ASIA EUROPE MEETING (ASEM)
A PARTNERSHIP FOR THE 21ST CENTURY

Summer 2014

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ASIA EUROPE MEETING (ASEM) A PARTNERSHIP FOR THE 21ST CENTURY

Report of the Conference

coa-organised by Friends of Europe

and the European External Action Service (EEAS)

with the support of the Wallonia Export-Investment Agency (AWEX), Friedrich-Ebert-Stiftung (FES),

the ASEM Dialogue Facility established by the European Commission

and Debating Europe

with media partner Europe’s World

Summer 2014
Brussels
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Infographic: Debating Europe

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FOREWORD

By Shada Islam, Director of Policy at Friends of Europe

ASEM is certainly not a household word. It’s rarely in the headlines. Even international relations aficionados have trouble identifying just what the acronym means. And yet there is more to ASEM than meets the eye.

The process of Asia Europe Meeting (ASEM) launched in Bangkok in 1996 in order to strengthen political, security, economic and cultural ties between Asia and Europe is even more relevant in today’s volatile world than it was 18 years ago. As such, ASEM and the relationship between Asia and Europe deserve more study, attention and visibility.

Friends of Europe’s high-level conference entitled “ASEM: A Partnership for the 21st Century” succeeded in meeting all three of these goals. We brought together some of Asia and Europe’s leading policymakers, academics, business representatives and civil society actors to provide unique and fascinating insights into ASEM’s origins, evolution, successes and shortcomings. The focus of the conference ahead of the 20th anniversary of ASEM in 2016 – and more immediately before the ASEM summit in Milan on October 16-17, 2014 – was on the future of ASEM. We reviewed the three pillars of ASEM – political, economic and cultural – and made some important recommendations on renewing the Asia Europe partnership.

Having been involved in ASEM since its exciting launch in 1996, I see that the partnership has been through 3 distinct periods. Initial euphoria over the initiative was followed by a slow period when ASEM appeared to be on auto-pilot. Fortunately, the talk now is about renewal and revival as Asians and Europeans seek to inject fresh oomph into ASEM through changed formats and a stronger focus on content to bring it into the 21st Century.

Conference participants were unanimous in underlining that ASEM is ready for a reset – an upgrade, renewal, some re-energising. It needs to find its earlier spontaneity and flexibility. Discussions among leaders should be inter-active, not based on set pieces.

ASEM should be used as an incubator of new ideas and fresh thinking. The focus of meetings, including summits, should be on content, not process. The ASEM agenda should be reflect peoples’ priorities for jobs, growth and a better life. Encouragingly work is underway to make this happen. And if ASEM does become a more vibrant and dynamic venture, it will also become more visible and more relevant on a crowded global stage.

The conference was the result of a close and successful partnership between Friends of Europe and the European External Action Service (EEAS), the European Commission, Friedrich-Ebert-Stiftung (FES) and the Wallonia Export-Investment Agency (AWEX).

This volume includes the keynote addresses made at the conference by David O’Sullivan, Karel de Gucht and Androulla Vassiliou. Also included is a report on the discussions and proceedings of the meeting and our own policy briefing on “ASEM: Why Asia Europe relations matter in the 21st Century.”

We wish you happy reading!

Shada Islam
EXECUTIVE SUMMARY

Asia matters for Europe and Europe matters for Asia. With both regions facing the challenge of an increasingly interdependent world, the need for closer and deeper cooperation is ever more pressing. “The Asia Europe Meeting (ASEM) is just as relevant today as it was during the first Summit held in Bangkok in 1996 and even more so,” said European Council President Herman Van Rompuy in a special video message to the high-level conference “ASEM: A partnership for the 21st Century”. Together the 51 ASEM partners, set to rise to 52 with Croatia joining in October, represent 60% of world’s trade, GDP and population, Van Rompuy said. “We are more linked and interdependent than ever before. And this also translates into increased solidarity when facing common challenges of development, governance, environment or security,” he added. ASEM provides an exceptional forum to debate key issues of concern in a transparent and open manner.

The high-level conference came amid preparations for the 10th Asia Europe Meeting (ASEM) Summit this autumn, when delegates will meet in Milan to discuss topics such as economic growth, jobs and inequality. ASEM does not always attract much attention, but it has potential to play important roles for Europe and Asia. Shada Islam, Director of Policy at Friends of Europe, who moderated the discussions, said the debate was aimed at injecting new ideas into ASEM, especially ahead of ASEM’s 20th anniversary in 2016.

ASEM was set up in 1996 with the aim of deepening relations between Asia and Europe. It features three thematic pillars: the political; the economic; and the social, cultural and educational. While it does not always attract much attention, it has the potential to become an important channel for stronger ties between Asia and Europe. Asia-Europe ties are essential for the economic future of the EU, said Karel De Gucht, EU Trade Commissioner. “Europe has to be connected to Asia if it wants to be part of global growth,” he said, arguing that ASEM is an excellent forum to strengthen the existing relationship. One area ASEM could help is in business contacts that smaller countries would not otherwise manage to forge themselves. “Big countries like China and India do not need any help,” said Sok Siphana, Advisor to the Royal Government of Cambodia and ASEM Senior Official. “Smaller countries collectively see this as very crucial. We want to catch up, but we cannot do it on our own. There are business opportunities, and we want to have access to them.” Beyond trade,
panellists agreed that Asia and Europe could cooperate even more in security and use increased people-to-people exchange to deepen links in education and other fields. “Asia also matters to Europe in political and security terms,” said David O’Sullivan, Chief Operating Officer of the European External Action Service (EEAS). “The EU has four of its Strategic Partners in Asia – China, India, Japan and Korea – and needs strong commitment from influential Asian partners to tackle global challenges such as climate change and environmental sustainability, the fight against poverty, terrorism, non-proliferation, illegal migration and human trafficking.”

“Despite our efforts to promote the understanding of people through our projects, still we have found there is a perception gap between people in Asia and Europe,” said Zhang Yan, Executive Director of the Asia-Europe Foundation (ASEF), which was set up by ASEM. “I have the feeling that most Asians and Europeans still tend to pay more attention to the United States of America than to each other.” Moves to promote exchange for students have been made under “Erasmus+”, which has replaced the old Erasmus Mundus, said Androulla Vassiliou, EU Commissioner for Education, Culture, Multilingualism, Sport, Media and Youth. Now, students from ASEM countries can benefit from so-called “credit mobility”: while remaining registered at a university in their home country, they have access to scholarships for periods of study lasting from three to 12 months.

“I think it is clear that all of these exchanges of people and ideas bring enormous benefits to everyone involved,” she said. “A greater awareness of other cultures, their traditions, values and languages, is surely one of the most lasting benefits. And in a globalising economy, this is a skill that employers value more and more.” ASEM can also facilitate the exchange of concrete information, said Simon Wong Wie Kuen, Deputy Secretary at the Ministry of Foreign Affairs of Singapore and ASEM Senior Official. “For many of us in developing countries, we look at Europe to see how I can contribute to my targets in a very practical way,” he said. One reason the relationship has such potential is the similarities between Europe and Asia, and the EU’s role as a model for regional reconciliation and integration, said O’Sullivan. “The way we operate internally and hence project externally is perhaps not very glamorous,” he said. “Our rhetoric is rarely stirring: we don’t do shock and awe. But perhaps that is the point. Our role is not as a super power but a super partner.”

ASEM: READY FOR AN UPGRADE

All facets of the increasingly important Asia-Europe relationship were discussed at a Friends of Europe high-level conference on July 8, with speakers looking at both the content of the ties and prospects for a renewal of ASEM – the process of Asia Europe Meetings – which was launched in Bangkok in 1996. The 10th Asia Europe summit will bring together the group’s 51 partners in Milan on October 16-17 to discuss topics such as economic growth, jobs and inequality.

“Many Asian societies have gone through unprecedented changes over the past 20 years,” said Herman Van Rompuy, European Council President, in a special video address. “New interactions have developed with Europe: we are more linked and interdependent than ever before. And this also translates into increased solidarity when facing common challenges of development, governance, environment or security.”
Europe is directly affected by Asia’s rise, said David O’Sullivan, Chief Operating Officer of the European External Action Service (EEAS), as Asia has now surpassed NAFTA to become the EU’s main trading partner, accounting for a third of total trade. At the same time, Asia’s production and supply chains are becoming increasingly integrated, but nationalism and arms sales are also rising – without yet an adequate set of rules and institutions to manage these political and security challenges.

“Asia also matters to Europe in political and security terms,” he said. “The EU has four of its Strategic Partners in Asia – China, India, Japan and Korea – and needs strong commitment from influential Asian partners to tackle global challenges such as climate change and environmental sustainability, the fight against poverty, terrorism, non-proliferation, illegal migration and human trafficking. Freedom of navigation in the South China Sea, with 50% of world trade in tonnage passing through, deeply affects EU commercial and strategic interests. So it is logical that the EU builds up its engagement in and with Asia.”

ASEM was set up in 1996 with the aim of deepening relations between Asia and Europe. It features three thematic pillars: the political; the economic; and the social, cultural and educational. It does not always attract much attention, but it has the potential to become an important channel for stronger ties between Asia and Europe.

The theme of the upcoming summit in Milan – “Responsible Partnership for Sustainable Growth and Security” – reflects the increasing scope of Europe-Asia relations. As the host, Italy expects the summit “to give renewal impetus to the joint contribution of the two regions towards growth, sustainable development and stability”, said Andrea Perugini, Deputy Director General and Principal Director for Asia at the Italian Ministry of Foreign Affairs and the country’s ASEM Senior Official. “The EU will emphasise its ambitions to be seen as a constructive and reliable player in the evolving architecture of Asia”, said O’Sullivan.

Panellists agreed that, while Asia and Europe already enjoy a booming economic relationship, ASEM needs an upgrade. Beyond trade, they could cooperate more in security and use increased people-to-people exchange to expand links in education and other fields.

However, this depends on making ASEM more interesting and innovative and perhaps on restoring the informality that characterised its early years. “If we were to ask ourselves today, if we did not have ASEM whether or not there would be a need to form it, the answer would be a very strong yes,” said Simon Wong Wie Kuen, Deputy Secretary at the Ministry of Foreign Affairs of Singapore and ASEM Senior Official. “There is a need for Europe and Asia to talk to each other.”
“The added value of the ASEM process lies in providing a framework to address challenges of global concern with all of Asia at once,” said O’Sullivan. It also provides a platform for regular bilateral contacts between leaders, officials and experts of both sides.

