

*Evaluation of EC co-operation with ASEAN*

Final Report

Volume 2

June 2009

*Evaluation for the European Commission*





Development  
Researchers'  
Network

Italy



Aide à la Décision  
Economique  
Belgium



PARTICIP GmbH  
Germany

d.i.e

Deutsches Institut für  
Entwicklungspolitik



German Development  
Institute

Deutsches Institut für  
Entwicklungspolitik  
Germany



Overseas Development  
Institute  
United Kingdom



European Institute for Asian  
Studies  
Belgium



ICEI Instituto Complutense  
de Estudios Internacionales

Instituto Complutense de  
Estudios Internacionales  
Spain

This evaluation was commissioned by:

**the Evaluation Unit common to:**

EuropeAid Co-operation Office,  
Directorate-General for Development and  
Directorate-General for External Relations

The evaluation was carried out by Particip GmbH within a consortium led by DRN. The external evaluation team was composed of Landis MacKellar (team leader), Jörn Dosch, Steven Ney, Mely Caballero Anthony, René Madrid, Christopher Veit, Marcel Goeke. Particip GmbH was the evaluation contract manager.

*The evaluation was managed by the evaluation unit who also chaired the reference group composed of members of EC services (EuropeAid, DG Dev, DG Relex, DG Trade) and the EC Delegation in Jakarta.*

*Full reports of the evaluation can be obtained from the evaluation unit website:  
[http://ec.europa.eu/europeaid/how/evaluation/evaluation\\_reports/index\\_en.htm](http://ec.europa.eu/europeaid/how/evaluation/evaluation_reports/index_en.htm)*

***The opinions expressed in this document represent the authors' points of view, which are not necessarily shared by the European Commission or by the authorities of the countries concerned.***

# Evaluation of European Commission's Cooperation with ASEAN

## Regional Level Evaluation

### Final Report

The report consists of 2 volumes:

**Volume I: FINAL REPORT**

**Volume II: Annexes**

#### **VOLUME I: DRAFT FINAL REPORT**

1. Introduction
2. Development Co-operation Context
3. EC strategy and the logic of EC support
4. Findings
5. Conclusions
6. Recommendations
7. Overall Assessment

#### **VOLUME II: ANNEXES**

1. Annex 1 – Persons met
2. Annex 2 – Documents Consulted
3. Annex 3 – ASEAN's cooperation agenda and specific EC contributions
4. Annex 4 – Information matrix and further information required
5. Annex 5 – Impact Diagram / Intervention Logic

## **TABLE OF CONTENTS**

<b>1</b>	<b>Annex 1 – Persons met.....</b>	<b>1</b>
<b>2</b>	<b>Annex 2 – Documents Consulted.....</b>	<b>1</b>
<b>3</b>	<b>Annex 3 – ASEAN’s cooperation agenda and specific EC contributions .....</b>	<b>7</b>
<b>4</b>	<b>Annex 4 – Information matrix and further information required .....</b>	<b>18</b>
4.1	EQ1 - TO WHAT EXTENT HAS EC ASSISTANCE TO ASEAN CONTRIBUTED TO TANGIBLE PROGRESS TOWARDS REGIONAL TRADE AND ECONOMIC INTEGRATION? .....	18
4.2	EQ2 - TO WHAT EXTENT HAS EC SUPPORT TO THE ASEAN SECRETARIAT RESULTED IN SUSTAINABLE INCREASES IN THAT INSTITUTION’S CAPACITY TO SUPPORT ASEAN INTEGRATION, AND THE CAPACITY TO COORDINATE INTERNATIONAL ASSISTANCE? .....	30
4.3	EQ3- TO WHAT EXTENT HAVE EC TRADE-RELATED ASSISTANCE AND DIALOGUE CONTRIBUTED TO INCREASING AND IMPROVING ASEAN-EU TRADE AND INVESTMENT RELATIONS?.....	36
4.4	EQ4 - WHAT HAS BEEN THE IMPACT OF EC ASEAN-LEVEL COOPERATION AND DIALOGUE ON EC VISIBILITY AT ASEAN HEADQUARTERS AND IN THE REGION? .....	42
4.5	EQ5 - TO WHAT EXTENT HAS THE EC ENGAGEMENT WITH ENERGY AND BIO-CONSERVATION THROUGH THE ASEAN PROGRAMME SUCCESSFULLY PROMOTED EUROPEAN BEST PRACTICE RELATED TO SUSTAINABLE ECONOMIC DEVELOPMENT?.....	48
4.6	EQ6 - TO WHAT EXTENT HAVE EC-ASEAN LINKAGES IN THE AREA OF HIGHER LEARNING AND RESEARCH SPONSORED THROUGH THE ASEAN PROGRAMME PRODUCED FORESEEN IMPACTS, AND ARE THESE IMPACTS SUSTAINABLE WITHOUT EC FINANCING? .....	62
4.7	EQ7 - TO WHAT EXTENT HAS EC COOPERATION AT THE ASEAN LEVEL BEEN DESIGNED AND TARGETED IN SUCH A WAY AS TO CONTRIBUTE TO REDUCING POVERTY IN THE REGION AND NARROWING THE GAP BETWEEN RICH AND POOR COUNTRIES?.....	79
4.8	EQ8 - TO WHAT EXTENT WAS THE EC MIX OF INSTRUMENTS (ASIA REGIONAL, ASEAN, BILATERAL, THEMATIC), APPROACHES (FIDUCIARY FUNDS, PROJECT APPROACH, MACRO-LEVEL PROGRAMMES, SWAP) AND/OR CHANNELS OF DISBURSEMENT (GOVERNMENT, PRIVATE SECTOR, NSAs, MULTILATERAL ORGANISATIONS) BEEN APPROPRIATE TO THE NATIONAL CONTEXT AND EU STRATEGIC POLICY AIMS? .....	86
4.9	EQ9 - TO WHAT EXTENT HAS THE EC COORDINATED AND COOPERATED WITH EU MEMBER STATES AND IFIs INTENDING TO IMPROVE THE COMPLEMENTARITY OF THEIR INTERVENTIONS? .....	95
<b>5</b>	<b>Annex 5 – Impact Diagram / Intervention Logic.....</b>	<b>101</b>

## ACRONYMS

<b>List of Acronyms</b>	
ABC	ASEAN-Brussels Committee
ABC	ASEAN Biodiversity Centre
ACD	ASEAN Cosmetic Directive
ACE	ASEAN Centre for Energy
ACU	Agreements and Compliance Unit
ACVG	ASEAN Customs Valuation Guide
ACW	ASEAN Committee on Women
ADB	Asian Development Bank
AEC	ASEAN Economic Community
AECF	Asia-Europe Co-operation Framework
AEM	ASEAN Economic Ministers
AEMM	ASEAN-EEC Ministerial Meeting
AFTA	ASEAN Free Trade Area
AHTN	ASEAN Harmonised Tariff Nomenclature
AI	Amnesty International
AIA	ASEAN Investment Agreement
AMM	Annual Ministerial Meeting
AMRDPE	ASEAN Ministers on Rural Development and Poverty Eradication
APAEC	ASEAN Plan of Action for Energy Cooperation
APEC	Asia-Pacific Cooperation Forum
APRIS	ASEAN Programme for Regional Integration Support
ARCBC	ASEAN Regional Centre for Biodiversity Conservation
ARCBC	ASEAN Regional Centre for Biodiversity Conservation
ARF	ASEAN Regional Forum
ASC	ASEAN Security Community
ASCC	ASEAN Socio-Cultural Community
ASCOE	ASEAN Committee on Education
ASE3	ASEAN-European Engineering Exchange Programme
ASEAN	Association of Southeast Asian Countries
ASEC	ASEAN Secretariat
ASEF	ASIA-Europe Foundation
ASEM	Asia Europe Meeting
ASEM	Asia-Europe Meeting
ASW	ASEAN Single Window System
ATF	Asia Trust Fund
AUN	ASEAN University Network
AUNIP	AUN Intellectual Property Network
AUNP	ASEAN-EU University Network Programme
AVIST	ASEAN Virtual Institute of Science and Technology
BIMP-EAGA	East West Corridor, Greater Mekong Sub-region, Brunei Darussalam-Indonesia-Malaysia-Philippines - East ASEAN Growth Area
CBD	Convention on Biological Diversity
CCF	Country Co-operation Framework
CEPII	French research institute
CEPT	Common Effective Preferential Tariff
CLMV countries	Cambodia, Lao PDR, Myanmar and Vietnam
COGEN	The European Association for the Promotion of Cogeneration
COST	ASEAN's Committee on Science and Technology
CRIS	Common Relex Information System
CSP	Country Strategy Paper

<b>List of Acronyms</b>	
DCI	Development Cooperation Instrument
DfID	Department for International Development
DG	Directorate General of the EC
DNA	Designated National Authorities
DSM	ASEAN Enhanced Dispute Settlement Mechanism
DSW	German Foundation for World Population
EAEF	EC-ASEAN Energy Facility
EAEF	Energy Manager Accreditation Scheme for the ASEAN region
EAEF	EC-ASEAN Energy Facility
EAI	Enterprise for ASEAN Initiative
EAP	UNEP Environment Assessment Programme
EC	European Commission
ECAP	EC-ASEAN Intellectual Property Rights Cooperation Programme
ECHO	EC Humanitarian Aid Office
ECW	Erasmus Mundus
EEC	European Economic Community
EIB	European Investment Bank
EQ	Evaluation Question
EU	European Union
EUM	EU-Malaysia Chamber of Commerce and Industry
FDI	Foreign Direct Investment
FLEGT	Forest Law Enforcement, Governance and Trade
FSDP	Full Scale Demonstration Project
FTA	Free Trade Agreement
FWPs	European Commission's Framework Programmes
GDP	Gross Domestic Product
GMO	Genetically Modified Organism
GNI	Gross National Income
Green IPP	Name of a web-based renewable energy database
GSP	Generalized System of Preferences
GSP	EU General System of Preferences
GTZ	Gesellschaft für technische Zusammenarbeit, German Technical Cooperation
HE	Higher Education
HEI	Higher Education Institute
HIV/Aids	Human immunodeficiency virus
IAI	Initiative for ASEAN Investment
IAI	Initiative for ASEAN Integration
ICT	Information and Communications Technology
IDPAS	EU support for the Institutional Development Program for the ASEAN-Secretariat
IFIs	International financial institutions
IMF	International Monetary Fund
IPAP	Investment Promotion Action Plan
IPR	Intellectual Property Rights
ISO	International Standards Organisation
ITC	International Trade Centre
JAEP	Japan-ASEAN Exchange Programme
JAGEF	Japan-ASEAN General Exchange Fund
JC	Judgement Criteria
JCC	Joint Cooperation Committee
JICA	Japan International Cooperation Agency
JSG	ASEAN-EEC Joint Study Group
Lao PDR	Lao People's Democratic Republic
MBIPV	Malaysia: Building Integrated Photovoltaic Technology Application Project

<b>List of Acronyms</b>	
MDG	Millennium Development Goals
MTEF	Medium-Term Expenditure Framework
NBRU	National Biodiversity Reference Unit
NGO	Non-governmental Organisation
NIP	National Indicative Programme
NSA	Non State Actors
NTB	Non-Tariff Barriers
ODA	Official Development Assistance
OECD	Organisation for Economic Cooperation and Development
OPP	Outline Perspective Plan
PAP	AUNP Project Partnership Programme
PCA	Partnership and Cooperation Agreements
PCA	Post-Clearance Audit
PCT	Patent Cooperation Treaty
PEATWISE	A project aimed to develop a post-graduate programme for peatland management practices
PMC	Post-Ministerial Meeting
PPP	Pursuing Power Parity
PRAG	Practical Guide to Contract Procedures for EC External Actions
PTM	Pusat Tenaga Malaysia (Malaysian Energy Centre)
READI	Regional EC-ASEAN Dialogue Instrument
RG	Reference Group
RIP	Regional Indicative Programme
ROM	Result-Oriented Monitoring
RSP	Regional Strategy Paper
RSP	Regional Strategy Programme
SAARC	South Asian Association for Regional Cooperation
SARS	Severe Acute Respiratory Syndrome
SCANN	Special Coordination Committee
SCP	Sustainable Consumption and Production
SEARCCCT	Southeast Asia Regional Centre for Counter-Terrorism
SIDA	Swedish International Development Cooperation Agency
SME	Small and Medium Enterprises
SOMTI	Senior Officials Meeting on Trade and Investment
SOPRANO	Software for Property Rights Administration in National Offices
SPS	Sanitary and phyto-sanitary standards
SWOT	Strengths, Weaknesses, Opportunities, Threats
TA	Technical Assistance
TAC	Treaty of Amity and Co-operation
TEIN	Trans Eurasia Information Network
TETRAWAMA	A project managed by a consortium of German Dutch and Malaysian partners, aimed at producing teaching materials for waste management practices in developing countries
TFAP	Trade Facilitation Action Plan
TIFA	ASEAN-United States Trade and Investment Framework Agreement
ToR	Terms of Reference
TREATI	Trans-Regional EU-ASEAN Trade Initiative
TUHH	European lead partner
UN	United Nations
UNAIDS	Joint United Nations Programme on HIV/AIDS
UNCTAD	United Nations Conference on Trade and Development
UNDP	United Nations Development Programme
UNEP	United Nations Environment Programme

<b>List of Acronyms</b>	
UNICEF	United Nations Children's Fund
UNIMAS	University Malaysia Sarawak
USAID	US Agency for International Development
USD	United States Dollar
VAP	Vientiane Action Programme
WB	World Bank
WHO	World Health Organisation
WTO	World Trade Organisation
WWF	World Wide Life Fund



## 1 ANNEX 1 – PERSONS MET

Name	Organisation
Cecile Leroy	Project Officer Economic and Regional Cooperation EC Delegation Jakarta
Lars Gronvald	Head of Economic and Regional Cooperation / Good Governance Section EC Delegation Jakarta
Basil Constantinescu	Counsellor EU-ASEAN Cooperation EC Delegation Jakarta
Rodrigo U. Fuentes	Executive Director, ACB
Asa Larsen	Trade Counsellor EC Delegation Jakarta
Dhannanjaya Sunoto	Principal Director Bureau for External relations and Coordination ASEAN Secretariat, Jakarta
Termsak Chalermphanupap	Director and Head of Research Office of Secretary General Special Assistant to the Secretary General ASEAN Secretariat, Jakarta
Sovannasam Un	Senior Officer Bureau for Programme Coordination and External relations ASEAN Secretariat, Jakarta
Bala Kumar Palaniappan	Head External Relations Bureau for External Relations and Coordination ASEAN Secretariat, Jakarta
Georgios Antoniou	EC - DG RELEX H5
Tan Tai Hiong	Special Officer, Trade in Services Bureau for Economic Integration and Finance ASEAN Secretariat, Jakarta
Honorio R. Vitasa	Director, Agriculture & Infrastructure Cluster Bureau for Economic Integration and Finance ASEAN Secretariat, Jakarta
Eddy Krismeidi Soemawilaga	Special Officer for Tourism and Transportation Bureau for Economic Integration and Finance ASEAN Secretariat, Jakarta
Benny Irzanto	Technical Officer, Agreements and Compliance Unit Bureau for Economic Integration and Finance ASEAN Secretariat, Jakarta
Kanya Satyani	Senior Officer, Trade in Goods Unit, Trade and Facilitation Cluster Bureau for Economic Integration and Finance ASEAN Secretariat, Jakarta
M. Ruhimat Soerakoesoemah	Assistant Director, External Economic Liaison Office of the Principal Director

	Bureau for Economic Integration and Finance ASEAN Secretariat, Jakarta
Bela Kumar Palaniappan	Head, External Relations Bureau of External Relations and Coordination ASEAN Secretariat, Jakarta
Alexander A. Liem	Assistant Director, External Relations Bureau of External Relations and Coordination ASEAN Secretariat, Jakarta
Shirley Vincent Ramesh	Senior Officer, Standards and Conformance Unit Bureau for Economic Integration and Finance ASEAN Secretariat, Jakarta
Raman Letchumanan	Head Initiative for ASEAN Integration (IAI) Unit
S. Pushpanathan	Principal Director Bureau for Economic Integration and Finance ASEAN Secretariat, Jakarta
M. Rajaretnam	Special Advisor to the Secretary General on Community Building and Outreach ASEAN Secretariat, Jakarta
Suriyan Vichitlekarn	Senior Officer Bureau for Economic Integration and Finance ASEAN Secretariat, Jakarta
Dr. Somsak	Assistant Director Bureau for Economic Integration and Finance ASEAN Secretariat, Jakarta
Eddy Krismeidi Soemawilaga	Special Officer for Tourism and Transportation Bureau for Economic Integration and Finance ASEAN Secretariat, Jakarta
Honorio NR. Vitasa	Director, Agriculture & Infrastructure Cluster, Bureau for Economic Integration and Finance, ASEAN Secretariat, Jakarta
Rimta K. Silangit,	World Bank EAP-ASEAN Liaison Officer ASEAN Secretariat, Jakarta
David Martin	Team Leader ASEAN-EU Programme for Regional Integration Support ASEAN Secretariat Jakarta
Andreas Obser	Principal Adviser ASEAN-German Regional Forest Programme ASEAN Secretariat, Jakarta
Daniela Göhler	Technical Adviser ASEAN-German Regional Forest Programme ASEAN Secretariat, Jakarta
Jörg Meier	Technical Assistance Coordinator InWent Capacity Building ASEAN Secretariat, Jakarta
Timothy Buehrer	Chief of Party ASEAN-US Technical Assistance and Training Facility ASEAN Secretariat, Jakarta

Noordin Azhari	Deputy Chief of Party ASEAN-US Technical Assistance and Training Facility ASEAN Secretariat, Jakarta
Rebecca Lannin	Program Director ASEAN-Australia Development Cooperation Program II ASEAN Secretariat, Jakarta
Daiki Kasugahara	General Manager Economic Research Institute for ASEAN and East Asia ASEAN Secretariat, Jakarta
Fukunari Kimura	Chief Economist Economic Research Institute for ASEAN and East Asia ASEAN Secretariat, Jakarta
Aris Heru Utomo	Directorate of Dialogue Partners and Inter-regional Cooperation Directorate-General of ASEAN Cooperation Department of Foreign Affairs Republic of Indonesia
Widya Rahmanto	Directorate of Dialogue Partners and Inter-regional Cooperation Directorate-General of ASEAN Cooperation Department of Foreign Affairs Republic of Indonesia
Patrik Jonasson	General Manager European Business Chamber of Commerce in Indonesia, Jakarta
Dieter Ziulkowski	Group Representative for Indonesia ThyssenKrupp AG
Michael Olssen	CEO BM Olsson Indonesia
Rodrigo Fuentes	Executive Director ASEAN Center for Biodiversity
Enrique Martinez Gurrierez	External Adviser EC Universities and Higher Studies Project Erasmus Mundus ECW evaluator
Matthias Rissler	INBAS GmbH Erasmus Mundus ECW evaluator
Melissa Chin	Erasmus Mundus alumna
Mads Korn	Attache (Cooperation) EC Delegation, Bangkok
Wei-Nee Chen	Technical Advisor Strategic Communications, MBIPV Project PTM (Malaysia Energy Centre), Bandar Baru Bangi
Gladys Mak	Senior Officer Policy Analysis MBIPV Project PTM (Malaysia Energy Centre), Bandar Baru Bangi
Univ. Prof. Mag Dr. Wolfgang Obenaus (AsiaLink, AUNP)	Institut fuer Englische Wirtschaftskommunikation Vienna University of Economics and Business Administration
Prof. Wan Sulaiman Wan Harun (AsiaLink, FWPs)	Faculty of Resource Science and Technology University Malaysia Sarawak (UNIMAS), Sarawak

Datin Rohani BT Abdullah ( <i>Erasmus Mundus, AsiaLink, AUNP</i> )	Undersecretary Policy Coordination & International Division Ministry of Higher Education, Putrajaya
Bianka Siwinska ( <i>AsiaLink</i> )	Executive Director Perspektywy Foundation, Warsaw
Prof Piniti Ratananukul ( <i>AUNP</i> )	Executive Director ASEAN University Network, Bangkok
Dr Setiyono Miharjo, MBA ( <i>AsiaLink, AUNP</i> )	Deputy Director of Academic and Student Affairs Universitas Gadjah Mada, Yogyakarta
Christopher Zamora	Former Co-Director of EAEF ASEAN Centre for Energy ASEAN Centre for Energy, Jakarta
Theng Lee Chong ( <i>Asia ProEco, AsiaLink</i> )	Technical Advisor Solid Waste Management Component, Ministry of Housing and Local Government, Kuala Lumpur
Muhammad Fendi Mustafa ( <i>eaef – zeo, CDM, Green IPA</i> )	Research Officer PTM (Malaysia Energy Centre), Bandar Baru Bangi
Azman Zainal Abidin ( <i>EAEF: ZEO, CDM, Green IPA</i> )	Deputy Director Policy Analysis & Research Management PTM (Malaysia Energy Centre), Bandar Baru Bangi
Moekti Handajani Soejachmoen (Kuki) ( <i>EAEF – CDM</i> )	Executive Director Jakarta

ASEAN-relevant interviews related to trade and economy in member states

Name	Organisation	Location
Group discussion on ECAP (Malaysia component) with 10 senior officers of Intellectual Property Corporation of Malaysia (MyIPO), including:		
Shamsiah Kamaruddin	Head, Patent formality Section Intellectual Property Corporation of Malaysia (MyIPO)	Kuala Lumpur
Kamel Mohamad	Director General Intellectual Property Corporation of Malaysia (MyIPO)	Kuala Lumpur
Abd. Aziz Ismael	Head, Trademark Division Intellectual Property Corporation of Malaysia (MyIPO)	Kuala Lumpur
Group discussion on Malaysia's trade regional and global trade relations, comprising the following senior officials		
Muhd Hairi Zainal Abidin	Assistant Manager Europe Section, Malaysia External Trade Development Corporation (MATRADE)	Kuala Lumpur
Rosalind Rashidin	Principal Assistant Director Economic and Trade Relations Ministry of International Trade and Industry (MITI)	Kuala Lumpur
Ho Siew Ching	Director Economic and Trade Relations Ministry of International Trade and Industry (MITI)	Kuala Lumpur
Rosalind Rashidin	Principal Assistant Director	Kuala Lumpur

	Economic and Trade Relations Ministry of International Trade and Industry (MITI)	
Gan Mui Huei	Principal Assistant Director Sectoral Policy II Ministry of International Trade and Industry (MITI)	Kuala Lumpur
Hudh Hairi Zainal Abidin	Assistant Manager, Europe section Malaysia External Trade Development Corporation (MATRADE)	Kuala Lumpur
Minna Saneri	EU-Malaysia Chamber of Commerce and Industry (EUM)	Kuala Lumpur
Bo Mønsted	Counsellor Royal Danish Embassy	Kuala Lumpur
Jean-François Bijon	Economic & Commercial Counsellor Embassy of France in Malaysia	Kuala Lumpur
Wolfgang Trautwein	Counsellor for Economic, Commercial & Environmental Affairs Embassy of the Federal Republic of Germany	Kuala Lumpur
Latsamy Keomany	Ministry of Foreign Affairs Lao PDR, Director General, Department of Economic Affairs	Vientiane
Banesaty Thephavong	Ministry of Industry and Commerce Lao PDR, Deputy Director General, Foreign Trade Department	Vientiane
Sirisamphanh Vorachith	Ministry of Industry and Commerce, Deputy Permanent Secretary	Vientiane
Magnus Lindelow	WTO, Lao PDR office, Senior Economist, Vientiane	Vientiane
Shabih Mohib	WTO, Lao PDR office, Senior Economist, Vientiane	Vientiane
Ekaterina Vostroknutova	WTO, Lao PDR office, Senior Country Economist, Vientiane	Vientiane
Michael Hassett	Australian Embassy, AusAid, First Secretary, Development Cooperation Section, Vientiane	Vientiane
Sirisamphanh Vorachith	Ministry of Industry and Commerce, Office of the Permanent Secretary Lao PDR. Deputy Permanent Secretary, Vientiane	Vientiane
Phantouleth Louangraj	ADB, Economics Officer, Lao PDR Resident Mission, Vientiane	Vientiane
Christopher T. Hnanguie	ADB, Country Economist, Lao PDR Resident Mission, Vientiane	Vientiane
Antonio Berenguer	Trade Counsellor, EC Delegation, Hanoi	Hanoi
Vo Tri Thanh	Director, Department for Trade Policy & International Integration Studies, Central Institute for Economic Management, Ministry of Planning and Investment, Hanoi	Hanoi
Hans Farnhammer	First Secretary, Economic Co-operation and Governance, EC Delegation, Hanoi	Hanoi
Madeleine Kihlberg	Chargé d'affaires, EC Delegation, Hanoi	Hanoi
Sylvie Zaitra	Team Leader, ETV2	Hanoi

Esther van de Meer Alain Peyré + 30 project participants and beneficiaries	Evaluator, ETV 2 Evaluator, ETV2 ETV2	
Thomas W. Felber	Director, Eurocham, Hanoi Office	Hanoi
Luong Hoang Thai	Deputy Director General, Multilateral Trade Policy Department, Ministry of Industry and Trade	Hanoi
Hoang Van Phuong	General Policy and Project Division, Multilateral Trade Policy Department, Ministry of Industry and Trade	Hanoi
Christian Levon	Economic Counsellor, Embassy of France, Hanoi	Hanoi
Martin Rama	Lead Economist, The World Bank, Hanoi Office	Hanoi
Tran Phi Tuoc	Director General, International Cooperation Department, Ministry of Labour, Invalids and Social Affairs, Hanoi	Hanoi
Nguyen Thiep	Deputy Director, Dept. of Europe, Ministry of Foreign Affairs, Hanoi	Hanoi
Do Hoang Linh	EC desk officer, Dept. of Europe, Ministry of Foreign Affairs, Hanoi	Hanoi
Kejpiroon Kate Kohsuwan	Director European Affairs, Department of Trade Negotiations, Ministry of Commerce, Thailand	Bangkok
Sukoom Somprasonk	Advisor, Thai Chamber of Commerce, Board of Trade of Thailand	Bangkok
Dr. Anant Suwanapal	Deputy Permanent Secretary, Ministry of Industry, Thailand	Bangkok
Buckley, Steve	Director of Trade and Investment, British Embassy, Thailand	Bangkok
Kubisch, Susann	Economist, Business Advisory Division, German-Thai Chamber of Commerce	Bangkok
Penttilä, Pekka	Attaché (Trade), EC Delegation	Bangkok
Faucherand, Pierre	Minister-Counsellor, Customs and Taxation, EC Delegation	Bangkok
Jirawatr Jirajariyavech	Environmental Engineer, Federation of Thai Industries	Bangkok
Furth, Pascal	Economic and Commercial Counsellor, French Embassy in Thailand	Bangkok
Meksingvee, Dusit	Business Information Officer, EC Delegation	Bangkok
Panrat Phechpakdee	Director, Federation of Thai Industries	Bangkok
Hirschle, Alexander	Representative for Thailand, Cambodia and Laos, German Trade & Invest	Bangkok
Leipold, Benjamin	Chief, Business Advisory Division, German-Thai Chamber of Commerce	Bangkok
El Djendoubi, Monia	Contracts and Finance Officer, EC Delegation	Bangkok
Achariya Tepatanapong	Director, Bureau of International	Bangkok
Boufflet, Jean-Jacques	Minister-Counsellor, EC Delegation	Bangkok

L'Hoest, Raphael	Counsellor for Economic Affairs	Bangkok
Buntoon Wongseelashote	Vice Chairman, Committee on Trade Rule and International Trade	

## 2 ANNEX 2 – DOCUMENTS CONSULTED

### **General Documents consulted**

Communication to Members S82/04, “EU-ASEAN - Reviving the Partnership”, EPC/Hans-Seidel-Stiftung Conference, European Policy Centre, (21 October 2004).

Powerpoint Presentation: “17 years of cooperation”: 16th EU-ASEAN Ministerial Meeting 14-15 March 2007 in Nuremberg: Thirty Years of Cooperation–Towards an Enhanced EU-ASEAN Partnership in the 21st Century.

Plan of Action to implement the Nuremberg Declaration on an EU-ASEAN enhanced partnership (2007).

Commission of the European Communities, Brussels, 9.7.2003 COM (2003) 399 final, Communication from the Commission: “A new partnership with South East Asia”  
Report: “Changes in Southeast Asia and its Impact on EU-ASEAN Relations”, by Miguel Santos Neves, IEEI June (2004)

Cooperation Agreement between Member Countries of ASEAN and European Community, Kuala Lumpur, 7 March 1980

Regional Indicative Programme 2005-2006, ASEAN

Commission of the European Communities, Brussels, 4.9.2001, COM(2001) 469 final, Communication from the Commission: “Europe and Asia: A Strategic Framework for Enhanced Partnerships”

Communication From the Commission, COM(2003) 399 final: “A new partnership with South-East Asia”

EU 2007 DE, Germany 2007, Presidency of the European Union, “Nuremberg Declaration on an EU-ASEAN Enhanced Partnership

Overview of ASEAN-European Union Relations: “ASEAN-European Union Dialogue” (2008)

### **Trade-related documents**

EU-ASEAN Free Trade Agreement Seminar, Bangkok, February 7-8 2007, Transnational Institute

EUROSTAT News Release, EU-ASEAN Summit: “An EU27 trade deficit of 30 bn euro in 2006 with ASEAN”, STAT/07/158 (20 November 2007)



### **Regional Strategy Papers (RSP)**

European Commission, Multi-Annual Indicative Programme for ASIA, 2007-2010

Commission of the European Communities, External Relations Directorate General, Directorate Asia (except Japan and Korea), Policy, Planning and Coordination: "Strategy Paper and Indicative Programme for Multi-Country Programmes in Asia, 2005-2006"

European Commission, "Regional Programming for Asia Strategy Document, 2007-2013", Revision 1, 31 May 2007

### **Other Donors**

UNDP country evaluation: "Assessment of Development Results, Evaluation of UNDP's Contribution LAO PDR", Evaluation Office, May 2007, United Nations Development Programme

### **Governance**

Graph: "Control of Corruption 2006, Comparison between 2006, 2002, 1998 for six countries", Source: Kaufmann D., A. Kraay, Mr. Mastruzzi 2007: Governance Matters VI: Governance Indicators for 1996-2006

Graph: "Control of Corruption 2006 for six countries", Source: Kaufmann D., A. Kraay, Mr. Mastruzzi 2007: Governance Matters VI: Governance Indicators for 1996-2006

Graph: "Government Effectiveness (2006), Comparison between 2006, 2002, 1996 for six countries", Source: Kaufmann D., A. Kraay, Mr. Mastruzzi 2007: Governance Matters VI: Governance Indicators for 1996-2006

Graph: "Political stability (2006), Comparison between 2006, 2002, 1996 for six countries", Source: Kaufmann D., A. Kraay, Mr. Mastruzzi 2007: Governance Matters VI: Governance Indicators for 1996-2006

Graph: "Regulatory Quality (2006), Comparison between 2006, 2002, 1996 for six countries", Source: Kaufmann D., A. Kraay, Mr. Mastruzzi 2007: Governance Matters VI: Governance Indicators for 1996-2006

Graph: "Rule of Law (2006), Comparison between 2006, 2002, 1996 for six countries", Source: Kaufmann D., A. Kraay, Mr. Mastruzzi 2007: Governance Matters VI: Governance Indicators for 1996-2006

### **Energy Facility**

EC-ASEAN Energy Facility: "Overview of the 77 project in ASEAN"

### **EC Joint Meetings**

Joint Media Statement of the Nineteenth Meeting of the ASEAN Free Trade Area (AFTA), Council, Vientiane, 27 September 2005 (11 February 2008)

**EC ASEAN meetings and documents:**

Financing Agreement between the European Communities and the Association of Southeast Asian Nations on ASEAN Regional Centre for Biodiversity Conservation (ARCBC), Brussels, Belgium 18 July 1997

Joint Declaration the Twelfth ASEAN-EU Ministerial Meeting Singapore, 13-14 February 1997

Protocol on the Extension of the Cooperation Agreement between the Member Countries of ASEAN and the European Community to the Socialist Republic of Vietnam; Singapore, 14 February 1997

Memorandum of Understanding between the European Community and the Secretariat of the Association of Southeast Asian Nations on ASEAN-EU Regional Economic Cooperation Programme on Standards, Quality and Conformity Assessment; 27 December 1998

Joint Press Release of the 13th ASEAN-EC Joint Cooperation Committee (JCC) Meeting; Bangkok, Thailand, 24-27 May 1999

Financing Agreement between the European and the ASEAN University Network; Bangkok, Thailand, 20 January 2000 "ASEAN-EU University Network Programme (AUNP)"

Financing Agreement between the European Community and the Association of Southeast Asian Nations (ASEAN) - EC-ASEAN COGEN Programme  
13 September 2000

Protocol on the Extension of the Cooperation Agreement between the European Community and the Member Countries of ASEAN to the Kingdom of Cambodia; Bangkok, Thailand, 28 July 2000

Protocol on the Extension of the Cooperation Agreement between the European Community and the Member Countries of ASEAN to the Lao People's Democratic Republic, Bangkok, Thailand, 28 July 2000

Vientiane Declaration, the 13th ASEAN-EU Ministerial Meeting Vientiane, Lao PDR, 11-12 December 2000

Joint Press Release 14th Meeting of the EC-ASEAN Joint Cooperation Committee; Brussels, 18-19 September 2001

14th ASEAN-EU Ministerial Meeting, Brussels 27-28 January 2003, Joint Declaration on Cooperation to Combat Terrorism

14th EU-ASEAN Ministerial Meeting, Brussels, 27-28 January 2003, Joint Co-Chairmen's Statement

ASEAN Documents Series 2005: "Ten Nations One Community", Public Affairs Office, The ASEAN Secretariat, (Jakarta, ASEAN Secretariat, April 2006)

Joint Co-Chairmen's Statement of the 15th ASEAN-EU Ministerial Meeting, Jakarta, 10 March 2005 (11 February 2008)

The Fourth Consultation between the ASEAN economic ministers and the European Union Trade Commissioner (4th AEM-EU Consultation), Yogyakarta, Indonesia, 20 January 2004, Joint Media Statement (11 February 2008)

The Fifth Consultation between the ASEAN Economic Ministers and the European Union, Trade Commissioner, (5th AEM-EU Consultation), Jakarta, 5 September 2004, Joint Media Statement (11 February 2008)

The Sixth Consultation between the ASEAN Economic Ministers and the European Union, Trade Commissioner, (6TH AEM-EU Consultation), Ha Long, Viet Nam 27 April 2005, Joint Media Statement (11 February 2008)

### **APEC related document**

Transparency & Trade Facilitation in the Asia Pacific: “Estimating the Gains from Reform”, Matthias Helble, Ben Shepherd, John S. Wilson, September 2007, published by The Department of Foreign Affairs and Trade, Australia

### **ASEM related documents**

#### General Documents consulted

European Commission External Relations, ASEM 6, 10-11 September 2006, Helsinki: “10 years of ASEM: Global challenges – Joint Responses, (European Communities, 2006)

European Commission External Relations, ASEM 6, 10-11 September 2006, Helsinki: “L’ASEM a 10 ans: Défis mondiaux – Réponses communes (Communautés européennes, 2006)

ASEM 6 – Ten years of ASEM : Helsinki Declaration on the Future of ASEM; Helsinki, 10-11, September 2006

#### Trust Fund

ASEM Trust Funds Country Program, Round 1-8 (as of March 2003)

Opening Remarks at ASEM Trust Fund Meeting, Central Operational Services Unit, East Asia and Pacific Region, the World Bank, Christian A. Rey, Manager, Quality and Results, June 28, 2006

#### Environment

SPEECH/07/250: “Climate change and sustainable use of energy”, Stavros Dimas, Member of European Commission, responsible for environment, ASEM Environment Minister's meeting, Copenhagen, 25 April 2007

#### Asia Link

Asia-Link projects, 2002 – 2005, basic information on the first 155 projects selected for co funding by the Asia-Link Programme under the First, Second, Third and Fourth Calls for Proposals (2002-2005), EuropeAid Co-operation Office

### Asia Pro Eco

Asia Pro Eco II Programme, Call for Proposals 2005, An initiative to promote sustainable solutions to urban environmental problems in Asia, EuropeAid Co-operation Office

### **Thematic Documents**

Project Synopsis: "Feasibility Study for the Establishment of an Energy Manager Accreditation Scheme for the ASEAN region (EAEF)"

### Environment

OECD Environmental Outlook to 2030, OECD 2008

UNEP Policy directions to 2050: A business contribution to the dialogues on cooperative action, Energy & Climate Focus Area, World Business Council for Sustainable Development (2007)

### EU Regulations

Development Cooperation Instrument (DCI) –Geographic Programmes, European Commission, Publisher: German Foundation for World Population (DSW)

Rules and Procedures for Service, Supply and Works, Contract financed from the General Budget of the European Communities for the Purposes of Cooperation with third countries

### FDI

Working Papers on international investment, Directorate for financial, fiscal and enterprise affairs: "Southeast Asia: The Role of foreign direct investment policies in development", by Stephen Thomsen, 1999/1, Organisation for Economic Co-operation and Development

OECD Development Centre, Working Paper No. 194 (Formerly Technical Paper No. 194) "Foreign Direct Investment and Intellectual Capital Formation in Southeast Asia" by Bryan K. Ritchie, Research programme on: Global Interdependence and Income Distribution, August 2002 CD/DOC (2002)06

### Innovation

Overview: Global Economic Prospects 2008

### Trade

UNCTAD, "Capacity Building and Technical Cooperation for Developing Countries, especially LDCs, and economies in transition in support of their participation in the WTO DOHA work programme, UNCTAD/RMS/TCS/1 (5 February 2002)

Commission of the European Communities, Brussels, 7.7.2004 COM (2004) 461 final, Communication from the Commission to the Council, the European Parliament and the European Parliament and the European Economic and Social Committee: "Developing

countries, international trade and sustainable development: the function of the Community's generalised system of preferences (GSP) for the ten-year period from 2006 to 2015"

World Trade Organisation, General Council Trade Negotiations Committee: "DOHA Work Programme – the Extension of the additional protections for geographical indications to products other than wines and spirits", WT/GC/W/587 TN/C/W/48, 19 Febr. 2008, (08-0737) (15 Febr 2008)

European Commission External Trade: "Global Europe competing in the world", A Contribution to the EU's Growth and Jobs Strategy

Powerpoint Presentation: European Commission "Together since 1957, New external cooperation instruments 2007-2013", Europeaid, published: Reg 1995/2006 of 13 Dec. 2006

ASEAN, Harmonising Standards and Technical Regulations, Fact Sheet, 14 March 2008.

ASEAN, Facilitating Trade with the ASEAN Single Window, Fact Sheet, 13 April 2007.

