



Australian Government

ASEAN AND SOUTHEAST ASIA COVID-19 DEVELOPMENT RESPONSE PLAN

- Southeast Asia, with ASEAN at its core, sits at the heart of the Indo-Pacific and our vision for a stable, open, inclusive and resilient region. Southeast Asia's future is critical to our strategic and economic interests.
- COVID-19 is exposing pre-existing challenges facing Southeast Asia and is reversing some of the region's hard-won development gains. A prolonged economic downturn will have implications for Australian prosperity and could put pressure on the rules and norms that underpin regional growth and stability.
- Australia's ASEAN and Southeast Asia regional development response aims to address the transboundary challenges posed by COVID-19, and strengthen the regional architecture required to respond effectively. It complements work under Australia's Southeast Asia bilateral COVID-19 Development Response Plans.

Southeast Asia sits at the nexus of strategic competition in the Indo-Pacific and is vital to Australia's security and prosperity. Australia has long-standing investments in development cooperation to address shared regional challenges. We are the Association of South East Asian Nations (ASEAN)'s longest-standing Dialogue Partner. ASEAN and the ASEAN-led regional architecture remain at the heart of Australia's vision for a stable, open, inclusive and resilient Indo-Pacific, and are essential to the regional recovery from COVID-19. Beyond development cooperation, our relationships and engagement in Southeast Asia extend to political, strategic and economic spheres.

This plan aims to address the regional challenges posed by COVID-19 and outlines the regional investments and architecture required to respond effectively. In doing so, it will complement Australia's Southeast Asia bilateral COVID-19 Development Response Plans.

COVID-19 SITUATION ANALYSIS

COVID-19 presents the region with complex, transboundary development, economic and strategic challenges. How countries in the region respond to COVID-19 will have long-term impacts for Australia's economic and security interests.

The pandemic is threatening lives, stability and livelihoods across Southeast Asia. It is challenging health systems, stalling human development, testing social and political cohesion and disrupting economies.

Governments in the region are balancing the need to prevent and address health impacts while also maintaining economic activity. The pandemic is laying bare the challenges already posed by rising inequality across Southeast Asia. It is having a disproportionate

impact on vulnerable groups, including women and girls, and people with disabilities. COVID-19 will reverse some of the region's hard-won development gains.

The preparedness and capacity of health systems varies greatly across Southeast Asia. As of mid-September 2020, the majority of regional COVID-19 cases had been recorded in the Philippines, Indonesia and Singapore. In the initial phase of the pandemic, the Mekong sub-region largely managed to control COVID-19. However, any significant increase in case numbers would quickly overwhelm local and national health systems. Our shared health security depends on controlling transmission rates in the region.

COVID-19 has compounded shifts in the distribution of power in the region and further sharpened strategic competition. Pressure on the rules, norms and institutions that foster an open, inclusive and prosperous Indo-Pacific has become more acute. Ongoing and increasing erosion of the international rules-based order undermines international peace and stability.

A prolonged economic downturn risks undermining the rule of law and stability in our region. Increased poverty, particularly in densely populated urban areas, will exacerbate existing social tensions, providing fertile ground for illicit, criminal and terrorist networks.

The projected impact of COVID-19 on economic growth in Southeast Asia is severe, with forecasts of a recession expected to be far worse than the 1997-98 Asian Financial Crisis. Tight border controls have disrupted trade and investment flows. Restrictions on international travel and the global economic downturn have slowed vital remittance flows, severely affecting countries such as the Philippines and Timor-Leste, where the World



Bank estimates remittances account for 9.3 per cent and 6.0 per cent of these countries' GDP respectively. Countries reliant on tourism are also severely affected, with Thailand expecting an 8.1 per cent contraction in GDP in 2020. While the pandemic is yet to precipitate a food crisis, COVID-19 is amplifying existing vulnerabilities and exposing new risks in food systems and supply chains at local, national and regional levels. The region's vulnerability to climate change and disasters is compounding the current economic and health crisis.