Asia-Europe ties essential for the EU’s economic future

Asia-Europe ties are essential for the economic future of the EU, said Karel De Gucht, EU Trade Commissioner. “Europe and Asia are not strangers, but rather old partners renewing and deepening their ties,” he added, arguing that ASEM is an excellent forum to strengthen the existing relationship.

“Europe has to be connected to Asia if it wants to be part of global growth,” he said. “There are two forces by which international trade and investment boost growth: imports work on the supply side of the economy – making companies more competitive by giving them access to the world’s best inputs at the world’s

“Europe has to be connected to Asia if it wants to be part of global growth.”
Karel De Gucht, EU Trade Commissioner

ASEM’s key strength is its informality, which allows leaders and ministers to talk about important topics without worrying too much about the chairman’s final statement, which is the focus at many international gatherings. “You are in a closed-door situation where you can talk about things very frankly,” Wong said. There had been a recent tendency to aim for harmony and a consensus view, but that reduces the frankness in the discussions, he said.

“There is a clear commitment to move ASEM to a higher level of dialogue and cooperation”, said O’Sullivan. New working methods are being explored to account for the growing size of the forum and foster more interaction and real conversation between leaders. The concept of a “retreat session” has been adopted and partners have also agreed to slim down output documents, he added. Participants also agreed that there is a need to find a balance between dialogue and tangible results. “ASEM needs to be agile and resilient at the same time” if it is to meet the challenges of the 21st Century, said Yeo Lay Hwee, Director of the European Union Centre at the National University of Singapore.
best prices, he underlined. “Exports work by responding to demand – giving us access to the world market. The phenomenon of global value chains that produce goods in many steps, across many countries boosts both of these effects even more. For these forces to help build a sustainable recovery in Europe, links with Asia are essential.”

While trade and economic ties are already an important link between Europe and Asia, both sides need to build bridges to allow the relationship to continue to flourish, said the Commissioner. “Our first area of action is the bilateral front”.

The EU is currently negotiating FTAs with several Asian countries including Japan and India, as well as an investment agreement with China. “If we take all the agreements collectively, they will open markets for either trade, investment or both with 95% of the Asian economy,” De Gucht said. “That will be an enormous step forward for EU-Asia economic relations.”

The EU trade chief outlined some conditions for the success of any future free trade agreement between the EU and ASEAN, the Association of Southeast Asian Nations, whose members are also ASEM partners. “We are presently conducting a number of bilateral deals, and so we do this on the basis of a common backbone in all of the agreements,” he said. “They have the same level of ambition, of course taking into account the level of development of the countries concerned.”

He warned, however, that some ASEAN countries are becoming protectionist, and that a regional deal would only happen if they change direction. “Yes, we are ready to negotiate such a deal but we are not going to do this if it makes it possible for those countries to continue their protectionist policies. Otherwise it will be a hollow deal and we are not interested in a hollow deal.” At this moment in time, De Gucht also said he did not see the merits for opening trade negotiations for an FTA within ASEM.

Wong agreed that the bilateral agreements being forged at present could form the building blocks for eventual regional deals. “I think it’s an important step, as we are looking at FTAs in ways that are unique to Europe,” he said. Because of its FTA with the EU, Singapore changed its laws to recognise geographical indicators, and will probably set up a registry for them. “It is the first of its kind,” he said. “Recognising and giving intellectual property protection to European products will make Singapore a leader in the protection of brand names.”

The trade relationship between Europe and Asia is not new, but has a long and deep history, De Gucht reminded the audience. The famous early trade routes fundamentally changed the character of life in Europe, by bringing it variety and innovation – from the decimal system to fireworks. Later, trade was the main driver of the regrettable past of European colonialism in the region, he said. “History reminds us too that while the current economic rise of so many Asian countries is certainly shifting the global economic centre of gravity to Europe’s east, it is, in reality, only returning to a more central position.”
Interdependence and growth

Economic links have been the most striking aspect of the relationship between Europe and Asia in recent decades, as trade and investment make the regions increasingly interdependent. Trade is now raising the importance of other dimensions, said Andrea Perugini, Deputy Director General and Principal Director for Asia at the Italian Ministry of Foreign Affairs and ASEM Senior Official. “There is more longing for equity in sharing the benefits of growth,” he said. “Everyone contributes to growth. Access to health and welfare, the environment, urbanisation – all these issues contribute more than in the past to the sustainability of growth.”

“Business has already boosted contacts between Asians and Europeans, throwing up a range of topics to deal with, said Sarun Charoensuwan, Director General of European Affairs at Thailand’s Ministry of Foreign Affairs. ‘Compared with 1996, there is more investment, more trade and more tourism, and I think people know each other much better now,’” he said. “The areas of cooperation between Asia and Europe have expanded a lot. Now ASEM covers a whole spectrum of issues: education, labour, finance and the environment.’”

ASEM’s October summit will address issues such as pensions and security in areas such as energy, transport and water. “We will put emphasis on the most vulnerable groups, in particular women and children,” Perugini said. “And geographically, we are aware of the importance of small islands and arid zones – lands that are particularly subject to erosion and contamination.”
ASEM needs focus

The growing range of partners – nearly double the original number – makes it hard to reach consensus. “ASEM has grown too much too fast,” Charoensuwan said. While Europeans have common positions on a range of topics, Asia is more diverse. As a result, “It is difficult in ASEM to really agree on issues of common interest and concern.”

“Asia is not one market; it’s not one economy,” he said. “I think one of the first lessons we have to learn is the complexity and the diversity of Asia.”

Michael Schaefer, Chairman of the Board of the BMW Stiftung Herbert Quandt

In addition, logistical problems mean that a smaller proportion of countries are sending their leaders to the summit. The first ASEM summit in Bangkok in 1996 was attended 88% by national leaders, but for the ninth in Laos in 2012, just 62% turned up. To make ASEM more relevant, it is essential to identify common challenges and interests, he said. “These should be non-contentious – issues on which all sides are comfortable. It may take time to identify these issues but I think it is worth it. ASEM is a forum to unite, not divide, its participants.”

The variety of different economies and societies can create difficulty when talking about Asia-Europe relations, said Michael Schaefer, Chairman of the Board of the BMW Stiftung Herbert Quandt. “Asia is not one market; it’s not one economy,” he said. “I think one of the first lessons we have to learn is the complexity and the diversity of Asia. China is different from India. ASEAN is different from the South Asian countries. So if we look at Asia from Europe we need to understand what key issues are relevant to the whole group of Asian economies, and where do we have to concentrate on sub-regions or even on bilateral relations.”

Europe, by contrast, is increasingly united in its policies towards the rest of the world. “I think we are one,” said moderator Shada Islam, Director of Policy at Friends of Europe. “The idea that we have to compete – the EU versus Germany, the EU versus France – is slightly out of date now because I think we are more or less on the same path.”

Some countries in ASEM want the meeting to aim for achievements and tangible outcomes, while others see dialogue and the consensus-forming process as aims in themselves, said Bart Gaens, Senior Research Fellow in the Global Security Research Programme at the Finnish Institute of International Affairs (FIIA). “It’s not the stereotypical situation of the Europeans aiming for output and achievements and the Asians only emphasising dialogue," he said. "I think it’s very much mixed.”

“ASEM is like an 18-year-old teenager with 51 well-meaning uncles and aunties trying to shape its growth,” said Wong. “There are tiger mums and dads pushing for deliverables, while other members of the family stay back and let the child grow.”

There are a number of conditions to keep ASEM dialogue relevant in the 21st century, said Yeo Lay Hwee, Director of the European Union Centre at the National University of Singapore. First, it needs to be transparent, because this
“We are in a world where today I am your partner, tomorrow I may be your adversary, I can be both competitor and collaborator at the same time and there is nothing wrong with that.”

Yeo Lay Hwee, Director of the European Union Centre at the National University of Singapore

If ASEM wants to foster trust-building dialogue, then the best format is a retreat, Yeo said, “where leaders can go into a deeper conversation to understand each other’s concerns and be empathetic.” But if ASEM wants to generate policy dialogue, then it should also feature academics, experts, non-government organisations (NGOs) and businesses. “That kind of inclusiveness is more important in a policy dialogue,” she said. Gaens agreed that the meeting could be strengthened by the presence of other stakeholders with different agendas, such as civil society groups and NGOs.

Practical suggestions

ASEM can in the future contribute as a forum for the exchange of concrete, practical ideas, several panellists said. “We are amazed by the number of topics coming up,” said Wong. These include environmental governance and the green economy, and many are also very concrete, such as sanitation, water and food security, which is expected to be a major discussion topic in Milan.

“You cannot expect ASEM to be able to solve climate change, but what it can do, however, is form coalitions of countries that are willing to cooperate.”

Bart Gaens, Senior Research Fellow in the Global Security Research Programme at the Finnish Institute of International Affairs (FIInA)

“For many of us in developing countries, we look at Europe to see how I can contribute to our targets in a very practical way,” he said. “In ASEM, we can talk about how companies and researchers can lower emissions at a grassroots level. In fora like this I discovered that Sweden could recycle 100% of its heat sources. In Singapore, we could recycle cooling – our researchers could do reverse engineering on heat that would lower carbon emissions from air conditioning.”

On climate change, it is important to realise the limitations of ASEM and figure out clearly what contribution the meeting can make, said Gaens. “ASEM is first of all a dialogue forum,” he said. “That can lead to concrete, but low-key, projects on the ground. You cannot expect ASEM to be able to solve climate change, but what it can do, however, is form coalitions of countries that are willing to cooperate.”
After the ASEM Foreign Ministers’ Meeting held in India last November, we are trying to focus on involving industry stakeholders in our initiatives, said Renu Pall, Joint Secretary for ASEAN Multilateral at India’s Ministry of External Affairs. Future ASEM events will include a roundtable later this year aimed at promoting innovation and new technologies for disaster rescue efforts, she said. ASEM is also looking at new technologies to boost energy efficiency in the building sector; water management technologies; and diagnostics and treatment for so-called lifestyle diseases such as diabetes. “These are issues where there is common ground,” she said. “It’s about bringing in unity and emphasising the commonalities – and not the divisions.”

“It’s about bringing in unity and emphasising the commonalities – and not the divisions.”

Yeo suggested creating an ASEM connectivity index, using the EU’s Eurobarometer surveys as a model. “It is true that we are much more connected, whether in trade, tourism or student exchange,” she said. “Now it would be good to measure this.”

