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Asia-Europe Relations in the 21st Century

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Towards the 9th ASEM Summit in Laos in 2012: Asia-Europe Relations in the 21st Century

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Abstract

This paper discusses the origins, purpose and functioning of the Asia-Europe Meetings (ASEM) that have been convened since 1996 between Asian and European countries. It places ASEM in an emerging multi-polar world and elaborates ASEM's growth in terms of membership and functionality, as well as its role in fostering bilateral relations between Europe and Asia. The paper details outcomes of the 2010 ASEM 8 summit and the multi-faceted process towards the 2012 ASEM 9 summit in Laos.

This paper is based on a public lecture delivered at the Centre for European Studies at the Australian National University on 11 July 2011.

1. ASEM reinforces global relations as well as those between Asia and Europe

Since the first Asia-Europe Meeting Summit in Bangkok in 1996, the ASia-Europe Meetings (ASEM) have provided the principal multilateral platform for sustained and deepening region-to-region dialogue between the authorities (as well as the peoples) of Asia and Europe so that they can better address the global issues and policy challenges that Asia and Europe face.

The creation of ASEM – incited by Singapore and France – reflected mutual agreement by Asians and Europeans in 1996 that there was a need to reinforce region-to-region relations and the dialogue between Asia and Europe. The links between America and Europe and between America and Asia were already strong – but seemed less strong between Europe and Asia. ASEM was to complete the third side of a triangle of the relations between the world's three major continents, aiming thus also to improve world stability and global cooperation.

ASEM is one of the building blocks of what is now recognised as an emerging multi-polar world. ASEM helps to include small and middle level as well as the emerging great powers both in Europe and Asia more into global policy-making and consultation. ASEM includes 12 of the 20 members of the G20 grouping. And ASEM also more fully involves the other 34 other smaller (non-G20) countries and one regional entity (the Association of South-East Asian Nations, ASEAN) which remain outside the G20. Through ASEM Europe-Asia dialogue these

35 smaller entities gain greater involvement and more say in global affairs. Within ASEM they have equal rights to speak and generate initiatives regardless of their size.

ASEM is not only open and inclusive as regards geography and peoples, but also regarding the subjects and the sectors for ASEM discussion – which are not limited to economic and trade matters (which is the case for many regional *fora* – especially in the Asia-Pacific region – such as the Asia-Pacific Economic Cooperation forum, APEC). ASEM organises a wide spectrum of official economic, political, technical, sectoral, and cultural meetings and also ASEM people-to-people dialogues including many technical level meetings addressing multifarious topics. ASEM is driven not just by Leaders and Ministers top-down but also is demand-driven bottom-up by civil society and by technicians as a result of the practical issues they encounter as consumers, operators and regulators.

ASEM is thus open and inclusive both of peoples and of content. As long as the ASEM member countries all agree, almost any sector can and indeed is discussed in ASEM. This is in contrast with APEC which was initially focused exclusively on trade and business matters and only recently has tried to broaden its scope into other areas.

ASEM was always envisaged as an open ‘track 2’ diplomacy – a consultative and consensus-building platform to brainstorm solutions – rather than as a negotiation and delivery mechanism for the trade, regulatory or political deals done between nation states, regional entities or international organisations. ASEM facilitates the development of global governance solutions which are later put into practice and delivered at global level by international organisations – or at interstate levels by direct agreement.

ASEM is growing geographically – evidenced by the increasing membership of ASEM. From the original 25 founding members who met in Bangkok in 1996, ASEM now has 48 members. Australia and New Zealand and Russia formally joined at the ASEM 8 Brussels Summit in October 2010. More countries are already enquiring about entering ASEM and ASEM Senior Officials and Foreign Ministers are considering what to propose to ASEM Heads of State and Government in Laos in November 2012 as regards future ASEM enlargement(s).

