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## ASEANFocus



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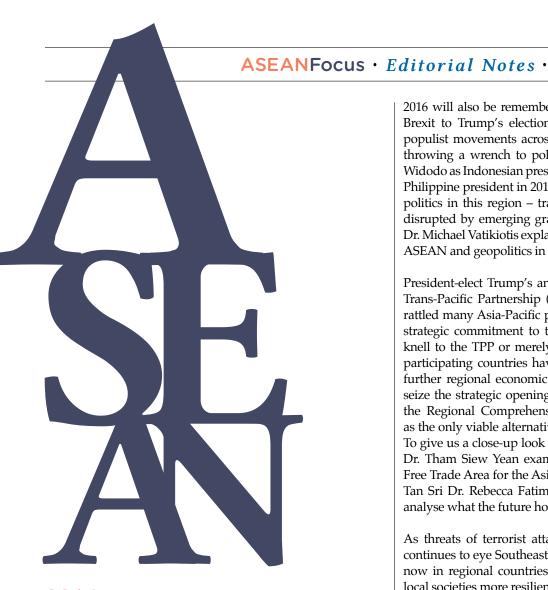
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2016 began with much wondering about how ASEAN would fare under Laos' chairmanship, what the Arbitral Tribunal would say in its ruling on the South China Sea case, and if Hillary Clinton could make history as the first female US President. In all fairness, Laos rose to the occasion and notwithstanding some wobbles, managed to hold ASEAN together. But 2016 is ending with an even greater sense of bewilderment over the state of the region and the world.

Disruptions with the old ways and paradigm-shifting developments unfold wherever the eyes looked: the UK abandoned the EU ship; Donald Trump won the US presidency as a "non-establishment" candidate; the new Philippine president announced a break-away from the US and tilted towards China, casting aside an earth-shaking arbitration ruling in its favour; anti-globalisation sentiments are running wild across the developed world; ISIS' foothold in the Middle East is shrinking but ISIS-inspired attacks or attempts grow in many corners of the world, including Southeast Asia.

Amidst all this uncertainty, 2017 promises to be an exhilarating milestone moment for ASEAN as the grouping celebrates its 50<sup>th</sup> anniversary. With the Philippines leading ASEAN in 2017, the chairmanship now rests with a seasoned ASEAN hand who also happens to be at the forefront of ASEAN's strategic tango with China and the US. ASEANFocus is honoured to feature a preview of the Philippines' chairmanship agenda by the Philippine Undersecretary of Foreign Affairs for Policy and ASEAN SOM Leader Amb. Enrique A. Manalo.

2016 will also be remembered as the year of populism. From Brexit to Trump's election and other dominoes in between, populist movements across the world are gaining steam and throwing a wrench to politics as usual. The election of Joko Widodo as Indonesian president in 2014 and Rodrigo Duterte as Philippine president in 2016 are telling stories of how domestic politics in this region – traditionally an elite affair – is being disrupted by emerging grassroots-driven forces. In this issue, Dr. Michael Vatikiotis explains this trend and its implications on ASEAN and geopolitics in Southeast Asia.

President-elect Trump's announcement to withdraw from the Trans-Pacific Partnership (TPP) on his first day in office has rattled many Asia-Pacific partners, and cast doubts on the US' strategic commitment to the region. Whether this is a death knell to the TPP or merely a temporary aberration, the other participating countries have begun to look for other ways to further regional economic integration. China looks poised to seize the strategic opening as it doubles down on promoting the Regional Comprehensive Economic Partnership (RCEP) as the only viable alternative for a pan-Asian trade agreement. To give us a close-up look at the regional economic landscape, Dr. Tham Siew Yean examines possible pathways towards a Free Trade Area for the Asia Pacific (FTAAP) agreement, while Tan Sri Dr. Rebecca Fatima Sta Maria and Prof. Zhu Caihua analyse what the future holds for RCEP.

As threats of terrorist attacks in the region persist and ISIS continues to eye Southeast Asia as its next sanctuary, the focus now in regional countries is to make people more alert and local societies more resilient to such attacks. What happened in Berlin and Ankara in recent weeks provides a grim reminder of the challenging task of defending against terrorist acts inspired by religious extremism. As we extend our condolences as well as our thoughts and prayers to the victims and their families, we also honour and give thanks to the brave and selfless men and women who go to extraordinary lengths to keep us safe so that we can go about our ordinary lives peacefully. We are privileged to speak to Singapore Minister for Home Affairs K. Shanmugam on *Insider Views*, where he will share with us more about the SGSecure initiative as well as the future of terrorism in the digital age and cooperation between ASEAN member states on counter-terrorism.

In our effort to illuminate some of ASEAN's more interesting yet rarely discussed processes and institutions, the *Know Your ASEAN* segment (renamed from *ASEANInfo*) features an introduction to the ASEAN University Network and its work in promoting collaboration between ASEAN's many universities. This is complemented by some interesting facts on education in ASEAN for *ASEAN in Figures*. For *People and Places*, we showcase award-winning Singapore film director Anthony Chen and the awe-inspiring Rice Terraces of the Philippine Cordilleras. We conclude this year-end issue with a look back at some of the major regional developments in the *Year in Review* section.

We at the ASEAN Studies Centre would like to take this opportunity to wish you a fruitful 2017 ahead as we eagerly welcome ASEAN's golden jubilee. ■



The Official Philippines' Chairmanship Logo for ASEAN 50th.

### Partnering for Change, Engaging the World: The Philippines' Chairmanship of ASEAN

AMB. ENRIQUE A. MANALO outlines the Philippines' agenda for 2017 as its prepares to helm ASEAN.

n 2017, the Philippines assumes the chairmanship of ASEAN, a milestone year when ASEAN also marks its 50<sup>th</sup> anniversary.

A model regional organisation, ASEAN is the fulcrum on which the current regional security architecture balances. ASEAN has been performing this function credibly, owing to years of success in espousing cooperation and cultivating peace and stability through the ASEAN Way – its peaceful and non-confrontational approach in resolving differences.

The ASEAN Community, which was formally launched on 31 December 2015, envisions "an outward-looking region, with economies that are vibrant, competitive and highly integrated, and an inclusive community that is embedded with a strong sense of togetherness and common identity." This community encompasses all facets of life, as reflected by its political-security, economic, and socio-cultural pillars.

Moving forward, it is important that ASEAN's community-building make a difference in the lives of ASEAN citizens. They are the beneficiaries of a rules-based, people-oriented, and people-centred ASEAN.

It is in this spirit that the Philippines aims for positive change in the lives of ASEAN citizens through initiatives that significantly impact on their lives; and envisions ASEAN's greater international engagement to advance common interests, particularly in addressing emerging non-traditional security threats.

These are the guiding principles behind the Philippines' chairmanship theme, "Partnering for Change, Engaging the World."

Serving as beacons for moving forward our national interests and that of the region during the Philippines' chairmanship of ASEAN are six thematic priorities: (a) a people-oriented and people-centred ASEAN; (b) peace and stability in the region; (c) maritime security and cooperation; (d) inclusive, innovation-led growth; (e) ASEAN's resiliency; and, (f) ASEAN as a model of regionalism, a global player. It can be gleaned that the core goals of the three ASEAN community pillars are reflected in the six thematic priorities.

To realise the first thematic priority, the Philippines' chairmanship will steer ASEAN's work to help strengthen

a community that upholds human rights, high quality of life, and equal access to opportunities; improve access to social services of vulnerable groups; enhance the provision of basic necessities to its citizens, prioritising healthcare and improved nutrition; and promote the importance of the professionalism of civil servants in ASEAN Member States in regional development and community building.

