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**THIS ACTION IS FUNDED BY THE EUROPEAN UNION**

**ANNEX**

to the Commission Implementing Decision on the financing of the individual measure in favour of the Asia-Pacific region for 2023

**Action Document for EU-ASEAN Sustainable Connectivity Package**

**INDIVIDUAL MEASURE**

This document constitutes the annual work programme within the meaning of Article 110(2) of the Financial Regulation, and an individual measure pursuant to Article 23(3) of the NDICI-Global Europe Regulation.

## 1 SYNOPSIS

### 1.1 Action Summary Table

<b>1. Title CRIS/OPSYS business reference Basic Act</b>	EU-ASEAN Sustainable Connectivity Package OPSYS number: ACT-61616 Financed under the Neighbourhood, Development and International Cooperation Instrument (NDICI-Global Europe)
<b>2. Team Europe Initiative</b>	Yes Sustainable Connectivity TEI for the Association of Southeast Asian Nations (ASEAN)/South-East Asia (SEA)
<b>3. Zone benefiting from the action</b>	The action shall benefit ASEAN <sup>1</sup> Member States. Limited activities may take place in other countries in the Asia and Pacific region and in the European Union.
<b>4. Programming document</b>	Regional Multiannual Indicative Programme (MIP) Asia and Pacific 2021-2027 <sup>2</sup> – Priority Area 1 Regional Integration and Cooperation
<b>5. Link with relevant MIP(s) objectives / expected results</b>	The action supports directly the objectives and related results of the Regional MIP Asia and the Pacific 2021-2027 - Priority Area 1 – Regional Integration and Cooperation - South-East Asia/ASEAN - Sector 3: Sustainable connectivity.
<b>PRIORITY AREAS AND SECTOR INFORMATION</b>	
<b>6. Priority Area</b>	Regional MIP Priority area 1 - South-East Asia/ASEAN – Sector 3: Sustainable Connectivity
<b>7. Sustainable Development Goals (SDGs)</b>	Main SDG: 8 (Decent work and economic growth) Significant SDGs: SDGs 4 (Quality education), 5 (Gender equality), 7 (Affordable and clean energy), 9 (Industry, Innovation and Infrastructure), 12 (Responsible consumption and production), 16 (Peace, Justice, and strong institutions).

<sup>1</sup> Considering ASEAN Leaders' in-principle decision in November 2022 to admit Timor-Leste to be the 11th member of ASEAN, selected activities as appropriate may be carried out in Timor-Leste in consultation with ASEAN and with the agreement of the competent Timorese authorities.

<sup>2</sup> [https://international-partnerships.ec.europa.eu/system/files/2022-01/mip-2021-c2021-9251-asia-pacific-annex\\_en.pdf](https://international-partnerships.ec.europa.eu/system/files/2022-01/mip-2021-c2021-9251-asia-pacific-annex_en.pdf)

8 a) DAC code(s)	DAC 33120 – Trade Facilitation - app. 38% DAC 23110 – Energy policy and administrative management - app. 6% DAC 21010 – Transport Policy and Administrative Management - app. 20% DAC 11330 – Vocational Training – app. 8% DAC 11420 – Higher Education - app. 8% DAC 22040 – Information and Communication Technology – app. 6%			
8 b) Main Delivery Channel	6000 – Private Sector Institution			
9. Targets	<input type="checkbox"/> Migration <input type="checkbox"/> Climate <input type="checkbox"/> Social inclusion and Human Development <input checked="" type="checkbox"/> Gender <input type="checkbox"/> Biodiversity <input checked="" type="checkbox"/> Education <input type="checkbox"/> Human Rights, Democracy and Governance			
10. Markers (from DAC form)	<b>General policy objective @</b>	<b>Not targeted</b>	<b>Significant objective</b>	<b>Principal objective</b>
	Participation development/good governance	<input type="checkbox"/>	<input type="checkbox"/>	<input checked="" type="checkbox"/>
	Aid to environment @	<input checked="" type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>
	Gender equality and women's and girl's empowerment	<input type="checkbox"/>	<input checked="" type="checkbox"/>	<input type="checkbox"/>
	Trade development	<input type="checkbox"/>	<input type="checkbox"/>	<input checked="" type="checkbox"/>
	Reproductive, maternal, new-born and child health	<input checked="" type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>
	Disaster Risk Reduction @	<input checked="" type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>
	Inclusion of persons with Disabilities @	<input checked="" type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>
	Nutrition @	<input checked="" type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>
	<b>RIO Convention markers</b>	<b>Not targeted</b>	<b>Significant objective</b>	<b>Principal objective</b>
	Biological diversity @	<input checked="" type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>
	Combat desertification @	<input checked="" type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>
	Climate change mitigation @	<input checked="" type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>
	Climate change adaptation @	<input checked="" type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>
11. Internal markers and Tags:	<b>Policy objectives</b>	<b>Not targeted</b>	<b>Significant objective</b>	<b>Principal objective</b>
	Digitalisation @	<input type="checkbox"/>	<input checked="" type="checkbox"/>	<input type="checkbox"/>
	digital connectivity digital governance digital entrepreneurship	YES <input checked="" type="checkbox"/> <input checked="" type="checkbox"/>	NO <input type="checkbox"/> <input type="checkbox"/>	/

	digital skills/literacy digital services	<input checked="" type="checkbox"/> <input checked="" type="checkbox"/> <input checked="" type="checkbox"/>	<input type="checkbox"/> <input type="checkbox"/> <input type="checkbox"/>	
	Connectivity @	<input type="checkbox"/>	<input type="checkbox"/>	<input checked="" type="checkbox"/>
	digital connectivity energy transport health education and research	YES <input checked="" type="checkbox"/> <input checked="" type="checkbox"/> <input type="checkbox"/> <input checked="" type="checkbox"/>	NO <input type="checkbox"/> <input type="checkbox"/> <input checked="" type="checkbox"/> <input type="checkbox"/>	
	Migration @ (methodology for tagging under development)	<input type="checkbox"/>	<input checked="" type="checkbox"/>	<input type="checkbox"/>
	Reduction of Inequalities @ (methodology for marker and tagging under development)	<input type="checkbox"/>	<input checked="" type="checkbox"/>	<input type="checkbox"/>
	Covid-19	<input type="checkbox"/>	<input checked="" type="checkbox"/>	<input type="checkbox"/>
<b>BUDGET INFORMATION</b>				
<b>12. Amounts concerned</b>	<p>Budget line B2023-14.020131 (South and East Asia)</p> <p>Total estimated cost: EUR 90 300 000</p> <p>Total amount of EU budget contribution: EUR 60 000 000</p> <p>Depending upon the implementing modalities and partner chosen, potential co-financing for this action is:<sup>3</sup></p> <ul style="list-style-type: none"> <li>- European Union Intellectual property Office (EUIPO) for an amount of EUR 1 000 000;</li> <li>- Energy Transition Partnership (ETP), which is a multi-donor trust fund managed by UNOPS, for an amount of EUR 29 000 000<sup>4</sup>;</li> <li>- Netherlands Organisation for International Cooperation in Higher Education (NUFFIC)/ German Academic Exchange Service (DAAD) for an amount of EUR 300 000.</li> </ul>			
<b>MANAGEMENT AND IMPLEMENTATION</b>				
<b>13. Type of financing<sup>5</sup></b>	<p><b>Direct management</b> through:</p> <ul style="list-style-type: none"> <li>- Grants</li> <li>- Procurement</li> </ul> <p><b>Indirect management</b> with the entities to be selected in accordance with the criteria set out in section 4.3.3.</p>			

<sup>3</sup> Team Europe partners are expected to contribute to the Team Europe Initiative (TEI) on ASEAN Sustainable Connectivity, which this action supports. The indicative total contribution of Team Europe partners to the TEI is EUR 1 Billion.

<sup>4</sup> To be confirmed upon conclusion of ongoing exchanges with UNOPS on pillar assessment: alternative modalities for implementation are foreseen as per Articles 4.3.3 and per Article 4.3.4 (Outcome 2).

<sup>5</sup> Art. 27 NDICI-Global Europe Regulation (Regulation (EU) 2021/947 of the European Parliament and of the Council of 9 June 2021 establishing the Neighbourhood, Development and International Cooperation Instrument – Global Europe).

## 1.2 Summary of the Action

The proposed action seeks to improve sustainable connectivity between the EU and ASEAN and within ASEAN, in line with the respective EU and ASEAN connectivity strategies (notably Global Gateway<sup>6</sup>), the EU-ASEAN Plan of Action 2023-2027<sup>7</sup>, and the Joint Ministerial Statement on Connectivity<sup>8</sup> adopted at the ASEAN-EU Ministerial Meeting of 1 December 2020, and with core priorities of the EU strategy for cooperation in the Indo-Pacific.<sup>9</sup> Timor Leste, which has recently acquired an ASEAN observer status, may also benefit from parts of this action as appropriate.<sup>10</sup>

The action will support **trade and economic, energy, transport as well as digital connectivity**. This will contribute in particular to better conditions for trade and investment flows, to more sustainable, resilient, and inclusive value chains, and to complement regional efforts on the just and clean energy transition. The action will also support **people-to-people connectivity**, notably in the area of higher education and research, and address the digital gender divide. The action will integrate environmental sustainability, decent work and climate action e.g. through activities promoting green practices and international labour standards across value chains, facilitating renewable energy generation by strengthening regional electricity market integration, inclusive green job creation and the development of green skills; thus contributing to the promotion of the twin **green and digital transitions while leaving no-one behind**.

The Specific(s) Objective(s) (Outcomes) of this action are:

1. To improve regulatory frameworks, dialogue and institutional capacities in key areas of **trade and economic connectivity** with a focus on resilient, socially, economically and environmentally sustainable value chains and on better conditions for trade and investment flows.
2. To strengthen the regional/sub-regional integration of **electricity infrastructure and markets** in the ASEAN region.
3. To strengthen ASEAN/ASEAN Member States' (AMS)<sup>11</sup> regulatory and policy environments in the field of human-centric **digital connectivity** in order to create a strong foundation for investment in secure and resilient digital infrastructure in the ASEAN region.
4. To enhance **transport connectivity** and technical cooperation between the EU and ASEAN as well as within ASEAN, with a focus on safety, digital solutions where relevant, and on social and environmental sustainability.
5. To increase exchanges and **people-to-people** connectivity, notably in relation to higher education, technical and vocational education and training (TVET) and research within ASEAN as well as between the EU and ASEAN with a focus on gender equality and women's empowerment, and digital and green skills.

The Multiannual Indicative Programme (Regional MIP Asia and Pacific 2021-2027) identified Sustainable connectivity as one of the main objectives of EU-ASEAN cooperation post-2020. The action addresses several connectivity priorities and promotes key EU principles including high standards, sustainability, good governance and transparency, and contributes to catalysing public and private investments. The action is a key EU contribution to the Team Europe Initiative (TEI) on Sustainable Connectivity with ASEAN/SEA.

<sup>6</sup> [https://ec.europa.eu/info/sites/default/files/joint\\_communication\\_global\\_gateway.pdf](https://ec.europa.eu/info/sites/default/files/joint_communication_global_gateway.pdf)

<sup>7</sup> <https://www.eeas.europa.eu/sites/default/files/documents/Plan%20of%20Action%20to%20Implement%20the%20ASEAN-EU%20Strategic%20Partnership%20%282023-2027%29.pdf>

<sup>8</sup> <https://asean.org/wp-content/uploads/ASEAN-EU-Joint-Ministerial-Statement-on-Connectivity-Final1.pdf>

<sup>9</sup> [https://www.eeas.europa.eu/sites/default/files/jointcommunication\\_2021\\_24\\_1\\_en.pdf](https://www.eeas.europa.eu/sites/default/files/jointcommunication_2021_24_1_en.pdf)

<sup>10</sup> Endorsed via the joint leaders statement at the recent EU-ASEAN Summit (14 December 2022). Full leaders' statement available here: <https://www.consilium.europa.eu/media/60846/eu-asean-leaders-statement.pdf>

<sup>11</sup> Considering ASEAN Leaders' recent in-principle decision to admit Timor-Leste to be the 11th member of ASEAN, selected activities may be carried out in Timor Leste with the agreement of the competent authorities. References to ASEAN Member States in the present document should be understood as potentially including Timor Leste.

The action is aligned with SDGs 4 (Quality education), 5 (Gender equality), 7 (Affordable and clean energy), 8 (Decent work and economic growth), 9 (Industry, Innovation and Infrastructure), 12 (Responsible consumption and production), 16 (Peace, Justice and strong institutions).

