



one vision
one identity
one community



Impact of Digital Economy on ASEAN IP Landscape

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ASEAN: A Community of Opportunities for All



ASEAN Headquarter
Jakarta, Indonesia



PART 1: ASEAN at glance

PART 2: ASEAN IP Landscape

PART 3: Impacts of Digital Economy on ASEAN IP

PART 4: ASEAN IP Future

Part 1: ASEAN at glance: AEC and Digital Economy

ASEAN at glance:: AEC



ECONOMY

In 2022, ASEAN economy rea

In 2022, ASEAN economy reached a nominal GDP of **US\$3.6 trillion**, positioning it as the **5th** largest in the world and the **3rd** largest in Asia.



ASEAN economy grew by **5.7%** in 2022, maintaining an average annual growth rate of **4.4%** during 2010-2022.

ASEAN GDP growth rates, 2010-2022



ASEAN at glance:: AEC



TRADE IN GOODS



ASEAN total trade in goods increased by **14.9%** reaching **US\$ 3.8 trillion** in 2022.



Total exports **US\$ 2.0 trillion**



Total imports **US\$ 1.9 trillion**

** Numbers may not add up to the total due to rounding*



TRADE IN SERVICES



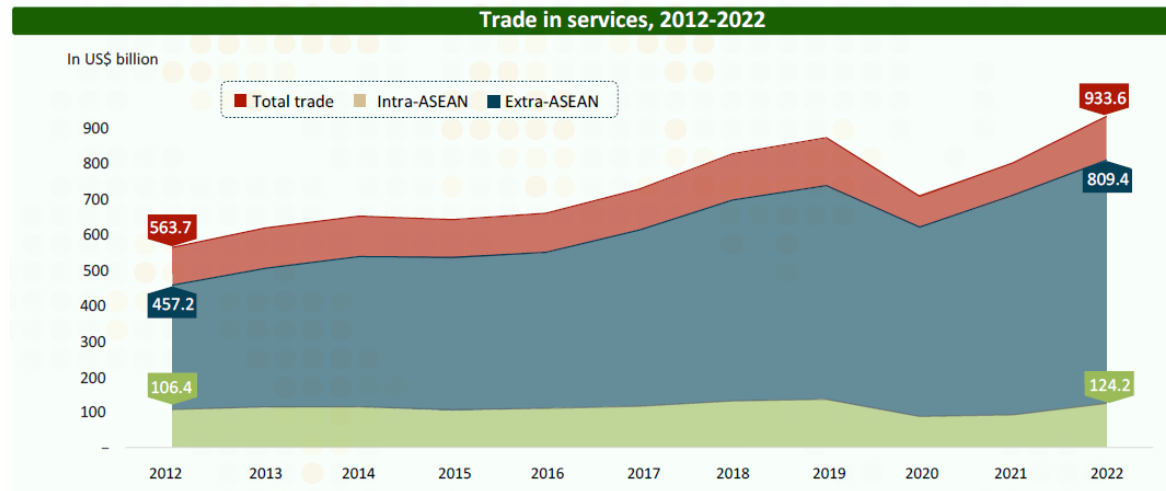
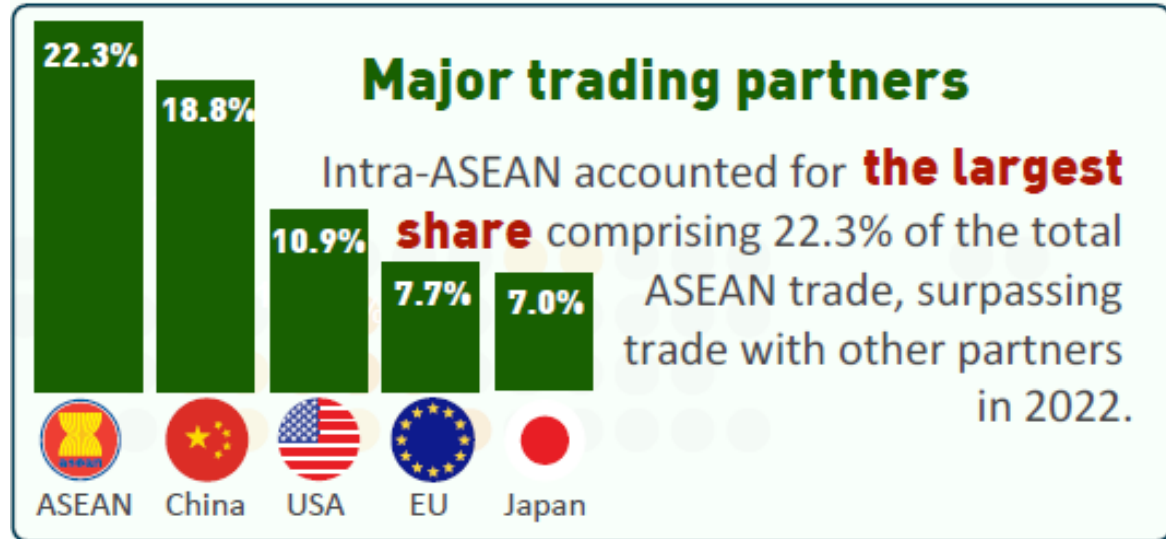
ASEAN's services trade experienced a robust recovery, surging by **16.4%** to reach **US\$ 933.6 billion** in 2022, surpassing the pre-pandemic levels.



Total export **US\$ 466.6 billion**



Total import **467.0 billion**



ASEAN at glance:: AEC



FOREIGN DIRECT INVESTMENT

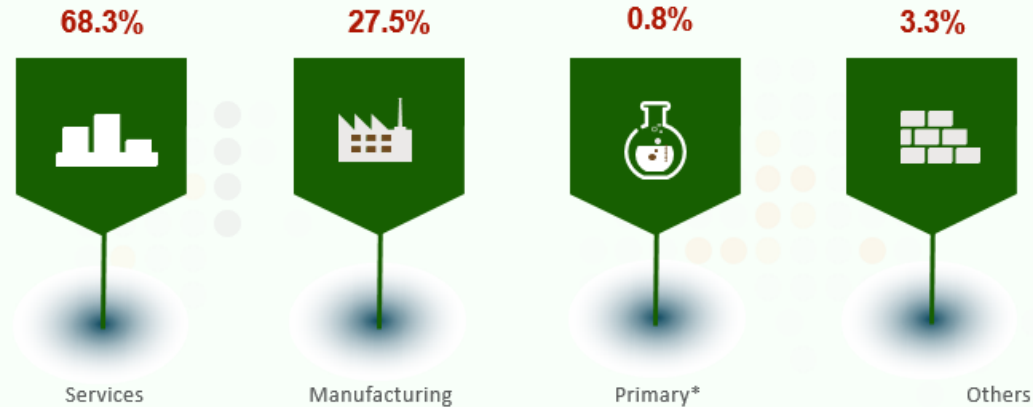


With a growth of **5.5%**, ASEAN remained an attractive hub for investment in 2022, attracting **US\$ 224.2 billion** in foreign direct investment (FDI).

Inward flows of FDI, extra and intra-ASEAN, 2012-2022



Flows of inward direct investment to ASEAN by economic activity, 2022



Top-5 FDI sources, 2022



ASEAN at glance:: AEC



SOCIO-DEMOGRAPHY

Collectively, ASEAN population was the **3rd** largest in the world in 2022.

1,425.9 million



China

1,412.3 million



India

671.6 million



ASEAN

337.5 million



USA

233.5 million



Pakistan



ASEAN population is **nearly 9%** of the World's population.



Almost half of ASEAN population were **below 30 years** of age in 2022.

Evolution of urban population



ASEAN had experienced a strong urbanisation with **half** of the population living in the cities in 2022, compared to only **21%** in 1967.



