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Digital Transformation in ASEAN and East Asia: Promoting Knowledge and Building Capacity

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Digital technologies are rapidly transforming ASEAN ...

The number of internet users in ASEAN has steadily increased

- 46.8 million increase in 2020-2021 and 565 million users in 2023. ASEAN as one of largest internet bases in the world

ASEAN e-commerce is expected to continue to grow at a high rate

- Expected to grow at 11.4% CAGR in 2023-2027

Formal account and digital payments

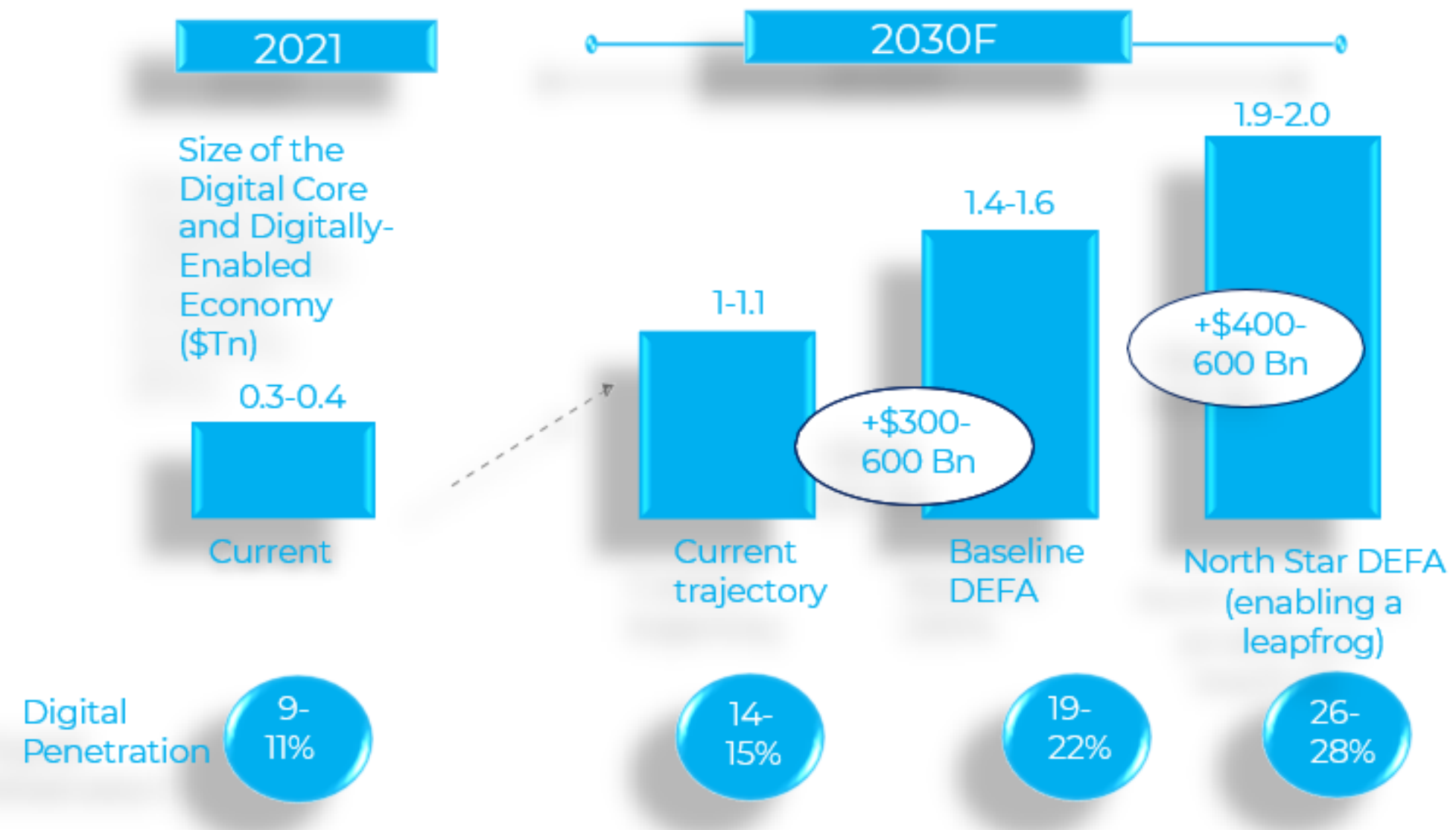
- By 2023, digital payments accounted over 50% of transactions, with value is expected to reach USD 416.60 billion by 2028

