



Special Guest Articles

ASEAN and Pakistan: A partnership for peace and prosperity

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Introduction

The Association of Southeast Asian Nations (ASEAN) was established on August 8, 1967, in Bangkok, Thailand, when the Foreign Ministers of Indonesia, Malaysia, The Philippines, Singapore, and Thailand signed the Bangkok Declaration. Other Southeast Asian countries, including Brunei Darussalam, Cambodia, Laos, Vietnam, and Myanmar, joined the bloc later in the years, making it a 10-member organization. Accepting Timor-Leste's ASEAN admission application, it was granted observer status in November 2022. It will soon become the 11th member of the Organization.

ASEAN's primary objective is to uphold and strengthen peace, security, and stability in the region. Over the years, ASEAN has made significant progress in these areas. It has not only effectively established, secured, and maintained peace and security in the region, but has also raised the living standards of its 661 million people and increased the combined GDP of the regional states to over US\$ 3.3 trillion. ASEAN is now the fifth-largest economic power in the world.

Besides economic benefits, ASEAN has also brought political advantages to the region. Due to its political and strategic significance, ASEAN is made part of deliberations in most other major international events, including the G-7 and G-20. Similarly, world leaders attend ASEAN summits and other meetings to discuss global issues. Currently, 96 countries outside of ASEAN have accredited their ambassadors to ASEAN, 41 non-ASEAN countries have acceded to the Treaty of Amity and Cooperation (TAC) of ASEAN, and more than 20 countries have acquired or aspire to acquire dialogue or development partnerships with the Organization.

Pakistan's Engagement with ASEAN

Pakistan's interest in Southeast Asia predates ASEAN's establishment. Pakistan was among the first countries to establish diplomatic relations with the newly independent countries of the region. In 1954, Pakistan became a member of the Manila Pact, a defence treaty focused on Southeast Asia. This Treaty established the Southeast Asia Treaty Organization (SEATO) with United States assistance. Pakistan was the only non-Southeast Asian country to sign the Treaty, joining The Philippines and Thailand.

When ASEAN was established in 1967, Pakistan already had close relations with its founding members. Pakistan's formal association with the Organization began after ASEAN granted it a "Sectoral Dialogue Partner" (SDP) status in 1993. This partnership covered trade, industry, investment, the environment, science and technology, drug enforcement, tourism, and human resource development. To further strengthen ties with ASEAN countries, Pakistan in 1997 unveiled its "Vision East Asia" policy and acceded to the Treaty of Amity and Cooperation in 2004. The same year, Pakistan was admitted to the ASEAN Regional Forum (ARF).

In 1999, Pakistan applied for a "Full Dialogue Partnership" (FDP) status with ASEAN. The request is still pending, as ASEAN imposed a moratorium on establishing FDPs until

modalities are negotiated and approved. The moratorium was lifted in 2022 by granting FDP status to the United Kingdom.

ASEAN-Pakistan Joint Sectoral Cooperation Committee (APJSCC)

Pakistan's association with ASEAN was institutionalized through the establishment of the ASEAN-Pakistan Joint Sectoral Cooperation Committee (APJSCC). The APJSCC met in Bali, Indonesia on February 5, 1999. So far, six APJSCC meetings have been held, with the last in 2017.

During the fifth meeting of the APJSCC held in Jakarta on May 31, 2011, both sides decided to implement an action plan, outlining specific areas of cooperation. In addition, they identified several future projects. Pakistan and ASEAN agreed to promote regional connectivity, inter-civilization dialogue, and maritime security cooperation. This is in addition to the existing areas of collaboration in peace and security, counter-terrorism, piracy at sea, etc. In March 2019, the two sides decided to expand cooperation in a wide range of areas, including counter-terrorism, violent extremism, and trans-national crimes. They also agreed to cooperate in economic development, food and agriculture, science and technology, information and communication technology, tourism, disaster management, culture, human resource development, connectivity, narrowing the development gap, and initiatives for ASEAN integration.

During the 6th meeting of the APJSCC, the two sides reviewed ASEAN-Pakistan Sectoral Dialogue Relations in various areas. Pakistan reiterated its request for a Full Dialogue Partnership with ASEAN. ASEAN proposed revising the Terms of References (TORs) of APJSCC and increasing the number of areas of cooperation. The 7th APJSCC meeting is scheduled to be held in the second half of 2023.

ASEAN-Pakistan Cooperation Fund (APCF).

