



# **Digital Economy Cooperation in the Asia – Pacific Region**

## **ASEAN Digital Economy**

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**The ASEAN Secretariat**

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- 1. Key opportunities and challenges of ASEAN Digital Economy Integration**
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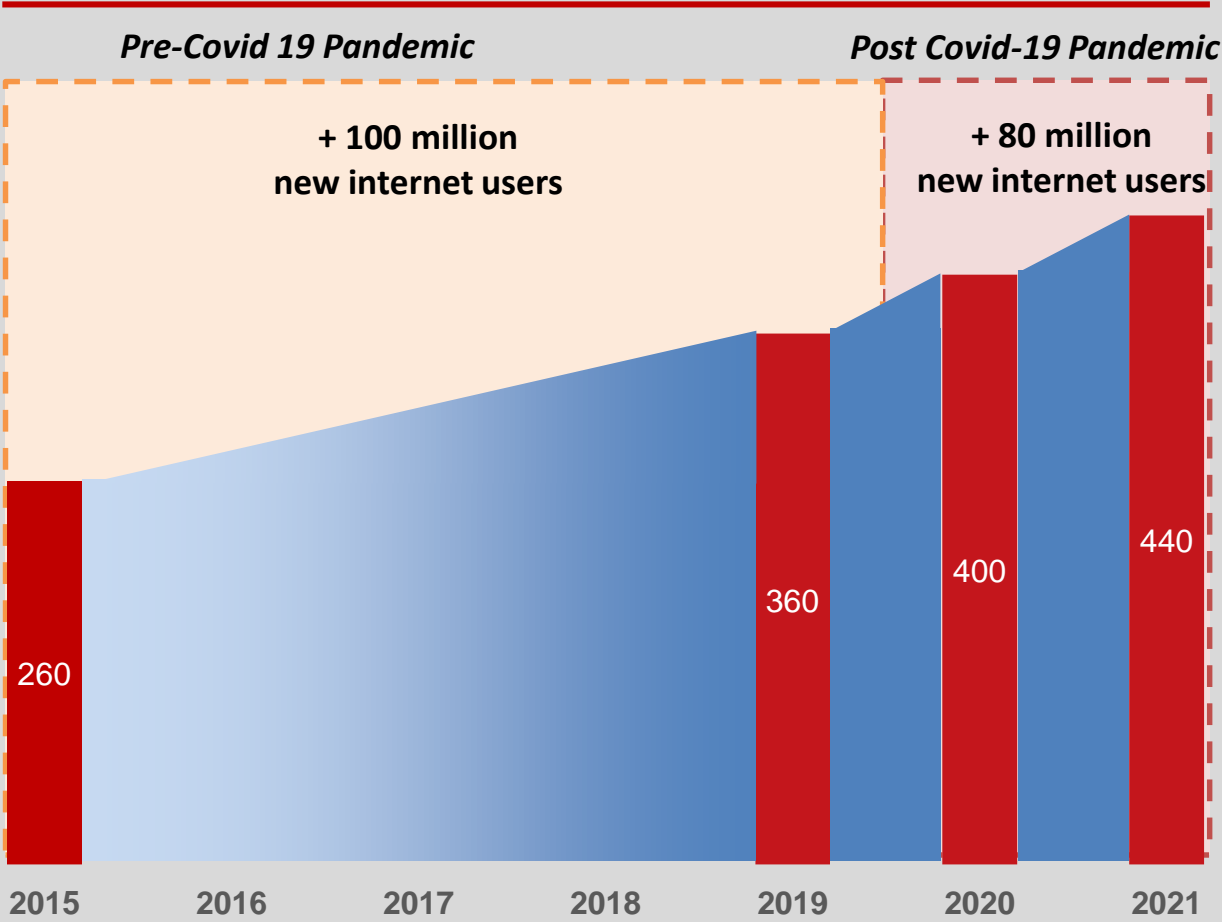
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# The Covid-19 pandemic has accelerated the pace of digital transformation in ASEAN, with an exponential growth in new internet and digital users within a period of 2 years

