Empowering the Digital Economy in ASEAN

- Economic Integration
- Trade Facilitation
- Trade Finance
- Trade Transparency & Visibility
Assisting AIT in the ASEAN region to achieve its objectives regionally and with its trade partners, by leveraging lessons learned from previous AIT programs and setting a new standard thus meeting the ASEAN citizens' urgent economic needs.

1. **Goals**
   - Annual savings of trade cost by USD 4.4 Billion through the reduction of the landed import and export cost from avg. 19% to avg. 4%.
   - Creating market opportunity for the trade services industry by about USD 1.5 Billion by 2025.
   - Total job creation up to 5.6 Million for service industry.
   - Increase trade volume by USD 288 Billion through leveraging the lost trade opportunities.
   - Generating 12.1 Million jobs.

2. **Roadmap**
   - Real Economy Integration
     - Providing an ecosystem that permits regional integration of products and services offering with intelligence proficiency to match sellers with targeted buyers. Furthermore, providing the required tools at no cost enabling every participant to reach business excellence from shelf-to-shelf during the course of the trade.
   - Reduction of Trade Cost
     - Providing the tools to enhance efficiency of the 6 elements (Integration, Processes, e-Documentation, Tracking & Visibility, Competence, Cargo Security) recognized by international organizations around the world as of central importance to logistics and trade performance.
   - Trade Finance Facilitation
     - Delivering a smart e-finance matrix that will provide dynamic scaling levels needed to minimize underwriting, transaction and asset recovery risk.
   - National & International Trade Visibility Dashboard
     - Providing a self-monitored dashboard ensuring transparency of trade information and volume to public and private stakeholders, thus promoting economic growth and attracting investments.

3. **Tools**
   - Trade Assessment
     - Assessment of trade efficiency examining critical information related to transport, participants, when handling the shipment from shelf-to-shelf.
   - Education
     - Sharing the Assessment findings with the selected country’s industry representatives, outlining areas of improvement, and presenting the 21st Century Digital Economy Platform (DEP) as the required tool to achieve business excellence.
   - Empowering the ASEAN Region Service Industry
     - Provide an exclusive opportunity to the ASEAN service industry to partner with renowned organizations from around the world as a prerequisite step to be part of the global network deploying the DEP.
   - Benchmark Trade Lane (BTL) Deployment
     - Implementation of the DEP on the preselected four global trade lanes, engaging all parties involved in the trade process from shelf-to-shelf.
   - BTL Showcase
     - Event wherein the selected global network with renowned global public and private organizations to showcase the benefits first-hand, triggering the DEP’s Global Deployment.
   - Global Deployment
     - According to the studies by public and private organizations around the world, 60% of the world trade volume will be managed through the use of the DEP by 2025.

4. **Consensus**
   - Countries: 156
   - NGOs: 23
   - The private sector representing 2.7 Million workforce from technology, finance and insurance industries servicing 60% of the world’s GDP.
   - Organizations representing the interests of 40% of the world’s SMEs and 122 development banks in 43 countries.

Source: The ASEAN Homogeneity Program: A Joint Proposal to Sustain ASEAN’s New Era of Economic Growth and Integration

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ASEAN Must Be Part Of The Change That ASEAN Wants To See Tomorrow.

Benefits for ASEAN (sample)

- Reduce ASEAN’s annual trade costs by USD 44 Billion.
- Create 17.7 Million new jobs in ASEAN.
- Increase ASEAN trade by USD 288 Billion.
- Create a new USD 1.5 Trillion service market opportunity.
- Provide an agricultural surveillance system to contain food disease outbreaks.
- Provide global real time information on availability of materials needed in emergency situations and mobilizing global logistics to expedite delivery of necessary relief supplies.

Challenges for ASEAN (sample)

- SMEs lack real time information sharing with their trade partners resulting in operational inefficiencies and the inability to reach new markets.
- ASEAN has a high cost of trade that inhibits domestic and foreign direct investment and impedes its overall trade competitiveness, regionally and globally.
- ASEAN SMEs represent a high financial underwriting cost and high credit risk therefore they are not able to obtain the necessary financing to expand their business and trade.
- ASEAN needs physical infrastructure investment and lacks the necessary trade information and volume visibility in order to attract and prioritize such investment.
The Benefits of the Digital Economy:

The present economic unrest and the uncertainty of the future call on the world to look beyond conventional solutions. Learning from history while leveraging 21st century tools. Through the advent of containerization, the resulting increase in trade efficiency was pivotal in reviving the global economy and contributing to global economic growth over the past 60 years. The cargo container secure goods against theft and damage, while also reducing loading costs from USD 5.86 to USD 0.16 per ton.

Today, with the Digital Economy, we can do it again. We can reduce the world’s trade cost by USD 1300 Billion every year. This is the first step in establishing a solid foundation to increase trade by USD 1.2 Trillion, providing a USD 6 Trillion market opportunity for the service industry, generating nearly one hundred million jobs around the world.

In pursuing a sustained economic growth plan, the custodians of the global economy have turned to the Digital Economy without identifying what it should do, where they should start and how much it would cost. We have launched the Digital Economy solution that world leaders demand towards achieving sustained economic growth. This is the New Millennium Standard for Growth (N-MSG) and ASEAN is Part Of It!

The New Message for the ASEAN Region:

Experts worldwide agree that trade is a key factor to sustain economic growth. Accordingly, the Aid for Trade (AfT) Program has been adopted by international organizations as one of the main strategies to grow trade.

Today we witness in the ASEAN region an urgent need to achieve sustained economic growth due to the on-going social and political unrest. In this respect, the margin of error must be at the barest minimal to nil level in order to meet the economic ambitions of the ASEAN region’s citizens. Therefore, our actions must present a new message to the region and to the world learning from history while setting a New Millennium Standard for Growth.

Globally, the N-MSG Council is recognized as having the economic goals to meet the aspirations of most world citizens. It also has the roadmap and the required tools to reach the proposed economic goals, as well as the global consensus of its program. All of this represents the proven formula to ensure a successful and rapid delivery of the desperately needed Digital Economy, re-balancing the world economy and providing prosperity for generations to come.