ASEAN continues to work on its region-wide responses in fighting the Coronavirus Disease 2019 (COVID-19) pandemic. Following the various statements and declarations made by ASEAN Leaders and Ministers in addressing the socio-economic impact of the COVID-19 pandemic, a number of initiatives have been introduced to put the commitment into action.

Among the initiatives taken collectively by ASEAN, two key initiatives are particularly central to the efforts to mitigate the impact of COVID-19 pandemic. The implementation of Hanoi Plan of Action to strengthen ASEAN supply chain connectivity in the midst of the pandemic and the financial support provided through the COVID-19 ASEAN Response Fund to detect, control and prevent the COVID-19 spread in the region. Moreover, further action has also been undertaken to facilitate information sharing among the ASEAN Member States (AMS) to support MSMEs through publication of the Policy Insight on Enterprise Policy Responses to COVID-19 in ASEAN.

These initiatives are currently being implemented to ensure the effectiveness of ASEAN’s response to COVID-19 pandemic and in keeping the region to remain resilient during and after the pandemic.
**Hanoi Plan of Action on Strengthening ASEAN Economic Cooperation and Supply Chain Connectivity in Response to the Covid-19 Pandemic (Hanoi PoA)**

As a follow-up action to the statement made by the ASEAN Economic Ministers (AEM) in response to the outbreak of COVID-19, ASEAN recently introduced the Hanoi Plan of Action on Strengthening ASEAN Economic Cooperation and Supply Chain Connectivity in Response to the Covid-19 Pandemic (Hanoi PoA). The Hanoi PoA aims to strengthen ASEAN’s economic resilience in response to the outbreak and to explore a temporary arrangement to preserve supply chain connectivity during the COVID-19 pandemic.

One of the key elements of Hanoi PoA is the AMS’ commitment to ensure the smooth flow of essential goods in mitigating the impact of the pandemic (e.g. food, medicines, medical equipment, and other essential supplies). The Hanoi PoA also includes AMS’ commitment to share information on trade-related measures on those essential goods as well as the commitment from all AMS to refrain from imposing unnecessary non-tariff measures during the COVID-19 pandemic.

The other key element of the Hanoi PoA is for ASEAN to strengthen its supply chain connectivity through the use of technology and innovation to ensure the continuity of businesses in the region, especially MSMEs, so that it can be more resilient to future risk. Additionally, it also highlights the importance in strengthening engagement with stakeholders, such as the private sector, by having them as significant partners in strengthening regional supply chains, to instil investment confidence, promoting business opportunities, and strengthening supply chain connectivity.

The Hanoi PoA is being implemented in accordance with the rights and obligations of the ASEAN Member States under the General Agreement on Tariffs and Trade (GATT) 1994 and other WTO covered Agreements, the ASEAN Economic Community Blueprint 2025 and other ASEAN internal Agreements, such as the ASEAN Trade in Goods Agreement, the ASEAN Trade Facilitation Framework, the Master Plan on ASEAN Connectivity (MPAC) 2025, and other relevant ASEAN Agreements.

**The COVID-19 ASEAN Response Fund**

Announced at the 36th ASEAN Summit, the COVID-19 ASEAN Response Fund aims to provide financial support to ASEAN Member States in the detection, control and prevention of COVID-19 transmission and in protection of the safety of medical professionals, healthcare workers, frontline workers, and the wider population of ASEAN Member States.

The Fund is equally accessible to all ASEAN Member States for the purpose of procuring necessary medical supplies and equipment which may include but are not limited to: (i) Test kits/diagnostic tools; (ii) personal Protective Equipment, including gloves, medical masks, goggles, face shields, and gowns, etc; (iii) essential medical supplies, including medicines and vaccines; and (iv) other medical supplies and equipment for diagnostic and treatment procedures.

The Fund would also be available to support cooperation in research and development relevant to COVID-19, including research on virology, immunology, and other relevant studies, or research relevant to the development of medical treatments and preventive vaccines; technical support in the planning and implementation of containment and mitigation measures; sharing of best practices; as well as capacity and capability-building of healthcare professionals and other frontline personnel.

In instances of immediate need to tap into the Fund, the Senior Officials’ Meeting on Health Development (SOMHD) would function as the reviewing and approving body to fast track the process for immediate release of the Fund. Immediate needs of the Fund would include instances of procurement of medical supplies and equipment critical for diagnosis and treatment of COVID-19 patients.

The Fund is being managed by the ASEAN Secretariat and open to voluntary contributions from ASEAN Member States, Dialogue Partners, Sectoral Dialogue Partners, Development Partners, and other external partners of ASEAN, including international organisations and funding agencies as well as public and private sectors.
Helping MSMEs in ASEAN navigate amidst the COVID-19 pandemic is also important to ensure the sustainability of the economy. The support measures provided by the government need to ensure that MSMEs can stay afloat during the pandemic. With that in mind, the ASEAN Coordinating Committee on Micro, Small, and Medium Enterprises (ACCMSME) in cooperation with the OECD, and supported by Canada through the Canada-OECD Project for ASEAN SMEs (COPAS), published a report entitled “Policy Insight on Enterprise Policy Responses to COVID-19 in ASEAN: Measures to Boost MSME Resilience.”

