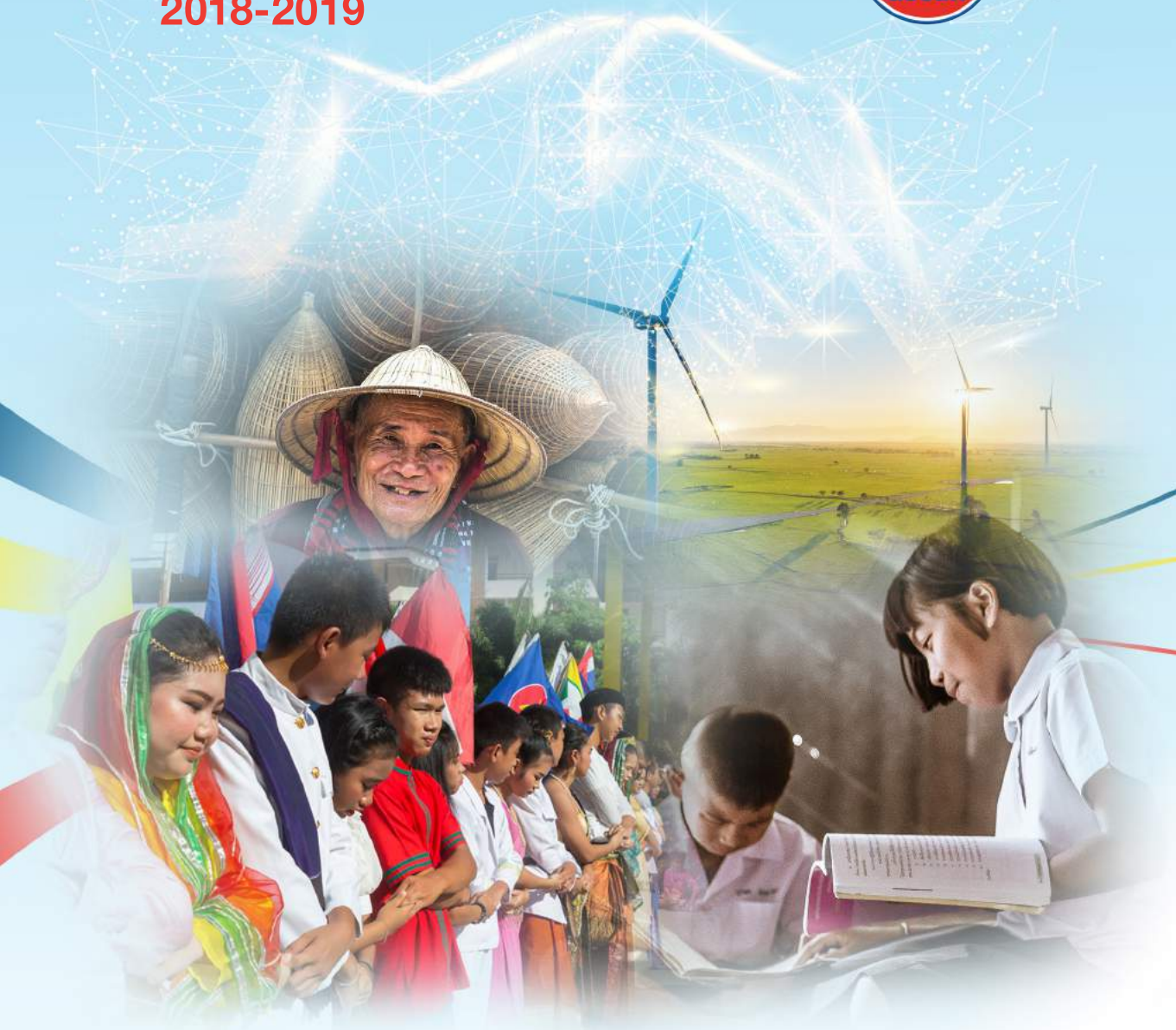


ANNUAL REPORT

2018-2019



**ADVANCING PARTNERSHIP
FOR SUSTAINABILITY**

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ANNUAL REPORT
2018-2019

ADVANCING PARTNERSHIP
FOR SUSTAINABILITY

The ASEAN Secretariat
Jakarta



ANNUAL REPORT 2018-2019

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FOREWORD

A shared vision of peace and prosperity for our people has been the hallmark of the Association of Southeast Asian Nations (ASEAN) since its inception more than a half century ago.

In 2018, various initiatives and activities to boost regional cooperation in political-security, economic integration, and socio-cultural development-the core business of ASEAN Community-were channelled through the ASEAN Secretariat (ASEC). All these, and more, have reinforced ASEC's primary role as a coordinator of ASEAN organs in the delivery of ASEAN projects and activities.

Shifts and the rise of significant trends regionally and globally increasingly call for a collective response from ASEAN. In turn, regional efforts among ASEAN Member States, supported by ASEC in addressing several developments, such as the emergence of the Indo-Pacific region, as well as the Fourth Industrial Revolution, ensure that a rules-based, people-oriented, people-centred ASEAN Community can be realised and is ultimately directed to improve living standards for the peoples of ASEAN.

Within the region, ASEAN remains committed to delivering a humanitarian solution to the situation in the Rakhine State, Myanmar. Cognizant of the importance of raising ASEAN awareness and fostering an ASEAN identity, the inaugural "ASEAN Prize"-administered by ASEC-was bestowed upon at the 33rd ASEAN Summit in Singapore, to encourage an outstanding individual or organisation in making inspiring contributions toward the building of an ASEAN Community.

Amid these feats, it is critical to note that challenges faced by the region will continue to evolve, which would require ASEAN Member States to strengthen and widen their level of cooperation. The theme of “Advancing Partnership for Sustainability”-chosen by Thailand for its Chairmanship in 2019-echoes this sentiment. Only through inclusive and collaborative engagement can the ASEAN Community be truly bolstered to substantially transform the lives of the over-640 million people in ASEAN.



DATO LIM JOCK HOI
Secretary-General of ASEAN





25TH ASEAN REGIONAL FORUM RETREAT SESSION

4 AUGUST 2018, SINGAPORE



ASEAN

POLITICAL-SECURITY
COMMUNITY

“Advancing Partnership for Sustainability”, the theme of Thailand’s Chairmanship for 2019, underscores the importance of sustainability for ASEAN’s Political-Security, Economic, and Socio-Cultural pillars.

Along these lines, Thailand will continue to enhance ASEAN Community building efforts, making use of the technological advances of the Fourth Industrial Revolution (4IR) to improve ASEAN’s competitiveness.

Thailand also aims to reinforce an ASEAN-centred regional architecture in relation with its external partners—and to promote connectivity by bolstering infrastructure, rules and regulations, and people-to-people links.

For the Political-Security pillar, Thailand’s priorities are to promote sustainable regional security, strengthen cooperation on border management, and to enhance cybersecurity cooperation. This was reflected in the ASEAN Leaders’ Vision Statement on Advancing Partnership for Sustainability that was adopted by the 34th ASEAN Summit.

COOPERATION FOR PEACE AND STABILITY

To promote peace and stability, current issues in several places are being addressed, such as the South China Sea and the Rakhine State in Myanmar.

On the South China Sea, negotiations for a Code of Conduct (CoC) progressed during the 21st ASEAN-China Summit in November 2018, which commemorated the 15th Anniversary of the ASEAN-China Strategic Partnership. A first reading of the Single Draft Negotiating Text is expected in 2019.

33RD ASEAN SUMMIT AND RELATED SUMMITS

11 - 15 NOVEMBER 2018 SINGAPORE



On the humanitarian situation in Rakhine State, ASEAN is willing to play a more active role—something that the Government of Myanmar has welcomed. ASEAN Leaders, through the Chairman’s Statement issued during the 33rd ASEAN Leaders Summit in Singapore, supported Myanmar in the repatriation of refugees. They also welcomed an invitation from Myanmar to the ASEAN Coordinating Centre for Humanitarian Assistance on Disaster Management (AHA Centre) to dispatch a needs-assessment team to identify areas of cooperation in Rakhine State.

A Preliminary Needs Assessment was conducted from 4 to 13 March 2019 and a Comprehensive Needs Assessment will be conducted over nine months as soon as repatriation begins.

Meanwhile, building a people-centred and people-oriented ASEAN Community remains a cornerstone of ASEAN cooperation.

The development of the ASEAN Enabling Masterplan 2025: Mainstreaming the Rights of Persons with Disabilities, as well as its adoption by ASEAN Leaders in November 2018, was a milestone for promoting ASEAN inclusiveness.

Human rights continue to be mainstreamed across the three pillars of ASEAN with the ASEAN Intergovernmental Commission on Human Rights (AICHR) at the forefront, ensuring the implementation of the ASEAN Human Rights Declaration (AHRD).

AICHR’s work has expanded, from promoting a human rights-based approach in cross-sectoral areas, such as trafficking in persons, promoting safe drinking water, and sanitation, and by embarking on civil rights advocacy with regard to freedom of expression, prevention of torture, and access to justice.

AICHR has also forged ahead to become more impactful in addressing other issues pertaining to regional human rights.

SUSTAINABLE SECURITY

Efforts are underway to promote a sense of security among ASEAN’s peoples. Cooperation on border management needs to be strengthened to promote ASEAN connectivity, while at the same time preventing transnational



In August 2018, ASEAN Foreign Ministers met in Singapore to reaffirm their commitment to implement the ASEAN Community Vision 2025.



