

Keynote Address
by H.E. Le Luong Minh,
Secretary-General of ASEAN
at the International Workshop on the Post-2015 ASEAN Community: Vision
by ASEAN Countries and Viet Nam
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Excellency Pham Quang Vinh, Deputy Foreign Minister and ASEAN SOM Leader of Viet Nam,

Madam Louise Chamberlain, Country Director of the United Nations Development Program,

Distinguished Participants,

Ladies and Gentlemen,

2014 will be the most important turning year deciding the success of the ASEAN Community building process. By December 2015, ASEAN will emerge and present itself as a Community in the global community of nations. As ASEAN works towards its 2015 targets, we are also setting the foundation for a stronger ASEAN Community beyond 2015. I would like to express my deep appreciation for the Foreign Ministry of Viet Nam and the United Nations Development Program for inviting me to be part of this important symposium on the ASEAN Community 2015 and beyond.

ASEAN Community building: Progress achieved

Two years from the deadline of December 2015 for the establishment of the ASEAN Community, ASEAN's Community building and integration efforts have

picked up speed, vigour and intensity in tandem. Much of the efforts has been focused on implementing the remaining regional commitments across all the three pillars of the ASEAN Community. In implementing the Road Map for an ASEAN Community (2009-2015), ASEAN has achieved substantial progress. By now approximately 71% of the measures due under the ASEAN Political-Security Community Blueprint, 80% of the ASEAN Economic Community Blueprint and 90% of the ASEAN Socio-Cultural Community Blueprint have been implemented.

The Political and Security pillar continues to provide a solid foundation for dialogue and cooperation to preserve and enhance peace and security in the region. In such pursuit, it also constantly seeks to strengthen the mutually-beneficial relations between ASEAN and its Dialogue Partners while maintaining ASEAN's central and proactive role in the regional architecture. The Treaty of Amity and Cooperation, which is a key code of conduct for inter-state relations in the region has now 32 High Contracting Parties. With the adoption of the Work Plan for the Implementation of the Declaration on the Conduct of Parties in the South China Sea (DOC) in 2013-2014 and the holding of the first formal consultation with China on the Code of Conduct (COC), ASEAN continues to intensify its efforts to ensure the truly full and effective implementation of the DOC and an early conclusion of the COC. ASEAN is also in the process of operationalizing the ASEAN Institute for Peace and Reconciliation or AIPR and the ASEAN Regional Mine Action Centre or ARMAC. While AIPR is ASEAN's research institution on conflict resolution and conflict management, ARMAC will serve as a center of excellence to encourage efforts to address explosive remnants of war for interested ASEAN Member States. ASEAN Member States recently published the inaugural ASEAN Security Outlook 2013 to promote greater transparency and deepen understanding of each other's defense policy as well as the security environment in

the region. Marking the 20th Anniversary of the ASEAN Regional Forum, we have seen the evolution of its work from promoting confidence-building measures to developing preventive diplomacy mechanisms. Special mention can be made of the creation of the ASEAN Inter-Governmental Commission on Human Rights (AICHR) and the adoption of the ASEAN Human Rights Declaration. As ASEAN continues to deepen and expand its partnership and collaboration with Dialogue Partners, international and regional organizations and other external parties, to date, 75 non-ASEAN Member States and organizations have appointed their Ambassadors to ASEAN.

The Socio-Cultural pillar continues to focus on contributing to the realization of a people-oriented and socially responsible ASEAN Community by forging a common identity and building a caring and sharing society. The inaugural ASEAN State of Education Report notes the improving performance of education across all ASEAN Member States, especially in the CLMV countries. Initiatives to establish an ASEAN Qualification Reference Framework to harmonize the education systems of Member States and to strengthen cooperation towards mobility and quality assurance of higher education are being undertaken. Youth has been elevated as a priority area for 2013, particularly in youth volunteerism and youth employment, recognizing the importance of young entrepreneurship and the role of youth in shaping ASEAN's future. The recently endorsed Bandar Seri Begawan Declaration on Non-communicable Diseases in ASEAN highlights the urgent need to accelerate actions to reduce risk factors for non-communicable diseases, some of which are the leading causes of deaths in the region. Substantial progress has also been made with the implementation of the ASEAN Agreement on Disaster Management and Emergency Response

(AADMER). Recently, ASEAN mounted a collective response to the devastation caused by Typhoon Haiyan to the region.