### **Project evaluations**

EAEF

COGEN

APRIS

APRIS II MTR

ECAP II

Standards, Quality and Conformity Assessment

Asia Trust Fund (Malaysia component)

Asia Regional Centre on Biodiversity Conservation

### **3 ANNEX 3 – ASEAN'S COOPERATION AGENDA AND SPECIFIC EC CONTRIBUTIONS**

#### **Regional Integration and Free Trade**

At the fourth ASEAN Summit in Singapore (1992) the ASEAN Free Trade Area (AFTA) was formed under the Common Effective Preferential Tariff (CEPT) scheme. The primary objective of AFTA is to enhance ASEAN's competitiveness in the world market. The aims are also to expand intra-ASEAN trade and to gain economies of scale and specialisation to further deepen economic co-operation. Finally, it is anticipated that greater foreign direct investment will flow into the region as a result of ASEAN economic integration.

Despite these clear economic incentives, it took the member states almost ten years to implement even the first stage of AFTA because – given their different levels of economic development – they could not agree on definite schedules for and scope of tariff reductions. However, since the beginning of the decade ASEAN Member Countries have made significant progress in the lowering of intra-regional tariffs through the Common Effective Preferential Tariff (CEPT) Scheme. The CEPT is the mechanism by which tariffs on goods traded within the ASEAN region, which meet a 40% ASEAN content requirement, had to be reduced to 0-5% by the year 2002/2003 (2006 for Vietnam, 2008 for Laos and Myanmar, and 2010 for Cambodia). These targets have so far been largely met.<sup>1</sup>

The AFTA agreement also calls for the elimination of non-tariff barriers. Over the past decade, ASEAN states have agreed to take further measures for integrating the regional economy. These include customs reform and coordination, product standardisation, harmonised tariff nomenclatures, mutual recognition arrangements, the liberalisation of trade in services, the facilitation of transportation, and the facilitation of tourism. The implementation of these measures is making progress, but progress is quite slow. Accordingly, ASEAN has adopted "roadmaps" for the fast-track integration of trade in twelve priority sectors.

#### **External Trade and FDI**

In 2006 ASEAN's top five trade partners were Japan, the US, the EU, China and South Korea.

---

<sup>1</sup> According to ASEAN Secretariat data, <http://www.aseansec.org/12025.htm>

Table 1 ASEAN's Top 10 Trade Partners

Trade partner country/region <sup>1/</sup>	Value			Share to total ASEAN trade		
	Exports	Imports	Total trade	Exports	Imports	Total trade
ASEAN	189,176.8	163,594.5	352,771.4	25.2	25.0	25.1
Japan	81,284.9	80,495.6	161,780.5	10.8	12.3	11.5
USA	96,943.5	64,252.5	161,196.0	12.9	9.8	11.5
European Union-25	94,471.8	66,118.1	160,589.9	12.6	10.1	11.4
China	65,010.3	74,950.9	139,961.2	8.7	11.5	10.0
Republic of Korea	25,670.0	26,849.7	52,519.6	3.4	4.1	3.7
Australia	23,148.5	13,262.8	36,411.4	3.1	2.0	2.6
India	18,928.1	9,774.6	28,702.7	2.5	1.5	2.0
Taiwan	9,032.0	12,876.9	21,908.9	1.2	2.0	1.6
Hong Kong, SAR	13,784.0	6,409.0	20,193.0	1.8	1.0	1.4
Total top ten trade partner countries	617,449.9	518,584.6	1,136,034.6	82.2	79.3	80.9
Others <sup>2/</sup>	133,257.9	135,513.2	268,771.1	17.8	20.7	19.1
Total	750,707.8	654,097.8	1,404,805.7	100.0	100.0	100.0

value in US\$ million; share in percent

Source: ASEAN Trade Database (compiled from data submission and/or websites of ASEAN Member Countries' national statistical offices and other relevant government agencies)

Notes

- not available as of publication time
- x not available/not compiled
- 1/ identified/ranked based on share of total trade in 2006
- 2/ includes trade of all other countries and those that could not be attributed to specific countries

Some figures may not sum up to totals due to rounding off errors.

Source: ASEAN Secretariat

Between 2000 and 2006, EU27 exports of goods to the 10 ASEAN countries rose from 42 billion euro to 49 billion, while imports increased from 75 bn to 79 bn. The EU27 deficit in trade with ASEAN fell from 34 billion in 2000 to 29 billion in 2006, accounting for 15% of the total EU27 external trade deficit. ASEAN accounted for around 5% of the EU27's total external trade in goods in 2006. Germany and United Kingdom are main EU trade partners of ASEAN. Only six Member States recorded small surpluses in trade with ASEAN in 2006, while the largest deficits were registered by the Netherlands<sup>2</sup> (-12.2 billion), the United Kingdom (-8.8 billion) and Spain (-3.1 billion).

EU27 trade with ASEAN is dominated by manufactured goods, which accounted for around 85% of both imports and exports in 2006. As a result, the deficit of 22 billion registered for manufactured goods makes up three quarters of the EU27 deficit with ASEAN. More than half of EU27 exports to ASEAN in 2006 were machinery and vehicles<sup>3</sup>, and a further fifth were other manufactured articles<sup>3</sup>. These same two groups of products accounted for a half and a quarter of imports respectively. At the detailed level, the main EU27 exports to ASEAN were electronic circuits, aircraft and engines and medicine, while the main imports were computer parts (including monitors and printers), mobile phones and electronic circuits.<sup>2</sup>

With regard to FDI, one of the strengths of ASEAN as a location for global FDI is the diversified nature of source countries. Recent inflows were evenly split between three sources: Europe (EU and Switzerland), Asia (i.e., Japan, the Republic of Korea, Hong Kong and Taiwan, also including intra-ASEAN) and the rest of the world (principally the United States). With more than US\$7,000 million in 2003, the EU has been the largest source of inward FDI into the ASEAN region in the last decade. In the same decade, Japan's share has declined. The geographical distribution of inflows varies greatly by source country. The only constant is the importance of Singapore, especially for European FDI (62 per cent of total European investment in ASEAN) for American firms (55 per cent), and for Japanese investors (33 per cent).<sup>3</sup>

<sup>2</sup> Eurostat, STAT/07/158, 20 November 2007

<sup>3</sup> ASEAN Secretariat; Eurostat

The EU and ASEAN launched the Trans-Regional EU-ASEAN Trade Initiative or TREATI in 2003, which is for dialogue and regulatory cooperation in areas such as sanitary and phytosanitary standards. This paved the way for negotiations for a future EU-ASEAN FTA - an objective that was entrusted to the EU-ASEAN Vision Group in 2005.<sup>4</sup>

On the occasion of the 8<sup>th</sup> AEM-EU Consultation (between the ASEAN Economic Ministers and the EU Trade Commissioner) in May 2007, the two sides agreed to enter into FTA negotiations “mindful of [the two sides] commitments, rights and obligations under our existing membership to multilateral, regional and bilateral agreements.” The negotiating process will be based on a region-to-region approach which recognises and takes into account the different levels of development and capacity of individual ASEAN Member Countries. A Joint Committee comprising senior officials from all ASEAN Member Countries and EU will be established to develop the details of the modalities, work programme and time schedule for negotiating the ASEAN-EU FTA. Throughout the negotiating process, measures will also be considered to support and strengthen the process of ASEAN economic integration, including through activities of TREATI.<sup>5</sup>

### **Regional Stability and Security**

ASEAN has made important progress in addressing security threats. The changing discourse on security has been evident particularly with regard to initiatives to counter terrorism and transnational crime.

Having already agreed on a plan of action to combat transnational crime, ASEAN members signed a Convention on Counter-Terrorism in January 2007. In a drive against terrorism, drug trafficking, money laundering, and other cross-border crimes—all Non-traditional security (NTS) threats—the agreement aimed to reduce legal impediments to cooperation in tackling such problems. Among the apparently most successful examples of emerging co-operation on NTS issues is the co-ordinated fight against piracy including multilateral efforts to ensure maritime security in the Straits of Malacca.

Furthermore, a Southeast Asia Regional Centre for Counter-Terrorism (SEARCCT) in Kuala Lumpur was established to organise training programs, workshops, and seminars to help the region implement actual measures against terrorism.

The *Asia-Europe Co-operation Framework* (AECF) of 2000<sup>6</sup> and The strategy paper *Europe and Asia: a strategic framework for enhanced partnership* of 2001<sup>7</sup> were instrumental in outlining the EU's cooperation agenda with Asian states in the field of security (in the broadest meaning of the concept, comprising mainly elements of so-called traditional and non-traditional, for example arms control, disarmament and non-proliferation of weapons of mass destruction; combating illicit trafficking in and accumulation of small arms and light weapons; combating transnational crime, including money laundering, the smuggling and exploitation of migrants, the trafficking of persons in particular women and children, international security issues and piracy, and fighting against illegal drugs).

---

<sup>4</sup> Andreosso-O'Callaghan Bernadette and Françoise Nicolas. Are the Economies of ASEAN and the EU Complementary? ASEAN Economic Bulletin. Singapore: Aug 2007. Vol. 24, Iss. 2.

<sup>5</sup> ASEAN-EU Joint Ministerial Statement, Thai Press Reports, December 21, 2007.

<sup>6</sup> [http://ec.europa.eu/external\\_relations/asem/asem\\_process/aecf\\_2000.htm](http://ec.europa.eu/external_relations/asem/asem_process/aecf_2000.htm)

<sup>7</sup> [http://ec.europa.eu/external\\_relations/asia/doc/com01\\_469\\_en.pdf](http://ec.europa.eu/external_relations/asia/doc/com01_469_en.pdf)



The 2003 strategy paper *A new partnership with South East Asia* shifted the focus to non-traditional security issues on the cooperation agenda with ASEAN and individual member states. While the EU remained committed to poverty reduction and improving basic health and education services as main priorities for development assistance in Southeast Asia, the scope of the co-operation activities was broadened to include related issues such as migration and security. A total of € 21 million was designated to support security measures in the region, focusing on border management and capacity building of the judiciary.<sup>8</sup>

Recent EC activities aim at supporting cooperation and reform in the security field through the improvement of the national border management systems. The objective is to support an Integrated Border Management System, by improving capacities of the responsible national and regional authorities, including border guards, migration and custom officers, in order to ensure a more efficient and effective border management. This will facilitate legal movements across borders, while improving the capabilities to prevent illegal movements.<sup>9</sup>

## Human Rights

Conflicting views of the concept of human and civil rights have been the most serious intervening variable in Europe-East Asia relations since 1991 when the EC decided to make human rights clauses compulsory elements of its international treaties. ASEAN initially – and successfully avoided any discussion of human rights issues in its dialogues with the EU. An important turning point was the Third Asia-Europe Meeting in Seoul in October 2000, when Asian leaders for the first time collectively committed themselves to “to promote and protect all human rights, including the right to development, and fundamental freedoms, bearing in mind their universal, indivisible and independent character as expressed at the World Conference on Human Rights in Vienna”.<sup>10</sup> Among various initiatives to strengthen an inter-regional dialogue on human rights, the ASEM Interfaith dialogue can be seen as an important contribution to the promoting and protecting of human rights, equality, equity, justice, freedom of religion or belief and social inclusion.<sup>11</sup>

With particular reference to Southeast Asia, the strategy document *A new partnership with South East Asia* of 2003 stressed a holistic approach to the EC's broadened policy agenda, acknowledging the inter-relationship of different issues and addressing them through integrated policies. “Thus, terrorism, organised crime and illegal migration undermine the rule of law, discourage investment, and hinder development. Similarly economic and trade development can best flourish in countries that not only encourage economic freedom but also respect human rights and the rule of law, practice good governance and rule democratically.”<sup>12</sup>

The pre-eminent human rights issue in EU-ASEAN relations is related to the situation in Burma/Myanmar. Since 1962, the country has been ruled by a military regime that has earned itself one of the world's worst human rights records. The United States and EU have heavily criticised ASEAN's attitude of barking without biting towards its own member. Since 2003 ASEAN indicated on various occasions that the group was about to adopt a tougher approach aimed at committing the junta to serious political change, but has ultimately been unable to act

---

<sup>8</sup> COM (2003) 399/4, p. 10.

<sup>9</sup> EC, Regional Programming for Asia, Strategy Document 2007-2013, p. 12.

<sup>10</sup> Chairman's Statement of the Third Asia-Europe Meeting, Seoul 20-21 October 2000, Paragraph 8

<sup>11</sup> Nanjing Statement on Interfaith Dialogue, Nanjing, China, 19-21 June 2007, [http://ec.europa.eu/external\\_relations/asean/asean\\_process/nanjing\\_stat.pdf](http://ec.europa.eu/external_relations/asean/asean_process/nanjing_stat.pdf).

<sup>12</sup> COM (2003) 399/4, p. 10.

due to ASEAN's strict adherence to the principle of non-interference in the domestic affairs of a member country. On various occasions Washington warned that "the credibility and reputation of ASEAN as an organisation has been called into question because of the situation in Burma."<sup>13</sup>

Both the United States and the EU had imposed comprehensive sanctions long before the junta's violent crackdown of the 2007 "saffron uprising". Furthermore, the Burma/Myanmar-issue has negatively impacted on ASEAN-EU relations in recent years and, in 2004, almost resulted in the suspension of the ASEM process when ASEAN insisted on admitted Myanmar as a full member to ASEM (later a compromise on Myanmar's representation was found). The junta's announcement of February 2008 to hold a referendum on a new constitution in the same year, followed by elections in 2010, reflects this policy of tactical concessions towards the international environment, although it is difficult to estimate the specific impact of US, EU and generally Western economic sanctions on the decision.

### **Social and socio-economic Development**

ASEAN's socio-economic agenda focuses on the following main issues:<sup>14</sup>

#### ***Health***

Emerging and resurging infectious diseases such as dengue, cholera, tuberculosis and typhoid fever continued to be priority concerns for ASEAN health ministries, alongside the prevention and control of HIV/AIDS. ASEAN has taken steps to strengthen cooperation on health issues, both within ASEAN and between ASEAN and Dialogue Partners. The outbreak of avian influenza in 2004 reiterated the importance of concerted regional action to prevent and control communicable diseases. Health officials in ASEAN drew on the experience of the Severe Acute Respiratory Syndrome (SARS) outbreak of 2003 and the networks that had been established to confront this health threat. The challenge is, however, ASEAN lacks funds to compensate farmers whose poultry flocks were being killed as a precaution. As a result, many farmers in affected areas were reluctant to report outbreaks, and even hid sick chickens because their livelihood depended on them.

#### ***Rural Development and Poverty Eradication***

ASEAN Ministers on Rural Development and Poverty Eradication (AMRDPE) adopted a new Framework Action Plan in October 2004. The plan which spans 2004-2010 addresses priorities such as globalisation; narrowing the digital divide; social protection; employment and income generation; partnerships, decentralisation, local participation; narrowing the development gap; the exchange of young professionals and volunteers; and information-sharing/exchange.

#### ***Women***

The Declaration on Elimination of Violence Against Women in the ASEAN Region, initiated by the ASEAN Committee on Women (ACW), was adopted by the ASEAN Foreign Ministers at the 37th ASEAN Ministerial Meeting in June 2004. The ACW will now work with UNAIDS to implement relevant priorities of the Declaration. The ACW has prepared a work plan on women's advancement and gender equality, undertaking to address priorities such as gender integration, protecting vulnerable women, promoting employability of women, and preparing women for globalisation over the next years (from 2005 to 2010).

---

<sup>13</sup> Barber, T. and Kazmin, A., US warns ASEAN over Burma stance, Financial Times (London), 20 November, 2007, p. 3.

<sup>14</sup> The following information is mainly compiled from ASEAN Secretariat, The Association of Southeast Asian Nations (ASEAN), The Far East and Australasia, 2008, 29<sup>th</sup> Edition, London: Routledge 2007, pp. 1384-1393.

### ***Environment***

In 1997 ASEAN heads of state endorsed a Regional Haze Action Plan to address the environmental problems resulting from forest fires in Sumatra, which had afflicted several countries in the region throughout that year. The action plan resulted in the "ASEAN Agreement on Transboundary Haze Pollution" which took effect in November 2003. Haze ranks highest on ASEAN's agenda of politicized threats to environmental security by quite a margin. The total cost of the 1997-98 haze was estimated at US\$ 9.6 billion in lost revenues and higher health-care bills. The agreement on Transboundary Haze lays out a multilateral action plan to deal with the challenge. The agreement is the first legally binding ASEAN regional environmental accord to have entered into force. It is also the first regional arrangement in the world that binds a group of contiguous states to tackle haze pollution resulting from land and forest fires. The agreement calls for the signatories to undertake legislative and administrative measures to prevent and control activities related to land and forest fires that may result in transboundary haze pollution; and national as well as joint actions to intensify regional and international co-operation to prevent, assess and monitor transboundary haze pollution arising from land and forest fires. A centrepiece of the agreement is the establishment of an ASEAN Coordinating Centre for Transboundary Haze Pollution Control to facilitate cooperation and coordination in managing the impact of land and forest fires in particular haze pollution arising from such fires. In addition, a "haze fund" can be raised once the country ratifies an agreement to jointly combat the disaster.

### ***Science & Technology***

ASEAN's Committee on Science and Technology (COST) supports co-operation in food science and technology, meteorology and geophysics, microelectronics and ICT, biotechnology, non-conventional, energy research, materials science and technology, space technology applications, science and technology infrastructure and resources development, and marine science. There is an ASEAN Science Fund, used to finance policy studies in science and technology and to support information exchange and dissemination. The Hanoi Plan of Action, adopted in December 1998, envisaged a series of measures aimed at promoting development in the fields of science and technology, including the establishment of networks of science and technology centres of excellence and academic institutions, the creation of a technology scan mechanism, the promotion of public- and private-sector co-operation in scientific and technological (particularly ICT) activities, and an increase in research on strategic technologies. In August 2006 an informal Ministerial Meeting on Science and Technology endorsed in principle a Plan of Action on Science and Technology for 2007-11. The document envisaged ASEAN-COST focusing work on the following areas of activity: environment and disaster management; new and renewable energy; open source software system; and food safety and security.

### ***Education***

The activities of the ASEAN Committee on Education (ASCOE) and the ASEAN University Network (AUN) complement ongoing regional initiatives to promote ASEAN awareness, solidarity and identity in education institutions. The AUN Programme effects networking among its seventeen member universities as well with partner institutions in China, the EU, India, and South Korea. In addition, the AUN also organised activities such as the ASEAN Youth Cultural Forum and the ASEAN Young Speakers Contest, which now features as a key activity of AUN Educational Forums. The AUN also addresses quality assurance (QA) in higher education through its AUNQA Network which recently produced a set of guidelines for on AUN-QA practices for reference by the AUN universities. The guidelines include common policies and criteria for quality assurance in universities, benchmarking procedures, and QA assessment tools.

### ***Human Resource Development***

The ASEAN S&T Ministers signed the Declaration on the Establishment of the ASEAN Virtual Institute of Science and Technology (AVIST) in November 2004. Since the launch of a pilot project of the AVIST in 2004, three training programmes covering the topics of bioinformatics, ecotourism, and technology and innovation management were developed and successfully tested.

### ***Tourism***

National tourist organisations from ASEAN countries meet regularly to assist in co-ordinating the regions tourist industry, and a Tourism Forum is held annually to promote the sector. The first Business ASEAN (quarterly) formal meeting of ASEAN ministers of tourism was held in January 1998, in Cebu, the Philippines. The meeting adopted a Plan of Action.

As in the case of cooperation in economic and security-relevant fields, the existence of agreements and regular meetings among ministers and senior government officials do not necessarily imply efficiency and effectiveness of functional cooperation on social development. However, due to space constraints it is not possible to discuss the above listed programmes and initiatives in detail.

## **EC Cooperation Context**

### **Asia-wide**

The legal basis for development assistance to Asia over all but the final year of the evaluation period was the ALA Regulation 443/92, which notes the need for a regional element in the Commissions cooperation strategy. Basic strategy is elaborated in the 2001 COM (2001) 469 "Europe and Asia: a Strategic Framework for Enhanced Partnerships," which remains valid. Objectives identified for EC-Asia cooperation were:

- Contribute to peace and security in the region and globally;
- Further strengthen mutual trade and investment flows;
- Promote development of the less prosperous countries in the region by addressing the root causes of poverty;
- Contribute to the protection of human rights, spreading of democracy, good governance (including management of international migration) and rule of law;
- Build global partnerships and alliances with Asian countries, in appropriate international fora, to help address challenges and opportunities offered by globalisation and to strengthen joint efforts on environment and security issues;
- Help strengthen awareness of Europe in Asia (and vice versa).

The EC's 2001 regional strategy for Asia recognises that most strategic objectives will be attained through bilateral cooperation with individual countries. However, recognising that some objectives are inherently regional or cross-border, and that effective responses must sometimes involve more than one country, the Communication called for multi-country approaches to be implemented as required.

Starting in the mid-1990s, a number of Asia-wide horizontal programmes were put in place:

- Asia Invest, promoting business-to-business contacts and partnerships;
- Asia-Urbs, promoting local government partnerships;
- Asia Pro Eco, promoting EU-Asia sustainable technology partnerships;
- Asia IT and C, promoting partnerships aimed at achieving compatible standards in IT and C;
- Asia-Link, promoting sustainable partnerships between higher education institutions in the two regions.

In addition to geographical scope and focus, all of these programmes share the goal of promoting closer links between local governments, civil society organisations, and private sector firms. The programmes are demand driven (i.e., characterised by open calls for proposals) and directly benefit institutions in partner countries without the involvement of the government.

In its 2005-2006 “Strategy Paper and Indicative Programme for Multi-country Programmes in Asia” (hereafter, the “Regional Strategy Paper” or RSP 2005-2006), the EC called for multi-country programmes to be consolidated under headings corresponding to three main priorities. These were

- Trade and Investment, to develop common approaches and support integration by supporting formation of partnerships, exchange of experience, and networking. The RSP calls for special attention to SMEs.
- Higher education, to strengthen human resources and reinforce institutional networking
- Environmental management, to establish and strengthen networks of institutions. The RSP calls for special attention to local governments.

As the RSP notes, these consolidated priorities largely correspond to existing Asia-wide programmes.

In “Regional Programming for Asia Strategy Document 2007-2013” (the RSP 2007-2013), the EC identified three priority areas:

- Support to regional integration (through ASEAN / SAARC and ASEM)
- Policy and Know How based Cooperation in
  - Environment, energy, and climate
  - Higher education and support to research institutions
  - Cross-border cooperation in animal and human health
- Support to uprooted people

The need for cross-border approaches was noted in all cases save higher education and research, where the regional approach was justified on grounds of efficiency.

### **ASEM<sup>15</sup>**

The Asia Europe meeting (ASEM) is an informal dialogue process started in 1996. The 2001 Asia Communication recognised its special role in promoting EU-Asia mutual understanding and awareness. While mainly a facility to promote dialogue in areas requested by Asian countries, the EC has contributed to some concrete ASEM initiatives. Those of relevance over the evaluation periods are

- ASEM Trust Fund (1998-2006). This financed technical assistance to Asian countries coping with the Asian financial crisis.
- Trans Eurasia Information network (2003-present). This aims to promote data and information exchange between Asian and European institutions.
- Asia Europe Foundation (1998-present). Fosters cultural and intellectual activities and people-to-people exchange.

---

<sup>15</sup> Members of ASEM are all EU members, the EC, and the following Asian countries: Brunei Darussalam, China, Indonesia, Japan, Korea, Malaysia, Philippines, Singapore, Thailand, Vietnam.

## The strategic context for EC-ASEAN cooperation

Co-operation programmes with ASEAN cover a broad range of sectors: standards, civil aviation, energy, customs, intellectual property rights, higher education, bio-diversity and others. Since 2003, when ASEAN expressed its vision for achieving the ASEAN Community, the EC has begun to concentrate its cooperation budget to helping ASEAN achieve its bold objectives. Currently, the EC dedicates the bulk of the regional technical co-operation programmes in Southeast Asia to assisting the Association in its efforts for regional integration, particularly economic integration. For this purpose, the EC has set aside € 70 million for the period 2007-2013, in addition to the various bilateral technical co-operation programmes with individual ASEAN member countries.<sup>16</sup>

The Plan of Action (PoA), drawn up 2007 to serve as the master plan for enhancing ASEAN-EU relations and cooperation in the medium term (2007-2012), supports ASEAN integration, through helping to realise the end-goal of the establishment of ASEAN Community by 2015, consisting of three pillars, namely ASEAN Security Community, ASEAN Economic Community and ASEAN Socio-Cultural Community, through, inter alia, the implementation of the Vientiane Action Programme (VAP) and subsequent plans to achieve the Declaration of ASEAN Concord II.<sup>17</sup>

The EC's strategy on *A New Partnership with Southeast Asia* of July 2003 serves as the basis for EC to develop future relationship with ASEAN. The document states, "Most of EC development assistance shall be implemented through bilateral channels, which allow for a real policy dialogue and reform in social sectors. Regional approaches will, however, be chosen when economies of scale are evident, where the development of country-neutral toolboxes makes sense (support to private sector development, matching local authorities from both regions, promoting university networks, etc.) or in support of dialogue conducted at regional level. Regional programmes will have to include specific provisions to favour the participation of the less prosperous countries of the region."<sup>18</sup>

A "two way value-added test" is applied before a regional cooperation project is initiated:

- To see where projects at ASEAN level would have significant added value compared to bilateral cooperation with individual Southeast Asian countries;
- To identify priority areas from an ASEAN point of view where the EU can provide particular added value (notably the EC's expertise in regional economic integration processes)<sup>19</sup>

Based on this general requirement, the 2005-2006 EU regional indicative programme focused on a single priority: support for ASEAN integration and region-to-region dialogue. Political dialogues are undertaken under two distinct instruments, TREATI (Trans-Regional EU-ASEAN Trade Initiative) and READI (Regional EC-ASEAN Dialogue Instrument, grouping together all other dialogues).<sup>20</sup>

EC's Regional Programming for Asia Strategy Document, 2007-2013, further specifies Community support for ASEAN in three focal areas: (i) regional capacity building and support to

<sup>16</sup> European Commission, External Relations, EU/ASEAN 2007: Celebrating 30 years of relations.

<sup>17</sup> Plan of Action to Implement the Nuremberg Declaration on an EU-ASEAN Enhanced Partnership, [http://ec.europa.eu/external\\_relations/asean/docs/action\\_plan07.pdf](http://ec.europa.eu/external_relations/asean/docs/action_plan07.pdf)

<sup>18</sup> COM (2003) 399/4, p. 18.

<sup>19</sup> Regional Indicative Programme, 2005-2006 ASEAN, p. 4.

<sup>20</sup> Ibid, p. 6

region-to-region dialogues in a wide range of areas and sectors that includes trade facilitation, transport and logistics, environment, security and justice, energy, customs, taxation, investment, services liberalisation, statistics, technical standards and regulations, sanitary and phytosanitary standards, research (including topics within the 7<sup>th</sup> Research Framework Programme), mutual recognition of qualifications, civil aviation and intellectual property rights (IPR); which include aspects of capacity building for ASEAN-EU FTA negotiations as well as activities to support ASEAN integration; (ii) statistical cooperation and (iii) cooperation and policy reform in the field of security.

In its identification of ASEAN's needs the EC takes a holistic approach to its broadened policy agenda, acknowledging the interrelationship of different issues and addressing them through integrated policies. For example, as the “terrorism, organised crime and illegal migration undermine the rule of law, discourage investment, and hinder development. Similarly, economic and trade development can best flourish in countries that not only encourage economic freedom but also respect human rights and the rule of law, practice good governance and rule democratically. The forest law enforcement, governance and trade programme is a good example of this. It sees the problem of illegal logging in a number of South-East Asian countries as involving economic, social, environmental and political dimensions, and recommends acting on a number of levels in response”<sup>21</sup>

A second characteristic of the EC cooperation approach towards ASEAN is that it is increasingly embedded in a continent-wide strategy that encompasses the whole of Asia. This is the logical consequence of diminishing borders between Southeast Asian and East Asian regionalism and an increasingly region-wide (rather than sub-regional) approach to cooperation in economic, social and security fields. The emerging institutional structure of Asia-Pacific multilateral cooperation first found its expression in the Asia-Pacific Cooperation Forum (APEC, founded in 1989) and the security-oriented ASEAN Regional Forum (ARF, 1994) of which the EC is a member.

*Table 2 Priorities identified in the 2003 ASEAN Communication*

Area identified	Specific priorities identified
Economic and trade issues	Sanitary and phyto-sanitary standards, regulatory co-operation on industrial products, customs, investment, competition policy, e-commerce, services, public procurement, intellectual property, consumer protection, industrial policy
Justice and home affairs issues	Migration, combating organised crime, trafficking in human beings, money laundering, counterfeiting, data protection, drugs,
Environment	Climate change and energy efficiency, environmental and clean technologies, capacity building in implementing and negotiating multilateral environmental agreements, coastal and marine environment, illegal logging
Science, technology, research, and development	Scientific areas with direct application to production, scientific areas assuring a link between research centres and universities and industry
Higher education and culture	Continued support to Asia-Link and ASEAN-EU University Network Programme, Erasmus Mundus, Asia-Europe Foundation
Energy	Dialogue on energy issues; continued co-operation in co-generation and renewables
Transport	Maritime security, air transport relations, aviation safety and air worth lines; studies concerning regional links
Information society	Comprehensive dialogue, inter-connectivity and inter-operability, joint research and industrial projects
Statistics	External trade statistics, FDI statistics

<sup>21</sup> EC, A new partnership with South East Asia, Com (2003) 399/4.

*Table 3 Regional Indicative Programme 2005-2006*

Programme	Objectives
Support for the ASEAN Secretariat	<ul style="list-style-type: none"> <li>- Enhance ASEAN capacity for strategic planning and policy development in light of EU experience</li> <li>- Increase ASEAN Secretariat capacity to support regional economic integration</li> <li>- Implement actions proposed through EC-ASEAN dialogue</li> <li>- Assist ASEAN Secretariat with institution building, training, streamlining of procedures</li> <li>- Help implement Vientiane Action Plan in pursuit of ASEAN Economic Community</li> <li>- Support organisation of activities under TREATI and READI</li> </ul>
Statistical cooperation	<ul style="list-style-type: none"> <li>- Strengthen capacity at ASEAN Secretariat (harmonisation of data) and in member countries (improvement of national statistical systems)</li> <li>- Produce more accurate and reliable figures in trade, FDI, health, education, non-observed economy</li> <li>- Facilitate ASEAN integration and coordination of activities between ASEAN and EU</li> </ul>
Fight against terrorism	<ul style="list-style-type: none"> <li>- Strengthen cooperation in field of border management</li> <li>- Increase capability of Border Control Units to carry out enforcement against elements of transnational crime with direct links to terrorism</li> <li>- Support development of a regional approach on document security</li> </ul>
“New Partnership” information and communication programme	<ul style="list-style-type: none"> <li>- Define a coherent and proactive regional information strategy based on three key messages: <ul style="list-style-type: none"> <li>o The EU and ASEAN are key economic partners</li> <li>o The EU and ASEAN are global players</li> <li>o South East Asia and Europe respect and promote diversity and have both chosen to embark on a regional integration process.</li> </ul> </li> <li>- Foster knowledge about the EU and EU-ASEAN relations in Asia</li> <li>- Develop fruitful relations between the EC information services and their counterparts in the ASEAN Secretariat.</li> </ul>



## 4 ANNEX 4 – INFORMATION MATRIX AND FURTHER INFORMATION REQUIRED

### 4.1 EQ1 - To what extent has EC assistance to ASEAN contributed to tangible progress towards regional trade and economic integration?

#### **EQ answer**

The EC's contribution to ASEAN integration through TA and capacity building has followed a dual track: support to the ASEAN Secretariat (ASEC) through the APRIS project and support to ASEAN MSs through regional programmes such as the EC-ASEAN Economic Cooperation Programme on Standards, Quality and Conformity Assessment (2003-2005), Asia ProEco, AsiaInvest and the Asia Trust Fund. All regional programmes have stated the fostering of ASEAN integration as one of their overall objectives.

EC assistance to ASEAN during the assessment period has resulted in high-level outputs with regard to the support of regional economic integration and trade initiatives, and there has been tangible progress towards regional trade and economic integration. Both ASEC officers and implementing agencies/beneficiaries in ASEAN MSs (interviews were conducted in Malaysia, Lao PDR, Thailand, and Vietnam) highly valued the EC's assistance through both APRIS and regional programmes as a most significant contribution to the regional integration process. The general view was that EC assistance has provided capacity building, expertise and TA in areas central to integration; Achievements towards the implementation of the ASEAN Free Trade Area, customs harmonization, standards harmonization, IP legislation, registration and awareness etc. would have lower without the EC support through the cooperation programme.

Although, in assessing each of the Judgment Criteria below, we note difficulties in ascribing impacts to the EC and the EC alone; an overall consideration of the evidence suggests that EC support made a significant contribution. Among the areas we consider are standards and sanitary and phytosanitary standards SPS (Judgment Criterion 1.1), harmonisation and simplification of customs procedures (Judgment Criterion 1.2), intellectual property rights or IPRs (Judgment Criterion 1.3) and strengthened dialogue on trade and integration (Judgment Criterion 1.4).

EC-ASEAN cooperation on standards and SPS has taken place under the EC-ASEAN Economic Cooperation Programme on Standards, Quality and Conformity Assessment and the Trade Facilitation Action Plan (TFAP). The TFAP agreed at the second Asia-Europe Meeting (ASEM) Summit in April 1998 in London provides, inter alia, a forum for exchange of views and for work on the implementation of commonly agreed deliverables such as promoting simplification, harmonisation and transparency in customs procedures, standards and conformity assessment, public procurement, quarantine and SPS procedures, intellectual property rights, mobility of business people, and other trade activities, such as market access in distribution, together with implementation mechanisms. Implementation of TFAP is supervised by the Senior Officials Meeting on Trade and Investment (SOMTI).

ASEAN MSs took a strong interest in harmonising standards and pointed out that EC interventions had made an important contribution to standards harmonization. However, they are also highlighted the fact that the actual process of implementation at the national level was fraught with difficulty. This challenge is not confined to standards. One of the striking characteristics of the regional integration process in Southeast Asia is the gap between political rhetoric (the ambitious political vision for economic integration as prominently spelled out in the ASEAN Economic Community Blueprint and the ASEAN Charter) and the slow pace of progress observed. Regional integration and harmonization in the field of tariffs, standards, IP, foreign investment regimes etc. has been advancing slowly. The basic conditions for creating common regimes or even for harmonizing

national legislative frameworks and enforcement practises among ASEAN countries are not yet in place, considering disparities in technical and institutional capacities, levels of economic development, and political priorities. As openly discussed both at ASEC and in Member State governments, the main constraint to faster progress is not low ASEC capacity, but the Member States' slowness in implementing commitments (JC 1.1).

The EC has been particularly active in cooperation with ASEAN in the area of SPS. SPS measures were among the first ones that have been dealt with under TREATI since 2004.

The EC-ASEAN Intellectual Property Rights Cooperation Programme (ECAP) has been instrumental in fostering initiatives towards the improvement of national IPR legislation and, to a limited extent, implementation. According to the ECAP II Final Evaluation report, most national IP legislations are now more or less in line with TRIPS requirements (JC 1.3).

In the area of customs it is likely that some progress has been made but the claim is not easily verifiable. In fact, progress towards the harmonization of national customs clearance procedures had been slow. While there is no doubt that EC support has markedly strengthened the technical expertise and capabilities of the ASEC to facilitate, steer and manage the process of customs harmonization, ASEC's power to fulfil this task is extremely limited in view of some ASEAN MSs' reluctance to implement and enforce new customs regimes (JC 1.2).

Due to the soft, non-binding nature of almost all ASEAN agreements, there still is no effective and streamlined process in place at ASEAN headquarters for the resolution of disputes (JC 1.2). Existing conflict resolution mechanisms have not been employed. No cases have been raised to the Agreements and Compliance Unit (ACU) or the ASEAN Enhanced Dispute Settlement Mechanism (DSM). To date, disputes among ASEAN MS have either been addressed and resolved through political channels or taken to the WTO (JC 1.2)

APRIS has been the EC's most valuable and successful contribution to the strengthening of regional integration, mainly through dialogue and training and the provision of technical assistance (see our answer to EQ 2 below). The project contributed to a large number of policy recommendations (project results) that were approved and/or incorporated, starting with the considerable contribution to the Vientiane Action Plan (VAP). Numerous reports and work plans produced with the support of APRIS have been adopted by ASEAN.

### JC 1.1: Common ASEAN standards and SPS adopted

#### JC assessment

During the assessment period the ASEAN member states have moved towards the harmonization of standards and SPS (Indicator 1.1.1). A Policy Guideline on standards and conformance was signed in 2005; an agreement on SPS was reached in 2000 and the EC supported follow-up meetings. Most EC support in standards and SPS has taken place under the EC-ASEAN Economic Cooperation Programme on Standards, Quality and Conformity Assessment (2003-2005) and the Trade Facilitation Action Plan (TFAP). Under APRIS II (Nov 2006-2009) the bulk of resources (about 80 percent) goes to the standards & conformance, and customs & trade facilitation areas.

As is the case with the vast majority of ASEAN agreements, the ones on standards and conformance and SPS are non-binding on the signatories. However, there is evidence of progress. The APRIS II Mid-term Review stresses that "a significant contribution to specific sectors in particular Cosmetics and increasingly to Electrical & Electronic Equipment sectors" has been made. Whether such progress, notably in cosmetics, can be replicated in other sectors remains, however, to be seen.

As far as the standards project is concerned, "nearly all participants and counterpart organisations have expressed a very high level of satisfaction on the relevance and quality of the outputs delivered" according to the final evaluation report. While interviewed stakeholders confirmed that the project contributed to narrowing the ASEAN gap in standards, it was also pointed out that the training and capacity building effect was limited for participants from less developed ASEAN MS. This was

confirmed by interviews in Lao PDR, which suggested that the project had little lasting impact in that country due to the lack of equipment and other capacity after international support ceased. Overall, although ASEAN MSs took a strong interest in harmonizing standards, the process of actual implementation at the national levels was slow. This challenge is not confined to standards. One of the striking characteristics of the regional integration process in Southeast Asia is the gap between ambitious political goals (the visions for economic integration as prominently spelled out in the ASEAN Economic Community Blueprint and the ASEAN Charter) and reality. Regional integration and harmonization in the field of tariffs, standards, IP, foreign investment regimes etc. has been advancing slowly. The basic conditions for creating common regimes or even for harmonizing national legislative frameworks and enforcement practises among ASEAN countries are not yet in place, considering considerable disparities in technical and institutional capacities, economic development and political priorities. Not only at ASC Secretariat, but in MS governments, as well, the view is frequently expressed that the main factor slowing down progress towards integration is not low capacity at ASEC, but problems in the Member States.