Visas can be a problem for Asians visiting Europe for education, student exchange, cultural activities or other events, said Richard Werly, European Affairs Correspondent for Le Temps. “My Asian friends often complain about queuing for a visa at a consulate – after which it’s sometimes refused,” he said. “I am not blaming anyone here, but I am saying we have a problem. There is an obstacle and this obstacle is called a visa.”

The European Commission has proposed a simplification of the visa regime, which has been pending for some months now in the European Parliament and the European Council, said Androulla Vassiliou, EU Commissioner for Education, Culture, Multilingualism, Sport, Media and Youth. “Let’s hope the new Parliament and the new Council will take care of it, because it is indeed very important.”

“There is an obstacle and this obstacle is called a visa.”

Richard Werly, European Affairs Correspondent for Le Temps
Tackling the “middle-income trap”

Many developing economies run into a “middle-income trap”, where they struggle to make the transition from a resource-based economy to one driven by innovation and high-productivity industries. ASEM could help developing Asian countries in this, said Pall. “Here is where Asia and Europe can find new synergies,” she said – “by sharing systems of intellectual thought and scientific advancement, as well as technologies, innovations and inventions and educational opportunities. This might also help the newer members of the European Union.”

“Are we setting ourselves goals for each of our areas that provide a sense of purpose and explain what ASEM is trying to do to the wider stakeholder community?”

Evolving value chains and the growing Asian middle class are shifting the centre of gravity of global economic activity to Asia, said Peter Kell, Principal Adviser to the Deputy Secretary of the Americas and Asia Group at New Zealand’s Ministry of Foreign Affairs and Trade (MFAT) and ASEM Senior Official. He pointed to a study saying that 64% of the global middle class will be in Asia by 2030, representing a massive shift in consumer power. “So I would ask the question: Are we setting ourselves goals for each of our areas that provide a sense of purpose and explain what ASEM is trying to do to the wider stakeholder community?” he said. “Are we being audacious, daring and bold enough?”

Free trade should not be exaggerated as an easy way to help developing countries grow, said Marina Durano, Assistant Professor of Economics at the University of the Philippines-Diliman. Studies have pointed to some European countries’ use of protectionism in the past as a tool to boost their economic growth, “and yet, we just heard that it’s not a good thing if Asians are protectionist,” she said. “Well, we are trying to develop and we need those strategies. We are looking at your countries and you have demonstrated how effective such strategies are.”

“We just heard that it’s not a good thing if Asians are protectionist. Well, we are trying to develop and we need those strategies.”

Value chains allow developing countries to acquire fields of expertise and specialisation, and they have been an important driver of global growth. But developing countries risk finding themselves in the wrong parts of these chains. “Industrialisation policy in ASEAN has favoured being part of the value chain, which is inherently unequal,” Durano said. “You have to ask yourself: Where is your country? In the high-value-added portion? Or in the low-value-added portion? Where are your workers? Are they in the high-skilled portion or in the low-skilled portion? If you accept that we must be part of that global value chain, you must now accept inequality, which is not a good thing.”
Creativity and small businesses

ASEM is aiming in future to pay more attention to small and medium-sized enterprises (SMEs). These have the potential to be major sources of innovation and jobs, but they are vulnerable in their early years to problems such as financing, and they can find it hard to break out of their domestic markets. Moreover, it is sometimes easy for international fora to ignore them and focus instead on big business.

“We want to catch up, but we cannot do it on our own. There are business opportunities and we want to have access to them.”

Sok Siphana, Advisor to the Royal Government of Cambodia and ASEM Senior Official

Especially for smaller countries in both Asia and Europe, ASEM could help promote business contacts, said Sok Siphana, Advisor to the Royal Government of Cambodia and ASEM Senior Official. “Big countries like China and India do not need any help,” he said. “Smaller countries collectively see this as very crucial to close the development gap. We want to catch up, but we cannot do it on our own. There are business opportunities and we want to have access to them. For that, we need know-how and exposure to technology.”

It is important that all this happen fast and that the private sector and civil society become more involved – in particular in training workers in basic skills. “We want to take advantage of the ASEM process to skip the learning curve,” he said. “I see this now as a good start, and at the political level it’s great. But we need to speed up and move into a higher gear.”

A range of European companies – SMEs, start-ups and also bigger businesses – are keen to enter Asian markets, said Eric Poskin, Founder and CEO of Epoksy. The way to do that is to focus on synergies, which can be achieved through the cross-fertilisation of ideas to produce new dimensions in business relationships and win-win partnerships. This process is often seen as mysterious, but it’s not.

“Creativity is a big word, but it is often treated like a black box,” he said. “Creativity is not a black box. Creativity is just the cross-fertilisation of ideas. And what can we do about that? Firstly, absolutely, you need to have a venue of trust.” ASEM was contributes to the creation of such venues, he said: “SMEs have a chance to succeed if a space is available where cross-fertilisation of ideas can be done.”

“SMEs have a chance to succeed if a space is available where cross-fertilisation of ideas can be done.”

Eric Poskin, Founder and CEO of Epoksy
Myanmar is 50 or 100 years behind Europe in economic development, said Nay Aung, Founder of Oway, Myanmar. But by focusing on core areas, such as the digital economy, it has the potential to grow fast in the next decade or two. “Because we are late to the game, we have an opportunity to look at lessons from the past and how other countries have evolved,” he said.

“Ay aung, Founder of Oway, Myanmar

Aung returned to Myanmar three years ago, after living in the United States for many years, some of which he spent working in Silicon Valley. He decided to open an online travel business because, as the country opens up, travel is growing at five times the rate of the rest of the economy.

But it was hard to find Internet access – or even a constant supply of electricity. So he started working from a coffee shop. He went there every morning around seven o’clock and stayed for about 12 hours, and after a while the shop reserved a space for him. He could not find local engineers to hire, so he took on Indians.

Now his company is number one in domestic ticketing, and the country’s online industries are growing. “To expand now, we need knowledge transfer and we need educational programmes,” he said. “And we need a lot more partners from Europe.”

Culture and education

The Asia-Europe Foundation (ASEF), which was set up by ASEM, has been trying to promote people-to-people contacts, and has developed an extensive network of contacts, including nearly 700 partners. It has organised around 700 projects in fields ranging from culture to public health and sustainable development. In particular, it reaches out to academics, journalists and business people, as well as government representatives.

In future, said ASEF Executive Director Zhang Yan, it wants to give more attention to youth and women, and to invest more in education: “ASEF plays a role in building networks and connectivity among people. I think connectivity with direct contact and interactions is more valuable and can produce more tangible results.”

“I have the feeling that most Asians and Europeans still tend to pay more attention to the United States of America than to each other.”

Zhang Yan, Asia-Europe Foundation (ASEF) Executive Director

In one sense, however, he says that the results so far have been only moderate. “Despite our efforts to promote the understanding of people through our projects, we have found there is a perception gap between people in Asia and Europe,” he said. “I have the feeling that most Asians and Europeans still tend to pay more attention to the United States of America than to each other.”

A high-level of education is widely seen as essential for an economy to compete globally, but Europe and Asia differ in one important aspect, said Schaefer. “Many Asian countries concentrate on academic education and there are way too many young people going to university,” he said. “They end up with academic degrees and the market cannot offer them meaningful jobs. What is lacking – and this is the most important single grievance for European companies in China and...
other Asian countries – is skilled workers. What we need are young people who concentrate on vocational training."

That should be one of the key discussion points for ASEM, though the best way to pursue it would be in smaller groups. As well as vocational training, these groups could examine topics such as alternative energy and urbanisation. "They could come to conclusions and then bring these into the plenary of ASEM."

Vassiliou agreed. “For many years we have ignored vocational training,” she said. “And we now realise that vocational education and training is equally important as university education. That is something that we are now promoting everywhere.”

In particular, she said, education should be developed for the digital era, opening it up to new technology, and partnerships needed to be forged between universities and businesses. “We have become wiser because we realise that these difficulties exist and we have to address them,” she said. “It’s something that we can share with our partners from the Asian countries.”

Political involvement in educational projects is particularly important because education is one of the most regulated areas of business, said Sanda Liepina, State Secretary at the Ministry of Education and Science of Latvia. “Businesses won’t be able to cooperate effectively with universities, unless there is an institutional framework and unless there is a regulatory framework that allows for such operation,” she said.

Three principles – the three C’s – had been proposed to approach regulation pragmatically, she said. First, there must be continuity – a clear will among member states to pursue the topics discussed. The second C is for consultation and collaboration to get results. Third comes commitment for cooperation, meaning an agreement to continue cooperation at the ministerial level, so as to achieve concrete results.

Belgium provides opportunities to start businesses at universities, which helps promote youth employment and nurture young entrepreneurs, said Jehanne Roccas, Director Asia and Oceania at Belgium’s Ministry of Foreign Affairs and ASEM Senior Official. “We’ve had this project in Belgium for many years, and we can share the experience of how enterprises invest in research and development,” she said.
Reintegrating women into the workforce could be another useful area of cooperation, she said, as women who have raised children often find it difficult to restart work. “This is a problem we have in all societies, in Asia and in Europe,” she said. “So, Asian and European countries could think together about the possibilities for reintegrating these women into the labour market.”

“At Asian and European countries could think together about the possibilities for reintegrating these women into the labour market.”

Jehanne Roccas, Director Asia and Oceania at Belgium’s Ministry of Foreign Affairs and an ASEM Senior Official

Moves to promote exchange for students have been made under “Erasmus+”, which has replaced the old Erasmus Mundus, said Vassiliou. Over the last 25 years, Erasmus has made a profound and lasting contribution to intercultural understanding between people in the European Union, and it has helped young Europeans prepare for a globalising world. “Now we offer that chance to the rest of the world,” she said.

Students from ASEM countries can now benefit from so-called “credit mobility”: while remaining registered at a university in their home country, they have access to scholarships for periods of study lasting from three to 12 months. “I think it is clear that all of these exchanges of people and ideas bring enormous benefits to everyone involved,” Vassiliou said. “A greater awareness of other cultures, their traditions, values and languages, is surely one of the most lasting benefits. And in a globalising economy, this is a skill that employers value more and more.”

An initiative called the Tuning study is trying to make European and Asian education systems more compatible, she said. That will mean students, lecturers and businesses all share a common understanding of the outcomes that they can expect from different courses of study. “This means courses are better adapted to the needs of the labour market, and young people have a better chance of securing good jobs in a competitive global market,” Vassiliou said.

