




ASOCIO VISION 2020

— Rising role of Asia-Oceania —

Asian-Oceanian Computing Industry Organization (ASOCIO)



3. Global Trade

Increasing share in world trade

Asia's Share in World Exports

Sources: Monetary Authority of Singapore, KPMG Analysis

1. GDP Trends in Asia-Oceania

Dominance in world GDP

Asia's Share in World GDP



Global Top 10 GDP economies
- Asia consist 3 (Japan, India & China)

Percentage of Global GDP
- 19% in 1980 → 35.7% in 2005

China & India
- lead the growth in Asian economies

Global GDP in 2020
- Asia's share rise to 43.2%

Sources: EIU Foresight 2020 Report, KPMG Analysis

4. Labour Population

Demographic dividend

Asia's Population Dynamics

Share in World Population	2005	2020
Population aged 15-24	59%	56%
Population aged 15-64	59%	58%
Population	58%	57%


In 2005, Asia accounted for 59% of the global labour population (age 15 to 64)

※ Increased between 2005 – 2020

China 65 million
India 120 million
US 20 million

▲ EU 26 million - Decline

Sources: UN, KPMG Analysis



2. GDP per capita Growth

Expanding regional income

GDP Per Capita Growth


Region	Annual Average Growth (2006-2020)
Asia	4.9%
EU25	2.1%
World	3.5%
US	2.9%

Annual Average GDP Growth
4.9% - Asia
3.5% - Global
2.9% - US
2.1% - EU

※ Growth of Annual Income during the period
2005 → US \$ 4,775
2020 → US \$ 8,476

Reduce of economic gap between Asia and the West

Sources: EIU Foresight 2020 Report, KPMG Analysis



5. Share of Ageing Population

Ageing Trend in Selected Asian Countries

Most developing countries in the region are making the transition at much faster rate

