

ASEAN ECONOMIC INTEGRATION BRIEF



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GLOBAL AND REGIONAL ECONOMIC OUTLOOK

UPDATES ON THE ASEAN ECONOMIC COMMUNITY

ADVANCING GOOD REGULATORY PRACTICE IN ASEAN

UN ESCAP'S ROLE IN SUPPORTING THE 2025 ASEAN VISION

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INTRODUCTION

The fifth issue of the ASEAN Economic Integration Brief (AEIB), and the first for this year, will feature an overview of the global and regional economic outlook, a summary of latest updates and progress of the ASEAN Economic Community (AEC), and the latest statistics.

Highlighting one of the emerging issues facing the AEC, this issue of the AEIB presents a short article on ASEAN's work in the area of Good Regulatory Practice (GRP). The article makes an argument for ASEAN Member States (AMS) to observe GRP and the overall vision of ASEAN integration agenda in designing or reviewing existing national and/or sectoral regulations, rules, or initiatives.

The Issue also features a contribution from the Under-Secretary-General of the United Nations and the Executive Secretary of the Economic and Social Commission for Asia and the Pacific, Dr. Armida Salsiah Alisjahbana, who underscores the complementarity between the ASEAN Community Vision 2025 and the United Nations 2030 Agenda for Sustainable Development. Dr. Alisjahbana further argues that, moving forward, there is an opportunity to combine the collective knowledge of both the ASEAN and ESCAP secretariats to enable AMS to navigate better their future, which will be highly influenced by emerging phenomenon such as the Fourth Industrial Revolution.

GLOBAL AND REGIONAL ECONOMIC OUTLOOK

Disruptions in global trade due to trade tensions reduced global GDP growth in 2018 to 3.6% and weakened the forecast for 2019 to 3.3% (See Table 1). Financial risks caused by sizeable non-financial sector debt and corporate defaults are also raising global economic uncertainties. Growth in both the Euro Area and Japan have moderated. For the Euro Area, lower growth was due to industrial adjustment, financial pressures, and uncertainties from Brexit, while for Japan, it was the lacklustre trade sector and natural disasters.¹ The US economy, on the other hand, strengthened; driven by consumption and industrial production, albeit trade was also down. However, outlook based on the US yield curve² suggests an economic downturn.³ While there are some signs of moderation, growth in developing Asia remains robust.

TABLE 1: Growth of Real Gross Domestic Product (GDP), in %

Country	2010-2016	2017	2018p	2019f	2020f
Global	3.9	3.8	3.6	3.3	3.6
Advanced Economies	1.9	2.4	2.2	1.8	1.7
United States (US)	2.2	2.2	2.9	2.3	1.9
Euro Area	1.1	2.4	1.8	1.3	1.5
Japan	1.4	1.9	0.8	1.0	0.5
Developing Asia	7.4	6.6	6.4	6.3	6.3
China	8.1	6.8	6.6	6.3	6.1
India	7.5	7.2	7.1	7.3	7.5
ASEAN	5.5	5.3	5.1	4.9	5.0
Brunei Darussalam	-0.1	1.3	0.1	1.0	1.5
Cambodia	7.0	6.8	7.0	7.0	6.8
Indonesia	5.6	5.1	5.2	5.2	5.3
Lao PDR	7.7	6.9	6.7	6.5	6.5
Malaysia	5.4	5.9	4.8	4.5	4.7
Myanmar	7.4	6.8	6.4	6.6	6.8
Philippines	6.3	6.7	6.2	6.4	6.4
Singapore	5.6	3.9	3.3	2.6	2.6
Thailand	3.6	4.0	4.1	3.9	3.7
Viet Nam	6.0	6.8	7.1	6.8	6.7

Note: Growth rates of GDP in constant prices. p – preliminary, f – forecast. Sources: ASEAN Secretariat (May 2019) for ASEAN and ASEAN Member States (AMS) up to 2018 except for Cambodia (2018) and Myanmar (2018) and ASEAN preliminary estimate 2018; Asian Development Bank (April 2019) for ASEAN preliminary estimate 2018, and forecasts for ASEAN and AMS for 2019 and 2020; International Monetary Fund (April 2019) for all others.

