

"Asean: Future Prospects And Challenges" At The Asean Lecture Series

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EVENT: ASEAN: FUTURE PROSPECTS AND CHALLENGES AT THE ASEAN LECTURE SERIES

VENUE: THE INSTITUTE OF DIPLOMACY AND FOREIGN RELATIONS (IDFR), KUALA LUMPUR

DATE: 10 AUGUST 2007

Assalamualaikum warahmatullahi wabarakatuh and a good morning.

Yang Berbahagia Tan Sri Hasmy Agam
Executive Chairman of the Institute of Diplomacy and Foreign Relations,

Yang Berbahagia Prof. Dr. Rahmat Mohamad
Deputy Vice Chancellor of University Technology MARA

Yang Berbahagia Tan Sri Rastam Mohd Isa
Secretary General of the Ministry of Foreign Affairs

Excellencies

Distinguished guests

Ladies & Gentlemen

I like to begin by thanking the Centre for ASEAN Studies of Universiti Teknologi MARA (UiTM), Institute of Diplomacy and Foreign Relations (IDFR) and the ASEAN Department of the Ministry of Foreign Affairs of Malaysia for organizing this event as part of the ASEAN Lecture Series. I am indeed honoured to be given this opportunity to take a closer look at ASEAN as we celebrate our 40th Anniversary. This is a period for us to review our organization from a regional outlook rather than purely from our own national perspective. This is indeed the occasion for us to analyse our past performance and accomplishments as we venture into contemplating the prospects and challenges confronting ASEAN.

2. The Prime Minister last Tuesday in his televised address drew attention to the significant role that ASEAN played in the promotion, maintenance and preservation of regional peace and stability and its impact on our socio-cultural environment. He also underscored the importance for ASEAN to progress towards integration in realizing a people-centred ASEAN. He was confident that ASEAN will continue to be dynamic, vibrant and outward looking.

3. Historically South East Asia has never been a united and cohesive entity. It was made up of countries holding strongly to its own national positions due to our different experience and influence during the colonial era in our search for peace and stability the founding fathers of ASEAN saw the advantage of getting together for development and prosperity. This was in 1967, when the Leaders through the Bangkok Declaration formed ASEAN. We have gone a long way since then even in the midst of skepticism and cynicism within and outside our region to becoming a regional organization of ten, playing a pivotal role in shaping a regional architecture for peace, stability and development. Its members are more confident in their endeavours and cohesive to improve the standards and quality of lives of its peoples. Against this backdrop we had evolved to be a credible, integrated and respected regional grouping.

4. Our founding fathers and succeeding ASEAN leaders shared the same vision to forge partnerships and understanding among us. The cooperative spirit ensures that ASEAN remains relevant in the overall regional architecture. Over the years, we have learnt to be adaptive and flexible in dealing with the ever changing global, political and economic landscapes. This is evident by ASEAN's continued success which can be premised on its pragmatism as well as its consultative approach rather than being unyielding and belligerent towards one another.

5. Generally ASEAN operates on the basis of these fundamental core principles that forge understanding and goodwill. Namely:-

i) To be open and inclusive;

ii) To be guided by voluntary adherence and principles, rather than obligatory undertakings; and

iii) To settle intra regional problems and disputes through negotiation and dialogue.

Decision at ASEAN level is by consensus and the majority principle has no place in its decision making except on economic matters;

iv) The primary of national interest of member countries in the context of commitment to regional unity and cohesion. Definitely there are differences among Member States particularly on international issues, but this does not infringe on its cooperative relationship at the bilateral level;

v) Not to use force or the threats of the use of force in settling disputes and most importantly not to interfere in the domestic affairs of another Member State. However, with

globalization and internationalization, the global order has been transformed into something we did not foresee previously. This presents itself as a continuous challenge for ASEAN member states to manage and deal with; and

- vi) To give importance to relationships and interactions with global powers, so as to enhance the role of ASEAN and its influence on the international community.

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Future Prospects

6. Undoubtedly, ASEAN is strategically located as it is at the crossroads between the East and South Asia and beyond. However, I wish to highlight that with the advent of globalization coupled with technological advancements, political, economic as well as social transformation, we are now living in a more interdependent world. Even though the impediments of distance, time differences or traveling may have been reduced significantly as contemporaneous communication through the internet via email, Voice over Internet Protocols (VoIPs) and other forms of high speed communication, are widely used, but these could not be a substitute for the geographical advantage that ASEAN has in transacting trade and encouraging investment.

7. In the context of globalization and with China and India, emerging as the new economic powerhouses, ASEAN will have to remain competitive in order not to lag behind and seize the prevailing opportunities on a win-win basis. This presents ASEAN with the greatest challenge if we want to be a global player. ASEAN has also got to move in tandem with current development internationally on the issues of respect for the rule of law, good governance, democracy and human rights.