According to the Asia-Europe Cooperation Framework¹ – the agreed constitution and the rules of ASEM provides for a two phase entry procedure – applicants must first get the support of their region/continent before being proposed for approval by the other side. But the recent 2010 enlargement to include Russia complicated this elegant and equal arrangement. Russia applied to be an Asian member, but at Asian insistence, it was placed with Australia and New Zealand in a ‘temporary third grouping’, see below. This temporary third grouping has since been abolished and Australia, New Zealand and Russia have been included into the Asian group in ASEM.

ASEM has also grown functionally – it now addresses virtually every sector and aspect of public policy. For example, during the six months leading up to the ASEM 8 Summit in Brussels in October 2010, as part of the preparations for that Summit ASEM members met to

1. See: http://www.aseminfoboard.org/page.phtml?code=About_AECF2000

discuss employment regulations, labour policy, interfaith dialogue, culture, finance, forest law enforcement governance and trade (FLEGT), anti-piracy, anti-terrorism, small- and medium-sized enterprises and green growth, intellectual property rights, sustainable development, food security, information technology, macro-economic policy, human rights, investment, urban governance and urban ecology, immigration, transport, and education. That is just to mention the meetings programme for those six months. Many other dialogues have occurred in the past and are projected in future.² And there are many more civil society, academic and people-to-people meetings on other subjects which are managed by the Asia-Europe Foundation³ (ASEF), the ASEM Foundation to enhance ASEM visibility and the participation of unofficial parties. ASEF's activities cover people-to-people dialogues, civil society, academia, and cultural and intellectual exchange.

The top-down driver of ASEM is the formal political dialogue between the Heads of State and Government at the biennial ASEM Summits alternating between an Asian and a European host city. The next Summit – ASEM 9 – is to occur in Vientiane, Laos on 5-6th November 2012.⁴ In between these biennial Summits momentum is maintained by regular political and diplomatic dialogues between ASEM Senior Officials and between ASEM Foreign Ministers. The most recent full meeting between ASEM Foreign Ministers was in Budapest in June 2011⁵ and the 2013 ASEM Foreign Ministers Meeting is scheduled for India. ASEM Senior Official Meetings occur several times each year to oversee and agree the whole process politically and to prepare the Foreign Minister Meetings and Heads of State Summits. There are several ASEM Coordinators on both the Asian and on the European side who permanently provide continuity and coordination information to their partners.

2. Bilateral relations between Europe and Asia have flourished in recent decades

Bilateral relations between the EU and Asia have particularly flourished since 1996 - enhanced by ASEM. ASEM does not replace but complements the bilateral relations of the EU institutions (as well as of the EU member states) with Asian regions, countries and peoples. Europe's political engagement with the Asia region has developed enormously particularly in the last decade at EU level. Three of the EU's six global strategic partners are Asian; China, India, and Japan. Annual summits are held with all three of them, as well as with South Korea. These bilateral Summits are often back-to-back with ASEM Summits, because the opportunities for such bilateral meetings can maximise the benefits accrued from the long travel times between Europe and Asia. Moreover, the EU held a first ever summit with ASEAN Leaders in 2008. And

2. See the ASEM infoboard website: <http://www.aseminfoboard.org/>

3. See the ASEF website: <http://www.aseminfoboard.org/>

4. See: https://1226.fedimbo.belgium.be/sites/1226.fedimbo.belgium.be/files/explorer/ASEM_9_Logo_Final.jpg

5. See: http://eeas.europa.eu/asem/index_en.htm

it considers Australia, Indonesia and Russia to be important global counterparts. Global strategic security dialogues have, since 2005, been a regular feature for the EU with China, India, Japan and the US. The EU is a participant in the ASEAN Regional Forum (ARF). The EU has become an observer at the South Asian Association for Regional Cooperation (SAARC) and also wishes to become an Observer in the East Asian Summit and at the Arctic Council.

