An introduction to the Asia–Europe meeting — ASEM
A great deal of additional information on the European Union is available on the Internet. It can be accessed through the Europa server (http://europa.eu.int).

Cataloguing data can be found at the end of this publication.

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(1) Background

The ASEM process began in March 1996 with the first Asia–Europe Meeting in Bangkok. It brings together the Heads of State or Government of 10 Asian countries and of the 15 Member States of the EU, along with the President of the European Commission. The initial Asia–Europe summit set in motion a process involving summit-level meetings every second year, ministerial meetings in between and more frequent meetings at the senior-official, working and expert level.

The second ASEM summit was held in London in April 1998 and the third in Seoul in October 2000. The fourth summit will be held in Denmark in September 2002.

The core ministerial meetings of the ASEM process (foreign affairs, economics and finance) normally take place every year; this year additional meetings of ministers of science and technology, environment and migration have been organised.

The ASEM process was founded on the mutual recognition, in Asia and in Europe, that relations between our two regions needed to be strengthened, to reflect the increased importance of Asia on the world stage. The ASEM process reflects our evolution from an ‘aid and trade’ relationship, towards a more balanced and equal partnership. The Commission had already pointed to the need for a new partnership in its Asia strategy of July 1994, shortly before Singapore’s suggestion in November 1994 that an Asia–Europe summit be considered. The importance attached to ASEM has recently been confirmed in the ‘New Asia’ strategy, published in September 2001.

Key characteristics of the ASEM process include:

— *its informality*: policy-makers and officials are free to discuss political, economic and social issues without the need to go ‘on record’, without the obligation to negotiate; the priority is on dialogue to foster mutual understanding;

— *its complementarity*: issues of concern and interest to Asia and Europe should be discussed from an inter-regional perspective, thereby not duplicating work already being carried out in other forums;
— its multidimensionality: human interests extend well beyond the economic sphere, therefore ASEM deals with the full spectrum of relations between the two regions;

— its emphasis on equal partnership, setting aside any ‘donor–recipient’ relationship, overcoming historical colonial sentiments;

— its provision of a platform for meetings both at high level (Heads of State or Government, ministers and officials), and with an increasing focus on fostering people to people contacts, including all sectors of society.

(2) The process

Overall coordination of the ASEM process is in the hands of the foreign ministers and their senior officials. These officials are assisted by the smaller group of European and Asian coordinators (Presidency and Commission for the EU; one representative each from South-East and North-East Asia, rotating every other year). Coordinators meet as and when required (two or three times a year), separately for general/political matters and for economic matters.

ASEM partners

Asia: Brunei, Indonesia, Malaysia, the Philippines, Singapore, Thailand, Vietnam, China, Japan, Korea.

Europe: Member States of the European Union, European Commission.
The ASEM structure

**Coordinators**
- **Europe:**
  - Commission
  - Presidency
- **Asia:**
  - SOM coord.: Vietnam, China
  - Econ. coord.: Vietnam, China
  - IEG shepherds: Indonesia, Japan

**Economic pillar**
- AEBF
- Steering Committee
- Working groups
  - IPAP
  - IEG shepherds
  - ASEM trust fund
- Economic coordinators
- SOMTI
- Deputies
  - Core Group
- TFAP
  - TFAP shepherds.
  - Facilitators: standards, IPR, govt. procurement, SPS, distribution, e-commerce
- Custom Directors-General and the European Commission
  - Procedures
  - Enforcement

**Political pillar**
- Heads of State or Government, President of the European Commission
- Foreign
- SOM
- Coordinators
- Ad hoc ministerials:
  - S&T, environment, migratory flow
- Cultural, intellectual P2P pillar

**Other activities:**
- e.g. cultural heritage,
- Asia–Europe Young Leaders’ Symposium,
- educational exchange, migratory flows,
- Young Parliamentarians’ Meeting, child welfare

**Acronyms:**
- AEBF: Asia–Europe Business Forum
- ASEF: Asia–Europe Foundation
- EFEX: European financial expertise network
- IPAP: investment promotion action plan
- IPR: intellectual property rights
- S&T: science and technology
- SOM: senior officials’ meeting
- SOMTI: senior officials’ meeting on trade and investment
- SPS: sanitary-phytosanitary standards
- TFAP: trade facilitation action plan
Key meetings within the ASEM process include the following:

