

Clean Industrial Manufacturing for Promoting ASEAN Competitiveness and Transformation (C-IMPACT)



Project duration

Start date:
July 2025

Expected close date:
December 2026



Lead implementing partner



Climateworks Centre
(Monash University)



Consortium partner



Mission Possible
Partnership

Overview of the initiative

This project addresses the pressing regional challenge of decarbonising ASEAN's rapidly growing manufacturing sector, while safeguarding economic competitiveness. Southeast Asia already represents 6 per cent of global GDP and collectively constitutes the world's fifth-largest economy. As it becomes a major global manufacturing hub, the region is expected to account for up to 25 per cent of global energy demand over the next decade. Key industries, including steel, cement and textiles, face mounting pressure to adopt cleaner practices, particularly with the EU's Carbon Border Adjustment Mechanism (CBAM) and similar measures in the UK that are likely to affect ASEAN exports.

The region faces significant barriers: limited access to renewable energy, high costs of decarbonisation, uncertainty around green product demand and limited collaboration. These challenges, combined with complexities around governance, policy, education and monitoring, put ASEAN at risk of

losing global competitiveness and falling behind in the green transition. This project responds to these challenges by fostering a region-wide strategy for clean and competitive manufacturing. It aims to build regional expertise, pilot scalable decarbonisation models in two ASEAN Member States and institutionalise collaboration through a multi-stakeholder task force. Guided by a strong Gender Equality, Disability and Social Inclusion (GEDSI) lens, it ensures that marginalised groups are meaningfully engaged throughout.

Aligned with the ASEAN Strategy for Carbon Neutrality and the Economic Community Blueprint, the project brings together UK and regional expertise to co-develop locally tailored solutions with global relevance – promoting not only emissions reduction but also green jobs and inclusive economic growth.

Key objectives

C-IMPACT aims to help ASEAN Member States and Timor-Leste make their manufacturing industries cleaner, more competitive and more inclusive. The project supports this transition by creating a shared regional strategy for clean and competitive manufacturing. This strategy will be developed in collaboration with ASEAN Member States and Timor-Leste and key industry stakeholders to ensure it reflects local requirements and opportunities. It will identify priority sectors, assess available technologies and outline pathways to ensure the transition is equitable and practical for varying national contexts.

To put the strategy into action, the project will run pilot studies in two ASEAN Member States to test how the proposed approach works in different industrial contexts. These pilots will apply the strategy to key manufacturing sectors, assessing its impact on emissions reduction, job creation and economic growth.

They will also explore the potential role of clean technologies – such as hydrogen, energy efficiency, and carbon capture – in supporting industrial transformation. Lessons from these pilots will feed into a regional toolkit to help replicate and scale similar approaches in ASEAN.

The project also includes a training component to empower a wide array of stakeholders and will form a regional task force to coordinate efforts across countries. Importantly, the project takes a strong GEDSI approach, ensuring that women, youth, and marginalised groups are actively involved and benefit from the shift to clean manufacturing.



Alignment with ASEAN vision, plan and priorities

- **ASEAN strategy for carbon neutrality:** the project supports the decarbonisation of the manufacturing sector and delivers a co-developed regional strategy aligned with carbon neutrality and green growth goals;
- **The ASEAN Economic Community (AEC) Blueprint 2025:** the project aims to advance sustainable economic integration through green technologies and innovation and supports low-carbon infrastructure;
- **ASEAN sustainable consumption and production framework:** the project promotes clean and efficient production efforts while helping industries to meet rising demand for low-emission commodities;
- **Gender Equality, Disability, and Social Inclusion (GEDSI):** GEDSI principles are deeply woven into ASEAN's priorities across multiple strategic frameworks and declarations, such as the ASEAN Declaration on the Gender Responsive Implementation of the ASEAN Community Vision 2025. This project integrates GEDSI principles across design, implementation and governance, ensuring that marginalised communities both benefit from and actively contribute to ASEAN's clean manufacturing strategy.

“C-IMPACT helps the region to keep its key industries competitive by supporting resilient and low-emission supply chains. It brings ASEAN Member States together to explore national and regional solutions for their manufacturing sectors to thrive in a net zero world.”

Trang Nguyen

Head of International Programs and Engagement Climateworks Centre



Long-term outcomes

1. ASEAN Member States and Timor-Leste implement national action plans that align with the regional clean manufacturing strategy to drive a net-zero aligned, competitive and sustainable industrial transition.
2. Key industrial stakeholders across ASEAN adopt and scale low-carbon technologies, informed by successful pilot studies.
3. A regional clean manufacturing task force is established to enhance coordination, collaboration and knowledge-sharing across the region.