

## CHAPTER TWO

### THE MACHINERY OF ASEAN

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2.1 Currently there are nine members in ASEAN - Brunei, Burma, Indonesia, Laos, Malaysia, the Philippines, Singapore, Thailand and Vietnam. ASEAN began with five members in 1967 - Indonesia, Malaysia, the Philippines, Singapore and Thailand. To this group, Brunei was added in 1984, Vietnam in 1995 and Burma and Laos in 1997.

2.2 ASEAN is a complex network of organisations. The 'alphabet soup' of acronyms is bewildering to anyone who approaches ASEAN for the first time. The following information about the structure and operation of ASEAN has been provided by the ASEAN secretariat via its Internet site<sup>1</sup> and the submission provided by the Department of Foreign Affairs and Trade.

2.3 All member states of ASEAN must be represented at all meetings as befits its consensus decision making style and debate can be lengthy and inconclusive. Given the number and extent of the meeting schedule, the expansion of ASEAN to include Vietnam, Myanmar and Laos is likely to be demanding on the resources of these new members and to exacerbate the difficulties of the organisation in achieving consensus. ASEAN has already modified its process to one of 'flexible consensus' in anticipation of this.<sup>2</sup>

#### ASEAN Heads of Government

2.4 The ASEAN Summit is the meeting of the ASEAN Heads of Government. These are now annual meetings but initially they were infrequent. The first summit was in 1976, the second in 1977 (the 10th anniversary), the third in 1987 (the 20th anniversary). In 1992, the fourth, in Singapore decided that the ASEAN Heads of Government would meet formally every three years and informally at least once in between to lay down directions and initiatives for ASEAN activities. In 1995, the fifth ASEAN Summit in Bangkok decided to hold annual informal summits in between the formal ASEAN summits which take place every three years. The first informal summit was held in Jakarta in December 1996. The 30th anniversary summit, an informal summit, was held in Kuala Lumpur in December 1997. The next formal summit will be held in Vietnam in 1998.

#### ASEAN Ministerial Meeting (AMM)

2.5 The ASEAN Foreign Ministers meet annually in late July at the ASEAN Ministerial Meeting (AMM). The AMM, established by the 1967 Bangkok Declaration, is responsible for the formulation of policy guidelines and coordination of ASEAN activities. The Chair rotates alphabetically; in 1997 the AMM was chaired by Malaysia. At the 1977 Kuala Lumpur Summit, the ASEAN Heads of Government agreed that the AMM could include other relevant Ministers as and when necessary. During an ASEAN Summit, the

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1 The Committee is grateful for the work of Ms Narveen Kaur, a parliamentary intern attached to the committee secretariat in 1997, for her work in liaison with the ASEAN secretariat.

2 DFAT Submission, p. S381.

AMM and ASEAN Economic Ministers (AEM) report jointly to the ASEAN Heads of Government.

## **ASEAN Economic Ministers (AEM)**

2.6 The AEM meets formally or informally to direct ASEAN economic cooperation. The AEM was institutionalised at the 1977 Kuala Lumpur Summit. Like the AMM, the AEM also meets formally once a year and informally on other occasions. The ASEAN Free Trade Area (AFTA) Ministerial Council was established by the Fourth Summit to supervise, coordinate, and review the implementation of the Common Effective Preferential Tariff (CEPT) Scheme for AFTA. The AEM and AMM report jointly to the ASEAN Heads of Government during an ASEAN Summit.

## **Sectoral Ministers Meeting**

2.7 Ministers for specific sectors of economic cooperation meet as and when necessary to give guidance on ASEAN cooperation. These are meetings of Ministers on Energy, Ministers on Agriculture and Forestry, Ministers on Tourism, and Ministers on Transport. The sectoral Economic Ministers report to the AEM. The ASEAN Finance Ministers have also agreed to meet regularly. Their first meeting was held in Phuket in February 1997.

## **Other Non-Economic ASEAN Ministerial Meetings**

2.8 Meetings of Ministers in other fields of ASEAN cooperation, such as Health, Environment, Labour, Social Welfare, Education, Science and Technology, Information and Justice/Law, are held regularly. While there is coordination between meetings of other Ministers and the AMM, each meeting of Ministers may report directly to the Heads of Government.

## **Joint Ministerial Meeting (JMM)**

2.9 The JMM, established by the 1987 Manila Summit, meets as and when necessary to facilitate the cross-sectoral coordination of and consultation on ASEAN activities. The JMM comprises the ASEAN Foreign Ministers and Economic Ministers under the joint chairmanship of the AMM and AEM chairmen. Such a joint meeting can be initiated either by the Foreign Ministers or the Economic Ministers. The JMM usually meets prior to the Summit.