The report provides information and analysis on the various measures to support MSMEs undertaken by the AMS, which include a mix of short-term stimulus measures together with long-term structural measures. The short-term measures include deferral measures, direct financial assistance, information and guidance, and temporary redundancy and wage support measures. While the long-term structural measures are largely focused on four angles: enterprise formalisation, workforce training, enterprise digitisation, and new market access.

Additionally, the report further proposes six policy recommendations that can be considered by the AMS, namely: (i) ensuring that policy responses combine shorter-term stimulus measures with longer-term structural ones; (ii) designing targeted measures for MSMEs; (iii) closely monitoring the delivery and performance of support schemes to MSMEs; (iv) accelerating efforts to encourage MSME digitalisation; (v) effectively engaging with more vulnerable actors and to ensure that they take up the schemes available to them; and (vi) developing measures that target the most deeply affected sectors.

In addition to the three initiatives highlighted in the previous sections, numerous other initiatives are being developed by various ASEAN sectoral bodies to mitigate the impact of the COVID-19 pandemic, build resilience and prepare for recovery. Moreover, coordination among ASEAN sectoral bodies are also strengthened to ensure a comprehensive, whole-of-community response under the coordination of the ASEAN Coordinating Council Working Group on Public Health Emergencies (ACCWG-PHE).

Implementation of the initiatives will require active participation and cooperation from all stakeholders, including the private sector. It is crucial to begin in depth discussions with the private sector on how they can specifically contribute to the implementation of the Hanoi PoA, and more broadly in the development of the ASEAN recovery plan, based on the recommendations submitted jointly by the ASEAN Business Advisory Council (ASEAN-BAC), Joint Business Councils (JBC), and sector champions as highlighted in their report entitled “A Pathway Towards Recovery and Hope for ASEAN”.

The private sector could also consider making monetary contribution to the regional effort in mitigating the impact of the COVID-19 pandemic through the COVID-19 ASEAN Response Fund as well as to engage the ASEAN Secretariat in developing specific intervention programmes related to COVID-19 response in collaboration with relevant sectoral bodies. The detailed mechanism on how to contribute to the fund or specific programmes/projects can be discussed with focal points at the ASEAN Secretariat.
Recent Updates

**ASEAN Coordinating Committee on Customs (CCC) continued its engagement with the private sector**

As part of the 32nd CCC meeting, which was held on 1-2 July 2020, CCC held its fifth consultation with the Joint Business Council, which was represented by the ASEAN Business Advisory Council (ASEAN-BAC), EU-ASEAN Business Council (EU-ABC), and US-ASEAN Business Council (US-ABC). During the consultation, the JBC’s presented the proposal for ASEAN post-pandemic economic recovery; and discussed preparations for the consultation with the ASEAN Customs DGs and the collaboration with JBC to organise capacity building activities for customs officials.

**Sharpening the plan to implement the ASEAN Agreement on E-Commerce**

Sharpening the implementation plan for the ASEAN Agreement on E-Commerce was one of the key areas that were discussed during the 17th ACCEC Meeting. The Meeting discussed important elements to implement the Agreement at the regional and national level, namely: (i) developing action plans to align AMS’ regulatory framework on e-commerce with international best practices; (ii) developing a monitoring mechanism on e-commerce; and (iii) organising capacity building programmes to promote cross-border e-commerce activities in ASEAN.

**Development of the ASEAN Guidelines for Harmonisation of Nutrition Labelling is set to be started**

The ASEAN Prepared Foodstuff Product Working Group (PFPWG) continued discussion on development of ASEAN Guidelines for Harmonisation of Nutrition Labeling. At the 30th PFPWG Meeting held on 25 June 2020, the PFPWG agreed that the Codex Guideline on Nutrition Labeling will be used as the basis for the harmonised requirements.

**Regional Comprehensive Economic Partnership (RCEP) Agreement will be signed in November 2020**

The 10th Inter-sessional RCEP Ministerial Meeting, held on 23 June 2020, yielded two significant outcomes: (i) reaffirmation of the 15 RPCs’ commitment to sign the RCEP Agreement this year; and (ii) the recognition of India as an important participant in the RCEP negotiations since its launch in 2012 and therefore RCEP would remain open for India. The signing of the RCEP Agreement will serve as a clear signal for the unwavering support to the multilateral trading system and regional integration and also the resolve in enhancing cooperation and coordination to facilitate a strong and resilient economic recovery following the COVID-19 pandemic.

**Public-private collaboration to equip micro and small enterprises with digital skills and tools amidst the COVID-19 pandemic**

The ACCMSME and The Asia Foundation have come together to launch the Go Digital ASEAN initiative. Supported by a USD3.3m grant from Google.org, the initiative is designed to equip around 200,000 micro and small enterprises as well as underemployed youth, particularly those in rural and isolated areas, with crucial digital skills and tools; expand economic opportunity across ASEAN Member States (AMS); and minimize the negative impact from the COVID-19 crisis.
## Upcoming Events

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<td>The 52nd ASEAN Economic Ministers’ Meeting (AEM) &amp; Related Meetings</td>
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<td>The 11th ASEAN Connectivity Symposium</td>
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