Government AI readiness

- ASEAN Guide on AI Governance and Ethics has been released in February 2024

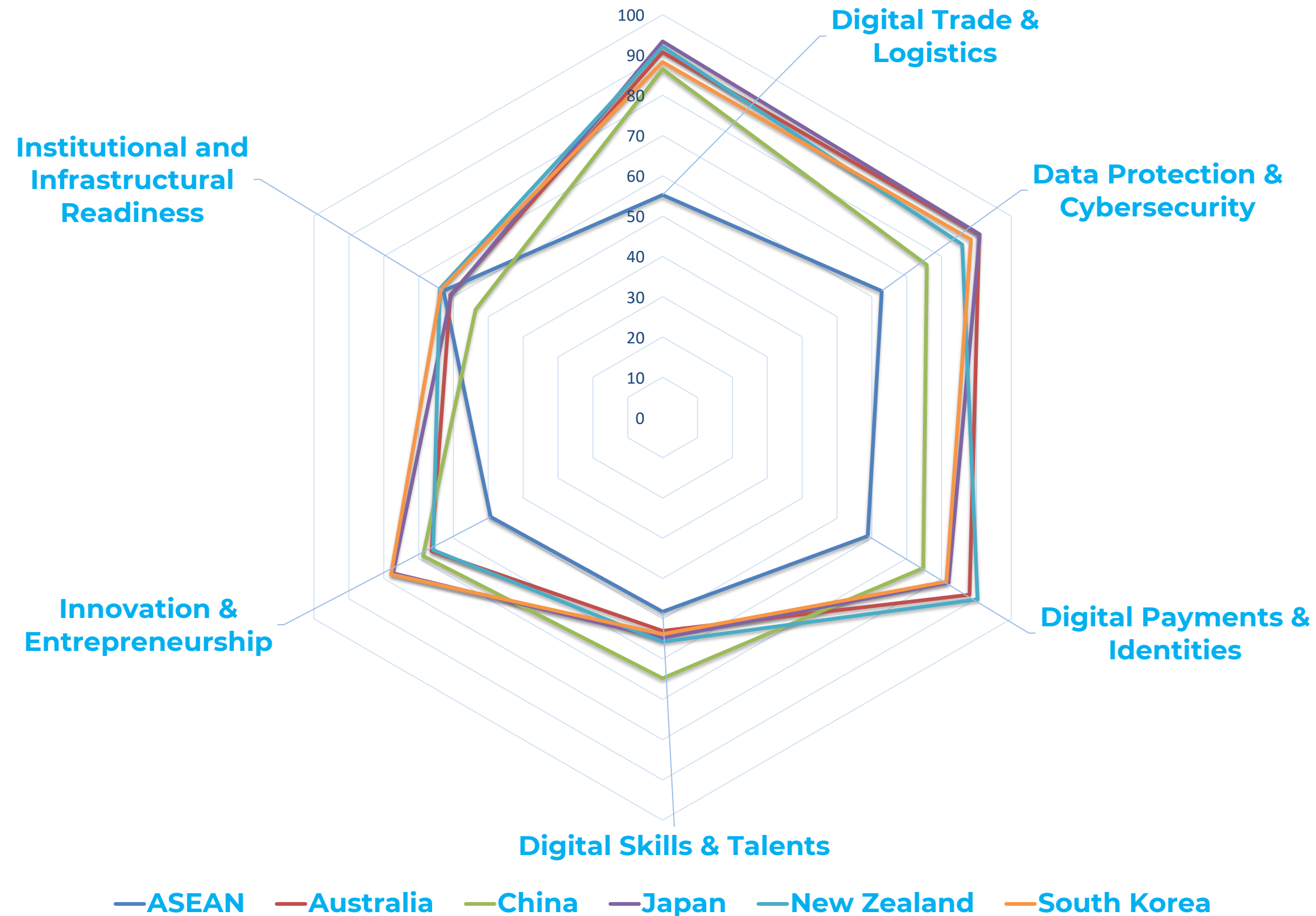
Source: World Bank 2024, Statista 2024

Digitally Integrated ASEAN (Impact of DEFA)



Source: BCG Report, 2023

... but digital transformation is still not at a level that it should or could be



Despite the imperatives of transformation, challenges and risks remain



Disparities

Notable slow progress is observed in broadband subscriptions, digital divide, and digital skills, pointing to challenges in achieving digital inclusivity.



Gaps

Gaps in innovation, entrepreneurship, digital skills & talents, especially if compared to dialogue partners.

