CHAIRMAN'S REPORT OF

Track II Network of ASEAN Defence AND SECURITY INSTITUTIONS (NADI) Workshop on

"ASEAN Strategic Equilibrium with Major Powers amid Changing World Order" $21^{st} - 22^{nd}$ June 2023

via Video Teleconference Strategic Studies Center, Thailand

- The Track II Network of ASEAN Defence and Security Institutions (NADI) Workshop on "ASEAN Strategic Equilibrium with Major Powers amid Changing World Order" was organized by Strategic Studies Center (SSC), National Defence Studies Institute (NDSI), via video teleconference from 21st – 22nd June 2023.
- 2. Representatives from Brunei Darussalam, Kingdom of Cambodia, Republic of Indonesia, Lao People's Democratic Republic, Malaysia, Republic of the Union of Myanmar, Republic of the Philippines, Republic of Singapore, Kingdom of Thailand and Socialist Republic of Vietnam attended the Workshop. The list of participants is attached in Annex I. Major General Taksin Sirisingha, Director of Strategic Studies Center, National Defence Studies Institute, Royal Thai Armed Forces, chaired the Workshop.

Opening Remarks by Major General Taksin Sirisingha, Director of Strategic Studies Center (SSC), National Defence Studies Institute (NDSI), Royal Thai Armed Forces

- 3. Major General Taksin Sirisingha welcomed all participants to the Track II Network of ASEAN Defence and Security Institutions (NADI) Workshop on "ASEAN Strategic Equilibrium with Major Powers amid Changing World Order" via video teleconference.
- 4. The strategic competition between two major powers, the United States and China, has increasingly become a challenge for Southeast Asia. Located at the heart of the Indo-Pacific region, Southeast Asia is the crucial strategic point, where both superpowers try to expand their influences. This makes the security situation in this region more complex, interconnected and challenging.
- 5. ASEAN Member States (AMS) must prepare for changing security situations and challenges. For this reason, this workshop is organized to find ways and recommendations for ADMM to build cooperation to cope with these challenges. The successful result will then lead to the region's stability, prosperity and sustainability.

Adoption of Agenda:

6. The workshop adopted the agenda and the program, which are attached in Annex II and Annex III respectively.

SESSION I: Keynote Speaker

Keynote speech on the "Prospects and Challenges to ASEAN Security" by Associate Professor Dr. Piti Srisangnam, Associate Professor in Economics, Chulalongkorn University

- 7. ASEAN needs to position itself as the epicentrum of balance amidst the new world orders. The presentation categorized the new world orders into 6Ds. The first **D** is **Destabilization**. Despite many hotspots around the world, three hotspots in Southeast Asia, namely South China Sea, Korean Peninsula and Taiwan Strait, must be closely monitored because Asian countries will suffer the most from any adverse events taking place in these areas. Therefore, these countries should learn from three out of 11 US commands, namely Cyber Command, Strategic Command and Space Command, to respond to the potential threats. The second **D** is **Digital Divided**. The digital world is facing the situations of dualities or dualisms. Countries with low digital literacy will suffer from the disruption while those championing technologies gain advantages. This can create technological war. So, those in charge of security should consider comprehensive security measures.
- 8. As for the third **D**, **Deglobalization**, the US globalization concept, related to trade and investment, is challenged by the new concept. In the past, the US was the largest economy and every country used USD as the medium of exchange. It supported the idea of multilateralism encouraging every country to discuss the IMF, World Bank and WTO, of which it held major shares. However, China is now enjoying the largest GDP. So, the world sees it as the first or second trade partner. This leads to the fourth D, Decoupling of the Global Value Chains. It involves trade wars where the US uses a strategic toolbox to create a supply chain disruption to drive China out of the global value chains. It came up with a strategic way, with the chain of command starting from the Committee on Foreign Investment in the United States (CFIUS) that works on trade and investment policies for the country's benefits. The US issues import restrictions, increases baseline tariffs by 25% on Chinese imports, and uses the US extraterritorial jurisdiction of the US domestic laws to implement in other countries. Moreover, it uses the entity list to blacklist five prominent Chinese telecommunication companies. Additionally, it controls technological transfer by having the Department of Commerce and the Department of Justice monitor industrial espionage. Moreover, it will set up the Future Command as the 12th Combatant Command to predict future situations.
- 9. The fifth **D** is **De-dollarization**. The USD has been the major tool for international trade and investments. However, the US is facing the challenge of de-dollarization because of its irresponsible monetary policy. Its quantitative easing measure caused the highest inflation rate in 50 years. So, it formulated quantitative tightening as a countermeasure, resulting in the money outflows from Southeast Asia back to the US. The second reason is the US's irresponsible fiscal policy. Currently, the public debt ceiling of the US is larger than 3.4 trillion USD. If Congress does not allow the US government to increase the debt ceiling, the US government may default and the bond market will collapse. Because of this situation, all central banks worldwide have started to increase the gold holding instead of USD. Moreover, the US weaponizes financial tools. Intending to create an economic crisis in Russia, it drove Russia out of the SWIFT, the system monitoring the USD flows worldwide, to prevent Russia from utilizing its international reserves. Therefore, other countries find alternatives to USD