8. We need to remain committed to the process of integration and establishing an ASEAN Community. ASEAN has to face new challenges and adapt to situations as they arise. Reforms and innovations therefore become essential if ASEAN is to remain relevant. It is for these reasons that ASEAN has to readjust its development goals to suit the dictates of our time. During the 9th Summit in Bali in 2003, ASEAN leaders set itself to establish an ASEAN community and at the 12th Summit in Cebu in January 2007, the Leaders decided to bring forward vision 2020 by the year 2015. In this regard it is essential that ASEAN has to be more solid, unified and cohesive as a regional grouping.

9. An integrated ASEAN is envisioned to be inclusive in embracing a diversity of cultures, beliefs and traditions as a source of our strength to realize a caring and sharing ASEAN community. There is therefore a strong basis for us to instill the We Feeling and a sense of ownership of ASEAN among our peoples. This can be achieved by implanting in our people the awareness of

being ASEAN at an early age. Our future generation would then appreciate the importance of ASEAN, whose foundation had been laid by our founding fathers.

10. During Malaysia's Chairmanship, we had deliberately taken several initiatives to bring ASEAN closer to the people especially the youth. The Prime Minister advocated that the way forward for ASEAN is to focus on activities which will bring the organisation closer to its peoples. During the 11th and 12th ASEAN Summits in KL and Cebu respectively, we reiterated this position. The success of what we do today could then be passed to our youth. In this respect, I strongly believe by involving our youth in ASEAN activities, we will expose them to a deeper understanding of what ASEAN is all about.

11. It is also said that ASEAN governments at times are seen to be disconnected from their people. A plethora of decisions made by the respective governments are perceived to be elitist and not in touch with the aspirations of the people. Assuming this to be true, it is therefore logical that in order to transform ASEAN into a people-centred organization, we have to readjust and realign our policies and approaches to be in consonance with the aspirations of our citizens.

12. Some of the programmes that could give a visible profile of being ASEAN is the introduction of a visa-free travel within ASEAN, infrastructure that will link all ASEAN capitals, the reduction of the costs of doing business, the standardization of food quality and safety regulations as well as to ensure quick response to emergencies, cooperation in overcoming communicable diseases and natural disasters. The realization of all these would depend on the sincerity and political commitment of the governments to act collectively in the name and for the sake of ASEAN. In order to attract foreign investors, our policies and procedures must be seen as "conducive and business friendly. Of course the environment for peace and security within the region is another essential consideration by investors in arriving at that decision.

13. ASEAN institutional framework has to be reviewed in line with this new aspiration. New rules and regulations are required to meet the evolving circumstances. On 12 December 2005, the Kuala Lumpur Declaration on the Establishment of the ASEAN Charter was signed by ASEAN leaders to pave way for a landmark reform exercise. The ASEAN Charter will recodify the operational practices and transform it from an essentially consensus driven establishment to a rules-based regional organisation.

14. A High Level Task Force (HLTF) on the Drafting of the ASEAN Charter was later formed and tasked to draft the Charter. The HLTF presented their first reading of all the 12 Chapters of the draft to the ASEAN Foreign Ministers in Manila last week. In undertaking this task, the HLTF had consultations with the various stakeholders in ASEAN the civil society organizations, the non-governmental organizations, the private sector and the ASEAN Parliamentary Assembly.

15. The keygoals of the ASEAN Charter as drafted by the HLTF, based on the report submitted by the Eminent Person's Group, are as follows:

- To establish a legal entity for ASEAN, as a regional and international
- organization with established protocols;
- To strengthen the organization, by increasing its functional mechanisms,
- enhancing the Secretary General's role and decision-making powers; and
- To improve and strengthen the decision-making process as well as its
- monitoring mechanisms, which would enable ASEAN to become an efficient
- and effective international organization

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16. The Foreign Ministers in Manila had reviewed the various chapters and had extensive in-depth discussions on the implications and impact of each principle and provision embodied in the document. Let me highlight generally the substance of the discussions which amongst others covered subjects such as models of decision-making process, criteria for the new ASEAN membership, an ASEAN human rights body, various ASEAN organs and settlement of disputes mechanism. We also deliberated on the guiding principles and purposes of ASEAN, such as democracy, transparency, good governance, integrity and sustainable development.

17. New strategies need to be found and planning undertaken to develop ASEAN's infrastructures. We can rely on intra-ASEAN trade to offset any drastic shifts of the global economy. I am confident that ASEAN will one day function as a single market and production base that will be globally competitive.

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Challenges

18. No doubt that there are many challenges that ASEAN has to face in its way forward. What is critical is how we deal with these challenges. How do we develop an ASEAN that will bring direct benefits to its peoples? How do we manage wealth so that we can improve the quality as well as the way of life of our peoples? How do we sustain peace and stability in the region?

19. Energy security is an important area that ASEAN has to be concerned with. In view of increasingly scarce and depleting resources involving oil and gas, ASEAN, has to work together in research for alternative energy. We have to act fast and in a concerted manner in handling energy security issues, environmental pollution, as well as ensuing economic problems that need to be overcome. Towards this end ASEAN has to conduct research and develop energy efficient technologies, both from the perspective of the supply, and demand side including the exploitation of renewable energy resources i.e. hydro, as well as an integrated approach towards energy resource management.