To expand collaboration in the eight designated areas of cooperation and finance joint initiatives, the ASEAN-Pakistan Cooperation Fund was established in August 1999 with a contribution of US\$ 100,000 by Pakistan. Subsequently, in 2006, Pakistan made another contribution of US\$ One million to the fund. Several cooperative projects have been carried out through the Fund, including the First Meeting of the ASEAN-Pakistan Business Council and the ASEAN-Pakistan Workshop on Trade Facilitation in February 2000, the Workshop on Industrial Applications and Composite Design in October 2002, the Multimedia Training and Resources Development in November-December 2006, and the ASEAN-Pakistan Workshop on Geo-Informatics in September 2007. Other events included the Pakistan-ASEAN Workshop on Halal Food Production Technology and Certification System in March 2009, as well as the Joint Feasibility Study for the ASEAN-Pakistan Free Trade Agreement (FTA). A conference on Materials Science was held in Vietnam, and a joint ASEAN-Pakistan photo exhibition was held at the ASEAN Secretariat in 2011. The third ASEAN-Pakistan Conference on Materials Science (APCOMS) was held in 2014.

In 2020, ASEAN approved Pakistan's proposal to conduct three brief diplomatic courses for ASEAN diplomats at the Foreign Service Academy of Pakistan. The first course was held in September 2022. Eleven (11) diplomats from the ASEAN Member States participated in that course. The second course is scheduled for September 19-25, 2023, and the third course in 2024. Another training program focused on the digital payment landscape and financial inclusion in emerging markets for central bank officials of ASEAN member states, was successfully conducted from May 8-12, 2023. A third event, the "Pakistan-ASEAN Business Opportunities Conference" is scheduled to be held in Pakistan in August 2023. Fifty business executives from 10 ASEAN member states are expected to participate in the conference.

ASEAN Regional Forum (ARF)

The ARF was created in 1993 to foster constructive dialogue and consultation among ASEAN Members and the countries having interests in the region's security. Pakistan became its member in 2004 and since then has remained actively involved in the forum. Pakistan has consistently participated in the forum's activities and made constructive contributions to its aims and objectives.

Foreign Minister Bilawal Bhutto Zardari led the Pakistani delegation to the 29th Ministerial Meeting of the ASEAN Regional Forum (ARF) held in Phnom Penh, Cambodia from August 4-6, 2022. The Foreign Minister participated in discussions regarding political and security concerns in the region. The goal was to promote collaborative solutions to festering political and security issues through dialogue and cooperation.

ASEAN-Pakistan Trade

ASEAN is one of Pakistan's major trading partners, with trade volume reaching an all-time high of over US\$ 11 billion in 2022. However, the trade balance is highly tilted in favor of ASEAN countries. Pakistan's exports to ASEAN countries were US\$3.3 billion in 2022, while imports were \$8.83 billion in the same year. Ninety percent of Pakistan's trade is with five ASEAN countries: Malaysia, Thailand, Vietnam, The Philippines, and Indonesia.

Pakistan has a Free Trade Agreement (FTA) with Malaysia and a Preferential Trade Agreement (PTA) with Indonesia. Furthermore, negotiations for a Free Trade Agreement (FTA) with Thailand are in the final round, and discussions regarding a Preferential Trade Agreement (PTA) with Vietnam are currently underway. Although Pakistan has negotiated preferential market access with existing FTA/PTA partners among ASEAN members, this has not so far resulted in significant growth in its exports. On the other hand, its imports have grown phenomenally. Similarly, bilateral investment between Pakistan and ASEAN has been suboptimal. Few businesses in the ASEAN region invest in Pakistan. Similarly, outbound investment from Pakistan to ASEAN countries is currently minimal, despite the potential for significant investment growth.

Future prospects

Pakistan remains committed to collaboration with ASEAN in diverse fields. During a recent interaction with the Islamabad-based envoys of the ASEAN member countries, Foreign Secretary Dr. Asad Majeed Khan reiterated Pakistan's abiding interest in forging close political, security, economic, and cultural partnerships with the ASEAN member states. He stated that Pakistan could play a vital role in promoting ASEAN's objective of regional peace and prosperity.

In light of globalization's advancement, ASEAN is aiming to become an even more dynamic, powerful segment of the global supply chain in the future. In addition, it is striving to expand its reach beyond the ASEAN Economic Community borders to become a truly global player. Pakistan can help ASEAN achieve this objective in many ways.

Pakistan's strategic location at the crossroads of key regions presents a valuable opportunity for ASEAN to access the western regions of China, Central Asia, and the Middle East. Pakistan is naturally endowed with a pivotal role in promoting Asian connectivity.