On the Economic pillar, significant progress has been achieved across its four sub-pillars, which are a single market and production base, a highly competitive economic region, a region of equitable economic development, and a region fully integrated into the global economy. Having realized the ASEAN Free Trade Area or AFTA on 1 January 2010, the ASEAN Trade in Goods Agreement (ATIGA) entered into force on 17th of May 2010. With ATIGA serving as the legal framework for liberalising and facilitating trade in goods, ASEAN seeks to achieve the free flow of goods within the AEC by the year 2015. Key achievements and progress as regards trade facilitative measures that will have a significant impact on cross border trade include:

- The average intra-ASEAN preferential tariffs have been reduced to almost zero with 0.6% remaining in ASEAN-6 countries. For CLMV countries, the share of tariff lines at 0% preferential duty has significantly increased to 67.6% in 2012, with efforts to expedite the reduction of the remaining tariffs based on the timelines agreed upon.
- A Regional Work Programme on addressing Non-Tariff Measures (NTMs) was already adopted while the Economic Ministers have also recently mandated the establishment of national coordinating agencies to oversee the recording and reporting of NTMs and to serve as link to their regional commitments.
- The ASEAN Trade Repository (ATR) will also be setup to provide comprehensive trade related information of all ten Member countries. This will facilitate not only intra-ASEAN trade but would also be a key

component to support global trade. The completion of this initiative will see an ATR that will be linked to all the National Trade Repositories to provide support to the private sector and ease trade transactions across the region.

- ASEAN is finalising the implementation of an ASEAN Wide Self-Certification which will allow selected registered exporters to certify export documents on their own. This will serve to support the business community to move goods across the region with ease and reduced costs.
- We have successfully completed the scaled down version of the pilot stage of the ASEAN Single Window (ASW) which seeks to provide a platform for seamless exchange of electronically transmitted trade related documents amongst Member States. To support this initiative, ASEAN is drafting a legal protocol to govern cross-border transactions for electronically exchanged documents which will provide the needed confidence for the private sector to engage in the electronic exchange of trade documents.
- Customs Integration in ASEAN is supported by the new ASEAN Agreement on Customs signed in 2012 which provides the necessary platform for greater customs cooperation. A pilot project to create the ASEAN Customs Transit System (ACTS) by 2015 is being undertaken in 3 countries, which will allow for movement of transit cargo across land borders to its final destination within ASEAN using real time electronic transmission of relevant documents.
- As an integral and mandatory requirement for making ASEAN a single production base, ASEAN is currently in the process of harmonising standards and conformance procedures and discussing Mutual

Recognition Arrangements which are specifically targeted towards the priority integration sectors.

Toward the strategic objective of creating a single market and production base and a single investment area, ASEAN also aims to realize free flow of services and investment within the region. ASEAN is improving the environment for ASEAN investors and service suppliers alike to have greater market access and national treatment. This is being achieved through progressive or further liberalization under the ASEAN Framework Agreement on Services (AFAS) and the ASEAN Comprehensive Investment Agreement (ACIA).

- Under ASEAN Framework Agreement on Services, to date, 8 packages of commitments have been concluded and we are now in the process of finalizing the 9th package. Under each package, the ASEAN Member States are opening up their services sectors for other Member States.
- Mutual Recognition Arrangement (MRAs) have been concluded to facilitate recognition of professionals, including accountants, architects, surveyors, engineers, dental practitioners, medical practitioners, nurses and tourism professionals.
- Last November 2012, the ASEAN Agreement on Movement of Natural Persons was signed to facilitate the temporary movement of natural persons including skilled labour across the region in the areas of trade in services, trade in goods and investments.
- On investment, the ASEAN Comprehensive Investment Agreement (ACIA) seeks to improve the investment environment and make it more conducive to business. The ACIA reservations lists are expected to be

reduced or shortened as more sectors are opened up for investments by 2015.

In all these measures, we endeavour to ensure transparency, stability and predictability. Information on scheduling of commitments as well as non-conforming measures under these agreements, and the relevant laws, regulations and guidelines is all publicly available.

