USAID AND ASEAN ELEVATE REGIONAL PARTNERSHIP THROUGH INAUGURAL AGREEMENT

USAID partners with ASEAN to lift regional inclusive growth, while strengthening rules-based systems in support of a peaceful, secure and prosperous Indo-Pacific.

The U.S. Agency for International Development (USAID), through the USAID/ASEAN Office, recently signed the first Regional Development Cooperation Agreement between USAID and the Association of Southeast Asian Nations (ASEAN) to achieve three key development objectives. This five-year agreement of up to $50 million represents an important step forward in the United States’ work with ASEAN to address:

- Regional and global challenges;
- ASEAN’s capacity to further regional economic integration and growth; and
- ASEAN’s advancement of rules-based architecture to uphold human dignity and the rule of law.

Growing and Solidifying a Long-term Partnership

Since its founding in 1967, the Association of Southeast Asian Nations (ASEAN) has made significant advances in security and stability, across the ten ASEAN Member States (AMS). This stability has also allowed the region to focus on economic development and other areas of cooperation on transnational issues. As Southeast Asia grows, so does the development gap in terms of human resources, institutional capacity, the state of the infrastructure and the level of competitiveness among AMS. Addressing such gaps, through legal and policy frameworks that promote inclusive growth, uphold human dignity and the rule of law, is crucial to maintaining ASEAN unity.

This new USAID and ASEAN partnership reiterates the United States’ strong support for the ASEAN region, and will bolster sustainable and inclusive growth, as well as encourage rules-based systems to support a peaceful, secure, and prosperous ASEAN. The programming activities resulting from this agreement will strengthen the region’s management of natural capital (environment), regional integration, good governance, capacity to mitigate public health threats, and uphold rights of specific vulnerable populations. Throughout all of the programs, USAID/ASEAN will incorporate cross-cutting priorities such as—science and technology, private sector engagement, gender equality, and female empowerment—to increase the effectiveness of assistance interventions. The USAID/ASEAN Fact Sheet encapsulates a brief overview of the current activities underway.
Building Upon and Expanding ASEAN Regional Legal and Policy Frameworks

USAID’s support to ASEAN will connect, convene, and catalyze Southeast Asia’s expertise and capital to find legal and policy framework solutions to the most pressing regional issues. USAID’s work will concentrate on transboundary challenges that cannot be solved solely at the national level, with a primary focus on the countries where disparities are greatest. USAID and ASEAN will also work with private sector partners to leverage resources to further increase impact and sustainability.

Two key programs, under the U.S. Government - through the United States Agency for International Development (USAID), are the ASEAN-USAID Inclusive Growth in ASEAN through Innovation, Trade and E-Commerce (IGNITE) project and the ASEAN-USAID Partnership for Regional Optimization within the Political-Security and Socio-Cultural Communities (PROSPECT) project.

USAID, through the IGNITE project, supports activities that reduce the cost of international trade, spur e-commerce and increase productivity in Southeast Asia. It also provides technical assistance to ASEAN bodies in the areas of trade facilitation; digital economy; and science, technology and innovation. This USAID activity simultaneously promotes cross-cutting objectives of micro, small, and medium sized enterprise (MSME) development and gender mainstreaming. Through comprehensive, multi-year initiatives, USAID, through the PROSPECT project, supports ASEAN to better respond to transnational challenges—including non-traditional security threats—and promotes sustainable, rules-based and inclusive growth by expanding rights and opportunities for women, youth, and other marginalized groups across Southeast Asia. PROSPECT emphasizes cross-sectoral, collaborative approaches and engages civil society to implement activities.

Supporting ASEAN Member States to Fulfill ASEAN Endorsed Commitments

The Association of Southeast Asian Nations plays a vital role in setting shared high-level goals and standards that not only stimulate and guide national reform efforts, but also encourage regional integration and cohesion. However, implementation at the national level varies from issue to issue and state to state. By supporting ASEAN’s ability to develop policies aimed at enhancing institutional capacity, USAID’s technical assistance helps move member states towards achieving their collective vision for the future of the region and will advance their journey to sustainable and inclusive growth and development in fulfilment of their objectives under the ASEAN community vision 2025. Through this agreement, USAID will partner with ASEAN to accelerate implementation of key ASEAN policy agreements at the national level in order to advance economic prosperity and rules-based governance in the Indo-Pacific region.

Expected Results

ASEAN-U.S. cooperation, through USAID, has expanded significantly across all pillars over the years through the implementation of the ASEAN-U.S. Strategic Partnership 2016-2020. ASEAN and the United States mark the 5th anniversary of ASEAN-U.S. Strategic Partnership in 2020 by setting a path for continued and future cooperation with shared goals and priorities in a new Plan of Action for the period 2021-2025. This Regional Development Cooperation Agreement will contribute to the implementation of the current and new phases of these action plans. The agreement also highlights the U.S. government’s long track record of supporting the broader ASEAN region including ongoing efforts in 5G technical and policy development, ASEAN Single Window (ASW) trade platform, and a partnership, under negotiation, with the U.S trade system equivalent, the U.S. Automated Commercial Environment (ACE) in the near future.

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