*Covid-19 has increased the number of internet users in ASEAN to 80 million within a period of 2 years, positioning ASEAN as the fastest growing internet market in the world*



Increase of  
**80 million**  
new ASEAN internet users  
within a period of **2 years**

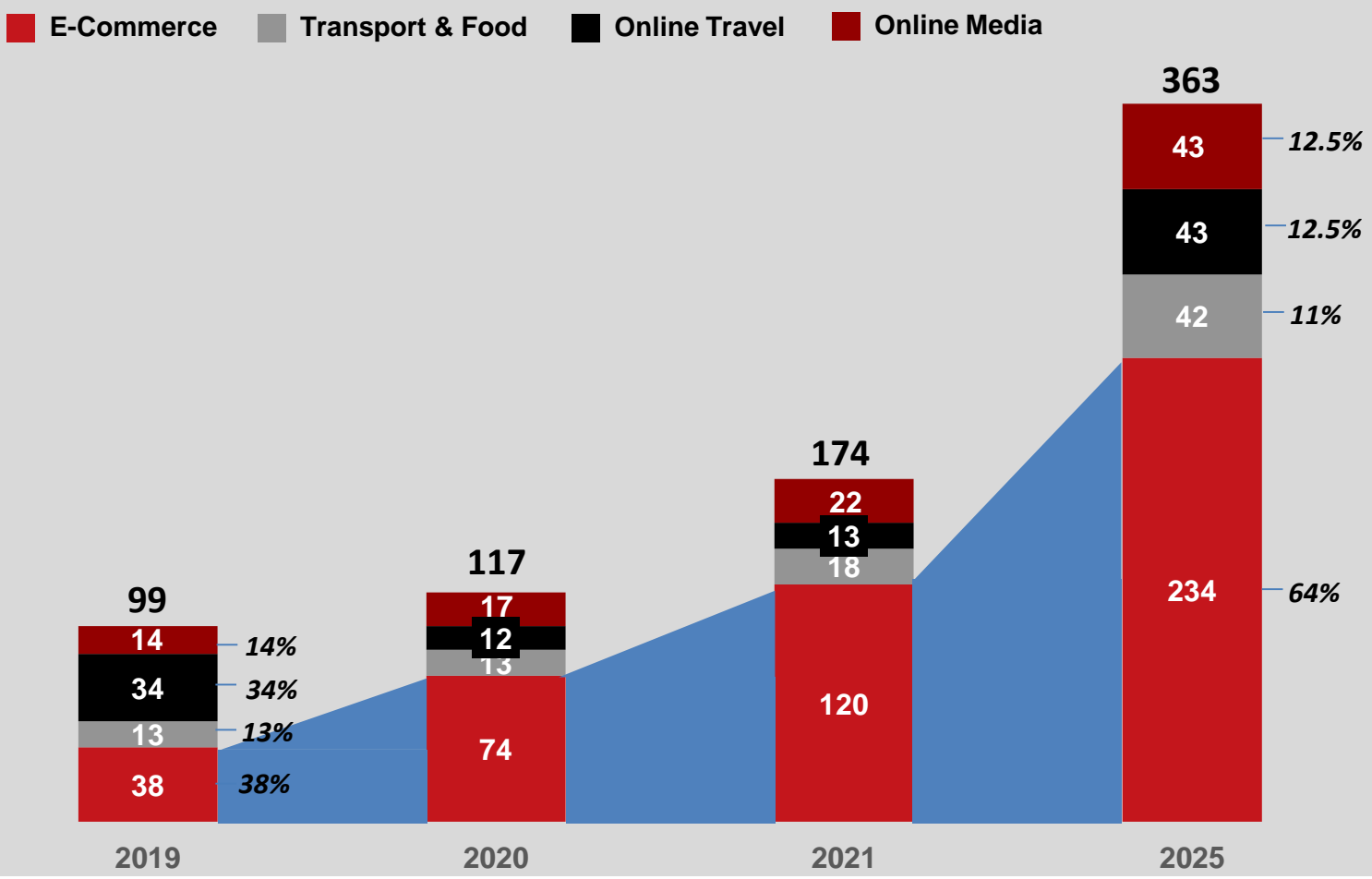
Increase of  
**60 million**  
new ASEAN digital consumers  
within a period of **2 years**