Stability and security are necessary conditions for our region to prosper. In this respect, the second thematic priority envisions a community that strengthens cooperation in combating and preventing the use of dangerous and illicit drugs; aims to counter violent extremism in all its forms and manifestations; resolves conflicts and disputes through peaceful means; and strengthens ties amongst its Member States, building on on-going efforts on moderation and support for the work of the ASEAN Institute for Peace and Reconciliation (AIPR) and other ASEAN bodies.

The ASEAN Way – the regional organisation's guiding light for peaceful, non-confrontational approach with respect to resolving our differences – has time and again exhibited its relevance and importance in maintaining peace and stability in the region, particularly in maritime areas. The third thematic priority is cognisant of these enduring principles and likewise recognises international law as a basis of peaceful conflict resolution. It also envisions a community that intensifies maritime cooperation.

A clear-cut example of how the ASEAN Way has come to guide regional management of differences is the Declaration on the Conduct of Parties in the South China Sea (DOC) signed by the ASEAN Member States and China in 2002. In 2017, we are hopeful that a framework of the Code of Conduct in the South China Sea will be agreed upon by ASEAN and China. In the meantime, confidence-building measures have been agreed upon by ASEAN and China, including the MFA-to-MFA hotlines and the Code on Unplanned Encounters at Sea (CUES).

ASEAN affirms the need for a rules-based approach in the peaceful resolution of disputes in accordance with recognised principles of international law, including the 1982 UN Convention on the Law of the Sea (UNCLOS). The Philippines will continue its advocacy for the rule of law and for full respect for legal and diplomatic processes.

To further address the social ills confronting our societies, inclusive economic growth must be ensured. This is why the fourth thematic priority envisions a community that heightens connectivity amongst Member States to improve economic synergy; is conducive for business and offers opportunities for investments, including for Micro, Small and Medium Enterprises (MSMEs); and supports innovation leading to inclusive growth and development. Connectivity is an important aspiration of ASEAN, and efforts are being taken to make greater strides in enhancing physical,

"It is in this spirit that the Philippines aims for positive change in the lives of ASEAN citizens through initiatives that significantly impact on their lives."

institutional and people-to-people connectivity. The Master Plan on ASEAN Connectivity 2025 will complement and synergise on-going integration efforts and give further momentum for connectivity in sub-regional cooperation, such as the Brunei Darussalam-Indonesia-Malaysia-Philippines East ASEAN Growth Area (BIMP-EAGA).

Adhering to ASEAN's aims to build a disaster-resilient region, and to promote unity and solidarity among its members in responding to disasters within or outside the region, the fifth thematic priority envisions a resilient ASEAN community that mitigates and manages disasters; is prepared and united in responding to disasters befalling Member States; promotes the protection of the environment; and recognises the importance of biodiversity conservation. Finally, the sixth thematic priority aims to strengthen ASEAN's resolve to foster inclusivity in diversity; advocates equal recognition of all Member States; strengthens ASEAN's foundations rooted in both history and vision; and addresses international issues through a unified stand.

ASEAN has come a long way since its founding. A key to its success is its adaptability and flexibility as an organisation. It started with a highly decentralised structure, until the Treaty of Amity and Cooperation (TAC) bound all its ASEAN signatories to peaceful co-existence and respect for the principles of sovereignty, territorial integrity, and non-interference. In 2008, the ASEAN Charter was promulgated, bestowing ASEAN with legal personality and characterising it as a rules-based organisation. The ASEAN Charter calls for a periodic review, and the Philippines will work together with other ASEAN Member States to see which provisions can be brought up to date in keeping pace with regional and global developments.

As ASEAN looks forward to celebrating its 50<sup>th</sup> founding anniversary, its past and present successes make it fully equipped not only to effectively respond to challenges, but to prosper and come out stronger as a community. In 2017, the Philippines is prepared to steer it towards this direction.

**Amb. Enrique A. Manalo** is Undersecretary for Policy at the Department of Foreign Affairs, Republic of the Philippines.



### Populism on the March

**DR. MICHAEL VATIKIOTIS** explains the allure and impact of populist politics in Southeast Asia today.

ontrary to other parts of the world today, populist politics has been a part of the political scenery in Southeast Asia for more than a decade. Most obviously in Thailand, where the brand of populism developed by Thaksin Shinawatra propelled him initially to power as Prime Minister in 2001, but later generated a violent backlash as the palace-linked establishment feared he would lead Thailand down the path of republicanism.

The idea of a popularly elected political leader generating mass support and consolidating a strong power base on the back of

populist policies also captured the imagination of Indonesian voters in 2014; it led to the victory of President Joko Widodo. However, Jokowi's brand of populism is rooted in more traditional forms of effective and clean government, rather than a swerve away from the existing establishment.

Where populism has more lately had the strongest disruptive impact has been in the Philippines. The election of Rodrigo Duterte in May 2016 has completely turned domestic agenda and foreign policy of the country upside down. Duterte has reversed his predecessor Benigno Aquino's confrontation with China over disputed islands in the South China Sea and revived a moribund peace process with Communist

"The reality, however, is that as democracy has gained sway in Southeast Asia, successful politics has become defined in terms of what leaders can tangibly deliver to their people. Citizens in turn are less interested in vague notions of collective security and open borders."

insurgency. Most disruptively, Duterte launched a vicious war on drugs, mirroring in fact a policy Thaksin used in Thailand ten years earlier. Around 6,000 people have been killed in the Philippines this year, with critics alleging that they are mostly victims of targeted shootings.

The impact of populism on ASEAN has been generally negative. Populist leaders like Duterte and Jokowi have made foreign policy a second-tier priority, focusing instead on what they see as the needs of the people. Additionally, relations between ASEAN Member States

have become more turbulent as these new leaders place the needs of their own societies and economies before that of the regional community.

This has had the effect of reducing the importance of ASEAN barely a year after the launch of the ASEAN Community with great fanfare at the end of 2015. Jokowi for example has wondered why he even needs to attend ASEAN gatherings, and made it clear that the trade and economic needs of Indonesia are more important than considering strategic issues like security in the South China Sea. Duterte has similarly indicated that he prefers to see to the needs of Filipinos at home and has taken a casual, almost neglectful approach to

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ASEAN affairs. This is alarming as the Philippines assumes the ASEAN chairmanship in 2017 – the year when ASEAN will be celebrating its golden anniversary.

Not all of this regression of ASEAN's significance should be laid at the door of populist leaders. Over the past five years, ASEAN's coherence and influence have been battered by intensified superpower rivalry between China and the US. In the eyes of many of its people, ASEAN has failed to maintain a prudent and effective balance between the two great powers, and in 2016 the region faced the threat of a conflict in the South China Sea.

It was in fact Duterte with his practical decision to engage with China rather than push for the implementation of the arbitral tribunal's ruling in Manila's favour on the South China Sea that helped de-escalate tensions. Jokowi as well has preferred to engage with China as an investor and trading partner rather than an incipient threat to sovereignty, despite incursions by Chinese coastguard and fishing vessels into Indonesian waters near Natuna Island.

However, critics say that by seeking short-term economic benefits, both countries may have laid the basis for longerterm challenges to sovereignty and impaired ASEAN's effective management of regional security.

The reality, however, is that as democracy has gained sway in Southeast Asia, successful politics has become defined in terms of what leaders can tangibly deliver to their people. Citizens in turn are less interested in vague notions of collective security and open borders. Mirroring trends we now see in the US and Europe, people want protection and guaranteed social and economic security, which often come at the expense of broader norms and values.

The danger is that populist politics and its discontents threaten to unravel one of the least recognised benefits of regional association, which is a sense of collective identity in the face of complex and potentially conflictual ethnic and religious diversity in Southeast Asia.

Populist politics has tended to pander to basic elements of racial and religious prejudice, as seen more recently in Indonesia, Malaysia and Myanmar. The failure of contemporary leaders to foster effective regional diplomacy and policymaking has opened up fissures in the ASEAN region between its mainstream Buddhist and Muslim components. This is a dangerous trend that can only be reversed by leaders with vision and a sense of collective responsibility for Southeast Asia as a whole, not the sum of its parts.