The EU's strategic framework and aims *vis à vis* Asia are transparent. The European Commission has developed and published comprehensive policy papers for China, India and South East Asia, and within the EU's common foreign and security policy (CFSP), the first ever guidelines for EU policy in East Asia were published in 2008.

The EU implements those strategies. Led by the new European External Action Service – the EEAS – negotiations on Partnership and Cooperation Agreements (PCA) have begun with seven South East Asian countries: Brunei, Indonesia, Malaysia, The Philippines, Singapore, Thailand and Vietnam. And already agreed texts have been initialled with Indonesia, The Philippines and Vietnam. Ratification of the initialled agreements is ongoing. A similar PCA-style Framework Agreement has already been signed with South Korea. Negotiations with China, Singapore, Thailand and Malaysia continue. The case of the PCA with Malaysia is indicative of the facilitating role of ASEM since these negotiations were launched in a side meeting with Prime Minister Najib in the margins of ASEM 8 in Brussels on 5th October 2010. ASEM set the scene and provided the meeting to open the negotiations.

In accordance with the EU's values-based approach to international relations, in which principles such as the rule of law, human rights, equality and solidarity guide EU foreign policy, a PCA is a pre-condition to signing a Free Trade Agreement (FTA) with the EU. While not giving up on the Doha Development Agenda (DDA) round of multilateral trade negotiations in the context of the World Trade Organization (WTO), DG Trade of the European Commission has begun negotiating bilateral Free Trade Agreements – FTAs – with many Asian countries. The EU has already agreed and signed a really ambitious and deep FTA with South Korea late in 2010, that addresses behind-the-borders-issues as well as tariff reductions. This EU-South Korea FTA is been signed and has come into force. In contrast, the less ambitious US FTA agreement with South Korea was held up in the US Congress ratification process. It appears that Europe is pulling ahead of the US in the liberalisation of its trade with Asia. In parallel a substantial PCA-style Framework Agreement on political and regulatory matters was also signed with South Korea. The complete texts of the two agreements as well as detailed commentaries and assessments of them are available on EU websites for readers interested in their detailed substance.⁶

EU FTA negotiations continue elsewhere in Asia, such as with India, Vietnam and Singapore – with varying depths and probabilities for conclusion. Other Asian countries are also seeking FTAs with the EU. Malaysia has announced its interest for an FTA as well as for a PCA. While for the Europeans signing a PCA is a pre-condition to signing an FTA, it is signing an

6. See: http://eeas.europa.eu/korea_south/index_en.htm

FTA that really interests the Asians, who are less enthusiastic to discuss with the EU the human rights and political and regulatory aspects that are European requirements for PCAs.

Lastly, the European Commission's sectoral Directorates-General are conducting many bilateral sectoral and regulatory dialogues with Asian ASEM partners. To take just one example – the largest – the EU has ongoing dialogues with China concerning over 50 sectors.⁷

The EU is now permanently represented on the ground around Asia by fully-fledged EU diplomatic missions. Over the last ten years the network of European Union Delegations in Asia has expanded to cover most of the area, with new or upgraded missions opening up in a further nine countries and territories. Following the Lisbon Treaty these are now already full European Union Delegations – equal to full embassies. Even the very smallest countries and difficult cases like North Korea and Burma/Myanmar – that do not have full permanent EU Delegations – have ECHO (European Community Humanitarian Office) representations and/or EU member state embassies which represent the EU locally. The new European Union Foreign Service – the EEAS – has just in April 2012 opened a representative office in Burma/Myanmar. The EEAS will eventually further reinforce the EU presence (see further comments below).

3. Asia is rising

It has become a truism to assert that Asia is rising. Arguably, the 21st century will be Asia's century, just as the 19th century was Europe's and the 20th century was America's century. But what is even more telling is that the 21st century is already and will increasingly be the century of deep globalisation. So Asia will increasingly dominate a more and more deeply integrated and globalised world.