ASEAN at glance:: FTAs



**ASEAN –
China FTA
2005**



**ASEAN –
Korea FTA
2007**



**ASEAN –
Japan CEP
2009**



**ASEAN –
India FTA
2010**



**ASEAN –
Australia – New
Zealand FTA
2010**



**ASEAN –
Hong Kong
FTA
2019**



2022

ASEAN at glance:: Digital Economy



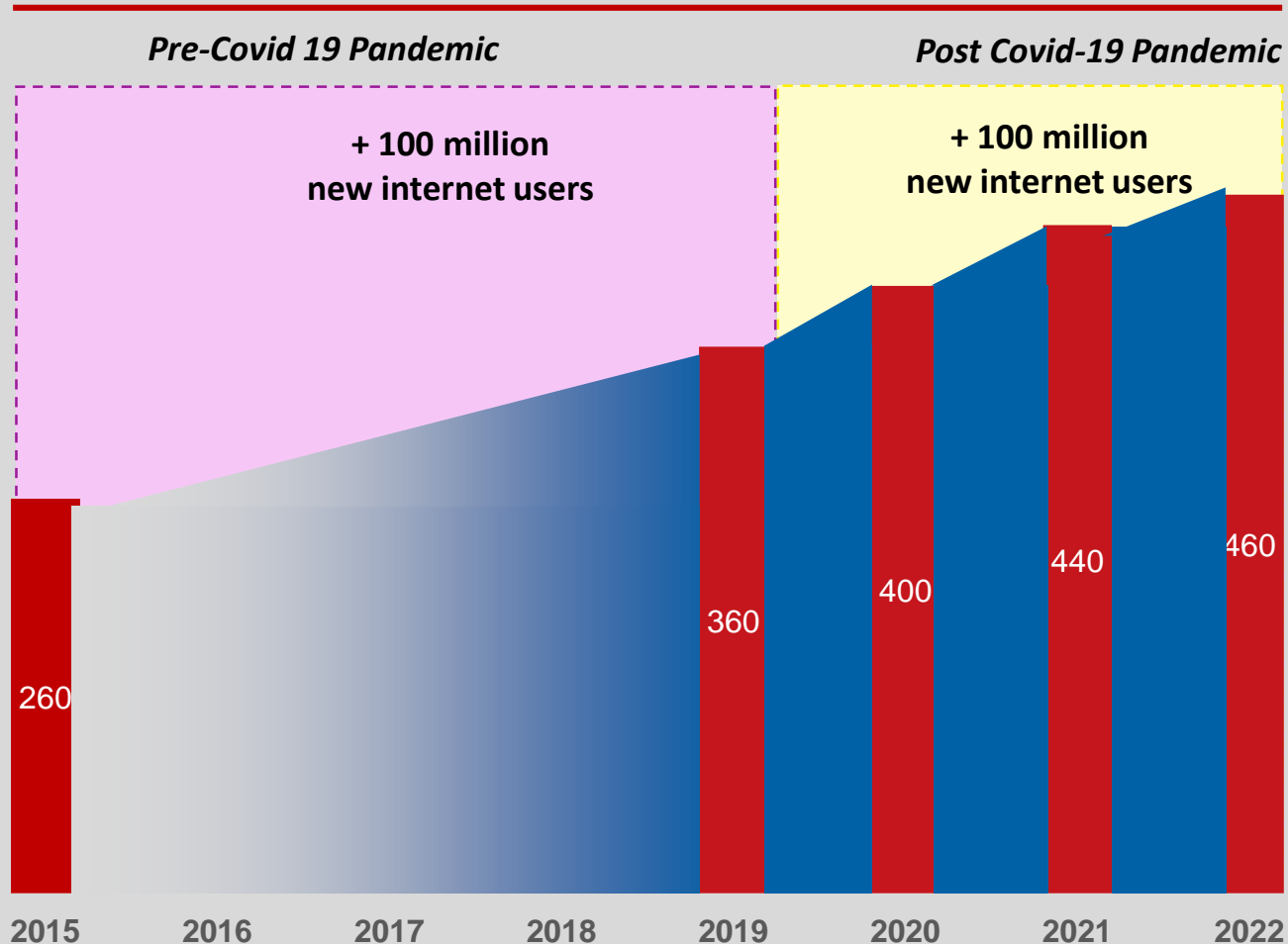
CONNECTIVITY

Internet subscribers, 2022



In 2022, internet subscription in ASEAN rose to **74.3** out of every 100 individuals, up from **66.6** in 2021.

Covid-19 has increased the number of internet users in ASEAN to 100 million within a period of 3 years, positioning ASEAN as the fastest growing internet market in the world



Total

460 million

internet users in 2022

With

80%

of new internet users are
digital consumers

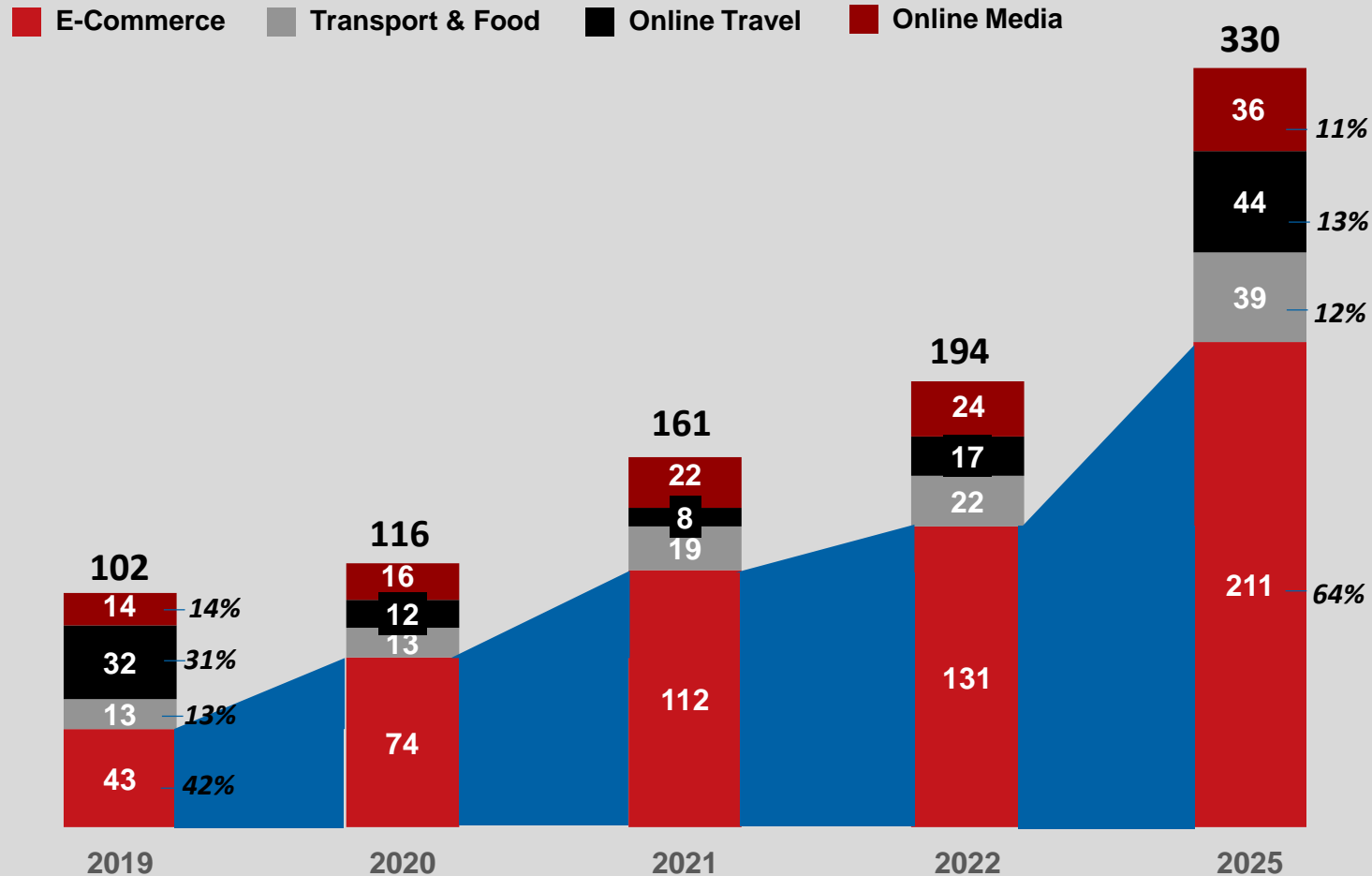
Source: e-Conomy SEA, 2016 and e-Conomy SEA 2021 and 2022

Note: e-Conomy SEA 2016, 2021, and August 2022 covers 6 countries namely Vietnam, Thailand, Philippines, Malaysia, Singapore and Indonesia. The statistics on digital consumers for 2021 cover from Jan – June 2021

ASEAN at glance:: Digital Economy

The increase in digital consumers has contributed \$ 200 billion of GMV in 2022 and to contribute \$ 330 billion of GMV by 2025

GMV per sector (2019 – 2025)
\$ Billion



The increase in digital consumers is expected to contribute

\$330 billion

of Gross Merchandise Value (GMV) by 2025 and

\$ 200 billion of the

GMV was achieved in 2022...