In ASEAN, economic growth in 2018 remains broadly robust at 5.1%,⁴ driven by strong domestic demand and investments. Amidst the slowdown in trade growth, the implementation of massive infrastructure projects and nationwide elections in some countries are expected to provide substantial support to the region's economy.

Trade and Foreign Direct Investments

After a prolonged modest period, global trade recovery in 2017 has carried on to 2018 albeit at a weaker rate (See Table 2). The outlook for

TABLE 2: Growth in Trade and Foreign Direct Investments (FDI), in %

Country	Trade in Goods			Trade in Services			FDI		
	2010-2016	2017	2018p	2010-2016	2017	2018p	2010-2016	2017	2018p
Global	3.6	10.7	10.0	n.a	n.a	n.a	7.3	-22.0	-13.4
US	4.8	6.9	8.2	11.8	5.1	13.8	18.5	-41.2	-9.2
China	7.6	11.4	12.6	9.0	6.1	6.9	5.0	0.3	3.7
ASEAN	5.5	15.0	8.1	5.0	5.6	6.9*	15.5	23.5	5.3

Note: * Based on UNCTAD data excluding Brunei Darussalam, Cambodia and Lao PDR.

Sources: Trade: UNCTAD International Trade Database (April 2019); FDI: UNCTAD World Investment Report (June 2019); ASEAN Figures: ASEAN Secretariat (May 2019).

2019 remains uncertain, pending the outcomes of trade negotiations between the US and China. Recent reescalation of trade tensions increased risks, with the US imposing 25% tariffs on US\$ 200 billion worth of Chinese imports, and China's announced plan to retaliate with tariffs on US\$ 60 billion worth of US products effective 1 June 2019.⁵

Preliminary estimates of goods trade in ASEAN show growth moderating to 8.1% in 2018, from 15.0% in 2017.⁶ Singapore has maintained its trade momentum, while notable expansions were observed in Lao PDR and Brunei Darussalam. In services, preliminary estimates show a broadly stronger services trade, with uptrends observed across all ASEAN Member States.

Meanwhile, global FDI continue to fall, declining by 13.4% in 2018.⁷ FDI flows to advanced economies significantly dropped by 26.7% year-on-year, contributed by foreign earnings repatriations by US multinational enterprises to the US.⁸ FDI to emerging and developing economies, on the other hand, increased by 2.2% year-on-year. For ASEAN, inflows improved by 5.3% to reach US\$ 151.2 billion in 2018.

Conclusion

Amid all the uncertainties in the global economic environment, ASEAN remains a stalwart of multilateralism, and continues to deepen its economic integration agenda, both within and outside the region. In advancing regional development, ASEAN has also started to

1 International Monetary Fund (2019), 'World Economic Outlook: Growth Slowdown, Precarious Recovery', April, retrieved from: <<https://www.imf.org/en/Publications/WEO/Issues/2019/03/28/world-economic-outlook-april-2019>>

2 Canback (2019), 'U.S. Recession Predictor', April, retrieved from: <<https://www.canback.com/news2/us-recession-predictor/>>.

3 Ibid.

4 Asian Development Bank (2019), 'Asian Development Outlook (ADO) 2019: Strengthening Disaster Resilience', April, retrieved from: <<https://www.adb.org/sites/default/files/publication/492711/ado2019.pdf>>.

5 Bloomberg (2019), 'China Announces Tariff Retaliation To Take Effect On June 1', 13 May, retrieved from: <<https://www.bloomberg.com/news/articles/2019-05-13/china-announces-tariff-retaliation-to-take-effect-on-june-1>>.

6 ASEAN Secretariat, May 2019. ASEAN figures exclude Cambodia's due to data availability.

7 UNCTAD (2019), 'World Investment Report', June, retrieved from: <https://unctad.org/en/PublicationsLibrary/wir2019_en.pdf>.