ASEAN is our second-largest trading partner as a bloc and has a collective population of more than 640 million people. In 2019-20, there was over \$100 billion in two-way trade between Australia and ASEAN, and over \$250 billion in two-way investment stock, creating jobs and supporting prosperity in Australia and Southeast Asia. A strong regional economic recovery from COVID-19 is inextricably linked to Australia's economic prospects.

AUSTRALIA'S RESPONSE

Australia's Partnerships for Recovery strategy places a strong focus on Southeast Asia and ASEAN in recognition of our shared interests in building a stable, prosperous, and resilient Indo-Pacific.

Australia is a long-standing partner of ASEAN, which has a key role to play in shaping the post crisis regional order. A strong ASEAN response to COVID-19 that reinforces ASEAN's role at the heart of the region is important to our long-term interests. Our development programs with ASEAN complement enhanced political engagement, including through Leaders' Summits and Ministerial Meetings. We will also elevate our engagement in the Mekong sub-region, where development and strategic challenges are acute.

From the outset of COVID-19, Australia's regional programs in Southeast Asia pivoted swiftly to address the immediate health, humanitarian and early economic recovery needs of our partners. Over the next two years, we will support regional governance and institutions and address the transboundary dimension of issues affecting the region's health security, stability and economic recovery.

Beyond Official Development Assistance, Australia's regional response to COVID-19 in Southeast Asia encompasses the breadth of our engagement, including diplomacy, defence, policing, security, immigration, commercial, scientific and people-to-people links. We will also pursue opportunities to partner with our Southeast Asian neighbours to support their regional leadership on COVID-19 and work with other like-minded bilateral actors.

In order for COVID-19 recovery to be inclusive, sustainable and enduring, women as well as people with disabilities must be meaningfully involved in shaping and implementing these efforts. We will embed gender mainstreaming principles and broader social inclusion efforts across our response. Recognising the disproportionate impact of COVID-19 on people with disabilities, we will continue to support implementation of ASEAN's Enabling Masterplan 2025 on Mainstreaming the Rights of Persons with Disabilities.

Health Security

Australia's regional health response will help address gaps in health systems to bolster health security, spanning efforts to contain the spread of the virus, conduct health awareness campaigns, support local health systems with equipment and training, and facilitate supply chains for essential goods. Our assistance will be flexible and responsive to emerging needs as the pandemic unfolds.

We will align our investments with ASEAN's Comprehensive Recovery Framework and support ASEAN-led health initiatives currently in development. A new ASEAN-Australia Health Security Program will strengthen regional health systems by focusing on reducing the risk of pandemics. We will work with ASEAN experts to improve regional pandemic preparedness, enhance workforce capacity and reduce the transmission of diseases in wildlife wet markets through better hygiene practices. We will work with Brunei, ASEAN Chair in 2021, to focus the Work Plan for the ASEAN Defence Ministers Meeting-Plus Experts' Working Group on Military Medicine on the role of military organisations in managing pandemics.

Australia's Indo-Pacific Centre for Health Security will continue to support a number of regional investments to offer training and placement opportunities for epidemiologists from Cambodia, Laos, Myanmar, Thailand and Vietnam to strengthen national responses to COVID-19; build capacity in public health and veterinary diagnostics, and strengthen emergency operation centres in Cambodia, Laos, Indonesia and Myanmar; and work with Australia's Therapeutic Goods Administration to improve the impact and safety of medical products across the region.

We will support equitable access to safe and effective COVID-19 vaccines in Southeast Asia through multilateral and regional initiatives to finance, assess, deliver, and monitor COVID-19 vaccines, including through Australia's \$80 million contribution to the Gavi COVAX Advance Market Commitment.



Working with the Asian Development Bank (ADB), we are mapping the supply chains of essential COVID-19 medical products to help investors and governments ensure companies involved in manufacturing and distribution have enough financial support to meet demand.

Through IOM, and in collaboration with the Department of Home Affairs, we will help respond to health security challenges presented by COVID-19 at border crossings across the Mekong sub-region. Australian funding will provide personal protective equipment, capacity building and technical support for immigration officials, and strengthen data collection efforts.

