THE 21ST ASEAN SUMMIT





ASEAN leaders at the 21st ASEAN-Summit and related summits

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Highlights of the 21st ASEAN Summit

- Brunei Darussalam received the ASEAN chairmanship for 2013 after a handover ceremony. Its theme for 2013 will be "Our People, Our Future Together"
- ASEAN Heads of State and Government appointed HE Mr. Le Luong Minh, candidate from the Socialist Republic of Vietnam, as the upcoming Secretary-General of ASEAN based on alphabetical rotation for five year term, January 2013 - December 2018
- The Council of Permanent Representatives recommended that ASEAN Secretariat operation budget should increase to US\$16.24 million for 2013, a 3% increase from last year

Development on the South China Sea Dispute

The day following the 21st Summit, Cambodia declared ASEAN's agreement not to "internationalise" the issue, a Beijing-sponsored proposal. This was met with opposition by several ASEAN nations, in particular the Philippines and Vietnam. Philippine President Benigno Aquino said, "there were several views expressed yesterday on ASEAN unity which we did not realise would be translated into an ASEAN consensus, for the record, this was not our understanding. The ASEAN route is not the only route for us. As a sovereign state, it is our right to defend our national interests."

Australian Prime Minister Julia Gillard said, "We believe it is in everybody's interest that issues in the South China Sea are managed in a peaceful way in accordance with international law; that's Australia's perspective," she said. "We do believe that a code of conduct would assist with making sure that any issues in the South China Sea, any conduct there, could be managed in accordance with the code, that is, that the rules and manner of responses would be predictable and knowable."

WHY IT MATTERS:

After the failure to release a joint statement during the ASEAN foreign ministers meeting in July, this was a result which once again showed the failure of ASEAN governments to agree over how to deal with its territorial disputes with China over the South China Sea. China's opposition to the internationalisation of the issue, as expressed in Cambodia's initiatives, was evident, as was US support for the position of the Philippines and Vietnam. The US involved itself in this issue at an ASEAN meeting in July 2010 when Hilary Clinton called for its internationalisation.

In December 2012, the four ASEAN claimant states, Vietnam, Philippines, Malaysia, and Brunei will meet to discuss the way forward.

ASEAN AT THE EAST ASIA SUMMIT

Adoption of the Human Rights Declaration

The Summit officially launched the ASEAN Institute for Peace and Reconciliation and adopted the ASEAN Human Rights Declaration (AHRD). The document was produced in 2011 contained "serious flaws" according to critics, and has since been revised at the instruction of the ASEAN Ministers Meeting in July 2012.

The AHRD outlines the principles and objectives for the promotion and protection of human rights in ASEAN. Indonesian Foreign Minister Marty Natalegawawa noted that since the AHRD is a document that must have consensus support of all the ten ASEAN Member States, it "will never please all parties."

Establishment of the ASEAN Regional Mine Action Centre in Cambodia

The summit approved the establishment of the ASEAN Regional Mine Action Centre in Cambodia. Cambodia, which has a sizeable pool of demining experts, has been the prime mover of this idea and wants to host the Centre. Prime Minister Hun Sen said the move is timely and essential, as almost all ASEAN countries have to deal with the menace of land mines.

References:

ISEAS, ASEAN Secretariat News, ASEAN Plus Three Commemorative Summit, ASEAN Secretariat News, ASEAN and Partners Launch FTA



The Official launch of the Regional Comprehensive Economic Partnership

Photograph taken from the official flickr stream of Yingluck Shinawatra.

Commencement of RCEP Negotiations

ASEAN and its six dialogue partners (Australia, China, India, South Korea, Japan and New Zealand) officially launched negotiations to form a mega free trade agreement called the Regional Comprehensive Economic Partnership (RCEP).

The term "dialogue partner" refers to a mechanism which defines ASEAN's strategy in the regional architecture, linking ASEAN with the fastest growing regions in the world, and enabling cooperation in finance, food security, education and connectivity. ASEAN's less developed countries such as Cambodia, Laos, Myanmar and Vietnam have benefitted from this arrangement.