8 The US passed the Tax Cuts and Jobs Act in 2017, which provided tax exemptions on repatriated corporate earnings. See <https://www.taxpolicycenter.org/briefing-book/what-tcja-repatriation-tax-and-how-does-it-work>.

leverage on the Fourth Industrial Revolution, and the ensuing innovation and application of new technologies. ■

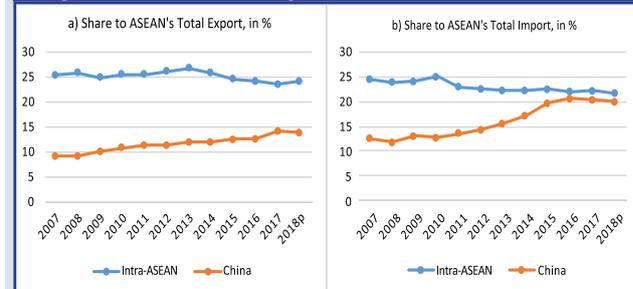
Box 1. Impact of Economic Slowdown in China

While trade frictions with the US only slightly dampened growth in 2018, the collapse of recent negotiations with the US may further undermine China's economy, which is already on a slowdown following decades of immense growth fuelled by rapid industrial transformations (See Table 1). As the second largest economy in the world, and the region's largest external trade partner, slower economic growth in China will impact upon the region. In 2018, China had a 13.9% share to ASEAN's total exports and a 20.2% share to ASEAN's total imports (Figure 1).

Nevertheless, China's pivot towards strengthening domestic consumption (from export-led growth), can be an opportunity for ASEAN to access China's 1.4 billion strong domestic market and rising per capita incomes, through higher exports and investments. To boost domestic demand, China has implemented key policies such as: (1) easier bank financing and lower mortgage

rates in the housing sector;⁹ (2) fees and tax deductions for companies that follow the employment-first policy;¹⁰ (3) tax reductions for micro and small enterprises; and (4) higher social spending to increase living standards. China also plans to ramp up infrastructure spending on railways, roads, and waterways projects, as well as next-generation information infrastructure.

Figure 1: Share of China to ASEAN's Total Exports and Total Imports, in %



Source: ASEAN Secretariat (May 2019).

9 Bloomberg (2019), 'Fresh slowdown in China Home Prices Turns Spotlight on Beijing', 22 February, retrieved from: <<https://www.bloomberg.com/news/articles/2019-02-22/slowdown-in-china-housing-casts-spotlight-on-policy-response>>.

10 The employment-first policy was implemented to lower unemployment rate, by putting priority on college graduates, demobilized military personnel, and rural migrant workers. For further information refer to Bloomberg (2019), 'China's slowdown hits employment even as recovery signs emerge', 14 March, retrieved from: <<https://www.bloomberg.com/news/articles/2019-03-14/china-s-economy-weakens-further-as-factory-output-decelerates>>.

UPDATES ON THE ASEAN ECONOMIC COMMUNITY

Taking over ASEAN chairmanship from Singapore and building on last year's theme of 'innovative and resilient', Thailand's overall theme this year is '**Advancing Partnership for Sustainability**'. The priority economic deliverables of the Thailand's ASEAN Chairmanship are anchored on three strategic drivers, namely: (1) future-orientation; (2) enhanced connectivity; and (3) sustainable in all dimensions.

Following through on the good progress made last year to deepen services and investment integration, two key agreements were signed at the 25th ASEAN Economic Ministers' Retreat on 23 April 2019. First is the ASEAN Trade in Services Agreement, which consolidates achievements under the ASEAN Framework Agreement on Services (AFAS), provides for a transition to an eventual negative list approach in liberalising services, and will eventually supersede the AFAS.

Second is the Fourth Protocol to Amend the ASEAN Comprehensive Investment Agreement (ACIA), which incorporates TRIMS-plus¹ prohibitions on

performance requirements commitments into the ACIA to ensure that ASEAN Member States (AMS) enjoy better treatment under the ACIA. In addition, the ASEAN Solutions for Investments, Services and Trade (ASSIST) has been expanded to cover trade in services, building on the trade in goods module which has been in operation since August 2016.²

The Protocol to Implement the Eighth Package of Commitments on Financial Services under AFAS was signed by ASEAN Finance Ministers at the 23rd ASEAN Finance Ministers Meeting (AFMM) on 5 April 2019, showing ASEAN's commitment to advance linkages among AMS through further market opening. Two new bilateral arrangements under the ASEAN Banking Integration Framework were concluded and will come into effect after the signing of the aforementioned Protocol.