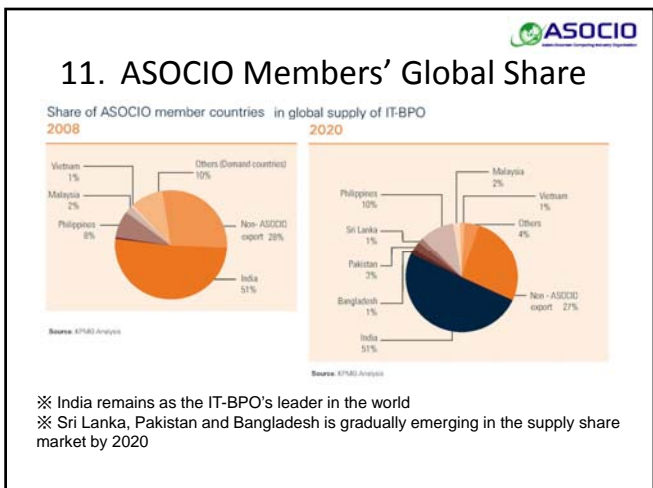
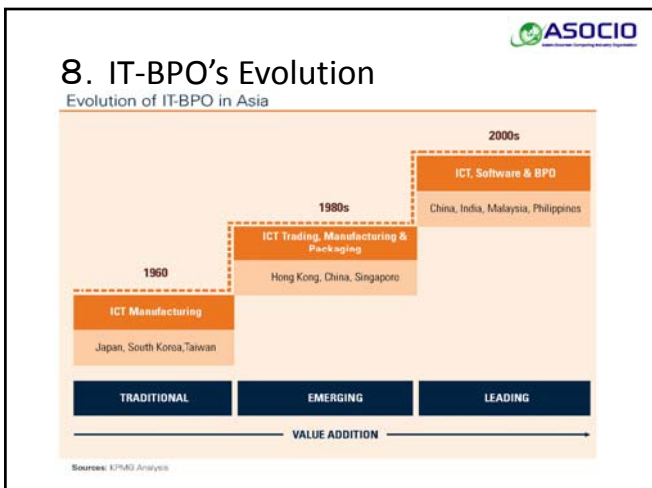
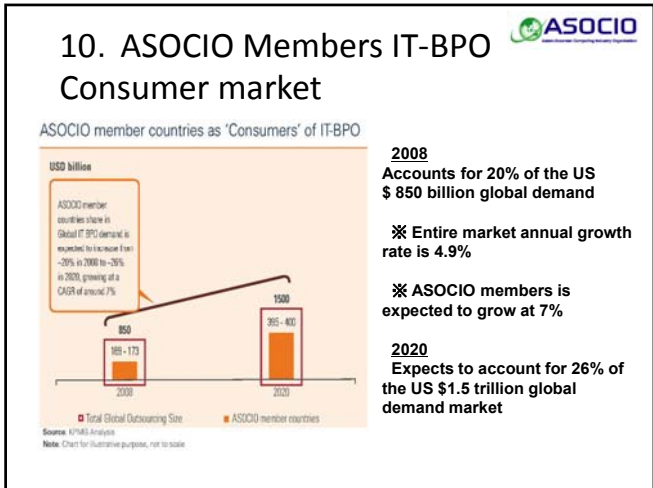
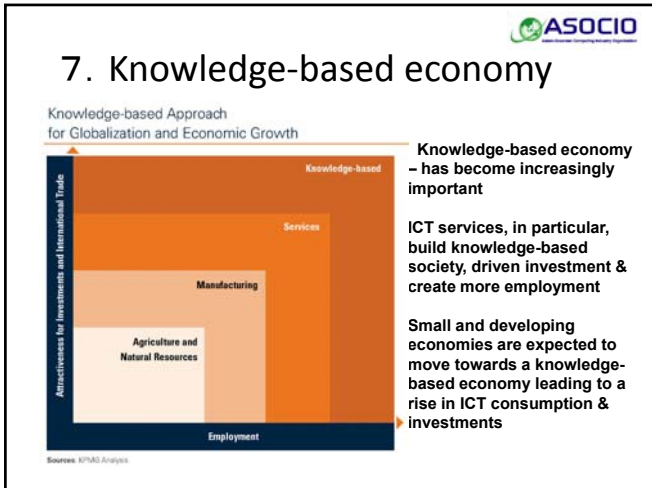
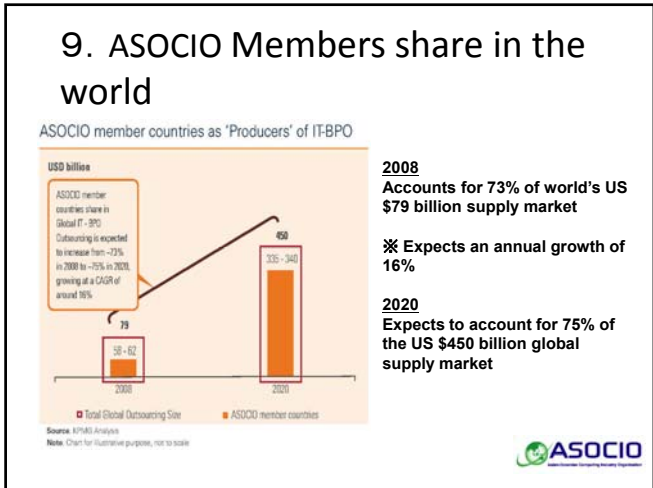
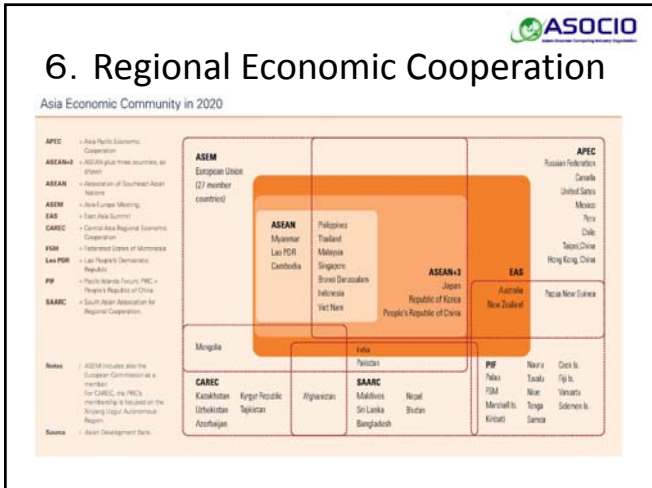
Asia is expected to account for 30% of the global elderly population in 2025

Proportion of aged over 65
2005 – 6.4%
2025 → 10.1%

Ageing process is more rapid than Europe (though may not be an immediate issue)

Japan, Singapore, Hong Kong are expected to have much higher ageing population

Sources: IMF, UN, CIA, World Bank, ILO, UNFPA, UNICEF, UN Women, UN Women eLibrary



12. ASOCIO Members' Global Share(2)

Share of ASOCIO member countries in global demand of IT-BPO

Source: KPMG Analysis

※ In 2008, Japan is the largest amongst the consumer economies in the ASOCIO region
 ※ By the year 2020, overall market will expand. The relative share of market demand from the developed economies will shrink. Smaller economies like India, Thailand is expected to increase

15. Bangladesh CAGR: 17~23%

Bangladesh IT-BPO Industry 2020

Source: KPMG Analysis

Bangladesh implements 'Digital Bangladesh' for 2021 at its 50 years independence. The policy aims to expand and diversify the use of ICT and to support the national goal of becoming a middle-income economy within 10 years and join the ranks of developed economies of the world within 30 years.

