ASEAN Summit Process and Associate Meetings: Issues and Way Forward







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World has been going through significant geostrategic transition. The return of great power rivalry and emergence of Indo-Pacific as new geostrategic construct has raised concerns globally. These developments have been reshaping the global security as well as economic architecture. Given the fact that ASEAN sits at the center of Indo-Pacific, evolving geostrategic and geoeconomics scenario have significant ramifications for ASEAN. There has been concerns regarding how ASEAN will preserve its centrality, uphold the relevance of the Treaty of Amity and Cooperation in Southeast Asia (TAC) and deal with economic & security challenges emanating from ongoing geostrategic transition. Against this backdrop, leaders of ASEAN member states and its dialogue partners, including India, gathered in in Jakarta during first week of September to ponder on emerging issues. India share common concerns with the ASEAN member states, especially in the field of non-traditional security issues, Industry 4.0 & digital transformation and other contemporary issues. In order to understand the issues facing ASEAN and India in rapidly changing world and expectations from 20th ASEAN-India Summit, the ASEAN-India Center (AIC) at Research and Information System for Developing Countries (RIS) organized a panel discussion on 04th September 2023. Experts from India, Malaysia, Indonesia, Thailand and India participated in discussion to ponder on ASEAN-India relations in the context of prevailing geostrategic / geoeconomics situation and suggested way forward. This report provides the gist of panel discussion.

Chair's Remarks



AMB. PREETI SARAN

Former Secretary (East), Ministry of External Affairs, Govt. of India

Panel discussion was moderated by ambassador Preeti Saran. Opening the discussion, ambassador Saran talked about the journey of ASEAN-India relations. She pointed out that ASEAN-India relations began with a modest sectoral partnership in 1992. However due to shared values and common geopolitical concerns, relations progressed rapidly to summitlevel partnership within a decade. She noted that India places great significance on its Act East Policy, the concept of ASEAN Centrality, and its role in the Indo-Pacific region. She emphasized that bilateral relations with ASEAN member states are a key focus for India and the evolution of this partnership over the years highlights its importance. Sharing an insider's perspective, she pointed out that leaders from ASEAN and India have made consistent efforts to review and enhance the partnership to deal with emerging challenges. She also underlined the role, think tank community has played in shaping ASEAN-India relations and urged panelists to suggest ways for India and ASEAN to navigate the ongoing multiple transitions.



DR. INTAN MURNIRA RAMLI

Senior Policy Fellow, ERIA, Jakarta, Indonesia

- ASEAN-India economic partnership has evolved significantly over the years. From signing of the Framework Agreement on Comprehensive Economic Cooperation in 2004 to implementation of ASEAN-India Free Trade Agreement (AIFTA) and subsequently understanding on the ASEAN-India Trade in Goods Agreement (AITIGA) and Trade in Services Agreement (AITISA) in 2014, the economic cooperation between ASEAN and India has witnessed significant expansion. These agreements have built trust and improved trade and investment integration.
- However, ASEAN-India trade surge has remained lopsided. There
 are concerns regarding growing trade deficit. ASEAN and India
 have agreed to review the Free Trade agreement. Both regions
 should focus on intensifying services trade, improving market
 access in agriculture & food products to make trade relation more
 balanced.
- ASEAN-India FTA utilisation has remained low. Efforts should be made to identify and eliminate the obstacle which has kept the utilisation low.
- RCEP is one of the most important mega FTAs. RCEP participating countries jointly accounts for sizeable share of global trade, GDP and foreign direct investment. India opting out of RCEP has been a setback. ASEAN would like to see India coming back to RECP which is important for avoiding negative trade diversion and paving the way for stronger supply chain connectivity in the region.



DR. SURAT HORACHAIKUL

Director, Indian Studies Center, Chulalongkorn University, Bangkok

- ASEAN-India has a robust partnership. India withdrawing from RCEP was a setback and there is an expectation among ASEAN members for India's eventual return to the Regional Comprehensive Economic Partnership (RCEP). Though fostering economic integration is important, the challenge lies in broadening the scope of this partnership beyond the economic sphere.
- Science and Technology (S&T) sector offers great scope for cooperation. India's successful landing on the South Pole of the Moon has created a great excitement in Thailand. People in Thailand have celebrated this achievement as a significant milestone for humanity. It underscores the possibilities for ASEAN and India to share knowledge and progress together in the field of S&T. Both ASEAN and India should undertake a comprehensive review of developments in S&T and identify the areas for mutual cooperation.
- Women and youth, both in ASEAN and India has been contributing immensely to socio economic progress. Since women and youth constitutes largest segment of society, engaging these segments in the ASEAN-India partnership needs to be prioritized.
- ASEAN-India engagement should extend beyond traditional domains of cooperation and focus more on strengthening the relationship in areas like culture, people-to-people (P2P) connections, civilizational linkages, and the maritime domain. Finding the right avenues to foster these connections is crucial for further enhancing the ASEAN-India partnership.