Progress continues to bring all AMS on board the live operation of the ASEAN Single Window (ASW). On 1 April 2019, Brunei Darussalam became the sixth AMS to join the live exchange of electronic Certificates of Origin Form D (e-Form D) under the ASEAN Trade

1 TRIMS refers to the Agreement on Trade-Related Investment Measures (TRIMS) under the World Trade Organisation (WTO). The Agreement states that WTO Members may not apply any measure that discriminates against foreign products or that leads to quantitative restrictions, both of which violate basic

WTO principles. TRIMS-plus refers additional commitments beyond the TRIMS.

2 Further information on ASSIST available in its official website at: <<https://assist.asean.org/>>.

in Goods Agreement through the ASW, along with Indonesia, Malaysia, Singapore, Thailand and Viet Nam.

Featuring robustly in this year Thailand's Chairmanship is the **Fourth Industrial Revolution (4IR)**. The year started with the holding of a Special Session on the 4IR in ASEAN on 14 January 2019 at the sidelines of the 9th Committee of the Whole for the AEC, which brought together regional, national, industry, and private sector's perspectives on 4IR-related issues. The ASEAN Digital Ministers' Retreat was also held on 28-29 March 2019 in Phuket, Thailand, where ASEAN Telecommunications and ICT Ministers (TELMIN) discussed the future of digital ASEAN and implications to regional initiatives on ICT and telecommunications.

The specific 4IR-related deliverables that are under development for completion before the end of the year are the ASEAN Digital Integration Framework Action Plan, ASEAN Innovation Roadmap 2019-2025, ASEAN Declaration on Industrial Transformation to Industry 4.0, and Guideline on Skilled Labour/ Professional Services Development in Response to 4IR. There are also ongoing initiatives related to the digitalisation of ASEAN micro, small and medium enterprises (MSMEs).

Following the main theme of **sustainability**, different dimensions of sustainability are addressed across ASEAN cooperation areas. On finance, the Roadmap for ASEAN Sustainable Capital Markets was endorsed at the 23rd ASEAN Finance Ministers Meeting (AFMM), and is aimed at promoting ASEAN asset classes for sustainable investment.

The ASEAN Infrastructure Fund's two new innovative windows were also launched, namely: (1) Inclusive Finance Facility, which would offer limited concessional

loans to Cambodia, Myanmar and Lao PDR; and (2) ASEAN Catalytic Green Finance Facility to help catalyse private sector financing into regional infrastructure projects. The Phase 2 Plan of Action of the ASEAN Disaster Risk Financing and Insurance, which would support the provision of disaster risk financing and insurance solutions in the region, was also endorsed by the Ministers.

On tourism, a sector with strong links to local economic development, the Strategy on Participation of Local Communities and Private Sector in Tourism Development and the ASEAN Mutual Recognition Arrangement on Tourism Professionals Work Plan 2019- 2023 were adopted by ASEAN National Tourism Organisations and noted by the ASEAN Tourism Ministers (ATM) at the 22nd Meeting of ATM on 17 January 2019.

On the Convention on International Trade in Endangered Species of Wild Fauna and Flora (CITES) and wildlife law enforcement, the Special ASEAN Ministerial Meeting on Illegal Wildlife Trade on 21-22 March 2019 endorsed the Chiang Mai Statement of ASEAN Ministers Responsible for the CITES and Wildlife Enforcement on Illegal Wildlife Trade. The Statement commits to strengthen ASEAN cooperation in advancing the fight against illegal wildlife trade, especially through: (1) global and regional wildlife trade policy; (2) demand reduction; (3) law enforcement; and (4) addressing wildlife cybercrime.

On transport, ASEAN stepped up efforts in advancing sustainable transport by publishing three documents that were adopted by the ASEAN Transport Ministers at the 24th ASEAN Transport Ministers' Meeting on 8 November 2018, namely the ASEAN Regional Strategy on Sustainable Land Transport, the ASEAN Fuel



The ASEAN Digital Ministers' Retreat was held on 28-29 March 2019 in Phuket, Thailand, to discuss the future of digital ASEAN and implications to regional initiatives on ICT and telecommunications.

Economy Roadmap for the Transport Sector, and the Guidelines for Sustainable Land Transport Indicators.