Common or differing values are sometimes raised as a sticking point between Europe and Asia, for example over how to deal with the military government that used to run Myanmar. Gaens said that one such common value was constructive engagement. “I think the EU has learned that, in the case of Myanmar for example, isolation, ostracising and sanctions do not work and that it is very important to keep the dialogue going. I think ASEM can continue to contribute to dialogue and engage in sensitive issues with countries like Thailand and Russia.”

The EU might be able to serve as a role model for regional reconciliation and integration, said O’Sullivan, as the two continents have faced some similar challenges during their histories. “The way we operate internally and hence project externally is perhaps not very glamorous,” he said. “Our rhetoric is rarely stirring: we don’t do shock and awe. But perhaps that is the point. We do things others sometimes find difficult, and we do things in a different way. Our role is not as a super power but a super-partner.”
POLICY BRIEFING

*Friends of Europe* publishes regularly concise and timely analyses on key European and international issues. Our Policy Briefings provide insightful analysis and concrete policy recommendations. EU-Asia relations have been an essential element of *Friends of Europe*’s publications.

This policy briefing explores the relevance and importance of ASEM in a rapidly-evolving and often volatile global order and efforts under way to revive ASEM through the introduction of new formats and a sharper focus on content as well as through enhanced engagement with civil society and the media. It makes policy recommendations for energising the Asia-Europe partnership and ensuring it gains more traction in the months leading up to ASEM’s 20th anniversary in 2016.

ASEM: WHY ASIA-EUROPE RELATIONS MATTER IN THE 21ST CENTURY

The Asia-Europe partnership, launched in Bangkok in 1996 to foster stronger relations between the two regions, is ready for a reset.

Hopes are high that the 10th Asia-Europe Meeting (ASEM) – or ASEM summit – to be held in Milan on October 16-17 will confirm the credibility and relevance of Asia-Europe relations in the 21st Century. ASEM has certainly survived many storms and upheavals over the last eighteen years. With ASEM’s 20th anniversary in 2016 approaching rapidly, the challenge is not only to ensure the survival of the partnership but to create conditions for it to flourish and thrive.

ASEM has been through different periods. Initial euphoria over the initiative was followed by a period of inertia and a degree of apathy and disinterest. Asians criticised European leaders and ministers for not turning up at important meetings. Europeans complained that the gatherings were turning into little more than photo opportunities.

The talk now is about renewal and revival as Asians and Europeans seek to inject fresh oomph into ASEM. The focus is on energising discussions through changed formats and a stronger focus on content.
Closer engagement

This is positive. However, ASEM’s future hinges on whether governments are ready to pay as much attention - and devote as much time and energy - to their partnership as they did in the early years. It is also conditional on closer engagement between Asian and European business leaders, civil society representatives and enhanced people-to-people contacts. An ASEM business summit and peoples’ forum will be held in parallel with the leaders’ meeting.

This policy briefing explores the relevance and importance of ASEM in a rapidly-evolving and often volatile global order and efforts under way to revive ASEM through the introduction of new formats and a sharper focus on content as well as through enhanced engagement with civil society and the media. It makes policy recommendations for energising the Asia-Europe partnership and ensuring it gains more traction in the months leading up to ASEM’s 20th anniversary in 2016.

Fresh ideas

Encouragingly, efforts to reinvigorate ASEM have already begun. Asian and European foreign ministers and senior officials have been meeting over the last two years to try and thrash out a new and potentially winning formula for ASEM’s revival. Fresh ideas and formats to recapture ASEM’s original informality and flexibility are being put to the test. Efforts are being made to focus on content, not process. Long-winded communiques are being slimmed down. And leaders are being encouraged to engage in real conversations, not read from prepared papers, while also using ASEM’s immense networking opportunities for increased bilateral contacts.

These and other initiatives are important and should go a long way in making ASEM more interesting and useful – and perhaps even more visible to the public. To stay in sync with a changing global political and economic landscape, ASEM is trying harder to adapt to and reflect new realities. Significantly, the theme of the Milan summit – “Responsible Partnership for Sustainable Growth and Security” – allows for a discussion not only of ongoing political strains and tensions in Asia and in Europe’s eastern neighbourhood, but also of crucial questions linked to food, water and energy security.

Key EU interests in East Asia

As identified by the Council of the European Union in June 2012, key EU interests in East Asia are:

- preservation of peace and strengthening of international security;
- the promotion of a rule-based international system;
- the development and consolidation of democracy, the rule of law, respect for human rights and fundamental freedoms;
- the promotion of regional integration;
- the promotion of cooperative and sustainable policies to meet global challenges;
- the strengthening of bilateral trade and investment flows.

The paper also recognises that tensions in the South China Sea could have implications for navigation and commerce across the region, including for EU trade and investment interests.

Source: Council of the European Union, Guidelines on the EU’s Foreign and Security Policy in East Asia, 11492/12, Brussels, 15 June 2012

High-level support

As Viorel Isticioaia Budura, Managing Director at the European External Action Service (EEAS) points out, Asia matters for Europe - and, just as importantly, Europe matters for Asia. Messages of support for the partnership have also been made in recent months by the Chinese, Japanese and Russian leaders. A statement released after Chinese President Xi Jinping’s meetings in Brussels earlier this year underlined the “growing role of trans-regional and regional dialogue mechanisms to promote regional peace and prosperity”; with leaders saying they looked forward to the ASEM summit in Milan. Subsequently, an EU-Japan statement highlighted ASEM’s “value” as a forum for dialogue and cooperation. And interestingly, after their talks in Shanghai recently, Chinese President Xi Jinping and Russia’s Vladimir Putin defined ASEM as an “important platform for the exchange of economic and trade cooperation in other fields,
social, cultural, etc.,” adding that they were “willing to strengthen cooperation and promote the ASEM to enhance work efficiency”.

**Bigger and better… or not?**

ASEM is expanding, reflecting a rapidly changing global environment where countries with different political, economic and social structures – as well as different priorities and values – feel the need to work together.

The numbers of partners has gone up to 51, including the European Commission and the ASEAN Secretariat, and is set to rise to 52 with Croatia joining in October. Russia, Australia and New Zealand were welcomed as new partners in 2010 and Bangladesh, Norway and Switzerland took their seat at the table in Vientiane in 2012. Turkey and Kazakhstan have formally voiced interest in joining ASEM although approval of their applications will take time.

The rise in numbers certainly poses a challenge. Critics argue that ASEM has become too large and unwieldy, turning into a mini-United Nations. But its diversity and inclusiveness can be an asset. ASEM meetings at all levels encourage informal contacts and habits of cooperation, helping to bring together leaders and officials who may not meet elsewhere, for as much time. If used correctly, ASEM could work as an invaluable incubator of new ideas, allow the creation of “mini alliances” of like-minded nations and encourage participants to pursue common interests together, even in other fora.

Whether it is too big or just the right size, ASEM has kept up with the times. Asia’s transformed landscape is evident in the ASEM membership of Australia and New Zealand, countries which were once kept out of the Asian conversation but are now accepted as an integral part of Asia. Both countries add to ASEM’s credibility and content. Russia too is seeking to expand ties with Asian countries. Bringing Bangladesh into ASEM has helped improve the country’s contacts with both Europe and Asian countries while non-EU countries, Norway and Switzerland, offer their own interesting insights into how they view and deal with Asia.

**Connectivity, connectivity, connectivity**

ASEM is about connectivity – between regions and countries, leaders and ordinary people, in trade and business but also in politics and security. There is now a stronger-than-ever EU-Asian conversation on trade, business, security and culture.

Engagement between the two regions has been increasing over the years, both within and outside ASEM. Five ASEM partners – China, Japan, India, South Korea and Russia – are the EU’s strategic partners. Asia has surpassed the North American Free Trade Agreement (NAFTA) to become the EU’s main trading partner, accounting for a third of total trade and this figure continues to grow.

Exports to Asia and investments in the region are pivotal in ensuring a sustainable European economic recovery while the EU single market attracts goods, investments and people from across the globe, helping Asian governments to maintain growth and development. European technology is in much demand across the region. Not surprisingly, Asia-Europe economic interdependence has grown. With total Asia-Europe trade in 2012 estimated at €1.37 trillion, More than a quarter of European outward investments head for Asia while Asia’s emerging global champions are seeking out business deals in Europe. The increased connectivity is reflected in the mutual Asia-Europe quest to negotiate Free Trade Agreements (FTAs) and investment accords.

Why EU-Asia inter-dependence is a two-way street

- Europe’s aspirations of becoming a powerful global actor demand more active engagement with rising Asia.
- As Europe struggles to recover, Asia’s still-growing economies offer a huge and lucrative market for European technology, services and goods.
- Asian cooperation is required in dealing with global flashpoints like Iran and North Korea and 21st Century challenges like climate change.
- Asian countries need buoyant European markets to maintain strong growth rates.
- European development aid is important for Asia’s smaller and poorer nations.
- Asia needs European technology to innovate and modernise.
The FTAs concluded with South Korea and Singapore and similar deals under negotiation with Japan, India and individual ASEAN – the Association of Southeast Asian Nations– countries as well as the bilateral investment treaty under discussion with China are important in consolidating EU-Asia relations. These and other initiatives illustrate enhanced recognition that the two regions must work closely together to ensure not only national and regional prosperity but also sustainable and inclusive global growth.

Security: The Asian paradox

Discussions on security are an important part of the political pillar in ASEM, with leaders exchanging views on regional and global flashpoints. Given current tensions over conflicting territorial claims in the East and South China Seas, this year’s debate is particularly important.

Some call it the “Asian paradox”. Even as economic cooperation and - in the case of ASEAN - economic integration gathers pace in Asia, historical animosities and unresolved territorial conflicts weigh heavily on the region, damaging relations between governments and people. The point has been made most sharply by Asian leaders like former Indonesian foreign minister Hasan Wirajuda who warn that the gains of the “Asian Century” are at risk because of unresolved historical conflicts and abiding mistrust in the region.

As Asia heads for uncertain times, the region’s views of Europe’s security role are changing. Unease about the dangerous political and security fault lines that run across the region and the lack of a strong security architecture has prompted many in Asia to take a closer look at Europe’s experience in ensuring peace, easing tensions and handling conflicts. As such, earlier scepticism of Europe’s security credentials (namely Europe’s lack of hard military power) is being replaced by recognition of Europe’s “soft power” in peace-making and reconciliation, crisis management, conflict resolution and preventive diplomacy.

