



## **International Webinar on ASEAN-Korea Cooperation Upgrade ASEAN's Expectation and New Projects from the NSP under the US-China Conflict and Covid-19**

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The ASEAN-ROK partnership has flourished since its establishment in November 1989 and its transformation into ASEAN full Dialogue Partner in 1991. The ASEAN-ROK cooperation is evolving in the areas of economy, trade, investment, transportation, tourism, agriculture, science and technology, information and communication technology, forestry, environment, health, human resource development, culture, community exchange and reducing the development gap.

Following the ASEAN Summit in Hanoi in 2010, the ASEAN-ROK partnership was elevated to a Strategic Partnership. To implement this partnership, ASEAN-ROK has established a Plan of Action to Implement the Joint Declaration on Strategic Partnership for Peace and Prosperity 2016-2020 in November 2015.

### **New Southern Policy and the RI-ROK Special Strategic Partnership**

In May 2017, on the 30th Anniversary of the ASEAN-ROK Partnership Cooperation Summit, President Moon Jae-in introduced the *New Southern Policy* (NSP) aiming to strengthen relations between ROK with its ASEAN neighbors and India.

President Moon explained that the NSP aims to strengthen and diversify Korea's economic cooperation with various partners in the region. The main focus of the NSP is known as 3P, namely:

1. A community for the people that connects people to people and minds to minds;
2. A community of peace that can contribute to peace across Asia;
3. A community of co-existence and co-prosperity where ASEAN countries thrive together with reciprocal economic cooperation.

The most important developments to note include the decision of the President Moon to take on his first overseas visit in November 2017 to Indonesia. During the visit, President Moon Jae-in and Indonesian President Joko Widodo agreed to elevate the bilateral relations to a "Special Strategic Partnership" based on the spirit of common principles and democratic values, human rights, and open economy. The two leaders also approved that the partnership would not be merely transactional but must be based on the spirit of mutual assistance.



"The Indonesia-Korea Joint Vision Statement for Co-Prosperity and Peace", which was issued during the said visit in Bogor Palace on 9 November 2017, has provided the guiding principles for this new level of bilateral cooperation. It sets mutually prioritized sectors of cooperation between the respective countries.

In the economic sector, it was agreed to focus the cooperation in order to:

- To improve strategic communication at the highest levels by activating various bilateral consultation mechanisms that already exist or establishing new mechanism.
- To vigorously enhance and expand investment and trade relations, including taking necessary measure to achieve bilateral trade volume of US \$ 30 billion by 2022 and to give wider market access for Indonesian palm oil, fruit and fishery products to the ROK.
- The Indonesian government will encourage South Korean companies to expand their business and investment in Indonesia, especially by giving the support to the acceleration of industrialization, infrastructure and connectivity development, as well as to promote growth and development in the regions.
- The ROK Government will support the Indonesia in developing its infrastructure including in the areas of water management, transportation, public housing, and electricity generation, by utilizing the Global Infrastructure Fund and the Economic Development Cooperation Fund.
- Both countries agreed to facilitate investment in new growth engine sectors such as tourism, content industry, green energy, health and medical services, and information technology.
- To establish triangular cooperation in order to help third countries in their economic development.

Indonesia and Korea are currently finalizing the Plan of Action for the implementation of Special Strategic Partnership 2020-2024, to be signed by the two countries' Ministers of Foreign Affairs. This PoA serves as a guideline as well as a scorecard for the implementation of bilateral cooperation and is expected to be agreed by the end of 2020.

### **Recent Developments in ASEAN-ROK Partnership**

During the 2019 ASEAN-ROK Commemorative Summit in Busan, two important documents were agreed, namely the ASEAN-Republic of Korea Joint Vision Statement for Peace, Prosperity and Partnership, and the Co-Chairs' Statement on the ASEAN-ROK Commemorative Summit. Among the follow up steps taken include the establishment of the ASEAN-ROK Creative Economic Center and the ASEAN-ROK Science and Technology Center in Jakarta.

During the 21st ASEAN-ROK Summit Meeting, 12 November 2020, the Leaders reviewed the cooperation and provided guidelines for the future direction of ASEAN-ROK Cooperation.



- ASEAN appreciates ROK's support for ASEAN in overcoming the pandemic challenge, especially assistance in the provision of PPEs, diagnostics, and medicine.
- The ROK reiterated its commitment to support various initiatives initiated by ASEAN for handling pandemic, in particular the ASEAN Comprehensive Recovery Framework and plans its implementation is to promote comprehensive recovery and health resilience area.
- The ROK hopes to work closely with ASEAN through its NSP + framework, including in 7 areas of cooperation: human resource capacity through medical cooperation, education, labor, trade and investment, agriculture and fisheries, industrial revolution 4.0, and cooperation to face the challenges of a pandemic the future.
- ASEAN and ROK understand that sustainable peace dialogue between related parties can lead towards embodiment of lasting peace and stability on the Korean Peninsula.

In particular, during the Summit, President Joko Widodo highlighted that the close ASEAN-ROK partnership can contribute to efforts to contain the COVID-19 pandemic and to recover the economy in the region. Collaboration for regional economic recovery is vital to raise new hopes for the community and the business world which can later help leverage the regional economy.

President Widodo also viewed that this partnership can also be directed towards building health resilience mechanisms in the region, particularly health infrastructure at the national level, a strong health industry in the region, and a framework for regional health resilience including early warning systems and SOPs during a pandemic.

Moreover, efforts could be aimed at securing the global supply chain, including through expanding South Korean investment in Southeast Asia and strengthening ASEAN as Korea's production base. Digital and technological transformation in MSMEs as well as strengthening creative economic cooperation, he added, can also encourage economic movement in the region.

In 2019, ROK is ASEAN's fifth largest trading partner with a trade value of USD 160.5 billion, while ASEAN is Korea's second-largest trading partner. ROK is also the fifth largest source of foreign investment for ASEAN compared to other Trade Partners with a value of USD 8.3 billion. []