The Feasibility Study for ASEAN Multilateral Power Trade is currently underway and will provide frameworks and schemes supportive of the market mechanism, institutions, and interconnection infrastructure needed to accelerate the realisation of the ASEAN Power Grid multilateral power trade. The Study is a key deliverable of the Heads of ASEAN Power Utilities/Authorities for 2019 and supports the energy-related priorities of Thailand's ASEAN Chairmanship.

On ASEAN's **external engagement**, the conclusion of the *Regional Comprehensive Economic Partnership (RCEP)* negotiations is a priority economic deliverable

for this year following the Leaders mandate at the 2nd RCEP Summit on 14 November 2018. The 7th RCEP Intersessional Ministerial Meeting was held on 2 March 2019 where the Ministers agreed to intensify engagements for the remainder of the year towards meeting the Leaders' mandate.

Other progress includes the signing of the First Protocol to Amend ASEAN-Japan Comprehensive Economic Partnership (AJCEP) Agreement earlier this year, which would incorporate commitments on trade in services, investment, and movement of natural persons to the AJCEP, and the commencement of the implementation of recommendations under the General Review of the ASEAN-Australia-New Zealand FTA Agreement. ■

Advancing Good Regulatory Practice in ASEAN

A perennial question in policymakers' mind is whether, how much, and how to regulate. Regulations often get a bad rap. Poorly designed rules, regulations, and laws, after all, can impose excessive and unnecessary costs that inhibit the economy to grow. However, regulations in themselves are not the problem. Effective and quality rules, regulations, and laws are in fact key in promoting growth, investment, innovation, and the functioning of markets and society as a whole.

Good Regulatory Practice (GRP), generally referred to as 'processes, systems, tools and methods for improving the quality of regulations',¹ holds importance to the overall development agenda and regional integration objectives of the region, and is starting to gain traction among ASEAN Member States (AMS).

The application of GRP allows policy-makers to maintain a stable and enabling regulatory environment that promotes economic openness and entrepreneurship, while, at the same time, limiting, and even eliminating, unnecessary administrative burden for businesses of all sizes. These benefits are amplified in the context of regional integration, where policy interfaces and challenges transcend national borders.

GRP is not entirely new to ASEAN; some of the Association's early initiatives in this area include the 2005 ASEAN Policy Guideline on Standards and Conformance and the 2009 ASEAN Good Regulatory Practice Guide. The latter being recently updated through the ASEAN Guidelines on Good Regulatory Practices. Apart from helping AMS in designing

and implementing adequate regulatory approaches towards the preparation and application of technical regulations, they were also useful in assisting AMS to meet their regional and international obligations consistent with the WTO's Technical Barriers to Trade Agreement.

In the AEC Blueprint 2025, GRP was explicitly pronounced as an area of ASEAN's work, particularly under Elements B6 (Good Governance) and B7 (Effective, Efficient, Coherent, and Responsive Regulations and Good Regulatory Practice). The ASEAN Work Plan on GRP 2016-2025 was adopted at the 23rd ASEAN Economic Ministers (AEM) Retreat in March 2017, and endorsed intersessionally by the AEC Council Ministers in April 2017. The Work Plan focuses on four priority areas: (1) securing commitments to GRP at the political level; (2) strengthening strategic efforts to implement GRP; (3) piloting of GRP in strategic sectors at the regional level; and (4) developing awareness and capacity building on GRP.

Since the adoption of the Work Plan, steady progress has been made in its implementation. To secure political commitments on GRP, the ASEAN GRP Core Principles was adopted at the 50th AEM Meeting in August 2018 and endorsed by the AEC Council in November 2018.² AEC sectoral bodies are instructed to mainstream these principles into their work. While non-binding, the Core Principles provide robust guidance for AMS to improve their regulatory practice and foster deeper regulatory cooperation in the region.

1 OECD (n.d.), 'ASEAN-OECD Good Regulatory Practice Network: About Good Regulatory Practice', retrieved from (accessed 21st March 2019): <<http://www.oecd.org/gov/regulatory-policy/grpn.htm>>.

2 Further information concerning the ASEAN GRP Core Principles is available in the official website of the ASEAN Secretariat at: <<https://asean.org/storage/2017/11/ASEAN-GRP-Core-Principles-FINAL-ENDORSED.pdf>>.