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20. In recent months, we experienced a visible change in our climate that adversely affected the livelihood of thousands of our farmers, fishermen s and agro-based industries. With the Tsunami in 2005 to drought, earthquakes and typhoons, the consequence of climatic change had been catastrophic. ASEAN also has to be pro-active in implementing its policies to combat greenhouses gases as Southeast Asia collectively ranks third highest in greenhouse gas emissions, after China and India. In the joint communiqu of the 40th ASEAN Ministerial Meeting in Manila recently, the ASEAN Foreign Ministers had dealt with these issues of environment and climate change. In very clear language we stated our expressed concern over the impact of global warming and climate change and called for concerted efforts involving the international community, including the private sector and the civil society, in addressing these challenges in accordance with the principle of common but differentiated responsibilities.

21. A new area of concern to many countries in ASEAN is the transboundary pollution, notably the haze, as its occurrence at the end of every year blanketed Brunei, Indonesia, Malaysia and Singapore. We have the ASEAN Agreement on Transboundary Haze Pollution, signed by all ASEAN members in June 2002 which came into force in November 2003, when six member countries ratified it. We have in place the ASEAN Regional Haze Action Plan (RHAP) where each member country is required to develop National Plans to prevent and mitigate land and forest fires, including the prohibition of open burning and the strict control of slash-and-burn practices during the dry period. The countries are to formulate air quality laws to strictly enforce laws; implement air quality monitoring and reporting regimes, and set up surveillance on local sources of emissions, establish a national task force to develop strategies and response plans to deal with fires and smoke haze.

22. However, having identified the problems and possessing action plans alone would not bring an end to the issues at hand. What has to be done is to carry out the action plans faithfully.

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23. The issue of transnational crime such as human trafficking has received a lot of focus and attention. Human trafficking in South East Asia is not something new but it still poses a serious problem for us. Trafficking in our region is a very complex and has a multifaceted dimension as many travel from a poorer country to a more affluent one in order to seek better work opportunities. Due to the difficulties of enforcement of our long and porous borders with each other, it is difficult for any one government to shoulder the responsibility of stopping the flow of people from one country to another including human trafficking. This requires close cooperation and intelligence sharing to effectively combat the activities of traffickers.

24. As I had said previously, there are a myriad of challenges and issues which we have to manage and handle. Over the years ASEAN has grown bigger, both in terms of membership and organizational structure as well as its scope and responsibilities. There are over 700 meetings held annually encompassing all sectors. It is a challenge to consolidate and streamline these activities. It is my sincere hope that we will be able to prioritize and improve coordination efforts with each other. The ASEAN Secretariat is taking steps to improve its coordination mechanisms in order to close any gaps as well as keeping all sectors informed on the developments towards realizing the ASEAN Community.

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Ladies & Gentlemen

25. ASEAN was formed from disparate small nations trying to swim against the tide of communism at the time. However, the union has managed to endure the test of time and has now become a major regional grouping which has attracted the big powers to engage. As you are aware, ASEAN has always been premised on developing common goals as well as objectives within its members but at the same time respect each other's principles of non-interference. This is an important facet of ASEAN and because of this it is able to deal with issues that are deemed sensitive by other regional groupings.

26. With 4.46 million square km, a population of 567 million, a combined GDP of USD\$1,072 billion and a total trade of USD\$1,404 billion we are no longer a small grouping of countries that could be taken lightly. We have emerged as an important group in East Asia and within the Asia Pacific region.

27. ASEAN promotes regional cooperation thus contributing to regional integrity which no doubt influences East Asia specifically and the international community generally. The 10 +1 and the 10 + 3 processes are examples of how ASEAN has started to expand its reach by engaging with countries beyond its immediate region. ASEAN has always adhered to the principles of inclusiveness rather than to exclude others.

28. ASEAN also felt the need for a mechanism to address issues relating to the peace and security in the region. In order to provide for dialogue and discussions on the issue, ASEAN formed the ASEAN Regional Forum (ARF). Such discussions have now been expanded; with Defence Ministers and officials having their own meetings.

29. ASEAN has established a dialogue mechanism with big powers and thus created a conducive environment for investment and development including the transfer of capital technologies as well as creating a market economy to flourish, and bring social-economic benefits to all member states.

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30. Clearly if we had acted on our own, it would have been an uphill task compared to what we had achieved through ASEAN. No big power would have paid attention to us as small nations. I believe ASEAN has always held to the principle of maintaining an equitable diplomatic relations with all countries no matter what the size and political position as if it is still living in a multipolar world rather than the dictate of a unipolar one. I wish to reiterate that I am confident; ASEAN will continue to be a force to be reckoned with in the years to come as one of the most successful regional organizations that survived the Cold War and currently adjusting itself to the globalised and borderless world. Her principles and ideals are fully supported by her members. We all share the same aspirations and are working towards the objective of one vision, one identity and one community.

31. I am certain that we will be able to draw upon one another's strength and forge a constructive partnership that will last indefinitely. Only when the 10 of us are one sharing a common ASEAN identity will we be able to compete effectively with the rest of the world on an equal footing. I believe the prospect for ASEAN is bright and we must take this opportunity for the betterment of our country and people.