The action will be implemented through a combination of modalities. This will include direct management (service contracts) to support the link with investments but also the overall coordination and EU steering, including support to the management of the Sustainable Connectivity TEI, as well as indirect management with EU Member State organisations and multilateral partners. The participation of EU Member State organisations can facilitate the promotion of EU standards and investments, while multilateral partners will also be considered based on their technical expertise (e.g. the International Trade Centre (ITC) which is involved in the current set up of the ARISE+ regional programme on trade cooperation, the International Labour Organisation, etc.).

The action will contribute to the realisation of the EU Gender Action Plan 2021-2025 GAP III<sup>12</sup>, notably to its thematic area of engagement “Strengthening economic and social rights and empowering girls and women” and “Addressing the challenges and harnessing the opportunities offered by the digital transformation”.

## 2 RATIONALE

### 2.1 Context

Sustainable connectivity is a top priority of the EU’s external action globally, including in South-East Asia. The **Global Gateway Joint Communication** launched in December 2021 affirms the EU’s intention to deepen connectivity cooperation with ASEAN. Connectivity is also one of the seven priority areas of the **EU Strategy for Cooperation in the Indo-Pacific**<sup>13</sup> adopted in September 2021. The EU’s relations with ASEAN are guided by this new EU policy framework which recognises ASEAN centrality in the region. ASEAN is the central regional organisation in the region, and a strategic and a valuable partner to the EU, notably in terms of political and economic links, sustainable value chain development and resilience, promoting decent work, cooperation on environmental protection and climate change, as well as its geographic position at the heart of the Indo-Pacific. This action contributes to implementing the **EU-ASEAN Strategic Partnership** agreed in December 2020.

The EU and ASEAN have joint ambitions to “promote connectivity within and between ASEAN and the EU”, in line with the **Joint Ministerial Statement on Connectivity** of December 2020, which provides a framework to strengthen engagement based on the **Master Plan on ASEAN Connectivity 2025 (MPAC)**<sup>14</sup> covering sustainable infrastructure, digital innovation, seamless logistics, regulatory excellence and people mobility. In 2022, the EU and ASEAN signed the Comprehensive Air Transport Agreement, a key milestone in enhancing connectivity between both regions. The **regional Multiannual Indicative Programme (MIP) for Asia and the Pacific 2021-2027** identifies sustainable connectivity as a priority area for cooperation with ASEAN and South-East Asia. The proposed action will directly contribute to achieving the expected connectivity results identified in the Regional MIP and in line with our objectives under the Global Gateway and Indo-Pacific Strategies. It will also be a key EU contribution to the Team Europe Initiative (TEI) on Sustainable Connectivity with ASEAN/South-East Asia.

The action will build on the strong track record of EU-ASEAN cooperation in these areas, while contributing to environmental sustainability, climate action, digitalisation, and the implementation of the EU Gender Action Plan III. It will aim at fostering the creation of enabling environments contributing to facilitate sustainable connectivity investments (in particular as regards digital connectivity). In combination with EU bilateral programmes, the European Fund for Sustainable Development+ (EFSD+), as well as actions from EU Member States, this action will contribute to implementing the Global Gateway Strategy in South-East Asia.

Recognising the important role of women in the drive towards sustainable development, national security and global peace, ASEAN leaders, during the 36<sup>th</sup> ASEAN Summit on Women’s Empowerment in the Digital Age

<sup>12</sup> [https://international-partnerships.ec.europa.eu/system/files/2021-01/join-2020-17-final\\_en.pdf](https://international-partnerships.ec.europa.eu/system/files/2021-01/join-2020-17-final_en.pdf)

<sup>13</sup> [https://www.eeas.europa.eu/eeas/joint-communication-indo-pacific\\_en](https://www.eeas.europa.eu/eeas/joint-communication-indo-pacific_en)

<sup>14</sup> <https://asean.org/wp-content/uploads/2018/01/47.-December-2017-MPAC2025-2nd-Reprint-.pdf>

(June 2020), affirmed the need to promote gender equality and women's active participation in all spheres of life.<sup>15</sup> This was reiterated at the August 2020 East Asia Summit Economic Ministers' Meeting and in a recent op-ed by the ASEAN Secretary General.

The action will build on current EU programmes contributing to connectivity in the region, in particular **ARISE+** (ASEAN Regional Integration Support from the EU)<sup>16</sup>, **EU SHARE** (EU Support to Higher Education in the ASEAN Region)<sup>17</sup> and policy dialogues including on transport, energy, digital, research and innovation and gender equality supported by **E-READI** (Enhanced Regional EU-ASEAN Dialogue Instrument)<sup>18</sup>. It will take into account complementarities with EU multi-country and bilateral actions and potential synergies with European Investment Bank (EIB) and EU Member States actions.<sup>19</sup> It will also take into account requests from the ASEAN Secretariat and other key ASEAN counterparts and stakeholders.

## 2.2 Problem Analysis

ASEAN is progressing well in several connectivity areas and is witnessing a fast digital transformation.<sup>20</sup>

However, there are still many challenges to meet the ASEAN connectivity ambitions set out in the Masterplan 2025. These include the need to mobilise further resources; to improve integration, coherence and implementation of policy and regulatory frameworks at regional level; and to build capacities. ASEAN also faces challenges of persistent high poverty rates, inequalities, including gender inequality (with men being 11.5 times more likely as women to be employed in ASEAN Member States for instance<sup>21</sup>), informal labour and violations of labour rights, including in particular freedom of association and child labour, major environmental and climate change-related challenges, and growing energy needs which are currently still mostly met by fossil fuels, in particular coal, as well as challenges in the areas of good governance, the rule of law and human rights.

Gender digital equality has become increasingly intertwined with gender equality in general. This is especially important in a region like ASEAN, where the digital economy is growing quickly and where many of the new jobs of the post-pandemic economy are likely to be digital-enabled and digital-related. According to the World Economic Forum's Executive Opinion Survey (2020) ASEAN countries are perceived to be far from achieving gender parity in technology roles. ILO data indicate uneven development in the integration of women into technology-related jobs<sup>22</sup>.

The action will aim to promote environmental, economic and social sustainability. This will include, for instance, encouraging actors along value chains, especially Micro, Small and Medium-sized Enterprises (MSMEs), to play their part in enhancing the environmental sustainability of their businesses, studying possibilities for the deployment of digital technologies to improve sustainability, encouraging the uptake of new and sustainable technologies, rules and standards, etc.

**1. Trade, economic connectivity and sustainable value chains:** With a Gross Domestic Product (GDP) of EUR 3.3 trillion and a total population of over 650 million people, the ASEAN Economic Community (AEC) aims to achieve a single integrated market through the process of regional economic integration, where trade represents a particularly important driver. The action seeks to address three important trade-related aspects which drive economic connectivity in ASEAN and between ASEAN and EU:

<sup>15</sup> <https://asean.org/wp-content/uploads/2020/06/Chairman-Press-Statement-Special-Session-on-Women-Empowerment-in-the-Digital-Age-Final1.pdf>

<sup>16</sup> <https://ariseplus.asean.org/>

<sup>17</sup> <https://www.share-asean.eu/>

<sup>18</sup> <https://euinasean.eu/tag/e-readi/>

<sup>19</sup> Additional information is provided under Section 3.4 Risks and Lessons Learnt.

<sup>20</sup> For example, see the Initial Rolling Priority Pipeline of Potential ASEAN Infrastructure Projects (under the Master Plan on ASEAN Connectivity 2025): <https://asean.org/book/enhancing-asean-connectivity-initial-pipeline-of-asean-infrastructure-project/>

<sup>21</sup> See [https://data.unwomen.org/sites/default/files/documents/Publications/ASEAN/ASEAN%20Gender%20Outlook\\_final.pdf](https://data.unwomen.org/sites/default/files/documents/Publications/ASEAN/ASEAN%20Gender%20Outlook_final.pdf)

<sup>22</sup> Source: Gender Digital Equality Across ASEAN (2021) <https://www.eria.org/publications/gender-digital-equality-across-asean/>



1. **Trade policy** is instrumental in achieving connectivity objectives in ASEAN, promoting fair, inclusive and sustainable trade and investment, increasing access to markets and contributing to the proper implementation of international trade agreements, including those negotiated at multilateral level and with the EU. The action will support ASEAN and ASEAN Member States' (AMS) work on improving policies for trade in goods, services, investment, digital trade and e-commerce, competition policy, public procurement, and the mainstreaming of green priorities, along the recommendations of the AEC Blueprint 2025 and in view of improving trade within ASEAN and with the EU/ internationally. A similar approach will be ensured for intellectual property rights, by making intellectual property (IP) systems more robust and by strengthening regional IP platforms and infrastructures. Activities will contribute to the enactment of international commitments and of the ASEAN Intellectual Property (IP) Rights Action Plan 2016-2025. IP administrators, enforcement officials and business community representatives will be involved throughout the action.
2. **Digital connectivity** for businesses with a focus on micro, small and medium-sized enterprises (MSMEs): the increased participation of MSMEs in online trade of goods and services is a key driver of job creation and sustainable development. Despite the rapid growth of digital trade in the region, there are still untapped opportunities to take full advantage of digital and e-commerce business opportunities, with an uneven level of uptake across ASEAN countries, particularly in Least Developed Countries (LDCs) and among MSMEs. As new technologies rapidly expand across the region, many young women and mothers may find opportunities to join the labour market through the digital economy or to balance childcare responsibilities with paid work through remote arrangements. ASEAN's digital market has expanded threefold in the past three years and represents 7 per cent of the region's GDP. This opens the door to innovative arrangements that facilitate access to employment of women, notably. Closing the digital divide by rolling out secure and resilient digital networks (provided by trusted/non-high risk suppliers) is key to seizing these opportunities<sup>23</sup>. There are also gaps and constraints faced by the ASEAN countries in digital trade incl. in e-commerce.
3. **Sustainable and resilient value chains:** sustainability and resilience are key to the long-term development and competitiveness of value chains, given the current context in which the EU and other major economic actors have adopted or are adopting legislation on this topic, relating in particular to issues such as decent work and environmental sustainability. Actors along value chains, especially Micro-, Small and Medium-sized Enterprises (MSMEs) should be helped and encouraged to play their part in achieving the SDGs and promoting human rights, decent working conditions, gender equality and environmental sustainability. By taking part in these efforts, they can also contribute to enhancing their competitiveness and lower their costs (such as through circular economy practices), and guaranteeing their longer-term access to important export markets. More broadly, sustainable and resilient value chains help to reinforce the trade relationship between the EU and ASEAN, based on trust and shared values. The action will support sustainable value chain development in the ASEAN region, focusing on strategic value chains with sustainable development and export potential, building the capacities of key actors including MSMEs, including with regard to understanding and adapting to sustainable due diligence requirements and green models, as well as applying sustainability standards.

**2. Energy connectivity:** To complement the Green Team Europe Initiative with ASEAN<sup>24</sup> which promotes clean energy and energy efficiency, and considering that regional power markets are a key precondition for the cost-effective deployment of renewable energy capacities, there is a need to strengthen regional integration of electricity infrastructure and markets in the ASEAN region. ASEAN has long pursued the realisation of the ASEAN Power Grid (APG), an initiative to construct a regional electricity grid, increase the transmission capacity of existing connections and increase electricity trade. Advancing multilateral power trade is a key focus of the APG to achieve the goal of the ASEAN Economic Community (AEC) Blueprint 2025 *"to enhance connectivity, energy security, accessibility, affordability, and sustainability for all through energy connectivity and market integration, including the renewable energy target of ASEAN"*. Several studies on regional power integration and multilateral power trade in the APG were completed, e.g. on Multilateral Power Trade (IEA, 2019, Establishing multilateral power trade in ASEAN), on integrating renewable energy into cross-border power trade, and on Taxation on Cross Border Power Transaction. The Heads of ASEAN Power Utilities/Authorities (HAPUA) also began the ASEAN Interconnection Masterplan Study (AIMS III) to set out the interconnection infrastructure needed to expand power trade as well as integrate higher shares of renewables into the APG. The Region's countries are cognisant that

<sup>23</sup>[https://data.unwomen.org/sites/default/files/documents/Publications/ASEAN/Launch\\_outcome\\_document\\_GenderOutlook.pdf](https://data.unwomen.org/sites/default/files/documents/Publications/ASEAN/Launch_outcome_document_GenderOutlook.pdf)

<sup>24</sup><https://europa.eu/capacity4dev/tei-jp-tracker/tei/green-initiative-south-east-asia>

increasing energy investment is a priority to advance the connectivity goals of the APG, which needs clear policy guidelines and best practices, and investment-friendly conditions. Coordinated international support to APG is notably channelled through the Southeast Asia Energy Transition Partnership (ETP)<sup>25</sup> which is supported inter alia by several EU Member States.

