

**CHAIRMAN'S REPORT OF THE
6th NETWORK OF ASEAN DEFENCE AND SECURITY INSTITUTIONS
(NADI) MEETING**

**6 - 7 March 2013
Rizqun International Hotel, Brunei Darussalam**

Introduction

1. The 6th NADI Meeting was organised by the Sultan Haji Hassanal Bolkiah Institute of Defence and Strategic Studies (SHHBIDSS) at the Rizqun International Hotel, Brunei Darussalam from 6 - 7 March 2013.
2. Representatives from Brunei Darussalam, Cambodia, Indonesia, Malaysia, Myanmar, Philippines, Singapore, Thailand and Vietnam attended the Meeting in which the list of participants appears as **Annex I**. Mr. Muhammad Shahrul Nizzam Umar, the Acting Director of SHHBIDSS, chaired the Meeting.

Adoption of Agenda

3. The meeting adopted the agenda as attached in **Annex II** and noted the programme for the meeting which appears in **Annex III**.

Welcome Remarks by Chairman of NADI

4. Mr Shahrul Nizzam Umar welcomed NADI members to the Meeting and expressed pleasure in hosting the NADI Meeting. He highlighted the achievements of NADI which had grown to be an important forum for academics and analysts to discuss defence and security issues.
5. He stressed the proactive nature of NADI, which had been able to meet regularly through annual meetings and various workshops.
6. It was therefore in a position to consider both existing and emerging defence and security issues in a deeper and more comprehensive manner. While noting that NADI had made substantive recommendations to the Track 1, there had been strong support within NADI to strengthen its contribution, in particular to the ASEAN Defence Ministers' Meeting (ADMM) process.

Session on Regional Defence and Security Outlook

Presentation by Ms. Refana Juanda, Research Officer, Sultan Haji Hassanal Bolkiah Institute of Defence and Strategic Studies (SHHBIDSS), Brunei Darussalam on 'Regional Defence and Security Outlook 2013'

7. Ms Refana Juanda discussed how the region has been dominated with concerns on the South China Sea, major power rivalry, military modernization and spill over effects of security issues onto other sectors, in particular, the economic sector. In view of these challenges, there was a strong need to increase regional capacity to work together to address them. ASEAN Member States, as well as its Dialogue Partners, must embrace opportunities for cooperation and continue peaceful engagements with each other. Continuing existing cooperation and advancing them towards more action-oriented initiatives would bring the region closer towards community-building and regional integration. Hence, the ADMM process must continue to be built on and ASEAN centrality must be strengthened to ensure that the ADMM remains an effective platform to address regional security challenges.

Presentation by Brigadier General Asep Subarkah Yusuf, Chief of Center for Strategic Studies, TNI, Indonesia, on 'Regional Security Outlook 2013'

8. Brigadier General Asep Subarkah Yusuf outlined the strategic complexities of the Asia-Pacific region: strategically located for business and trade; diverse social, cultural and economic attributes as well as a very dynamic geopolitics; the most populous region; home to seven of the world's largest militaries with the most advanced navies; and home to five of the world's nuclear powers. This complexity intensified with the US-China competition, military modernization and the US-Japanese strategic partnership.
9. The region must address the sources of the destabilization, including the tendency towards suspicion, distrust and tension. It must embrace the 'principle of dynamic equilibrium' and the positive spirit of togetherness by cooperating on areas such as investment and economic revitalization, as well as education and culture. There needs to be adherence to rules and international law by enhancing existing efforts to maintain regional peace and stability such as the Declaration on the Conduct of Parties in the South China Sea.

Presentation by Major General Ko Ko Khaing, Deputy Chief of Armed Forces Training, Office of the Chief of Armed Forces Training, Ministry of Defence, Myanmar on 'Regional Defence and Security Outlook: Myanmar Perspective'

10. Major General Ko Ko Khaing observed that the dynamics of the US-China relations which is characterised with both cooperation and competition. Despite their differences, both the US and China need to commit to maintaining peace and stability by pursuing common interests such as preventing the proliferation of Weapons of Mass Destruction (WMD) and maintaining peace in the Korean peninsula. He also highlighted that military modernization does not have to be a threat. Military capabilities should be acquired enough to deter military adventurism.

