WMC Consulting LLC

SE Asia Supply Chain – 2026 Realities, Opportunities and Challenges

U.S. trade with SE Asia is a hot topic on many levels, whether it's economic, national security, or political. Legitimate opinions can vary on each of the issues. The fact is that the global economy is interdependent and not much has changed in aggregate over the last decade. About a third of U.S. imports continue to be sourced from thirteen SE Asia countries. Individual country imports have varied but SE Asia's total share has been steady through the bombardment of political, economic and COVID challenges. The same consistency holds for trade with geographically adjacent Canada and Mexico.

U.S. Import Trends - SE Asia vs Can+Mex			
Year	Total Imports	Southeast Asia % of Total	Can+Mex % of Total
2024	$3,266.4	33.7%	28.1%
2023	$3,076.8	32.5%	29.0%
2022	$3,239.7	35.6%	27.5%
2021	$2,828.5	36.1%	26.2%
2020	$2,331.5	35.9%	25.5%
2019	$2,491.7	33.4%	27.1%
2018	$2,536.1	34.9%	26.1%
2017	$2,399.5	34.8%	25.5%
2016	$2,186.8	35.4%	26.1%
2015	$2,248.8	35.2%	26.4%

Data Source: https://www.census.gov/foreign-trade/balance/
Asia: China, Vietnam, S. Korea, India, Tawian, Thailand Malaysia, Indonesia, Thailand, Philippines, Hong Kong, Pakistan, Cambodia

Over the last decade, SE Asia imports to the U.S. have ranged between 32.5% and 36.1% of the total. However, the mix of imports from individual SE Asia countries has changed radically. China contributed 61% of U.S. imports from SE Asia in 2015. China remains by far the largest country source of U.S imports from the region, but its share has declined to slightly less than 40% in 2024. The combination of supply diversification and the improved industrial capabilities throughout SE Asia have delivered decreased supply risk and cost benefits – not just motivated by tariff avoidance. In 2024, imports from the listed non-China SE Asia countries totaled $661.6B, 50% more than the $438.7B imported to the U.S. from China.

U.S. companies continue to balance economic and geopolitical influences in their import sourcing strategies, presenting a mix of opportunity and challenges. As enhanced capabilities develop across non-China SE Asia, effective new supply options are emerging. At the same time, the reality of local functional management, production workforce productivity, QA and local supply chains can vary widely. Add cultural, language and business maturity variances and the challenges to U.S. buyers can be daunting.

To manage this target rich, rapidly changing but risky sourcing path, it is necessary for companies to execute on-going supplier engagement including:

- Periodic on-site supplier assessments with detailed required improvements.
- Formal operating, quality, commercial and financial T&Cs documented with all strategic suppliers.
- On-going supplier surveillance (existing and prospective).
- Continuous engagement with SE Asia supplier management across business functions.

WMC Consulting has field-proved solutions and tool sets to guide your company to success in SE Asia.

WMC Consulting is a project management and advisory firm assisting North American companies and private equity firms to solve business challenges primarily in SE Asia. Over the past 22 years, the WMC team has worked on 400+ international projects for 250+ North American companies and 50+ private equity firms.

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