

1 ASEAN and the EU: two different models of regional integration⁶

The Association of Southeast Asian Nations (ASEAN) commemorates its golden jubilee in 2017 under the chairmanship of The Philippines. Is ASEAN “a living and breathing miracle” as claimed by Kishore Mahbubani⁷ “one of the most successful regional integration projects” as stated by others⁸ or just “an ineffectual body, long on talk and short on action” as sometimes heard?

The EU celebrates in March 2017 the 60th anniversary of the Treaty of Rome at a time when it is in full turmoil both internally and externally. Declining trust in mainstream political parties that supported European integration, rising Euro-scepticism and Brexit may lead to an existential crisis for the EU particularly after elections due to take place in several important Member States in 2017.

2017 will also mark the 40th anniversary of the start of the EU-ASEAN dialogue relations. Those relations are still formally based on the 1980 *Co-operation Agreement* and move slowly towards a strategic partnership. Since then both sides have indeed profoundly evolved through enlargements, economic growth and integration policies. Time is ripe for deepening the relationship.

1.1 The ASEAN integration model

On 8 August 1967, during the Vietnam War, five countries⁹ established the Association of Southeast Asian Nations (ASEAN). ASEAN was established for political and security reasons, and more specifically to promote cooperation against the spread of communism. While its first *raison d'être* is peace and security it has since mostly developed in the economic field. The basic document is the 1976 Treaty of Amity and Cooperation (TAC), to which the EU acceded in 2012. ASEAN is arguably one of the most diverse regional organisation in terms of political systems, economic performance and culture.

Emerging from colonialism, nation-building had to contend with insurgencies, secessionist movements, political unrest and coups. Relations between states were bad too: historical enmities, different political ideologies and territorial issues divided the region – Indonesia’s “Konfrontasi” with Malaysia in 1963-1966 or Vietnam’s invasion of Cambodia in 1979¹⁰ have not been forgotten. That the region is largely at peace since 1975, despite some residual disputes, is probably the biggest achievement of ASEAN. This is why Professor Kishore Mahbubani, Dean of the Lee Kuan Yew School of Public Policy in Singapore, argues in his new book “*The ASEAN Miracle: A Catalyst For Peace*” that ASEAN merits a Nobel Peace Prize.

The current ten Member States as defined in the ASEAN Charter are: Brunei Darussalam, Kingdom of Cambodia, Republic of Indonesia, Lao People's Democratic Republic, Malaysia, Union of Myanmar, Republic of the Philippines, Republic of Singapore, Kingdom of Thailand and the Socialist Republic of Viet Nam. It is expected that Timor-Leste will join in the future.

⁶ This chapter draws partly on the study “*ASEAN and the EU: Time to develop the parliamentary dimension of the relationship*” by Xavier NUTTIN, EP, June 2015

⁷ Prof Kishore MAHBUBANI, “*The modern miracle that is ASEAN*”, in The Straits Times, Singapore, 9 May 2015

⁸ EP, DG EXPO briefing, “*The EU and ASEAN: from natural partners to strategic partners?*”, May 2015

⁹ Indonesia, Malaysia, the Philippines, Singapore and Thailand

¹⁰ Michael LEIFER, “*The ASEAN Peace Process: a category mistake*”, 1999 cited in Francois GODEMENT, “*Divided Asia: the implications for Europe*”, ECFR, 2013

ASEAN is an inter-governmental association that strongly adheres to the doctrine of non-interference in the internal affairs of other members, non-confrontation and respect for sovereignty and independence. Decision-making is by consensus, which often results in the lowest common-denominator approach (this is also the case with the EU's CFSP). The ASEAN Community Vision 2025 provides a vision for the next phase of ASEAN's evolution (see below) but does not propose fundamental changes to those key principles which form the backbone of the *ASEAN Way*. Building consensus is however becoming more difficult due to deeper integration, greater democratisation and regional power shifts. A more effective decision-making process may be required to answer to ASEAN's ambitious agenda in a globalised world. The debate is certainly not new but is growing among diplomats, academics and politicians¹¹ and ASEAN's 50th anniversary provides an opportunity to move forward.

During its 50 years of existence, ASEAN has undoubtedly contributed to keep the region largely peaceful, set up the framework for a single market and developed an embryonic regional security architecture. Despite these advances, ASEAN's current level of regional integration remains extremely limited. The early ASEAN integration was promising, but the Association has also often been described as a 'talking shop' which pains at implementing its decisions. Lack of means and of legally binding regulations - implementation of agreements is based on best national voluntary efforts-¹² largely explain this situation.

ASEAN faces serious hurdles to integration that many other regional groupings often face: they encompass quite heterogeneous countries, with wide demographic disparities, differing levels of economic development and divergent political systems. A lack of resources and capacity to launch and administer regional activities as well as absence of, or limited, political consensus and commitment slow down progress.

ASEAN's achievements in regional integration during the last 50 years can be and are disputed. While it has been effective in bringing the region closer and avoiding inter-state conflict, willingness to put common interests ahead of domestic concerns is questionable. For some analysts it would be more correct to speak about cooperation than regional integration¹³. Indeed regional integration remains a lower priority as national identity and nation-building –most countries became independent only after WW II- are the key priorities of the Member States. ASEAN is a tool to consolidate sovereignty rather than supersede it¹⁴ and to strengthen independence from foreign intervention¹⁵. It would therefore be unrealistic to persist with regional ambitions that are not grounded into current reality.

Other scholars would say that, if politics is the art of the possible, the ASEAN leaders have done well with regard to prevailing conditions. Contributing to peace and stability in such a diverse region, sometimes described as the "Balkans of Asia" is indeed no small achievement.

The ASEAN Community, formally proclaimed by leaders at their 27th summit in Kuala Lumpur on 22 November 2015, envisions "a peaceful, stable and resilient Community in an outward looking region, with economies that are vibrant, competitive and highly integrated, and an inclusive Community that is embedded with strong sense of togetherness and common identity where people enjoy human rights and fundamental freedoms".¹⁶ It encompasses three pillars to work towards integration: the political-security community; the economic community; the socio-cultural community. The first and third pillars are no doubt lagging behind and the overwhelming focus has always been placed on economic integration aspects. It is however becoming clear that the pursuit of economic development requires a more integrated approach that takes

¹¹ ASEAN Focus, Issue 1/2017, ISEAS, Singapore

¹² *No Brexit repeat in ASEAN*, Termsak Chalermphanupap, The Diplomat, 28 June 2016

¹³ While enhanced regional integration is mentioned in the preamble to the ASEAN Charter, it is not listed as one of the purposes

¹⁴ Ibid ref 9

¹⁵ Tan Sri Dato Seri Mohamed JAWHAR HASSAN, "Trust-building in southeast Asia: what made it possible?", Global Asia, vol.8, no 3, Fall 2013.

¹⁶ <http://www.asean.org/storage/images/2015/November/aec-page/ASEAN-Community-Vision-2025.pdf>

political and social priorities into consideration and links those different aspects. This will remain a challenge as long as political integration remains off-limits.

The ASEAN Charter, which entered into force on 1 January 2009, establishes ASEAN as a rule-based legal entity. The binding agreement confirms the principles of sovereignty, independence, non-interference, national identity and territorial integrity. ASEAN and its Member States shall rely on peaceful settlement of disputes; adhere to the rule of law, good governance and democracy; respect fundamental freedoms. Disputes settlement mechanisms, are foreseen in Chap 8 of the Charter and a 2010 Protocol to the Charter but are not operational.

Statements are regularly produced but implementation and funding remain major problems and there is a serious rhetoric-action gap. The absence of a concerted regional response, and collective negotiation with the IMF, during the 1997 Asian financial crisis is a major example of the lack of solidarity among the Member States.

ASEAN still needs to build strong institutional frameworks to tackle the main challenges of the 21st century, such as security, energy, climate change, financial issues and growing inequalities. However to create and develop institutions is not the priority of the ASEAN Member States. The lack of institutional support is a recurrent concern and is recognized as creating limitations to further progress in ASEAN integration. Talks are on-going on ways and means to strengthen the secretariat¹⁷ but a strong secretariat may not be permissible under the aegis of ASEAN's diplomatic practice under which decisions are taken by member governments and not by the Secretariat¹⁸. The ASEAN secretariat, based in Jakarta, is currently small, with only around 300 international and local staff, and its operating budget limited (20 million USD, not including the financing of the ASEAN activities which are covered by direct national contributions or by the dialogue partners). Each member state, rich or poor, small or large, contributes the same amount a year (2 million USD). Unlike the EU, where MS contributions take into consideration each country's population and GDP, there is no such link in ASEAN.

1.2 ASEAN and the EU: similar but different

The EU and the ASEAN integration processes arose from different contexts and have different visions and missions. As described by Ong Keng Yong, former ASEAN Secretary-General:

"The two groupings originate from different circumstances and are navigating through different terrains towards different destinations"

It can even be argued that the EU and ASEAN have little in common and are fundamentally different integration projects: as regional organisations their set-up, institutions, organization, methods, aims and principles are all different. For example ASEAN strongly adheres to the non-interference principle and sovereignty has to be jealously preserved while for the EU transfer of sovereignty to a supranational level and solidarity among Member States are fundamental concepts. Strong institutions and legally binding legislation are also key elements in the EU that do not appear in the ASEAN toolbox which prefers informality and consensus. There is nothing in Southeast Asia like the European Parliament or the European Court of Justice.

Of course both sides wish to achieve peace, prosperity and stability, but which country or region doesn't support such objectives? And both sides aim at achieving a single market with free flow of goods, capital and labour (limited to skilled labour in ASEAN). ASEAN and the EU also share important goals such as

¹⁷ Strengthening the ASEAN Secretariat is listed as a goal in the ASEAN 2025 Vision and a High Level Task Force on Strengthening the ASEAN secretariat and reviewing the ASEAN organs made recommendations in 2014

¹⁸ ISEAS, Perspective issue 8 by Deepak NAIR, Singapore, 19 February 2016

regional integration between highly diverse member states and effective multilateralism in an international rules-based order.

The EU is a strong supporter of regional integration worldwide as a means of fostering regional stability, managing conflicts, supporting economic growth, reducing development gaps, building prosperity and addressing global challenges in a rule-based environment. It also tries to project its values and interests through the export of a global governance model that relies much on regional integration.

An EU-style regional integration, if at all desirable, is unlikely to happen in Asia for several decades. The current economic and financial, but also political, difficulties have probably reduced the attractiveness of the EU integration model but it can still serve as an inspiration for others. Without being a specific model the EU can help ASEAN progress towards its integration goal and many valuable lessons can be drawn from the EU experience. ASEAN is indeed the other most prominent regional integration project in the world today. Moreover ASEAN's centrality in the Asia-Pacific regional architecture is fully supported by the EU.

But relations with Asia in general and ASEAN in particular may be sent far back on the European agenda as challenges and priorities in Europe are many and located elsewhere. Leaders, politicians and the media focus mostly on other, more pressing issues: migration and refugees flows; the euro and the sovereign debt crisis; Greece; a stagnant economy and its high unemployment levels; the relations with Ukraine, Russia, the Balkans, Syria, Turkey; the fight against radical Islamism; terrorism....not to mention Brexit or the US policy towards the EU under the new Trump administration. While all those issues are crucial for the future of the EU, they are pulling attention away from Asia and leave little space, time and energy for developing strong links with a far-away region. EU-Asia relations are once again at risk.

2 Current progress in the three ASEAN pillars

For each of the three pillars -political and security; economic; socio-cultural- a Blueprint covering 2009-2015 was adopted by the ASEAN Leaders to provide the framework, with strategic directions and key initiatives to be taken, to achieve the ASEAN objectives. Building upon past achievements, the new *Blueprints 2025* aim to elevate ASEAN cooperation in the three pillars as an integral part of the *ASEAN Community Vision 2025*.

2.1 The ASEAN Political and Security Community (APSC)

The APSC Blueprint 2025 builds upon the achievements of the previous one and envisages ASEAN to be a rule-based community of shared values and norms for a cohesive, peaceful, stable and resilient region. The APSC Blueprint does not however contain an implementation schedule or quantifiable targets. It remains a distant goal. Among the main deliverables it is worth mentioning the Treaty of Amity and Cooperation (TAC), the nuclear weapon-free zone treaty (SEANWFZ), the ASEAN Charter, the ASEAN Regional Forum (ARF), the ASEAN Intergovernmental Commission on Human Rights (AICHR); the ASEAN Human Rights Declaration (AHRD) and the ASEAN Institute for Peace and Reconciliation (AIPR).

