

**Speech by Mr. S. Pushpanathan, Deputy Secretary-General of ASEAN at the National Resilience Institute of Republic of Indonesia**  
**“Building Regional Resilience: ASEAN Charter, ASEAN Community Blueprints and ASEAN Community”**  
**Jakarta, 20 May 2009**

---

Honourable Prof. Dr. Muladi SH, Governor of the National Resilience Institute,  
Excellencies,  
Ladies and Gentlemen,

I am honoured and privileged to speak at this important event and occasion in the presence of all the distinguished delegates. I also take this opportunity to congratulate the National Resilience Institute on its 44<sup>th</sup> Anniversary. The four decades of active participation of the Institute has contributed to the national development of Indonesia as well as ASEAN highlighting the nexus between national resilience and development, and regional resilience and solidarity.

### **National and Regional Resilience**

The concept of national resilience and regional resilience is a key contribution of Indonesia to ASEAN. It entered the ASEAN lexicon in 1976 as a translation of the Indonesian term, “*Ketahanan Nasional*” which was shaped by Indonesia’s struggle for independence and the socio-economic vulnerability facing Indonesia following its independence. As a concept of comprehensive security, it embodied the strengthening of all the components elements in the development of a nation in its entirety consisting of resilience in the ideological, political, economic, social, cultural and military fields.

The two key documents of ASEAN, Declaration of ASEAN Concord and the Treaty of Amity and Cooperation in Southeast Asia, adopted at the ASEAN Summit in 1976 in Bali proposed the principle of resilience as a shared approach to domestic and regional security. It affirmed that the stability of each Member State and of the ASEAN region is an essential contribution to international peace and security. Each Member State resolves to eliminate threats posed to its stability, thus strengthening national and regional resilience. This is done through the use of economic and social development by improving the living conditions of the people.

The achievements of national resilience are to be translated into reduced intra-regional tensions and regional vulnerabilities thus contributing to regional resilience. Gradually, regional resilience was expected to assist Member States settle jointly their common problems and look after their future and well-being together. It is therefore a conflict avoidance system, more than a problem solving system, supporting accommodative behaviour to mediate and reduce irritations and conflicts among Member States. This is better known as the “ASEAN Way”.

Aptly, the ASEAN Charter and the ASEAN Anthem reflect the underlying fundamentals of the ASEAN Way that has supported the survival and relevance of ASEAN in the last four decades. The Charter reflects the enhancement of regional resilience by promoting greater political, economic and socio-cultural cooperation as one of the purposes of ASEAN while the ASEAN Anthem, which is also entitled “ASEAN Way”, highlights peace, prosperity, caring, and sharing as a way of life in ASEAN.

But ASEAN Way alone will not be sufficient to bring ASEAN to its next level of integration, which is the building of an ASEAN Community comprising the ASEAN Political and Security Community (APSC), ASEAN Economic Community (AEC) and ASEAN Social-Cultural Community (ASCC). What is needed are systems to transform regional commitments into national obligations, ensure compliance to regional commitments made, and rules-based dispute settlement mechanisms to tackle disputes with binding decisions more so for trade and economic integration. Herein, the Charter, and the three Community Blueprints and the Initiative for ASEAN Integration Work Plan, constituting the Roadmap for an ASEAN Community 2009-2015, address these additional requirements for community building.

### **The ASEAN Charter and its Implementation**

The ASEAN Charter entered into force on 15 December 2008 and it is a legally binding agreement among the ten Member States. The Charter provides the legal and institutional framework for ASEAN to be rules-based, effective, and people-oriented organisation paving the way for the realisation of the ASEAN Community by 2015. It exemplifies the commitment of Member States to catalogue their legal obligations and rights supported by new mechanisms and a strengthened ASEAN Secretariat for a more systematic and rules-based building of the ASEAN Community.

## Political and Security

In the political and security arena, the Charter reflects the strengthening of regional resilience, and maintenance and enhancement of peace, security and stability as well as preserving a nuclear-weapon free zone and free from all other weapons of mass destruction as purposes of ASEAN. It also calls for the strengthening of democracy, good governance and rule of law to promote and protect human rights and fundamental freedoms as well as to respond effectively to all forms of threats, transnational crimes and transboundary challenges.