**Dr. Michael Vatikiotis** is Asia Director of the Centre for Humanitarian Dialogue. His forthcoming book: 'Blood and Silk: Power and Conflict in Modern Southeast Asia' will be published in May 2017.



## The Future of Regional Trade

**DR. THAM SIEW YEAN** outlines the possible scenarios for furthering regional trade in the midst of the economic, political and strategic shifts.

2017 heralds a new season in terms of regional trade arrangements. The future of the Trans-Pacific Partnership Agreement (TPP) remains unclear at the time of writing. Trump's vow to withdraw from the TPP as soon as he is sworn into office on 20 January 2017 is deemed to spell an end to the agreement as the US accounts for 60 per cent of the group's gross domestic product (GDP). Nonetheless, there is another possibility that may unfold, subject to the decision of the other 11 remaining participating countries (namely, Australia, Brunei Darussalam, Canada, Chile, Japan, Malaysia, Mexico, New Zealand, Peru, Singapore and Vietnam). Since Japan has ratified the agreement and it is the second largest economy amongst the signatories, it is possible that Japan may take the lead in renegotiating the deal for a TPP-11 rather than to abandon the TPP completely.

Trump's inclination towards a protectionist stance and preference for bilateral agreements underscores a greater urgency for the 11-remaining signatories to preserve the TPP. First, it keeps the door open for the US to return to the deal at some point in the future. Expanding from a TPP-11 to include other members of the Asia-Pacific Economic Cooperation (APEC) will be one possible pathway to achieve the aspired Free Trade Area of the Asia-Pacific (FTAAP), but it will be difficult to engage China in this route as this pathway is deemed to be dominated by the US.

Second, preserving the TPP will also change the dynamics in the on-going negotiations for the Regional Comprehensive Partnership Agreement (RCEP). RCEP, a trade deal involving ASEAN and its six Plus partners (Australia, China, India, Japan, the Republic of Korea, and New Zealand), accounts for approximately half of the world's population, almost 30 per cent of global GDP and over a quarter of world exports. The uncertainties with respect to the future of the TPP and the overall future of regional trade liberalisation have refocused the attention of ASEAN and its Plus partners on the urgent need to conclude RCEP. RCEP is also perceived to be China's vehicle for forging a regional grouping that will eventually lead to the proposed FTAAP. However, China's interest in free trade agreements (FTAs) tends to focus on market access over global trade governance. A TPP-11, with seven of RCEP members as members of this trade deal, will help to prevent RCEP from deteriorating into a trade agreement without much substance.

It is imperative for RCEP to achieve a relatively high-level trade deal if the agreement is to be merged with a TPP-11 to pave the way for an FTAAP. Merging a lightweight RCEP with a TPP-11 that is based on the current form of the TPP-12 will be an onerous task. RCEP must therefore give due considerations to global trade governance issues and not merely focus on market access alone. However, the successful

conclusion of RCEP, without a TPP-11, will encounter difficulties in engaging the US in its journey towards an FTAAP.

At the same time, China has signed a significant number of bilateral agreements over the last one and half decade. As of end-2016, China has signed bilateral agreements with 16 out of the 21 APEC economies (ASEAN, Australia, Chile, Hong Kong, Republic of Korea, New Zealand and Peru) and is expected to expand its bilateral outreach, especially with its major trading partners. This approach is motivated by various economic

and strategic reasons, including the need to increase market access for China's exports. Interestingly, the agreements do not follow a fixed template and vary from one trade partner to another, an indication of China's flexible approach towards negotiating trade agreements.

More importantly, China is also negotiating a bilateral investment treaty (BIT) with the US, which plays a critical role in the evolving regional trade agreements. The successful conclusion of this BIT can serve to prepare the world's two largest economies for a future bilateral FTA. In the larger scheme of things, a Sino-US FTA would most likely lay the groundwork for an FTAAP given the increased likelihood of a US exit from the TPP and the unlikely accession of China to either a TPP-12 or TPP-11. China is also negotiating a trilateral agreement with Japan and the Republic of Korea.

"... if both the proposed RCEP and TPP are unable to provide the building blocks towards the realisation of an FTAAP, then the consolidation of a Sinocentric framework based on China's existing and future bilateral and trilateral agreements may be the only viable alternative pathway."

Unfortunately, the "CJK agreement" progresses at glacier speed.

It would be a tall order for China to conclude a bilateral agreement with the US, especially in the wake of Trump's admonishment China's allegedly unfair trade practices and currency manipulation. Beijing would also have an equally high mountain to climb in winning over Japan and the Republic of Korea to ink the trilateral trade agreement. The payoff for China will be enormous if it could overcome these obstacles, giving Beijing the strategic option of consolidating its bilateral and

trilateral agreements into an FTAAP-15. This will not be an easy task as consolidating existing agreements that are varied in content and substance can be just as difficult as, if not more difficult than, creating a new agreement.

However, if both the proposed RCEP and TPP are unable to provide the building blocks towards the realisation of an FTAAP, then the consolidation of a Sino-centric framework based on China's existing and future bilateral and trilateral agreements may be the only viable alternative pathway. How, when and what will be the form of this alternative pathway are ultimately determined by the current progress of RCEP and an alternative to the TPP-12 as well as the unfolding of the US trade stance in the next few years.

**Dr. Tham Siew Yean** is Senior Fellow at ISEAS-Yusof Ishak Institute.

#### DID YOU KNOW?

Istana Nurul Iman, which means "Palace of the Light of Faith" in Bahasa Melayu, is home to Brunei's Royal Family in Bandar Seri Begawan. Designed by Filipino architect Leandro Locsin, it is the largest royal residence in the world with over 200,000 square metres of floor space, 1,788 rooms, a banquet hall for 5,000 guests, and a mosque large enough for 1,500 worshippers.

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## RCEP: More relevant now than ever

TAN SRI DR. REBECCA FATIMA STA MARIA discusses the importance of the Regional Comprehensive Economic Partnership (RCEP) for ASEAN and challenges for ASEAN in the process.

hen President-elect Donald Trump called the Trans-Pacific Partnership Agreement (TPP) a "disaster" and vowed to pull out of the Agreement as soon as he took office, the international media almost instantaneously pronounced the TPP dead. And in the next breadth, they shifted their focus to the less controversial Regional Comprehensive Economic Partnership (RCEP), calling it "China-led" and pitching it as the alternative to the TPP. The impression was that as one was US-led and the other China-led, they must necessarily be competing agreements. Not so.

ASEAN member states involved in the negotiations of both the TPP and RCEP were very mindful that these agreements were complementary, albeit at different levels of scope and ambition. What was more important was that both agreements would ultimately contribute to deeper economic integration of the Asia-Pacific that would come under a Free Trade Area of the Asia-Pacific (FTAAP).

When the FTAAP was mooted by the APEC Business Advisory Council (ABAC), it was not well received. In fact at their 2006 APEC Economic Leaders' Summit in Ha Noi, the

Leaders rejected the proposal. It was only four years later that the APEC Leaders gave their nod for concrete steps to realise the FTAAP. And it gained momentum during China's Chairmanship of APEC in 2014 when it was decided that work on FTAAP would begin in earnest, with the TPP and RCEP serving as building blocks towards this FTAAP goal.

But even as the study on the framework of the FTAAP is progressing, it appears that an anti-globalisation movement is stirring in the face of Brexit. We have to wait and see if Trump will be able to implement his calls to deal with China and pull out of the North American Free Trade Agreement (NAFTA) and the TPP.

The TPP signatories should rightly be concerned of any agreement that excludes the US that will limit economic gains. But it is in this environment that ASEAN and its partners must consolidate and work to deepen economic integration in this region. Focus must be on the opportunities that agreements such as RCEP can bring not just to ASEAN but also to the global economy. As such, it would be in ASEAN's interest to step up work on RCEP to ensure its conclusion within the next 12 months.

