

HORIZON SCANNING PAPER

For ASEF Expert Webinar #1 in Support of ASEM13 Post-Pandemic Socio-Economic Recovery Efforts, 9 April 2021

The Asia-Europe Meeting (ASEM) jointly issued a Statement on COVID-19 on 7 September 2020, declaring the COVID-19 pandemic an unparalleled global health crisis that has caused grave disruptions to the global economy, trade and travel. It is a crisis that has resulted in unprecedented job losses as well as heavily impacted the lives of people and economies of ASEM partners.¹ That the COVID-19 pandemic is the scourge of our time is both a truism and at the same time an underwhelming understatement. The coronavirus that spared no country, no economy, nor any society, is a strikingly clear example of a “wicked problem” - a problem that is difficult or impossible to solve because of incomplete, contradictory, and changing requirements that are often difficult to recognize.² In short, no single country no matter how large, no single economy no matter how powerful, can single-handedly overcome the pandemic. The Asian and European Partners of ASEM are committed to work together and to strengthen dialogue and cooperation to overcome the pandemic and its multifaceted impact.

International organisations across the globe have also provided contributions and initiatives – in partnership with governments and the private sector - to address social and economic recovery efforts in the post-pandemic era. This paper aims to provide, through a horizon scanning of open sources, a sense of these contributions and initiatives of the major international organisations such as the Asia-Pacific Economic Cooperation (APEC); the Association of Southeast Asian Nations (ASEAN); ASEM; the European Union (EU); the G20; the United Nations (UN) and related UN bodies; the World Health Organization (WHO); and the World Trade Organization (WTO). The list of international organisations is by no means complete; likewise, the listed contributions and initiatives are far from exhaustive.

This paper is intended solely to provide food for thought, in the hope of generating a fruitful, lively and active engagement and discussion among the participants of the first ASEF expert webinar on the post-pandemic socio-economic recovery efforts.

Webinar #1

Topic / Theme: How Do we Build More Resilient and Connected Societies?

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Topic/Theme: How Do We Build More Resilient and Connected Societies?

- A. How can ASEM countries contribute to global efforts (e.g., COVAX) to ensure the vaccines are available, accessible, and affordable for all and how can they ensure that citizens are able to make timely and informed decisions on COVID-19 vaccines?

¹ The Foreign Ministers of the Host of the 13th Asia-Europe Meeting (ASEM) Summit (Cambodia) and the Regional Coordinators of ASEM (Singapore, Russia, EU and Germany) jointly issued a Statement on COVID-19 on 7 September 2020.

² A wicked problem also refers to an idea or problem that cannot be fixed, where there is no single solution to the problem; and "wicked" denotes resistance to resolution, rather than evil. ("[Tackling Wicked Problems: A Public Policy Perspective](#)". Australian Public Service Commission. 25 October 2007.)

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- B. What practical measures can ASEM countries undertake to reorganise global supply chains to ensure sustainable balanced growth of ASEM partners and how can the public and private sectors jointly finance growth, support demand, and promote high skilled jobs in ASEM partners?

ASEM

“We underline the primary responsibility of governments to adopt and implement responses to the COVID-19 pandemic that are specific to their national context. We call upon ASEM partners in this regard to implement national action plans by putting in place, according to their specific contexts, comprehensive, proportionate, time-bound, age-, gender- and disability-sensitive measures across governmental sectors against COVID-19, and strengthen actions to involve women’s participation in all stages of decision-making processes.” - (Extract from the Joint Statement on COVID-19 of the Foreign Ministers of the Host of the 13th Asia-Europe Meeting (ASEM) Summit (Cambodia) and the Regional Coordinators of ASEM (Singapore, Russia, EU and Germany), 7 September 2020)³

