



BRIDGING THE DIGITAL DIVIDE

Tham Siew Yean
ISEAS-Yusof Ishak Institute

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WHY IS IMPORTANT TO BRIDGE THE DIGITAL DIVIDE IN THE REGION?

To reap the full potential of digitalization in each country
as we are linked by trade and investment



Big digital divides will also mean that investments tend to
gravitate towards the more digitally connected countries
and will render community-making in ASEAN more difficult
to achieve



To promote cross border ecommerce and digital trade,
important especially for smaller economies

EXTERNAL: INFRASTRUCTURE DIVIDE

Internet connectivity is the basic requirement for participation in the digital economy.

Consumer side, Internet connectivity via fixed line and mobile data are sufficient.

For businesses, fixed broadband Internet is essential as mobile internet is both, too slow and expensive.

- Fixed-line broadband not only leads to faster mobile Internet speeds but also allows businesses to better cope with video streaming and manage their supply chains on cloud computing.
- Governments too can coordinate their agencies in real time.
- Need ultrafast broadband, for innovations such as artificial intelligence (AI), the Internet of Things (IoT) and Industry 4.0 to be feasible.

Internet penetration is lower.

IMF: Internet penetration is high in countries like Brunei, Malaysia and Singapore. However, in less developed countries such as Cambodia, Indonesia, Lao PDR and Myanmar, approximately 70 percent of the population there have no access to the Internet at all.

Higher costs: The adoption of high-speed Internet using fixed broadband in some ASEAN member states is hampered by higher costs.

WHAT IS ASEAN DOING TO BRIDGE THE DIVIDE?

There are many lofty plans: for example:

The ASEAN Digital Masterplan 2025 envisions ASEAN as a “leading digital community and economic bloc” – a bold plan that demands effective investments in infrastructure and skills.

Consolidated Strategy on the Fourth Industrial Revolution for ASEAN

ASEAN’s importance lies in knowledge-sharing and shaping legal frameworks. The regional bloc collates and disseminates best practices across the region.

Using KPIs to measure outcomes

Cooperation is in the form of specific projects which are not always reported by the media



