

Speech by HE Mr Viorel Isticioaia Budura, Managing Director for Asia and the Pacific, European External Action Service (EEAS), at the Dinner Dialogue on The Role of ASEM in strengthening EU-Asia relations

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Ladies and gentlemen,

It is with great pleasure that I stand here before you today to talk about the Asia-Europe Meeting, or ASEM, as it is known to most of us, and in particular about the role that the European Union will play in the next two years in taking the ASEM process forward towards its 20th anniversary in 2016.

Cooperation between Asia and Europe in the ASEM framework is not happening in a vacuum. It is evolving within the context of developments in today's ever more globalized world and, more particularly, in the context of Asia-Europe and Asia-EU relations in the broadest sense of the phrase. Let me therefore first spend a few minutes on this wider context before I start talking about ASEM more specifically.

The starting premise is simple: Asia matters for Europe. And, just as importantly, Europe matters for Asia.

The rise, or rather the re-emergence, of Asia is one of the major trends shaping the world as we know it today and in the coming years and decades. Asia is home to the world's fastest growing economies; it is experiencing rapidly changing political dynamics and, as a result, it has rising global significance and influence. While many of the countries in the region are still fighting poverty and under-development, their efforts and accomplishments in overcoming these challenges and in fulfilling the millennium development goals have been remarkable. However, at the same time as Asia is developing economically and socially, and in particular in the economic field is undergoing economic integration, its development is also marked by growing political and security tensions and instability in an environment where there is an absence of an agreed set of rules and institutions to manage these political and security challenges.

All of this – Asia's rise, its economic development as well as the increasingly tense political/strategic environment – directly affects European interests. The relations between Asia and Europe in the field of investment and trade are very strong. Both Asia and Europe are interdependent and interconnected. Asia has become the EU's main trading partner, accounting for a third of total trade – and this figure continues to grow. More than 26% of EU outward investment is going to Asia while inward investment is also growing fast. So Asia matters to Europe economically – Europe's ability to recover and grow depends on being able to secure new markets for its goods, new opportunities for investment abroad and to attract investment from abroad - and Asia is key on all three fronts.

But Asia also matters to Europe in political and security terms. Five of the European Union's most important 'strategic partners' are located in the region (China, India, Japan, the Republic of Korea and Russia). The European Union is negotiating or has concluded negotiations on Partnership and Cooperation Agreements/Framework Agreements with a whole range of Asian counterparts. Cooperation with Asian

partners will be crucial to tackle global challenges such as climate change, the post-2015 development agenda, non-proliferation, or piracy and maritime security. So it is only logical that the EU is building up its engagement in and with Asia. Security in Asia affects also Europe and contributes to its growth – while insecurity does the opposite.

At the same time, I believe that Europe also matters to Asia. Asia's future growth depends on access to European markets, as growth is returning to Europe and the EU remains the largest economy in the world – with an overall GDP of €12.6 trillion, and with a per capita GDP of €25,000 for its 500 million consumers. The EU and its Member States also remain the largest overall donor of official development aid with around €53 billion per year.

I have already mentioned Asia's successes in overcoming its underdevelopment, but Asia – despite this progress – still contains some of the world's poorest and most vulnerable countries. The EU's continued developing assistance to the region is therefore of crucial importance. The EU also has a role to play in the security area – despite, or perhaps even because of the fact that it does not have any major military assets or bases in the region. The EU is seen by many as a model for reconciliation, soft-security approach and regional integration. Perhaps the greatest value of the EU is therefore that it can act as a principled champion of rules-based, co-operative security and offer innovative, integrated strategies on various new security issues that are increasingly dominating the international agenda.

This wider context and overall thrust of the EU's engagement in Asia is also framing how we perceive the cooperation between Europe and Asia within the ASEM process. ASEM is a particularly useful framework for cooperation and, with its new streamlined working methods, is increasingly more relevant and interesting for partners. ASEM partners represent 62.5% of the world population and 57% of the world GDP, and overall EU (including Norway and Switzerland) exports and imports of goods to Asian ASEM partners in 2012 were more than EUR 1.37 trillion. The number of ASEM Ministerial meetings held before or after the upcoming Summit, as well as the sheer number of initiatives, high-level conferences and seminars on the widest variety of topics and themes, underline the comprehensiveness and dynamism of the process. So do new candidatures for becoming a part of ASEM that keep arriving: Croatia will join ASEM at the Summit in Milan, and two other countries (Turkey and Kazakhstan) have formally expressed their interest to join, though the formal process approving their applications might take some time.