The central and proactive role of ASEAN as the primary driving force in its relations and cooperation with external partners in a regional architecture that is open, transparent and inclusive is emphasised by the Charter. This reflects ASEAN's commitment to be the hub for the evolving and complementary structures in the region and for engaging the major players of the world for strategic and economic reasons. Such a role would help to balance the geo-politics in the region thereby focusing ASEAN's efforts in building its Community while contributing to peace and prosperity of greater East Asia.

## Economic

In the economic field, the creation of a single market and production base which is stable, prosperous, highly competitive and economically integrated and the narrowing of development gap within the region through assistance and cooperation are emphasised as the purposes of ASEAN. The Charter also calls for the adherence to multilateral trade rules and ASEAN rules-based regime for effective implementation of economic commitments and reduction and elimination of all barriers to regional economic integration. This is in support of an open, transparent and outward-looking ASEAN crucial for the continued relevance and dynamism of the region.

## Socio-Cultural

In the social and cultural realm, the Charter promotes sustainable development to protect the region's environment, natural resources, cultural heritage and quality of life of the peoples of ASEAN. It places high priority on the development of human resources through education, science and technology and people's empowerment and well-being.

More importantly, the Charter puts the people at the centre in terms of community building where all sectors of society are encouraged to participate in and benefit from the process of integration and community building.

### Legal Personality

The ASEAN Charter confers legal personality on ASEAN, which would allow it to become a political actor at the international level and to mobilise resources for its integration and mutually beneficial development cooperation from Dialogue Partners and Donors. A High Level Legal Experts Group (HLEG) has been established to address the issues of legal personality, dispute settlement and privileges and immunities for ASEAN.

### New and Enhanced Mechanisms

Recognising the need for effective mechanisms for building the ASEAN Community, several new organs have been incorporated into the Charter. This includes the four ministerial councils, one for each of the three communities and another for coordinating the work of the three pillars and the ASEAN Summit. A Committee of Permanent Representatives has also been established to support the work of ASEAN and to ensure national implementation of ASEAN commitments with the support of the ASEAN National Secretariats in the respective Member States. The Permanent Representatives will reside in Jakarta and work closely with the ASEAN Secretariat. The Charter also has provisions for non-Member States to appoint and accredit Ambassadors to ASEAN to forge and strengthen external relations. So far, 22 States and the European Commission have appointed their Ambassadors to ASEAN. All the 27 Member States of the European Union are also expected to accredit their Ambassadors to ASEAN soon.

The Charter calls for the establishment of an ASEAN human rights body to develop regional cooperation on promotion and protection of human rights and fundamental freedoms in ASEAN. A High Level Panel has been established to draft the terms of reference of the new ASEAN body. The draft terms of reference will be presented for consideration of ASEAN Foreign Ministers at the 42<sup>nd</sup> ASEAN Ministerial Meeting in Thailand in July 2009. After the adoption of the terms of reference, each of the 10 ASEAN Member States will appoint a Representative. These ten Representatives will constitute the new body and meet regularly at the ASEAN Secretariat and in the ASEAN

Chair country. To give the new body a high profile, the ASEAN Leaders are expected to announce its launch during the 15<sup>th</sup> ASEAN Summit in Thailand in October 2009.

In order for the mechanisms to work effectively more meetings are expected. The four ministerial councils are expected to meet at least twice a year. The Committee of Permanent Representatives is expected to meet very regularly at the ASEAN Secretariat. The ASEAN Summit will also be meeting twice a year, one for looking at ASEAN Community issues and the other for meetings with ASEAN's Dialogue Partners. Being the supreme decision making body, it will look at emergency situations affecting ASEAN and take appropriate actions and decide on serious breach of the Charter or non-compliance.

### Enhanced Roles of the Secretary-General of ASEAN and ASEAN Secretariat

Acknowledging the need for greater coordination and compliance to regional commitments, the Secretary-General of ASEAN and the ASEAN Secretariat have been given new and enhanced roles under the Charter. The Secretary-General is expected to facilitate and monitor the progress in the implementation of ASEAN agreements, decisions and compliance to regional commitments and to submit to the ASEAN Leaders an annual report on the work of ASEAN.

