Corporate accountability critical to narrow development gap in ASEAN

Under Malaysia’s chairmanship in 2025, the Association of Southeast Asian Nations (ASEAN) member states will adopt a key development instrument that will outline ASEAN’s development planning for the next 20 years: the ASEAN Community Vision 2045. Alongside this Vision, member states will adopt the ASEAN Economic Community (AEC) Strategic Plan 2045.

The ASEAN Community Vision 2045 and the AEC 2025-2045 Strategic Plan ("ASEAN Post-2025 Agenda") establish the foundation for critical cooperation on economic integration and development within Southeast Asia and with external partners. According to the ASEAN Leaders’ Statement on the Development of the ASEAN Community’s Post-2025 Vision, the Vision aims to:

“Enhance ASEAN’s collective efforts in narrowing the development gap within ASEAN and enhancing ASEAN’s sustainable development agenda to realise an inclusive, participatory, and collaborative Community that is no longer divided by the development gaps among its members.”

The adoption of the ASEAN Post-2025 Agenda is gaining global momentum as the international community progresses toward the 2030 Sustainable Development Goals (SDGs). Globally, the most anticipated action-oriented international instrument, the Pact for the Future, will be adopted as the main outcome document of the Summit for the Future 2024, addressing current and future challenges for humanity and future generations.

Aligned with the global movement, the ASEAN Post-2025 Agenda will strengthen the foundation for mobilizing policy actions to achieve the SDGs and serve as a catalyst in ensuring no one is left behind in the journey toward a sustainable future.

Given the current annual SDG financing shortfall of approximately USD 4.3 trillion, it is critical to mobilize alternative sources of capital beyond public funding to meet the SDG targets. The ASEAN Post-2025 Agenda must therefore articulate the role of corporate actors as catalysts for the SDGs.

Our benchmarking exercise assessing 2,000 major global companies, including those headquartered in the ASEAN region, indicates that most are not on course to systematically impact the SDGs and the Paris Agreement. Our evidence suggests:

- Only 14% of the most influential tech companies are committed to digital inclusion covering access, usage, skills, and innovation.
- Merely 2% of nature-impacting companies disclose their environmental impacts, with none fully addressing or disclosing their dependencies on nature.
- Only 5% of high-emitting companies demonstrate moderate efforts towards a just transition.

It is therefore imperative that the new AEC Post-2025 agenda sets clear expectations and delineates corporate accountability in driving inclusive, resilient, responsive, and sustainable economic development within ASEAN integration. Engaging the private sector in the economic empowerment and sustainability agenda is essential for achieving sustainable regional integration in ASEAN.