**Indicator 1.1.1: Progress towards agreement on shared standards and sanitary and phytosanitary standards (SPS); outcomes of regional meetings and expert group exercises.**

**Indicator estimate**

Work on harmonizing standards began with the identification of 20 priority products in 1997. As a result, a total of 58 standards for electrical appliances and three standards for rubber-based products were harmonized. In September 2003 ASEAN MS signed the ASEAN Harmonized Cosmetic Regulatory Scheme (“Cosmetics Directive”) followed in December 2005 by the ASEAN Harmonised Electrical and Electronics Equipment Regulatory Regime (1).

Most EC support in standards and SPS has taken place under the EC-ASEAN Economic Cooperation Programme on Standards, Quality and Conformity Assessment (2003-2005) TFAP and APRIS The Standards project focused primarily on the electrical/electronics sector, pharmaceuticals and the implementation of the ASEAN Cosmetics Directive – modelled on the EU system - in the respective ASEAN MSs. The Directive was adopted in October 2003. According to the project final evaluation report, the vast majority of expected activities were completed within the agreed timeframe and “nearly all participants and counterpart organisations have expressed a very high level of satisfaction on the relevance and quality of the outputs delivered, in particular training sessions in the region and in the EU, working seminars on the establishment of regional instruments and structures as well as strategy advice on the development of a harmonised system in the ASEAN“ (2) According to the APRIS II Mid-Term Review, the project has so far “made a significant contribution to specific sectors in particular Cosmetics and increasingly to Electrical & Electronic Equipment sectors” while the potential in other sectors had not yet been fully realized (3).

These finding were confirmed in interviews with ASEC officers who stressed that all EC projects contributed to narrowing the ASEAN gap in standards. However, it was pointed out that the training and capacity building effect was limited for participants from less developed ASEAN MS, such as Lao PDR: As one stakeholder put it, “Those participants could not apply the knowledge they gained in workshops and study tours as they do not have the appropriate systems in place at the national level”. This was confirmed by interviews in Lao PDR, where the impact of project capacity building was limited by the lack of equipment.

ASEC officers also mentioned that food safety and environmental standards were treated as separate issues, de-linked from current EC-ASEAN cooperation on standards. It was suggested to look into the possibility of integrating these two areas into standard-oriented projects.

In 2002-2004 TFAP, through a significant number of meetings, seminars and exchanges of documents, contributed to the exchange of information among standards bodies in ASEAN and promoted and facilitated the alignment of domestic standards of ASEAN partners with international standards (4). Concretely, between 2000 and 2002 ASEM partners, including the ASEAN states, held

seven meetings on standards and conformity assessment and made substantial progress, in line with the goals and deliverables in the action plan. The EC supported these meetings in the context of its support for the TFAP.

The ASEAN Policy Guideline on Standards and Conformance was adopted in 2005. This aims to provide guiding principles for the implementation of joint efforts of ASEAN member countries in the area of standards and conformance both in regulated and non-regulated sectors. This is an important measure for accelerating economic integration towards the ASEAN Economic Community (AEC). The Guideline focuses on harmonisation of standards and the implementation of the relevant conformity assessment schemes as well as their adoption and use in technical regulations.

The situation regarding SPS is complex in Southeast Asia (5) and the implications of SPS harmonisation for commerce are enormous (6). An agreement on Sanitary and Phytosanitary Measures to Implement the ASEAN Framework Agreement on the Facilitation of Goods in Transit (Protocol 8) was signed in 2000 (7). The EC has been particularly active in cooperation with ASEAN on SPS matters. SPS measures were among the first ones that have been dealt with under TREATI since 2004. In June 2006 an EU-ASEAN TREATI Workshop on Sanitary and Phytosanitary issues in the fisheries sector was held in Ho Chi Minh City. It brought together about 100 participants, including government officials, regulators and private sector from ASEAN countries and Viet Nam (8). Furthermore, seminars organised under DG TRADE in cooperation with DG SANCO focus on cooperation with ASEAN on SPS (9).

#### **Related facts, figures, and references**

- (1) ASEAN, Harmonising Standards and Technical Regulations, Fact Sheet, 14 March 2008.
- (2) EC-ASEAN Economic Cooperation Programme on Standards, Quality and Conformity Assessment, Final Evaluation Report, March 2006, p. 5.
- (3) MID TERM REVIEW OF THE ASEAN PROGRAMME FOR REGIONAL INTEGRATION SUPPORT II, Final Report, September 2008.
- (4) EC, Trade Facilitation Action Plan (TFAP), Evaluation of Achievement of Concrete Goals, 2000-2002; ASEAN Secretariat
- (5) The ASEAN website <http://aseanbio.net/aphnet/sps/compendium.html> features a collection of materials describing SPS requirements within Southeast Asia.
- (6) <http://www.deltha.ec.europa.eu/bic/download%20centre/TREATI/TREATI%20invitation%20flyer%20complete.pdf>
- (7) [http://www.aseansec.org/transport/protocol\\_8.htm](http://www.aseansec.org/transport/protocol_8.htm)
- (8) EU Training on Sanitary and Phytosanitary (SPS) Issues for Asian Countries; [http://www.fistenet.gov.vn/details\\_e.asp?Object=2112496&News\\_ID=27640805](http://www.fistenet.gov.vn/details_e.asp?Object=2112496&News_ID=27640805)
- (9) <http://www.sps-seminars.eu/index.php>

Interviews with ASEC officials, national project officials of Standards project in Lao PDR.

### **JC 1.2: Customs clearance procedures harmonised**

#### **JC assessment**

As pointed out in discussing Indicator 1.2.1 below, ASEAN agreed in 2003 on the adoption of a number of significant steps having to do with harmonisation of customs clearance procedures. Since then, ASEAN customs officials have been working on the ASEAN Customs Valuation Guide (ACVG) for publication and dissemination, establishment of a Client Service Charter and the ASEAN Single Window. ASEAN Finance Minister and Directors-General of Customs have signed agreements to enhance transparency and facilitate trade. The ASEC claims in official documents and presentations that progress has been achieved in a large number of customs techniques, namely application of information and communications technology (ICT) into customs, standardisation of information

parameters for customs purposes, and harmonisation of practices related to customs valuation in accordance to the WTO/GATT Agreement on Customs Valuation. The time required for release of commodities has been significantly reduced. However, while it is likely that some progress has been made the claim is not easily verifiable. In fact, in interviews ASEC officers explained that progress towards the harmonization of national customs clearance procedures had been very slow. At first glance, this assessment is surprising. No other aspect of economic integration has attracted more donor attention than customs harmonization as it is in the natural interest of the EC and other donors to ease the access of exporters to the Southeast Asian markets and thereby strengthen trade relations. Slow and complicated customs procedures are seen as a main hurdle to trade facilitation in EC-ASEAN relations. Yet, despite a myriad of donor-commissioned consultant studies and capacity-building workshops for ASEC officers as well as various ASEAN agreements on customs (as outlined under Indicator 1.2.1) the actual effect on customs clearance has been small. While there is no doubt that EC support has markedly strengthened the technical expertise and capabilities of the ASEC to facilitate, steer and manage the process of customs harmonization, ASEC's power to fulfil this task is limited in view of some ASEAN MS's reluctance to implement and enforce new customs regimes. The widely publicized and donor-endorsed ASEAN Single Window initiative is a case in point. The system can only be established once all ten ASEAN MSs have implemented the necessary reform at the respective national levels so that all ten national single windows are operating in an integrated manner. However, the 2005 Agreement and 2006 Protocol on the ASEAN Single Window are non-binding and interviewees doubted that all ASEAN MSs would be able to stick to the agreed implementation deadlines. Various interviewees stressed that while EC support for the ASEC on customs issues was still needed, welcomed and useful, the more immediate and urgent need would exist at the MS level with regards to providing TA and building capacity for the implementation of national customs regimes.

In a similar vein, due to the soft, non-binding nature of almost all ASEAN agreements, there still is no effective and streamlined process in place at ASEAN Headquarters for the resolution of disputes (Indicator 1.2.2). Existing conflict resolution mechanisms have not been employed, as ASEC officers confirmed in interviews. No cases have been raised to the Agreements and Compliance Unit (ACU) or the ASEAN Enhanced Dispute Settlement Mechanism (DSM). To date, disputes among ASEAN MS have either been addressed and resolved through political channels or taken to the WTO (as in the case of Singapore and Malaysia, for example).

### **Indicator 1.2.1: Improved customs clearance procedures for goods traded intra-regionally**

#### **Indicator estimate**

EC-ASEAN cooperation on customs matters has mainly taken place under the umbrella of the Trade Facilitation Action Plan or TFAP (1) which was agreed at the second ASEM Summit in April 1998 in London and provides, inter alia, a forum for exchange of views and for work on the implementation of commonly agreed deliverables such as promoting simplification, harmonization and transparency in customs procedures, standards and conformity assessment, public procurement, quarantine and SPS procedures, intellectual property rights, mobility of business people, and other trade activities, such as market access in distribution, together with implementation mechanisms. Implementation of TFAP is supervised by the EC-supported Senior Officials Meeting on Trade and Investment (SOMTI).

At the 9th ASEAN Summit (October 2003), ASEAN agreed

- to adopt the "green lane" system for Common Effective Preferential Tariff (CEPT) products at entry points of all Member Countries by 2004;
- to accede to the WTO agreement on customs valuation and develop implementation guidelines appropriate for ASEAN by end-2004
- to undertake a commitment to service (client charter) by ASEAN customs authorities, and
- to adopt the single window approach, including the electronic processing of trade documents, at national and regional level. The Single Window aims at simplifying, streamlining, and

speeding up the customs clearance process. According to the 2005 Agreement to Establish and Implement the ASEAN Single Window, and its 2006 Protocol, the ASEAN Single Window will be implemented in Brunei, Indonesia, Malaysia, the Philippines and Thailand by 2008, and in Cambodia, Lao PDR, Myanmar and Viet Nam by 2010. The ASEAN Single Window will be in operation when all ten National Single Windows are operating in an integrated manner (2).

The ASEAN Customs Community has adopted an action plan to establish the regional e-Customs system, whose activities include implementation of ASEAN Single Window to expedite customs clearance (3). As a start, efforts have been made to standardise information parameters for customs purposes and particularly for a common customs declaration document for imports, exports and goods in transit. An Inter-Agency Task Force has been established to design and establish the ASEAN Single Window.

To further facilitate trade, the Protocol Governing the Implementation of the ASEAN Harmonised Tariff Nomenclature (AHTN Protocol) was signed by the ASEAN Finance Ministers in August 2003 (4). The Protocol aims to establish clear rules to govern the implementation of the AHTN, its explanatory notes and their amendments; to establish uniformity of application in the classification of goods in ASEAN; to enhance transparency in the classification process for goods in the region; simplify the AHTN; and to create a nomenclature which conforms to international standards. The ASEAN Customs Directors-General signed the Understanding on the Criteria for Classification in the AHTN in December 2003.

The ASEAN Secretariat states (5) that significant progress in adopting best practices and provisions as set forth in the Revised Kyoto Convention has been made with a view to simplify and harmonise customs procedures and practices across the region. Time required for the release of goods and commodities has been reduced to less than two hours on average. Significant progress has been achieved in the establishment of the Post-Clearance Audit (PCA) for expeditious clearance at the entry point. Member countries have continued their efforts to standardise their practices in line with provisions of the WTO Customs Valuation Agreement. As an important contribution to harmonisation, the ASEAN Customs Administrations published a ASEAN Customs Valuation Guide (ACVG).

#### **Related facts, figures, and references**

- (1) EC, Trade Facilitation Action Plan (TFAP), Evaluation of Achievement of Concrete Goals, 2000-2002, [http://ec.europa.eu/external\\_relations/asem/other\\_activities/tfapach\\_00\\_02.pdf](http://ec.europa.eu/external_relations/asem/other_activities/tfapach_00_02.pdf)
- (2) ASEAN, Facilitating Trade with the ASEAN Single Window, Fact Sheet, 13 April 2007.
- (3) Customs Reforms and Modernisation (The Philippine Experience), Customs Cooperation Committee Conference, Beijing, China, 21-24 April 2004, power point presentation by Deputy Commissioner George M. Jereos, Philippine Bureau of Customs, [http://www.adb.org/Documents/Events/2004/CCC/Customs\\_Reforms\\_Modernization/JereosCCC.pdf](http://www.adb.org/Documents/Events/2004/CCC/Customs_Reforms_Modernization/JereosCCC.pdf)
- (4) Report on the Seventh meeting of the ASEM Procedures Working Group, held 10-11 December 2003 in Jakarta, <http://www.customs.go.jp/asem/statement/Statements/PWG7th.htm>
- (5) ASEAN-EU Economic Relations: Maximizing Mutual Benefits, Power Point presentation, Vienna 19 July, 2007, [http://www.kbriwina.at/downloads/Presentation\\_Amb\\_Triansyah.pdf](http://www.kbriwina.at/downloads/Presentation_Amb_Triansyah.pdf)
- (6) Interviews with ASEC officials.

#### **Indicator 1.2.2: Dispute resolution procedures streamlined at ASEAN Secretariat**

##### **Indicator estimate**

ASEAN's non-binding (soft law) dispute resolution procedures are based on the ASEAN Protocol on Enhanced Dispute Settlement Mechanism (DSM) of 2004 and the ASEAN Charter of 2007 1 and

2, respectively). Both accords include provisions on the responsibility of the ASEAN Secretariat (Art. 19 of the Mechanism and Art 23.2 of the Charter). In March 2004 an Agreements and Compliance Unit (ACU) was set up within the ASEC to deal primarily with legal issues related to trade and investment. However, the role of the Secretariat and the Secretary General are confined to an assisting and advisory role in the dispute settlement process and in the monitoring and surveillance of the implementation of the findings and recommendations of the panel and Appellate Body reports adopted by it. Under the ASEAN Charter disputes which cannot be worked out using current procedures can be referred to the ASEAN heads of state. However, an efficient and effective streamlining of procedures at the ASEAN Secretariat has not taken place and MSs have taken their trade-related bilateral conflicts to the WTO and other global organizations for other types of conflicts or solved their disputes through political channels. For discussions of the advantages and disadvantages of the arrangements that have evolved, see (3) and (4).

APRIS II addressed the operationalisation of the DSM. The APRIS II Mid-Term Review commented, "For an enhanced DSM to effectively function, it is not enough that the Secretariat is empowered to perform an active role in the DSM process. More importantly, the capacity of the Secretariat to actually perform their assigned tasks with respect to prevention, arbitration and resolution of disputes in the context of an enhanced Dispute Settlement Mechanism (DSM) must be built. APRIS II ... responds to this need for capacity building through Component IV to allow easy access to global, including EU, best practices" (5).

#### **Related facts, figures, and references**

- (1) <http://www.aseansec.org/16754.htm>
- (2) <http://www.aseansec.org/21069.pdf>
- (3) Walter Lohman and Anthony B. Kim, Enabling ASEAN's Economic Vision, Heritage Foundation Reports, 29 January 2008.
- (4) Koesrianti, The Development of the ASEAN Trade Disputes Settlement Mechanism: From Diplomacy to Legalism, PhD Thesis, Faculty of Law, University of New South Wales, 2005, <http://www.library.unsw.edu.au/~thesis/adt-NUN/uploads/approved/adt-NUN20061026.142500/public/01front.pdf>
- (5) MID TERM REVIEW OF THE ASEAN PROGRAMME FOR REGIONAL INTEGRATION SUPPORT II, Final Report, September 2008, p. 5.

### **JC 1.3: Shared IPR regimes corresponding to international good practice**

#### **JC assessment**

ASEAN has, since the late 1990s, made progress towards achieving the goal of improvements to IPR regimes and their implementation. The EC-ASEAN Intellectual Property Rights Cooperation Programme (ECAP I and ECAP II) were the pillars of this initiative. We essentially deal with ECAP II here, which had a broader remit and covered more of the evaluation period (2000-2007).

There can be little doubt about ECAP's high level of output in quantitative terms. More than 200 activities (training courses, seminars, workshops, study tours, technical assistance, etc.) were implemented during the project's lifetime and important documentation was drafted and published (e.g., the Regional Handbook on IPR for Customs Enforcement). According to the ECAP II Final Evaluation report, most national IP legislations are now more or less in line with TRIPS requirements. However, while ECAP significantly contributed to the improvement of legislative frameworks and administrative procedures in patent/trademarks registration, the situation of IPR enforcement in most countries remains far from satisfying, even in some of the more advanced countries such as the Philippines (Indicator 1.3.2). No IPR complaints have been filed since 1997; the last case (EC against Indonesia) dates back to 1996 and was resolved in 1998 (Indicator 1.3.1).

APRIS also covered IPR and, according to its Final Evaluation, disseminated awareness as well as

European practice related to IPRs. In summary, based on documents, data and stakeholder interviews, ECAP and other interventions played a decisive role towards the legislative and institutional infrastructure for IP but it is not possible to judge whether the enforcement of IPRs has increased. . Collaboration among ASEAN governments, ASEAN dialogue partner countries and institutions (among them the EC), and civil society organizations on IPR culminated in the ASEAN IPR Action Plan 2004-2010, which inter alia aims to develop and harmonize IPR registration, protection and enforcement in the region. The adoption of an Action Plan clearly indicates progress towards shared IPR regimes in line with international good practice. It is plausible that EC cooperation, in the form of ECAP and APRIS, made a substantial contribution. Stakeholders interviewed in Malaysia and at the ASEC are convinced that the progress in the IPR sectors is to a large extent attributable to EC interventions.

### **Indicator 1.3.1: Reduced number of IPR complaints**

**Indicator estimate:** The WTO “Index of disputes issues” database (1) does not list any IPR (patents, TRIPS, TRIPS enforcement, trademarks) disputes involving either the EC and individual ASEAN MSs or two ASEAN MSs except for a complaint in 1996 of the EC, Japan and the US against Indonesia on measures affecting the automotive industry which was resolved in 1998.

#### **Related facts, figures, and references**

(1) [http://www.wto.org/english/tratop\\_e/dispu\\_e/dispu\\_subjects\\_index\\_e.htm](http://www.wto.org/english/tratop_e/dispu_e/dispu_subjects_index_e.htm)

### **Indicator 1.3.2: Increased enforcement of IPRs at national level**

#### **Indicator estimate:**

The EC supported two major IPR projects over the evaluation period. While ECAP I (1993-1997) focused on industrial property rights, ECAP II (2000-2007) covered the entire spectrum of IPRs, with particular emphasis on enforcement. All ASEAN states except Myanmar were partners in ECAP II, with Thailand being the main beneficiary. With Euro 9 million of total funding, ECAP II was originally foreseen to run until the end of 2006. However regional activities as well as national activities for Malaysia, Cambodia, Laos and Vietnam were extended until the end of 2007. ECAP II specifically responded to the needs of ASEAN countries in their bid to become more active players in the global market, where the use and protection of IPRs is a precondition for competitiveness (1). ECAP gained particular importance within the context of the 2005 EC Strategy for the enforcement of IPRs in third countries (2), which included ASEAN in the Priority Countries list.

Early monitoring reports on the national components of ECAP II did not identify tangible impacts in the form of increased enforcement of IPRs. To quote from the case of Vietnam, “the positive impact has been limited to supporting sharing of experiences between IPR professionals across all ASEAN nations. There is little evidence of ECAP II contributing to establish any IPR structures or policies at the regional level” (3). The MRs on Singapore and the Philippines concluded that the nature of the project, with long incubation time and diffuse impacts, made it difficult to track progress. The reports noted with pessimism that participants in training activities reported that they did not apply the know-how acquired (4, 5). The MR on the national project component in Thailand found that, while the project supported the drafting of new laws, it was hard to see a cause-effect relationship between the project and their implementation (6). The implication seems to be that the laws might well have been adopted project or no project.

Yet, the impact of ECAP national components has improved over time. The ECAP Final Evaluation report stated, “Most national IP legislations are now more or less in line with TRIPS requirements. Implementing or complementing legislation to enact the IP laws still need further co-operation support in Laos, Cambodia and Vietnam. Despite some noticeable progress, much remains to be done to bring the enforcement system of most countries in line with TRIPS requirements. In the case of Thailand, stakeholders reported a draw back, partially due to frequent changes of top officials in some agencies responsible for enforcement.”



By contrast, the Malaysia component of ECAP II, which is not addressed in detail in the ECAP II evaluation report, was efficiently and effectively implemented. It covered some 25 activities over a two year period (start date March 2005) and mainly provided training measures, e.g. for examiners, as well as consultation on the necessity to increase examining capacity and assistance in office automation. The new automation system was installed and commenced operation. However, there have been delays in the up-grading of Malaysia's Common Software administration system to the new web based SOPRANO system (the EU standard) due to availability issues on the side of the European contractor. Malaysian IP officials - who took part in a group discussion at the Malaysian IP Office (MyIPO) as part of the evaluation of the Malaysia Country Strategy - valued ECAP II as a decisive contribution to the modernisation of Malaysia's IP legal framework in line with international standards. In 2006 Malaysia signed the Patent Cooperation Treaty (PCT) and in June 2007 a Malaysian IP Court was established. The number of granted/approved patent applications has increased continuously from a total of 1492 to 6983 in 2007. While it is empirically impossible to attribute these significant advances to ECAP, experts interviewed are convinced that ECAP II played an important part. Interviewees in both Malaysia and the ASEC stressed that ECAP II concentrated mainly on its country-specific national components as on the regional component (intra-ASEAN trade and investment") was less explicitly. While ECAP significantly contributed to the improvement of legal frameworks and administrative procedures in patent/trademarks registration, the situation of IPR enforcement in most countries remains far from satisfying, even in some of the more advanced countries such as the Philippines, according to both the ECAP II final evaluation and interviews with ASEC officers. "Lack of application of criminal sanctions for intellectual property violators and/or weak penalties and border enforcement offer limited protection of legitimate rights. There is still limited or no experience of courts in the litigation of IPR cases" (7).

In addition to ECAP II, *The Intellectual Property Rights (IPR) 0408 Work plan on copyrights; 0421d EU Perspectives on WP for ASEAN Copyrights Co-operation* under APRIS helped stakeholders to gain a better understanding of IPR and its application in the EU (8).

The current EC approach to cooperation on IPR does not aim at the introduction of new commitments, but instead encourages its partners to adhere to a series of existing (far-reaching) IPR agreements. The EC is also actively promoting adoption of its geographical indications approach (9).

**Related facts, figures, and references:**

- (1) <http://www.ecap-project.org/>
- (2) (2005/C 129/03, EC, DG Trade, [http://trade.ec.europa.eu/doclib/docs/2005/april/tradoc\\_122636.pdf](http://trade.ec.europa.eu/doclib/docs/2005/april/tradoc_122636.pdf))
- (3) MONITORING REPORT REGIONAL - ASEAN - CAI - EC-ASEAN Intellectual Property Rights Co-operation Programme (ECAP II) - Vietnam. MR-20164.01 - 18/12/03, p. 2
- (4) MONITORING REPORT SINGAPORE - SGP - EC-ASEAN Intellectual Property Rights, Cooperation Programme (ECAP II), Singapore. MR-20055.01 - 12/08/02, p. 2
- (5) MONITORING REPORT PHILIPPINES - PHL - EC-ASEAN Intellectual Property Rights Cooperation Programme (ECAP II), Philippines. MR-20056.01 - 12/08/02, p.2)
- (6) MONITORING REPORT THAILAND - THA - EC-ASEAN Intellectual Property Rights Cooperation Programme (ECAP II), Thailand. MR-20054.01 - 12/08/02)
- (7) Final Evaluation of EC-ASEAN Intellectual Property Rights Co-operation Programme (ECAP II), Contract Number no 2008/157-270, Draft Final Report, 2 September 2008, p.
- (8) EC, Final Evaluation of the ASEAN Programme for Regional Integration Support, Final Report, September, p. 64)
- (9) Marc Maes, The EU Approach to the ASEAN, India, Korea FTA Negotiations, EU-ASEAN FTA Seminar. Bangkok, February 7-8, 2007, Reader, p. 17)

Group discussion, IPR office, Kuala Lumpur.

## JC 1.4 Strengthened dialogue on trade- and non-trade integration matters

### JC assessment

It is clear that technical assistance and capacity building tangibly strengthened dialogue. Training and capacity building for ASEC officers under the umbrella of APRIS has been directed at a general enhancement of knowledge and capabilities in sector-specific areas and with regard to administration/coordination matters. However, training has not explicitly focused on individual working groups and committees. Changing membership in, and particularly chairmanship of, working groups and committees is a significant challenge facing the ASEC (Indicator 1.4.1)

Mainly through dialogue and training, the APRIS Project has made a valuable contribution to the strengthening of regional integration. The project contributed to a large number of policy recommendations (project results) that were approved and/or incorporated, starting with the considerable contribution to the Vientiane Action Plan (VAP).

A further programme that has potentially strengthened the dialogue on trade and integration matters is the Asia Trust Fund (ATF), a 3-year programme (2004-2007) for the delivery of trade-related technical assistance (TRTA) to 19 Asian developing countries and two regional organisations (ASEAN and SAARC).

The Asia-Europe Meeting (ASEM) framework has provided infrastructure for strengthened dialogue. Finally, in the reports for ongoing Country Strategy Evaluations of Lao PDR, Thailand, and Malaysia, we have detailed a number of ASEAN-level activities which contributed to improved dialogue related to trade integration. This was brought out with special clarity in the in the case of Lao PDR (see the answer to EQ4 in that report).

### Indicator 1.4.1: Working Group and Committee members trained

#### Indicator estimate

Training and capacity building for ASEC officers under the umbrella of APRIS has been directed at enhancement of knowledge and capabilities in sector-specific areas and generally with regards to administration/coordination matters. However, training has not explicitly focused on individual working groups and committees. Interviewees identified the constantly changing membership in, and particularly chairmanship of, working groups and committees as one of the greatest challenges that the ASEC faced. As one ASEC officer put it “senior officials change all the time. In the case of negotiations between ASEAN and South Korea, the chairman has changed five times”. This made tailor-made training for committee members very difficult.

On consideration, we have added Indicator 1.4.3 below.

#### Related facts, figures, and references

Interviews with ASEC officials.

### Indicator 1.4.2: Background policy paper preparation improved

#### Indicator estimate

No information available.

#### Related facts, figures, and references

### Indicator 1.4.3: EC strengthened dialogue by providing technical assistance and capacity building

#### Indicator estimate

The EC's contribution to ASEAN integration through TA and capacity building has followed a dual track: support to the ASEAN Secretariat (ASEC) through the APRIS project and support to ASEAN MSs through regional programmes such as ECAP, Asia ProEco, AsiaInvest and Asia Trust Fund. All

regional programmes stated the fostering of ASEAN integration as one of their overall objectives. Both ASEC officers and implementing agencies/beneficiaries in ASEAN MSs (interviews were conducted in Malaysia and Lao PDR) highly valued the EC's assistance through both APRIS and regional programmes as a most significant contribution to the regional integration process. The general view was that EC assistance has provided capacity building, expertise and TA in areas central to integration; Achievements towards the implementation of the ASEAN Free Trade area, customs harmonization, standards harmonization, IP legislation, registration and awareness etc. would have been less tangible without the EC input.

It is generally agreed that without APRIS, the ASEAN Secretariat would not have been able to meet all specified deadlines (1). Among the numerous reports and work plans have been adopted by ASEAN with support provided by APRIS are an Outline Perspective Plan (OPP), agro-based products roadmap; standards, copyrights, and non-tariff barriers documents; the customs single window, ISO certification preparation, social protection systems, etc.

However, as the final evaluation of APRIS correctly outlines (2), and this is a general problem with assessing the EC's impact on regional economic integration, it is difficult to quantify the value of projects which provide technical expertise to institutions, such as the ASEAN Secretariat, which do not directly produce anything in the commercial sense and have no decision making power in the economic or commercial spheres.

The Asia Trust Fund, managed by the International Trade Centre (ITC) and has a budget of € 5 million, co-financed by the EC (€ 4.5 million) and ITC (€ 0.5 million). The ATF delivered rapid trade-related technical assistance (TRTA) at the country and ASEAN level in response to specific requests for expertise. An ASEAN-level TA financed by the ATF strengthened commercial integration at regional level with particular emphasis on the implementation of the Cosmetics regulatory scheme. However, the 2006 Mid Term Review of ATF does not elaborate on this project (3).

In addition to providing technical assistance and capacity building, the EC has also supported the framework for strengthened policy dialogue through the Asia-Europe Meeting (ASEM) framework (4, 5). Economic cooperation has been strengthened through the Trade Facilitation Action Plan (TFAP) and the Investment Promotion Action Plan (IPAP). TFAP promotes and facilitates trade liberalisation between Asia and Europe. It provides a forum for exchange of views and for work on the implementation of commonly agreed deliverables such as promoting simplification, harmonisation and transparency in customs procedures.

In the country-level reports for Lao PDR, Malaysia, and Thailand, we have detailed instances in which ASEAN-level TA and capacity building significantly contributed to regional trade integration. However, the APRIS Final evaluation was critical of national capacity building under that project, which it found consisted largely of pilot projects and very broad interventions (6).

#### **Related facts, figures, and references**

- (1) Monitoring Report Indonesia – ID – ASEAN Programme for Regional Integration Support (APRIS). MR-20346.01 – 18/10/05, p. 2.
- (2) Final Evaluation of APRIS Programme, Mission No 2006/122988. Contract Cadre BENEFICIARIES LOT No 10, FINAL REPORT, October 2006, Final report, p. 21; 27-28. "Regional Integration ... is trying to co-ordinate and harmonise many disparate aims and objectives, as well as respond to external forces over which it has little control. In its formative stages it relies on goodwill and political commitment rather than any supranational enforcement capability. Meaningful measurements of impact may only emerge after decades have passed when regional economic growth (or stability) can be linked through cause and effect to the integration process, as has been shown by the EU and in recent times by ASEAN. It is in this context that projects that support [of regional integration] need to take the long term view and while for administrative and monitoring purposes it is convenient to package them into discreet time frames, there requires a commitment from the development partners that they will stay the course for the long term as well.
- (3) International Trade Center / EC, Asia Trust Fund, Mid Term Review, Final Report, 31

August 2006.

- (4) Regional Programming for Asia, Strategy Document 2007-2013, 1<sup>st</sup> Revision, 31 May 2007, p. 7
- (5) University of Helsinki Network for European Studies. ASEM in its Tenth Year Looking Back, Looking Forward. An evaluation of ASEM in its first decade and an exploration of its future possibilities. European Background Study, March 2006.
- (6) APRIS Final Evaluation, p. 19.
- (7) Interviews with Ministry of Foreign Affairs and Ministry of Trade officials responsible for ASEAN relations / integration in Lao PDR and Malaysia.

#### 4.2 EQ2 - To what extent has EC support to the ASEAN Secretariat resulted in sustainable increases in that institution's capacity to support ASEAN integration, and the capacity to coordinate international assistance?

##### EQ answer

EC support for the ASEAN Secretariat has been based on the ASEAN Programme for Regional Integration Support (APRIS), which was signed in February 2003. Implementation started in September 2003 with an implementation period of three years. The ASEAN Secretariat has made economic cooperation one of its programme cornerstones and integration of the developing countries into the global economy is an EC strategic goal, so APRIS was relevant to needs and coherent with EC policy.

APRIS has had an impact by:

- contributing to the economic integration of ASEAN in terms of strategy and policy formulation and overall planning, notably its contribution to the VAP;
- implementing specific technical assistance and actions in most VAP Programme Areas and Measures (e.g. Customs Reform and Modernisation, IPR etc);
- improving the capacity of the ASEAN Secretariat to undertake its tasks through supporting its ISO certification and various training activities;
- increasing access to relevant experience and know-how from the EU in selected areas. While it is clear from project documentation and interviews that neither APRIS nor other EC interventions want to 'sell' European models, EC interventions meet ASEC's explicitly expressed interest in familiarizing itself with structures, processes and agencies of the European integration process. According to one ASEC officer, "only EC projects can offer this specific experience and added value to the ASEAN integration process" (JC 2.1)

The APRIS final evaluation found that ASEAN coordination mechanisms had improved and that ASEAN information dissemination (a key component of coordination) was stronger. Interviewees were less positive and took a critical view of ASEC's ability to coordinate assistance efficiently and effectively, citing under-staffing and increasing workloads, as the main stumbling blocks. So far ASEC has not taken the initiative to coordinate international assistance in a formal way, for example based on a donor-matrix (Judgment Criterion 2.3). While there has been some discussion of the aid effectiveness agenda and the possibility of ASEAN becoming a signatory to the Paris Declaration, there have been no concrete steps in this direction.

The clear relevance of APRIS work to the ASEAN work programme, as well as the high marks given to capacity building, bode well for sustainability. A main challenge to sustainability is the "lack of institutional memory" due to high staff turn-over? When officers leave, too often their expertise goes with them (JC 2.2). APRIS has also, in addition to building capacity, served a gap-filling function in areas such as meeting organization and reporting. While this may speed up the work flow in the short term, this contributes little to building capacity or achieving sustainability.

#### JC 2.1: European policy knowledge integrated into ASEAN Secretariat work

##### JC assessment

Support for the ASEAN Secretariat as a key actor in the process of ASEAN integration has been an EC priority and APRIS was conceived as the EC's main instrument to implement this objective.

APRIS was designed around two main components: (1) Studies (policy papers, work plans, cost-benefit analysis and (2) Institutional Capacity Building. More specifically APRIS was tasked with contributing to the ASEAN Secretariat's work on a "Roadmap for the Integration of ASEAN" (also known as the Vientiane Action Plan or VAP) and related programmes, all in the light of lessons drawn from the EU's own economic integration experience of relevance to ASEAN. The project was primarily delivered

through long- and short-term Technical Assistance and short-term contracted interventions (usually studies and capacity building). There has also been support for research, management systems development (e.g., a projects database) and information dissemination (workshops, seminars etc). In assessing the indicators below, we find substantial evidence that, via technical studies and training, European expertise was integrated into ASEAN Secretariat work. The project played a major role in building capacity and advancing proposals.

### **Indicator 2.1.1: Secretariat staff trained in European policy models**

#### **Indicator estimate**

In a sense the Indicator is poorly specified, because it makes it sound as though the purpose of EC support is to promote European approaches to policy problems. In fact, the goal is to share EC experience and expertise, allowing partners to make their own informed choices. The Terms of Reference for APRIS do not specify the promulgation of European approaches, but rather promulgation of approaches that work in the ASEAN context and are coherent with EC policy goals. Interviews with ASEC officials revealed that what was most valued was not exposure to European policy approaches per se, but rather exposure to European experience in approaching problems of economic integration and, increasingly, in other areas, as well (climate change, etc.).

Several questions posed in the final evaluation of APRIS are apposite here (1).

Asked "Would you say that the European Union model for Regional Integration is relevant?"

- 24 percent of ASEAN Secretariat staff interviewed responded "is relevant,"
- 65 percent responded "is partially relevant," and
- only 11 percent responded "is not relevant."

Asked "Did your knowledge of the European Union change following programme's activity?" 65 percent replied in the affirmative and 35 percent in the negative.

While indirect, when taken in conjunction with the integration of technical studies into the ASEAN work programme as described under Indicator 2.1.2 and the evidence of field interviews, it is likely that there was significant dissemination of European policy approaches, models, experiences, and solutions. Relevant stakeholders within ASEAN Secretariat found technical inputs from the EU expertise useful and expressed the view that the EU is the pre-eminent model for integration (3).

As noted with regard to Indicator 2.1.2, the consultants who prepared ASEAN technical advisory notes were roughly 70 percent ASEAN nationals and 30 percent European. This suggests a reasonable degree of regional ownership.

While it is clear from project documentation and interviews that neither APRIS nor other EC interventions want to "sell" European models, EC interventions meet ASEC's explicitly expressed interest in familiarizing itself with structures, processes and agencies of the European integration process. The value added of the EC is that it can share not only general advice in the area of integration, but share specific experiences with specific issues in the area.

#### **Related facts, figures, and references**

- (1) Final Evaluation of APRIS Programme, Mission No 2006/122988. Contract Cadre BENEFICIARIES LOT No 10, FINAL REPORT, October 2006, Final report
- (2) APRIS Final Evaluation, pp. 20-21
- (3) APRIS, final evaluation, p. 26

Interviews with ASEC officials.

### **Indicator 2.1.2: Consulting studies prepared; TA provided corresponding to expressed needs in the area of integration**

#### **Indicator estimate**

APRIS commissioned a number of technical studies to address issues concerning customs, standards,

intellectual property, statistics, non-tariff barriers (NTBs), the ASEAN Single Window System (ASW), services etc. These studies have been fed into the ASEAN policy organs as well as being input to the ongoing ASEAN Secretariat work agenda. In some cases the issues had been resolved; in others, more work was required to deepen the intervention to the ASEAN Member Country level (1). The quality of expertise mobilised was generally high.

For example, the project commissioned a study on the costs and benefits of the Common Market. This was followed up with a study and a policy brief on the implications of the Free Trade Agreement (FTA) and Customs Union. These have been inputs into the deliberations of the Senior Economic Officials Meetings, whereby a roadmap towards the economic community was outlined. The project undertook a detailed road map for agro-based products integration, which has become a benchmark for other similar roadmaps on the priority integration sectors.

APRIS was not designed to give direct assistance to ASEAN MSs, however it provided specific support in some cases. An example of this is support given to Viet Nam and Lao PDR in Transposition of the ASEAN Cosmetic Directive (ACD) in the context of the Vientiane Action Plan (VAP) Trade Facilitation Measure. The Cosmetics Directive is the first of its type to be issued by the ASEAN Secretariat (2). Yet, the fact that APRIS provides support mainly to ASEC rather than MSs should be read in light of the answer to EQ 1 above, part of which is that the main barriers to ASEAN regional integration are not lack of ASEAN capacity, but lack of capacity and political will at the level of MSs.

The close integration of APRIS consultancy and technical studies into the ASEAN Secretariat work agenda is adequate evidence of the relevance of the work to the ASEAN Secretariat's needs. The APRIS final evaluation concluded that APRIS' contribution to preparation of proposals was well executed and played a major role in advancing the ASEAN work programme. To quote, "The project has strengthened regional integration policy making through increasing analytical and information capacity building, mainly at the level of the ASEAN Secretariat, and through a number of its studies being adopted by the ASEAN decision-making bodies" (1).

The project contracted out a significant level of work to ASEAN consultants – the ratio of ASEAN to EU consultants being something in the order of 70/30 in favour of ASEAN. "This approach was very effective and highlighted the need to lend the international expertise with the local knowledge to ensure relevance and accuracy of the intervention, as well as increase the sense of regional ownership of the outputs" (3).

