The Master Plan on ASEAN Connectivity (MPAC) 2025 aims to achieve a seamlessly and comprehensively connected and integrated ASEAN that will promote competitiveness, inclusiveness, and a greater sense of Community, through 15 initiatives across five strategic areas.

Mid-Term Review (MTR) assessed MPAC 2025’s progress and challenges and provided recommendations to enhance implementation.

**MPAC 2025 Potential:**
Transforming Socio-Economic Outcomes in ASEAN

**SUSTAINABLE INFRASTRUCTURE**
- Infrastructure pipeline could generate up to USD35.9 billion in investment and infrastructure productivity could reduce the need for new infrastructure by USD44 – 74 billion annually. Sustainable urbanisation could result in savings for major ASEAN cities of up to USD50 billion in total.

**DIGITAL INNOVATION**
- Digital trade could create exports of over USD100 billion by 2030. Digital financial services could lead to USD296 billion in new deposits and a leakage reduction of USD10 billion per annum for governments.

**SEAMLESS LOGISTICS**
- Improving supply chain efficiency could significantly reduce the average time and cost to export and import and better border facilitation could add a 0.05% improvement in ASEAN GDP by 2025.

**REGULATORY EXCELLENCE**
- Harmonisation of standards and the removal of non-tariff barriers are a priority for ASEAN economic integration. Regulatory convergence on NTMs could reduce the regional average price of agricultural products by 2.5 – 4% and the price of industrial products by 0.5 – 1.5%.

**PEOPLE MOBILITY**
- Growth of intra-ASEAN travelers could result in an additional 15.5 million annual visitor arrivals by 2025. Intra-ASEAN movement of skilled labour could lift AMS GDP by 0.08% on average.

Note: For more information and sources of data, please visit connectivity.asean.org
MPAC 2025 Progress

MPAC 2025 has made good overall progress. The achievement of key implementing measures (KIMs) and outputs by each initiative informs this progress.

<table>
<thead>
<tr>
<th>INITIATIVES</th>
<th>KEY IMPLEMENTING MEASURES</th>
<th>OUTPUT METRIC INDICATORS</th>
</tr>
</thead>
<tbody>
<tr>
<td>1. Establish a rolling priority pipeline list of potential ASEAN infrastructure projects and sources of funds</td>
<td>2 5 4</td>
<td>1 3</td>
</tr>
<tr>
<td>2. Establish an ASEAN platform to measure and improve infrastructure productivity</td>
<td>2 8</td>
<td>1 1 3</td>
</tr>
<tr>
<td>3. Develop sustainable urbanisation strategies in ASEAN cities</td>
<td>2 1 5</td>
<td>3 1</td>
</tr>
<tr>
<td>4. Enhance the MSME technology platform</td>
<td>2 5 1</td>
<td>1 3</td>
</tr>
<tr>
<td>5. Support the expansion of digital financial services in ASEAN</td>
<td>2 3 1</td>
<td>1 1</td>
</tr>
<tr>
<td>6. Establish an ASEAN open data network</td>
<td>2 2 8</td>
<td>1 1 5</td>
</tr>
<tr>
<td>7. Establish an ASEAN digital data governance framework</td>
<td>6 1 3</td>
<td>1 1 1</td>
</tr>
<tr>
<td>8. Strengthen ASEAN competitiveness through enhanced trade routes and logistics</td>
<td>2 3 4</td>
<td>1 1</td>
</tr>
<tr>
<td>9. Enhance supply chain efficiency through addressing key chokepoints</td>
<td>1 7</td>
<td>3</td>
</tr>
<tr>
<td>10. Complete harmonisation of standards, mutual recognition, and technical regulations in 3 prioritised product groupings</td>
<td>2 3 3</td>
<td>4</td>
</tr>
<tr>
<td>11. Increase transparency and strengthen evaluation to reduce trade-distorting NTMs</td>
<td>2 11</td>
<td>1 2</td>
</tr>
<tr>
<td>12. Enhance ASEAN travel by making finding information easier</td>
<td>10</td>
<td>5</td>
</tr>
<tr>
<td>13. Ease ASEAN travel by facilitating visa processes</td>
<td>Focus is being re-defined</td>
<td></td>
</tr>
<tr>
<td>14. Establish new vocational training programmes and common qualifications across AMS in accordance with national circumstances of each AMS</td>
<td>10 1</td>
<td>3 1</td>
</tr>
<tr>
<td>15. Support higher education exchange across AMS</td>
<td>7 1 6</td>
<td>2 3 2</td>
</tr>
</tbody>
</table>

KIMs: Activities carried out to produce outputs | Output: Tangible deliverable from initiative’s implementation

- Completed
- Ongoing
- Not yet started
The progress of each initiative differs, and the degree of progress is influenced by several factors. Based on these, MPAC 2025 initiatives can be categorised into four:

**CATEGORY I: Driven by Connectivity**
Implementation is driven by the ACCC, ASEAN Secretariat, dedicated bodies like LIB-SI and other ASEAN Sectoral Bodies such as SEOM and STOM in strong coordination with the former, giving MPAC 2025 a strong level of control over the initiatives.
1. Infrastructure Pipeline
2. Infrastructure Productivity
3. Sustainable Urbanisation

**CATEGORY II: Coordinated with Sectoral Bodies**
Implementation is driven by a highly engaged Sectoral Body with good coordination with ASEAN Secretariat and ACCC where there is a clear value addition from MPAC 2025.
4. MSMEs
5. Open Data
6. Tourism
7. TVET
8. Standards
9. Reduce Trade-Distorting NTMs
10. Ease ASEAN Travel by Facilitating Visa Processes
11. Tourism
12. Tourism
13. Ease ASEAN Travel by Facilitating Visa Processes

**CATEGORY IV: Underprovided**
There has been limited uptake by the LIB due to limited value add, alignment of priorities or conflict of interests.