The fact that Asian partners are keen to enhance dialogue and cooperation with Europe in the ASEM context should encourage the EU to approach the process in an active way. The next two years will be crucial for the European Union's engagement in ASEM. After two years when the major events – the 2012 summit in Vientiane and the 2013 Foreign Ministers' Meeting in New Delhi – were held in Asia, for the next two years, it is the EU – and namely the institution that I represent, the External Action Service as the permanent coordinator on the European side – that will be at the helm of ASEM. We notably look forward to hosting the 10th ASEM Summit in Milan on 16-17 October of this year. Afterwards, the Foreign Ministers' Meeting will be held in Luxembourg in the fall of next year, and a number of other ministerial meetings will also take place in Europe this year and the next. All this – beginning with this year's summit – will lead us to the 20th anniversary summit which will take place somewhere in Asia in 2016. In the run-up to this important anniversary, we have an important role in analysing what has worked well so far, where our limitations

are, where we can do better and where the future of ASEM lies. That is why you are here – you will be deliberating these questions during your conference and we look forward to your ideas and suggestions; but that is also the questions that are in the back of our minds as we are going through the preparatory process before the Milan Summit.

The theme of the Summit, "Responsible Partnership for Sustainable Growth and Security", reflects the enlarging scope of the EU-Asia (or rather Europe-Asia, so as not to forget our Norwegian and Swiss friends) relationship. The meeting will provide a key opportunity to convey a strong message of European commitment to Asia and to emphasise our interest to be seen as a constructive and reliable player in the evolving regional architecture. The theme was proposed by our side because it implicitly includes a number of very important topics that are key for both sides as responsible partners – be it economic and financial cooperation leading to more sustainable growth and security, issues such as water, energy and food security – which are also linked to the theme of EXPO2015 which will also take place in Milan, partnership in the sense of connectivity – which can include issues such as people-to-people contacts, transportation links.

The Summit comes at the right moment to seek greater convergence among ASEM partners on global issues such as climate change (in light of the upcoming COP20 in Lima in December 2014 and COP21 in Paris in December 2015), the post-2015 framework for poverty eradication and sustainable development, and the successor to the Hyogo framework for action on disaster risk management (where an ambitious commitment should be put forward at the latest by the first quarter of 2015).

The Summit can also serve as a forum to reaffirm the shared interest to promote peace and security in Asia and Europe and the importance of respecting international law, including in the maritime area, and to share EU experience of promoting reconciliation and settling disputes on the basis of international law. There will also be an opportunity to raise a number of additional topics of international and regional character of importance not only to the EU, such as the promotion and protection of human rights, and non-proliferation and disarmament.

I had already briefly alluded to the revised, streamlined ASEM working methods – methods which were for the first time tested at the Foreign Ministers' Meeting in New Delhi but which will be applied to a Summit for the first time this year in Milan. These include the fact that the leaders will discuss international and regional issues in a 'retreat' format – a free-flowing discussion with less structure and fewer people in the room. This means that the leaders will be able to have a more open and frank exchange of views. The new working methods also apply to the way that the final documents of the Summit are drafted. Instead of spending endless hours negotiating the texts of outcome documents, the leaders will be able to focus on a substantive discussion of issues and on concrete cooperation projects – with the onus of drafting the final 'Chair's Statement' lying on – as the name suggests – the Chair, who will of course proceed in consultation with partners but will ultimately be responsible for the final wording of the Statement. I believe that these new working methods are good steps in the direction of ASEM becoming more result-oriented, more focused on substance, and therefore more relevant as a whole.

This should also make it easier to 'sell' ASEM, so to speak. We are currently working on the public image of ASEM. Despite all of ASEM's successes – its continuous enlargement, number of meetings, seminars and conferences and, even more

importantly, concrete cooperation projects, when you mention 'ASEM' even to people active in the field of international relations – let alone members of the general public – quite often, all you get is a blank stare. We need to work together to change this – and that is why at the last Foreign Ministers' Meeting, a working group was created whose task is to draft a new ASEM press and public awareness strategy. The work has just begun but hopefully we will see some results already by the time the Summit comes – and even more of them in the run-up to the 20th anniversary. Of course, dialogue with the academic and think tank communities is one of the ways in which the public awareness of ASEM can be raised – and academics and experts have their own role to play.

Having come this full circle back to you, let me conclude here and express my hope that our dialogue here tonight and your continued dialogue here in the coming days will bring further inspiration to making the ASEM process more forward-looking and more relevant for the future.

Thank you for your attention.

For more information about the event, see <http://www.eucentre.sg/?p=7751>.