## **ASEAN Post Ministerial Conference**

2.10 Meetings between ASEAN and the Foreign Ministers of the Dialogue Partners became a regular formal occasion from 1981. This is known as the Post Ministerial Conference (PMC). It is held in the days following the AMM. It is structured around two formal sessions: a plenary session attended by all ASEAN countries, the ten Dialogue Partners (Australia, Canada, China, the European Union, India, Japan, the Republic of Korea, New Zealand, Russia and the USA) and the ASEAN Secretariat, and a shorter meeting between ASEAN and each of the Dialogue Partners separately. These meetings also offer the opportunity for each of the Dialogue Partners to hold bilateral meetings.

## **ASEAN's Regional Relations**

2.11 In addition to the Dialogue Partner status, there is an arrangement with Pakistan for sectoral dialogue on economic cooperation between ASEAN and Pakistan. There is also observer status for countries which have signed the Treaty of Amity and Cooperation, often with a view to becoming a member of ASEAN in the future. This was the path taken by Laos in 1992, Cambodia in 1995 and Burma in 1996. Cambodia's membership in 1997 was precluded by the coup in July just before the ASEAN AMM was to take place. Papua New Guinea also has observer status and has proposed a form of permanent association with ASEAN, a proposal to which ASEAN has not yet responded.

2.12 ASEAN has sought to expand its ties with countries in the wider region. ASEAN has established formal ties with the Economic Cooperation Organisation (ECO), the South Asia Association for Regional Cooperation (SAARC), the Rio Group and the Gulf Cooperation Council. ASEAN also has a formal relationship with the South Pacific Forum. There are periodic meetings between the secretariats of ASEAN and the South Pacific Forum and observers from each organisation attend the working groups of the other. The United Nations Economic and Social Commission for Asia and the Pacific (UNESCAP) facilitates consultations between ASEAN and the executives of sub-regional organisations from the region. ESCAP is the largest of the UNs five regional commissions and DFAT reported to the Committee that as yet ASEAN give individual support to ESCAP but they have not sought to act within the Commission as a bloc.<sup>3</sup>

2.13 The most recent development in extra regional relations is the proposal in 1994 for meetings between Asian and European Union leaders. The first meeting of ASEM was held in 1996 in Bangkok. Within ASEM, ASEAN plays a significant part; it caucuses prior to meetings and has determined much of the agenda as a result.<sup>4</sup> The focus has been primarily on trade and investment.

2.14 Finally, the Asia Pacific Economic Cooperation (APEC), established in 1989, is probably the most significant economic consultation group in the Asia Pacific. Its focus is trade liberalisation. It encompasses 21 member states, including the six original ASEAN members, the United States, Japan, China, Russia, Taiwan, Hong Kong, Canada, Australia, New Zealand, Chile, Peru, Vietnam, Mexico, the Republic of Korea and Papua New Guinea.<sup>5</sup>

## **Secretary-General of ASEAN**

2.15 Apart from meetings of ministers there has developed a support structure for the work of ASEAN which involves dedicated officials.

2.16 The Secretary-General, based in Jakarta, is appointed on merit by the ASEAN Heads of Government with the recommendation of the AMM. He is accorded ministerial status with the mandate to initiate, advise, coordinate and implement ASEAN activities. The *Protocol Amending the Agreement on the Establishment of the ASEAN Secretariat*, signed in Manila on 22 July 1992, provides that the Secretary-General is responsible to the Heads of Government Meeting and to all meetings of ASEAN Ministers when they are in session and to the chairman of the ASEAN Standing Committee (ASC). He also chairs all meetings of the ASC on behalf of the ASC Chairman, except the first and the last.

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3 *ibid.*, p. S393.

4 *ibid.*, p. S393-94.

5 APEC is considered in detail in Chapters 4 and 5.

## **ASEAN Standing Committee (ASC)**

2.17 The ASEAN Standing Committee is the policy arm and organ of coordination of ASEAN between the ASEAN Ministerial Meetings. The ASC, which reports directly to the AMM, comprises the Chairman who is the Foreign Minister of the country hosting the AMM, the Secretary-General of ASEAN and the Directors-General of the ASEAN National Secretariats. As an advisory body to the Permanent Committees, the ASC reviews the work of Committees with a view to implementing policy guidelines set by the AMM.

