

Partnerships



We see an outward-looking ASEAN playing a pivotal role in the international fora, and advancing ASEAN's common interests. We envision ASEAN having an intensified relationship with its Dialogue Partners and other regional organisations based on equal partnership and mutual respect.

ASEAN VISION 2020



**ASEAN
External
Relations**

ASEAN Plus Three Cooperation

ASEAN Plus Three relations continued to expand and deepen with cooperation pursued in the political/security, economic and socio-cultural areas. There are now thirteen ministerial-level ASEAN Plus Three meetings. An ASEAN Plus Three Ministerial Meeting on Creative Management for Government was also convened on 26 May 2005 in Seoul.

The ASEAN Plus Three countries continue to make progress in implementing the East Asia Study Group's (EASG) recommendations, adopted by the ASEAN Plus Three Summit in 2002 to strengthen East Asian cooperation. All short-term, as well as medium and long-term measures have been taken up by the ASEAN Plus Three countries. Eight short-term measures have been implemented, for instance, the formation of the East Asia Business Council, the establishment of an East Asia Forum, the promotion of East Asian studies in the region, and the building of the Network of East Asia Think-tanks (NEAT), among others.

ASEAN Plus Three countries have also been expediting the implementation of the medium and long-term EASG measures. In particular, at the ASEAN Plus Three Summit in Vientiane in November 2004, the Leaders decided to convene the first East Asia Summit (EAS) in Malaysia in 2005. The ASEAN Foreign Ministers' Retreat on 10-12 April 2005 in Cebu, the Philippines, agreed that the EAS should be inclusive in terms of participation and that ASEAN should drive the EAS. On the issue of participation, the Ministers decided that the 1st EAS will be attended by the ASEAN Plus Three countries and that ASEAN could invite other countries that are full Dialogue Partners of ASEAN, have acceded or have an intention to accede to the TAC, and have substantive relations with ASEAN. The decision of the Retreat is to be formalised at the 38th AMM in July 2005 in Vientiane.

Some of the EASG measures are being implemented through bilateral cooperation between ASEAN Member Countries and the Plus Three countries. Others have been pursued through ASEAN Plus Three sectoral cooperation, for instance, in the

Scope of ASEAN Plus Three Cooperation

	Area	Year of Establishment
1	Political and Security	2000
2	Economic, Trade, and Investment	2000
3	Finance and Monetary	2000
4	Agriculture, Fishery, Forestry	2001
5	Labour	2001
6	Environment	2002
7	Tourism	2002
8	Culture and Arts	2003
9	Energy	2004
10	Health	2004
11	Information Technology and Communications	2004
12	Social Welfare and Development	2004
13	Transnational Crime and Counter-Terrorism	2004
14	Science and Technology	2001
15	Youth	2004

■ Cooperation is at Ministerial and Senior Officials levels.

■ Cooperation is only at Senior Officials level

“...the East Asian and the ASEAN Plus Three processes will become the backbone of cooperation in Asia.”

PRIME MINISTER HUN SEN, 22 MARCH 2005

areas of energy, regional financing facility, regional marine environment and non-traditional security issues.

Bilateral trading arrangements have been or are being forged between ASEAN Member Countries and China, Japan and the ROK. These arrangements would serve as the building blocks of an East Asian Free Trade Area (EAFTA). An EAFTA is expected to boost intra-regional trade and investment through the creation of a market of almost 2 billion people, the largest in the world. An experts group that comprised scholars and researchers, established to study the feasibility of an EAFTA, held their first meeting in April 2005.

The ASEAN Plus Three Unit that was set up at the ASEAN Secretariat since December 2003 has continued to assist ASEAN in the planning, coordination and implementation of ASEAN Plus Three cooperation.

