The digital economy has been growing immensely in ASEAN. Blessed with a large, growing, and highly engaged internet user base, Temasek, Google, and Bain estimated in their study that the ASEAN internet economy exceeded USD 100B GMV in 2020 and it would reach USD 309B GMV by 2025. The digital economy in ASEAN does not only consist of big companies, but also small and medium enterprises (SMEs) which account for 97.2 – 99.9% of total business establishment in ASEAN.

The rise of digital economy significantly increases the amount of data generated and exchanged through interactions between connected devices and people. Data governance becomes essential to ensure responsible use of data, including the protection and prevention of misuse of personal data. However, there are gaps in data governance capacity among businesses, particularly between the large companies and SMEs. To this end, ASEAN has endorsed the ASEAN Framework on Digital Data Governance at the 18th ASEAN Telecommunications and Information Technology Ministers Meeting (TELMIN) in December 2018, which includes the initiative to develop the ASEAN Data Management Framework (DMF). DMF is a guide for businesses of all size to implement a data management system that adheres to good data governance principles. DMF is an approach to data
protection which includes a risk-based data classification framework. Having such a common approach will make it easier for businesses in ASEAN to trust each other in sharing data and establishing a contractual agreement on the protection of shared data.

**The Foundational Components of the DMF**

DMF includes voluntary and non-binding guidelines for data governance structures and appropriate data protection safeguards, depending on the risk profile of the dataset of interest, throughout the data lifecycle. DMF is designed based on global best practices in the area of data management for organisations. In this regard, DMF is not sector-specific, but it provides a guideline that can be adapted and used as a benchmark for all industries.

DMF includes the following six foundational components, which are aimed at enabling an organization to leverage its corporate governance structure to define, manage, and monitor its data management process.

i. **Governance and oversight**

An organization should establish a system and provide direction for the organization to implement and execute the DMF and oversee its functions to confirm that it is operating as designed.

ii. **Policies and procedural documents**

Policies and procedures on the development and implementation of data management in an organization should be in place. DMF recommends that the scope of the policies and procedures include leadership commitment, data management objectives, scope and consideration, and data management approach.

iii. **Data inventory**

Businesses manage a wide spectrum of data elements from different business units and processes. To be cost effective, data should be categorized by considering the following factors: nature and type of service, regulatory requirements, competitive landscape, cost of safeguards vs risk appetite, and customer expectation. These common factors are listed to assist business in assessing the sensitivity and value of its datasets. Nonetheless, companies may create their own classification categories.

iv. **Impact/Risk Assessment**

Businesses should consider the impact of data security breach based on three parameters, namely Confidentiality, Integrity, and Availability. The risk may also be estimated based on its impact on the organization's financial, strategic, operational, or regulatory compliance performance.

v. **Controls**

A control includes any procedure used and relied upon to prevent errors from occurring during data collection, use and/or disclosure process, or to detect and correct error in a process. Businesses may refer to existing international standards such as ISO 9001:2015, ISO 27001, etc. in implementing such controls throughout the data lifecycle.

vi. **Monitoring and continuous improvement**

Businesses should determine what needs to be monitored and measured, the monitoring methods, the schedule of monitoring, and the organization function to conduct the monitoring. This monitoring process is required to keep the foundational data management components up to date, optimized, and fits the actual needs of the business.

**Benefits of DMF for Businesses**

DMF is designed to support both policymakers and businesses. DMF helps policymakers in ASEAN to promote a robust digital economy by reducing the likelihood of shocks coming from data leakage and security breaches, promoting economic integration through interoperability, encouraging intra- and inter-company data flows within the domestic economy, and supporting cross border data flow for companies operating across AMS.

At the same time, DMF also assists businesses in their participation in the digital economy by building trust, transparency, and accountability in managing data, as well as leveraging and sharing data to achieve better business outcomes. Additionally, DMF provides practical guidance, which aids businesses in identifying and implementing appropriate controls in a cost-effective manner.