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"The challenge for ASEAN in RCEP is the balancing of different ambition levels among the negotiating parties. The more developed members who are also parties to the TPPA set this Agreement as the benchmark. But at the other end of the spectrum are parties whose levels of development limit what they are willing and able to commit."

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As this is being done, it would be useful to take on board the valuable outcomes from the TPP. First of all, there are important lessons for public engagement now that the discourse on trade negotiations is under greater scrutiny. Parties must explain RCEP to their publics so that there is an appreciation of its impact and benefits.

Then, there is the issue of the Investor-State Dispute Settlement (ISDS). Post-NAFTA, this has been a major criticism against FTAs because of the apparent "power transfer" from the sovereign state to big business. The high-profile suits brought against governments made the ISDS one of the strong causes against the TPP while it was being negotiated. As a result, the final text of the TPP included processes and procedures to safeguard against frivolous suits by businesses. This is in itself a major outcome that needs to be preserved, and perhaps even further improved upon, in all FTAs and investment agreements.

Another important inclusion in the TPP is the recognition of the contribution of Small and Medium Enterprises (SMEs). This Agreement is perhaps the first to have a dedicated chapter on SME development and cooperation, to ensure that they are integrated into the value and supply chains of the bigger companies.

With the uncertainty around the TPP and an apparent rise in protectionism, ASEAN can lead the way by using RCEP to keep markets open, deepen economic integration and narrow the development gap among the member states. This is because RCEP is an inclusive agreement that takes on board, in true ASEAN spirit, the development concerns of its members. The TPP was an agreement among equals, with no special and differential treatment à la the World Trade Organisation (WTO).

Since RCEP is ASEAN-initiated, it must provide the leadership to ensure that negotiations move forward expeditiously. It is important to be reminded of why RCEP was proposed by ASEAN in the first place. Above all else, this agreement between ASEAN and its six FTA partners (China, Japan, the Republic of Korea, India, Australia and New Zealand) made good business sense. It would create a market that accounts for over 30% of the global economy. More importantly, the potential benefits from ASEAN's demographic dividend and its growing middle-class are reason enough to move ahead with RCEP. By consolidating the five ASEAN+1 FTAs, the noodle-bowl effect of the different rules of origin is reduced, even as the focus is on tariff elimination and streamlining of other trade rules.

The challenge for ASEAN in RCEP is the balancing of different ambition levels among the negotiating parties. The more developed members who are also parties to the TPP set this Agreement as the benchmark. But at the other end of the spectrum are parties whose levels of development limit what they are willing and able to commit. Moreover, while ASEAN has FTAs with each of six partners, not all of these six partners have FTAs among themselves. For example, RCEP may provide the platform for China, Japan and the Republic of Korea to have an indirect FTA just as their trilateral FTA negotiation is stalled.

RCEP is a reflection of ASEAN's thoughtful and deliberate process towards economic integration. ASEAN must lead the way in manoeuvring and navigating through these difficult waters. In succeeding to do so, RCEP could well be the model for integrating the least developed countries with developing and developed economies. This model may not be equivalent to the "gold standard" that the TPP is espoused to be, but it will provide a clear pathway towards that goal.

Tan Sri Dr. Rebecca Fatima Sta Maria is Senior Policy Fellow at the Economic Research Institute for ASEAN and East Asia (ERIA), and former Secretary-General of the Ministry of International Trade and Industry, Malaysia.

## Is RCEP Gaining Momentum?

**PROF.** ZHU CAIHUA shares with us some insights from on-going RCEP negotiations and why RCEP has become more appealing of late.



he Regional Comprehensive Economic Partnership (RCEP) process was launched on 20 November 2012 among the ten ASEAN members and its six free trade agreement (FTA) partners (Australia, China, India, Japan, Republic of Korea and New Zealand) to form a region-wide FTA in East Asia by consolidating existing and overlapping arrangements.

After four years of negotiation with the latest 16th round being held in December 2016, RCEP has concluded two chapters on economic and technical cooperation and small and medium enterprises (SMEs). However, progress is still elusive on such core issues as trade in goods and services, investment, intellectual property rights (IPRs) and free flow of skilled labour. Very much like the Trans-Pacific Partnership Agreement (TPP), a US-led mega trade pact that was the economic centerpiece of Obama's rebalance strategy, RCEP has extended its conclusion deadline several times, from end-2015 to end-2016 and now to 2017. Such is the reality of a hard-fought FTA process, which is hamstrung by varied interests and different levels of ambition of the parties involved. Negotiations were made even more challenging with the display of uneven commitments by each party on contentious issues such as liberalisation and facilitation in trade and investment.

2016 witnessed two major setbacks against globalisation: Brexit and US President-elect Donald Trump's announcement of his intention to

### "TPP's uncertain future increases RCEP's strategic value as the only viable pathway to FTAAP."

withdraw the US from the TPP on his first day in office. If the first shock had caused tremors in the region, the second event shook the region to the core, especially amongst the seven RCEP members (Australia, Brunei Darussalam, Japan, Malaysia, New Zealand, Singapore and Vietnam) who are also parties to the TPP. Support for the TPP also took a hard knock: Vietnam has shelved ratification of the TPP while Australia and Malaysia are looking at other free trade options, including RCEP, if the TPP fails to come into effect. Peru, also a TPP member, has signaled its interest to join RCEP as the first country from the Americas. Japan however proceeded with the ratification of the TPP even though the agreement has been widely proclaimed to be "dead" and Japanese Prime Minister Shinzo Abe once said that the TPP would be "meaningless" without American participation. These developments beg two important questions: Is the TPP really dead? Is the RCEP process gaining more strength in the current context?

To answer the first question, we must understand Donald Trump and his views on the TPP. Whilst on the campaign trail, Trump showed his neo-mercantilist (or neo-isolationist) outlook, particularly toward China, arguing that curbing Chinese imports would re-establish fair competition and revive the fortunes of the US manufacturing sector. This rhetoric has currency in the US and helped Trump win over some constituents in the US presidential election, even though China is so far not part of the TPP and stands to lose out economically as the TPP produces negative trade dislocation.

What then is the logic behind Trump's assertions? The most likely answer posits these objections as a deal-making stratagem. Taking a leaf out of his real estate deal-making playbook, Trump aims to get a better deal out of the TPP by threatening to break up the agreement and scaring the other signatories to agree to concessions that are more amenable to US interest. This might also explain Japan's continuing faith in the TPP. Thus, it might be premature to declare the TPP's demise for the time being.

No matter which direction the TPP turns, the RCEP process stands to register moderate forward momentum despite rising anti-globalisation sentiments in the US and Europe. The reasons are threefold:

Firstly, RCEP is a highly attractive economic proposition which includes in its fold the gargantuan Chinese and Indian markets and covers 48% of the world's population. Its attractiveness will continue to grow in the coming years and decades as Asia transitions from a traditional production base to an integrated hub for advanced manufacturing coupled with an expanding consumer base. These strengths stand out most strikingly as sluggish global trade is tempting governments to engage in zero-sum commercial policies that seek to steal market share from foreign rivals.

Secondly, the juxtapositioning of RCEP and TPP goes beyond competition and geopolitics. These arrangements are commonly understood in diametrical terms with RCEP seen as market-based while the TPP stands out as rules-based in terms of their approaches towards deepening economic integration in the Asia-Pacific region. Viewed from another angle, RCEP and TPP can be seen as complementary building blocks and as possible pathways towards the wider Free Trade Area of the Asia-Pacific (FTAAP). In this sense, TPP's uncertain future increases RCEP's strategic value as the only viable pathway to FTAAP.

