

ASEAN ENUNCIATES INDO-PACIFIC VISION OF INCLUSIVENESS AND COOPERATION

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The United States has its Indo-Pacific Strategy, reflecting a desire to hedge against China's rise and safeguard U.S. leadership in the region. Now, the Association of Southeast Asian Nations ("ASEAN") [1] has taken on the challenge of advocating for its own vision for the development of an inclusive regional architecture for the Indo-Pacific. It is seeking to move the Indo-Pacific conversation away from a message of containment towards one of inclusiveness and cooperation.

At the recently concluded 34th ASEAN Summit, ASEAN introduced its position on cooperation in the Indo-Pacific region, the ASEAN Outlook on the Indo-Pacific ("ASEAN Outlook"). ASEAN is very careful in emphasizing the following:

1. *ASEAN's centrality in the Indo-Pacific regional architecture.* ASEAN is shifting focus towards ASEAN as the strategic portal connecting the Asia-Pacific and Indian Ocean regions. It seeks to reassert ASEAN's value-add as a politically cohesive, strategically coherent, and economically prosperous region, with the ability to lead and drive regional initiatives with external partners.
2. *Inclusiveness of the ASEAN Outlook:* ASEAN acknowledges the competing geopolitical interests but remains committed to dialogue and cooperation. Here, ASEAN has to perform a fine balancing act and avoid being entangled in a zero-sum game in the ongoing big-powers rivalry.
3. *Focus on ASEAN's priorities.* ASEAN has identified four broad areas for cooperation: maritime, connectivity, sustainable development, and economic integration. Maritime cooperation tops the list, with clear references to respect for international law, such as the United Nations ("UN") Charter, the 1982 UN Convention on the Law of the Sea, and ASEAN treaties and agreements, such as the Treaty of Amity and Cooperation in Southeast Asia. This sets out ASEAN's attempt to guide the settlement of ongoing maritime and territorial disputes between ASEAN members and China peacefully and based on the rule of law.
4. *Continuity of ASEAN initiatives.* The ASEAN Outlook will expand on ASEAN's existing community-building process and ASEAN-led mechanisms, such as the East Asia Summit ("EAS") [2], the ASEAN Regional Forum ("ARF") [3], and the ASEAN Defence Ministers Meeting Plus ("ADMM-Plus") [4]. Interestingly, the Regional Comprehensive Economic Partnership ("RCEP") only garnered a brief mention under "Economic and Other Possible Areas of Cooperation" as one element in deepening economic integration in the Indo-Pacific region. RCEP is a free-trade agreement currently under negotiation by ASEAN and six other Dialogue Partners, namely, Australia, China, India, Japan, South Korea, and New Zealand. The negotiating parties are aiming to conclude substantive negotiations by 2019; however, this deadline has been delayed several times.

The 10 ASEAN member states have come a long way since 2012, when internal disagreement over the South China Sea issue threatened to split the regional grouping. The increasingly adversarial relations between the United States and China, which are spilling over to the Southeast Asian neighborhood, appear to have galvanized ASEAN into pulling together as a whole. The ASEAN Outlook on the Indo-Pacific is the most concrete first step towards ASEAN re-taking the initiative for the region — one where all the major powers can come together.

Movement on two issues will underscore ASEAN's comeback as a unifying force: (1) the substantive conclusion of RCEP, and (2) significant progress on negotiations over the Code of Conduct (the "COC") regulating actions in the South China Sea. For businesses, these two issues are intertwined. RCEP will open up the production space and liberalize trade and capital flows between ASEAN and six key partners. However, trade liberalization would not be effective if goods could not freely traverse one of the world's most important shipping lanes. The COC will assure businesses of the security, safety, and freedom of navigation and aviation in the South China Sea.

[1] ASEAN comprises 10 countries: Brunei, Cambodia, Indonesia, Lao PDR, Malaysia, Myanmar, the Philippines, Singapore, Thailand, and Vietnam.

[2] EAS is an ASEAN-led forum to discuss broad strategic, political, and economic issues, and which includes Australia, China, India, Japan, New Zealand, Korea, Russia, and the United States.

[3] Participants in ARF include ASEAN, Australia, Bangladesh, Canada, China, North Korea, the European Union, India, Japan, Mongolia, New Zealand, Pakistan, Papua New Guinea, South Korea, Russia, Sri Lanka, Timor-Leste, and the United States.

[4] ADMM-Plus is a platform for ASEAN to discuss security and defense issues with its eight Dialogue Partners, namely, Australia, China, India, Japan, New Zealand, South Korea, Russia, and the United States.

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