



MEMORANDUM OF UNDERSTANDING BETWEEN THE ASSOCIATION OF SOUTHEAST ASIAN NATIONS AND THE ORGANISATION FOR ECONOMIC CO-OPERATION AND DEVELOPMENT

The Association of Southeast Asian Nations (ASEAN), with its Secretariat located in Jl. Sisingamangaraja No.70A Jakarta, Indonesia, and the Organisation for Economic Co-operation and Development (OECD), whose headquarters are situated at 2 Rue André Pascal, 75016 Paris, France (hereinafter referred to singularly as "the Participant" and collectively as "the Participants"),

CONSIDERING ASEAN as an inter-governmental organisation whose purposes, as expressed in the ASEAN Charter, are, among others, to foster a region of lasting peace, security and stability, sustained economic growth, shared prosperity and social progress whilst adhering to the principles of centrality, consensus, and unity and diversity;

CONSIDERING the OECD, successor of the Organisation for European Economic Co-operation, as an international organisation established in 1961, whose aim is in particular to promote policies designed to achieve the highest sustainable economic growth and employment and a rising standard of living, while maintaining financial stability, and thus to contribute to the development of the world economy;

RECALLING that, in 2007, the OECD identified Southeast Asia as a region of strategic priority, deepening the OECD's engagement with the region through the OECD Southeast Asia Regional Programme (SEARP) launched in 2014 that supports domestic priorities, policy reforms and regional integration efforts;

RECALLING FURTHER that the ASEAN Economic Community Blueprint 2025 cites strategic collaboration with institutions and organisations, such as the OECD, as critical to achieving regional economic integration and realising a highly integrated, cohesive, competitive, innovative and dynamic Southeast Asia;

NOTING that the current work streams of SEARP align strategically with the Blueprints of the ASEAN Economic Community and the ASEAN Socio-Cultural Community as well as the Master Plan on ASEAN Connectivity 2025, specifically in the areas of micro, small and medium-sized enterprises (MSMEs), taxation, investment, good regulatory practice, trade, innovation, education and skills, and gender;

ACKNOWLEDGING that further to its existing programmes of work in Southeast Asia, the OECD implements key initiatives in sectors and on issues of importance to the ASEAN Economic and Socio-Cultural Communities, such as private sector development, MSMEs, global value chains, digitalisation, smart cities, health, insurance and pensions, migration, well-being, inclusion and sustainability;

DETERMINED to build on synergies and complementarities, maximise the impact of initiatives, and create added value and benefits to their respective Members,

HAVE REACHED THE FOLLOWING UNDERSTANDING:

PARAGRAPH 1 OBJECTIVES

1. The objective of this Memorandum of Understanding ("MOU") is to promote cooperation between the Participants

on matters of mutual interest and set out a strategic framework to enable efficient, coordinated and consistent collaboration around priority areas for collaboration outlined in Paragraph 3.

2. This MOU provides a framework for strengthening and further widening cooperation between the Participants and is not legally binding (except for Paragraph 6 on Protection of Intellectual Property Rights, Confidentiality and Logos). The implementation of the MOU is subject to the rules and decision-making procedures applicable to each Participant. No provision herein will be construed so as to in any way interfere with the Participants' independent decision making with regard to their own respective affairs and operations. Specific written arrangements may be decided and executed by the Participants to carry out joint activities within this framework.

3. Any activities conducted under this MOU are subject to their inclusion in the Participants' respective programmes of work and budgets and to the availability of funds.

PARAGRAPH 2 GENERAL PRINCIPLES OF COLLABORATION

1. Under the auspices of this MOU, the Participants will develop specific programmes, projects and activities in support of shared priorities. These joint initiatives will be implemented by both Participants in the spirit of cooperation and mutual benefit.

2. The collaboration set out under this MOU will improve ASEAN Member States' access to the policy experiences from evidence-based policy advice of the OECD to consider domestic policy reforms. This collaboration will also strengthen ASEAN's engagement with the OECD. For the OECD, enhanced engagement with the region provides a better understanding of ASEAN regional policies, priorities, and programs, and their integration into or alignment with OECD policy debates.