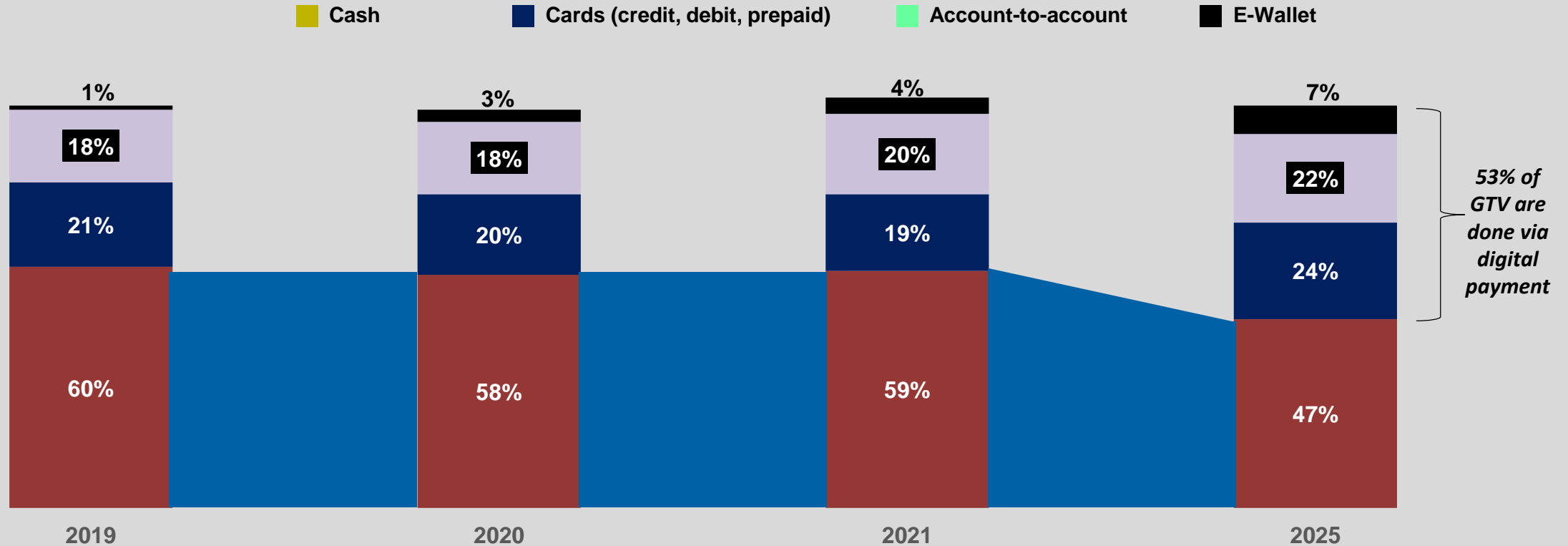
Source: e-Conomy SEA, 2016 and e-Conomy Sea 2022

Note: e-Conomy Sea report covers 6 countries namely Vietnam, Thailand, Philippines, Malaysia, Singapore and Indonesia.

ASEAN at glance:: Digital Economy

The exponential growth by the digital consumers will also drive the development in digital financial services

Share of GTV (2019 – 2025)



Digital Payment is expected to increase to of Gross Transaction Value (GTV) **by 2025**

53%



Source: e-Economy SEA, 2016 and e-Economy Sea 2021

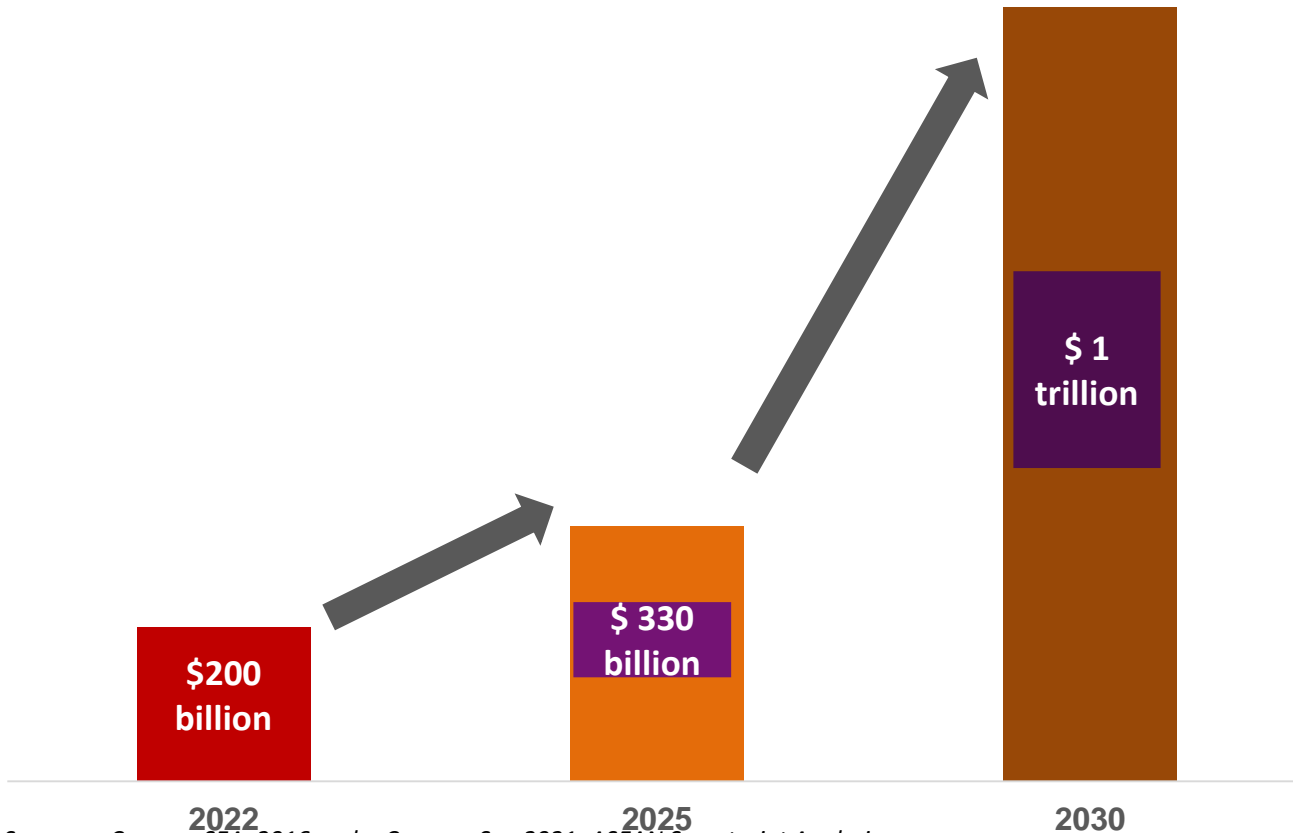
Note: e-Economy Sea report covers 6 countries namely Vietnam, Thailand, Philippines, Malaysia, Singapore and Indonesia.

