



SOUTHEAST ASIA

The EU is forging closer ties with Southeast Asian countries and promoting regional integration with the Association of Southeast Asian Nations (ASEAN). The EU is a strong economic player in Southeast Asia and an important development aid donor, working to foster institution-building, democracy, good governance and human rights.

This fact sheet describes the Southeast Asia region. See also the fact sheets on South Asia ([5.6.7](#)) and East Asia ([5.6.8](#)).

LEGAL BASIS

- Title V (EU external action) of the Treaty on European Union (TEU);
- Articles 206-207 (trade) and 216-219 (international agreements) of the Treaty on the Functioning of the European Union (TFEU);
- Partnership and Cooperation Agreements (PCAs) (bilateral relations).

SOUTHEAST ASIA

A. Association of Southeast Asian Nations (ASEAN)

The first ASEAN summit, held in Bali in February 1976, brought together Indonesia, Malaysia, the Philippines, Singapore and Thailand, plus Brunei Darussalam, Vietnam, Laos, Cambodia and Myanmar. ASEAN follows a strict policy of non-interference in its members' domestic affairs. The 35th ASEAN Summit took place in Bangkok, Thailand in November 2019. Discussions focused on trade, connectivity and the South China Sea. Terms were agreed for a Free Trade Agreement, the Regional Comprehensive Economic Partnership (RCEP), but India decided to withdraw from the agreement amid concerns for its domestic economy. The EU-ASEAN RCEP agreement, to be signed in 2020, would become the world's biggest FTA.

The EU has a strategic interest in developing Asia's regional integration, and pursues partnership and cooperation agreements (PCAs) with individual ASEAN member countries. The EU is ASEAN's second largest partner, with a 13% share of ASEAN's total trade with the world. ASEAN is the EU's third largest partner outside Europe (after the US and China). EU-ASEAN two-way trade stood at EUR 237 billion in 2018 and the EU remained the largest external source of foreign direct investment (FDI) flows into ASEAN in 2017, when they amounted to EUR 27 billion.



B. Asia-Europe Meeting (ASEM) and Asia-Europe Parliamentary Partnership Meeting (ASEP)

The 12th Asia-Europe Meeting (ASEM) took place in Brussels in October 2018, and was aimed at strengthening economic cooperation, political dialogue and the promotion of people-to-people links between the EU and Asia.

Meanwhile, the 10th Asia-Europe Parliamentary Partnership Meeting (ASEP) took place in Brussels in September 2018, with partners highlighting the need for effective and swift action on climate change, security cooperation, trade relations and human rights. The US withdrawal from the Paris Agreement highlights the importance of Asia-Europe relations and multilateralism for a rules-based global order, which requires further transparency of working methods.

C. Indonesia

Indonesia, a member of the G20, the world's third largest democracy and the largest Muslim-majority country, is becoming an increasingly key partner for the EU.

Presidential and parliamentary elections were held simultaneously for the first time on 17 April 2019. President Joko Widodo was re-elected and officially started his second and final term in October 2019.

The Indonesian economy is supported by a strong private sector. Indonesia's GDP is expected to grow at around 5% per year over the entire 2018-2022 period. EU-Indonesia cooperation is based on the 2014 Partnership and Cooperation Agreement. The sixth round of negotiations on a comprehensive EU-Indonesia Free Trade Agreement, in October 2018, continued across a broad range of areas, particularly trade in goods, services, investment and rules of origin.

The EU is Indonesia's fourth biggest trading partner, with total trade worth more than EUR 27 billion in 2018. EU investments in Indonesia amounted to EUR 33.1 billion in 2017.

The eighth EU-Indonesia Human Rights Dialogue took place on 8 November 2019 in Brussels. The EU stressed the importance of abolishing the death penalty and expressed concerns about Indonesia's new penal code, which needs to comply with international human rights standards.

The fourth EU-Indonesia Security Dialogue and the fourth Political Dialogue took place on 12 November 2019 in Brussels. Indonesia faces terrorist threats, and the Indonesian Minister for Political, Legal and Security Affairs was stabbed on 10 October 2019 by militants from the Jamaah Ansharut Daulah (JAD), a militant group aligned with the Islamic State that has carried out suicide bombings in the past.

