

ASEAN FOR BUSINESS

# Monthly Bulletin

September 2023



## In Focus: ASEAN Marching Towards Being the Epicentrum of Growth



ASEAN continues to be a competitive economic region with a conducive business environment offering enormous opportunities for growth and development. After having experienced growth rate of 5.7% in 2022, the Asian Development Bank (ADB) estimates that the ASEAN economy will grow by 4.6% in 2023 and 4.8% in 2024. The latest ADB Asian Development Outlook released in September 2023 highlights robust domestic demand and consistent recovery in the services sector, especially tourism, in providing significant contribution to ASEAN's economic growth. Nonetheless, the slowing of global growth, which led to decrease in demand for the region's manufacturing and commodity exports, combined with high commodity prices, and the tightening of global financial conditions have posed significant challenges across the region, causing the weakening of economic performance in several ASEAN Member States (AMS).

Recognising the increasing challenges facing the region's economy, ASEAN Leaders adopted the Declaration on ASEAN as an Epicentrum of Growth at the recent 43<sup>rd</sup> ASEAN Summit held in Jakarta on 5 September 2023. The Declaration includes ASEAN Leaders' commitment to strengthen the region's position as the epicentrum of growth by navigating and responding to global challenges and unleashing the region's full growth potentials amidst global megatrends by: (1) strengthening ASEAN resilience against future shocks; (2) leveraging new growth drivers; and (3) embracing a forward-looking and future-proofed ASEAN agenda.

### **About the Bulletin**

ASEAN for Business is a bulletin published by the Enterprise and Stakeholders Engagement Division of the ASEAN Secretariat.

This monthly bulletin provides quick updates on specific topics related to the ASEAN Economic Community (AEC) for businesses operating in the region.

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### ***i. Strengthening ASEAN Resilience Against Future Shocks***

ASEAN Leaders recognised the increasingly challenging global environment, and agreed to work together in strengthening ASEAN resilience and capabilities to bounce back and move forward expeditiously and effectively from future shocks. This effort will be focused by strengthening ASEAN health resilience, climate and disaster resilience, food systems resilience, energy systems resilience, macroeconomic resilience and financial stability, supply chain connectivity and resilience, and institutional resilience.

To achieve this, ASEAN Leaders tasked, among others, Agriculture and Forestry Ministers, Transport Ministers, and Economic Ministers to work together towards the development of seamless integrated logistics systems for food and agricultural inputs and strengthening cooperation towards an ASEAN Food Security Community. ASEAN Leaders also tasked Finance Ministers and Central Bank Governors to (1) develop, in coordination with relevant ASEAN sectoral bodies, ASEAN Local Currency Transaction Framework to promote the use of local currency in the region; (2) oversee the implementation and advancement of regional payment connectivity; (3) encourage further cooperation on digital assets; and (4) strengthen regional macroeconomic coordination including with the Plus 3 Partners on the operational readiness of the Chiang Mai Initiative Multilateralisation. ASEAN Leaders further tasked the Economic Ministers and other relevant Ministers to ensure regional supply chain connectivity, particularly the smooth flow of essential goods, by minimising unnecessary restrictions or impediments creating barriers to trade, ensuring timely information sharing on trade-related measures, and exploring the potential of digital technologies for supply chain risk management.

### ***ii. Leveraging New Growth Drivers***

ASEAN Leaders recognised that the ASEAN Community building agenda needs to evolve with emerging megatrends and be agile and proactive in leveraging new growth drivers. To do so, ASEAN Leaders identifies six areas of new growth drivers, namely: (1) global supply chains; (2) digital transformation; (3) green economy; (4) blue economy; (5) creative economy; and (6) inclusive economy. ASEAN Leaders tasked ASEAN Economic