Apart from the two nominated Deputy Secretaries-General from Member States on a rotational basis, two more openly recruited Deputy Secretaries-General will assist the Secretary-General to coordinate the expanding and deepening work of ASEAN.

The Secretary-General will work closely with the Committee of Permanent Representatives and the Ambassadors to ASEAN. The ASEAN Foundation, which used to operate separately from the ASEAN Secretariat, will now report to the Secretary-General of ASEAN for better coordination and synergy in promoting ASEAN awareness and people-to-people engagements. The Secretary-General would also provide good offices, mediation and conciliation to parties at dispute in ASEAN as well as interpret the Charter when requested.

In order for the Secretary-General and the ASEAN Secretariat to discharge the enhanced mandate given, the ASEAN Secretariat has undergone a comprehensive restructuring to align itself to the requirements of the Charter and to assist Member States to effectively implement the three Community Blueprints.

## **The Community Blueprints**

The three Community Blueprints that form an integral part of the Roadmap towards the ASEAN Community 2015 will be crucial for the comprehensive integration of ASEAN. While each Community pursues its strategies and targets in building the respective Communities, all the three Communities will have to work hand-in-hand to deliver the ASEAN Community. The connections and inter-play among the three Communities are important as each Community has substantive impact on the other. For example, the APSC will help to ensure peace and stability in the region to promote economic growth and sustainable development under the AEC, which in turn is expected to improve the livelihoods and quality of life of the people under the ASCC.

### APSC

The APSC blueprint is expected to bring ASEAN's political and security cooperation to a higher plane. It will have three key characteristics of a rules-based Community of shared values and norms; a cohesive, peaceful, stable and resilient region with shared responsibility for comprehensive security; and a dynamic and outward-looking region in an increasingly integrated and interdependent world.

The Community will strengthen democracy, good governance, rule of law and promote and protect human rights and fundamental freedoms. It will aim towards achieving a standard of common adherence to norms of good conduct among Member States and strengthen ASEAN's solidarity, cohesiveness and inter-State solidarity through shaping and sharing of norms in the areas of political systems, culture, and history. The Community will also increase participation by entities such as academic institutions, think-tanks and civil society in ASEAN work as well facilitate free flow of information based on each country's national laws and regulations. Preventing and combating corruption, cooperation to strengthen the rule of law, judiciary systems and legal infrastructure, good governance and the establishment of a human rights body are its other goals.

In building a cohesive, peaceful and resilient ASEAN, the APSC will take into account the non-traditional security aspects vital to regional and national resilience, such as

economic, socio-cultural and environmental dimensions. Conflict prevention/confidence building, preventive diplomacy and post conflict peace-building will be pursued.

Since ASEAN is an outward looking region and integrated with the global community, the APSC will continue to foster and enhance friendly and mutually beneficial relations with external parties. It will play a pivotal role in the regional and international fora to advance ASEAN's common interests as well as to maintain and enhance the centrality and proactive role of ASEAN in the evolving regional architecture.

### AEC

The AEC will establish ASEAN as a single market and production base making ASEAN more dynamic and competitive with new mechanisms and measures to strengthen the implementation of its existing economic initiatives; accelerating regional integration in the priority sectors; facilitating movement of business persons, skilled labour and talents; and strengthening the institutional mechanisms of ASEAN.

At the same time, the AEC will address the development divide and accelerate integration of Cambodia, Lao PDR, Myanmar and Viet Nam (CLMV) through the Initiative for ASEAN Integration and other regional initiatives. Other areas of cooperation will include human resources development and capacity building; recognition of professional qualifications; closer consultation on macroeconomic and financial policies; enhanced infrastructure and communications connectivity; development of electronic transactions through e-ASEAN; integrating industries across the region to promote regional sourcing; enhancing private sector involvement for the building of the AEC; and forging outward looking external economic relations, including free trade agreements.

### ASCC

The primary goal of the ASCC is to contribute to realising an ASEAN Community that is people-centred and socially responsible to achieve solidarity and unity by forging a common identity and building a caring and sharing society. Based on its goals, the Community will comprise the key characteristics of human development; social welfare and protection; social justice and rights; ensuring environmental sustainability; building ASEAN identity; and narrowing development gap.