D. Myanmar

The EU has been an active partner in Myanmar's democratic transition and at the forefront of the international community's re-engagement with the country since it began to re-establish democracy and open up to the world. There is no formal framework agreement in place because of decades of international isolation and sanctions. The Council endorsed a strategy for relations with Myanmar in 2016.



Since the 2015 elections, observed by the EU with the participation of the European Parliament, democratic reforms have been progressing. Aung San Suu Kyi assumed the posts of state counsellor, foreign minister and minister of the Office of the Presidency, giving her real executive powers. The Myanmar Constitution, written by the military government in 2008, restricts the new government's actions. Myanmar is still engaged in a civil war that began in 1948. A ceasefire was agreed in October 2015, but a number of ethnic insurgent groups have not signed it.

The EU is a strong economic partner and development aid donor, fostering democracy and institution-building and allocating EUR 688 million for the 2014-2020 period. Total trade in goods between the EU and Myanmar amounted to EUR 2.9 billion in 2018.

There are major human rights issues, foremost among which the persecution of the Rohingya people in Rakhine. Since August 2017, over 700 000 Rohingya refugees have fled to Bangladesh to escape persecution in Myanmar. Myanmar is also having to contend with a rise in Buddhist nationalism and an escalation of inter-communal tensions.

In August 2019, thousands of refugees refused attempts by Bangladesh, Myanmar and the UN to repatriate them on account of security concerns. On 11 November 2019, Gambia filed a case at the International Court of Justice (ICJ) against Myanmar, based on the UN's Genocide Convention. In addition, the International Criminal Court's prosecutor has called for an investigation into crimes against the Rohingya.

E. The Philippines

In May 2016, Rodrigo Duterte won the presidential election with 39% of the vote. He adopted controversial measures against drug trafficking with 'shoot to kill' orders that led to flagrant human rights violations. President Duterte has changed the Philippines' foreign policy, building a new alliance with Russia and China, despite the controversy over the South China Sea. On 23 May 2017, he declared martial law in Mindanao until the end of 2019, mainly because of the presence of so-called Islamic State (IS) militants in the Muslim-majority city of Marawi and other cities. IS claimed responsibility for attacks that took place in September 2019 in the southern Philippines.

The European Parliament has become increasingly concerned about the human rights violations. At the 108th Session of the ILO Conference in Geneva on 10 June 2019, the EU reminded the Philippines of its commitment to ratify and implement international conventions on human and labour rights, as stated in the GSP+ Agreement.

The EU and the Philippines signed a Partnership Cooperation Agreement (PCA) in 2011, which entered into force in March 2018. The EU is a significant donor to the Philippines, providing EUR 325 million for the period 2014-2020. Focus areas are the rule of law and inclusive growth. EU-Philippines bilateral trade in goods amounted to EUR 15.6 billion in 2018 and the EU ranks as the Philippines' fourth-largest trading partner. The Philippines continues to benefit from the EU's GSP+ trade preferences scheme. The European Parliament resolution of 19 April 2018 on the Philippines^[1]

[1]OJ C 390, 18.11.2019, p. 104.



recalls its obligations under international law, the GSP+ scheme and the PCA, while recognising the progress made in the implementation of the GSP+ conventions.

F. Vietnam

EU-Vietnam relations are at a decisive stage, following the entry into force of the Partnership and Cooperation Agreement in 2016. A total of EUR 400 million was allocated for the 2014-2020 period, with a focus on good governance, energy and climate change.

On 17 October 2018, the European Commission presented the EU trade and investment agreements that are expected to come into force in 2020.

Vietnam continues to be a one-party communist state with no political freedom, despite being one of the most successful examples of a country that has transitioned from a failed communist economic system to an open and market-oriented economy. Vietnam is one of the fastest growing countries in ASEAN, having recorded average GDP growth of 6.88% between 2010 and 2018. EU-Vietnam trade in goods reached around EUR 50 billion in 2018. EU FDI stocks in Vietnam reached EUR 8.5 billion in 2017.

The EU and Vietnam held the eighth round of their Human Rights Dialogue in Brussels on 4 March 2019. Areas such as freedom of expression, the death penalty and cybersecurity were discussed.

On 30 June 2019 the EU and Vietnam signed a Free Trade Agreement (FTA) and an Investment and Protection Agreement (IPA). On 17 October 2019, the EU and Vietnam signed a Framework Participation Agreement to set a legal basis for Vietnam's participation in EU crisis management operations.