The RCEP trade area will include ASEAN and its six dialogue partners, but also has an open accession clause that allows any ASEAN FTA partner or economic partner to join. The Partnership agreement was initially proposed by ASEAN at the ASEAN Summit in 2011, when its leaders adopted a framework which outlines the principles for extending cooperation and engagement with ASEAN's dialogue partners. This economic and technical cooperation will allow all parties to maximize the opportunities made available by deeper and broader economic engagements regardless of their level of development.

WHY IT MATTERS:

The RCEP is the only ASEAN-centric regional FTA in negotiation. According to international economists, more free trade deals are a positive development towards the WTO goal of global free trade. However, there are nuanced politics from other initiatives. For example, the US-led TPP excludes China while China prefers the East Asia FTA to be within the confines of ASEAN+3.

ASEAN AT THE EAST ASIA SUMMIT



TRANS-PACIFIC PARTNERSHIP (TPP)

Neogiations began between New Zealand, Brunei, Chile & Singapore in 2005. Six more countries joined in 2008. Next round of negotiations will be held in New Zealand in late



EAST ASIA FREE TRADE AREA (EAFTA)

Launched in 2001 by ASEAN+3 leaders, China demonstrated stronger initiative & favoured limiting membership to ASEAN+3 countries



COMPREHENSIVE : REGIONAL **ECONOMIC PARTNERSHIP IN EAST** ASIA (CEPEA)

Proposed by Japan after the creation of the Economic Research Institute for ASEAN and East Asia (ERIA) in 2006. CEPEA and EAFTA are being pursued concurrently.



COMPREHENSIVE ECONOMIC PARTNERSHIP (RCEP)

A 2011 ASEAN driven trade pact that builds on existing FTAs between ASEAN & dialogue partners. It has a clause that allows new partners.



ASEAN ECONOMIC COMMUNITY

In 2003, ASEAN leaders agreed to develop an Economic Community by 2015, by creating a single market & production base, a competitive region, an equitable economic development, and a region integrated into the global economy



AGREEMENT

12 COUNTRIES:

US, Australia, Vietnam, Peru, Chile, New Zealand, Singapore, Brunei, Malaysia, Mexico, Canada, Thailand Under negotiation

13 COUNTRIES:

ASEAN+3 (Korea, Japan, China)

Under negotiation

16 COUNTRIES:

ASEAN+6 (Korea, Japan, China, India, New Zealand)

Under negotiation

16 COUNTRIES:

ASEAN+6 (Korea, Japan, China, India. New Zealand)

Under negotiation

10 COUNTRIES:

ASEAN countries

Will come into force 31 Dec 2015

Source: Asian Development Bank Institute



Chinese and **ASEAN leaders** at the 15th **ASEAN-China** Summit

15th ASEAN-China Summit

On the sidelines of the EAS. ASEAN and China held its 15th Summit on 19 November 2012. The leaders issued a joint statement for the 10th Anniversary of the Declaration of Code of Conduct (DoC) on the South China Sea. The original DoC was signed in 2002 and is a non-binding pact.

Three protocols were signed by the economic ministers that would amend frameworks that ensure further implementation of the ASEAN-China Free Trade Area (ACFTA). An ACFTA Joint Committee formed and would oversee and supervise ACFTA implementation and

related agreements. Other actions were taken to provide trade facilitation for the application of goods that were subject to technical barriers to trade and sanitary and phytosanitary measures.

References:

ASEAN Secretariat News

Official release:

ASEAN-China joint statement on 10th Anniversary of DOC in South China Sea

Chinese Premier Wen Jiabao's visit to Thailand



Photograph taken from the official flickr stream of Yingluck Shinawatra. Used under the creative commons license

Mr Wen has given us the honour of making Thailand the last country he will visit in his premiership

Bangkok Post

21 November 2012

The Premier of China, Wen Jiabao, travelled to Bangkok following the conclusion of the EAS. He received an audience with the King and held bilateral discussions with Prime Minister Yingluck Shinawatra.