“Tackling the pandemic requires international cooperation to accelerate the development and delivery of quality, accessible and affordable vaccines, diagnostics and treatments. In this regard, we fully support the implementation of existing multilateral mechanisms set up to accelerate the development, equitable and universal access of diagnostics, vaccines and treatments, including the Access to COVID-19 Tools (ACT) Accelerator, while strengthening health systems. We recognise the role of extensive immunizations against COVID-19 as a global public good for health.” – (Extract from the Asia-Europe Meeting (ASEM) statement on coronavirus disease (COVID-19) by the Foreign Ministers of Cambodia as host nation of the 13th ASEM Summit, the EU and Germany as regional coordinators of the European group, Singapore as the regional coordinator of the ASEAN group, and Russia as the regional coordinator of the Northeast and South Asia group)⁴

EU

“The pandemic calls for a strong coordinated international response that rapidly expands access to tests, treatments, and vaccines, recognising extensive immunisation as a global public good that must be available and affordable for all.” (Emmanuel Macron, Angela Merkel, Macky Sall, António Guterres, Charles Michel and Ursula von der Leyen - 3 February 2021) – (Extracts and quotes gathered by the WTO from the international community in response to COVID-19 and its impact on world trade)⁵

3G Statement for G20 Summit

“The 3G applauds the progress made on the G20 Action Plan – Supporting the Global Economy Through the COVID-19 Pandemic, including its proposals for health, financial, and economic response and providing international support to countries in need. ...To support such efforts, the 3G has contributed a non-paper on “Strengthening Global Preparedness and Response to the COVID-19 Pandemic and Other Public Health Emergencies” to stimulate discussions on this issue and to underscore the importance of the Access to COVID-19 Tools Accelerator (ACT-A) initiative and its COVAX facility, as well as the COVID-19 Technology Access Pool (C-TAP). The non-paper signals the 3G’s commitment to building public health resilience via the continued sharing of information and best practices, and supporting affordable and equitable access to therapeutics, diagnostics, and vaccines.”

³ <https://www.mfa.gov.sg/Newsroom/Press-Statements-Transcripts-and-Photos/2020/09/07092020-ASEM>

⁴ https://eeas.europa.eu/headquarters/headquarters-homepage/84776/coronavirus-asia-europe-meeting-asem-statement_en

⁵ https://www.wto.org/english/tratop_e/covid19_e/covid19_quotes_e.htm

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– (Extract of Press Statement by the Global Governance Group (3G) on the Virtual G20 Leaders' Summit, 21 to 22 November 2020)⁶

APEC

“We recognise that science, technology and innovation are important to the region’s post-COVID-19 recovery. We reaffirm the need to cooperate constructively on COVID-19 including the research and development, production, manufacturing and distribution of diagnostic tests, essential medical products and services, therapeutics and vaccines. We highlight the importance of facilitating equitable access to safe, quality, effective and affordable vaccines and other medical countermeasures that are vital to safeguard people’s health and well-being, while incentivising innovation. We acknowledge that the role of extensive immunisation against COVID-19 is critical in order to bring the pandemic to an end.” – (Extract of 2020 Kuala Lumpur Declaration issued at the 27th APEC Economic Leaders’ Meeting, 20 November 2020)⁷

“We recognise the need to enhance stimulus measures that facilitate economic recovery and job creation. In facilitating economic recovery, we underscore the importance of improving fiscal sustainability and transparency to support long-term resilient economic growth and future financing needs. We acknowledge the need to support developing economies in combatting COVID-19.” – (Ibid)⁸

ASEAN

“...the EU and ASEAN can be connected by digital platforms and standards, rather than be divided by geographical distances.”

“A DEA [Digital Economy Agreement] with the EU will be a key step towards connecting the EU and ASEAN digitally.

a. Such an agreement would help to foster innovation and investments in new digital industries.” (8th ASEAN-EU Business Summit) – (Extract of Closing Keynote by Mr Chan Chun Sing, Singapore Minister for Trade & Industry at the 8th ASEAN-EU Business Summit)⁹

UNGA

“The Second Committee (Economic and Financial) today approved 15 draft resolutions, voting on five of them, including one emphasizing the disruption COVID-19 has had on open-market functioning, global supply chains and the flow of essential goods, as well as services.” – (Extracts of Meetings Coverage and Press Releases of the United Nations)¹⁰