Secretary-General of ASEAN Dato Lim Jock Hoi, Deputy Secretary-General of ASEAN Kung Phoak, and government officials from Myanmar during a visit to Rakhine State to identify areas of cooperation.

criminal groups from taking advantage of the land and maritime borders of ASEAN Member States (AMS).

A series of trainings to improve the skills of ASEAN immigration officers was conducted, while the Guidelines on Consular Assistance by ASEAN Member States Missions in Third Countries to Nationals of Other ASEAN Member States have been in place since the end of 2018. The guidelines aim to facilitate people-to-people connectivity.

Given the rise of attacks instigated by self-radicalised individuals in the region, ASEAN is sustaining and advancing cooperation to prevent and counter radicalisation and violent

extremism. Recognising the complexity of the issue, ASEAN has engaged relevant agencies under its three Community Pillars to address this challenge through the implementation of the ASEAN Plan of Action to Prevent and Counter the Rise of Radicalisation and Violent Extremism (2018-2025), which was adopted in 2018. This plan will be realised through capacity-building initiatives targeting government agencies and society at large, including women and youths in ASEAN.

ASEAN also remains steadfast in its zero-tolerance approach to narcotics through the delivery of two ASEAN Joint Statements at two international forums. The third issue of the annual *ASEAN Drugs Monitoring Report* was

published in 2018 to identify the early warning signs of emerging narcotics problems as well as to establish narcotics information networks.

Under the aegis of comprehensive security, the defense sector remains a critical stakeholder, specifically in regard to cross-pillar issues such as maritime security, peacekeeping and peace building, countering terrorism, delivering humanitarian assistance, and disaster response.

The Guidelines for Maritime Interaction are being developed to establish comprehensive and feasible maritime conflict-management measures on the basis of confidence-building, preventive diplomacy, and the peaceful management of tensions that might arise at sea.

The first ASEAN Peacekeeping Staff Exercise in 2019 sought to establish an ASEAN arrangement for maintaining peace and stability. In countering terrorism, the upcoming operationalisation of ASEAN Our Eyes aims to anticipate threats posed by violent extremism, radicalisation and terrorism through a timely exchange of strategic information between AMS.

On humanitarian assistance and disaster relief (HADR), a military representative to the AHA Centre was appointed to liaise amongst the ASEAN Militaries Ready Group on HADR, the AHA Centre and affected AMS. The military representative will aid civil-military coordination, information dissemination, and information



Promoting sustainable regional security and strengthening cooperation in border management.



Discussions at the 51st ASEAN Foreign Ministers' Meeting in Singapore focused on the continued work to build a resilient innovative ASEAN, among others.

sharing during disaster preparedness exercises and disaster responses.

ASEAN remains committed to strengthening, consolidating and optimising defense cooperation to contribute to sustainable security. Possible future contributions include border management and countering illegal, unregulated, and unreported fishing.

Work towards sustainable security necessitates a “whole government” approach crossing as many sectors as possible. The ASEAN Regional Forum (ARF) remains the ASEAN-led mechanism with the most number of participants and involves representatives from many sectors, such as foreign affairs, defense, law enforcement, and other government agencies. The ARF continues to develop confidence-building measures by exploring cooperation on emerging security issues, while furthering its primary commitment to fostering preventive diplomacy that contributes to regional peace and security.

The scope of issues addressed includes existing and emerging non-traditional security threats, such as nuclear non-proliferation; countering terrorism, violent extremism, and other transnational crimes; cybersecurity; maritime safety and security; marine environment protection; climate change; and disaster relief and urban emergency rescue.

PARTNERING FOR SUSTAINABILITY

Complementing efforts to promote an environment where ASEAN's diverse peoples live peacefully and realise socio-economic progress are ASEAN's external partners. ASEAN's dialogue partners, sectoral dialogue partners, development partners, and other external parties all are contributing in realising the ASEAN Community Vision 2025.

The commitment of ASEAN's partners has been manifested and renewed through various new initiatives, proposals, and activities.



ASEAN transport cooperation has made it easier and less expensive to travel.

In 2018, ASEAN celebrated a number of anniversaries with its Dialogue Partners. These include the 45th Anniversary of Dialogue Relations with Japan, the 25th Anniversary of Dialogue Relations with India, and the 15th Anniversary of the Strategic Partnership with China. A Special Summit with Australia was also held.

ASEAN's relations with the Russian Federation was elevated to the strategic partnership level in 2018, bringing the number of ASEAN's strategic partners to eight.

Also strengthened were ASEAN's relations with the United Nations and several regional organisations, with a particular focus on addressing transnational challenges such as climate change and advancing the 2030 Agenda for Sustainable Development.

As ASEAN builds sustainable partnerships to buttress its community building, 54 ASEAN Committees in Third Countries and International Organisations (ACTCs) and the 91 non-ASEAN Ambassadors accredited to ASEAN have been instrumental in promoting ASEAN's interests, as well in connecting ASEAN to the world by forging deeper relations and mutually beneficial cooperation.

States outside ASEAN continue to evince interest in engaging with ASEAN through the Treaty of Amity and Cooperation (TAC). Initially a code for inter-state relations between ASEAN Member States, the TAC has been embraced by an increasing number of nations outside the region. Argentina and Iran formally acceded to the TAC on the sidelines of the 51st ASEAN Ministerial Meeting in August 2018, and Peru and South Africa are expected to sign the TAC in 2019. Meanwhile, more nations

have indicated an intention to become formal partners of ASEAN, either as sectoral or development partners.

UPHOLDING ASEAN CENTRALITY

Despite fast-changing shifts and increasing competition between some of its major partners, ASEAN remains the driving force behind regional mechanisms such as the East Asia Summit (EAS), the ASEAN Regional Forum (ARF), the ASEAN Defense Ministers' Meeting (ADMM)-Plus, the ASEAN Plus Three (APT), and the ASEAN Plus Ones.

APT cooperation has been enhanced by its 2018-2022 Work Plan. The EAS continues to be strengthened through the regular engagement of EAS Ambassadors in Jakarta. A Plan of Action for 2018-2022 has been developed to advance practical cooperation, including in

new areas, such as trade and economics, as well as in maritime cooperation.

ASEAN Centrality has been advanced by proactively shaping the discourse and fostering an agenda of regional cooperation. ASEAN has articulated its Outlook on the Indo-Pacific, which was adopted by the ASEAN Leaders during the 34th ASEAN Summit.

ASEAN Outlook on the Indo-Pacific reaffirms ASEAN Centrality; openness, transparency, inclusivity; a rules-based framework; good governance; respect for sovereignty; non-intervention; complementarity with existing cooperation frameworks; equality; mutual respect, trust, and benefit; and respect for international law as its guiding principles in undertaking Indo-Pacific cooperation.

Four priority areas of cooperation were identified: maritime cooperation, connectivity, realising the UN Sustainable Development Goals 2030, fostering economic cooperation and other areas of cooperation.



ASEAN Leaders convened in Singapore for the 33rd ASEAN Summit in 2018.

TABLE
01

**LIST OF
CROSS-PILLAR AND
CROSS-CUTTING ISSUES**

CROSS-CUTTING AND CROSS-PILLAR ISSUES	
Trafficking in Persons and People Smuggling	Small and Medium Enterprises (SMEs)
Maritime Security / Cooperation	Climate Change, Food Security, and Food Safety
Counter-Terrorism	Education, Science, and Technology
Cybersecurity / Cybercrime	Sustainable Development Cooperation
Peacekeeping / Post-Conflict Peace building	Timor Leste's Application for ASEAN Membership
Human Rights	Social Protection
Humanitarian Assistance and Disaster Relief (HADR)	ASEAN Awareness and Identity
Illicit Drug Trafficking	Strengthening Coordination among the ASEAN Community Pillars
Pharmaceuticals	Corporate Social Responsibility (CSR)
Environmental Crime	Health and Health-Related Issues (Active Ageing)
Money Laundering and International Economic Crime	Anti-Corruption
Nuclear Safety / Nuclear Security	Connectivity
Border Management	Innovation
Climate Change	Food Safety
Good Governance	Fourth Industrial Revolution
Sustainable Tourism	Culture of Prevention
Skilled Labour, Skills Development, and Skill Recognition	Free Trade Agreements
Inclusive Employment	ASEAN Enabling Master Plan
Entrepreneurship and Women's Economic Empowerment	

TABLE
02

**ASEAN's
EXTERNAL PARTNERS**

DIALOGUE PARTNERS	SECTORAL DIALOGUE PARTNERS	DEVELOPMENT PARTNER
Australia *	Norway	Germany
Canada	Pakistan	Chile
China *	Switzerland	
European Union	Turkey	
India *		
Japan *		
Republic of Korea *		
New Zealand *		
Russian Federation *		
United States of America *		

*Also a strategic partner

ASEAN ECONOMIC COMMUNITY





ASEAN’s economies remained robust in 2018, despite uncertainties in the regional and global economies. Real GDP growth for 2018 stood at 5.2% with forecasted growth of 4.9% for 2019, according to the Asian Development Bank. Preliminary ASEAN statistics also indicate that total merchandise trade in 2018 grew by an estimated 8.1% year-on-year (YOY) to reach US\$2.8 trillion, while foreign direct investment (FDI) inflows increased by 5.3% YOY to reach US\$154.7 billion.

Nevertheless, the region’s growth outlook is overcast by continued uncertainties surrounding trade tensions between major trading partners, as well as pressure on the multilateral trading system, technological disruptions, and concerns over debt sustainability. Despite these challenges, the implementation of the ASEAN Economic Community (AEC) remains on track.