As an organisation ASEAN has unfortunately demonstrated little active role so far in regional security issues, be it on preventive diplomacy or conflict resolution. The reason offered is that those problems, such as border disputes, are either internal or bilateral in nature and best managed by the respective parties rather than brought to the ASEAN table. The principle of non-interference remains the keystone of the Association.

ASEAN did not intervene in the 2011 Thai-Cambodian border dispute around the Preah Vihear temple¹⁹. Some ASEAN members (Malaysia, Indonesia, Brunei Darussalam) have played an important role in the negotiations for the “*Comprehensive Agreement on Bangsamoro*” signed between the Philippines and the Moro Islamic Liberation Front in 2014 but ASEAN itself has not. During the years of the military junta in Myanmar ASEAN has pursued a policy of constructive engagement that fitted well with the interests of the Member States.

Regional frameworks

Asia is in the process of building up regional institutional frameworks to support the stability required for sustainable prosperity and help the continent fulfil its role in a globalised world. These regional groupings aim to coordinate action to tackle common issues such as economic development, freedom of movement, energy, environment, climate change, transport and security. ASEAN has been the driving force behind many initiatives in the region and its centrality in the regional architecture is fully supported by the EU.

It is probably in its relations with major outside powers and international groupings that ASEAN has been most successful²⁰. With the objective of remaining at the centre of Asia's regional architecture, ASEAN has established several frameworks: the ASEAN Regional Forum (ARF), the ASEAN Defence Ministers Meeting (ADMM-Plus), the East Asia Summit (EAS), the ASEAN Plus Three (China, Japan, South Korea), the ASEAN Plus Six (China, Japan, South Korea, India, Australia, New Zealand) are all ASEAN-centred platforms for regional trust-building. By forming a group, ASEAN countries feel more empowered and better heard in the Asia-Pacific region.

¹⁹ Jim Della-Giacoma, *Preventive diplomacy in South-east Asia: redefining the ASEAN way*, (International Crisis Group, commentary, 31.12.2011.)

²⁰ Barry DESKER, “*ASEAN integration remains an illusion*”, S. Rajaratnam School of International Studies, March 2015

ASEAN centrality in the regional architecture remains a key priority in order to prevent major powers, in particular China, taking the lead. This is particularly important at a time when China is becoming more assertive in its territorial claims. Despite Beijing's talk about China's peaceful rise, about being naturally non-expansionist and having no interest in exerting global dominance, fear of China domination is strong in Southeast-Asia, for reasons of geography and history. To-day a more assertive China is launching initiatives, such as the "Belt and Road" vision combining land transportation corridors and maritime port development that may challenge the principle of ASEAN centrality.

The East Asia Summit (EAS) is a forum to discuss broad strategic, security, political and economic issues at head of state level. Membership included initially the *ASEAN Plus Six countries* when it was launched on 2005. The EAS was expanded to 18 countries, including the USA and Russia, at the sixth EAS in November 2011. The 18 EAS member countries represent collectively 55 per cent of the world's population and account for around 55 per cent of global GDP. The concept of an East Asia Grouping has a significant history going back to an idea first promoted in 1991 by the Malaysian Prime Minister at the time, Mahathir bin Mohamad, for an East Asia Economic Caucus. The concept was opposed at that point by the USA, which feared being marginalised by the new initiative. The EU has expressed the wish to become member of the EAS but at this stage the request has not been taken into consideration. There is even an un-declared moratorium on new EAS membership that is unlikely to be reversed in the near future.

The Rohingya issue

The spring 2015 human trafficking crisis in the Andaman Sea has highlighted the lack of solidarity among the ASEAN Member States. In early May 2015 dozens of graves with bodies of illegal migrants were discovered in abandoned jungle camps in southern Thailand. More camps were discovered in Malaysia a few weeks later, capable of housing hundreds of people, with 139 grave sites. The scandal triggered international reactions and forced the countries of the region to finally start addressing the issue of human trafficking. Every year thousands of people, mostly Rohingyas from Rakhine state in Myanmar but also Bangladeshis looking for a better economic future, are indeed trafficked through Thailand and into Malaysia or Indonesia.

While much blame can rightly be laid at the door of Myanmar it was clearly a regional crisis that required a regional response. But ASEAN was nowhere to be seen despite the obligations laid in the 2007 *ASEAN Declaration on the Protection and Promotion of the Rights of the Migrants*. All destination countries, including Malaysia which was chairing the regional grouping in 2015, are Member States of ASEAN but they all rejected the burden of looking after the migrants on each other's shoulders or on the international community²¹. Out of the ten ASEAN member states only two -Cambodia and the Philippines- have ratified the 1951 Geneva Convention on Refugees.

The unacceptable and growing violence against the Rohingyas, a stateless Muslim minority, is now again drawing much attention and may affect ASEAN cohesiveness. Following a 9 October 2016 attack on police outposts near the border with Bangladesh, the Myanmar military has been engaged in so-called "clearance operations," which have targeted Rohingya civilians allegedly involving severe rights violations, such as extrajudicial killings including of children, rape by soldiers, burning of Rohingya villages as well as destruction of homes and places of worship.

In a rare public dispute between ASEAN members, Malaysian officials have condemned the Myanmar authorities on their actions in Rakhine state. Some did even ask to review Myanmar membership because of "*ethnic cleansing*". One of the fundamental principles of ASEAN - non-interference- is for the first time put into question by a member state. An ASEAN Foreign Ministers' emergency meeting was called in

²¹ Conclusions of the "Special Meeting on Irregular Migration in the Indian Ocean" held in Bangkok on 29 May 2015

Yangon by Myanmar State Counsellor Aung San Suu Kyi on 19 December 2016 to discuss developments in northern Rakhine State. While the meeting can be considered a positive precedent, it ended without clear commitments from the Myanmar Government beyond a pledge to keep ASEAN counterparts updated on developments and failed to take decisive action to protect vulnerable civilians. ASEAN foreign ministers offered humanitarian assistance but, with the exception of the Malaysian FM, largely shield away from questioning the Myanmar government's actions in the context of the crisis.²²

Malaysian Prime Minister Najib Razak has been a vocal critic of Myanmar since violence erupted in the north of the Rakhine state in October and has used an extraordinary meeting of the Organization of Islamic Cooperation (OIC) on 18 January 2017 to call for an end to the "*unspeakable cruelty*" being unleashed against the Muslim minority. His comments, largely made for domestic political gains, drew an angry response from Myanmar, which denies the allegations of abuse of the Rohingya.

The Rohingya issue is not yet recognised as a regional problem. For most ASEAN member states it remains an internal affair which could potentially have a regional impact. But the more connected ASEAN is, the more one country's problems will affect others.²³

Maritime security and the South China Sea

Maritime security, including counter-piracy activities, is a crucial regional issue. Maritime security cooperation among Southeast Asian countries remains however primarily bilateral. The Malacca Straits Patrols (MSP) programme was established in 2004 to fight piracy and robbery in the Straits of Malacca with coordinated patrols. Participation until now has been limited to Singapore, Malaysia and Indonesia plus Thailand which takes part in aerial patrols. New initiatives have been proposed recently, including expanding the MSP programme to include more ASEAN members, extending the patrols to the southern reaches of the South China Sea and undertaking coordinated patrols in the Sulu Sea and Celebes Sea. But states are considering these proposals cautiously given intra-regional political sensitivities. Proposals for an ASEAN-led maritime force for counter piracy and humanitarian assistance and disaster relief (HADR) remain in the boxes.

The South China Sea disputes are another illustration where ASEAN has yet to forge a response: several of its Member States (Vietnam, The Philippines, Brunei, Malaysia) are party to the disputes and have conflicting and overlapping claims. At the July 2012 Summit Cambodia blocked the inclusion of any reference to the South China Sea. Three years later, the Chairman's statement of the 26th Summit, despite the Philippines and Vietnam's push for ASEAN to take a stronger stand, limited itself to urge full and effective implementation of the Declaration on the Conduct of Parties (signed in 2002) and reported on "*the serious concerns expressed by some leaders on the land reclamation being undertaken*". Common position and solidarity were scrupulously absent. Any reference to China, whose recent activity in land reclamation dwarfs all works done by other claimants, was deleted. When the Philippines filed for international arbitration against China in 2013 it failed to receive support in ASEAN despite the fact that for several ASEAN members, particularly Singapore, Malaysia and Indonesia, freedom of navigation is an economically existential issue. In December 2014 Vietnam, which also questions China's controversial 9-dash line, submitted its position on the Philippines' arbitration case against China to protect its legal rights and interests which may be affected by the Arbitration case.

ASEAN's response to the ever expanding Chinese activities -from military patrols and drills to construction activities and more recently installation of weapons- carried out in total disregard of the principles outlined in the Declaration on the Conduct of Parties in the South China Sea signed in 2002 has been largely incoherent. Negotiations on the Code of Conduct (CoC) itself, to be agreed between China and ASEAN

²² APHR, Press Release, 20.12.2016

²³ *ibid* ref 10

collectively, have now resumed under the coordination of Singapore. In January 2017 China confirmed that it wants to complete a framework for a CoC by the middle of the year, a very positive sign, but the final Code remains a distant target. Maritime disputes and China's territorial assertiveness are the greatest menaces to prosperity and peace in the region but ASEAN has yet to come up with a response to this potentially explosive situation.

On the surface tensions have cooled down a little following President Duterte's "pivot towards China" while taking distance from the United States, the long-term ally. Duterte is engaging with Beijing on deeper economic relations over territorial concerns. The Philippines are not pushing for implementation of the July 2016 decision of the Court of Arbitration, which entirely dismissed China "historical claims". Manila has however not shut down legal avenues completely.

Yet increased major power rivalry in the region, particularly between China, Japan and the US, and the ability of those countries to exert influence on the more vulnerable states, undermine efforts to agree on a common ASEAN view. China is indeed the largest or second-largest trading partner and investor in most ASEAN Member States. It provides multibillion dollar trade and investments incentives to countries that need huge amounts of capital for their infrastructure development. As demonstrated during their last retreat held on 21 February 2017 ASEAN Foreign Ministers are unlikely to take a hard line against China which may be counterproductive both bilaterally and multilaterally.

Would the relations between the major powers of the Asia-Pacific region further deteriorate as they scramble for supremacy, and the turbulent road that lies ahead for US-China relations under President Trump is not reassuring, ASEAN MS may well find themselves in a situation where they are forced to choose a camp. This would obviously be against their best interest and they wish to avoid it at any cost as it would threaten ASEAN cohesiveness. To remain united when national interests diverge, to regionally manage relations with its influential neighbours that each has particular interests in the region and to keep ASEAN centrality are among the key challenges for the future of ASEAN.

Erosion of democracy

Despite an obvious dynamic in the transition to democracy during the past two decades democratic systems are experiencing in many countries, including in some European countries, serious institutional difficulties. Political leaders face a lack of trust from citizens who consider them as part of a distant world detached from realities: few people trust them to be open, transparent and accountable and few people trust them to deliver on their promises. There is a growing disconnect between decision-makers and voters. In several parts of the world the Western model of representative democracy is being increasingly challenged and more authoritarian types of government are making progress.

ASEAN is no exception and in several of its member states things have dramatically changed in the last few years: democracy is now at risk²⁴. The year 2016 also saw increasing challenges for civil liberties. Of course there has always been wide diversity in the governance practices of ASEAN Member States. Very different political regimes coexist: authoritarian, communist, democratic, monarchic. There are purely one-party states, predominantly one-party states and multiple-party states.

Brunei has a 20-member Legislative Council which is fully appointed by the Sultan and only has consultative powers. Vietnam and Laos are one-party authoritarian states that leave no space for political opposition and almost no role for civil society. Their National Assemblies are largely rubberstamping although the Vietnamese National Assembly has in the last few years become more assertive and is annually rating the performance of the country top leaders. Singapore has had the same dominant party ruling the country since independence and the electoral system offers little political space for opposition.