DATO' RAMESH KODAMMAL

Co-Chair of ASEAN-India Business Council, Malaysia

- ASEAN and India, as neighboring civilizations, share both land and maritime borders. Their economies are integral to their success stories. India which currently is experiencing a rapid growth cycle, holds the promise of transitioning from lower-income segment to the middle-income country. ASEAN already boasts a robust middleincome population. This common ground presents a significant rationale for boosting economic partnership between ASEAN and India.
- It's essential for ASEAN and India to revisit their Free Trade Agreement (FTA). The review process has already been delayed which has created obstacles in ASEAN-India partnership. While India might introduce conditions similar to those seen in RCEP negotiations, ASEAN need not be overly concerned, as its economic relations with all partners continue to grow. ASEAN's desire for increasing investment and trade with India represents an opportunity for proactive engagement between both partners.
- India ASEAN economic engagement has so far been dominated by corporate sector, while small and medium enterprises, despite accounting for lion share in economic activities have not received desired attention. It is about time that ASEAN and India shift their focus toward tapping the potential of the Small and Medium-sized Enterprise (SME) sector. There is an urgent need to strengthen cooperation in SME sector.
- Food security and digitalization are other important areas for cooperation. One after another global supply shocks have increased concerns regarding food security. India ASEAN should work closely to ensure food security in short as well as long run.
- The ongoing digital technology has implications for all segments of
 economies. From health to banking, digital technology if offering
 exciting new solutions to overcome existing challenges. India is
 known for its strength in informational technology. It has developed
 strong digital public infrastructure which has unleashed several
 digital innovations. ASEAN and India should work together to
 optimize the gains from digital technologies.



MR. PRANAV KUMAR

Vice President International Trade Policy & Compliance Reliance Industries Limited

- India's withdrawal from RCEP has been perceived as setback by ASEAN. However, we need to acknowledge the fact that India opted out of RCEP because its concerns were not adequately addressed during negotiations. Though ASEAN wants India to join RECP, at present it seems very unlikely. India is keen to have bilateral Free Trade Agreements (FTAs) with likeminded countries.
- ASEAN-India relations have traditionally been centered around trade. India wants to strengthen regional value chains and maintain free momentum of goods and investment within the region However, addressing trade imbalance is important to take the economic partnership to next level. ASEAN and India have started the process to review of FTA which is a positive step.
- India's G20 Presidency, with a strong emphasis on human-centric development proposals and agenda has been recent notable event. It is expected to positively influence the ASEAN-India partnership, bringing a broader perspective on development and cooperation.
- Following five areas needs special attention to foster India ASEAN relations.
 - 1. Review of ASEAN-India FTA: A critical assessment of the ASEAN-India Free Trade Agreement is essential to address trade imbalances and enhance economic cooperation.
 - 2. ASEAN-India Cooperation on Digital Economy: Digital technology is transforming way of life. Fostering collaboration in the digital economy to harness its potential for mutual growth is paramount for ASEAN and India.
 - 3. Energy Transition and Sustainability Partnership: Energy transition needs collaborative approach. ASEAN and India should make joint efforts for energy transition and environment protection.
 - 4. Health Security Partnership: Collaborative initiatives are required to ensure health security, with a focus on the One Health concept. ASEAN-India should strengthen cooperation in health sector with emphasis on digital health.
 - 5. Space Cooperation: India is emerging significant player in space exploration. Exploring opportunities for cooperation in the field of space technology and exploration.



DR. K. YHOME

Senior Fellow, Asian Confluence, Shillong, India

- In recent times, ASEAN has faced scrutiny for its perceived limited role in managing regional peace and harmony. There are valid arguments that ASEAN has encountered challenges in effectively addressing issues such as the South China Sea disputes and ongoing instability in Myanmar. It is imperative for ASEAN to tackle these issues in a substantive and effective manner to maintain regional stability.
- India's primary goal is to establish itself as a responsible regional player. To achieve this objective, it is crucial for both ASEAN and India to mutually support each other in their respective initiatives. Their shared geostrategic interests in the Indo-Pacific region further enhance their partnership, creating a strong basis for cooperation.
- The Bay of Bengal Initiative for Multi-Sectoral Technical and Economic Cooperation (BIMSTEC) reflects the historical linkages between South and Southeast Asia. There are compelling reasons to bolster support for BIMSTEC and consider its expansion to include countries like Malaysia and Indonesia. Such an expansion would not only strengthen the partnership between BIMSTEC and ASEAN but also enhance the relationship between India and ASEAN, fostering greater regional cooperation and connectivity.



DR. RAHUL MISHRA

Director, Centre for ASEAN Regionalism Universiti Malaya

- ASEAN region has witnessed several developments recently which have posed challenge as well as opportunities for both ASEAN and India. China's publication of a new map that seeks to incorporate territories from India, Indonesia, Malaysia, the Philippines, and other Southeast Asian nations is one such development. Notably, Malaysia has spoken out against this move, highlighting a shifting dynamic within ASEAN. This development has opened new opportunities for India to strengthen cooperation with ASEAN countries to explore the ways for ensuring rule base order in Indo-Pacific.
- Supply chain resilience has emerged an important policy object across globe. Both India and ASEAN recognize the importance of supply chain resilience. They have the potential to collaboratively establish an Indo-Pacific Supply Chain Resilience framework. India can take the lead in initiating dialogues to address the gaps in the supply chain.
- India and Malaysia have agreed to settle trade in India rupee. It will
 reduce transaction cost, reduce dependence on the US Dollar and
 enhance economic autonomy. There is a need to expand the scope
 of this experiment. India and ASEAN should explore the ways to
 use local currency for trade settlements
- The restoration of democracy in Myanmar is a critical priority. India, China, ASEAN and Japan possess significant influence in Myanmar and should collaborate to facilitate the return to normalcy and democracy in the country.
- The concept of ASEAN Centrality remains vital in the Indo-Pacific region. The ongoing rivalry between the United States and China has the potential to undermine this centrality. Therefore, ASEAN must exercise caution. Rising powers like South Korea, India, and Japan can play pivotal roles in supporting and preserving ASEAN Centrality, contributing to regional stability and cooperation.

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