Source: e-Conomy SEA, 2016 and e-Conomy Sea 2021

Note: e-Conomy Sea 2016 and 2021 covers 6 countries namely Vietnam, Thailand, Philippines, Malaysia, Singapore and Indonesia. The statistics on digital consumers for 2021 covers from Jan – June 2021

# Among the key sectors, e-commerce will lead the digital economy with its GMV almost doubling every year

GMV per sector (2019 – 2025)  
\$ Billion



The increase in digital consumers is expected to contribute

**\$363 billion**

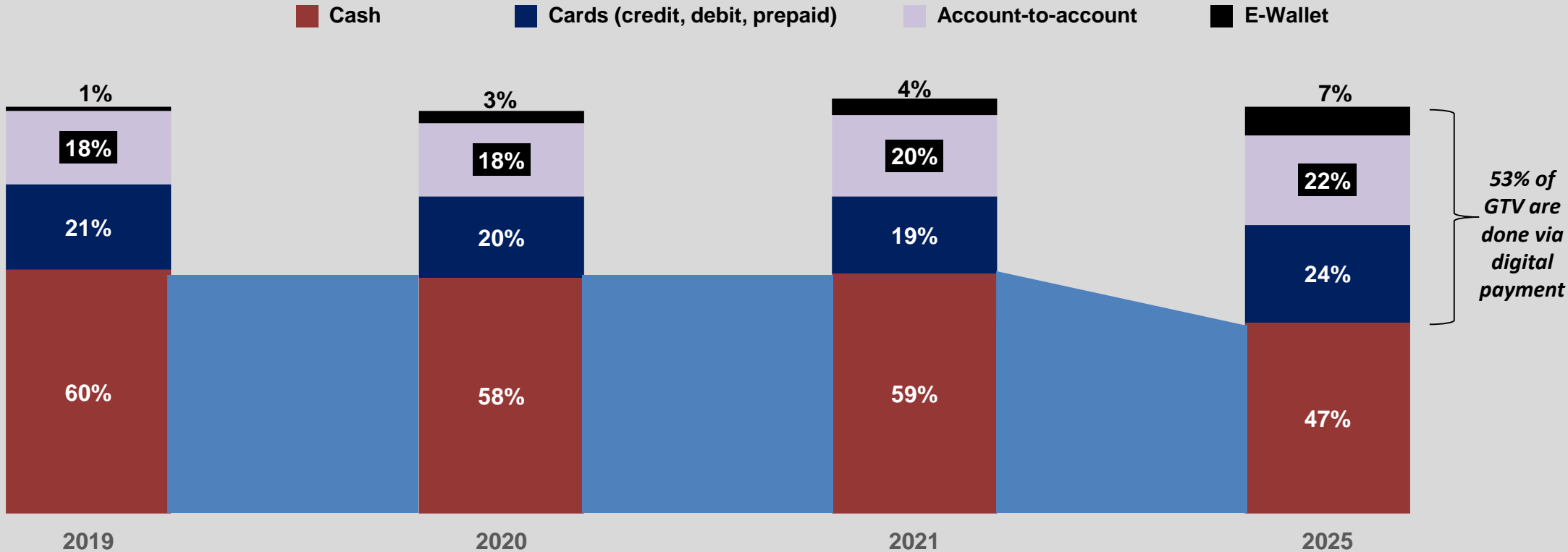
of Gross Merchandise Value (GMV) by 2025 and

**64%** of the GMV is contributed by **e-commerce activities**

Source: e-Conomy SEA, 2016 and e-Conomy Sea 2021  
Note: e-Conomy Sea report covers 6 countries namely Vietnam, Thailand, Philippines, Malaysia, Singapore and Indonesia.

