



# ASC Bulletin

An update from the ASEAN Studies Centre on ASEAN events and issues

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## ASC Perspectives on the 16th ASEAN Summit

This issue of the ASC Bulletin is devoted to sharing perspectives and views of ASC lead researchers on the 16th ASEAN Summit, which was held in Hanoi, Vietnam, on 8-9 April 2010.

The 16th ASEAN Summit kicks off the regular cycle of 2 ASEAN Summit meetings annually, after Thailand's chairmanship of three Summit meetings during a transitional period for ASEAN mechanisms to settle into the schedules prescribed under the ASEAN Charter.

This issue highlights excerpts from ASC researchers' articles and views on topics relevant for ASEAN's consideration pre- and post-Summit.

ASC Head Rodolfo Severino highlights four key points for ASEAN leader's consideration in an article "4 Key Tasks for ASEAN Leaders at Summit". Lead Researcher for Socio-Cultural Affairs Moe Thuzar shares highlights of the ASEAN Summit conclusions and issues that came to the fore during a post-Summit dialogue with ASEAN Secretary-General Surin Pitsuwan. Lead Researcher for Economic Affairs Sanchita Basu Das gives her perspective on achieving the ASEAN Economic Community by 2015. Lead Researcher for ASEAN-related legal affairs S Tiwari shares his thoughts on the Summit's key achievement

completing and signing the Protocol to the ASEAN Charter on Dispute Settlement Mechanisms. Lead Researcher for Political and Strategic Affairs Pavin Chachavalpongpun gives his views on ASEAN's central role in an evolving regional architecture. His views are excerpted from an interview with the Straits Times.



The full text of these articles and viewpoints can be downloaded from the ASC website: <http://www.aseanstudiescentre.org>

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## 16th ASEAN Summit Conclusions: Compliance, Connectivity, Climate Change and Centrality

ASC head Mr Rodolfo Severino participated in the post-ASEAN Summit briefing via video-conference organised by the ASEAN Secretariat in partnership with the World Bank's Global Distance Learning Network (GDLN) for Asia Pacific. ASEAN Secretary-General Dr Surin Pitsuwan shared highlights of the 16th ASEAN Summit discussions and recommendations, mentioning in particular the master plan on ASEAN connectivity, ASEAN's response to climate change, ASEAN's centrality, and important steps made in building the ASEAN Community, especially ASEAN economic integration. The briefing, broadcast "live" from the 16th ASEAN

Summit site in Hanoi, connected some 300 government officials, the media, representatives of the business community, academia and civil society organisations, in seven ASEAN capitals (Hanoi, Phnom Penh, Jakarta, Vientiane, Manila, Singapore and Bangkok) in a dialogue session with Dr Surin on the outcomes of the Summit. The Singapore site had two former ASEAN Secretaries-General participating in the dialogue: Mr Severino and Mr Ong Keng Yong. They both asked for more information on how ASEAN would ensure compliance with economic agreements, and emphasised the importance of ASEAN's central role in its conduct of relations with partners.

Dr Surin shared information on the ASEAN Economic Community (AEC) scorecard, which has been made public, to monitor the progress towards achieving regional economic integration by 2015. Dr Surin clarified that the aim of the scorecard is not to blame but to be "frank and candid among family, who is falling behind on what promise". The scorecard—<http://www.asean.org/publications/AEC%20Scorecard.pdf>—will help the people of ASEAN keep track of the progress. To date, 73.6 percent of economic agreements have been ratified.

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Full write-up at: <http://www.iseas.edu.sg/aseanstudiescentre/N-16th-ASEAN-Summit.pdf>

## 4 Key Tasks for ASEAN Leaders at Summit



*There is no more appropriate forum than the Summit to address important questions that require coordinated action among national and regional actors.*

When ASEAN convenes its summit in Hanoi, what are the tasks that require ASEAN Leaders' collective attention? At least four come to mind.

**1. Give impetus to regional economic integration.** While the removal of tariffs on intra-ASEAN trade is on track, placing emphasis on connectivity is important in integrating the regional economy. This requires building transportation and telecommunications infrastructure, and removing barriers to the flow of goods, services, people and ideas across the region. A change in outlook from narrowly national to broadly regional is required—by governments, business and the public.

**2. Prepare for the two G-20 Summits this year.** ASEAN must not only ensure it is present on both occasions but also contribute substan-

tive ideas, e.g. issues confronting the international economy.

**3. Align positions and statements on the South China Sea more closely with UN Convention on the Law of Sea.** ASEAN members are claimants to the South China Sea; there are disputes over land features in the area and the nature of waters. The Summit could help make these positions less ambiguous and align them more closely with international (UN) conventions. Additionally, it can address the commitment to "exercise self-restraint" in the conduct of "activities that would complicate or escalate disputes and affect peace and stability."

