PROMOTING INCLUSIVE GROWTH THROUGH INNOVATION, TRADE AND E-COMMERCE

The Association of Southeast Asian Nations (ASEAN) and the United States promote a well-integrated and inclusive ASEAN Economic Community by strengthening a more favorable environment for cross-border trade that benefits both ASEAN and the United States.

The U.S. government, through the United States Agency for International Development (USAID), works to reduce the cost of international trade, spur e-commerce and increase productivity in Southeast Asia. USAID provides technical assistance to ASEAN bodies in trade facilitation; digital economy; and science, technology, and innovation. USAID also promotes cross-cutting objectives that target micro, small, and medium sized enterprise (MSME) development and gender mainstreaming.

ASEAN-USAID INCLUSIVE GROWTH IN ASEAN THROUGH INNOVATION, TRADE AND E-COMMERCE

As USAID’s flagship project working in the ASEAN economic pillar, the ASEAN-USAID Inclusive Growth in ASEAN through Innovation, Trade and E-Commerce (IGNITE) project promotes close collaboration with ASEAN sectoral bodies and the regional and global private sector to implement the ASEAN Economic Community Blueprint 2025 across three work streams.
TRADE FACILITATION
ASEAN is committed to reducing the time and cost of trade through transparency, simplification, predictability and use of technology. These efforts will result in higher business activity and investment, including greater engagement of MSMEs in trade, that drives economic growth. USAID IGNITE supports ASEAN to reduce non-tariff trade barriers, improve logistics, and promote the harmonization of standards.

DIGITAL ECONOMY
ASEAN’s share of global e-commerce is less than one percent, but its share of global GDP is three to four percent. This suggests tremendous growth potential for the digital economy and a great benefit for SMEs that can tap into this market. USAID IGNITE promotes the growth of the regional digital economy by supporting efforts to expand digital finance, improve cybersecurity, strengthen data privacy, improve consumer protection, expand broadband access and affordability, and develop smart cities.

SCIENCE, TECHNOLOGY, AND INNOVATION
Establishing a favorable environment in the ASEAN region to spur science, technology, and innovation growth can face obstacles. USAID IGNITE promotes measures to create a more conducive environment for MSMEs to access technology. The project also supports growth in human capital for women in science, technology, engineering, and mathematics (STEM) and promotes greater linkages among government, the private sector and academia to encourage growth through applied research and development, including commercialization of research.

HIGHLIGHTED RESULTS
● Helped facilitate the exchange of trade information across all 10 ASEAN member states through the ASEAN Single Window. This support has resulted in an estimated cost savings to private firms of $2.87 billion to date.
● Launched a database system for certified exporters, which enabled more than 600 companies who meet certain criteria to register as “certified exporters” and is expected to save traders $100 million or more per year.
● Helped ASEAN develop the first ASEAN Digital Integration Index (ADII) Report, which provides data and analysis for all 10 ASEAN member states to track, measure, and analyze progress of digital integration to gauge the development of their digital economies.
● Supported sixteen women scientists to expand their research and mentor other women in STEM through the Underwriters Laboratories-ASEAN-U.S. Science Prize for Women.
● Built the business skills and capacity of more than 12,000 women entrepreneurs in Vietnam and Indonesia to grow their businesses.

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