because they fear that the same situation might happen to them. For instance, BRICS (Brazil, Russia, India, China and South Africa) set up the new currency and debt payment system that will potentially replace USD. Another tool the US uses is the extraterritorial enforcement of the US domestic laws in other countries.

10. The last **D** is **Degradation of Environment**. Trade and investment sectors must consider environmental issues. The European Union set up environmental-saving criteria. For example, the European Green Deal, targeting to achieve carbon neutrality by 2050, focuses on agricultural products, such as palm oil and soy. The EU also sets a 'Fit for 55' target on carbon reduction. Furthermore, it introduced the Carbon Border Adjustment Mechanism (CBAM), calculating the greenhouse gas emission in the production process of steel, iron and aluminum. Only the products that pass the criteria can be sold in Europe. By 2024, the corporate sustainability due diligence will be issued on textile, apparel, agriculture, food and beverage, forest related products, fisheries and mining to monitor the whole production life cycle. This new world order may create a conflict and internal security issue because it is hard for farmers to accept that their activities harm the environment.

<u>SESSION II: Presentation on the "ASEAN Challenges and Opportunities from Major Powers Competition amid Global Economic and Geopolitical Shifts"</u>

Brunei Darussalam

Presentation by Ms. Nor Azriah Aziz, Research Officer, Sultan Haji Hassanal Bolkiah Institute of Defence and Strategic Studies (SHHBIDSS), Ministry of Defence, Brunei

- 11. The presenter highlighted that in order to understand the current opportunities and challenges that major power competition brings for the region, one needs to grasp the significance of Southeast Asia. The plethora of major and middle-power interests in the region presents both opportunities and challenges for ASEAN as well as Southeast Asian countries. As ASEAN is now widely recognized as a significant player in the regional security environment, its increasing geostrategic importance presented ASEAN with more opportunities for relevant parties to explore.
- 12. The increased interest in the region has proportionately brought about prospects of cooperation. ASEAN sees the global interest in the region as a welcome development for mostly economic and strategic reasons, contributing to its regional security and stability. While maintaining ASEAN Centrality, the region has witnessed increased interest in ASEAN as an opportunity; possessing various extents of potential to consider, but not without its challenges.
- 13. The presenter provided two recommendations for ADMM to move forward:
 - a. To leverage the growing prospects of cooperation in the region while managing the proliferation of interests with guidelines; this can be done through continuously stock taking ASEAN's initiatives by reassessing and prioritizing relevant cooperation areas of EWGs; to further focus and streamline efforts of cooperation;

b. To maintain ASEAN's niche of providing platforms to bring people together. At its basis, ASEAN must not lose sight of its ASEAN Way in retaining its distinct elements of togetherness and friendships.

