

# PERSPECTIVE

RESEARCHERS AT ISEAS – YUSOF ISHAK INSTITUTE ANALYSE CURRENT EVENTS

Singapore | 2 February 2024

## Advancing the ASEAN Outlook on the Indo-Pacific Beyond Indonesia's Chairmanship

Joanne Lin\*



President of the Republic of Indonesia Joko Widodo (fifth from the left) along with (from left to right) Philippine President Ferdinand Marcos Jr., Singapore Prime Minister Lee Hsien Loong, Head of the Thai Delegation Sarun Charoensuwan, Vietnamese Prime Minister Pham Minh Chinh, Laotian Prime Minister Sonexay Siphandone, Sultan of Brunei Hassanal Bolkiah, Cambodian Prime Minister Hun Manet, Malaysian Prime Minister Dato' Seri Anwar Ibrahim, and East Timor Prime Minister Xanana Gusmao posing together during the opening of the ASEAN Indo-Pacific Forum (AIPF) on 5 September 2023. Media Center KTT ASEAN 2023/Risa Krisadhi/pras.

\* Joanne Lin is Co-coordinator of the ASEAN Studies Centre at ISEAS – Yusof Ishak Institute, and Lead Researcher (Political-Security) at the Centre.

## EXECUTIVE SUMMARY

- Indonesia's Chairmanship in 2023 has advanced the AOIP's implementation through tangible projects and activities, thereby elevating the AOIP as a pivotal platform for promoting ASEAN's central role.
- Beyond Indonesia's Chairmanship, ASEAN needs to prioritise a consistent and impactful implementation of the AOIP across successive Chairmanships. This is essential to solidify the AOIP's standing as a strategic document to reinforce ASEAN's central role in the region.
- To advance the AOIP and ensure its ongoing strategic relevance, ASEAN can adopt some key strategies. These include assuming a leadership role in implementation, formulating a multi-year work plan, maintaining a commitment to quality-focused approaches, transforming bilateral activities into regional projects, and establishing a dedicated fund.
- While the AOIP alone may not fully address escalating strategic competition, leveraging ASEAN-led mechanisms for its implementation positions the organisation as a "bridge-builder". This role allows ASEAN to actively contribute to inclusive multilateral solutions, and foster dialogue and cooperation among regional powers.

## INTRODUCTION

ASEAN embraced the ASEAN Outlook on the Indo-Pacific (AOIP)<sup>1</sup> in 2019 as a strategic response to escalating geopolitical tensions<sup>2</sup> and the growing influence of major powers in the region. The Outlook reflects ASEAN's commitment to maintaining its centrality and leading role in the region by promoting its mechanisms and adhering to key principles such as inclusivity, openness, and a rules-based framework.

Specifically, the Outlook aims to foster practical and tangible cooperation with ASEAN's external partners in four key areas: maritime cooperation, economic, connectivity, and sustainable development. Despite Indonesia's advocacy and support from ASEAN's dialogue partners, the initial implementation faced criticism for its sluggish progress and perceived lack of concrete initiatives during the first four years.

Apart from discussions and sporadic activities<sup>3</sup> with dialogue partners, there was no course of action for the implementation of the AOIP until November 2022, when ASEAN leaders adopted the *Declaration on Mainstreaming Four Priority Areas of The ASEAN Outlook on The Indo-Pacific within ASEAN-Led Mechanisms*.<sup>4</sup> The declaration acknowledged the need for collective leadership with ASEAN to proactively address emerging challenges in the region. It also endorsed a *List of Criteria on Mainstreaming the AOIP* (an internal document) to implement the four priority areas of the AOIP through ASEAN-led mechanisms such as the ASEAN Plus-One, ASEAN Plus Three (APT), East Asia Summit (EAS), the ASEAN Regional Forum (ARF) and the ASEAN Defence Ministers' Meeting Plus (ADMM-Plus).