Regional efforts have been spearheaded by the economic deliverables associated with the ASEAN Chairmanship’s themes of “Resilient and Innovative” in 2018 and “Advancing Partnership for Sustainability” in 2019. Consistent with these themes, ASEAN has embarked on initiatives to better prepare the Community for digital transformation and to ensure sustained economic growth.

Key achievements in 2018 include the adoption of the ASEAN Digital Integration Framework, endorsement of the ASEAN Framework on Digital Data Governance, and the signing of the ASEAN Agreement on Electronic Commerce, which sealed the region’s commitment to deepen cooperation in the era of the digital economy and e-commerce. More remains to be done in 2019, including follow-up work and developing action plans to implement these frameworks and



commitments. These efforts will help the economies of ASEAN Member States (AMS) thrive in the digital era through better market opportunities and management of data.

Given promising growth prospects in the digital era, ASEAN has stepped up broader efforts to prepare the region for the Fourth Industrial Revolution (4IR). A comprehensive assessment of ASEAN's readiness for the 4IR has been completed. A Special Session on the Fourth Industrial Revolution in ASEAN was held in January 2019.

ASEAN is committed to adapting to and embracing the opportunities presented by the 4IR. ASEAN has been leveraging new technologies by developing human capital and fostering a policy and regulatory environment that is future forward, globally competitive, inclusive and sustainable.

Notably, five of 13 priority economic deliverables for Thailand's 2019 ASEAN Chairmanship are related to the 4IR and will serve as quick wins in seizing opportunities presented by the digital era. These include the development of an ASEAN Innovation Roadmap and Guidelines on Human Resource Development in Response to the 4IR.

ASEAN will also take action to raise awareness and address the needs of micro, small, and medium enterprises (MSMEs) to leverage digital technology.

Another related initiative is the ASEAN Smart Cities Network (ASCN), which aims to build partnerships and facilitate technology- and innovation-based solutions to achieve sustainable cities in the region.

At the 33rd ASEAN Summit in November 2018, the Leaders adopted the ASEAN Smart Cities Framework, and also noted the consolidated Smart City Action Plans of 26 pilot cities, as well as an initial list of project partnerships. The development of the ASCN and ASCN Terms



Industrial innovation for a sustainable future.



Enhancing human resource skills.

of Reference and Monitoring and Evaluation Framework are underway and are expected to be finalised in 2019.

To achieve its core vision of a highly integrated and cohesive economy, ASEAN has eliminated close to 99% of intra-ASEAN tariffs. Various trade facilitation initiatives have been rolled out, such as the ASEAN Single Window (ASW), the ASEAN Customs Transit System (ACTS) pilot project, preparations for the ASEAN-Wide Self-Certification (AWSC) Scheme, operationalisation of the National and ASEAN Trade Repositories, and expansion of the ASEAN Solutions for Investments, Services and Trade (ASSIST).

Taking effect in May 2019, ASSIST has been enhanced to include trade in services, which provides businesses with a no-cost online

consultative platform for the expedited resolution of cross-border issues related to the implementation of key ASEAN economic agreements.

Beyond tariff liberalisation, ASEAN continued to improve the transparency and management of Non-Tariff Measures (NTMs) and address their trade-distorting effects by issuing Guidelines for the Implementation of ASEAN Commitments on Non-Tariff Measures on Goods (NTM Guidelines).

ASEAN is also working to ensure a more harmonised regulatory environment. A new sector on building and construction has been agreed to and a Working Group put in place to look into Technical Barriers to Trade (TBT) issues and areas where the group can support the development of smart cities.

Principles for the Harmonisation of the Regulatory Regime have been developed to advance this area, while the ASEAN Guidelines on Good Regulatory Practice (GRP), which focus on technical regulations and which reference ASEAN GRP Core Principles, have been finalised. Negotiations on the ASEAN Mutual Recognition Arrangement (MRA) on Type Approval for Automotive Products have been concluded.

Other milestones include finalisation of the ASEAN Trade in Services Agreement (ATISA) and the Fourth Protocol to Amend the ASEAN Comprehensive Investment Agreement (ACIA).

The ATISA builds upon existing liberalisation achievements and provides a timeline for

transition to the negative-list approach, whereas the Fourth ACIA Protocol incorporates enhanced obligations on the “Prohibition of Performance Requirements”. Both documents contribute to deeper integration of services as well as investment in ASEAN.

To facilitate the free movement of skills, a review of commitments under the ASEAN Agreement on the Movement of Natural Persons (MNP) is underway and implementation of the ASEAN Qualifications Reference Framework (AQR) is also on track.

Significant progress was achieved in 2018 in financial integration and cooperation. The Protocol to Implement the Eighth Package of Commitments on Financial Services under AFAS was signed in April 2019 by ASEAN Finance Ministers. It advanced linkages by further opening financial markets while paving



Creative ASEAN students showcased award-winning designs at the STYLE Bangkok Furniture Fair in 2018.



Economic activity in the region.

the way for the eventual establishment of Qualified ASEAN Banks (QABs) that will help reduce gaps in market access and operational flexibility across ASEAN.

Efforts are ongoing to promote the use of local currencies to facilitate trade and investment by the drafting of the Guiding Principles on Local Currency Settlement Framework. An ASEAN Payments Policy Framework is also currently under development to guide inter-operable cross-border real-time retail payments in the region.

On financial inclusion, the Guidance Notes on Digital Financial Services (DFS) as well as Financial Education and Consumer Protection (FCEP) have been published, recognising technology and consumer protection as key enablers.

Efforts to promote sustainable capital markets have reached a milestone through the endorsement of the Roadmap for ASEAN

Sustainable Capital Markets, while the adoption of the ASEAN Green, Social, and Sustainability Bonds Standards will contribute to sustainable financing in the region. Moreover, the ASEAN Disaster Risk Financing and Insurance (ADRFI) is embarking on a 3-year Plan of Action, supporting the provision of disaster-risk financing and insurance solutions to strengthen the region's resilience to natural disasters.

ENHANCING ASEAN COMPETITIVENESS

The ASEAN Competition Enforcement Network (ACEN) has been formed to strengthen cross-border enforcement cooperation among ASEAN Competition authorities. In addition, the ASEAN Competition Compliance Toolkit for Business has been developed for businesses in the region. Consumer protection regimes are also being strengthened through the ASEAN Consumer Protection Self-Assessment Toolkit.

In support of Small and Medium Enterprises (SME), the ASEAN IP Training Platform for SMEs is now publicly accessible through the ASEAN IP Portal (aseanip.org). Similarly, the ASEAN Common Guidelines on Industrial Design Examination are also now publicly available on the ASEAN IP Portal. A Furniture Design Competition was organised through the Creative ASEAN initiative to promote innovation and creativity, with winning designs showcased at the STYLE Bangkok Furniture Fair 2018.

REGIONAL CONNECTIVITY AND SECTORAL COOPERATION

On passenger air services liberalisation, the signing of Protocol 4 on Co-Terminal Rights between Points within the Territory of any other ASEAN Member State will provide substantial benefits in terms of lower fares, more choices for passengers, and good air connectivity.

On maritime safety, the conclusion of a Memorandum of Understanding (MOU) on the Improvement of Safety Standards and Inspection for Non-Convention Ships (NCS) within ASEAN Member States and the adoption of the Guidelines for Safety Standards for Non-Convention Ships, will provide a safety reference for small-sized ships that are not governed by international conventions, including, among others, fishing vessels, traditional wooden ships, and ships not propelled by mechanical means. Safety improvements for such small vessels in ASEAN's waters will support small-scale trade and economic activities along the coastlines in the region.

To date, three sustainable transport related documents have been adopted: the ASEAN Fuel Economy Roadmap for Transport Sector 2018-2025, Guidelines on Sustainable Land Transport Indicators on Energy Efficiency and Greenhouse Gas (GHG) Emissions in



ASEAN, and the ASEAN Regional Strategy on Sustainable Land Transport.

Improved fuel economy policies mean that vehicles traded in the region will be more fuel-efficient and consumers will have more options to purchase environmentally friendly vehicles. Improved monitoring of GHG emissions by the transport sector will lead to reduced air pollution and people in the region will enjoy better quality of life and fresh air.

On tourism, ASEAN welcomed over 135 million visitors in 2018, up 7.6% from 2017, with Intra-ASEAN travel comprising 37.2% of international arrivals in 2017.

ASEAN Tourism Ministers adopted several documents to enhance service quality in the region, namely the ASEAN Mutual Recognition Arrangement on Tourism Professionals (MRATP) Work Plan 2019-2023, the Strategy

on Participation of Local Communities and Private Sector in Tourism Development, the ASEAN MICE Venue Standards for Meeting Rooms in Convention/Exhibition and Public/Private Sector, and the ASEAN MICE Venue Standard for Exhibition Venues.

An ASEAN Tourism Marketing Agency has been appointed to support the implementation of the ASEAN Tourism Marketing Strategy (ATMS) 2017-2020. New ASEAN Tourism Packages 2019-2020 have been developed, featuring more than 130 products covering multiple ASEAN destinations from 38 travel agents with 69 travel packages.

On sustainable energy, ASEAN achieved a 21.9% reduction in energy intensity compared to 2005, exceeding ASEAN's 2020 target of 20%.

The share of renewable energy in ASEAN's energy mix is 12.4%, highlighting the need to



deepen efforts toward meeting the region's goal of 23% renewables by 2025. The conclusion of an MOU between ASEAN and the International Renewable Energy Agency in October 2018 and its accompanying work plan will bolster efforts in this regard.