²⁴ ASEAN Parliamentarians for Human Rights (APHR) briefing: "The erosion of democracy in Southeast Asia",

Cambodian PM Hun Sen has ruled the country for over three decades and is taking steps, including intimidation and defamation lawsuits, to weaken and split the opposition in view of local and national elections scheduled for 2017 and 2018 respectively. Malaysia's opposition won the popular vote in 2013 but was denied a parliamentary majority due to the electoral system and alleged manipulation. Since then the ruling party has used the Sedition Act to crack down on opposition voices and undermine free expression. Myanmar resumed holding elections in 2010, the first since 1990, but the military remain extremely powerful and are in a position to block any democratic reform. Thailand is governed by a military regime since the May 2014 coup. The junta has disbanded the elected National Assembly, replaced it with an appointed National Legislative Assembly and silenced all dissenting voices. Thailand's Constitution, the 20th since it became a constitutional monarchy in 1932, was approved through a referendum in August 2016. Critics claim that it reduces the powers of political parties, submits elected politicians to control by non-elected bodies and limits the role of parliament. Indonesia and the Philippines probably have the most vibrant democracies but concerns about human rights have increased since the election of President Duterte in May 2016.

On the other hand, with economic success and greater wealth, came greater political consciousness and demand for greater participation from among the emerging middle class and discriminated minorities. Government policies and choices are put under greater scrutiny and challenged by opposition parties, civil society groups and ordinary citizens. A freer and better educated electorate, making full use of social media tools, has access to information, express opinions and tries to influence decision-making. Popular opposition to an October 2014 vote by Indonesia's parliament to curtail democracy at the grassroots level speaks volumes about people's desire to have their voices heard and was strong enough to reverse the decision. In Thailand a majority of voters has been challenging the rule exercised by the traditional elite at every election since 2010. Singapore is another example where the young generation is actively demanding more political space.

Democratization in the region remains therefore a fragile process. Democracy is often reduced to elections, its main visible feature. Increasing voters' empowerment is vital for democracy and this is also true for regional institutions which tend to follow a top-down approach. As a people-oriented, people-centred organisation ASEAN should do more for democratizing regional governance in ASEAN, promoting universal values and developing people-to-people contacts. Steps should be taken to ensure that local voices are heard and that social and environmental concerns are taken into account.

To-day demand for more accountable governance is growing in many Asian states, not because of international pressure but because of local ordinary citizens and civil society movements who want more political representation and legitimacy. In countries where a single party or dynasty has dominated politics for decade, remaining in power may become an end in itself. How those regimes will be able to answer to the increasing demands while avoiding social instability and centrifugal forces will be central to their future and shape the long-term face of the region.

Human rights

The ASEAN Intergovernmental Commission on Human Rights (AICHR)²⁵ was established in 2009 and the ASEAN Human Rights Declaration adopted in 2012. The EU has welcomed those steps to promote human rights albeit protection is not within the mandate of the AICHR. Human rights violations keep occurring regularly in several ASEAN Member States: minorities are discriminated on grounds of ethnic origin, religion or sexual orientation; land-grabbing takes place to the detriment of the poorest; migrant worker rights and the rights of women and girls are disregarded. The death penalty continues to be used in five

²⁵ The AICHR remains a purely consultative body that puts the emphasis on the sovereignty of the member states and on non-interference in internal affairs.

countries while five others are either formally abolitionists (Cambodia and the Philippines) or in practice (Brunei, Lao PDR, Myanmar). The Coalition against the death penalty in ASEAN (CADPA) leads regular campaigns to call for abolition in the region. However according to surveys a majority of the population remains in favour of capital punishment. Moreover President Duterte of the Philippines has vowed to re-establish death penalty for drug related crimes by May 2017.

ASEAN has made important progress with the entry into force in March 2017 of the *ASEAN Convention against Trafficking in Persons (ACTIP)*²⁶, the first legally-binding regional instrument to tackle human trafficking. Analysts however point out that ACTIP neglects to address labour trafficking, a key issue in the region according to ILO, and the vulnerability of migrant workers.²⁷

In several countries community activists, academics, humanitarian workers, journalists, bloggers, human rights defenders suffer from violence, intimidation, harassment and imprisonment. Violent attacks have risen in 2016 and several activists were killed in Malaysia, Thailand and Cambodia (where a climate of impunity prevails) for defending environmental, labour or minorities' rights. Defamation laws are often used to silence opposition. New restrictive legislation on freedom of association and freedom of expression -including on the social networks- have been passed to restrict the legitimate rights to peaceful debate, reduce space for those calling for more accountability and transparency and limit the ability of civil society organisations to work and receive funding. Such laws have been passed in Vietnam (Law on access to information and Press law), Cambodia (Law on Associations and NGOs), Malaysia (the scope of offences under the 1948 Sedition Act has been further broadened), Thailand (the Computer-related Crime Act), Singapore (the Administration of Justice Act) and Indonesia (Law on Electronic Information and Transactions). Moreover the military regime in Thailand has made extensive use of the existing *lése-majesté* law to silence any dissenting voice.

2.2 The ASEAN Economic Community (AEC)

The ASEAN Economic Community (AEC) was officially launched on 22 November 2015. The aim is to transform the region into a unified market with free movement of goods, services, skilled labour and freer movement of capital. An economically integrated region should contribute to economic growth, bridge regional disparities and bring benefits to the entire population. Economics is indeed at the heart of Asia's rise: in 2015 ASEAN as a whole became the sixth largest economy in the world.

ASEAN has evolved from the ASEAN Free Trade Agreement (AFTA), agreed in 1992, to the ASEAN Economic Community which is more rule-based and aims at a zero tariff regime. But in 2015 intra-ASEAN trade amounted to only 24% of total ASEAN trade²⁸ (intra-EU trade accounts for around two-thirds of its total trade volume). Movement of labour, the services sector and air transport remain delicate topics. *"Progress towards financial integration has been disappointing, with banks dragging their feet on the process"*, said the Managing Director of the Monetary Authority of Singapore at the 45th ASEAN Banking Council meeting on 12 June 2015.

Enhanced connectivity is an important element of the AEC Blueprint 2025. It involves various sectors namely infrastructure for transport, telecommunications and energy; digital innovation; logistics and regulatory framework. Connectivity obstacles in physical infrastructure but also customs and immigration procedures create bottlenecks and limit the potential benefits of integration.

²⁶ ACTIP was signed in November 2015 and has now received the minimum of six ratifications

²⁷ "Tackling human trafficking in ASEAN", Ruji AUETHAVORNPIPAT, New Mandala, 2 March 2017

²⁸ Source: ASEAN Secretariat

According to the Asian Development Bank (ADB), ASEAN requires 60 billion USD in annual investments for road, rail, power, water, and other critical infrastructure. The 485 million USD ASEAN Infrastructure Fund (AIF) jointly launched in 2012 by ASEAN and the ADB is largely inadequate to meet the needs of the region. Although anxious that Beijing may use it as instrument to pursue national goals²⁹, ASEAN Governments have thus welcomed the 2015 proposal to establish the 100 billion USD Chinese-led Asia Infrastructure Investment Bank (AIIB) and all of them are founding members.

For ASEAN Governments, the AEC is a gradual process with long term aspirations, rather than a mechanism with strict rules, and is pursued in areas where it is felt necessary³⁰. In other words AEC is a journey rather than a destination and there was little change on 1 January 2016: virtually all goods traded within ASEAN are already at zero tariff and new concrete deliverables will be hard to identify. Tariff reduction has indeed been a great success

Although AEC is a regional initiative, it is implemented by national economies and there are different attitudes to economic integration both between countries (questions arise about jobs being lost, increased competition) and according to business size: while multinationals see the economies of scale, small and medium enterprises fear the competition and to be put at a disadvantage. Being a top-down process with little involvement of the stakeholders, awareness among the final users is just beginning.

What could be the next step if deeper economic integration is to be pursued? Trade facilitation through the removal of non-tariff barriers, such as sanitary and phytosanitary standards or technical regulations, which still impede trade and represent a huge obstacle to the success of the AEC should be addressed as a matter of priority. A step was taken when the Integrated Trade Intelligence Portal, which is detailing all non-tariff barriers in the region was launched by UNCTAD and the Economic Research Institute for ASEAN and East Asia (ERIA) in early 2016.

ASEAN leaders may also consider working on a customs union (CU) where there is zero duty on goods between members and a common external tariff applicable to all non-members. A CU also requires its members to harmonise customs procedures. Different levels of economic development among members, renewed calls for protectionism due to fear of additional competition and the lack of strong institutions pose a significant challenge to this goal.³¹ It is indeed hard to see how the CLMV countries³² could in the near future join a CU with a more advanced country such as Singapore.

The ASEAN Charter however opens a door for flexible participation in the implementation of economic commitments. Art. 21.2 formally establishes the *ASEAN Minus X* formula (introduced in the 1980's) which allows a Member State to opt out of an initiative or commitment until it is ready while others can go ahead. For lack of consensus on broadening its scope the *ASEAN Minus X* is currently only applied to economic matters.

Integration into the global economy is one of the main objectives of the AEC Blueprint. In that context ASEAN has demonstrated a strong interest in signing free trade or economic partnership agreements with its dialogue partners. Free trade is indeed considered as an essential component of regional development and FTA's have entered into force with China (2005), Republic of Korea (2007), Japan (2008), Australia-New Zealand (2010) and India (2010). Negotiations for an ASEAN-EU FTA were suspended in 2009 (see chap. 3.2.2). Two other initiatives could have a major impact on the region: the US-led *Trans Pacific Partnership (TPP)* and the China-led *Regional Comprehensive Economic Partnership (RCEP)*.

²⁹ Stuart LARKIN, "The conflicted role of the AIIB in Southeast Asia", ISEAS Perspective 23, 8 May 2015

³⁰ Sanchita Basu DAS, "Five facts about the ASEAN Economic community", ISEAS, 23 April 2015

³¹ Sanchita Basu BAS, Rahul SEN and Sadhana SRIVASTAVA, "The feasibility of an ASEAN Customs Union", ISEAS Perspective nr13, 4 March 2015

³² Cambodia, Laos, Myanmar, Vietnam

The TPP, concluded but not ratified, represents nearly 40 percent of global GDP worth \$30 trillion and is set to facilitate further growth in the 12 participating nations, which includes four ASEAN countries: Brunei, Malaysia, Singapore and Vietnam, plus Australia, Canada, Chile, Japan, Mexico, New Zealand, Peru and the U.S. However the election of Donald Trump on 8 November 2016 may have far-reaching consequences: the new US President does not appreciate regional trade agreements and prefers to negotiate bilaterally instead. He has called the TPP bad for the U.S. economy and, true to his word, signed an executive order to withdraw from the 12-nation trade pact on day one of his presidency. While Trump pulled the U.S. out of the TPP, he didn't end the country's participation in Asia-Pacific Economic Cooperation (APEC).

Will China jump on the opportunity and fill the vacuum if the US turns inward? That appears to be case if one has to trust President Xi Jinping speech at the World Economic Forum in Davos on 17 January 2017 where he presented China as the champion of free trade. But all TPP countries still need to discuss the merits and drawbacks of China's participation in the pact (Australia and New-Zealand appear to support China joining TPP). After two days of high-level meetings in Chile in March 2017, Asia-Pacific economic ministers from the 11 other countries in TPP - plus China and South Korea - wrapped up their talks with no clear plan to replace the defunct deal but a determination not to throw out years of painstaking negotiations.

The RCEP is viewed by some as an alternative to the TPP trade agreement which excludes China and India. RCEP negotiations were formally launched in November 2012 between the member states of ASEAN and the six states with which ASEAN has existing free trade agreements (see above). RCEP member states account for a population of 3.4 billion people representing approximately 30 percent of the world's GDP. The scope of TPP and RCEP are however quite different as are their level of ambition.

A new period of uncertainties is opening up with fears of protectionism and possible trade wars but so far ASEAN remains fully committed to free trade and to a strong multilateral trading system.