Last but not the least, China's participation and commitment have made RCEP more appealing. China takes a firm stance against protectionism and is supportive of trade arrangements that promote free trade in Asia-Pacific as long as these initiatives do not lead to fragmentation or are used for political ends. China places high priority and impetus to the RCEP process by supporting "ASEAN centrality" and accepting the ASEAN way in pushing forward the process. In the Chinese mindset, this market- and development-oriented pattern of regional cooperation not only promotes liberalisation and facilitates trade and investment, but also makes the integration process itself more inclusive and equitable. Initiatives such as RCEP also offset the polarisation effect of traditional globalisation and integration.

**Professor Zhu Caihua** is Dean of the School of International Economics, China Foreign Affairs University.

#### DID YOU KNOW?

The noodle dish "Pho" – one of Southeast Asia's most famous food exports worldwide – blends together Chinese-influenced rice noodles, the French penchant for red meat, and local herbs and spices to create a truly Vietnamese dish. Many believe that the name Pho is inspired by the French beef soup "pot au feu".

## **Art Inspired by Life**



Singapore's film scene got a boost with Anthony Chen's recent successes in the international arena. By Jason salim

he annual Cannes Film Festival is one of the most glamorous and prestigious events in the entertainment calendar. Held every May as the French Riviera basks in the first glimpse of summer, the two weeklong event brings together the who's who of the global film industry, from renowned actors and veteran directors to those itching for their big break in the celluloid limelight.

During the 2013 festival, Singapore got its moment in the spotlight as Anthony Chen's debut film *Ilo Ilo* – a moving story about a young boy's relationship with his Filipina domestic helper and primary caregiver – won the much-coveted *Camera d'Or* (Golden Camera) prize, awarded to the best first feature film of a director.

Ilo Ilo was an ode to Chen's own childhood in 90s Singapore, and successfully tapped into a growing nostalgia amongst Singaporeans yearning for simpler times. Born to middle-class parents, he was cared for by a Filipina maid who did hail from Iloilo province of the Philippines. As if art imitated life, even the name of the maid in the movie, Terry, is also that of the "aunty" that took care of him as a young boy. After secondary school, Chen chose a less conventional path and entered the School of Film and Media Studies in Ngee Ann Polytechnic (NP). He was inspired to become a filmmaker by the foreign films he watched as a teenager, which deepened his understanding of theatre and literature beyond the usual Shakespearean texts that teachers used to teach literature in schools. After polytechnic, he followed his teachers' advice to further his studies in the National Film and Television School (NFTS) in London – one of the most prestigious film schools in the world, which accepts fewer than 10 students for each of its departments every year.

Completed three years after Chen's graduation from NFTS in 2010, Ilo Ilo was his first-ever feature film. Even though it was financially supported by the Singapore Film Festival and his alma mater NP (pledging a cool S\$200,000 out of the total cost of S\$700,000 - the firstever investment made by the school on a film project), and made a decent S\$200,000 in the Singapore box office, Chen managed to earn only S\$20,000 in director's fees over the four years he was producing and directing the film. In a newspaper interview, he even disclosed that he had only S\$250 left in his bank account when he was planning publicity activities abroad for Ilo Ilo. Despite such daunting challenges, the movie achieved critical success not only in Cannes but also in the Golden Horse Awards, the Academy Awards of the Chinese-language world, where it won in the Best Film and Best New Director categories

Chen's success is a huge encouragement for the burgeoning Southeast Asian film scene. From chillingly haunting Thai horror flicks to Indonesian romantic comedies, Southeast Asian cinemas and moviegoers are increasingly flocking to watch local productions. Chen follows in the footsteps of other prominent contemporary Southeast Asian directors such as Apichatpong

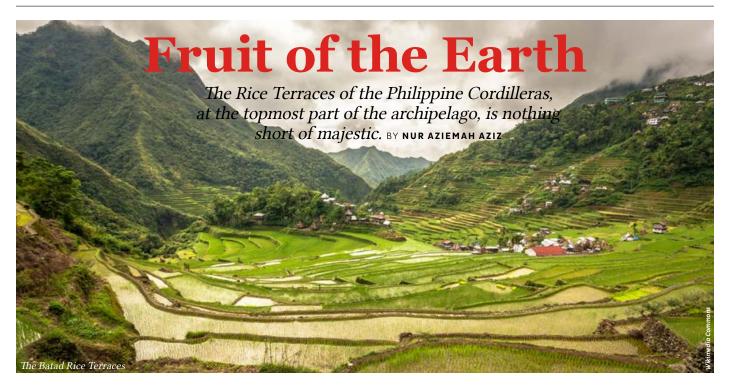


"Joe" Weerasethakul, Rithy Panh, Brillante Mendoza, and Eric Khoo who have won accolades in many film festivals worldwide. When asked in an interview on what made a good movie, he said:

"I don't think there is any formula. A good film has a universal truth and if it moves you in a profound way, it has done the job of being a good film."

Like his fellow filmmakers, Anthony Chen is redefining the ways in which the ASEAN region, with such a rich and diverse assemblage of storytelling traditions, is making sense of our past and present times. In this fast-shifting world, that is something that art, in its various forms, has much to offer.

Mr. Jason Salim is Research Officer at the ASEAN Studies Centre, ISEAS-Yusof Ishak Institute.





arved into the mountains of Ifugao in northern Luzon of the Philippines, the 2000 years-old Rice Terraces of the Philippine Cordilleras is a grand spectacle to behold, attracting tourists from all over the world despite the long traveling time of up to nine hours by car from Manila. Inscribed into the UNESCO World Heritage Site in 1995, the Rice Terraces have five sites: the Batad Rice Terraces, Bangaan Rice Terraces, Mayoyao Rice Terraces, Hungduan Rice Terraces and Nagacadan Rice Terraces.

The rice terraces were manually carved with basic tools by the ancestors of the indigenous people of Ifugao, shadowing the contours of the mountain. Using stone and mud walls, the terraces were carefully constructed to be able to hold flooded pond fields. The creation of the rice terraces was a solution to counter the problems faced by the tribesmen over limited fertile

flat land and soil resources for rice cultivation. Apart from its functionality for food security, the rice terraces also enhanced the breath-taking beauty of the natural surroundings. With rice fields standing on a steep upward slope of up to 70 degrees at 1,500m above sea water, it is no wonder that many Filipinos dubbed the rice terraces as the Eighth Wonder of the World.

The chiselled rice terraces have withstood the test of time and weathered through various climate, ecological and political changes, including countless typhoons passing through the region. Traditional ways of farming in the terraces have not changed since the old days, with old techniques of soil conservation, zoning and land-use planning. The cultivation periods are based on lunar cycles. The native practices and knowledge of the Ifugao ecosystem are passed on from generation to generation including religious rituals seeking ancestral blessings and protection to 'guard' the crops from the very beginning of seed sowing until harvest time.

The rice terraces have had their share of challenging days and were once removed from the heritage list and added into the list of World Heritage in Danger in 2001 due to environmental degradation and globalisation. The younger Ifugaos are not drawn to

farming which involves long hours of back-breaking intensive labour under the blazing sun. Also, unlike the older generations, the new generations are not keen to keep their age-old rice cultivation traditions alive. Many of them migrate to urban areas like the capital city, Manila, in search of a better and exciting future, instead of staying behind and tending to the rice terraces. Unfortunately, about 30% of the rice terraces were abandoned and left to deteriorate.

Restoration efforts by the Philippines' agencies and government governmental organisations, collaboration with UNESCO, have helped restore and conserve the rice terraces along with their rich history and culture. When they were listed in the UNESCO World Heritage Site, the Rice Terraces of the Philippine Cordilleras were hailed as "extraordinary example of an evolved, living cultural landscape". True to the acclaim, the formation and continuous maintenance of the rice terraces offer us the beauty and wisdom of delicately balancing and harmonising natural conditions with socio-economic development and religious-cultural traditions.

