ADVANCING DIGITAL CONNECTIVITY
IN THE INDO-PACIFIC REGION

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

Launched on July 30, 2018, DCCP furthers the U.S. vision for a free and open Indo-Pacific to ensure peace, stability, and growing prosperity in the region. 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. This digital transformation has the potential to spur tremendous economic growth while creating high-value U.S. export opportunities. Yet, with few laws existing to cover cybercrime, e-commerce, and e-governance, weak cybersecurity systems cost the region upwards of $300 billion per year in economic losses, according to a 2018 report by the Center for Strategic and International Studies and McAfee. Digital skills are lacking, resulting in higher vulnerability and low technology adoption for entrepreneurs and small businesses. Only 16 percent of small and medium enterprises (SMEs) in Southeast Asia are digitally integrated. Digital infrastructure is also sorely lacking. According to the Asian Development Bank, developing Asia needs to invest $2.3 trillion by 2030 in telecommunications alone in order to maintain the region's growth momentum. With the region's 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.

UNLEASHING THE POWER OF THE DIGITAL ECONOMY

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, 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 success harnessing digital advances to achieve greater development impact, particularly in the realm of financial inclusion. In India, USAID's programming on digital financial services contributed to a doubling of the proportion of women making or receiving digital payments between 2014 and 2017. In the Philippines, building on past successes, USAID brought together the Philippines' central bank and payments industry leaders in 2015 for the first time to agree on a national framework for efficient and affordable electronic payment systems, buttressing the country's transition to a cash-lite economy. In November 2017, the Philippines' central bank mandated that all supervised financial institutions adopt the framework, triggering a nationwide push for e-payment solutions that is accelerating the expansion of the country's digital economy.

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 facilitate expanded e-commerce through the adoption of international standards that foster cross-border digital trade, especially for SMEs. Our work focuses on regulatory reform for the digital economy, improved regulations for cybersecurity and data privacy, and expanding broadband access.

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.

FOR MORE INFORMATION, VISIT: HTTPS://WWW.USAID.GOV/INDO-PACIFIC-VISION