PARAGRAPH 3 PRIORITY AREAS FOR COLLABORATION

Priority areas for collaboration to be covered by this MOU will include but will not be limited to those listed in the Annex, which may be revised or updated as needed, subject to discussion and decision of the Participants.

PARAGRAPH 4 MODALITIES FOR COLLABORATION

1. Each Participant will bear its own costs under this MOU, unless otherwise decided in separate written agreements to be concluded by the Participants. Without prejudice to specific agreements on a case-by-case basis, joint action will not give rise to any financial contributions, compensation or reimbursement by either Participant.

2. The Participants may cooperate through various means which may include, but are not limited to, the following:

- (a) Exchange of information, best practices and lessons learnt;
- (b) Reciprocal participation in workshops of mutual relevance, technical or expert groups;
- (c) Capacity building and related activities;
- (d) Organisation of joint consultations, conferences, policy dialogues, meetings, seminars and workshops;
- (e) Provision of strategic advice, technical support and guidance;
- (f) Production of joint publications of research or studies, data and analytic reports, surveys, and other knowledge products on sectors and thematic

areas of common interest, subject to a separate written agreement;

- (g) Joint implementation and co-financing of programmes and projects, whose realisation would be subject to a separate written agreement; and
- (h) Other means of cooperation as mutually agreed.

PARAGRAPH 5 IMPLEMENTATION ARRANGEMENTS

1. The Participants will jointly develop a work programme detailing the specific programmes, projects and activities to be implemented over a two-year period. The work programme will be updated as needed by the Participants.

2. The implementation of specific programmes, projects and activities in the work programme may be subject to separate written agreements between the Participants, as needed. Unless otherwise agreed in such separate agreements, the general provisions agreed in the present MOU will apply.

3. Periodic meetings of Representatives of both Participants will be convened to assess progress made in the areas of cooperation, discuss working methods, review implementation arrangements, priority areas for collaboration, and specific written agreements referred to in Paragraph 5.2, and adjust and update the work programme as appropriate. The Participants will hold these meetings periodically as required and not less than once every two years.

PARAGRAPH 6 PROTECTION OF INTELLECTUAL PROPERTY RIGHTS, CONFIDENTIALITY AND LOGOS

1. The Participants may disclose to the public this MOU and information with respect to activities carried out under this

MOU in accordance with the Participants' relevant policies and Member States' laws, rules, and regulations, where relevant.

2. Each Participant shall protect confidential and/or classified information received from the other Participant. Any sharing of confidential information between the Participants shall be subject to the Participants' relevant rules and policies and their Member States' respective laws, rules and procedures relating to the disclosure of confidential information, where relevant.

3. Each Participant shall observe the privacy of meetings, and the classification of documents, information and other data received or supplied to the other Participant during the period of the implementation of this MOU which have been identified as confidential.

4. Except in relation to joint activities or cooperation projects duly approved in writing by the Participants, neither Participant shall use the name, acronym, emblem, or official logo of the other Participant without prior written approval.

5. The Participants recognise the importance of protecting and respecting intellectual property rights as provided by the Participants' relevant rules and policies and, where relevant, in the World Trade Organization Agreement on the Trade-Related Aspects of Intellectual Property Rights (WTO TRIPS Agreement), and, all treaties relating to intellectual property rights to which all Member States of the Participants are parties. This MOU does not grant the right to use any work created outside the framework of this MOU of which one Participant is the author or holds the intellectual property rights. Ownership of intellectual property rights arising from the implementation of this MOU shall be determined and decided upon by the Participants on a case-by-case basis in separate agreements in accordance with the procedures referred to in Paragraph 5.2 (Implementation Arrangements), provided that such separate agreements are in accordance with, where relevant, the respective laws, rules, and regulations of the Member States of the Participants, and international treaties they are parties to. In the absence of a separate agreement, the following default clauses shall apply:

- (a) Any work created within the framework of this MOU of which one Participant is the author or holds the intellectual property rights shall remain the sole property of that Participant.
- (b) Intellectual property rights over any joint work created by the Participants' collaborative activities under the MOU and of which both Participants are the authors shall be jointly held by the Participants. Each Participant may use and reproduce this work separately, subject to appropriate acknowledgment of the other Participant's contribution to the work and provided that each Participant shall seek the written consent of the other Participant before granting any license to a third party. Without prejudice to the above, any translation or joint publication shall be subject to a separate written agreement by the Participants.