**3. Human-centric digital connectivity:** According to the ASEAN Digital Masterplan 2025, the ASEAN region is making strides towards becoming both a digital economy and a digital society, and is striving to become a “leading digital community and economic bloc, powered by secure and transformative digital services, technologies and ecosystem.” Yet, the region remains characterised by large asymmetries of digital links, which are preventing lower-income countries from participating fully in the global digital economy. Digital infrastructure in South-East Asia is concentrated along a few key routes, that contribute to create strategic dependencies and geopolitical risks of disruptions. Addressing these challenges is a top priority for the EU. The EU’s vision for digital connectivity in the Indo-Pacific includes the following priorities:

1. Securing and improving resilience of global connections through route diversification, including by ensuring use of trusted/non-high risk suppliers (in line with the EU’s 5G toolbox);
2. Bridging the digital divide (including the gender digital divide);
3. Fostering cooperation in research and innovation (R&I) and Earth-Observation-based environmental services through the use of Copernicus.

Building upon recent studies considering both the EU’s core objectives in the Indo-Pacific as well as (supra-) regional challenges and opportunities, the EU has proposed a Digital Connectivity TEI in the Philippines. The Philippines TEI has the potential to become a prime example of EU digital action in the region, combining hard infrastructure investment with an integrated user approach and a scalable design. Through the upscaling of the national Copernicus Mirror Site<sup>26</sup> (CopPhil)<sup>27</sup> to a regional level, the Philippines and ASEAN member states gain full access to Copernicus<sup>28</sup> earth observation data, which is crucial for predicting and monitoring natural hazards such as floods or droughts and provides environmental services for the sustainable use of land (e.g. forests), the reduction of pollution at sea, etc. The availability of such high-quality data also facilitates Research and Innovation (R&I) cooperation, private sector engagement and the development of public and commercial e-services and applications. Strengthening the flow of data between the EU and ASEAN will not only enable Copernicus data exchange (in compliance with EU data protection standards) and R&I cooperation but also support the region’s ability to address natural disasters and climate change and foster its digital economy.

**4. Safe, sustainable and digitally-enabled transport:** Building on the EU-ASEAN Transport Dialogue, the E-READI policy dialogue instrument and complementary projects, and in line with the EU-ASEAN Plan of Action 2023-2027, the action will seek to strengthen cooperation on transport, and on promoting digitalisation to support safe, sustainable and seamless transport services, with a focus on air and maritime transport.

- a. **Air transport:** The aviation sector in South-East Asia remains a growing market. It connects countries and communities, enables trade and tourism, and helps alleviate poverty in line with the United Nations’ Sustainable Development Goals. The EU invests in technical cooperation in ASEAN to promote regional civil aviation integration, enhance safe and sustainable mobility, support cooperation between aviation authorities, and foster industry exchange, the uptake of new and sustainable technologies, and the uptake and implementation of rules and standards. A civil aviation partnership between the EU and ASEAN Member States laid the foundations for the recent signature of the ASEAN-EU Comprehensive Air Transport Agreement (CATA) establishing aviation traffic rights between ASEAN and the EU, and setting conditions and objectives for safety, security, environmental matters and social and labour aspects. This is at the same

<sup>25</sup> <https://www.energytransitionpartnership.org/>

<sup>26</sup> Copernicus data access point for the Philippines.

<sup>27</sup> Copernicus national data access point.

<sup>28</sup> Copernicus is the leading EU Earth Observation programme. It provides a wealth of environmental data, services and information based on satellite and ground-based observations. This data and information can be used by governments and local authorities for evidence-based policy making, monitoring of environmental targets, response to natural disasters, etc. Additionally, they are extremely valuable for Universities and research institutions and for the private sector that can use the freely available data to provide commercial services. Copernicus is currently the 3<sup>rd</sup> data provider in the world in terms of volume of data, hence access and use of Copernicus data requires strong digital connectivity.



time a platform to promote environmental measures and climate action in the aviation sector, such as the uptake and availability of sustainable aviation fuels and the implementation of CORSIA.

- b. **Maritime transport – training, certification, and working and living conditions of seafarers:** With about 90% of global trade being transported by sea – including essential goods, such as food supplies, medical equipment and energy products – ASEAN Member States are crucial for the social sustainability of the global and regional maritime connectivity links and value chains. South-East Asia is the largest labour-supplying region for the shipping industry in the world, with the Philippines and Indonesia among the top 5 world suppliers. The work of seafarers is regulated by the 2006 Maritime Labour Convention (MLC) and the 1978 Convention on Standards of Training, Certification and Watch keeping for Seafarers (STCW), which respectively establish the minimum standards for seafarers’ living and working conditions as well as the minimum requirements for their education, training and certification. Both instruments contribute to maritime safety as well as decent living and working conditions at sea. However, some South-East Asian maritime labour supplying countries are implementing international instruments unevenly and the enforcement is very often not effective, as evidenced inter alia by successive inspections of the European Maritime Safety Agency (EMSA) on the STCW Convention’s implementation and enforcement. The EU also monitors, together with the International Labour Organisation (ILO), the level of implementation and effective enforcement of the MLC. Enhanced EU efforts are therefore needed to improve the level of maritime safety by enhancing the education, training and certification systems as well as the living and working conditions for seafarers coming from the Philippines and Indonesia. This approach is consistent with the Regional Multiannual Indicative Programme’s specific objective to promote decent work and labour rights.
- c. **Maritime transport – passenger ship safety:** The South East Asian region has the worst fatality rates in the shipping industry globally, with Indonesia and the Philippines alone accounting respectively for 16% and 11% of the accidents occurred from 2002-2016. Malaysia and Thailand have also experienced a high number of accidents and deaths in the ferry transport sector in the period 2011-2021. An ongoing project in the Philippines by both IMO and Lloyds Register Foundation (LRF) to address ferry safety has led to improvements in that country. Other ASEAN countries with a significant number of ferry accidents, notably Indonesia, but also Thailand and Malaysia would benefit from support.

**5. People-to-People connectivity:** Higher Education systems in South-East Asia face challenges in terms of accessibility, inclusivity, equity and relevance. One particular challenge is to establish a shared regional higher education space that is inclusive, coherent and competitive in standards as well as accessible for a growing student population. Opportunities for the young generation to move for educational purposes within and outside the region are still limited. Improved cooperation and exchange between ASEAN higher education institutions would be needed to improve the competitiveness of the region and contribute to the establishment of a more flexible labour market. This would in turn support the regional economy and allow for more effective linkages to other regions, such as the EU. Digitalisation in higher education, research and vocational education is relatively new to the region, and support in this area is highly relevant and needed. In line with target SDG Target 4.7. (“By 2030, ensure that all learners acquire the knowledge and skills needed to promote sustainable development...”), it is also desirable that higher education (and research) collaboration both within ASEAN and between ASEAN and the EU take into account the Sustainable Development Goals (SDGs), with a focus on green transition and the environment. For this, the EU R&I programme, Horizon Europe, offers many cooperation opportunities of interest to ASEAN countries and their participation will also increase connectivity between Europe and ASEAN.

Identification of main stakeholders and corresponding institutional and/or organisational issues (mandates, potential roles, and capacities) to be covered by the action:

The action will engage with a wide range of stakeholders across several policy areas. Key partners are the **ASEAN institutions**, including the **Secretariat**, as well as **ASEAN Sectoral Bodies and Working Groups and ASEAN Centres** (e.g. ASEAN Centre for Energy (ACE)). ASEAN considers connectivity as a cross-cutting issue, while economic integration and digitalisation are under the purview of the ASEAN Economic Community. ASEAN institutions and bodies will participate in the steering of the action, but also as beneficiaries of the support that will be delivered.

The ASEAN integration model, as well as the needs identified in the priority areas of the action, require a combination of dialogue, coordination, capacity building and frameworks development at regional level, combined with policy implementation, regulatory enforcement and investments which are often also needed at national level.

The action will therefore also engage with **the relevant authorities in ASEAN Member States** and will build synergies with EU bilateral cooperation actions.

The **private sector and civil society** organisations, including higher education institutions, are other important stakeholders. The private sector will be a key partner to address some of the priorities, notably on trade and investments. This includes EU businesses, business advisory groups and industry associations – including women-led organisations – as well as MSMEs, which will be targeted specifically for activities related to digital connectivity for business and sustainable value chains development. In addition, the action will support an enabling and accessible environment for civil society, notably through inclusive Civil Society Organisations (CSO) participation in dialogues. The participation of trade unions and workers' organisations will be promoted.

As a key contribution to the **Global Gateway Flagship Team Europe Initiative (TEI) on Sustainable Connectivity for ASEAN**, the action will play a catalytic role and will build synergies with many other partners involved in EU and ASEAN regional cooperation, including through the European Fund for Sustainable Development+ (EFSD+). This includes for example Development Finance Institutions, which will benefit from the activities aimed at investments in sustainable connectivity. Coordination will also be promoted with partners involved in other EU programmes such as Erasmus+ and Horizon Europe.

### 3 DESCRIPTION OF THE ACTION<sup>29</sup>

#### 3.1 Objectives and Expected Outputs

The Overall Objective (Impact) of this action is to **improve sustainable connectivity** between the EU and ASEAN and within ASEAN.

The Specific(s) Objective(s) (Outcomes) of this action are:

1. To improve regulatory frameworks, dialogue and institutional capacities in key areas of **trade and economic connectivity** with a focus on resilient, socially, economically and environmentally sustainable value chains and on better conditions for trade and investment flows.
2. To strengthen the regional integration of **electricity infrastructure and markets** in the ASEAN region.
3. To strengthen the ASEAN/AMS regulatory environment for secure, resilient and human-centric **digital connectivity** and prepare the ground for additional investments in secure and resilient digital infrastructure in line with ASEAN/AMS policy and regulatory frameworks.
4. To enhance **transport connectivity** and technical cooperation between the EU and ASEAN as well as within ASEAN, with a focus on safety, digital solutions where relevant, and on social and environmental sustainability.
5. To increase exchanges and **people-to-people** connectivity, notably in relation to higher education, TVET and research within ASEAN as well as between the EU and ASEAN, with a focus on gender equality and women's empowerment, digital and green skills.

The Outputs to be delivered by this action contributing to the corresponding Specific Objectives (Outcomes) are:

Contributing to Outcome 1 (or Specific Objective 1) – trade, economic connectivity and sustainable value chains:

- 1.1 Improved policies and regulatory environment for fair and sustainable **trade and investment** in ASEAN.
- 1.2 Improved capacities of ASEAN businesses for **digital connectivity**, with a focus on micro, small and medium sized enterprises (MSMEs) and women led MSMEs.
- 1.3 Increased knowledge and capacities for ensuring environmental, economic and social **value chain sustainability** among ASEAN/AMS institutions and the private sector.
- 1.4 Enhanced harmonisation, convergence of practices, and cooperation among AMS on **Intellectual Property**, including ASEAN action plan on intellectual property rights 2026-2035 prepared and implemented.

<sup>29</sup> Considering ASEAN Leaders' in-principle decision in November 2022 to admit Timor-Leste to be the 11<sup>th</sup> member of ASEAN, selected activities as appropriate may be carried out in Timor-Leste in consultation with ASEAN and with the agreement of the competent Timorese authorities.

Contributing to Outcome 2 (or Specific Objective 2) – **energy connectivity**:

2.1 Strengthened analytical and strategic framework for the **ASEAN Power Grid (APG) initiative**.

2.2 **Multilateral Pilot Grid Interconnection Project** implemented.

Contributing to Outcome 3 (or Specific Objective 3) – **digital connectivity**:

3.1 More secure and resilient **digital connectivity** to/from and within ASEAN, with a focus on promoting the use of trusted/non-high risk suppliers.

3.2 Strengthened **capacities** in ASEAN/AMS to manage the increased data flow and produce added-value services in order to benefit from Copernicus.

Contributing to Outcome 4 (or Specific Objective 4) – **transport connectivity**:

4.1 Improved conditions for regional integration, safety and sustainability of the **civil aviation** sector and market within ASEAN and with the EU.