On the future direction of the ASEAN Plus Three cooperation, the Leaders agreed at the ASEAN Plus Three Summit in 14 November 2004 Vientiane that the establishment of an East Asian Community was a long-term objective and reaffirmed the role of the ASEAN Plus Three process as the main vehicle for the eventual establishment of the East Asian Community. China, Japan and the ROK reiterated their support for ASEAN's role as the major driving force in East Asia cooperation. In addition, to mark the 10th Anniversary of the ASEAN Plus Three cooperation in 2007, the Leaders agreed to consider the idea of issuing the 2nd Joint Statement on East Asia Cooperation as well as a work plan to consolidate the existing and future cooperation.

Dialogue Relations

Australia

Leaders from ASEAN and Australia marked the 30th Anniversary of ASEAN-Australia dialogue relations at the Australia and New Zealand Commemorative Summit held in November 2004 in Vientiane. The Leaders took stock of the progress of the partnership and set out the direction for future relations. To bolster cooperation, Australia announced at the Summit an additional AUS\$ 17 million of assistance, including a new three-year programme to improve trade analysis and reform in Cambodia, Laos and Viet Nam.

To further enhance the ASEAN-Australia and New Zealand economic partnerships, the three parties launched negotiations for a free trade agreement (FTA) to be fully implemented within 10 years.

Australia has worked closely with ASEAN on many areas, including health, labour and transnational crime. Progress was made on the projects under the ASEAN-Australia Development Cooperation Programme (AADCP) with several seeing completion in 2004. More details on AADCP supported projects can be found in the relevant sector reports contained in the chapters covering the ASC, AEC and ASCC.

Canada

Since the 1st ASEAN-Canada Dialogue Meeting of 30 March 2004, both sides have been actively engaged in identifying the appropriate modalities to undertake cooperation projects in areas such as health, sustainable cities and urban environment, disaster management, trade and environment issues, gender equity, and customs reform. In May 2005 in

Toronto, the senior economic officials considered the outcome of a study on ASEAN-Canada trade and investment relations, and explored possible areas of cooperation.

China

ASEAN-China dialogue relations have strengthened and deepened in the past year. The Plan of Action to Implement ASEAN-China Joint Declaration on Strengthening Strategic Partnership for Peace and Prosperity, adopted at the 8th ASEAN-China Summit in November 2004 in Vientiane, serves as the blueprint for ASEAN-China cooperation for the next five years. Multi-dimensional cooperation will

ASEAN-China trade volume in 2004 exceeded the expected target of US\$ 100 billion by 2005 and China has become the second largest trading partner of ASEAN. Cooperative activities continued to build on ASEAN-China economic ties. The ASEAN-China EXPO showcasing ASEAN and Chinese products was held in November 2004 in Nanning while the ASEAN-China Telecommunications Week was held in May 2005 in Beijing, Shanghai and Shenzhen.

ASEAN and China have made progress in the implementation of the Framework Agreement on Comprehensive Economic Cooperation between ASEAN and China. At the 8th ASEAN-China Summit in November 2004, ASEAN and China signed the Agreements on Trade in Goods and Dispute Settlement Mechanism under the Framework Agreement on Comprehensive Economic Cooperation. Both sides are working closely to conclude agreements in Trade in Services and in the area of Investment under the Framework Agreement.

Implementation of development cooperation projects between ASEAN and China increased significantly in 2004-2005 from previous years. China has pledged to contribute another US\$ 5 million to the ASEAN-China Cooperation Fund to fund projects and activities in the next five years. The areas of cooperation include health, ICT, environment, agriculture, mass media, transport, youth, and people-to-people exchanges, among others. In particular, China has given active support towards ASEAN's efforts in narrowing the development gap, through ASEAN sub-regional frameworks such as the Greater Mekong Sub-region (GMS), ASEAN Mekong Basin Development Cooperation (AMBDC) and the Mekong River Commission (MRC). ASEAN and China signed an MOU on Joint Cooperation in Pushing Forward the Construction of the Information Super-Highway in the Greater Mekong Sub-region in November 2004. China has proposed five new priority areas for cooperation, namely, transport, energy, tourism, culture and public health, at the 11th ASEAN-China Senior Officials Consultation held on 29-30 April 2005 in Shanghai, China.