This development helped set the stage for Indonesia's Chairmanship in 2023 to advance AOIP's implementation through tangible projects and activities. A notable achievement was the inaugural ASEAN Indo-Pacific Forum in September 2023<sup>5</sup> focusing on green infrastructure and resilient supply chains, sustainable and innovative financing, digital transformation and the creative economy. The Forum brought together ASEAN member states and external partners and reportedly identified 93 cooperation projects worth US\$38.2 billion, with an additional 73 potential projects amounting to US\$17.8 billion.<sup>6</sup>

For the first time since the AOIP's adoption, the initiative seems to yield tangible benefits to the region, attracting new commitments by ASEAN's external partners. As a result, regional leaders increasingly recognise the AOIP as a pivotal platform for promoting ASEAN's central role and mechanisms.<sup>7</sup> The initiative has also been praised by Singapore Prime Minister Lee Hsien Loong, who commended it for being "omnidirectional and inclusive".<sup>8</sup>

Despite the success of the Forum, questions linger regarding the AOIP's effectiveness in shaping the regional architecture as well as in addressing current and future geostrategic challenges. There are also uncertainties in the prospect of advancing the AOIP beyond Indonesia's Chairmanship. This Perspective addresses these questions and explores potential strategies for ASEAN to ensure the continued relevance and successful implementation of the AOIP across all chairmanships.

**ASSESSING THE IMPACT AND LIMITATIONS OF THE AOIP**

Despite its lack of a strategic dimension, the AOIP has been deemed successful in securing buy-ins from ASEAN's external partners, mainly owing to its mild and apolitical nature, and for focusing on cooperation rather than rivalry.<sup>9</sup> The document's neutrality (which differs from most Indo-Pacific strategies) makes it possible for most countries to accept the AOIP's values and cooperation.

The overwhelming support from ASEAN's dialogue and external partners, including China (a target of various Indo-Pacific strategies) has led to an increasing recognition of the AOIP's benefits by more ASEAN countries. Currently, seven dialogue partners, namely India, Japan, the US, Australia, China, the Republic of Korea (ROK) and New Zealand have issued standalone statements with ASEAN regarding AOIP cooperation. While Canada and the EU have not issued separate statements, they have incorporated similar language in joint leaders' statements with ASEAN. This has therefore enabled ASEAN to be a norm-setter and to play a leading role in the Indo-Pacific.

Beyond dialogue partners, most other external partners of ASEAN have committed to various forms of concrete cooperation across AOIP's priority areas, enhancing the prospects for sustained implementation and for more partners in the long run.

While the AOIP has increased ASEAN's standing in the regional architecture through the support of external partners, its strategic impact in addressing or mitigating the negative consequences of major power strategic competition in the region remains in question.

Despite garnering support from ASEAN's partners, the AOIP's lack of a strategic thrust hampers its ability to effectively manage external threats, particularly those posed by China. The inclusive nature of the AOIP makes it challenging for ASEAN to be viewed as a "like-minded" partner by countries that have a vested interest in the Indo-Pacific, such as the US, Japan, Australia and India (QUAD members), as well as countries such as the ROK, UK, Canada, France and Germany. This is especially so when ASEAN refuses to speak out against China for its aggression in regional flashpoints such as the South China Sea and the Taiwan Strait.

Essentially, the AOIP's limited strategic perspective and its absence of a hard power component constrain its efficacy in addressing conflicts. Apart from preventive diplomacy, it is unable to deter security threats or provide a strategic balance<sup>10</sup> in the region. This has prompted Indonesia's former Foreign Minister Marty Natalegawa to claim that the AOIP was more of a defensive and programmatic approach than a bold one seeking to actively confront geopolitical challenges.<sup>11</sup>

The proliferation of non-ASEAN security groupings like the QUAD and AUKUS demonstrate that ASEAN-led initiatives such as the AOIP may not adequately meet the region's security needs. Opinion polls, as reflected in surveys like the State of Southeast Asia Survey reports,<sup>12</sup> suggest that major powers' security initiatives may weaken ASEAN's centrality, despite their rhetorical support for the AOIP and ASEAN centrality.

