

BACKGROUND NOTE ON ASSOCIATION OF SOUTHEAST ASIAN NATIONS

"Today, ASEAN is not only a well-functioning, indispensable reality in the region. It is a real force to be reckoned with far beyond the region. It is also a trusted partner of the United Nations in the field of development...[full text]"

Kofi Annan

Secretary-General of the United Nations
16 February 2000

ESTABLISHMENT AND MEMBERSHIP

The Association of Southeast Asian Nations or ASEAN was established on 8 August 1967 in Bangkok by the five original Member Countries, namely, Indonesia, Malaysia, Philippines, Singapore, and Thailand. Brunei Darussalam joined on 8 January 1984, Vietnam on 28 July 1995, Laos and Myanmar on 23 July 1997, and Cambodia on 30 April 1999.

The ASEAN region has a population of about 500 million, a total area of 4.5 million square kilometers, a combined gross domestic product of US\$737 billion, and a total trade of US\$ 720 billion.

OBJECTIVES

The ASEAN Declaration states that the aims and purposes of the Association are: (i) to accelerate the economic growth, social progress and cultural development in the region through joint endeavours in the spirit of equality and partnership in order to strengthen the foundation for a prosperous and peaceful community of Southeast Asian nations, and (ii) to promote regional peace and stability through abiding respect for justice and the rule of law in the relationship among countries in the region and adherence to the principles of the United Nations Charter.

In 1995, the ASEAN Heads of States and Government re-affirmed that "Cooperative peace and shared prosperity shall be the fundamental goals of ASEAN."

FUNDAMENTAL PRINCIPLES

The Treaty of Amity and Cooperation (TAC) in Southeast Asia, signed at the First ASEAN Summit on 24 February 1976, declared that in their relations with one another, the High Contracting Parties should be guided by the following fundamental principles:

- Mutual respect for the independence, sovereignty, equality, territorial integrity, and national identity of all nations;
- The right of every State to lead its national existence free from external interference, subversion or coercion;
- Non-interference in the internal affairs of one another;

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- Settlement of differences or disputes by peaceful manner;
- Renunciation of the threat or use of force; and
- Effective cooperation among themselves.

ECONOMIC AND FUNCTIONAL COOPERATION

When ASEAN was established, trade among the Member Countries was insignificant. Estimates between 1967 and the early 1970s showed that the share of intra-ASEAN trade from the total trade of the Member Countries was between 12 and 15 percent. Thus, some of the earliest economic cooperation schemes of ASEAN were aimed at addressing this situation. One of these was the Preferential Trading Arrangement of 1977, which accorded tariff preferences for trade among ASEAN economies. Ten years later, an Enhanced PTA Programme was adopted at the Third ASEAN Summit in Manila further increasing intra-ASEAN trade.

The Framework Agreement on Enhancing Economic Cooperation was adopted at the Fourth ASEAN Summit in Singapore in 1992, which included the launching of a scheme toward an ASEAN Free Trade Area or AFTA. The strategic objective of AFTA is to increase the ASEAN region's competitive advantage as a single production unit. The elimination of tariff and non-tariff barriers among the member countries is expected to promote greater economic efficiency, productivity, and competitiveness. The Fifth ASEAN Summit held in Bangkok in 1995 adopted the Agenda for Greater Economic Integration, which included the acceleration of the timetable for the realization of AFTA from the original 15-year timeframe to 10 years.

In 1997, the ASEAN leaders adopted the ASEAN Vision 2020, which called for ASEAN Partnership in Dynamic Development aimed at forging closer economic integration within the region. The vision statement also resolved to create a stable, prosperous and highly competitive ASEAN Economic Region, in which there is a free flow of goods, services, investments, capital, and equitable economic development and reduced poverty and socio-economic disparities. The Hanoi Plan of Action, adopted in 1998, serves as the first in a series of plans of action leading up to the realization of the ASEAN vision.

In addition to trade and investment liberalization, regional economic integration is being pursued through the development of Trans-ASEAN transportation network consisting of major inter-state highway and railway networks, principal ports and sea lanes for maritime traffic, inland waterway transport, and major civil aviation links. ASEAN is promoting the interoperability and interconnectivity of the national telecommunications equipment and services. Building of Trans-ASEAN energy networks, which consist of the ASEAN Power Grid and the Trans-ASEAN Gas Pipeline Projects are also being developed.

ASEAN cooperation has resulted in greater regional integration. Within three years from the launching of AFTA, exports among ASEAN countries grew from US\$43.26 billion in 1993 to almost US\$80 billion in 1996, an average yearly growth rate of 28.3 percent. In the process, the share of intra-regional trade from ASEAN's total trade rose from 20 percent to almost 25 percent. Tourists from ASEAN countries themselves have been representing an increasingly important share of tourism in the

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region. In 1996, of the 28.6 million tourist arrivals in ASEAN, 11.2 million or almost 40 percent, came from within ASEAN itself.

