



ADVANCING DIGITAL CONNECTIVITY

The Digital Connectivity and Cybersecurity Partnership (DCCP) is a whole-of-government initiative to promote an open, interoperable, reliable, and secure Internet.

Launched in 2018, DCCP advances a free and open, connected, prosperous, resilient, and secure Indo-Pacific, the goal of the 2022 Indo-Pacific Strategy. Under DCCP, USAID plays a leading role by leveraging our technical capabilities and on-the-ground relationships to advance an open digital economy and the expansion of secure, market-driven, and rules-based internet use.

THE DIGITAL FRONTIER

The Indo-Pacific is the world's fastest growing region for internet adoption and digital connectivity between people and businesses. The COVID-19 pandemic fast-tracked the use of digital technology across Asia and underscored that all citizens need secure, resilient Internet access to participate fully in economic, political, social, and cultural life.

Today, as many as eight in ten consumers in Southeast Asia are digital consumers. This digital transformation is driving a strong post-pandemic economic recovery and holds tremendous untapped potential to jumpstart development and create high-value U.S. export opportunities. As e-commerce and online transactions exploded, the digital divide deepened: Asia's medium-, small-, and micro-sized enterprises (MSMEs) have been unable to benefit from the digital boom safely and equitably due to insufficient infrastructure, low digital skills, and other barriers.

On top of these challenges, the Indo-Pacific still lacks sufficient laws covering cybercrime, e-commerce, and e-governance, and weak cybersecurity systems cost the region as much as \$300 billion per year in losses, per a 2018 report by the Center for Strategic and International Studies and McAfee. With the annual investments falling far short of this need, government reforms and private sector investment are crucial to helping Asia overcome this key constraint to growth and stability.

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UNLEASHING THE POWER OF THE DIGITAL ECONOMY

Consistent with the <u>USAID Digital Strategy</u>, USAID is leveraging its technical expertise, enduring in-country presence, and convening power to help the Indo-Pacific region overcome its digital constraints in support of more equitable, inclusive, and sustainable development. Together with our U.S. Government partners, we focus on driving private sector engagement in communications infrastructure development; promoting regulatory reforms that create open, competitive digital markets; and building partners' cybersecurity capacity to address mutual threats.

USAID brings a track record of significant success harnessing digital advances to achieve greater, more inclusive development impact, including in health. For instance, in the Philippines, USAID supported the country's COVID-19 Vaccine Information Management System (VIMS), the automation and data management of the country's COVID-19 vaccination program. VIMS allowed the Philippines to identify, track, and document individuals to receive life-saving COVID-19 vaccines nationwide. With USAID support, the country is now working to adapt VIMS to track all other vaccines in the government's immunization programs.

Under DCCP, USAID is launching new programs that will collaborate with partner countries, private sector partners, and civil society to implement activities, including those that:

- advance a rules-based framework for information and communications technology (ICT) policy development;
- enhance capacity to implement and regulate digital economy standards, consistent with international best practices:
- develop domestic capacity to regulate ICT infrastructure to ensure systems of regulation that are agile and iterative, while also guarding against privacy abuses, cybercrime, social media-driven misinformation, trafficking in people and illicit goods, and undue risk to consumers, among other emerging cyber threats;
- expand opportunities for investment in digital economies. For example, by harnessing innovative digital approaches to tackle common development challenges, such as e-government, e-health modules, and "fourth industrial revolution" skills-upscaling that targets youth across Asia; and
- bolster the role of civil society in advocating for autonomy, security, accountability, and privacy.

USAID and the Association of Southeast Asian Nations (ASEAN) are partnering within and among ASEAN member states to expand e-commerce through the adoption of international best practices that foster cross-border digital trade, especially for MSMEs. Our work focuses on regulatory reform for the digital integration, digital economy, and improved regulations for expanding broadband access and digital data governance.

Supporting open, interoperable, reliable, and secure communications networks in partner countries will help them to realize the tremendous economic and social benefits of the digital economy while creating new commercial opportunities for U.S. and local technology companies, as well as help develop a skilled local ICT workforce.