For business and investments, protection is very important. Hence, one of the major pillars of the ACIA is investment protection. This is to ensure that investors and their investments not only enjoy the benefits of non-discriminatory treatment but also of investment protection relating to treatment, compensation against strife, transfers of funds, unlawful expropriation, and investor-state dispute, among others. Under the ACIA, ASEAN is also enhancing investment facilitation and promotion. Initiatives are being undertaken through regional projects that will help Member States address bottlenecks and red tape to investing in the region, thereby reducing the cost of doing business.

Positive impacts of integration:

The achievement in this process of economic integration with the implementation of those measures have changed and improved substantially the market conditions of the ASEAN economies, enabling them to weather the storm of the recent global economic and financial crisis. In the face of the global downturn, ASEAN has been experiencing its strongest economic growth since the Asian financial crisis. Intra-ASEAN trade remains stable and accounts for high shares in both ASEAN's total exports and total imports. The ASEAN economies

have become increasingly competitive in production of final consumer goods, which will contribute to intra-regional demand. Foreign direct investment (FDI) inflows to the region showed a remarkable increase since the outbreak of the global financial crisis in 2008. Despite risks caused by global financial crisis and other challenges including weak external demand, rising food and energy prices and growing global economic imbalances, the 2013 outlook for ASEAN remains broadly positive. The share of the total combined GDP of the newer Member States, the CLMV, in the total combined GDP of the ASEAN economies has increased from 6% to nearly 12% as a result of the implementation of the Initiative on ASEAN Integration. These positive figures show that ASEAN is becoming more integrated, has become and remains an attractive destination for global, regional and local investments. While the current global uncertainty will cause the regional growth to be modest, economic activity in the region will remain robust.

With such progress and the prospect of a much wider space for cooperation when a bigger single market will be created under the Regional Comprehensive Economic Partnership targeted to be established also by 2015, with the determination of the Member States to accelerate the process of economic integration, one can be optimistic and confident that ASEAN will be able to achieve the target of getting the AEC in place by then. In a recent survey, 95% of the companies consulted expressed their confidence that ASEAN would be able to achieve its vision of an economic community as a major pillar of the ASEAN Community.

Challenges of ASEAN Community building

However, to achieve this vision, some key challenges remain. A major challenge among them is the effective and timely implementation by Member States of regional commitments. Another is the development gaps which significantly influence the quality and pace of our economic integration initiatives. While we are implementing measures to narrow such gap and carry out cooperation programs designed to capacitate ASEAN Member States, we have been experiencing tremendous resource constraints. There has been considerable difficulty in transposing regional commitments, both intra-ASEAN and extra-ASEAN commitments, into domestic laws and regulations due to lack of capacity and financial resources. Communication of ASEAN's integration efforts also needs to be enhanced. Based on recent Surveys on ASEAN Community Building 2012, of the total respondents in the 10 ASEAN capital cities, 76% reported that they have almost no idea of what the ASEAN Community is; 55% of the business respondents indicated having a slightly better understanding and 30% showed a lack of basic understanding.

Thus, there is a need for more concerted actions and better coordination at the national and regional levels as well as further enhancement of the support and compliance mechanisms in ASEAN. There is also a need to intensify our communication efforts to the public and to our business community – who should be kept well-informed and consulted on AEC initiatives.

Apart from these, ASEAN also has to grapple with external challenges. In an increasingly interconnected and interdependent world, we cannot be spared from the impacts of any political, security and economic instability in other parts of the world, not so in our own region. These past years, ASEAN has undertaken

initiatives to protect itself from volatilities such as the Chiang Mai Multilateralization Initiative or the ASEAN+3 Emergency Rice Reserve (APTERR). With increasing confidence, solidarity we have been pursuing common ASEAN positions on important regional and international issues in our shared legitimate interests. ASEAN's relevance and strength lie in our ability to maintain ASEAN's centrality in the evolving regional architecture.