Ms. Nur Aziemah Aziz is Research Officer at the ASEAN Studies Centre, ISEAS-Yusof Ishak Institute.

## **Building Preparedness and Resilience Against Terrorism**

ASEANFocus is honoured to have K. Shanmugam, the Minister for Home Affairs of Singapore, share his thoughts on the evolving threat of terrorism in the digital age, Singapore counter-terrorism efforts and cooperation among ASEAN countries.



Mr K. Shanmugam read law at the National University of Singapore. He was admitted to the Singapore Bar as an Advocate & Solicitor in 1985. Mr Shanmugam went into private practice and became one of the Senior Partners and Head of Litigation & Dispute at Allen & Gledhill LLP. In 1998, he was appointed a Senior Counsel of the Supreme Court of Singapore at the age of 28, one of the youngest lawyers to be so appointed. Mr Shanmugam was appointed a Cabinet Minister on 1 May 2008. He is now the Minister for Home Affairs and the Minister for Law. He has also served as the Minister for Foreign Affairs.

#### AF: How do you see the terrorist threat evolving in the region in 2017?

**KS:** The terrorist threat is likely to stay at elevated levels.

An estimated 1,000 Southeast Asians are believed to have joined ISIS in Syria/Iraq. As the tide in the conflict zone turns against ISIS, many amongst them may return to this region. Some have already done so and have attracted the attention of security agencies in the region. It would be naïve to assume that they will simply abandon ISIS' agenda given their jihadist indoctrination, militant training and terrorist networks. They will try to overturn governments and establish a caliphate in Southeast Asia. They will try to link up with the like-minded, including several hundred individuals who were convicted of terrorism offences in Indonesia and expected to be released in the next few years.

We also expect the trend of 'lone wolf' attacks to continue in the coming years. These are relatively simple to carry out and harder to detect. ISIS has called upon its followers to carry out attacks wherever they are, using whatever means possible including knives and vehicles which are not difficult to obtain. The recent spate of "lone-wolf" attacks in Nice and Berlin shows how effective the ISIS propaganda machine is.

#### AF: In what ways are the threats presented by IS different from Al-Qaeda?

**KS:** Al-Qaeda (AQ) and the Jemaah Islamiyah (JI) once posed the most serious jihadi terrorism threat to this region and Singapore. The AQ and JI threats have not gone away, but ISIS poses the most serious threat at this point in time.

In scale, network, finances, propaganda, ISIS is at a different level and sophistication, compared with other terrorist groups. It has controlled large territories and oil resources, generating hundreds of millions of dollars in income. It is also very skilful in using social media and has used religion effectively to build up hatred and anger against perceived injustices, leading people radicalised by ISIS propaganda to believe that God wants them to kill. It has also expanded globally through the establishment of 'wilayats' – provinces which ISIS has claimed in at least nine countries.

AF: What is the rationale behind SGSecure? Most counterterrorism efforts focus on prevention and eradication, but SGSecure also shines the light on "resilience" during a terrorist attack. Why?

**KS:** For countries to prevail over terrorism, the government and the people must work hand-in-hand. Governments can put in preventive measures and the emergency responses. And the people must not allow terrorists to damage our social harmony and deter us from going about our way of life. A resilient population is key to ensuring that the terrorists do not succeed.

In Singapore, we have launched the SGSecure national movement to build a community of prepared citizens, responders and mobilisers who can help to prevent, deal with and respond to threats. Everyone can play a part, by staying alert to ever-present security threats, staying united as one people during peacetime and in crisis, and staying strong to bounce back from crises and protect our way of life. We can pick up skills and knowledge on how to respond in the

event of an attack, so that we can help one another recover and rebound quickly.

AF: Most governments are reluctant to publicly acknowledge terrorists threats for fear of driving away tourists and dampening investor sentiments. Why has Singapore taken the opposite tack in being very open in taking the terror threat head-on through highly visible enforcement and security presence throughout the country?

**KS:** The terrorism threat exists whether or not we acknowledge it. The fact is that ISIS has identified Singapore as a target. ISIS newsletter Dabiq has named Singapore among the "enemies of the Islamic State". In August 2016, a plot to attack Marina Bay with a rocket by a group of ISIS-linked militants from Batam was disrupted. We have taken security actions against Singaporeans and foreigners living here for ISIS-related activities. We have to take this threat seriously because we also need to look at how to protect Singapore and prepare Singaporeans for the inevitable.

#### AF: How can the region counter and prevent selfradicalisation among its citizens in a virtual age where information and disinformation are free flowing?

KS: It is impossible to shut down every single social media account with confirmed or suspected links to terrorist groups. Our approach is to engage in counter-ideology efforts to make our communities resilient against the influence of terrorist ideology. In Singapore, the Religious Rehabilitation Group (RRG), a group of volunteer religious counsellors who provide religious counselling to our terrorism-related detainees has undertaken various initiatives to prevent the spread of extremist ideas in Singapore and to counter ISIS' radical rhetoric. These initiatives include a Resource and Counselling Centre to serve as a point of reference for anyone seeking help or clarifications on religious radicalism; a telephone hotline to offer counselling to those who need guidance on Islam; and a mobile application which allows users to have one-to-one live private chats with RRG counsellors.

AF: How do ASEAN member states share ideas and best practices on combating terrorism? What can ASEAN do to make Southeast Asia more secure from terrorism? How has Singapore contributed to the regional fight against terror? KS: I cannot go into details for operational security reasons but regional governments are working closely together to counter the threat of terrorism. There is sharing of information which has led to arrests of suspects and uncovering of plots, thwarting some attacks. The plot to fire a rocket from Batam, Indonesia, to Singapore's Marina Bay area is an example of how a terror attack was thwarted through bilateral cooperation.

Singapore and other ASEAN member states also work together at platforms such as the ASEAN Convention on Counter Terrorism and the International Meeting on Counter-Terrorism, to share best practices in countering extremist ideology.

Singapore hosted the East Asia Summit Symposium on Religious Rehabilitation and Social Re-integration in 2015. This year, we organised the 10<sup>th</sup> Asia Pacific Programme for Senior National Security Officers, and hosted a workshop on "A Cross-Regional Perspective on Best Practices and Policies for Promoting Religious Tolerance and Strengthening Resilience".

#### AF: Will terrorism be a fact of life in the 21st century? KS: I am afraid so.

The wave of terrorist attacks happening around the world almost on a monthly basis is unlikely to abate. Terrorists will continue to target our region too. Malaysia, Indonesia and Thailand were on heightened alert and have foiled many plots but these countries have also suffered terror attacks.

We have to be prepared that an attack may well happen in Singapore. But we should not let that deter us from going about our way of life. By staying alert, united and strong, we have shown in the past that we can deal with the threats of communist terrorism, severe economic recession and SARS. I am confident that we can once again rise to the challenge.

"It would be naïve to assume that they will simply abandon ISIS' agenda given their jihadist indoctrination, militant training and terrorist networks.

They will try to overturn governments and establish a caliphate in Southeast Asia."

# The ASEAN University Network

**MOE THUZAR** examines this platform for collaboration between some of the region's most prestigious universities.

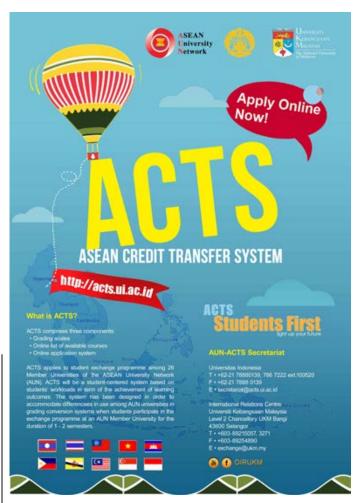
he AUN was established in 1995 to strengthen networking and collaboration among institutes of higher learning in ASEAN member states. Its genesis started from a recommendation of the 4th ASEAN Summit held in Singapore in 1992, which called for strengthening the existing network of leading universities in the region to promote regional awareness and human resource development.