6. Neither Participant shall be allowed to make statements to the media on behalf of the other Participant relating to this MOU unless otherwise agreed to in writing by the other Participant. All publicity materials such as press releases and statements related to the MOU shall be jointly approved by both Participants prior to their release to the media or the public.

7. The Participants accept that the provisions of this Paragraph 6 shall continue to apply notwithstanding the expiration or termination of this MOU.

PARAGRAPH 7 DISPUTE SETTLEMENT

Any dispute or differences arising from the interpretation or implementation of this MOU will be settled amicably through consultations or negotiations between the Participants through agreed channels, without reference to any third party or international tribunal.

PARAGRAPH 8 RESPONSIBILITY

1. Each Participant will be responsible for its activities and for its staff members, including for their acts and omissions. In particular, a Participant will not be liable for any damage or injury suffered or caused by the other Participant or that other Participant's staff.

2. However, if damage or injury arises out of or results from the actions carried out by one Participant (the "First Participant") or its staff in relation to this MOU, the First Participant will hold the other Participant and its staff harmless from any resulting claim or damages.

PARAGRAPH 9 AMENDMENT

1. This MOU may be amended at any time by mutual consent of the Participants which will be made in writing and will form part of this MOU.

2. Such amendments will become effective on such date as determined by the Participants.

3. Any amendment will not prejudice the benefits and commitments arising from the MOU before or up to the date of such revision or amendment.

PARAGRAPH 10

COMMENCEMENT AND DURATION

1. This MOU will come into effect on the date of its signature and remain valid for a period of five (5) years. Thereafter, it may be extended for further periods subject to the written agreement of the Participants.

2. This MOU may be terminated by either of the Participants by giving no less than six months' written notice in advance to the other Participant. Such termination will not affect the implementation of ongoing activities or programmes which have been agreed upon prior to the date of termination. In such a case, the Participants will decide, as appropriate, on the steps to ensure that the activities initiated under the MOU are brought to a prompt and orderly conclusion.

PARAGRAPH 11 STATUS OF THE PARTICIPANTS

Nothing in this MOU will be construed as a waiver of any privileges and immunities that each Participant enjoys as an international organisation.

PARAGRAPH 12 KEY POINTS OF CONTACT

The focal points designated to facilitate the coordination of technical, managerial and/or administrative aspects of the MOU are as follows:

For ASEAN:

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Mr. Satvinder Singh

Deputy Secretary-General of ASEAN for ASEAN Economic Community Phone number : +6221 726 2991 ex.t 09002 E-mail address : satvinder.singh@asean.org

For the OECD:

Mr. Andreas Schaal

Director of Global Relations and OECD Sherpa to the G7, the G20 and APEC, OECD Phone number : +33 145 24 19 59 E-mail address : <u>Andreas.SCHAAL@oecd.org</u>

Either Participant may, by written notice to the other Participant, designate additional focal points or substitute the focal points already indicated in this Paragraph.

SIGNED at Jakarta and Seoul on this Ninth Day of February in the Year Two Thousand and Twenty-Two in two original copies in the English language.