Considered as a continental region, Asia's economy – apart from the brief interruption of the Asian Financial Crisis in 1998 (and even that had little effect on China and India anyway) – Asia has been booming economically and financially for the last fifty years (with from time to time individual leaders and laggards within it). Many Asian economic growth rates are several orders of magnitude higher than those in Europe and the rest of the developed world, and the sheer scale of Asian populations means they have immense long term potential, not just in terms of labour pools on the supply side but in terms of markets to develop and mature on the demand side.

Yet still hundreds of millions of Asians live below the poverty line. There are now more people living on less than US\$2 per day in India than in the whole of Sub-Saharan Africa. Asia still has a long way to grow simply to catch up with the two-thirds share of global GDP that Asia provided to the world in 1700. Asia is a long way away from arriving at an economic weight commensurate with Asia's half share of the world's population. In contrast, Europe's population

7. See: http://eeas.europa.eu/china/index_en.htm and http://eeas.europa.eu/china/docs/sectoraldialogues_en.pdf

is static or declining; predicted to become less than 7% of the world total by the middle of the 21st century.⁸

Europe is highly advanced in economic and regulatory terms. Asia is huge and more dynamic and fast catching up. So Asia and Europe are both essential to any solution of the major challenges facing global policies – be these climate change (as the COP 15 Copenhagen conference showed), financial markets regulation, trade imbalances, currency reform, or new arrangements for the global regulatory arrangements – whether security, human, technical or natural. The solutions and institutions for global governance – whether economic, technical or political – will have increasingly to accommodate increased Asian power.

Lastly, Asia includes many of the principal ‘hard threats’ to global security. Significant interstate tensions persist in Asia, for example, between the two Koreas, between India and Pakistan, and between China and other littoral states of the South China Sea. Many of the potential sources of international terrorism are either in Asia (Afghanistan and Pakistan, and North Korea) or in the Middle Eastern states on the Western margin of Asia. Failed or possibly failing states in Asia include Afghanistan, Pakistan, North Korea, and possibly Burma/Myanmar. And there is in Asia a plethora of intra-state and interstate sub-regional flashpoints with violent tensions already and escalation possibilities. Europe’s deep experience and real capacities in non-traditional security solutions are pertinent to Asia – such as the successful EU assistance in Aceh, and in the south of the Philippines. But Europe is certainly not searching to intervene with boots on the ground. In any case, Europe’s ‘hard power’ and military resources are not equipped nor are they adequate to act so far from Europe. The performance of European countries regarding Libya in 2011 indicated how limited Europe’s capacity might be ‘east of Suez’. An operation only just a few hundred kilometres from the EU stretched European military resources to the limit.

Europe’s need for Asia – and Asia’s for Europe – will be ever greater as globalisation deepens, as rapid economic and political changes threaten the old orders, and as the previous global structures and hierarchies change in an ever smaller and more integrated world.

4. Europe is rebalancing and consolidating its international relations

Europe is consolidating, mainly internally and in its near neighbourhood. It is no longer driven by its imperial legacies, except perhaps in a continuing desire to proselytise its values as universal. Realistically, Europe’s relationship with Asia must increasingly be re-balanced to take account of Asia’s increasing economic weight and financial and regulatory leverage. Europe’s economy is growing only slowly and faces real threats to previous European economic, financial, social and budgetary paradigms.

⁸ United Nations, *World Population Prospects, the 2010 Revision*, <http://esa.un.org/unpd/wpp/>

Yet Europe is still now the world's largest single market, still its largest trader. In terms of economy, trade and of finance, and as a technical and markets regulator Europe is already a real global superpower. Only now is the EU addressing how it might assert a more unified global political and security role, albeit based on a less dominant position than its member countries enjoyed in the 19th century, and albeit that this role still seems a foreign policy with an approach based on inter-governmentalism – which will not be overly agile.