#### **Related facts, figures, and references**

- (1) APRIS Final Evaluation, p. 16
- (2) APRIS Final Evaluation, p. 20
- (3) APRIS Final Evaluation, p. 21

## **JC 2.2: Human resources strengthened**

### **JC assessment**

ASEC comprises 150 senior and technical (junior) officers who deal with a total of nearly 2000 activities across 50 sectors. While the number of activities has sharply increased over recent years the number of staff has not. An increase is currently being considered in view of growing tasks and responsibilities related to the application of the ASEAN Charter, For the time being it is safe to conclude that the ASEC is under-staffed (Indicator 2.2.1). Nor is there any certainty that the 30-40 percent increase in budgetary resources promised by ASEAN MSs will, in fact, materialise.

There is no doubt about the fact that APRIS has increased ASEC's institutional capacity with regard to the facilitation of the regional integration process. Interviews with ASEC officers confirmed that EC interventions have been well in line with ASEC's capability-building needs and generally provided expertise and TA (studies, reports, and training) at the right level. This evidence corroborates the positive assessment of the APRIS Final Evaluation which concluded that capacity building at ASEAN

Secretariat level has been effective and that building of peer contacts and networks had been achieved to some extent (Indicator 2.2.1).

Limiting factors are a lack of institutional memory due to high staff turnover particularly at the level of technical officers and lack of project databases. Junior staffs (two thirds of all ASEAN officers) often leave after only two or three years in the post. While some of the 57 senior officers have been with ASEC for many years, frequent staff fluctuation is a challenge among the higher ranks, too (Indicator 2.2.2). As a result, in some instances the same or very similar capacity building activities had to be repeated in relatively short intervals. The average turnover rate (proportion of professional staff leaving every year) is 20 percent.

A significant proportion of APRIS' support to the Secretariat has consisted of itself fulfilling Secretariat functions, e.g. providing support for the organisation of and reporting on meetings. While this expedites Secretariat work, it does not contribute effectively to capacity building.

### **Indicator 2.2.1: Number of qualified expert staff in place**

#### **Indicator estimate**

ASEC comprises 150 senior and technical (junior) officers of which 57 were openly (across ASEAN) and 100 locally (Indonesia) recruited. According to information provided in interviews, ASEC officers deal with a total of nearly 2000 activities across 50 sectors. While the number of activities has sharply increased over recent years – particularly since ASEAN agreed on the gradual implementation of the Southeast Asian Community at the organisation's Bali Summit in 2003 – the number of staff has not. An increase of 30-40 percent in resources available to the Secretariat has been promised by ASEAN MSs in view of growing tasks and responsibilities related to the application of the ASEAN Charter, For the time being it is safe to conclude that the ASEC is under-staffed, and it is not certain that the promised increase in resources will materialise.

The final evaluation of the APRIS Project was very positive regarding the project's contribution to capacity building at the ASEAN Secretariat, where APRIS ran formal training programmes in the form of modular workshops (1). The evaluation concludes that there is now a broader understanding of integration policy now within the ASEAN Secretariat and this can be deepened through further in-depth capacity building. Through its support of workshops, seminars, meetings, and working groups on the Vientiane Action Plan, non-tariff barriers, and other matters, APRIS made possible the integration of trade and trade facilitation into the work programmes of many departments. A note of caution should be struck, however, in that APRIS has also provided a significant amount of "gap filling" in the form of assuming functions that would normally be carried out by Secretariat staff or Working Group chairs, e.g; organisation of and reporting on meetings. While such gap filling advances the programme of regional economic integration, it does not build capacity.

The evaluation concluded that the professionalism and dedication of ASEAN Secretariat staff is increasingly being recognised as a valuable regional resource and the ASEAN Secretariat is involved in all major consultations affecting the region on integration issues (2). A further indicator is that the ASEAN Secretariat continues to attract significant support for its programmes from the international development agencies, a vote of confidence in the institution's capacity.

However, the evaluation also concluded that capacity building at the national level was limited and consisted predominantly of pilot projects and broad overviews (2). This should be read in light of the answer to EQ 1, part of which was that the main constraint to regional economic integration is not lack of ASEC capacity, but lack of capacity and / or political will at the MS level. At the same time, as well, there has been limited direct impact on secondary beneficiaries such as the private sector or civil society although it is envisaged they are ultimate beneficiaries of a successful regional integration process (1).

#### **Related facts, figures, and references**

- (1) APRIS Final Evaluation, page 15.
- (2) APRIS Final Evaluation, p. 17.



(3) APRS Final Evaluation, page 19.

### **Indicator 2.2.2: Average tenure of qualified experts in post**

#### **Indicator estimate**

All interviewees mentioned the high staff turnover, estimated to be 20 percent of professional staff per year, as one ASEC's main structural problems. Particularly junior staff (two thirds of all ASEAN officers) would see a post at ASEC as a springboard for a more prestigious position at their respective national foreign ministries and often left after only two or three years in the post. While some of the 57 senior officers have been with ASEC for many years frequent staff fluctuation is a challenge among the higher ranks, too. This situation has inevitably resulted in a lack of "institutional memory" at the ASEC.

#### **Related facts, figures, and references**

Interviews with ASEC officials.

### **JC 2.3: International assistance coordination mechanisms improved**

#### **JC assessment**

The APRIS final evaluation found that ASEAN coordination mechanisms had improved and that ASEAN information dissemination (a key component of coordination) was stronger.

Interviewees, by contrast, were less positive and took a critical view of ASEC's ability to coordinate assistance efficiently and effectively, citing under-staffing and increasing workloads as the main stumbling blocks. So far ASEC has not taken the initiative to coordinate international assistance in a formal way, for example based on a donor-matrix (Indicator 2.3.1). APRIS has designed and constructed a projects database to contribute to donor coordination, but this has not yet been operationalised by ASEC. While ASEC officers stressed that assistance was generally demand- and not donor-driven, centred on ASEC's self-defined needs, there had been little attempt to maximise impact through the coordination of projects of different donors. The customs sector is a case in point. All donors have been active in this sector which is central to the economic integration process and the strengthening of external trade relations. ASEC officers admitted that they had been overwhelmed with the sheer quantity of donor input (studies, TA, capacity building) while being unable to formally coordinate the ongoing activities.

No formalised donor-driven coordination had take place during the assessment period (Indicator 2.3.1).

There is no evidence that the workload of committees and working groups with coordination responsibilities has been streamlined and harmonised (Indicator 2.3.2).

### **Indicator 2.3.1: Mechanisms for coordination of international assistance in place and functioning**

#### **Indicator estimate**

The APRIS final evaluation concluded that ASEAN co-ordination mechanisms have improved. However we have not seen documentation of specific mechanisms and procedures in place. According to interviews, ASEC has not taken the initiative to coordinate international assistance in a formal way, for example based on a donor-matrix. There have been discussions of the aid effectiveness agenda, including the Paris Declaration and the possibility that the ASEAN Secretariat might officially align itself, but this has not led to concrete actions. The final evaluation also concluded that ASEAN information dissemination, a key input to the coordination process, had improved as a result of the APRIS project.

However, formalised donor-driven coordination did not take place during the assessment period. On the initiative of the EC Delegation monthly coordination meetings among all donors, which are

chaired by the Delegation, began in 2008. At present, there are six agencies active in providing technical assistance projects to ASEC – the EC, USAID, JICA, AusAID, GTZ, and InWenta. Interviewees asserted that informal ad hoc coordination, in the form of monthly lunches and the like, functions adequately to avoid egregious overlap.

**Related facts, figures, and references**

Interviews with ASEC officials

Interviews with staff of donor-supported technical assistance projects at ASEC.

**Indicator 2.3.2: Workload of committees and working groups with coordination responsibilities streamlined and harmonised**

**Indicator estimate**

This does not seem to be case See also indicators 1.4.1 and 2.2.1

**Related facts, figures, and references**

### 4.3 EQ3- To what extent have EC trade-related assistance and dialogue contributed to increasing and improving ASEAN-EU trade and investment relations?

#### EQ answer

Experience in other Country Strategy Evaluations (e.g. China) has underscored the near-impossibility of ascribing causality to EC interventions in trade relations. Trade is driven by global economic forces and by national economic imperatives. Multiple agents – bilateral agencies, WTO, international financial institutions, private firms, national policy makers, and NGOs. – pursue their separate policy agenda. Isolating a single impact that can be assigned to a single actor is impossible. We thus find ourselves in the position of identifying various levels of cooperation outcomes (for example, in answering EQs 1 and 2) but struggle to identify clear impacts.

EU-ASEAN trade and investment relations have generally improved during the assessment period, but the data are characterised by considerable inter-year variation and really do not reveal a clear and persistent trend. We do note that, looked at from the ASEAN point of view, there has been a noticeable increase in the importance of the EU as a trade partner.

Judgment Criterion 3.2, having to do with a broader range of products traded, appears with hindsight to be of rather limited interest, besides which, it strictly requires observations at two points in time which we do not have available at the moment. Based on the latest information, however, we at least conclude that a broad range of products is, indeed, traded. Judgment Criterion 3.3, on the number of trade disputes does not reveal a clear trend. There are few trade disputes, as disagreements tend to be settled through political dialogue and consultations before they reach the stage of becoming an officially registered

On consideration, the Judgment Criteria proposed do not take enough account of the qualitative, in addition to the quantitative, dimension of trade; to the quality of trade relations in addition to the volume of trade. Representatives of European commercial interests (mostly Eurochams in the region), as well as trade counsellors at EC Delegations, present a generally upbeat view and, while not identifying EC ASEAN-level support as a decisive or necessarily even very significant factor, are supportive of it. It is likely that the EC's new strategic approach to ASEAN (dating back to the 2003 Communication) and the manifold cooperation programmes in the trade and economic areas implemented since the beginning of the decade, as well as the intensification of political dialogues, have contributed to the enhancement of bilateral economic relations. In answering EQs 1 and 2, we found that the EC cooperation programme had strengthened regional economic integration and encouraged ASEAN's integration into the world trade system. A better integrated ASEAN in terms of EQs 1 and 2 is, by definition, a stronger trade and economic partner in the sense of EQ 3.

To conclude, it might not be possible to provide empirically sound evidence for the specific extent of EC-ASEAN cooperation on inter-regional trade relations,

#### JC 3.1: Increased volume of EU-ASEAN trade and FDI

#### JC assessment

We do not draw any salient conclusions by looking at the trade data presented in Indicator 3.1.1, which are from the EU partner's point of view. The role of ASEAN as a source of imports has declined (in share terms) between 2000 and 2006, but this may be because of increases in the price of energy over that period. There has been a slight increase in the share of EU exports bound for ASEAN, but only about 1 percentage point (albeit from a low base). Looked at from the ASEAN point of view, there has been a long-term increase in the relative importance of the EU as a trade partner (it currently ranks second after the U.S., rather than third after the U.S. and Japan, in 1995) although there was a decline between 2000 and 2006 in the relative importance of the European partner in total trade.

The indicators below deal exclusively with historical empirical data. If we may broaden the picture,

however, it becomes possible to recognise the significant potential contribution of the European Commission Communication, 'A New Partnership with South East Asia' (COM (2003) 399), complemented by TREATI in 2003. The new strategic approach has successfully revitalised relations that suffered from both the 1997 Asian crisis and tensions over human rights. TREATI paved the way for free trade (FTA) talks between the two organisations that began in May 2007. Analysis concluded by the French research institute, CEPPI, and Copenhagen Economics estimates that such an agreement could boost EU exports to ASEAN by 24.2 percent, and by 18.5 percent in the other direction (Elizabeth Mills, Free Trade Dominates EU-ASEAN Talks Agenda, World Markets Research Centre, Global Insight, 7 May 2007).

Turning to FDI, EC-ASEAN cooperation has not had a strong explicit focus on investment promotion – for example, APRIS did not undertake any significant work in the area of investment. The ASEAN member states have tended to focus on investment promotion and attracting inward FDI under the ASEAN Investment Agreement (AIA). EU FDI outflows to ASEAN have been highly variable over time. While there was a slight increase between 1995 and 2006, the data are characterised by high year-to-year variation, in addition to which, there is no clear trend in the share of total EU FDI in Asia that was directed at ASEAN. All in all, it is likely that FDI is much more influenced by the business cycle and by strategic considerations – such as the “China plus One” diversification strategy that may have benefited ASEAN – than by EC cooperation support. European private sector representatives and trade counsellors are, without exception, supportive of the EC's ASEAN cooperation programme and view it as a positive factor, but none characterise it as a determinative or even necessarily a very significant one.

### Indicator 3.1.1: International trade and FDI statistics

#### Indicator estimate

The volume of EU-ASEAN trade has increased: between 2000 and 2006, EU27 exports of goods to the 10 ASEAN countries rose from Euro 41.8 billion to Euro 48.4 billion, while imports from the ASEAN region increased from Euro 75.2 billion to Euro 78.2 billion. As these are not adjusted for exchange rate or price changes, these raw figures should not be taken too seriously.

Share statistics are worthy of more attention. Looked at from the EU's point of view, the relative importance of ASEAN in total trade remained about the same – the share of total imports originating in ASEAN declined from 7.6 to 5.8 percent while the share of total EU exports going to ASEAN rose from 3.0 to 4.1 percent. These proportions are not affected by exchange rate changes. However, the first figure cited may reflect the growing share of oil and other energy imports in the European import basket due to rising prices of oil and gas over the period.

ASEAN is by any measure a significant EU trade partner. For example, in data presented below under Indicator 3.1.2, it can be seen that (in 2006) nearly 10 percent of EU imports of machinery and transport equipment and of miscellaneous manufactured items originate in ASEAN.

Looked at from ASEAN's point of view, the long-term trend has been for the EU to become an increasingly important trade partner. In 1995, the EU was ASEAN's third largest trading partner after Japan and the United States. In 2006 the EU accounted for 11.7 percent of ASEAN trade (imports plus exports) and 13 percent of ASEAN exports were destined for the EU, making the EU ASEAN's second largest export market after the US. However, between 2000 and 2006, the relative overall significance of the EU as a trade partner has declined, in spite of the fact that the EU expanded.

In 2006 FDI outward flows from the EU to ASEAN (Euro 10 billion) were at their highest level in ten years, accounting for about one-third of all EU investments in Asia. As with all EU FDI into Asia, European investments in ASEAN have been subject to significant fluctuations during the assessment period. Comparatively low outflow levels at the beginning of the current decade (with the notable exception of 2001) reflected the fact that other markets, particularly China, had become more attractive as destinations for EU investments (see COM (2003) 399/4, A New Partnership with South East Asia, p. 9). However, EU FDI in ASEAN recovered in 2005 and 2006 and exceeded EU FDI outflows to China in 2006. It is not yet known what the impact of the ongoing financial crisis has

been, or will be, apart from the fact that EU FDI in Asia assuredly declined last year (2008), and actual disbursements of FDI, as opposed to deals signed, have likely plummeted.

It is possible that increasing FDI outflows to ASEAN are driven by the “China Plus” strategy of a growing number of EU international investors, who may not want all their eggs in China’s basket. Believers in the “China plus one” strategy are increasingly coming to the conclusion that the “one” is ASEAN, and especially Vietnam (3). The prospects of the implementation of the ASEAN-China Free Trade Area have further contributed to this perception.

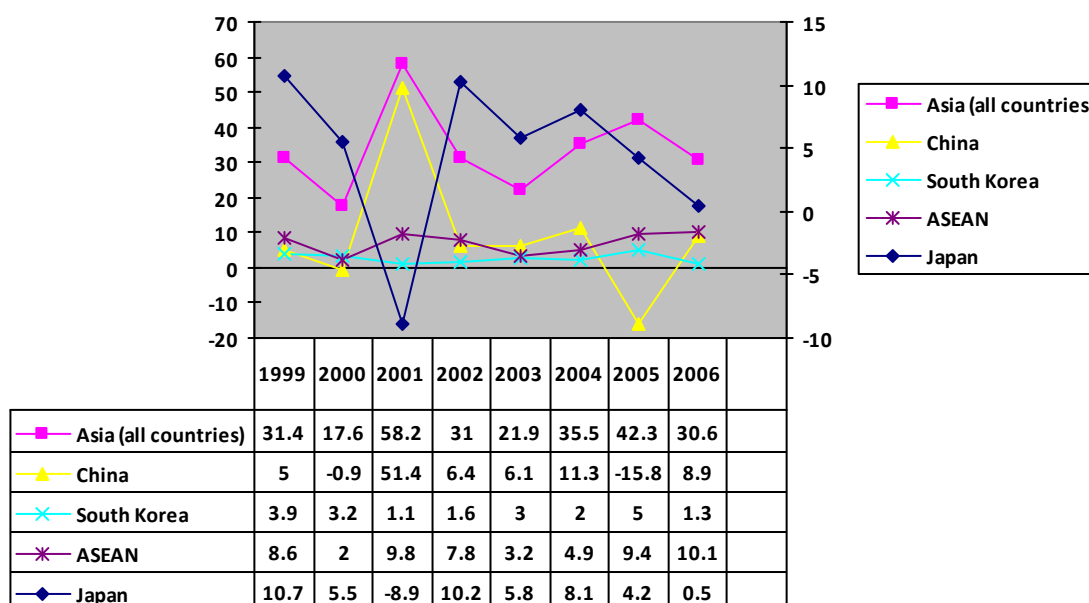
### Related facts, figures, and references

(1) EU trade with ASEAN (2000-2006) in million Euro

Year	Imports from ASEAN	Yearly change (%)	Share of total EU imports (%)	Exports to ASEAN	Yearly change (%)	Share of total EU exports (%)
2000	75,197		7.55	41,777		3.01
2001	70,791	-5.9	7.2	43,842	4.9	3.42
2002	67,725	-4.3	7.19	40,514	-7.6	4.50
2003	65,764	-2.9	6.99	39,247	-3.1	4.47
2004	69,105	5.1	6.71	42,880	9.3	4.45
2005	71,137	2.9	6.02	45,012	5	4.24
2006	78,190	9.9	5.79	48,422	7,6	4.15

Source: data compiled from Eurostat, DG Trade

(2) EU FDI outward flows to Asia 1999-2006, in billion Euro



Source: data compiled from Eurostat and ASEAN Secretariat (for data on ASEAN).

(3) Jörn Dosch and Alexander Voving, The Impact of China on Governance Structures in

Vietnam, Bonn: German Development Institute, 2008

### **Indicator 3.1.2: Opinions expressed by representatives of trade and business associations**

#### **Indicator estimate:**

While the evaluation team was not able to speak to firms directly (due to time constraints) views gathered in interviews with the EU-Malaysia Chamber of Commerce and Industry (EUM), Eurocham in Indonesia, Eurocham in Hanoi, bilateral trade Chambers in Thailand, trade councillors at the Embassies of EU Member States in Malaysia, Thailand and Vietnam and an officials of the trade sections of EC Delegations in Jakarta and Hanoi suggest a high level of satisfaction of European enterprises with EC support for private sector initiatives. However, it also became clear that for firms from the large member states, the first (and often only) points of call are the respective national/bilateral chambers of commerce and industry such as the German and the French chambers.

#### **Related facts, figures, and references**

Interviews as mentioned above

### **JC 3.2: Broader range of products traded**

#### **JC assessment**

We are unable to reach an assessment on this Judgment Criterion because it calls for comparison of two points in time, which has proven impossible given the data available. If it is scaled back to "Broad range of products traded," than (at least at a quite high level of aggregation across sectors) data presented below in Indicator 3.2.1 indicates that a broad range of products is, indeed, traded between the EU and ASEAN.

In passing and on consideration, it is not self-evident why trade in a broad range of products is conducive to improving trade relations. Variety for the sake of variety plays no role in conventional trade theory.

### **Indicator 3.2.1: International trade statistics**

#### **Indicator estimate**

Comparative data or any other information for the entire assessment period or at least mid-2000s compared to mid-1990s is neither available from Eurostat/DG Trade nor the ASEAN Secretariat online resources. Media reports and academic papers consulted do not feature information regarding this indicator either.

Data given below (1) suggest a fair degree of concentration in recent years. Nearly half of EU imports from ASEAN consist of machinery and transport equipment, and a bit more than half of EU exports to ASEAN fall in the same category. However, it is also clear that EU-ASEAN trade covers all the major commodity areas. And ASEAN is demonstrably an important partner; for example, in the areas of machinery and transport equipment and miscellaneous manufactured articles, ASEAN accounts for close to 10 percent of total EU imports.

#### **Related facts, figures, and references**

(1) EU Trade with ASEAN, product groups 2006

European Union, Imports from ... Asean

Products (Sic Sections) by order of importance	Mio euro	%	Share of total EU imports
<b>TOTAL</b>	<b>78.190</b>	<b>100,0</b>	<b>5,8</b>
Machinery and transport equipment	36.533	46,7	9,1
Miscell. manif. Articles	15.634	20,0	8,3
Chemicals and related prod., n.e.s.	7.260	9,3	6,7
Manuf goods classif. chiefly by material	5.498	7,0	3,4
Food and live animals	4.427	5,7	7,3
Crude materials inedible, except fuels	3.995	5,1	7,1
Animal and vegetable oils, fats and waxes	2.242	2,9	42,3
Mineral fuels, lubricants and rel. Materials	2.028	2,6	0,6
Commodit. and transactions n.e.c.	383	0,5	1,3
Beverages and tobacco	154	0,2	2,5

European Union, Exports to ... Asean

Products (Sic Sections) by order of importance	Mio euro	%	Share of total EU exports
<b>TOTAL</b>	<b>48.422</b>	<b>100,0</b>	<b>4,2</b>
Machinery and transport equipment	26.622	55,0	5,2
Chemicals and related prod., n.e.s.	6.600	13,6	3,5
Manuf goods classif. chiefly by material	5.587	11,5	3,3
Miscell. manif. Articles	4.125	8,5	3,1
Food and live animals	1.389	2,9	3,5
Crude materials inedible, except fuels	919	1,9	3,6
Commodit. and transactions n.e.c.	877	1,8	3,0
Mineral fuels, lubricants and rel. Materials	837	1,7	1,7
Beverages and tobacco	793	1,6	4,3
Animal and vegetable oils, fats and waxes	46	0,1	1,8

Source: DG Trade

**JC 3.3: Decreased number of EU-ASEAN disputes related to barriers to trade, IPRs, etc**

**JC assessment**

As in the case of Judgment Criterion 3.2, we have fallen into a trap by defining a JC that requires data at least two points in time. Yet, it seems clear that there is no relation between the EC's cooperation programmes with ASEAN and trade disputes. The cases involving Thailand were related to issues specific to bilateral relations between the EC and Thailand. The underlying structural causes have been successively resolved since 2003 within the context of bilateral trade negotiations (see EQ1 of the Thailand report for a detailed analysis). The same is the case regarding the automobile dispute with Indonesia.

The EC, however, has a long tradition of funding seminars, workshops and information campaigns in ASEAN and member states with the aim of increasing knowledge of the EC's trade regimes and policies on standards and IPR. In one of the earliest initiatives during the assessment period, a round of seminars was organised in major European cities to study the question of IPR protection in Southeast Asia. The seminars marked the completion of the EC-ASEAN Patent and Trademark Programme which, together with other programmes, became the forerunner for ECAP.

In Malaysia the EC Delegation played a decisive role in resolving recent (small) disturbances in trade relations. Some trade issues that affected some MSs (mainly France and Denmark) surfaced in 2007 and 2008 (import restrictions on wine, cheese and chicken from the EU) could be resolved mainly as the result of successful negotiations with the Malaysian government and line ministries in which the EC

took the lead (see EQ1 of Malaysia Report). In Lao PDR officials of the responsible ministry commented favourably on the responsiveness of the EC Delegation in Bangkok to queries and requests for information regarding EU trade regulations.

**Indicator 3.3.1: Number of complaints registered at WTO**

**Indicator estimate**

Since 1995 the EC has been involved in five ASEAN-related complaints registered at the WTO, four involving Thailand as the complainant and one with the EC as complainant in a dispute with Indonesia (1).

The relevance of this indicator needs to be put in perspective -- multiple safety valves and mechanisms for dispute resolution need to fail before a trade dispute reaches the WTO stage. Capacity building and awareness-raising may have contributed substantially to the management of EC-ASEAN trade relations without necessarily translating into a reduced number of disputes registered at WTO.

**Related facts, figures, and references**

(1) WTO: Chronological list of disputes cases, 1995-2008, involving the EC and ASEAN states

European Communities — Duties on Imports of Rice (Complainant: Thailand)	5 October 1995
Indonesia — Certain Measures Affecting the Automobile Industry (Complainant: European Communities)	3 October 1996
European Communities — Generalised System of Preferences (Complainant: Thailand)	7 December 2001
European Communities — Export Subsidies on Sugar (Complainant: Thailand)	14 March 2003
European Communities — Customs Classification of Frozen Boneless Chicken Cuts (Complainant: Thailand)	25 March 2003

Source: [http://www.wto.org/english/tratop\\_e/dispu\\_e/dispu\\_status\\_e.htm](http://www.wto.org/english/tratop_e/dispu_e/dispu_status_e.htm)

**Indicator 3.3.2: Opinions expressed by representatives of trade and business associations.**

**Indicator estimate**

See indicator 3.1.2.

The EC Delegation in Jakarta and representatives of the private sector in Indonesia and Malaysia agreed that trade relations between ASEAN and the EU have generally deepened.

For a concrete example of how ASEAN-level assistance may have paved the way for improved inter-regional trade relations, ECAP II provided a valuable - albeit indirect - contribution to EU-Malaysia economic relations as the Malaysia component helped to improve the national legal framework for IP as well as IPR administration, enforcement and awareness. Malaysia's IP regime complies now better to EC and global standard and this should benefit trade and investment relations between the EU and Malaysia.

**Related facts, figures, and references**

Interviews at Eurochams Jakarta, Kuala Lumpur, and Hanoi; interviews at bilateral chambers of commerce in Thailand; interviews with EC Delegation trade and economic counsellors in Jakarta, Hanoi, Kuala Lumpur, Bangkok.



#### 4.4 EQ4 - What has been the impact of EC ASEAN-level cooperation and dialogue on EC visibility at ASEAN headquarters and in the region?

##### EQ answer

Our answer to this EQ is mixed.

The “basics” of visibility appear to be in place. Thus, for example, the ASEAN website and documents acknowledge and disseminate information on EC support, for example. EC support for ASEAN-Secretariat in the form of technical assistance has been acknowledged in documentation disseminated by the Secretariat (JC 4.2). More generally, both ASEC and national officials view the EU as a source of inspiration, not only in regional economic integration, but in areas as diverse as closing gaps, promoting civil society, humanitarian relief, and science and technology (Judgment Criterion 4.2). Despite occasional frustrations (the EU's focus on the Myanmar was often mentioned), the EU is viewed as a valuable partner and one with a great deal to offer. While Europe is not seen to be a provider a model to be imitated, it is seen as a reference point, a source of inspiration and experience. The EU became an especially valuable reference point when the ASEAN nations decided to engage upon a wave of structural economic reforms in the wake of the Asian Financial Crisis of 1997-1999.

According to monitoring and evaluation reports and stakeholder interviews at the ASEC as well as in Malaysia and Lao PDR, all EC-ASEAN projects (particularly the standards programme, ECAP, and APRIS) had considerably contributed to an increase in knowledge and the shaping of positive opinions towards the EU among project participants. However, increased visibility does not seem to go much beyond the groups of stakeholders who are directly involved in project implementation. The impact of EC-ASEAN programmes was very limited in terms of the dissemination of information about the EC/EU to the broader audiences. (JC 4.1). Along the same lines, in answering EQ 6, we found that the dissemination of information about European higher education programmes (specifically Erasmus Mundus) failed to effectively utilise existing institutional structures, e.g. the international studies offices of universities in the region.

A study (see Indicator 4.1.2) of perceptions of the EU suggests that the population of several ASEAN countries continued to have a very limited notion of what the EU really is. Asked what they thought of when they thought of the EU, many replied “the Euro” or mentioned one of the three largest EU countries. The same study found that treatment of Europe in the media is limited and that low popular interest and limited media coverage were reinforcing each other. A different study (see Judgment Criterion 4.3) found that opinion leaders from the public and private sectors in ASEAN countries were more focused on Asia or ASEAN than on the outside world.

However, taking a broad view of Judgment Criterion 4.3 on EC recognition among opinion leaders, we conclude from high-level political praise for the EU expressed on the occasion of the 16th EU-ASEAN Summit held in Nuremberg that awareness of the EU and appreciation of its role has increased at the very top level.

The EC has the comparative advantage relative to other donors at the ASEC in terms of APRIS' and the regional project's ability to draw on the experiences and lessons learned of the European integration process. This gives the EC a high level of credibility.

The view was expressed that the EC must compete with ASEM for attention. Additionally, ASEAN officials felt (see Judgment Criterion 4.2) that the EU's engagement with ASEAN was insufficient to escape the old habit of viewing EU-ASEAN relations as a bundle of bilateral relationships rather than an integrated relationship between two regional bodies.

As we discuss in answering EQ 8 on how effectively different channels were utilised, one aspect of the EC's visibility strategy was to channel more support through large Asia-wide programmes and thematic budget lines, in the hopes of forging closer ties with partners outside government. This was only partly successful.

#### JC 4.1: Information on EC disseminated in the region

##### JC assessment:

Basic ASEAN web-based dissemination of information about the EC (Indicator 4.1.1) appears adequate, but we have not systematically studied variables such as number of hits, etc. Information posted on dialogue and cooperation is not sparse, but at the same time only the basics are available. As evidenced by the fact that a video based on the Nuremberg Declaration dissemination event has yet to be posted a year following the event, the speed of dissemination may be an issue.

A systematic study has concluded that media coverage of the EU in a number of countries in the region is very limited (Indicators 4.1.2 and 4.3.3). The researchers warn of a self-reinforcing process in which public interest is low, leading to yet less coverage and even lower public interest.

In addition to the indicators below it should be noted that according to monitoring and evaluation reports and stakeholder interviews at the ASEC as well as in Malaysia and Lao PDR, all EC-ASEAN projects (particularly the standards programme, ECAP, and APRIS) considerably contributed to an increase in knowledge and the shaping of positive opinions towards the EU among project participants. For example, the final evaluation report of the standards project comments, “the many visits to European countries have ... allowed positive interaction, sometimes consolidated into lasting relationships, and enhanced the perception and appreciation of the EU by the national experts participating” (1). However, interviews also suggest that increased visibility does not go much beyond those stakeholders who are directly involved in project implementation and that the impact of EC-ASEAN programmes was very limited in terms of the dissemination of information about the EC/EU to the broader audiences.

High officials interviewed at the country level as well as at ASEC were all well informed about Europe in general and the EC in particular. EU visibility had also increased as a result of the ongoing negotiations for an EU-ASEAN FTA as government officials in Thailand and Vietnam stressed.

Relevant also here, although not covered by the Indicators below, are the results of interviews conducted with higher education policy actors in the context of EQ 6. While education fairs and informal word of mouth served to spread the word about programmes such as Erasmus Mundus, systematic outreach through higher education institutions, for example, international education offices, was limited. As a result, there was less awareness of European opportunities in higher education than would have been desirable.

(1) ASEAN Economic Cooperation Programme on Standards, Quality and Conformity Assessment, Final Evaluation Report, March 2006, p. 8-9.

#### Indicator 4.1.1: ASEAN web page treatment of EC – quality, hits, etc.

##### Indicator estimate

EC support is featured in the ASEAN Secretariat website, specifically under the section “ASEAN external relations.” However, information is sketchy and limited only to official statements, joint declarations, etc. A number of EU-ASEAN documents on co-operation and dialogue are available for download on the ASEAN website (ASEAN Secretariat webpage, <http://www.aseansec.org/4970.htm>).

A visual presentation, “Thirty Years of EU-ASEAN Partnership,” was posted on the ASEAN Secretariat website (1) with a delay of over a year, suggesting that speed of dissemination and timeliness of information lay be a quality issue.

##### Related facts, figures, and references

- (1) <http://www.aseansec.org/20858.pdf>; see also EC, Joint Co-Chairmen’s Statement of the 16th EU-ASEAN Ministerial Meeting, Nuremberg, 15 March 2007, pp 2

**Indicator 4.1.2: EC presence in opinion-leading regional international press (Far Eastern Economic Review, Asian edition of The Economist, Asian Wall Street Journal)**

**Indicator estimate**

An study (1) of media and public opinion of the EU in six Asian countries (Thailand, Singapore, South Korea, Japan, Hong Kong and China) revealed that EU, and perhaps the EC, is “largely peripheral” in the mass media coverage, and where the EU is reported, it is predominantly described as Europe—an external actor—and not as necessarily locally relevant.

Data from 7,850 news items analysed further suggest that there is a potential vicious circle, as low expectations of what EU’s involvement is in the region lead to reduced interest and hence correspondingly sparse media coverage.

One of the salient questions raised to respondents in the survey was their images of the EU. Respondents were asked, “When thinking about the term ‘the European Union’, what three thoughts come to mind?” The answers pointed to: the Euro, European integration, and a country within the EU. The analysts concluded that there was no appreciation of the EU as a collective group of 27 countries. (See table below).

In our evaluation of country-level EC cooperation with Thailand (2), we found some 600 major news items on the EU reported in the Thai media, both positive and negative. These reports may have increased EU visibility, but the EC Delegation in Bangkok is not satisfied with the prevailing level of awareness.

**Related facts, figures, and references**

- (1) Martin Holland and Natalia Chaban, “The EU through the eyes of Asia: Media Perceptions and Public Opinion in 2006”, [http://www.iias.nl/nl/44/IIAS\\_NL47.pdf](http://www.iias.nl/nl/44/IIAS_NL47.pdf) 2nd
- (2) Evaluation of the European Commission’s Co-operation with Thailand, Draft Desk Report, Version 1, pp. 49-50).

**Public Opinion “Dominant EU Images”**

	1 <sup>st</sup>	2 <sup>nd</sup>	3 <sup>rd</sup>	4 <sup>th</sup>
Korea	European union, integration	Euro	Individual countries	Exceptionalism / problems
Thailand	Individual countries	Economic power	Trade	Euro
Hong Kong	Euro	Trade	European Union, integration	Individual countries
Singapore	European Union, integration	Euro	Economic power	Individual countries
Japan	Euro	European Union, integration	Individual countries	Disparities/unfairness

**JC 4.2: EC support for ASEAN Secretariat recognised and acknowledged**

**JC assessment**

The EC has the comparative advantage relative to other donors at the ASEC in terms of APRIS’s ability to draw on the experiences and lessons learned of the European integration process. This gives the EC a high level of credibility which also translates into visibility within ASEAN. ASEC officers stressed the importance of the European integration process as a reference point (but not necessarily a

model) for ASEAN (Indicator 4.2.1). EC support for ASEAN-Secretariat in the form of technical assistance has been acknowledged in documentation disseminated by the Secretariat. (Indicator 4.2.2). Not directly related to the Indicators below, but important to note, there is some unease at ASEC regarding the EU's engagement with the organisation. Despite years of building inter-relational ties, EU-ASEAN relations are still seen within the prism of bilateral relations (i.e. individual ASEAN member and EU member state) rather than EU and ASEAN (the regional organization). This is partly a function of historical memories defining nature of bilateral relations and partly the result of the EU's perceived focus on China and India as "Asia." Noting that ASEAN MS representation at dialogue meetings was frequently at a higher level than EU representation, ASEC officials interviewed detected a lack of awareness within the EU of ASEAN as a regional body. The EU' concern with Myanmar/Burma is often mentioned as an irritant.

#### **Indicator 4.2.1: ASEAN Secretariat officials interviewed appreciate relevance of EU integration process for ASEAN region**

##### **Indicator estimate**

We can emphatically assert that this is the case.

Most interviewees mentioned the comparative advantage of the EC compared to other donors at the ASEC in terms of APRIS' and the regional project's ability to draw on the experiences and lessons learned of the European integration process. This gives the EC a high level of credibility which also translates into visibility within ASEAN. ASEC officers stressed the importance of the European integration process as a reference point (but not necessarily a model) for ASEAN.

Both at ASEC and in country ministries, officials expressed the view that the EC was a source of inspiration in the region, not only because of its positive experience in economic integration, but also because of what were viewed to be positive policy responses to shared problems such as environmental sustainability, climate change, reducing income gaps, and promoting human rights and civil society. A number of officials went so far as to say that they wished the EU would expand its support to areas apart from the economy or, as one national official put it "less TREATI and more READI." Specifics mentioned included

- EU's efforts in promoting multilateralism, thus providing a good balance in major power relations in Asia.
- EU's technological edge in many areas, which can be tapped to help building regional capacity in Southeast Asia to deal with a number of new security challenges,
- EU's experience in managing diversity and promoting cross-cultural understanding and inter-faith dialogues,
- EU's engagement in helping to resolve civil conflicts in Indonesia (e.g. its role in facilitating the Aceh Peace Process).

##### **Related facts, figures, and references**

Interviews at ASEEC

#### **Indicator 4.2.2: EC support featured in ASEAN Secretariat external information dissemination (press releases, launch events, ...)**

##### **Indicator estimate**

See Indicator 4.1.1 for ASEAN Secretariat website treatment of EC. In general, acknowledgement of EC support is adequate. For example; the Secretariat's "ASEAN-European Union Dialogue" document (1) acknowledges

- EU support for the Institutional Development Program for the ASEAN-Secretariat (IDPAS), designed to augment the competence of the Secretariat's professional staff in regional policy-making and help the Secretariat to network with institutions in Europe and develop its information technology capabilities.

- EU assistance in dealing with the problem of piracy ... exchanges of technical and practical information, sponsoring ASEAN students to attend anti-piracy seminars, exchanging experience in managing integration between national procedures, and establishing training institutions in ASEAN.
- Five projects totalling Euro 55.5 million in the areas of environment, energy, intellectual property rights and education, with two other programs worth 13 million Euros, in the pipelines. Projects acknowledged are the EC-ASEAN Regional Cooperation Program on Standards, Quality and Conformity Assessment, and the ASEAN-EC Project on Regional Integration Support (APRIS).
- EC funding for development of a business plan for the ASEAN-EC Management Centre in Brunei

However, ASEAN's publicly and widely available hard-copy Fact Sheets on areas of functional cooperation with heavy EC involvement (through APRIS, ECAP, Asia ProEco, Asia Trust Fund etc.) such as customs harmonisation, trade & investment issues, harmonisation of standards etc., do not make any reference to these EC projects and support.

#### **Related facts, figures, and references**

- (1) ASEAN Secretariat, ASEAN-European Union Dialogue, pp 4-6,  
<http://www.aseansec.org/7209.htm>

### **JC 4.3: Opinion-leaders in the region (politicians, academics, business community) aware of EC.**

#### **JC assessment**

We have already seen (Indicator 4.1.2, repeated below as Indicator 4.3.3) that a study concluded that treatment of the EC in the media in some major ASEAN countries is very limited, and that members of the public have an idiosyncratic view of Europe as an integrated policy of 27 states.

