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45 Years of EU-ASEAN Relations: A Forward-looking Agenda

By Frederick Kliem

SYNOPSIS

As leaders of the Association of Southeast Asian Nations (ASEAN) and the European Union (EU) meet this week, the two organisations have more reason and opportunities to cooperate than ever. Despite plenty of global crises, there is much to look forward to, if political will is summoned to further this inter-regional relationship.

COMMENTARY

On 14 December, ASEAN and EU leaders will meet for their first-ever official inter-regional summit at leaders' level to commemorate 45 years of diplomatic inter-regional relations. The President of the European Council, Charles Michel, and the current ASEAN Chair, Cambodian Prime Minister Hun Sen, will chair the commemorative summit.

The summit takes place against the backdrop of multiple crises: While the Russian invasion of Ukraine and an energy crisis haunt Europe, Southeast Asia is struggling with inflation and the military takeover in Myanmar. Nonetheless, perhaps counter-intuitively, there is good reason for optimism regarding the inter-regional relationship.

EU-ASEAN Strategic Partnership

Official EU-ASEAN ties date back to 1977 with technocratic sectoral inter-regional dialogues. For much of the post-Cold War era, the relationship was characterised by a donor-recipient asymmetry, with the EU being the biggest financial contributor to Southeast Asian regionalism and ASEAN-based integration – contributing more than ASEAN member states themselves. Back then more than now, the EU was seen as a model of regional integration, and the European Commission in Brussels actively

promoted its own experience as a blueprint for ASEAN and other regional organisations to follow.

Although the EU remains ASEAN's largest donor, its tendency to promote the European model as the only appropriate path for regional integration has significantly decreased even if remnants of institutional arrogance still remain, as High Representative of the European Union for Foreign Affairs and Security Policy, Josep Borrell's [ill-chosen analogy](#) of the EU as a "garden" and the rest of the world as a "jungle" showed.

Nevertheless, [Southeast Asian](#) and wider [Indo-Pacific](#) trust in the EU remains consistently strong. On a more equal and respectful basis, thus, the two organisations elevated their ties to a so-called "Strategic Partnership" in 2020.

To be clear, a "Strategic Partnership" with ASEAN does not mean all that much. ASEAN has that with almost all its Dialogue Partners (DPs). Recently, ASEAN saw a need to introduce a new tier of "Comprehensive and Strategic Partnership" for Australia, China, the USA and India.

Nonetheless, a strategic partnership commits the two regional organisations to regular leaders' level summits at which shared objectives and means to achieve them can be identified.

An Optimistic Outlook

One might justifiably look optimistically towards inter-regional relations after this commemorative summit. The once asymmetric one-sidedness of EU-ASEAN relations is gradually being replaced by genuinely shared interests and challenges. The global political environment has changed in ways that the two regional organisations now have a lot more that unites than differentiates them.

For example, great power competition threatens the integrity of multilateralism and international law, in which both organisations have an equally great stake. Climate change and other environmental challenges, the need to transition to renewable energy, and maintaining an open and inclusive trading and supply chain system are shared objectives.

Indeed, the EU's support for international law, multilateralism, and a leading role in tackling climate change drive the [positive views](#) of ASEAN member states towards Europe. It is also no coincidence that the notion of ASEAN's centrality takes centre stage in the EU's recent [Indo-Pacific strategy](#). Unlike other ASEAN DPs, who pay lip-service to ASEAN centrality but often ignore it in practice, the EU's interest in ASEAN processes appears genuine, born out of Europe's own historical experience.

On that basis of mutual trust and shared objectives, leaders from both sides should use the summit to reflect on past achievements and failures of inter-regional cooperation and design a new cooperation agenda that focuses on quality rather than quantity – on a few limited projects in which inter-regional cooperation can make a tangible difference to the citizens of both regions.

A Future Agenda

The most important pillar is the economy. It is the area which ASEAN member states care most about, and where the US has left a void with its exit from the Trans-Pacific Partnership (TPP) and its subpar Indo-Pacific Economic Framework (IPEF). It is also where the EU has the greatest expertise and in which inter-regional relations with ASEAN are already most advanced.

Surprisingly, only two ASEAN member states, Singapore and Vietnam, have active free trade agreements with the EU in place. The summit must try to revive negotiations on more bilateral FTAs as well as a region-to-region FTA – both formats are currently on hold. To this end, Brussels should appreciate the importance of FTAs for mutually beneficial relationships and adopt a less dogmatic and more flexible approach to trade.

A second area where cooperation is of high value is clean energy transition. The question must be: How to stimulate economic growth after the COVID-19 pandemic through green technology and cooperation?

Europeans have rapidly accelerated their transition to green energy in the wake of the Ukraine war. For ASEAN, the need is equally obvious. Regional electricity demand is among [the highest in the world](#), primarily generated by fossil fuels. As ASEAN standards of living rise, urbanisation and industrialisation will significantly increase electricity consumption for which fossil fuels are not a sustainable source.

An EU-ASEAN Energy Dialogue should foster exchanges on regulatory frameworks, industry cooperation and technical workshops in areas like renewable energy and efficiency, regional power grids, energy security, green finance, and more. The two organisations should jointly advance effective clean energy technologies, such as low-carbon hydrogen.

A third, somewhat unconventional proposal where specifically the EU can add great value is Timor-Leste's quest to become ASEAN's 11th member.

The realisation of full membership faces a number of [bureaucratic and logistical challenges](#) which Timor-Leste will find difficult to meet. All ASEAN member states [agreed](#) that their DPs should support Timor-Leste in its efforts to build the necessary capacities.

The EU prides itself on its normative foreign policy. Timor-Leste is the only country in Southeast Asia that Freedom House lists as "free". In fact, it scores higher than some EU member states. What could be a more worthy cause than aiding Timor-Leste's accession to ASEAN with the EU's undoubtedly very extensive expertise in precisely these areas in which Timor-Leste is lagging?

With these agenda items, the EU-ASEAN partnership can be filled with life in a meaningful manner, directly improving the lives of and creating opportunities for the citizens of both regions. There are high-potential cooperation and collaboration endeavours to take the people, private, and public sectors into the future. It is, therefore, a positive picture to look forward to.

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