Premier Wen also conveyed Beijing's interest in bidding with other multinationals to help construct Thailand's high-speed rail projects, namely the Bangkok-Nong Khai railway. The railway is expected to become transnational after it is linked up with a Laotian-built line. The US\$7 billion Laotian high-speed rail will begin construction in January and would also connect Vientiane to the Chinese border by 2018.

Four memorandums of understanding were signed on rice trade, Chinese education, ICT cooperation, and criminal extradition. China's rice importing needs are mounting, while Thailand's government rice pledging scheme has it stockpiling over 12 million tonnes, a surplus amount of rice. The rice deal could address the agriculture issues in both countries.

The Premier's visit to Thailand received considerably less coverage than that of the US President, but comes with more initiatives for China and Thailand.

Thailand is currently the country coordinator of ASEAN-China relations, from July 2012 to July 2015. The Cabinet, during its meeting on 12 November 2012, approved Thailand's contribution to financial support for the operation of the ASEAN-China Centre.

WHY IT MATTERS:

The Chinese premier also had an audience with HM King Bhumibol Adulyadej and was granted the same respect and honours as President Obama. Driven by the momentum of trade and investment, Thailand is leaning increasingly towards China at the same time that America is signalling its renewed commitment to Southeast Asia and strengthening the US-Thai military alliance. Thailand faces a balancing act as a key Southeast Asian state in the renewed superpower rivalry over Southeast Asia. Thai foreign policy has, of course, shown its mastery of such balancing over the course of the last two centuries.

References:

Reuters, China Daily





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President Barack Obama visited Thailand on the first trip abroad of his second term. The decision to make an ASEAN trip has been in the calculus of the State Department and White House before the elections. Thailand was chosen as the first destination for its status as a US treaty ally. Director of Asian Studies at the Washington-based Heritage Foundation, Walter Lohman, writes that the visit to Thailand is most strategically important relationship for the United States in Asia. The ties with Myanmar are still complicated, while senior officials in the White House said that the President would not have visited Cambodia were it not hosting the East Asia Summit.

Washington has strong interest in sustaining relations with Thailand and forging closer ties before Bangkok aligns closer to Beijing. To this end, ahead of the President's trip, Defence Secretary Leon Panetta was in Thailand and signed the 2012 Joint Vision Statement for the Thai-US Defence Alliance with Thai Defence Minister Sukampol Suwannathat

After President Obama arrived in Thailand, he traveled to Siraj Hospital where he had an audience with HM King Bhumibol Adulyadej.



From the official flickr stream of the White House.
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DISCUSSION WITH **PRIME MINISTER YINGLUCK**



Prime Minister Yingluck and President Obama reviewing honor guard in Bangkok.

Photograph taken from the official flickr stream of Yingluck Shinawatra. Used under the creative commons license

President Obama and Prime Minister Yingluck held private discussions before issuing a joint press statement and taking questions. The statement reflected on the historical and enduring ties between the United States and Thailand. The President acknowledged Thailand's important role in the formation of the ASEAN Economic Community (AEC) in 2015 and welcomed Thailand's interest in joining the Trans-Pacific Partnership (TPP).

Thailand is still assessing the value of joining the TPP, a trade pact that includes the US, Australia, New Zealand, Chile, Peru, Vietnam, Singapore, Malaysia and Brunei, Canada and Mexico.

Why it Matters:

The visit to Thailand was not merely a stopover. Strengthening Thai-US relationship has significant value to the US. There has been a "drift in the alliance" and the President's visit serves to fix this problem as Thailand's relationship with China grows. The US is also trying to enlist Thailand as the next partner in the TPP, which is still being considered by the Yingluck administration.