13. Ease ASEAN Travel by Facilitating Visa Processes

**CATEGORY III: Absorbed by Sectoral Work Plan**
Implementation has been absorbed into the workplan of the LIB, but while the initiative may have originated from MPAC 2025, there is uncertainty about the MPAC 2025 value addition.

5. Digital Financial Inclusion
6. Standards
7. Digital Data Governance

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**17 recommendations in SIX areas have been developed to tackle the identified implementation challenges**

<table>
<thead>
<tr>
<th>KEY CHALLENGES</th>
<th>RECOMMENDATION AREAS</th>
<th>SUPPORTING RECOMMENDATIONS</th>
</tr>
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<tbody>
<tr>
<td>Sectoral Alignment: Arise from priorities alignment with the sectoral body or identifying suitable LIB; how MPAC 2025 would add value.</td>
<td>Enhance sectoral-level alignment</td>
<td>• Augment the existing value addition framework of MPAC 2025 for sectoral bodies through CORE framework: Coordination, Ownership, Resources and Emphasis • Increase the frequency and quality of MPAC 2025’s engagement with LIBs • Elevate MPAC 2025 narrative to the highest possible level</td>
</tr>
<tr>
<td>National Level Implementation: Arise from alignment with relevant agency priorities in AMS; roles obscurity and limited incentives among National Coordinators (NCs) and National Focal Points (NFPs); inability to pull necessary data at the national level; and limited linkages between support for connectivity and other external programmes.</td>
<td>Strengthen in-country implementation</td>
<td>• Clearly define roles and responsibilities, in particular of NCs and NFPs • Obtain support from senior stakeholders to strengthen incentives for implementation by NCs and NFPs • Develop handover mechanism for NFPs • Develop a best practice guidebook for a coordination mechanism at the national level</td>
</tr>
<tr>
<td>Engagement with Other Connectivity Related Initiatives and ASEAN Partners: Arise from increased risk of duplication as the number of activities in the connectivity space are growing; and risk of missing collaboration opportunities.</td>
<td>Convene relevant connectivity efforts and engage ASEAN partners with a more structured approach</td>
<td>• Convene the connectivities • Improve consultation with DPs and OEPs on ASEAN Connectivity • Establish a Connectivity - DPs and OEPs Working Group • Build projects together by leveraging DPs and OEPs’ expertise</td>
</tr>
<tr>
<td>Need for Flexibility to Adjust to Changes in Regional Context: Arise from initiatives implementation that changes from external events (e.g. COVID-19) and external priorities (e.g. sustainability and inclusiveness).</td>
<td>Adapt MPAC 2025 initiatives to changing regional context</td>
<td>• Conduct review of MPAC 2025 initiative concepts at least once in two years as part of the annual MPAC 2025 MRE process • Develop a COVID-19 focused narrative for MPAC 2025 • Ensure environmental sustainability and inclusiveness within each initiative</td>
</tr>
<tr>
<td>Ownership Beyond 2025: Arise from the maintenance of databases/platforms, technical support and resources.</td>
<td>Ensure ownership of MPAC 2025 initiatives</td>
<td>• Determine clear ownership for on-going initiatives beyond 2025 • Strengthen internal capabilities</td>
</tr>
<tr>
<td>Private Sector Engagement: Arise from lack of engagement with the private sector.</td>
<td>Deepen private sector engagement</td>
<td>• Include private sector engagement in KIMs of each initiative</td>
</tr>
</tbody>
</table>

**Note:** All recommendation areas are complementary in nature and should be considered in combination for optimal effect.

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**Glossary**

- ACCC: ASEAN Connectivity Coordinating Committee
- AMS: ASEAN Member States
- COVID-19: Coronavirus Disease
- DPs: Dialogue Partners
- GDP: Gross Domestic Product
- KIMs: Key Implementing Measures
- LIB: Lead Implementing Body
- LIB-SI: Lead Implementing Body-Sustainable Infrastructure
- MPAC 2025: Master Plan on ASEAN Connectivity 2025
- MRE: Monitoring, Review and Evaluation
- MSMEs: Micro, Small, Medium Enterprises
- MTR: Mid-Term Review
- NCS: National Coordinators
- NFPs: National Focal Points
- NTMs: Non-Tariff Measures
- OEPs: Other External Partners
- SEOM: Senior Economic Officials Meeting
- STOM: Senior Transport Officials Meeting
- TVET: Technical Vocational Education and Training
- ASEAN Connectivity Coordinating Committee
- ASEAN Member States
- Coronavirus Disease
- Dialogue Partners
- Gross Domestic Product
- Key Implementing Measures
- Lead Implementing Body
- Lead Implementing Body-Sustainable Infrastructure
- Master Plan on ASEAN Connectivity 2025
- Monitoring, Review and Evaluation
- Micro, Small, Medium Enterprises
- Mid-Term Review
- National Coordinators
- National Focal Points
- Non-Tariff Measures
- Other External Partners
- Senior Economic Officials Meeting
- Senior Transport Officials Meeting
- Technical Vocational Education and Training