The network started with an initial membership of 13 universities from seven ASEAN countries (not including Cambodia, Laos, and Myanmar). The AUN membership grew over time together with ASEAN enlargement. Today, the AUN has 30 member universities hailing from all 10 ASEAN member states.

The AUN's four main areas of collaboration are (a) student and faculty exchange, (b) collaborative research, (c) information networking, and (d) promotion of ASEAN studies. Of these, student exchange activities have been the most popular and successful. They include credit transfers for one-semester exchanges among AUN member universities, and various ASEAN scholarships offered by top-ranking AUN member universities. The ASEAN Credit Transfer System facilitates over 300 scholarships for students from AUN member universities.

At the policy level, the AUN Board of Trustees discusses credit transfers and university accreditation, different types of ASEAN scholarships and the synchronisation of academic semesters to facilitate student exchanges and cross-border mobility for students in the ASEAN Community.

Beyond linkages at the top administration echelon, the AUN links student unions in ASEAN countries via the AUN Student Leaders Forum since 2012. The AUN Secretariat, based at Chulalongkorn University in Bangkok, offers an internship



 ${\it The ASEAN Credit\ Transfer\ System\ is\ one\ of\ the\ AUN's\ more\ notable\ accomplishments.}$ 

programme to ASEAN students keen to learn more of the practical aspects of ASEAN education collaboration.

Students and faculties from the AUN members also meet annually in the AUN Educational Forum since 2000 and the biennial Youth Cultural Forum since 2003. The Educational Forum includes an ASEAN Young Speakers Contest for students to debate a topical issue in ASEAN.

Looking beyond the ASEAN region, the AUN is engaged in international cooperation arrangements to expand educational opportunities for ASEAN students. Its first interuniversity collaborative undertaking was the ASEAN-EU University Network Programme which ran from 2000 to 2006, facilitating exchanges between higher education institutions in 15 EU member states and nine ASEAN member states.

In an effort to intensify higher education cooperation with the Plus Three countries (China, Republic of Korea and Japan), the ASEAN Plus Three University Network was established in 2012. Through this framework, the AUN facilitates scholarship opportunities for ASEAN students to study in China, Japan, and the Republic of Korea. Starting from 2011, the AUN Educational Forum was expanded into the ASEAN Plus Three Educational Forum, inviting students from the

"Another area of cooperation for the AUN is boosting collaborative research across the member universities so that research outcomes can go into supporting the realisation of ASEAN's goals for human resource development and economic competitiveness."

Plus Three countries to meet and interact with their ASEAN counterparts. Similarly, the ASEAN Youth Cultural Forum added an ASEAN Plus Three component in 2012.

Another area of cooperation for the AUN is boosting collaborative research across the member universities so that research outcomes can go into supporting the realization of ASEAN's goals for human resource development and economic competitiveness. The AUN is tackling this through "thematic networks" in specialised areas of interest, starting with quality assurance in 1998. There are 12 thematic networks as of 2016. They cover a wide range of topics including human rights, intellectual property, social responsibility and sustainability, health promotion, engineering, the ASEAN Economic Community, and, mostrecently, disability and public policy, and student affairs networking. The engineering education network has been impactful, as it facilitates over 100 postgraduate scholarships, with support from Japan.

The AUN has produced several cohorts and networks of young graduates in the region who are much more aware of

ASEAN and what ASEAN is trying to achieve, as well as the comparative strengths of individual ASEAN members. These University graduates in the region now look to Singapore, Thailand or Malaysia for their higher education studies. Access to and availability of higher education opportunities in these three countries – whether for pursuing a full degree, undertaking internships or research affiliations, conducting research or participating in academic collaboration – are driving cross-border movements for education within the ASEAN region.

The next step will be to give effect to the goal of establishing an ASEAN University. This has been on the AUN's discussion agenda since 2000, including the site and staffing of the physical university and the academic content to offer. One option may be to consider establishing the ASEAN University as a regional research institute that fosters collaborative research in areas pertinent to the development of ASEAN as an integrated community of all Southeast Asian nations.

**Ms. Moe Thuzar** is Lead Researcher (Socio-Cultural Affairs), ASEAN Studies Centre and Fellow at ISEAS-Yusof Ishak Institute.

#### **AUN Member Universities**

- 1. Universiti Brunei Darussalam, Brunei Darussalam
- 2. Royal University of Phnom Penh, Cambodia
- 3. Royal University of Law and Economics, Cambodia
- 4. Universitas Indonesia, Indonesia
- 5. Universitas Gadjah Mada, Indonesia
- 6. Institut Teknologi Bandung, Indonesia
- 7. Universitas Airlangga, Indonesia
- 8. National University of Laos, Lao PDR
- 9. Universiti Malaya, Malaysia
- 10. Universiti Sains Malaysia, Malaysia
- 11. Universiti Kebangsaan Malaysia, Malaysia
- 12. Universiti Utara Malaysia, Malaysia
- 13. Universiti Putra Malaysia, Malaysia
- 14. University of Yangon, Myanmar
- 15. University of Mandalay, Myanmar

- 16. Yangon Institute of Economics, Myanmar
- 17. Ateneo de Manila University, Philippines
- 18. University of the Philippines-Diliman, Philippines
- 19. De La Salle University, Philippines
- 20. University of Santo Tomas, Philippines
- 21. National University of Singapore, Singapore
- 22. Nanyang Technological University, Singapore
- 23. Singapore Management University, Singapore
- 24. Burapha University, Thailand
- 25. Chulalongkorn University, Thailand
- 26. Mahidol University, Thailand
- 27. Chiang Mai University, Thailand
- 28. Prince of Songkla University, Thailand
- 29. Vietnam National University Ha Noi, Viet Nam
- 30. Vietnam National University Ho Chi Minh City, Viet Nam

### **Education in ASEAN**



Brunei (87%) and Indonesia (75%) have the highest net enrolment rate for secondary schools (2014). \*(World Bank)

\*Data is unavailable for Cambodia, Philippines, Singapore, Thailand, Vietnam.



The Penang Free Schoo in Malaysia was the first

English-medium school to be established in Southeast Asia in 1816.



#### Singapore

has been ranked first in the latest

2016 Programme for International Student Assessment (PISA) rankings for mathematics, science and reading. (OECD)

of Thai youth (2014) in the relevant age group advance to tertiary education. (World Bank)



#### Indonesia

is Southeast Asia's largest APA (and the world's fourth-17 largest) school system, with around 55 million students, 3 million teachers and more than 236,000 schools in 500 districts. (The Economist)

In Indonesia, private universities make up of all higher education institutions, and enrol 70.9% of all tertiary students. (ADB)



The Philippines and Thailand have the highest enrollment in tertiary education per 100,000 persons at 3,594 and 3,592 respectively in 2014.\* (World Bank)

\*Data for Cambodia, Myanmar and Singapore are unavailable.

The average adult literacy rate in the SEAN region stands at 91.9% in 2015.

Brunei has the highest literacy rate at 97.2% while Lao PDR has the lowest at 79%. (ASEAN Secretariat)



The girls-boys ratio in secondary education for the region is 93 female for every 100 male students in 2015. Lao PDR has the lowest ratio

at 58.4. (ASEAN Secretariat)

Brunei has the lowest teacher-pupil ratio in primary and secondary schools\* at 1:11 and 1:9 respectively. Cambodia has the highest ratio in primary schools at 1:48 and Myanmar claims the top spot in secondary schools at 1:34. (ASEAN Secretariat) \*Data is for 2012. Information for the Philippines and Thailand are unavailable.

of Southeast Asian eligible children attend primary

school or higher n <mark>2015.</mark> Myanmar has the lowest net enrollment primary education ratio at 86.4%. (ASEAN Secretariat)





Indonesia's Universitas
Terbuka (Open University)
has one of the largest
tertiary education
enrollments in the region
with some

296,000 students.