Although there is increasing interest for ASEAN to take on a greater responsibility in managing major power rivalries, the region is far from being a provider of regional security.<sup>13</sup> Notwithstanding the AOIP being created to address geostrategic tensions, the defence sector, in particular, has been hesitant to adopt the Indo-Pacific concept. The ASEAN Defence Ministers' Meeting (ADMM) has only recently adopted a concept paper on the implementation of the AOIP from a defence perspective,<sup>14</sup> four years after the AOIP was published. Moreover, despite the expansive scope of maritime cooperation, the ADMM can only approve one AOIP activity each year and the activity should be one-off and informal in nature – signalling a lack of enthusiasm to mainstream the AOIP in the defence sector.

As such, under Indonesia's leadership, the AOIP's implementation has focused on softer cooperation and easier objectives like green infrastructure, digital developments, sustainable development, and the promotion of trade and investment.

This has led some observers to argue that the AOIP primarily symbolises the group's aspirations rather than offering a concrete pathway to achieve specific outcomes.<sup>15</sup> Therefore, the Outlook may only be sufficient to kickstart and support more processes, dialogues, and lower-hanging cooperation rather than achieving tangible strategic outcomes, particularly those pertaining to security.

### **AOIP'S IMPLEMENTATION BEYOND INDONESIA'S CHAIRMANSHIP**

The significant advancement of the AOIP's implementation in 2023 was not surprising. Indonesia's fervent push for extensive implementation was notably in line with President Joko Widodo's priority of establishing the country as a Global Maritime Fulcrum. However, the enthusiasm for the AOIP's continued progress beyond Indonesia's Chairmanship remains uncertain.

During the early stages of formulating this Outlook, ASEAN countries were not unified in their perspectives on the narratives surrounding the Indo-Pacific or their level of support for the concept.<sup>16</sup> As such, despite the ultimate endorsement of the AOIP by all ASEAN countries, one of the significant challenges in its implementation is the varying degree of ownership among the member countries, along with their willingness and ability to allocate resources for its implementation.

Encouragingly, the AOIP is gradually becoming internalised within ASEAN as an instrument that brings tangible benefits to the grouping. As noted in the *ASEAN Leaders' Declaration on ASEAN As an Epicentrum of Growth*<sup>17</sup> adopted in September 2023, ASEAN leaders have committed to further efforts in operationalising the AOIP by expediting AOIP projects and activities initiated by ASEAN or jointly with external partners, and to support the list of concrete projects identified at the inaugural ASEAN-Indo-Pacific Forum<sup>18</sup>.

The Foreign Minister of Laos as the Chair of ASEAN in 2024 has given the reassurance that Laos will continue the implementation of ASEAN's initiatives, including the AOIP.<sup>19</sup> Similar to Indonesia's priorities in 2023, it is expected that Laos will strengthen the connectivity and sustainable development aspects of the AOIP by focusing on integrating and connecting economies, digital transformation, and climate change resilience.<sup>20</sup> Additionally, the

Secretary-General of ASEAN Kao Kim Hourn has expressed hope that Laos might consider convening the 2<sup>nd</sup> ASEAN-Indo-Pacific Forum this year, with a theme that is in line with Laos' Chairmanship priorities.

Importantly, Indonesia's efforts in pushing for the mainstreaming of the AOIP has resulted in some level of institutionalisation through the creation of processes such as the "List of Criteria on Mainstreaming the AOIP". Systematic processes have been put in place to identify, evaluate, track and monitor programmes, projects and activities under the AOIP undertaken by the ASEAN Secretariat. This form of tracking is expected to persist across Chairmanships, irrespective of the levels of motivation and aspiration that each Chair may have towards the Indo-Pacific and the Outlook. Overall, these developments suggest a growing recognition of the AOIP's significance within ASEAN.

