.6	14.3
Indonesia	136.1	124.9	11.3
East Timor	0	0	0
Cambodia	0.2	24.6	-24.4
Laos	0.6	0.4	0.2
Malaysia	225.7	149.3	76.4
Myanmar	2.1	0.5	1.5
Singapore	231.2	118.9	112.3
Thailand	161.5	233.5	-72.0
Vietnam	89.3	136.2	-46.9

Data from the year 2013, in MEUR

Source: Finnish Customs

## Finland's trade, services

Country	Exports	Imports	Trade balance
Brunei	0	0,0	0,0
The Philippines	31.1	18.2	12.9
Indonesia	0	0	0
East Timor	0	0	0
Cambodia	0	0	0
Laos	3.9	0.1	3.8
Malaysia	18.4	31.0	-12.6
Myanmar	0.0	0.1	-0.1
Singapore	61.8	88.5	-26.7
Thailand	31.9	6.5	25.4
Vietnam	0	4.7	-4.7

Data from the year 2013, MEUR

Source: Finnish Customs

## Number of exchange students

### From Finland

Year/country	2004	2005	2006	2007	2008	2009	2010	2011	2012	2013
Brunei	...	...	...	...	...	...	...	...	...	...
The Philippines	2	3	8	3	9	6	6	7	11	8
Indonesia	4	1	2	4	10	51	127	139	108	108
East Timor	-	-	-	-	-	-	-	-	-	-
Cambodia	2	1	-	2	-	2	3	2	2	-
Laos	1	-	-	2	4	2	-	3	-	1
Malaysia	118	139	142	100	137	153	97	74	94	109
Myanmar	1	-	-	-	-	1	-	-	1	-
Singapore	63	46	53	57	52	69	89	85	92	104
Thailand	114	115	131	127	229	328	323	278	230	292
Vietnam	32	21	30	30	43	48	80	72	68	105

### To Finland

Year/country	2004	2005	2006	2007	2008	2009	2010	2011	2012	2013
Brunei	...	...	...	...	...	...	...	...	...	...
The Philippines	-	-	-	-	-	-	-	-	1	-
Indonesia	2	-	6	1	-	1	3	2	2	6

Source: CIMO

### Students aiming at a degree in Finland, 2013

Brunei	-
The Philippines	48
Indonesia	57
East Timor	-
Cambodia	-
Laos	-
Malaysia	35
Myanmar	3
Singapore	21
Thailand	59
Vietnam	1378

Source: CIMO

## **ANNEX 2 Actors in cooperation between Finland and Southeast Asia**

**(the list is incomplete)**

### **Ministry for Foreign Affairs**

- Unit for Eastern Asia and Oceania
- Civil Society Unit

### **Finnish Diplomatic Missions**

- Embassy in Bangkok, Thailand (ambassador also accredited to Lao PDR, Cambodia and Myanmar)
- Embassy in Hanoi, Vietnam
- Embassy in Jakarta, Indonesia (ambassador also accredited to East Timor)
- Embassy in Kuala Lumpur, Malaysia (ambassador also accredited to Brunei Darussalam and The Philippines)
- Embassy in Singapore, Singapore
- Liaison Office of Finland in Yangon, Myanmar
- Consular Office in Manila, The Philippines

### **Southeast Asian countries having an Embassy in Helsinki**

- Indonesia, Malaysia, Thailand, Vietnam

## **Accredited from elsewhere to Finland**

- From Berlin: Myanmar
- From London: Cambodia
- From Oslo: The Philippines
- From Stockholm: Lao PRD

## **Finland's Honorary Consuls (2014)**

Brunei Darussalam (1), The Philippines (1), Indonesia (1), Lao PDR (1), Malaysia (2), Myanmar (1), Thailand (2), Vietnam (1)

## **Honorary consuls of Southeast Asian countries in Finland**

The Philippines (2), Indonesia (1)

## **Economic and trade entities**

- Finpro: Trade centres in Bangkok, Ho Chi Minh City, Jakarta, Kuala Lumpur and Singapore. Cooperation based on an agreement between the Ministry and Finpro and on local agreements in the countries concerned. Embassies and trade centres act as mentors for local Finnish or Nordic trade associations.
- Finpro is Team Finland's partner for Finnish companies. The Team Finland network promotes Finland and its interests abroad: Finland's external economic relations, the internationalisation of Finnish enterprises, foreign investment in Finland and the country brand.