Post-2015 Vision

Distinguished Participants

Ladies and Gentlemen

Against the backdrop of those significant achievements, the ASEAN Leaders, at their 23rd ASEAN Summit held last week, while emphasizing the need to enhance efforts towards the realization of the ASEAN Community, in their Declaration on the ASEAN Community's Post-2015 Vision reaffirmed that ASEAN's Community building and integration will be further deepened and broadened. The ASEAN Community is envisaged to pursue the realization of a politically cohesive, economically integrated and socially responsible ASEAN, closing of the development gap through effective implementation of the Initiative for ASEAN Integration (IAI) and Millennium Development Goals, the creation of a peaceful and prosperous region, free of conflict, weapons of mass destruction and drugs, an ASEAN in which the nations and peoples of the Association live in a caring and sharing society, bound by enduring solidarity and unity, where the wellbeing, livelihood and welfare of its peoples are enhanced; and the strengthening of ASEAN's institutions, through among others, the provision of adequate resources and support, as well as greater efficiencies. In external

relations, the ASEAN Community's Post-2015 Vision envisages further invigoration of ASEAN's relations with dialogue partners aimed at forging more effective, equal and meaningful partnerships, strengthening of ASEAN's central position and leadership in the evolving regional architecture and more active and constructive involvement of ASEAN in global affairs of common interest and concern. As for the timeline for the ASEAN Community's post-2015 Blueprint or roadmap, negotiations and the development of the document will begin next year and is expected to be finalized and launched by the Leaders of ASEAN by the end of 2015. While concrete elements are still to be developed by the ASEAN Coordinating Council in coordination with the three ASEAN Community Councils and to be adopted by the Leaders of ASEAN through a due process, various ideas enjoying broad support have been floated on what such an ASEAN Community's post-2015 Vision should encompass.

- First, based on the shared approach that Community building is a progress, a work in progress rather than an event, the ASEAN Community's Post-2015 Vision should be enhancing and consolidating the ASEAN Community through a continued but deeper and more comprehensive process of integration. The Vision should constitute a continual and integrated process for ASEAN Community building in all the three pillars with a view to ensure their coherence and convergence, especially on cross-cutting issues such as illicit drug trafficking , trafficking in persons, cyber security, disaster management and connectivity. It should build upon the achievements recorded in the implementation of the Roadmap for an ASEAN Community (2009-2015), including the IAI Work Plan II, as well as the Master Plan on ASEAN Connectivity. The ASEAN post-2015 vision should at the same time seek to address the measures therein that have not been implemented.

- Second, the post-2015 vision should include the Bali Concord III which is aimed at projecting ASEAN's common global platform by 2022, raising ASEAN's profile in the global community through close coordination on key international issues on the global stage. The key characteristics envisage a more coordinated, cohesive, and coherent ASEAN position on global issues of common interest and concern, based on a shared ASEAN global view, which would further enhance ASEAN's common voice in relevant multilateral fora; and an enhanced ASEAN capacity to contribute and respond to key global issues of common interest and concern which would benefit all ASEAN Member States and their peoples

- Third, in the same Bali Concord spirit, the ASEAN Community's post-2015 Vision should contain aspirational goals. One such goal has been proposed which is to halve the number of people living in poverty in ASEAN countries and double the combined GDP of ASEAN by 2030.

- Fourth, the ASEAN post-2015 Community should continue its efforts to narrow the development gap among ASEAN Member States with a view to ensuring equitable, balanced and sustainable development among ASEAN Member States.

- Fifth, the post-2015 vision should continue ASEAN's outward-looking approach and reach out to new potential partners in the developing world to promote cooperation in areas where developing countries share many same interests and advantages such as poverty alleviation and food and energy security.

- Sixth, ASEAN needs to preserve ASEAN's unity and enhance ASEAN's central role in the multi-layered, multi-process regional architecture so that ASEAN remains the primary force to chart the future of the region amidst the fast changing and increasingly complex geo-political environment.

- Seventh, the ASEAN Community' post-2015 Vision should reinforce ASEAN's values, fundamental principles and norms as enshrined in the Treaty of Amity and Cooperation in Southeast Asia (TAC), the Treaty of Southeast Asia Nuclear Weapon-Free Zone (SEANWFZ) Treaty, the Declaration on the Conduct of Parties in the South China Sea (DOC) and the future Code of Conduct of Parties in the South China Sea, the Bali Declaration on the Principles for Mutually Beneficial Relations.

- Eighth, the ASEAN Community's post-2015 Vision should aim to build an East Asia that is closely integrated in terms of economy and connectivity, promote multi-layered frameworks with ASEAN connectivity being at the centre. On ASEAN connectivity, ASEAN should focus on the sub-regional arrangements as the springboards to expand connectivity to the region.