11. In addressing non-traditional security threats such as drug trafficking, human trafficking and terrorism, there needs to be understanding and close cooperation among neighbouring countries as well as constructive engagement. Sensitive issues such as border disputes could be addressed through existing international security regimes and institutions towards a peaceful resolution. Principles in the Treaty of Amity and Cooperation (TAC) represent important core values and basic rule and law that must be adhered to promote regional security.

Presentation by Mr Tan Seng Chye, Senior Fellow, S. Rajaratnam School of International Studies (RSIS), Singapore on 'Political and Security Situation in East Asia: Emerging Trends and Challenges'

12. Mr Tan Seng Chye spoke on the new developments and impacts of the US pivot to Asia and the rebalancing of its forces to the Asia-Pacific. Four important developments had affected the strategic relations among the major powers in the Asia-Pacific. These were the rise of China, the US enhanced engagement, pivot to Asia, and the rebalancing of US forces to the Asia-Pacific, the importance of ASEAN as a neutral platform within the broader regional architecture to engage the major powers, and ASEAN's role in promoting peace and stability through cooperation. The US appeared to be concerned by the challenge to its military primacy and dominance in the region especially from a rising China. It had thus responded with a web of US strategic allies and partners which was viewed by China as aimed at constricting its rise and rooted in a 'Cold War mentality'.
13. Mr Tan stressed that as history had shown, economic cooperation was the basis in which to promote stability and progress. The US however tended to raise political-security issues and attempted to shift the dynamics away from ASEAN-led cooperation in ASEAN centric multilayered institutions and forums such as the East Asia Summit (EAS). However, the recent Regional Comprehensive Economic Partnership (RCEP) adopted at the ASEAN Summit in November 2011 was a positive sign of moving back to focus on economic cooperation as the basis of cooperation and stability in the East Asia region. The rivalry between the powers could reshape the regional architecture which would be a major concern for ASEAN. Despite disagreements, ASEAN member states had never allowed them to override ASEAN centrality in the past. It was important to remain committed to this goal in an increasingly multipolar world. Mr Tan stressed the importance of ASEAN's unity and solidarity to enable it to play the centrality role in the region. Mr Tan also circulated his full paper which included assessments on the implications of the Obama's re-election and Chinese leadership transition.

Summary of Discussion

14. The meeting viewed that with the current security environment in the region characterised by major power rivalry, military modernization and non-traditional

security issues, ASEAN needs to strengthen its solidarity and centrality. It must build on existing cooperation to prevent conflicts and settle disputes peacefully, and incorporate other areas of cooperation that had an impact on regional security and economic prosperity. Emphasis was also made on pursuing peaceful engagement with Dialogue Partners, as well as to maintain strong adherence to international rules and regulations.

Session on Future Defence Cooperation

Presentation by Ms. Selina Farahiyah Teo, Research Officer, Sultan Haji Hassanal Bolkhiah Institute of Defence and Strategic Studies (SHHBIDSS), Brunei Darussalam on 'Progress and Prospects of Cooperation in ASEAN Defence Establishments'

15. Ms. Selina Farahiyah Teo shared the importance of defence cooperation especially in the midst of uncertainties, expanding military roles and military modernization. In assessing cooperation in ASEAN defence establishments, she highlighted the main achievements in the 2nd ADMM Three Year Work Programme which are information sharing, increase in practical cooperation in Humanitarian Assistance and Disaster Relief and an active cooperation in Maritime Security.
16. She recommended for the ADMM to deepen cooperation with one another to ensure more action-oriented initiatives, focus on common security concerns to tap into each others' knowledge, expertise and experiences as well as strengthening regional cooperation through joint exercises where a road map to achieve a regional SOP could be developed.