“By another draft, “Towards a New International Economic Order”, the Assembly would call on States and international institutions to provide more financial liquidity to assist in tackling the unfolding COVID-19 crisis. It would further emphasize the need to increase access to concessional finance in

⁶ <https://www.mfa.gov.sg/Newsroom/Press-Statements-Transcripts-and-Photos/2020/11/20201120-3G-Pre-G20>

⁷ https://www.apec.org/Meeting-Papers/Leaders-Declarations/2020/2020_aelm

⁸ (https://www.apec.org/Meeting-Papers/Leaders-Declarations/2020/2020_aelm)

⁹ <https://www.mti.gov.sg/Newsroom/Speeches/2020/11/Closing-Keynote-by-Minister-Chan-Chun-Sing-at-the-8th-ASEAN-EU-Business-Summit>

¹⁰ <https://www.un.org/press/en/2020/gaef3542.doc.htm>

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dealing with the global pandemic, calling on donors to fulfil their development assistance commitments.” – (Ibid)¹¹

UNESCAP

“In a statement released on 17 September, the United Nations Economic Commission for Europe (ECE), the United Nations Conference on Trade and Development (UNCTAD), the International Maritime Organization (IMO), the International Civil Aviation Organization (ICAO), the United Nations Economic Commission for Africa (ECA), the United Nations Economic Commission for Latin America and Caribbean (ECLAC), the United Nations Economic and Social Commission for Asia and the Pacific (ESCAP) and the United Nations Economic and Social Commission for Western Asia (ESCWA) stress that international transport and integrated supply chains are critical in recovering from COVID-19 achieving the SDGs.” – (Extract of press release issued by 8 UN organizations on critical role of international transport and integrated supply chains for COVID-19 recovery and the SDGs)¹²

“The signatories call on all Governments to maximize the contribution of international trade and supply chains to a sustainable socio-economic recovery through greater use of international legal instruments and standards, as well as strengthened regional and sectoral cooperation.” – (Ibid)¹³

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- C. What practical solutions and possible projects can ASEM engage in to better connect citizens including by narrowing the digital divide between developing and developed countries of Asia and Europe?

ASEM

“No doubt, the COVID-19 pandemic has dealt a shock to the world. It is a game changer and is transforming the world, as we know it. Yet, not all the consequences are necessarily bad news. There may be some opportunities hidden in the conspicuous challenges and they should not be missed. One possible bright spot is in digital connectivity. As COVID-19 hastens the transformation of industries with data analytics and AI, and also shifts business models to a higher degree of reliance on digitalisation, setting up regulatory standards and norms for safe and fast digital connectivity and e-commerce should be one of the priorities on ASEM’s agenda.” – (Extract from ASEM publication, “Impact of Covid-19 on ASEM’s Connectivity agenda”; Yeo Lay Hwee & Plamen Tonchev)¹⁴

¹¹ <https://www.un.org/press/en/2020/gaef3542.doc.htm>

¹² <https://www.unescap.org/news/8-un-organizations-stress-critical-role-international-transport-and-integrated-supply-chains>

¹³ <https://www.unescap.org/news/8-un-organizations-stress-critical-role-international-transport-and-integrated-supply-chains>

¹⁴ <https://cdn.aseminfoboard.org/documents/Asem-Impact-Covid-11a.pdf>

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“It is true that COVID-19 is putting key drivers of ASEM connectivity to the test, but decoupling is not an option – and it is not feasible, in the first place.¹⁵ Instead, this may be the time for ASEM members to ask again the question posed by the Joint Research Centre in 2018: “What brings Asia and Europe together?” And why they should stay together – for the right reasons and on the right terms. It may well be that the pandemic calls for a rethink of what has been done in relation to ASEM connectivity and what will be needed in the years to come.” – (Ibid)¹⁶

EU

“The European Parliament,
– having regard to the Global Strategy for the European Union’s Foreign and Security Policy of 28 June 2016,

...

– having regard to the Chair’s statement at and the conclusions of the 13th Asia-Europe Foreign Ministers Meeting (ASEM), held on 20 and 21 November 2017,

...