### **POTENTIAL STRATEGIES IN ADVANCING THE AOIP**

In advancing the implementation of the AOIP, ASEAN may consider the following strategies. Firstly, a multi-year work plan encompassing a list of activities is crucial for maintaining a consistent trajectory of progress and ensuring a more impactful implementation. While external partners may propose recommendations for joint activities, ASEAN should also assess its own needs to prioritise specific areas of cooperation to align with frameworks such as the ASEAN Maritime Outlook (AMO),<sup>21</sup> which can offer a clearer direction for ASEAN's maritime efforts in the Indo-Pacific.<sup>22</sup>

Secondly, to reinforce ASEAN centrality, the grouping should take the lead in proposing programmes and projects under the AOIP that will contribute to ASEAN community building and meet sectoral bodies' priorities. ASEAN should identify the most appropriate partners to implement specific projects based on the strength of each country. ASEAN should also ensure synergies in the activities across ASEAN-led mechanisms. This approach will prevent overlaps in activities or workshops proposed by external partners for a more streamlined implementation.

Thirdly, the identification of AOIP initiatives should involve meaningful efforts rather than a mere re-packaging of existing cooperation under various Plans of Action. ASEAN should focus on innovative initiatives that can enhance AOIP's strategic value across ASEAN-led mechanisms including the EAS, ADMM-Plus, and the ARF, prioritising quality over quantity. Quantity-focused approaches may lead to competition among dialogue partners and undermine the strategic essence of the AOIP. ASEAN should shift its focus from an obsession with numbers or statistics to activities that yield not only output but meaningful outcomes that can increase its members' capabilities in a strategic competition.

Fourthly, although ASEAN has identified an extensive list of concrete projects, predominantly of a bilateral nature, as seen at the inaugural ASEAN-Indo-Pacific Forum, there is a crucial need to transform these isolated initiatives into cohesive ASEAN strategic objectives. The transformation can be achieved through the process of "connecting the connectivities"<sup>23</sup> or fostering collaboration and knowledge-sharing among member states to produce innovative projects. Moving forward, a concerted effort should be made to ensure that AOIP projects or

activities deliver benefits to as many ASEAN member states as possible, thereby solidifying their status as true “ASEAN” initiatives.

Lastly, there is a pressing need to establish a dedicated fund to implement AOIP activities. This will allow ASEAN to rely more on internal funding for its neutrality and centrality, and to assert more control over its priorities. While cooperation with external partners should persist, having an independent funding mechanism will let ASEAN determine the nature and execution of projects. Furthermore, this will ease the burden of the current and future Chairs in organising larger-scale events such as the ASEAN-Indo-Pacific Forum, and provide more incentives for them to host more such activities.

## CONCLUSION

The AOIP has experienced significant success during the Indonesia Chairmanship. However, achieving consistent and impactful implementation of the AOIP across successive Chairmanships is imperative to solidify the Outlook as a strategic document that can bolster ASEAN’s central role. The analysis above highlights crucial factors for ensuring AOIP’s success, emphasising the importance of ASEAN’s leadership, developing a multi-year work plan, ensuring commitment to quality-focused approaches, transforming bilateral activities into regional projects, and establishing a dedicated fund. These will not only foster a sustained momentum in advancing the AOIP but also ensure its strategic relevance.

The analysis also underscores that relying solely on the AOIP may prove inadequate in addressing the rising strategic competition and the multitudes of initiatives led by major powers. However, leveraging ASEAN-led mechanisms, particularly the EAS (the region’s premier leaders-led forum) in the implementation of the AOIP, has the potential to position ASEAN as a pivotal “bridge-builder”. Secretary-General of the United Nations Antonio Guterres has emphasised ASEAN’s crucial role in ‘building bridges of understanding’ and advancing multilateral solutions.<sup>24</sup> This approach empowers ASEAN to facilitate extensive dialogue among regional powers and foster interactions between countries like China and the US. Furthermore, it allows ASEAN to actively contribute to shaping guiding principles and norms, advocating for multilateralism, and working towards a more inclusive regional architecture.

