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Curtain Raiser to the ASEAN Summit in Phnom Penh: Perspective from New Delhi

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Cambodia as the ASEAN Chair: A Background

Cambodia, the current ASEAN Chair will host the 40-41st ASEAN Summit and related meetings in Phnom Penh from 10th to 13th November 2022. The ASEAN Summit is the top policy making body in ASEAN comprising the Heads of State or Government of ASEAN Member States. According to ASEAN convention, the Summit meetings are held twice annually and hosted by the ASEAN Chair. Related ASEAN-led meetings of significance which will be held include the East Asia Summit (EAS) and meetings held separately with Dialogue Partners— such as the ASEAN-India Summit.

Cambodia took over the Presidency of ASEAN at a critical juncture in regional and global developments. It marks significance for New Delhi's Southeast Asia policy: it commemorates the 30th anniversary of ASEAN-India relations and this year has also been designated as the 'ASEAN-India Friendship Year'. It is also the year that Singapore assumes charge as the Country Coordinator for India. While there is a felt need for India and ASEAN to cooperate speedily in order to make economic recovery in the post-pandemic phase, there is also a view within ASEAN itself that Cambodia's pro-China tilt could hamper this effort. There is also the case of Myanmar's continuing intransigence which has led to exclusion of Senior Gen. Min Aung Hlaing, chairman of Myanmar's ruling State Administration Council (SAC) from the Summit and related meetings.

Cambodia had also left out Myanmar's Foreign Minister Wunna Maung Lin from the list of invitees when the ASEAN Defence Ministers' Meeting (ADMM) was organised in February because of Naypyitaw's refusal to adhere to ASEAN's Five Point Consensus (5PC). Then, as now, ASEAN asked Myanmar to send a non-political representative instead. To display its even-handedness Cambodia has sent out invitations to the ASEAN Secretariat, ASEAN Dialogue Partners and some regional and international organisations (including the UN Secretary General), and opened it to international journalists.¹

But the apprehension felt by many that Cambodia is working under Chinese influence is not entirely unfounded. Cambodia sought China's help, and China donated a whole fleet of 150 vehicles to transport dignitaries at the upcoming ASEAN and ASEAN Plus summit. China is also helping Cambodia's Military History unit in archiving its historic records.² Cambodia's Defence Minister General Tea Banh clearly noted that the donation once again showed the "ironclad" bonds of friendship between the two nations.

¹ 'Cambodia stands firm on 5PC: No invite for Myanmar to ASEAN Summit this year', The Phnom Penh Post, 4 October 2022

² 'China gifts 150 vehicles too Cambodia for military archiving, ASEAN Summit', The Phnom Penh Post, 2 September 2022

Context: The Need for India to Act East

India is faced with many new challenges that have arisen in recent times: the Act East Policy in its current avatar is geared to dealing with these. There have been significant developments in this region in the recent past.

To begin with, the impact of the Ukraine Crisis and Covid-19 pandemic have slowed the global and regional economy.

China's Rise: and the enhanced US-China rivalry threatens peace and security in the Indo-Pacific. It presents a continuing economic and strategic challenge. India faced the brunt of it on its extensive land border, just as many ASEAN countries faced Chinese aggression on the maritime front in the South China Sea. India decided not to join the Belt and Road Initiative (BRI) while ASEAN countries did because they remained cautiously optimistic

Sino-US Rivalry: while it added to the economic difficulties of the region by disrupting regional and global supply chains, also threw up competing systems for the region's attention. On the one hand is China's Belt and Road Initiative (BRI), on the other is the United States' and Western World's Free and Open Indo-Pacific. India's membership of the Quadrilateral framework or Quad is aimed at creating a strategic balance in the Indo Pacific.

Covid-19 Pandemic: The Covid -19 pandemic which originated in late 2019 in Wuhan and spread as a global pandemic has turned the international opinion against Beijing for the simple reason that "China concealed the outbreak from the world through its international campaign of disinformation, and its "wolf-warrior" diplomacy to deflect responsibility for the pandemic. The Covid-19 pandemic has once again shown that India and ASEAN countries which have a tradition of HADR cooperation can be a valuable support to each other.

Ukraine-War and Role of Russia: Ukraine War has lasted longer than expected. Its impact on food security and energy security is felt at a global level. It has affected Regional and global Supply Chains. The Ukraine Crisis has impacted both India and Southeast Asia particularly because Russia has been a traditional supplier of military hardware. Instead of taking the focus away from the Indo Pacific, the opposite has happened.

Russia faces opposition from the West. India has adopted a neutral stance on Russia. A large component of our military hardware came from Russia. Now alternatives are being thought of. Vietnam has an even larger component of military hardware from Russia. How does Hanoi respond

to these challenges? The Tokyo Quad Summit and the ASEAN-US Summit brought back focus on the Indo-Pacific.

Finally, some other developments have taken place (both positive and negative). On the one hand, a change of governments in the Philippines, South Korea and Australia have raised hope. On the other hand, there has been the news about killing of Shinzo Abe, the former Prime Minister of Japan. There are also reports of instability and turmoil in Afghanistan on the one side and Myanmar on the other; and Sri Lanka is in serious domestic turmoil and others like Nepal could follow.