The absence of major European military assets or bases in Asia could in fact be a plus. “The region does not need another hard security player; our added value is different,” underlines David O’Sullivan, Chief Operating Officer at the European External Action Service (EEAS). “We are seen as engaged but not threatening; active but without a geo-political agenda.” Possibly the EU’s greatest value is to act as a “principled champion of rules-based cooperative security,” he adds.

In addition, for many in Asia, the EU is the prime partner to deal with non-traditional security dilemmas, including food, water and energy security as well as climate change. Clearly also, the EU remains an inspiration for Asia’s own regional integration initiatives, including ASEAN, and increasingly in the area of rules-based collective security.

The seas...

It’s not just Asians who are taking a fresh look at Europe, Europeans are also starting to become more aware of their own security credentials and the global implications of instability in Asia, including the impact on international navigation.

While it once stayed carefully out of key Asian security disputes such as the conflicting territorial claims in the South and East China Seas – and still does not take a stance on sovereignty over the rocks and islands - the EU has in recent months voiced clear concern over rising tensions in the region and urged all parties to seek “peaceful and cooperative solutions in accordance with international law, in particular the UN Convention on the Law of the Sea, and to continue ensuring safety and freedom of navigation.” A spokesman for EU foreign policy chief Catherine Ashton further asked all countries to undertake de-escalating measures and refrain from any unilateral action which would be detrimental to peace and stability in the region. Hopes of an early agreement on a code of conduct between ASEAN and China have also been expressed by EU officials.

Europe’s focus is very much on maritime security. “The EU’s essential interests are closely tied up with the security of East Asia,” due largely to implications for navigation and commerce, underlines an EU Council document issued in 2012. The recently-approved EU maritime security strategy identifies several threats to EU interests including cross-border and organised crime, threats to freedom of navigation, the proliferation of weapons of mass destruction and environmental
risks. As indicated above, respect for international law and especially the United Nations Convention on Law of the Sea are emphasised. Importantly, several Asian and European countries are working together in the EU-led ATALANTA counter-piracy operation in the Western Indian Ocean. A first-ever EU-ASEAN high-level dialogue on maritime security was organised in Jakarta last November, with a focus on port security, maritime surveillance and the joint management of resources, including fisheries and oil and gas.

Key recent developments in EU-Asia relations

After a few difficult years in the EU-China relationship, when the two sparred over trade issues, the focus has switched to areas of practical cooperation. Recent summits have resulted in the launch of a high-level “people-to-people dialogue”, a partnership on urbanisation and promises to work together to deal with food security and water management issues. Xi Jinping’s recent visit to Brussels as part of his trip to Europe also added further momentum to EU-China ties. Significantly, negotiations have been launched on an EU-China bilateral investment agreement which aims to reduce barriers to investing in China, improving the protection of mutual investments and providing European investors better access to the Chinese market with more legal certainty.

During his trip to Brussels earlier this year, Japanese Prime Minister Shinzo Abe and EU leaders reaffirmed a pledge to conclude a Strategic Partnership Agreement (SPA) to ensure deeper political, global and sectoral cooperation over the coming decades while also promising an early conclusion of a “highly comprehensive and ambitious” Free Trade Agreement (FTA)/ Economic Partnership Agreement (EPA) to deal with market access for goods, services and investment, procurement, including railways, and non-tariff measures.

The signature of an EU-South Korea FTA in 2009 has been followed by a marked upgrading in relations in other areas. Ashton’s visit to Seoul in May 2014 resulted in a unique agreement on cooperation in crisis management, with South Korea expected to join the EU in certain crisis missions. Said Ashton after the signature: “To be more effective in addressing the many challenges we face, we need to work with partners, we need to join forces.”

Hopes are high in Europe that India’s new Prime Minister Narendra Modi will not only take strong and decisive action to revive economic growth and tackle India’s many other challenges but also press for the conclusion of the EU-India bilateral trade and investment agreement, now under negotiation for seven years.

Stronger engagement on Asian security issues has meant a deeper EU engagement with ASEAN which is in the forefront of pan-Asian peace-building efforts. The EU has signed the Treaty of Amity and Cooperation (TAC), ASEAN’s security blueprint for the region. High-level European and Asian representatives are now regular participants at the ASEAN Regional Forum (ARF), Asia’s prime security forum, as well as the Shangri La Dialogue, an annual informal gathering of security experts held in Singapore. Such increased Asia-Europe awareness of their security interdependence could go some way in easing the EU’s entry into the East Asia Summit (EAS), the increasingly influential security gathering in the region. This will, however, require continued European engagement as regards Asia’s security concerns.

A changing world

Much has changed in Asia and Europe since ASEM’s launch. The last 18 years have seen the sustained rise of a self-confident Asia and much soul-searching in Europe over the region’s global relevance. ASEAN efforts to create a frontier-free economic community are speeding up and Myanmar, once the global pariah and the cause of much Asia-Europe acrimony, is now firmly committed to political reform. Europe’s economic troubles have made it less strident in promoting a values-based agenda and while the United States’ “pivot” to Asia certainly prodded Europe to become more active in the region, Asia and Europe have discovered the value of interacting with each other without America.

Still ASEM faces strong competition. There is no dearth of rival groupings and countries have become adept at “forum shopping” as they seek to build interest-based coalitions. In a multipolar world, the G20 which brings together industrialised and emerging countries now has to fight for its place against other alliances such as BRICS (which brings together Brazil, Russia, India, China and South Africa) and MIKTA (Mexico, Indonesia, Korea, Turkey and Australia). A host of other regional and cross-regional groupings litter an increasingly crowded global landscape.

Even as economic connectivity rises, Asia and Europe are witnessing the rise of nationalist and populist movements and politics in many countries are becoming
more national and inward-looking. At the same time, as underlined by Yeo Lay Hwee of the European Union Centre at the National University of Singapore, relations between states have become more complex and multi-dimensional as countries vacillate between cooperation and competition and even conflict. Asians worry that the entry into the European Parliament of extremist and populist parties will generate a “Little Europe” mindset which fears globalisation and free trade. Europeans fret over rising China-Japan and Japan-South Korean tensions as well as Beijing’s deteriorating relations with Hanoi and Manila. Meanwhile EU aspirations to join EAS remain on the table.

New leaders, new dynamics

Relations with Asian countries have been improving and moving up the EU agenda. Ahead of the summit in Milan, transitions of power in both Asia and the EU have the potential to inject new momentum into the relationship. As underlined above, the Chinese, Japanese and Russian leaders have indicated their commitment to ASEM. Less is known about the new Indian Prime Minister Narendra Modi’s views although Delhi’s “Look East” policy and growing engagement with other Asian powers – and the key role played by India in efforts to revive ASEM – are encouraging signs. Interestingly, by the time the meeting opens in Milan, Indonesia will also have a new president.

In Europe, newly-elected members of the European Parliament are taking their seats for a five-year term and while EU Council President Herman Van Rompuy, accompanied by Jose Manuel Barroso, his European Commission counterpart, will chair the Milan meeting little is known about the approaches to Asia of Jean-Claude Juncker, the new Commission chief or the next Council president. Significantly, also Ashton will be replaced by a new EU foreign policy chief.

Retreats and networking

Developments in Europe’s bilateral relations with Asian states and new global realities give ASEM even more resonance. As such, they need to be reflected more directly in ASEM discussions. Over the years, however, ASEM meetings have lost their initial spontaneity, becoming more formal, ritualistic and long drawn-out, with endless preparatory discussions and the negotiation of long texts by “senior officials” or bureaucrats. Instead of engaging in direct conversation, ministers and leaders read out well-prepared statements.

As part of efforts to revive ASEM and having embarked on a search to bring back the informality and excitement of the first few ASEM meetings, Asian and European foreign ministers successfully tested out new working methods at their meeting in Delhi last November.

The new formula, to be tried out at the summit in Milan, includes the organisation of a “retreat” session during which leaders will be able to have a free-flowing discussion on regional and international issues with less structure and fewer people in the room. Instead of spending endless hours negotiating texts, leaders will focus on a substantive discussion of issues. The final statement will be drafted and issued in the name of the “chair” who will consult partners but will be responsible for the final wording. Work is ongoing to ensure that the chair’s statements and other documents issued at the end of ASEM meetings are short, simple and to-the-point.

Focus on ASEAN

Arguably, one of the most marked recent changes in EU relations with Asia has been a new, sharper focus on Southeast Asia and ASEAN. An EU-ASEAN Action Plan adopted at the ministerial meeting in Brunei in 2012 sets out an interesting and impressive agenda for future cooperation in a wide range of areas including security, trade and culture. The focus is on supporting ASEAN’s goals of regional integration and community building, including enhanced ASEAN connectivity, to underpin an ASEAN Community by 2015 and beyond. Areas such as maritime security, humanitarian assistance and disaster relief, peacekeeping operations and counter terrorism are covered. Further discussions are expected at the EU-ASEAN foreign ministers’ meeting on July 23, with Ashton set to attend the ARF meeting in Myanmar in August.

The EU is also working on a bilateral level to upgrade its engagement with Myanmar and Indonesia.
Seize the initiative

All this is encouraging. A streamlining and simplification of ASEM working methods should go a long way to ensure that ASEM leaders engage in a real, in-depth and focused conversation on key concerns. To really revive ASEM, leaders and ministers also need to seize back some of the initiative and power from bureaucrats who have come to dominate the process and content of many Asia-Europe gatherings. This will help to ensure that ASEM is used to explore new ideas, to stimulate and facilitate progress in Asia-Europe understanding in other multilateral fora and encourage capacity-building across sectors.

According to Bart Gaens of the Finnish Institute of International Affair (FIFA), as it seeks to make its mark in such a volatile environment, ASEM must underline its value added as a dialogue facilitator, policy-making laboratory and a tool and catalyst for wider Asia-Europe relations.

In addition, ASEM needs a content update. True, ASEM summits which are held every two years, deal with many worthy issues, including economic growth, regional and global tensions, climate change and the like. Also true that Asian and European ministers meet even more frequently to discuss questions like education, labour reform, inter-faith relations and river management.

This is worthy and significant – but also too much. ASEM needs a sharper focus on a smaller cluster of issues including undoubtedly the common Asia-Europe challenge of growth and jobs but also combating extremism and tackling hard and soft security issues. Women in both Asia and Europe face many societal and economic challenges. Freedom of expression is under attack in both regions.