We will collaborate with partners across the region to combat the spread of agricultural pests and diseases, protecting regional biosecurity and strengthening food security, including through Australia's science agency, CSIRO. Researchers at the Australian Centre for Disease Preparedness are training virologists from across the region to support rapid identification of zoonotic diseases. Complementing this work, the Australian Centre for International Agricultural Research will bring leading Australian researchers and regional counterparts together to address the critical interface between people, animals and the environment.

We will continue to support countries of the region expand coverage of essential health services. Maintaining investment in immunisation, sexual and reproductive health, maternal and child health and non-communicable disease is vital to mitigate disruptions that would severely affect human capital and recovery.

Stability

Australia is committed to supporting stability between and within Southeast Asian countries in the face of unprecedented challenges posed by COVID-19. The ASEAN-Australia Political-Security Partnership will strengthen ASEAN institutional and member state capability to address shared security issues such as maritime security, cybersecurity, and transnational crime.

At the crossroads of two oceans, Southeast Asia's maritime waterways play a vital role in the region's prosperity and security. These waterways bear the majority of the region's trade in goods, while its fisheries underpin the livelihood of many coastal communities. An open, inclusive, safe, and rules-based maritime domain is therefore central to the region's COVID-19 response and recovery efforts. Australia will work in partnership with Southeast Asian states to uphold a rules-based maritime order and the primacy of the United Nations Convention on the Law of the Sea, support the region's resilience to

maritime security threats, and safeguard ocean health.

We will support efforts to maintain social cohesion and improve law and justice in the region. We will work with Mekong countries to address illicit drug trafficking, child sexual exploitation and financial crimes. We will work with Southeast Asian partners to build a more resilient, secure and safe cyberspace. A number of Australian Government agencies such as the Department of Foreign Affairs and Trade, the Australian Federal Police, the Australian Signals Directorate and the Attorney-General's Department will work together to mitigate COVID-generated malicious cyber activity and ongoing cyber threats, prevent and respond to cybercrime, and strengthen understanding of international law and norms in cyberspace.

COVID-19 is likely to exacerbate irregular migration issues, including people smuggling, human trafficking and modern slavery. The UNODC estimated in 2019 that annual illicit flows of goods and persons in Southeast Asia were worth up to \$158 billion. In addition, the International Organization for Migration (IOM) estimates that up to 800,000 people are trafficked across international borders each year, and, on any given day, 2.5 million people are in forced labour as a result of human trafficking.

Australia is engaging the region on these issues through our role as Co-Chair of the Bali Process on People Smuggling, Trafficking in Persons and Related Transnational Crime. To address possible increases in irregular migration and protect the most vulnerable, our long-standing ASEAN-Australia Counter-Trafficking program (ASEAN-ACT) will support just punishment of traffickers and protect the rights of victims. ASEAN-ACT will ensure counter-trafficking activities can continue in a safe and effective manner.

Effective and accountable governance, support for human rights and engagement with civil society will underpin inclusive and durable recovery and stability in Southeast Asia. We will generate applied research to inform government and stakeholders' responses to COVID-19. Our support for developing and deploying digital solutions for city planning, service delivery and financial management will help build citizens' trust in local governments as they maintain core service delivery.

We will explore new ways to promote human rights in the context of COVID-19, including the rights of women and girls, that will complement the work of the Australian Human Rights Commission with the ASEAN Intergovernmental Commission on Human Rights. We will strengthen our advocacy and engagement, including through a second ASEAN-Australia Women, Peace and



Security Dialogue, to amplify our efforts to enhance gender equality and women's contribution to lasting peace and stability after crises.

Economic Recovery

Drawing on long-standing regional economic programs, Australia is well-placed to assist the region's economic recovery efforts through support for trade, investment, regulatory reform, connectivity, infrastructure development, and effective resource management.

We will continue to support ASEAN's strategic economic and connectivity agendas, including in strengthening supply chains, and responding to the Fourth Industrial Revolution. The ASEAN-Australia Development Cooperation Program Phase II will assist the development and implementation of high quality economic strategies, strengthening ASEAN's resilience and its central role in setting regional agendas.

