

ASEAN INTENSIFIES REGIONAL PUSH TO ADVANCE SUPPLY CHAIN RESILIENCE ALONGSIDE GREEN AND DIGITAL INITIATIVES

1. Deputy Prime Minister and Minister for Trade and Industry Gan Kim Yong represented Singapore at the 27th ASEAN Economic Community Council (AECC) Meeting, held on 7 May 2026 in Cebu, Philippines. The Meeting was chaired by H.E. Ma. Cristina Aldeguer-Roque, Philippines Secretary of Trade and Industry. The Meeting preceded the Joint ASEAN Foreign and Economic Ministers (AMM-AEM) Meeting and the 48th ASEAN Summit, which will further discuss the cascading impacts of the Middle East situation.
2. During the 27th AECC, Ministers reaffirmed commitments to uphold open trade and resilient supply chains in response to the Middle East situation. They took forward recommendations to address economic implications from the Special AECC Meeting on 30 April 2026, including exploring next steps to expedite the entry-into-force of the Upgraded ASEAN Trade in Goods Agreement (ATIGA) within the year where possible. This will allow ASEAN Member States (AMS) to implement the relevant cooperation and crisis-related commitments amidst the ongoing crisis.
3. **Ministers also discussed the ASEAN Digital Economy Framework Agreement (DEFA), and reaffirmed that the Agreement remains on track for full conclusion and signing this year.** The ASEAN DEFA will be the region's first comprehensive digital economy agreement and signals ASEAN's collective intent to harness the potential of the digital economy to shape the future of trade and digital cooperation. When implemented, the agreement will introduce commitments to facilitate trusted, cross-border data flows, end-to-end digital trade and protection of key proprietary information. The ASEAN DEFA will also help digital businesses scale up regionally and beyond, especially for Micro, Small and Medium Enterprises (MSMEs), opening more opportunities for digital trade in the region.
4. **Ministers set out next steps to take forward priority carbon neutrality initiatives, including commissioning a feasibility study for a potential rules-based ASEAN Green Economy Framework Agreement (GEFA) to tap into the opportunities arising from the green economy.** Ministers also made progress on the ASEAN Power Grid (APG), including urging ASEAN to accelerate the development of a framework on submarine power cables, which is essential for energy imports.
5. Deputy Prime Minister Gan Kim Yong said, "Singapore is working actively with our ASEAN partners in championing a region with resilient supply chains, whilst growing the digital and green economies. Singapore will continue to monitor global developments closely and remain a constructive partner to advance regional integration priorities. We are committed to deepening partnerships in ASEAN, to ensure the region maintains its position as a trusted, connected and open trading partner."

6. ASEAN remains a key economic partner for Singapore. ASEAN continues to be a strategic and attractive location, with its importance and potential set to grow. While global GDP growth was 3.4% in 2025, the region remained ahead with GDP growth of 4.9%, demonstrating ASEAN's relatively robust economic fundamentals. The region's GDP is expected to grow 4.4% in 2026, presenting a strong baseline in face of economic headwinds.¹

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¹ *International Monetary Fund* (2026), 'World Economic Outlook Update – Global Economy in the Shadow of War', April, retrieved from: <<https://www.imf.org/en/publications/weo/issues/2026/04/14/world-economic-outlook-april-2026>>.