13. ASOCIO 2020 Forecast on Major Economies

Introduction to the expected IT-BPO growth in ASOCIO major economies

In principle, the graph in following few pages shows the

- Results in 2008
- Forecast of "As Is Scenario" or "normal growth" for 2020
- High growth Forecast for 2020

CAGR (Compound Average Growth Rate)

16. Hong Kong CAGR: 5~7%

Hong Kong IT-BPO Industry - 2020

Source: KPMG Analysis

The development of IT-BPO industry is important to retain Hong Kong's position as a global center for business. Realizing this, Hong Kong envisions to become a leading digital city by setting out the Digital 21 IT Strategy.

14. Australia CAGR: 4~5%

Australia IT-BPO Industry 2020

Source: ACS, KPMG Analysis

Australia's Digital Economy Strategy is expected to drive the future prosperity for the IT-BPO Industry. ICT is expected to play an increasingly central role across businesses and industry under the National Digital Economy strategy.

17. India CAGR: 13~15%

India IT-BPO Industry - 2020

Source: KPMG Analysis

India is considered to be a favorable IT-BPO location because of its sustained cost competitiveness, experienced and large labor force. However, the Indian IT-BPO industry is now expected to evolve further due to the radical changes in global economic environment and growing sophistication of customer needs.

18. Indonesia CAGR: 8~15%

Indonesia IT-BPO Industry - 2020

Year/Scenario	Value (USD bn)	CAGR (%)
2008	1.8	-
2020 - 'Base-Case' Scenario	4.6	8%
2020 - 'Optimistic' Scenario	9.7	15%

Source: KPMG Analysis

Indonesia aims to become a developed economy by implementing ICT 2025 vision: "Prosperous information society through the implementation of an effective and efficient ICT within the Republic of Indonesia". The vision is focused on three pillars of Information Infrastructure Development; Regulation, Incentive system and Institutions Convergence and ICT Human Resource development.

21. Malaysia CAGR: 8.3~13.6%

Malaysia IT-BPO Industry 2020

Year/Scenario	Value (USD bn)	CAGR (%)
2008	2.7	-
2020 - 'Base-Case' Scenario	7.1	8.3%
2020 - 'Optimistic' Scenario	12.7	13.6%

Source: KPMG Analysis

Malaysia has envisioned a technologically advanced society and a technologically enabled government through its Vision 2020. The 8th Malaysian Plan and the Knowledge-Based Economy Master plan aims to drive transformation of the economy through innovation, knowledgeable and skilled human capital as well as wide-spread use of technology, in particular information and communication technology (ICT)

19. Japan CAGR: 3~4%

Japan IT-BPO Industry - 2020

Year/Scenario	Value (USD bn)	CAGR (%)
2008	104.5	-
2020 - 'Base-Case' Scenario	149.3	3%
2020 - 'Optimistic' Scenario	175.3	4%

Source: KPMG Analysis

Japan is planning to fostering innovations and strengthening international competitiveness and the foundation of an advanced IT-enabled society. The i-Japan (formerly e-Japan) focus on three areas; promotion of e-Government, devising countermeasure against internet crime and promotion of Green IT .

22. New Zealand CAGR: 5~6%

New Zealand IT-BPO Industry - 2020

Year/Scenario	Value (USD bn)	CAGR (%)
2008	2.9	-
2020 - 'Base-Case' Scenario	5.1	5%
2020 - 'Optimistic' Scenario	5.8	6%

Source: KPMG Analysis

In 2005, the economy made a significant progress through its Digital Strategy. This strategy identifies new legislation and funding opportunities, and aims to make New Zealand a world leader in using information and technology' to realize its economic, social, environmental and cultural goals, to the benefit of its people.

20. South Korea CAGR: 8.9~11.8%

South Korea's IT-BPO Industry - 2020

Year/Scenario	Value (USD bn)	CAGR (%)
2008	10.5	-
2020 - 'Base-Case' Scenario	29.3	8.9%
2020 - 'Optimistic' Scenario	40.2	11.8%

Source: FGI, KPMG Analysis

The "New IT Strategy" announced in 2008 aims to promoting the IT industry, convergence, business, society and individual life. It identifies auto-electronics as an important industry and aims to seize 10 percent (about USD 4 billion) of the world's automotive electronics and IT market by 2010. It also calls for improving energy efficiency by 20% through the development of energy-saving products and use of large building energy management systems based on advanced network technology such as ubiquitous sensor networks.