## ENDNOTES

---

<sup>1</sup> ASEAN, *ASEAN Outlook on the Indo-Pacific*, 23 June 2019,

<https://asean.org/speechandstatement/asean-outlook-on-the-indo-pacific/>

<sup>2</sup> ASEAN, Chairman’s Statement of the 43<sup>rd</sup> ASEAN Summit, 5 September 2023,

<https://asean.org/wp-content/uploads/2023/09/CHAIRMAN-STATEMENT-OF-THE-43RD-ASEAN-SUMMIT-FIN.pdf>

<sup>3</sup> These include the ASEAN-Indo-Pacific Workshop on Marine Plastic Debris co-hosted by Indonesia and New Zealand on 15-16 June 2023 and the EAS Workshop on Developing Coastal Economy on 4-5 August 2023.

<sup>4</sup> ASEAN, “ASEAN Leaders’ Declaration on Mainstreaming Four Priority Areas of the ASEAN Outlook on the Indo-Pacific within ASEAN-Led Mechanisms”, 11 November 2022,

<https://asean.org/asean-leaders-declaration-on-mainstreaming-four-priority-areas-of-the-asean-outlook-on-the-indo-pacific-within-asean-led-mechanisms/>

<sup>5</sup> ASEAN Indonesia 2023, “ASEAN Indo-Pacific Forum Transforms Rivalry into Cooperation”, 6 September 2023, <https://www.asean2023.id/en/news/asean-indo-pacific-forum-transforms-rivalry-into-cooperation>

<sup>6</sup> Ibid.

<sup>7</sup> Joanne Lin et al, “43<sup>rd</sup> ASEAN Summit: B for Outcomes, A for Grit”, *Fulcrum*, 8 September 2023, <https://fulcrum.sg/aseanfocus/43rd-asean-summit-b-for-outcomes-a-for-grit/>

<sup>8</sup> Straits Times, “ASEAN must push for Myanmar peace plan, says PM Lee, as bloc passes over nation for 2026 role”, 8 September 2023, <https://www.straitstimes.com/asia/se-asia/asean-must-push-for-myanmar-peace-plans-says-pm-lee-as-bloc-opts-to-skip-its-upcoming-chairmanship>

<sup>9</sup> Mely Caballero-Anthony, “ASEAN Institutions and Mini-Lateral Arrangements: A Stronger Regional Security Architecture” in *Charting a Roadmap for Multiparty Confidence and Security Building Measures, Risk Reduction, and Arms Control in the Indo-Pacific* (Edited by David Santoro and Miles Pomper), Pacific Forum International, November 2023, <https://pacforum.org/wp-content/uploads/2023/11/Issues-Insights-DAVID-1-1.pdf>

<sup>10</sup> Rory Medcalf, “To be truly secure, the Indo-Pacific must be inclusive”, Straits Times, 1 May 2023, <https://www.straitstimes.com/opinion/to-be-truly-secure-the-indo-pacific-must-be-inclusive>

<sup>11</sup> Prashanth Parameswaran, “After ASEAN’s Summit, Whats Next for its Indo-Pacific Balancing Act?”, ASEAN Wonk, 8 September 2023, <https://www.aseanwonk.com/p/asean-indo-pacific-balancing-southeast-asia#footnote-3-136803318>

<sup>12</sup> Seah, S. et al., The State of Southeast Asia: 2023 Survey Report and The State of Southeast Asia: 2022 Survey Report, ISEAS-Yusof Ishak Institute, 2022 and 2023, <https://www.iseas.edu.sg/category/centres/asean-studies-centre/state-of-southeast-asia-survey/#:~:text=The%20State%20of%20Southeast%20Asia%202023%20Survey%20conducted%20by%20the,'slow%20and%20ineffective'%20ASEAN.>

<sup>13</sup> Joanne Lin, “ASEAN and ADMM: Climbing Out of a Deep Hole”, 28 June 2022, <https://fulcrum.sg/asean-and-admm-climbing-out-of-a-deep-hole/>

