

**Keynote Speech of Secretary-General of ASEAN
H.E. Dato Lim Jock Hoi**

“ASEAN in Vienna: A Forum with Secretary-General Dato Lim Jock Hoi”

Organised by the ASEAN Vienna Committee

17 September 2019, 13.00-15.00, the Philippines Embassy in Vienna

Her Excellency Ambassador Maria Cleofe Natividad, Chair of the ASEAN Vienna Committee,

Her Excellency Ambassador Morakot Sriswasdi, Chair of ASEAN for 2019,

ASEAN Ambassadors in Vienna,

Excellencies, Ladies and Gentlemen,

A pleasant afternoon to all of us. Foremost, allow me to express my deepest appreciation for having me here today to share some thoughts on ASEAN regionalism.

Early last month on the 8th of August, ASEAN commemorated its 52nd founding anniversary. While the main event took place in Jakarta, specifically with the inauguration of the new ASEAN Secretariat Building, the embassies of the ASEAN Member States and ASEAN Committees in various third countries, including of course the ASEAN Vienna Committee, celebrated ASEAN’s more than half a century of existence.

We all recall that ASEAN was founded to promote economic growth, social progress, as well as stability in Southeast Asian region. Amidst the geo-political superpower rivalry taking place in the 1960s, ASEAN was conceived to foster unity and cooperation among its members, in full recognition of the diversity of their political, economic and socio-cultural systems.

Beginning in the 1980s with the inclusion of Brunei Darussalam, ASEAN has expanded to include the other four countries in Southeast Asia in the late 1990s. ASEAN thus entered the 21st century as a 10-member association and to date remains to be a successful experiment in regionalism; with some describing it as a miracle for notwithstanding the diversity I mentioned earlier as well as the existence of bilateral issues among its members, ASEAN has managed to remain united and has in fact evolved to become the fulcrum of regional processes through what we call in Southeast Asia as ASEAN-led mechanisms. Through these mechanisms, our external partners are able to engage not only us in ASEAN but their fellow external partners of ASEAN.

Excellencies, Ladies and Gentlemen,

The vision of our founding fathers for ASEAN to promote economic prosperity has today become a reality. With a combined GDP of USD 3 trillion in 2018, ASEAN – collectively – is the 5th largest economy in the world, accounting for 3.5% of the global economy in nominal terms, and as high as 6.5% in purchasing power parity (PPP) terms. For almost two decades, ASEAN has been growing at an average annual rate of 5.3%, consistently above the global average.

Likewise in trade, ASEAN is now a global trade powerhouse, the 4th largest trader in the world, accounting for more than 7% of global trade. ASEAN's total trade reached USD 2.8 trillion last year, more than 90% of its GDP.

With population of almost 650 million people, the world's third largest after only China and India, ASEAN is a very attractive market. With such dynamism and immense potential, ASEAN has become the world's top investment destination, coming third after just the EU and the US, attracting even more investment than major economies like China. In 2018, ASEAN received USD 154.7 billion of FDI flows, the highest in its history and account for almost 12% of global flows.

ASEAN's effort in economic integration has also paid off with intra-ASEAN accounting for the highest shares in trade and investment at 23.0% and 15.9%, respectively.

Let me stress, however, that this positive performance shall not be taken for granted. The region's growth outlook is now more subdued, given the current global uncertainties and ASEAN's close links to the global value chains. It is therefore important for ASEAN to keep its market open and forge ahead with its reform and economic integration agenda.

Excellencies, Ladies and Gentlemen,

Indeed, there is great economic promise for the ASEAN region. And fundamental to this economic potential is the need to ensure that we have the energy needed to fuel our economic growth and development; nuclear energy is one of those options. Admittedly, while none of the ASEAN Member States have, to date, utilized nuclear technology for energy generation, nuclear energy remains a viable and is being considered by some ASEAN members as an energy source to underpin the increased energy demand for their respective growing economies.

But as responsible members of the global community and given our adherence to the Treaty on the Non-Proliferation of Nuclear Weapons (NPT), we remain committed to the principles enshrined therein, specifically in ensuring that nuclear material and technology are used for peaceful purposes and the proliferation of nuclear weapons is prevented.

We therefore see our cooperation with the International Atomic Energy Agency (IAEA) as essential not only in fulfilling our commitments under the non-proliferation regime but also in building our capacity relative to nuclear science and technology and applications, nuclear safety, security, and safeguards.