**4. Address the question of the ASEAN-US Leaders' Meeting.** After the first ASEAN-US Leader's meeting, ASEAN and US share an interest to hold a second leaders

meeting in 2010. ASEAN should sort out its views on this in light of the numerous Asia-Pacific summit meetings taking place this year, the schedule of the US President and the diplomatic implications of the ASEAN-US summit meeting.

There is no more appropriate or timely forum for ASEAN to work out its collective positions on these questions than its April summit in Hanoi. Leaders need to bring together national and regional actors for coordinated action in light of the cross-sectoral nature of many of today's problems.

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*This op-ed article first appeared in the Straits Times edition of 1 April 2010. The full text is at: <http://www.iseas.edu.sg/aseanstudiescentre/ascol1-10.pdf>.*



*Signing Ceremony of the Protocol to the ASEAN Charter on Dispute Settlement Mechanism.*

*The theme of the 16th ASEAN Summit is "Towards the ASEAN Community: From Vision to Action"*

## Slowly but Surely—ASEAN's Progress in Dispute Resolution

ASEAN made good progress, at the recently completed Hanoi Summit, in further developing its dispute resolution framework. This is an important plus for ASEAN as it strengthens ASEAN's position as a rules-based organisation.

The theme of the Summit, "Towards the ASEAN Community: From Vision to Action" was apt, as ASEAN needs to show proactiveness and progress.

One such area of progress was the signing of the Protocol to the ASEAN Charter on Dispute Settlement Mechanism. The Protocol helps to further complete the dispute resolution framework spelled out by the Charter.

ASEAN already has arrangements for settling two other kinds of disputes: 1) those that do not concern the interpretation or application of any ASEAN instrument are to be resolved in accordance with the 1976 Treaty of Amity and Cooperation in Southeast Asia; and

2) disputes in relation to economic agreements are to be resolved in accordance with the terms of the ASEAN Protocol on Enhanced Dispute Settlement Mechanism, in force since November 2004.

The Protocol signed in Hanoi will apply to disputes concerning the interpretation or application of the ASEAN Charter, ASEAN instruments that expressly provide for the application of the Protocol or a part of it, and other ASEAN instruments (unless means of settling disputes are otherwise provided for).

Under the Protocol, dealing with a dispute requires a request by the complaining party for consultations. These consultations have tight timelines. The parties may resort to good offices, mediation or conciliation at any time. The parties can request the ASEAN Chair or the Secretary-General to provide such services, acting *ex officio*. If these modes do not result in resolution, resort may be made to arbitration, or the dispute may be elevated to the ASEAN Coordination Council under certain

circumstances. Arbitration is to be conducted in accordance with the Protocol and rules annexed to it. Parties must comply with the award of the arbitral tribunal or the settlement agreements resulting from good offices, mediation and conciliation. Compliance will be monitored through status reports submitted to the ASEAN Secretary-General.

The Protocol still needs to be ratified by each ASEAN Member State and rules of reference to the ASEAN Summit need to be completed. Currently, the Senior Officials are working on the rules, as tasked by the Foreign Ministers.

While ASEAN has completed work on the Protocol, there is urgency to ramp up work so that other dispute-related instruments can be completed.

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*Full text of article at: <http://www.iseas.edu.sg/aseanstudiescentre/ascol6-10.pdf>*

## ASEAN Shows Way to Single Market

Despite the attention-grabbing headlines of Member States' domestic issues, the 16th ASEAN Summit brought forth advances in the collective effort to form an ASEAN Economic Community (AEC) by 2015.

Thus far, 2010 has seen ASEAN effectively establish the ASEAN Free Trade Area (AFTA). Intra-ASEAN trade has tripled to US\$458 billion in 2008 as compared to 2000. Early 2010 has also seen ASEAN realising its FTAs with China and the Republic of Korea, and the entry into force of the ASEAN-Australia-New Zealand FTA and the ASEAN-India FTA.

On the financial front, ASEAN Plus Three finance ministers have established the Chiang Mai Initiative Multilateralisation (CMIM) and created a US\$120 billion currency swap facility for regional economies to respond to crises.

The ASEAN Secretariat has put up the AEC Scorecard, to monitor progress of implementing economic agreements. In the first two years of AEC implementa-

tion, 73.6 percent of targets set in the AEC Blueprint.

Still, much remains to be done.

ASEAN leaders have acknowledged that despite progress, the developmental divide in ASEAN still impedes the realisation of a single market with free flow of goods, services, investment capital and skilled labour. Between the ASEAN-6 and the newer members a wide gap still exists in institutional capacity and human resources. Vietnam is fast catching up, but Cambodia, Laos and Myanmar still have some way to go. This led to the ASEAN leaders committing to cooperate on the education sector as a priority.