**The full text of the ADMF is available at this link.**
Launch of the AEC Mid-Term Review Report

ASEAN virtually launched the Report of the Mid-Term Review (MTR) of the AEC Blueprint 2025 on 28 April 2021. The MTR is an assessment of the first half of implementation of the Blueprint, i.e. 2016-2020. It covers the implementation of the 23 plus sectoral work plans and more than 1700 action lines. The MTR reports that 54.1% of the action lines have been completed, while 34.2% are ongoing. The report also highlights that overall ASEAN made good progress but it needs to do more in terms of quality and pace. The launch featured reflections and insights of H.E. Satvinder Singh, the Deputy Secretary-General of ASEAN for AEC, Dr. May Faezah Arifin, the Permanent Secretary of the Ministry of Finance and Economy and High-Level Task Force for ASEAN Economic Integration Lead, Brunei Darussalam, and Dr. Ar. Siti Rozaimeriyan, Chair of the ASEAN Business Advisory Council 2021. The Report and its the video highlights can be accessed through this link.

Consultative Meetings discuss ASEAN’s Fourth Industrial Revolution Strategy

ASEAN held the Stakeholders Consultative Workshops on the Consolidated Strategy on the Fourth Industrial Revolution (4IR) for ASEAN virtually on 27 and 29 April 2021, with ASEAN sectoral bodies and broader stakeholders, respectively. Supported by the ASEAN-Australia Development Cooperation Programme Phase II (AADCP II), the workshops were part of ASEAN's consultation process organised towards the development of the Consolidated Strategy. The Workshops provided a platform for ASEAN and stakeholders to discuss the latest draft of ASEAN’s 4IR Consolidated Strategy, including its vision, strategic framework, and priorities. Identified as one cross-pillar deliverables for Brunei ASEAN Chairmanship 2021, the Consolidated Strategy is expected to contribute to the region's recovery and overall long-term resilience.

31st Meeting of the Automotive Product Working Group (APWG)

31st Meeting of the Automotive Product Working Group (APWG), which was preceded by the 2nd meeting of the AEC Automotive Committee (AAC) held on 4 and 5 May 2021, respectively, via video conference. The meeting endorsed the AAC's implementation plan for the APMRA, which includes a timeline to finalize the Guidance Document. The meeting also noted several partnership initiatives with ASEAN Dialogue partners, namely Japan, the Republic of Korea, China, US, and the EU.

The 6th ASEAN Economic Community (AEC) Dialogue

The ASEAN Secretariat held the 6th ASEAN Economic Community (AEC) Dialogue on 19 May 2021 via videoconference. The meeting was attended by representatives from sixteen business councils and the Economic Officials under SEOM. The first session discussed the strategy to enhance the quality of engagement between the Joint Business Council (JBC) and the Sectoral Bodies. The second session was the briefing session from the Infocomm Media Development Authority of Singapore regarding the ASEAN Data Management Framework (DMF) and ASEAN Model Contractual Clauses (MCCs).

Guidelines for Content Contribution for the ASEAN SME Academy

The ASEAN SME Academy, a self-paced online learning tool overseen by the ASEAN Coordinating Committee on Micro, Small and Medium Enterprises was established in 2016 to foster inclusive growth of MSMEs. To date, the Academy has curated learning materials on various topics such as business management, marketing, technology including digitalisation, and logistics. To ensure continuous relevance and promote sustainability of the Academy, the ACCMSME and the joint administrators invites collaboration from interested parties in ASEAN to i) update existing or contribute new contents to the Academy and ii) provide translation services of new and existing materials on the Academy. For further details interested parties are welcome to contact the ASEAN Secretariat at esed@asean.org.
# Upcoming Events

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<tr>
<td>30th Meeting of ASEAN Customs Directors-General Meeting of Customs</td>
<td>Virtual, 8-10 June 2021</td>
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<td>55th ASEAN Consultative Committee for Standards and Quality (ACCSQ) Meeting</td>
<td>Virtual, 15-17 June 2021</td>
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<tr>
<td>21st ASEAN Trade Facilitation Joint Consultative Committee (ATF-JCC)</td>
<td>Virtual, 7-8 July 2021</td>
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<td>ASEAN Digital Senior Officials’ Meeting (ADGSOM)</td>
<td>Virtual, 19-21 July 2021</td>
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