A joint Japanese-Finnish study dating from 2006, clearly relevant although it does not specifically address any of the indicators below, concluded that, despite the enhanced engagement between ASEAN and EU officials, many ASEAN officials, member country politicians, academics, and members of the business community are more interested in / preoccupied with affairs in the Asian or ASEAN level (Japan Centre for International Exchange, ASEM in its Tenth Year, Looking Back, Looking Forward, <http://www.jcie.or.jp/books/abstracts/A/ase10.html>).

Yet, as indicators 4.2.1 and 4.2.2 show, ASEC senior officials have a high level of familiarity with EC support in general and the objectives and outputs of specific projects in particular and good knowledge and understanding of the European integration process.

The indicators below do not, perhaps, allow enough room for recognising the rising recognition of the EC among high government officials. However, this is clearly of interest, and two concrete examples are worthy of note.

- In the Joint Co-Chairmen's Statement of the 16<sup>th</sup> EU-ASEAN Ministerial Meeting, Nuremberg, ministers from ASEAN member state that the Aceh Monitoring Mission (AMM) "considerably enhanced the EU-ASEAN relationship and raised the profile of EU-ASEAN policy and security co-operation in the region". The AMM was also explicitly commended as a model for cooperation between ASEAN member countries in conflict resolution, as well as a model for cooperation between regions (EC, Joint Co-Chairmen's Statement of the 16th EU-ASEAN Ministerial Meeting, Nuremberg, 15 March 2007, pp 2-3).
- Ministers at the 16<sup>th</sup> EU-ASEAN Ministerial Meeting endorsed the Nuremberg Declaration on an EU-ASEAN Enhanced Partnership as a major contribution to taking EU-ASEAN relations to a higher level, particularly in the fields of political and security, economic and social development cooperation (EC, Joint Co-Chairmen's Statement of the 16th EU-ASEAN

Ministerial Meeting, Nuremberg, 15 March 2007, pp 1-2).  
In assessing EU visibility in Thailand, we found that ASEM membership was a key factor, especially since the inaugural meeting was held in Bangkok in 1996 (Draft Desk Report, P. 49-50). Also possibly germane here is the fact that we found Thai knowledge and awareness of European higher education was seriously deficient.  
Most importantly, the EU became particularly important as a reference point when ASEAN embarked on major institutional reforms after the Asian financial crisis of 1997-99. ASEAN's reference to EU institutions has increased. For example, the Bali Concord II of 2003 envisions an ASEAN Community to be implemented until 2020 consisting of "three pillars" which give explicit reference to the European integration process: an ASEAN Economic Community, an ASEAN Security Community, and an ASEAN Cultural and Social Community. Following the European debate on the EU Constitution, ASEAN members equally discussed reforming and strengthening the organisation's institutional framework. This process resulted in the drafting of the ASEAN Charter, signed in November 2007, which gives ASEAN a legal personality. EC support at all levels has contributed to attaining a level of trust and partnership with ASEAN, a partnership enhanced by the fact that both are multilateral organisations.

**Indicator 4.3.1: EC support featured in ASEAN Secretariat internal information dissemination mechanisms (newsletter, intranet ...)**

**Indicator estimate**

Interviews with ASEC officials demonstrated a high level of familiarity with EC support in general and the objectives and outputs of specific projects in particular.

**Related facts, figures, and references**

**Indicator 4.3.2: Officials interviewed understand the gist of the EU integration process**

**Indicator estimate**

In interviews ASEC officers demonstrated good knowledge and understanding of the European integration process. Most senior officers have taken part in study trips to the EU.

**Related facts, figures, and references**

**Indicator 4.3.3: EC presence in opinion-leading press (Far Eastern Economic Review; Asian Wall Street Journal, etc.)**

**Indicator estimate**

See Indicator 4.1.2 above.

**Related facts, figures, and references**

#### 4.5 EQ5 - To what extent has the EC engagement with energy and bio-conservation through the ASEAN programme successfully promoted European best practice related to sustainable economic development?

##### EQ answer

The programmes in the field of energy and biodiversity conservation have been successful in introducing European best practices of sustainable economic development to the ASEAN region. They have done so in a number of mostly indirect ways. The main benefits of the programmes flow from networking, capacity-building, and knowledge-creation / knowledge-management, EC programmes and projects generated a wide range policy outputs, many of them of a high quality and visibility. However, concrete measurable impacts and outcomes have been thin and, where they have occurred, so small as to be of symbolic value only. Evidence suggests that ASEAN and regional programmes would have profited from more thematic coordination at the national levels as well as coordination between bilateral and EU activities.

Environmental concerns have played and will continue to play both a direct and indirect role in the EC's strategy for the region. For this reason, the EC's involvement with energy and the environment was broad and multi-dimensional. There were two main programmes in energy, COGEN III (2002-2004) and the European ASEAN Energy Facility (2001-2008). In the area of biodiversity conservation, the EC focused its efforts and resources in the ASEAN Regional Centre for Biodiversity Conservation (ARCBC). Asia-wide programmes were such as Asia Urbs and Asia Pro Eco were also used to pursue environmental objectives.

We answer this EQ on the basis of three Judgment Criteria, one dealing with increasing the sustainability of economic growth in the region, the second having to do with the transfer of European technology, and the third with the promotion of biodiversity conservation. On balance, our assessments confirm that programmes in both energy and biodiversity have promoted European best practices of sustainable economic development. We are much more sanguine about the first and last Judgment Criteria than we are regarding the one in the middle. Although the evaluations suggest that the programmes and their attendant projects in either field have not necessarily been unmitigated successes, the European Commission's engagement in the environment has brought about a wide range of useful outputs and outcomes. What, then, have these been?

The EU programmes in the field of energy have contributed to the dimensions of environmental sustainability indirectly. The bulk of benefits are to be found not in physical measures such as pollution abated or areas protected, but in the less tangible organisational, institutional and ideational impacts. In practice, this means that the programmes have promoted sustainable economic development by providing the institutional infrastructure (including both organisational and human resource capacities), knowledge-creation as well as promoting a receptive ideational climate for exploring sustainable economic growth. Evidence from evaluations and the fieldwork of COGEN and EAEF presented below is positive as regards capacity building, institution strengthening, and the formation of networks. At the same time, it indicates that, while conceptualisation and relevance of projects in the two programmes was consistently on target, management issues prevented energy programmes from achieving their full potential. In particular, the demand-driven, bottom-up design of ASEAN-level and regional programmes brought about thematic and regional imbalances. These programmes followed (often in an ad hoc fashion) local and national priorities, rather than channelling them in directions that would have advanced EC and ASEAN policy agenda.

In the programmes aimed at the conservation of biodiversity, tangible impacts and benefits have proven even more elusive than in energy -- although intangible benefits seem assured. The aim of the ARCBC was to create a coherent institutional framework for biodiversity conservation research and policy-making efforts scattered across the ASEAN region (2). Overall, evidence suggests that networking, knowledge-creation / knowledge-management and capacity building / training efforts have been the most visible and obvious benefits of the EC engagement. Significantly, these capacity-

building and information-sharing measures have provided ASEAN policy actors with a common language to discuss biodiversity issues: as a result, quality and sophistication of policy debate about biodiversity conservation has improved considerably. Moreover, evidence suggests that the organisational networks generated by the programme have acted as conduits for capacity-building, information exchange and learning among a wide range of actors from the public, private and tertiary sectors. Evaluators pointed out that research and database construction sponsored by the different programmes have further strengthened the knowledge-base for biodiversity conservation policy-making. Most importantly, the ARCBC programme has resulted in the creation of permanent institution devoted to the conservation of biodiversity, the ASEAN Biodiversity Centre (ABC). This institution will build on the institutional and knowledge foundations laid by the ARCBC.

### **JC 5.1: Environmental sustainability of economic growth improved**

#### **JC assessment**

Since Judgment Criterion 5.2 deals with biodiversity, we will limit our assessment of this Judgment Criterion mostly to the energy dimension on the understanding that a positive assessment of Judgment Criterion 5.2 would strengthen our assessment of environmental sustainability and vice versa

The EC's interventions in the ASEAN environment and energy domains (1) have predominantly shaped the environmental sustainability of economic growth indirectly through disseminating best European environmental practices. In general, while it is too soon to judge long-run tangible benefits to the environment or energy security, of concrete impacts of COGEN and EAEF in terms of CO2 emissions averted, or EC technology exports generated, the immediate impacts can be judged to be very small.

Despite cumbersome administrative procedures, outputs from both energy programmes (COGEN and EAEF) were of high quality, relevance and utility. However, both programmes have featured significant imbalances. Research and feasibility studies by far outweighed demonstration projects. Of these studies, the lion's share addressed renewable energy, to the point of ignoring other important energy sources. In these projects, participation of actors from middle-income countries in the region overshadowed participants from the CLMV countries. While the unfamiliarity of ASEAN policy actors with administrative structures and management cultures typical for EC programmes has undoubtedly contributed to the observed imbalances, evidence suggests that the demand-driven and bottom-up nature of both COGEN III and the EAEF was the primary reason for the lopsided profile of programme outputs.

There is ample evidence that EC's ASEAN-level cooperation in energy and biodiversity contributed significantly to institutional development, capacity-building and network formation. In addition to capacity building through sectoral initiatives (e.g., biodiversity, energy), cooperation in research and higher education also helped forge sustainable networks and build institutional capabilities in policy domains relevant to sustainable development (1). Despite complaints about the administrative side of European projects, participants highly value the experience and outcomes of these projects. Evidence suggests that European environmental and energy interventions have helped ASEAN policy-makers channel and institutionalise a heightened sensibility for global environmental concerns.

While the ideas and concepts underlying energy sector programmes are sound and relevant, the demand-driven, bottom-up mechanisms of grant approval -in COGEN and EAEF were unable to prevent some policy-drift. In other words, the programmes did not really promote EU and ASEAN policy agenda as effectively as they could have because they followed rather than led national and local policy priorities. They were also subject to capture by those partners best able to master the application and approval process. Energy programmes would have profited from more top-down control at regional level as well as more thematic coordination at national level.



### Indicator 5.1.1: Number of co-generation demonstration projects in place; how many still operating

#### Indicator estimate

In following the spirit rather than the letter of the Indicator, we look at the full range of COGEN and EAEF interventions, not just cogeneration projects per se.

COGEN III (<http://cogen3.net/aboutcogen.html>), which followed two earlier phases dating back to the later 1990s, was designed to "...promote and create business opportunities for the use of co-generation to generate power and heat using biomass, coal or gas as fuel." Expanded in scope from the previous COGEN II (which had been limited to cogeneration of electricity and heat from biomass), the programme aimed to create partnerships between commercial and public power producers in Asia and European equipment suppliers. We essentially base our analysis of the project here on the final evaluation report, supplemented by interviews with project partners (1).

The EAEF, for which we also have a final evaluation (2) and interviews for the fieldwork phase, had a broader remit. First floated as an idea in 1996, the EAEF aimed to support "regional energy projects and initiatives" from the public and private energy sectors in the European Union and ASEAN with a clear ASEAN dimension and European added value. These projects were to stimulate economic exchanges, work towards more energy security in ASEAN and, indirectly, the EU, improve local and global environments and help implement the ASEAN Plan of Action for Energy Cooperation (APAEC) 1999-2004. The EAEF concentrated on funding projects and initiatives in five sub-sectors: electricity, natural gas, clean coal technology, energy efficiency, and renewable energy

Four facilities of the EAEF were designed to tackle four perceived problems or barriers in the Southeast Asian energy market. Facility 1 was aimed at increasing market awareness of known energy technology (particularly of European provenance). Facility 2 was supposed to fund projects aimed at improving the perceived inadequacies of regulatory frameworks for energy markets. Facility 3, in turn, aimed at reducing the prohibitive costs to firms of feasibility studies. Facility 4, then, was targeted at financing demonstration projects. The EAEF assisted COGEN initiatives between 2001 and 2002 as well as being responsible for the monitoring of COGEN.

While both the EAEF and COGEN III have considerable synergies (which were exploited in the area of Full Scale Demonstration Projects or FSDPs), COGEN III was targeted at the private sector while the EAEF tended to cater more to public sector energy producers, distributors and regulators.

COGEN III generated eight FSDPs. These projects emerged from a selection process that breaks down in figures as follows: of 240 viable projects identified, 33 proposals from 7 ASEAN countries were submitted and evaluated. On the basis of the proposals, 24 projects were selected which ultimately yielded 13 signed contracts and eight actual FSDPs. Consequently, the COGEN III Programme underspent its budget (3).

Although COGEN evaluators agreed that the relevance, applicability and quality of existing FSDPs was consistently high, the fact that two large programmes generated only nine projects --- which amounted to about a third of the expected projects -- was viewed as disappointing. Where concrete estimates of impact are available, the real impacts have been modest both in terms of the environment (240 000 tonnes / year of CO<sub>2</sub> emissions saved for the COGEN projects) as well as in terms of socio-economic and business interests (e.g., several million Euro of business created in EAEF). With hindsight, the project was too ambitious.

A large part of the reason for low direct impact may lie in the administrative structure and underlying management culture of the programmes. Evaluators of the COGEN III programme identified three possible reasons for the poor project implementation ratio. First, the limited duration of COGEN III worked against younger projects who simply could not meet the tight deadlines. Second, the public-private partnership model of project financing turned the low awareness of cogeneration in the ASEAN region into an almost insurmountable hurdle for raising co-funding. Evaluators for the EAEF made the same point when they argued that the 50 percent / 15 percent co-financing model acted as a disincentive for many firms (4). Lastly, the lack of supportive policy environments at national level may have proved too large a barrier for fledgling cogeneration projects (5).

EAEF funded only a single FSDP: the Zero Emissions Office in Malaysia. Since ZEO has only just become operational, the evaluators concluded that the "... EAEF itself and its projects have very little measurable impact on energy supply or on the local and global environment" (6).

As in the case of COGEN, the evaluation of the EAEF identified lack of interest by ASEAN governments in the facility as one of the reasons for the modest number of FSDPs to emerge from the programme (7). Participants in the EAEF process pointed to what they felt to be overly bureaucratic project administration of EAEF programmes as a disincentive to participation: in general, they argued, participants with experience of the European Commission's project management culture did much better in proposals than others. Large companies, in particular, did not show themselves willing to handle the procedural and bureaucratic procedures required.

The distribution of all energy projects, including the FSDPs, was uneven in terms of themes, regions and expertise. All COGEN III FSDPs focused on biomass, despite the availability of funding for other fuels, in particular coal and gas (8). Similarly, the EAEF projects (mostly studies) were heavily biased towards renewable energy sources: only 10 percent of projects were concerned with coal and gas and 20 percent with electricity compared to the 70 percent focusing on renewable energy sources (9). Again, this is the case despite the eligibility of projects with other fuels. Interviews during the fieldwork phase suggest that this thematic imbalance was due to the demand-driven, bottom-up nature of the programmes. For example, a stakeholder argued that during the EAEF programme phase, the low price of oil rendered coal and gas as an energy source and field of study less attractive than they may be at the moment. The imbalance, beneficiaries conclude, reflect the interests of actors and participants (10).

In terms of regional distribution, the programmes did not manage to equally involve the different ASEAN regions. In interviews, beneficiaries point to the fact that the EAEF did not include all 10 ASEAN countries as being a weakness of the programme. Of all 77 EAEF projects, evaluators found that only about 18 were of benefit to all ASEAN countries. The Philippines and Thailand ran the largest number of projects, followed by Thailand, Indonesia and Lao PDR; this group being followed by Malaysia, Singapore and Cambodia (11). The consultants see this as evidence of policy-drift: "The outcome can be summarised as follows: 'The EAEF ended as a Renewable and Energy Efficiency facility, for the least developed ASEAN countries.' This is certainly a worthwhile outcome but very different from the original purpose" (12). Nonetheless, interviews in the field suggest that participants and beneficiaries seem content with this outcome.

As a result of this lopsidedness, many of the projects fit awkwardly into wider energy policy objectives. For example, the entire output of the EAEF (about 77 projects) fits into only one, perhaps two of the ASEAN's APAEC programme areas (13).

These problems notwithstanding, evidence from the fieldwork phase suggests that participants and beneficiaries also perceived and appreciated the specific strengths of EC policy interventions. First, unlike programmes of other donor organisations, European commitments such as COGEN III or the EAEF are multi-year programmes. This programme architecture allows for a sustained window of technical assistance and technological development. Moreover, beneficiaries argued the both the COGEN III and EAEF programmes enabled contact to European governmental, business and energy networks.

The imbalances referred to above may be the result of overly demand-driven programmes in need of more top-down planning. Indeed, fieldwork suggests that the main problems (specifically for the EAEF) were related to lacking capacities in monitoring and evaluation. Because neither COGEN III nor the EAEF engaged in targeted top-down planning (i.e. matching participants, regions and proposals to policy priorities), the distribution of themes, regions and expertise reflected existing distortions of the energy / environmental energy market in the ASEAN region. A clearer set of guidelines when to support projects of a local character or when to promote projects of a more regional nature would have helped administrators avoid regional imbalances. Fieldwork at both the national and ASEAN level suggests that coordination on the one hand and, on the other, more tailor-made bi-lateral environmental and energy programmes may have improved the targeting, effectiveness

and relevance of energy-related projects. At present, it was felt that regional and national EC projects would profit from more coordination, conceivably with the involvement of ASEC (14). This, some actors proposed, should go hand-in-hand with a more effective communication between those that administer programmes and those that implement projects. Further, the politics between the two energy programmes probably did not contribute to a smooth implementation context. Although COGEN III and the EAEF were designed to operate separately, financial and managerial considerations led to the merge of both projects (15)

At a more fundamental level, however, these imbalances suggest a deficit in coherence of European energy policy at the highest level (16). Clearer energy policy priorities and a clearer set of energy policy practices would improve the design, implementation and evaluation of collaborative programmes in the energy domain (17). EAEF evaluators found expertise in management, project selection and project implementation to be imbalanced. Teams consisted of mostly engineers with scant involvement of other types of expertise, for example economics or law. This in itself might help to explain why so few FSDPs were developed.

#### **Related facts, figures, and references**

- (1) COWI (2006), *Ex-Post Evaluation of the COGEN 3 Programme: Popular Report*, Framework Contract 2006/115686, p.14.
- (2) COWI (2006), *Ex-Post Evaluation of the COGEN 3 Programme: Popular Report*, F Framework Contract 2006/115686.
- (3) MONITORING REPORT REGIONAL ASIA ≠ CAI ≠ EC-ASEAN ENERGY FACILITY (EAEF). MR-20299.01 ≠ 20/05/05.
- (4) KANTOR (2008), *Ex-post Evaluation of the EC-ASEAN Energy Facility*, EUROPEAID/119860/C/SV/multi.
- (5) ASEAN Regional Centre for Biodiversity Conservation (2004), *ARCBC Completion Report*, Laguna

### **Indicator 5.1.2: Institutional Development, capacity building, network formation**

#### **Indicator estimate**

Institutional development and capacity building are core concerns of the EC's engagement in Asia, at the ASEAN level, and in its bilateral cooperation programmes. There is ample evidence that EC's ASEAN-level cooperation in energy and biodiversity contributed significantly in this regard. Networks were also established, especially in the area of biodiversity. In addition to capacity building through sector initiatives (e.g., biodiversity, energy), cooperation in research and higher education through, e.g., Asia Link (research collaborations), Framework Research programmes (research collaborations) and Erasmus Mundus (mobility) also contributed in these dimensions. The role of these programmes in the ASEAN region is discussed in EQ 6 below.

#### Energy

In the energy policy domain, the COGEN III programme engaged in a range of diverse activities including, among other things, so-called "Cogeneration Week", seminars for European suppliers, the ASEAN Cogeneration Policy Forum and Study Tour, as well as training courses on cogeneration project development (1). In total, 3800 policy actors participated in these events and 400 external people passed through on-site visits. The evaluation of COGEN III contends that these events, which were of a consistently high quality, attracted positive attention from a wide range of policy actors (2). The organisation of study tours and cogeneration fora further contributed to raising awareness of environmental dimensions of the energy policy issue. COGEN III activity also resulted in the institutional formation: policy actors in Thailand, Malaysia, Indonesia, and the Philippines saw the creation of COGEN Associations in their countries.

Although evaluators report that the EAEF was involved in a range of networking and capacity-building activities, not much in the way of precise numbers can be gleaned from the available material.

However, a ROM report in 2005 concludes that there can be "...no doubt that the programme is facilitating key fora and networks. This is likely to be the biggest impact. Effects on energy security, economic exchange, environment and the ASEAN plan are too diffuse to quantify at present" (3).

An EAEF project funded a networking workshop that was part of a larger institution-building process for the acquisition and management of CDM projects. Project organizers report that the workshop provided exposure to the knowledge and experience of policy actors from other countries that had successfully set up a CDM process. In particular, the workshop helped formulate and specify national the CDM criteria and indicators. In particular, the project helped the participants set up Designated National Authorities (DNA) for the CDM process. The workshop, the national respondents continued, provided the first contact with other ASEAN and European experts which developed into an ongoing working relationship until the institutionalization process was complete. The project organised a number of sharing sessions and training in the use and application of CDMs. After the project came to an end, however, the network disbanded.

Another capacity building project, also funded by the EAEF, aimed to build a web-based renewable energy database (Green IPP). Here, the Malaysian partners were invited to join a consortium consisting of institutions from Denmark, Germany, Indonesia and the Philippines. The project funded four workshops (1 in Germany and 3 in the ASEAN region), the design of a website as well as the publication of a newsletter. However, after the end of the project in 2006, the consortium has not continued cooperation and interaction. Respondents hoped that the web-site (which, respondents claimed, still received hits) would be shifted to the ASEAN Centre for Energy (ACE) to be maintained and upgraded there.

Evidence from the fieldwork suggests that participants were left with a positive impression of the experience (i.e. interaction and sharing with other participants) as well as the outputs (i.e. CDM criteria) of European projects (6). Nonetheless, respondents did point to some shortcomings. First, networks struggled to hold together after project funding had expired. For example, while participants in the CDM project tried to keep the website and desk open for a year after the project official ended, none of the participants could muster the requisite resources. On the one hand, CDM was not what one respondent described as the core business of most participants. On the other hand, project partners were from outside government, so they could muster the kinds of resources necessary to maintain this network, which, however, was perceived to be important. Second, and this seems to be a recurring complaint, participants point to administrative problems. The rules that regulate the programmes are perceived by participants and ASEAN administrators to be too rigid and too slow to change. Where change in the regulations did occur, beneficiaries argued that these changes were not communicated. For example, a partner in the CDM project reported that the administrative requirements for the projects had not been completed nearly two years after the project had finished. This meant that the payments were delayed, in part due to disagreements about quoted rates.

Another area of capacity building in which EAEF was notably successful was knowledge-creation and knowledge transfer. The studies that emerged from the EAEF, as well as the potentially sustainable partnerships between ASEAN and EU organisations and actors that functioned as conduits, introduced new ideas about energy and the environment into the ASEAN region. Specifically, the partnerships and studies enabled ASEAN organisations and actors to learn about the capabilities and potential of European environmental energy technology. As a result of funding these studies, the EAEF has collated an extensive document library on energy and environmental issues for the ASEAN region (4).

### Biodiversity

Turning to biodiversity, capacity-building, training and networking constituted two of the four pillars of the ARCBC project. Over the five year duration of the project, the ARCBC not only provided and maintained the infrastructure for collaboration, it also provided thematic focal points and funding for sustainable cooperation. In terms of structure, the ARCBC created the regional network nodes (in the form of the NBRUs), provided the tools for networking (e.g. databases of regional biodiversity

specialists or ASEAN biodiversity training programmes). The R&D and Database Management components of the ARCBC gave networked institutions and specialists concrete biodiversity conservation projects to deepen and develop regional networks. At the end of the project, biodiversity conservation experts could consult a database with 630 regional experts and 429 institutions (5).

In addition to knowledge-generation, -management, and -dissemination, ARCBC outputs were geared towards laying the institutional foundations for effective biodiversity governance. For this reason, the ARCBC concentrated on building networks of individual and institutional stakeholders, creating institutional nodes at national and regional level as well as equipping stakeholders and policy-makers with the skills, knowledge and technology for flexible governance of what is an extraordinarily complex policy issue. The project concentrated its efforts on policy-makers, experts and environmental stakeholders. Business and economic interests feature hardly at all; for example, collaborating institutions include environmental NGOs (e.g. WWF, Birdlife International) or research organisations (e.g. Danum Valley Research Centre, Global Biodiversity Information Facility) but no firms or industry associations.

The EC also supported institutional development, capacity building, and network formation via Asia regional programmes. The Asia Urbs programme, primarily designed to promote urban development projects, supported projects aimed at halting the loss of biodiversity. The Asia Pro Eco programme was designed to promote technology partnerships between EU and Asia specifically aimed at environmentally sustainable products, processes and services. Projects included:

- Safe disposal of wastes to improve urban environment in Least Developed Asian Countries
- Renewable energy to fight poverty
- Low-cost technology for arsenic-poisoned water treatment
- Green Building: EU-Asian partnership that makes a difference

In addition, the Asia ProEco Programme also launched the Asia ProEco II Tsunami to provide cooperative help for regions affected by the Tsunami in 2004.

#### **Related facts, figures, and references**

- (1) COWI (2006), Ex-Post Evaluation of the COGEN 3 Programme: Popular Report, Framework Contract 2006/115686, p.14.
- (2) COWI (2006), Ex-Post Evaluation of the COGEN 3 Programme: Popular Report, F Framework Contract 2006/115686.
- (3) MONITORING REPORT REGIONAL ASIA ≠ CAI ≠ EC-ASEAN ENERGY FACILITY (EAEF). MR-20299.01 ≠ 20/05/05.
- (4) KANTOR (2008), Ex-post Evaluation of the EC-ASEAN Energy Facility, EUROPEAID/119860/C/SV/multi.
- (5) ASEAN Regional Centre for Biodiversity Conservation (2004), ARCBC Completion Report, Laguna.

### **JC 5.2: European technology transferred**

#### **JC assessment**

Few FSDPs are in operation (Indicator 5.2.1) and the evidence suggests that few joint venture related to technology transfer took place (Indicator 5.3.2). Some of the reasons were discussed under Judgment Criterion 1.

Apart from the energy programmes, other initiatives such as Asia ProEco or AsiaUrbs also supported technology transfer in the environmental sector. Significantly, these regional and pan-Asian projects were also predominantly bottom-up and demand-driven. In the absence of thematic coordination at either the regional/ ASEAN or the national level, these projects have not always maximised the synergies between regional and national environmental agendas on the one hand, as well as European environmental aims and regional needs on the other. The risks to technology transfer have been two-

fold. First, programmes risk funding projects that reflect the interests of specific stakeholders and thereby reproduce any imbalances (e.g. of resources, access to policy-makers, etc.) within national policy communities. Second, without national coordination and complementary bi-lateral instruments, demand-driven programmes preclude creating interests in new technologies. Yet, despite the perceived shortcomings of technology transfer projects, policy actors – at governmental, ASEC or civil society level – continue to see a strong future role in environmental technology transfer for Europe and the European Union.

**Indicator 5.2.1: Number of other European technology demonstration projects in place; how many still operating**

**Indicator estimate**

In the energy area, the only demonstration project still in operation apart from the cogeneration projects outlined above is the Zero Emissions Office in Malaysia. The Zero Efficiency Office (ZEO) project started life as a project by the GOM to design an energy efficient building to function as the new headquarters of the PTM. Here, consultants from Europe (specifically Denmark and Germany) assisted in the design of the new office building. (1) The European Commission, through the EAEF, funded part of the design and construction of a Zero-Emissions Office. This included considerable transfer of European environmental and energy technology (particularly PV technology, slab cooling technology from Germany, and Danish insulation technology). Moreover, Belgian double-glazing know-how was transferred to Malaysian production sites. Despite losing about 40% of the funding (since the ZEO project extended beyond the EAEF funding period), the office, now the HQ of the Malaysian energy agency (PTM), is up and running (albeit not quite at zero emissions). The ARCBC and other biodiversity-related projects produced little in the way technology (or, more appropriately, resource management / conservation zone) demonstration projects.

**Related facts, figures, and references**

- (1) Part of the reason the consultants suggested turning to the EAEF for funding, respondents contend, was to cover the costs of consultancy. However, respondents maintained that the ZEO (as a Zero Emissions Office) would not have been possible without EAEF funding

**Indicator 5.2.2: Joint ventures involving technology transfers implemented**

**Indicator estimate**

Information on this indicator is vague. The EAEF studies (77 in number) were originally conceived of in relation to technology transfer. Evaluation and monitoring reports are, however, do not elaborate further. Indeed, evidence from the fieldwork phase suggests that respondents at the ASEC see the main benefits of the EAEF in terms of knowledge generation.

In light of the general finding that neither COGEN III nor EAEF proved particularly lucrative for European businesses and technology producers, closer inspection may reveal that the ventures were few in number and, low in monetary value, except for a few COGEN projects (1). The fact that both COGEN III and EAEF failed to generate the expected number of FSDPs suggests that technology transfers also performed below expectations. However, in terms of economic benefits, the COGEN III projects leveraged, via technology imports from Europe to ASEAN, a revenue stream at about factor 10 of the subsidies (2)

Despite the apparent dearth of actual technology transfer accomplished, fieldwork suggests that stakeholders see a potentially strong role for the European Union in as a provider of advanced environmental and energy technology. European energy technology, a stakeholder argued, is more advanced at all levels. In particular, Europeans could provide environmentally sustainable technological solutions for coal, gas and biofuels: in the ASEAN region (3). Moreover, technological development in these sectors in ASEAN is still, in the words of a respondent, “nacent”. Not only could Europe contribute to technological development, it could also help implement so-called ‘trans-

energy' networks in the region. In terms of biofuels, respondents argued that ASEAN policy-makers need more insight into the implications of bio-fuel for food production. Climate change means that agricultural yields have changed and are likely to change further as global warming unfolds. In the ASEAN region, biofuels compete with food production: it is important for policy-makers to know how food production and biofuel production can be balanced. Here, stakeholders see a role for the EU in supplying expertise and technology.

While the COGEN III and the EAEF were specifically designed for technology transfer in the energy sector, other regional environmental policy instruments, such as the Asia ProEco programme, supported technology transfer projects in other sectors relevant to sustainable development and environmental protection. There is evidence to suggest that, like the energy programmes, the targeting and relevance of some Asia ProEco projects suffered from a lack of thematic coordination at national level. For example, Asia ProEco funded a project in Malaysia aimed at transferring waste management technology from Germany to Malaysia. The specific area chosen by the project consortium was the treatment of manure from the chicken industry. This project emerged from an existing international network of academics specializing in waste management: the initial impetus for seeking funding from the Commission, respondents informed us, came from the European lead partner (TUHH). This partner also took the lead in coordinating proposal submission and in project coordination (4). Significantly, the project failed to transfer waste management technology from Germany. The reasons, respondents contend, are because the project was tangential (at best) to the needs and priorities of the Malaysian waste management agenda. First, respondents argue, the project was a solution looking for a problem: rather than the result of orienting closely to the Malaysian environmental and waste management agenda. Indeed, the project was more closely aligned with the priorities of the Malaysian-European network of researchers than with the priorities of the GOM. In brief, there is no problem with chicken manure in Malaysia. What is more, existing Malaysian technology for disposing of manure from the chicken farming industries is superior to the German technology the project planned to transfer. In the event, the project produced a survey of chicken farming in Malaysia (5) as well as an animal waste conference).

#### **Related facts, figures, and references**

- (1) KANTOR (2008), Ex-post Evaluation of the EC-ASEAN Energy Facility, EUROPEAID/119860/C/SV/multi, p.35.
- (2) COWI (2006), Ex-Post Evaluation of the COGEN 3 Programme: Popular Report, Framework Contract 2006/115686.
- (3) Interests: this again raises the question of whether thematic imbalances reflect the interests and preferences of local or of European stakeholders.
- (4) UPM, 2008
- (5) Interviews with EAEF and COGEN partners
- (6) Interviews with ASEC officials

### **JC 5.3: National bio-diversity conservation advanced**

#### **JC assessment**

ARCBC, a programme of institution-building that produced 417 outputs from 44 activities, contributed, like the energy programmes assessed above, to the broader goal of environmental sustainability and biodiversity conservation in an indirect and foundational manner. The ARCBC project advanced biodiversity conservation by constructing an institutional architecture for regional biodiversity conservation policy as well as generating a common language among ASEAN policy actors. While there was clearly more progress in some Member States than others, ARCBC significantly advanced national bio-diversity conservation plans.

A project completion evaluation mission combined with an ARCBC evaluation mission (filed 2006)

identified serious design problems, including lack of clarity and realism, and suggested improvements. However, the review found good results in relation to networking (Indicator 5.3.2), training (Indicator 5.3.1; albeit of technical experts, not policy makers), and policy dialogue. Fieldwork interviews indicate that a major outcome of the ARCBC's capacity-building and information-sharing has been a marked improvement in the quality and direction of policy debate among ASEAN experts and policy actors. There were excellent results in the translation of pivotal documents and improving research standards. The ARCBC generated and nurtured institutional partnerships in three interrelated dimensions. First, the project encouraged and deepened interaction between biodiversity conservation communities in the EU and in ASEAN. Second, the project also served to create functioning partnerships on biodiversity conservation between the ASEAN Member States. Last, the diverse activities of the ARCBC enabled different types of policy actors (i.e. policy-makers, stakeholder, scientists, and experts). Not only did this provide an avenue for cooperation between ASEAN and international organisations dealing with biodiversity issues, it also laid the institutional and ideational foundations for cooperation and learning among ASEAN countries.

While its impact may have been indirect, there is little doubt that EC support via ARCBC played some role in encouraging the adoption and implementation of national biodiversity plans (Indicator 5.3.3). However, the situation concerning national biodiversity plans remains ambiguous due to the disparity and diversity that characterises the ASEAN region. While the capacity-building, networking and information sharing activities of the ARCBC specifically addressed these issues with a view to closing gaps, experts foresee these disparities to continue to be a major challenge for biodiversity conservation policy..

We do not discuss Asia regional interventions in considering the indicators below. However, it is worth pointing out that monitoring reports and evaluations suggest that, particularly in the Asia-Urbs or Asia ProEco programmes, projects in the biodiversity conservation field were unable to muster levels of conceptual coherence and policy applicability comparable to counterparts in the energy policy domain. Evaluations point out that many projects lacked a clear statement of objectives, purposes and target populations.

### **Indicator 5.3.1: Training, exchange of experts**

#### **Indicator estimate**

The main vehicle for cooperation in the area of biodiversity was the ASEAN Regional Centre for Biodiversity Conservation (ARCBC). We rely on the Completion Report of the project (1), essentially a final evaluation, as well as expert interviews conducted in the field for the information presented here.

This cooperation project, jointly initiated and owned by the European Union and the Government of the Philippines, aimed to "...intensify biodiversity conservation through improved cooperation in a comprehensive regional context..." (1) The programme was to generate the organisation-, skills-, and knowledge-base for effective biodiversity conservation policy in the ASEAN region. These institutional and individual capacity-building efforts were to culminate in a permanent institution responsible for formulating, coordinating and implementing biodiversity conservation policy in the ASEAN. Accordingly, the project was composed of four components covering the following areas: networking and institution-building, training and extension, research and development, and database management and information sharing. This project, which ran from February 1999 to December 2004 cost about EURO 11,5 million.

Through its training component, the ARCBC aimed to propagate new skills. To that end, the project surveyed training needs in biodiversity institutions across the ASEAN region, developed appropriate training modules and educated the required human resources. Training activities included:

- A survey of training needs for biodiversity institutions in all of the participating countries except Malaysia (because a similar study was in hand) and Cambodia (because of lack of capacity)



- The development, piloting and provision of 6 training modules to 9 ASEAN countries: Wetland Ecology and Conservation, Integrated Coastal Management, Wetland Protected Area Management, Capacity Building for Wildlife Management, Conservation Management of Karst Ecosystems, and Capacity Building of Biodiversity Conservation and Sustainable Utilisation in the ASEAN Region through Skills Development in Legal and Regulatory Mechanisms.
- The education of at least 60 trainers by 2003

Although the evaluation suggests that exchange of experts has taken place, no precise data are available.

The ARCBC generated and nurtured partnerships in three interrelated dimensions. First, the project encouraged and deepened interaction between biodiversity conservation communities in the EU and in ASEAN. Second, the project also served to create functioning partnerships on biodiversity conservation between the ASEAN Member States. Last, the diverse activities of the ARCBC enabled different types of policy actors (i.e. policy-makers, stakeholder, scientists, experts).

A senior policy actor of the ACB understands the two core achievements of the ARCBC are to be found in the development of institutional and individual capacities as well as the creation of tools for effective knowledge-sharing. Essentially, these two impacts of the ARCBC have created a solid institutional and in knowledge base expertise-driven policy debate about biodiversity conservation in the ASEAN region. The ARCBC created the generated the requisite capacity in ASEAN experts not only to accurately assess needs and priorities in national biodiversity agendas, but also to be able to articulate and exchange these findings effectively. While, the respondent conceded, the main effects of capacity-building and information sharing are not easily quantifiable; they have enabled experts from different ASEAN countries to articulate their needs and priorities coherently.

This has fundamentally changed the nature and quality of policy debate about bio-diversity in the ASEAN region. In particular, finding and establishing a common language among ASEAN biodiversity experts has meant that post-ARCBC policy debate is both more informed and more profound. First, more effective information management tools mean that today's policy debate is driven by solid evidence about biodiversity issues in the ASEAN region. Since the effective management of information, is important for any other policy project that actors may want to engage in, providing this solid basis was one of the most fundamental motivations of the ARCBC. Second, since the ARCBC provided a framing and an language for discussing biodiversity issues, debate now focuses more on detailed technical issues of policy formulation than problem-definition or agenda-setting..

Yet, apart from training experts, policy actors in the ASEC would like to see a more intensive involvement of the EU in raising environmental awareness among the ASEAN population. Here, so the argument goes, the EU could share their experiences of integrating citizens on the one hand and, on the other, the private sector into environmental policies.

#### **Related facts, figures, and references**

- (1) (1) ASEAN Regional Centre for Biodiversity Conservation (2004), ARCBC Completion Report, Laguna.
- (2) Interviews with ACB staff.
- (3) Interviews with ASEC officials

### **Indicator 5.3.2: National research centres joined together in a network**

#### **Indicator estimate**

Building a network of institutions and organisations dealing with biodiversity conservation in the ASEAN region was a central motivation of the ARCBC. The ARCBC was founded on the perceived discrepancy between the inherently transboundary nature of biodiversity issues and the national or subnational concentration of organisations in the ASEAN Member States. The ARCBC embodies the belief that transboundary and complex issues such as biodiversity require collaborative and cooperative policy responses. What is more, the programme aimed at pooling existing national efforts

in the ASEAN by creating a coherent organisational and ideational framework. In this way, it was believed, individual national efforts could be increased. There is some indication in the documentation that the ARCBC has enhanced networking across the EU and ASEAN as well as within ASEAN. However, no precise data pertaining to the nature and number of these links is available at this point in time.

