

**For immediate reporting**

## **ASEAN LAUNCHES NEGOTIATIONS ON ASEAN DIGITAL ECONOMIC FRAMEWORK AGREEMENT AND BOLSTERS REGIONAL ECONOMIC INTEGRATION**

1. Minister for Trade and Industry Gan Kim Yong represented Singapore at the 23<sup>rd</sup> ASEAN Economic Community (AEC) Council Meeting from on 3 September 2023 in Jakarta, Indonesia. The 23<sup>rd</sup> AEC Council Meeting is part of the 43<sup>rd</sup> ASEAN Summit and Related Summit Meetings and chaired by Indonesia's Coordinating Minister for Economic Affairs Airlangga Hartarto.
2. At the meeting, ASEAN Member States (AMS) launched negotiations on the ASEAN DEFA - a major milestone in ASEAN's digital integration journey. The ASEAN DEFA will facilitate more seamless cross-border digital trade. It will make it easier to do business within the region by improving digital rules in key areas such as digital trade facilitation, payments, standards and data. It also aims to address top-of-mind emerging trends and developments such as Artificial Intelligence. According to the study on the ASEAN DEFA by the Boston Consultancy Group, a high-quality ASEAN DEFA is projected to double the regional digital economy from USD 1 trillion to USD 2 trillion by 2030. The ASEAN DEFA is targeted for conclusion by 2025.
3. The Meeting also committed to bolstering regional economic integration, amidst a challenging global economic environment. The AEC Council emphasised the importance of improving implementation by refreshing the AEC's processes to ensure a successful and resilient future for ASEAN.
4. Further to the ASEAN Strategy for Carbon Neutrality which will bring ASEAN one step closer to its vision of a carbon-neutral future to capture opportunities in the green economy, AMS Endorsed the Joint Declaration of the 41<sup>st</sup> ASEAN Ministers on Energy Meeting (AMEM) on Sustainable Energy Security through Interconnectivity. This will diversify our energy supply chains by promoting the role of regional interconnectivity under the ASEAN Power Grid and the Trans-ASEAN Gas Pipeline.
5. Minister Gan said, "In an increasingly uncertain global trading environment, it is important that ASEAN remains committed to deeper economic integration, including in the energy sector, to unlock the region's potential. Ongoing work on AEC's post-2025 vision and refreshing the AEC's processes will continue to ensure the region is well positioned to capture opportunities amidst greater economic volatility and disruptions. Launching negotiations on the ASEAN Digital Economic Framework Agreement builds on the good work ASEAN has done. It will digitally join up our region and bring us closer to achieving an open, secure, and competitive regional digital economy. Singapore looks forward to working with ASEAN Member States to expeditiously conclude negotiations, and help our companies better leverage new growth opportunities."

**MINISTRY OF TRADE AND INDUSTRY  
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**Annex A: Quotes from companies on the launch of ASEAN Digital  
Economic Framework Agreement negotiations**

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**Annex A: Quotes from companies on the launch of ASEAN Digital Economic Framework Agreement negotiations**

Organisation	Quote & Spokesperson
Amazon Web Services	<p>"The Digital Economic Framework Agreement in ASEAN has the potential to boost the region's digital ambitions and drive socio-economic progress.</p> <p>It will allow ASEAN to continue to democratize access to cutting-edge digital technology through the cloud for all - from fast-growing startups to large enterprises, and leading government agencies. Promoting data free flow with trust, setting high standard digital trade rules, and encouraging consistent regulatory standards across ASEAN will particularly benefit startups and small and medium sized businesses - the heart of the regional economy. We are excited by the momentum DEFA can bring to ASEAN's thriving digital economy."</p> <p><i>Annabel Lee</i> <i>Director for Public Policy ASEAN</i> <i>Amazon Web Services</i></p>
ASEAN Business Advisory Council (BAC) Singapore	<p>"The Singapore business community welcomes the launch of negotiations for the ASEAN Digital Economy Framework Agreement (DEFA). The DEFA would provide Singapore companies trading and investing in the region with greater transparency and interoperability in cross border e-commerce and digital economy sectors. ASEAN companies, including the MSMEs, would benefit from greater data flows and integration of electronic payments in the region, catalysing innovation led economic growth in ASEAN."</p> <p><i>Robert Yap</i> <i>Chairman, ASEAN BAC Singapore</i> <i>Executive Chairman, YCH Group</i></p>
Grab	<p>"Southeast Asia's diverse economies can unlock greater potential with more integrated digital economic cooperation. Interoperable digital economy systems, cross-border data flows and digital trade are all essential to building a trusted digital environment that can drive growth across Southeast Asian economies."</p> <p><i>Jamie Ko</i> <i>Director, Regional Public Affairs &amp; Policy</i> <i>Grab</i></p>

Kinobi Technologies	<p>“SMEs and start-ups like ours operate across ASEAN, with our headquarters in Singapore, software teams in Vietnam, product teams in Indonesia and customer success teams in Philippines, while we serve clients across the whole ASEAN. We look forward to stronger digital trade rules that would help us to transfer data more freely and transact more seamlessly across borders, to serve the interest of all parties. If not, the operational and uncertainty cost to SMEs like us, that make up a majority of the labour force to each country, will be affected severely in such a climate.”</p> <p><i>Benjamin Wong Yew Weng (黄耀荣)</i> <i>Co-founder &amp; CEO, Kinobi</i> <i>Director, Coalition for Digital Prosperity for Asia</i></p>
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