Presentation by Captain Yeow Ho Siong RMN, Senior Director, Comprehensive Defence and Security Research Centre (CDSRC), Malaysian Institute of Defence and Security (MiDAS), Malaysia on 'Malaysian Defence Cooperation'

17. Captain Yeow Ho Siong RMN discussed how the underlying principles of Malaysian Defence Policy is based on self-reliance, total defence, commitment towards Five Power Defence Arrangement (FPDA), support the United Nations efforts towards global peace, measures against terrorism and defence diplomacy.
18. Defence diplomacy through defence cooperation is the highlight of the presentation. Malaysia is committed to ADMM efforts to promote peace and security in the region through various measures in the region including confidence-building measures, preventive diplomacy and conflict resolution.
19. By adopting the principles of ASEAN through consensus in decision making and non interference will continue to strengthen bilateral and multilateral relations through defence cooperation. Defence cooperation through ASEAN Defence Industry Collaborations (ADIC) could contribute to solidarity and centrality of ASEAN. As such, ADIC must continue to be discussed in ADMM. NADI can contribute to the discussion on ADIC using the Track II platform to study on defence equipments where components can be co-produced by ASEAN Member States using ASEAN local defence industry players.

Presentation by Mr Benjamin Ho, Associate Research Fellow, S. Rajaratnam School of International Studies (RSIS), Singapore on 'ASEAN Political and Security Cooperation (APSC) – Progress and Trends'

20. Mr Benjamin Ho observed that being an important component of the APSC, the ADMM contributes to the realization of an ASEAN Community through formal cooperation between ASEAN states and Dialogue Partners. The emphasis on practical cooperation has also increased interoperability among ASEAN militaries, making cooperation and a common platform easier to achieve. All these have taken regional community-building as well as provided ASEAN states with greater confidence and capacity to jointly tackle regional challenges.
21. Noting that the strength of ASEAN cooperation lie in the areas of non-traditional security (NTS) issues, Mr Ho noted the importance of retaining ASEAN's centrality in shaping the regional architecture in addition to fostering good relations between ASEAN and her dialogue partners. In this respect, the various expert-working groups of the ADMM Plus, which comprise an ASEAN country and a dialogue partner, have provided valuable resources for ASEAN.
22. The coming years will witness increased challenges and opportunities for ASEAN to play a central role in the regional architecture and a driver for regional institutions. While the establishment of an ASEAN Economic Community remains a work-in-progress, the announcement last December in 2012 on the RCEP has allowed ASEAN to cement its leading role in the economic architecture of the region. Security challenges that the ASEAN community face include threats in aviation, maritime and cyber-security.
23. Finally for ASEAN to continue to play a leading role in ensuring the peace and prosperity of the region, it would have to maintain its internal solidarity and centrality so as to retain its place as a credible and relevant stakeholder in global politics.

Presentation by Lt General Associate Professor Nguyen Dinh Chien, Director General, Institute for Defense Strategy, Ministry of National Defence, Vietnam on 'The Prospect of ASEAN Political-Security Community (APSC)'

24. Lt General, Associate Professor Nguyen Dinh Chien discussed the establishment, principles and aims of the ASEAN Political-Security Community (APSC). He proposed three recommendations for ASEAN: enhance efforts to build the APSC, resolve disputes among Member States, and maintain a friendly and mutually-beneficial relationship with Dialogue Partners.
25. ASEAN needs to enhance solidarity, maintain respect for rules, and ensure ASEAN unity and centrality in engaging in regional cooperation, resolve regional and international issues, as well as achieving common interests. He emphasised on the use of legal tools to resolve disputes. There is still more work to be done in the APSC and the

region must enhance their commitment and contribution towards realising the aspirations of the APSC.

Summary of Discussion

26. The meeting agreed that ASEAN Member States must remain committed to ADMM efforts to promote defence cooperation as it contributes to confidence building, conflict prevention and conflict resolution. Member States must also continue building on the progress in the implementation of the APSC blueprint and the ADMM Work Programme. Cooperation can be further deepened through developing more forward looking, practical and action-oriented initiatives.