Kingdom of Cambodia

Presentation by Colonel Mel Kunpiseth, Chief of Planning Office, Department of Policy-Planning, General Department of Policy and Foreign Affair (GDPFA), Ministry of National Defence, Cambodia

- 14. We all know that in the recent years, Southeast Asia has emerged as a key focal point of US-China strategic competition. The most dangerous environment is one of major power transition, such as that between the United States and China, because both sides pressure others to align with them. Southeast Asian states has said, "Don't make us choose sides." Until recently, we looked to the United States for security and to China for prosperity. Today, trends toward economic decoupling, friend-shoring and cutting the supply chain that the United States and China are competing economically in an increasingly zero-sum manner that could negatively impact to AMS.
- 15. ASEAN faces challenges in navigating major powers' competition, but it also has opportunities to strengthen our economic integration, attract investments, and promote regional stability. By leveraging these opportunities and maintaining our unity and centrality, ASEAN can effectively respond to global economic and geopolitical shifts. The consensus in the international relations that the safest environment for small- and medium states in AMS is balancing of power, in which we can secure political and economic benefits from all sides. For AMS heavily dependent economically on both the United States and China, this was a welcome situation.

Republic of Indonesia (CSSRD, TNI)

Presentation by Major General Agape Zacharia R. Dondokambey, S.E., M.Han, Chief, Center for Strategic Studies, Research and Development (CSSRD) of Tentara Nasional Indonesia (TNI)

- 16. Major General Agape Zacharia R. Dondokambey highlighted the importance of Strategic Equilibrium for ASEAN which aims to advocate the common interests of its member states, in order to maintain peace and prosperity in the region. It serves ASEAN in adapting to the global challenges amidst geopolitical and geo-economic changes in the Southeast Asian region. Strategic Equilibrium will provide opportunities for ASEAN through ADMM and ADMM-Plus to adopt a holistic and collaborative approach to demonstrate that ASEAN matters by being a driver of peace.
- 17. He recommended the stronger military cooperation capacity and readiness of AMS to maintain strategic balance in the region. These include enhancing defense capabilities, cooperation in military training and exercises, and developing innovative defense technologies. All of this will enable the region to effectively respond to security changes. Nevertheless, stronger cooperation of the ASEAN military needs to be implemented in the following actions:
 - a. Cause of action against key perpetrators of crimes against migrant workers and victims of human trafficking by enhancing surveillance from the port of origin and arrival ports. AMS should maintain sharing information related to human trafficking through ACDFM in order to streamline bureaucratic processes.

- b. Uphold the value of inclusivity to engage in dialogue with various parties in Myanmar. In this regard, there should be enhanced cooperation with Myanmar in bilateral military exercises within the ASEAN region, such as joint security patrols.
- c. Provide a sense of security for users of maritime transportation by ensuring consistent implementation of security measures along land, sea, and air distribution routes. These steps are intended to demonstrate the mutual concern of AMS in creating a secure region that upholds the value of inclusivity. Major General Agape Zacharia R. Dondokambey highlighted the importance of Strategic Equilibrium for ASEAN that aims to advocate the shared interests of its member states, in order to maintain peace and prosperity in the region. It serves as a concept to hold ASEAN in adapting the global challenges amidst geopolitical and geoeconomic changes in the Southeast Asian region. The opportunities for ASEAN through ADMM and ADMM-Plus lie in adopting a holistic and collaborative approach to demonstrate that ASEAN matters by being a driver of peace.

Lao People's Democratic Republic

Presentation by Brigadier General Viengxay SOMVICHIT, Director General of Military Science and History Department (MSHD), Ministry of National Defence

- 18. Brigadier Viengxay SOMVICHIT raised many challenges we are facing especially the shift in international and regional security environment in a more complicated and multi-facets, the strategic competition of influence of the major powers, just to name some. He also highlighted the increase in competition between the major powers has affected to the regional security, politics and economy. The major power rivalry has brought about the prominent division and polarization in the world today. Provided that the issue is still to be developed, it is likely to result in serious confrontation of forces that will surely affect our regional peace, stability and security as well as the economic and people's livelihood.
- 19. He also touched on trade war of the major power. The competition in the economic field and the trade alliance of the superpowers is one of the tools that they use as a condition for economic negotiations, especially in the field of energy, technological competition (artificial intelligence), inflation, unemployment and the high cost of living. He urged AMS to strengthen the solidarity and cooperation within ASEAN as well as the dialogue partners and the future to enhance the trade market and the economy more widely, promote the investment process and practical cooperation that will strengthen and expand the economy in a comprehensive way as well as enhance the comprehensive strategy of innovation in order to increase the readiness to deal with the current and future challenges. ASEAN must be committed and ensure the maintenance of its centrality in all fronts of cooperation.

