

NEWS DIGEST

Addressing Digitalization in the ASEAN Economic Community 2025

On 28 April 2021, ASEAN launched the [Report of the Mid-Term Review \(MTR\)](#) of the ASEAN Economic Community (AEC) Blueprint 2025. The MTR was held to assess the progress of the implementation of the AEC Blueprint since 2016. Although important achievements have been realized in many areas, some gaps remain. On consumer protection, the report noted that regional cooperation should also encompass the topic of cross-border transactions due to the fast-growing e-commerce market in the region. This recommendation has been accommodated in the [updated ASEAN Strategic Action Plan on Consumer Protection \(ASAPCP\) 2025 and Implementation Schedule 2021-2025](#).

Accelerating Digital Transformation: Strategy for Recovery

ASEAN published the [ASEAN Comprehensive Recovery Framework \(ACRF\)](#) and [Implementation Plan in November 2020](#) as a consolidated exit strategy to overcome the COVID-19 crisis. The framework reflects ASEAN's priority on the welfare of society with digital skills high on the agenda. As new technologies are being explored to maximize opportunities for e-commerce, e-government services and digital connectivity, it is critical to ensure that consumers are treated fairly. Among others, the [ASEAN Online Business Code of Conduct](#) will be disseminated to encourage ethical business practices and help maintain consumer trust in digital markets.

BUYERS BEWARE

Since our first edition of PROTECT Pulse on the topic of digitalization, significant developments to shape the evolving digital economy can be observed. COVID-19 has brought topics, such as data privacy, digital literacy, as well as platform responsibilities and liability, to the forefront of policy discussions.

Across ASEAN, efforts are under way to leverage digital technologies for post-pandemic recovery and new business opportunities. This is also in the interest of consumers – but only if their basic rights are duly accounted for.

Catch up on some selected news from ASEAN in this latest edition of **PROTECT Pulse on Digitalization 2.0**.

Happy reading!

Indonesian Startups Merger Elevates Super-apps Ecosystem

Gojek and Tokopedia, two Indonesian unicorns, announced [merger to form GoTo group](#) in May 2021, becoming the largest technology group that covers e-commerce, ride-hailing, and digital financial services. GoTo is set to compete with other super-apps in ASEAN, particularly after Grab's public listing in the US with a special purpose acquisition company (SPAC) and Sea Group's Shopee new food delivery service. However, Indonesia's Competition Commission (KPPU) is still [waiting for a formal merger notification](#) to examine effects on dynamics in the market. Potential implications on consumer choice, as discussed in relation to large digital platforms in other countries, should be kept in view.

Vietnam Regulates Responsibilities of E-Commerce Service Providers

The Ministry of Industry and Trade (MoIT) released a [Draft Decree](#) amending Decree No. 52 in January 2021. Foreign traders and organizations conducting e-commerce activities in Vietnam now have new obligations aimed at protecting consumer interests, notably ensuring product quality and authenticating sellers identities. They also share the responsibility if they fail to take timely remedial actions when businesses using their platform violate laws or fail to facilitate dispute resolution and claims.

SMEs in Cambodia are Shifting to E-Commerce

Cambodian entrepreneurs are starting to switch from brick-and-mortar to the digital marketplace. The Ministry of Commerce, with support from Australian Aid, published [a series of good practice guides](#) for Small and Medium-sized Enterprise (SME) owners selling online. Under the [ARISE Plus Cambodia](#) program, GIZ together with EuroCham, held an [SME Export Talk in April 2021](#) to familiarize SMEs with using social media for international trade. Digital literacy skills for both businesses and consumers are critical in the face of growing e-commerce, and to underpin the implementation of the laws on consumer protection and e-commerce that were enacted in late 2019.

Governments Eyeing Digital Literacy Agenda

With the pandemic forcing the delivery of education online, the Malaysian government launched the [Malaysia Digital Economy Blueprint \(MyDIGITAL\)](#), with one of the priorities to improve digital skills, e.g. the My Digital Teacher initiative to upskill teachers in using technology at primary and secondary level education. In Indonesia, the government initiated the [National Digital Literacy Program](#) in May 2021 to raise public awareness on digital literacy. In this connection, GIZ together with Center for Indonesian Policy Studies (CIPS) published a [policy brief](#) highlighting the need for an improved school curriculum to equip children with digital skills.

Consumers Lack Privacy Rights without a Data Protection Bill

In light of recent data breaches in the region, such as [of Indonesian citizens' personal data](#) from the Social Security Administrator (BPJS) for Health database in May 2021 and the [sale of millions of e-commerce user records in Thailand](#) in November 2020, the ratification of data protection and security bills in these and other ASEAN countries constitutes an urgent priority. As delays in the passing of necessary laws render consumers more vulnerable to digital attacks, lessons and inspiration from the recent [amendment to the Personal Data Protection Act](#) of Singapore can be drawn in finalizing pending laws and regulations.

New Cyber Laws Raise Concerns on Consumer Privacy

More than a hundred civil society organizations in Myanmar objected the new cybersecurity law proposed by the military junta in February 2021 as it grants the government authority to access data and block websites. With questions raised on freedom of speech and consumer privacy, the junta amended the Electronic Transactions Law to deal with cybercrimes, which conflicted with its initial intended purpose to secure online transactions. Similar concerns were raised regarding the new sub-decree on Cambodia's National Internet Gateway, which foresees a new internet firewall that could be used to track activists and impede freedom of speech.

Improving Healthcare Services through Digital Technology

Digital innovations are also entering the health sector. E-health platforms and telemedicine apps have played a vital role during the COVID-19 pandemic by alleviating the burden of hospitals and clinics. As resources are freed up for more urgent cases, consumers have easier, efficient and more affordable access to consultations and selected healthcare services. In March 2021, Indonesia's online healthcare platform collaborated with a ride-hailing company to support the Ministry of Health's COVID-19 vaccination program via drive-thru service and a digital registration process. This followed previous joint efforts to facilitate online appointments for PCR testing. Similarly, the Ministry of Digital Economy and Society (MDES) of Thailand cooperated with an ICT company in May 2021 to provide digital communication networks in the health sector.