## **Senior Officials Meeting (SOM)**

2.18 Separate from the Standing Committee, there are regular meetings of officials in preparation for the various ministerial meetings; the major meetings are political (SOM) or economic (SEOM). However, the officials' meetings have expanded as the ASEAN agenda has expanded to include the gamut of government activities.

2.19 The SOM was formally institutionalised as part of the ASEAN machinery at the 1987 Manila Summit. Responsible for ASEAN political cooperation, the SOM meets as and when necessary and reports directly to the AMM. SOM consists of heads of the Foreign Ministries of the ASEAN member countries.

## **Senior Economic Officials Meeting (SEOM)**

2.20 The SEOM was also established as part of the ASEAN machinery at the Manila Summit and comprises the heads of trade, industry, finance and commerce of the ASEAN Member Countries. The Fourth ASEAN Summit agreed that the five ASEAN Economic Committees on Finance and Banking (COFAB); Food, Agriculture and Forestry (COFAF); Industry, Minerals and Energy (COIME); Transportation and Communications (COTAC) and Trade and Tourism (COTT) be dissolved and SEOM be tasked to handle all aspects of ASEAN economic cooperation. The SEOM meets regularly and reports directly to the AEM.

## **Other ASEAN Senior Officials Meeting**

2.21 Other ASEAN Senior Officials Meetings comprise the ASEAN Senior Officials on the Environment (ASOEN) and ASEAN Senior Officials on Drug Matters (ASOD) as well as ASEAN Committees such as Committee on Social Development (COSD), Committee on Science and Technology (COST), ASEAN Conference on Civil Service Matters (ACCSM) and Committee on Culture and Information (COCI). These bodies report to the ASC and to the relevant meetings of Ministers.

## **Joint Consultative Meeting (JCM)**

2.22 The JCM, set up at the 1987 Manila Summit, comprises the Secretary-General of ASEAN, SOM, SEOM and the national ASEAN Directors-General. It facilitates the intersectoral coordination of ASEAN activities at the officials level. The Secretary-General reports the results of the meeting directly to the AMM and AEM.

## **ASEAN National Secretariats**

2.23 Each ASEAN country has a National Secretariat in the Foreign Ministry which organises and implements ASEAN-related activities at the country level. At the head of each National Secretariat is a Director-General.

## **ASEAN Committees in Third Countries**

2.24 ASEAN has established committees in its Dialogue Partner countries to handle ASEAN's external relations with these countries and international organisations. These committees comprise the heads of diplomatic missions of the ASEAN member countries in the host country. They conduct consultative meetings with their host governments. Presently, there are fourteen ASEAN Committees in third countries, namely: Beijing, Bonn, Brussels, Canberra, Geneva, London, Moscow, Ottawa, Paris, Seoul, Tokyo, Washington, Wellington and New Delhi. The Chairmen of the ASEAN Committees in third countries submit progress reports to the ASC on the activities of the committees and seek guidance as needed from the ASC.

## **ASEAN Secretariat**

2.25 The ASEAN Secretariat was established by an agreement signed by the ASEAN Foreign Ministers during the 1976 Bali Summit to enhance coordination and implementation of policies, projects and activities of the various ASEAN bodies. It is located in Jakarta. The 1992 Singapore Summit agreed to strengthen the ASEAN Secretariat so that it would effectively support the summit's initiatives. The *Protocol Amending the Agreement on the Establishment of the ASEAN Secretariat*, signed at the 25th AMM in Manila in 1992, provided the Secretariat with a new structure. The protocol vested the secretariat with an expanded set of functions and responsibilities to initiate, advise, coordinate and implement ASEAN activities.

2.26 The Special Meeting of the ASEAN Foreign Ministers in Kuala Lumpur in May 1997 agreed to the creation of an additional post of Deputy Secretary-General at the ASEAN Secretariat. One Deputy Secretary-General will assist the Secretary-General on AFTA and Economic Cooperation while the other will assist in Functional Cooperation, ASEAN Cooperation and Dialogue Relations and Administration, Finance and Personnel.

2.27 Staffing of the secretariat has moved from national nomination to open recruitment. A total of 35 professional staff have been recruited, more than double the size of the previous professional staff of 14 before the reorganisation.

2.28 The ASEAN Secretariat has adopted a Mission Statement which reflects the spirit and goals of the Fourth Summit, 'Towards strengthening and intensifying intra-ASEAN cooperation'. The work of the secretariat is guided by this Mission Statement in order to provide responsive support to the tasks of the various ASEAN bodies.