The President's visit also has domestic implications. Televised footage of the President and the King represented power symbolism and a "public relations triumph of royal persistence" writes Andrew Walker, Deputy Dean of the Australian National University College of Asia and the Pacific. "Obama's meeting with the Prime Minister draws attention to the stability of Yingluck's government and adds to her domestic and international legitimacy. It also highlights the challenge facing Thailand's monarchy as it struggles to come to grips with the electoral popularity of the Shinawatras."

Official releases:

2012 Joint Visions Statement for the US-Thai alliance
Joint Press Statement between President Barack Obama
and Prime Minister Yingluck Shinawatra
President Obama & Prime Minister Shinawatra Joint Press Conference F

President Obama & Prime Minister Shinawatra Joint Press Conference [Video]

References:

<u>Australian National University</u>, <u>Heritage Foundation</u>, Defense.gov





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MEETING WITH PRESIDENT THEIN SEIN



President Barack Obama and President Thein Sein of Myanmar in a bilateral meeting at the Parliament Building in Yangon

Photograph taken from the official flickr stream of the US State Department. US Government works licence

The following day, President Barack Obama arrived in Myanmar on the morning of 19 November for a six hour visit. His schedule included meetings with Myanmar President Thein Sein, Member of Parliament and opposition leader Aung San Suu Kyi, a visit to the US Embassy in Myanmar, and a speech at the University of Yangon.

After a meeting between the two presidents in the Parliament Building in Yangon, President Obama and President Thein Sein held a joint press briefing. The US and Myanmar would cooperate on issues such as capacity building of Myanmar officials, education and public health. Obama expressed his confidence in the process of reform that Thein Sein has led, adding that all the steps taken could unleash the enormous potential of the country. He mentioned that these are however only the first steps on a long journey, adding that the US is committed to help promoting progress that will be good not only for the country but for the region and the international community. Lastly Obama thanked Myanmar for its cooperation in non-proliferation issued, after Myanmar agreed to sign the International Atomic Energy Agency's additional protocol, granting the UN nuclear agency rights to inspect suspected nuclear sites in the country.

Obama referred to the country as "Myanmar" in his meeting with the Myanmar President, as a diplomatic courtesy, but the US officially refers to the country by its former name, Burma.

Full text of remarks made by President Obama and President Thein Sein after their meeting is available here.

MEETING WITH AUNG SAN SUU KYI



President Obama greets Daw Aung San Suu Kyi at her residence

Photograph from the flickr stream of the US State
Department. Used under the US Government works licence

President Obama had an half an hour meeting with Aung San Suu Kyi at her home in Yangon, after which the two gave a short press briefing.

Aung San Suu Kyi expressed her gratitude for US's support of the democracy movement in the country and confidence of US continued support through the difficult years ahead. She warned of complacency with the reform process, saying that "the most difficult time in any transition is when we think that success is in sight". She expressed her intention of keeping in touch with the US government and of them aligning with one another on the most important matters.

President Obama said he was honoured to have been the first US President to welcome Aung San Suu Kyi to the White house and the first to visit Myanmar. He expressed US goals of sustaining the momentum for democratisation, including the building of credible government institutions, the establishment of rule of law, ending ethnic conflicts, and ensuring people's access to education, healthcare and economic opportunities. On a final note he lauded Aung San Suu Kyi for her continued efforts towards democracy, which he said has been an inspiration to people around the world and to the president personally.

Full text of remarks made by President Obama and Aung San Suu kyi after their meeting is available here.





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YANGON UNIVERSITY SPEECH



President Obama Delivers a Speech at the University of Yangon

Photograph taken from the official flickr stream of the US State Department. US Government works licence

Barack Obama gave a speech at the Yangon University for a diverse crowd of around 1,500 people, including students, officials and former generals. There were no VIP lines and all participants, including members of parliament and former generals had to walk through the same security gate.

Obama drew applause twice during the 30-minute speech, first when he said reform will not succeed without national reconciliation and again when he stressed the role citizens must play in a democracy. Obama reminded the audience of Franklin D. Roosevelt's definition of four fundamental freedoms: freedom of speech, freedom of worship, freedom from want and freedom from fear. Drawing on these freedoms Obama described the vision he sees for Myanmar including minority rights, free speech and civilian rule.