The ASEAN-led Regional Comprehensive Economic Partnership (RCEP) will support regional economic integration, building on the ASEAN-Australia-New Zealand Free Trade Area (AANZFTA). RCEP will address non-tariff barriers, including in areas such as biosecurity and technical standards, by promoting compliance with World Trade Organization rules and improving cooperation. In parallel, the AANZFTA Economic Cooperation Support Program and anticipated RCEP economic cooperation program support the implementation of both trade agreements. The ASEAN-Australia Digital Trade Standards Initiative will improve regional trade flows and supply chains by harmonising digital trade standards and removing non-tariff barriers to trade.

Australia's Asia Pacific Economic Cooperation (APEC) capacity building initiatives, which include and extend beyond Southeast Asia, will help combat the economic effects of COVID-19, including by building supply chain resilience and strengthening support for small and medium enterprises and vulnerable sectors.

Promoting safe and fair migration in the region and supporting remittance flows will be critical to the region's recovery. The Tripartite Action to Enhance the Contribution of Labour Migration to Growth and Development in ASEAN (TRIANGLE) will strengthen labour migration governance frameworks

and mitigate exploitation of vulnerable migrant workers. Effective and efficient water resource management will be particularly important to COVID-19 recovery in the Mekong sub-region. The Mekong River Commission (MRC) estimates the aggregate economic value of water-related sectors in the Lower Mekong Basin alone amounts to \$49 billion per year. Our Mekong Australia Program for Water and Renewable Energy will support economic recovery of the sub-region through innovative water, energy and climate resilience partnerships and government-to-government technical assistance. It will contribute to regional stability by reinforcing rules-based water and energy cooperation. It will support informed, inclusive and transparent decision-making processes involving civil society, with a focus on women's leadership, and support regional architecture including the MRC, the Ayeyawady-Chao Phraya-Mekong Economic Cooperation Strategy (ACMECS) and Friends of Lower Mekong.

To drive resilient and sustainable economic growth, Australia's new Southeast Asia Economic Governance and Infrastructure Facility will contribute to quality infrastructure development in the region. It will advance economic recovery, delivering technical advice and government partnerships to improve decision-making on the use of infrastructure for stimulus and job creation.

Focusing on areas of comparative advantage, we will work in concert with others to amplify our support to economic recovery in Southeast Asia. We will leverage Australia's contributions to multilateral financial institutions such as the World Bank and the ADB, and engage the private sector in new and innovative ways. We will continue to help female-led businesses to emerge and operate during the pandemic.

HOW WE WILL WORK

At the heart of our regional development cooperation in Southeast Asia is a commitment to long-term, two-way, equal partnerships founded on mutual respect and understanding. We stand ready to build on our shared history of cooperation by working holistically across a broad range of foreign policy, trade, economic and strategic issues, supporting effective regional institutions and promoting agreed rules and norms. We will retain flexibility to respond to changing circumstances and needs over the next two years.

