

38APR

ASIA-PACIFIC ROUNDTABLE

Recalibrating Asia's Frontiers

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Introduction

From 17-19 June 2025, the Institute of Strategic & International Studies (ISIS) Malaysia, on behalf of the ASEAN Institutes of Strategic & International Studies (ASEAN-ISIS), convened the 38th Asia-Pacific Roundtable (38APR) at the Hilton Kuala Lumpur.

The APR is ISIS Malaysia's flagship international conference, guided by contemporary Southeast Asian perspectives on strategic, political, security and economic issues in the Asia-Pacific region. It acts as a convening space for thought leaders, officials, academics, policymakers, journalists, students and other practitioners to share frank and insightful conversations. This year, more than 395 delegates from 44 countries attended. ISIS Malaysia remains committed to fostering an environment where such discussions can be held freely among our stakeholders, without the restriction of official or national positions.

This year's highlight was Prime Minister Dato' Seri Anwar Ibrahim's keynote address. This marked his third keynote, where he reflected on Malaysia's ASEAN chairmanship and the challenges faced in region and beyond. While acknowledging difficulties, he remained optimistic that ASEAN's foundations can continue to facilitate constructive engagements and active non-alignment with all partners. He also reminded delegates that amid ongoing conflicts such as India-Pakistan, Iran-Israel, and flashpoints like the Taiwan Strait, the Korean Peninsula and the South China Sea, dialogue and restraint must take precedence to preserve an environment that is inclusive, predictable and grounded in rules.

The 38APR also saw the participation of Foreign Minister Dato' Seri Utama Mohamad Hasan. His remarks at the welcoming dinner emphasised on the humanitarian responsibilities from being citizens of the world and the dynamism and diversity of the Asia-Pacific. Drawing on the themes of inclusivity and sustainability, the region needs to build resilience to overcome anxieties

rather than be defined by them. He also stressed that multilateralism needs to be retained, but they would require establishing a new normal to future proof international cooperation.

The plenaries focused on internal and external developments affecting the Asia-Pacific's future. Plenary 2 evaluated the dynamics brought by the changing leadership in Southeast Asia and how has ASEAN factored into their outlook. There was also a lively discussion during Plenary 3, which considered the China Plus One strategy and the impact of geopolitical fault lines on global supply chains and production networks. The other plenaries focused on the changing attitudes towards war and peace in the Asia-Pacific, the Myanmar crisis and the role of the US in the region.

The concurrent sessions discussed changes to some of the broader trends in the region. The first deliberated on the changes to the understanding of maritime security, particularly on the importance of freedom of navigation in the South China Sea for the sake of trade routes. The second explored the nuances differentiating minilateralism from traditional multilateralism and how different regions have responded to these changes.

The lunch and dinner addresses on 18 and 19 June were delivered by three heads of missions to Malaysia. HE Rafael Daerr, in his first address in the APR, spoke on how the European Union can contribute to sustainable partnership in the region through their commitment to their values in international law, multilateralism, shared prosperity and common security. HE Ouyang Yujing, Ambassador of China, reminded that the Asia-Pacific will need to remain proactive in protecting this stability through dialogue and consultation for the mutual benefit of all. Simon Fellows, Charge d'Affaires of Australia, reflected on synergies in history, values and aspirations between Southeast Asia and Australia that have allowed Australia to remain a steadfast and reliable partner.

All speeches are included in the report, including the closing reflections. Video recordings of the key remarks are available at <https://apr.isis.org.my/media/>.



Keynote address by **The Honourable Dato' Seri Anwar Ibrahim** **Prime Minister of Malaysia**

Excellencies, distinguished delegates, ladies and gentlemen.

Assalamu'alaikum, warahmatulahi wabarakatuh and selamat pagi.

Today, we stand as witnesses to an international order mired in crisis and uncertainty – swept by the tides of major-power rivalry, strained by geo-economic pressures, and increasingly challenged by non-traditional security issues.

These are not unfamiliar to us, but their impact – especially in Southeast Asia – has never been so acutely felt. It has compelled us to reassess our strategic outlooks, revisit our national priorities, and navigate the growing complexities of our relationships.

We find ourselves at a pivotal juncture. Will we remain bystanders as the world reconfigures itself, or will we choose to be agents of change? Do we reassess long-standing alliances and friendships, or do we reaffirm commitment to multilateral cooperation in the service of humanity?