The R&D component of the ARCBC was productive: by 2004, this arm of the project had funded research that produced 104 research publications that yielded 4 articles, 7 book chapters, 154 oral presentations and 6 poster presentations, 24 theses and 4 guidebooks (1). Moreover, the project constructed, tested and developed a database for monitoring biodiversity; this database was fully operational by 2001 (2).

If building capacity for articulating policy needs as well as for information-sharing and management were the main benefits of the ARCBC for individual experts, the institutional networking provided the organisational conduits for fostering and sustaining these capacities. . ARCBC successfully networked organisations involved in biodiversity conservation research and policy-making in ASEAN both with each other and with international organisations such as the WWF, the UNEP, or the WMC. This created an institutional avenue and platform for information exchange and policy debate that did not exist prior to the ARCBC. From the outset, then, the ARCBC was designed as a vehicle for regional collaboration on biodiversity issues by tying institutions in the ASEAN together into a coherent organisational network.

A related concern of the ARCBC was to address the disparities in institutional capacity within the ASEAN. Although biodiversity conservation issues are similarly acute in all ASEAN member states, capacity for research and policy-making across is unequally distributed across the different countries. The institutional networking dimension of the ARCBC was designed to address these disparities in organisational capacity. A senior actor involved in the ARCBC and ACB processes argues that the institutional network woven by the programme has proved to be a very useful platform for recognising and addressing the gaps in institutional capacity across the ASEAN region. Consequently, the ARCBC process brought together different research organisations (mostly, but not exclusively universities) to cooperate according to their specific comparative advantages. What is more, the ARCBC made accessible to ASEAN organisations the knowledge and institutional capabilities of a range of international organisations (e.g. WWF or WMO) as well as organisations from the European Union (e.g. Kew Botanical Gardens or Leiden University).

A related point is that the ARCBC network also created the basis for more effective South-South cooperation on technical and policy-making questions. Instead of looking outside the region for policy solutions, the ARCBC (particularly the work on harmonising biodiversity databases) has enabled ASEAN policy-makers to find potential solutions closer to home. For example, Malaysia's timber certification scheme has become a model for Vietnam. Similarly, the networks created by the ARCBC mean that other ASEAN countries now can access and learn from the Philippines' pioneering work on biosafety.

Finally, the ARCBC process culminated with the establishment of a formal institution (ACB) responsible for biodiversity conservation policy in the ASEAN. In December 2004, the 9th meeting of the Steering Committee approved of the so-called "Institutional Sustainability Mission" aimed at extending and institutionalising the work of the ARCBC project. The EU has pledged Euro 6 million to support the ACB for three and a half years. The ACB, a senior respondent in the fieldwork phase maintained, has picked up where the ARCBC left off: it aims to be a node in a network to help coordinate national biodiversity efforts. For this reason, the ACB has entered a partnership with the CBD: the CBD now recognises the ACB as gateway for access to ASEAN countries (and vice versa).

Despite its problems and difficulties, it is these institutional aspects that beneficiaries and officials in the ASEAN appreciate most in the ARCBC programme. The European Commission, an ASEC official argued, is the only dialogue partner interested in establishing durable and sustainable institutions. This, the official continued, helps build real institutional capacity and promotes 'long-term sustainability to initiatives'.

It is in this context of sustainable institutionalisation that ASEAN officials qualify the dangers of so-called 'nationalisation' of regional institutions. It is, so the argument goes, inevitable that an institution such as the ARCBC orient itself towards the host country after the project funding comes to an end. This, however, is not to say that the regional and transboundary aspects disappear.

**Related facts, figures, and references**

- (1) ASEAN Regional Centre for Biodiversity Conservation (2004), *ARCBC Completion Report*, Laguna, p.26
- (2) Ibid.
- (3) Interviews with ASEC staff.
- (4) Interviews with ACB staff.

**Indicator 5.3.3: National bio-diversity conservation plans in place and implemented**

**Indicator estimate**

National biodiversity plans are in place in all ASEAN member states. However, the available documentation is circumspect about the impacts of EC support of ARCBC on national biodiversity policy. National biodiversity plans find no mention either in the discussion of policy impacts or in the enumeration of NBRU activities. Expert interviews suggest that policy actors themselves find the national policy impact of the ARCBC difficult to gauge. Evidence of these impacts, a respondent suggests, may be anecdotal at this stage.

The disparities and diversities that characterise the ASEAN region have meant that the status and quality of national biodiversity conservation plans is mixed. On the one hand, capacity constraints in some countries mean that biodiversity plans are either not formulated or poorly implemented. On the other hand, new member states – whether rich (e.g. Brunei) or poor (i.e. Lao PDR) – are beginning to realise the nature of their country's commitments. In both cases, the networks and capacities established by the ARCBC and continued under the ACB can help in formulating effective national bio-diversity conservation plans. On the basis of this work with national level policy processes, the ACB is preparing a regional biodiversity assessment report due to be completed in 2010.

Policy actors see the main challenges here to be located in the political process that characterise ASEAN. The requirement that any ASEAN policy or institution be built on a wide consensus of all Member States has, respondents argue, considerably slowed the ACB process: for example, the ACB has yet to be ratified by the required number of ASEAN member states. At a more general level, this incremental approach points to the importance of securing and sustaining government buy-in into cooperative programmes such as the ACB: the ACB executive spoke of the need for sustained 'active and aggressive' marketing of the programme (1).

However, this is not to say that participants in the process see no impacts at all. Like most other impacts, evaluators and participants identify a range of rather indirect effects of ARCBC activities (5). The ARCBC project generated a number of different institutional and regional spaces for critical deliberation about biodiversity conservation between policy-makers, scientists, experts and stakeholders from the ASEAN and EU region. Further, the ARCBC also provided a common language for experts and policy-makers to more effectively discuss regional biodiversity issues (Fuentes, 2008). This has led, an expert argues, to a qualitative jump or "notching up" of the policy debate about biodiversity in the region: debates are now characterised by more depth and technical sophistication. As the Completion Report contends, the ARCBC project has been about "building bridges" (2). Frequent meetings galvanised the policy-community of ARCBC policy actors, a community which gave rise to the ASEAN Declaration on Heritage Parks and the ASEAN Guidelines for the Occupation Standards for Protected Area Jobs.

**Related facts, figures, and references**

- (1) ASEAN Regional Centre for Biodiversity Conservation (2004), *ARCBC Completion Report*, Laguna; Fuentes, 2008.
- (2) ASEAN Regional Centre for Biodiversity Conservation (2004), *ARCBC Completion Report*,

- Laguna;
- (3) Interviews with ACB staff.
  - (4) Interviews with ASEC officials

**4.6 EQ6 - To what extent have EC-ASEAN linkages in the area of higher learning and research sponsored through the ASEAN programme produced foreseen impacts, and are these impacts sustainable without EC financing?**

**EQ answer**

EU-ASEAN linkages at all levels have produced the expected outputs and outcomes. Mobility programmes at ASEAN, pan-Asia and global level are facilitating the mobility of students, faculty and researchers between ASEAN and the EU. Research cooperation programmes at ASEAN, pan-Asian and global level are providing research organisations from ASEAN countries, particularly low and middle-income countries, with access to research networks in the EU. Finally, the policy-making and policy dialogue instruments are creating spaces for HE policy-makers from both to deliberate about pressing HE issues. Overall, the EC's HE programmes have been very effective conduits for transporting European best practices in research, teaching and HE administration into ASEAN HE policy landscapes. However, impacts of the benefits of European HE programmes have been highly localised and have yet to diffuse from the small community of immediate beneficiaries. In order for the impacts of EC interventions in ASEAN HE sectors to bear fruit, a continued and qualitatively different EC involvement in the sector is necessary. While past projects and programmes have introduced European best practices to regional and national HE landscapes in the ASEAN, the EC will need to find ways of further disseminating these best practices in HE landscapes of ASEAN countries.

Higher education has been a key area of cooperation between the EC and ASEAN countries. Nonetheless, the European Commission has neither formulated nor does it pursue specific substantive goals in the HE sector. Rather, European interventions, whether they aim at mobility or collaboration and regardless of whether they are located at the level of policy formulation or policy implementation, are designed to provide a fertile context and stable framework for HE interactions between the two regions.

In pursuing these broad goals, the European Commission has relied on a wide range of programmatic tools at three distinct levels: the ASEAN level, the pan-Asian level and the global level. Over the reporting period (1996-2006, but particularly since 2000), the focus of European interventions in the ASEAN HE sector has shifted from a concern for institutional capacity-building to more individually-oriented mobility programmes. The aim here was to construct a framework of incentives for faculty/researcher and student mobility that would generate pressure for ASEAN HEIs to develop appropriate capacities to take advantage of these programmes.

Overall, in the reporting period the HE policy interventions of the European Commission have generally fulfilled their goals. While earlier programmes focused on institutional capacity-building (i.e. the AUNP or AsiaLink), more recent policy interventions have concentrated on creating a framework for researcher and student mobility as well as research collaboration. In both cases, the numbers of beneficiaries of European programmes in ASEAN countries has been small. Outputs and outcomes of these programmes have, with few exceptions, been of a rather high quality and have proved sustainable over and beyond the reporting period. HE policy-makers see the most valuable contribution of HE programmes in the wakening of an awareness for internationalization among ASEAN HE policy actors on the one hand, and the generation of appropriate institutional capacities (i.e. networks, specific HE management skills, curriculum development) in the ASEAN region on the other. This, one commentators points out, has created "significant momentum" in ASEAN HE sectors that now needs to be exploited and channelled by new HE policy instruments at national and regional level.

Evidence from the fieldwork suggests that, despite some perceived shortcomings of the European HE programmes, policy-makers in the ASEAN region appreciate the programmes and want to see a deepening of European multi-lateral engagement in the ASEAN HE sector. Here, HE policy actors tend to see the wider context: HE policy, they argue, is an effective vehicle for driving development –

particularly of the CLMV countries -- on the one hand, and ASEAN integration on the other. Indeed, some policy actors expressed concern at what they perceived to be a trend toward more bi-lateral, national involvement). Instead, this particular expert argued, the EU should concentrate on more multilateral projects. Moreover, the expert continued, future European programmes should use existing cooperative structures, such as the ASIA –EUNET, rather than “reinventing the wheel.”

In sum, the available evidence – which is patchy – seems to suggest that the programmes at pan-Asian level are responsible for linkages at researcher and policy-maker level. It is programmes such as AsiaLink or ASEM-DUO that are moving the most students and faculty as well as are generating the most research collaboration. What is more, the ASEM dialogue process provides a high-level deliberative forum at pan-Asian level. The ASEAN programmes, although of high quality, have contributed comparatively less to either mobility or research collaboration. While the AUNP's Network Initiatives, particularly the EU-ASEAN Rectors' Conference, have provided a space for HE senior policy-maker discussion, the sustainability of this arrangement remains to be seen. Global programmes for both mobility and research have been important more in a qualitative rather than quantitative sense. While ASEAN participation has been relatively stable over the last three FWPs, the numbers of projects have been relatively small.

### **JC 6.1: University teacher and researcher mobility encouraged; continued after end of programme**

#### **JC assessment**

Over the reporting period (1996-2006), the focus of European interventions in the ASEAN HE sector has shifted from a concern for institutional capacity-building to more individually-oriented mobility programmes. The aim here was to construct a framework of incentives for faculty/researcher and student mobility that would generate pressure for ASEAN HEIs to develop appropriate capacities to take advantage of these programmes. There is no evidence to suggest that the mobility programmes have been sustained by either the HEIs, the national HE institutions or ASEAN-level HE organisations (such as the AUN) after the end of programme funding by the EC.

The instruments at different levels supported and funded faculty and researcher mobility. Although precise data for most programmes are not available, the existing data provide a good impression of the rough dimension of the faculty and researcher flow from Asia to Europe. While much less is known about flows in the other direction, it is evident that it is far smaller.

The programmes situated at ASEAN-level that promoted exchange of faculty and researchers were the AUNP PAPs. It is unclear which of the 21 PAPs funded by the AUNP enabled faculty and researcher exchange. The number is likely to be small. However, HE policy actors argue that the main value of the AUNP was its pioneering role in setting the agenda and creating the framework for collaboration and exchange between ASEAN and EU HEIs.

At pan-Asian level, the AsiaLink, ASEM Education Hubs and ASEM-DUO Fellowships funded faculty and researcher mobility in the ASEAN region. Similarly, firm data on the number and modalities of the exchanges in these programmes are not available. The ASEM-DUO Fellowships, in turn, dispensed 549 faculty mobility grants (about 270 exchanges). Of these, 132 were between Thai and European universities. This means that at least 66 European faculty were teaching at Thai universities and vice versa. Due to the character of the programme – which only funds reciprocal exchanges of faculty and students -- there may be more exchanges with ASEAN HEIs that are hidden by the way the figures in Table (1) below are compiled.

At global level, Action 2 of the Erasmus Mundus programme began dispensing mobility grants for researchers in Asia in 2004. Since then, it has financed faculty visits of 48 scholars from ASEAN

countries.

In sum, different instruments have enabled faculty and researcher mobility. Precise information about faculty mobility funded by ASEAN-level instruments is sparse and policy actors are somewhat reluctant to furnish exact numbers. However, desk and field research suggests that even a generous estimate would put the combined total of faculty visits and exchanges at under 300 since 2001. With the exception of the ASEM-DUO Fellowship programme, systematic data on faculty movement from Europe to Asia is not available. Evidence from the fieldwork suggests that strong financial and career-related disincentives conspire with legal and administrative barriers to effectively prevent European faculty from considering appointments in most ASEAN countries.

Notes

**Indicator 6.1.1: Number of University professors from ASEAN countries teaching in EU universities; number of EU professors teaching in ASEAN universities.**

**Indicator estimate**

The EC interventions in the HE policy domain of ASEAN have been successful in facilitating the mobility of research and teaching staff. However, the total number of beneficiaries is small (about 300 since 2002) and the flow of faculty/ researchers is almost entirely one-way from ASEAN to the EU.

The only ASEAN-level programme that funded faculty exchanges was the AUNP, specifically the 20 PAPs. The AUNP – referred to as a ‘major flagship programme’ by a Commission official -- was the first programme to link HEIs in ASEAN and the EU (1). No precise data about the PAPs are available and hence a quantification of faculty exchanges is not possible.

At the pan-Asian level, both AsiaLink (2) and ASEM Education Hubs (3) promoted faculty and researcher mobility. Similarly, while no precise data on the numbers of faculty visits and exchanges are available, evidence suggests that researcher mobility constituted only a small part of these programmes.

The ASEM DUO fellowship programme –technically a bi-lateral programme -- is explicitly aimed at mobility of faculty and students. Due to the peculiarities of this programme, it is difficult to extract exact numbers of faculty exchanges (4). Table (1) presents the number of students and professors funded under the different ASEM-DUO programmes.

<Table 1> Number of awardees of ASEM-DUO Programme

Year	Number of Nominated Beneficiaries					
	Denmark	France	Korea	Singapore	Thailand	TOTAL
2001			14			14
2002		44	30	0		74
2003	22	52	28	0		102
2004	20	38	24	0		82
2005		27	24	0		51
2006		48	20	0	34	102
2007		12	14	0	60	86
2008			10	0	38	48
<b>TOTAL</b>	<b>42</b>	<b>221</b>	<b>164</b>	<b>0</b>	<b>132</b>	<b>549</b>

Source: ASEM-DUO Progress report, 2008, p.11.

We know with certainty that 66 professors from Thailand taught at a European university and the same number taught at a Thai university in the years 2006, 2007 and 2008. Given the reciprocal nature of the programme, this also means that 66 professors from European universities taught and researched in Thai HEIs. The figures for ASEM-DUO Denmark and France suggest that 131 European professors taught and researched in Asian HEIs. Unfortunately, the figures do not specify the Asian destination of the Danish and French faculty.

At global level, the Erasmus Mundus programme funds scholar exchanges (which is not necessarily the same as university teachers) to and from Europe.

Table (2) shows the number of scholar exchanges from ASEAN countries funded by Erasmus Mundus. Again, evidence from the fieldwork indicates that, although grants are perceived to be generous and the programmes are prestigious, faculty and researcher mobility was not the main focus of the Erasmus Mundus programme.

<Table 2> Erasmus Mundus scholar exchanges, 2004-2009

Erasmus Mundus Scholars 2004-2009					
	2004-2005	2005-2006	2006-2007	2007-2008	2008-2009
Brunei					
Cambodia				1	
Indonesia		1	2	4	
Laos					
Malaysia		2	2	3	4
Myanmar					
Philippines		1		2	3
Singapore		1	1	1	
Thailand	1	1	2	2	8
Vietnam		1	1	2	

Source: [http://ec.europa.eu/education/programmes/mundus/projects\\_en.html](http://ec.europa.eu/education/programmes/mundus/projects_en.html)

Tables (1) and (2) taken together suggest that the numbers involved are relatively small. Even if we assume that all AsiaLink projects (see below) with partners from an ASEAN country and all AUNP PAPs exchanged 2 members of faculty during the project, the total number would be about 300 since 2002.

Not only are the numbers of direct and indirect beneficiaries among faculty in ASEAN countries small, the flow of faculty (as well as students, see below) is almost entirely one way. Despite HE policy interventions aimed at mobility, formidable legal, institutional and financial barriers continue to hinder the flow of faculty (and students) between ASEAN and the EU. Some effort -- two AUNP initiatives dealt with credit transfer systems and quality assurance -- has gone into addressing these barriers. However, fieldwork at national and as ASEAN level suggests that these legal barriers may not be the main hindrance to students, staff and faculty mobility between Asia and Europe. Rather, HE policy actors in ASEAN countries argued that the main difficulty lies in motivating European students and faculty to consider spending time at HEIs in ASEAN countries. For European faculty, universities in ASEAN are currently unable to compete either on remuneration or on working conditions.

**Related facts, figures, and references**

(1) Notably and uniquely, the AUNP focused on both the level of university management as well as at



the level research and teaching. The so-called 'networking activities' supported networking and experience-sharing between senior managers of ASEAN and EU HEIs. AUNP-funded cooperation at this level, respondents point out, has led to sustainable and permanent follow-up activities such as the IP Education network (funded by the EU) (Ratananukul 2008). The so-called PAPs supported a wide range of cooperative activities at implementation level including HR-development for faculty and administration, curriculum development, collaborative research.

ASEAN HE policy actors are quick to point to the strengths of the AUNP. First, a senior HE actor in ASEAN contends, the AUNP's role as a trailblazer in EU-ASEAN HEI cooperation is probably the most valuable contribution of the programme. Significantly, a proponent of the programme points out, the AUNP brought about close cooperation between EU and ASEAN HEIs at both the level of HE policy formulation and policy implementation. At the level of policy formulation, the AUNP secretariat organised the first AUN-EU rector's conference in Berlin. The AUNP secretariat also provided policy recommendations to the ASEM education ministers meeting (see below). Initiatives such as Erasmus Mundus (specifically the ECWs) and AsiaLink profited from the lessons learned with the AUNPs networking activities and PAPs. At the level of HE policy implementation, the AUNP forged links between ASEAN and EU HEIs through the 21 PAPs. Second, a respondent maintained, the AUNP helped minimise the considerable gaps between HE sectors of the ASEAN 6 and the CMLV countries. It did so by creating consortia and links with HEI in Europe that improved the quality of teaching and research in these countries.

However, the AUNP also suffered from specific weaknesses. First, respondents argue, the budget (EURO 700 0000) was probably too small for a 3 year programme covering such a wide range of activities. Second, administrative hurdles meant that it took a year from the signing of the FA to the implementation of the project. This was due to complex communication structures and administrative processes: typically, it would take at least 6 months to recruit, for example, an administrative assistant. Second, the AUNP project had no institutional memory: the experiences and capacities built during the project tended to dissipate after the end of the projects. Last, respondents argue that there was room for improvement in the financial management of the programme: for example, while funding was allocated in EURO, programmes were managed in US \$ or local currencies which led to fluctuations and uncertainties in project funding.

- (2) From 2007, the Asia-Link Program has been replaced by the Erasmus Mundus External Cooperation Window or ECW ([http://ec.europa.eu/europeaid/where/asia/regional-cooperation/higher-education/index\\_en.htm](http://ec.europa.eu/europeaid/where/asia/regional-cooperation/higher-education/index_en.htm)).

The EM ECW is a co-operation and mobility scheme in the area of higher education co-operation launched by EuropeAid Cooperation Office and implemented by the Executive Agency for Education, Audiovisual and Culture. The EM ECW objective is to achieve better understanding and mutual enrichment between the European Union and third countries through promoting the exchange of persons, knowledge and skills at the level of higher education. This will be achieved through the promotion of partnerships and institutional co-operation exchanges between European higher education Institutions and third country institutions and a mobility scheme addressing student and academic exchanges. (EC, [http://eacea.ec.europa.eu/extcoop/call/documents/ecw\\_leaflet.pdf](http://eacea.ec.europa.eu/extcoop/call/documents/ecw_leaflet.pdf)). It finances three-month visits by third country researchers to European institutions affiliated with Erasmus Mundus.

In 2008, for the first time since the launch of the EM ECW program, the call for proposals from higher education institutions was extended to Cambodia, Indonesia, Malaysia, Philippines, Thailand, and Myanmar. This eligibility falls under the third-country criterion which includes Asia region and India. (EC, Education, Audiovisual and Culture Executive Agency, [http://eacea.ec.europa.eu/extcoop/call/2007/call\\_asia\\_region\\_en.html](http://eacea.ec.europa.eu/extcoop/call/2007/call_asia_region_en.html)). At this point in time, no figures about researcher exchanges funded under the Erasmus Mundus ECW are available.

- (3) The ASEM Education Hubs funded faculty and researcher mobility in terms of the so-called AEH

Thematic Networks: “There is (sic) a broad range of activities carried out under the thematic networks, including, among others, joint research and teaching, exchange of staff and students, working groups, organisation of conferences and events”  
<http://ach.asef.org/initiatives/index.asp?st=10>)

- (4) The ASEM DUO programme funds pairs of student or faculty exchanges between an Asian and a European university. To complicate matters, five national ASEM DUO programmes exist (ASEM-DUO Denmark, ASEM-DUO France, ASEM-DUO Korea, ASEM-DUO Singapore, ASEM-DUO Thailand). For example, in 2003, ASEM-DUO Denmark funded exchanges of 22 professors (i.e. 11 pairs) and 26 students (i.e. 13 pairs). What we know for sure is that at least 11 professors from Danish universities taught at universities somewhere in Asia. Unfortunately, the available data does not allow a more precise quantification.

## JC 6.2: Student mobility encouraged; continued after end of programme

### JC assessment

The European Commission's interventions in Higher Education have been successful in enabling student movement between Asia and Europe. However, the bulk of exchanges were financed by global and Asia-wide programmes rather than by specifically ASEAN-level instrument. Again, the numbers of beneficiaries in ASEAN countries (either individually or overall) is small. Despite being highly valued by participants and beneficiaries, there is no evidence that these programmes have made a significant impact on ASEAN students' perception of EU HEIs and mobility choices. In order to secure, extend and build on the impacts of EC mobility programmes to date, further programmatic commitment on part of the EC would seem inevitable.

At ASEAN level, the AUNP as well as the ASEAN-European Engineering Exchange Programme (ASE3) enabled student exchanges. The precise number of exchanges as well as the modalities of these exchanges, however, is not known. The AUNP funded PhD student exchanges via the PAP mechanism. Since the programme financed 21 PAPs in all, the number of exchanges is likely to be small.

At pan-Asian level, the AsiaLink, ASEM Higher Education Hubs and ASEM-DUO Fellowship programmes financed student mobility between Asia and Europe. Specific numbers on student mobility under the AsiaLink programme are not available. However, while the programme included placement of PhD students in partner countries, this was not perceived as its core aim. It is therefore unlikely to expect that the 155 projects enabled a large degree of student mobility.

The ASEM Higher Education Hubs facilitated some degree of student mobility within their Thematic Networks. Again, no precise data about student mobility within these Thematic Networks are available. The ASEM-DUO fellowships finance pairwise exchanges of students (and faculty) from Asian and European Universities. Since 2001, about 320 (160 pairwise exchanges) students in ASEAN countries, specifically Thailand and Singapore, have received fellowship grants. The number of exchanges with universities in ASEAN countries may be higher; given the peculiarities of the ASEM-DUO Fellowship programme, these numbers could very well understate the real number of exchanges. However, while the number of exchanges for ASEM-DUO and ASEM HE Hubs (funded by the ASEF) are unlikely to be large, commentators understand these small-scale but high-quality exchanges to create the 'solid foundation' at the level of socio-cultural practices for larger programmes, such as Erasmus Mundus.

Initial figures from Erasmus Mundus are presented below and indicate significant student participation from the ASEAN region. Since 2005, the Erasmus Mundus programme has funded over 830 exchanges of students in ASEAN countries to universities in the EU. Between 2005 and 2007, the Erasmus Mundus programme earmarked funding for the so-called Asian Windows: here, extra funds were made available for specific Asian countries, including most countries of the ASEAN. What is more, the Erasmus Mundus programme is very popular with beneficiaries and policy-makers alike. Evidence from the fieldwork suggests that the EM programme provides a deeply impressive cultural

and educational experience that creates a strong emotional and professional bond with Europe. However, fieldwork has also revealed gaps in both the front-end and back-end institutionalisation of the EM programme. On the one hand, the EM programme is not very well known in ASEAN HEIs, particularly in departments dealing with internationalisation. On the other hand, lack of institutionalisation at the other end of the process has meant that the outputs and outcomes of the Erasmus Mundus programme have tended to dissipate. This is by the mobility choices of students in the ASEAN region: with a few notable exceptions, EU countries do not feature prominently in the top-five of preferred destinations for HE exchanges from ASEAN countries.

Although precise figures on the number of students from the EU studying at universities in ASEAN are imprecise, fieldwork suggests that the flows between the two regions are imbalanced. Legal (e.g. the recognition of academic qualifications), financial (e.g. short-term and miserly exchange grants) and institutional (e.g. reputational issues in ASEAN universities) disincentives discourage European students from studying at universities in ASEAN countries.

Notes:

### Indicator 6.2.1: Number of university and graduate students from each region attending institutions in the other.

#### Indicator estimate

At ASEAN level, the AUNP, through the PAPs, and the ASEAN-European Engineering Exchange Programme (ASE3) funded student exchanges at graduate level. For the AUNP, precise data about the 21 PAPs are not available at this point in time. However, if we take into consideration that student mobility was not the primary aim of the AUNP PAPs and that these projects totalled at 21, the number of PhD student exchanges is likely to be small. Similarly, numbers of student exchanges funded by the ASE3 since the programmes' inception in 1999 are not available.

At Asia-wide level, AsiaLink, ASEM Education Hubs and the ASEM DUO fellowships funded student mobility. Although the placement of PhD students in partner countries was a major point of the AsiaLink programme, no firm data on the number of exchanges are available. Again, evidence from the fieldwork suggests that the likely number of exchanges to emerge from the 124 AsiaLink projects with ASEAN partners, none of which was dedicated to student mobility, will be small. Similar to faculty mobility discussed above, respondents during the fieldwork phase were reluctant to discuss precise figures and instead focused on the exemplary and agenda-setting effects of exchanges. Under the ASEM Education Hubs Scheme, universities from 22 countries of Asia and Europe joined the network, resulting in about 540 scholarships awarded between October 1998 and the end of 2003, amounting to Euro 2.4 million (<http://www.aseminfoboard.org/About/MainPillars/>). Apart from the scholarship numbers, it has not been possible to get a cumulative number of students that have benefited from this scheme.

ASEM-DUO fellowships sponsor pair-wise exchanges of students and faculty from Asian and European universities (1). Table (3) provides an overview of the student fellowship awardees from 2001 to 2008.

<Table 3> ASEM-DUO student exchanges

Year	Number of Nominated Student Beneficiaries					
	Denmark	France	Korea	Singapore	Thailand	TOTAL
2001			16			16
2002		48	38	36		122
2003	26	50	66	54		196
2004	22	44	78	36		180
2005		24	88	36		148
2006		48	102	36	12	198

<b>2007</b>		46	126	36	12	<b>220</b>
<b>2008</b>			80	36	26	<b>152</b>
<b>TOTAL</b>	<b>48</b>	<b>260</b>	<b>594</b>	<b>270</b>	<b>50</b>	<b>1142</b>

Source: ASEM-DUO Progress report, 2008, p.11.

As Table (3) shows, 320 student exchanges took place from universities in Thailand and Singapore. Again, it is conceivable that the number of exchanges to ASEAN countries is actually higher, since student awarded from the ASEM-DUO programmes in Denmark and France may have been ASEAN-bound.

At the global level, Action 2 of the Erasmus Mundus Programme provided grants for exchanges to and from European universities. In a very real sense, the Erasmus Mundus programme represents the shift in focus towards more individualised mobility programmes referred to in JC 6.1. In the years 2005 to 2007, the Erasmus Mundus programme received extra funding for the so-called “Asia Windows”. This funding was targeted specifically at selected Asian countries including all of the ASEAN countries (except Brunei). Table (4) provides an overview of the distribution of Action 2 grants dispensed for student exchanges in ASEAN countries.

<Table 4> Erasmus Mundus student exchanges

	Erasmus Mundus Action 2 Grants						
	2004-2005	2005-2006		2006-2007		2007-2008	2008-2009
		General	A W	General	A W	General	General
Brunei	0	0		0		0	0
Cambodia	0	3	3	2	5	3	4
Indonesia	9	14	10	11	10	37	61
Laos	0	2	2	2	1	3	0
Malaysia	0	23	23	25	32	20	19
Myanmar	0	0		0	2	0	4
Philippines	2	12	12	9	22	16	41
Singapore	1	2		7		4	6
Thailand	1	32	28	14	53	41	38
Vietnam	3	16	14	16	29	39	47

Source: [http://ec.europa.eu/education/programmes/mundus/projects\\_en.html](http://ec.europa.eu/education/programmes/mundus/projects_en.html)

Research suggests that Erasmus Mundus is a very attractive and popular programme at a remarkably low cost of EURO 500 million. Student feedback from the Erasmus Mundus programme shows that more than 94% of respondents would recommend the EM experience to fellow students at home, 68.5% of these without reservation (2). Field research at the national level revealed that beneficiaries of the Erasmus Mundus programme identify a wide range of benefits and only a few weaknesses (3). This is why a Commission official perceives the programme to be a “high visibility item”. The programme enabled a relatively small number of students from ASEAN countries to participate in a enriching and, apparently, deeply impressing experience. Evidence indicates that the programme creates strong positive bonds and associations with Europe: the alumnus respondent said she would ‘jump at the opportunity’ to go back to Europe to work. What is more, in doing so, the official continues, the Erasmus Mundus programme contributes to the harmonization process in ASEAN HE sectors.

Despite these successes, European HE policy interventions in the ASEAN region also faced problems

that they were unable to overcome. Knowledge about existing European HE programmes in the region as well as possibilities for research and study in Europe are limited. The evaluators of the Erasmus Mundus (ECW) programme contend that the presentation of the programme was neither well designed nor well implemented. Knowledge about Erasmus Mundus spread through the Higher Education Fairs or by informal word-of-mouth. Indeed, the evaluators added, there was little in the way of systematic institutional dissemination through office international affairs offices at HEIs in ASEAN countries. Whether or not HEI's in the ASEAN were aware of the Erasmus Mundus and, incidentally, AsiaLink programmes was, on the whole, coincidental. An alumnus of the Erasmus Mundus programme told us that she had learned of the programme not from the university she was attending but through the newspaper. In general, the EM alumnus argued, the state of knowledge about European HE in many ASEAN countries such as, for example Malaysia or Thailand, is low: prospective students seem to believe that language barriers (i.e. courses are not taught in English) will impose insurmountable hurdles to studying in Europe. The low profile of the Erasmus Mundus programme among prospective employers also meant that, despite the perceived high quality of the tuition, participation in the programme need not necessarily be an advantage when on the job market. What is more, data from the field suggests that this is exacerbated by the lacking institutional integration of European programmes, specifically Erasmus Mundus. For example, while the Erasmus Mundus programme is successful in creating a bond with Europe in the alumni of the programme, it is unclear how this has been institutionalized. While there is an alumni association, it seems to have little real role in organizing former participants of the Erasmus Mundus programme. It would seem that much of the actual organization of alumni, and consequently the dissemination of interest in European current and cultural affairs, takes place informally and locally.

This, then, may go some way in explaining why EU HEIs do not feature prominently in the top-five student exchange destinations of students in the ASEAN. Table 5 shows the most popular destinations for student exchanges from ASEAN countries.

Table 5 shows that, in 2006, exchange students from ASEAN countries preferred the Anglophone world (particularly the USA, Australia and the UK) to any other exchange destination. Although France and Germany do feature in the top-five of some countries, France is a preferred destination due to colonial ties (i.e. Lao PDR, Vietnam and Cambodia) and Germany is the destination of choice for some branches of engineering. Note that countries such as EU countries Sweden or the Netherlands, where English-language instruction is common and that are known in Europe for natural science and engineering, do not feature at all.

Another problematic issue is the significant asymmetry of student flows between the ASEAN and the EU. Although no precise data is at hand, fieldwork evidence suggests that the flow of students from Europe to ASEAN countries is considerably smaller than in the other direction. A rather imprecise but nonetheless indicative figure suggests that, in 2006, North America and Western Europe (4) hosted some 431 090 mobile students from East Asia and the Pacific (5). East Asian and Pacific countries, in turn, hosted only 33 837 students from North America and Western Europe (6)

Several factors conspire against universities in the ASEAN. First, exchange programmes such as Erasmus Mundus create considerable financial disincentives for European students to study in Asia in general and ASEAN countries in particular: Erasmus Mundus evaluators argued that the available funds are too small, the time permitted is too short. Second, with notable exceptions such as University of Malaya or the National University of Singapore, the perceived quality of teaching and research in many HEIs in ASEAN countries acts as a considerable barrier for European students. Third, European students' lack of knowledge about universities in the ASEAN region represents another significant barrier.

**Related facts, figures, and references**

(1) Technically, the ASEM-DUO programme is a bi-lateral programme since the exchange is

based on an agreement between HEI's in two countries.

- (2) DG EduCul (2007), *How Well is Erasmus Mundus Performing: Results of Student Feedback*, The Third Erasmus Mundus Student Seminar, Brussels 11-12 October 2007.
- (3) Respondents and observers identified the following benefits and weaknesses of the Erasmus Mundus Programme.

#### Benefits of the Erasmus Mundus Programme

- The Erasmus Mundus scholarships, experts as well as beneficiaries (students and scholars) agree are generous. An alumnus interviewed argues that the grant allowed her to live 'comfortably' in Hungary and Sweden.
- For university administrators and HE policy-makers, the programme offers opportunities for internationalization of teaching. The wide choice of Master's courses in the programme helps diversify curricula in Malaysian universities.
- The cultural exposure to Europe and Europeans is perceived as beneficial and enriching. Europe as a study destination has become increasingly popular with Asians. On the one hand, European universities are less costly than American universities. On the other hand, the cultural opportunities in Europe (museums, opera, theatre, etc) are perceived to be more plentiful in Europe. Interviews reveal that participants appreciate and make use of the opportunity to travel and see Europe. Moreover, the Erasmus Mundus programme enables students to meet people from around the world. Significantly, respondents felt that Europe was a relatively safe place in terms of crime.
- The quality of the course and the teaching is perceived to be at a very high level. The alumnus interviewed spoke of high quality resident lecturers that had an excellent grasp of their specialized fields. These were complemented by high caliber guest lecturers and guest speakers. The exposure to practitioners in the field was particularly appreciated by the alumnus. The Erasmus Mundus Master course exposed the respondent to far more courses than had her undergraduate experience in Malaysia. European universities, it was noted, demand and encourage critical thinking and creativity.

#### Weaknesses of the Erasmus Mundus Programme

- Participants and evaluators point to administrative problems where, for example, the funds arrived late or students experienced problems with their visas.
  - In terms of the course contents, respondents note that the Master's programmes feel somewhat experimental and fluid. The alumnus remarked on the number of evaluations of the programme during and after the course.
  - Language barriers create problems. For example, the alumnus interviewed reported that, when she had to renew her visa in Hungary, no one at the visa office spoke English.
  - The flow of students and faculty is one-way, i.e. from the ASEAN to the EU. The structure of the programme creates significant financial disincentives for European students and faculty to move to ASEAN countries.
  - The programme, despite all its advantages, is far too small to make a serious contribution to the quality investments needed in the ASEAN HE sectors.
  - The number of total beneficiaries is very limited. This leads to a very competitive application process, which, a Commission official on the ground argues, is also an advantage of the programme. However, evaluators of the Erasmus Mundus ECW in Malaysia argue that the lack of knowledge about the programme has meant that the application process is skewed and the pool of applicants is relatively small. Under these circumstances, they suggest that the Erasmus Mundus programme is probably not getting the best or most suitable students.).
- (4) The USA and Canada accounted for 244713 and 26733 of this number respectively.
  - (5) Asia: This category includes countries such as Australia, New Zealand, Japan, and Korea but includes only 3 ASEAN countries, namely the Philippines, Vietnam and Malaysia.
  - (6) UNESCO Institute for Statistic (2008), *Global Education Digest 2008: Comparing Education*

Statistics across the World, Montreal, Quebec. (p.119).

### JC 6.3: Productive research collaborations encouraged; continued after end of the programme

#### JC assessment:

Evidence suggests that EC HE programmes have encouraged productive and, it would seem, sustainable research cooperation. However, while the ASEAN level programmes have contributed (particularly the energy sector programmes), most cooperative projects were funded at different levels, most prominently at the pan-Asian (AsiaLink) and global / central level (FWPs). In all programmes, the number of beneficiaries is small by any standard. However, commentators point to two pivotal, albeit somewhat intangible impacts of these programmes. First, the most important contribution, commentators argue, has been in terms of awareness and capacity building. On the one hand, this awareness and capacity has given rise to a significant momentum of HE internationalisation in the ASEAN countries. On the other hand, commentators point out that relationships and networks between some ASEAN and EU HEIs has shifted from being mere development aid to a real partnership of equals. Second, EC HE programmes have been effective conduits for introducing best European HE practices (this includes collaborative, interdisciplinary and problem-oriented research, competitive bidding, as well as effective project and consortium management) to HEI practitioners and policy-makers in the ASEAN. .