- The Finnish Water Forum and its members are active especially in Vietnam. Also Finnish Information Security Cluster and Food Safety Management Finland look for cooperation opportunities.
- Business organisations and groups as well as major companies operating in the region; in particular the Confederation of Finnish Industries that participates in coordinating high-level visits.
- The Finland-ASEAN Trade Association promotes Finnish-ASEAN trade and related cooperation in the commercial, technical and other fields.
- Finnish and Nordic chambers of commerce and trade associations in the countries concerned.
- Finnfund provides funding for companies operating in or being founded in developing countries. The Finnpartnership programme offers services for both Finnish and domestic companies in the target countries.

### **Education and research entities**

- Ministry of Education and Culture
- National Board of Education
- Finnish Academy, Finnish Funding Agency for Technology and Innovation (TEKES), VTT and the Finnish Innovation Fund (SITRA) all have interests and contacts in the region in the fields of research and innovation.
- Finnish universities and vocational training institutions have both research and training cooperation with corresponding institutions in the region. They can take an active role in educational exports. Active Finnish actors include, for instance,
  - University of Helsinki
  - Aalto University
  - University of Turku.

- The Asia network of universities brings together academic Asia research.
- The educational exports network Future Learning Finland (UniPID) is a development research network comprising ten Finnish universities coordinating the Finceal project, financed by the Ministry of Education and Culture. Its aim is to increase cooperation with Finnish researchers (and companies) in Latin America, Africa and Asia.
- The Centre for International Mobility (CIMO) is an expert and service organisation for international mobility and cooperation. It cooperates with universities, authorities and organisations responsible for exchange abroad and with Finnish diplomatic missions and cultural institutes. CIMO is also linked to the North-South-South Higher Education Institution Network Programme, which supports cooperation between Finnish and developing countries' higher education institutes.
- ASEAN-EU Cooperation in Science, Technology and Innovation

### **Development cooperation entities**

- Finnish AEPF (Asia-Europe People's Forum) Network
- KEPA (Development cooperation service centre)
- SASK (Trade Union Solidary Centre of Finland)
- International Solidarity Foundation
- Finn Church Aid
- Finnish Evangelical Lutheran Mission
- Free Church Federation of Finland
- Evangelical Free Church of Finland



- Finnish Red Cross
- *Lääkäriin sosiaalinen vastuu* (Physician's social responsibility)
- *Kehityksmaayhdistys Pääskyt* (Pääskyt developing country association)
- Emmaus Helsinki
- Finnish Children and Youth Foundation
- Taksvärkki – Operation a Day's Work Finland
- Caritas Finland
- Plan Finland Foundation
- Feminist Association Union
- World Vision Finland
- All Our Children
- *Parasta lapsille* (Best for Children) Association
- Findeco – Finnish development cooperation association
- Siemenpuu Foundation
- *Uusi Tuuli* (New Wind) association
- Peace Union of Finland
- Finnish Refugee Council
- The Abilis Foundation

## Friendship societies and other organisations

- Friendship groups of Finnish Parliament
- Finnish-Philippine Society
- Finnish-Philippine Association
- Cambodia Friendship Association
- Finland-Malaysia Association
- *Thai-Kummit ry* (Thai Godparents Association)
- The Finnish Thai Association
- *Espoon vietnamilais-suomalainen yhdistys ry* (Espoo's Vietnam-Finland Association)
- *Suomen Vietnamilainen yhdistys ry* (Finnish-Vietnamese Association)
- *Vietnam-seura ry* (Vietnam Society)



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