Background

Information and Communication Technologies (ICT) have fundamentally changed the nature of global relationships, sources of competitive advantage and opportunities for economic and social development.

The e-ASEAN Framework was developed and agreed upon by the ASEAN governments on recognizing the urgency to capitalize on the opportunities and challenges of the sector. The e-ASEAN framework outlines the goals of the e-ASEAN endeavor, and defines the initiatives that are required to achieve these goals. One of the key initiatives of this journey is to assess the current position of each member nation from digital readiness perspective.

To give an impetus to this task, the Secretariat had retained IBM as consultants in assisting them with the digital readiness assessment.

This Readiness Guide was prepared by IBM, was updated based on the experience of the assessment exercise undertaken in September 2001.

1. Infrastructure

Infrastructure is the pre-requisite for digital readiness. Recognizing the importance of infrastructure, the ASEAN leaders have identified it as one of the initiatives in the e-ASEAN Framework. This encompasses not only the development of in-country infrastructure, but also regional cooperation for a regional information infrastructure.

The e-ASEAN Framework describes this initiative in the following words:

Facilitation of the Establishment of the ASEAN Information Infrastructure

- Member States shall enhance the design and standards of their national information infrastructure with a view to facilitating interconnectivity and ensuring technical inter-operability between each other’s information infrastructure.
- Member States shall work towards establishing high-speed direct connection between their national information infrastructures with a view to evolving this interconnection into an ASEAN Information Infrastructure backbone.
- Complementing the ASEAN Information Infrastructure, Member States shall work towards developing ASEAN content, relating but not limited
to, cooperation in digital libraries and tourism portals.

- Member States shall work towards facilitating the setting up of national and regional Internet exchanges and Internet gateways, including regional caching and mirroring.

2. e-Society

The relevance of any technology lies in its extent of use in developing the lives of the common man, at large. Internet and Communication Technology (ICT) can significantly impact society by providing easier access to information, more efficient ways to communicate and powerful organization tools.

The e-ASEAN Framework has identified e-Society as one of the initiatives, in the following words:

1. Member States shall build an e-ASEAN community by promoting awareness, general knowledge and appreciation of ICT, particularly the Internet. In relation to this, a capacity building programme would be developed on the basis of an evaluation of the e-readiness of ASEAN Member States that would include education and training for small business enterprises, ICT workers, policy makers and regulators. The more advanced Member States with ICT training facilities would offer training courses to the less advanced Member States.

2. To increase ICT literacy and expand the base of ICT workers in the region, Member States shall develop a regional human resource development program covering schools, the community and the workplace.

3. Member States shall work towards establishing an e-Society by:
   - Fostering the development of a knowledge-based society;
   - Narrowing the digital divide;
   - Enhancing competitiveness of the workforce;
   - Facilitating freer flow of knowledge workers; and
   - Usage of ICT to enhance the spirit of ASEAN community.

3. e-Commerce

E-commerce presents significant opportunities, not only by reducing the cost of transactions, but also by extending the market reach. To reap the full benefits of e-commerce, it is essential to have the regulatory environment (taxation, legal etc.) to recognize and accommodate the changes required for e-commerce.

The e-ASEAN Framework has stressed on bringing about these changes in the following words:
Member States shall adopt electronic commerce regulatory and legislative frameworks that create trust and confidence for consumers and facilitate the transformation of businesses towards the development of e-ASEAN. To this end, Member States shall:

1. Expeditiously put in place national laws and policies relating to electronic commerce transactions based on international norms;
2. Facilitate the establishment of mutual recognition of digital signature frameworks;
3. Facilitate secure regional electronic transactions, payments and settlements, through mechanisms such as electronic payment gateways;
5. Take measures to promote personal data protection and consumer privacy; and
6. Encourage the use of alternative dispute resolution (ADR) mechanisms for online transactions.

4. e-Government

Government plays a key role in digital environment, not only by providing the right regulatory framework, but also leading the way in using ICT for offering government services, and transforming the internal processes. The e-government initiative is described in the e-ASEAN Framework in the following words:

1. Member States shall utilise the ICT to improve the provision and delivery of services by the government.
2. Member States shall take steps to provide a wide range of government services and transactions on-line by usage of ICT applications to facilitate linkages between public and private sector and to promote transparency.
3. Member States shall work towards enhancing inter-governmental cooperation by:
   - Promoting the use of electronic means in their procurement of goods and services; and
   - Facilitating freer flow of goods, information and people within ASEAN.

5. Liberallising trade in ICT products and services
Robust ICT Sector supports easier progression on to networked economy, apart from generating demand for associated goods, services, labor, and policy reforms. The Framework describes this initiative in the following words:

Liberalization of Trade in ICT Products and ICT Services, and of Investments

1. Member States shall enter into negotiations which shall be directed towards accelerating commitments of the Member States relating to ICT products, ICT services and investments under the Agreement on the Common Effective Preferential Tariff Scheme for the ASEAN Free Trade Area, the ASEAN Framework Agreement on Services and the Framework Agreement on the ASEAN Investment Area.

2. Member States shall eliminate duties and non-tariff barriers on intra-ASEAN trade in ASEAN ICT products in three tranches. The first tranche shall take effect on 1 January 2003. The second tranche shall take effect on 1 January 2004. The third tranche shall take effect on 1 January 2005. For Cambodia, Lao PDR, Myanmar and Viet Nam, the three tranches are to take effect on 1 January 2008, 2009 and 2010. The ICT products falling under the three tranches shall be submitted by Member States to the ASEAN Secretariat.

3. Member States shall achieve higher levels of liberalisation of trade in ICT services through successive rounds of negotiations under the ASEAN Framework Agreement on Services to realise free flow of services.

4. Subject to the provisions of the Framework Agreement on the ASEAN Investment Area, each Member State shall:
   - Open immediately its ICT products to investments by ASEAN investors; and
   - Accord immediately to ASEAN investors and their investments in respect of ICT products, and measures affecting such investments including but not limited to the admission, establishment, acquisition, expansion, management, operation and disposition of such investments, treatment no less favorable than it accords to its own like investors and investments.