- Ninth, beyond 2015, ASEAN Member States will at the same time implement their own new development and integration agenda and that of the United Nations. The ASEAN Community's post-2015 Vision with regard to development and continued implementation of the Millennium Development Goals should be aligned to the UN's post-2015 development agenda in which the issues of economic growth, social development and environmental protection must be reconciled and integrated at the planning, development and implementation stages.

In order to realize such a vision, ASEAN needs to strengthen its institutional framework. To this end, ASEAN must strengthen the ASEAN Secretariat; enhance the effectiveness and efficiency of ASEAN organs and institutions. Ideas have also been floated that ASEAN should consider institutional changes to streamline and rationalize ASEAN meetings, mechanisms and institutions through the review of the ASEAN Charter with a view to making them more effective.

Viet Nam in ASEAN for 2015 and beyond

Distinguished Participants

Ladies and Gentlemen

The admission of Viet Nam to ASEAN on 28 July 1995 was a historic landmark in ASEAN's evolution and maturity, setting in motion and giving momentum for ASEAN to embrace all the nations in Southeast Asia.

In all three pillars, Viet Nam has advanced many successful initiatives and engaged in best practices that it can share with other ASEAN Member States. It has also committed to act on the recommendations of the national assessment to improve the lives of its peoples and contribute to the larger ASEAN Community.

How then can Viet Nam prepare its citizens for the coming of ASEAN Community by 2015? How then can Viet Nam further contribute to ASEAN Community building by 2015 and beyond? Among many others, I share two key initiatives.

First, focusing on education is key. Education plays a significant role in narrowing the development gap in ASEAN. While the gap between ASEAN-6 and CLMV countries in terms of the Human Development Index (HDI) has been going down in the last decade, the gap between the average years that children stay in school in CLMV countries and ASEAN-6 countries has been increasing.

On this regard, we note with appreciation Viet Nam's efforts to improve its educational sector. The National Program on Education and Training between

2012 and 2015 supports the universalization of education at preschool, primary and secondary education. Promoting literacy and eradicating illiteracy in the populace is also noteworthy with the literacy rate for the 15-60 age group reaching 96%, 15-35 age group reaching 98% with more than 99% of children with special needs having access to education. Viet Nam has been implementing the national foreign language proposal with the aim that by 2020, most of Vietnamese youth that graduated high school, college, university would have capacity to use foreign language independently, confidently in communication, learning and working in an integrated, multi-language, multi-culture environment.

This bodes well for the coming of ASEAN Community by 2015. One of the driving factors that have drawn investors to locate their investments in the region is the availability of competent and skilled manpower. Thus, we have ASEAN Agreements that facilitate mobility of business persons and provide recognition for their skills across borders. In the regional job market, a Vietnamese engineer will not only have job opportunities in Viet Nam but also ASEAN countries if he has been equipped with a good education and the language used in the regional workplace.

Secondly, promoting ASEAN awareness and understanding will be a critical complement in developing an educated Vietnamese populace. The opening of Southeast Asian House at the Vietnam Museum of Ethnology that I attended yesterday is a clear manifestation of a growing recognition and consciousness that Viet Nam is an integral part of the larger community of nations that is ASEAN. This consciousness among our people will be a catalyst for Viet Nam to prepare for the ASEAN Community by 2015.

Seeing the need to promote and inculcate a greater ASEAN awareness and understanding on our students, youth and general public, we note with appreciation the continuing efforts made by Viet Nam on this regard as reflected in the “ASEAN Action” Program (renamed as “ASEAN House”) which has been aired on VOV1 since 1995 focusing on the central issues and priorities of ASEAN cooperation, Viet Nam’s participation in ASEAN, different cultures of ASEAN Member States and awareness of the ASEAN Community.

Conclusion

Distinguished Participants

Ladies and Gentlemen

The process leading to the ASEAN Community by 2015 and how ASEAN will evolve beyond 2015 has generated a lot of interest and has put tremendous pressure on ASEAN to deliver what it has committed to accomplish and plan to continue.

I am encouraged by the increasing concern and interest shown as to how each one can further contribute to ASEAN’s process of Community building. Viet Nam has an indispensable and very important role in the process as it joins the rest of ASEAN Member States in this journey.

I wish you the Workshop success in making such contributions!

Thank you!