ASEAN GRP Core Principles

	GRP Core Principles	Brief description
Principle 1	Clarity in policy rationale, objectives, and institutional frameworks	Regulations should be introduced with clear policy rationale, objectives, and role of implementing agencies and other supporting institutions through which the regulation will take effect.
Principle 2	Produce benefits that justify the costs and be least distortive to the markets	Any regulation introduced should effectively address identified problems while minimising costs, risks, and other adverse effects throughout the regulatory cycle.
Principle 3	Be consistent, transparent, and practical	Consistency among existing regulations and new regulations, which can be achieved through coordination mechanisms, information sharing and transparency, and identification and reform of overlapping regulations issued across differing levels of governments, is key in avoiding duplications or conflicting regulations.
Principle 4	Support regional regulatory cooperation	Good regulatory outcomes require cooperation, by the government, among regulators, the regulated, and the broader community, including the international community. In a regional economic community, given the trans-national impact of regulations, cooperation is even more paramount. Regulatory cooperation could take on many forms, from the exchange of information to more binding forms such as the harmonisation of rules.
Principle 5	Promote stakeholder engagement and participation	Stakeholder consultation and engagement, which consider different perspectives on the issues and highlight alternative approaches to achieving objectives, serve as a useful means for evaluating regulatory costs and benefits, enhancing awareness and inclusivity, as well as fostering transparency, accountability, and compliance and, should be a continuous process across stages of the regulatory cycle.
Principle 6	Be subject to regular review for continued relevance, efficiency, and effectiveness	Systematic monitoring of regulatory performance, and appropriate conduct policy evaluation, such as the Regulatory Impact Analysis (RIA), to ensure regulations meet their intended objectives efficiently and effectively.

Since then, a number of recent ASEAN initiatives are relevant to or have taken reference from these GRP Principles, such as ASEAN Guideline on Standards, Technical Regulations, and Conformity Assessment Procedures (2014), ASEAN Regional Principles for Good Business Registration Practices (2017),³ and the Guidelines for the Implementation of ASEAN Commitments on Non-Tariff Measures on Goods (NTM Guidelines) (2018).⁴

³ Further information concerning ASEAN Regional Principles for Good Business Registration Practices is available in the official website of the ASEAN Secretariat at: <https://asean.org/storage/2017/09/ANNEX-12-ASEAN-Regional-Principles-for-Good-Business-Regn-Practices_final-14-Aug.pdf>.

⁴ Further information concerning the Guidelines for the Implementation of ASEAN Commitments on Non-Tariff Measures on Goods is available in the official website of the ASEAN Secretariat at: <https://asean.org/storage/2018/12/Guidelines_for_the_Implementation_of_ASEAN_Commitments_on_NTMs-July_2018-AEM-AFTAC_32.pdf>.

There is also conscious effort to operationalise these principles by focusing on clarifying institutional frameworks, better transparency and stakeholder engagement and participation across areas of work in ASEAN.

These are, however, only early steps. Moving forward, more concrete steps shall be taken to mainstream all six core principles across the work of ASEAN and, just as important, within AMS. This is to ensure that AMS take into consideration both the ASEAN GRP Core Principles and the Association's broader economic integration agenda in considering new or reviewing existing national, regional, and sectoral regulations, measures, or initiatives. ■

UN ESCAP's Role in Supporting the 2025 ASEAN Vision

DR. ARMIDA SALSIAH ALISJAHBANA

Under-Secretary-General of the United Nations and Executive Secretary of ESCAP

The development of effective regional and sub-regional approaches is critical for the coherent implementation of the 2030 Agenda. Only this type of multilateral collaboration can address transboundary challenges such as environmental degradation, energy security, and natural disasters. In the case of Asia and the Pacific, sub-regional cooperation is of a paramount importance given our region's size, and the strong sub-regional groupings which have come into being.

Southeast Asia has one of the most comprehensive sub-regional agendas captured by the ASEAN Community

Vision 2025 and the relevant ASEAN 2025 Blueprints.