4.2 Improved implementation and oversight of minimum education, training and certification requirements as well as living and working conditions for **seafarers** in relevant AMS.

4.3 Improved knowledge and capacities for **passenger ship safety** in relevant AMS and in the wider ASEAN region.

Contributing to Outcome 5 (or Specific Objective 5) – **people to people connectivity**:

5.1 Strengthened **student and academic mobility**, with a focus on gender equality, such as through the mutual recognition of qualifications / academic credits, both intra ASEAN and between EU and ASEAN complementing the Erasmus+ and Horizon Europe programmes, in line with the relevant ASEAN strategy and action plan in this area.

5.2 Stronger EU-ASEAN cross-regional **University Networks** (e.g. ASEAN University Network) to jointly tackle global challenges, by fostering research and technological connectivity and addressing these challenges through new teaching and research.

5.3 Stronger ASEAN **regional network of Vocational Education Institutions and businesses** focusing on the “green transition”, “sustainability”, “women’s empowerment” and “digitalisation”.

Contributing to all Outcomes:

6.1 Improved regulatory and institutional environment, in line with core principles of the Global Gateway, to facilitate investments in **sustainable connectivity infrastructure projects in ASEAN/SEA**.

### 3.2 Indicative Activities

**Activities relating to Output 1.1 Improved policies and regulatory environment for fair and sustainable trade and investment in ASEAN:**

- Review and analyse legal frameworks, conduct multistakeholder consultations, provide advisory support to ASEAN and AMS for revising trade (including digital trade, trade in services, sustainable trade, , public procurement and competition law) and investment policies; formulate recommendations for domestic policy reforms to align them with regional/international standards, and to harmonise them within ASEAN; assist AMS in identifying non-tariff measures and divergences among their respective domestic regulatory frameworks.
- Provide horizontal technical assistance to EU Delegations in South-East Asia upon their request to support partner countries and relevant businesses, in particular MSMEs, to ensure the smooth flow of trade with the EU, taking into account the Gender Action Plan III.
- Provide coaching, training and advisory support to ASEAN and relevant AMS to foster their capacities to negotiate and implement trade and investment agreements (including Free Trade Agreements (FTAs), Mutual Recognition Agreements (MRAs) and ASEAN Trade in Goods Agreement (ATIGA) upgrade).
- Support AMS in implementing and strengthening priority trade facilitation measures (WTO Trade Facilitation Agreement (TFA), Authorized Economic Operator (AEO) schemes, Mutual Recognition Agreements (MRA) etc.).

- Provide continued support on the ASEAN Trade Repository (ATR)<sup>30</sup>, the mechanism for its institutional sustainability, and its access by relevant stakeholders including the private sector, in conjunction with bilateral EU programmes, as required.
- Provide advisory support to ASEAN in monitoring the implementation of the AEC blueprint 2025, as well as developing the post 2025 strategic plan.
- Provide trainings for ASEAN and AMS in the area of trade and investment statistics (including in the field of digital trade), as required.
- Organize awareness raising events, and provide training for the private sector, including MSMEs, for feeding into policy-making processes (including by e.g. for preparing position papers on specific trade and investment policy and trade facilitation issues).
- Deliver on-the-job coaching to MSMEs (with a specific focus on their trade operations with the EU, women and youth-led businesses) on import/export management operations and cross-border customs procedures.
- Organize public-private consultations on the policy/regulatory/negotiation positions on trade in services, investment, digital trade, and exchange of practices and lessons between the EU and ASEAN.
- Provide tailored technical assistance to AMS to implement the ASEAN regional frameworks on fair and sustainable trade and investment at the national level, while ensuring coordination between the regional and national level. For instance, there will be a focus on the implementation of the “trade and sustainable development provisions” in FTAs, to enhance cooperation on all dimensions of sustainability.
- Provide coaching, training and advisory support to ASEAN and relevant AMS on sustainable trade and investment including on international standards on labour (International Labour Organisation) and the environment.

Activities relating to Output 1.2 **Improved capacities of ASEAN businesses for digital connectivity** with a focus on micro, small and medium sized enterprises (MSMEs):

- Conduct awareness raising activities and provide trainings to build digital skills among MSMEs and business support institutions - including women and youth-led companies – to adapt their business strategies and operations, support product digitalisation, export through virtual marketplaces, while raising awareness of environmental challenges and good sustainability practices etc. (building on initiatives such as the ASEAN SME Academy<sup>31</sup>).
- Foster exchange of experience and organise business-to-business networking events among entrepreneurs within the ASEAN region and between ASEAN and EU, to facilitate MSMEs’ digital market connection and access to finance to invest in digital tools (in cooperation with other existing EU initiatives).
- Provide technical support to ASEAN’s efforts to develop a regional framework for the Interoperability of Electronic Authentication Technologies (e.g. through further work on Business Digital Identities (similar to EU eIDAS Regulation), the establishment of a regional Unique Business Identification Number (UBIN), etc.).
- Provide training, tools, share good practices and formulate recommendations to ASEAN for the digitalization of customs, for incl. developing and implementing Digital Customs guidelines and the ASEAN regional work plan (incl. possibly an ASEAN Low-Value Shipment Programme) and improving the ASEAN Customs Transit System (ACTS)<sup>32</sup>, as required.
- Conduct reviews and analysis, and formulate recommendations to increase the interoperability of financial services technologies or systems that are crucial for the development of digital trade e.g. online payment systems, block chain technologies, etc.
- Provide tailored advisory support to AMS to implement the ASEAN regional frameworks on digital economy, while ensuring coordination between the regional and national level.

Activities relating to Output 1.3 **Increased knowledge and capacities for ensuring environmental and social value chain sustainability in ASEAN and between the EU and ASEAN:**

<sup>30</sup> <https://atr.asean.org/>

<sup>31</sup> <https://asean-sme-academy.org/en/>

<sup>32</sup> <https://acts.asean.org/>

- Raise awareness among ASEAN public and private sector stakeholders, producers and MSMEs, on environmental and social standards (with a focus on international, regional and/or EU standards as appropriate), related market sustainability requirements and opportunities.
- Provide tailored technical assistance to implement the ASEAN regional frameworks on environmentally and socially sustainable value chains in AMS, while ensuring coordination between the regional and national level.
- Conduct environment and sustainability impact assessments along selected value chains with potential for trade development, using innovative data and evidence to catalyse change and for more informed sustainability decisions (and adopting a gender responsive approach), taking into account possibilities for developing systemic links between digital and green objectives.
- Carry-out analyses to identify non-tariff barriers along specific value chains, formulate recommendations to reduce these barriers, deliver training and provide advisory support to undertake legislative and regulatory reforms if/as required, to facilitate a harmonised regulatory approach and to support value chain sustainability and resilience.
- Train actors and MSMEs along specific value chains, to engage in sustainable production and trade, to understand and adapt to Corporate Sustainability Due Diligence requirements (in line with the EU Corporate Sustainability Due Diligence Directive (CS3D) and building on existing EU global projects and actions).
- Conduct enterprise-level gap assessments, produce action plans and provide tailored coaching to MSMEs in selected value chains, to guide companies on accessing green finance and climate smart technologies (in cooperation with other existing EU initiatives), comply with market requirements incl. quality and Sanitary and Phytosanitary Standards (SPS) (e.g. organic), empowering them to become climate-resilient.
- Foster partnerships among business support institutions (e.g. trade promotion organizations, sector associations and cooperatives) and build their capacities to integrate green offerings into their services and participate in environment and trade-related policy dialogues.
- Promote Business-to-Business linkages (incl. through digital platforms) between MSMEs along value chains, within the ASEAN region and between ASEAN and EU, to foster internationalisation and networking, to attract investment, to build-up productive and sustainable value chains and trade capacities (incl. Through business-to-business linkages that foster sharing of good practices in the field of environment and social). Specific attention will be paid to MSMEs led by women and young people.

**Activities relating to Output 1.4 Enhanced harmonisation, convergence of practices, and cooperation among the ASEAN Member States on Intellectual Property, including ASEAN action plan on intellectual property rights 2026-2035 prepared and implemented:**

- Provide technical assistance for the improvement of the legal and regulatory IP frameworks to enable AMSs to participate more fully in global IP protection systems.
- Provide technical assistance for the development of ASEAN IPR policy frameworks, in particular the ASEAN IPR Action Plan and regional platforms.
- Organise networking and capacity building activities for the ASEAN Intellectual Property Offices to improve its capacity to deliver timely and quality services.
- Carry out capacity building on intellectual property for the private sector and raise awareness in a targeted way on IP among relevant stakeholders and the wider public as appropriate.

**Activities relating to Output 2.1 Strengthened analytical and strategic framework for the ASEAN Power Grid (APG) initiative.**

- Provide technical assistance to relevant ASEAN stakeholders to improve coordination of the APG process and convening relevant stakeholders.
- Conduct analytical work including studies and analysis on designing and implementing bilateral and multilateral power trading arrangements.
- Develop an APG implementation roadmap and financing framework.

**Activities relating to Output 2.2 Multilateral Power Trade Project.**

- Identify regional grid interconnection projects facilitating the uptake of clean energy.
- Support the preparation and implementation of an ASEAN multilateral power trade pilot project.



Activities relating to Output 3.1 **More secure and resilient digital connectivity to/from and within ASEAN.**

- Purchase bandwidth capacity on trusted and secure connections to provide upgraded high-speed internet capacity necessary for the Copernicus traffic and R&I networks data flow.

Activities relating to Output 3.2 **Strengthened capacities in ASEAN Member States to manage at best the increased data flow and produce added-value services.**

- Provide technical assistance and training to AMS institutions and technical counterparts to lay the ground in view of ongoing and planned EU digital connectivity actions in the ASEAN region (e.g. TEI Philippines, Asia@Connect, EU's vision for digital connectivity in the Indo-Pacific).

Activities relating to Output 4.1 **Improved conditions for regional integration, safety and sustainability of the civil aviation sector and market within ASEAN and with the EU.**

- Organise conferences, technical workshops and other capacity building activities in order to deepen dialogue and cooperation between European and South-East Asian aviation authorities, strengthen institutional links, support ASEAN regional integration, and develop a partnership in the context of the EU-ASEAN Comprehensive Air Transport Agreement (CATA).
- Organise workshops, roadshows and events to perform regulatory comparison exercises sharing best practice for a safe and secure operating environment, to enhance connectivity, to reduce market barriers and to promote industrial exchanges. This may also support the negotiation of Working Arrangements at European Union Aviation Safety Agency (EASA) level to facilitate the mutual acceptance of products and reduce market barriers, promote the exchange of data and reduce the duplication of regulatory oversight.
- Undertake regulatory comparison exercises, perform system reviews, support the development of roadmaps and technical documentation, organise staff exchanges and provide training and on-the-job support in order to increase the use and, promote understanding of EU standards, rules, best practice and technologies applied, notably in the field of aviation safety and climate action.

Activities relating to Output 4.2 **Improved implementation and oversight of minimum education, training and certification requirements as well as living and working conditions for seafarers in relevant AMS.**

- Conduct a scoping study to: 1) review the status of implementation and enforcement of the STCW and the MLC 2006 Convention, and identify potential areas where there is a need for improvement /are different interpretations in the Philippines and Indonesia, and 2) identify the measures to improve implementation, enforcement and monitoring of the relevant regulations and standards in these AMS.
- Provide technical assistance to ensure coherent implementation as well as effective enforcement and monitoring by respective administrations in the field of education, training and certification as well as the recruitment and placement of seafarers in the Philippines and Indonesia.
- Organise at least one regional/sub-regional workshop as appropriate with the participation of relevant ASEAN seafarer-supplying Member States to exchange experiences and best practices in the abovementioned fields.

Activities relating to Output 4.3 **Improved knowledge and capacities for passenger ship safety in the ASEAN region.**

- Conduct a scoping study to 1) review the status of ferry safety in Indonesia, Thailand and Malaysia and 2) identify the measures to improve domestic ferry safety in these AMS.
- Provide technical assistance to implement the identified measures, such as pilot actions and capacity building activities.
- Organise at least one regional/sub-regional workshop as appropriate with the participation of relevant AMS which are facing challenges in the field of ferry safety to exchange experiences and best practices in this field.