Vietnam's 13th Party Congress held in January, 2021 spelt out the direction of its foreign policy in the coming years. There is a need for strategic convergence between likeminded nations such as India and Vietnam. Both India and the ASEAN countries began to see strategic convergences.

India's Policy Response

India has three major policies— Neighbourhood First, Act East and Indo-Pacific policy. These three policies work in tandem. ASEAN Centrality forms the basis of all three of them. India's Neighbourhood First: Closest Neighbours like Myanmar

External Affairs Minister of India Dr S. Jaishankar paid a visit to Cambodia (03-05 August 2022) and participated in the annual ASEAN-India Foreign Ministers' Meeting (AIFMM) on 4th August. It was co-chaired by the External Affairs Minister of India and H.E. Dr Vivian Balakrishnan, Foreign Minister of Singapore and was attended by Foreign Ministers/representatives from other ASEAN member states. External Affairs Minister reiterated India's support for ASEAN unity and centrality in a free, open, inclusive and rules-based Indo-Pacific. Noting the strong convergence between ASEAN Outlook on Indo-Pacific (AOIP) and Indo-Pacific Oceans Initiative (IPOI) he called for greater cooperation between India and ASEAN in the Indo-Pacific.”³

India hosted the first Special ASEAN- India Foreign Ministers' Meeting (SAIFMM) on June 15, 2022 at New Delhi (ASEAN-India Foreign Ministers' Meetings are hosted by the ASEAN Chair on an annual basis, however this was the first one to be held in India). It was preceded by the 24th

³ ASEAN-India Foreign Ministers' Meeting and other related meetings August 05, 2022, at <https://mea.gov.in/pressreleases.htm?dtl/35631/aseanindia+foreign+ministers+meeting+and+other+related+meetings>

ASEAN-India Senior Officials Meeting. The 12th iteration of the Delhi Dialogue (themed 'Building Bridges in the Indo-Pacific') was held on June 16-17.

Economic Ties

India and ASEAN have a combined population of 1.8 billion or one-fourth of the world's population and a combined GDP which exceeds \$4.5 trillion. Yet, China had a decisive edge in the Indo-Pacific

Though India signed a series of Free Trade agreements with ASEAN (trade, services) and Investment agreement, trade has been below potential.

The trade target of \$200 billion by 2022 could not be achieved. Trade in commodities grew to \$81 billion in 2017-18 but fell to \$78 billion in 2020-21 due to the pandemic. A review of the trade agreements is on the agenda.

Investment is below potential. It had grown to \$96 billion (2018-19) but due to COVID-19 it had reduced to \$78 billion (2020-21).

There is growing emphasis on Connectivity- Kaladan Multimodal Transit Transport Project, and the India-Myanmar-Thailand Trilateral Highway- to name two. We could explore synergies with other connectivity plans like the BIMSTEC Master Plan for Connectivity.

Maritime transport and logistics are important part of the Blue Economy and both were adversely impacted during the pandemic. It displayed the vulnerability of supply chains and the need to build resilient and reliable supply chains.

The Indo-Pacific Economic Framework for Prosperity (IPEF) was signed by both India and Vietnam, among others. It targets building trade, supply chains, clean energy, and infrastructure, and promoting fair competition and anti corruption. A Joint Statement highlighting the key elements under IPEF was issued. India is committed to a free, open and inclusive Indo-Pacific region and believes that deepening economic engagement among partners is crucial for continued growth, peace and prosperity. ⁴

⁴ Prime Minister participates in event to launch the Indo-Pacific Economic Framework for Prosperity

Way Forward

India-ASEAN Defence Cooperation has gathered momentum in recent years. (Cooperation in defence production besides military exercises, joint military training, and Humanitarian Assistance and Disaster Relief {HADR}). India signed a contract worth \$375 million in January, 2022 to provide the Philippines BrahMos Supersonic Cruise Missile. Malaysian deal to buy Light Combat Aircraft is in its final stages.

India has welcomed ASEAN Outlook on the Indo-Pacific (AOIP) India's Indo-Pacific Oceans Initiative (IPOI) announced by PM Modi at the 2019 East Asian Summit, shares great convergence with ASEAN's AOIP.

The State of Southeast Asia: 2022 survey conducted by ISEAS, Singapore is an indicator of India-ASEAN relations and what may be needed to bring balance.

Over the next 3 decades, 3 different systems would be competing for dominance: **China's BRI**, **West's FOIP** and **ASEAN's Outlook on IP** (AOIP). It is between these three systems that India will have to navigate through in the coming decades, unless one of them gains supremacy

India's three key policies: Neighbourhood First, Act East, and Indo-Pacific policy will be the instruments of diplomacy to be used in the coming years.

May 23, 2022 at
<https://mea.gov.in/pressreleases.htm?dtl/35345/prime+minister+participates+in+event+to+launch+the+indopacific+economic+framework+for+prosperity>