# The exponential growth in the e-commerce will drive the development in digital financial services

Share of GTV (2019 – 2025)



Digital Payment is expected to increase to of Gross Transaction Value (GTV) **by 2025** **53%**

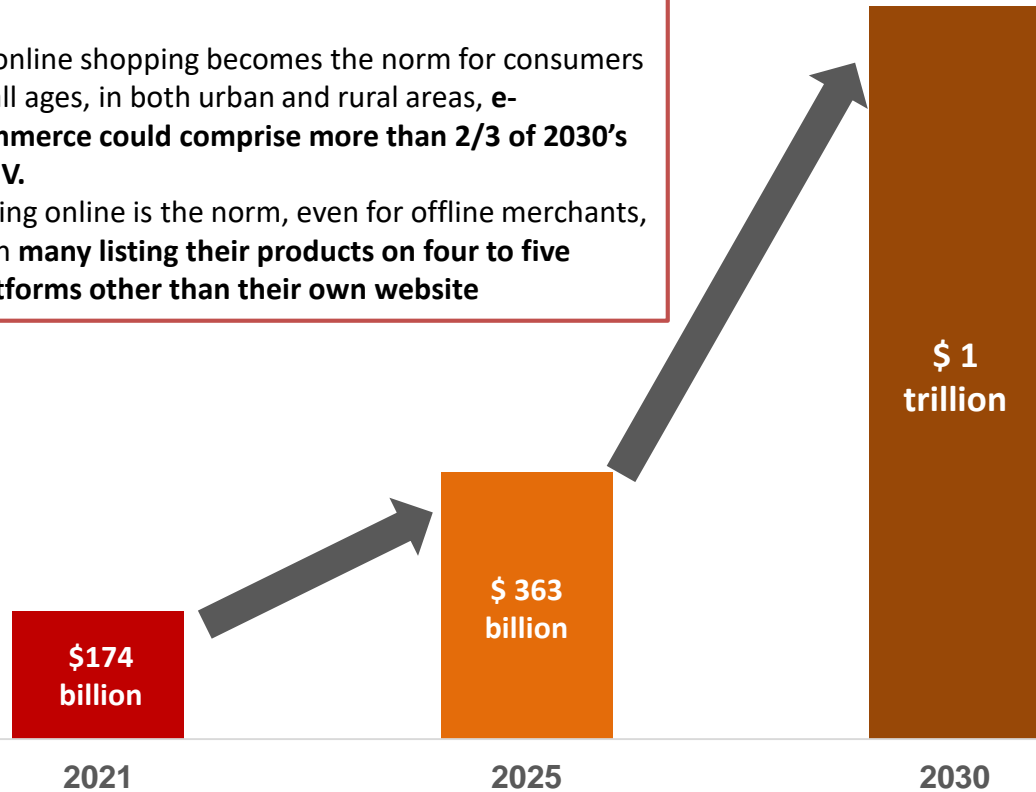
Source: e-Conomy SEA, 2016 and e-Conomy Sea 2021  
 Note: e-Conomy Sea report covers 6 countries namely Vietnam, Thailand, Philippines, Malaysia, Singapore and Indonesia.