Activities relating to Output 5.1 **Strengthened student and academic mobility such as through the mutual recognition of qualifications / academic credits, both intra ASEAN and between EU and ASEAN complementing the Erasmus+ and Horizon Europe programmes, with a special focus on gender equality and women's empowerment and in line with the relevant ASEAN strategy and action plan in this area.**

- Provide capacity building to relevant ASEAN institutions and higher education institutions to upscale intra-ASEAN mobility for students and academics/researchers, in the areas of scholarship management, credit

transfer system and digital credentials, with a special focus on gender equality and women's empowerment, notably for women from ethnic minorities and/or (in particular disadvantaged) rural areas<sup>33</sup>.

- Facilitate EU and ASEAN student and academic mobility, with a special focus on gender equality and women's empowerment, and capacity building of higher education institutions, complementing the Erasmus+ and Horizon Europe programmes.
- Provide targeted scholarships for inclusive intra-ASEAN mobility (a minimum of 50% scholarships will be reserved for women and 10% for people living with disabilities).
- Review the information and reports available on gender equality in the ASEAN/AMS higher education sector and, based on the gaps identified, elaborate a gender sectoral analysis focusing on the areas where the existing analysis is lacking or incomplete.
- Facilitate dialogue, consensus building among key institutions in ASEAN (including Senior Official Meeting on Education (SOMED) and South East Asia Ministers of Education Organisation (SEAMEO) in support of a more integrated Southeast Asian higher education space.
- Provide technical assistance on the comparability of reference systems and higher education frameworks to relevant ASEAN bodies within ASEAN and between ASEAN and the EU.

Activities relating to Output 5.2: **Stronger EU-ASEAN cross-regional University Networks to jointly tackle global challenges, by fostering research and technological connectivity.**

- Facilitate dialogues among higher education institutions to strengthen EU-ASEAN cross-regional University Networks.
- Provide support for EU-ASEAN university networks to foster research connectivity on the overarching themes of the "Green Transition", "Sustainability" and "Digitalisation" under the Horizon Europe programme, which is open to all ASEAN Member States, with the support of EURAXESS (possibly backed up by EU/ASEAN higher education experience/expertise resulting from Erasmus+ projects in these areas).

Activities relating to Output 5.3: **Stronger ASEAN regional network of Vocational Education Institutions and businesses focusing on "green transition", "sustainability" and "digitalisation".**

- Facilitate dialogue between Vocational Education Institutions and the private sector on graduate employability, with a special attention to women and people with disabilities.
- Provide capacity building to regional network of Vocational Educational Institutions and the Private sector.
- Provide capacity building to Vocational Education Institutions on curricula, teacher training and school management (including cooperation with private sector) with a focus on skills for Green Transition and Digitalisation, as well as gender equality and women's empowerment.

Activities relating to Output 6.1: **Improved regulatory and institutional environment to facilitate investments in sustainable connectivity infrastructure projects in ASEAN/SEA:**

- Provide horizontal technical assistance support to sustainable investments in all focal areas covered under this sustainable connectivity package (e.g. support to the preparation of project pipelines, including in such areas as green corridors and sustainable maritime connectivity).
- Provide horizontal technical assistance to support the establishment of (e.g. regional) regulatory and institutional frameworks as appropriate that enable investments in cross-border connectivity infrastructure projects, notably railway projects.
- Where proposals for infrastructure connectivity projects are available, provide technical assistance as needed to support their preparation and implementation.
- Create and disseminate market knowledge among EU / EU Member State Development Finance Institutions (DFIs) to establish project pipelines in targeted countries, which may be funded through the European Fund for Sustainable Development (EFSD+).

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<sup>33</sup> ASEAN gender outlook, Ibid « Despite recent progress, more efforts are needed to address barriers to education, which still affect women of marginalized groups. Data shows that ethnic minority women are less likely to complete higher education, a challenge also faced by those living in rural areas that lack roads.»

- Build capacities among governments and the private sector in the ASEAN region to address climate change/disaster risk reduction related issues in infrastructure development, in line with applicable policy and regulatory frameworks including the Sendai Framework.
- Provide horizontal support to the implementation and coordination of the Global Gateway Sustainable Connectivity Team Europe Initiative (TEI) for ASEAN/SEA<sup>34</sup>.

### 3.3 Mainstreaming

**Outcomes of the EIA (Environmental Impact Assessment) screening** (relevant for projects and/or specific interventions within a project)

The EIA (Environment Impact Assessment) screening classified the action as Category C (no need for further assessment).

**Outcome of the CRA (Climate Risk Assessment) screening** (relevant for projects and/or specific interventions within a project)

The Climate Risk Assessment (CRA) screening concluded that this action is no or low risk (no need for further assessment).

#### **Environmental Protection & Climate Change**

The action will integrate environmental and climate change considerations under all the priorities and corresponding outcomes as follows:

1. Trade and economic connectivity: activities supporting value chains sustainability will directly address environmental sustainability, e.g. awareness raising on environmental standards, environment and sustainability impact assessments, building the capacity of MSMEs.
2. Electricity infrastructure and markets: the activities aim to facilitate the uptake of clean energy through regional grid interconnection projects.
3. Digital connectivity: digital mainstreaming will contribute to spreading the environmental benefits of digital transformation to the different connectivity areas. *Ad hoc* investment in digital infrastructure will enable Copernicus data exchange and R&I cooperation, thus support the region's ability to address natural disasters and climate change, directly benefitting environment-related areas (e.g. climate monitoring, forest management, management of natural resources).
4. Transport connectivity: relevant activities include support to climate action in the civil aviation sector to mitigate the impact of an increasing air traffic (e.g. by encouraging the uptake of new and sustainable technologies).
5. ASEAN Higher Education, research and TVET area: Support to Vocational Education Institutions will have a particular focus on the Green (and digital) transition through capacity building activities.

While no Strategic or Environmental Impact is considered necessary at this stage, specific assessments may be conducted, notably at the level of specific value chains (Outcome 1) and for activities supporting sustainable connectivity investments (e.g. project level impact assessment or several level assessments).

#### **Gender equality and empowerment of women and girls**

As per the OECD Gender DAC codes identified in section 1.1, this action is labelled as G1. This implies that a gender responsive approach will be applied throughout implementation in all activities undertaken. . The action will also have a special focus on gender equality and women empowerment in the component 5 “people to people” ensuring women are beneficiary of the opportunities offered by the Universities and the Vocational Education Training Centres. The action will be used to implement the Gender Action Plan III (GAP III) in and with ASEAN and ensure gender is taken into account in the activities of this action. For instance, a gender equality, human rights and human rights based approach will also be integrated in relevant (capacity building) activities and documents.

#### **Human Rights**

<sup>34</sup> The commitment of the EU’s contribution to the Team Europe Initiative foreseen under this action plan will be complemented by other contributions from Team Europe partners. It is subject to the formal confirmation of each respective partners’ meaningful contribution as early as possible. In the event that the TEIs and/or these contributions do not materialise the EU action may continue outside a TEI framework.

Respect for human rights is a fundamental value of the European Union. Strengthening the human rights dialogue with ASEAN and its Member States, and aligning the legal framework (ratification of international human rights treaties) and promoting the implementation of priorities under the EU-ASEAN human rights dialogue, as well as the UN Guiding Principles on business and Human Rights by states and business enterprises, are an important elements of the action. The various human rights impacts will be taken into consideration and especially as they affect those who are living in the most vulnerable situations (or potentially living in vulnerable situations), marginalised or discriminated against, such as women, youth, the elderly, indigenous peoples and minority communities. A human rights based approach will be applied throughout, ensuring meaningful and inclusive participation, non-discrimination and equality as well as accountability and transparency. The implementation of the action will be fully aligned with the EU Action Plan on Human Rights and Democracy 2020-2024<sup>35</sup>, on harnessing opportunities and addressing challenges of digital technologies.

#### **Disability**

As per OECD Disability DAC codes identified in section 1.1, this action is labelled as D0. This implies that disability is not considered the overall nor a specific objective of the action. However, in all activities all possible measures will be taken to address this issue and ensure an inclusive policy dialogue. Therefore, attention will be paid to ensure and enable the participation of people with disabilities in the activities, and to ensure that the achieved results will be accessible for people with disabilities. Special attention will be given to the principles of equal access and non-discrimination in the activities related to people to people and digital connectivity. Improved access to assistive technologies and support to digitalisation of special needs education will be explored.

#### **Democracy**

Strengthening democracy and enhancing good governance and the rule of law are purposes stated in the ASEAN charter. The importance of these principles and their relevance to the topics covered by the action (e.g. economic, digital governance, people-to-people contacts, etc.) are directly reflected in the design of the action which supports inclusive dialogues, participatory processes, clear and reliable regulatory frameworks, transparency and better access to information.

#### **Conflict sensitivity, peace and resilience**

Building resilience and preventing conflicts are relevant in ASEAN for conflicts linked to economic resources and territorial disputes. The various positions and interests of concerned stakeholders and the factors determining them (e.g. the distribution of economic resources in the ASEAN region) will be thoroughly analysed. The result will inform the implementation of the action and a conflict sensitive approach will be ensured in relevant actions.

#### **Disaster Risk Reduction**

In line with the Global Gateway strategy, the action will fully take into account the need to reduce disaster risk and strengthen resilience in the ASEAN region. For instance, through the promotion of Copernicus data exchange and R&I cooperation, the region's ability to address natural disasters and climate change will be enhanced.

#### **Other considerations if relevant: Digitalisation and minorities**

The promotion of digital solutions and technologies will be promoted throughout the action where relevant to support the digital transition.

### **3.4 Risks and Lessons Learnt**

<b>Category</b>	<b>Risks</b>	<b>Likelihood (High/ Medium/ Low)</b>	<b>Impact (High/ Medium/ Low)</b>	<b>Mitigating measures</b>
	Policy at ASEAN level may have	medium	medium	Clearly convey the value of coherent regional action for national priorities.

<sup>35</sup> [https://www.eeas.europa.eu/sites/default/files/eu\\_action\\_plan\\_on\\_human\\_rights\\_and\\_democracy\\_2020-2024.pdf](https://www.eeas.europa.eu/sites/default/files/eu_action_plan_on_human_rights_and_democracy_2020-2024.pdf)

External environment	little effect in individual member states.			Improve ASEAN's visibility as a relevant partner for its Member States.
	Heterogeneity of ASEAN Member States will make it difficult to develop common positions.	medium	medium	Ensure cooperation directly responds to the needs of a broad range of member countries. Promote exchange and cooperation formats that also directly benefit capacity building in individual countries. Ensure prospective analysis of factors that could result in diverging interests and positions (e.g. different levels of regulatory, technical and infrastructural development) and reflect positions also in bilateral dialogues with ASEAN member states.
	Political/democratic situation may impact the feasibility of implementing actions in some ASEAN Member States.	medium	medium	Ensure that activities can be adapted to changing political circumstances in ASEAN Member States and use bilateral dialogues with ASEAN member states to convey messages, understand the problems encountered by ASEAN and help with solutions.
Planning, processes and systems	Challenge to build stable relations which enable a functional policy dialogue.	low	medium	<p>Base interventions on existing structures and entry points; and develop potential activities based on joint interest and as an opportunity for peer-to-peer exchanges and mutual learning.</p> <p>All key stakeholders will be meaningfully consulted and heard prior to activities and will participate in monitoring of the action.</p> <p>Particular attention on promoting participation and capacity of the institutions and bodies promoting the involvement of youth, people living with disabilities and gender equality.</p>
People and the organisation	Lack of human and financial resources as well as limited mandates within ASEAN bodies hinder achievement.	medium	medium	Capacity building is directly supported by the action. Activities are designed with current mandates in mind and based on ASEAN work plans and programmes.
Legality and regularity	N/A	N/A	N/A	N/A
Communication and information	Actions including policy dialogue,	low	medium	Actions and outreach to be designed and implemented in partnership and



	public diplomacy and technical assistance lack credibility.			consultation with ASEAN stakeholders. Engaging with the private sector and civil society organisations will additionally facilitate the cooperation and increase the EU's recognition and raise awareness among the public.
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### Lessons Learnt:

The action builds on the experience and lessons learnt from previous and ongoing projects with ASEAN, in particular on current programmes contributing to connectivity in the region, such as ARISE+ (ASEAN Regional Integration Support from the EU) and EU SHARE (EU Support to Higher Education in the ASEAN Region), as well as policy dialogues including on transport, energy, digital, research and innovation and gender equality under E-READI (Enhanced Regional EU-ASEAN Dialogue Instrument). Special attention needs to be paid to elements of the action that are cross-sectoral in nature and require cooperation and ownership of actors under different ASEAN pillars.