2.3 The ASEAN Socio-Cultural Community (ASCC)

Much of Asia's nation building is identity-based or even ethnicity-based³³. This is also true for the ASEAN countries where there is little sense of regional belonging and common identity among the citizens. The region is very diverse in language, religion, culture, traditions, economy and political systems. As a top-down, elite-run organisation ASEAN has been very slow in promoting an ASEAN identity despite the fact that ASEAN proclaims that it is people-oriented³⁴. As the 2015 Chair, Malaysia was promoting the idea of a people-centred ASEAN, which is often linked with the democratisation of the organisation and the creation of a participatory and inclusive identity. Accordingly a "*Declaration on a People-oriented, People-centred ASEAN*" was issued at the end of the 26th Summit held in Kuala Lumpur on 26 April 2015. Forging a shared ASEAN identity becomes a priority for the Association as declared by Singapore PM Lee Hsien Loong during the November 2015 ASEAN summit.

There is hardly any ASEAN mind-set, except among some policymakers, academics and journalists³⁵. The gap between the Association and the average citizen is wide and needs to be bridged. Resurgence of aggressive nationalism, commitment to the nation-state, and concentration of ASEAN institutions in only one country (Indonesia) do not help in developing ASEAN-minded citizens. A sense of identification with the region is however emerging among young people, particularly those with high education, but surveys

³³ Francois GODEMENT, "*Divided Asia: the implications for Europe*", ECFR, 2013

³⁴ ASEAN Charter, art 1/13

³⁵ Barry DESKER, "*ASEAN integration remains an illusion*", S.Rajaratnam School of International Studies, March 2015

show that ASEAN remains an elitist project³⁶. To be relevant the people-centred approach must go beyond issuing statements or declarations and deliver tangible benefits to the 625 million citizens.³⁷ In particular policies that share fairly the benefits of economic development must be put in place: rising inequalities are a major threat to the region long-term growth and stability.

ASEAN is a secular organisation in a region dominated by Buddhism and Islam. Respect for diversity is therefore key to allow for cooperation. However this has proved more and more difficult in countries like Malaysia where religious sectarianism is on the rise, Indonesia where Muslim hardliners promote intolerance or Myanmar where Buddhist extremists launch violent attacks on Muslims. Thailand and the Philippines have long-standing conflicts with separatist Muslim minorities which are not being solved. Growing ethnic and religious identification among both majority and minority populations may lead to local and regional conflicts creating instability. The need to address the threat of radicalism and violent extremism, particularly religious extremism, has grown up in recent years.

The ASCC Blueprint 2009-2015 mentions human development, social welfare, social justice and rights, environmental sustainability, building ASEAN identity and narrowing the development gap as priority areas. Major initiatives have included a coordinating centre for disaster relief and humanitarian assistance (AHA Centre), a joint response to climate change, an instrument for the protection of the rights of the migrant and a Commission for the promotion and protection of the rights of women and children. As officially reported by the ASEAN secretariat, resource mobilisation for those initiatives remain a key concern of the ASCC.

The *ASEAN Foundation*, whose aim is to promote greater awareness of ASEAN, and greater interaction among the peoples of ASEAN as well as their wider participation in ASEAN's activities, similarly lacks funding.

The ASCC Blueprint 2025 vision is for a community that engages and benefits the people, is inclusive, sustainable, resilient and dynamic. To that end the ASCC aims to become a socially responsible community that will empower people, engage with relevant stakeholders and strengthen institutions. An inclusive community that promotes and protects human rights. A sustainable community to achieve a balanced development with emphasis on environmental protection and sustainable consumption and production. A resilient community with enhanced capacity to adapt and respond to natural, social and economic vulnerabilities as well as to climate change and emerging threats. A dynamic and harmonious community that is creative, innovative and responsive.

It is vital for its legitimacy and credibility that ASEAN makes a difference in the lives of the ASEAN citizens: to proclaim that ASEAN is people-oriented, people-centred is not sufficient. Implementation is therefore key to success. The ASCC Council is responsible for overseeing the implementation of the Blueprint 2025 with sectoral bodies. To that end the ASEAN Secretariat and the national focal points shall need to enhance their capacities. No financial framework is included in the Blueprint which specifies that resources for the projects and established mechanisms will need to be provided by the member states. Experience has shown that this may prove difficult and dialogue partners (such as the EU) are encouraged to support, through funds and technical expertise, the implementation of the ASCC Blueprint 2025 to ensure sustainability.

Non-state stakeholders' participation in the public debate, while recognised as a natural consequence of democratisation, is considered by many Governments as a nuisance that they have to learn to deal with. The ASEAN People's Forum, first convened in 2005 under Malaysian chairmanship is independent and inclusive, representing the diversity of the ASEAN peoples. It is now organized annually as the civil society

³⁶ Eric Thompson, Chulanee Thianthai, Moe Thuzar *Do Young People Know ASEAN? Update of a Ten-nation Survey*, ISEAS, Singapore, 2016

³⁷ TANG Siew Mun, "Keeping the momentum of ASEAN's community building", ISEAS, Straits Times 29 January 2015

led process aiming at building community and solidarity amongst Southeast Asia peoples. The independency and inclusiveness of the ASEAN People's Forum remains a great challenge for participants since it depends on the level of social and political freedom allowed in the host country and resources available for such civil society gathering. At the April 2015 ASEAN Summit, Singapore boycotted the brief interface between leaders and civil society representatives; Cambodia replaced the representative by its own "independent" person, as did Thailand when the Thai representative withdrew in protest. In 2016 Laos, the ASEAN Chair and host country, simply decided not to allow the People's Forum to take place and it was instead organised in Timor-Leste which is not (yet) an ASEAN member state.

Nevertheless the trend towards stronger democratic mechanisms is most likely to continue: a better educated electorate is expecting its representatives to have a bigger say, and to be more engaged, in regional development and integration. Despite continuous threats and legislative attempts to reduce space (see 2.1 above), participation of civil society keeps growing.

3 Status of the EU - ASEAN relations

On 16 September 2010 the European Council discussed how to give a new momentum to the EU's external relations. Heads of State and of Government agreed on the need to promote the EU interests and values more assertively and insisted on the need for "*reciprocity*". The then High Representative for Foreign Affairs and Security Policy (HR/VP) Baroness Ashton stated that "*The EU wants to be an active and constructive player in Asian regionalism*".

Shortly after measures were taken: in June 2012 the European Council approved an update to the 2007 "*Guidelines on the EU's Foreign and Security Policy in East Asia*" and a Joint EU-US statement on the Asia-Pacific region was issued on 12 July 2012 by the HR/VP Ashton and Secretary of State Clinton. 2012 has indeed seen a particularly active EU engagement in Asia leading some analysts to call it "*the Year of Asia for the EU*"³⁸. The EU, as a soft power, may not be able to counterbalance the main regional powers³⁹, but many Asians leaders are keen to see the EU as a counterweight to their increasing trade dependence on China.

The EU has strategic partnerships with four Asian countries (China, Japan, India and South-Korea) but it has none yet with a regional dimension. It is to be hoped that, in view of ASEAN centrality in the regional architecture, an EU-ASEAN strategic partnership will soon be formalised. The appointment in August 2015 of a dedicated EU Ambassador to ASEAN is an important step in that direction. ASEAN values the role that the EU can play in the region and has expressed hope for greater EU engagement.

The EU and ASEAN share a commitment to regional integration as a means of fostering regional stability, building prosperity, and addressing global challenges. But the current economic and financial crisis, as well as rising political doubts, have reinforced Asia's scepticism over the EU highly institutionalized model of integration and cooperation. It is therefore urgent to engage more, explain better and show the benefits brought by the EU model.

3.1 Review of the May 2015 Joint Communication and the June 2015 Council conclusions on EU-ASEAN relations

Cooperation between the EU and ASEAN is based on the 1980 Co-operation Agreement. Since then the global environment has been transformed and both sides have profoundly changed through enlargements, economic growth and integration policies. The *Nuremberg Declaration on ASEAN-EU Enhanced Partnership* was agreed in 2007 to bring cooperation to a higher level.

But it is in 2012 that the EU, as part of its larger engagement with Asia as described above, shifted to a different gear and placed ASEAN firmly on its radar screen. In July 2012 the EU acceded to the *ASEAN's Treaty of Amity and Cooperation (TAC)* and the *Bandar Seri Begawan Plan of Action to strengthen the ASEAN-EU enhanced partnership* (2013-2017) was adopted.

The most recent steps were taken in May and June 2015 to give new impetus and directions to the relationship with the publication of a Joint Communication to the European Parliament and the Council: *The EU and ASEAN, a partnership with a strategic purpose*. The conclusions of the Foreign Affairs Council on EU-ASEAN relations endorse the proposals. This is all good and hopefully it is a genuine change in EU foreign policy rather than a one-off gesture: despite the latest crisis in and around the EU it is important to

³⁸ Richard YOUNGS, "*Keeping EU-Asia re-engagement on track*", Carnegie Europe, January 2015

³⁹ Author's interviews with ASEAN officials, January to March 2015

recognize ASEAN's increased global weight and keep this engagement on track. It is also important to remember that these are unilateral documents which were not discussed or agreed with ASEAN.

- The Joint Communication to the European Parliament and the Council, 18 May 2015: *The EU and ASEAN, a partnership with a strategic purpose*. A timely initiative when ASEAN has, in its *ASEAN Community Vision 2025* document, developed its approach for its future relations with the Dialogue Partners⁴⁰, including the EU. While stopping short of upgrading the relation to a strategic partnership, the Joint Communication recognizes that the EU has a strategic interest in strengthening its relationship with ASEAN for economic and political reasons. To move to a formal strategic partnership, which is the desire of both sides, will require political commitment and resources to further engage on regional and global issues.

The Joint Communication sets out specific ideas for the EU's engagement with ASEAN in three priority areas: connectivity; environment and natural resources; political and security issues.

- As recognised in the Joint Communication, connectivity is the central, unifying project at the heart of ASEAN today. The Master Plan on ASEAN Connectivity 2025 follows up on the MPAC 2010 and covers hard infrastructure, an enabling regulatory framework as well as people mobility. Connectivity is now also at the centre of EU-ASEAN relations. More specifically cooperation will take place on business opportunities for SMEs, customs, corporate governance, intellectual property rights, green economy, international labour standards with the aim to boost trade relations. The transport sector will benefit from initiatives in civil aviation and urban transportation systems. Closer people-to-people contacts will be promoted through joint research, cooperation on higher education, academic exchanges, support to civil society organisations, dialogue on migration.
- Population and economic growth exert increasing pressure on ASEAN's natural resources leading to environmental degradation, climate change and health problems. The EU-ASEAN collaboration to promote green and sustainable growth will strengthen regional approaches to those challenges.
- As a global player the EU has a clear interest in regional stability and must therefore develop a relationship that goes beyond the traditional focus on economic issues. The Lisbon Treaty provides room for more integrated approaches to foreign policy and to inject elements of security. ASEAN is at the centre of the regional architecture and it is important for the EU to enhance cooperation on security with this key partner, including through participation in the East Asia Summit (EAS). Maritime security, respect for international law, non-proliferation, disarmament, countering violent extremism, trafficking and cyber-security are among the areas covered by the Joint Communication. Last but not least the promotion and protection of international human rights standards are specifically detailed: key EU priorities are the abolition of the death penalty and the protection of minority rights. Specific support will be provided to the AICHR as the overarching human rights mechanism in ASEAN and to civil society organisations through the EIDHR financing instrument.

- The Council conclusions of 22 June 2015 on EU-ASEAN relations endorse the Communication and underline the EU's commitment to supporting ASEAN regional integration and further deepening relations. The Conclusions highlight the importance of cooperation in connectivity, of closer trade and investment links, of protecting and promoting human rights. EU Member States underline the need to align positions on issues of global governance such as climate change, disaster risk reduction and the Sustainable Development Goals (SDGs). With regard to security and defence the EU is ready to contribute substantially, particularly on maritime security and non-traditional security challenges. The EU is ready to be involved in

⁴⁰ "To deepen cooperation with Dialogue partners, strengthen engagement with other external parties and reach out to potential partners and responds collectively to global developments", ASEAN Community Vision 2025

the East Asia Summit (EAS) and to provide support in preserving Southeast Asia as a region free of nuclear weapons.

- On its part the EP adopted on 15 January 2014 a resolution on the future of EU-ASEAN relations.