The December 2009 ratification of the EU's Lisbon Treaty showed Europe trying to upgrade its political power by developing a way to 'speak with one voice' globally. The coming years will show whether and how Europe will manage that. The appointment of two more high level EU officials – the President of the EU Council Herman Van Rompuy and the High Representative and Vice President Cathy Ashton (in addition to the President of the European Commission Jose Manuel Barroso) – and the ongoing establishment and consolidation of a new EEAS could eventually help in this regard.

Yet faced with increasingly global challenges, Europe is more and more focusing on internal matters, on EU enlargement and its consolidation within Europe and the European Neighbourhood Area. ASEM is a useful institutionalised and regular reminder to European policy-makers that the EU should take more account of – indeed not neglect – an increasingly assertive, powerful and dynamic Asia emerging onto the world stage. Though still geographically distant from Europe, Asia's scale and dynamism in a context of accelerating globalisation is – and will be – increasingly impossible to ignore.

5. ASEM is directed top-down by government Leaders meeting at biennial Summits

ASEM is directed by the Government Leaders at their regular ASEM Summits. These alternate biennially between Asia and Europe giving the host nation a chance to direct the agenda priorities while respecting other ASEM members' requests. The principle of alternation – one time in Europe next time in Asia – is a tradition at all levels of ASEM meetings. The last two ASEM Summits were in Beijing in October 2008 and in Brussels October 2010. Laos will host the next ASEM 9 Summit in Vientiane 5-6th November 2012. This will be the first time that an ASEM Summit will be hosted by a small, land-locked, least-developed country, and it will be a considerable logistical challenge for the hosts.

By way of example let us consider in detail the last ASEM 8 Summit in Brussels 4-5th October 2010 and its content and achievements. It was structured around the theme 'Improving the Quality of Life' and provided ASEM Leaders with an opportunity to appreciate and discuss Europe's and Asia's attitudes and convergent and possibly differing approaches to many global challenges.

The ASEM 8 Summit occurred in the magnificent setting of the Belgian Royal Palace in the centre of Brussels 4-5th October 2010. It assembled 49 Heads of State and Government (HoSGs) from the 48 members of ASEM.⁹ ASEM 8 was the largest ever HOSG Summit meeting in Brussels and possibly the largest single HoSG Summit meeting during 2010 – apart from the UN General Assembly.

Attendance of HoSGs at the ASEM 8 in Brussels was very good and well-balanced between Asia and Europe. 13 out of the 17 Asian HoSGs (76%) were in Brussels. PM Lee of Singapore had arrived but had to return directly to Singapore due to the death of his mother. 22 out of 28 European HoSG were there (79%). That 37 HoSGs were present for the 48 members was an excellent turnout. Those few HoSGs who were not in Brussels mostly had good and specific reasons at home not to travel – such as elections, a natural disaster, or another prior unavoidable and long-programmed engagement – which domestic politics dictated. They were anyway replaced by deputies. Of the three newly entering members of ASEM only PM Gillard of Australia was there, and Russia and New Zealand were represented at lower levels. Some ASEM Leaders in Brussels commented that it was regrettable that new entrant Leaders had decided not to attend even their first ASEM Summit.

The most substantial discussion at ASEM 8 was of *Global Economic Governance*. This built upon the success in this regard of the previous 2008 Beijing ASEM 7 Summit. In Brussels Leaders discussed the trade-offs between economic stimulus versus deficit reduction, financial markets and bank regulation, reorganisation of the IMF and IBRD – not just quotas but also management and staffing. Leaders also discussed trade liberalisation, DDA/WTO, and they agreed to act against protectionism, and to ensure development-friendly approaches. As in 2008 ASEM Leaders prepared for the imminent next G20 Summit, and they agreed a Joint Declaration on Improving Global Economic Governance.¹⁰ An over-arching theme was the need to prioritise the multilateral approaches, institutions and dialogues for global economic and financial governance.