The 2022 Mid Term Review of E-READI in particular has identified several lessons / recommendations which are particularly relevant to this action:

- Building on the EU-ASEAN dialogues supported by E-READI will not only guide the action but will also contribute to the overall sustainability of EU-ASEAN cooperation.
- The further prioritisation of activities should take into account areas where the EU has strengths, expertise and best practices. Beyond E-READI, other actions have shown the need to strike a balance between core interest and key challenges faced by ASEAN and the EU.
- An action with a broad scope entails risks of silos; Measures will be taken to link the outcomes together in order to promote a strategic approach and achieve greater impacts.
- Adequate engagement with and involvement of the private sector and civil society organizations should be ensured, as appropriate.

Another lesson from previous projects is the need for sustained support. Future support to ASEAN entities should foster stronger ownership and thus translate into increased longer-term financial commitments from ASEAN Member States.

In terms of management, experience shows the importance of close coordination with ASEAN structures, including the secretariat but also relevant working groups and (in line with the roadmaps if applicable) sectoral bodies, in order to build broad ownership and ensure timely start and the delivery of activities. It will also be essential to ensure flexibility in the steering and management of the action.

A Final Evaluation of ARISE+ will be conducted in 2023. Their conclusions and lessons learnt will feed into the implementation of this action.

The action will also take into account lessons learnt and good practices developed in the framework of EU multi-country and bilateral actions and will coordinate with projects implemented by the European Investment Bank (EIB) and EU Member States actions.

With regard to transport connectivity (component 4) and the working conditions of Seafarers (output 4.2) coordination will be sought with the ongoing “Ship to Shore rights – South East Asia” project<sup>36</sup>, a regional programme on labour migration in the fishing sector. It will be important to ensure coherence and complementarities where relevant between the Maritime labour convention (convention 186 of the International Labour organisation) and the 2007 Work in Fishing Convention (No. 188). Lessons learnt in one or the other sectors will have to be applied and adapted to the context of seafarers or fishers.

<sup>36</sup> <https://shiptoshorerights.org/>

### 3.5 The Intervention Logic

This action aims to provide a framework for cooperation with ASEAN under the broad theme of connectivity and the Global Gateway, and to improve sector coordination by strengthening the capacities of ASEAN (Working Groups, Sectoral Bodies) and its Member States. The action will link policy dialogue with technical assistance and bring in other stakeholders, including the private sector, and civil society at a regional level and in ASEAN Member States wherever feasible.

Increased and coordinated engagement facilitated by the action will allow leveraging additional funding from EU Member States and European financial institutions, to create greater impact and will ensure the success of the Regional Team Europe Initiative on Sustainable Connectivity with ASEAN/South-East Asia and coherence with other EU-funded actions in the region, including the related Team Europe Initiatives in ASEAN Member States and the Regional Green Team Europe with ASEAN/South-East Asia. In combination with EU bilateral programmes, the European Fund for Sustainable Development+ (EFSD+), as well as actions from the EIB and EU Member States, this action will be a key initiative to implement the Global Gateway approach in South-East Asia.

It is expected that activities, including policy dialogue, technical assistance, capacity development on regulatory frameworks and sharing experiences and know-how among ASEAN and from the EU, will lead to improve connectivity within ASEAN and between ASEAN and the EU in the key areas of trade, economic, energy, transport and digital connectivity as well as improve the conditions for trade and investment flows, to more sustainable, resilient, and inclusive value chains, and to complement regional efforts on the clean energy transition. The action will also support people-to-people connectivity, notably in the area of higher education and research, in combination with EU initiatives notably under ERASMUS+ and Horizon Europe.

Because of the broad scope and the different nature of sectors covered, the action shall be seen as a package of actions: five sectorial actions for 1. trade/economic connectivity, including sustainable value chains, 2. energy, 3. digital, 4. transport, 5. people to people connectivity, and one cross-cutting action to support infrastructure investments in all sectors. In view of the strategic importance of the connectivity topic and for better coherence and coordination this set of actions is presented under a single framework. This implies a simplification of the results chain, where the outcomes almost translate into impact at component level, while the outputs could be sometimes considered outcomes. However, at single project level the results chain will be developed as per EU guidance.

The action will integrate environmental sustainability, decent work, gender equality and women's empowerment and climate action e.g. through activities promoting green and international labour standards across value chains, facilitating renewable energy generation by strengthening regional electricity market integration, inclusive green job creation and the development of green skills for all, especially for those living in the most vulnerable situations; thus contributing to the promotion of the twin green and digital transitions while leaving no-one behind.

The action will also contribute to the implementation of the Gender Action Plan III, notably its thematic areas aiming at strengthening economic and social rights of women's and girls, as well as the one relating to addressing the challenges and harnessing the opportunities of the digital transition.

### 3.6 Logical Framework Matrix

This indicative logframe constitutes the basis for the monitoring, reporting and evaluation of the intervention.

On the basis of this logframe matrix, a more detailed logframe (or several) may be developed at contracting stage. In case baselines and targets are not available for the action, they should be informed for each indicator at signature of the contract(s) linked to this AD, or in the first progress report at the latest. New columns may be added to set intermediary targets (milestones) for the Output and Outcome indicators whenever it is relevant.

- At inception, the first progress report should include the complete logframe (e.g. including baselines/targets).
- Progress reports should provide an updated logframe with current values for each indicator.
- The final report should enclose the logframe with baseline and final values for each indicator.

The indicative logical framework matrix may evolve during the lifetime of the action depending on the different implementation modalities of this action.

The activities, the expected Outputs and related indicators, targets and baselines included in the logframe matrix may be updated during the implementation of the action, no amendment being required to the Financing Decision.

PROJECT MODALITY (3 levels of results / indicators / Source of Data / Assumptions - no activities)

Results	Results chain (@): Main expected results (maximum 10)	Indicators (@): (at least one indicator per expected result)	Baselines (values and years)	Targets (values and years)	Sources of data	Assumptions
<b>Impact</b>	To improve sustainable connectivity between the EU and ASEAN and within ASEAN	1. Trade flow within ASEAN  2. Trade flow between ASEAN and the EU  3. Share of MSMEs in ASEAN having adopted digital technology  4. Renewable energy share in the total final energy consumption (GERF 1.3)  5. Number of ship accidents in 3 selected AMS  6. Number of AMS seeking to improve the collection, analysis, and use of sex-disaggregated ICT data (GAP III indicator)	1. Intra-ASEAN: USD 370 million (goods, 2021)  2. ASEAN exports to EU: USD 170 million (goods, 2021)  3. TBD in inception phase (2023)  4. TBD in inception phase (2023)  5. TBD in inception phase (2023)  6. TBD in inception phase (2023)	1. TBD in inception phase (2027)  2. TBD in inception phase (2027)  3. TBD in inception phase (2027)  4. TBD in inception phase (2027)  5. TBD in inception phase (2027)	1. COMTRADE/ITC TradeMap  2. COMTRADE/ITC TradeMap  3. Data from AMS  4. United Nations Statistics Division (UNSD)  5. Data from AMS  6. Data from AMS	<i>Not applicable</i>

<b>Outcome 1</b>	Improved regulatory frameworks, dialogue and institutional capacities in key areas of <b>trade and economic connectivity</b> with a focus on resilient, socially and environmentally sustainable value chains and on better conditions for trade and investment flows	<p>1.1. Number of processes related to partner country practices on trade, investment and business, or promoting the external dimension of EU internal policies or EU interest, which have been influenced ( GERF 2.15) (% of which are gender sensitive)</p> <p>1.2. Number of MSMEs applying Sustainable Consumption and Production practices with EU support (GERF 2.6), disaggregated by sex of the business owner</p> <p>1.3. Number of ASEAN institutions integrating sustainability, green or digital offerings into their services to the private sector</p>	<p>1.1. 0 (2023)</p> <p>1.2. TBD in inception phase (2023)</p> <p>1.3. TBD in inception phase (2023)</p>	<p>1.1. 20 (2027)</p> <p>1.2 TBD in inception phase (2027)</p> <p>1.3. TBD in inception phase (2027)</p>	<p>1.1. Data from ASEC/AMS</p> <p>1.2. Data from AMS, international organisations and MSME monitoring reports</p> <p>1.3. Data from AMS, MSME monitoring reports</p>	<p>Political and security situation remains stable</p> <p>ASEAN and AMS are committed to regional economic integration and the achievement of 2025 and post 2025 AEC objectives</p>
<b>Outcome 2</b>	Strengthened regional <b>integration of electricity infrastructure and markets</b> in the ASEAN region	2.1 Number of signed Multi-country Trading Agreements by ASEAN Member States	2.1 0 (2023)	2.1 TBD in inception phase (2027)	2.1 Data from ASEC	ASEAN and AMS are committed to take on board sustainability, as well as gender equality and women's empowerment targets
<b>Outcome 3</b>	Strengthened ASEAN/AMS regulatory environment for secure, resilient and human-centric <b>digital connectivity</b> and ground prepared for secure and resilient digital infrastructure	3.1 Number of countries supported by the EU to implement digital-related policies/strategies/laws/regulations (GERF 2.10)	3.1 TBD in inception phase (2023)	3.1 TBD in inception phase (2027)	3.1 Data from AMS, Copernicus	
<b>Outcome 4</b>	Enhanced <b>transport connectivity</b> and technical cooperation between the EU and ASEAN as well as within ASEAN, with a focus on safety, digital solutions where relevant,	4.1 Number of initiatives launched in the ASEAN region enforcing safety, environmental standards and rulemaking in civil aviation	<p>4.1 TBD in inception phase (2023)</p> <p>4.2 0 (2023)</p> <p>4.3 0 (2023)</p>	<p>4.1 TBD in inception phase (2027)</p> <p>4.2 2 (2027)</p> <p>4.3 3 (2027)</p>	<p>4.1 Policy/reform documents and EASA reports</p> <p>4.2 Commission assessments based on EMSA reports from</p>	

	and on social and environmental sustainability	<p>4.2 Number of AMS fully and effectively compliant with the STCW and the MLC 2006 Conventions</p> <p>4.3 Number of AMS where the domestic ferry regulatory framework updated and implemented in line with IMO model regulations</p>			<p>STCW inspections carried out before and after the technical assistance</p> <p>4.3 Ministry/ agency administrative data, stakeholders, ferry safety reports by Interferry, IMO and WMU and the ASEAN Regional Forum on ferry safety</p>	
<b>Outcome 5</b>	Increased exchanges and <b>people-to-people connections</b> , notably in relation to higher education, TVET and research within ASEAN as well as between the EU and ASEAN with a focus on gender equality and women's empowerment, as well as digital and green skills	<p>5.1. Number of student and academic mobility intra ASEAN and between ASEAN and the EU, disaggregated by sex</p> <p>5.2. Number of Horizon Europe projects funded involving ASEAN research organisations</p> <p>5.3 Status of ASEAN Higher Education Space</p>	<p>5.1 TBD in inception phase (2023)</p> <p>5.2. 46 (2023)</p> <p>5.3 Not existing (2023)</p>	<p>5.1 TBD in inception phase (2027)</p> <p>5.2. TBD in inception phase (2027)</p> <p>5.3 Existing (2027)</p>	<p>5.1 Data from ASEAN Higher education statistics, UNESCO</p> <p>5.2 Data from Horizon Europe</p> <p>5.3 Data from Erasmus+</p>	
<b>Output 1 relating to Outcome 1</b>	1.1 Improved policies and regulatory environment for fair and sustainable <b>trade and investment</b> in ASEAN	<p>1.1.1. Number of trade policies, legislations and reforms (services, investment, public procurement, trade facilitation, sustainable trade, etc.) developed/revised with support of the EU-funded intervention (% of which are gender sensitive)</p> <p>1.1.2. Number of ASEAN and EU-ASEAN multi-stakeholder trade and investment dialogue platforms facilitated by the EU-funded intervention</p> <p>1.1.3. Number of private sector beneficiaries supported by the EU-funded intervention demonstrating greater awareness of cross-border</p>	<p>1.1.1. 0 (2023)</p> <p>1.1.2. 0 (2023)</p> <p>1.1.3. TBD in inception phase (2023)</p>	<p>1.1.1 40 (2027)</p> <p>1.1.2. 90 (2027)</p> <p>1.1.3. TBD in inception phase (2027)</p>	<p>1.1.1. Policy and reform papers, feedback forms and interviews with beneficiaries</p> <p>1.1.2. Progress reports for the EU-funded intervention, ASEAN and AMS event reports</p> <p>1.1.3. Progress reports for the EU-funded intervention, reports on company diagnostics</p>	<p>Full participation of selected staff in training programmes</p> <p>AMS ratify the protocols necessary for implementation</p> <p>Continued support is granted from sectoral divisions and key</p>