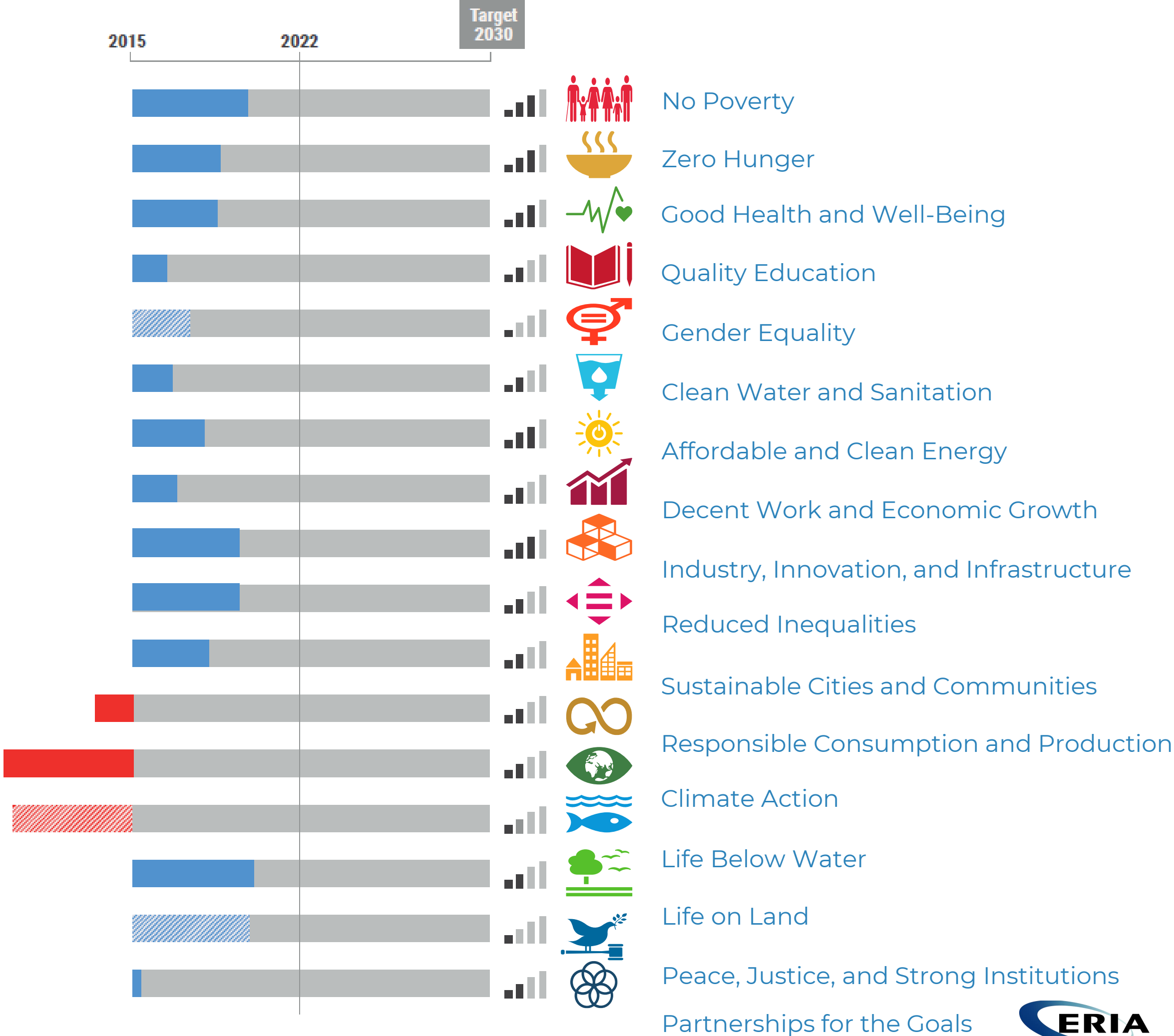


Sustainability Challenges

Compounding the region's problems from climate change to food insecurity, natural disasters, and disruption of supply chains and vital infrastructure.

Sustainability is still a critical challenge

- ASEAN progress well in developing infrastructures for digitalization and industries.
- Setbacks persist in areas like responsible consumption and production, climate action, and preserving life below water.



Source: UNESCAP, 2023

Digital technologies as sustainable solutions



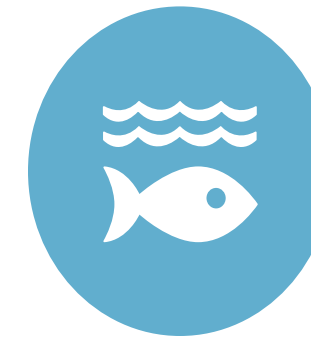
Digitalization as a driver of **circular economy**

Enhancing product efficiency and production; shifting to circular goods and services is crucial to climate solution



Technology to enhance **supply chain resilience**

Technical solutions that embed additional value to global value chains; enhancing visibility and increasing ability to respond to shocks



Technology as a major accelerant to **low carbon transition**

Generating positive impact on net zero and other economic, social, and governance goals



ERIA's Digital Innovation and Sustainable Economy Centre (E-DISC): Responding to digital and sustainable future