Nothing wrong with “talk shops”

ASEM is often criticised for being little more than a “talk shop”. However, as illustrated by the very successful and well-attended Shangri La annual dialogue on security held in Singapore, there is much to be said in favour of gatherings which allow participants to engage in frank and open discussions on key short and medium-term challenges - provided the talk is lively, stimulating, strong on content and provides food for thought.

No visibility, no headlines

While it is true that ASEM is not about headlines, the occasional one would help. The 1996 launch of the partnership generated much media attention as did several subsequent meetings, including the 2008 summit in Beijing where Asians and Europeans voiced joint efforts to combat the global economic crisis. In recent years, Asians have noted that while they continue to view ASEM as an important and valuable channel for communicating with Europe (significantly, China and India spearheaded recent efforts to renew ASEM) key European leaders and ministers often failed to show up for ASEM gatherings. Europe's increased engagement with Asia over the last three years has gone a long way to correct that impression. But there is no room for complacency.

In fact, since all leaders attending ASEM summits come with their national media in tow, there is no dearth of journalists at such events. Their attention may be focused on the pronouncements of their national representatives and bilateral meetings with other leaders – but a good ASEM “spokesperson” or communication expert with an interesting story to tell could certainly find myriad innovative ways of generating media interesting in other Asia-Europe issues. Interviews with leaders, ministers and senior officials who attend such meetings would also give reporters something to write – and think – about.

Grabbing media attention is not just about providing reporters with a stronger narrative based on content and substance. A focus on specific ASEM schemes or programmes would also help. Without embarking on rival projects which are being pursued in other fora, ASEM could gain traction with the media and the
public if it acted as an “umbrella” for visible and tangible cooperation schemes which bring together its many partners. Countries are in fact working together in many areas. But most of these projects are lost in long-winded communiqués, known only to a few persistent and avid academics and researchers.

Finally, getting more ASEM visibility clearly requires the hammering out of an up-to-date communication strategy which uses social media.

ASEM of the people…

Getting media on board is important – but not enough. ASEM also faces the uphill task of securing stronger public understanding, awareness and support especially among young people. This is especially important in the run up to the 20th anniversary summit in 2016.

Public awareness requires more initiatives such as those developed by the Asia Europe Foundation (ASEF) in Singapore to foster dialogue and better understanding between the two regions, particularly in the education and cultural sectors. Reviving the Asia-Europe relationship will require stronger and more sustained efforts to ensure even more involvement of the public, civil society, and academia. The need for more ASEM contacts with civil society, including members of parliament, business representatives, scholars and journalists as well as local authorities is important. Such initiatives need to be regular and sustained.

Make peace, not (verbal) war

Omens for the summit in Milan are good. The Italian government has signaled strong interest in ASEM and preparations for the meeting are making good pace. There is recognition that ASEAN needs an effective “institutional memory” and more efficient coordination but the once-acrimonious issue of whether ASEM should have a formal “secretariat” has been shelved. And while current strains in relations between some Asian countries are likely to persist, there are hopes that leaders will use the Milan meeting to spell out their vision for better Asia-Europe ties, not engage in bilateral bickering. If they play their cards right, Asian leaders could use the ASEM format for informal bilateral contacts with their counterparts in order to allow a lessening of tensions. It is in Asia’s interest to do so – and in Europe’s interest to encourage it.

The way ahead

ASEM has certainly come a long way in creating more solid connections between Asia and Europe. The forum has survived disputes over human rights, the once-controversial ASEM entry of Myanmar and irritation over Europe’s perceived lack of interest in ASEM. The global financial crisis and more specifically the woes of the Eurozone have brought Asia and Europe closer together, giving ASEM some much-needed lustre.

In addition, China’s rise and increased assertiveness and fears of increased Sino-American tensions in the Asia Pacific have encouraged many Asians to seek stronger ties with the EU. Europeans, for their part, are becoming more aware of the linkage between Asian security and their own future peace and stability.

Increased political interest in ASEM’s strategic value and importance needs to be backed up by practical action. There is also a need to ensure more involvement of the public, civil society, academia and journalists in the ASEM conversation. ASEM “visibility” remains an on-going concern. ASEF – the only body set up within the ASEM framework – is working to build stronger links between the two regions’ non-state actors. An Asia-Europe Peoples Forum, Parliamentary Assembly and Business Forum also help to generate ASEM awareness. In 2010, a “Passage to Asia” art exhibition at the Brussels’ Beaux Arts museum raised knowledge of the cultural and historical links between Asia and Europe. Ideas abound about a “big project” to create more of a buzz – perhaps through ASEM “games”, “ASEM-vision” song contests, visa-free travel or by negotiating an ASEM-wide free trade deal. For the moment, there is little political appetite for such initiatives, however.
In the end, ASEM’s survival hinges not on increased visibility through gimmicks but on Asia and Europe’s economic interdependence and increased strategic engagement. The 21st century requires countries and peoples - whether they are like-minded or not - to work together in order to ensure better global governance and focus on global public goods in a still-chaotic multipolar world. As they grapple with their economic, political and security dilemmas – and despite their many disagreements - Asia and Europe are drawing closer together. If ASEM reform is implemented as planned, 2016 could become an important milestone in a reinvigorated Asia-Europe partnership.

### Resetting ASEM

- **With ASEM’s 20th Anniversary in 2016, Asia and Europe must keep up the focus on renewal and revival.**

- **Fewer speeches and more informality, real conversation and exchanges between leaders and ministers.**

- **Focus on content, not process, with shorter communiques on a limited number of key issues of common interest.**

- **Use ASEM as an incubator of ideas, to facilitate global governance and improve Asia-Europe connectivity.**

- **Better follow-up, coordination and documentation of meetings, projects and promises of cooperation.**

- **Keep focus on trade and investments but also discuss jobs and growth, inequality and security challenges.**

- **Look for a “spokesperson” to ensure better ASEM visibility, secure public understanding and get more youth involvement.**

### Background reading


- Islam, S., A Fresh Start for ASEM or How to Revive Asia-Europe Relations, ASEM 8, 2010.


- Islam, S., Diaz, P. & Laurinaityte, V. ASEAN at 45: Regional Hopes, Global Clout, policy briefing, Friends of Europe, June 2012.


- Mahbubani, K. The Lessons that Smug Europe Should Learn from Asia, Europe’s World, summer 2011.


- Friends of Europe publications on EU-Asia relations are available at www.friendsofeurope.org.
The European Union plays an important role in international affairs through diplomacy, trade, development aid and working with global organisations. The Lisbon Treaty (2009) led to major developments in the area of external action, with the creation of the post of High Representative of the Union for Foreign Affairs and Security Policy, and the establishment of the EU’s diplomatic arm, the European External Action Service (EEAS), which was formally launched on 1 January 2011. The High Representative – a post currently held by Catherine Ashton – exercises, in foreign affairs, the functions previously held by the six-monthly rotating Presidency, the High Representative for Common Foreign and Security Policy and the European Commissioner for External Relations.

According to her mandate, the High Representative:

- conducts the Union’s common foreign and security policy;
- contributes by her proposals to the development of that policy, which she carries out as mandated by the Council, and ensures implementation of the decisions adopted;
- presides over the Foreign Affairs Council of Ministers;
- is one of the Vice-Presidents of the Commission and thus ensures the consistency of the Union’s external action.
- represents the Union for matters relating to the common foreign and security policy, conducts political dialogue with third parties on the Union’s behalf and expresses the Union’s position in international fora.
- exercises authority over the European External Action Service and over EU delegations in third countries and at international organisations.

The EEAS is the European Union’s diplomatic corps. The EEAS assists the High Representative in ensuring the consistency and coordination of the Union’s external action as well as by preparing policy proposals and implementing them after their approval by the Council. It also assists the President of the European Council and the President as well as the Members of the Commission in their respective functions in the area of external relations and ensures close cooperation with the Member States. The network of EU delegations around the world is part of the EEAS structure.

In the ASEM context, the External Action Service, on behalf of the EU, is the only permanent coordinator, exercising the role of a coordinator along with the country exercising the EU Presidency and the two coordinators representing the ASEAN and non-ASEAN groups on the Asian side.
So Asia matters to Europe - and will do so even more in the future. We know that recovery at home depends on the ability to harness growth and open new markets many of which are in Asia.

But Asia also matters to Europe in political and security terms: The EU has four of its Strategic Partners in Asia (China, India, Japan, Korea) and needs strong commitment from influential Asian partners to tackle global challenges such as climate change and environmental sustainability, the fight against poverty, terrorism, non-proliferation, illegal migration and human trafficking. Freedom of navigation in the South China Sea, with 50% of world trade in tonnage passing through, naturally affects EU interests.

So it is logical that the EU builds up its engagement in and with Asia. For the truth is that Europe also matters to Asia. Asia’s future growth depends on access to our markets. Growth is returning to Europe and the EU remains the largest economy in the world, with a per capita GDP of €25 000 for its 500 million consumers. That represents a €12.6 trillion economy. The EU and its Member States also remain the largest overall donor of official development aid with around €53 billion per year. As Asia remains home to the largest size of the world’s poorest and most vulnerable, the enduring importance of Europe as a development partner is clear.

Above all, there are signs of a growing recognition, in parts of Asia, of the EU’s relevance as a constructive player and factor of balance in the regional security equation. In other words, there is an increasing “demand for Europe” which we should build upon. A key challenge for the EU is to prove that it can be a united, credible and effective partner for Asia and the Pacific in the areas where it is best placed to deliver.

Now, it is true that we as EU don’t have a leading role on the headline, hard security issues, given the absence of major military assets or bases in the region. But in a way this is perhaps also an asset. The region perhaps doesn’t need another hard security player; our added value is different. We are seen as engaged but not threatening; active but without a geo-political agenda. Perhaps the greatest value of the EU is to act as a principled champion of rules-based, co-operative security. For all its faults - and they are many - the EU is also seen by many as a model for reconciliation and regional integration.

I also think that as EU we have a good track record of innovative, integrated strategies on the new security issues that are increasingly dominating the international agenda. The way we operate internally and hence project externally is perhaps not very glamorous; our rhetoric is rarely stirring; we don’t do shock and awe. But that’s also the point.

We do things others sometimes find difficult. And we do things in a different way – our role is not to be another super-power but a super partner. Before comprehensive strategies or three Ds (defence, diplomacy, development) became fashionable, the EU was already doing it. Take our approach on piracy where we not only have a very successful naval operation, Atalanta, but are active both on and off-shore with training, capacity building, judicial reform, working with regional partners. Framing this kind of integrated solutions forms growing part of our engagement with and in Asia. Doing things differently; addressing security challenges the modern way.