The second session of the Brussels Summit was on *Sustainable Economic Development Policies*. Leaders discussed the need for more social cohesion, renewed efforts to achieve the Millenium Development Goals (MDGs) and the need at the same time to preserve biodiversity, enhance environmental sustainability, and battle climate change.

In a third session Leaders discussed *Global Issues* including political and security discussion of the fight against piracy, the combat of terrorism, interfaith dialogue as a way to increase understanding and mitigate mistrust and conflict. Non-proliferation of Weapons of Mass Destruction and natural disasters preparedness, and emergency aid cooperation including food

9. For the EU, the Presidents of both the European Council (Van Rompuy) and the European Commission (Barroso) attended and chaired.

10. ASEM 8 Joint Declaration on Improving Global Economic Governance see: <http://www.asem8.be/asem-8-chairs-statement-and-brussels-declaration>

security were also discussed. Finally the possibilities and modus operandi for reform of the UN were debated.

As is the custom at ASEM Summits and Foreign Minister Meetings the more informal working lunch period was used for a free-ranging discussion of *Regional Issues*. The ASEM custom at this working lunch is not to agenda-list individual issues but to raise them informally. Topics discussed over lunch in Brussels were the Korean peninsula, Afghanistan, the Middle East Peace Process, Burma/Myanmar and an exchange of views on regional integration processes and institutions in Europe and Asia.

In the final formal Summit session Leaders addressed *Asia-Europe People-to-People Issues and Relations including the Management and Future of ASEM*. Leaders discussed interconnectivity in Asia and Europe between transport modes and networks and the opportunities arising from the opening up of overland Asia-Europe transportation links through Central Asia. Ways to enhance tourism, business, and academic links were explored. Asians in particular, are interested by EU programmes for cross-border academic exchanges – such as the EU Erasmus Mundus scholarships, EU Jean Monnet professorships, and the EU Centres being opened in Asia and around the world to enhance public awareness of EU policies.

It is customary for an ASEM Summit to host in the margins activities for civil society in order to encourage public awareness, transparency and involvement. ASEM 8 in Brussels was no exception. There was an Asia-Europe Business Forum where top level business persons met some of the ASEM Leaders, an Asia-Europe People's Forum and an Asia-Europe Parliamentary Forum that informed civil society and parliaments of the Leaders' discussions in particular with ASEF support.¹¹

The final session of an ASEM Summit customarily addresses the *Future of ASEM and ASEM Enlargement*. Leaders had already welcomed new members Australia, New Zealand and Russia into a third temporary ASEM grouping. These three countries had all applied to be Asian members of ASEM, but the Asian group wanted them in a third temporary grouping and the Europeans acceded to the Asian demand. This enlargement arrangement illustrates how flexible, indeed supple and inclusive, the ASEM process can be. Leaders appreciated and agreed the announcement by Laos that Laos will host the ASEM 9 Summit in Vientiane Laos 5-6th November 2012. A rich programme of upcoming meetings to prepare ASEM 9 was also agreed.¹² And the EU/European Commission declaration of continued administrative and financial support to ASEM was taken note of, although a full ASEM Support Secretariat was still not agreed to.

Finally, Leaders agreed the *ASEM 8 Chair Statement*, which had been drafted and negotiated in parallel by their Senior Officials. It records and evidences the Leaders' conclusions.¹³

11. See ASEF website: <http://www.asef.org/>

12. See: <http://www.aseminfoboard.org/>

13. ASEM 8 Chair Statement, see: <http://www.asem8.be/asem-8-chairs-statement-and-brussels-declaration>

6. ASEM is continually enriched with ideas at official meetings between Summits

Between Summits, more than fifty Foreign Minister, Sectoral Minister, Senior Official and Expert meetings per year are organised into three all-encompassing ASEM ‘pillars’ – the political, economic and people-to-people pillars.