Malaysia (MiDAS)

Presentation by Mr. Ahmad Tajuddin bin Mohd Said, Assistant Director Contemporary Security, Malaysian Institute of Defence and Security (MiDAS)

20. Mr. Ahmad Tajuddin bin Mohd Said highlighted that, amid the challenges from the major powers' competition in the regions, ASEAN has opportunities. While no one can predict how the superpowers' competition will end or how it will end, it is pertinent for AMS to maintain

peace and stability in this region. It allows ASEAN states to remain united and focus on common challenges. All political channels must be open, and communications must continue to ensure that no miscalculation or misjudgment occurs.

21. Economically, the ASEAN region has strong ties with the US and China. It is, therefore, essential to ensure that the region remains peaceful so that economic flows will continue. The US, China and ASEAN will benefit from the existing trade and foreign direct investments. In parallel, ADMM should relook at and revive the ASEAN Defence Industry Collaboration (ADIC) so that it will be part of the ASEAN economic industry. With the assistance of the US and China, new technologies, namely artificial intelligence, geospatial and drones, can be developed together in this region. Therefore, focusing on stability while maintaining all political communication channels remain open, continuing economic growth and improving the ASEAN defence industry should be the way forward.

Republic of the Union of Myanmar

Presentation by Brigadier General San Yu Naing, Assistant Chief of Armed Forces Training (Strategic Studies), Office of the Chief of Armed Forces Training (OCAFT), Myanmar Armed Forces

- 22. BG San Yu Naing highlighted that major power competition spans across diplomatic, economic, technological, and military domains and typically involves nations with significant geopolitical and economic interests. AMS encounter challenges in navigating this competition, as they strive to balance the interests and demands of major powers while upholding the principle of non-interference, which faces criticism and prompts calls for reassessment. He also addressed territorial disputes in the South China Sea, where some AMS and China have overlapping claims, posing obstacles to regional stability and cohesion. However, ASEAN is actively collaborating with China to establish the Code of Conduct (COC) as a means to manage conflicts, prevent escalation, and prioritize cooperation to maintain stability and avert armed confrontations. It was cautioned that AMS heavily rely on trade and investment from major powers, and economic rivalries among these powers can expose vulnerabilities, particularly when excessive reliance on a single dominant nation occurs or when trade disputes and protectionist measures adversely affect their economies.
- 23. He highlighted ASEAN's establishment of the ASEAN Economic Community (AEC) to enhance economic integration among member states, leveraging the region's sizable market and trade potential to attract major powers and actively pursue partnerships, trade agreements, and infrastructure projects. This strengthens the regional economy and addresses vulnerabilities. ASEAN's diplomatic focus and commitment to multilateralism provide opportunities for member states to engage in dialogue and negotiations with major powers. By shaping the regional architecture and frameworks in Southeast Asia, ASEAN promotes cooperation through its centrality in forums like ADMM-Plus, ARF, and EAS, fostering dialogue, confidence-building, and conflict resolution. He suggested that ASEAN's neutrality in major power competition, prioritizing regional stability, a rules-based order, and peaceful dispute resolution, facilitates effective navigation of such competition through strong relationships with all powers and dialogue management of tensions. He emphasized major powers' infrastructure development and connectivity initiatives, such as the Belt and Road Initiative (BRI), as opportunities for AMS to strengthen their infrastructure networks, spur economic

growth, and enhance regional connectivity. Furthermore, major power competition incentivizes ASEAN countries to bolster intra-ASEAN cooperation, fostering economic integration, policy alignment, and stronger ties, leading to increased collective influence and resilience against external pressures. He concluded by emphasizing ASEAN's need to maintain unity, strengthen institutional capacity, promote regional integration, and actively shape the regional order amidst major power competition and global shifts to seize opportunities and address challenges.