Progress on other major initiatives included completion of key recommendations on Green Building Codes for ASEAN to guide reductions in energy intensity. Recommendations were also established to enhance liquefied natural gas (LNG) cooperation and trade to realise a common ASEAN gas market and generate commercial opportunities for small-scale LNG and LNG bunkering. Also urged was the development of a Capacity Building Roadmap on Energy Investment and Financing for ASEAN to enhance regional capacities to attract investment in clean energy and to develop sustainable financing.

On mineral resource development, ASEAN began a collaborative engagement in May 2018 with the Intergovernmental Forum on Mining, Minerals, Metals, and Sustainable Development (IGF) to support sustainable minerals development and the capacity-building programmes under the ASEAN Minerals Cooperation Action Plan (AMCAP) Phase 1 (2016-2020).

Addressing the impact of mining on people and communities, a reporting mechanism was launched in 2018 to monitor AMS adoption of a sustainability assessment framework and guidelines. Further, a resource repository on capacity-building resources for minerals development is currently shared online by AMS.

On science and technology, ASEAN issued a call for project proposals for research and development on diagnostics for dengue,



Efforts are being made to enhance market access for agricultural producers.

tuberculosis, hepatitis B, and malaria. ASEAN is also defining a shared High-Performance Computing (HPC) infrastructure to support the computational R&D requirements for research for 4IR frontier technologies. An ASEAN Foresight Alliance comprised of national foresight and strategy planning institutions has been established to provide insights.

Separately, the food, agriculture, and forestry (FAF) sector continued to implement measures to promote ASEAN trade and to enhance market access for agricultural producers. In 2018, the ASEAN Ministers on Agriculture and Forestry (AMAF) endorsed various deliverables, including AMAF's Approach on Gender Mainstreaming in the Food, Agriculture, and Forestry Sectors; ASEAN Guidelines on Promoting Responsible Investment in Food, Agriculture, and Forestry Sectors; and a Manual for Assessing Forest Law Enforcement and Governance (FLEG) Implementation in ASEAN Member States.

An Action Plan to implement ASEAN Guidelines on Promoting Responsible Investment in the Food, Agriculture, and Forestry Sectors has also been developed to raise awareness, capacity building, and stakeholder collaboration.

AN INCLUSIVE AND PEOPLE-CENTRED AEC

Several studies supporting the development of micro, small, and medium enterprises (MSME) were completed in 2018, such as the ASEAN SME Policy Index 2018 (ASPI), which is a reference for monitoring and evaluating regional and national efforts to strengthen MSME policies and programmes.

Other publications included the Study on Micro, Small, and Medium Enterprises' Participation in the Digital Economy and the Future of ASEAN-50 Success Stories of Digitalisation of ASEAN MSMEs.

Since starting to implement the AEC 2025 Blueprint in 2016, ASEAN has engaged with more private sector entities with a greater scope and depth than before. The total number of formal engagements between ASEAN bodies and private sector representatives increased from 38 in 2016 to 56 in 2018. New initiatives to improve private sector outreach have also been introduced, such as the AEC Dialogue and the bimonthly *ASEAN for Business* bulletin.

INTEGRATING ASEAN WITH THE GLOBAL ECONOMY

Progress has also been made in external economic relations, most significant of which are (i) the signing of the Protocol to Amend the ASEAN-Japan Comprehensive Economic Partnership Agreement, which broadened the partnership to include trade in services, movement of natural persons and investment; and (ii) the entry into force of the ASEAN-Hong Kong, China Free Trade Agreement and the ASEAN-Hong Kong, China Investment Agreement. Efforts are also being made in upgrading existing ASEAN Plus One FTAs, such as the ASEAN-China FTA, the ASEAN-Korea FTA and the ASEAN-Australia-New Zealand FTA, to ensure that they remain robust notwithstanding regional and global challenges.

Under Thailand's 2019 chairmanship, ASEAN has prioritised concluding negotiations for the Regional Comprehensive Economic Partnership (RCEP) that would pave the way for the creation of the world's biggest FTA and further strengthen the region's place in the global value chain.

The Second RCEP Summit was held in November 2017. At the Summit, Leaders welcomed the substantial progress made to date, noted that negotiations had entered their final stage, and committed to concluding negotiations in 2019. As of mid-2019, 26 rounds of negotiations have taken place. Negotiators are working to meet the targets set by the RCEP Work Plan 2019 as endorsed by Ministers in March 2019. Stakeholder engagement is regularly held by the host at the margins of each RCEP negotiation round to ensure that their voices are heard and concerns taken into account in the process.

AEC MONITORING AND EVALUATION

Implementation of the AEC Blueprint 2025 continues to be monitored through the operationalisation of the AEC 2025 Monitoring and Evaluation (M&E) Framework. The AEC 2025

Consolidated Strategic Action Plan (CSAP)—a reference for key action items drawn from the AEC sectoral work plans accompanying the Blueprint—was updated and published in August 2018, after its release in February 2017.

Progress on the implementation of the AEC Blueprint 2025 is reported on a quarterly basis and updated to key meetings of the AEC. Meanwhile, AEC M&E Country Visits to Brunei Darussalam and Malaysia were conducted in 2018 to verify compliance with AEC commitments. Two additional visits in Myanmar and Singapore are scheduled for 2019.

On public outreach, the biannual *ASEAN Economic Integration Brief (AEIB)*, published in June and November, continues to serve as a communication tool on the progress of ASEAN economic integration and offers timely updates on global and regional developments.

The ASEAN Community Statistical System (ACSS) continues to strengthen regional cooperation by providing timely, comparable, and reliable statistics. ACSS continuously work to harmonise statistics on international merchandise trade, international trade in services, foreign direct investment and

System of National Accounts. The ASEAN Sustainable Development Goal (SDG) indicators will be collected throughout 2019 to monitor SDG progress. The ACSS is also developing an implementation framework for the ACSS Open Data Initiative for Statistics and a concept note on the potential use of big data for ACSS official statistics.

THE INITIATIVE FOR ASEAN INTEGRATION (IAI)

As IAI Work Plan III (2016-2020) reaches the halfway mark of its five-year implementation period, 101 projects valued at US\$25.96 million have been approved to provide capacity building and technical assistance for Cambodia, Lao PDR, Myanmar and Viet Nam (CLMV) to meet their regional commitments.

Among the projects implemented in 2018 were assessments on post-harvest losses for seasonal fruit of high-export value and a simplification of business registration to identify gaps and the capacity-building needs of CLMV nations.

A notable achievement in simplifying business registration among the least developed AMS

is the Myanmar Companies Law 2017, which was passed and came into effect in August 2018. The legislation made changes to the law governing how companies operate (e.g., by replacing the memorandum and articles of association with a constitution) and provided a platform for moving the registry online. The Myanmar Directorate of Investment and Company Administration (DICA) embarked on a strong stakeholder engagement strategy targeting potential users of the system. These workshops were well received. Large attendance translated into increased activity on the business registry.

Meanwhile, the Singapore Cooperation Centres in CLMV capitals continued to provide training for CLMV officials on various topics, including public governance and administration, government policies and strategies, as well as on specific skills such as English language training and trade negotiations.

Twelve CLMV officials completed the IAI Attachment Programme at the ASEAN Secretariat in December 2018. The programme, which was launched in 2002, has produced 87 graduates.



ASEAN
SOCIO-CULTURAL
COMMUNITY



Against a backdrop of rapid technological, environmental, and societal transformation, ASEAN's Socio-Cultural Pillar (ASCC) worked hard in contributing to an ASEAN Community where people can more fully enjoy human rights, fundamental freedoms, and a higher quality of life.

The ASCC adopted landmark policy documents and implemented projects and activities ensuring that ASEAN remains relevant while continuing to bring equal opportunities and tangible benefits for all its peoples.

ENHANCING HUMAN CAPITAL

Ensuring that the region is resilient and poised to reap the benefits of the Fourth Industrial Revolution (4IR) has been central to ASEAN's agenda.

ASEAN has pushed to improve the competitiveness and productivity of youth by imbuing them with 21st century skills, supporting higher education mobility, and by enhancing the role of business and industry in modernising technical and vocational education and training (TVET) systems.

A regional working group of business and industry representatives was established and is developing recommendations to bolster contributions to TVET in ASEAN.

The European Union Support to Higher Education in the ASEAN Region (EU SHARE) supported the intra-regional mobility of nearly 500 ASEAN students through scholarships.





ASEAN's young leaders explore innovative ideas to realise their aspirations.

To ensure that no one is left behind, a working group was established in October 2018 to implement the ASEAN Declaration on Strengthening Education for Out-of-School Children and Youth (OOSCY) that works on pathways for lifelong learning, accreditation and equivalencies, and skills development, among other things.

Various activities were also organised to enhance the capacity of young people to meet the 4IR. For example, the ASEAN-UNICEF Regional Conference on 21st Century Skills and Youth Participation in November 2018 provided a strategic engagement platform to prepare young people for the rapid transformations ushered in by technology, digitisation, urbanisation, and climate change.

At the youth-led 2nd ASEAN University Student Council Union (AUSCU) Conference

in December 2018 in Singapore, ASEAN's young leaders explored innovative ideas, voiced aspirations and exchanged ideas with social media influencers and "techpreneurs". Under the Youth as Agents of Behavioural Change (YABC) programme, national peer educator training initiatives were staged in Brunei Darussalam, Indonesia, and Malaysia to highlight youth contributions to ASEAN Community building.