<sup>14</sup> ASEAN, Chairman’s Statement of the 43<sup>rd</sup> ASEAN Summit, 5 September 2023, <https://asean.org/wp-content/uploads/2023/09/CHAIRMAN-STATEMENT-OF-THE-43RD-ASEAN-SUMMIT-FIN.pdf>

<sup>15</sup> Evan A. Laksmana, “Stuck in second gear: Indonesia’s strategic dilemma in the Indo-Pacific”, *Think China*, 6 January 2022, <https://www.thinkchina.sg/stuck-second-gear-indonesias-strategic-dilemma-indo-pacific>

<sup>16</sup> Hoang Thi Ha, “ASEAN Navigates between Indo-Pacific Polemics and Potentials”, *Perspective*, 20 April 2021, [https://www.iseas.edu.sg/wp-content/uploads/2021/03/ISEAS\\_Perspective\\_2021\\_49.pdf](https://www.iseas.edu.sg/wp-content/uploads/2021/03/ISEAS_Perspective_2021_49.pdf)

<sup>17</sup> ASEAN, ASEAN Leaders’ Declaration on ASEAN As An Epicentrum of Growth, 5 September 2023, <https://asean.org/wp-content/uploads/2023/09/ALD-Epicentrum-of-Growth-merged.pdf>

<sup>18</sup> Ibid.

<sup>19</sup> ISEAS – Yusof Ishak Institute, The 24<sup>th</sup> ASEAN Lecture on “2024 ASEAN Chairmanship under the Lao People’s Democratic Republic: ASEAN: Enhancing Connectivity and Resilience”, 7 December 2023, <https://www.iseas.edu.sg/media/event-highlights/the-24th-asean-lecture-on-2024-asean-chairmanship-under-the-lao-peoples-democratic-republic-asean-enhancing-connectivity-and-resilience/>

<sup>20</sup> Ibid.

<sup>21</sup> ASEAN, ASEAN Maritime Outlook (First Edition), 1 August 2023, <https://asean.org/amo/>

<sup>22</sup> Rahul Mishra and Li Yan, “‘Same, same but different’: assessing ASEAN’s and the EU’s maritime strategies”, *The Strategists*, 6 October 2023, <https://www.aspistrategist.org.au/same-same-but-different-assessing-aseans-and-the-eus-maritime-strategies/>

<sup>23</sup> Ministry of Foreign Affairs, Kingdom of Thailand, Seminar on “Connecting the Connectivities: Synergy through Enhanced Partnership”, 30 November 2022,



<https://www.mfa.go.th/en/content/aseanconnectivitiesseminar220164-2?cate=5d5bcb4e15e39c306000683e>

<sup>24</sup> United Nations, “UN chief hails SE Asia for vital role ‘building bridges of understanding’, 7 September 2023, <https://news.un.org/en/story/2023/09/1140452>

<p><i>ISEAS Perspective</i> is published electronically by: <b>ISEAS - Yusof Ishak Institute</b></p> <p>30 Heng Mui Keng Terrace Singapore 119614 Main Tel: (65) 6778 0955 Main Fax: (65) 6778 1735</p> <p>Get Involved with ISEAS. Please click here: <a href="https://www.iseas.edu.sg/support/get-involved-with-iseas/">https://www.iseas.edu.sg/support/get-involved-with-iseas/</a></p>	<p>ISEAS - Yusof Ishak Institute accepts no responsibility for facts presented and views expressed.</p> <p>Responsibility rests exclusively with the individual author or authors. No part of this publication may be reproduced in any form without permission.</p> <p>© Copyright is held by the author or authors of each article.</p>	<p>Editorial Chairman: Choi Shing Kwok</p> <p>Editorial Advisor: Tan Chin Tiong</p> <p>Editorial Committee: Terence Chong, Cassey Lee, Norshahril Saat, and Hoang Thi Ha</p> <p>Managing Editor: Ooi Kee Beng</p> <p>Editors: William Choong, Lee Poh Onn, Lee Sue-Ann, and Ng Kah Meng</p> <p>Comments are welcome and may be sent to the author(s).</p>
--	---	---