Republic of the Philippines (NDCP)

Presentation by Ms. Arielle Ann Nicole I Lopez, Senior Defense Research Officer, National Defense College of the Philippines (NDCP)

- 24. In her presentation, Ms Arielle Ann Nicole Lopez discussed the different challenges and opportunities for ASEAN amid the major power competition within the scope of global economic and geopolitical shifts. Highlighting that ASEAN finds itself in the epicenter of the rapidly changing geopolitical landscape, Ms Lopez noted the challenges it poses for the organization in three points. First, the major power competition dynamics revealed internal division among ASEAN resulting in the inability to reach a collective decision. Second, the increasing geopolitical tension between major powers would disrupt regional stability. Third, ASEAN is vulnerable to economic statecraft if employed. It cannot be denied that AMS has different economic alliances and partners among the major powers therefore, making ASEAN vulnerable to external pressures. Nonetheless, the major power competition also brings certain opportunities for the association, which Ms Lopez highlighted in three points. First, ASEAN Centrality is the key wherein ASEAN can survive and effectively manage the major power competition. ASEAN is presented with an opportunity to strengthen its centrality and promote its role as the primary regional organization. Second, though ASEAN's neutral stand in the major power competition due to its consensus-based decision making, it is not limited to interacting with any major powers. Therefore, the ASEAN platform can be utilized to discuss and manage the major power competition through dialogue and diplomacy. Third, ASEAN's collective influence as the primary regional organization in Southeast Asia can be utilized in terms of the global economy. ASEAN laid out the foundation for realizing the ASEAN Economic Community (AEC). This is an opportunity for ASEAN to enhance the AEC for economic resilience as a collective economic market.
- 25. Ms. Lopez put forward several recommendations for ASEAN amid the major power competition. First, ASEAN should utilize its platforms for dialogue and diplomacy not only to manage the competition but contribute to norm-setting and shaping the rule-based order, adhering to international law, and promoting peaceful resolutions to competition and disputes and promote itself as a responsible regional actor. Second, ASEAN should take advantage of working with economic middle powers such as Australia and Japan in terms of economics to prevent economic dependency on major powers such as the United States or China. Finally, ASEAN's economic integration initiatives such as the ASEAN Economic Community should be enhanced specifically on the implementation of providing opportunities for member states to enhance their economic resilience. As a result, ASEAN's collective market can be used as leverage in negotiating beneficial trade agreements and economic cooperation.

SESSION III: Presentation on "The Roles of ASEAN and AMS in Building a Strategic Equilibrium with Major Powers in order to Strengthen Sustainable Stability and Security in the Region"

Republic of Indonesia (RIDU)

Presentation by Brigadier General Dr. Ir. Ari Pitoyo Sumarno., S.A.P., M.M., CIPA., CIT Vice Dean of Defense Strategy Faculty, Republic of Indonesia Defense University (RIDU).

- 26. ASEAN's vision is to realize dynamic cooperation among AMS in a peaceful, stable and prosperous manner. ASEAN's strategic equilibrium in the regional architecture is necessary to establish a rule—based order and prevent extra-regional powers from shaping the region. As one of the world's most dynamic developing regions, Southeast Asia has been a place of intense strategic competition among major powers. This has had multi-dimensional impacts on the regional countries' security and development. In that context, the concern arose from threats such as transnational organized crimes, maritime security, and cyber-attacks.
- 27. Southeast Asia is the hub, connecting the Indian Ocean with the Pacific Ocean, with many international maritime lines of communication passing. This places the spotlight on ASEAN's capabilities to manage regional challenges while relying almost exclusively on its norms and diplomatic instruments. Through ASEAN, its member states have sought to maintain both a US strategic commitment to the region and enmesh China in norms of peaceful dispute resolution and a web of regional multilateral fora. Cooperation carried out by ASEAN and China as well as ASEAN and the US is a form of attaining strategic equilibrium in maintaining regional stability. ASEAN and China have forged cooperation in several areas, including climate change, cybersecurity, and maritime security. Meanwhile, ASEAN and US cooperation is more specific in handling terrorism, the maritime environment, and addressing climate change. ASEAN—China and ASEAN—US cooperation is an important step towards achieving security, sustainability and stability in the Southeast Asian region. Through NADI, it would be possible to extend the recommendations for ASEAN forums in the context of achieving strategic equilibrium.