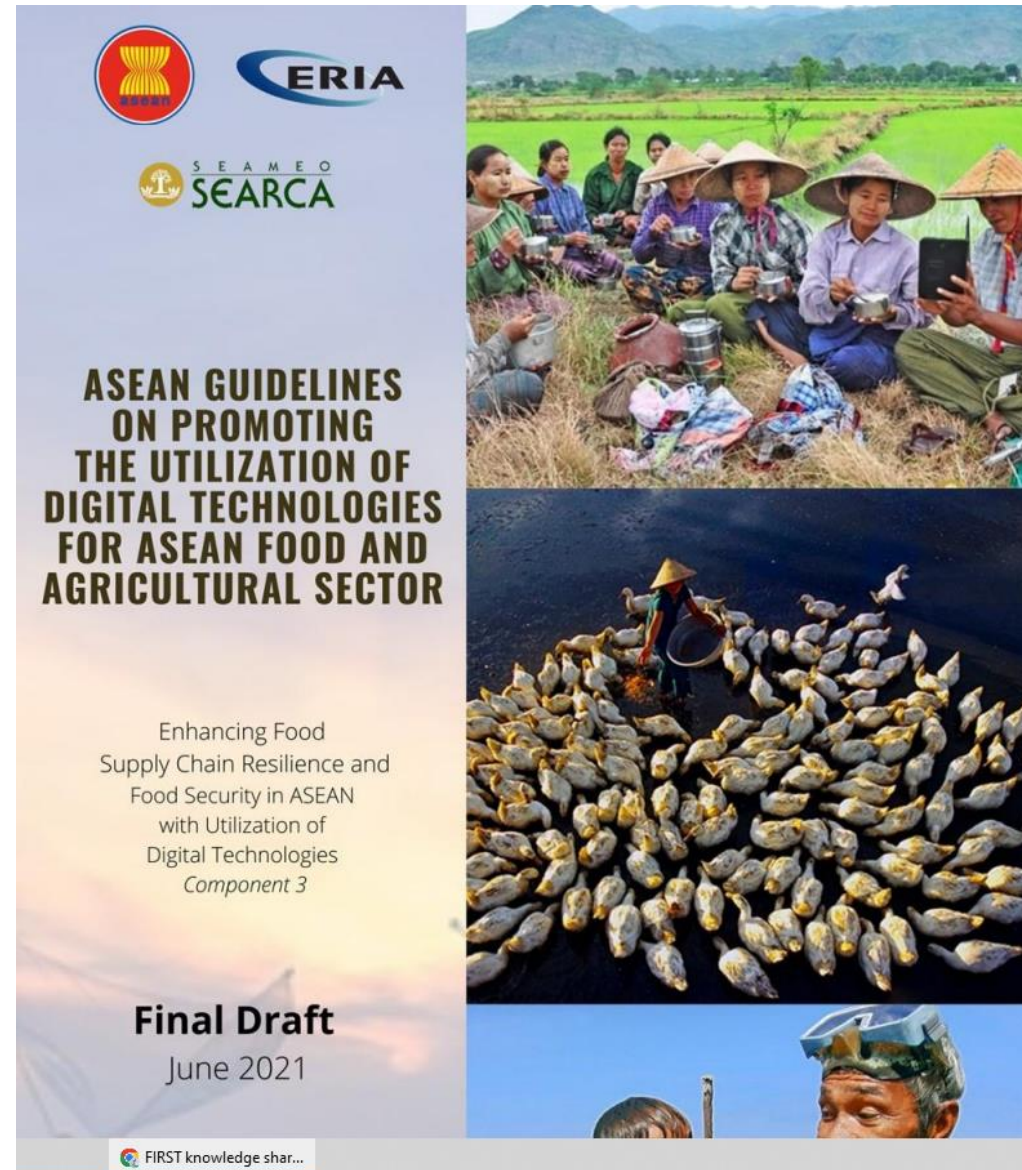
EXAMPLE OF KNOWLEDGE- SHARING IN ASEAN

Role of Economic
Research Institute for
ASEAN and East Asia
ERIA):

<https://www.eria.org/>

Established in 2007.

- ☐ To provide research support for ASEAN
- ☐ To share research findings
- ☐ To train ASEAN researchers



ADOPTION OF KPIs TO MEASURE OUTCOMES

Four key performance indicators (KPIs) are proposed for the focus area on digital economy (Table. 3.4.).

Table 3.4. Digital economy KPIs

	KPIs	Description
1	Number of regional initiatives formulated and implemented.	Measures the number of regional initiatives introduced, rolled out, or adopted, and provides regular updates on progress and implementation.
2	Degree of adoption of capability development programmes.	Measures uptake and adoption of capability development programmes (e.g., training, knowledge-sharing sessions, technology transfer initiatives, and incubating programmes), to enhance digital upskilling and reskilling.
3	Level of stakeholder engagement in capacity and capability development programmes.	Number and type of consultations or partnerships initiated across the strategic priorities with industry players, businesses, universities and educational institutions, and civic organisations.
4	Number of digitally banked citizens in ASEAN.	Measures financial inclusion and how ASEAN citizens are using digital avenues to participate in the digital economy.

EXAMPLE OF PROJECT BASED COOPERATION:

[HTTPS://ASIAFOUNDATION.ORG/EMERGING-ISSUES/GO-DIGITAL-ASEAN/](https://asiafoundation.org/emerging-issues/go-digital-asean/)

The **Go Digital ASEAN** initiative broadens [digital skills participation](#) in all 10 ASEAN countries, reaching everyone from farmers and home-based handicrafts producers to small-scale hotels, restaurants, and shops

Endorsed by the ASEAN Coordinating Committee on Micro, Small, and Medium Enterprises and supported by Google.org, Google's philanthropic arm, the initiative broadens participation in the digital economy and reaches marginalized communities with the most to gain from digital literacy by offering in-person and virtual training.

Phase 1 of Go Digital ASEAN (2020-2021) exceeded its target and trained **225,778 individuals** across the region, 60% women. The project's Phase 2 will provide more advanced and fit-for-purpose training for up to **200,000 underserved MSMEs** through a three-level program—Go, Grow, and Explore—on skills such as business and financial literacy, digital marketing, cybersecurity, and carbon footprint reduction.

EXAMPLE OF PROJECT-BASED COOPERATION: AGRINNOVATION FUND IN ASEAN(AIF):

[HTTPS://WWW.ASEAN-AGRIFOOD.ORG/AGRINNOVATION-FUND-IN-ASEAN/](https://www.asean-agrifood.org/agrinnovation-fund-in-asean/)

AIF seeks to foster market driven innovations in the agricultural value chains while meeting quality and sustainability standards through public-private partnerships and cooperation.

The AIF is initiated under the ASEAN-German Cooperation Project “ASEAN AgriTrade”, with funding from the German Federal Ministry for Economic Cooperation and Development (BMZ) and is implemented by the Deutsche Gesellschaft für Internationale Zusammenarbeit (GIZ) GmbH in collaboration with public partners and relevant private companies/ organisations.

ASEAN AgriTrade project and the AIF implementation in Cambodia, Lao PDR, Myanmar, and Viet Nam (CLMV) in cooperation with public and private partners

From December 2021 to October 2023, the AIF and partners will implement 27 innovations, throughout various value chains in agriculture, from processing methods, incorporating climate-friendly approaches to digital solutions, involving 2,800 smallholder farmers in CLMV countries.

For further details, see AIF Factsheet at https://www.asean-agrifood.org/wp-content/uploads/2022/06/2022_AIF-Factsheet-overview-projects_June-2022.pdf

WHAT IS NEEDED WITH INCREASING DIGITAL TRADE COMMITMENTS

Increasing interest to increase digital trade commitments, for example, the digital pillar in the Indo-Pacific Economic Framework (IPEF);

Exclusion of Cambodia, Laos and Myanmar

Inclusion of others in trade negotiations with the developed countries in the IPEF, led by America and the emphasis on high standards

Digital is a cross sectoral issue and needs to engage a whole-of-government approach in its negotiations

Are all administrative officers able to understand trade rules governing data flows and its implications on their sector? Digital divide within the civil service sector itself

Training and capacity building for all government officers and not just left to trade negotiators alone



THANK YOU.