ANNEX

With reference to Paragraphs 3 and 5 of this MOU, the priority areas for collaboration under this MOU are:

- 1. **Response to COVID-19,** focusing on COVID-19 response and recovery efforts and exploring possible areas of support to promote the implementation of the ASEAN Comprehensive Recovery Framework, including through sharing experience and best practices on success factors in COVID-19 response and dialogues on resilient, inclusive, and sustainable recovery.
- 2. **Taxation**, in particular in promoting participation in the study and development of international tax standards, including those on tax transparency and those addressing base erosion and profit shifting (BEPS) through the activities of the Global Forum on Transparency and Exchange of Information for Tax Purposes and the OECD/G20 Inclusive Framework on BEPS; working with ASEAN Member States in other relevant areas of the OECD's tax policy and administration work programme as agreed by the Participants.
- 3. **Public financial management,** to improve the effectiveness and efficiency of resource allocation and management in the public sector, including by premoting green budgeting and tools for achieving societal objectives.
- 4. **Good regulatory practice (GRP),** particularly in the area of capacity building, to assist ASEAN Member States in relevant regulatory cooperation and reform initiatives and strengthen capacity to implement GRP to further support regulatory coherence and regional economic integration goals.
- 5. Trade Facilitation. focusing on enhancing the implementation of the World Trade Organisation (WTO)'s Trade Facilitation Agreement (TFA) in the areas where ASEAN Member States are facing challenges, providing support to ASEAN Member States on the understanding of the Trade Facilitation Indicators (TFIs) as an additional evaluation tool to assess the economic impact of trade facilitation reforms and, in particular, the implementation of the TFA, as well as understanding the impact of non-tariff measures and potential trade barriers on supply chain connectivity and free flow of goods in the region.

- 6. **Investment**, particularly in supporting the improvement of investment policy, including the liberalisation, protection, promotion and facilitation of investment by ASEAN Member States, which may include undertaking Investment Policy Reviews (IPRs), exchanging investment-related information (such as investment trends and strategic priorities), improving foreign direct investment statistics, enhancing the positive contributions of foreign direct investment on sustainable development through the FDI Qualities Indicators, and modernising capital flow frameworks.
- 7. **Responsible Business Conduct (RBC)**, supporting the implementation of the ASEAN Comprehensive Recovery Framework in the area of sustainable and responsible investment, including through the exchange of information and practices on RBC that are aligned with international instruments and initiatives; the promotion of RBC due diligence to help businesses manage environmental and social risks; and exploring possible ways to support the development of tools and guidance relevant to the ASEAN community.
- 8. **Trade in Services,** particularly in supporting the improvement and transparency of services policy regime in ASEAN, such as through Services Trade Restrictiveness Index (STRI) related activities.
- 9. **Global Value Chains (GVCs)**, focusing on joint thematic analysis on selected aspects of GVCs, taking into account emerging issues, such as servicification, digitalisation, inclusion, and sustainability trends, to generate concrete policy recommendations and to promote the recovery and resilience of GVCs, and support the overall post-pandemic economic recovery, as well as inputs or building blocks to the discussions on ASEAN's post-2025 vision.
- 10. **Competition and Consumer Protection**, particularly in supporting policies and improving enforcement on digital markets, including digital platforms and e-commerce markets; promoting international and regional cooperation in competition and consumer protection law enforcement; promoting law and policy for the economic recovery post-pandemic; supporting the assessment of laws and regulations related to competition and consumer protection; supporting competitive neutrality to ensure a level playing field between state-owned and privately-owned enterprises; conducting

market studies; promoting pro-competitive procurement, and the interface of competition and consumer protection between and among other sectors such as, but without being limited to, intellectual property rights, public health, investment and finance.

- 11. **Micro, Small and Medium Enterprises (MSMEs),** focusing on enterprise policies in areas such as but not limited to strengthening of MSME data collection and analysis; modernising business registration systems including the implementation of unique business identification numbers; participation of MSMEs in the global value chain; digitalisation; strengthening women entrepreneurship; work on promoting inclusive and social entrepreneurship and integration of business models that are both inclusive and commercially viable; as well as policy implementation and monitoring support through the publication of the ASEAN SME Policy Index.
- 12. Digital transformation, and the Fourth Industrial Revolution ("4IR"), to support the implementation of the ASEAN Digital Masterplan 2025 (ADM2025), the Digital Integration Framework Action Plan (DIFAP) 2019-2025, and other future 4IR-related initiatives of ASEAN, such as the Consolidated Strategy on the 4IR for ASEAN and the Bandar Seri Begawan Roadmap: An ASEAN Digital Transformation Agenda to Accelerate ASEAN's Economic Recovery and Digital Economy Transformation, by tapping into the OECD's expertise with regard to standards on data governance, cross-border data flows, personal data protection and data privacy, digital identity, cyber security and e-commerce, intellectual property rights and emerging technologies like artificial intelligence and blockchain.
- 13. Innovation, to help strengthen ASEAN science, technology and innovation systems for economic resilience, leveraging insights on innovation ecosystems, public research and support for business R&D, emerging and converging technologies public sector innovation, models for private public partnerships, strategic foresight, international cooperation and measurement of science, technology and innovation; and social innovation and the social economy.
- 14. **Productivity,** in support of post-COVID inclusive growth in the ASEAN region, leveraging insights on business dynamics, industrial strategies, and the firm-level drivers of productivity