Malaysia (NDUM)

Presentation by Dr.Tharishini Krishnan, Research Fellow, Centre for Defence and International Security Studies (CDISS), National Defence University of Malaysia (NDUM)

- 28. The current geopolitical dynamics of the international system showcase that the region of Southeast Asia (SEA) is a major playground for major power rivalries and competition. Despite myriads of national interest and different degrees of alignments amongst AMS which may pose a challenge to ASEAN as a regional organization, AMS has remained vigilant in responding to major powers in the region. It has always been the cornerstone of AMS to emphasize and continue to highlight that ASEAN has never built upon or as a grouping of proxy to any powers. Nonetheless, the region will have to continue to enhance ASEAN resilience against any form of actions and behaviors that may dilute the centrality of ASEAN.
- 29. Hence, ASEAN must continue to uphold the fundamental underpinning of the organization to promote peace and stability in the region. In building a strategic equilibrium with major powers that may have interest in the region, AMS should continue to respect the Treaty of Amity and Cooperation (TAC) which emphasizes the strong need to settle dispute and conflict

with peaceful means. This also goes with the Southeast Asia Nuclear Weapon-Free Zone (SEANWFZ) which builds on a strong deterrence against any possible nuclear threats to the region. ASEAN should also continue to push major powers to engage actively with ASEAN-led mechanisms which have served effectively for the region. In this way, ASEAN will be able to preserve its institutional characteristics and the core values of ASEAN. Furthermore, it will ensure that AMS will continue to play the leading role and be at the driver seat in addressing key security issues pertaining to the region.

Republic of the Philippines (OSSSM)

Presentation by Colonel MYROADE R DE LEON PAF (GSC), Assistant Chief, Office of Strategic Studies and Strategy Management (OSSSM), Armed Forces of the Philippines

- 30. COL. De Leon highlighted the meaning of strategic equilibrium in which countries are not forced to choose but are free to make their own sovereign choices. For that reason, the concept of ASEAN Centrality was developed to lessen geographical competition and zero-sum game which will increase cooperation within the region. Nevertheless, there are still challenges that need to be addressed by the region. One is poly-crisis which is the interaction of present and future risks that has a compounding effect where the risk outweighs the benefit. Second is the member states have different geopolitical objectives and interests, and lastly is the question on the credibility of ASEAN as a regional organization. Despite the challenges mentioned, two overarching roles must be achieved by ASEAN, the first is to be united despite the differences between the member-states to enhance its internal relations to build mutual trust and confidence in the region. Another role is the enhancement of ASEAN Centrality by building on the regional mechanisms and dialogues such as the ASEAN Regional Forum, East Asia Summit, and ASEAN +3 among others which will yield long-term peace and prosperity in the region.
- 31. ASEAN must also adapt a balanced policy by welcoming policies of both US and China. One model of interest of the region is the Philippines under President Marcos Jr., where he stated that the country is a friend to all, and enemy to none. He made this possible by conducting state visits to different countries such as Japan, Indonesia, and Singapore. To this end, the following are the recommendations by OSSSM Philippines:
 - a. ASEAN should set their rules by not allowing major powers to have unilateral influence in the region. This will be possible by addressing their own internal issues and enhancing their partnerships and dialogues through with external nations.
 - b. To foster ASEAN's strategic equilibrium, they should be able to speak in one voice on common issues and challenges, whether internal or external.
 - c. Lastly, is for ASEAN to continue the concept of host diplomacy to gain international recognition on the role of ASEAN as a cohesive and diplomatic organization. This was already seen last 2022 when Cambodia, Indonesia, and Thailand have chaired the ASEAN, the G20 and the Asia-Pacific Economic Cooperation. The success of the member-states chairmanship will go a long way in expanding the region's credibility. This will yield more partnerships and dialogues that will benefit the region in the long term.

Republic of Singapore

Presentation by Mr. Henrick Tsjeng, Associate Research Fellow (Regional Security Architecture Programme), Institute of Defence and Strategic Studies, S. Rajaratnam School of International Studies, Nanyang Technological University, Singapore