ASEAN at glance:: Digital Economy

Digital economy is expected to be \$1 trillion dollar economy by 2030

The change in the new way of life has led ASEAN to enter the “Digital Decade” and has the potential for the digital economy to reach USD 1 trillion GMV by 2030...

...and this has been an impetus for the ASEAN member states to develop their own digital economy strategy and masterplan



Source: e-Conomy SEA, 2016 and e-Conomy Sea 2021; ASEAN Secretariat Analysis
 Note: e-Conomy Sea report covers 6 countries namely Vietnam, Thailand, Philippines, Malaysia, Singapore and Indonesia.

The following table lists the digital economy strategy and masterplan covers for various ASEAN member states:

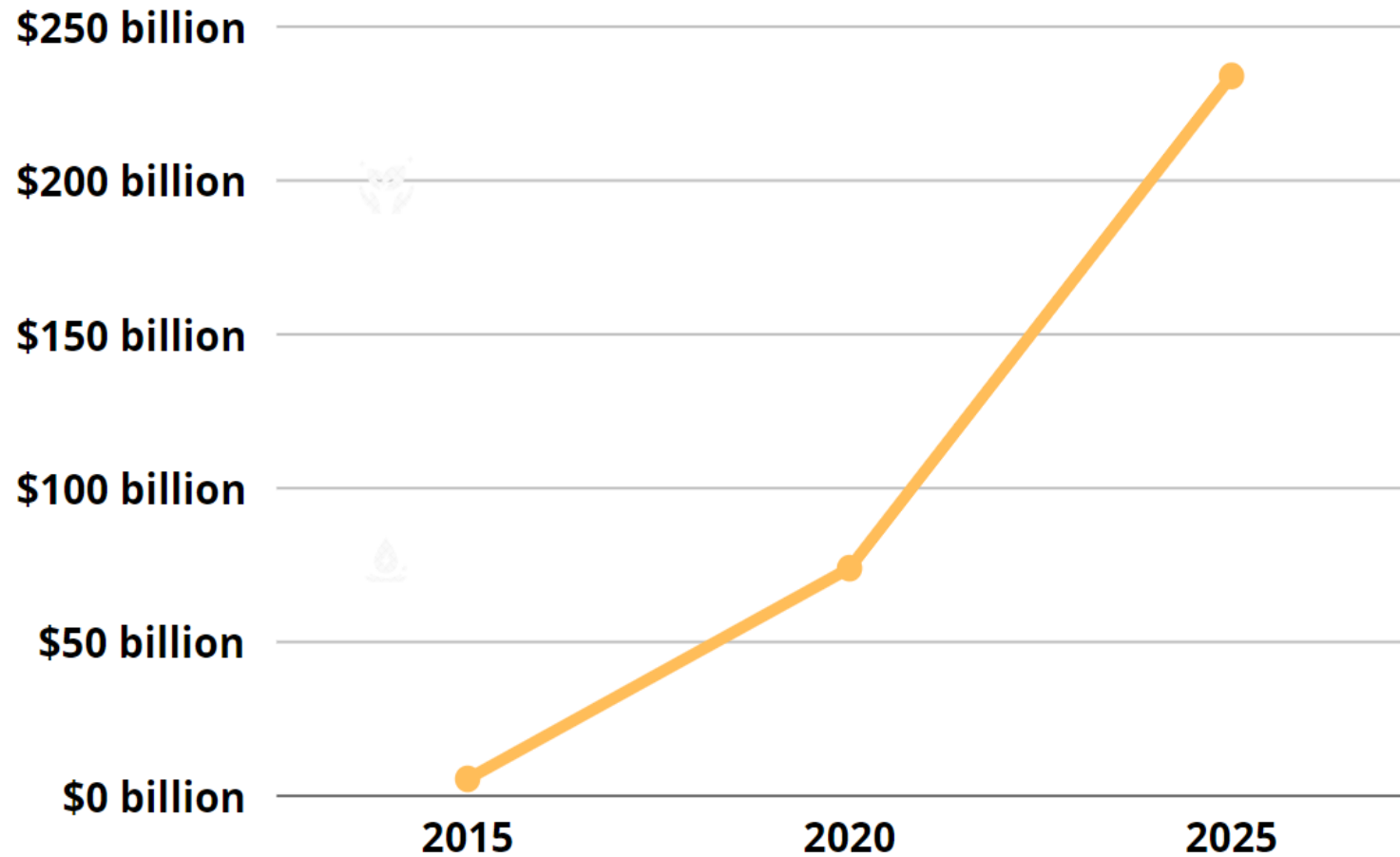
Country	Strategy/Masterplan Title
Singapore	Digital Economy Framework for Action
Brunei	Digital Economy Masterplan 2025
Cambodia	Cambodia Digital Economy and Society Policy Framework 2021-2035
Viet Nam	Digital Economy and Digital Transformation in Vietnam
The Philippines	Philippines Digital Economy Report 2020
Malaysia	Malaysia Digital Economy Blueprint
Myanmar	Myanmar Digital Economy Roadmap
Indonesia	Roadmap Literasi Digital 2020-2024
Lao PDR	Digital Transformation in Lao PDR
Thailand	Thailand Digital Economy and Society Development Plan



ASEAN at glance:: Digital Economy

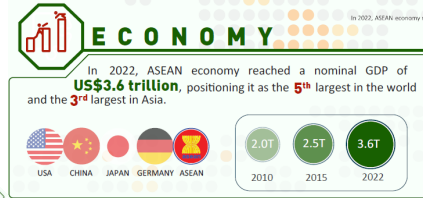
Growth of eCommerce in ASEAN

Value of E-Commerce
Transactions in ASEAN
2015 - 2025
(expected)

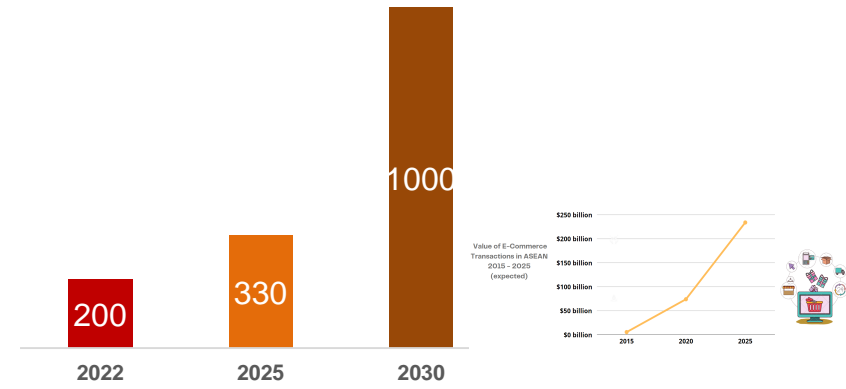


Part 2: ASEAN IP Landscape

ASEAN IP at priority



IPR?



ASEAN IP at priority

ASEAN Framework Agreement on IP Cooperation

ASEAN Framework Agreement on Intellectual Property Cooperation
Bangkok, 15 December 1995

The Governments of Brunei Darussalam, the Republic of Indonesia, Malaysia, the Republic of Philippines, the Republic of Singapore, the Kingdom of Thailand and the Socialist Republic of Vietnam, Member States of the Association of South East Asian Nations (hereinafter referred to as "ASEAN");

RECOGNISING the important role of intellectual property rights in the conduct of trade and the flow of investment among the Member States of ASEAN and the importance of cooperation in intellectual property in the region;

DESIRING to foster closer cooperation in the field of intellectual property and related fields in order to provide a firm basis for economic progress, the expeditious realization of the ASEAN Free Trade Area and prosperity among the Member States of ASEAN;

RECOGNISING the need to promote closer cooperation and understanding among the countries in the region in the field of intellectual property and related fields to contribute to regional dynamism, synergy and growth;

HAVE AGREED AS FOLLOWS:

Article 1 Objectives

1. Member States shall strengthen their cooperation in the field of intellectual property through an open and outward looking attitude with a view to contributing to the promotion and growth of regional and global trade liberalisation.
2. Member States shall promote cooperation in the field of intellectual property among government agencies as well as among the private sectors and professional bodies of ASEAN.
3. Member States shall explore appropriate intra-ASEAN cooperation arrangements in the field of intellectual property, contributing to the enhancement of ASEAN solidarity as well as to the promotion of technological innovation and the transfer and dissemination of technology.
4. Member States shall explore the possibility of setting up of an ASEAN patent system, including an ASEAN Patent Office, if feasible, to promote the region-wide protection of patent bearing in mind developments on regional and international protection of patent.