Similarly, as a country located on the Indian Ocean Rim, Pakistan has a vested interest in the Malacca Strait's security. It shares ASEAN's concerns regarding major powers' rivalry in the region. It also supports the ASEAN's "centrality" in managing regional affairs. Pakistan believes that the development of its Gwadar port as a sea corridor for Western China would reduce the traffic burden in the Malacca Straits.

Pakistan is the only South Asia country that belongs to three significant regional organizations - SAARC, ECO, and SCO. This links South Asia with Central Asia and the Middle East. Pakistan is thus well-positioned to contribute to inter-regional connectivity.

Pakistan's abundant workforce and investment incentives make it an ideal location for ASEAN investors to establish manufacturing units for marketing products in the Middle East, Central Asia, and Western China. ASEAN's investors can also take advantage of the incentives provided to investors in the special economic zones established along the CPEC route. This will boost their exports to the Pakistani market and beyond.

Recommendations

Pakistan, as an Indian Ocean littoral state, has an abiding interest in peace and security in this region. Pakistan should, therefore, remain actively engaged with ASEAN and pursue a coordinated approach to its shared objective. In this regard, it should adopt an integrative and holistic approach to enhancing cooperation in all areas. At the same time, Pakistan should adopt innovative and alternative approaches to strengthen bilateral relations with each ASEAN member country.

Among ASEAN's SDPs, Pakistan is the oldest. Its application for status upgradation to an FDP has been pending with ASEAN for two decades. Since ASEAN has lifted the

moratorium on FDP status, Pakistan should reinvigorate its efforts to acquire it at the earliest. This would require working closely with the ASEAN Secretariat, as well as approaching individual ASEAN member states in their respective capitals.

Close interaction between Pakistan and ASEAN countries at the leadership level is imperative. Foreign Minister Bilawal Bhutto Zardari recently visited Indonesia, Singapore, and Cambodia. He has also invited his Indonesian and Singaporean counterparts to visit Pakistan. Similarly, the Foreign Secretary has invited the ASEAN Secretary-General to visit Pakistan. These visits would deepen our relations with the ASEAN leadership.

The high economic growth patterns in East and Southeast Asia have contributed to the rise of Asia, which is quickly becoming the new global center of gravity. The region is also undergoing economic integration and trade liberalization through free trade agreements (FTAs), most notably through the signing of the Regional Comprehensive Economic Partnership (RCEP) agreement. Pakistan should closely analyze these developments and find its niche in them.

On the bilateral level, Pakistan should look for ways to strengthen relations with each of the 10 Southeast Asian countries, especially in trade and investment, as the economic potential in both mainland and maritime Southeast Asia is immense and has not been tapped by Pakistan to the fullest. Pakistan should establish Joint Economic Commissions (JEC) with all ASEAN countries. This should be followed by a robust public awareness campaign to bring Southeast Asia and ASEAN to the forefront of the business community, think tanks, academic institutions, and the media. The establishment of a Pakistan-ASEAN Chamber of Commerce could provide a valuable platform for business communities in both Pakistan and its member countries to explore opportunities and develop linkages.

Conclusion

It is clear that the relationship between Pakistan and ASEAN has yet to reach its optimal level. The reason, according to some analysts, is that over the last several decades, Pakistan has remained preoccupied with its internal matters, or addressing critical regional issues and challenges such as the conflict in Afghanistan, the global fight against terrorism, the Jammu and Kashmir dispute, and relations with India. While that is partially true but despite those challenges, Pakistan has not lost sight of the importance of strong relations with ASEAN countries. It is for this reason that despite financial constraints, Pakistan maintains resident missions in 9 out of 10 ASEAN countries.

The key to successful interaction with ASEAN lies in a dual approach of collaborating with the Organization's Secretariat and the annual chair on the one hand, while also engaging in extensive consultations with all ten member states. Pakistan can adopt such an integrated approach that fosters a genuine spirit of cooperation, coordination, and collaboration with ASEAN. It may prioritize cooperation areas, starting with those in which it has the expertise and comparative advantage. These may include strengthening

Pakistan-ASEAN connectivity, support for the business communities to comprehensively upgrade economic cooperation with ASEAN countries, focusing on tourism, cooperation in Science & Technology and higher education, Information Technology, and deepening cultural exchanges. Such a targeted approach may provide Pakistan with a critical strategic cushion and maneuverability to effectively pursue its “Vision East Asia.”