# The acceleration of digital transformation has created the new norm, which leads to the Digital Economy

*The change in the new way of life has led ASEAN to enter the “Digital Decade” and has the potential for the digital economy to reach USD 1 trillion GMV by 2030...*

## e-Commerce continues to propel the economy forward

- ✓ As online shopping becomes the norm for consumers of all ages, in both urban and rural areas, e-commerce could comprise more than 2/3 of 2030's GMV.
- ✓ Selling online is the norm, even for offline merchants, with many listing their products on four to five platforms other than their own website

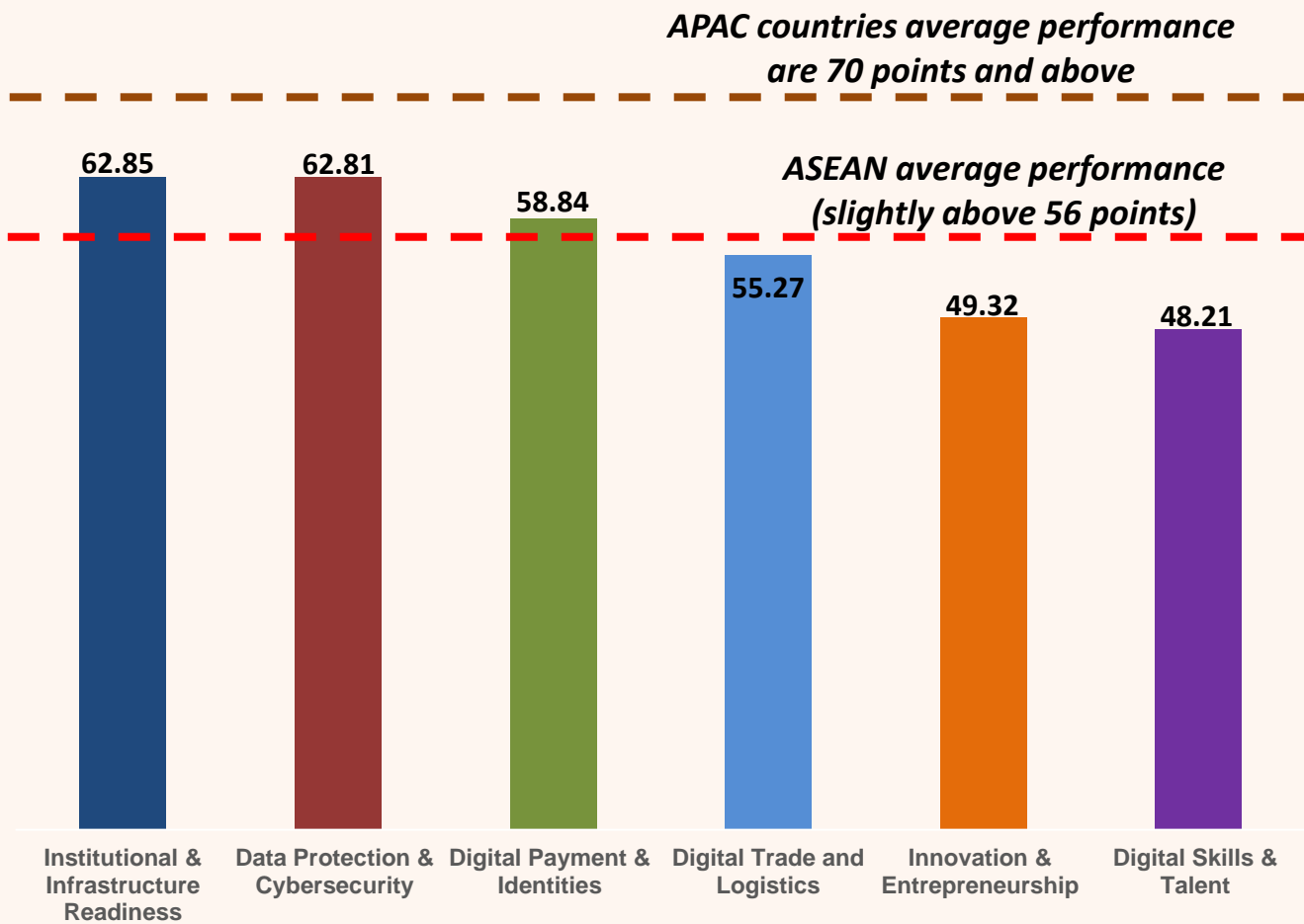


*...and this has been an impetus for the ASEAN member states to develop their own digital economy strategy and masterplan*