Obama announced the re-establishment of USAID mission in Myanmar, and expressed US desire of helping Myanmar improving its capacity to feed its people, care for the sick and educate its children.

Obama stressed that for the sake of the country's future, the violence in Rakhine state must stop. "For too long, the people of this state, including ethnic Rakhine, have faced crushing poverty and persecution. But there is no excuse for violence against innocent people" he said.

President Obama said that he has embraced ASEAN because ASEAN nations are on the move; they are growing nations and emerging democracies with cooperating governments. "This is what the 21st century should look like if we have the courage to put aside our differences and move forward with a sense of mutual interest and mutual respect."

Obama used the opportunity to encourage North-Korea to let go of their nuclear weapons and choose the path of peace and progress. He also said that the US welcomes the peaceful rise of China and India.

On a final note Obama spoke to the citizens of Myanmar, encouraging them to take active part on the country's path to democracy and to seize freedom. He said he believed that something irreversible is happening in Myanmar, something that can lift up the nation and set a great example for the world. And he promised the United States would be Myanmar's partner on the long journey.

The Full text of Obama's speech is available <u>here</u>. Video of speech available <u>here</u>.

Official releases:

Remarks by President Obama and President Thein Sein of Myanmar After Bilateral Meeting

Remarks by President Obama and Daw Aung San Suu Kyi Remarks by President Obama at the University of Yangor

Why it Matters

Obama is the first sitting president to visit Myanmar and his visit is seen as acknowledgement of the success of the reformist government, which has now ruled for a year and a half. Pressured by the US, the Myanmar government announced two important decisions prior to Obama's visit. First the government assured the UN that it would address the human rights concerns of the Rohingya, including considering citizenship for the minority group. Secondly, Myanmar agreed to have all its nuclear establishments inspected by the International Atomic Energy Agency.

Obama was the first foreign leader to meet the Myanmar President in Yangon, and not the administrative capital Naypyidaw built by the previous military junta. Obama's speech at Yangon University, a place with a rich opposition history, was aimed to inspire the Myanmar public to embrace their new found freedom. The fact that the government agreed to the place of the bilateral meeting and Obama's speech is in itself sign of reform.

Although the President's speech drew on the principles of democracy and civil duties, American engagement with Myanmar is less about democracy, and more about managing China, and paving the way for American companies to enter Myanmar.

While analyses differ on the impact of the presidential visit, it is firstly, a confidence building measure for the relationship. It opens doors for US businesses and also serves to foster stability and democracy in the country.





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CAMBODIA 19 - 21 NOVEMBER 2012



US-ASEAN LEADERS' MEETING

The leaders acknowledged the importance of a code of conduct in the South China Sea, but no further mention of the disputed territories was

They expanded economic ties after the ASEAN-US Trade and Investment Framework Agreement (TIFA) 2013 was signed. TIFAs are exploratory

The US-ASEAN Expanded Economic Engagement (E3) Initiative was also launched at this meeting. The E3 Initiative is designed to expand trade between the US and ASEAN by identifying specific cooperative activities to facilitate trade and investment and create more awareness of the foundations for ASEAN countries to join the Trans-Pacific Partnership

Specific measures in the E3 Initiative include simplified customs exchanges, cooperation in addressing investment policies, nonalso emphasises enhancing capacities of small and medium enterprises (SMEs).

Official release:

References:

Expanded Economic Engagement Initiative

Why it Matters:

This trip was seen as a success for the American policy community. However, American staying power rests upon some crucial issues. Firstly, Congress must resolve the issue of the fiscal cliff and reconcile by January 2013 are activated. Secondly, it is unclear who will replace Secretary Clinton, Defence Secretary Panetta, and Assistant Secretary Kurt Campbell, strong supporters of American policy in Asia.