Promoting ASEAN at the 1st ASEAN-China Expo

be accelerated to consolidate the ASEAN-China strategic partnership. An ASEAN-China Eminent Persons Group has been established to assess ASEAN-China relations in the last fifteen years and make recommendations for deepening future relations.

ASEAN and China continued to implement the Declaration on the Conduct of Parties in the South China Sea (DoC) signed in 2002. On non-traditional security issues, ASEAN and China continue to implement the Memorandum of Understanding (MOU) on Cooperation in the Field of Non-Traditional Security Issues, which was signed in January 2004.

China has also expressed interest in acquiring observer status in BIMP-EAGA. The Plan of Action on Strengthening ASEAN-China Strategic Partnership for Peace and Prosperity adopted by the Leaders in November 2004 had included the possibility of establishing a regular dialogue between the BIMP-EAGA Secretariat and China.

European Union

The 15th ASEAN-European Community (EC) JCC held in February 2005 in Jakarta welcomed the European Commission's Communication entitled "A New Partnership with Southeast Asia", issued in July 2003. This Communication will serve as the basis for the EU to develop its relations with ASEAN. ASEAN and the EC cooperation will now be based on the Communication, the Declaration of ASEAN Concord II (Bali Concord II), and the VAP.

Under the EC's New Partnership, two frameworks will be utilised to initiate dialogue and cooperation. The TREATI (Trans-Regional EU-ASEAN Trade Initiative) will be the framework for dialogue on trade and economic related issues. Potential cooperation areas identified under the TREATI include agriculture, electronics, fisheries and wood-based products. Trade and investment facilitation will also be a focus under TREATI. The READI (Regional EC ASEAN Dialogue Instrument) will serve as the framework for dialogue in non-trade areas. The ASEAN-EU Ministerial Meeting held on 10-11 March 2005 in Jakarta endorsed the principles of READI. ASEAN and the EC will finalise the implementation mechanism and modalities of READI and discuss future areas for cooperation and dialogue.

ASEAN and the EC have also endorsed the ASEAN-EU Regional Indicative Programme (RIP) for 2005-2006. The EC's contribution of 15-20 million Euros to the RIP will focus on the four areas, namely, the ASEAN-EU Programme for Regional Integration Support II (APRIS II), Statistics, Counter-terrorism and EU Visibility in Southeast Asia.

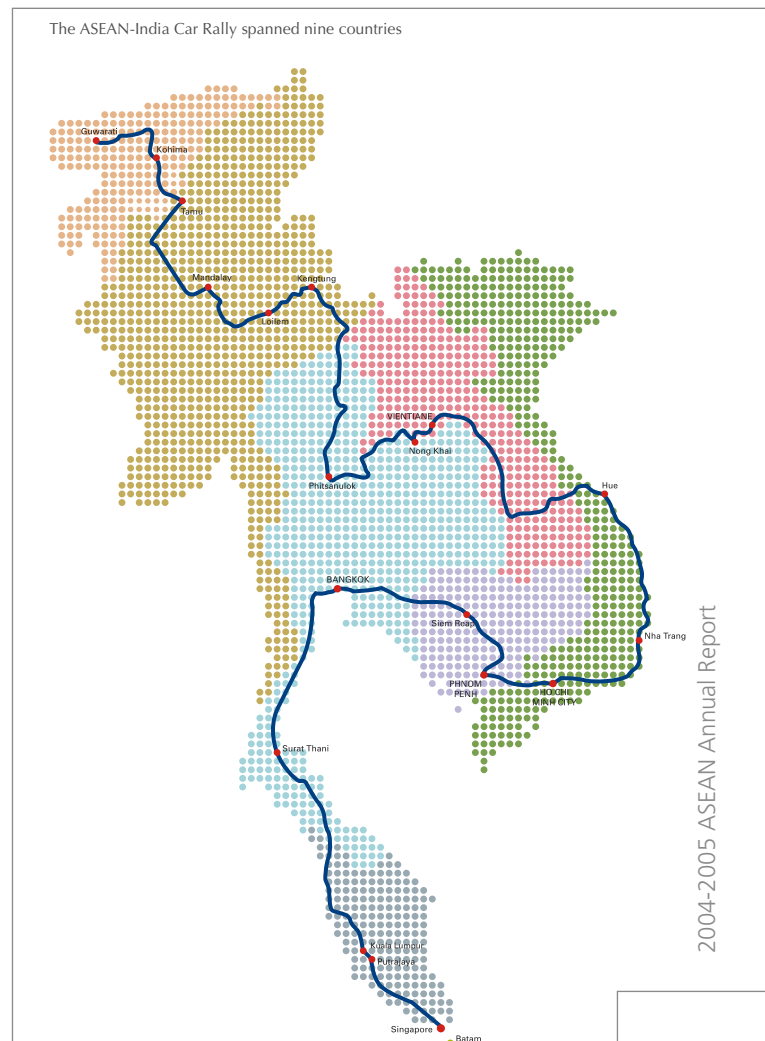
Under the ASEAN-EC cooperation framework, there are a number of ongoing programmes in various areas of cooperation, namely: standards, quality and