Nevertheless, the 16th Summit's conclusions indicate that ASEAN leaders are fully committed to achieving the AEC by 2015. The leaders recognise that the size of the market does matter, and have placed emphasis on enhancing the region's connectivity - not just in the Mekong and other sub-regions of ASEAN but also with a view towards promoting future East Asia connectivity. This bodes well for placing the AEC squarely in the production chain that is evolving in Asia. With China's strong emergence after the global economic crisis, the "single market and production base" promised under AEC will

provide a highly competitive economic region, and a larger base to smooth out global shocks and ride out the effects of such shocks more effectively.

Cooperation was also emphasised by ASEAN leaders as they called on regional governments to wind down economic stimulus packages and refrain from implementing protectionist measures. Indeed, as the export demand from western markets remains low, ASEAN should work more closely with its Asian neighbours.

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*This op-ed article appears in the Business Times edition of 21 April 2010. The full text is at:*

*<http://www.iseas.edu.sg/aseanstudiescentre/asco29-10.pdf>*

**ASEAN as a single market will be a highly competitive economic region, able to ride out global shocks**

### “Leadership of ASEAN is key to success”

After the 16th ASEAN Summit drew to a close, ASC Lead Researcher Pavin Chachavalponpun was asked for his views on ASEAN's role and position in the evolving regional architecture, in light of the ASEAN Plus Eight proposal put forward by Singapore to ensure the centrality of ASEAN's role as it engages with major powers (who are also dialogue partners of ASEAN).

The ASEAN Plus Eight proposal—which the ASEAN Leaders have agreed to study further—aims to address suggestions by other ASEAN Member States such as Indonesia, to include Russia and the United States in the East Asia Summit (EAS). The ASEAN 10, China, Japan, Republic of Korea, India, Australia and New Zealand are the current members of EAS.

The ASEAN Plus Eight proposal takes into account the fact that US and Russia may be reluctant to commit the presidents to an annual summit. At the same time, the proposal highlights ASEAN's central role as the convenor.

Speaking to Straits Times correspondent Kor Kian Beng, Pavin shared his view that the ASEAN Plus Eight proposal as an option to eliminate ASEAN's rival architecture (e.g. proposals for the Asia-Pacific Community and the East Asia Community), while protecting the region's interests and keeping ASEAN in the spotlight..

The ASEAN Plus Eight option would also maintain the regional balance of power while allowing ASEAN to engage the big powers. Pavin stressed the point that “leadership of ASEAN is key to success”.

Pavin's views are included in the Straits Times commentary on “Keep grouping central to regional balance” in the Straits Times edition of 10 April 2010.

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## The ASC Team

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⇒ **Ms Lily Koh:** Secretary to  
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## Recent and Upcoming Activities

### Recent (Jan-Mar 2010)

**22-23 February:** Joint conference with Institute for Security & Development Policy of Sweden on *Regional Environmental Cooperation in EU and ASEAN: Lessons from Two Regions*

**17-19 March:** 2nd Joint Workshop with CLC on Urbanisation in Southeast Asia

**19 March:** "Australia and ASEAN 35 Years On" by Australian Ambassador to ASEAN Gillian Bird (fourth in the ASEAN Ambassador Seminar Series)

**26 March:** Seminar on the Early Years of ASEAN: From the Perspective of ASEAN's Founding Fathers

**1 April:** Commencement of Roundtable Discussions in ASEAN capitals to ICT use for ASEAN coordination and community-building

**29 April:** ASEAN Roundtable 2010

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**More information on our recent activities at our website:**  
<http://www.aseanstudiescentre.org>

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## Plans for 2010

The Centre's agenda for 2010 will be on:

- Assessing lessons in regional cooperation on environmental protection, from ASEAN and EU perspectives (in partnership with the Institute for Security and Development Policy, Sweden)
- Assessing the implications of urbanisation on national and regional development agendas, particularly the role of cities as engines of growth
- E-governance in ASEAN and its member countries
- Developing a status report on ASEAN free trade agreements
- Developing a report on free trade in ASEAN
- Examining the EU experience in regional cooperation and lessons for ASEAN
- Assessing the impact of climate change on ASEAN countries
- Monitoring the status of ASEAN cooperation, focusing on compliance with key ASEAN agreements and commitments

- Discussing intellectual property developments: ASEAN and Asian perspectives



**Check out events and reports at the ASEAN Studies Centre website at <http://www.iseas.edu.sg/aseanstudiescentre>**

- Continuing the ASEAN Ambassadors Lectures Series
- Collaborating with the World Bank to conduct policy discussions on food, energy and disaster management in ASEAN
- Continuing the on-line discussion forums on topical issues pertaining to ASEAN cooperation

- Addressing issues raised by some member states' plans to harness nuclear energy for power generation
- Gender and migration issues in ASEAN and its member countries

The Centre's flagship event—**ASEAN Roundtable 2010**— focuses on the topic of the state of readiness and prospects for ASEAN member countries in achieving the ASEAN Economic Community by 2015.

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