The political pillar of ASEM

The political pillar of ASEM is healthy. Senior Officials, Ministers, Foreign Ministers and Heads of State and Government are able within ASEM to discuss and address many issues of mutual concern. The openness and flexibility of the ASEM agendas is enhanced by the literally hundreds of bilateral meetings and discussions between Asians and Europeans which occur in the margins of plenary ASEM meetings. The very breadth, openness and evolutionary nature of ASEM mean that new topics can quickly come onto the agendas. ASEM members are able, to discuss almost anything of mutual interest, either within plenary meetings or in the margins of ASEM. ASEM provides a flexible forum in which to address some very delicate subjects, which might not be broached in a formal, bilateral mode. ASEM is a kind of top-level, diverse ‘track 2 diplomacy’ channel between Europe and Asia, be it at Summit, Ministerial or Senior Official level.

Economic pillar of ASEM

The breadth and importance of the economic pillar discussions under ASEM is enhanced by multi-sectoral inclusiveness and openness. Most recently the ‘non-trade but-trade-related’ issues of regulation behind the borders have also been discussed increasingly. The mainline ASEM economic (i.e. trade) and finance ministers’ meetings and the ASEM Summits drive this process which is then executed and supported by many expert and Senior Official meetings on diverse topics. For example, as a follow-up to the Brussels Summit, Belgium hosted a full Senior Officials Meeting Trade and Industry (SOMTI) in Brussels in February 2011.

In the context of the ongoing financial crisis, macro-economic policy-making has been a key subject of discussion in the last two years. A Chinese initiative supported by France at the ASEM 7 Summit in Beijing in 2008 provided a timely and useful platform for Asian and European leaders to discuss their rapid reaction to the financial crisis and to prepare the G20 Summit that occurred in Washington DC shortly afterwards. At that critical time ASEM served to widen and deepen the involvement of the major Asian economies into global macro-economic and regulatory policy-making in the G20 a few weeks later.

Reform of the international financial and regulatory architecture was another topic. Europe has pledged to make further efforts to share leadership within the international financial institutions. Asians are demanding increasing relative importance in the international financial and regulatory architecture. ASEM facilitates informal dialogue on ways forward to address such global issues.

Sectoral dimensions: global governance issues of shared concern

It is a truism that the forces of globalisation are advancing inexorably, and that nation states are struggling to find adequate governance models and policy reactions. There is general agreement that global governance and official regulations and policies are falling far behind the speed of the economic, technological and human forces and changes that drive globalisation. The failure of official structures and governments to get the upper hand lies behind an increasing public disenchantment with government. This disillusionment is especially prevalent within Europe, although it is probably a worldwide phenomenon. ASEM sectoral meetings on matters such as, for example, immigration management, product safety, regulatory practice, and environmental standards are ways to exchange views and improve performance.

People-to-people and social and cultural pillar of ASEM

ASEF – the Asia-Europe Foundation founded and owned by the members of ASEM – enhances the involvement of the public, civil society, academia through meetings, publications, the media and the internet. ASEF was established in 1997 as an independent foundation alongside ASEM. ASEF achieves remarkable visibility and outreach, more particularly in Asia. ASEM needs even more involvement of the public, civil society, academia – possibly via the media and the internet to get the widest distribution and awareness thus to enhance ASEM’s credibility, legitimacy and sustainability. The European Commission’s financial budget support to ASEF is programmed in principle as one million Euro per year through to 2013.

The Trans EurAsia Information Network

The ASEM partners have also set up and funded the Trans Eurasia Information Network (TEIN). It provides administrative, especially internet connection and technical support for academics and researchers of Europe and Asia to encourage ‘learning and researching together mutually’. The European Union has in principle welcomed South Korea’s proposal to institutionalise TEIN based in South Korea, and is reportedly considering a further grant fourth phase EU budget financing of TEIN. The EC is studying the modalities and legal aspects if it were to become an independent foundation. In any case future European Commission funding for TEIN would be focused more particularly on enabling more developing country involvement in TEIN. It is thought that TEIN allows researchers and academics in over 7,500 universities and research centres both Asia and Europe to link up, and that 60 million of them have in one way or another already used TEIN.