- An integral part of digital transformation and sustainable development is the role of knowledge to understand the complexities of digital technologies.
- Innovation necessitates the seamless sharing of ideas, expertise and critical capabilities to stay ahead of change and secure its opportunities.
- E-DISC's mission is to catalyze digital innovation and a sustainable economy in ASEAN and East Asia by leveraging on digital technologies for sustainable and inclusive development.

E-DISC Priorities



Digital Trade

Utilizing technology to bolster digital goods and services, Global Value Chains, and e-commerce



Data Governance

Developing unified rules and cybersecurity measures



Innovation and Entrepreneurship

Empowering small and inclusive businesses and startups through technology and innovation

Research and Capacity Building Support

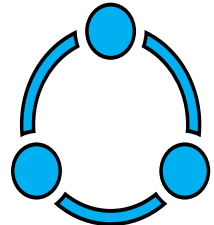
Research Areas



Innovation and digital transformation



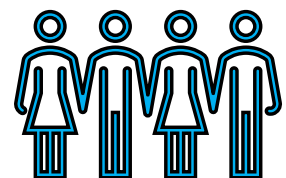
Human development and entrepreneurship



Supply chain and data flows

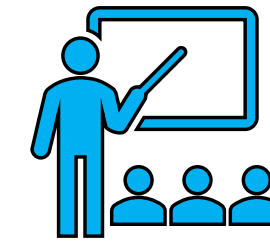


Development and governance of technology

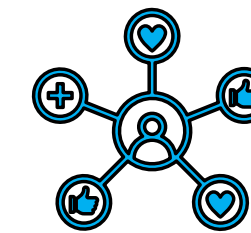


Inclusiveness

Capacity Building



Nurture technology-savvy talent for innovation



Collaborate with OECD on entrepreneurship and digital skills development.