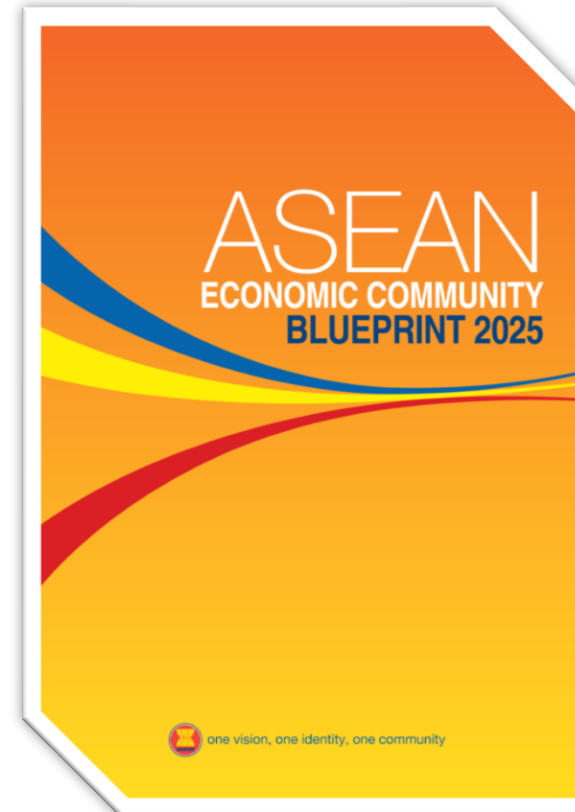
ASEAN IPR Action Plan 2016 -2025

Goal 1: Strengthen IP Offices and Build IP Infrastructure

Goal 2: Develop Regional IP Platforms

Goal 3: Expand the ASEAN IP Ecosystem

Goal 4: Enhance Regional Mechanisms to Promote Asset Creation



ASEAN IP at priority



ASEAN IP at priority:: strategic objectives

provide a firm basis for economic progress,
support economic development,
produce wealth & prosperity

promote trade & flow of
investment; stimulate tech
transfer & technological
innovation; competitiveness



expedite realization of ASEAN
FTAs, contribute to the growth
of regional and global trade
liberation

contribute to regional dynamism, synergy
& the enhancement of ASEAN solidarity



ASEAN IP at priority:: strategic measures

Strengthening IP offices
and building IP infrastructure

Enhancing regional
mechanism to promote assets
creation & commercialization



Developing regional IP
platforms and infrastructure

Expanding ASEAN IP ecosystem



Global Innovation Index (GII) 2023

5 out of **10** ASEAN economies rank in the top 50 GI positions.

5th SINGAPORE

30th MALAYSIA

40th VIET NAM

43rd THAILAND

50th PHILIPPINES

6 ASEAN Economies have **climbed up the ranks** since 2022

- Brunei Darussalam
- Indonesia
- Lao PDR
- Philippines
- Singapore
- Viet Nam



4 ASEAN Economies are noted as being **innovation overperformers**

- Indonesia
- Philippines
- Thailand
- Viet Nam

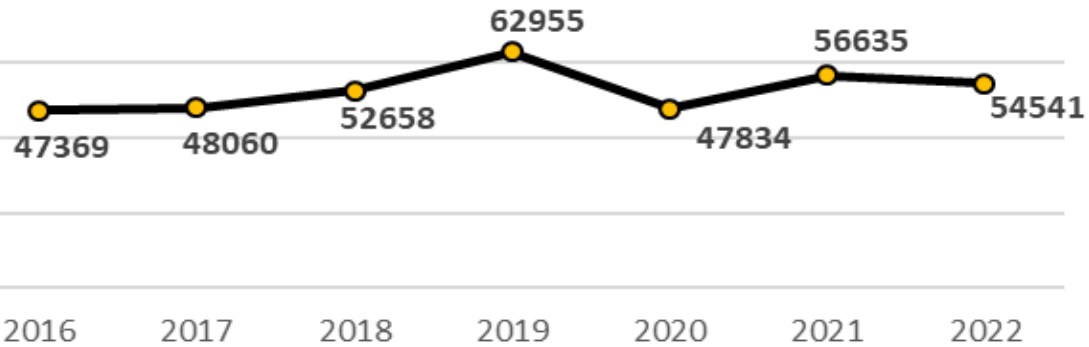


Singapore is in the **TOP 5** most **innovative** countries after Switzerland, Sweden, US and UK.

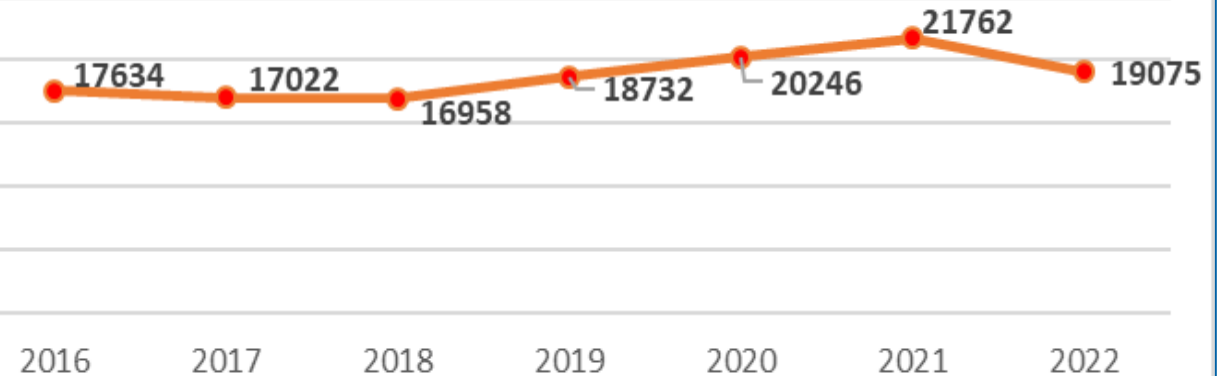


ASEAN Filing Trends 2016 - 2022

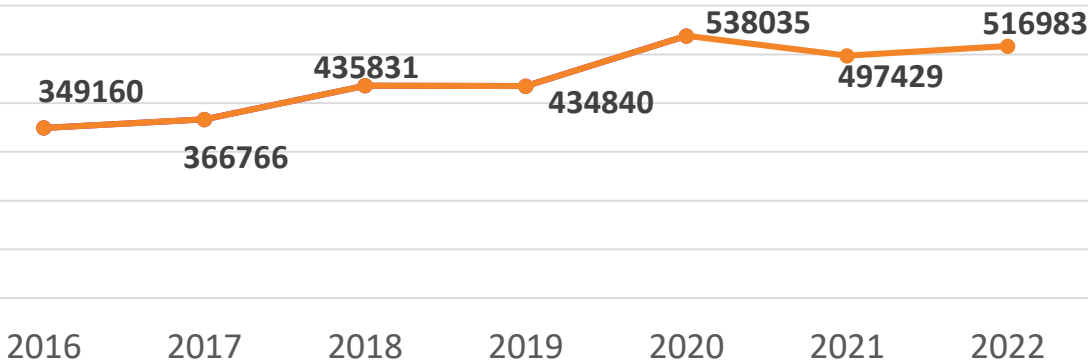
Patents Filing Trend 2016-2022



Designs Filing Trend 2016-2022



Trademarks Filing Trend 2016-2022



Note:

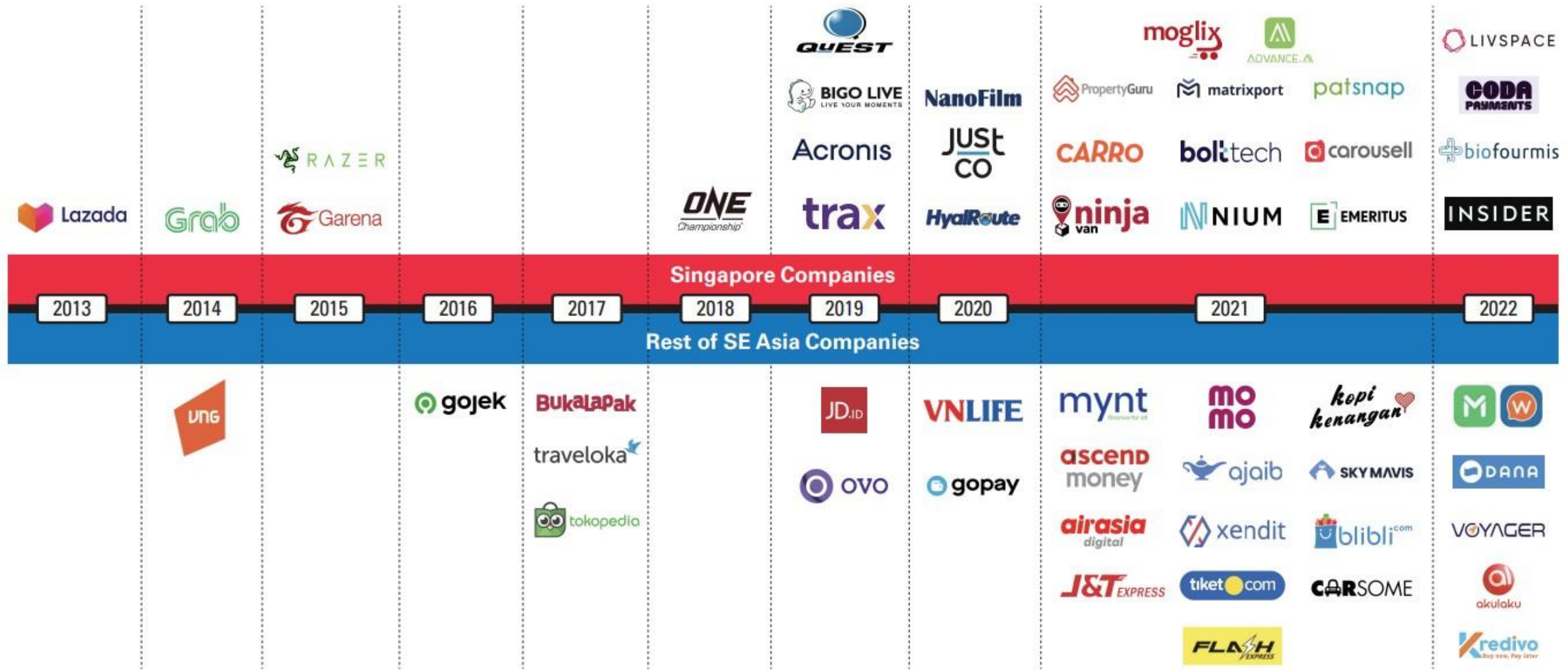
- (i) Data Source – [WIPO IP Statistics Data Centre](#)
- (ii) Data includes filing at national and international level
- (iii) Data set is for nine AMS and excludes Myanmar

Top 10 Most Valuable ASEAN Brands

© Brand Finance Plc 2023



Southeast Asia's unicorn club adds 10 new members



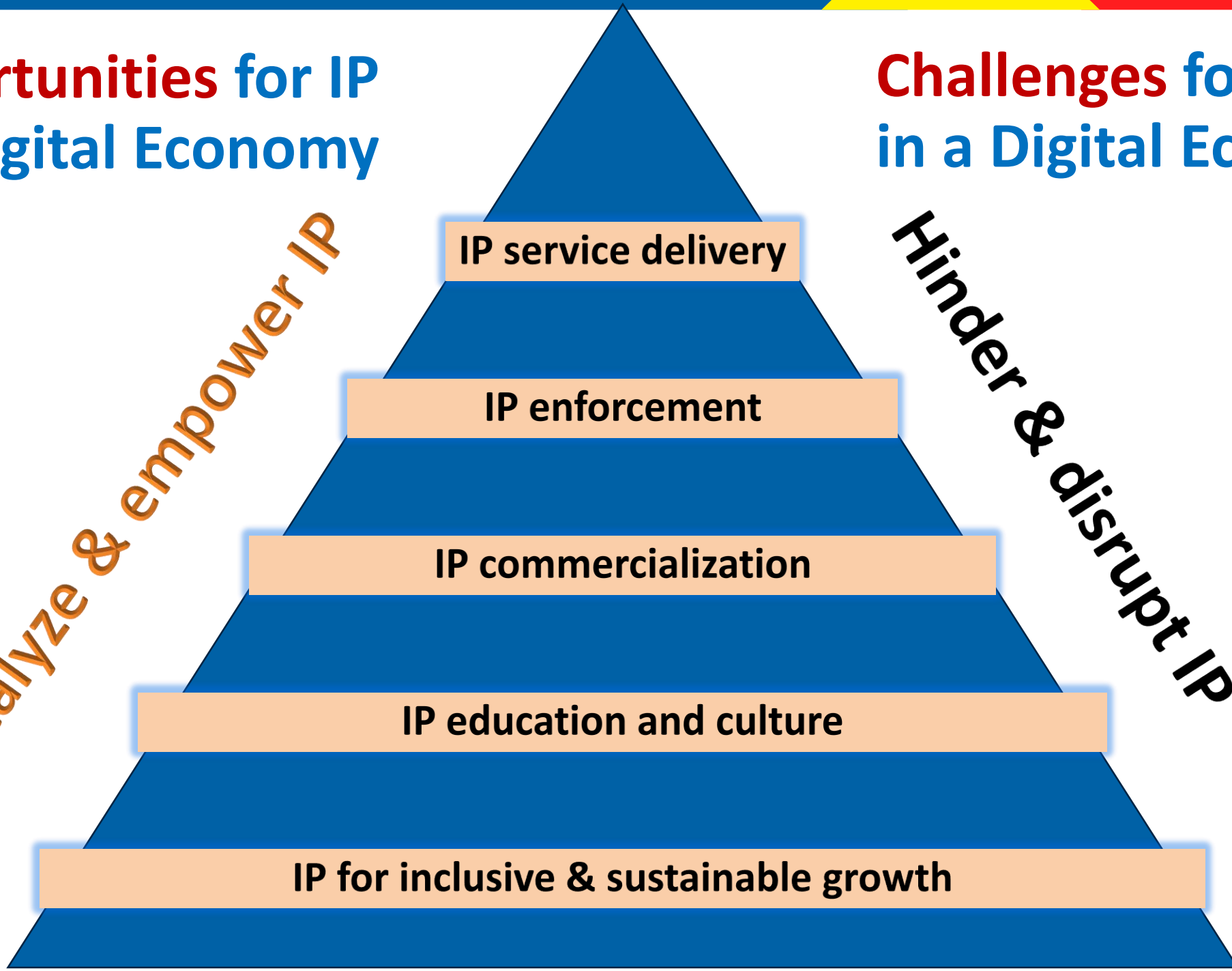
Part 3: Impacts of Digital Economy on ASEAN IP & ASEAN actions

Opportunities for IP in a Digital Economy

Challenges for IP in a Digital Economy

Catalyze & empower IP

Hinder & disrupt IP



Opportunities for IP in a Digital Economy

Catalyze & empower IP



01

IP service delivery quality

Digitization of IP service delivery processes improves efficiency and accessibility. DE facilitate remote access to expertise, can improve the quality and reach of IP services in the Region.