In its resolution the EP takes the view that ASEAN, a major regional actor with great economic potential, can play an important role in promoting a peaceful, multilateral world order. To that end the EP invites ASEAN states to promote their people's human, social, labour and economic rights notably through a more effective AICHR; to address poverty and inequality issues, improve the distribution of wealth and promote social justice; to strengthen the parliamentary dimension of the Association. The EP emphasizes that the EU and ASEAN have shared values as well as common political and economic interests which should be upgraded to the level of a strategic partnership. It therefore calls on the Commission and the EEAS to provide capacity building assistance to the ASEAN institutions (the READY facility⁴¹ was extended for 4 years to end 2020), including to the AICHR; to develop people to people contacts (commending the work of the Asia-Europe Foundation-ASEF); to increase exchange programmes to facilitate mobility of students and researchers; to launch a city-twinning initiative in order to link up regions⁴². Finally the EP expresses its concerns at the developments in the South China Sea and urges the EU to help alleviate geopolitical regional tensions.

3.2 Current Status of EU-ASEAN relations according to each pillar

The EU is a major partner of ASEAN in the implementation of all three Blueprints and the biggest donor to its Secretariat. Support is provided through several instruments such as the Development Cooperation Instrument (DCI), the Partnership Instrument and the EIDHR.

Under the DCI, the largest financial instrument, the EU will support ASEAN integration and the Secretariat with EUR 170 million in MIP 2014-2020, a 150% increase over the previous cycle (which provided close to EUR 70 million for the period 2007-2013). The two priorities are trade and environment, completed by policy dialogues on various other issues. Cooperation is implemented under three focal sectors: economic integration and trade (EUR 85 million); climate change, environment and disaster management (EUR 60 million); a dialogue facility (EUR 25 million). This facility - the enhanced Regional EU-ASEAN Dialogue Instrument, E-READI - supports the implementation of the blue prints in the three ASEAN pillars through policy dialogue and exchange of experience. In addition an allocation of EUR 26 million is foreseen in the thematic programmes for ASEAN-based projects and the EU has pledged over EUR 2 billion to reduce poverty and address development gaps in the 5 least developed ASEAN Member States⁴³.

The 21st ASEAN-EU Ministerial Meeting (AEMM) took place in Bangkok on 13-14 October 2016. A joint *Declaration on Promoting an ASEAN-EU Global Partnership for Shared Strategic Goals* was issued at the end of the meeting. The document provides the framework for implementation of the joint commitments⁴⁴. A first review of implementation took place during the 24th ASEAN-EU Joint Cooperation Committee (JCC) Meeting held in Jakarta on 2 March 2017.

⁴¹ READI : The Regional EU-ASEAN Dialogue Instrument's purpose is to support the implementation of the ASEAN three blueprints

⁴² An EU-funded project to strengthen EU-Asia urban policy diplomacy and decentralised cooperation on sustainable development and climate change was launched in early 2017 as part of the global EU programme on International Urban Cooperation. While not exclusively aimed at ASEAN the Asia component includes Indonesia, Malaysia, Singapore and Vietnam

⁴³ source: Mission of the EU to ASEAN, Jakarta.

⁴⁴ For more details on the activities of the ASEAN - EU cooperation programme see http://ec.europa.eu/europeaid/regions/asia/association-south-east-asian-nations-asean_en

3.2.1 Cooperation in the ASEAN Political and Security Community (APSC)

As well as major economic interests the EU has strategic interests in the region. Security and stability are pre-conditions for growth and development. The EU needs therefore to define a coherent and focused security policy towards Asia in order to claim a relevant role. Europe's added value in regional security is indeed often questioned. Of course, quoting HR/VP Frederica Mogherini, "*Europe is not an Asian or Pacific power and will not become one*". But in a globalized and interdependent world, the security and well-being of the European citizens depend very much on external relations and on global stability.

The EU fully supports ASEAN's centrality in the evolving regional architecture. In recent years both sides have agreed to move beyond the traditional focus on economic issues and develop cooperation in the area of security policy, albeit in a pragmatic way.

The role that the EU, which has no military presence, can play in security issues, specifically in the region, - as compared with the Member States- is indeed not always clear for ASEAN. How the CFSP is decided and what are CFSP and CSDP missions and operations is little known in ASEAN capitals. Sharing information is key to demonstrate the EU potential and two orientation courses on CSDP were hosted in 2014 and 2015 for ASEAN officials. The visits of the Chairman of the EU military committee (EUMC) are also key contributions. The EU, represented by the Institute of Strategic Studies (EUISS), returned in 2014 as an active member of the Council for Security Cooperation in the Asia Pacific (CSCAP)⁴⁵. It is another important step to help disseminate information as do participation in workshops and meetings dealing with security issues, including the Shangri-La Dialogue held annually in Singapore.

It is however important to remain realistic when engaging in security issues in the region: being able to deliver on commitments is vital. For historical reasons no EU Member State has a military presence in, or military alliance with, the region's countries⁴⁶. Focus is therefore more on non-traditional security issues than on hard security. EU credibility is at stake, including with regard to the wish to accede to the EAS, the highest strategic forum in the region. As mentioned by Eva Pejsova from the EU-ISS, it is often argued that EAS membership is reserved to countries that have the capacity to project power in the region.⁴⁷

Most EU activity on security is defined and implemented within the framework of the ASEAN Regional Forum (ARF) of which the EU is a founding member. The ARF aims to foster constructive dialogue and consultation through confidence building and preventive diplomacy in the Asia-Pacific region. The EU participates at each level: Ministerial meetings⁴⁸, Senior Official meetings, Inter-sessional Support groups (ISG), Inter-sessional meetings (ISM) on various areas. It co-chairs ARF ISG and ISM meetings and co-hosts workshops and seminars.

At the 2016 AEMM the EU and ASEAN agreed to strengthen dialogue and cooperation on maritime security, confidence building and preventive diplomacy, counter-terrorism and transnational crime, cyber security, and crisis management. Activities are also on-going in the following areas: support to the regional secretariat of the CBRN⁴⁹ risk mitigation initiative, fight against trafficking in persons and border

⁴⁵ The Council for Security Cooperation in the Asia Pacific (CSCAP) provides an informal mechanism for scholars, officials and others in their private capacities to discuss political and security issues and challenges facing the region. It also provides policy recommendations to various inter-governmental bodies, convenes regional and international meetings and establishes linkages with institutions and organisations in other parts of the world to exchange information, insights and experiences in the area of regional political-security cooperation (www.cscap.org)

⁴⁶ The UK has a military relationship with Malaysia and Singapore through the Five Power Defence Arrangement. France, which has overseas territories in the Pacific, sends warships to the region on a regular basis and has held joint drills with Australia and Malaysia. It is also a major provider of defence equipment.

⁴⁷ EU-ISS issue-alert, *The EU and ASEAN in 2016*, January 2016

⁴⁸ The HR/VP has attended every ARF Ministerial since 2012

⁴⁹ CBRN: Chemical, Biological, Radiological and Nuclear Risks

management (through the ASEAN Migration and Border Management Programme II, 2015-2018, 3.4 million EUR).

For the inter-sessional year 2015-16 the EU has offered the following initiatives under the ARF framework⁵⁰:

- workshop on CBRN risk mitigation (EU together with the Philippines, Sep 2015);
- training on Preventive Diplomacy (EU and Indonesia, November 2015);
- workshop on cyber CBMs and incident management (NL on behalf of EU and Malaysia);
- ISM on counter-terrorism and transnational crime issues (co-chairmanship with Cambodia)

Freedom of navigation and respect for international law, including the 1982 UN Convention on the Law of the Sea (UNCLOS), are of high concern to both partners. At the June 2016 Shangri-La dialogue France announced its intention to coordinate navies of fellow EU countries to conduct “*freedom of navigation operations*” in the South China Sea. Such joint EU patrols may irritate China but are probably still a long way away⁵¹. With the South China Sea becoming one of the most volatile spots in the region the EU had to react to the July 2016 ruling of the Permanent Court of Arbitration which rejected all of China’s claims (see also chap. 2.1). The EU has always maintained a strict neutrality of sovereignty issues but its reaction⁵² was late and, for many observers, overly weak showing signs of disagreement among EU Member States.

Furthermore High Level Dialogues on maritime security were organised in 2013, 2015 and 2016 to discuss how to address maritime security related challenges, a key issue in the region as underlined during the last AEMM. In April 2016 the EU participated for the first time in the multinational naval exercise *Komodo 2016* hosted by Indonesia. In September 2017 the EU will take over the chairmanship of the ARF Dialogue on Maritime security.

The promotion of the principles which have inspired the EU’s own creation -human rights , democracy, good governance, rule of law- as compared to the more collective *Asian values*, has regularly put strains on the relationship particularly when ASEAN Governments considered EU concerns as ill-conceived. Most ASEAN Governments have strongly (and largely successfully) resisted what was perceived as undue pressure and attempts to lecture. Both sides share however a commitment to promote and protect human rights and the rule of law as reaffirmed on 14 October 2016 in the *Bangkok Declaration on Promoting an ASEAN-EU Global Partnership for Shared Strategic Goals*. All EU agreements, such as PCA and FTA, include the essential clause on democracy and human rights. In line with that commitment the first ever EU-ASEAN Human Rights Policy Dialogue took place in Brussels in October 2015. The ASEAN-EU Human Rights Programme has been allocated 3.3 million euros for the period 2014-2017 under READI (Regional EU-ASEAN Dialogue Instrument) to support the work of the four ASEAN bodies and committees (AICHR, ACWC, ACW, ACMW) in developing their human rights policies. The new E-READI programme will provide further EU assistance in the human rights field during 2017-2020. Support to national or regional civil society organisations and non-state actors is also provided under the European Instrument for Democracy and Human Rights (EIDHR). Nevertheless more attention could be given to the fact that space for civil society is shrinking in ASEAN, like in many other regions in the world (see Chap. 2.2).

⁵⁰ source: EEAS website

⁵¹ “South China Sea: the French are coming”, article in *The Diplomat* by Yo-Jung Chen , 14 July 2016

⁵² <http://www.consilium.europa.eu/en/press/press-releases/2016/07/15-south-china-sea-arbitration/>

3.2.2 Cooperation in the ASEAN Economic Community (AEC)

Economic growth and integration are ASEAN's priorities while trade is key for the EU as detailed in the 2006 communication "*Global Europe: competing in the world*". The EU has become ASEAN's second largest trade partner after China and ASEAN as a whole is the EU's third largest trade partner after the US and China. The EU is also the biggest investor in ASEAN economies. Bilateral trade in goods and services amounted to EUR 208 billion in 2016 and FDI from the EU represents 22% of the total investments in the region⁵³. It is therefore no wonder that focus of cooperation has been on strengthening EU-ASEAN trade and investment relations: 57% of the funds for the period 2007-2013 and 50% for the period 2014-2020 are allocated to activities falling under the economic pillar. Trade, commerce and investment between Europe and ASEAN is also promoted by the EU-ASEAN Business Council whose membership consists of large European industries and the nine European Chambers of Commerce from around Southeast Asia.

The ASEAN Economic Community (AEC) launched at the end of 2015 has many similarities with the EU's single market. Economic cooperation programmes have therefore naturally focused on helping ASEAN to realise the nuts and bolts of a single market such as harmonisation of rules and regulations and customs procedures. The following trade-related assistance programmes have been implemented in the last few years:

- ASEAN Regional Integration Support from the EU (ARISE); 2012-2016 (15 million EUR)
- COMPASS (Statistics and integration monitoring); 2014-2018 (7.5 million EUR)
- ASEAN Project on the Protection of Intellectual Property Rights (ECAP III); 2010-2015 (4.5 million EUR)
- ASEAN Air Transport Integration Project (AATIP); 2012-2016 (5 million EUR)

The objective of the new ARISE Plus programme (40 million EUR during 2017-2022) is to enhance the capacities of ASEAN to implement the economic integration agenda beyond 2015. The programme mixes economic policy dialogue and technical assistance and includes follow-up activities to the previous four programmes (see above) under one single roof. Two more activities are funded through the thematic programmes: support to ASEAN Farmers Organisations (EUR 15 million) and a study facility under the Asia Investment Facility (EUR 1 million) to support connectivity and urban development.