Ladies and gentlemen,

ASEAN has laid a solid foundation that has guided us through disputes and crises, be it sovereignty and border issues, the scourge of pandemics, or climate disasters. It has anchored our economic integration through initiatives like the Regional Comprehensive Economic Partnership, and in the coming future, the Digital Economic Framework Agreement.

We will continue to place our trust in ASEAN's founding principles and its enduring potential. But we must go further in strengthening our collective resolve.

Malaysia assumed the ASEAN Chairmanship this year – a year of significance not only for our region, but for our shared hopes and aspirations. As agents of change, our Chairmanship must not merely reflect ASEAN's values, we must attempt to shape them. We must confront the hard truths about our regional architecture, renew our commitment to shared responsibilities, and strengthen cooperation beyond just rhetoric.



We are preparing for a world wrought with challenges, and must enhance regional integration, develop additional economic ties and tap future catalysts of growth including digital transformation, the exponential surge of Artificial Intelligence, and energy transition.

We are working towards upgrading existing trade agreements among member states and dialogue partners. In the face of rising protectionism, we must remind ourselves that trade is not a sideshow to security – it is part of the scaffolding that holds the region together. When trade falters, fractures follow.

The resounding success of the ASEAN-GCC-China summit last month, demonstrates not just ASEAN's convening power, but also our keen focus on leveraging economic synergies and building institutional collaboration.

The conclusion of the Digital Economic Framework Agreement will unlock the enormous potential of the region's digital economy. More importantly, the increased intraregional connectivity will open up opportunities for local businesses to expand their reach across the region.

As the world moves toward embracing a greener and more sustainable economy, ASEAN must adapt to better leverage on opportunities and partnerships. We are doubling down on energy transition and better practices such as the development of sustainable investment guidelines and the ASEAN Power Grid.

Beyond its economic potential, sustainable development is an urgent task because of the adverse impacts of climate change towards people's livelihoods. A truly people-centred ASEAN can only be achieved with a greener and more resilient region.

Ladies and gentlemen,

There are other spectres looming around us – great-power rivalry, inequality, transnational crime, and territorial disputes. The path ahead is to close ranks and act in unison in facing these challenges so that they do not weaken ASEAN as a bloc. As we reflect on these lingering challenges, one which a lasting solution remains elusive is the civil war in Myanmar.

As ASEAN chair, Malaysia deems it a profound responsibility to mobilise every viable ASEAN mechanism and cooperate with all partners towards the de-escalation of violence, and further down the road, a Myanmar-led and Myanmar-owned peace process.

The recent earthquake in Myanmar is a stark reminder that natural disasters do not wait for the semblance of stability when they strike. This was not just another humanitarian crisis – it was a moral test for all of us in the region.

Our actions must go beyond the transactional; it must be transformative. And so, I implore our brothers and sisters in Myanmar and ASEAN – let us strengthen our collective resolve to work towards a peaceful and resilient Myanmar.

Ladies and gentlemen,

The imposition of unilateral tariffs by the United States is a significant challenge to our nation and the region as we are deeply plugged into global supply chains.

International trade must be governed by transparent rules and legal predictability, not by unilateralism or coercive economic measures. Disruptions in trade and supply chain will only leave detrimental effects on businesses and hamper economic growth, further impacting efforts towards ensuring the socioeconomic wellbeing of the people.

That said, Malaysia will continue to engage constructively with the United States, China, the European Union, India, and others in advancing our national interests. And let there be no doubt: Malaysia's strategy of active non-alignment is a deliberate and principled framework – designed to maximise strategic flexibility, preserve decision-making autonomy, and engage all partners on our own terms.

Over the past two years, Malaysia has reached out to likeminded partners in the Global South to bridge regions, build collective resolve and promote shared prosperity. Our focus is clear: pragmatic, coordinated and action-oriented cooperation.

It is in this spirit that we have revitalised our pursuit of greater inter-regional connectivity and cooperation. It has been a catalyst not only for our efforts in Global South mobilisation but in encouraging greater coordination with the Global North in this endeavour.

The recent reinvigoration of BRICS to include members and partner countries from the Middle East, Southeast Asia, Central Asia, Africa, and South America, is the very essence of bridging regions. It is an opportunity to build new partnerships and renew old ones. Malaysia looks forward to collaborating as partner country and finding new avenues of niche area cooperation.

