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## ASEAN and the EU: similarities and differences

The European Union (EU) and the Association of Southeast Asian Nations (ASEAN) are often referred to as the two most important and successful regional organisations in the world. The EU began in 1958 with the Treaty of Rome. ASEAN began its life nine years later, in 1967, with the Bangkok Declaration. ASEAN will commemorate its 50<sup>th</sup> anniversary on 8 August 2017. This is therefore an opportune moment to compare and contrast ASEAN and the EU. Let me begin with the similarities.

### Similarities

The first similarity is that both are regional organisations with legal personalities. The EU has 28 members and ASEAN has 10 members. The UK will soon be negotiating its exit from the EU, which will be left with 27 members.

The second similarity is that both were founded to promote peace.

The EU was founded to prevent the recurrence of war in Europe and

to institutionalise peace through economic integration. ASEAN was founded to create a peaceful environment in Southeast Asia so that the ASEAN countries could concentrate on their economic development.

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The third similarity is that both seek to integrate the economies of their members into a single market and production platform. In the case of the EU, there is freedom of movement

of goods, services, capital and labour. In the case of ASEAN, the movement of labour is not free. The ASEAN Charter obliges the member states to facilitate the movement of business persons, professionals, talents and labour. This is a major difference between ASEAN and the EU.

The fourth similarity is that both organisations share a commitment to human rights. The EU has a Charter of Fundamental Rights, and ASEAN has adopted a Declaration of Human Rights. The Charter of ASEAN contains several provisions in its preamble, purposes and principles on human rights. ASEAN has two commissions on human rights: the ASEAN Intergovernmental Commission on Human Rights and the Commission on the Rights of Women and Children. The EU has a European Court of Justice, but ASEAN has no equivalent institution.

The fifth similarity is that both ASEAN and the EU have entered into many free trade agreements or economic partnership agreements with other countries. ASEAN has concluded such agreements with China, Japan, South Korea, India, Australia and New Zealand, but not with the EU. Isn't it time for the EU to offer to negotiate an agreement with ASEAN?

The sixth similarity is that both institutions hold regular political dialogues with important external partners. The EU holds annual summits with the US, China, Japan, Russia, etc. In contrast, ASEAN has created three forums to engage its external partners: namely, the ASEAN Regional Forum, ASEAN Plus Three and the East Asia Summit. In addition, ASEAN holds bilateral dialogues with 10 dialogue partners. Finally, ASEAN holds an annual summit with the US, China, Japan, South Korea and India.

### Differences

There are several very important differences between ASEAN and the EU. The first difference is that ASEAN is an intergovernmental organisation, whereas the EU is a supranational organisation in which member states have pooled their sovereignty in certain areas, such as trade. This pooled sovereignty is exercised by the European Commission on behalf of the member states.

The second difference is that the EU has a common currency: the

Euro. ASEAN does not have a common currency and has no intention of pursuing a monetary union. However, in the aftermath of the 1997 financial crisis, the leaders of ASEAN, as well as China, Japan and South Korea, launched the Chiang Mai Initiative. It brings together the 13 Finance Ministers and Central Bank Governors. Their focus is to promote mutual financial cooperation.

The third difference is that the EU has a parliament and ASEAN does not. The European Parliament has the power to legislate as well

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The fourth difference is a very important one. The EU has a very powerful secretariat called the European Commission—the

ASEAN Secretariat pales in comparison. The European Commission acts like a government. The Commission has the power to put forward proposals for legislation. The ASEAN Charter has enhanced the power of the Secretary-General. One of his most important responsibilities is the power to issue an annual report card on each member state's compliance with its obligations.

The fifth difference relates to the decision-making process. In ASEAN, all decisions are made by consensus. The EU can decide by taking votes. There is a system of weighted voting, with different countries being given different numbers of votes. However, in the area of common foreign and security policy, decisions are based on unanimity. In ASEAN's case, there is an exception to the consensus rule: economic agreements can be adopted by a majority, under the 'ASEAN minus X' formula, so that the majority can proceed first and the minority can catch up later.

The sixth difference is on language policy. The EU has 23 official languages. In the case of ASEAN, English is used as the sole medium for meetings and communications.

## Conclusion

When we were drafting the ASEAN Charter in 2007, we often looked to the EU for inspiration but not as a role model. ASEAN wants to remain an intergovernmental, rather than a supranational, organisation. The member states of ASEAN are not ready to pool their sovereignty. The free mobility of labour within ASEAN is not feasible. There is no intention on the part of ASEAN to achieve monetary union. ASEAN has no intention of emulating the EU in these respects. ASEAN will continue to integrate and consolidate as a community of 10 sovereign and independent states. Learning from the experience of the EU, ASEAN will ensure that it is not viewed as an elitist project, but instead enjoys the strong support of the 620 million citizens of ASEAN.



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