On labour, policy directions were adopted to help ASEAN navigate the evolving challenges in the world of work and move toward sustainable development. The ASEAN Declaration on Promoting Green Jobs for Equity and Inclusive Growth of ASEAN Community (2018) called for a better understanding of the impact of green jobs and green skills on creating environmentally and socially sustainable economies for job creation.

Meanwhile, the ASEAN Labour Ministers' Statement on the Future of Work: Embracing Technology for Inclusive and Sustainable Work, signed in April 2019, laid an inclusive framework to prepare the workforce for the future. The statement supports investment by micro, small, and medium enterprises (MSMEs) in decent jobs and promotes fiscally sustainable public and private social-protection initiatives, among other things.

Separately, the 12th ASEAN Skills Competition was convened in September 2018 in Bangkok, Thailand, showcasing the excellence of young people in 26 skills areas and inspiring TVET institutes to make better progress in meeting global standards.

On public health, the ASEAN health sector inaugurated a region-wide ASEAN Car-Free Day on 5 August 2018, serving as an initial stimulus for multi-sectoral collaboration in promoting healthy lifestyles through physical activities and similar community-led activities.

ASEAN Member States (AMS) are also cooperating through the health and sports sectors to prepare the initial ASEAN Physical Fitness Indicator (APFI) report to provide baseline information on the physical wellbeing of the ASEAN Community.

The health sector has also developed and finalised various multi-sectoral and multi-stakeholder plans of actions covering 2018 to 2030 to implement ASEAN's political commitments to combat anti-microbial resistance and end all forms of malnutrition.

ASEAN has also initiated the ASEAN Nutrition Surveillance System, nutrition in emergency, and finalising the standard operation procedures and relevant tools covering the deployment of emergency medical teams in the region.

Further, health systems and access to care, including Universal Health Coverage and Migrants' Health, have been strengthened through the initiation of projects such as ASEAN Vaccine Security and Self-Reliance and by drafting the ASEAN Framework on the Health Coverage of Documented Migrants including Migrant Workers and Mothers and Children among Them.

SUSTAINABLE DEVELOPMENT AND CLIMATE RESILIENCE

Resilience in the face of a changing climate remains a critically important priority. In 2018, ASEAN issued an ASEAN Joint Statement



Health awareness starts at young age.

on Climate Change to the 24th Conference of the Parties to the United Nations Framework Convention on Climate Change (UNFCCC-COP).

Separately, a Special ASEAN Ministerial Meeting on Climate Action (SAMCA) in July 2018 contributed to the Atlanta Dialogue under the UNFCCC process, while ASEAN Joint Statement on Biodiversity was issued at the 14th session of the Conference of the Parties to the Convention on Biological Diversity (CBD).

On marine debris pollution, a Special ASEAN Ministerial Meeting on Marine Debris (SAMM-MD), held in March 2019 in Thailand, led to the issuance of the Bangkok Declaration on Combating Marine Debris and the ASEAN Framework of Action on Marine Debris.

ASEAN also held constructive dialogues with partners at the ASEAN Climate Change

Partnership Conference, Coordination Meeting on Marine Debris Action in ASEAN, and at expanded high-level sessions of the SAMCA and SAMM-MD.

Recognising the importance of young people in promoting green principles, the ASEAN Youth Environment Forum (AYEF) was held in Singapore in 2018.

Meanwhile, the ASEAN Declaration on the Adoption of the ASEAN Youth in Climate Action and Disaster Resilience Day was adopted by ASEAN Leaders at the 33rd ASEAN Summit.

On transboundary haze pollution, six negotiations were held to finalise the Establishment Agreement and Host Country Agreement of the ASEAN Coordinating Centre for Transboundary Haze Pollution Control (ACC THPC) in Indonesia.



ASEAN encourages young people to promote green principles through the ASEAN Youth Environment Forum (AYEF).



One ASEAN, One Response: Assistance from the Philippines arrives in Balikpapan during the Palu (Indonesia) natural disaster in 2018.

Progress was also made on the ASEAN Peatland Management Strategy (APMS 2006-2020) through the development of the ASEAN-EU Programme on Sustainable Use of Peatland and Haze Mitigation in ASEAN (SUPA) and the finalisation of the Measurable Action for Haze-Free Sustainable Land Management in Southeast Asia (MAHFSA), which was supported by the International Fund for Agricultural Development (IFAD).

Advancements in other areas of cooperation include designation of Bantimurung Bulusaraung National Park (Indonesia), Agusan Marsh Wildlife Sanctuary (Philippines), Bidoup Nui-Ba National Park (Viet Nam), and Vu Quang National Park (Viet Nam) as the 41st, 42nd, and 43rd and 44th ASEAN Heritage Parks.

Also notable was the adoption of the draft Cooperation Framework between ASEAN and the Mekong River Commission (MRC) and the launch of the ASEAN-China Environmental Information Sharing Platform 2017-2021.

ENHANCED DISASTER MANAGEMENT AND RESPONSE

In 2018, the region endured the greatest incidence of disasters recorded in ASEAN in the last seven years.

In response, ASEAN expanded its work in disaster management by mainstreaming Disaster Risk Reduction (DRR) into urban planning to build disaster and climate resilient cities.

SAFE MIGRATION

Ipah is a mother of two from Indramayu, West Java in Indonesia.

She is also a migrant worker.

In 2000, Ipah contacted a recruitment agency to find a job abroad, hoping to find work that paid well to support her two young daughters. She discovered that the agency was illegal and had been shut down by police. After losing the money she paid to the recruiters, Ipah learned her lesson. Ipah contacted a legal recruitment agency in 2005, who helped her to find a job in Singapore where she has since been gainfully employed.

Ipah attended the launch of the ASEAN Public Campaign on Safe Migration in December 2018. She said she was grateful for the campaign video, as it provided reliable information for migrant workers on the advantages of safe migration through legal channels. “I would like to advise prospective migrant workers to not naively believe the promises of recruitment agencies,” Ipah said. “Before you make any decision, please find some reliable information about your migration process.”

ASEAN also enhanced its disaster preparedness and response capacity by launching additional satellite warehouses in the Philippines and Thailand to offer immediate access to relief goods by disaster-afflicted AMS, and enhanced recovery efforts guided by the ASEAN Disaster Recovery Reference Guidelines.

Also continued was a flagship programme—the ASEAN Safe Schools Initiative (ASSI), which educates children about disaster risk management.

To promote disaster prevention and risk mitigation and to reduce loss of life and economic damage, ASEAN implemented a DRR project by integrating climate-change projections into flood-and-landslide risk assessment.

ASEAN also released the *Guidebook for Urban Resilience: Building Disaster and Climate Resilient Cities in ASEAN* to mainstream DRR in urban planning.

ASEAN Leaders committed to extend support to the Government of Myanmar in facilitating the repatriation of displaced persons in Rakhine State as mandated during the 33rd ASEAN Summit in November 2018.

Support was extended through initiatives involving the ASEAN Coordinating Centre for Humanitarian Assistance on Disaster Management (AHA Centre) and a high-level strategic platform jointly chaired by Myanmar and the Secretary-General of ASEAN as the ASEAN Humanitarian Assistance Coordinator (SG-AHAC).

Through its Emergency Response and Assessment Team (ERAT), ASEAN has conducted a preliminary needs assessment and developed plans for a comprehensive needs assessment in Rakhine State.

The SG-AHAC also played an important role by coordinating various ASEAN sectoral bodies and partners to support the Government of Myanmar.

ADVANCING HUMAN RIGHTS, INCLUSIVITY AND THE EMPOWERMENT OF VULNERABLE POPULATIONS

Following the signing of the ASEAN Consensus on the Protection and Promotion of the Rights of Migrant Workers in 2017, an Action Plan to implement the ASEAN Consensus was adopted by ASEAN Labour Ministers in 2018.

ASEAN Member States are also undertaking self-assessments for the national-level implementation of the ASEAN Consensus as a basis for identifying regional cooperation projects.

Several initiatives advanced gender mainstreaming and the rights of women, such as the Seminar



ASEAN works to empower vulnerable populations.

on Gender and Media Literacy in ASEAN held in Ha Noi, Viet Nam; the 2nd ASEAN HeForShe event on 70 Years of the Universal Declaration of Human Rights; HeForShe Stand Up for Equality, Justice and Human Dignity; the Senior Officials Conference on Gender Mainstreaming in the ASEAN Socio-Cultural Community (ASCC) and ASEAN Economic Community (AEC) held in Manila in 2018.

On women’s empowerment, ASEAN and Japan are using sports to promote ASEAN Community building and gender equality by prioritising the participation of women and girls as part of the ASEAN-Japan Actions on Sports.



In July 2019, a second ASEAN Women Business Conference was convened in Bangkok by the ASEAN Women Entrepreneurs Network (AWEN) with support from the ASEAN Secretariat and UN Women.

Ongoing efforts will ensure that women can reap the benefits of the digital economy, the 4IR and other opportunities arising from closer integration within ASEAN.

On empowering vulnerable groups, ASEAN is developing a regional action plan to implement the Kuala Lumpur Declaration on Ageing.

Preparations are also underway for the 30th anniversary of the Convention on the Rights

of the Child (CRC), which will be marked by issuing a State of Children in ASEAN report, an ASEAN Declaration on the Protection of Children against All Forms of Online Abuse and Exploitation, and an ASEAN Declaration on Children on the Move.

The ASEAN Commission on the Promotion and Protection of the Rights of Women and Children (ACWC), with the support of UNICEF, is also conducting a midterm review of the implementation of the ASEAN Regional Action Plan on the Elimination of Violence Against Children.