If this is the bigger backdrop and the overall thrust of EU engagement, allow me to run quickly through current priorities and plans when it comes to ASEM:

I have read with interest the think-piece on ASEM which Shada has written for this conference. She calls for a ‘reset’ of ASEM. I would agree with her only partially. I think the reset is not what we are aiming at. Keeping the computer’s terminology what we need is an upgrade to ASEM 2.0 version. On the EU side, I can assure you, there is a clear commitment to move ASEM to a higher level of dialogue and cooperation.

I think it is probably fair to say that, for the next two years, the EU will be at the helm of ASEM, since we shall be hosting the next ASEM Summit (2014, Milan) and ASEM Foreign Ministers’ Meeting (2015 Luxemburg).

The theme of the 10th ASEM Summit in Milan on 16-17 October - “Responsible Partnership for Growth and Security” - reflects the enlarging scope of the EU-Asia relationship. The meeting will provide a key opportunity to convey a strong message of commitment to Asia. In many respects, Asians may see the outcome of this Summit as a test of the EU’s ambition to play a more active role in Asia.
In theme of the Summit, every word counts and has its own meaning:

1. Responsible – both Europe and Asia should act responsibly, abiding by their joint commitment to environmental protection, social dialogue, eradicating poverty, promotion and protection of human rights, etc.
2. Partnership – ASEM is increasingly moving towards a broader-based partnership to address jointly global and regional challenges.
3. Sustainable Growth – We have an interest to strengthen our economies and to pursue structural reforms both in Europe and Asia to underpin economic. We are committed to strengthening mutual trade and investment.
4. Security – There is no growth/development without security in the broader sense – maritime security, non-traditional security, social security, food security, nuclear security, etc. The EU will emphasise its ambition to be seen as a constructive and reliable player in the evolving regional security architecture.

A key element of the Summit agenda, which we would like to explore further, is Asia – Europe connectivity in its broadest definition. The concept has particular relevance for ASEM, be it physical connectivity – through air, sea or land but also about connectivity of flow of goods, services, investments, people. We hope that connectivity will constitute a powerful mobilising concept to take Europe-Asia cooperation further.

The growing number of participants confirms the attractiveness of the ASEM process. Started with 26 partners (15 EU MS, 7 ASEAN members + China, Japan, Korea and Commission), today the number has doubled with 51 partners around the table. Croatia, which entered the EU last year, will formally join at the upcoming ASEM Summit. Two other countries – Kazakhstan and Turkey – formally applied to join the ASEM process, though I suspect that the formal process of approving their applications might take some time (so we might not be ready for the upcoming summit).

The added value of the process is that it provides a framework to address challenges of global concern with almost of all Asia at once. Next to the transatlantic relations and EU-African Union cooperation, this is another important vector of the EU’s external policy. Five of the EU’s most important strategic partners are in ASEM (China, India, Japan, Korea and Russia). The forum provides an opportunity to look for synergies on EU priorities with these key players. This will be important as we prepare for COP 15 in Paris next year.

The value of ASEM also lies in the regular flow of specialised experts’ meetings involving ministers and officials from various European and Asian ministries (foreign affairs, finance, transport, education, culture, etc.) who hardly meet anywhere else.

Over the years, the political and security-related dimension of ASEM has developed to include issues such as maritime security, piracy or food security. ASEM has successfully addressed non-traditional security challenges. Following up on the 10th Foreign Ministers meeting held in Budapest in 2011, ASEM has for example allowed for useful interaction on water security and exchanges between Danube and Mekong rivers basin countries.

ASEM has equipped itself with so-called ‘new working methods’ which take into account the growing size of the forum and the need for more interaction and real conversation between Leaders (retreat session introduced). We have also agreed to slim down output documents (not negotiated word-by-word, but a certain discretion is left to the chair to finalize output document).

These are only a few examples. And if ASEM can allow to bring Europe’s and Asia’s views closer on a couple of issues of global concern, I believe this would a great achievement of this Summit.

Thank you.
KEYNOTE BY KAREL DE GUCHT

By Karel De Gucht, EU Commissioner for Trade

The dramatic economic and political changes taking place in Asia require Europeans to think hard about the future of our relationship with the countries to our East. But in doing so we must remember that this is not a new relationship – but one with a long and deep history.

After all, the famous early trade routes between Europe and Asia not only brought prosperity to individual merchants, they fundamentally changed the character of life in Europe – bringing variety and innovation – from the decimal system to the fireworks.

Trade was also, we must acknowledge, the main driver of the regrettable past of European colonialism in the region. History reminds us too that while the current economic rise of so many Asian countries is certainly shifting the global economic centre of gravity to Europe’s east; it is, in reality, only returning to a more central position. And this is the mathematical consequence of lifting hundreds of millions of people out of poverty.

All this is to say that Europe and Asia are not strangers, but rather old partners renewing and deepening their ties, for the benefit of people at both ends of our vast land mass, and on the islands all around it. This is why the Asia Europe Meeting is so important. It provides the Heads of State and Government of 51 Asian and European countries a forum both to build on our existing relationship and to deepen our ties. The success of that endeavour is essential for the economic future of the European Union.

There are two forces by which international trade and investment boost growth: Imports work on the supply side of the economy – making companies more competitive by giving them access to the world’s best inputs at the world’s best prices. Exports work by responding to demand – giving us access to the world market. The phenomenon of global value chains that produce goods in many steps, across many countries boosts both of these effects even more. For these forces to help build a sustainable recovery in Europe, links with Asia are essential.

On the supply side, let me explain this with an example. Imports from China are essential to the competitiveness of many industries in Europe. Why? Because the parts and components that we get from the Chinese are used in European factories to make European finished products. The result is that more than a million jobs in Europe depend directly on imports from China.

On the demand side, we need to look at the bigger picture. The economic advancement of so much of the world’s population is creating massive new markets for European products. Economists project that over the next 20 years more than 60% of the world’s growth is going to happen in Asia. And by the way - that projection already assumes a gradual slowdown in growth in many countries there.

The conclusion: Europe has to be connected to Asia if it wants to be part of global growth. It’s that simple.

The good news is that we are already doing very well.

The EU is one of the largest trading partners of all Asian countries. And in 2012 we were either the first, second or third most important trading partner for ten of ASEM’s Asian members. By way of comparison, the United States has this kind of relationship with just two of those countries, as the second most important trading partner, after the EU, of Japan and China.

Moreover, the European Union’s deep relationship with China in particular plugs us into wider regional value chains, as does our status as the second largest partner for Singapore – the gateway to ASEAN.

For ASEAN as a whole, trade with the European Union represents some 13% of their total. This puts us in third place behind China and Japan. This is the result of geography and regional value chains. But we again outperform the US, who comes fourth. And on top of all of this the EU is also a major investor in Asia, where we sent more than 20% of all our investment flows in 2012. And around 13% of all investment flows into the EU came from the region the same year.

That’s a lot of figures. But I don’t say all of this just to give an economic lecture. say it because too often in Europe we focus on our weaknesses. We sometimes
KEYNOTE BY ANDROULLA VASSILI OU

By Androulla Vassiliou, EU Commissioner for Education, Culture, Multilingualism, Sport, Media and Youth

I am delighted to open this third and final session of today’s debates, which puts the spotlight on people.

As European Commissioner for education, youth and culture, I have the good fortune to be in charge of policies and programmes that touch the lives of millions of people, not only inside the European Union but across the globe. The programme of today’s conference makes a clear statement: “Foreign relations are no longer the exclusive domain of governments.” Let me be clear from the start, and say that the European Commission fully shares this philosophy.

I believe that people-to-people contacts go to the very heart of Europe’s search for a new narrative – a new story that explains why the Union’s members need each other more than ever before. Our starting point, surely, must be Europe’s place in the world. What does it mean to be European today, and how do we see our role on the world stage?

I believe that Europe’s soft power in the 21st century is less about projecting a single cultural vision of what Europe represents than about bringing our values to the global arena, and engaging our partners in debate.

Europe’s openness, both among its own nations and towards the rest of the world, shapes our approach.

If I turn to ASEM and the citizens of the ASEM countries, our policy is twofold. On the one hand, we participate fully in the ASEM dialogue at Ministerial and official level. On the other hand, we try, mainly through our programmes, to engage directly with individuals and non-State actors in the field of education and culture.

In the ASEM dialogue, our political messages help to shape the declarations that our leaders make at various summits. For example, in Vientiane in 2012, the Heads of State or Government from twenty Asian countries, twenty-nine...
I think it is clear that all of these exchanges of people and ideas bring enormous benefits to everyone involved. A greater awareness of other cultures, their traditions, values and languages, is surely one of the most lasting benefits. And in a globalising economy, this is a skill that employers value more and more. For me, this is an important point, because fighting youth unemployment is an urgent challenge that is common to both European and Asian ASEM countries. It is a central goal of the EU’s Europe 2020 strategy, which sets out our priorities for the years to come. And ASEM highlighted the issue last year at its High-Level Seminar on “Youth Employment Promotion”.

We also foster dialogue between peoples and cultures through our Jean Monnet network of university professors, which is now present in 72 countries all over the world. The Jean Monnet programme stimulates teaching and research in European integration at the level of higher-education institutions. Research topics cover both the internal and external dimension of European integration, including the European Union’s role in the world.

For me, this is an important point, because fighting youth unemployment is an urgent challenge that is common to both European and Asian ASEM countries. It is a central goal of the EU’s Europe 2020 strategy, which sets out our priorities for the years to come. And ASEM highlighted the issue last year at its High-Level Seminar on “Youth Employment Promotion”.

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Since its launch in 2012, the Dialogue has already created a new platform where European and Chinese universities discuss the challenges of higher education. It has organised a Year of Youth and a Year of Intercultural Dialogue as well as several European Film Festivals in China. It has promoted language-learning on both sides. And it has organised exchanges of civil servants so that we better understand each other’s systems of governance. These are just some of the projects we have launched so far.
One particular initiative – the Tuning study – aims to strengthen the compatibility of our respective education systems and ensure that students, lecturers and businesses all share a common understanding of the outcomes that we can expect from different courses of study.

This means courses are better adapted to the needs of the labour market, and young people have a better chance of securing good jobs in a competitive global market. A similar Tuning initiative for India is now under way.

Finally, I should mention the important role of the EU delegations which are present in almost every Asian ASEM country. They make people-to-people contacts happen on a daily basis, not only through dialogue but also through EU-financed projects which are set up according to local needs and which may cover areas such as agriculture, the rule of law, education and health.