At ASEAN level, the AUNP PAPs as well as environmental/ energy sector programmes such as COGEN III, the EAEP or Asia ProEco funded collaborative research projects (see our answer to EQ 5 above). In general, commentators point out that HEIs are dominant in almost all demand-driven cooperative programmes sponsored by the European Commission. While the precise data for the AUNP PAP's are sparse, the energy projects funded about 85 projects, including 9 FSDPs. Despite only implementing a disappointing third of all planned FSDPs, the quality of the projects was evaluated as being of good. Moreover, evaluators judged the chances of the projects outliving the project funding favourably. In terms of research collaboration, the relevance and contribution of programmes such as Asia ProEco has similarly suffered due to a lack of thematic coordination between the national and regional level. Other ASEAN-level initiatives, such the EC-ASEAN Property Rights Cooperation Programme (ECAPII; see our answer to EQ 1 above), sponsored cooperation in research relevant issue areas.

At pan-Asian level, the AsiaLink programmes provided a platform for research collaboration that research organisations from ASEAN have taken good advantage of. Of the 155 projects, 124 featured research organisations from ASEAN countries. Researchers from Thailand, Vietnam and Indonesia did particularly well from the programme, poorer countries such as Myanmar or Laos less so. No precise data about the sustainability is available at this point. However, the AsiaLink evaluation predicts that 85% of the projects will prove to be sustainable. Evidence from the fieldwork suggests that AsiaLink programmes have led to useful and sustainable outcomes, particularly in terms of curriculum development.

The ASEM Higher Education Hubs, specifically the Thematic Network initiatives, fund and enable research collaboration. No precise data about the number and kinds of research networks are available. During interviews HE policy-makers contended that the benefits of these smaller programmes are of a more foundational and agenda-setting nature.

At global level, the EC's Framework Programmes (FWPs) have provided a platform for cooperative research. Research organisations from ASEAN have consistently participated in FWP 5, 6, and 7. Researchers in some countries, such as Thailand or Indonesia, seem to be more successful in securing FWP participation than others. This suggests that research networks in these countries have evolved over the past three FWPs. What is more, fieldwork suggests that, despite the relatively small numbers of ASEAN project partners, FWP involvement has generated a range of first-order (knowledge

creation and problem solving) and second-order benefits (capacity-building, networking). In practice, these benefits have meant that some ASEAN HEIs now participate in international research networks as equal and highly valued partners. Not only have EC programmes provided a platform for increasing the visibility of ASEAN HE strengths, they have also provided the means for recognising and developing these strengths in the first place. This stands in contrast to complaints about the excessive administrative burden of participation, the ad hoc and haphazard nature of collaboration as well as what is perceived to be a uneven flow of information about research opportunities. Overall, it would seem as if the FWPs have achieved their goals in terms of network building, problem-orientation, interdisciplinarity, research internationalisation and, not least, knowledge generation.

Notes:

### Indicator 6.3.1: Number of inter-regional Framework 6 and Framework 7 research collaborations.

#### Indicator estimate

The major impact of HE interventions global, regional and Pan-Asian level in the reporting period has been the creation of a basic awareness about HE collaboration as well as the generation of institutional capacities to undertake cooperative projects. The AUNP and AsiaLink in particular, HE experts argue, have created a significant momentum within the HE policy communities of the ASEAN countries. First, these programmes have created sustainable collaborative networks between EU and ASEAN HEIs. Second, these projects have enabled the building of significant institutional capacities in terms of proposal writing, project management, as well as HE policy and programme design. Third, the AUNP and AsiaLink have fostered the norms and practices of international collaboration on scientific research, HE policy-making, and HE policy implementation. Fifth, and most importantly, commentators argue that some ASEAN HEIs are now perceived as being equal and highly valued partners in international research networks. Not only have EC HE interventions allowed ASEAN HE actors to learn about EU HEIs, the programmes have made European HEI actors aware of the comparative strengths of some ASEAN HEIs. The impacts of this HE momentum in ASEAN countries are likely to show in FWP 7 which has now opened all its dimensions to participation of non-EU HEIs and research organisations.

Table (5) provides an overview of the ASEAN participation in FWP 5, 6, and 7.

<Table 5> Framework Programme Projects

	Projects with ASEAN Participation		
	FWP 5	FWP 6	FWP 7
Brunei	0	0	0
Cambodia	7	6	2
Indonesia	17	19	4
Laos	0	0	0
Malaysia	10	13	4
Myanmar	0	0	0
Philippines	11	16	2
Singapore	2	19	6
Thailand	30	30	4
Vietnam	18	21	5

Source: Cordis database



As Table (5) shows, research organisations from the ASEAN countries have participated frequently in collaborative research projects funded by the FWPs. While research organisations from larger (i.e. Indonesia or Vietnam) or affluent ASEAN countries (i.e. Singapore and Malaysia) seem more likely to participate in a collaborative projects, the FWPs have also enabled research organisations from poorer ASEAN countries (i.e. Cambodia) to take part in collaborative research networks. Research organisations from the very poorest ASEAN countries (Laos and Myanmar) did not manage to participation in FWP-funded research networks.

The FWP projects investigated in the field phase have been particularly successful in meeting their objectives. The projects examined dealt with peatland management issues. These projects managed to:

- Create a sustainable and interdisciplinary research network;
- Apply a wide range of skills to a concrete and complex environmental issue of high policy-relevance;
- Produce comparative data on an underresearched area;
- Produce scientifically sound and policy-relevant knowledge about the sustainable management of peatlands;
- Integrate students and junior researchers into the project consortium;
- Carry their findings into the environmental policy domain in Sarawak;

In addition to the FWPs, ASEAN level programmes – specifically the COGEN III programme the EAEF and Asia ProEco, discussed in our answer to EQ 5 -- financed collaborative projects in the energy sector. The EAEF funded 77 collaborative projects in the energy/ environment sector, including 1 FSDP. The COGEN III financed 8 FSDPs, mostly biomass cogeneration plants. Although evaluations of both programmes point to the high quality of the individual projects, the number of FSDPs was far below expectations. Initially, COGEN III aimed to fund 24 FSDPs but difficulties to marshal the required resources and stakeholders meant that only 9 were awarded grants and of which one project never materialised (1).

Unlike, the projects from the FWP and energy programmes discussed here and in EQ 5, the Asia ProEco project examined in the field phase was less successful in achieving its objectives. The project consortium, consisting of a German, a Dutch and a Malaysian partner, had aimed to transfer German technology for waste management (specifically the pelletization of chicken manure) to Malaysia. Although the undertaking produced a survey of the chicken farming industry in Malaysia, the project could not attract the interest of policy actors in the waste management issue area. The reason, respondents argue, is that technology for the disposal and pelletization of chicken manure is not a pressing need in Malaysia (2). The main reason the project was unable to fulfil its objectives was the lack of coordination between the national and regional levels during proposal submission -- a problem not limited to this particular case.

The AUNP PAP's also enabled collaboration between ASEAN and EU research organisations on applied questions (3). However, research was one of a range of activities the AUNP PAP funded. Precise information on the 21 PAPs, however, is not available.

There are also other collaborative programmes which are indicative of the broader range of collaboration between ASEAN and EU. One of the most notable one is the EC-ASEAN Property Rights Cooperation Programme (ECAPII), described in our answer to EQ 1. Aside from organizing conferences and workshops, this programme also provides scholarships to representatives from ASEAN University Network (AUN) member universities to attend the 'Regional Training Course on Intellectual Property Management', at the Asian Institute Technology in Thailand.

Moreover, as an off-shoot of this programme, the AUN Intellectual Property Network or AUNIP was

established in May 2007. The AUNIP comprise 20 member universities that members of AUN and among its key objectives were to further develop cooperation with its dialogue network partners like the European Property Institutes Network (EIPIN) and to promote exchange of students and scholars between universities. ([http://www.aun-sec.org/activities\\_within\\_dialogue\\_1.2.html](http://www.aun-sec.org/activities_within_dialogue_1.2.html).)

At pan-Asian level, Asia Link and ASEM Higher Education Hubs have encouraged research collaboration.

In this rubric, the most influential and important initiative was the AsiaLink programme. Under Asia Link, for example, higher education institutions in Thailand, Vietnam and Indonesia were selected as Lead Partners in several collaboration projects. Table (6) provides a breakdown of projects in which research organisations from ASEAN countries participated.

<Table 6> ASEAN Participation in AsiaLink Projects

AsiaLink Projects 2002-2005					
	CD	HRD	ISD	Other	Total
Brunei	0	0	0	0	0
Cambodia	0	4	1	2	7
Indonesia	5	7	2	10	24
Laos	1	3	0	7	11
Malaysia	7	1	0	4	12
Myanmar	0	0	0	0	0
Philippines	3	1	0	5	9
Singapore	0	0	0	0	0
Thailand	13	6	0	12	31
Vietnam	3	6	1	20	30
Total	32	28	4	60	124

Source: AsiaLink Project List

Evidence from the fieldwork suggests that the AsiaLink programme attracted considerable attention and interest among HE actors in the ASEAN region. Research organisations from all countries except Brunei, Myanmar and Singapore participated in collaborative research projects funded by AsiaLink (4). Indeed, researchers from ASEAN countries were involved in 124 of 155 projects. The countries with the highest participation are, in order, Thailand (31), closely followed by Vietnam (30) and Indonesia (24). The Philippines and Cambodia feature the lowest participation at 9 and 7 respectively.

Evidence from fieldwork at national level suggests that the curriculum development projects generally produced useful tangible and institutional outcomes. Both projects examined dealt with the rational management of natural resources, a key policy concern in Malaysia. One project (TETRAWAMA), managed by a consortium of German Dutch and Malaysian partners, aimed at producing teaching materials for waste management practices in developing countries. Essentially, project partners compiled case studies and transformed these into training modules for both waste management researchers and practitioners. Another project (PEATWISE) aimed to develop a post-graduate programme for peatland management practices (see above). Here, a consortium of Malaysian, Dutch and British universities, packaged cutting-edge knowledge about peatland management (see below) into a graduate course. What is more, the project aimed at providing their content in an innovative e-learning and distance learning context. The courses developed in the Peatwise project, respondents argued, have been successfully integrated into existing curricula.

The ASEM Higher Education Hubs, specifically the Thematic Networks, fund collaborative research activities. Like the ASEM DUO and ASEF activities, the ASEM Higher Education Hubs enable small-scale but intensive interaction between HEIs and researchers from the EU and ASEAN (3). Evidence suggests that while these programmes provide a solid cultural basis for the more targeted collaborative programmes, their reach and volume are rather small.

Another significant collaboration that continues to progress is the Trans-Eurasia Information Network (TEIN) (5). The project, a Commission official contends, has not only created functioning and sustainable networks but has established an important role for the so-called national contact points as entry points into a particular national HE sector. Already on its 3rd phase, TEIN-3 got a further boost in funding from the EU of EURO 12 million to end 2011. Currently, there are already some 4,000 researches and educational institutions with 30 million end users in ten countries—Australia, China, Hong Kong, Indonesia, Japan, Malaysia, the Philippines, Singapore, South Korea, Thailand and Vietnam—that are benefiting from such initiative. Laos and Cambodia are set to join the network very soon.

Overall, then, the programmes promoting collaboration between HEIs of the two regions have been successful, despite some short-comings.

In particular, policy actors have identified a number of strengths of the programmes/ projects

- All programmes enabled the construction of research networks which offered ASEAN scientists and researchers access to different expertise and practices not only in Europe but also in other parts of Asia. At institutional level, this has meant that scientists have been able to take advantage of comparative strengths of particular universities (i.e. a Malaysian partner could make use of Wageningen's strengths in modeling and Leicester University's expertise in e-learning). At disciplinary level, networks made possible by the European programmes have enabled scientists and researchers to exploit the synergies between different disciplines (4). At country level, the programmes have enabled the systematic comparison of experiences and data in different countries (5).
- Respondents pointed out that projects in European programmes have produced tangible outcomes. The AsiaLink projects have generated new curricula for courses in sustainable peatland management as well as training modules for waste management aimed at practitioners and students. What is more, in countries such as Malaysia, the projects have produced new insights into, among other things, the conditions on chicken farms, sustainable peatland management practices, as well as the creation of new data sets for peatland.
- Programmes have enabled ASEAN partners to leverage the collaborative research network. In particular, respondents point out that they have been able to draw on the European expertise and bring this authoritative expertise to bear on the RTD and environmental policy landscape in their home countries. For example, Malaysian beneficiaries claim that the peatland projects funded by the FWPs have helped the state of Sarawak to become more sensitive and aware of sustainable peatland management issues.
- Projects have promoted young researchers. For example, the two peatland projects partially funded five master's students as well as providing postdocs and young researchers with project experiences

Similarly, beneficiaries and policy actors identified a range of weaknesses of the collaborative programmes:

- Almost all respondents complained about the administration involved with collaborative European projects. Starting with proposal submission (filling in forms),

carrying on to operational project management (report writing, keeping track of expenses) and ending with project completion, the administrative requirements are universally perceived as difficult, tedious and distracting.

- Respondents also pointed to a series of perceived shortcomings in the funding of the projects. Beneficiaries pointed out that funds only covered a limited range of activities (travel, subsistence, workshops, networking, technological cooperation) but that, even then, the funds were not sufficient for these activities. Further, the budgets were too small to hire competent administrative staff which meant that researchers (more often than not junior researchers) were charged with administration, which was perceived to be a misallocation of resources. Additionally, respondents pointed out that European programmes offer no way for recouping the considerable outlays for proposal preparation and submission. On top of these problems, respondents also noted that payments tended to be somewhat unreliable.
- Some respondents pointed to the ad hoc nature of cooperation between ASEAN and EU researchers. While most cooperation is based on bi-lateral relation, respondents contended that the EC-funded collaborative projects that do exist seem to be driven entirely by enterprising individuals without institutional coordination or, consequently institutional retention. This was perceived to be a pity by this particular HE actor given the many areas of mutual research interests (e.g. climate change or the debate about genetically modified organisms).

In terms of information about research opportunities and funding, evidence is mixed. For some, channels seem to work reasonably well once potential beneficiaries are made aware of the existence of specific European programmes. Others, however, contended that they received no information from the Commission. ASEAN participants in a successful and sustainable research consortium claimed that the European partner (at Wageningen) compiled the information about research funding (in this case the FWPs). At national level, others still described the information policy of the Delegation as not being 'customer-friendly'. For example, when looking for potential avenues of cooperation on climate change, the European Commission in general and the Delegation in particular were felt not to be forthcoming.

#### **Related facts, figures, and references**

- (1) COWI (2006), Ex-Post Evaluation of the COGEN 3 Programme: Popular Report, Framework Contract 2006/115686
- (2) Theng, 2008.
- (3) AUNP website
- (4) Instances of these collaborations with partner universities in Southeast Asia include the following:
  1. Geo-environmental Engineering Curriculum, Development for the South and Southeast Asian Region (CD): Asian Institute of Technology (TH),
  2. Linking Universities in Asia and Europe in Implementing Sustainable Technology to SMEs (CD): Gadjah Mada University (ID).
  3. New Educational Tools for Sustainable Management of Peatlands in the Humid Tropics – PEATWISE (CD): University Malaysia Sarawak (MY), University of Palangka Raya (ID).
  4. EAGER – NetWiC: Euro-Asian Network for Strengthening Graduate Education and Research in Wireless Communications (ISD): Birla Institute of Technology (IN), Institut Teknologi Bandung, Laboratorium Telekomunikasi Radio & Gelombang Mikro (ID).
  5. ICE in FINDONET (Implementation – Curriculum – Entrepreneurship in Finland, Indonesia and the Netherlands) (CD): Turku Polytechnic (FI), Politeknik Negeri Bandung (ID).

6. Development of a Curriculum for “Standardisation in Companies and Markets” (CD): Institute of Technology Bandung (ID).
7. TETRAWAMA: Development of Teaching and Training Modules for Higher Education in the Waste Management Sector (CD): Asian Institute of Technology (TH), University Putra Malaysia (ML).
- (5) Set up in 2000 with funding from the EU’s EuropeAid, TEIN was aimed at increasing internet connectivity for research and education between Europe and Asia; improve intra-regional internet connectivity for research and educational institutions in Asia and facilitate the participation of less developed countries in large-scale research projects.

**Indicator 6.3.2: Number of joint ASEAN-EU research papers published.**

**Indicator estimate**

It has not been possible to find data on this indicator.

**Related facts, figures, and references**

**4.7 EQ7 - To what extent has EC cooperation at the ASEAN level been designed and targeted in such a way as to contribute to reducing poverty in the region and narrowing the gap between rich and poor countries?**

**EQ answer**

We take the “poor countries,” for purposes of this EQ, as Cambodia, Lao PDR, Myanmar, and Vietnam (the so-called CLMV countries), keeping in mind that EC cooperation with the penultimate of these is constrained by political barriers.

Before addressing the EQ directly, it is useful to review briefly the place of closing the development gap in ASEAN’s own policy agenda and in the EC’s strategy for cooperation with ASEAN.

The EC’s COM (2003) 399 final (“A new partnership with South East Asia”) specifies that cooperation programmes higher than the country level, i.e. at sub-regional or regional level, must contain specific measures to favour the participation of the less prosperous countries in the region. This is in line with ASEAN’s own agenda, as since the enlargement of ASEAN to bring together all the ten-states in Southeast Asia, bridging the development gaps in order to avoid a ‘two-tier’ ASEAN has been a key goal in ASEAN community building process.

This has further been reinforced in ASEAN’s 3-pillared approach to building an ASEAN Community, with the adoption of the ASEAN Security Community (ASC), ASEAN Economic Community (AEC) and ASEAN Socio-Cultural Community (ASCC). The strategies to close the development gaps have been largely integrated in the framework called Initiative for ASEAN Integration (IAI) launched in 2001—which has also been a key component in the roadmap of the AEC (Denis Hew, (ed), Brick by Brick: The Building of an ASEAN Economic Community, ISEAS: Singapore, 2007). Over the years, the IAI has evolved from a platform of mutual assistance between the better-off ASEAN-6 and the CLMV to an expanded framework to involve dialogues partners and development agencies.

At the strategic level, closing the development gap in the ASEAN region has been a priority objective of the EU since the 2001 Communication. However, when we examine this EQ Judgment Criterion by Judgment Criterion and Indicator by Indicator, a mixed picture emerges.

We find, first, that EC support has enabled officials and experts from the poorer countries to participate and effectively engage in ASEAN activities and dialogues (Judgment Criterion 7.1). To judge by interviews with officials met during the field phase of the Lao PDR Country Strategy Evaluation, the amount of capacity building that has been achieved in this way is very significant. EC support to the ASEC through APRIS, which provides support for these activities, should also be taken into account. Thus, even the “gap filling” that we criticised in answering EQ 2 provides, indirectly at least, some capacity building in the region by introducing officials from poorer countries to various policy fora. We found unfortunately, no statistical data on the participation of officials, so we are heavily reliant on these field interviews in Lao PDR, as well as at ASEAN Secretariat. Moreover, it needs to be kept in mind that APRIS 1 provided very little direct support to ASEAN MSs, which limited its impact on building capacity in the CMLV countries.

ASEAN-level TA provided through APRIS has been relevant to reducing gaps within the region and to the needs of the poorest countries (Judgment Criterion 7.2). Support to the IAI (both direct financial support and support via APRIS) contributed directly to reducing disparities between countries, but in our review of Indicator 7.2.2 below, we note that IAI is really a very small initiative when compared to needs.

Judgement Criterion 3, and especially Indicator 7.3.1 deals with capacity building activities at the country level in poor ASEAN member states. A survey of projects and programmes clearly indicates that ASEAN-level activities (and Asia-wide and global in the case of education) contributed significantly to capacity building in the poorer countries. However, some cautionary notes can be struck. First, as discussed under EQ 6, the number of persons involved in ASEAN-level higher education exchange has been small. Field interviews in Lao PDR revealed dissatisfaction with one

major regional project, namely Standards. ASEAN-level activities do not seem to specifically target the needs of the less competitive sectors in the CMLV countries, which are those placed at greatest disadvantage under conditions of economic opening. In summary, reducing disparities between member states is an important ASEAN goal, and by aligning with the ASEAN agenda, the EC has contributed to achieving that goal. The EC's support for regional economic integration, translated into faster economic growth, can be considered as indirect support for poverty reduction. The fact that it is indirect by no means should be interpreted to mean that it is insignificant. In addition, it needs to be kept in mind that the EC's ASEAN level interventions are explicitly designed to be complementary to bilateral programmes, which explicitly target poverty reduction. Specific contributions from the EC cooperation programme include improving the participation of officials from poorer countries in regional dialogue, supporting the ASEAN Secretariat in its work on regional integration, directly and indirectly supporting IAI, and building capacity through country-level activities. To say that the EC programme was explicitly designed and targeted so as to achieve the reduction of gaps would, however be interpreting the evidence rather generously.

### **JC 7.1: EC cooperation increases ability of officials and experts from poor countries in the region to engage effectively in regional dialogue.**

#### **JC assessment:**

The EC supported the attendance of officials and experts from poorer countries in ASEAN-level fora and activities (Indicator 7.1.1). Field phase interviews in Lao PDR suggest that national officials received significant capacity building as a result of EC support in this area. However, we do not have any dialogue-specific statistics (Indicator 7.1.2). In the Lao PDR case, we found that Lao PDR had emerged as a strong advocate for closing the development gap within the ASEAN region by implementation of the Vientiane Action Plan. The poor members of ASEAN participated effectively during the 17th EU-ASEAN Joint Committee Meeting in Phnom Penh in early February 2009 that was attended by the evaluation team leader.

### **Indicator 7.1.1: Participation of officials and experts from poor member states in ASEAN level dialogue**

#### **Indicator estimate**

No specific data available, though it is widely known that officials from poorer countries in ASEAN are adequately represented at ASEAN Senior Official Meetings (SOMs). A substantial part of the EC's contribution to ASEAN's goal of closing the development divide, particularly within the context of assistance rendered to CLMV can arguably be considered as EU's contribution to increasing the participation of officials from these countries in many, if not all, of ASEAN's activities including its regular policy dialogues. Apart from ASEAN's annual Summits, Annual Ministerial Meetings (AMM), and SOMs; there are also a number of ASEAN-wide policy dialogues and consultations organised either as formal inter-governmental bodies or informal dialogues through what is called the track-2 networks. The formal inter-governmental bodies include, among others, the ASEAN Centre for Energy, ASEAN Earthquake Information Centre, and ASEAN Agricultural Development Planning Centre. In addition, there are the professional and business organisation with related aims and purposes, such as the ASEAN-Chambers of Commerce, ASEAN Business Forum, ASEAN Tourism Association, ASEAN Intellectual Property Associations, and so on.

By supporting the ASEAN Secretariat to carry out its cooperation programme with member states, APRIS has supported a wide range of workshops, seminars and meetings on subjects of common interest across ASEAN, and in which officials from the poorest ASEAN members have participated. Such areas include customs, standards, IPRs, NTBs, etc. APRIS-commissioned work on the costs and benefits of regional economic integration has also been input to Senior Economics Officials Meetings. High-level policymakers government ministries visited in Lao PDR expressed a very high opinion of

the value of capacity building in the context of these EC-supported dialogues. The participant-observation of the evaluation team leader in the 17th EU-ASEAN Joint Committee Meeting in Phnom Penh in early February 2009 confirmed that the poorer members of the region are participating effectively in dialogue.

**Related facts, figures, and references**

Interviews at Ministry of Trade and Commerce, Ministry of Foreign Affairs, Lao PDR.

**Indicator 7.1.2: Dialogue meeting statistics**

**Indicator estimate:**

No specific data yet available.

**Related facts, figures, and references**

**JC 7.2: EC TA related to regional integration is useful for poor as well as rich member states.**

**JC assessment**

In terms of country-specific bilateral TA (Indicator 7.2.1), we have looked at the cases of Lao PDR and Vietnam, where the EC heavily supported the process by which the respective governments integrated trade into overall development and poverty reduction strategies. This TA has been highly appreciated, however, while it has informed trade and macro-level policy concerns, TA has not addressed the needs of specific, less competitive, sectors that will suffer from more open borders. This need is more serious in Lao PDR than in Vietnam. Programming documents do not establish explicit links between EC support at the ASEAN level and poverty reduction. EC regional programmes with a specific focus on integration discuss poverty as part of the respective context/background sections but explicit indicators related to poverty are do not usually find their way into monitoring. Furthermore, positive and/or negative impacts of economic integration on poverty reduction are not expressly addressed by EC strategic documents, although the RSPs 2002-2006 and 2007-2013 hint at this aspect.

Our review of the TA provided at the ASEAN Secretariat level (Indicator 7.3.2) indicates that TA provided at the Secretariat has benefitted all ASEAN countries, not just the better-off ones. However, APRIS provided little direct country-level TA; to the extent that poor countries benefited, they did so in roughly equal proportion to rich countries, whose concerns were addressed as well. APRIS provided support to the IAI, which specifically addresses the needs of the “poor four” (Cambodia, Myanmar, Lao PDR, and Viet Nam). However, when the sums raised and projects implemented in 2002-2008 are compared with needs, it emerges that IAI is really a very modest initiative.

In summary, we are able to give a generally positive assessment of this Judgement Criterion. However, being useful for the poor as well as the rich is not the same thing as explicitly thematising and focusing on the needs of the poorest. That conclusion would not be warranted by the evidence we have seen.

**Indicator 7.2.1: EC provides TA to poor countries on issues of special concern, especially trade and development and the trade-poverty nexus**

**Indicator estimate**

We have examined ASEAN level TA provided to Laos and Vietnam (e.g., in IPR and standards). This has covered trade-development issue and highlighted the role of trade in reducing poverty. The policy input of the EC through the Integrated Framework and the Trade Diagnostic Study (through bilateral instruments) in Lao PDR, for example, has resulted in the Government’s adoption of a policy explicitly linking trade policy to broader development policy and poverty reduction. Field interviews in Lao PDR and Vietnam did not suggest that ASEAN-level programmes specifically addressed the problems of sectors that are likely to suffer as a result of economic opening. This led us, in the evaluation of the Lao PDR CSE, to comment that more attention to “losers from integration” would



have been appropriate. The issue is less germane in Vietnam, because virtually all sectors of the economy are internationally competitive; In such a setting, the “losers” theme therefore gains little traction.

While EC interventions have clearly been targeted at narrowing the existing development gap within ASEAN, the same cannot be said for poverty reduction. Programming documents do not establish explicit links between EC support at the ASEAN level and poverty reduction. EC regional programmes with a specific focus on integration discuss poverty as part of the respective context/background sections but explicit indicators related to poverty are do not find their way into monitoring. Furthermore, positive and/or negative impacts of economic integration on poverty reduction are not expressly addressed by EC strategic documents, although the (the RSPs 2002-2006 and 2007-2013 hint at this aspect.

**Related facts, figures, and references**

**Indicator 7.2.2: TA at ASEAN Secretariat level relevant to least developed member states.**

**Indicator estimate**

Technical support to the ASEAN Secretariat strengthens the Secretariat’s ability to accelerate development in the poorer member states. APRIS provided support to the Initiative for ASEAN Integration (IAI), a framework under which the ASEAN-6 provide assistance to Cambodia, Lao PDR, Myanmar and Viet Nam (CLMV) through projects that would bridge the development gap between the rich and poor member countries of ASEAN. Projects range from training, provision of technical experts and supply of equipment, etc. In addition, 11 Dialogue Partner countries and development agencies also supported IAI Work Plan by providing funding totalling US\$15.5 million. According to the IAI Status Report on the Work Plan 2002-2008 (1), the ASEAN 6 contributed US\$ 31 million to the Work Plan while dialogue partners and development agencies contributed US\$ 26 million (of which the EC US\$ 1.1 million; other major donors were Republic of Korea, Japan, India, Norway, the EU, and Australia). About 200 projects had been completed or were at the stage of Mid-Terlm Review or proposals. Some perspective is in order. These figures suggest that the average project is less than US\$ 250,000; that about US\$ 15 million is available per CMLV country for the seven year period, only US\$ 2-3 million per year. By most metrics, this sum is modest. The EC TA provided at ASEC level to implementing IAI should be discounted accordingly.

APRIS (see especially EQ 2) was not designed to, and did not, undertake much in the way of country-specific interventions. One of the main activities with direct country-level impact was transposition of the ASEAN Cosmetics Directive, a pilot project in Lao PDR and Viet Nam. There has also been a significant amount of work in the area of electrical equipment. The ASEAN Single Window activity, another pilot project, also had significant country-level components.

Our review of APRIS (see EQ2) confirms that the TA provided was relevant to all ASEAN member states, not just the better-off. APRIS contributed to the Secretariat’s work on the Vientiane Action Plan (VAP), which strongly calls for the reduction of gaps within the region. Since regional economic integration requires a complex negotiation of the interests of the haves- and have-nots party to the exercise, and since APRIS tangibly strengthened the ability of the ASEAN Secretariat to support that negotiation, the project may confidently be said to have served all parties. However, we have seen no evidence that APRIS specifically addressed the needs of the weaker and less competitive sectors in the poorest ASEAN MSs.

There was a specific contribution to capacity, through training, in all countries to implement the VAP). In field interviews in Vietnam, however, while workshops in areas such as statistics and social protection were assessed to be useful, national officials felt that APRIS-provided workshops showed no in-depth understanding of the national situation (APRIS Final Evaluation, Annex 2B).

**Related facts, figures, and references**

- (1) IAI Status Report on the Work Plan 2002-2008, dated 14 August, 2008.
- (2) APRIS Final Evaluation, Annex 2B.

### JC 7.3: EC cooperation builds capacity (e.g., IPR, standards ...) in poor member states

#### JC assessment

All EC cooperation activities at all levels have capacity building aspects and capacity building has long been recognised as central to the EC's ASEAN-level cooperation programme.

We approach this Judgment Criterion by asking first (Indicator 7.3.1) whether ASEAN-level cooperation financed capacity building in the poorest countries in the region; then (Indicator 7.3.2) whether EC support for TA at the ASEAN Secretariat contributed to capacity of that institution to serve the needs of the poorer member states.

We approach the first indicator via a survey of major ASEAN-level activities (and Asia-wide and global interventions, as well, in the case of education). With the exception of Myanmar, where political considerations continue to be an obstacle to cooperation, the poorer countries in ASEAN significantly benefited from capacity-building aspects of EC-supported ASEAN-level cooperation activities. However, one visit to the institutional home of the ASEAN-level Standards project in Lao PDR revealed that little sustainable impact had been achieved. Officials that had participated in trade-related activities, however, gave a much more positive report.

Indicator 7.3.2 is closely related to Indicator 7.2.2. APRIS support helped the ASEAN Secretariat deal with issues pertinent to the poorest countries (a reading of our answer to EQ 2 makes this obvious), however, the project engaged in little direct capacity building at the country level. There was, nonetheless, a great deal of indirect capacity building through the participation of experts and officials from poorer countries in APRIS-supported workshops, trainings, etc.

#### Indicator 7.3.1: EC ASEAN programme-financed capacity building activities implemented in poorest countries.

##### Indicator estimate

Capacity building is central to the EC's cooperation strategy with ASEAN (1). We will approach this Indicator by going through the major ASEAN-level project interventions. References given will be general (e.g., "the final evaluation"), because all of these projects have been discussed in detail elsewhere.

##### APRIS

See Indicator 7.2.2; APRIS benefited the poorest ASEAN member countries by strengthening the capacity of the ASEAN Secretariat to support regional integration. There is no question that the entire range of issues covered was relevant; however, the final evaluation concluded (p. 19) that capacity building at the national level was limited.

##### ECAP (Intellectual Property)

The ECAP Project contained capacity building components in a number of the poorest countries in ASEAN, including Lao PDR (Financing Agreement signed 2003), Cambodia (Financing Agreement signed 2002), and Viet Nam (Financing Agreement signed 1999). Objective were Monitoring reports note

- In Viet Nam, an overemphasis on legal reform rather than the enforcement of existing laws. Poor efficiency of implementation; need awareness raising. Good quality of training when implemented. (MR-20164.01 – 18/12/03)
- In Thailand, weak start (MR-20054.01 – 12/08/02) but improved; positive impact on modernisation of the Thai Intellectual Property Office; unpopularity of enforcement and continued need for awareness raising (MR-20054.02-18/12/03)
- In Philippines, poor efficiency, effectiveness, impact (MR-20056.01 – 12/08/02)
- In Singapore, good project impact (MR-2005502 – 18/12/03)

Lao PDR also benefitted from ASEAN-level interventions in standards and TA related to WTO accession. In the area of Standards, a site visit revealed a number of weaknesses. Officials interviewed were concerned by, inter alia, the extremely long delay between formulation and implementation (a delay which forced project activities to be compressed into a very short period of time), the fact that the exert retained was heavily focused on food safety, not a priority concern; and the fact that, once the project ended, the equipment necessary to apply the knowledge gained was not available. Satisfaction was expressed, however, with the quality of study tours and training. In the Ministry of Commerce and Industry, as well as in the Ministry of Foreign Affairs, officials expressed great satisfaction with training related to regional economic integration and trade more generally.

#### COGEN

The COGEN ex post evaluation found that the project had a significant impact on cogeneration policy only in Thailand, Philippines, and Singapore, with smaller impact visible in Cambodia and no impact in Vietnam and Lao PDR. As described above in answering EQ 5, the number of demonstration projects (FSDPs) was disappointingly low. Results were especially sparse in the poorest countries. Of the eight projects that made it through the funnel from submission of proposals to financing and implementation, three were in Malaysia, two in Singapore, and three in Thailand. COGEN engaged in a significant amount of trainings, workshops, seminars, etc., and while details are not available, at least some of the capacity built must have benefitted the poorest members of ASEAN.

#### EAEF

The EC-ASEAN Energy Facility (EAEF) financed projects in all ASEAN member countries with the exception of Myanmar. Many of these explicitly financed capacity building in the poorest countries, for example:

- Capacity building programme for the power industry in the CVLT countries (Cambodia, Lao PDR, Thailand, Viet Nam)
- Capacity building programme for power transmission (Cambodia, Thailand)
- Study tour / workshop on power pooling in Europe (Cambodia, Lao PDR, Thailand, Viet Nam)
- Standards for mini-hydropower planning and design (Viet Nam, Cambodia, Lao PDR)
- Operational management tools for distributed energy (Cambodia, Viet Nam)
- Capacity building for promotion of private sector investment in small hydropower (Viet Nam)
- Vocational training for Cambodia and Lao PDR rural electrification
- Formulation of legal framework on renewable energy for Cambodia, Lao PDR and Viet Nam

This is only a selection of projects that explicitly focused on capacity building, but there were capacity building components in most other projects, as well. Out of 77 projects, 14 had main components in Cambodia, 22 in Viet Nam, and 15 in Lao PDR. In discussing Indicator 5.1.1 above, we cited the strong conclusion of the EAEF evaluation (on p. 29 of that document): “The EAEF ended as a Renewable and Energy Efficiency facility, for the least developed ASEAN countries. This is certainly a worthwhile outcome but very different from the original purpose.”

#### ARCBC

All four components of ARCBC – networking and institution building, training and extension, research and development, and database management and information sharing – had aspects of capacity-building. All ASEAN member countries with the exception of Myanmar benefited. On pp. 28-32 of the Project Completion Report, the major activities of National Biodiversity Reference Units (NBRUs), the collaborating institutions at country level, in each of the four areas are described. It is clear that these activities contributed both directly and indirectly to building capacity.

Seven Training Needs Assessments (TNAs) were carried out, including Lao PDR, Indonesia, Thailand

and Viet Nam, and a substantial number of training activities were carried out. The Project Completion Report (pp. 24-25) ascribes the failure to do a TNA in Cambodia on “a lack of capacity and time.” Experts from National Biodiversity Reference Units in the poorest countries attended annual conferences on protected areas, heritage parks, global biodiversity, and gender aspects of biodiversity conservation, in addition to which, nine thematic workshops were held. Lao PDR, Cambodia, and Viet Nam benefited from three workshops focused on transboundary issues (Project Completion Report, p. 24). A technical but not insignificant achievement was the translation of job descriptions and standards in the biodiversity field into all major ASEAN languages, including Lao, Bahasa Indonesian, Thai, Vietnamese, and Khmer. This made a significant contribution to policy coordination within the region. The Biodiversity Information Sharing Service Software was adopted by seven countries, including Cambodia, Indonesia, Lao PDR, Thailand and Viet Nam, and staff was trained.

#### Higher Education and Research

Although we are in no position to ask whether capacity formed remained in place (or returned home), the data given in answering EQ 6 (Indicators 6.1.1, 6.2.1) speak for themselves. Cambodia, Lao PDR and Viet Nam all benefited from Erasmus Mundus scholar and student exchanges (Myanmar also sent a handful of students abroad under the programme). Vietnam sent over one hundred students to European universities under the programme. There was significant participation of Cambodia, Lao PDR, and Vietnam in Frameworks 5-7 and AsiaLink programmes (Indicator 6.3.2).

#### **Related facts, figures, and references**

- (1) Regional Indicative Programme 2005-2006, p. 5.  
Project Completion Reports, Final Evaluations, and Monitoring Reports as cited above

### **Indicator 7.3.2: Capacity building at ASEAN Secretariat increases ability of Secretariat to serve technical support needs of least developed member states.**

#### **Indicator estimate**

See Indicator 7.2.2.

Our review of APRIS capacity building (see EQ2) makes it clear that the project increased capacity to deal with policy issues in all ASEAN member states, not just the better-off ones. We noted also, however, the fact flagged by the final evaluation that the project (by design) engaged in little direct capacity building at the national level.

#### **Related facts, figures, and references**

**4.8 EQ8 - To what extent was the EC mix of instruments (Asia regional, ASEAN, bilateral, thematic), approaches (fiduciary funds, project approach, macro-level programmes, SWAP) and/or channels of disbursement (government, private sector, NSAs, multilateral organisations) been appropriate to the national context and EU strategic policy aims?**

**EQ answer**

The EC's 2003 Communication "A new partnership with Southeast Asia (COM (2003) 399 final) stated

Most of EC development assistance shall be implemented through bilateral channels. Regional approaches will, however, be chosen when economies of scale are evidence, where the development of country-neutral toolboxes makes sense, or in support of dialogue conducted at regional level.

In this EQ, we consider mostly whether the EC effectively combined ASEAN-level (i.e., sub-regional) approaches with approaches at other levels, e.g. Asia-wide (regional) and bilateral –country-level).

We approach the EQ via three Judgment Criteria. The first (Judgment Criterion 8.1) asks whether the EC combined instruments in a timely fashion to achieve its strategic goals. The EC's strategic programming documents are of high quality and explicitly recognised the comparative advantages and disadvantages, and value added, of different types of instruments. EC-ASEAN dialogue, in particular through the ASEM framework, was highly effective in adapting to national context and EC strategic policy aims. It was explicitly foreseen in the 2005-2006 RSP that dialogue processes would drive the evolution of ASEAN-level programmes and projects. However, as pointed out in the 2005-2006 RSP the ASEAN cooperation programme is slow to adjust. Two major activities, on border management and statistics, were delayed in implementation, apparently by a lack of funds allocated from Brussels. These projects, covering priority areas identified at the ASEM meeting of January 2003, are only now seeing the beginning of project activities. However, new concerns, such as illegal logging, cross-border animal health, and sustainable consumption have been brought into the programme.