- 32. In his presentation, Mr Tsjeng highlighted how, during the 20th Shangri-La Dialogue, the speeches made by the Chinese and US defence chiefs reflected their respective countries' dueling visions of regional order in the Asia-Pacific. The United States focused heavily on bolstering US alliances and partnerships, as well as the AUKUS partnership and Quadrilateral Security Dialogue (Quad). In contrast, China gave more airtime to Beijing's engagement with ASEAN while providing a picture of China's benign plans for the world. However, Beijing's belligerence towards the United States and its allies also point to a far more exclusionary vision of order than ASEAN, as a whole, would be comfortable with, while also glossing over China's own conduct in the South China Sea. In this context, ASEAN must continue constructive engagement with the US and its allies, while maintaining close economic ties with China and yet insisting on an inclusionary regional security architecture.
- 33. Mr Tsjeng concluded that ASEAN must continue to skillfully navigate this rivalry, addressing the ever-mounting challenges to its unity, centrality and, ultimately, relevance in the regional architecture, while maintaining its strategic equilibrium between the major powers. He made the following recommendations to that end:
 - a. ASEAN should continue to use its convening power to continue dialogue with both the United States and China and encourage both major powers to engage with each other through ASEAN-led mechanisms.
 - b. ASEAN should also continue and strengthen dialogue and cooperation with middle powers in the wider Indo-Pacific region, in the spirit of inclusiveness and multilateralism.
 - c. ASEAN should strengthen its internal cohesion and present a unified front when dealing with extra-ASEAN countries, including in the defence domain. One way would be through the conduct of joint military exercises among AMS.

Kingdom of Thailand

Presentation by Colonel Sarawuth Benjajinda, General Staff Officer to Strategic Studies Center (SSC), National Defence Studies Institute (NDSI), Royal Thai Armed Forces

34. Other than non-traditional security challenges, the competing relationship between the US and China is another major security concern, seriously affecting stability and prosperity of the Southeast Asia region. The competition between the two major powers has inevitably posed significant challenges to the regional security as follows: (1) Geopolitical Tensions: both major powers have close relationship with AMS, either economic or security dimensions. Therefore, the competing relationship will certainly create the uncertainties of security environment and eventually threaten regional stability. (2) Regional Internal Division: AMS might finally have to choose sides or engage in partisan divides. This will lead to regional internal division within ASEAN. (3) Undermining Inclusive Development: since the contest becomes more intensive, the confrontation will ultimately expand to various dimensions. Consequently, this will cause negative impacts on the development of each state as well as impede regional cooperation.

35. To build an appropriate strategic equilibrium, recommendations are as follows: (1) Building trust and confidence: this is a starting point to create effective cooperation. Certainly, this process requires time. To start with, AMS should have more frequent dialogues on common security issues. After that, working together on mutual interests will have to be conducted more regularly. By working jointly, the more trust and confidence we will eventually result in more security. (2) Maintaining regional unity: AMS should foster the sense of responsibility and collective spirit towards the common goal by balancing national interests with ASEAN's. (3) Promoting ASEAN's leading roles in addressing common regional challenges and the concept of ASEAN Centrality: by doing so, AMS will also be able to avoid the trap of being forced to choose sides, as well as be able to exercise their domestic and foreign policy freely. (4) Promoting creative competition between major powers: ASEAN should find ways to build greater equilibrium by playing a bridging role among major powers. This will support our efforts to create truly regional peace, stability, and prosperity.

Socialist Republic of Vietnam

Presentation by Colonel Vu Cao Dinh, Deputy Director, Department of International Studies, Institute for Defense Strategy (IDS), Ministry of National Defence

- 36. The world has, recently, witnessed many rapidly evolving great changes, which accelerate the process of reshaping the world's order in terms of politics, security and economics. Asia Pacific, including Southeast Asia, is not an exception, and has become a place of intensified competition among major powers, especially between China and the U.S. This requires ASEAN to maintain its centrality and harmonise interests of its member states, while balancing relations with major powers. ASEAN, however, is currently facing some challenges such as: (i) Internal division within ASEAN due to the influence of major powers; (ii) Huge disparities in development level, economy size, per capita income; (iii) Disputes over territorial sovereignty remain unsolved among AMS; (iv) Some AMS have their own problems, which threaten security and political stability in the region, and may cause tensions among AMS as well as affect the centrality of ASEAN.
- 37. In order to maintain a peaceful, stable, and secure environment in the context of complex developments in the region and the world, while ensuring its centrality, AMS need to focus on: (i) Strictly maintaining the principle of "inclusiveness and neutrality" in relations with the major powers; (ii) Promoting resolution of conflicts and disputes through consultation, mediation and conciliation; (iii) Actively implementing cooperative mechanisms and initiatives to maintain its centrality; (iv) Proactively approaching its potential partners to create effective tools, standards and mechanisms, which aim to achieve a strategic balance and build confidence and trust to prevent conflicts, especially in the South China Sea as well as in other disputed areas; (v) Closely promoting connectivity among AMS in order to improve capacity, resilience and adaptability of AMS to impacts of traditional and nontraditional security challenges.