— the *senior officials’ meeting* (SOM — foreign affairs) meets at least once a year in addition to meetings on the eve of ministerial meetings. Management issues, but also exchange of views on political issues, figure prominently on the agendas;

— the *senior officials’ meeting on trade and investment* (SOMTI) provides the key forum in which to address economic issues, including both the specific trade facilitation and investment promotion action plans (TFAP and IPAP), as well as permitting a useful informal dialogue on WTO issues and on other economic matters;
Share of EU trade imports and exports (2000)

USA 21.9 %
Candidates 13.6 %
Russia 3.3 %
Africa 7.6 %
Latin America 5.3 %
AMLAT20 12.1 %
A.ASEM 14.8 %
ASEAN 5.6 %
China 4.8 %
South Korea 2.1 %
Japan 2.3 %
Rest of the world (¹) 33.5 %

Share of EU FDI outflows (average 1997–2000)

USA 54.9 %
Candidates 4.9 %
Russia 0.5 %
Africa 2.1 %
AMLAT20 12.1 %
A.ASEM 5.4 %
Japan 1.8 %
China 0.8 %
Korea 1.0 %
ASEAN 1.8 %
Rest of the world (¹) 20.1 %

(¹) World, excluding intra-EU trade.
— senior officials of finance ministries (‘Finance deputies’) also meet from time to time, while finance officials meet regularly at the working level in ‘core group’ format on the margin of the World Bank/International Monetary Fund spring and autumn meetings;

— the Asia–Europe Business Forum, a forum where the private and public sectors meet to exchange views and debate issues in specific working groups has been held annually since 1997. This provides an opportunity for the business community to review issues relating to trade and investment matters, as well as providing an important input to the official dialogue between economic ministers in SOMTI, where business representatives are invited to attend.

### Trade in goods

<table>
<thead>
<tr>
<th>Year</th>
<th>Imports UE</th>
<th>Yearly % change</th>
<th>EU exports</th>
<th>Yearly % change</th>
<th>Balance</th>
</tr>
</thead>
<tbody>
<tr>
<td>1996</td>
<td>132 433</td>
<td>5.1</td>
<td>105 872</td>
<td>9.4</td>
<td>− 26 560</td>
</tr>
<tr>
<td>1997</td>
<td>156 910</td>
<td>18.5</td>
<td>112 743</td>
<td>6.5</td>
<td>− 44 167</td>
</tr>
<tr>
<td>1998</td>
<td>176 094</td>
<td>12.2</td>
<td>88 457</td>
<td>−21.5</td>
<td>− 87 637</td>
</tr>
<tr>
<td>1999</td>
<td>194 518</td>
<td>10.5</td>
<td>97 112</td>
<td>9.8</td>
<td>− 97 406</td>
</tr>
<tr>
<td>2000</td>
<td>252 262</td>
<td>29.7</td>
<td>127 014</td>
<td>30.8</td>
<td>− 125 248</td>
</tr>
</tbody>
</table>

### EU trade in goods with ASEM (2)

(2) Excluding Brunei and Vietnam (no data available).
In addition to these ‘core’ meetings, a series of expert-level working groups has been established, including:

— *thematic meetings* on trade issues such as standards, customs, intellectual property rights, sanitary and phyto-sanitary standards, government procurement, e-commerce etc, in the context of the trade facilitation action plan;

— *regular meetings* of an Investment Experts’ Group (IEG) in the context of the investment promotion action plan, discussing both investment policy and investment promotion issues;

— a number of meetings in the social and cultural field on issues as diverse as child welfare, cultural heritage, participation of youth in society;