Realising that concerted, cross-sectoral collaboration is essential to strengthening



ASEAN stands up for women's, children's and human rights.

On empowering vulnerable groups, ASEAN is developing a regional action plan to implement the Kuala Lumpur Declaration on Ageing.

social protection, ASEAN is also advancing implementation of the Regional Framework and Action Plan to Implement the ASEAN Declaration on Strengthening Social Protection, with regional key performance indicators (KPIs) and targets for the operationalisation.

Meanwhile, the ASEAN Plus Three Village Leaders Exchange Programme was held in October 2018 in Kuala Lumpur to facilitate meaningful exchanges on community development.

Similarly, community-driven development (CDD) was promoted in May 2018 in Thailand through a seminar documenting CDD best practices, challenges, and capacity building for social protection. Simultaneously, the Joint Ministerial Statement on the Adoption of CDD Approach in Social Protection was also finalised.

On poverty eradication, key events were held in 2018, such as the 12th ASEAN-China Forum on Social Development and Poverty Reduction in June 2018 in Manila and the ASEAN-China-UNDP Symposium on Localisation of SDGs and Realisation of Poverty Eradication.

ASEAN continues to collaborate with relevant ASEAN bodies and civil society

organisations such as the Asian Partnership for the Development of Human Resources in Rural Asia (AsiaDHRRA), to promote a cross-sectoral and inter-Pillar approach to the interconnected problems of climate change, food security, rural development, and poverty eradication.

PUBLIC SERVICE AND GOOD GOVERNANCE

To continually develop a dynamic and citizen-centred ASEAN civil service for its peoples, the ASEAN Network of Public Service Training Institute was established in October 2018 to enhance the competencies of civil servants and their capacity to respond to emerging challenges.

In response to changes due to technology transformation, the ASEAN Statement on Promotion of Good Governance and Acceleration of an Agile Civil Service in a Digital Economy was endorsed by the Senior Officials' Meeting of the 20th ASEAN Cooperation on Civil Service Matters (ACCSM) in April 2019 in Chiang Rai.

The Statement acknowledges the need for the civil service to promote good governance and enhance its agility and capabilities in the face of the 4IR. The Statement will be

adopted by the ASEAN Heads of Civil Service during their retreat in August 2019.

ENHANCING PEOPLE'S UNDERSTANDING AND AWARENESS OF THE ASEAN

Through the culture sector, ASEAN advanced people's understanding and appreciation of the shared heritage of the region.

The Best of ASEAN Performing Arts 2018 presented top talents to audiences in Singapore in November 2018 to highlight ASEAN people's love for music. The collaborations at the concert offered a blend of contemporary and traditional music—including pop, rock, traditional, folk, jazz, hip-hop, and R&B—that was uniquely ASEAN.

To promote a culture of peace and intercultural understanding, the culture sector adopted the Declaration on Embracing the Culture of Prevention to Enrich ASEAN Identity.

To further promote ASEAN identity, the culture sector designated 2019 as the ASEAN Cultural Year (ACY) with the theme "Diversity, Creativity, Sustainability". ACY will endeavour to promote culture's role in driving the creative cultural industries, cultural tourism, and sustainable development.

The information sector aims to enhance ASEAN people's understanding and awareness of the region. Knowledge of ASEAN has been strengthened among the youth through the regular ASEAN Quiz. The eighth edition of the Quiz was held in December 2018 in Bali and was joined by high school students.

To better communicate the opportunities of regional integration and raise ASEAN awareness, the information sector led the development of the ASEAN Communication Master Plan 2018-2025 (ACMP II), with the theme of "ASEAN: A Community of Opportunities for All".

The ACMP II Familiarisation Dialogue in March 2019 gathered ASEAN sectoral bodies from all ASEAN Community Pillars to strengthen cross-sectoral collaboration in effectively communicating ASEAN developments.

ENHANCING M&E FOR RESULTS

The ASEAN Socio-Cultural Community has developed an ASCC Blueprint 2025 Results-Based Monitoring System to aid the progressive implementation of the ASCC Blueprint 2025.

Accordingly, 25 new activities were added to ASCC work plans in 2018. From a total

The information sector aims to enhance ASEAN people's understanding and awareness of the region.

EU SHARE PROMOTES ASEAN PEOPLE-TO-PEOPLE CONNECTIONS

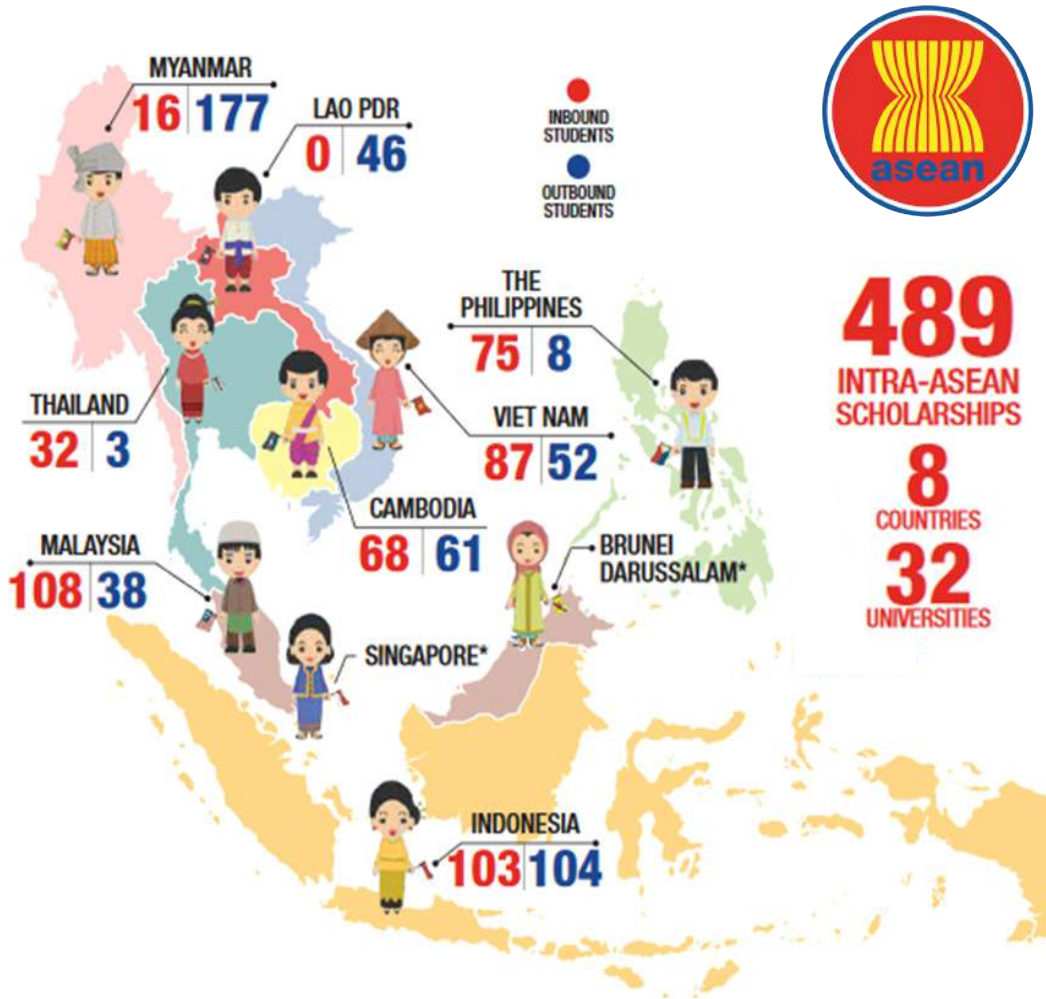
Under the EU SHARE programme, scholarship recipients study at select colleges and universities across ASEAN. The students were unanimous when talking about how student mobility can foster stronger people-to-people connections in ASEAN.¹ Dararath Uk of Cambodia said that his time at the University of the Philippines was “enriched by sharing one another’s culture, history, society and preferences” and that the recognition of the ASEAN’s diversity taught him the value of compromise and respect. On a personal level, Nay San Lin of Myanmar said that studying at the

University of Santo Tomas in Manila taught him “not only about the world but also about myself more clearly” and made him more independent and adaptable.

EU SHARE scholars also bonded with students from other ASEAN nations. Raya Mae Aquino of the University the Philippines recalled how she formed “life-long friendships” with students from several ASEAN Member States. She called on the youth of ASEAN to “Get out of your comfort zones, empty your cups to learn a lot and pursue your dreams!”

¹ https://www.share-asean.eu/sites/default/files/Faces%20of%20SHARE_FINAL-min.pdf





of 954 ASSC sectoral activities in March 2019, 13% (125) have been completed, 51% (488) are ongoing, and 36% (341) are to be implemented by year 2020.

An inaugural capacity-building workshop on monitoring and evaluation was held in January 2019 in Ha Noi for ASSC officers.

The ASSCD also held an inaugural Consultative Meeting with Think Tanks in February 2019. Meanwhile, dialogue with members of the research community on relevant issues, such as the 4IR and growing inequality, is expected to continue.

An aerial, top-down view of a complex multi-level highway interchange. The roads are dark asphalt with white lane markings and directional arrows. Several cars are visible on the different levels of the interchange. In the background, there are buildings and green spaces. The overall image has a blue and purple color cast.