G. Thailand

The EU-Thailand partnership is based on the 1980 framework agreement. The parties completed negotiations for a Partnership Cooperation Agreement in March 2013, but it was halted following the military coup in 2014. On 11 December 2017, the Council adopted conclusions with a view to pursuing gradual political re-engagement. Negotiations on the EU-Thailand FTA may be resumed once a democratically elected civilian government is in place. The EU is Thailand's third largest export market and Thailand is one of the EU's main trade partners in ASEAN. In 2018, bilateral trade amounted to EUR 38 billion. The 14th EU-Thailand Senior Officials' Meeting took place in Brussels on 16 October 2019 to discuss trade, migration, cooperation, climate change and human rights issues.

Thailand is a constitutional monarchy, but a military junta has ruled the country since 22 May 2014. The military has suppressed opposition by imposing martial law, and human rights abuses have been reported. King Bhumibol Adulyadej died in late 2016. King Maha Vajiralongkorn Bodindradebayavarangkun was crowned in May 2019, although he had already been on the throne for two years.

The pro-military party won the general election on 24 March 2019, amid claims of manipulation, bad information and inconsistencies in voter turnout. Prayuth Chan-ocha, the former 2014 military leader, was appointed as prime minister in June 2019. Chan-ocha was already prime minister from 2014 to 2019 under the National Council for



Peace and Order (NCPO). Although junta rule officially ended in July 2019, the military still has influence over the government.

In February 2017, the junta initiated peace talks with the insurgency in the southern Muslim-majority provinces. The European Parliament has passed resolutions on human rights, migrant workers and labour rights.

H. Cambodia

The EU's relations with Cambodia date back to the 1977 Cooperation Agreement. The EU is the country's biggest donor, allocating EUR 410 million for the 2014-2020 period for improving governance and the rule of law and for the Khmer Rouge Tribunal. Years of civil war rendered Cambodia one of the poorest states in Southeast Asia. After the 1991 Paris Peace Agreements, Cambodia adopted a Constitution in 1993, laying the foundations for a liberal, multi-party democratic state with regular elections.

On 26 February 2018, the Council adopted conclusions on Cambodia in the light of political developments and the continuing deterioration of democracy, respect for human rights and the rule of law^[2].

Prime Minister Hun Sen and his ruling Cambodian People's Party (CPP) won the general election on 29 July 2018, but the opposition claimed that the electoral process had been neither free nor fair.

The opposition leader, Kem Sokha, was arrested in September 2017. That same month, the European Parliament passed a resolution^[3] calling on the Cambodian Government to end its politically motivated prosecution of Mr Sokha. On 9 November 2019, Cambodia lifted the house arrest of Kem Sokha. The EU welcomed this news, although Sokha remains under court supervision and is prohibited from engaging in any sort of political activity.

Sam Rainsy, President of the former main opposition party – the Cambodian National Rescue Party (CNRP) – was prevented from boarding a flight from France to Thailand on 7 November 2019 after he had announced his plan to return to Cambodia. He has been self-exiled since 2015, and the CNRP was dissolved in November 2017 after the Cambodian People's Party (CPP) tried to suppress all opposition.

Although the annual economic growth rate reached 7% in 2018, Cambodia's economy is dependent on international aid and garment exports and is heavily susceptible to labour costs. As a Least Developed Country, Cambodia benefits from the Everything But Arms scheme under the EU's Generalised Scheme of Preferences (GSP). Nevertheless, the EU sent a mission to Cambodia in June 2019 to evaluate a potential temporary withdrawal of Cambodia's trade preferences in response to concerns regarding human and labour rights.

I. Singapore

On 13 February 2019, the EU and Singapore ratified three 'new generation' agreements: the EU-Singapore Partnership and Cooperation Agreement (EUSPCA), the EU-Singapore Free Trade Agreement (EUSFTA) and the EU-Singapore Investment

[2]<http://www.consilium.europa.eu/en/press/press-releases/2018/02/26/cambodia-council-adopts-conclusions/pdf>

[3][OJ C 337, 20.9.2018, p. 99.](#)



Protection Agreement (EUSIPA). The FTA with Singapore entered into force on 21 November 2019. These agreements are designed to boost political, economic and trade ties between the two parties and will significantly reduce customs duties on both sides. Technical and non-tariff barriers to trade in goods will be removed in a wide range of sectors.