Summary of discussion

38. The application of ASEAN Minus X formula in addressing challenges was brought up by one of the NADI delegates during one of the discussions on the prospects of reviewing ASEAN's core principles. In response, it was highlighted that while this may be considered, it has the potential to implicate ASEAN's default mechanism for collectively addressing important

- issues of common concerns. Ultimately, it was stressed that it is also important for ASEAN to display solidarity and unity.
- 39. There was a proposal that ASEAN should contextualize "ASEAN neutrality" in the light of international law. AMS should communicate to the entire world that ASEAN neutrality is not unlimited and unqualified but is rather based on international law and basic norms of good conduct, including but not limited to the freedom of navigation, good order at sea, and avoidance of the use or threat of use of force.

Recommendations

- 40. In light of increasing interests from external countries, both major and middle powers, the ASEAN defence sector must remain aware of the resulting challenges to ASEAN Centrality and therefore, must take the appropriate steps to promote and strengthen ASEAN-led mechanisms which may include a review of ASEAN's principles and processes.
- 41. AMS should enhance defence capabilities through joint military training, exercise and defence industry in order to maintain ASEAN cohesion with the focus of handling the Non-Traditional Security Threats as a part of ASEAN Centrality.
- 42. ASEAN should maintain the principles of neutrality in its relations with the major powers. This is consistent with ASEAN supporting initiatives by any major power as long as they are in line with international law and ASEAN's interests.
- 43. ASEAN should continue its distinct efforts and convening power to bring together countries and people in the spirit of friendship and mutual respect.
- 44. ASEAN should continue to maintain the principle of 'inclusiveness' in its relations with the major powers to address common concerns in the region.
- 45. In dealing with internal and external challenges, ASEAN should speak in one voice when engaging with major powers, through collective decisions that will strengthen ASEAN solidarity and resilience.
- 46. ASEAN should reiterate to the signatories their rights and obligations under the Treaty of Amity and Cooperation in Southeast Asia (TAC). These countries have also expressed their support for the ASEAN charter, which is consistent with the UN Charter.
- 47. ASEAN should build greater equilibrium by cooperation with major powers in issues such as cyber security, counterterrorism, climate change, and maritime security to promote constructive competition between major powers.

Other Matters

48. Forthcoming NADI activities

Date	Activities	Country	Via
8-11 August 2023	NADI Workshop on ASEAN Defence Industry Collaboration: Potential and Way Forward	Holiday Inn, Malacca, Malaysia	Physical
2-5 October 2023	NADI Workshop on "Enhancing ASEAN Self-Reliance and resilience in ADMM-Plus against the background of the World Geopolitical Change"	Hue, Viet Nam	Physical
2024	NADI 17 th Annual Meeting	MSHD, Lao PDR	Physical
2024	NADI Workshop (Topic: TBA)	GDPFA, Cambodia	Physical

Consideration of NADI Workshop Chairman's Report

- 49. The meeting considered the draft Chairman's Report of the NADI Workshop on "ASEAN Strategic Equilibrium with Major Powers amid Changing World Order". After examining the Chairman's Report carefully, the meeting endorsed the report.
- 50. The NADI Workshop Chairman will submit the Report to the ADSOM Chairman for consideration at the ADMM Track and a copy to the NADI Chairman.

<u>Concluding Remarks by Major General Taksin Sirisingha, Director of Strategic Studies Center (SSC),</u> <u>National Defence Studies Institute (NDSI), Royal Thai Armed Forces</u>

51. In his concluding remarks, Major General Taksin expressed sincere appreciations to delegates and all NADI members for their dedication in participating in this NADI Workshop. This meeting raised awareness and provided guidance for AMS to deal with challenges and seize opportunities arising from competition among major powers. The information from the academic exchanges will help the ADMM build a strategic equilibrium and cooperation with major powers in the ADMM-Plus and address future potential challenges.