### Foreign direct investment

<table>
<thead>
<tr>
<th>Year</th>
<th>EU inflow</th>
<th>Average yearly % change</th>
<th>EU outflow</th>
<th>Average yearly % change</th>
<th>Balance</th>
</tr>
</thead>
<tbody>
<tr>
<td>1996</td>
<td>1 004</td>
<td></td>
<td>8 468</td>
<td></td>
<td>7 464</td>
</tr>
<tr>
<td>1997</td>
<td>4 428</td>
<td></td>
<td>7 399</td>
<td></td>
<td>2 971</td>
</tr>
<tr>
<td>1998</td>
<td>1 623</td>
<td></td>
<td>– 1 969 (1)</td>
<td></td>
<td>– 3 592</td>
</tr>
<tr>
<td>1999</td>
<td>– 1 295 (1)</td>
<td></td>
<td>20 848</td>
<td></td>
<td>19 553</td>
</tr>
<tr>
<td>2000</td>
<td>4 260</td>
<td>43.5</td>
<td>27 014</td>
<td>33.6</td>
<td>22 754</td>
</tr>
</tbody>
</table>

(1) Negative flows denote disinvestment.

### EU foreign direct investment with ASEM (2)

(2) Excluding Brunei and Vietnam (no data available).
— and a range of cultural and intellectual networking events arranged through the Asia–Europe Foundation/ASEF (see below).

While ASEM remains an informal dialogue-based process, there are nevertheless a small number of specific institutions or programmes which have been created in response to summit decisions.

These include notably:

— the Asia–Europe Foundation (ASEF), a not-for-profit foundation established in Singapore with the objective of promoting Asia–Europe exchanges in the intellectual, social and cultural fields. Established in 1997, and funded by voluntary contributions from ASEM partners, ASEF has already implemented a large number of seminars and symposia in these different fields. The EC is the largest single contributor to ASEF’s budget, with a grant of EUR 3.5 million (within total pledges of some EUR 21 million).

A comprehensive overview of ASEF activities can be found on their web site (http://www.asef.org/)

— the Asia–Europe Environment Technology Centre (AEETC), was instrumental in launching the environmental cooperation in ASEM which has a huge potential. After the cessation of its activities work continues through meetings of environmental ministers, officials who also promote public participation.

— the ASEM trust fund, implemented by the World Bank, with the objective of providing technical assistance and training in both the financial and social sectors for Asian countries affected by the financial crisis. Established in June 1998, with an initial time frame of two years, the trust fund attracted pledges of some EUR 42.0 million from ASEM partners (within which EUR 15.0 million came from the EC, as the largest single contributor). Leaders agreed at the third ASEM summit to an extension of the fund into a second phase. This is complemented by a European financial expertise network (EFEX), operated by the Commission in cooperation with Member-State authorities as a means of increasing the share of European financial-sector expertise in such activities.

Full details of trust fund activities can be found on a web site established by the World Bank (http://www.worldbank.org/rmc/asem/asem.htm)
Outside the official ASEM framework, an ‘unofficial ASEM’ has also come into being, with meetings of Asian and European non-governmental organisations (NGOs) on the margins of all summits, drawing their inspiration from the official summits but establishing their own agenda and networks.

A Dutch NGO (TNI) has established an ASEM-related web site (http://www.tni.org/asia)
The unofficial rulebook of the ASEM process is the *Asia–Europe cooperation framework (AECF)* adopted at the London Summit, setting out certain key objectives, priorities and procedures for the ASEM process, and providing a simple and practical coordination mechanism. This was updated into AECF 2000 at the Seoul Summit which added significant new commitments on good governance, human rights and the rule of law, and which will steer the ASEM process during the next decade.

(http://europa.eu.int/comm/external_relations/asem/asem_process/aecf_2000.htm)
(3) Achievement and issues

Measured against the spirit of its commitments to partnership and dialogue set out at the inaugural Bangkok Summit, there is little doubt that the ASEM process has been a success. This was clearly shown in the discussions at the London Summit, on the Asian financial crisis and other broad issues, where the free exchange of views led to very open dialogue between European and Asian Heads of State or Government. At the third summit in Seoul there were substantial commitments to strengthen the political dialogue including specific undertakings to promote and protect human rights (including the right to development and fundamental freedoms) and to address issues of global concern such as managing migratory flows, transnational crime including smuggling and exploitation of migrants, people trafficking and the sexual exploitation of women and children. On the economic front leaders agreed to intensify efforts to launch a new WTO round and to promote networking and exchanges amongst researchers in science and technology.