Today, ASEAN economic cooperation covers the following areas: trade, investment, industry, services, finance, agriculture, forestry, energy, transportation and communication, intellectual property, small and medium enterprises, and tourism.

Desiring to build a community of caring societies, the ASEAN leaders resolved in 1995 to elevate functional cooperation to a higher plane to bring shared prosperity to all its members. The Framework for Elevating Functional Cooperation to a Higher Plane was adopted in 1996 with a theme: "Shared prosperity through human development, technological competitiveness, and social cohesiveness." Functional cooperation is guided by the following plans:

- ASEAN Plan of Action on Social Development;
- ASEAN Plan of Action on Culture and Information;
- ASEAN Plan of Action on Science and Technology;
- ASEAN Strategic Plan of Action on the Environment;
- ASEAN Plan of Action on Drug Abuse Control; and
- ASEAN Plan of Action in Combating Transnational Crime

EXTERNAL RELATIONS

The ASEAN Vision 2020 affirmed an outward-looking ASEAN playing a pivotal role in the international community and advancing ASEAN's common interests.

ASEAN has made major strides in building cooperative ties with states in the Asia-Pacific region and shall continue to accord them a high priority. Cooperation with other East Asian countries has accelerated with the holding of an annual dialogue among the leaders of ASEAN, China, Japan, and the Republic of Korea. In 1997, a joint statement between ASEAN and each of them was signed providing for framework for cooperation towards the 21st century. In November 1999, the leaders of ASEAN, China, Japan and the Republic of Korea issued a Joint Statement on East Asia Cooperation outlining the areas of cooperation among them.

The ASEAN Summit of 1992 mandated that "ASEAN, as part of an increasingly interdependent world, should intensify cooperative relationships with its Dialogue Partners." Consultations between ASEAN and its Dialogue Partners are held at the Foreign Ministers' level on an annual basis. ASEAN's Dialogue Partners include Australia, Canada, China, the European Union, India, Japan, the Republic of Korea, New Zealand, the Russian Federation, the United States of America, and the United Nations Development Programme. ASEAN also promotes cooperation with Pakistan on certain sectors.

Consistent with its resolve to enhance cooperation with other developing regions, ASEAN maintains contact with other inter-governmental organizations, namely, the Economic Cooperation Organization, the Gulf Cooperation Council, the Rio Group, the South Asian Association for Regional Cooperation, and the South Pacific Forum.

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Most ASEAN Member Countries also participate actively in the activities of the Asia-Pacific Economic Cooperation (APEC), the Asia-Europe Meeting (ASEM), the East Asia-Latin America Forum (EALAF).

STRUCTURES AND MECHANISMS

The highest decision-making organ of ASEAN is the Meeting of the ASEAN Heads of State and Government. The ASEAN Summit is convened every year. The ASEAN Ministerial Meeting (Foreign Ministers) is held on an annual basis. Ministerial meetings on several other sectors are also held: agriculture and forestry, economics, energy, environment, finance, information, investment, labour, law, regional haze, rural development and poverty alleviation, science and technology, social welfare, transnational crime, transportation, tourism, youth, the AIA Council and, the AFTA Council. Supporting these ministerial bodies are 29 committees of senior officials and 122 technical working groups.

To support the conduct of ASEAN's external relations, ASEAN has established committees composed of heads of diplomatic missions in the following capitals: Brussels, London, Paris, Washington D.C., Tokyo, Canberra, Ottawa, Wellington, Geneva, Seoul, New Delhi, New York, Beijing, Moscow, and Islamabad.

The Secretary-General of ASEAN is appointed on merit and accorded ministerial status. The Secretary-General of ASEAN, who has a five-year term, is mandated to initiate, advise, coordinate, and implement ASEAN activities. The members of the professional staff of the ASEAN Secretariat are appointed on the principle of open recruitment and region-wide competition.

ASEAN has several specialized bodies and arrangements promoting inter-governmental cooperation in various fields: ASEAN University Network, ASEAN-EC Management Centre, ASEAN Centre for Energy, ASEAN Agricultural Development Planning Centre, ASEAN Earthquake Information Centre, ASEAN Poultry Research and Training Centre, ASEAN Regional Centre for Biodiversity Conservation, ASEAN Rural Youth Development Centre, ASEAN Specialized Meteorological Center, ASEAN Tourism Information Centre, and ASEAN Timber Technology Centre.

In addition, ASEAN promotes cooperative activities with organizations with related aims and purposes: ASEAN-Chambers of Commerce and Industry, ASEAN Business Forum, ASEAN Tourism Association, ASEAN Council on Petroleum, ASEAN Ports Association, ASEAN Vegetable Oils Club, and the ASEAN-Institutes for Strategic and International Studies. Furthermore, there are 53 Non-Governmental Organizations (NGOs), which have formal affiliations with ASEAN.

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ASEAN ORGANISATIONAL STRUCTURE