Contrary to reductionist perspectives on why several Southeast Asian countries are engaging BRICS, it is neither about taking sides nor moving away from the West. It is a manifestation of agency, autonomy and the trust in sustained cooperation to address shared challenges.

Ladies and gentlemen,

Yet again, events in the Middle East have made it patently clear how the tables of diplomacy could be instantly overturned by the fury of calculated violence. The incessant, punitive, and unprovoked Israeli strikes on Iranian territory – undertaken even as crucial talks were underway – are clearly aimed at shattering the possibility of dialogue itself.

Such actions, carried out with utter impunity, constitute a blatant violation of international law, further eroding the norms that hold the global order together. We call on those with power and influence to speak plainly and act decisively to restrain further escalation.

And in Gaza, the tragedy deepens with every passing day. The relentless assault on a besieged and defenceless population has exacted a toll of human suffering that defies comprehension. The staggering civilian casualties, overwhelmingly women and children, demand far more than pious proclamations of concern. They require concerted international action to uphold humanitarian law, secure an immediate ceasefire, and ensure the unfettered delivery of aid to those in desperate need. The credibility of the so-called rules-based order is on trial

To our west, the unresolved tensions between Pakistan and India remain a delicate fault line. Their future hinges not only on old grievances but also on present choices – whether to invest in stability or continue edging towards the cusp of catastrophe.

Elsewhere in the Asia-Pacific, the same pressures play out with different scripts. In the Taiwan Strait, the Korean Peninsula and the South China Sea, familiar flashpoints flicker. Here, as ever, we must insist on the primacy of dialogue over disruption, of law over disorder, of restraint over escalation.

Malaysia believes the future of this region lies not in hardened blocs or fragile balances, but in a security architecture that is inclusive, predictable, and anchored in rules – one in which active non-alignment is not merely tolerated but enabled to thrive.

While we do not pretend to be able to reshape the region to fit our ideals, we can act to prevent its worst outcomes. Stability is not guaranteed, but neither is chaos inevitable. What we do now – how we manage tensions, balance relationships, and defend our interests – will decide how the region weathers the storms ahead.

Thank you.



Dinner address by
Dato' Seri Utama Haji Mohamad Hasan
Minister of Foreign Affairs

Yang Berbahagia Datuk Prof Dr Mohd Faiz Abdullah, Chairman of ISIS Malaysia,

Members of the ASEAN-ISIS Network,

Excellencies, Ladies and Gentlemen,

Let me begin by thanking ISIS Malaysia and its partners, for the privilege of joining you once again at this annual roundtable.

We gather at a pivotal moment in global affairs. It seems as though I am always saying that it's a pivotal moment. But the truth is, that observation describes exactly what we do. In a world of non-stop headlines, we measure the weight of each moment, and we see the enormity of its implications on tomorrow.

We trace the steps, from one event to another, and chart the progression of history. But, what I would like everyone to remember, throughout the discussions scheduled over the course of this roundtable, is that we are not simply observers. We have a duty to each other and we have a role to play as citizens of this world.



This is the philosophy underpinning Malaysia's global outlook. Having been called to lead ASEAN this year, we've now passed the halfway mark and are actively building on the momentum of the past six months.

We do this in pursuit of a future for Southeast Asia that is fair and bright for the diverse peoples of this region. A future that is not shaped by, but instead overcomes, the anxieties of our current global landscape.

We do this, ladies and gentlemen, bearing in mind the core values of inclusivity and sustainability. Let me explain why these are our two anchors. Firstly, the only way to course-correct, in a world increasingly defined by "me first" national and cultural trajectories, is to foster inclusivity. And the only way to ensure a long and safe future, the prospects of which are currently endangered by the rising seas of climate change, is to make sustainability the lifeblood of everything we do now.

Indeed, chairing ASEAN is an immense responsibility, especially now. Multilateralism is buckling under the pressures of isolationism around the world. In a world such as this, we must resist the temptation to retreat into narrow nationalism. ASEAN's future cannot be built on the exclusive interests of each member. It must be rooted in our shared commitment to the ASEAN community.

Ladies and gentlemen,

No issue has tested ASEAN's sense of moral responsibility as much as the crisis in Myanmar. The crisis continues to inflict suffering on the people of Myanmar, destabilise regional security, and challenge the credibility of ASEAN itself.

The blowback that neighbouring countries have received, from this, is undeniable. The Southeast Asian nations are facing great pressure, from the combined threats of transnational crimes, job scams, and an increasingly urgent refugee crisis.