Community Council (AECC) Ministers, Economic Ministers, Finance Ministers and Central Bank Governors, Transport Ministers, ASEAN Coordinating Council, and Culture and Arts Ministers to leverage on these new growth drivers. The AECC Ministers, for example, are tasked to: (1) coordinate the implementation of the ASEAN Strategy for Carbon Neutrality; (2) work towards the conclusion of the ASEAN Digital Economy Framework Agreement negotiation by 2025; and (3) accelerate the development of the electric vehicle industry as envisioned by the ASEAN Leaders' Declaration. Meanwhile, the Economic Ministers are tasked to take steps to expand and deepen regional industry cooperation and value chain development, particularly in high-technology and high value-added sectors, including by: (1) implementing the Framework for the ASEAN Industrial Project-Based Initiative; (2) fully implementing the Regional Comprehensive Economic Partnership (RCEP) Agreement; (3) ensuring that the upgrade negotiations of the ASEAN Trade in Goods Agreement (ATIGA) and various ASEAN Plus One FTAs result in agreements that that are relevant, modern, forward-looking, and more responsive to regional and global developments; and (iv) optimising digital transformation through the full implementation and utilisation of the ASEAN Single Window.

### ***iii. Towards a Forward-Looking, Future-Proofed ASEAN***

ASEAN Leaders set forth a forward-looking vision and innovative and future-ready initiatives that would optimise ASEAN effectiveness and impact, which will be achieved by: (1) implementing ASEAN Outlook on the Indo-Pacific; (2) preparing for tomorrow's economy; (3) building future-ready ASEAN institutions; and (4) advancing progress towards achieving the Sustainable Development Goals (SDGs). Towards this end, ASEAN Leaders tasked ASEAN Foreign Ministers, Connectivity Coordinating Committee, Economic Ministers, Labour Ministers and Education Ministers, Digital Ministers, Science, Technology, and Innovation Ministers, ASEAN Socio-Cultural Community Council, and ASEAN Coordinating Council as well as all Community Council Ministers to work towards achieving a forward-looking and future-proofed ASEAN Agenda. Read the full Declaration [here](#).



# KEY DELIVERABLES 43<sup>RD</sup> ASEAN SUMMIT

ASEAN Leaders gathered in Jakarta, Indonesia, on 5 September 2023 for the 43<sup>rd</sup> ASEAN Summit under the Chairmanship of the Republic of Indonesia with the theme "ASEAN Matters: Epicentrum of Growth".

The Summit was chaired by H.E. Joko Widodo, President of the Republic of Indonesia. The Leaders adopted 12 key deliverables.

The following are the key economic achievements of the 43<sup>rd</sup> ASEAN Summit:

Read the full Chairman's Statement for the 43<sup>rd</sup> Summit by scanning this code:



### ASEAN Concord IV

serves as solid foundation and reflects the commitment to work towards the ASEAN Community Vision 2045



### ASEAN Blue Economy Framework

to elevate ASEAN's collaborative efforts on blue economy that creates value-added and value-chain of resources from oceans, seas, and fresh water in inclusive and sustainable way.



### Declaration on ASEAN as an Epicentrum of Growth

Strengthen ASEAN Leaders' commitment to position the region as the epicentrum of growth by navigating and responding to global challenges and unleashing the region's full growth potentials amidst the megatrends.



### Declaration on Strengthening Food Security and Nutrition in Response to Crisis

Ensure rapid action on food security and nutrition in response to crises.



### Statement on the Development of the Digital Economy Framework Agreement

Underscored ASEAN commitment to develop an enabling environment for a robust ASEAN digital economy and strengthen regional digital integration.



### Declaration on Sustainable Resilience

to enhance collaboration in strengthening climate and disaster resilience for sustainable development.

# Updates and Upcoming Events



10TH ASEAN ECONOMIC COMMUNITY DIALOGUE

## UNPACKING THE ASEAN DIGITAL ECONOMY FRAMEWORK AGREEMENT

28 NOVEMBER 2023 | JAKARTA | 09.00 -12.00 GMT+7

### KEYNOTE SPEAKERS



**H.E. SATVINDER SINGH**  
Deputy Secretary-General,  
ASEAN for ASEAN Economic  
Community



**H.E. CAROLINE SCOTT**  
Deputy Ambassador,  
Australian Mission to ASEAN



**DR. MING TAN**  
Founding Executive Director,  
Tech for Good Institute

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What is your dream for ASEAN Economic  
Community 2045? Tell us your thoughts:



[tinyurl.com/AECBusinessLivePlatform](https://tinyurl.com/AECBusinessLivePlatform)

Open for submission until 18 October 2023!