		trade management, disaggregated by sex				stakeholders in ASEAN and AMS
<b>Output 2 relating to Outcome 1</b>	1.2 Improved capacities of ASEAN businesses for <b>digital connectivity</b> with a focus on MSMEs and women led MSMEs	1.2.1. Number of new analytical works and tools for enhancement of ASEAN digital systems provided with support of the EU-funded intervention  1.2.2 Number of MSMEs trained by the EU-funded intervention with increased knowledge and/or skills in digital transformation (incl. in the area of ecommerce, disaggregated by sex)	1.2.1. 0 (2023)  1.2.2. 0 (2023)	1.2.1. 30 (2027)  1.2.2. TBD in inception phase (2027)	1.2.1. Progress reports for the EU-funded intervention, feedback from ASEC and AMS  1.2.2. Progress reports for the EU-funded intervention	Adequate co-ordination is ensured with other donor agencies
<b>Output 3 relating to Outcome 1</b>	1.3 Increased knowledge and capacities for ensuring environmental and social <b>value chain sustainability</b> among ASEAN insititutions and private sector	1.3.1. Number of value chain operators in ASEAN incl. MSMEs and women-owned MSMEs reporting increased knowledge of EU and international policies and standards on environment and social sustainability  1.3.2. Number of partnerships and business linkages initiated with support of the EU-funded intervention for ASEAN value chain actors, incl. MSMEs and women-owned MSMEs  1.3.3. Number of recommendations for addressing sustainability challenges and non-tariff barriers along value chains developed with support of the EU-funded intervention	1.3.1. TBD in inception phase (2023)  1.3.2. TBD in inception phase (2023)  1.3.3. 0 (2023)	1.3.1. TBD in inception phase (2027)  1.3.2. TBD in inception phase (2027)  1.3.3. 100 (2027)	1.3.1. Progress reports for the EU-funded intervention  1.3.2. Progress reports for the EU-funded intervention  1.3.3. Progress reports for the EU-funded intervention	
<b>Output 4 relating to Outcome 1</b>	1.4 Enhanced harmonisation, convergence of practices, and cooperation among the AMS on <b>IP</b>	1.4.1 Number of Trademarks and Industrial design filings in the ASEAN region supported by the EU-funded intervention	1.4.1 TBD in inception phase (2023)	1.4.1 TBD in inception phase (2027)	1.4.1 WIPO statistics, Progress reports for the EU-funded intervention	

		1.4.2 Number of ASEAN IPR Action Plan initiatives supported by the EU-funded intervention	1.4.2 TBD in inception phase (2023)	1.4.2 TBD in inception phase (2027)	1.4.2 WIPO statistics, Progress reports for the EU-funded intervention	
<b>Output 1</b> <b>relating to</b> <b>Outcome 2</b>	2.1 Strengthened analytical and strategic framework for the <b>APG initiative</b>	2.1.1 Number of new analytical works conducted for the ASEAN Interconnection Masterplan Study (AIMS) III with support of the EU-funded intervention  2.1.2 Status of a roadmap with financing framework for the ASEAN Power Grid developed with support of the EU-funded intervention	2.1.1 0 (2023)  2.1.2 Not in existence (2023)	2.1.1 3 (2027)  2.1.2 Yes in existence (2027)	2.1.1 Data from ACE, HAPUA  2.1.2 Data from ASEC	
<b>Output 2</b> <b>relating to</b> <b>Outcome 2</b>	2.2 <b>Multilateral Pilot Grid Interconnection Project</b> implemented	2.2.1 Status of implementation of Multilateral Pilot Grid Interconnection Project	2.2.1 Not started (2023)	2.2.1 Implemented (2027)	2.2.1 Progress reports for the EU-funded intervention, data from ASEAN Secretariat, ACE	
<b>Output 1</b> <b>relating to</b> <b>Outcome 3</b>	3.1 More secure and resilient <b>digital connectivity</b> to/from and within ASEAN	3.1.1 Number of AMS connected with upgraded capacity (100 Gbps) with support of the EU-funded intervention	3.1.1 0 (2023)	3.1.1 3 (2027)	3.1.1 Copernicus system, Progress reports for the EU-funded intervention and other relevant Progress reports for the EU-funded interventions (i.e. Asia@connect project)	
<b>Output 2</b> <b>relating to</b> <b>Outcome 3</b>	3.2 Strengthened <b>capacities</b> in ASEAN to manage the increased data flow and produce added-value services	3.2.1 Number of institutions in ASEAN trained to receive and use Copernicus data and services with the support of the the EU-funded intervention	3.2.1 TBD in inception phase (2023)	3.2.1 TBD in inception phase (2027)	3.2.1 Copernicus system, Progress reports for the EU-funded intervention	
<b>Output 1</b> <b>relating to</b> <b>Outcome 4</b>	4.1 Improved conditions for regional integration, safety and sustainability of the <b>civil aviation</b> market within ASEAN and with the EU	4.1.1 Number of technical arrangements between the EU and ASEAN and/or states in the South East Asian region made with support of the EU-funded intervention	4.1.1 TBD in inception phase (2023)	4.1.1 TBD in inception phase (2027)	4.1.1 Policy/reform documents from AMS and EASA reports	
<b>Output 2</b> <b>relating to</b> <b>Outcome 4</b>	4.2 Improved implementation and oversight of minimum education, training and	4.2.1 Number of measures implemented with support of the EU-funded intervention to	4.2.1 0 (2023)	4.2.1 TBD in inception phase (2027)	4.2.1 Baseline and endline studies conducted and budgeted by the EU-	

	certification requirements as well as living and working conditions for <b>seafarers</b> in relevant AMS	improve implementation, enforcement and monitoring			funded intervention, EMSA reports	
<b>Output 3</b> <b>relating to Outcome 4</b>	4.3 Improved knowledge and capacities for <b>passenger ship safety</b> in relevant AMS and in the wider ASEAN region	4.3.1 Number of measures implemented with support of the EU-funded intervention to improve domestic ferry safety and related pilot actions and capacity building	4.3.1 0 (2023)	4.3.1 TBD in inception phase (2027)	4.3.1 Baseline and endline studies conducted and budgeted by the EU-funded intervention, data from AMS national administrations, ferry safety reports by Interferry, IMO, WMU, ASEAN Regional Forum on ferry safety	
<b>Output 1</b> <b>Relating to Outcome 5</b>	5.1 Strengthened <b>student and academic mobility</b> , with a focus on gender equality, such as through the mutual recognition of qualifications / academic credits, both intra ASEAN and between EU and ASEAN	<p>5.1.1 Number of students, and HE staffs, including disadvantaged groups, participating in Inter-ASEAN student scholarship and staff exchange programmes using digital credentials with support of the EU-funded intervention (disaggregated by sex, ethnic origin and disability)</p> <p>5.1.2 Number of ASEAN Institutions and higher education institutions having implemented the credit transfer system and digital credentials</p> <p>5.1.3 Status of implementation of the roadmap towards ASEAN Higher Education space</p> <p>5.1.4 Status of comparability of reference systems between ASEAN &amp; EU frameworks</p>	<p>5.1.1 TBD in inception phase (2023)</p> <p>5.1.2 0 (2023)</p> <p>5.1.3 Not started (2023)</p> <p>5.1.4 Not existing (2023)</p>	<p>5.1.1 TBD in inception phase (2027)</p> <p>5.1.2 TBD in inception phase (2027)</p> <p>5.1.3 TBD in inception phase (2027)</p> <p>5.1.4 Existing (2027)</p>	<p>5.1.1 Progress reports for the EU-funded intervention</p> <p>5.1.2 UNESCO / DAECTS (ASEAN-owned platform for digital credentials)</p> <p>5.1.3 Progress reports for the EU-funded intervention, SHARE supported studies</p> <p>5.1.4 Progress reports for the EU-funded intervention, SHARE supported studies</p>	

<b>Output 2</b> <b>relating to</b> <b>Outcome 5</b>	5.2. Stronger EU-ASEAN cross-regional <b>University Networks</b> to jointly tackle global challenges	5.2.1 Number of participants (disaggregated by sex) in events organised with support of the EU-funded intervention involving higher education institutions to strengthen EU-ASEAN cross-regional University Networks	5.2.1 0 (2023)	5.2.1. TBD in inception phase (2027)	5.2.1 Progress reports for the EU-funded intervention, EU SHARE supported studies
		5.2.2 Number of research collaborations between EU and ASEAN in close coordination with EURAXESS ASEAN under the themes of “Green Transition”, “Digitalisation” established with support of the EU-funded intervention	5.2.2 0 (2023)	5.2.2 TBD in inception phase (2027)	5.2.2 Progress reports for the EU-funded intervention, EU SHARE supported studies
<b>Output 3</b> <b>relating to</b> <b>Outcome 5</b>	5.3 Stronger ASEAN <b>regional network of Vocational Education Institutions and businesses</b> focusing on the “green transition”, “sustainability”, “women’s empowerment” and “digitalization”	5.3.1 Number of dialogues between Vocational Educational Institutions and businesses to improve graduate employability established with support of the EU-funded intervention	5.3.1 0 (2023)	5.3.1 TBD in inception phase (2027)	5.3.1 Progress reports for the EU-funded intervention, EU SHARE supported studies
		5.3.2 Number of persons trained (disaggregated by sex) with increased knowledge and/or skills in curricula, teacher training and school management with a focus on green transition, sustainability, gender equality and women’s empowerment and digitalization	5.3.2 0 (2023)	5.3.2 TBD in inception phase (2027)	5.3.2 Progress reports for the EU-funded intervention, EU SHARE supported studies
<b>Output 6.1</b> <b>Relating to all</b> <b>Outcomes</b>	6.1 Improved regulatory and institutional environment to facilitate investments in <b>sustainable connectivity infrastructure projects in ASEAN/SEA</b>	6.1.1 Number of persons trained in ASEAN/AMS (disaggregated by sex) with increased knowledge of regulatory and institutional frameworks conducive to sustainable cross-border connectivity infrastructure projects	6.1.1 0 (2023)	6.1.1 TBD in inception phase (2027)	6.1.1 Progress reports for the EU-funded intervention
			6.1.2 0 (2023)	6.1.2 TBD in inception phase (2027)	6.1.2 1 Progress reports for the EU-funded intervention
		6.1.2 Number of persons reached in EU/ EU Member State Development Finance Institutions	6.1.3 0 (2023)	6.1.3 TBD in inception phase (2027)	6.1.3 Progress reports for the EU-funded

		(DFIs) with increased awareness of funding opportunities in ASEAN/SEA through the European Fund for Sustainable Development (EFSD+)			intervention, EFSD+ statistics	
		6.1.3 Number of sustainable infrastructure projects proposed for implementation in ASEAN/SEA with support of the EU-funded intervention				



## 4 IMPLEMENTATION ARRANGEMENTS

### 4.1 Financing Agreement

In order to implement this action, it is not envisaged to conclude a financing agreement with ASEAN.

### 4.2 Indicative Implementation Period

The indicative operational implementation period of this action, during which the activities described in section 3 will be carried out and the corresponding contracts and agreements implemented, is 72 months from the date of adoption by the Commission of this Financing Decision.  
Extensions of the implementation period may be agreed by the Commission's responsible authorising officer by amending this Financing Decision and the relevant contracts and agreements.

### 4.3 Implementation Modalities

The Commission will ensure that the EU appropriate rules and procedures for providing financing to third parties are respected, including review procedures, where appropriate, and compliance of the action with EU restrictive measures<sup>37</sup>.

#### 4.3.1 Direct Management (Grants)

##### **Grants: (direct management)**

##### **(a) Purpose of the grant(s)**

A grant will be awarded to support the achievement of Outcome 3.

##### **(b) Type of applicants targeted**

In order to be eligible for a grant, applicants must:

- be legal entities, public and private sector organisations, CSOs legal entities, natural persons or groupings without legal personality; local authorities, public bodies, international organisations, NGOs, economic operators such as SMEs.

#### 4.3.2 Direct Management (Procurement)

Output 4.2 contributing to Outcome 4, will be achieved through procurement.