Regarding the strengthening of regional economic integration, effectiveness and efficiency have suffered from a lack of synergies and coordination between EC support for ASEC, and bilateral, as well as regional, programmes on the country level, EC support for the ASEC (via APRIS) without specific and linked support to the ASEAN MSs, whether through the national components of regional programmes or bilateral support, had less overall impact than it would have had there been better coordination, not so much at the strategic level as at the level of nutty-gritty implementation. As we have stated in answering EQ 1, the pace of ASEAN integration was not primarily determined by the technical expertise and steering capabilities of the ASEC but the political will and institutional infrastructure of the ASEAN MSs. At the same time regional projects such as ECAP or ATF were primarily directed at ASEAN MSs with insufficient emphasis on the objective of strengthening ASEAN integration, despite the fact all regional programmes stated the fostering of ASEAN integration as one of their overall objectives (see also EQ1). In other words, while EC support for the ASEC did not sufficiently engage the ASEAN MSs, regional programmes (while being successful in the implementation of individual national projects) failed to produce synergies among them to strengthen regional integration. Better coordination with APRIS would have addressed this inefficiency. A similar observation applies to trade-related technical assistance implemented bilaterally; this could have been more closely aligned with regional priorities and the ASEAN commitments that countries had undertaken.

Judgment Criterion 8.2 raises (or should have, more explicitly) the issue of relevance to the partner's needs and capacities. No issues have emerged at any point in this evaluation about the coherence of EC cooperation with EC strategic aims, so we will concentrate on the other end of the partnership. The best performer in terms of relevance and capacities has been the APRIS project, discussed in

detail in answering EQ 2. It has served as a rapid-response force for addressing ASEAN Secretariat needs for technical inputs and training in the context of regional economic integration. It has also, as discussed above, served a gap-filling function related to ASEC's inadequate human resource capacity, limiting perhaps its effectiveness but undoubtedly proving its relevance. Other interventions, for example ECAP, have also raised capacity in the region. The EC's interventions in energy (COGEN and EAEF, discussed in answering EQ 5) were perhaps less successful in this regard, as they required capacities on the part of partners that were not always in evidence. In passing, the same criticism was made of Asia-level programmes such as Asia ProEco, Asia Urbs, Asia Link and others, which were demand-driven and based in internet dissemination. Our discussion of EQ 6, in particular the high positive impact of study in Europe on programme participants, combined with the low cost involved, suggests that these are very efficient means of addressing high-level EC strategic goals. Judgment Criterion 8.3 again returns to the theme of whether a recognised strategy for the combination of instruments was in place. We have answered this in the affirmative.

### **JC 8.1: EC co-operation was able to combine timely instruments, approaches, and channels to suit its strategic goals**

#### **JC assessment**

The EC cooperation programme in the ASEAN region has involved multiple instruments at the Asia, ASEAN, global, and bilateral levels. Instruments were matched to needs, and there was evolution over time (Indicator 8.1.1). However, there was a lack of coordination between bilateral and ASEAN-level interventions, not so much at the strategic level as in implementation, where opportunities to exploit synergies were missed. The same was true even within the ASEAN-level of cooperation, where support for APRIS and the country-components of regional projects such as ECAP could have been improved.

The cooperation programme has evolved over time to incorporate emerging concerns, such as sustainable consumption and governance issues surrounding illegal logging, as well as the changing regional context (Indicator 8.1.2). Changes in the actual mix of activities being implemented are slower than would be wished, but this appears to have been due mostly to difficulties in obtaining financing.

Policy dialogue with ASEAN, as worldwide, has proven to be a nimble instrument for incorporating emerging issues (Indicator 8.1.2), although there is a view that issues apart from trade and economy should assume a greater role. We identify, in Thailand, examples of how ASEAN-level policy dialogue was adroitly used to discuss issues that would have been much more difficult to deal with on a bilateral basis.

Within the cooperation programme, by contrast, opportunities for better coordination between different forms of intervention, and for exploiting synergies, were missed. We draw special attention to the case of Malaysia (Indicator 8.1.1), but the story could be told elsewhere, as well, and was confirmed in ASEC interviews: bilateral activities do not always contribute concretely to regional integration priorities, even when better coordination would have made this easily possible. The basic problem is that bilateral programmes reflect Government priorities, and it is widely known and reported that within ASEAN, many governments are proving slow to live up to their ASEAN commitments related to regional economic integration. It is thus difficult to mainstream regional integration in bilateral programmes.

Within the ASEAN-level cooperation programme itself, better coordination between support for ASEC through APRIS and the country-level activities of programmes such as ECAP could have improved the alignment with regional priorities and commitments.

### **Indicator 8.1.1: Mix of instruments, approaches, and channels differed according to sector-specific factors and changed over the period along with the context**

#### **Indicator estimate**

EC cooperation with the ASEAN region was carried out on at four levels, and a distinction was maintained at all points in time between these levels of intervention. Regional and sub-regional approaches were used more to address policy issues and long-term development issues; bilateral cooperation was targeted more at immediate objectives and poverty alleviation.

First was the ASEAN-level, sub-regional, cooperation which has been the main focus of this evaluation. This involved support to the ASEAN Secretariat and programmes in energy, environment, and higher education that we have examined. In general, the development of concrete interventions at the regional level was slow (1) and disappointment was expressed at the low number of interventions (2). While the 2005-2006 RSP identified priority areas such as border management and statistical cooperation, it is only in late 2009 that that actual implementation commenced, due to delays in obtaining financing.

Second, ASEAN countries (with the exception of Burma/Myanmar, which is excluded) benefited from Asia-wide regional, programmes, such as AsiaLink (described in detail under EQ 6), Asia Urbs, Asia ProEco, Asia IT&C and Asia Invest. In our review of the levels of cooperation in higher education (EQ 6), we came to the conclusion that most higher education mobility and exchange was being accomplished at the Asia-wide level. However, we found some evidence in our evaluation of EC activities in Lao PDR that there had been little use of Asia-wide instruments, at least in this poor country. These instruments are essentially demand driven (based on calls for proposals disseminated over the Internet). They especially target non-state institutions in partner countries, and are especially relevant to civil society (3). On all grounds, this may tend to leave out the poorest countries in the region. Less developed ASEAN member states benefited less than better-off ones.

For the ASEM countries, the ASEM Trust Fund provided an avenue for cooperation, and the Trans Eurasia Information Network (TEIN) initiative is organised at the ASEM level. TEIN has evolved as the need for cross-border information sharing has grown and as information technology has moved to centre stage in research and development. Throughout, ASEM has provided an effective and flexible instrument for policy dialogue. In our evaluation of country-level cooperation with Thailand, we found that ASEM provided critical support to that country in economic policy making. In the environmental field in that country, ASEM and the EU-ASEAN Joint Cooperation Committee are the main venues for environmental policy dialogue, a dialogue which would be much more contentious if carried out bilaterally at country level. Along the same lines, the ASEM and ASEAN frameworks have been the main vehicles for addressing gender, good governance, and human rights in Thailand.

Third, ASEAN member states benefited from some global programmes, such as Erasmus Mundus, which replaced AsiaLink in 2007. Budget lines were used to address governance, gender, and humanitarian issues.

Fourth, and finally, the bulk of cooperation activities were carried out under bilateral cooperation programmes. Over the evaluation period, bilateral programmes were mostly based on the project approach and sought to address root causes of poverty in areas such as rural development, health, and education. However, in Lao PDR and Vietnam, there has been a move away from project-based approaches in favour of budget support combined with intense bilateral policy dialogue.

In the evaluation of EC country-level cooperation with Thailand, we have positively assessed the coherence and relevance of the EC's ASEAN-level sub-regional programmes. ECAP played an important role in assisting Thailand to introduce intellectual property legislation incorporating TRIPS. Sub-regional programmes (COGEN, EAEF, ARCBC), as well as regional programmes like Asia ProEco and AsiaUrbs were used to address Thai-specific environmental issues with a global dimension. Duplication was avoided and, as well, the regional / global dimension may (we speculate) have made palatable for national partners work in areas that would have been fraught with tension if addressed on a bilateral basis. In Malaysia, while climate change is not regarded as a priority area by national policy makers, the use of ASEAN-level dialogue and cooperation, as well as Asia regional programmes, made it possible for the EC to get the issue on the agenda. In Lao PDR, EC-supported participation in ASEAN policy dialogue was assessed by national officials as very useful for forming capacity and raising awareness. The national component of the Standards project, however, had little

lasting impact on capacity. In Vietnam, the ECAP programme made a very significant cooperation to forming capacity in the area of intellectual property rights, thereby facilitating accession to WTO. However, another project (support to the National Assembly) was also very active in legal reforms related to WTO accession, and there is no evidence of coordination between the two levels of cooperation. The review above indicates that the mix of instruments was broad and considerable thought was given to matching instruments to needs. In addition, the programme has changed over time.

The RIP 2005-2006 explicitly recognised that it was the first indicative programme, that it built a new agenda for EU-ASEAN relations, and that it was intermediary. By the latter was meant that the programme would adapt gradually to priorities identified in dialogue (the Trans-Regional EU-ASEAN Trade Initiative or TREATI and the Regional EC ASEAN Dialogue Instrument or READI) as these dialogues took place. However, in general, implementation of concrete activities has continued to proceed slowly. To give an example, security was identified by the ASEM of January 2003 as a priority area (4), but the corresponding project (EC-ASEAN Migration and Border Management) is not scheduled to start until 2009 (5). The statistics programme to strengthen trade statistics was also slow in starting. It appears that project formulation and design progressed normally, but that there was a problem with the allocation of funds. In general, cooperation has evolved to cover emerging issues in regional integration, such as statistics and the need for expertise in increasingly technical issues of trade policy implementation.

This indicator does not directly issue of synergies between different levels of cooperation and coordination of different instruments. However, this is an appropriate place to identify concerns that were frequently raised during field interviews, both at ASEC (these were discussed in some detail in answering EQ 2) and at country level. We take Malaysia as an example, but similar concerns were raised elsewhere.

Many ASEAN officers and stakeholders interviewed in Malaysia identified the lack of coordination between EC support for ASEC and regional programmes with regards to the strengthening of regional integration as a major weakness of the EC approach. EC support for the ASEC without specific and linked support to the ASEAN MSs limited the overall impact of APRIS. This is due to the fact brought out in answering EQ 2 that the pace of ASEAN integration was not primarily determined by the technical expertise and steering capabilities of the ASEC but the political will and institutional infrastructure of the ASEAN MSs.

At the same time - as stressed for example by the Final Evaluation Reports of ECAP II and the Asia Trust Fund (Malaysia component) and confirmed in interviews - regional projects such as ECAP and ATF are first and foremost directed at ASEAN MSs, with little practical emphasis on the objective of strengthening ASEAN integration. This is despite the fact all regional programmes stated the fostering of ASEAN integration as one of their overall objectives. EC support for the ASEC did not sufficiently engage the ASEAN MSs, while regional programmes successfully implemented individual national projects but failed to produce synergies among them to strengthen regional integration. Particularly at the stage of implementation, country-level activities, whether ASEAN-level or bilateral, did not align themselves sufficiently with Secretariat activities and ASEAN-level priorities. A concrete example is standards, where trade-related technical assistance could focus on new regional standards. According to the EC Delegation in Jakarta, new efforts are being made to improve coordination, for example, a meeting of EC Delegation cooperation officers from the region to discuss regional priorities.

More generally, EC regional strategy documents are closely related to bilateral ones. Bilateral programming documents take into account regional programmes -- depending on the respective country, they are seen as a component of the EC strategy (Thailand) or its core (Malaysia). However, there is no evidence that regional integration is mainstreamed into EC bilateral co-operation. This lack of coherence is related to the fact that NIPs reflect country needs and government priorities, and that regional integration is not seen, in some countries in the region, as a priority on the national policy



agenda.

**Related facts, figures, and references**

- (1) RSP 2007-2013, p.7
- (2) RSP 2005-2006, p. 15
- (3) Strategy paper and Indicative Programme for multi-country programming in Asia 2005-2006, p. 14
- (4) Regional Indicative Programme 2005-2006, pp. 5-6
- (5) ASEAN Regional Integration Agenda: European Commission Assistance, p. 4.

Interviews at ASEC, ECAP Malaysia, EC Delegation Jakarta

**Indicator 8.1.2: Emerging issues incorporated quickly and effectively into policy dialogue and co-operation programme.**

**Indicator estimate**

In general, policy dialogue can change much more quickly than cooperation programmes. ASEM has proven highly flexible over time (1), with activities varying according to the nature and objectives of the dialogue to be supported. New themes such as Corporate Social Responsibility have been added. The capacity of the EC cooperation programme to incorporate emerging areas of interest is demonstrated by the new 2007-2010 MIP, which incorporates, e.g. avian influenza and cross-border animal health (p. 10). The Sustainable Consumption and Production in Asia initiative (p. 8) and Forest Law Enforcement, Governance, and Trade (FLEGT) programme both incorporate new and emerging approaches to environmental sustainability. The former targets SMEs, retail chains, and consumer groups. The latter recognises the growing importance of governance issues to combat illegal logging and the associated trade. However, we have noted above (Indicator 8.1.1) that strategic concerns identified in the early years of the century are only now seeing the first concrete project activities.

In evaluating EC cooperation with Thailand, we found that synergies between regional and national environmental policy dialogue were effectively exploited by the EC. ASEAN programmes (COGEN, EAEP, ARCBC) were used to address national environmental issues with a global or regional dimension that would have been difficult or contentious to address on a bilateral basis. Country-level environmental concerns were thematised in a regional / global policy space through ASEM.

Field-phase interviews with both ASEC officials and national officials revealed a wish for the EC to move beyond economic integration in its support, to encompass areas more in tune with READI than TREATI.

**Related facts, figures, and references**

- (1) RSP 2007-2013, p. 5

**JC 8.2: For the main actions the implementing modality responded to the needs of the actions, as well as to the capacity of the partner**

**JC assessment**

The Indicators below do not really come to grips with relevance; with hindsight, an omission. However, the alignment of ASEAN-level support with the regional policy priority, economic integration, has been pointed out as a number of points. The successive RSPs leave the feeling that the relevance of EC support of its main partner, the ASEAN Secretariat, has improved with time, a view was confirmed by field-phase interviews with ASEC officials. For example, one of the lessons learned that was incorporated into the 2005-2006 RSP was that EC policy concerns were sometimes in advance of ASEAN ones, and that re-configuration and emphasis on capacity building was required.

The APRIS project, which we described in detail in the context of EQ 2, was by all indications a very

responsive, effective, and efficient one. At low cost, it served as a rapid response force providing training and technical studies to the ASEAN Secretariat on issues related to regional economic integration. ECAP and Standards and Conformity activities also dealt with pressing needs while addressing needs for capacity building. We expressed some concern, in answering EQ 2, that APRIS's provision of administrative support for ASEC, while perhaps it was relevant to needs and in line with the partner's capacity, was not necessarily consistent with achieving sustainability.

Since it is related to effectiveness and efficiency, the discussion of synergies above under Judgement Criterion 1 is germane here. Impact could have been increased if there had been better coordination of instrument and interventions.

**Indicator 8.2.1: Mix of instruments, approaches, and channels was instrumental in achieving EC goals with a minimum of effort and cost**

**Indicator estimate**

The main overall achievement of EC cooperation at the ASEAN level has been to solidify relations with a dynamically emerging region of the global economy at the policy level via dialogue and capacity building. This has been achieved by aligning with the ASEAN-level policy priority, which is regional economic integration. Progress on regional integration that would have been impossible to obtain on a country-by-country basis has been obtained by the addition of sub-regional instruments to the mix. If judged in terms of the EC's stated goal of revitalising relations with ASEAN, the regional programme has been extremely efficient.

The APRIS project was an especially efficient mechanism for achieving EC goals. This follows from the flexibility of the project in responding on an as-needed basis, and the mix of regional and European expertise. APRIS's demand-driven approach was extremely effective and prevented the expenditure of resources in areas that were not priority areas for ASEC.

By contrast, the ratio of concrete outputs to inputs of the COGEN and EAEP projects is questionable (see discussion in EQ 5 above).

In higher education and research, impacts are difficult to quantify; the numbers of persons involved has been shown to be small, but the long-term impact may still be there. In answering EQ 6, we described these projects as strategically "homeopathic," that is, designed to achieve impact through implementation in very small doses over a very long period of time. In the case of student mobility (e.g. Erasmus Mundus, Asia-Link, ASEM-Duo, when the impact on the views of future opinion-leaders and decision makers is compared to the costs at the level of the individual, these programmes appear to be very cost effective, indeed.

We discussed, under Indicator 8.1.1 above, how there was a lack of coordination and sub-optimal achievement of synergies between three crucial modalities: ASEC support (essentially, APRIS), national components of regional programmes such as ECAP, and bilateral programmes, especially trade-related technical assistance. The need for better coordination with Asia-wide programmes also emerged, particularly in looking at EQ 6 on higher education and research.

In an effort to pursue its goal of enhanced visibility, the EC channelled a rising share of resources through large Asia programmes (Asia Pro-Eco, Asia-Invest, etc). In hopes of forging partnerships with non-state actors such as civil society organisations, academic and research institutions, and the private sector. Many of these utilised the calls-for-proposals approach. This strategy was only partly successful. Dissemination of information and the capacity to respond was limited in the poorer ASEAN MSs, resources were limited, and selection procedures were cumbersome. All in all, the bulk of resources seem to have gone to the public or semi-public sector (e.g., universities, well established NGOs with strong international links, etc.).

**Related facts, figures, and references**

### **Indicator 8.2.2: Adaptation to take into account capacity of partner**

#### **Indicator estimate**

While the ASEAN Secretariat is not the only possible partner in ASEAN-level programming, it is de facto the main partner. Therefore, a key to the EC's sub-regional cooperation programme has been adapting to the capacity needs of the ASEAN Secretariat. As one EC strategic document put it, "ASEAN – particularly its Secretariat – does not as yet have the same institutional and organisational clout of its counterpart in Europe (1).

When account is taken of the huge number of issues that the Secretariat is dealing with in the context of regional integration, the small number of permanent staff, national capacity constraints, and the fact that ASEAN is consensus-based, the magnitude of the task can be imagined. A theme that consistently emerged during field interviews at ASEC, both with officials and with development partners / project staff, is that ASEC lacks adequate human resources to carry out the many functions that have fallen to it in the context of accelerated regional economic integration. High turnover impedes the development of institutional memory. We have discussed the positive impact of the APRIS Project above in the context of EQ2 and will not repeat that discussion here. The decision to focus APRIS 2 on a smaller number of issues than APRIS 1 is a sign of adaptation. The final evaluation of that APRIS 1 (2) highlights the flexibility of that project to Secretariat needs, the successful dialogue regarding in-house training needs, and the balance between European and ASEAN member-country national expertise. While APRIS fulfils the "gap filling" function referred to above, perhaps more than it should, it does not directly finance Secretariat posts, as opposed to at least one ASEC support project (AusAid).

At the country-level, we have little evidence of adaptation to take capacity into account. The Standards project in Lao PDR achieved little sustainable impact because the capacity building provided was not used after the project closed due to a lack of equipment.

In research and higher education, better use could have been made of capacity in place at higher education institutions, specifically international education offices, to better disseminate information about European opportunities and programmes.

#### **Related facts, figures, and references**

- (1) Regional Indicative Programme 2005-2006, p. 4
- (2) APRIS final evaluation, pp. 4-5.

### **JC 8.3: Putting in place of a recognised strategy for combining EC instruments / approaches / channels, informed and supported by monitoring and evaluation reporting.**

#### **JC assessment:**

The two major EC strategic documents consulted (the RSPs 2005-2006 and 2007-2013) have articulated a clear strategy for combination of instruments. The role of sub-regional programmes and, in particular, their relationship to bilateral cooperation and regional (Asia-wide) programmes, are taken into account (Indicators 8.3.2 and 8.3.3). Considerations of comparative advantage and value added are made explicit. It is not clear to what extent this sensitivity is based on monitoring and evaluation (Indicator 8.3.4), but it appears informed by unease, at the beginning of the 2000s regarding the slow pace with which concrete ASEAN-level interventions were coming into being. Lessons learned, for example, the need to more closely align with the ASEAN policy agenda and the need for more capacity building are taken into account (Indicator 8.3.3). EC Delegations in Jakarta and Bangkok are involved in project management, monitoring, and evaluation, but less so in strategy at the level of the RIP (Indicator 8.3.1). The Delegation in Jakarta is involved in coordination activities, including the coordination of instruments at the various levels.

### Indicator 8.3.1: Stages of involvement of the EC Delegation Jakarta in thematic and regional programmes: identification, feasibility, monitoring and evaluation

#### Indicator estimate

Responsibility for the ASEAN programme is split between the Jakarta and Bangkok Delegations. Field interviews at both Delegations suggest that this arrangement works reasonably well. There appears, however, to be relatively little involvement of Delegations at the stage of producing the RSP. Both Delegations are implicated in monitoring and evaluation. The Jakarta Delegation, recognising the need for improved coordination of country-level and regional programmes, has taken the lead in bringing together cooperation officials throughout the region for consultations. It has also, recognising the large number of projects supporting the ASEC, recently begun to convene regular coordination meetings.

#### Related facts, figures, and references

Interviews at EC Delegations in Jakarta and Bangkok

### Indicator 8.3.2: Documents derive lessons from utilisation of different approaches, instruments, and channels

#### Indicator estimate

In the RSP 2005-2006 (1), there is discussion of the strengths and weaknesses of Asia-wide approaches versus ASEAN-level ones. Asia-wide programmes enjoyed high visibility and address key actors in civil society, which may be difficult through bilateral cooperation programmes (in which Government is typically the interlocutor). They involve institutions in at least two Member States, thus encouraging multilateral partnerships and networking. However, as pointed out above (Indicator 8.1.1), poorer countries benefited less than well-to-do ones). The RSP also draws attention to technical weaknesses in administration and the need to increase the sense of ownership at the country level.

ASEAN-level cooperation is likely to be effective where

- Dialogue and cooperation among beneficiary countries will encourage regional integration
- There is already an ASEAN-level initiative in place, e.g., programmes to harmonise customs and standards
- When countries face similar problems and can benefit from the exchange of know-how, experiences, and lessons learned
- When visibility would be enhanced by a multi-country approach
- Where there are economies of scale in project preparation and implementation.

#### Related facts, figures, and references

- (1) Strategy Paper and indicative programme for multi-country programmes in Asia 2005-2006, pp. 15-16.

### Indicator 8.3.3: Strategy document taking lessons learned into account

#### Indicator estimate

Lessons learned from early ASEAN-level (i.e., sub-regional level) cooperation programmes are summarised as follows (1):

- Some programmes may have been too ambitious and were not fully slotted into ASEAN's own agenda, resulting in an insufficient sense of institutional ownership. Generally, the extent of integration within the region was overestimated;
- Programme approval and modifications have to be agreed to unanimously, making for an arduous negotiation process.

In response to the admittedly weak progress to date, the EC instituted a "two-way value added test," according to which an ASEAN-level approach will be used when

- projects at the ASEAN level would have significant value added compared to bilateral country-level engagements

- ASEAN priority areas coincide with the EC's value added, which in practice meant concentrating on regional trade and economic integration.

**Related facts, figures, and references**

- (1) Strategy Paper and indicative programme for multi-country programmes in Asia 2005-2006, p. 16

**Indicator 8.3.4: Monitoring and evaluation permits effectiveness and efficiency of various approaches, instruments, and channels to be followed.**

**Indicator estimate**

The evaluation reports cited here, of APRIS, COGEN, EAEF, and ARCBC, have been of high quality and have dealt, if only in general terms, with the question of whether the approach / instrument was appropriate.

**Related facts, figures, and references**

**Indicator 8.3.5: Evaluations on advantages and disadvantage of various instruments carried out.**

**Indicator estimate**

See Indicator 8.3.5.

The RSPs 2005-2006 and 2007-2013 and associated Indicative Programmes discuss the advantages and disadvantages of various instruments, giving evidence that the EC gave a great deal of thought to the question.

**Related facts, figures, and references**

#### 4.9 EQ9 - To what extent has the EC coordinated and cooperated with EU Member states and IFIs intending to improve the complementarity of their interventions?

##### EQ answer

The RSP 2007-2013 (p. 9) stated that the coordination process with donors is more complicated at sub-regional level than at national level. In addition to coordination issues at the ASEAN level (say, ensuring that the EC, Japan, the U.S., AusAid, and MSs do not overlap or come into conflict in their support to the ASEAN Secretariat) there are intra-EC coordination issues between levels of assistance (ensuring that ASEAN-level assistance from the EC is consistent with its own bilateral cooperation programmes in the region and vice versa), and inter-donor issues (ensuring that EC cooperation with ASEAN is consistent with other donor's cooperation at the country level). In higher education and research, there is also the challenge of coordination between, global, Asia regional, ASEAN, and in a few cases, even bilateral support. We have discussed the need for better coordination between ASEAN programmes and bilateral programmes elsewhere.

We approach this EQ via three Judgment Criteria. The EC engaged in "exchanges of views" with other donors and its strategic planning documents incorporate basic concerns regarding other actors. The coordination of activities with other donors (USAID, AusAid, GTZ, JICA and InWent) has taken place informally. Formal coordination meetings held monthly and chaired by the EC Delegation in Jakarta commenced recently. (Judgment Criterion 9.1). The EC Delegation in Jakarta has also convened meetings of EC cooperation officials from the region for the purpose of coordinating bilateral and regional programmes. This is an area related to which ASEC and project officials interviewed expressed special concern and where they saw considerable payoff to improvement. Through EC support to ASEC, a database of past technical assistance projects, policy papers, etc. was developed. As of the time of the field mission, this had not yet been implemented by ASEC, a source of some concern given its potential to improve the effectiveness of all donors' support to ASEC. There is no evidence that donors have placed pressure on ASEC in a coordinated fashion to address human resource issues, or that they have coordinated a position on the slow pace at which ASEAN-level policy commitments are being implemented at the level of ASEAN MSs.

Coordination between the EC and International Financial Institutions (IFIs) is limited and there have been. For example, in the case of the Asia Trust Fund, the absence of cooperation between the EC and WTO and UNCTAD in the design and implementation of ATF projects - despite the call for such cooperation made when the facility was established - is rather surprising as many project activities could have benefited from such cooperation, according to the final evaluation of the ATF Malaysia component (JC 9.3)

There is no evidence of coordinated EC policy dialogue prior to its policy dialogue with ASEAN.

In general, EC strategy has taken the issue of complementarity seriously (Judgment Criterion 9.3).

We know of no instances of joint programming (Judgment Criterion 9.2) apart from the ASEM Trust Fund, administered by the World Bank.

Not anticipated in framing the EQ but germane is the contribution of the EC to achieving coherence and complementarity with regard to the international assistance programmes of the better-off ASEAN member states. In the Joint Co-Chairmen's Statement of the 16th EU-ASEAN Ministerial Meeting, Nuremberg (p. 3), and Ministers welcomed the trilateral cooperation which combines the development assistance of individual ASEAN member countries and the EC, to the benefit of the CLMV countries (Cambodia, Laos, Myanmar and Vietnam). Ministers acknowledged the potential of this cooperation instrument in allowing for more effective and efficient use of scarce resources and at the same time also enhancing regional integration by bridging the development gap between the ASEAN members.

**JC 9.1: EC contributed to establishing coordination with member states, on one side, and major non-MS bilateral donors (particularly the U.S., and Japan), on the other side, relating to their ASEAN co-operation programmes**

**JC assessment**

In examining Indicator 9.1.1 on avoiding potential conflicts, we describe normal “exchanges of views” with other donors. The coordination of activities with other donors (USAID, AusAid, GTZ, JICA and InWent) took place informally over most of the evaluation period. Formal monthly coordination meetings chaired by the EC Delegation in Jakarta commenced recently. However, we found no evidence that coordination between, the EC, Japan, and the U.S. consisted of anything beyond the sharing of information.

In addition, the EC strategic planning documents examined pass the basic test of including discussions / matrices dealing with the activities of other donors. There is, of some importance, also evidence that the EC’s sub-regional level strategic programming took into account the bilateral cooperation strategies in the countries concerned.

The RSP 2007-2013 states (p. 13) that there has been an exchange of views with Member States (of the EU) on complementary and value added to bilateral programmes. However, there is a recognised need to coordinate and exploit synergies better. EC and MS interventions at the bilateral level need to be better tied to strategies being developed at the regional level, which involve ASEAN MS commitments that are, in the event, being only slowly met by the ASEAN member states.

In the trade/economy sector coordination to improve the complementarity of interventions among different donors and between the EC and EU MSs has mainly been limited to informal exchanges. Regular consultations between the EC Delegations and EU MSs both with regards to ASEAN interventions and regional/national activities in the ASEAN MSs take place at regular intervals but - as all interviewees confirmed – these interactions serve more the purpose of an informal exchange of ideas/experiences and on common concerns (for example trade disturbances in individual ASEAN MSs) than formal coordination (Indicator 9.1.3).

In general, there is some effort of the EC to coordinate its own cooperation programmes, as well as to coordinate the various programmes (both MS- and non-MS supported) at the ASEAN Secretariat. We find no evidence, however, that the EC has tried to coordinate a common position of the MSs with respect to major non-MS partners.

**Indicator 9.1.1: Records of EC avoiding potential conflicts between its co-operation programmes and member states ones or other donors ones**

**Indicator estimate**

No such records found.

There has been an “exchange of views” with Member States (of the EU) on complementarity with and value added to bilateral programmes, as well as discussions with World Bank, Asian Development Bank, European Investment Bank, and other donors (1). A matrix describing other donors’ cooperation engagement with ASEAN was prepared, and the engagement of other donors was described in each of the activity areas where the EC proposed to work (2).

Also germane here are the EC’s efforts to ensure that its ASEAN-level activities are consistent with its bilateral, country-level programmes. A matrix of EC bilateral focal areas in the eight ASEAN countries where the EC provides support presents a mixed picture. In some countries, cooperation is focused on areas such as education and health, or takes the form of budget support. In some cases, where trade and the economy are focal areas, there possibilities for conflict or overlap may arise. We have no evidence of this, however. In general, ongoing CSEs on Thailand, Malaysia, and Lao PDR have been supportive of the complementary role of ASEAN and Asia-level cooperation.

**Related facts, figures, and references**

- (1) RSP 2007-2013, p. 9
- (2) Regional Indicative Programme, Annex 6.3

- (3) ASEAN Regional Integration Agenda: European Commission Assistance, p. 5
- (4) Interviews at EC Delegations Jakarta and Bangkok.

### **Indicator 9.1.2: Records of EC resolving inconsistencies between its co-operation programmes and member states' ones or other donors' ones**

#### **Indicator estimate**

See Indicator 9.1.1.

#### **Related facts, figures, and references**

### **Indicator 9.1.3: Reports on coordination mechanisms put in place**

#### **Indicator estimate**

In APRIS, the coordination between donors with relevant programmes at the ASEAN Secretariat was frequent but informal and technical in nature. Concretely, it was reported in the field phase, it was customary for leaders of the various projects supporting the ASEAN Secretariat to eat lunch together about once a month. With the increasing size and complexity of support being offered to the ASEAN Secretariat there a need to formalise such dialogue to avoid any risk of duplication or overlapping work programmes was recognised (1). The recent initiative of the EC Delegation in Jakarta to facilitate coordination and cooperation among the donors at the ASEC (USAid, AusAid, JICA, GTZ, InWent) is highly appreciated by both donors and ASEC.

In the trade/economy sector there are no examples for successful coordination to improve the complementarity of respective interventions. Consultations between the EC Delegations and EU MS both with regards to ASEAN interventions and regional/national activities in the ASEAN MS take place at regular intervals but - as all interviewees confirmed - these interactions serve more the purpose of an informal exchange of ideas/experiences and on common concerns (for example trade disturbances in individual ASEAN MSs) than formal coordination.

While the need to coordinate better between Asia-wide, ASEAN regional, and bilateral interventions has been widely cited during the field phase, and is recognised in various strategic planning documents such as RIPS. We are aware of no report which has been dedicated to analysing this problem and proposing responses.

#### **Related facts, figures, and references**

- (1) APRIS, Final evaluation report, p. 27.
- (2) Draft Desk Report, Evaluation of EC cooperation with Thailand, p. 109.

### **JC 9.2: EC contributed to launching EC Member States' joint programmes or consistent policy dialogue with ASEAN**

#### **JC assessment:**

We have found no joint programmes, apart from the ASEM Trust Fund (Indicator 9.2.1). Apart from normal EC policy dialogue procedures, we know of no processes in place to coordinate Member States' policy stances towards the region (Indicator 9.2.2).

### **Indicator 9.2.1: Existence of joint co-operation programmes**

#### **Indicator estimate**

No such programmes known. However, the ASEM Trust Fund (ATF), set up at the ASEM Summit in London in 1998 to provide technical assistance to countries struggling to cope with the Asian financial crisis, was managed by the World Bank.

#### **Related facts, figures, and references**



**Indicator 9.2.2: Existence of joint policy dialogue or common donors' platforms upstream to policy dialogue with ASEAN**

**Indicator estimate**

None known. In view of the sheer size of ASEAN as a policy actor; such a joint policy dialogue (e.g., among donors) appears unlikely. The one case where there may be upstream policy dialogue to work out a joint position is Burma/Myanmar. This would be of relevance to dialogue with ASEAN to the extent that, as confirmed by field interviews, EU / Western insistence on the Burma/Myanmar issue has been an irritant in relations with ASEAN.

**Related facts, figures, and references**

Interviews with ASEC officials.

**JC 9.3: EC contributed to achieve complementarity between member states' and other donors' interventions**

**JC assessment**

EC strategic planning documents have generally taken into account other donors' interventions (Indicator 9.3.4). There does not appear to have been a real effort to coordinate with other major donors, such as Australia, the U.S., and Japan, in areas where different policy approaches may be preferred (e.g., IPRs); see Indicator 9.3.1. However, the EC Delegation in Jakarta has played a leading role in initiating an improved coordination process to minimise overlap and maximise complementarity among the now multiple projects providing support to ASEC (Indicator 9.3.3). In general, documents consulted take good account of the EC's comparative advantage (Indicator 9.3.4). However, there is no explicit discussion of gaps to be filled (Indicator 9.3.2).

**Indicator 9.3.1: Records of EC achieving synergies between its co-operation programmes or policy dialogue and member states' ones or other donors' ones**

**Indicator estimate**

This is of importance, particularly as the interests of the EC and other major policy actors, especially the United States, do not necessarily sit comfortably together. An example of this is the approach to IPRs, which is quite different between these two major policy actors. In this specific area, there has been no attempt at coordination or even real strategic dialogue between the EC and US regarding ASEAN.

While potential synergies may be achieved in support to ASEC, this appears to be more by accident than by design. This is, for example, the case in the large InWenta administrative reform project currently being financed by the German Ministry of Foreign Affairs and similar activities financed by AusAid. These have the potential to leverage all support to ASEC by improving strategic planning and human resource management, but there is no evidence of a conscious attempt to reap synergies.

Coordination between the EC and International Financial Institutions (IFIs) is limited and there seem to be missed opportunities. For example, in the case of the Asia Trust Fund (which is not an ASEAN project in a narrow sense as other Asian states are also eligible for grants, but should be included here as it is the follow-up to the ASEAN Standards project): the absence of cooperation between the EC and WTO and UNCTAD in the design and implementation of ATF projects - despite the call for such cooperation made when the facility was established - is rather surprising as many project activities could have benefited from such cooperation (1).

See also Indicator 9.1.3.

**Related facts, figures, and references**

(1) Support to Malaysian Enterprises on Compliance with Green Procurement Policies and Guidelines in the EU. A project financed by the EU and ITC under the Asia Trust Fund, Final Report, Project No: MAL/A1/01A, June, 2007

**Indicator 9.3.2: EC strategic planning documents identify gaps and discuss means of filling them.**

**Indicator estimate**

We have come across no explicit discussion of gaps in the RSPs 2005-2006 and 2007-2013. However, both documents discuss at length the role of sub-regional cooperation as compared to regional and bilateral programmes.

**Related facts, figures, and references**

**Indicator 9.3.3: Actions taken to ensure minimisation of overlap**

**Indicator estimate**

We have discussed above (Indicator 9.1.1) evidence that the EC has taken other donors' activities into account in designing ASEAN-level cooperation. APRIS takes place in informal consultations with other support projects at ASEC and the EC Delegation in Jakarta has recently begun to organise a more formal programme of regular donor meetings to minimise overlap in their support to ASEC. APRIS also took the initiative in developing a project database to track TA provided; this tool had not, at the time of the field mission, yet been implemented, leading to some concerns.

**Related facts, figures, and references:**

**Indicator 9.3.4: EC strategic planning explicitly takes comparative advantage into account.**

**Indicator estimate**

The RSP 2007-2013 sets out (1) two aspects of regional-level cooperation which give it a comparative advantage :

- It may deal with issues that are inherently cross-border in nature (e.g. environment, energy, and climate change; infectious disease; uprooted people)
- There may be significant economies of scale on management (e.g., education programmes, where national windows are very expensive except in very large countries like India and China)

In addition, the "two-way value added test discussed above (see Indicator 8.3.3) is relevant; this brings to the fore the EC's comparative advantage in economic integration. The EC's concentration on capacity building and technical assistance relevant to economic integration is strong evidence of the pursuit of comparative advantage rooted in concrete experiences.

**Related facts, figures, and references**

- (1) Regional programming for Asia Strategy Document 2007-2013, p. 9.

**Indicator 9.3.5: EC interventions characterised by "additionality" and "gap-filling."**

**Indicator estimate**

Additionality is notoriously difficult to assess empirically. However, it is likely that the EC, as a supra-national organisation, has been able to cooperate with ASEAN, another supra-national organisation, in ways that would not have been possible for any European Member State. ASEAN officials interviewed in the field phase were strongly of the view that the fact that the EC is an international organisation like itself gave rise to a level of partnership that was not possible to achieve with bilateral partners. As discussed at many points above, EC assistance has been strategically programmed in order to fill gaps. The APRIS programme, which responds flexibly to expressed needs for expertise and technical assistance, is a good example. We have at several points expressed concern that APRIS "gap filling" has sometimes consisted of providing administrative support services that, in an ideal world, would be furnished by the ASEAN Secretariat itself.

Interviewees at the ASEC maintained that the EC was less flexible than national donors (mainly USAid and AusAid) to respond to emerging and ad hoc needs of ASEC and other stakeholders in the

regional integration process given the relative inflexibility of EC project log-frames. Yet, ASEAN stakeholders do appreciate the fact that the EC as a supranational actor has to operate in a different way than national donors.

**Related facts, figures, and references**

Interviews with ASEC officials

## 5 ANNEX 5 – IMPACT DIAGRAM / INTERVENTION LOGIC

See below.