E-DISC Startup Ecosystem Program

Objective

Generate startups from ASEAN that contribute to increasing regional growth and solving social issues.

Form an integrated
startup ecosystem across
the ASEAN

Connect them to
global startup ecosystem



E-DISC Membership Program

Promote dynamic
ecosystem of
collaboration, networking
and insights among
ASEAN startups and
partners



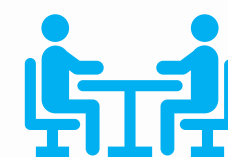
ASEAN Startup White Paper

Analyze current state of
startup ecosystem in
ASEAN, including risks,
challenges and
opportunities



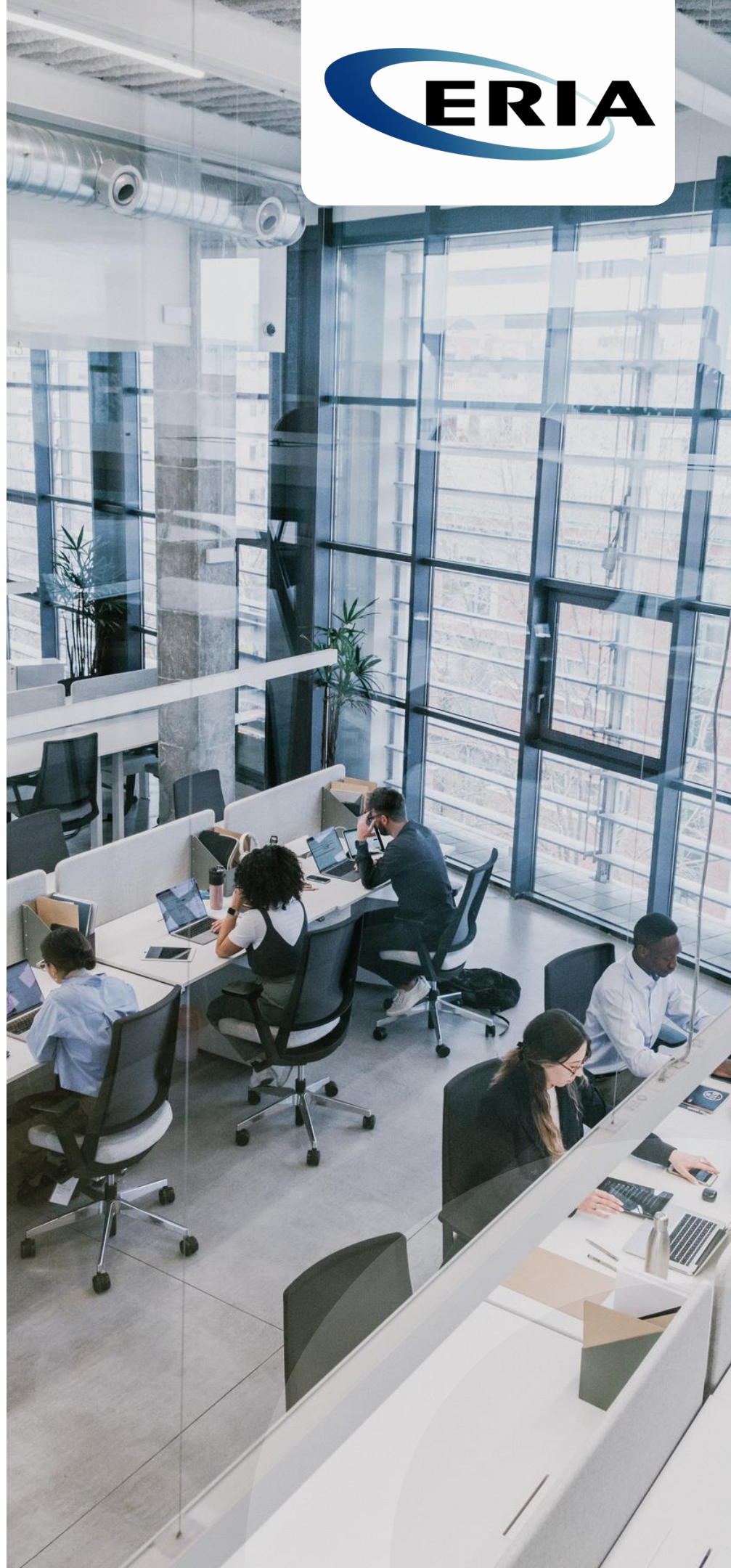
One ASEAN Startup Award

Discover and highlight
ASEAN Startups
through pitching
competition
and panelist discussions

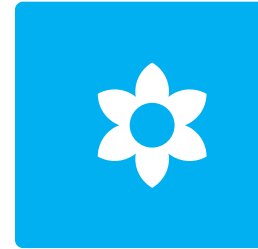


ASEAN Startup Policy Roundtable

Regional dialogue to
deepen understanding of
startup ecosystem in
ASEAN



ERIA as a Knowledge Partner for the ASEAN Digital Economy Framework Agreement (DEFA) Negotiations



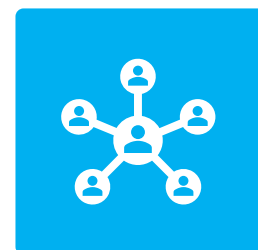
Regional Support

- Evidence-based research and recommendations
- Discussion and issues papers on digital economy
- Stakeholder engagement forum



Country-Specific Support

- In-country training and capacity building program
- Demand-driven research based on country's needs
- Post-negotiations and implementation activities



Network and Resources

- Extensive research network in ASEAN and East Asia
- Regional presence (ASEAN sectoral bodies)
- Global partnerships (G-20, G-7, OECD)

Technology University Network in ASEAN

ERIA has signed Memorandum of Understanding (MoU) universities across ASEAN region to cooperate in digital innovation and sustainable economy through E-DISC as the platform.



8th March

Joint Workshop:
De La Salle University on
Digital Divide



7th – 8th May