The Community is envisaged to enhance the well-being and livelihood of the peoples of ASEAN by providing them with equitable access to human development opportunities by promoting and investing in education, life-long learning, human resource training and capacity building, encourage innovation and entrepreneurship, promote the use of English language, ICT and applied science and technology in socio-economic development activities.

It will enhance social welfare and protection, building a safe, secure and drug free environment, enhancing disaster resilience and addressing health development concerns. The ASCC is committed to promoting social justice and mainstreaming people's rights into its policies and all spheres of life, including the rights and welfare of disadvantaged, vulnerable and marginalised groups such as women, children, the elderly, persons with disabilities and migrant workers.

It will work towards achieving sustainable development as well as promoting clean and green environment by protecting the natural resource base for economic and social development including the sustainable management and conservation of soil, water, mineral, energy, biodiversity, forest, coastal and marine resources as well as the improvement in water and air quality for the ASEAN region. It will actively participate in global efforts towards addressing global environmental challenges, including climate change and the ozone layer protection, as well as developing and adapting environmentally-sound technology for development needs and environmental sustainability

ASCC will mainstream and promote greater awareness and common values in the spirit of unity in diversity at all levels of society. It will also strengthen cooperation to reduce the development gap in particular the social dimensions of development between the ASEAN-6 and the CLMV countries and within ASEAN where some isolated pockets of under development persist.

### **Progress of Community Building**

While the building of the ASEAN Community by 2015 is an ambitious undertaking, it must be understood that ASEAN is not starting from scratch. The four decades of ASEAN cooperation has put in place several pillars that ASEAN will be making use as building blocks to build its community. The various key agreements and initiatives such as the Treaty of Amity and Cooperation, the Treaty of Southeast Asia Nuclear-Weapon



Free Zone, the Declaration on ASEAN Concord I and II, the ASEAN Free Trade Area, ASEAN Framework Agreement on Services, ASEAN Investment Agreement, ASEAN Framework Agreement on the Facilitation of Goods in Transit, the ASEAN Agreement on Transboundary Haze Pollution and the Initiative for ASEAN Integration could be used as building blocks to establish the ASEAN Community by 2015. Likewise the current ASEAN ministerial and senior officials meetings will continue to implement the sectoral agenda of the ASEAN Community reporting to their respective Community Council that will monitor and direct the work of the respective Community.

The APSC will focus on several key deliverables. These are the establishment of an ASEAN human rights body, which is expected to materialise by the 15th ASEAN Summit which Thailand will host in October 2009; establishment of new dispute settlement mechanisms in ASEAN, the details of which are being discussed by the High Level Legal Experts Group; agreement on the guidelines and rules of procedures for the accession to the Treaty of Amity and Cooperation in Southeast Asia by non-ASEAN countries, given that the European Union and the United States have expressed their interest in doing so; strengthening ASEAN's disaster management process; promoting cooperation against human trafficking leading towards an ASEAN Convention on anti-human trafficking and anti-people smuggling; setting-up of an ASEAN Fisheries Consultative Forum to combat illegal, unregulated and unreported fishing in the region; promoting cooperation among defence authorities and civil society organizations in ASEAN countries; and issuance of an ASEAN Regional Forum (ARF) Vision Statement, which will enhance the role of the ARF with ASEAN as its driving force.

Substantive progress is being achieved in the AEC, despite the financial crisis, ranging from the trade liberalisation to facilitation; investment liberalisation, promotion and protection; finance integration; agriculture and food security and infrastructure development.

Tariff liberalisation is very close to the full realisation of establishing ASEAN Free Trade Area (AFTA). Average tariff is down to 1.95% in 2008, from 4.43% in 2000. The ASEAN Trade in Goods Agreement and the ASEAN Comprehensive Investment Agreement that are relevant to today's regional business practices have been concluded. Services liberalisation is also on track. More emphasis is now placed on trade facilitation such as customs, standards and conformance, to further enhance intra-ASEAN trade and external trade as well removing non-tariff barriers to trade. These developments allow

for a streamlined, consolidated, predictable and transparent set of rules for ASEAN to achieve AEC by 2015.