conformity assessment; IPR; energy; environment; capacity building; and higher education.

In order to continue support for the EC-ASEAN Energy Facilities (EAEF), the EC has provided an additional contribution of 3.5 million Euros. The EC also pledged to contribute 6 million Euros to support the ASEAN Regional Centre for Biodiversity Conservation (Phase II) with ASEAN's commitment to establish it as the ASEAN Biodiversity Centre.

India

ASEAN-India relations grew from strength to strength. The signing of the ASEAN-India Partnership for Peace, Progress and Shared Prosperity at the 3rd ASEAN-India Summit in November 2004 signified the maturity of relations and the commitment of both sides to work towards a long-term shared vision for common good. A Plan of Action was also adopted at the Summit to implement the Partnership. ASEAN and India are now identifying priority areas and activities for implementation.



As part of its effort to help narrow the development gap in ASEAN, India established an Entrepreneurship Development Centre (EDC) in Lao PDR in November 2004. India will also establish similar centres in Cambodia, Myanmar and Viet Nam in 2005.

ASEAN and India are working to streamline the implementation of cooperation projects to avoid unnecessary delays in the execution of mutually agreed activities. ASEAN and India will also embark on several new areas of cooperation, namely, health and pharmaceuticals, and agriculture. ASEAN and India are also actively promoting people-to-people exchanges, and in this regard, a group of ASEAN journalists visited India in October 2004 with the return visit of Indian journalists to ASEAN Member Countries scheduled for 2005. In an effort to engage its peoples, and to highlight the geographical proximity and close historical and current ties between ASEAN and India, both sides organised a successful ASEAN-India Car Rally. The 8,235 km non-competitive car rally across India and eight ASEAN Member Countries commenced on 23 November 2004 in Guwahati, India, and concluded on Batam Island, Indonesia, on 11 December 2004.

Japan

ASEAN and Japan continued to implement the ASEAN-Japan Plan of Action to realise the goals of the 2003 Tokyo Declaration for the Dynamic and Enduring ASEAN-Japan Partnership in the New Millennium. The Executive Report on Progress of the Implementation of the ASEAN-Japan Plan of Action

was presented at the 8th ASEAN-Japan Summit in November 2004 in Vientiane.

Steady progress was made in the areas of political and security issues, economic cooperation, human resources development and Mekong Region development. Japan acceded to the TAC on 2 July 2004 in Jakarta, marking an important milestone in ASEAN-Japan relations. ASEAN and Japan also signed the ASEAN-Japan Joint Declaration for Cooperation on the Fight Against International Terrorism in November 2004. In the past year, Japan has provided technical assistance and financial support to ASEAN countries for enhancing capacity building to combat terrorism, as well as drug and human trafficking. On the economic front, ASEAN and Japan commenced negotiations on the ASEAN-Japan Comprehensive Economic Partnership (AJCEP) Agreement in April 2005.

