

HUMAN DEVELOPMENT CENTRAL TO COVID-19 RECOVERY AND LONG-TERM GROWTH ACROSS ASEAN: EU-ASEAN BUSINESS COUNCIL

- *Accelerate Stakeholder Cooperation for Development on Future Employability*
- *Companies to Challenge Barriers and Inward-Looking Policies*
- *Build Human Development Ecosystems*
- *Accelerate ASEAN-Wide Development for Management*
- *Ensure Human Development for All Workers*

Singapore, 21 October 2020 – The [EU-ASEAN Business Council \(EU-ABC\)](#), and the ASEAN Human Development Organisation (AHDO), today published “Human Development and Moving Past the Middle Income Trap ASEAN”, a position paper outlining how strategies centred on human development can contribute to post-pandemic revival strategies. In line with the regional vision for a cohesive and responsive ASEAN, the EU-ABC positions human development as a catalyst for sustainable growth, providing recommendations that not only mitigate the socioeconomic damage caused by Covid-19, but also drive long-term growth by moving past the middle income trap.

As part of the study, a survey of 159 European and ASEAN companies was conducted. A key finding of the survey showed that businesses are not unanimously bullish (60% positive responses) about ASEAN’s middle-income countries becoming upper income economies. This is a worrying trend as it may mean that some countries in ASEAN may not be able to move up the value chain at the time when digitalisation and innovation are key to unlocking growth potential.

Donald Kanak, Chairman, EU-ABC and Chairman, Eastspring Investments, said, “ASEAN’s long term recovery from the current pandemic downturn will depend on its ability to equip its growing working population with the skills, knowledge and infrastructure to innovate and produce higher value-added products and services. That will require prioritising policies centred on human development, ever greater investment and collaboration of public and private sectors.”

For ASEAN in Covid-19 pandemic, inequality has now become a visible obstacle in moving beyond the middle-income trap. Social mobility and ASEAN’s growing middle class may well be at risk with [an additional 11 million falling into poverty](#). ASEAN’s potential to take a leading role in the world depends directly on the quality of its human development. In the Asian Century, ASEAN’s challenge will be how to match the pace and level of human development other giant middle-income countries like China and India with growing competitive advantages and rising capabilities.

Dr Bob Aubrey, Founder and Strategic Advisor of AHDO said: The so-called “middle-income trap” in ASEAN shows that economic growth is not enough to create an advanced economy. What got us to where we are as a region will not get us to where we want to go, unless we meet our human development challenges. Companies have an essential role to play and this study shows how they plan to contribute to an advanced human development ecosystem in the region.

The EU-ABC’s position paper comes at a timely moment as ASEAN member states begin to discuss and implement various Covid-19 recovery strategies, creating a window of opportunity to recalibrate economies for sustainable growth. Sustainable growth which puts ASEAN’s citizens are the forefront, now, more than ever, needs to be featured more prominently, being vital to secure ASEAN’s long-term economic competitiveness and resilience.

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About the EU-ASEAN Business Council

The EU-ASEAN Business Council (EU-ABC) is the primary and sole voice for European business covering all of the ASEAN region.

It is recognised by the European Commission and the ASEAN Secretariat and is an accredited entity under Annex 2 of the ASEAN Charter. Independent of both bodies, the Council has been established to help promote the interests of European businesses operating within ASEAN and to advocate for changes in policies and regulations which would help promote trade and investment between Europe and the ASEAN region. The Council works on a sectorial and cross-industry basis to help improve the investment and trading conditions for European Businesses in the ASEAN region through influencing policy and decision makers throughout the region and in the EU, as well as acting as a platform for the exchange of information and ideas amongst its members and regional players within the ASEAN region.

The EU-ABC's membership consists of large European Multi-National Corporations and the nine European Chambers of Commerce from around Southeast Asia. The EU-ABC represents a diverse range of European industries cutting across almost every commercial sphere from car manufacturing through to financial services and including Fast Moving Consumer Goods and high-end electronics and communications. Our members all have a common interest in enhancing trade, commerce and investment between Europe and ASEAN.

The Executive Director of the EU-ASEAN Business Council is Mr Chris Humphrey, and its Chairman is Mr Donald Kanak. The Council is led by an elected Board consisting of corporate leaders representing a range of important industry sectors and representatives of the European Chambers of Commerce.

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About the ASEAN Human Development Organisation

The ASEAN Human Development Organisation was founded in 2018 to promote human development in the workplace across the ASEAN's Member States. AHDO connects ASEAN's national HR Associations in the region into a professional community and works with ASEAN institutions on policy and initiatives concerning human development at work. AHDO aims to develop ASEAN's management identity and culture with a core purpose of improving human development at work

To fulfil its mission AHDO:

- Publishes Research and White Papers
- Organises Conferences and Events Across the Region
- Works with International Organisations
- Manages Regional Certification Programmes for Human Development Professionals.