ASEAN CONNECTIVITY

ASEAN POLITICAL- SECURITY COMMUNITY (APSC)	ASEAN ECONOMIC COMMUNITY (AEC)	ASEAN SOCIO- CULTURAL COMMUNITY (ASCC)	ASEAN CONNECTIVITY	ASEAN 51 ST ANNIVERSARY AND OUTREACH EFFORTS	ASEAN PROJECTS AND PROGRAMMES
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The Master Plan on ASEAN Connectivity (MPAC) 2025 is a multi-year, cross-pillar, cross-sectoral and project-centred initiative that has just entered initial implementation

MPAC 2025, which aims to strengthen physical, institutional and people-to-people links in order to forge a competitive and connected ASEAN, covers five strategic areas:

- sustainable infrastructure
- digital innovation
- seamless logistics
- regulatory excellence, and
- people mobility.

The ASEAN Connectivity Coordinating Committee (ACCC), in coordination with Lead Implementing Bodies, National Coordinators (NCs), National Focal Points (NFPs), and other relevant sectoral bodies, has continued to facilitate implementation of MPAC 2025. Of 15 initiatives, eight are in the first phase of implementation and seven are in planning phase.



Infrastructure to support industrial development in the region.

Three key deliverables were launched at the 22nd Meeting of the ASEAN Coordinating Council in November 2018: an Initial Rolling Priority Pipeline of ASEAN Infrastructure Projects, an ASEAN Sustainable Urbanisation Strategy (ASUS), and a study on Micro, Small, and Medium Enterprises (MSME) participation in ASEAN's digital economy.

UNLOCKING OPPORTUNITIES FOR SUSTAINABLE INFRASTRUCTURE

Physical infrastructure is vital for creating more networks between rural and urban areas—as well as between industrial and trading centres—to promote trade and the mobility of people in ASEAN.

Keeping pace with increasing regional connectivity, ASEAN has been socialising ASUS, which has given tool kits to cities to use in developing innovative solutions and in advancing sustainable urbanisation.

To meet annual infrastructure investment needs ranging from US\$110 to US\$210 billion, ASEAN has collaborated with the World Bank to develop an Initial Rolling Priority Pipeline of ASEAN Infrastructure Projects to showcase infrastructure investment opportunities.

The initial pipeline comprises 19 projects with strong connectivity and economic potential, and includes select pre-feasibility studies and financial assessments. The initial pipeline will be launched in November 2019 on the sidelines of 35th ASEAN Summit and Related Summits in Thailand.

ASEAN will also undertake a project to develop an infrastructure productivity framework to be concluded by the first quarter of 2020 to strengthen its capacity for project preparation and to better attract sustainable infrastructure investment and financing.

Partnership is key to mobilising resources to develop sustainable infrastructure. Thus, the 10th annual ASEAN Connectivity Symposium in August 2019 will focus on Connecting ASEAN through Financing Sustainable Infrastructure. Public and private stakeholders will engage in a dialogue on steering infrastructure development and financing toward a more sustainable track.

A COMPETITIVE AND SEAMLESS ASEAN

ASEAN's digital economy has the potential to create economic benefits of up to US\$1 trillion by 2025. Expanding digital and mobile technologies are creating opportunities for

businesses to bring down costs and maximise benefits to stay competitive globally.

A Study of Micro, Small, and Medium-Sized Enterprises' (MSME) Participation in the Digital Economy in ASEAN, launched in November 2018, mapped the current situation as well as the potential opportunities for and challenges to digital adoption. The study highlighted the role played by major digital platforms in helping MSMEs to grow and to sustain business by realizing digital opportunities.

Coupling digitalisation with trade and transport facilitation initiatives has had far-reaching impact on the way we trade, move, and interact across borders. To increase this impact, as a key priority of Thailand's ACCC Chairmanship in 2019, ASEAN has embarked a project to develop a database of priority trade routes that will identify bottlenecks and create a framework to enhance regional supply chain efficiencies and connectivity along these routes. A region with seamless logistics would make infrastructure in ASEAN more productive and efficient, driving greater regional connectivity and economic integration.

STEPPING UP OUR EFFORTS

People remain at the centre of the ASEAN Community, and a focus on people-to-people

connectivity will be accentuated moving forward. Thailand's ACCC Chairmanship in 2019 also prioritises two projects related to people mobility that aim to facilitate travel within ASEAN and strengthen technical and vocational education and training (TVET) mobility in the region.

Enhancing ASEAN Connectivity will deepen cooperation on connectivity with other regions. Strengthening the ASEAN Community by "connecting the connectivities" is one of the priorities of Thailand's ASEAN Chairmanship for 2019.

It is important to create synergies between MPAC 2025 and other connectivity initiatives within and beyond ASEAN to forge sustainable partnerships.

Accordingly, the ACCC is developing an Operational Guide for the Monitoring, Review, and Evaluation of the MPAC 2025 to track progress, strengthen accountability, and provide quality assessments for policy decision-making and future planning.

Meanwhile, to engage stakeholders, ASEAN has launched the ASEAN Connectivity microsite (connectivity.asean.org) to promote MPAC 2025.

ASEAN's 51st ANNIVERSARY AND OUTREACH EFFORTS





ASEAN Day, observed annually on 8 August, traditionally offers a chance to celebrate solidarity, unity, and cross-border integration—as well as to deepen awareness of ASEAN and to develop a sense of identity and belonging.

In 2018, ASEAN's 51st anniversary was observed in each ASEAN Member State (AMS) and across every sector. It was an opportunity to reflect on the achievements ASEAN has made in bettering the lives of its citizens.

At the ASEAN Secretariat (ASEC), a series of community and youth engagement events were held involving more than 500 guests, including members of the diplomatic corps, civil society, international organisations, and other entities associated with ASEAN.

Celebrations featured the official launch of empowering Youths Across ASEAN, a partnership programme between the Maybank and ASEAN Foundations. The programme provided ASEAN youths with a capacity-building workshop and a chance to create impactful initiatives for the communities that they were selected to serve.

Another highlight of ASEAN Day was the launch of the ASEAN Artists Residency Programme in support of the arts community across AMS. The residency underscores a commitment to promote ASEAN identity and to deepen mutual understanding of the diverse cultures in the region.



ASEAN works to ensure a better life for the present and future generations.



A student visits the ASEAN Secretariat.

Simultaneously the ASEAN-EU Cooperation and Scholarships Day was held to showcase ASEAN-EU cooperation programmes and scholarship opportunities.

Beyond ASEAN's anniversary celebration, the ASEAN Secretariat reached out to media and the public in a host of innovative and dynamic ways.

MEDIA

Recognising media's crucial role in raising awareness, ASEC has continued to strengthen its partnerships. The 3rd ASEAN Media Forum in July 2019 in Bangkok will give media leaders and prominent bloggers an opportunity to dialogue with regional experts on economic issues critical to ASEAN. The event also highlights the partnerships between ASEC, the Federal Government of Germany (through GIZ), and AirAsia.

In guiding regional harmonisation of key messages and outreach strategies, the ASEAN

Communication Master Plan II (ACMP II) was launched in Singapore in March 2019. ACMP II, which covers 2018 to 2025, serves as a framework for effectively communicating developments and ASEAN's efforts in bringing the benefits of integration to its citizens.

To support ASEAN Community-building efforts, the ASEAN Secretariat conducted a Poll on ASEAN Awareness in 2018. Results indicated that the general public feels a stronger sense of belonging to the ASEAN Community, with 94% of respondents identifying as ASEAN citizens at some level.

Although the poll also indicated a high level of awareness of ASEAN across all stakeholder groups, it was also clear that greater efforts could be made to enhance knowledge of the ASEAN Community and its three Pillars. In this regard, ASEC will continue working with relevant stakeholders to reinforce the ASEAN brand through effective communications tactics.

VISIT PROGRAMME

The ASEAN Secretariat's visit programme and the ASEAN Goes to School programme target youth as some of ASEAN's most important stakeholders. In 2018, the ASEAN Secretariat welcomed over 4,500 visitors from around 100 institutions, including students, teachers, professors, researchers, and diplomats, while reaching out to another 1,100 students from various academic institutions around Indonesia.

Similarly, on the sidelines of the 15th China ASEAN Expo in Nanning in September 2018, the ASEAN Secretariat visited Nanning No. 2 Junior High School to increase student understanding of ASEAN. Students from various universities in Guangxi were also welcomed to the ASEAN Secretariat exhibition booth, where they learned more about ASEAN and ASEAN-China relations.

ENTITIES ENGAGEMENT

The 2nd Forum of Entities associated with ASEAN, held in October 2018, brought together over 80 representatives from entities associated with ASEAN or seeking ASEAN accreditation. The forum aimed to enhance collaboration between the entities and various ASEAN bodies, such as sectoral bodies or the Committee of Permanent Representatives, as well as between themselves.

During the Forum, the entities met with the Secretary-General (SG) of ASEAN to discuss pertinent matters such as the SG’s priorities during his leadership, the expected roles of entities in realising ASEAN Vision 2025, and cross-pillar cooperation. They also had the opportunity to dialogue with ASEAN Centres on the latter’s engagement efforts with ASEAN sectoral bodies.