Session on Way Forward for NADI

Background on NADI's establishment

27. The meeting noted the presentation made by Mr Tan Seng Chye on "*The Establishment of NADI, NADI Secretariat, NADI Website, and the agreed guidelines for NADI Annual Meetings and NADI Workshops and Seminars*" as attached in **Annex IV**. He highlighted RSIS' initiative to establish the Track II NADI and its achievements since its establishment in August 2007. He briefed on NADI's aims, purpose and objectives. NADI also established the NADI Website in July 2009 to highlight the Chairman's reports of the NADI annual meetings, workshops, seminars and related activities. He outlined the agreed guidelines as developed since its inception, for the hosting of the NADI annual meetings, workshops and seminars, and table top exercises. He stressed that NADI was a relevant Track II think tank forum of ASEAN defence and security institutions to support the ADMM by thinking ahead of the curve and providing relevant inputs, fresh ideas and recommendations that could go beyond national positions on current issues, for consideration by the ADMM track. On the specific administrative arrangements, he reiterated the role of participation in a personal capacity to allow free reign of ideas.
28. He also proposed the idea of dialogue with ADSOM on a standing basis that would allow NADI to both brief ADSOM as well as get a better sense of ADSOM's interests and how NADI could plan its workshop meetings to support the ADMM Track on these areas. He also proposed that a NADI Retreat be held in addition to the annual meetings to allow the core institutions to deliberate on fresh and forward looking ideas on the future of ADMM's cooperation with the Plus countries.

Terms of Reference (TOR) for NADI's Activities

29. The meeting discussed and agreed on the Terms of Reference (TOR) for NADI as attached in **Annex V**. The TOR would be a single document which serves as a point reference and guidelines in the conduct of NADI activities. Further to this, it would provide a more systematic approach for NADI to plan and implement its activities that

would facilitate budgetary plan and time for further in-depth preparation to the discussions of future activities.

30. The meeting noted the matrix of NADI activities 2007 to 2012 as attached in **Annex VI** which highlights the recommendations made in the various meetings/workshops.
31. In this regard, NADI members noted the practice for the NADI Chairman to brief the ADSOM on the annual NADI Meeting. The meeting also noted that reports of NADI workshops are submitted to Track I through the NADI Chairman. The meeting further recognised the opportunity provided in the current arrangements to support ADMM process.
32. The meeting agreed for NADI to continue to be proactive and provide fresh ideas to ADMM and cooperation with one another. As the APSC achieves its 2015 milestone, it is timely to look into strategies for ADMM that would sustain in the next phase of building the APSC and a stronger ASEAN Community. In this regard, NADI members saw the upcoming workshop in Thailand to be an ideal opportunity to discuss the matter.
33. The meeting also noted the outcome of the Informal Dinner between NADI members which comprised NADI Chairman, incoming NADI Chairman, NADI Secretariat and friends of the Chair with the ADSOM WG Chairman, Mr. Hj Adi Ihram Dato Paduka Mahmud held on 6 March 2013. There was a general view that NADI could contribute further on regional defence and security architecture, areas under the APSC and ADMM Work Programme and emerging security issues such as cyber security.
34. The meeting agreed for future NADI Chairmen to arrange an informal exchange/dialogue with the ADSOM Working Group Chairman at the sidelines of annual NADI Meeting.
35. On the way forward for NADI activities, the meeting took note of the proposal for NADI to discuss on the collaboration in defence industry and other dimensions of security such as the impact of climate change and water security on the role of armed forces.
36. The meeting noted that the NADI Chairman would circulate the indicative list of topics for discussion during the Retreat, which tentatively could be held in mid-August 2013.