With each day that passes, we are taking decisive steps to ensure a pragmatic resolution. Our goal is to enable sustained engagement with all stakeholders in Myanmar, enhance coordination of humanitarian aid, and demonstrate ASEAN's seriousness in pursuing a pragmatic resolution.

Indeed, pragmatism is at the heart of how the nations of this region engage not just with each other, but with the world at large. The past few months have tested our will, as Southeast Asia finds itself, once again, caught in the economic crossfire between superpowers. But there is more to our role than that of the bystander. As I have said before, we must be the speakers, and not the spoken-for.

It is a new Cold War and we must, as we always have, adapt and overcome. But to do this, we must adjust our outlook. When I say “we”, I am no longer referring only to Southeast Asia but to the entire international community.

We are in need of a drastic overhaul, of some of the expectations that underpin multilateralism, including that there is some point, at which the world will return to “normal” or at which we will establish a “new” normal.

These times are behind us, ladies and gentlemen. We have entered the post-normal, and disruption and disorder are to be expected. It is time for us to stop pinning the weight of our hopes, on any one partner to carry us through instability, but instead, to nurture the kind of international cooperation, that enables us to all support each other. To future-proof the global order by making it truly global.

Ladies and gentlemen, there can be no thriving economy without peace. We have seen war and conflict disrupt global trade, in ways that should already have inspired significant change, by now. We are not immune to the turbulence beyond our waters.

Conflicts outside of the Asia-Pacific, whether in Europe, the Middle East or Africa, are not abstract or distant for us. They echo through energy markets, food supply chains, arms procurement, migration patterns, and global investment flows. They shape inflationary pressures, strain public sentiment, and test the resilience of multilateral cooperation. These external conflicts challenge the frameworks that underpin peace and security in our region.

As I said earlier, we have a duty to each other as citizens of the same world. This not only means a duty to engage in dialogue, but a duty to voice out when injustice becomes the norm.

Gaza, ladies and gentlemen. We cannot forget Gaza. Representatives from Malaysia, including myself, have repeated its name on the world stage till our throats have gone dry. And yet day by day, the bombardments continue. We will not see the end of this, for as long as members of the international community continue to excuse, genocidal actions as self-defence.

Almost two years ago, when these violations of international law began, we warned that it may grow into a regional hot war. And indeed it has, when Israel escalated the conflict by launching offensive strikes on Iran.

Malaysia condemns these attacks. We view it not only as a blatant escalation of violence and agitation for war, but also, as a further destabilising action in an already unstable regional dynamic. The economic fallout from these attacks is clear to see. Global oil prices have already surged, as stakeholders expect major supply disruptions.

Ladies and gentlemen,

My final point for this evening touches on a pressing concern: the evolving strategic calculus in the Asia-Pacific, amid an increasingly unpredictable global environment. The Asia-Pacific remains one of the most dynamic regions in the world – a hub of economic growth, innovation, trade, and connectivity.

For policymakers in this region, the calculus is increasingly complex. How we respond to crises beyond our borders, and how we insulate our region from their consequences, will determine not just our economic trajectory, but the integrity of our regional peace architecture.

In a world as interconnected as ours, we cannot afford to become inwardly obsessed, ladies and gentlemen. We have already seen what happens, when countries abandon kinship with their neighbours and allies, and withdraw from multilateral collaboration, to pursue a “Me First” mindset.

Humanity is facing threats that endanger us all. The many perils of climate change, and the constantly evolving dangers of unregulated tech. The world has also, only recently, emerged from three years of a severe health emergency. Under such existential pressures, we must keep multilateralism alive. But we also have to ensure that the way we do it changes.

Ladies and gentlemen,

In closing, let me reiterate my congratulations to ISIS Malaysia and its partners for convening the 38th edition of the Asia-Pacific Roundtable. I wish to thank you for this honour, and my best wishes to all of you for a productive discussion ahead.

Thank you.



Opening remarks by

Datuk Prof Dr Mohd Faiz Abdullah

2025 Chair of the ASEAN-ISIS Network; Chairman of ISIS Malaysia

Your Excellencies,

Distinguished panellists and delegates,

Ladies and gentlemen,

On behalf of ISIS Malaysia and the ASEAN-ISIS network, it is a pleasure to welcome you to the 38th Asia-Pacific Roundtable.