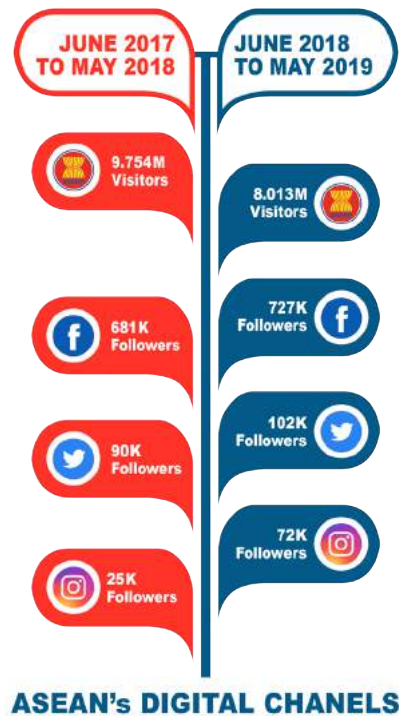
Leveraging this success, the 3rd Forum of Entities Associated with ASEAN was held in April 2019, involving 140 participants from 56 entities accredited to ASEAN. The forum discussed the progress ASEAN and entities have made and how to strengthen

collaboration in achieving a more integrated and people-focused ASEAN.

Further, the entities met with the Committee of Permanent Representatives to ASEAN and discussed the role accredited entities can play in ASEAN Community building. Representatives from sectoral bodies also shared about the issues they currently work on and how entities might be involved.

SOCIAL MEDIA

Online and social media remain a priority for ASEC to connect with ASEAN’s citizens and keep them informed of ASEAN activities.



ASEC's social media platforms have more than 8.914 million combined followers. Around 742,000 unique visitors visited ASEAN's website each month as of May 2019.



Established in 2018, the ASEAN Prize is a premiere regional award to recognise community-building efforts in Southeast Asia. Incorporating ASEAN values, the Prize honours an ASEAN citizen or ASEAN-based organisation for making exemplary contributions in fostering ASEAN Identity, upholding the ASEAN Spirit, and championing the ASEAN Way.

Nominees are evaluated based on their merit in promoting ASEAN Community-building efforts, whether in enhancing collaboration between AMS and the world, fostering people-



Young people looking at historical documents in the ASEAN Gallery.

to-people connectivity, advancing economic integration, or promoting standards between ASEAN Member States.

A Judging Committee comprised of the current and former Secretaries-General of ASEAN selects recipients.

In 2018, the inaugural ASEAN Prize was awarded to Ms. Erlinda Uy Koe, a dedicated community leader from the Philippines, honouring her contributions to the cause of an inclusive ASEAN Community. The Prime Minister of Singapore, Lee Hsien Loong, and the incumbent Secretary-General of ASEAN, Dato Lim Jock Hoi, presented the trophy and prize money to Ms. Koe in Singapore at the Opening Ceremony of the 33rd ASEAN Summit in November 2018. The sponsors of the inaugural ASEAN Prize were the Temasek Foundation Connects of Singapore, the Ayala Corporation of the Philippines, and Yayasan Hasanah of Malaysia.

In 2019, the ASEAN Prize will be presented in Thailand, which holds the Chairmanship of ASEAN for 2019.



The Recipient of ASEAN Prize 2018, Ms. Erlinda Uy Koe, a dedicated community leader from the Philippines, with the PM of Singapore, H.E. Lee Hsien Loong, and the incumbent Secretary-General of ASEAN, H.E. Dato Lim Jock Hoi.

ASEAN PROJECTS AND PROGRAMMES

SUPPORTING ASEAN COMMUNITY BUILDING



Briefing on

ASEAN Cooperation Project Mechanism and
Procedures for ASEAN Centres and Entities

Jakarta, 20th Oct





As of February 2019, the cumulative value of the ASEAN cooperation projects and programmes submitted since 2009 totalled US\$1,396,785,998.62, comprising US\$1,345,508,808 for initiatives that were ongoing, implemented, or have been completed, and US\$51,277,190.53 for initiatives in progress.

The utilised portion covers 1,006 projects valued at US\$586,690,923 and 100 programmes valued at US\$758,817,885.

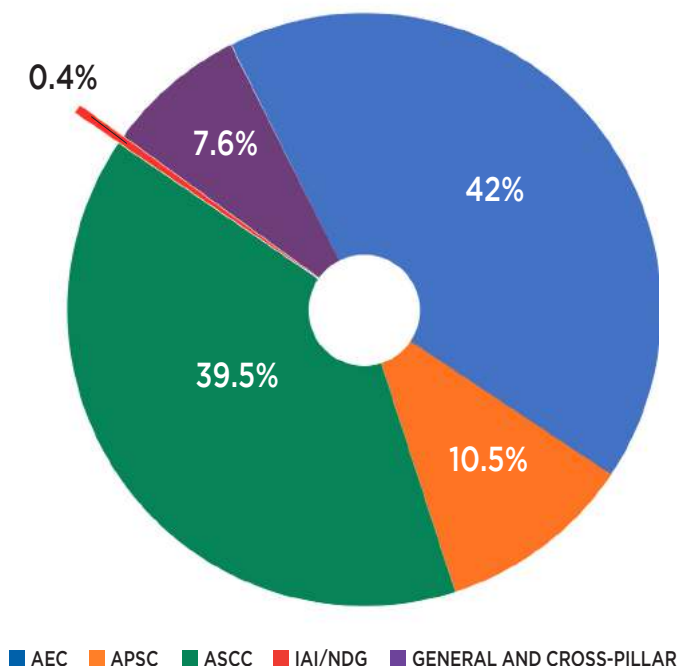
Broken down by ASEAN Community Pillars, 42% of utilised funding (US\$564,416,100) was allocated to the ASEAN Economic Community (AEC) Pillar, primarily supporting initiatives on science and technology, transport and environment, small, and medium-sized enterprises, information and communication technologies, food and agriculture, and climate change; 10.5% (US\$141,132,500) went to the ASEAN Political-Security Community (APSC) Pillar, primarily supporting cybercapacity development, disaster relief exercises, and combating narcotics and trafficking in persons; 39.5% (\$532,422,883.49) went to the ASEAN Socio-Cultural (ASCC) Pillar, primarily supporting student education and cultural exchange programmes and initiatives on disaster management and biodiversity; 0.4% (\$4,895,391) was allocated for Initiative for ASEAN Integration/Narrowing Development Gap Division (IAI/NDG), used primarily for attachment programmes for capacity building for Cambodia, Lao PDR, Myanmar and Viet Nam (CLMV) officers, and 7.6% (\$102,641,933) was allocated to General and Cross-Pillar projects, primarily supporting trainings and capacity building for AMS on various topics, as well as for strengthening the ASEAN Secretariat.

In 2018, 77 ASEAN cooperation projects were implemented or completed with a total utilised value of US\$41,706,618, with 23% (US\$9,619,205) used for AEC initiatives; 30.3% (US\$12,630,475) for APSC initiatives, 45.8% (US\$19,106,778) for ASCC initiatives, and 0.8% (US\$350,160) for IAI/NDG initiatives.

The following projects were approved for implementation in 2018:

- (i) The Integrated Programme in Enhancing the Capacity of the ASEAN Coordinating Centre for Humanitarian Assistance on Disaster Management (AHA Centre) and ASEAN Emergency Response Mechanism Support to the ASEAN Coordinating Centre for Humanitarian Assistance, or EU-SAHA, was supported by the EU and approved in October 2018 with a budget of €11 million. The project is slated to run from 2018 to 2025.
- (ii) The ASEAN-USAID Partnership for Regional Optimisation with the Political-Security and Socio-Cultural Communities (ASEAN-USAID PROSPECT) with a budget of US\$11,329,555, and the ASEAN-USAID Inclusive Growth in ASEAN through Innovation, Trade, and E-Commerce (ASEAN-USAID IGNITE) with a budget of US\$8,997,470.59. Both projects were approved in 2018 for implementation between 2018 and 2023.

CONTRIBUTION OF ASEAN PROJECTS AND PROGRAMMES BY PILLAR (2009 - FEBRUARY 2019)





THE NEW ASEAN SECRETARIAT BUILDING

Conceptualisation of a new space to host the ASEAN Secretariat began in 2011, when the Indonesian government presented a symbolic key to the then-Secretary-General of ASEAN, Dr. Surin Pitsuwan. In 2015, the key was used to ceremonially open a door to a plot next to the existing ASEAN Secretariat. Two years later, the Indonesian government launched a competition to determine a design for the new building.

At the 50th anniversary celebration of ASEAN at the ASEAN Secretariat, the President of Indonesia, Joko Widodo, handed over the land title to Foreign Minister Retno Marsudi, who accepted it on behalf of the Ministry of Foreign Affairs of Indonesia. Construction began in January 2018.

The new building will provide a total area of 49,999 square metres, split between two 16-storey towers connected by a sky bridge and will include two underground levels. According to the Indonesian Museum of Records, the sky bridge, which will stand without a middle support, will be the longest of its kind in the nation.

The new ASEAN Secretariat building preserves the architectural design of the

original building while integrating new features. The building is designed to be green, energy efficient and inclusive of people with disability. The new ASEAN Hall will host up to 600 seated guests and more than 800 if standing. It also features 14 public meeting rooms and 16 internal meeting rooms.



In the spirit of showcasing Jakarta's native Betawi culture, the new ASEAN Gallery will adopt a local style ornamentation and interior design. The main lobby will feature artwork depicting various landmarks from ASEAN Member States as a way of sharing the ASEAN spirit with all staff members and visitors.

Workspaces are designed with an open-office concept to promote better communication between staff and to ease coordination. In accordance with achieving Green Building Platinum certification, the new ASEAN Secretariat building will offer copious natural lighting, a visual connection to the building's exterior, and effective air circulation.

The grand opening of the new ASEAN Secretariat building is scheduled to coincide with the 52nd anniversary of ASEAN in August 2019.



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