The ASEAN Community Vision 2025 and the United Nations 2030 Agenda for Sustainable Development complement each other with shared principles and values of people-centred development and 'leaving no one behind'. Furthermore, these two agenda have identified several common areas of interest. These include: (1) strengthening inclusive approaches for sustainable economic development; (2) reducing inequalities and pay special attention to women, children, the elder, persons with disabilities, and vulnerable groups; and (3) promoting peaceful

societies and a human-based approach to sustainable development.



“Intergovernmental platforms such as ASEAN and ESCAP have a critical role to play to support ASEAN Member States in charting our 4IR future.”

- Dr. Armida Salsiah

Alisjahbana

The two agendas share several sectoral areas in which concerted action could deliver multiple benefits for ASEAN Member States (AMS) and their people. These areas include poverty eradication, infrastructure and connectivity, sustainable management of natural resources, sustainable production and consumption, and resilience.

As the Fourth Industrial Revolution (4IR) evolves, digital technologies - such as artificial intelligence, robotics, 3D printing, and the Internet of Things - are re-shaping our economies, societies and the environment; and demonstrating potential to accelerate progress on the Sustainable Development Goals (SDGs). In this case, ASEAN has recently actively pursuing this agenda through initiatives such as ‘Assessment of ASEAN Readiness for the Fourth Industrial Revolution’, the ASEAN Digital Integration Framework, the ASEAN Agreement on e-Commerce, the ASEAN International Mobile Roaming Framework Agreement, the development of ASEAN Guidelines on Next Generation Universal Service towards Ubiquitous Broadband Ecosystems (USO 2.0), and the ASEAN Framework on Digital Data Governance, to name but a few.

Disclaimer: The views and opinions expressed in this article are those of the author and do not necessarily reflect those of ASEAN or the ASEAN Secretariat.

To ensure that the region moves forward together in the 4IR, ESCAP has established the ‘Asia-Pacific Research and Training Network on Science, Technology and Innovation Policy’ (ARTNET on STI Policy), a partnership between leading think-tanks and the private sector to conduct cutting-edge applied research and inform STI policies. We have also developed new platforms for technology cooperation through our intergovernmental Committee on ICT and STI. Similarly, we have made good progress in supporting regional cooperation on digital trade – through ‘UN Treaty on Cross-border Paperless Trade’ – and Internet connectivity – through our regional ‘Information Super-Highway initiative’.

ASEAN and UN have come together with the support and facilitative role of Thailand’s 2019 ASEAN Chairmanship, which is on Advancing Partnership for Sustainability. In the Framework of Action on Complementarities between the ASEAN Community Vision 2025 and the United Nations 2030 Agenda, two proposed flagship areas of cooperation have been identified, namely the greening of SMEs in AMS and the establishment of an ASEAN resources panel to steer research and policy advocacy work for the sustainable management of natural resources.

In this context, cross-government cooperation; inter-governmental knowledge sharing and consensus building; and honest, open and regular discussion with the private sector, specifically technology developers; will be critical to ensure that frontier technologies have a positive impact on sustainable development.

Going forward, there is an opportunity to combine the collective knowledge of the ASEAN and ESCAP secretariats to better support our respective Member States. While technology-driven change is certain, the direction is not, and intergovernmental platforms such as ASEAN and ESCAP have a critical role to play to support AMS in charting our 4IR future. ■

ASEAN Member States: Selected Key Indicators 2018



Economy

	Brunei Darussalam	Cambodia	Indonesia	Lao PDR	Malaysia	Myanmar	Philippines	Singapore	Thailand	Viet Nam	ASEAN
GDP at current price (US\$b)	13.6	24.5	1,041.6	18.1	354.2	71.5	342.6	361.0	505.1	240.7	2,972.9
GDP per capita (US\$)	31,895.1	1,535.5	3,928.7	2,627.8	10,907.7	1,328.2	3,213.3	64,273.9	7,443.5	2,542.6	4,577.1
Real GDP growth (%)	0.1	7.0	5.2	6.7	4.8	6.4	6.2	3.3	4.1	7.1	5.1
Inflation rate, average (%)	0.2	n.a	3.2	2.0	0.9	6.9	5.3	0.4	1.1	3.5	0.2-6.9