The main EU objective remains a region-to-region Free Trade Agreement (FTA). Negotiations on the regional FTA, launched in 2007, were suspended in 2009 due to differences in ambitions and disagreement on Myanmar's participation. They gave way to negotiations on bilateral FTAs: with Singapore (concluded in 2014) and Vietnam (concluded in 2015). Those two FTAs await ratification. Negotiations are now ongoing with Malaysia (since 2010), Thailand (2013), the Philippines (2015) and Indonesia (2016). Negotiations of an investment protection agreement are also under way with Myanmar. Cambodia and Laos benefit from the most beneficial trade regime with the Everything but Arms scheme (EBA).⁵⁴

The willingness to re-launch region-to-region free trade talks is growing stronger and was formally confirmed during the 15th annual consultation meeting between the EU Trade Commissioner and the ASEAN Economic Ministers that took place in Manila on 10 March 2017. Senior officials have been tasked to work out the parameters to negotiate such a regional agreement and report back at the next consultation meeting.

Illegal, unreported and unregulated (IUU) fishing has considerable economic, environmental and social impacts. South-east Asia is one of the worst affected regions by IUU fishing but the EU also suffers from its consequences as one quarter of ASEAN's total extra-ASEAN fisheries exports go to the EU. In 2008 the EU

⁵³ source: Mission of the EU to ASEAN, Jakarta

⁵⁴ Detailed information on FTA negotiations is available in a December 2016 briefing by the European Parliamentary Research service (EPRS)

adopted Regulation (EC) No 1005/2008 to combat IUU fishing. This establishes an alert system, under which countries which fail to adequately combat IUU fishing are given a warning ('yellow card'); failure to respond leads to a 'red card', banning their products from EU markets. Since March 2014, Cambodia has been under a red card; the Philippines was issued a yellow card in June 2014, but was cleared 10 months later after aligning its fisheries regulations with international law. Due to rampant illegal fishing, Thailand also received a yellow card in April 2015. Since then it has installed an automatic tracking system on larger vessels, improved fisheries legislation, and cracked down on human trafficking. However implementation is still weak, and the yellow card stays in force for the time being.⁵⁵ EU assistance is provided to individual ASEAN Member states who received a yellow or red card to address the most pressing issues.

On 7 June 2016 the Council adopted a mandate that allow the Commission to start negotiations on a comprehensive EU-level air transport agreements with ASEAN. The second round of negotiations for the Air Transport Agreement (CATA) took place on 9 February 2017. According to the European Commission International aviation agreements improve market access, provide new business opportunities for European companies and ensure fair and transparent market conditions based on a clear regulatory framework. Global connectivity is a driver of trade and tourism, and directly contributes to economic growth and job creation.

3.2.3 Cooperation in the ASEAN Socio-Cultural Community (ASCC)

Prior to the adoption of the ASEAN Charter in 2007 few concrete activities were implemented in the social, cultural or environment fields and cooperation was limited.

The ASCC Blueprint 2009-2015 and the Blueprint 2025 are more ambitious and address the issues of human development, social justice, social protection and welfare, environmental sustainability, ASEAN awareness and narrowing the development gap. Among those issues EU-ASEAN cooperation concentrates mostly on higher education through the SHARE programme, on climate change and environment (a focal sector of the 2014-2020 Regional Indicative programme), and on disaster management.

During the 21st ASEAN-EU Ministerial Meeting (AEMM) in October 2016 the importance to strengthen people-to-people contacts , promote cooperation in education -including mobility of students and academics- , raise public awareness of the ASEAN-EU partnership and cooperate on the effective implementation of the 2030 Agenda for Sustainable Development and the 2015 Paris Agreement on Climate Change was highlighted. It was also agreed to convene an ASEAN-EU High-Level Dialogue on Sustainable Development Goals in 2017 that may come up with new ideas and suggestions.

The SHARE programme (support to higher education in the ASEAN region) is implemented between 2015 and 2018 with an EU contribution of EUR 10 million under the 2007-2013 DCI budget. The programme seeks to help in harmonising higher education in ASEAN, enhancing quality and internationalisation of higher education institutions and promoting student mobility. Despite the October 2016 commitment (see above) to promote cooperation in education no further contribution is foreseen under the 2014-2020 budget.

ASEAN Member States can be, and are, partner countries of the *Erasmus + programme* which promotes learning mobility for students, researchers, academic staff and cooperation for innovation. Funding is divided between the industrialised/high income countries (including Singapore and Brunei) and the development countries (the other eight ASEAN MS). Under the DCI there is a specific budget allocation for Asia which amounts to EUR 370.5 million for the period 2014-2020. Under the Partnership Instrument, which links activities to a well-defined EU strategic interest, EUR 35 million are allocated for nine countries and territories in the Asia-Pacific region (including Singapore and Brunei). There is however no further breakdown by country or region. Several ASEAN think tanks and research centres receive funding to

⁵⁵ Source: " Illegal fishing in South-east Asia", At a glance, December 2016, European Parliamentary Research service (EPRS)

develop European Studies Centres under the Jean Monnet sub-programme of *Erasmus+*. Moreover various capacity building projects in higher education involving several ASEAN countries are funded under *Erasmus+* but no one project involves the whole ASEAN. According to the EEAS each year around 250 ASEAN students receive *Erasmus+* scholarships and more than 4000 ASEAN students travel to Europe.

A substantial part (37.5 %) of the 2014- 2020 budget allocated to ASEAN is earmarked for the fight against climate change, the protection of the environment and the management of disasters including humanitarian assistance. The main projects supported, or to be launched, by the EU under the Regional programme are:

- Sustainable use of peatlands and haze mitigation in ASEAN (EUR 20 million): to manage the risk and reduce trans-boundary regional haze:
- Biodiversity conservation and management of protected areas in ASEAN (EUR 10 million)
- Enhancing the capacity of the ASEAN Coordinating Centre for Humanitarian Assistance (AHA Centre, EUR 10 million): to support disaster management and emergency response.

The other programmes will be detailed after completion of the mid-term evaluation of the regional MIP end of 2017:

- Environmentally Sustainable Cities;
- ASEAN's safe schools and environmental education;
- ASEAN-EU Emergency management programme;
- Finally a programme is funded under the thematic budget: ASEAN Farmers' organisation support programme (EUR 15 million) to improve livelihoods and food security situation of smallholder farmers and rural producers

On 8 June 2016 the European Commission issued a Joint Communication to the EP and the Council "*Towards an EU strategy for international cultural relations*". The objectives are to support culture as an engine for social and economic development; to promote intercultural dialogue and to reinforce cooperation on cultural heritage. In an inter-connected world cultural relations offer indeed a unique opportunity for improving relations with EU-partner countries. People-to-people contacts can contribute to making the EU a stronger global actor. Unfortunately cultural relations are nowhere to be seen in the key EU documents that define EU-ASEAN relations (see 3.1) or the common October 2016 Bangkok Declaration. The ASCC 2025 Blueprint, through its proposed measures to achieve an open and adaptive ASEAN (Chapter E.1) provides a window to develop cultural relations and this is an avenue that should be pursued.

4 Parliamentary dimension of the EU-ASEAN relations⁵⁶

The last two decades saw undeniable progress towards democratic governance in Asia. Greater pluralism is happening. But important weaknesses remain and, despite a general trend towards more democratic accountability, the executive branch of government is usually reluctant to accept control by, and share power with, the legislative branch. In most of Asian countries parliamentary institutions remain weak and their role, impact, power and policy inputs very limited. They operate in many different constitutional arrangements and some are just rubber-stamping institutions⁵⁷. Democracy is often reduced to elections, its main visible feature. The fact that in many Asian nations -but also in some EU countries- parliamentarians face a lack of trust from citizens does not help. Legislatures in the region enjoy low public trust and this is an issue that needs to be addressed as well.

Moreover regional integration processes tend to suffer from a democratic deficit: a top-down approach is often pursued and there is limited involvement from other stakeholders, including from elected parliamentarians and civil society representatives. The inter-governmental nature of regional cooperation in Asia and the non-participatory decision-making process add more difficulties. This is a major setback that results in lack of legitimacy and support from the average citizen for regional integration. Public acceptance of policies is indeed important for long-term impact.

One of the questions is therefore how to strengthen parliaments in Asia in the wider context of the promotion of democracy which is a clear commitment of the common foreign and security policy of the European Union as specified in Art.21 of the Lisbon Treaty.

4.1 Background

The European Parliament has launched many initiatives worldwide with the aim to strengthen parliaments and develop parliamentary relations. As of today the EP's relations with Asian countries take place at three different levels: first, at the bilateral level between EP delegations for relations with Asian national parliaments; second, at the regional level with the ASEAN Inter-Parliamentary Assembly (AIPA); and third, at the level of the *Asia-Europe Meeting (ASEM)*⁵⁸ with the Asia-Europe Parliamentary Partnership (ASEP).

Despite those initiatives the parliamentary dimension of the relations between Asia and Europe remains weak, particularly at the regional level. Indeed while the EP has established a network of region-to-region joint parliamentary assemblies, Asia remains the only continent where the European Parliament has yet to establish such a regional assembly. The Asia-Europe Parliamentary Partnership (ASEP) which is the parliamentary arm of ASEM could be seen as the embryo of a joint parliamentary assembly. It however remains limited for the time being to an informal gathering without a permanent structure. The sheer size, complexity and diversity of the ASEM membership may explain this situation, as may the different views on parliament's role in Asia. The EP's participation, together with national parliaments from EU Member States, is through an ad hoc delegation of variable size and variable input.

A certain lack of political will on the European side is also to be blamed: the Partnership and Cooperation Agreements (PCAs) recently negotiated between the EU and some countries of South-east Asia (Indonesia, signed in November 2009; Viet-Nam signed in June 2012; Philippines, signed on 11 July 2012; Singapore, initialled on 14 October 2013) do not include an article on parliamentary relations nor provision for a

⁵⁶ This chapter draws extensively on the study "ASEAN and the EU: Time to develop the parliamentary dimension of the relationship" by Xavier NUTTIN, EP, June 2015

⁵⁷ Several Asian states such as Japan or South Korea have of course very different practices

⁵⁸ The ASEM process is an informal dialogue process launched in 1996 between Europe and Asia to connect the two continents politically, economically and culturally. The current 53 ASEM partners represent more than half of the world's GDP, more than 60% of the world's population and about 60% of global trade.

Parliamentary Cooperation Committee (PCC). That appears to be in contradiction with the EU's declared aim to promote and support parliamentary democracy in its foreign relations. It is a missed opportunity to provide a legal base for the development of more structured parliamentary relations.

While the EP is formally recognised as the elected representative body of the EU, the Asian regional and international parliamentary institutions do not enjoy the same status. There are indeed huge differences between parliaments in Europe and Asia. With maybe one important exception: in both regions bureaucracies and ministries of foreign affairs do not like them.

The first contact between the European Parliament and the Asian continent took place with the member states of ASEAN in 1976. With its established regional architecture and centrality, growth prospects and size ASEAN appears to be the adequate starting point to develop greater and deeper contacts with parliaments in Asia at a region-to-region level and give a most welcome message of support for democratic processes.

4.2 An ASEAN regional parliament?

In the early 1970's the Indonesian House of Representatives came up with the idea of setting up an organization consisting of the parliaments of the then five ASEAN member states (Indonesia, Malaysia, the Philippines, Singapore and Thailand). The first ASEAN Parliamentary Meeting was held in January 1975 in Jakarta and the ASEAN Inter-Parliamentary Organisation (AIPO) was created in 1977, ten years after the Bangkok Declaration that established ASEAN, to promote closer cooperation among Parliaments of the Member States of ASEAN, an important and promising step.⁵⁹

The "*Statutes of the ASEAN Parliamentary Cooperation*" define the main aims and objectives of AIPO as follows:

- to promote closer cooperation among Parliaments of the Member States of ASEAN
- to promote cooperation between AIPO and other Parliaments or regional and international parliamentary organisations
- to facilitate the attainment of the objectives of ASEAN
- to keep members of the AIPO informed of the actions carried out by each member Parliament in the carrying out of the aims of the AIPO

The idea of an ASEAN Parliament was first proposed by the Philippines in 1980 but met with resistance from several Member States. It was agreed in 1982 that the establishment of an ASEAN Parliament, while desirable, would be a long term goal. In the following years several AIPO resolutions repeated that time to move forward was not yet opportune and recommended that internal studies on an ASEAN Parliament be conducted. The 1991 AIPO General Assembly held in Bangkok adopted Resolution No.12GA/91/Res/0-18 on the ASEAN Parliament as follows:

- *To recommend that the Thai National Group, at its own cost, conduct an in-depth study of the merits and demerits of an ASEAN Parliament, along the lines of the European Parliament or other regional parliaments*

That sounded positive, and the reference to the EP particularly interesting, but between 1994 and 2002, discussions on the forming of an ASEAN Parliament were no longer tabled in AIPO meetings and General Assemblies (GA). The aspiration of establishing an ASEAN Parliament resurfaced in 2003. The "*Report by the Philippines on the Feasibility of Establishing an ASEAN Parliament*," was noted during the 24th General

⁵⁹ Xavier NUTTIN, "*The ASEAN Inter-parliamentary Association*", Policy Briefing, European parliament, August 2011

Assembly but it resolved to leave to individual Member Parliaments the decision to further study this matter and report to the GA in the near future.