Through the ASEAN-Japan Exchange Projects Fund (JAEP) and the ASEAN-Japan General Exchange Fund (JAGEF), ASEAN and Japan implemented projects and activities, covering areas of cooperation that include, among others, trade and investment, customs procedures, SMEs, the environment, and ICT.

Japan continued to support ASEAN's effort to narrow the development gap among its Member Countries through the IAI, the Mekong Basin development, BIMP-EAGA, other ASEAN sub-regional economic growth areas and bilateral cooperation. For the IAI, Japan has extended assistance in human resource development in areas such as energy,

Participants of the Japan-supported Ship for South East Asia Youth Exchange Programme visit the ASEAN Secretariat



transportation, vocational training, industrial relations, environmental protection, and irrigation system management through the JAGEF, the Japan-ASEAN Solidarity Fund, JICA and other schemes. Japan has also provided financial support for the attachment programme for eight CLMV junior diplomats at the ASEAN Secretariat during the last year.

Republic of Korea (ROK)

ASEAN commemorated the 15th year of ASEAN-ROK relations in 2004 and marked a new high for ASEAN-ROK dialogue relations with the signing of the Joint Declaration on Comprehensive Cooperation Partnership between ASEAN and ROK at the 8th ASEAN-ROK Summit in November 2004. The Joint Declaration is a blueprint for moving ASEAN-ROK relations forward in a comprehensive and substantive manner. ASEAN and ROK are now working on the draft Plan of Action to implement the Joint Declaration, which is expected to be adopted at the 9th ASEAN-ROK Summit in December 2005.

ASEAN-ROK relations have been strengthened with the ROK's accession to the TAC in November 2004. There has been regular dialogue and exchanges of views on regional and international issues through existing mechanisms. In the economic field, ASEAN and ROK agreed to establish an ASEAN-Korea Free Trade Area (AKFTA) by end-2006. Negotiations began in February 2005.

Over the years, ASEAN-ROK development cooperation has expanded to cover the areas of information technology, agriculture, health, tourism, science and technology, and the environment, funded by the ASEAN-ROK Special Cooperation Fund (SCF) and the ASEAN-ROK Future Oriented Cooperation Projects (FOCP) fund.

On-going cooperation in the areas of human resource development, people-to-people exchange and bridging the development gaps has remained strong. Under the IAI, ROK has contributed US\$ 5 million over a five-year timeframe (2002-2006).

New Zealand

The ASEAN-Australia and New Zealand Commemorative Summit was held in November 2004 in Vientiane to commemorate the 30th anniversary of ASEAN-Australia and ASEAN-New Zealand dialogue relationships. This Summit marked the maturing of the ASEAN-New Zealand relationship. New Zealand expressed its interest at the Summit to work closely with ASEAN to combat international terrorism. In addition, ASEAN and New Zealand have agreed to cooperate in areas such as people-to-people exchanges, education, culture, and agriculture. All three parties also launched the negotiations to conclude an ASEAN-Australia and New Zealand Free Trade Agreement (FTA).

Russia

The ASEAN-Russia relationship reached an important milestone with Russia's accession to the TAC in November 2004. The signing of the TAC marked Russia's commitment to strengthening its relations with ASEAN. The political, security, economic and development cooperation between ASEAN and Russia is expected to be expanded further at the 1st ASEAN-Russia Summit scheduled for December 2005. Both sides are developing an ASEAN-Russia Economic and Development Cooperation Agreement. The agreement will serve as a blueprint for strengthening the ASEAN-Russia partnership in a purposeful and substantive way.

ASEAN and Russia signed the Joint Declaration to Combat International Terrorism in July 2004, setting the right momentum and tone for ASEAN and Russia to further strengthen their political and security cooperation in the coming years. Following the signing, the First Consultation between ASEAN Senior Officials and Russia on Transnational Crime and Russia was held in September 2004 to look into ways to implement activities in support of the Joint Declaration.

