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## **New EIU Report: “*Digital Platforms and Services: A Development Opportunity for ASEAN*”**

***Commissioned by the AIC, the report explores growth opportunities and challenges for ASEAN’s Digital Economy***

**Singapore, 3 July 2019** – A new [report](#) from The Economist Intelligence Unit (EIU), commissioned by the Asia Internet Coalition (AIC), outlines the tremendous opportunities for digital platforms and services to stimulate economic growth and development in ASEAN. The report, which incorporates input from government and private sector experts, also makes recommendations on how governments and enterprises in the region can overcome existing challenges and fully capture growth opportunities from the digital economy. According to Bain & Company, Southeast Asia can add as much as US\$1 trillion to its economy by 2025 by harnessing the digital economy to boost trade and GDP.

The report, titled “***Digital Platforms and Services: a development opportunity for ASEAN***”, notes that ASEAN’s digital economic growth prospects are particularly promising given its potential customer base of 660 million people who increasingly have online access – mobile-broadband subscriptions and internet access now reach more than half of the population in most ASEAN countries. Many governments in the region recognise the role of the digital economy in providing new market opportunities and sustainable socio-economic growth. This is reflected by improvements in market access, partnerships, and payments, as well as long-term national digital strategies such as Singapore Smart Nation and Thailand 4.0.

However, the report notes that more needs to be done to improve the ease of doing business in the region, including addressing regulatory barriers that restrict trade. Data localisation policies, such as those in Indonesia and Vietnam, can restrict innovation and growth by limiting economies of scale for global providers and domestic companies, thus making it harder and more expensive, especially for SMEs, to scale across markets. In some jurisdictions, data management regulations are either unclear or may potentially add burdens like increasing the cost of doing business.

“This (report) affirms the tremendous impact that digital platforms and services have in boosting GDP, trade, job creation, innovation and productivity across Southeast Asia,” said Jeff Paine, Managing Director, AIC. Paine added, “However, the report also acknowledges that growth potential can be stifled by regulatory hurdles such as overly restrictive data management policies around localisation and privacy. ASEAN governments must consider forward-looking policies and smart regulations that manage risk yet promote growth, and more industry collaboration and partnerships, in order to fully capture the immense opportunities the digital economy brings.”

The report provides **six (6) key recommendations for ASEAN governments and enterprises** to consider in order to seize the full potential of the digital economy in stimulating economic growth: -

1. **Educate stakeholders about the benefits of digital platforms and services:** the private sector should inform governments about the latest innovations and co-operate with governments to deliver economic and societal benefits. Likewise, the public sector should educate potential users of e-business benefits.
2. **Encourage government and private sector collaboration:** the public and private sectors must encourage engagement to discuss current and emerging issues and opportunities as technology advances.
3. **Increase digital adoption among all population groups:** to reap the full benefits of the internet economy, all population segments should be online and have access to high-speed broadband services.
4. **Support ASEAN's SMEs to come online:** as the main engine of growth across ASEAN, SMEs need greater support to expand online, and across borders. Private enterprises have a significant role to play.
5. **Support technology providers that help improve the economy:** e-commerce and e-tourism providers are particularly valuable in ASEAN, given the region's attractions and economic composition, with travel contributing a large amount to GDP in several countries.
6. **Support digital economy programmes:** all stakeholders should support at the highest level the development and implementation of forward-looking digital economy strategies.

#### **NOTE TO EDITOR**

- The full report can be downloaded [here](#).
- Infographics with highlights of the report can be downloaded [here](#).

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#### **About The Asia Internet Coalition**

*The Asia Internet Coalition (AIC) is an industry association comprising leading internet and technology companies. The AIC seeks to promote the understanding and resolution of Internet policy issues in the Asia Pacific region. Please visit <https://www.aicasia.org/> and follow us on [Twitter](#) and [LinkedIn](#).*

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