At the 27th AIPO General Assembly held in 2006 there was again consensus that the ASEAN Parliament would be a long term objective and that it would be more appropriate to first proceed with the transformation of the organization into a more effective and closely integrated institution that could work on harmonisation of legislation⁶⁰. Promoting the speedy ratification of ASEAN agreements was singled out as the other main activity.

In other words the consensus was to say "yes" to an ASEAN Parliament but not for now. As of to-day that position has not fundamentally changed as Members States are moving at very different speeds in this matter.

The organization's name was changed in 2007 from the ASEAN Inter-Parliamentary Organization (AIPO) to the ASEAN Inter-Parliamentary Assembly (AIPA). This had unfortunately no impact whatsoever on the effectiveness of AIPA. But the Statutes were amended to include an additional aim:

- *"To promote the principles of human rights, democracy, peace, security and prosperity in ASEAN".⁶¹*

Like ASEAN, the ASEAN Inter-Parliamentary Assembly strictly abides by and functions on the principle of "non-interference" in the internal affairs of its members. ASEAN remains entirely government-driven: while the organisation acknowledges the usefulness of AIPA it fails to give it any power. For example the AIPA contribution to the writing of the ASEAN Charter was limited to a short exchange of views in May 2007 between an AIPA delegation and the High Level Task Force that was drafting it. The Charter, signed in November 2007, fails to make any reference to parliamentary activity let alone to the establishment of an ASEAN Parliament. Instead of being an integral part of the institutional structure, AIPA is only listed in Annex 2 as an *"entity associated with ASEAN"* along business associations or civil society organisations. Those are major gaps that contribute to the democratic deficit of ASEAN⁶².

At best ASEAN Member States see AIPA as a transmission belt for government-decided ASEAN policies, and AIPA representatives mostly agree with that viewpoint:

- *"Parliamentarians, as representatives of their constituent, could disseminate the ASEAN vision, mission and development to their constituent in order to solidify the integration of ASEAN"⁶³*

According to ASEAN diplomats⁶⁴, AIPA has had a very minimal policy input. One can add that its control power is also minimal: it is merely a consultative body. AIPA surely is not the only one to be blamed for that situation since, as explained above, governments in the region, in particular those adopting an authoritarian model, face little parliamentary scrutiny at home and attach little importance to the views expressed by parliamentarians. The symbolic and short exchange of views that take place between Leaders and the AIPA Chair during the bi-annual ASEAN summits is highly representative of that state of affairs⁶⁵. Moreover the extremely small AIPA secretariat, both in terms of funding and staffing, puts strong limits on its capacity to support new parliamentary initiatives.

AIPA is thus far from being an ASEAN Parliament: it has no legislative powers on its own, its resolutions are non-binding, does not vote on the ASEAN budget and has few oversight powers. The members belong to the ten national parliaments, are selected by their Speaker and participation is often restricted to members

⁶⁰ Source: <http://www.aipasecretariat.org/about/background-history/>

⁶¹ Statutes of the AIPA, Art 3/6

⁶² Xavier NUTTIN, *The Asia-Europe Parliamentary Partnership*; Policy Briefing, European parliament, 2010

⁶³ Opening address of the 33rd AIPA General Assembly, by the Vice-President of Indonesia, September 2012, Lombok

⁶⁴ Interviews by the Author in January-March 2015

⁶⁵ The first of such exchanges took place at the 14th ASEAN Summit held in Thailand in February 2009

from the majority. It is more a forum where members from national parliaments meet to interact, exchange information, discuss problems of common interest and promote cooperation⁶⁶. AIPA is not critical of Governments: it ensures rather a "*docile supportive function*"⁶⁷.

Notwithstanding those severe limitations, the AIPA General Assembly (GA) does establish Study Committees and Ad Hoc Committees such as the *AIPA Caucus* to follow-up on the implementation of AIPA resolutions and work towards harmonisation of legislation; the *Women Parliamentarians of AIPA* (WAIPA) or the *AIPA fact-finding Committee to Combat the Drug Menace* (AIFOCOM). Those bodies discuss specific issues related to the mutual development and common interest of AIPA Member Parliaments.⁶⁸ They include common legislation on narcotics, drug abuse and rehabilitation, ASEAN cooperation on Public Health, ASEAN laws related to, or having an impact on, the implementation of AFTA (ASEAN Free Trade Area), ASEAN laws related to Tourism and Human Resources Development and enhancement of the AIPA Permanent Secretariat⁶⁹. This could form the basis for more pro-active parliamentary involvement.

In addition to those formal committees initiatives have been taken by like-minded parliamentarians in their individual capacity. By joining forces under the ASEAN umbrella they aim at greater influence on ASEAN policies and decisions. One such initiative, the *ASEAN Parliamentarians for Human Rights* (APHR) established in June 2013, is particularly active in putting pressure on Governments to promote and respect human rights and democracy in the region. It has contacts with the EP but at this stage should be more considered as a civil society group of a limited size than a parliamentary body that could develop a formal relationship with the EP bodies.

4.3 How to strengthen the EP relations with AIPA

The European Parliament, represented by the Delegation for Relations with ASEAN and its Member States (DASE) enjoys observer status at the annual AIPA General Assembly⁷⁰. This provides the EP with an opportunity to engage in dialogue at the regional level and contributes to the consolidation of representative democracy. During these exchanges the Parliament Delegation explains progress in EU construction, expresses support for regional integration (which is an EU global strategy), presents the EU as a reliable partner and promotes a stronger parliamentary dimension to the EU-ASEAN relationships. Unfortunately no Observers were invited to attend the last AIPA General Assembly in Myanmar in 2016, officially for financial reasons. The next AIPA GA will take place in Manila in September 2017 and hopefully the dialogue with the Observers will resume.

AIPA visits in Brussels are also rare: in 2012 the Chair of the DASE Delegation wrote to the Conference of Presidents to seek authorisation to invite an AIPA Delegation once a year to Brussels in reciprocity for the invitation to the annual AIPA GA. While the Conference of Presidents endorsed the political objective, it did not approve the financial proposal making the entire exercise improbable⁷¹. There is therefore a high potential for intensification of relations provided the ASEAN side and the EP decide to show greater interest.

The European Parliament has a long experience of being the driver in establishing organized parliamentary bodies including with regional partners. It is now time for Parliament to explore how to support

⁶⁶ AIPA Statutes, art 3

⁶⁷ Jurgen RULAND, in *Parliamentary dimension of regionalization and globalization*, Palgrave MacMillan, 2013

⁶⁸ Source: AIPA website (<http://www.aipasecretariat.org/>)

⁶⁹ See: <http://www.aipasecretariat.org/about-us/organizational-structure>.

⁷⁰ As do the parliaments of the "dialogue partners" countries — China, Japan, South Korea, Australia, Canada, India, Russia, Belarus, New-Zealand, Papua New Guinea and Timor-Leste.

⁷¹ Feedback note, Meeting of the DASE Delegation, 7 November 2013

parliamentary democracy in Asia and particularly in ASEAN. Another goal is to support regional integration. The challenge is the political commitment on both sides.

The EP has repeatedly called for greater democratisation of the ASEAN decision-making process, for a greater role for AIPA and for empowerment of civil society. Indeed in its latest resolution⁷² on the future of EU-ASEAN relations adopted on 15 January 2014 the EP acknowledges a shortcoming in the relations and provides a clear political mandate to take action:

"... establishing a formal Euro-ASEAN inter parliamentary assembly would further upgrade relations between the EU and ASEAN Member States once the conditions were ripe and would also provide a forum for multilateral exchange to address global issues in a more comprehensive way"

Furthermore the Joint Communication to the EP and the Council on *"The EU and ASEAN: a partnership with a strategic response"*, adopted by the European Commission on 18 May 2015 specifically says that:

"The EU will continue to promote the parliamentary dimension of the EU-ASEAN relations, including by supporting more structural exchanges between the EP and the AIPA as proposed by the EP resolution of 15 January 2014".

It may now be time to act on those calls. Although its importance at regional level is still relative, AIPA (and its objectives) is fully relevant in relation to the development of the political context in South-east Asia. Its role will grow in the future and the EP should continue to support the development of stronger regional parliamentary institutions. It would also be in line with the EP's *Democracy Support and Election Coordination Group (DEG) 2014 End of Legislature Report* which recommends to develop Parliament's role in the area of democracy support.

One of the biggest challenge for ASEAN beyond 2015 lies in getting people on board of the community-building train and to make results visible to the average citizen. Parliaments as peoples' representatives have a major role to play here. With progress being made towards integration and recognition of the need to be more people-oriented, reflection is on-going in ASEAN on the ways to enhance its legitimacy. There are growing signs of a wider regional interest, and maybe of more ambition, to study and understand how democracy can work at the regional level. For example the themes of the 34th and 35th General Assemblies of AIPA in 2013 and 2014 reflect this tendency: *"The Role of AIPA in Realising the ASEAN Community"* and *"Strengthening parliamentary cooperation in the ASEAN Community Building"*. AIPA's role is indeed likely to grow in the future, albeit slowly, to eventually become the parliamentary arm of ASEAN, an outcome which has been strongly and repeatedly supported by the EP.

In this framework could a Euro-ASEAN joint parliamentary assembly be established along the lines of those created with Latin America (Euro-Lat) or with the Eastern Neighbourhood (Euro-Nest)?

A Joint Parliamentary Assembly could either bring together EP and AIPA representatives or be broadened to include representatives from EU Member States as well (AIPA representatives are actually Members from National Parliaments delegated on a case by case basis to AIPA events). It should however avoid discussing national issues and focus on global and regional challenges. However *"It takes two to tango"* and political commitment on the ASEAN side is of paramount importance. The current situation in the region, with regard to the role of parliaments, makes it probably premature to look at the establishment of a full joint parliamentary assembly. An ASEAN parliament remains a long-term goal (see 4.2 above). This should however be kept in mind as a future goal and the preliminary steps should be prepared.

If the idea to set-up of a joint assembly cannot be agreed between the two institutions, be it for political or financial reasons, and rather than be content with status-quo (where the EP Delegation for relations with

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<http://www.europarl.europa.eu/sides/getDoc.do?pubRef=-%2F%2FEP%2F%2FTEXT%2FTA%2BP7-TA-2014-0022%2B0%2BDOC%2BXML%2BV0%2F%2FEN&language=EN>

ASEAN acts as contact point with AIPA) another alternative should be studied to develop greater and deeper relations. This alternative, of a more modest but also more realistic nature, could be to establish a formal, regular and structured dialogue between the EP and AIPA. The dialogue would cover an annual meeting in the form of a roundtable where regional or global topics of mutual interest could be discussed. In its speech delivered to the AIPA General Assembly (GA) held in Kuala Lumpur on 7-11 September 2015, the Chair of the EP's Delegation for relations with ASEAN (DASE) included a reference to such a formal dialogue.

A capacity-building component could be added in view to reinforce parliamentarianism in ASEAN⁷³. Obviously, to be efficient, capacity development must be demand-driven and much depends therefore on the Asian side willingness to draw on the EU expertise.

In this context it is important to note that one of the EU Member States has decided that strengthening the parliamentary normative and control functions in ASEAN was important and worth a financial effort: Germany is, since 2012, funding the programme "*Capacity Development for AIPA*" jointly executed by the Gesellschaft für Internationale Zusammenarbeit (GIZ) and the Hans Seidel Stiftung (HSF). The pilot phase (2012-2013) benefitted from a 645 000 euros grant and Phase 1 (2014-2015) had a budget of 575 000 euros. GIZ had also proposed to establish an *AIPA-EP Dialogue Facility* which could complement their programme and contribute to achieving Parliament's objectives. A fact-finding EP mission should be fielded to the AIPA Secretariat and GIZ to assess their willingness to push further the cooperation. The next step should be to organise, based on a joint declaration of intent, a brain-storming session to discuss the detailed framework of the dialogue.