02

IP enforcement

With rise of digital transactions & online activities, IP protection will be more prioritized. DE provides tools for data analytics and monitoring, promotes info sharing, cross-border cooperation among authorities in strengthening regional combat against IP violation, infringement and piracy.

03

IP commercialization

DE speed up innovation process leading to creation of new tech and IP assets, and fast IP commercialization, hence fostering TT and Tech innovation. Global Market extension, digital technologies, digital marketplaces/platforms empower ASEAN creators, innovators, IP owners, SMEs to capitalize IP assets.

04

IP education and IP culture

DE provides opportunities to create and disseminate IP education (documents, virtual simulations, open educational resources). DE offers powerful tools for conducting digital outreach and awareness campaigns.

05

IP for inclusive and sustainable growth

IP be more beneficial to inclusive and sustainable growth since DE could help unlock local creativity, inclusive innovation, financial inclusion. Local communities GRTKCE can be protected and commercialized through IP mechanisms. DE can improve digital accessibility & inclusion for all.

Challenges for IP in a Digital Economy

Hinder & disrupt IP



01

IP service delivery quality

Digital Divide & Cybersecurity Risks hinder. Disparities in access to technology and online services across ASEAN member states may hinder the delivery of high-quality IP services. Whereas data breaches, cyberattacks, and intellectual property theft really disrupt IP delivery.

02

IP enforcement

DE blurs traditional jurisdictional boundaries and complicates cross-border IP enforcement. Enforcement agencies are disrupted in coordinating investigations, collecting evidence, prosecuting offenders across different legal jurisdictions, let alone anonymous & pseudonymous actors in illicit act.

03

IP commercialization

DE facilitates the widespread proliferation of digital piracy and counterfeiting activities, undermining the commercialization of legitimate IP assets. Illicit online marketplaces, peer-to-peer networks, file-sharing platforms challenge IP owners to protect their rights and monetize their creative works.

04

IP education and IP culture

DE exacerbates digital literacy gaps and challenges in accessing quality IP education and cultural resources. Misinformation and disinformation are spread that undermine the credibility and integrity of IP education and IP culture-building initiatives.

05

IP for inclusive and sustainable growth

DE exacerbates digital divide, digital literacy, social inequalities and exclusion which bar the underserved from accessing and benefiting from digital resources, IP rights and opportunities.

ASEAN's digital initiatives

Initiatives / Elements

Accomplishment

On-going Efforts



Digital trade & Standards

The use of technologies to exchange digital trade documents across trade supply chain.

- ASEAN Single Window (exchange of e-doc for customs and agriculture and Dialog Partners)
 - ✓ More than **1 million e-form D exchanged** in 2022; Saved **6 million man-days/year** and **USD 150 million cost**

- New generation of ASEAN Single Window (ASW)
- ASEAN Digital Trade Standards Roadmap



Digital Payment

Implementation of an ASEAN interoperable cross-border real-time retail payment systems link

- The **Singapore-Thailand national RT-RPS linkage** established in April 2021 (Thailand's PromptPay and Singapore's PayNow)
- Several **bilateral linkages** have also partially launched between 2021 and 2022 between **Singapore, Indonesia, Thailand and Malaysia**

- Establishment of a common ASEAN multilateral payment linkages



Digital ID

Implementation of an ASEAN interoperable cross-border Unique Business Identification Number (UBIN) and Personal ID

- **National level Digital ID initiatives** by some AMS with limited cross border interoperability

- Business and Personal Regional Digital ID study
- ASEAN digital ID standards



ASEAN's digital initiatives

Initiatives / Elements

Accomplishment

On-going Efforts



Cybersecurity and Data Protection

Ensure consumer and business data to flow safely, securely, and responsibly across the ASEAN countries.

- **Regional CERT – Operational Framework**
- **Top Award World Summit** on the Information Society (WSIS) Prizes Ceremony, in Geneva:
 - ✓ ASEAN Data Management Framework
 - ✓ Model Contractual Clauses for Cross border Data Flows (MCC)

- Regional CERT – Financial Framework
- Joint Guide to ASEAN Model Contractual Clauses (MCC) and EU Standard Contractual Clauses (SCC) for International Data Transfers



Digital Talents

Reskilling and upskilling ASEAN MSMEs participate confidently in digital transformation.

- **ASEAN SME Academy – Content development and training conducted by private sector.** More than 10,000 MSMEs been trained.
- **Go Digital ASEAN** – Training for underserved communities at rural areas. More than **180,000 MSMEs trained and 77% of the MSMEs have moved to online business**

- Digital skills to focus on business owners to accelerate the adoption of digitalization by the MSMEs



Emerging Technologies

Emerging technologies that would accelerate the digital transformation for ASEAN companies and cross-border trade

- **AI governance principles and guidelines** - Common principles for trustworthy AI, and suggest best practice for how to implement trustworthy AI in ASEAN

- Adoption of enabling technologies such as Artificial Intelligence, 5G, cloud computing, blockchain and other 4IR technologies that accelerate digital integration



ASEAN Digital Economy Framework Agreement (DEFA)

Nine core DEFA elements
were endorsed without prejudice



Digital Trade

aims to facilitate cross-border trade by creating a seamless trade experience with electronic documents and interoperable processes.



Cross-border E-Commerce

aims to create a more efficient and fairer environment for cross-border e-commerce, including digital goods and services.



Payments and E-Invoicing

aims to promote digital payments and electronic invoicing by fostering technical interoperability, encourage innovation and competition, and developing relevant regulation.



Digital ID and Authentication

aims to develop a mutual recognizable and interoperable digital identity and electronic authentication framework within the region.



Cross-border Data Flows and Data Protections

aims to facilitate cross-border data flow and establish frameworks to protect data privacy.



Online Safety and Cybersecurity

aim to improve cooperation in cybersecurity and create an open and secure online environment, with comprehensive protection to parties in a digital transaction.



Cooperation on Emerging Topics

aims to establish mechanisms for regulatory cooperation for relevant standards and regulations to keep up with technological innovations in emerging topics such as AI.



Talent Mobility and Cooperation

aims to facilitate digital talent mobility between countries and close collaboration on talent building.



