Enhancing Shared Prosperity for a Free and Open Indo-Pacific
A SNAPSHOT OF U.S. GOVERNMENT EFFORTS

In November 2017, President Donald Trump laid out the U.S. vision for a free and open Indo-Pacific, in which all nations are sovereign, strong and prosperous. Spanning from the U.S. west coast to India’s west coast, with the dynamic Association of Southeast Asian Nations (ASEAN) at its center, the Indo-Pacific region offers unprecedented potential to strengthen the U.S. economy while also improving lives in Asia and around the world. As we all strive to recover from the global pandemic, the partnerships between the United States and the nations of the Indo-Pacific region are only growing in importance.

In recognition that the Indo-Pacific region is a primary engine of the global economy, and as a Pacific nation itself, the U.S. Government is employing a whole-of-government approach to unlock private sector-led economic recovery and growth, including through increased engagement by dynamic American companies. We focus on catalyzing exports and trade, and facilitating investments in energy, infrastructure, and the digital economy. Our transparent, private sector-driven model has a proven track record for delivering sustainable growth, reducing poverty, and fostering technological innovation, and delivers the best formula for post-pandemic economic recovery and sustained and equitable growth.

To power growth that is sustainable and high-quality, with lasting benefits for the region and the world, U.S. policy promotes:

- Market-based economics to improve rules-based competition.
- Open and transparent business environments to level the playing field.
- Fair and reciprocal trade to drive lasting and broadly-shared growth.

Three years after launching our Indo-Pacific strategy, the impact of our whole-of-government efforts has been far-reaching and transformational.

Since the first Indo-Pacific Business Forum in July 2018, the U.S. Department of Commerce, in partnership with other U.S. government agencies, has facilitated $37.6 billion in FDI from the region into the United States supporting an estimated 50,000 American jobs and assisting 4,122 Indo-Pacific clients considering investments in the United States. During the same period, the U.S. Department of Commerce assisted over 12,000 U.S. companies active in the region, and supported an estimated 1 million American jobs.

In 2019, U.S. businesses conducted over $1.89 trillion in two-way trade with the region. U.S. export of goods and services to the region accounted for 28.2% of total U.S. exports, and imports from the region accounted for 37.9% of total U.S. imports.

The United States is the largest source of foreign direct investment (FDI) in the Indo-Pacific. In 2019, the total U.S. investment in ASEAN member countries is $338 billion, which is larger than the outbound U.S. FDI in China and Japan combined.
The Digital Connectivity and Cybersecurity Partnership (DCCP) is a whole-of-government initiative, with 10 agencies, that promotes an open, interoperable, secure and reliable internet. In the past year, the DCCP has supported 15 countries in the Indo-Pacific in renewable energy investments, which will provide access to clean energy for more than 5.3 million Indonesians.

Foreign Ministers reaffirmed their support for the Japan-U.S.-Mekong Power Partnership (JUMP) which builds national and regional power markets to mobilize investment and increase regional electricity trade.

Since Asia EDGE's launch in July 2018, the U.S. government has reported success stories for U.S. energy firms in the Indo-Pacific totaling approximately $29.5 billion, which have supported more than 142,000 U.S. jobs.

Asia EDGE is advocating for approximately $185 billion in energy deals and advancing additional energy projects in the Indo-Pacific region totaling approximately $57 billion.

Through the Asia EDGE Energy Industry Working Group Network, the U.S. Department of Commerce has facilitated the participation of more than 600 individuals representing approximately 250 U.S. private sector member firms in Asia EDGE interagency activities.

On July 24, U.S. Ambassador to India Kenneth Juster and India's Ministry of Power Secretary Sanjiv Suri signed a Statement of Intent (SOI) on the Flexible Resources Initiative (FRI) under the U.S.-India Clean Energy Finance Task Force. The SOI initiates the least cost, optimal energy mix analyses for FRI partnering states Gujarat, Maharashtra, Karnataka, and Rajasthan in support of Prime Minister Modi's renewable energy ambitions. In Bangladesh and Nepal, several deliverables were completed under the Asia EDGE Power Sector Program to strengthen energy markets and security.

The U.S. government is helping Indo-Pacific countries increase their energy security and overcome their energy-related constraints to growth while unlocking new market opportunities for the private sector.

The United States is enhancing market connectivity for U.S. firms to drive increased trade with the region.

In July 2020, in collaboration with the U.S. Customs and Border Protection, USAID achieved the first major breakthrough in actualizing the linking of ASEAN's Single Window to that of the United States—agreement to begin electronic exchanges of phytosanitary certificates, which are required for certain agricultural trade, setting in motion a series of steps over the coming months to initiate implementation.

Long-running USAID support has helped Vietnam achieve remarkable improvements in its business and investment climate, including jumping 10 places in the World Economic Forum's 2019 Global Competitiveness Index—making it the most improved country of the year. Also, between 2018 and 2019, Vietnam jumped from 96 to 79 in the Burden of Government Regulation Index and from 88 to 76 in the Efficiency of Legal Framework in Settling Disputes Index.

USAID assistance to promote innovation and technology advancement in the Philippines has contributed to the country's progression to 50th place (out of 131 countries) from its 73rd place in 2017, according to the recent World Intellectual Property Organization 2020 Global Innovation Index 2020.

The U.S. government is helping partner countries advance reforms to ensure fair and open market competition that unlocks the power of private enterprise-led growth in the digital economy, and pursue transparent, market-based infrastructure deals that yield the best value.

In September 2020, the United States and the five Mekong countries - Cambodia, Lao PDR, Burma, Thailand, and Vietnam – launched the Mekong-U.S. Partnership to expand and deepen our relationship and promote the stability, peace, prosperity, and sustainable development of the Mekong sub-region. The Partnership builds on 11 years of collaboration under the Lower Mekong Initiative.

The Digital Connectivity and Cybersecurity Partnership (DCCP) is a whole-of-government initiative, with 10 agencies, that promotes an open, interoperable, secure and reliable internet. In the past year, the DCCP has supported 15 countries in the Indo-Pacific region with approximately $50 million for capacity building to improve digital connectivity, strengthen the private sector’s digital capacity, assist in the design, development, and implementation of ICT policies and regulations.

The USTDA supported 17 digital projects throughout the Indo-Pacific over the last three years that will create export opportunities for U.S. firms, including technical assistance to expand smart grid technologies in Papua New Guinea, advance American 5G solutions in the Philippines, and implement smart city digital solutions that address the challenges of rapid urbanization in India and Malaysia.

The 14 U.S. government agencies in the Infrastructure Transaction and Assistance Network (ITAN) have collaborated to support dozens of projects with a market value of $175 billion and potential export content upwards of $23 billion during the initiative's first year in operation. USG agencies have directed $586 million in tools and resources to support priority transactions and capacity building efforts in partner countries. It also launched the Transaction Advisory Fund to provide targeted transaction advisory services to developing country governments.

For more information on the U.S. Government’s contributions to a free and open Indo-Pacific region, please visit www.state.gov.