Under the political guidance of the EP *Democracy Support and Election Coordination Group (DEG)* a period of preparation would cover the administrative and organisational aspects of the proposal and identify the topics that could be discussed during the formal political dialogue events between both sides. The dialogue events could include a plenary session, three panels according to the three ASEAN pillars and a final political declaration. They could be co-funded by Germany, the EP and AIPA and could possibly be linked to the calendar of the ASEAN-EU Foreign Ministers meetings to increase visibility and impact. Another alternative would be to organise this event in the margins of the annual AIPA GA.

A specific needs assessment could be discussed in parallel with the AIPA secretariat, GIZ and HSF for the capacity-building component and implemented under the Democracy Fellowship Programme⁷⁴ run by the Democracy and Elections Actions Unit (DG EXPO, EP).

Parliamentary diplomacy adds legitimacy, resilience and political weight to policies⁷⁵. The European Parliament has a specific "regional" expertise that should be transmitted through enhanced collaboration with regional bodies. This initiative calls for a more proactive, and pragmatic, attitude on the EU side towards the world's most dynamic region to respond to the growing signs of a wider regional interest for increased legitimacy. It will of course only be efficient if ASEAN leaders show greater interest in empowering legislators and in the regional legislative body. That would probably require at a certain stage upgrading and reinforcing the AIPA secretariat and, above all, political will.

⁷³ This is recommended in the EP resolution on the future of EU-ASEAN relations adopted on 15 January 2014 and has started with the first AIPA official having attended training in Brussels in September 2014. A second one attended training in September 2015.

⁷⁴ The DFP mission is to exchange good practices and experiences by offering short term training programmes. It targets civil servants of national parliaments and international regional assemblies in new and emerging democracies.

⁷⁵ Daniel FIOTT, "*On the value of parliamentary diplomacy*", Madariaga Paper - Vol.4, Nr 7, April 2011, Madariaga Foundation:

5 Policy recommendations for the future of EU-ASEAN relations

Since forty years, globalisation and an increasingly interdependent world have brought EU-ASEAN relations to much deeper and comprehensive levels. Both sides have tremendously changed and face many common challenges that can only be addressed collectively: responses to global issues such as the fight against terrorism, climate change, migration, pandemics or natural disasters can only be effective if there are joint responses that involve all stakeholders, including ASEAN and its Member States. Both sides also need to adjust to a rapidly changing global environment and come up with clear policies and strategies towards the major global powers in particular China that is becoming more confident (the low profile approach dear to the late Deng Xiaoping is gone) and the US that may be withdrawing from global leadership under President Trump. Both partners also face specific challenges.

To progress towards deeper integration ASEAN needs to strengthen its institutions; to gain more legitimacy it needs to involve civil society and the legislative power; to remain at the centre of the regional architecture it has to come to terms with a rising and more assertive China that is claiming economic and political leadership in the region, including through extensive territorial claims.

On its side the EU, faced with its own internal difficulties such as high unemployment, sovereign debts and rising nationalism, still has to demonstrate how it can be a global actor in the region beyond trade. China's rejection of the Permanent Court of Arbitration's ruling on South China Sea also poses a serious threat for global governance and the rule-based international order, two key priorities for the EU.

Deepening and enhancing relations, both politically and economically, with one of the most dynamic regions in the world which shares EU's views on multilateralism and free trade will bring important benefits for the EU citizens: in our globalised world the interdependence between ASEAN and the EU has reached very significant levels that go well beyond trade to include security, prosperity and global challenges. The following policy recommendations aim at strengthening the EU relationship with ASEAN, the major contributor to stability in the Asia-Pacific region. They are built around core objectives that best serve EU interests but will require additional political will and an increased and more regular presence. Both will consume time and energy.

- **EU-ASEAN Strategic Partnership**

The 2015 Joint Communication refers to ASEAN and the EU as "*partners in integration*". The goal is naturally to work towards a strategic partnership, to complement those agreed with China and with India. Some steps have already been taken by the EU such as the appointment of a dedicated EU Ambassador to ASEAN, the provision of additional funds to support cooperation activities or stronger engagement in security matters. From the EU point of view to qualify the relationship as strategic partnership it must indeed embrace all aspects of the relationship, from trade to energy, from climate change to political and security issues, from human rights to sustainable development. Agreement on a comprehensive package that encompasses all areas, including participation in the *East Asia Summit (EAS)*, remains however elusive. To confirm its declared support to ASEAN's centrality in the regional Asia-Pacific architecture and demonstrate its interest in deepening the relationship the EU could agree to such enter into a strategic partnership even if all her demands are not met.

- **Trade relations**

ASEAN is the EU's third largest trade partner and the EU is ASEAN's second trade partner (after China). Bilateral trade in goods and services has reached EUR208 billion in 2016. The EU is also the largest investor in ASEAN (almost a quarter of all FDI). With its 625 million consumers, and an average growth rate of around 5.5% per year, the recently established ASEAN Community offers significant scope for increased trade

relations. The EU is the first economy of the world and the most affluent one. Both sides believe in free trade and oppose protectionism. They are committed to the resumption of negotiations for a region-to-region free trade agreement (they were suspended in 2009) using the bilateral agreements as building blocks (FTAs have been negotiated, or are under negotiation, with Singapore, Vietnam, Malaysia, Thailand, Indonesia, The Philippines). The expected death of the TTP trade deal, as announced by President Trump, will likely open the door for other trade agreements. China, which is promoting the *Regional Comprehensive Economic Partnership (RCEP)*, will probably largely benefit from that situation. The EU should not miss the opportunity to engage more on the trade front and not let Brexit (the UK is the second largest economy in the EU and one of the more pro-trade MS) negatively impact on those prospects.

- **Sustainable development**

Free Trade Agreements are not exclusively about increasing trade volume and statistics. They must aim at improving citizens' lives through better economic means and rights. ASEAN's economic growth in the past two decades has been remarkable and has enabled significant progress in reducing poverty levels. However these achievements have taken place in a context of growing inequalities and strong pressure on the environment. Growth must take into account those inequalities and support sustainable social safety nets. Global challenges for the future generations such as climate change and depletion of natural resources could lead to migratory movements with far-reaching consequences. The EU can and should be a strong partner for ASEAN in meeting the Sustainable Development Goals (SDG's). The new EU-ASEAN High Level Dialogue on Sustainable Development to be launched in 2017 can provide the framework for launching new initiatives as equal partners.

- **Effective multilateralism**

A new world order is in the making characterized by a power shift to the East. The EU needs a policy that acknowledges this shift and that is able to deal with the changing balance of power. Moreover today's threats have no borders and in the 21st century, no solution can be found to any global challenge without the participation of all stakeholders including the Southeast Asian nations. Both sides promote effective multilateralism and must work together, including in the broader fora such as the United Nations, WTO or the G20, to support sustainable policies that will address economic, social and political global challenges

- **Political and security dialogue**

The EU's ambition to expand its role as a global security actor is clearly presented in the 2016 Global Strategy for the EU's Foreign and Security Policy. China's growing assertiveness may pose a serious threat to the rule-based international order. In that context, and while remaining realistic, the EU must look for ways to increase its engagement to play a relevant role in security issues. It needs therefore to demonstrate its added value with all ASEAN-led mechanisms and processes in the security field. The EU is not an Asian power but in a globalised world its security and growth prospects depend on its relations with others and on a rules-based international order. Dialogue on security aspects, both traditional and non-traditional (such as crisis management, election observation, non-proliferation, maritime disputes, migration, cybersecurity, preventive diplomacy), should therefore be enhanced in order to show that the EU can be taken as a serious security actor in the region. This would improve prospects to join the East Asia Summit (EAS), the leading forum for strategic cooperation in the region, in addition to participation in the ASEAN Regional Forum (ARF).

- **Connectivity**

The *Master Plan on ASEAN Connectivity 2025* is an essential element of regional integration, a policy which is promoted worldwide by the EU. It is the unifying project at the heart of ASEAN today to build an integrated regional economic system. Connectivity bring business, people and institutions together, between ASEAN countries and with the rest of the world. It covers physical infrastructure such as land, sea and air links but also regulatory frameworks and people-to-people relations. Most EU-funded activities aim

at increased connectivity between the two regions and the EU has valuable assets to achieve the connectivity goals.

- **Human rights, democracy and the rule of law**

“To consolidate and support democracy, the rule of law, human rights, and good governance” is one of the objectives of the CFSP as stated in Art.21 of the Lisbon Treaty. While both sides agree in principle to promote and protect fundamental freedoms (EU agreements, such as PCA and FTA, always include the essential clause on democracy and human rights) this has regularly put strains on the relationship. The abolition of the death penalty, the situation of vulnerable minorities and the rights of women and girls remain EU priorities. In some ASEAN Members states democracy is also at risk. Avoiding lecturing Governments the EU should continue promoting those universal values through increased support to the ASEAN Intergovernmental Commission on Human Rights (AICHR) and a dedicated human rights policy dialogue at the regional level.

- **People to people relations**

The EU-ASEAN relationship concerns more than 1.1 billion people and should be made more visible through increased youth, academics, civil society activists, politicians and journalists’ exchanges. ASEAN has declared being a people-oriented, people-centred organisation and would gain in legitimacy if it would do more for democratizing regional governance and involving civil society in the decision-making process. The credibility and relevance of the regional integration processes are at stake, both in ASEAN and in the EU. Bridging the communication gap between the two sides through increased exchanges is politically and economically important. In that regard the potential of the *Erasmus+* programme should be fully exploited and the work of ASEF can be commended. More attention should also be put on cultural diplomacy, in line with the June 2016 Communication on the EU strategy for international cultural relations.

- **Parliamentary relations**

The ASEAN Inter-parliamentary Assembly (AIPA), was established as early as 1975. The EP Resolution on the future of EU-ASEAN relations adopted on 15 January 2014 provides a strong political mandate to upgrade parliamentary relations between the two sides. It is time to capitalise on the general trend towards more participation and more democracy in the region. Timely and careful planned development of parliamentary links between ASEAN and the EP would, by providing additional international recognition to legislative assemblies, advance representative democracy in the region and open more doors for parliamentary diplomacy. There remain significant limits, for the time being, to the development of parliamentary democracy in Asia but AIPA could form the basis for a future joint assembly to hold executives to account and to scrutinize their activities. Due to current political circumstances this is probably premature and a more modest approach should be adopted by first launching a regular structured dialogue. This requires a more pro-active approach, and stronger political support, to democracy promotion. For example the political commitment to support democracy should translate into concrete measures, such as establishing a legal base for parliamentary cooperation committees.

Glossary

AEC	ASEAN Economic Community
AEMM	ASEAN-EU Ministerial Meeting
AICHR	ASEAN Inter-governmental Commission on Human Rights
AIPA	ASEAN Inter-parliamentary Assembly
AFTA	ASEAN Free Trade Area
APSC	ASEAN Political and Security Community
ASEAN	Association of Southeast Asian Nations
ASEAN + 3	ASEAN + China, Japan, Korea
ASEAN + 6	ASEAN + China, Japan, Korea, India, Australia, New Zealand
ASEM	Asia-Europe Meeting
ARF	ASEAN Regional forum
ASCC	ASEAN Socio-cultural Community
ASEF	Asia-Europe Foundation
CADPA	Coalition Against the Death Penalty in ASEAN
CBM	Confidence Building Measures
CBRN	Chemical, Biological, Radiological and Nuclear Risks
CFSP	Common Foreign and Security Policy
CSDP	Common Security and Defence Policy
EAS	East Asia Summit
EEAS	European External Action Service
EIDHR	European Instrument for Democracy and Human Rights
EP	European parliament
E-READY	Enhanced Regional EU-ASEAN Dialogue Instrument
EU	European Union
FDI	Foreign Direct investment
FTA	Free Trade Agreement
HR/VP	High Representative / Vice-President
PCA	Partnership and Cooperation Agreement
TAC	Treaty of Amity and Cooperation

Annex 1: Map of ASEAN



Source: United Nations