In the social and cultural field, there were specific initiatives for promoting mutual awareness including enhancing inter-university cooperation and electronic networking between schools as well as exploring scope for mutual recognition of degrees and professional qualifications, and significantly increasing student exchanges. Leaders also acknowledged the significance of the first inter-Korean summit held in June 2000 and issued a separate declaration on the subject.
(4) The future of ASEM

The fourth ASEM summit, in Copenhagen in September 2002, will aim to focus discussions on a few key issues and to increase the informality of exchanges and streamline the work of ASEM. Issues suggested for the agenda include the new international security situation, with terrorism as a focal point, regional economic and financial priorities in the context of the global economic situation, as well as discussions on culture and civilisation.

See also:
http://europa.eu.int/comm/external_relations/asem/asem_process/calendar1.htm
ASEM in the regional context

Acronyms:
AMM-PMC: ASEAN Ministerial Meeting — Post-Ministerial Conference
ASEM: Asia–Europe Meeting
ASEAN: Association of South-East Asian Nations
APEC: Asia–Pacific economic cooperation
DPRK: Democratic People’s Republic of Korea
EALAF: East Asia–Latin America Forum
SAARC: South Asian Association for Regional Cooperation

* In AMM-PMC, EU is represented by EU Troika.
**Vision of ASEM leaders on the Asia–Europe relationship:**

‘ASEM leaders envisage Asia and Europe as an area of peace and shared development with common interests and aspirations such as upholding the purposes and principles of the UN Charter, respect for democracy, the rule of law, equality, justice and human rights, concern for the environment and other global issues, eradication of poverty, protection of cultural heritage and the promotion of intellectual endeavours, economic and social development, knowledge and educational resources, science and technology, commerce, investment and enterprise. To this end, Asia and Europe, building a comprehensive and future-oriented partnership, should work together to address challenges and to translate them into common opportunities. They should in particular be addressed through our dialogue and joint endeavours in relation to political, economic, and social, cultural and educational issues. ASEM partners also recognise the need to work together in addressing the new challenges posed by, among other things, globalisation, information technology, e-commerce and the new economy.’

*Asia–Europe cooperation framework (AECF 2000), paragraph 5.*

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**Extract from the updated Asia strategy ‘Europe and Asia: A strategic framework for enhanced partnerships’, published 4 September 2001:**

‘The Commission has emphasised the importance which it attaches to the ASEM process, and the scope which it offers for enhancing Asia–Europe dialogue and cooperation on a basis of equal partnership and mutual respect. The ASEM process has offered an excellent example of inter-regional cooperation, and we will continue to work to ensure that it can make progress in each of its ‘three pillars’ (political, economic and social). In particular, we should draw fully on ASEM’s potential as a forum for an informal exchange of views promoting increased understanding and enhanced cooperation, and to use this to build concrete achievements in the various priority areas identified in the Asia–Europe cooperation framework adopted at the Seoul Summit. ASEM also offers an important opportunity to strengthen and broaden public engagement in Asia–Europe relations, and we should encourage parliamentary and civil society participation in this process.’
President Romano Prodi at the opening ceremony of the third ASEM summit in Seoul, October 2000:

‘I think ASEM has already proved its worth through the extensive networks at all levels which it has helped to create. This process should help us to better address the common challenge of preserving peace and enhance prosperity in a world characterised by accelerating change and interdependence. I am convinced that we could not have chosen a better venue for such an endeavour.’
Chairman’s statement of the sixth Asia–Europe Business Forum, Singapore, October 2001:

‘All delegates expressed the urgent need for a closer relationship and cooperation between Asia and Europe at both business and government level, so as to strengthen the capacity of ASEM economies to cope with the global economic downturn.’

Competition Logo ASEM!

The Asia Europe Foundation (ASEF) is organising a competition for an official ASEM logo expressing the Asia meets Europe theme open exclusively to joint teams from Asia and Europe.

For details see: http://www.asef.org
European Commission

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