TABLE 1: COVID-19 RESPONSE PLAN PERFORMANCE FRAMEWORK

Country Plan	Health Security	Stability	Economic Recovery
<p>Expected Outcomes</p>	<ul style="list-style-type: none"> Strengthened health systems and capacity in countries in Southeast Asia to respond to health security threats (SDG 3) Strengthened ASEAN mechanisms and capacity to prevent, detect, and respond to zoonotic and animal diseases with pandemic potential and to public health emergencies (SDG 3) <p>Countries in Southeast Asia maintain coverage of essential health services and improve financial protection for health service users (SDG 3, 5)</p>	<ul style="list-style-type: none"> Strengthened criminal justice governance systems and enhanced policy analysis and capacity in Southeast Asia to combat human trafficking and transnational crime (SDG 1, 5, 16) Strengthened ASEAN and Member State capability in to address shared challenges, including maritime and cyber security to support the rules based order (SDG 16) <p>Civil society and women and girls in Southeast Asia participate in and contribute to COVID-19 response and recovery, including through the Women, Peace and Security Agenda (SDG 5, 16, 17)</p>	<ul style="list-style-type: none"> Enhanced awareness and policy change in Southeast Asia (including the Mekong sub-region) leading to stronger infrastructure, energy and water governance to achieve sustainable, inclusive and resilient economic growth (SDG 6, 8, 9, 16, 17) Strengthened economic governance and policies to enhance regional value chains, connectivity and safe labour migration across Southeast Asia (SDG 1, 4, 5, 8, 9, 16) <p>ASEAN’s and Member States’ commitment to regional economic integration is maintained , including through effective implementation of the ASEAN-Australia-New Zealand FTA (AANZFTA) and anticipated Regional Comprehensive Economic Partnership (SDG 8)</p>
<p>Key Results</p>	<ul style="list-style-type: none"> Evidence that partner countries in Southeast Asia have improved responses to health security threats Coordinated surveillance systems in place in the animal health and public health sectors for zoonotic diseases / pathogens in countries in Southeast Asia Evidence of strengthened health systems in Southeast Asia, including for health emergency preparedness, resulting from Australian support to partner countries Examples of Australia’s support for ASEAN-led efforts to strengthen regional architecture for responding to public health emergencies Contraceptive protection from unplanned pregnancies made available through Australian support in Cambodia, Myanmar and Vietnam (target 62,000 in Apr 2020-Mar 2021) 	<ul style="list-style-type: none"> Evidence of technical and policy support for ASEAN-led processes in priority political security areas (maritime security, cybersecurity, women, peace and security and transnational crime) Number of male and female police and law and justice officials trained (pending targets) High quality, transnational crime and border security analysis produced to inform policy frameworks and operational strategies Examples of technical advice provided to domestic maritime agencies in partner countries to increase efficiency and coordination Examples of policy advice and progress on reform initiatives with Southeast Asia governments and civil society networks Evidence of increased women’s leadership and participation in water resources and renewable energy projects / policy development processes 	<ul style="list-style-type: none"> Evidence of policy support and/or change for water, energy and infrastructure decision-making including new government-to-government collaboration on planning, procurement, regulation, and inclusion of gender and social analysis Examples of policy and technical advice provided to partner countries or regional organisations on responding to the immediate economic impacts of COVID 19 and longer term sustainable and inclusive economic recovery Evidence of policy, legislative and/or technical support on labour migration, reducing remittance costs, protection and gender equality for migrant workers Examples of ASEAN policy development, technical advice and capacity building to enable ASEAN to promote regional economic integration, including number of male and female officials trained to enhance the implementation of Free Trade Agreements and other related instruments Examples of technical, policy and capacity building support provided to expand women’s economic opportunities in Southeast Asia
<p>Supporting Investments</p>	<ul style="list-style-type: none"> COVAX Advance Market Commitment contribution ASEAN-Australia Health Security Program ASEAN-Australia Health Security Fellowship Program Southeast Asia Laboratory Strengthening program Indo-Pacific Regulatory Strengthening Program Health Emergency Operations Mekong sub-region responding to cross border mobility challenges at points of entry during COVID-19 program Mekong Women’s Empowerment Project Advance Universal Health Coverage Multi-Donor Trust Fund 	<ul style="list-style-type: none"> ASEAN-Australia Counter-Trafficking program ASEAN-Australia Political-Security Partnership Mekong Australia Program on Transnational Crime Regional Maritime Cooperation Southeast Asia Open, Inclusive and Accountable Governance in Southeast Asia Mekong-Australia Program on Transnational Crime ASEAN Australia Smart Cities Initiative Cyber Cooperation Program Regional gender equality initiatives 	<ul style="list-style-type: none"> Southeast Asia Economic Governance and Infrastructure Facility ASEAN Australia Development Cooperation Program II Mekong Australia Program for Water and Renewable Energy AANZFTA Economic Cooperation Support Program RCEP Economic Cooperation program Economic Research Institute for ASEAN Tripartite Action to Enhance the Contribution of Labour Migration to Growth and Development in ASEAN project ASEAN-Australia Digital Trade Standards Malaysia and Thailand Reform Partnerships Investing in Women <p>Asia Pacific Economic Cooperation initiatives</p>