It was more than five years ago when ASEAN commenced exploring how to strengthen cooperation between with the IAEA. That exploration of

possibility has become a reality with the signing of the Practical Arrangements between ASEAN and the IAEA. We commend the role of ASEANTOM, the Network of Regulatory Bodies on Atomic Energy we established in 2013 whose primary aim is to ensure that the use of nuclear energy in our region remain safe, secure and peaceful, in negotiating the agreement as ASEAN's focal point.

While it was in recent years that the ASEANTOM was established, ASEAN has long been committed to the non-proliferation agenda as enshrined in our 1995 Southeast Asian Nuclear-Weapon Free Zone (SEANWFZ) Treaty. Let me stress that making that the ASEAN region as a nuclear weapons free zone is not only about keeping nuclear weapons out. An equally important aspect of that goal is ensuring that nuclear materials and attendant technology are used only for peaceful purposes and they are safe and secure. This is the other aspect of our SEANWFZ Treaty.

Excellencies, Ladies and Gentlemen,

The signing of the Practical Arrangements yesterday indeed signals the beginning of deeper collaborative partnership between ASEAN and the IAEA. By providing a framework of cooperation in nuclear science and technology and its applications, nuclear safety, security, and safeguards, the expected result are tangible cooperative activities, exchange of experiences and best practices, and most importantly capacity-building.

Allow me to briefly share with you my own observations about this arrangements, foremost of which is what I would consider as *inclusiveness*, a key principle in ASEAN cooperation, which is reflected in the agreement's provision for a "non-exclusive" cooperation. This means having this agreement would not preclude either ASEAN or the IAEA from pursuing cooperation with other relevant partners even in the areas covered by the agreement.

Flexibility, another key principle in ASEAN cooperation, is likewise reflected in the provision that a separate agreement providing for specific

legal and financial obligations would have to be entered into for specific activities.

Needless to say, this agreement would not have been made possible without the support of the ASEAN Vienna Committee, which worked closely with their colleagues on the other side of the globe, with us in Southeast Asia, to ensure that we have this Practical Arrangement with the IAEA. We all look forward to working with the ASEAN Vienna Committee as we operationalize this framework agreement.

Excellencies, Ladies and Gentlemen,

As I mentioned earlier, the success of ASEAN regionalism or what we could say the 1967 ASEAN experiment is anchored on two important elements: one, the commitment of the ASEAN Member States to stay united amidst diversity and two, the support of ASEAN's external partners, including the European Union.

As geography would have it, Europe is a long distance from Southeast Asia, approximately almost 11,000 kilometers. But that has not prevented ASEAN and the European Union from being partners. In fact, while geography has created that length of a distance, history has brought the two regions together, with all Southeast Asian nations having had experience and interaction with European countries beginning in the 16th Century. In the more contemporary period, Southeast Asian and European countries see each other as partners, which has been institutionalized in having the European Union a Dialogue Partner of ASEAN. Given the comprehensive and deepened cooperation between our two organisations, the EU has been an important partner of ASEAN.

Indeed, ASEAN and the EU have deepened cooperation in areas such as but not limited to cybersecurity, border management, transnational crime, countering terrorism, countering the rise of radicalisation and violent extremism, maritime security, and humanitarian assistance and disaster relief, among others. As ASEAN's Dialogue Partner, the EU has consistently

participated in the ASEAN Regional Forum (ARF) and has shown interest in the ASEAN Defense Ministers Meeting (ADMM)-Plus.

Economically, the two regions are closely tied together. The EU is ASEAN's second largest trading partner, with a total two-way trade of USD 285 billion in 2018. The EU has also consistently been the largest source of FDI with total FDI inflow to ASEAN of US\$ 22 billion in 2018. The two regions are solidifying the discussions on a framework for a future region-to-region FTA, which could better realise the regions' economic potentials. ASEAN and the EU are also working on further enhancing air connectivity through a Comprehensive Air Transport Agreement.

We also acknowledge the EU's support to ASEAN through cooperation activities in various areas to narrow the development gap in the region, in enhancing ASEAN's quality of education, in building the capacity in trade facilitation, intellectual property, and civil aviation as well as statistics and integration monitoring, and in promoting sustainable development in our region.