2.29 The Secretariat has four Bureaus. The **AFTA Bureau**, in addition to handling the implementation and monitoring of AFTA, also handles other related issues such as the elimination of non-tariff barriers, the harmonising of tariff nomenclature, the issue of standards and conformance and customs valuation and procedures. Apart from the meetings of the AFTA Council of Ministers, the AEM and SEOM, the bureau also fully services the meeting of the ASEAN Directors-General of Customs and the ASEAN Consultative Committee on Standards and Quality.

2.30 The **Bureau of Economic Cooperation** handles such matters as investment, services, finance, banking, intellectual property, food, agriculture, transportation and energy. The bureau is also responsible for issues related to industrial cooperation and, generally, non AFTA issues, including those involving the private sector. In addition to the AEM, the bureau services the meetings of the Ministers of Agriculture, Energy, Finance, Transport and Communications and Tourism, as well as that of their respective officials.

2.31 The **Bureau of Functional Cooperation** has been actively engaged in drawing up and coordinating the implementation of the Action Plans for Science and Technology, Environment, Culture and Information, Social Development and Drug Abuse Control. In addition to this, the bureau has also, among others, taken the initiative which resulted in the establishment of the ASEAN University Network and its Charter. The bureau reports directly to the meeting of the Ministers responsible for the respective sectors mentioned above and also services fully the five Committees on Functional Cooperation, their sub-committees and working groups.

2.32 The **Bureau for ASEAN Cooperation and Dialogue Relations** is responsible for the operation of the project appraisal system adopted by the ASEAN Standing Committee. Under this system, project appraisal, implementation, monitoring and evaluation procedures have been set up and the bureau provides advisory services to the various ASEAN bodies on these procedures and in project formulation and design. The Bureau also identifies funding sources and assists member countries by preparing papers on development cooperation policies and strategies which are used as a basis for discussions with dialogue partners.

## **ASEAN Free Trade Area - 1992**

2.33 Two areas of ASEAN activity which have developed significantly in the 1990s are economic and security cooperation. The arrangements put in place to facilitate and enhance this cooperation are worthy of note here; however they will be analysed in detail in later chapters of the report.

2.34 Despite its being a primary goal of ASEAN from the beginning, economic cooperation did not begin in earnest until 1976. It was not until 1992 when AFTA was established and 1993 when it was reinforced that a serious framework and a concrete timetable were agreed for the achievement of economic cooperation. Under AFTA, intra ASEAN tariffs are to be reduced to 0-5 per cent by 2003.<sup>6</sup> AFTA is not so much a structure in ASEAN as an agreement. Its progress is monitored by the AFTA Bureau within the ASEAN Secretariat and, through the secretariat, by the AFTA Council of Ministers, a specialist group set up by the ASEAN Economic Ministers.

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6 For details of the developments and achievements of AFTA see Chapters 4 and 5.

## **ASEAN Regional Forum (ARF) 1994**

2.35 The security organisation, the ASEAN Regional Forum, is the newest of the ASEAN initiatives. It is an extra ASEAN organisation, endorsed by the ASEAN Ministers at the 1993 meeting, and comprising ASEAN members, dialogue partners and observers, 21 members in all. It encompasses all the relevant powers in the Asia-Pacific; Australia, Brunei, Burma, Cambodia, Canada, China, the European Union, India, Indonesia, Japan, Laos, Malaysia, New Zealand, Papua New Guinea, the Philippines, the Republic of Korea, Russia, Singapore, Thailand, the United States and Vietnam.

2.36 The first meeting took place in July 1994. It operates at both the ministerial level and at the officials level. The ARF is a departure from the ASEAN caution in dealing with regional strategic issues. It is seen by ASEAN as part of its structure and annual ARF meetings take place at the same time as the ASEAN Ministerial Meetings and the Post Ministerial Conferences. ASEAN provides the Chair of the ARF although for the intersessional meetings there are co-chairs of ASEAN and non-ASEAN members.<sup>7</sup>

2.37 The organisation of ASEAN, complex as it is already, is still evolving. In 1997, ASEAN itself expanded to nine members with the inclusion of Laos and Burma and with the expectation that all ten South East Asian nations will be incorporated soon when Cambodia is admitted. ASEAN appears to be increasingly inclusive of other regional countries, at least at a dialogue level, and is seeking increasing dialogue with other regions.

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7 A more detailed account of the ARF will be made in Chapter 11.