More transparency and visibility to enhance ASEM dialogues

As with all governmental processes, the credibility, legitimacy and sustainability of ASEM would be reinforced by enhancing ASEM’s visibility and transparency for constituencies and populations. This is why the European Commission financed an ASEM visibility study report in 2008. In 2009 and 2010 the EC has delivered and shared that Visibility Toolkit with all ASEM partners. In agreement with all ASEM partners, the Commission has also just set up and financed

an ASEM 8 Summit Coordination office as a shared resource for all ASEM Contact Points and ASEM Senior Officials to be able through a shared access ASEM officials' intranet. This latter activity was and is intended particularly to enable the fuller participation of the smaller and less developed countries within ASEM.

Flexibility and enlargement of ASEM provide opportunities

The latest enlargement of ASEM formally to include Australia, Russia and New Zealand illustrates the advantages of the variable, light and flexible geometry of ASEM and of its 'open and evolutionary' nature. The world changes so rapidly that flexibility is a must in global governance. It now seems natural to include Australia and New Zealand within the ASEM dialogue, given their recent deepening of economic and human links with Asia. It is positive to note how ASEM has taken them on board so flexibly and promptly. I am sure they will add value to the ASEM dialogues.

Challenges for the working methods of ASEM

The expanding membership of ASEM poses logistical challenges for working methods. The EU already knows how increasing numbers of members tends to change things. With 48 (or later even more) members around the ASEM table it will become increasingly cumbersome and more difficult to enable effective coordination, transparency and flexibility and thus more difficult to ensure a lively and satisfying ASEM dialogue and outcomes. This is a typical problem of multilateral global fora for governance and dialogue. No-one has an easy, one-size-fits-all, solution to this. In this context there is a need to reinforce ASEM's administrative support to enable clearer and faster coordination and information-sharing.

Moving ASEM from dialogue towards partnership

The European Commission has said it is fully committed to reinforcing, deepening and widening the ASEM process. Mr James Moran – the EEAS ASEM Senior Official – has said 'we would like to upgrade ASEM from dialogue towards a partnership mode'. To enable this, the Commission has confirmed its continued full commitment as the only permanent Coordinator of ASEM. The EU budget has programmed continued financial support to ASEM under the financial perspective running until the end of 2013. The support takes the form of a one million Euro grant per year from the European Commission – the ASEM Dialogue Facility for ASEM meetings that began in 2008. It also comprises the one million Euro grant per year to ASEF, the Asia-Europe Foundation. Through this EC funding, the EU provides about a quarter of ASEF's annual budget.

7. Conclusion: ASEM moving the Asia-Europe Partnership into 2012

The momentum of ASEM dialogue and meetings is being maintained towards ASEM 9 in Laos in November 2012. In February 2011 Belgium hosted the successful Senior Officials Meeting Trade and Industry (SOMTI). In June 2011 Hungary hosted an ASEM Foreign Ministers Meeting in Budapest that focused on Non-Traditional Security Threats and Solutions amongst other subjects. The pipeline of other upcoming sectoral Ministerial, as well as official meetings is busy. For example, ASEM Labour Ministers met in December 2010 in The Hague. ASEM Transport Ministers will meet again end-October 2011 in Chengdu China to follow up on their successful 2010 first meeting in Vilnius in 2010. India will host the next ASEM Foreign Ministers Meeting in 2013.

The Asia Europe partnership is currently making good progress to prepare for the ASEM 9 Summit in Laos in 2012. Efforts to make ASEM more transparent and open and how to improve Asia-Europe Meetings are underway on working methods and resources. ASEM is healthy and continues to enhance and support Asia-Europe relations, dialogue, and thus global governance in a context which is, admittedly, increasingly challenging.

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