Joint Workshop:
Institut Teknologi Bandung on
Cybersecurity and Autonomous Vehicles



17th July

Joint Workshop:
Universiti Teknologi Malaysia on
Artificial Intelligence



5th August

Joint Workshop:
King Mongkut's Institute of Technology Ladkrabang on
Talent Development in Digital Era



To be confirmed

The General Assembly of Technology University Network in ASEAN

Focus of the Technology University Network in ASEAN

“Create collaboration framework to conduct joint research, contribute to digital transformation and innovation, co-host events, and develop a skilled workforce through ERIA Digital Innovation and Sustainable Economy Centre (E-DISC) as the platform.”

Areas of Cooperation				
				
Joint Research	Dissemination of Joint Research Outcomes	Talent Development	Co-sponsorship or Co-hosting of events	Cooperation on Project-by-project Basis
Sharing country-specific data, research findings, and dissemination of research outcomes to policymakers/negotiators/government officials.	Encouraging the dissemination of joint research outcomes to policymakers and political leaders who shall implement policies as well as opinion leaders in the countries.	Promoting new ways of talent development for the digital era in the ASEAN and East Asia region.	Public-private dialogue, workshops, and/or facilitation of appropriate participation in and associated events/activities.	Other forms of cooperation may be decided on a project-by-project basis by both Parties.

Access E-DISC Work



**E-DISC
and Digital Integration
Related Publications**



**E-DISC
Entrepreneurship-Startup-
Innovation
Related Publications**



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FORUM 2024
Breaking Through New Horizons
Digitalization, Innovation, and Technology in the GMS

Thank you!