Excellencies, Ladies and Gentlemen,

As ASEAN moves forward towards its goal of building an ASEAN Community, challenges abound. Amidst the strategic competition between and among the bigger regional powers, ASEAN Member States continue to put premium in ASEAN unity to ensure that ASEAN remains to be the driving force in regional affairs. This is the context where our Leaders adopted this year the *ASEAN Outlook on the Indo-Pacific* which does not only reaffirm ASEAN's sacrosanct principles in promoting cooperation such as openness and inclusiveness, but identifies priority areas of cooperation to include maritime security, connectivity, sustainable cooperation, and economic cooperation.

Against the backdrop of the Fourth Industrial Revolution (4IR), which will bring about expansive implications across different aspects of our lives, ASEAN is currently preparing itself to adapt to and take advantage of the

opportunities brought about by the 4IR. Many initiatives have been undertaken in this regard, and efforts have been intensified since the last year, which saw the signing of the *ASEAN Agreement on Electronic Commerce* as well as the endorsement of the *ASEAN Digital Integration Framework* and the *ASEAN Framework on Digital Governance*. This year, a number of 4IR related priority deliverables have been identified. The recent ASEAN Economic Ministers Meeting have adopted the (1) ASEAN Digital Integration Framework Action Plan (DIFAP) 2019-2025; (2) the Guideline on Skilled Labour/Professional Services Development in Response to the 4IR; (3) ASEAN Declaration on Industrial Transformation to Industry 4.0; and (4) Policy Guideline on Digitalisation of ASEAN Micro Enterprises. Efforts towards the implementation of the ASEAN Framework on Digital Data Governance is also underway. ASEAN recognises that preparedness in terms of human capital and infrastructure, both hard and soft and including the necessary regulatory framework, is important to the region's ability to thrive in the 4IR.

Of the more immediate concern is the growing protectionism and unilateral actions, which put pressure on multilateralism that ASEAN has greatly benefited from. To this end, ASEAN will take a more proactive approach to uphold an open, inclusive, and rules-based multilateral trading system under the WTO, and call for all parties to work together to ensure its continued effectiveness and relevance and that the system be more inclusive. In parallel, concluding the Regional Comprehensive Economic Partnership (RCEP) negotiations remains a top priority for ASEAN and ASEAN remains committed to conclude negotiations this year as mandated by RCEP Leaders.

Once successfully concluded, the potential of the RCEP is immense, not only in terms of business and job opportunities, but also in providing an open, inclusive, transparent and rules-based trade and investment framework for the region. I am confident that the conclusion of negotiations this year is within reach, provided that all participating countries are

committed to translate their political commitment into tangible actions and negotiation outcomes.

Excellencies, Ladies and Gentlemen,

Before I close, allow me to emphasise what is encapsulated in the *Vision Statement on Partnership for Sustainability* issued by the ASEAN Leaders during their Summit in June this year: that it is imperative for partnerships both within ASEAN (among the ASEAN Member States) and with ASEAN's external partners to be advanced in order to and I quote, "achieve sustainability in all dimensions of ASEAN's Community-building and in promoting regional peace and prosperity", end of quote.

In accordance with the theme of Thailand's 2019 ASEAN Chairmanship, *"Advancing Partnerships for Sustainability"*, several initiatives have been put forward to "promote sustainability of things" to include (1) addressing the maritime debris challenges, including through the convening of a Special Ministerial Meeting on Maritime Debris; (2) launching a human capital development initiative, and (3) developing an ASEAN Illegal, Unreported, and Unregulated Fishing Task Force, to name just a few. The bottom line is that we need to make our societies sustainable if we were to make them liveable for the peoples of ASEAN.

Not only has the geo-political, strategic and economic landscape evolved, the physical environment we all live in today has tremendously changed. Climate change has definitely dawned upon us so much so that our ability to mitigate its effects while at the same adapting to our changed environment is imperative if we were to survive. Making our societies sustainable is definitely one critical step towards this end.

Meanwhile, we in ASEAN are increasingly putting greater emphasis on what we call cross-sectoral cooperation, knowing too well that issues of today are multi-faceted and multi-dimensional, cutting across ASEAN's three community pillars, thus requiring "whole of society" approaches, whether in creating opportunities or addressing challenges that come our way.

Excellencies, Ladies and Gentlemen,

To close, let me reiterate that while the ASEAN region and Europe are geographically distant, the fate of ASEAN peoples and those of Europe are closely intertwined so much so that we should continue to further deepen and strengthen our partnership and collaboration. With the support of our partners and most importantly, with the commitment of the ASEAN Member States, ASEAN will effectively navigate its journey towards Community Building, no matter how challenging and arduous it may be.

Thank you.

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