

## The EU and ASEAN in 2016

by Eva Pejsova

2016 will enter the history books as the year in which the Association of South-East Asian Nations (ASEAN) became the 'ASEAN Community'. Although the principally economic body still has a long way to go, this move towards greater regional integration is of symbolic importance, marking as it does the willingness of South-East Asian countries to come together despite their many political differences.

The deteriorating situation in the South China Sea, in particular, has driven regional players to boost their national defence capabilities, something which risks militarising international waters. The escalation of tensions between China and the US has pushed ASEAN capitals to take sides, making it difficult for the organisation to preserve its relative neutrality. Yet, as a key component of the regional security architecture, a strong and united ASEAN is more essential today than ever before.

Europe has long been a global reference point when it comes to regional integration. It has also been ASEAN's longstanding partner in this process. Despite its arguably limited toolbox, the EU has extensive experience in a number of domains useful for dealing with the current security dilemmas in the region – notably in the fields of maritime governance, preventive diplomacy and international law. With Brussels struggling to demonstrate its added value for Asian security, forging a more institutionalised 'strategic partnership' with ASEAN in 2016 appears not only the easiest, but also the most logical choice for both parties.

## Partners beyond integration

The creation of the ASEAN Economic Community (set to establish a single market among seven of the ten most developed countries in the region) is in part due to EU's lasting financial support and capacity-building efforts. The EU has been the biggest investor in ASEAN countries and the largest contributor to the ASEAN Secretariat, increasing its financial support to €170 million until 2020 (on top of a €2 billion in bilateral assistance to member states). Though principally motivated by trade interests, the EU's support for integration and connectivity is crucial for the region's stability as it contributes to building ASEAN's resilience and strengthens its capacity to shape the security environment.

But the relationship does not stop at trade and institutional capacity-building. Cooperation on other issues started to emerge after the EU's accession to the Treaty of Amity and Cooperation (TAC) in 2012. In May 2015, the Joint Communication to the European Parliament and the Council ('The EU and ASEAN: partnership with a strategic purpose') formulated a detailed policy roadmap for deepening cooperation in a number of economic, political and security domains, paving the way for a more institutionalised partnership. And, in September 2015, Brussels finally appointed its



first Ambassador to ASEAN – Francisco Fontan Pardo – and created a mission in Jakarta specifically designed to enhance bi-regional relations.

The two regional groupings share a number of substantial security concerns ranging from border management and transnational crime to radicalisation, illegal migration, climate change and cybersecurity. But the most promising area for future cooperation perhaps lies in maritime security. Beyond high-level dialogues on maritime cooperation, in place since 2013, cooperation on enhancing maritime situational awareness, rule of law, information sharing and various forms of functional multilateral cooperation – as formulated in the EU Maritime Security Strategy – could be of great value for ASEAN in the months and years to come.

## The South China Sea effect

The South China Sea disputes have traditionally been divisive for ASEAN – with the countries directly involved (the Philippines and Vietnam) pushing for a more robust stance, and the nonclaimant countries (such as Laos or Myanmar/ Burma) unwilling to alienate their biggest economic and trading partner. The reluctance of important international players to take a position on the sovereignty issue has further weakened the organisation's internal cohesion, discouraging ASEAN from risking its relations with China.

The advancement of Beijing's land reclamation activities, its disregard of international law, and its pursuit of unilateral solutions, however, seem to have exhausted the patience of even traditionally neutral countries in the region, such as Indonesia. In essence, they infringe upon the very basic principles of the 'ASEAN Way' – noninterference and respect of national sovereignty – which implicitly govern all regional multilateral settings. More than a direct challenge to the region's security and balance of power, it also poses a potential threat to the rule-based international order.

As a major trading partner, aspiring security actor and proponent of international law, the EU has economic, political and moral stakes in the South China Sea. The deterioration of the situation has put severe pressure on ASEAN (but also on other players with interests in the region) to take a clear and consistent position. In this respect, the ongoing arbitration process over the legal status of artificial islands and China's 'ninedash line' is a potential game-changer. Regardless of the final outcome, the ruling by the Permanent Court of Arbitration's (PCA) – expected to be released at the end of the first quarter of 2016 – should help generate consensus among all parties which vow to abide by international law, be they inside or outside the region.

## Time for recognition

It is no secret that the EU has been hoping to be formally invited to join the East Asia Summit (EAS), a sentiment which was also openly expressed in the 2015 Joint Communication. The EAS is the only high-level forum in the region bringing together ASEAN and its strategic partners – namely the US, Russia, China, India, South Korea, Japan, Australia and New Zealand. Some objections are of a practical nature, ranging from who will represent the EU at the table to how many seats will Europe have if individual member states apply.

Yet Asian countries, and to some extent also the US, harbour doubts over Europe's capacity to contribute to the discussions: it is often argued that EAS membership should be reserved for countries that have the capacity to project power in the region.

The debate over Europe's added value for regional security has been constant – and somewhat repetitive – ever since Brussels announced its own 'pivot' to Asia in 2012. In many respects South-East Asia, with the South China Sea at the forefront, has now become key to this pivot. Although the EU has always supported peaceful diplomatic, negotiated solutions to the South China Sea disputes, its greatest added value may lie in its relative neutrality and normative potential. Confronted with the volatile security environment, ASEAN countries increasingly cite the value of the rule of law and often refer to Europe's support in reiterating the importance of international norms in the region.

In contrast to the US, the EU is a signatory to UNCLOS; it does not have a military presence or direct strategic interests in the region; and it has invested considerably in regional structures. Indeed, if ASEAN today embarks on the long road of community-building, with its undeniable stabilising potential, it is also partly thanks to the low-key, silent projection of European (soft) power.

Eva Pejsova is a Senior Analyst at the EUISS.