### The University of Santo Tomas

is the **oldest university** in Southeast Asia, established in 1611 by

Dominican preachers settling in Manila.



Brunei, Vietnam and Thailand have the highest completion rates

for lower secondary education. (World Bank)

	Male	Female
Brunei	100%	100%
Vietnam •	95%	92%
Thailand	88%	90%

\*Data is unavailable for Malaysia, Philippines and Singapore. (2014)

Vietnam allocates the highest percentage of GDP on education at 6.3% (2012)\*



(World Bank)

\*Data is unavailable for Laos, Malaysia, Myanmar and Philippines.



The percentage of government expenditure on education in ASEAN ranges from 9.9% (Cambodia) to 21.5% (Malaysia) (2013)\* (World Bank)

\*Data is unavailable for Brunei, Laos, Myanmar, Philippines and Vietnam.

#### Top 20 ASEAN Universities in the 2016 QS Rankings for Asia

ASEAN Rank	Rank In Asia	Institution
<u>, 1</u>	1 1	National University of Singapore (Singapore)
2	3	Nanyang Technological University (Singapore)
3 .	27	Universiti Malaya (Malaysia)
4	45	Chulalongkorn University (Thailand)
5	49	Universiti Putra Malaysia (Malaysia)
6	51	Universiti Sains Malaysia (Malaysia)
7 ,	55	Universiti Kebangsaan Malaysia (Malaysia)
8	60	Singapore Management University (Singapore)
9	61	Mahidol University (Thailand)
10	63	Universiti Teknologi Malaysia (Malaysia)
11	67	Universitas Indonesia (Indonesia)
12	70	University of the Philippines-Diliman (Philippines)
13	86	Bandung Institute of Technology (ITB) (Indonesia)
14	99	Ateneo de Manila University (Philippines)
15	101	Thammasat University (Thailand)
16	104	Chiang Mai University (Thailand)
17	105	Gadjah Mada University (Indonesia)
18	123	Universiti Brunei Darussalam (Brunei)
19	127	Universiti Teknologi Petronas (Malaysia)
20	129	Kasetsart University (Thailand)



Australia is the largest provider of Western tertiary education for Southeast Asia and hosts more than 92,000 students (2015). Vietnamese students make up the largest group of ASEAN students in Australian and US universities, while Malaysia leads

in the UK.





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#### ASEANFocus · Year in Review ·

#### **January**

The ASEAN Community, which was launched on 31 December 2015, embarked on its next phase of regional integration and community-building under the "ASEAN 2025: Forging Ahead Together" agenda.

Laos took the helms as the ASEAN Chair with the theme "Turning Vision into Reality for a Dynamic ASEAN Community".

#### March

The National League for Democracy (NLD), led by Daw Aung San Suu Kyi, formally assumed powers of government. President Htin Kyaw was sworn in as the first civilian president in 54 years.

#### May

Davao City Mayor Rodrigo Duterte emerged victorious in the Philippine presidential election.

The 3<sup>rd</sup> ASEAN-Russia Summit took place for the first time on Russian soil in Sochi to mark the 20<sup>th</sup> anniversary of their dialogue relations.

ASEAN Defence Ministers met in Vientiane to commemorate the 10<sup>th</sup> anniversary of the ASEAN Defence Ministers' Meeting (ADMM). The ministers also met their Chinese counterpart in the 6<sup>th</sup> ASEAN-China Defence Ministers' Informal Meeting which has been held at the ADMM's sidelines since 2011.

February

March

April

June

#### **February**

The first ASEAN-US Summit outside of Southeast Asia was held in Sunnylands, California, and introduced the notion of "full respect for legal and diplomatic processes" into ASEAN's vernacular. On this occasion, President Barack Obama launched the US-ASEAN Connect initiative to coordinate US economic engagement in the region.

ASEAN Foreign Ministers gathered for a retreat in Vientiane to discuss, among others, developments in the South China Sea.

#### **April**

The ASEAN Centre of Military Medicine (ACMM) was launched in Bangkok to promote practical cooperation among the medical services of the region's militaries under the ADMM-Plus framework.

May

#### June

The Special ASEAN-China Foreign Ministers' Meeting in Kunming ended in disarray when an agreed ASEAN press statement on the South China Sea was derailed at the last minute when some Member States withdrew their support.

51.9 per cent of the British electorate voted for the UK to leave the European Union.

**January** 

#### ASEANFocus · Year In Review ·

#### July

The Arbitral Tribunal delivered its "unanimous award" on the Philippines v. China South China Sea case, overwhelmingly backing the Philippines while invalidating China's nine-dash line and much of its activities in the South China Sea.

The 49th ASEAN Foreign Ministers' Meeting (AMM) was held in Vientiane. Its Joint Communique did not mention the Arbitration Tribunal award, but reaffirmed "full respect for legal and diplomatic processes" towards peaceful resolution of disputes in the South China Sea.

The ARF Statement on Enhancing Cooperation among Maritime Law Enforcement Agencies was adopted at the 23rd ASEAN Regional Forum (ARF).

#### September

The 28th and 29th ASEAN Summits and Related Summits were held back-to-back in Vientiane. Key deliverables included the Master Plan on ASEAN Connectivity 2025, the Initiative for ASEAN Integration (IAI) Work Plan III and the "One ASEAN One Response" Declaration.

The ASEAN Leaders met with their Dialogue Partners' counterparts (Australia, China, India, Japan, Republic of Korea and the US, as well as the United Nations). ASEAN and China commemorated the 25th anniversary of their dialogue relations, and adopted the Code for Unplanned Encounters at Sea in the South China Sea at the 19th ASEAN-China Summit. The 11th East Asia Summit marked Barack Obama's valedictory encounters with ASEAN in his official capacity as US president.

ASEAN's proposal to update the Southeast Asia paragraphs in the Final Declaration of the 17th Non-Aligned Movement (NAM) Summit was blocked by the NAM Chair, Venezuela.

#### November

October

Donald J Trump won a stunning electoral victory to become the 45th President of the United States.

The ADMM Retreat and the ASEAN-Japan Defence Ministers' Informal Meeting were held in Vientiane.

The ADMM-Plus Maritime Security Exercise, Exercise Mahi Tangaroa, was conducted at the Hauraki Gulf in Auckland, New Zealand.

#### **August**

September

October

**November** 

The US hosted the ASEAN-US Defence Ministers' Informal Meeting in Honolulu.

King Bhumibol Adulyadej (Rama IX) of Thailand, the world's longest-serving head of state and the longestreigning monarch in Thai history, passed away. He was succeeded by Crown Prince Maha Vajiralongkorn, who was proclaimed King Rama X on 1 December.

#### December

The 16th round of negotiations for the Regional Comprehensive Economic Partnership (RCEP) was held in Jakarta. As the RCEP process failed to meet the deadline of conclusion by 2016, the negotiations will be carried forward to 2017.

December

Myanmar State Counsellor and Foreign Minister Aung San Suu Kyi hosted an ASEAN Foreign Ministers retreat in Yangon to brief her counterparts on the developments in Rakhine.

#### August

July

The 48th ASEAN Economic Ministers' Meeting (AEM) took place in Vientiane, adopting sectoral work plans to implement the new ASEAN Economic Communiy (AEC) Blueprint and the AEC 2025 Monitoring and Evaluation Framework. The Ministers also launched the ASEAN Tariff Finder (ATF) and the ASEAN Solutions for Investments, Services and Trade (ASSIST) as practical tools to facilitate business in ASEAN.

ASEAN Member States had one of the most successful Olympics and Paralympics in Rio de Janerio, Brazil, bringing home 18 and 31 medals respectively.

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