A. whereas an expanded global Connectivity Strategy for the EU needs effective governance and broad involvement from the Member States as well as economic and societal stakeholders in order to effectively represent the EU’s fundamental values and shared interests;

B. whereas in an increasingly connected and global world, the EU needs to implement and demonstrate connectivity strategies in order to advance its interests, values and positions and strengthen cooperation with its partners in the digital field and the fields of health, security, the green transition, transportation, energy and, in particular, human networks; whereas considerable economic potential between Europe, Asia and other continents remains untapped owing to a lack of physical and digital infrastructure;

C. whereas the importance of an effective EU Connectivity Strategy has been further underscored by the COVID-19 pandemic, which made both the weaknesses and strengths of the European and global connectivity networks clear to see; whereas the post COVID-19 economic stimulus provides a new opportunity and can be used as a turning point to make investments more sustainable, more digital and green, while boosting our connectivity agendas for greater resilience;

...

H. whereas for the EU, as one of the world's largest economies and a pioneer in regional cooperation and bringing people together, the global Connectivity Strategy has the potential to bring added value to the implementation and promotion of its global agenda, including the Team Europe approach and regional agendas such as the work on a European Indo-Pacific Strategy and cooperation within ASEM through synergies across the EU’s key policies, thereby elevating the EU’s role as a global actor;” – (Extract from the European Parliament resolution of 21 January 2021 on connectivity and EU-Asia relations)¹⁷

¹⁵ Reuters, “Japan wants manufacturing back from China, but breaking up supply chains is hard to do”, 9 June 2020, www.reuters.com/article/us-health-coronavirus-japan-production-a/japan-wants-manufacturingback-from-china-but-breaking-up-supply-chains-is-hard-to-do-idUSKBN23F2ZQ.

¹⁶ <https://cdn.aseminfoboard.org/documents/Asem-Impact-Covid-11a.pdf>

¹⁷ P9_TA(2021)0016, European Parliament resolution of 21 January 2021 on connectivity and EU-Asia relations (2020/2115(INI)) https://www.europarl.europa.eu/doceo/document/TA-9-2021-0016_EN.pdf

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APEC

“Moving forward, the following recommendations may be considered by economies to maintain strong progress and recovery under the Connectivity Blueprint:

1. Maintain an open environment to global trade and investment. While highly connected economies may be more vulnerable to economic shocks, they are able to recover more quickly as recovery starts to build in their respective networks. Improving connectivity of supply chains will become essential for economic recovery.
2. Improve digital connectivity is an important element to build resilience. Being digitally connected allows firms to expand their supplier networks, enabling greater flexibility and to have a more transparent supply chain that supports collaboration. This will allow firms to be more agile, to recover more quickly, and to resume normal operations faster.
3. Adoption of digital technology will allow faster progress in the three pillars of connectivity. Application of digital technology will allow interoperability of single windows, integration of SMEs under AEO programmes, broader internet access to reduce digital divide, as well as providing seamless facilitation of business people and travellers.
4. Continue to support APEC’s regional economic integration agenda by implementing measures that support resiliency within GVCs. This may mean strengthening ‘regional’ value chains as geographical proximity may provide additional agility and resilience to existing supply chains. Regional value chains should be seen as building blocks and complementary to GVCs.
5. Re-orientation of supply chains at the regional and firm level will also create shifts in FDI patterns that may require economies to strengthen their manufacturing base to remain competitive and to also attract and retain foreign investors.” – (Extract of APEC Connectivity Blueprint: The 2020 Mid-Term Review (APEC Policy Support Unit), November 2020)¹⁸

ASEAN

“The Master Plan on ASEAN Connectivity (MPAC) 2025, adopted by ASEAN Leaders at the 28th/29th ASEAN Summits in Vientiane, Lao PDR, in September 2016 aims to achieve a seamlessly and comprehensively connected and integrated ASEAN that will promote competitiveness, inclusiveness, and a greater sense of Community. It comprises 15 initiatives in the five strategic areas of: (a) Sustainable Infrastructure; (b) Digital Innovation; (c) Seamless Logistics; (d) Regulatory Excellence; and (e) People Mobility.