# While the digital economy opportunities are huge, the ASEAN Digital Integration Index (ADII) study indicates that the overall performance on digital integration is lower than other ASIA Pacific (APAC) countries

ASEAN Digital Integration Index  
Total performance / scores



<i>Digital Integration Index Findings</i>	
<i>ADII Pillars</i>	<i>Current Performance</i>
<ul style="list-style-type: none"> <li>Institutional &amp; Infrastructural Readiness</li> </ul>	<i>Competitive with APAC countries</i>
<ul style="list-style-type: none"> <li>Data Protection &amp; Cybersecurity</li> </ul>	<i>Need improvements in promoting trust and safety in the digital space</i>
<ul style="list-style-type: none"> <li>Digital payments and national digital identity</li> </ul>	<i>Still at nascent stage</i>
<ul style="list-style-type: none"> <li>Digital trade and logistics</li> <li>Innovation and entrepreneurship</li> <li>Digital skills and talent</li> </ul>	<i>ASEAN main challenges and requires significant improvements</i>

Source: ASEAN Digital Integration Index (ADII), August 2021

Note: The data sets that are used with data published from at east 2017 onwards; APAC countries includes Australia, China, Japan, New Zealand and South Korea



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# To further accelerate the pace of digital transformation for economic growth, the ASEAN Leaders set a vision for an ASEAN Digital Economy and adopted the Bandar Seri Begawan Roadmap (BSBR)

## 20th ASEAN Economic Community Council on 18 October 2021



Endorsed  
The BSSR

## Key objectives of BSSR

- 1 Articulate a strong commitment to **transform the ASEAN region into a leading digital economy**
- 2 Work with **single coherent document, The ASEAN Digital Economy** with key areas of actions, flagship initiatives, specific targets and accountability.
  - A single coherent document put to an **end the silo approach in ASEAN digital cooperation** and secured a more **coordinated approach across sectoral bodies**
- 3 Setting the foundation for **regional digital integration** and **paving the way for negotiations for an ASEAN Digital Economy Framework Agreement (DEFA) by 2025.**

# A three (3) prog approach and several strategic documents have also been adopted as part of ASEAN's journey on digital economy

1

## Digital transformation for ASEAN (holistic approach)

### The Bandar Seri Begawan Roadmap

An ASEAN Digital Transformation Agenda to Accelerate ASEAN's Economic Recovery and Digital Economy Integration

### ASEAN Digital Masterplan 2025

Provision of high quality and ubiquitous connectivity throughout ASEAN

### ASEAN Cybersecurity Cooperation Strategy 2021-2025

Implementation of the Norms of Responsible State Behaviour in Cyberspace as recommended by the 2015 UNGGE report

2

## Sectoral-level support

### ASEAN Consolidated Strategy on 4IR

Policy guidance in building the ASEAN Digital Community across Technological Governance and Security, Digital Economy and Digital Transformation Society

3

## Enterprise-level support

### ASEAN SME Academy

Online learning platform

Multi lingual support – Indonesia, Thai and Vietnamese

21 Content providers



> 10,000 Registered users for Ver 1 & 2

### Go Digital ASEAN



Micro Enterprises

> 180,000

Participated in digital skills trainings, mostly underserved communities in rural areas