The EU is Singapore's third most important trading partner. EU-Singapore two-way trade in goods reached EUR 58 billion in 2018. Singapore is a major destination for European investment in Asia, with FDI stocks having amounted to EUR 227 billion in 2017.

The People's Action Party is leading the transition ahead of the next parliamentary elections scheduled for 2021. The EU and Singapore cooperate very closely in business, science and technology. While supporting the work of civil society, the EU has been unequivocal in calling for the abolition of the death penalty.

J. Brunei Darussalam

The Sultan of Brunei, Hassanal Bolkiah, rules the state, while Prince Billah Bolkiah is taking on more and more responsibilities. Political liberalisation is non-existent. The penal code was reformed in 2014 to incorporate a new Sharia-based approach. In April 2019, a new penal code was enacted to impose new forms of punishment that include death by stoning for gay sex and adultery and the amputation of limbs for theft. Following an international outcry, Brunei extended a moratorium on the death penalty.

The EU is actively enhancing its relations with Brunei, but there is no framework agreement yet. Relations are mainly handled through ASEAN. The EU was Brunei's eighth largest trading partner in 2017 (total trade in goods amounting to EUR 362 million), with trade between the EU and Brunei being mainly in machinery, motor vehicles and chemicals.

K. Laos (the Lao People's Democratic Republic) (Lao PDR)

EU-Laos relations are based on the 1997 Cooperation Agreement. The EU is providing over EUR 500 million for the 2016-2020 period, supporting the Lao Eighth National Socio-Economic Development Plan, which focuses on achieving high economic growth with an overall target of graduating from Least Developed Country status by 2020.

Development Commissioner Mimica visited Laos in September 2019 to strengthen relations and discuss topics such as nutrition, good governance and trade assistance.

Laos is a one-party state. The Lao People's Revolutionary Party (LPRP), in power since the end of the civil war in 1975, rules the country with an iron grip and with no opposition to challenge it. Laos is deepening its relations with China and ASEAN, seeking to attract greater investment. Economic reforms have led to sustained economic growth (over 7% since 2014, with 7.3% for 2018). Despite economic reforms, the country is still poor and dependent on international aid. As a Least Developed Country, it benefits from the EU's Everything But Arms scheme.

The ninth annual EU-Lao PDR Human Rights and Governance Dialogue took place in Vientiane on 7 March 2019. The EU devoted particular importance to the human rights



situation. At the 108th Session of the ILO Conference in Geneva on 10 June 2019, the EU called on Laos to address the issue of sexual exploitation of children.

L. Malaysia

The EU and Malaysia concluded negotiations on a Partnership and Cooperation Agreement in 2015. After seven rounds of negotiation on the EU-Malaysia Free Trade Agreement, the negotiations were put on hold at Malaysia's request in April 2012. The EU is Malaysia's third largest trading partner and one of its biggest foreign investors: investment stocks in the country reached EUR 24.5 billion in 2017. EU-Malaysia overall trade in goods reached EUR 39.9 billion in 2018. Malaysian GDP is expected to grow by 4.7% in 2019.

In late March 2019, the European Commission announced that the use of palm oil in transport fuel should be phased out on the basis of the Renewable Energy Directive, which sets a sustainable bioenergy target of 32%. Both Indonesia and Malaysia protested and lodged complaints with the World Trade Organisation (WTO).

Malaysia's Barisan Nasional coalition, which includes the United Malays National Organisation (UNMO), was defeated for the first time ever in the May 2018 general election. Mahathir Mohamad led the opposition Alliance of Hope to victory and replaced Najib Razak as prime minister. Najib Razak was arrested after the elections and will face trial on 3 December 2019 on seven charges of corruption and money laundering.

In November 2019 the opposition Barisan Nasional (BN) coalition won a by-election for the Tanjung Piai parliamentary constituency in Johor State. It is the fourth by-election lost by the ruling Pakatan Harapan (PH) coalition this year.

The European Parliament has condemned the death penalty, the lack of respect of LGBTI rights and the silencing of public discontent, as well as the lack of peaceful expression, including public debate.

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