Ladies and gentlemen,

Let me conclude by returning to where I began. After a severe economic crisis, the European Union is looking for a new narrative. I am convinced that education and culture provide some of the answers. They have been Europe’s great strength for centuries, and our duty now is to help our young people develop those assets in a new world.

By greatly increasing the funding for our programmes, above all Erasmus+, we have demonstrated a new commitment to our young people, our teachers, our schools and universities, and to our artists, creators and innovators. And not just in Europe but around the world.

In all that we do, we are working for a Europe that learns to live together. A Europe that is prepared for a mobile and multicultural world. A Europe that sees diversity not as a threat but as a strength. A Europe that is open among its neighbours and open to its international partners. This is my vision for Europe’s place in the world.

And so I wish you all a very productive debate. It is always a pleasure to work with the ‘Friends of Europe’ and I thank them for this excellent initiative.

Founded in 1925 as the political legacy of Friedrich Ebert, the Friedrich-Ebert-Stiftung is today the oldest political foundation in Germany. Faced with the impending collapse of the Weimar Republic and the recognition that only an active democracy is also a strong democracy, the Social Democrat Friedrich Ebert instigated the establishment of a political foundation. 89 years later, the Friedrich-Ebert-Stiftung is still committed to Ebert’s conviction that “democracy needs democrats”.

The Friedrich-Ebert-Stiftung views itself as part of the social democratic family of values and the Labour Movement in Germany and the world. Social Democracy extends and consolidates political action through justice, solidarity and freedom. Social Democracy is everyday democracy experienced by everyone – including the socially disadvantaged. We feel deeply bound to these ideals and basic values. As a non-profit institution, we act independently and encourage pluralistic dialogue on the prevailing challenges for the society.

What we do
The Friedrich-Ebert-Stiftung is represented throughout Germany with 13 regional offices, an academy and the head offices in Bonn and Berlin. In addition two more institutions of political education are supported. The success of our international engagement is due to our global network of 107 offices and regional projects.

We pursue the foundation’s mission to promote and strengthen democracy by providing political education, political advice as well as international collaboration. We are active at the interfaces between political practice, science, the trade union movement, civil society and the economy. A central aim of the Friedrich-Ebert-Stiftung is to foster gifted students and postgraduates from Germany and abroad. By particularly focusing on young people with a migration background as well as from poorly educated and economically deprived families, we make an important contribution to promoting equal opportunities in facilitating access to education.

FES regional work in Asia
The FES Office for Regional Cooperation in Asia focuses on reinforcing social justice as a key factor for inclusive and sustainable growth and as a core element of political decision-making in Asia. The projects focus on promoting a progressive discourse on social protection, human and trade union rights for migrant workers and gender equality.

Besides FES supports dialogue platforms and multi-stakeholder processes including trade unions and civil society organisations related to the Association of Southeast Asian Nations (ASEAN), South Asian Association for Regional Cooperation (SAARC) and the Asia-Europe Meeting (ASEM). The aim is to establish inclusive and structured mechanisms for constructive stakeholder engagement on the regional and interregional level in order to ensure that the social dimension of political and economic cooperation is likewise considered.
ANNEX I – Programme

SESSION I
Enhanced political and security cooperation

ASEM is increasingly relevant in a rapidly-globalising world. Working in tandem Asia and Europe have enhanced clout. Taken together, both sides represent almost 60 % of the world population, 52% of global GDP and 68% of world trade. ASEM has weathered the passage of time relatively well, retaining its key asset, namely that contacts between partners are informal, comprehensive and regular.

As preparations intensify for the ASEM Summit in autumn, how can both sides help to enhance the credibility and legitimacy of this multilateral platform? Is it possible to simplify and streamline ASEM meetings to ensure more informality and networking opportunities? Should the focus shift to projects and “deliverables”? What are the prospects of cooperation on regional issues, ranging from developments in the East China and South China Seas, the situation in the Korean peninsula and in Myanmar? Can ASEM serve as an effective platform to develop concrete proposals to discuss issues like human rights and tackle non-traditional security issues such as counter-piracy, climate change, disaster relief, water resources management and energy security?

SPECIAL VIDEO ADDRESS BY:
Herman Van Rompuy
European Council President

KEYNOTE ADDRESS BY:
David O’Sullivan
Chief Operating Officer of the European External Action Service (EEAS)

Bart Gaens
Senior Research Fellow in the Global Security Research Programme at the Finnish Institute of International Affairs (FIITA)

Andrea Perugini
Deputy Director General and Principal Director for Asia at the Ministry of Foreign Affairs, Italy

Sarun Charoensuwan
Director General of European Affairs at the Ministry of Foreign Affairs of the Kingdom of Thailand

Simon Wong Wie Kuen
Deputy Secretary at the Ministry of Foreign Affairs of Singapore and ASEM Senior Official

Yeo Lay Hwee
Director of the European Union Centre at the National University of Singapore

Moderated by Shada Islam, Director of Policy at Friends of Europe
### SESSION II
**Building on economic interdependence**

Economic interdependence between Asia and Europe is growing. Trade between the EU and Asian ASEM countries is currently valued at almost 900 billion € a year and European companies are leading investors in Asia. The two regions are also bound by their search for strong, job-generating, sustainable and inclusive growth. ASEM leaders have reaffirmed their commitment to enhancing economic cooperation between the two sides.

So what is being done to revive discussions on trade and investment within ASEM and strengthen inter-regional financial cooperation? What role can the private sector, including SMEs, play in broadening investment and trade flows? What steps should be taken to build a more conducive environment to support the implementation of Public-Private-Partnerships (PPP) and boost inter-regional connectivity? How can Asia and Europe improve their collaboration and coordination on WTO-related issues? How can both regions share experiences and work together to improve labour standards?

### KEYNOTE ADDRESSES

**SESSION II**

**Economic interdependence**

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<tr>
<td>Marina Durano</td>
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<td>Michael Schaefer</td>
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<td>Sok Siphana</td>
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**Moderated by Shada Islam, Director of Policy at Friends of Europe**

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### SESSION III
**Putting the spotlight on people**

Foreign relations are no longer the exclusive domain of governments. In today’s inter-connected world, non-state actors are increasingly active and influential in global affairs. Several initiatives have been developed within the ASEM framework to foster dialogue and better understanding between the two regions, particularly in the education and cultural sectors. However, reviving the Asia-Europe relationship will require stronger efforts to ensure even more involvement of the public, civil society, and academia – including through the media and the internet.

What role can ASEM play in improving mutual understanding between Europe and Asia? Has ASEM proved successful in promoting people-to-people contacts and strengthening of cultural links between the two regions? How can the ASEM Interfaith Dialogue be strengthened to ensure it promotes greater inter-regional social cohesion? Is there a role for young people in ASEM? What programmes have been developed and what else should be done, especially to promote the role of women, youth unemployment and university and student exchanges?

### KEYNOTE ADDRESSES

**SESSION III**

**Social cohesion**

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<td>Sandra Liepina</td>
<td>State Secretary at the Ministry of Education and Science, Republic of Latvia</td>
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<td>Jehanne Roccas</td>
<td>Director Asia and Oceania at the Ministry of Foreign Affairs, Belgium</td>
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<td>Richard Werly</td>
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<tr>
<td>Zhang Yan</td>
<td>Executive Director of the Asia-Europe Foundation (ASEF)</td>
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**Moderated by Shada Islam, Director of Policy at Friends of Europe**
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Georgios Altintzis, Policy Adviser, Economic and Social Policy Department, International Trade Union Confederation (ITUC)
Maria Zeneida Angara Collinson, Assistant Secretary, Ministry of Foreign affairs, The Philippines
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Jun Arima, Director General, Japan External Trade Organisation (JETRO), London Office
Marika Armanovic, Research Administrator, Asia, European Parliament, Directorate General for External Policies
Laurent Bardon, Policy Officer, Trade Relations with Japan, European Commission, Directorate General for Trade
Leanda Barrington-Leach, Director, External Relations Practice, Cambre Associates
Victoria Batalan Sisante, Ambassador, Mission of the Philippines to the EU
Valentina Battaglino, Assistant, Regione Veneto, Brussels Office
Katrien Berbers, Deputy Head of Unit, European Commission, Directorate General for Agriculture and Rural Development
Aivars Berners, Policy Adviser, European Conservatives and Reformists Group (ECR)
Vladimir Beroun, PhD Candidate, University of Economics Prague
Madeleine Bitihnilwa Lwakabwanga, Director, Knup
Marc Bogaerts, Director General, Belgian Foreign Trade Agency
Lizza Bomassi, Deputy Director, Carnegie Europe
Jacques Bouché, President & CEO, JJB-Phiacom
Camille Brugier, PhD Student, European University Institute, Florence School of Regulation
Peter Buri, Senior Country Manager, Head HCD ASEAN Team, Deutsche Gesellschaft für Internationale Zusammenarbeit (GIZ)
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Lisa Buzenas, Political Officer, EU relations with Central, South and East Asia, Mission of the United States of America to the EU
Yves Calbert, Journalist, Brussels Star
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Sarun Charoensuwan, Director General, Ministry of Foreign Affairs of the Kingdom of Thailand
Chulamanee Charl/sources, Minister and Deputy Chief of Mission, Mission of Thailand to the EU
Yaou Chen, Counselor, Mission of the People’s Republic of China to the EU
Bartosz Cieleszyński, Policy Officer, European Commission, Directorate General for the Environment
Catherine Clark, Head of International Relations, Prudential
Elizabeth Colucci, Project Officer, European University Association (EUA)
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Julian Conteh, Policy Officer, South and South East Asia, Australia, New Zealand, European Commission, Directorate General for Trade
Marjolein Cremer, Advocacy Officer, European Cultural Foundation (ECF)
Flaureen Dacanay, Assistant Director, Ministry of Foreign Affairs, The Philippines
Stanislav Daskalov, Head of the Brussels Liaison Office, Regional Cooperation Council
Ishigedolger Davaadorj, Ambassador, Mission of Mongolia to the EU
Filip David, Director External Action of the EU & Belgian ASEAN Senior Official, Ministry of Foreign Affairs, Belgium
Christopher de Breza, Philanthropist and Founder of the Foundation for Excellence, Europe India Chamber of Commerce (EICC)
Bruno De Decker, Senior Relationship Manager, Belfius Bank
Karel De Gucht, Commissioner for Trade, European Commission
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