77%

Moved their business online



Job Seekers

> 40,000

58%

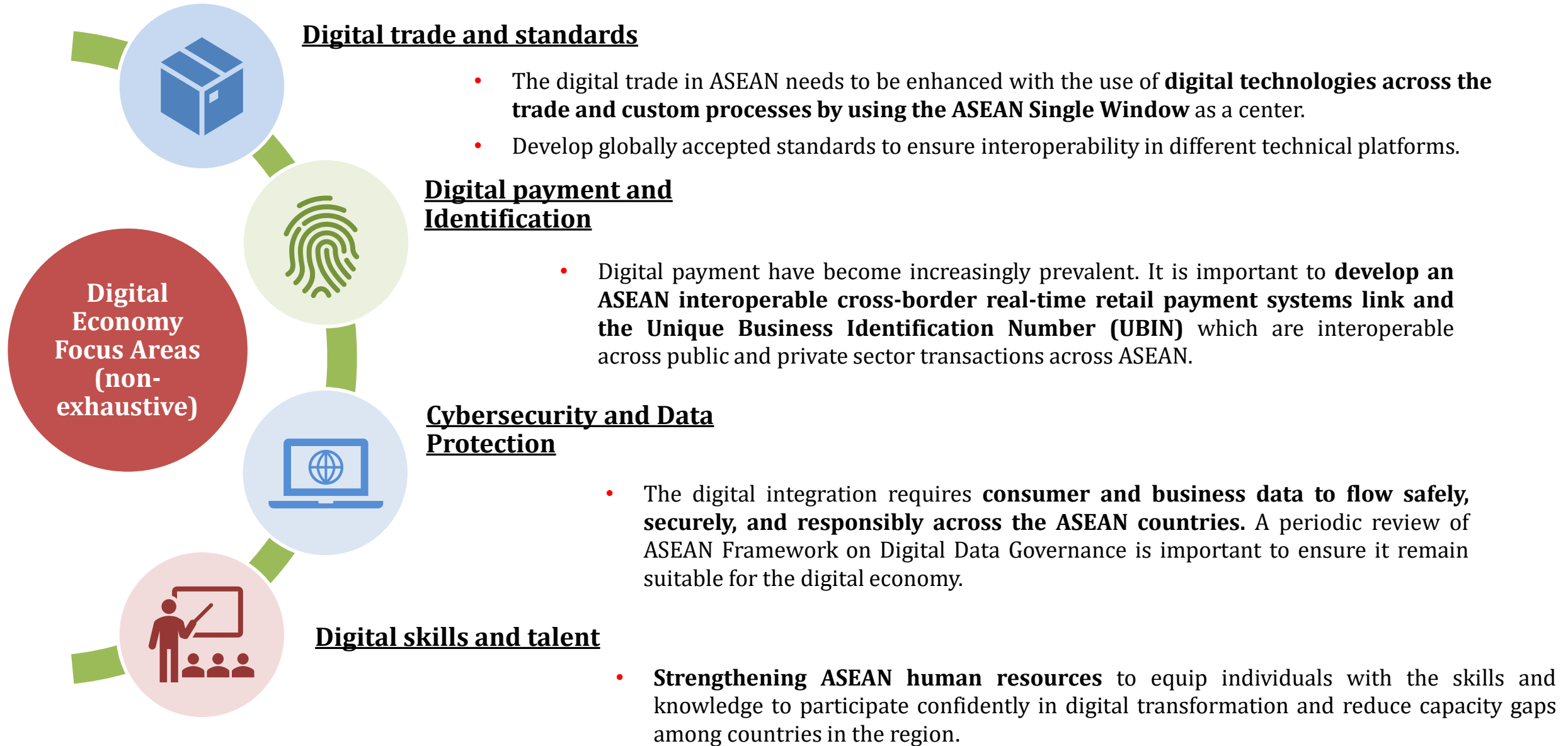
Employed within 2 months or less

### ASEAN Access

Online portal for information on trade and market access

ASEAN Access Info	Access to trade and market info
ASEAN Access Match	Virtual matchmaking events, webinars and online networking
ASEAN Access Policy	Strengthening of policies via public-private dialogues

# Key focus areas of ASEAN's Digital Economy





**THANK YOU**