Output 6.1 contributing to all outcomes, will also be achieved through procurement.

#### 4.3.3 Indirect Management with a pillar assessed entity

A part of this action may be implemented in indirect management with entities, which will be selected by the Commission's services using the following criteria and entailing:

Outputs 1.1, 1.2, 1.3 contributing to Outcome 1:

- At least 5 years of experience in providing advisory services, capacity building and/or technical assistance to public and private sector;
- Knowledge of the ASEAN context;
- Capacity to work with key bodies of ASEAN;
- Proven expertise in the areas of trade, investment and economic connectivity (incl. digital economy), and environmentally and socially sustainable value chains.

<sup>37</sup> [www.sanctionsmap.eu](http://www.sanctionsmap.eu). Please note that the sanctions map is an IT tool for identifying the sanctions regimes. The source of the sanctions stems from legal acts published in the Official Journal (OJ). In case of discrepancy between the published legal acts and the updates on the website it is the OJ version that prevails.

Output 1.4 contributing to Outcome 1:

- At least 5 years of experience in providing advisory services, capacity building and/or technical assistance to public and private sector;
- Knowledge of the ASEAN context;
- Capacity to work with key bodies of ASEAN;
- Proven expertise in Intellectual Property.

Outcome 2:

- At least 5 years of experience in providing advisory services, capacity building and/or technical assistance to public and private sector;
- Knowledge of the ASEAN context;
- Capacity to work with key bodies of ASEAN;
- Proven expertise in electricity infrastructure and markets.

Output 4.1 contributing to Outcome 4:

- At least 5 years of experience in providing advisory services, capacity building and/or technical assistance to public and private sector;
- Knowledge of the ASEAN context;
- Capacity to work with key bodies of ASEAN;
- Proven expertise in civil aviation.

Output 4.3 contributing to Outcome 4:

- At least 5 years of experience in providing advisory services, capacity building and/or technical assistance to public and private sector;
- Knowledge of the ASEAN context;
- Capacity to work with key bodies of ASEAN;
- Proven expertise in maritime safety.

Outcome 5:

- At least 5 years of experience in providing advisory services, capacity building and/or technical assistance to public and private sector;
- Knowledge of the ASEAN context;
- Capacity to work with key bodies of ASEAN;
- Proven expertise in higher education, TVET and research.

#### 4.3.4 Changes from indirect to direct management mode (and vice versa) due to exceptional circumstances (one alternative second option)

In case, due to circumstances outside of the Commission's control, it is not possible to implement the action in indirect management with one or more pillar assessed entities as described under section 4.3.3, the alternative implementation modalities will be as follows.

Outputs 1.1, 1.2, 1.3 contributing to Outcome 1 will be achieved through procurement.

- Output 1.4 contributing to Outcome 1 will be achieved through procurement.
- Outcome 2 will be achieved through procurement.
- Output 4.1 contributing to Outcome 4 will be achieved through procurement.
- Output 4.3 contributing to Outcome 4 will be achieved through procurement.
- Outcome 5 will be achieved through procurement.

In case, due to circumstances outside of the Commission's control, it is not possible to implement the action in direct management as described under section 4.3.1 (grants), the alternative implementation modality will be indirect management with an entity to be selected by the Commission's services using the following criteria and contributing to Outcome 3:

- At least 5 years of experience in the field of digital infrastructure and services for research and education.
- Proven expertise in the implementation of programmes, including EU-funded ones, in the ASEAN region.

In case, due to circumstances outside of the Commission's control, it is not possible to implement the action in direct management as described under section 4.3.2 (procurement), the alternative implementation modality will be indirect management with an entity to be selected by the Commission's services using the following criteria and entailing:

Output 4.2 contributing to Outcome 4:

- At least 5 years of experience in providing advisory services, capacity building and/or technical assistance to public and private sector;
- Knowledge of the ASEAN context;
- Capacity to work with key bodies of ASEAN;
- Proven expertise in international maritime law regulation, especially on education, training and certification requirements as well as living and working conditions for seafarers.

Output 6.1:

- At least 5 years of experience in providing advisory services, capacity building and/or technical assistance to public and private sector;
- Knowledge of the ASEAN context;
- Capacity to work with key bodies of ASEAN;
- Proven expertise in the field of investments for sustainable infrastructure.

#### 4.4. Scope of geographical eligibility for procurement and grants

The geographical eligibility in terms of place of establishment for participating in procurement and grant award procedures and in terms of origin of supplies purchased as established in the basic act and set out in the relevant contractual documents shall apply, subject to the following provisions.

The Commission's authorising officer responsible may extend the geographical eligibility on the basis of urgency or of unavailability of services in the markets of the countries or territories concerned, or in other duly substantiated cases where application of the eligibility rules would make the realization of this action impossible or exceedingly difficult (Article 28(10) NDICI-Global Europe Regulation).

For this multi-country action, natural persons who are nationals of, and legal persons who are effectively established in the following countries and territories covered by this action, are also eligible: Brunei Darussalam, Singapore, Timor-Leste.

#### 4.5. Indicative Budget

<b>Indicative Budget components<sup>38</sup></b>	<b>EU contribution (amount in EUR)</b>	<b>Third-party contribution (amount in EUR)</b>
<b>Implementation modalities</b> – cf. section 4.3		
<b>Trade, Economic Connectivity and Sustainable Value Chains (Outcome 1)</b> composed of	<b>23 000 000</b>	<b>1 000 000</b>
Indirect management - cf. section 4.3.3	20 000 000	

<sup>38</sup> N.B: The final text on audit/verification depends on the outcome of ongoing discussions on pooling of funding in (one or a limited number of) Decision(s) and the subsequent financial management, i.e. for the conclusion of audit contracts and payments.

Indirect management - cf. section 4.3.3	3 000 000	1 000 000
<b>Electricity Infrastructure and Markets (Outcome 2)</b> composed of	<b>4 000 000</b>	29 000 000
Indirect management with MS Organisation or international organisation - cf. section 4.3.3	4 000 000	29 000 000
<b>Digital (Outcome 3)</b> composed of	<b>4 000 000</b>	
Direct management – cf. section 4.3.1	4 000 000	Grants (direct management) – cf. section 4.3.1
<b>Transport (Outcome 4)</b> composed of	<b>12 000 000</b>	
Indirect management - cf. section 4.3.3	7 000 000	
Procurement (direct management) – cf. section 4.3.2	4 000 000	
Indirect management - cf. section 4.3.3	1 000 000	
<b>People to People (Outcome 5)</b> composed of	<b>9 000 000</b>	300 000
Indirect management	9 000 000	300 000
<b>Investments/Technical Assistance (Output 6.1 contributing to all Outcomes)</b> composed of	<b>8 000 000</b>	
Procurement (direct management) – cf. section 4.3.2	8 000 000	Procurement (direct management) – cf. section 4.3.2
<b>Grants</b> – total envelope under section 4.3.1	4 000 000	
<b>Procurement</b> – total envelope under section 4.3.2	12 000 000	
<b>Evaluation</b> – cf. section 5.2 <b>Audit</b> – cf. section 5.3	Covered by another Decision	
<b>Totals</b>	<b>60 000 000</b>	<b>30 300 000 (tbc)</b>

#### 4.6. Organisational Set-up and Responsibilities

The EU and ASEAN will set up a Programme Steering Committee (PSC) and act as Co-Chairs to guide the overall implementation of the ASEAN-wide components of this action. This PSC will take place at least once per year and will, where possible, be convened back to back with a relevant EU-ASEAN meeting at the appropriate level. The PSC will (i) provide strategic and policy guidance on project implementation, (ii) review and endorse annual work plans, (iii) monitor project outputs and achievements, (iv) address obstacles and challenges related to project implementation. It will include representatives from the EU, including from relevant Commission services, and from relevant ASEAN bodies and centres as needed.

The PSC will also be guided by the EU-ASEAN Dialogues relevant to the action. The Connectivity Division and other relevant Directorates in ASEC could support the PSC in monitoring the general implementation and in convening the PSC Meetings. Special consideration will be given to the involvement of ASEC directorates under the Economic Pillar in charge of issues addressed by the action.

PSC Sub-groups may be set-up for specific components of the action. These sub-groups shall include relevant EU Delegations as appropriate to ensure linkages with country-level MIPs and TEIs.

Representatives from EU-funded programmes at regional and national levels will be invited for technical level meetings and lessons learned will be shared with them as appropriate.

As part of its prerogative of budget implementation and to safeguard the financial interests of the Union, the Commission will participate – with a leading role - in the above governance structures set up for governing the implementation of the action.

## 5 PERFORMANCE MEASUREMENT

### 5.1 Monitoring and Reporting

The day-to-day technical and financial monitoring of the implementation of this action will be a continuous process, and part of the implementing partner's responsibilities. To this aim, the implementing partner shall establish a permanent internal, technical and financial monitoring system for the action and elaborate regular progress reports (not less than annual) and final reports. Every report shall provide an accurate account of implementation of the action, difficulties encountered, changes introduced, as well as the degree of achievement of its results (Outputs and direct Outcomes) as measured by corresponding indicators, using as reference the logframe matrix (for project modality) and the partner's strategy, policy or reform action plan list (for budget support).

All monitoring and reporting shall assess how the action is considering the principle of gender equality, the human rights-based approach, and rights of persons with disabilities including inclusion and diversity. Indicators shall be disaggregated at least by sex.

The Commission may undertake additional project monitoring visits both through its own staff and through independent consultants recruited directly by the Commission for independent monitoring reviews (or recruited by the responsible agent contracted by the Commission for implementing such reviews).

Roles and responsibilities for data collection, analysis and monitoring:

The implementing partner is responsible for day to day monitoring and reporting based on the agreed indicators in the logframe. Adjustments to the agreed indicators will be subject to a discussion and approval of the advisory committee. The contracting authority will be responsible for the approval of annual reports.

For the indicators in the logframe that require a survey to collect baseline and endline data, the relevant implementing partner is responsible for implementation, through the project funding sources and within the timeframe to be agreed in the project inception phase.

### 5.2 Evaluation

Having regard to the importance of the action, a mid-term and/or final evaluation(s) may be carried out for this action or its components via independent consultants contracted by the Commission.

The mid-term evaluation could be carried out for problem solving and learning purposes, in particular with respect to the intention to launch a second phase of the action.

The final evaluation is envisaged and it will be carried out for accountability and learning purposes at various levels (including for policy revision), taking into account in particular the fact that the action covers a wide variety of issues through different implementation modalities. In case (parts of) the action would be co-financed by EU Member States, evaluations could be conducted jointly for those components.

All evaluations shall assess to what extent the action is taking into account the human rights-based approach as well as how it contributes to gender equality and women's empowerment. Expertise on human rights and gender equality will be ensured in the evaluation teams.

The Commission shall inform the implementing partner at least 2 months in advance of the dates envisaged for the evaluation missions. The implementing partner shall collaborate efficiently and effectively with the evaluation experts, and inter alia provide them with all necessary information and documentation, as well as access to the project premises and activities.

The evaluation reports may be shared with the partners and other key stakeholders following the best practice of evaluation dissemination. The implementing partner and the Commission shall analyse the conclusions and recommendations of the evaluations and, where appropriate, apply the necessary adjustments.

The financing of the evaluation may be covered by another measure constituting a Financing Decision.

### 5.3 Audit and Verifications

Without prejudice to the obligations applicable to contracts concluded for the implementation of this action, the Commission may, on the basis of a risk assessment, contract independent audit or verification assignments for one or several contracts or agreements.

## 6 STRATEGIC COMMUNICATION AND PUBLIC DIPLOMACY

The 2021-2027 programming cycle will adopt a new approach to pooling, programming and deploying strategic communication and public diplomacy resources.

It will remain a contractual obligation for all entities implementing EU-funded external actions to inform the relevant audiences of the Union's support for their work by displaying the EU emblem and a short funding statement as appropriate on all communication materials related to the actions concerned. This obligation will continue to apply equally, regardless of whether the actions concerned are implemented by the Commission, partner countries, service providers, grant beneficiaries or entrusted or delegated entities such as UN agencies, international financial institutions and agencies of EU member states.

However, action documents for specific sector programmes are in principle no longer required to include a provision for communication and visibility actions promoting the programmes concerned. These resources will instead be consolidated in Cooperation Facilities established by support measure action documents, allowing Delegations to plan and execute multiannual strategic communication and public diplomacy actions with sufficient critical mass to be effective on a national scale.