The objectives of this Mid-Term Review (MTR) of MPAC 2025 are to take stock of the progress guided by the Operational Guide for the Monitoring, Review and Evaluation (MRE) of MPAC 2025; highlight successes and identify challenges in the implementation of MPAC 2025; identify and establish linkages to other ASEAN and external initiatives; and make recommendations for necessary adjustments to boost implementation at both regional and national levels in line with a review of the continued relevance of MPAC 2025. In particular, the relevance is assessed in light of emerging trends

¹⁸ https://www.apec.org/-/media/APEC/Publications/2020/11/APEC-Connectivity-Blueprint---The-2020-Mid-Term-Review/220_PSU_APEC-Connectivity-Blueprint_rev.pdf

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in the region, with a particular focus on the ongoing COVID-19 pandemic which has major implications for connectivity.” – (Extract from the Mid-term Review of the Master Plan on ASEAN Connectivity 2025)¹⁹

UN

“Managing rapid technological change is a defining challenge of our generation. The digital revolution affects every country and territory, and all areas of our lives. The Internet is a powerful and essential global public good that requires the highest possible level of international cooperation. Yet, fundamental pillars of that cooperation are lacking.

As we address this gap, we face a new global challenge: the COVID-19 pandemic, which is causing unprecedented human suffering and economic hardship around the world. Far from distracting us from the urgency of digital cooperation, COVID-19 is making it more important than ever, and demonstrating the interconnected nature of the challenges we face.

Digital technology is central to almost every aspect of the response to the pandemic, from vaccine research to online learning models, e-commerce and tools that are enabling hundreds of millions of people to work and study from home.

But, the digital divide is now a matter of life and death for people who are unable to access essential health-care information. It is threatening to become the new face of inequality, reinforcing the social and economic disadvantages suffered by women and girls, people with disabilities and minorities of all kinds. In 2019, some 87 per cent of people in developed countries used the Internet, compared with just 19 per cent in the least developed countries.

At the same time, COVID-19 has provided dramatic evidence of the threats posed by the ungoverned use of digital technology, from exclusion and inequality, to surveillance, human rights abuses and cybercrime. The pandemic has ushered in some of the most intrusive surveillance technologies we have ever seen, together with a significant increase in cynical ransomware attacks on hospitals and health-care facilities.

Meanwhile, the danger of digital fragmentation is increasing, exacerbated by geopolitical divides, technological competition and polarization.

We are at a turning point. We urgently need to harness the infinite opportunities offered by digital technology in order to scale up our efforts on health care, on the climate crisis, on eradicating poverty and across all the Sustainable Development Goals. But, to realize these opportunities, we must move forward in the digital age with increased international cooperation based on mutual trust.” – (Extract of UN Secretary-General António Guterres’ remarks to the virtual high-level meeting on the “Impact of Rapid Technological Change on the Achievement of the Sustainable Development Goals”, 11 June 2020)²⁰

WTO

“According to a WTO press release, developing countries are “showing a clear interest in the transition to the digital economy.” The report highlights opportunities related to inclusion in the new digital services supply chain, lower costs of reaching international markets through the internet, and the

¹⁹ <https://asean.org/storage/07-MPAC-MTR-Executive-Summary.pdf>

²⁰ <https://www.un.org/press/en/2020/sgsm20118.doc.htm>

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digitization of manufacturing production. Challenges include developing the necessary infrastructure to facilitate this transition.”²¹ – (Extract from ‘World Trade Report 2020: Government Policies to Promote Innovation in the Digital Age’)

“On COVID-19, the report observes that the pandemic has accelerated the uptake of digital innovation and e-commerce and led countries to strengthen policies aimed at boosting growth through innovation and technological upgrading. Correspondingly, governments have introduced support measures for capacity building and upgrading in information and communication technology (ICT). The report highlights significant growth in online platforms since the start of the pandemic.” – (Ibid)²²

²¹ <https://sdg.iisd.org/news/wto-world-trade-report-examines-policies-on-digital-innovation/>

²² <https://sdg.iisd.org/news/wto-world-trade-report-examines-policies-on-digital-innovation/>