To promote and strengthen intra-ASEAN transport services and further support a harmonised, integrated and efficient transport logistics and facilitation environment in ASEAN, three key agreements have been endorsed. These are the ASEAN Multilateral Agreement on the Full Liberalisation of Air Freight Services, the ASEAN Multilateral Agreement on Air Services, and the ASEAN Framework Agreement on the Facilitation of Inter-State Transport.

In the finance sector, substantive progress has been achieved on the US\$ 120 billion Chiang Mai Initiative Multilateralisation (CMIM). ASEAN and the Plus Three countries of China, Japan and South Korea have reached agreement on all the main components of the CMIM, including the individual country's contribution, borrowing accessibility, and the surveillance mechanism. This is a framework of mutual assistance with two core objectives of addressing short-term liquidity difficulties in the region and supplementing existing international financial arrangements. The arrangement is expected to be implemented by the end of this year.

As part of the Asian Bond Market Initiative, the ASEAN Plus Three Countries have endorsed the establishment of the Credit Guarantee and Investment Mechanism (CGIM) as a trust fund of the ADB with an initial capital of US\$500 million. The objective of CGIM is to support the issuance of local currency-denominated corporate bond in the region. This initiative would contribute to developing regional bond markets.

Trade financing is another area that ASEAN will be focusing on to boost trade in this financial crisis. The key is tapping on the G20 pledge of US\$ 250 billion to support trade finance over the next two years or until 2011. ASEAN also recognises that the current global economic situation and slower growth in the world economies could lead to calls for protectionist measures which would only exacerbate the current economic situation. ASEAN remains on track and committed to implementing the AEC Blueprint because free flow of goods, services and investment are key to recovery.

ASEAN will also need to look at further enhancing intra-ASEAN trade, which now stands at US\$400 billion as well as stimulate domestic demand for more trade to occur within the region. East Asia trade and economic integration will be another aspect to develop as more than half of ASEAN's total trade of US\$1.6 trillion is within

East Asia. The ASEAN's free trade arrangement strategy is starting to bear fruits in this regard with the conclusion of free trade agreements with China, Japan and South Korea as well as with Australia and New Zealand, and soon India. More needs to be done to encourage businesses to tap on these agreements.

In the ASCC, ASEAN efforts to maintain a common defence against the new Influenza A (H1N1) made a strong headway with the adoption of collective regional measures supported by the ASEAN Plus Three Countries earlier this month. These measures include continuous implementation of the national pandemic preparedness plans, strengthening surveillance and responses and effective communication especially to the public in avoiding panic and social disruption. Plans are already underway for further assistance to ASEAN especially in the area of capacity-building and research, surveillance, preparedness and response to H1N1. The transfer of technology in relation to the production of antiviral medicines and vaccines, regional cooperation measures such as establishing hotlines among national health authorities, joint investigation and response teams, and strengthening research are other areas for possible cooperation.

The other area that the ASCC is playing an active role is in *Cyclone Nargis*, which severely affected 2.4 million people in Myanmar's Ayeyarwadi Delta when the cyclone struck in May 2008. The relief and early recovery efforts in the first year coordinated by ASEAN have been substantial but more needs to be done to support all the affected people to resume their livelihoods and increase their socio-economical standards. The second Periodic Review being conducted now will provide valuable information for all humanitarian actors on the ground, in planning further assistance and coordination of efforts across sectors and between international and domestic actors. The report is expected to be published by the end of July 2009.

### **Concluding Remarks**

In conclusion, I wish to state that regional resilience will continue to be important for ASEAN to achieve the goals it has set out in the Community Blueprints and to meet the aspirations of the ASEAN Charter. This can only materialise if there is national resilience and therefore the role of each Member State of ASEAN in building and maintaining national resilience is crucial to the development of the ASEAN Community. This must be supported and supplemented by rules-based systems to implement, monitor, evaluate compliance to regional commitments under the three Community Blueprints, and to resolve disputes to meet the deadline of 2015 for establishing the ASEAN Community.

Already the efforts of ASEAN in the political and security, economic and socio-cultural areas are bearing fruits. With the high level of political commitment of ASEAN Leaders and Member States to the ASEAN Community, strengthened regional resilience through the Charter and Community Blueprints, active involvement of the peoples of ASEAN, and the support of our Dialogue Partners and others, the ASEAN Community will become a part of our daily life by 2015.

Thank you.