Views and Recommendations to the ADMM

37. The meeting agreed to submit the following views and recommendations that ADMM may wish to consider:

Geopolitics in the Region

- a. There is a shift in the balance of power in Asia Pacific which affects regional security environment. The region continues to face traditional and non-traditional security issues which call for a need to strengthen cooperation to effectively address the challenges.
- b. It is crucial for ASEAN to ensure its unity and solidarity through continued collective cooperation and bridge its differences in order to maintain its centrality. This is through upholding the core values, norms and the rule of law within ASEAN as stipulated in the ASEAN Charter and the TAC. Further to this, ASEAN Member States, as well as its Dialogue Partners, must embrace opportunities for cooperation and continue peaceful engagements with one another.
- c. It is also important to continue existing cooperation and advance towards more action-oriented initiatives. This would bring the region closer towards regional community building and integration. In this regard, the ADMM process must continue to be built on and ensure that it remains the platform for cooperation among defence and military officials.
- d. While there are traditional challenges including long standing territorial disputes, the meeting felt that it is important for ASEAN to focus on cooperation rather than resolution of conflict. Defence officials could contribute in the promotion of cooperation with the implementation of some of the activities listed in the DOC under defence purview such as safety and security of navigation and communication at sea as well as search and rescue.
- e. Military modernization arises from the need to address current security challenges. It is also inseparable from economic prosperity and advances in technology. There are concerns with the trends in military modernization and increased defence spending. The meeting agreed that this has led to increased capacity to further strengthen cooperation either in bilateral or multilateral relations.

Future of Defence Cooperation

- f. The meeting shared the views of the importance of the two layers of relations in ASEAN, namely at the ASEAN regional level and bilateral level. Bilateral defence relations have become more networked and integrated and contribute to the overall defence cooperation.
- g. The meeting assessed that the defence cooperation in ASEAN has made progress. The ADMM Plus, in particular, has moved at an encouraging pace. In view of this, the ADMM must continue to maintain its central role in the ADMM process and deepen its cooperation among one another.
- h. In moving forward, the ADMM may continue to deepen its cooperation and strengthen regional efforts in addressing non-traditional security issues including in HADR and Maritime Security. In this regard, the development of a roadmap towards region-wide SOPs could be considered. Other cooperation that could be explored is in aviation security cyber security, and biosecurity.

Status of NADI Activities

38. The meeting noted the updates by NADI Secretariat on the outcome of the Workshop on Future Trajectory of ASEAN Cooperation with Its Dialogue Partners in the ADMM Plus and EAS, the agreement to take an informal approach as a start to explore links with ADSOM Working Group Chairman and the conduct of inaugural NADI Retreat.
39. The meeting noted the updates on upcoming NADI activities presented by hosts of the respective NADI workshops as follows:
- a. NADI Workshop on Strengthening Strategic Security Cooperation in ASEAN, Thailand
 - The Workshop would be held from 27 – 30 March 2013 at the Imperial Queen’s Park Hotel in Bangkok, Thailand.
 - The Workshop aims to raise awareness and share knowledge on the preparation for a strategy on ASEAN Strategic Security Cooperation 2015-2019. This includes an exchange of ideas on ways and means to strengthen ASEAN Strategic Security Cooperation and NADI’s role to achieve this end.
 - b. NADI Workshop on Security and Development, Malaysia.
 - The Workshop would be held from 13 – 16 May 2013 at the Hotel Royale Chulan, in Kuala Lumpur, Malaysia.
 - The Workshop aims to look into “National Security and Development: A Foundation for ASEAN Community”.
40. The meeting also noted the following future planned activities:
- a. NADI Workshop on Cyber Security - Singapore will consider.
 - b. NADI Workshop on Prospect of ASEAN Community: Challenges and Opportunities - Indonesia in early 2014, venue to be confirmed.

Any Other Matters

41. There were no other matters raised.

Consideration of the Chairman’s Report of the 6th NADI Meeting

42. The meeting considered and endorsed the Chairman’s report.

Concluding Remarks

43. The Chairman expressed appreciation for the support and active contribution during the deliberations of the meeting.

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