23. Pakistan CAGR: 19~24%

Pakistan's IT-BPO Industry 2020

Year/Scenario	Value (USD bn)	CAGR (%)
2008	1.7	-
2020 - 'Base-Case' Scenario	13.8	19%
2020 - 'Optimistic' Scenario	22.7	24%

Source: KPMG Analysis

Pakistan's IT Policy is envisioned to harness the potential of the Information Technology as a key contributor to a sustainable development of Pakistan. The IT Action Plan is an integral part of the IT Policy that provides a framework for implementation of the IT Policy which includes priority areas like human resources, infrastructure, software and hardware industry development, the internet, incentives, IT promotion and adoption, and regulations.

24. Philippines CAGR: 15~22%

Philippines IT-BPO Industry 2020

Year/Scenario	Value (USD bn)	CAGR (%)
2008	6.1	-
2020-Base-Case Scenario	31.5	15%
2020-Optimistic Scenario	45.0	22%

Source: KPMG Analysis

Industry stakeholders, including the Philippines government, aim to build and sustain an environment which can result in further expansion of the IT-BPO industry and help the Philippines to retain and grow market share in the global IT-BPO market.

27. Taiwan CAGR: 10.5%

Taiwan's IT-BPO Industry 2020

Year/Scenario	Value (USD bn)	CAGR (%)
2008	9.3	-
2020-Projected Scenario	31.3	10.5%

Source: KPMG Analysis, CISA

Taiwan's goal by 2020 is to attract more hardware companies to invest and develop IT software and services businesses to strengthen the competitiveness of the IT service industry. It aims to become one of the major IT software and services suppliers in Asia Oceania. "Intelligent Taiwan" goal aims to achieve balanced development between the living environment and industry for the next 10 years.

25. Singapore CAGR: 6~8%

Singapore IT-BPO Industry 2020

Year/Scenario	Value (USD bn)	CAGR (%)
2008	13.8	-
2020-Base-Case Scenario	26.4	6%
2020-Optimistic Scenario	34.4	8%

Source: KPMG Analysis

Under the iN2015 plan, Singapore aims to be a leader in the world in harnessing ICT. The plan aims to create 80,000 additional jobs, 90% home broadband usage, 100 percent computer ownership for all homes with school-going children, three-fold increase in infocomm export revenue to USD 42.4 Billion (SGD 60 Billion) and two-fold increase in the value-add of the infocomm industry to USD 18.4 Billion (SGD 26 Billion).

28. Thailand CAGR: 9.3~13%

Thailand's IT-BPO Industry 2020

Year/Scenario	Value (USD bn)	CAGR (%)
2008	2.6	-
2020-Base-Case Scenario	7.8	9.3%
2020-Optimistic Scenario	8.2	13.0%

Source: KPMG Analysis, ATCI

The Second ICT Master Plan (2009-2012) develops strategies that focus on improving the labor force to support a knowledge and innovation-based society, developing ICT infrastructure, enhancing competitiveness of the ICT industry. The vision refers to a society that develops and uses ICT in a smart manner. People at all levels of society should be smart and information literate, leading to benefits for themselves and the society as a whole.

26. Sri Lanka CAGR: 23~24%

Sri Lanka IT-BPO Industry 2020

Year/Scenario	Value (USD bn)	CAGR (%)
2008	0.57	-
2020-Base-Case Scenario	6.7	23%
2020-Optimistic Scenario	7.7	24%

Source: KPMG Analysis, FITISS

The "Mahinda Chinthana" is a 10-year vision (2006- 2016) that aims to turn Sri Lanka into a knowledge economy, that is able to sustain global competitiveness, and where higher education is one of the privileged channels to achieve this goal. FITISS, an umbrella ICT industry organization for all sectors of the ICT industry is working very closely with the government and the National Task Force to develop the sector.

29. Vietnam CAGR: 21%

Vietnam IT-BPO Industry 2020

Year/Scenario	Value (USD bn)	CAGR (%)
2008	0.6	-
2020-Projected Scenario	6.2	21%

Source: Vietnam Business Forum, VINAFA, KPMG Analysis

By 2010, Vietnam aims to be in the upper average level among the ASEAN economies in terms of information society. By 2020, based on ICT as the key element, Vietnam aims to change its socio-economic structure to become an advanced economy in terms of knowledge-based economy and information society, to greatly contribute towards the success of the economy's industrialization and modernization process.



Thank you !