United States

ASEAN's relations with the US have advanced considerably in the past year. ASEAN and the US are considering eight possible projects to implement

the ASEAN-US Counterterrorism Work Plan. ASEAN and the US are also exploring the possibility of concluding a regional Trade and Investment Framework Agreement (TIFA).

The US-initiated ASEAN Cooperation Plan (ACP), amounting to approximately US\$ 9 million, supports activities in areas such as disaster management, competition policy, intellectual property rights, standards and conformance, environment, health, information technology, transnational issues, and strengthening the ASEAN Secretariat. One major programme implemented under the ACP is on disaster management. Another area of cooperation is in IPR and an "Arrangement" for cooperation had been signed between the ASEAN Secretariat and United States Patent and Trademark Office (USPTO). Thus far, five activities had been completed while another four are pending implementation. In addition, ASEAN and the US are finalising a US\$ 1.7 million cooperation programme to combat/prevent the spread of HIV/AIDS. As part of the ACP, the US has established an ASEAN-US Training and Technical Assistance Facility at the ASEAN Secretariat. This Facility is aimed at the strengthening the capacity of the Secretariat to better serve ASEAN Member Countries in their endeavour towards greater regional integration.

United Nations Development Programme

The Annual Work Plan (AWP) of the ASEAN-UNDP Partnership Facility (AUPF) for the period of October 2004 to September 2005 has been approved. Of the ten activities/sub-projects approved for AUPF funding support, one has been completed, three are on-going, and six are at various stages of preparation. The completed project was the ASEAN-Private Sector Roundtable Meeting (RTM) on the ASEAN Economic Community (AEC) that was held in August 2004 in Bangkok. The three ongoing projects are: (i) analysis of the employment and other social impact of economic integration in the priority integration sectors; (ii) support for the acceleration of customs reform and modernisation; and (iii) preparation of the Southeast Asia Human Development Report.

Sectoral Dialogue Relation

Pakistan

ASEAN-Pakistan relations took a major step forward with accession of Pakistan to the TAC in July 2004. Pakistan also became the 24th participant of the ASEAN Regional Forum on that same day. To further strengthen relations, ASEAN and Pakistan have identified a number of areas for cooperation in areas including science and technology, education, the environment, and counter-terrorism.

Regional Organisations

South Asia Association for Regional Cooperation

At present, cooperation between ASEAN and the South Asia Association for Regional Cooperation (SAARC) is at the secretariat-to-secretariat level. The two secretariats are now implementing a mutually agreed Partnership Work Plan (2004-2005) that will provide the basis for both sides to exchange views on best practices and experiences.

Gulf Cooperation Council

ASEAN and the Gulf Cooperation Council (GCC) identified health, tourism, halal food certification, and combating transnational crime and terrorism as possible areas of cooperation when both sides met at the ASEAN-GCC Informal Foreign Ministers Meeting in September 2004 in New York. ASEAN and GCC are looking at modalities for implementing cooperation in the above areas.

Economic Cooperation Organisation

The ASEAN-Economic Cooperation Organisation (ECO) Informal Foreign Ministers Meeting in September 2004 in New York identified tourism, narcotics control, SMEs, and trade and investment as possible areas of cooperation. The ASEAN and ECO Secretariats also agreed to sign an MOU for cooperation in these four areas. The MOU is under development.

Asian-African Sub-Regional Organisations Conference

The ASEAN Secretariat was involved in the Asian-African Sub-Regional Organisation Conference (AASROC), a process to facilitate the interaction between Asia and Africa. The Secretariat contributed two studies to the AASROC process: (i) the East Asian economic growth experience; and (ii) possible measures to promote trade and investment.

Shanghai Cooperation Organisation

The secretariats of ASEAN and the Shanghai Cooperation Organisation (SCO) signed an MOU on 21 April 2005 in Jakarta. Both organisations have agreed on several priority areas of cooperation, namely, combating transnational crime (which encompasses counter-terrorism), drugs and narcotics control, arms smuggling, money laundering, and combating the trafficking in persons.



ASEAN and SCO formalise cooperation





Keeping ASEAN's external relations strong at the 10th ASEAN Summit