Trade

	Brunei Darussalam	Cambodia	Indonesia	Lao PDR	Malaysia	Myanmar	Philippines	Singapore	Thailand	Viet Nam	ASEAN
Total trade in goods (US\$m)	10,728.8	30,878.3*	351,806.5	11,389.0	464,821.0	35,991.3	182,607.1	782,656.9	432,977.9	479,806.7	2,783,663.5
- Intra-ASEAN (%)	29.8	27.2*	24.1	60.6	27.2	35.8	21.6	25.6	23.6	11.7	23.0
- Extra-ASEAN (%)	70.2	72.8*	75.9	39.4	72.8	64.2	78.4	74.4	76.4	88.3	77.0
- Total exports (US\$m)	6,571.4	13,067.0*	180,215.0	5,540.8	247,354.0	16,654.2	67,487.9	411,973.3	241,010.5	242,969.2	1,432,843.4
- Total imports (US\$m)	4,157.4	17,811.4*	171,591.5	5,848.1	217,467.1	19,337.1	115,119.2	370,683.6	191,967.4	236,837.4	1,350,820.1
Total services trade (US\$m)	1,799.5	7,493.1	57,125.3	2,029.3	79,325.6	6,727.0	61,714.4	335,529.4	121,459.6	30,030.0	703,233.1
- Total exports (US\$m)	551.4	4,608.2	24,647.0	883.9	37,010.2	3,846.0	35,605.3	164,706.5	75,658.2	13,025.0	360,541.6
- Total imports (US\$m)	1,248.1	2,884.8	32,478.4	1,145.3	42,315.4	2,881.0	26,109.1	170,823.0	45,801.4	17,005.0	342,691.5



Investment

	Brunei Darussalam	Cambodia	Indonesia	Lao PDR	Malaysia	Myanmar	Philippines	Singapore	Thailand	Viet Nam	ASEAN
Total FDI inward flows (US\$m)	503.9	3,102.6	21,979.9	1,319.6	8,071.6	3,554.0	9,802.4	77,630.5	13,248.5	15,500.0	154,713.0
- Intra-ASEAN (%)	12.6	25.4	53.9	15.3	5.9	59.4	10.1	4.4	13.8	18.4	15.9
- Extra-ASEAN (%)	87.4	74.6	46.1	84.7	94.1	40.6	89.9	95.6	86.2	81.6	84.1



Socio-Demography

	Brunei Darussalam	Cambodia	Indonesia	Lao PDR	Malaysia	Myanmar	Philippines	Singapore	Thailand	Viet Nam	ASEAN
Population ('000)	425.4*	15,985.9*	265,116.0*	6,887.1*	32,471.4*	53,863.2*	106,627.2*	5,617.3*	67,852.3*	94,666.0	649,511.8
Unemployment rate (%)	n.a	n.a	5.3	n.a	3.4	2.1	6.6	3.1	1.2	2.0	1.2 - 6.6
Life expectancy (years)	80.7	69.9	71.1	67.0	75.5	66.7	69.2	83.1	75.5	76.5	66.7 - 83.1



Connectivity

	Brunei Darussalam	Cambodia	Indonesia	Lao PDR	Malaysia	Myanmar	Philippines	Singapore	Thailand	Viet Nam	ASEAN
Internet subscribers per 100 persons	90.0	69.0	32.3	30.0	80.1	88.9	55.5	84.4	52.9	46.5	48.5
Cellular phones per 100 persons	127.0	118.2	173.8	54.1	131.2	106.2	110.4	148.2	176.0	128.1	147.3
Visitor arrivals ('000)	259.0	5,602.2	14,039.8	3,868.8	25,948.5	3,443.1	6,620.9	17,423.0	35,592.0	12,922.2	125,719.4
- Intra-ASEAN (%)	50.7	38.6	32.2	71.0	75.1	50.3	7.4	35.7	26.2	13.0	38.6
- Extra-ASEAN (%)	49.3	61.4	67.8	29.0	24.9	49.7	92.6	64.3	73.8	87.0	61.4

Source : ASEAN Secretariat, UNICT

Notes: Figures in: i. Black fonts are 2018 preliminary data;
ii. Blue fonts are 2017 data;

* Data are estimated by ASEANstats
n.a = not available

ASEANstats data and its statistical publications can be accessed at: <http://www.aseanstats.org/>