and building on findings and recommendations from a recent OECD report, *Promoting the Productivity of SMEs in ASEAN Countries*.

- 15. **Sustainable agriculture**, particularly in the areas of food security, food safety, and Climate-Smart Agriculture (CSA) to increase agricultural productivity and build resilience to climate change.
- 16. **Financial Integration,** particularly on developments in payment systems, FinTech and the broader digitalisation of the financial markets and its role in driving productivity gains, enhancing financial inclusion and supporting the growth of the real economy in ASEAN.
- 17. **Corporate Governance**, focusing on the promotion of good corporate governance practices in ASEAN Member States to support economic efficiency, sustainable growth and financial stability, with reference to the G20/OECD Principles of Corporate Governance and the ASEAN Corporate Governance Scorecard.
- 18. Transport, supporting ASEAN's effort to implement land transport and sustainable transport goals and actions of the ASEAN Transport Strategic Plan (ATSP)/Kuala Lumpur Transport Strategic Plan 2016-2025, building upon existing joint work developed by ASEAN and the International Transport Forum (ITF) at the OECD. Cooperation may include, but not be limited to, the areas of road safety, fuel efficiency, low-carbon emission or cleaner vehicles, freight connectivity, and smart and digitalised transport services.
- 19. Statistics, strengthening regional and national statistical systems, particularly focused on improving capacity of statistical authorities in the utilisation of alternative sources, i.e. Big Data and administrative data, for enhancing official statistics, including, among others, Sustainable Development Goals (SDG) indicators, and to leverage OECD statistical tools like the Trade in Value Added (TiVA) database to gain evidence-based insights into trade flows and the international connectedness of economies, and their linkages to societal goals including climate and gender.
- 20. **Tourism**, through (i) providing support in implementing ASEAN tourism strategic plans and initiatives, including the ASEAN Tourism Strategic Plan 2016-2025 and the Post-

COVID-19 Recovery Plan for ASEAN Tourism, where appropriate; (ii) sharing knowledge and best practices in promoting tourism policies towards a more sustainable, inclusive and resilient tourism; and (iii) supporting ASEAN in strengthening its tourism statistical capacity as well as monitoring and evaluation tools;

- 21. Well-being measurement and policies, aligned with the SDGs and the Paris Agreement, promoting a set of principles for an inclusive and sustainable recovery along the multiple dimensions of the OECD Well-being Framework and supported by inclusive growth recommendations, with a focus on (i) measuring ASEAN Member States' distances to meeting SDG targets, (ii) improving inequalities data, and (iii) developing methodologies and guidelines for measuring business impact on well-being outcomes, including on living wages.
- 22. **Narrowing the Development Gap within ASEAN,** particularly in the context of the implementation of the Initiative for ASEAN Integration (IAI) Work Plan IV (2021-2025) and areas relevant to developing indicators, methodology and approaches to measure progress, or lack thereof, in narrowing the development gaps and promoting equitable development within ASEAN.
- 23. **Smart Cities,** with a view to advancing citizen-centric smart, inclusive, secure, resilient and sustainable urbanisation efforts in the region and leveraging platforms including the ASEAN Smart Cities Network (ASCN), particularly in the areas of urban planning, affordable housing, solid waste management, physical, digital-enabled, and green infrastructure, urban governance, and the provision of public service, while giving due consideration to each of the cities' unique socio-cultural and environmental context and climate risks.
- 24. **Sustainable infrastructure,** particularly in the areas of infrastructure planning, structuring, financing mechanisms and management, including delivery aspects.
- 25. **Education,** particularly in the areas of developing indicators, statistical approaches and monitoring tools to assess the region's progress against SDG 4 and other ASEAN Community goals in the field of education; enabling ASEAN Member States' participation in international assessment

