EU-ASEAN relations

Looking forward

EU Delegation to Vietnam
Vietnam National University
Hanoi, October 2013
A quick glance back

Difficult to compare…

Yet we share a similar DNA

EU and ASEAN: deepening relations

Lessons of EU (economic) integration

Looking forward
A quick glance back...

- As the two major regional integration initiatives in the world, ASEAN and the EU are **natural partners**
- Shared interest in taking the relationship **forward**
A quick glance back...

- **ASEAN's first ever Dialogue Partner**

- **Progressive acceleration** in bilateral ties
  - **1972** European Economic Community (EEC) is the first to establish informal relations with ASEAN
  - **1996** EU and ASEAN+3 (China, Japan and Korea) establish the Asia-Europe Meeting (ASEM) and hold the 1st Summit, Bangkok
  - **2007** The Nuremberg Declaration on an Enhanced EU-ASEAN Partnership signed at the 16th Ministerial Meeting
  - **2012** Plan of Action 2013-17 and the EU is the first regional organisation to accede to the ASEAN Treaty of Amity and Cooperation (TAC).
A quick glance back...

- We build on strong **commercial ties**
  - EU is 3rd largest **trading** partner, while ASEAN is the EU’s 5th largest partner.
  - The EU is the largest source of **FDI** in ASEAN.
- Regular **dialogues** at all levels

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<th>EU</th>
<th>ASEAN</th>
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<tbody>
<tr>
<td>Member States</td>
<td>27</td>
<td>10</td>
</tr>
<tr>
<td>Population (in millions)</td>
<td>500</td>
<td>600</td>
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<tr>
<td>Population growth</td>
<td>0.2%</td>
<td>1.2%</td>
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<tr>
<td>GDP (in trillion US$)*</td>
<td>16</td>
<td>2.2</td>
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<td>GDP per capita (US$)*</td>
<td>32 000</td>
<td>3600</td>
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Difficult to compare the two integration processes

- **Supra-national** integration and enforcement (EU) vs inter-governmental integration without enforcement (ASEAN)

- Important common budget and heavy **institutions** (EU) vs little common budget and light institutions (ASEAN)

- **Majority-decision** making (EU) vs consensus decision making (ASEAN)

- Relatively **homogenous** countries (EU) vs heterogeneous countries, economically, politically, religiously (ASEAN)
Yet, similar DNA of regional integration

- Both were created out of desire for lasting peace
- Both want to create internal market
- Both want to close the gap between the rich and poor
- Both want to play a role on the international / security scene
EU and ASEAN (AEC): deepening relations

- Intensified support for the ASEAN Community

- Enhanced and strengthened dialogue on trade and investment at region-to-region level
  - Second Trade and Investment Work Programme for 2013-2014 was adopted in March 2013 in Hanoi. Also, third ASEAN-EU Business Summit (AEBS) was organised in Hanoi.

- FTAs with ASEAN Member States as stepping stones towards an overarching region-to-region agreement.

- Enhanced financial and technical assistance.
Deepening relations to...
Support the ASEAN Economic Community

- Focus on **sharing experiences** and contributing to prosperity: **connectivity** plays into core EU strengths
- **Policy dialogue** (over 50 times per year)
- **EU support** programmes (2007-2013): In addition to the €2 billion granted to individual ASEAN Member States, the EU is providing around €70 million through the ASEAN Secretariat + €570 million through sectoral actions.
  - ASEAN Regional Integration Support by the EU (ARISE)
  - EU-ASEAN Migration and Border Management Programme
  - ASEAN-EU Enhancing FTA Negotiating Capacity Programme
  - EU-ASEAN Statistical Capacity (EASCAB and COMPASS)
  - ASEAN Project on the Protection of Intellectual Property Rights
  - ASEAN Air Transport Integration Project
  - EU SHARE programme (integration of higher education)
Lessons of EU (economic) integration I

• (EU) integration moves fastest when under external pressure
  – Recent crisis telling example: creation of fiscal coordination surveillance, banking union etc.
  – Downside: what if there is little pressure: i.e. creation of ASEAN economic community?

• (EU) integration doesn't always happen by design
  – Iterative process; spill-over happens gradually, i.e. common competition rules following creation of internal market
  – How will ASEAN cope with change?
Lessons of EU (economic) integration II

• (EU) integration gets into trouble when agreed decisions aren't **implemented / enforced**
  – France / Germany non-respect of Maastricht criteria best example; in many other areas (eg. competition), Commission (can) take(s) MS to court
  – Quid ASEAN: risk of paralysis without enforcement

• (EU) integration should not forget the **citizens**
  – Euro-scepticism in many countries
  – ASEAN campaign concerning "ASEAN identity" important; yet, total lack of parliamentary dimension in ASEAN

• (EU) integration as **failed project**?
  – Many Asian academics conclude: need less integration
  – After crisis, our conclusions is: need more integration
Looking forward: **Many things EU and ASEAN can do together**

- **This is ASEAN's** integration process and will have its own way…but perhaps the EU can offer some lessons learned.

- **Continue to work on the bi-regional agenda:**
  - PCAs as important **milestone** to be complemented by FTAs
  - Build on current **bilateral** strengths from EU and EU MS
  - Build on **People to people** links
  - Better job at **public diplomacy**

- **We count on the role of Vietnam** as coordinator for relations with the EU.

- **Post 2015:** think about our joint ambitions and the strategic nature of the relationship.
Conclusion

• EU-ASEAN relations stronger than ever and set to **grow**

• We want a **strong** ASEAN: huge potential for cooperation (connectivity, economic, security, etc.) and EU's clear **commitment**.

• We will have to make the best use of the **upcoming events** to sustain this momentum

• A lot of joint work is already going on – perhaps more than we get credit for. And more is yet to come: **be bold** in your thinking!
Thank you for your attention !