Competition Policy

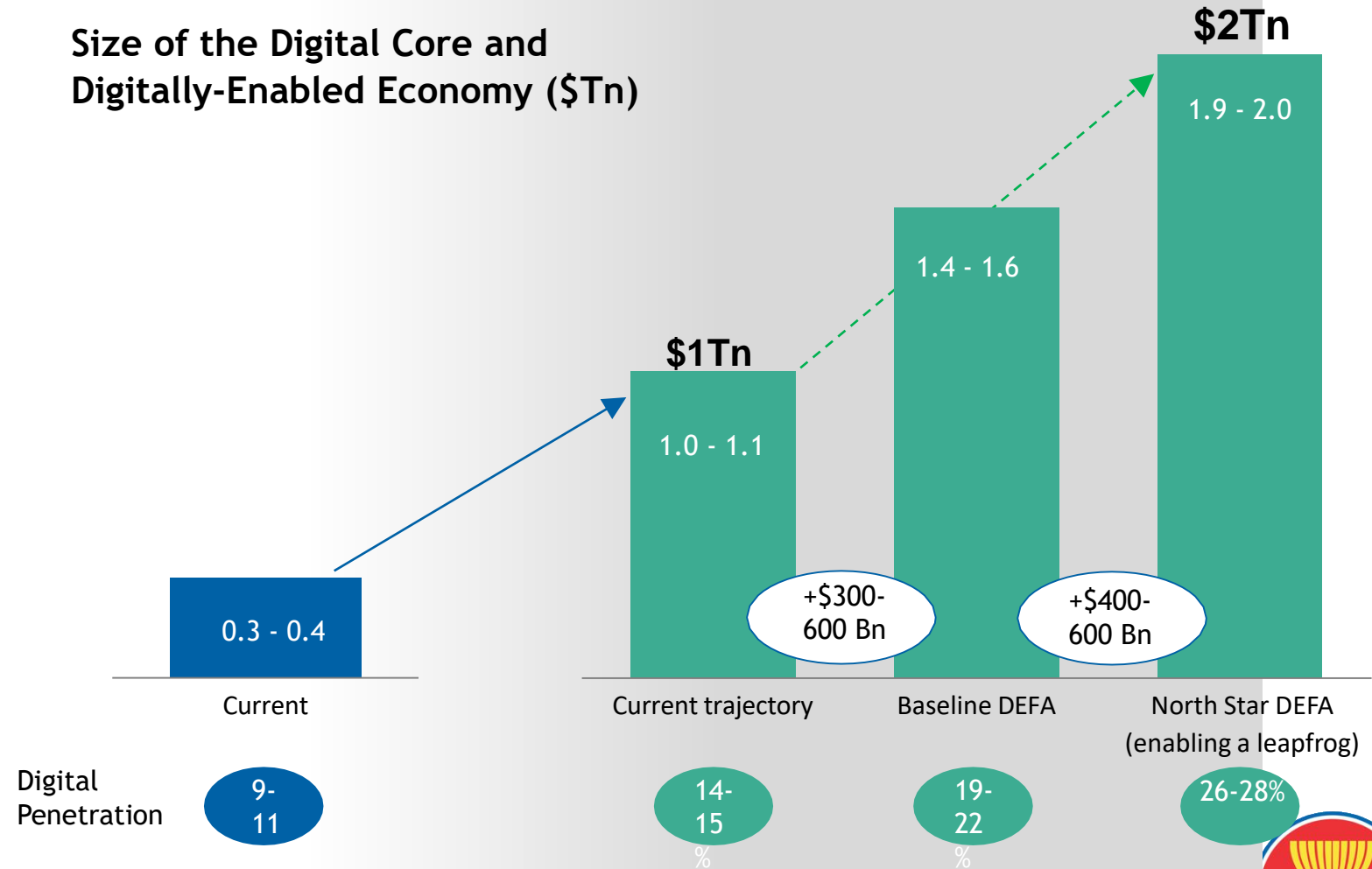
aims to create a fair/non-discriminatory, transparent competitive environment with consistent guidelines on enforcement and better choice for consumers

At current trajectory, ASEAN Digital Economy will grow 3X to reach \$1Tn+ by 2030

Forward-looking and aspirational DEFA can double the value of Digital Economy to ~\$2Tn



Size of the Digital Core and Digitally-Enabled Economy (\$Tn)



Source: BCG Analysis, Study on the Digital Economy Framework Agreement (DEFA)

IP related initiatives supporting Digital Economy



1. ASEAN eCommerce MoU/Code of Conduct

Intellectual Property Office of the Philippines (IPOPHL)

- Agreement among 18 ecommerce platforms and brand owners including **Lazada, Shopee** and **Zalora**.

Department of IP Thailand (DIP Thailand)

- Agreement among 32 signatories including ecommerce giants **Lazada, Shopee** and **TikTok Shop**

Directorate General of IP (DGIP Indonesia)

- MoU between DGIP and **Tokopedia** currently in operation.
- Wider MoU for other platforms currently in discussion with **idEA (Indonesian e-Commerce Association)**

IP related initiatives supporting Digital Economy



2. IP eCommerce Code of Conduct

- An ASEAN **eCommerce Code of Conduct** has been discussed between ASEAN Member States.
- Looks towards the implementation of a **minimum standard for eCommerce platforms to follow** in their IP practices.
- Would be **signed between IP owners, Internet Service Providers (ISPs) and ASEAN IP Offices.**
- Currently being **discussed in the ASEAN Network of IP Enforcement Experts (ANIEE)** working group meetings.

ASEAN Roadmaps Linked to Digital Economy

ASEAN Agreement on Electronic Commerce

Established common principles and rules to promote the growth of e-commerce in the region

"ASEAN should review existing IP rights commitments with the view of ensuring that they apply in a digital setting to provide effective IP rights protection and enforcements"

ASEAN Digital Integration Index

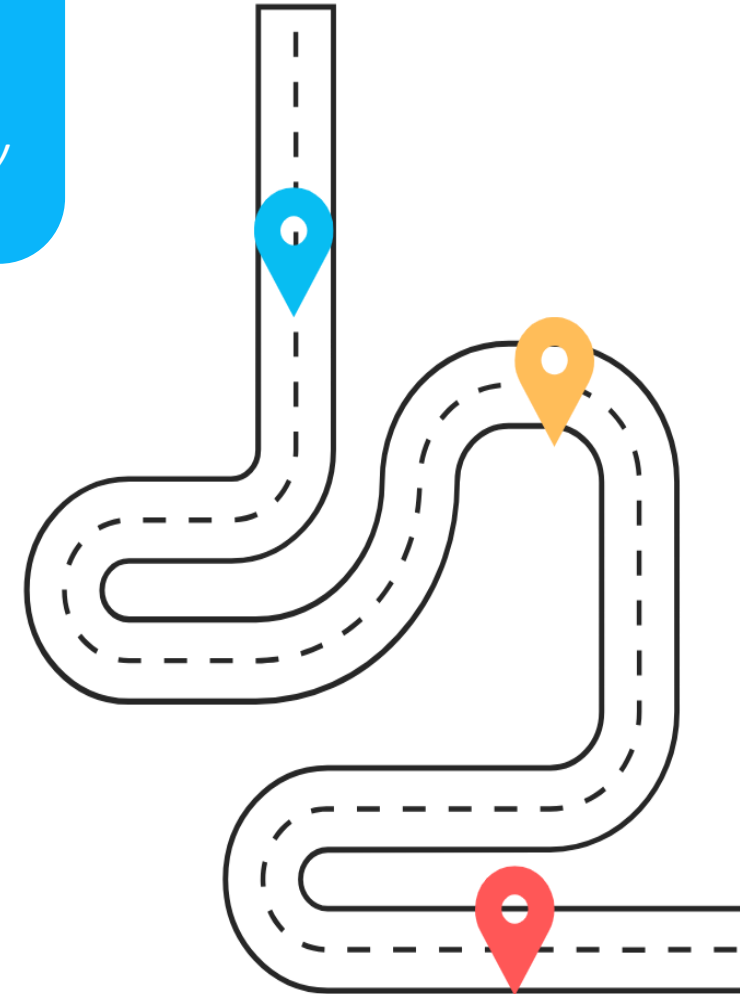
Measures the Digital Integration Implementation across AMS

"Bolster IP frameworks and enforcement to incentivize and protect innovators by enhancing transparency and coordination across IP agencies and law enforcement efforts"

Bandar Seri Begawan Roadmap

An ASEAN digital transformation agenda to accelerate ASEAN's economic recovery and digital economy integration

"Establish a one-stop IP services and information platform for the ASEAN region."



Part 4: Future of ASEAN IP Landscape

Developments in ASEAN - Post 2025 AEC Vision



- **ASEAN Community Vision 2045**

“Resilient, Innovative, Dynamic and People-Centred ASEAN”.

- **Review of ASEAN Framework Agreement on IP Cooperation (AFAIPC)**

Modernize? Harmonize? Convergence? Continued Cooperation? Upgrade?

- **Develop post-2025 IPR Action Plan**

Future Proof, Relevant, Resilient, Adaptable



POST 2025 ASEAN IP Priorities



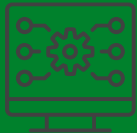
EMERGING AND FRONTIER TECHNOLOGIES

- Artificial Intelligence
- Big Data
- Block Chain
- Internet of Things
- Virtual Reality



DIGITAL ECONOMY

- ASEAN Digital Economy Framework Agreement (DEFA)
- Metaverse
- Online Enforcement
- Intangible Assets



GREEN ECONOMY

- Climate Change
- Circular Economy
- Green Technology
- Decarbonisation
- Sustainability



CREATIVE ECONOMY

- ASEAN Creative Economy and Creative Industries
- Effective Collective Rights Management (CMOs)



Continued Engagement with ASEAN IP Association (AIPA)

*We welcome your vision, foresight and
observations for ASEAN IPR Landscape
Post 2025*



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