programmes; collaboration on recognition of qualification frameworks; and provision of education sector policy advice.

- 26. **Skills development,** focusing on business models that incorporate skills needs identification and re-skilling and upskilling of workers; policies incentivising company investment in skills training (especially among the small and medium enterprises), skills forecasting to promote labour marketoriented training, and research on future skills needs in response to the rapid advancement of technology, digitalisation of economy and other global trends that influence labour market demands and in the context of the implementation of the Roadmap of the ASEAN Declaration on Human Resources Development for the Changing World of Work.
- 27. Employment and Labour Mobility, to provide technical support, as requested by ASEAN, particularly on management of labour mobility, on areas such as exploring harmonisation of skills training standards and professional certification system, development and implementation of bilateral or multilateral mutual recognition of skills arrangements, and bilateral or multilateral agreements on the portability of social security benefits of migrant workers, in the context of the 5-year work programme of the ASEAN labour sector.
- 28. **Environment,** particularly supporting environmental policies in ASEAN and ASEAN Member States by addressing issues related to environmental protection, environmental education, climate change, sustainable use of natural resources, biodiversity conservation and management, water resource management, waste and circular economy, sustainable consumption and production, chemicals and waste management, transboundary pollution control as well as protection and conservation of marine and coastal environment focusing in particular on marine plastic pollution.
- 29. Environment Across Sectors, particularly on capacity building in environmental management and circular economic development in production sectors, instruments and measures to facilitate and strengthen coordination among actors/sectors, including public and private sectors, across local, national and regional levels; and developing an integrated measure to coordinate and facilitate the decision making/planning process of green public/private investments and Environmental Social and Governance criteria.

- 30. **Disaster Financing and Management,** particularly on policies and strategies on emerging risks and socio-economic and financial costs of disasters, strengthening disaster risk governance, strengthening disaster risk financing at the municipal, national and regional level, and strengthening the integration between climate change adaptation and disaster risk reduction and adaptation, as listed in the ASEAN Agreement on Disaster Management and Emergency Response (AADMER) Work Programmes 2021-2025.
- 31. **Public Health,** related to promoting healthy lifestyles, responding to all hazards and emerging threats, strengthening health systems and access to care, and ensuring food safety in the context of relevant activities in the 5-year health cluster work programmes of ASEAN Health Sector.
- 32. **Green Growth,** focusing on the assessment of ASEAN green growth, including stocktaking and analysis of any gaps and constraints, and opportunities up to 2025, including recommendations on what areas should be prioritised and improved.
- 33. Gender, particularly on women's economic empowerment and future of work including care economy and unpaid care and domestic work, gender and resilience particularly on the areas of climate change and disaster reduction and preparedness, establishing venues for dialogues on women's political and economic leadership with the focus on governance, entrepreneurship digital inclusion and IR4.0, as well as the measurement and elimination of discrimination and violence against women and girls in social institutions across ASEAN Member States.
- 34. **Good Governance:** Promotion of innovation and utilisation of digital technology to support civil service modernisation and good governance principles of efficiency, effectiveness, transparency and accountability.
- 35. **Strengthening Social Protection**, particularly on existing social protection programs in ASEAN Member States, including both contributory social insurance and non-contributory social assistance, in order to become more inclusive and responsive to socio-economic shocks during the COVID-19 crisis, as well as future shocks and public health emergencies, and contribute to the post-COVID-19 and future

recovery system and social care services for vulnerable people facing social problems.

36. **Other areas of cooperation,** as mutually agreed.