For nearly four decades, the Asia-Pacific Roundtable has been a space for reflection, exchange, and shared inquiry into the forces shaping our region. What began as a modest gathering of Southeast Asian thinkers and officials has grown into one of Asia's most notable, and if I might add, respected Track 2 forums – thanks to the dedication and vision of many in this room and beyond.

This year's theme – "Recalibrating Asia's Frontiers" – invites us to take stock of the profound changes underway: geopolitical, geoeconomic, normative. In many areas, the frontiers have already shifted. The question is how we respond: collectively, creatively and purposefully.

Over the next two days, we will explore that response across a broad spectrum of thematic undercurrents: the contestation of norms, the role of maritime order, shifting trade flows, great

power dynamics, and Southeast Asia's evolving leadership. We will also confront difficult questions – not least in the case of Myanmar and the South China Sea – that test the resilience and cohesion of our region.

We are again fortunate this year to be joined by both the prime minister and the foreign minister of Malaysia. Their participation amid the demands of ASEAN chairmanship is deeply appreciated. We heard from the foreign minister yesterday and look forward to the prime minister's keynote tomorrow morning.

I am equally grateful to our speakers and instigators – many of whom have travelled long distances to be here – and to all our delegates for your presence and participation. The APR has always been enriched by what happens not just on stage, but in the margins, corridors, and over coffee.

I also extend my appreciation to Bapak Jusuf Wanandi for joining us this year and for agreeing to deliver some closing reflections as the penultimate item on the agenda.

I want to take a moment to warmly acknowledge our partners and sponsors, whose generous support makes this gathering possible. Their contributions are vital to sustaining the APR and ensuring its continued relevance.

We are especially grateful to the Australian High Commission, the Delegation of the European Union and the Konrad-Adenauer-Stiftung.

We also sincerely thank the Embassy of the People's Republic of China, the High Commission of India, the Embassy of the United States, and the Ministry of Foreign Affairs and Trade of New Zealand.

And we gratefully acknowledge the support of the Embassy of the Republic of Korea, the International Committee of the Red Cross and the Embassy of Japan.

Ladies and gentlemen,



Allow me to close by restating what this Roundtable stands for. I say this not out of formality, but because it matters. Our hope is that every participant leaves this conference having felt the pulse of Southeast Asia and the wider region. That, more than anything, is the distinctive value of the APR.

But beyond diagnosis, we hope to contribute to solutions, especially for the most vexing challenges we face. That is why this conference draws primarily from outside government. It reflects a belief that those of us in Track 2 – while aware of official positions – are not bound by them. That we can push the conversation forward. That we can challenge orthodoxy, test new ideas, and speak with a measure of freedom that officialdom cannot always afford.

Indeed, this gathering is not for the sake of vanity or mere performance. It is not a spectacle dressed in scholarly robes. We are here to serve a serious purpose, engaged in robust discourse. We may even quibble or squabble as we argue and advance our contentions and, to my mind, that is the test of Track 2 diplomacy, which is nothing if it cannot be the arena for the vigorous contestation of ideas.

If our discussions merely echo official scripts, then we will have missed the moment; and denied ourselves the opportunity of a candid no-holds-barred discourse so crucial for a meaningful roundtable such as this.

So, I urge our speakers, and indeed all participants, to embrace that responsibility: to question, to provoke, and above all, to contribute. That is the spirit in which this Roundtable was founded, and that is the spirit in which it must continue.

With that, welcome again to the 38APR. I wish you a rich and rewarding two days ahead.

Thank you.



Lunch address by **HE Rafael Daerr** **Ambassador of the European Union to Malaysia**

Datuk Prof Dr Mohd Faiz Abdullah, 2025 Chair of the ASEAN-ISIS network and Chairman of ISIS Malaysia,

Excellencies,

Ladies and gentlemen, colleagues and friends,

This is the first Asia-Pacific Roundtable I have the honour to attend. I am grateful for the opportunity to join you for two days of inspiring discussions about the security landscape in this fascinating and vibrant part of the world.

As Prof Faiz highlighted yesterday, this particular APR is closely linked to Malaysia's ASEAN chairmanship 2025. So, in preparing today's address, I looked at the conference proceedings of the 29th APR, which took place exactly 10 years ago, during Malaysia's last ASEAN chairmanship.

What struck me most was how many of the challenges described in 2015 are still on top of today's agenda, with ever more urgency.

For example, the report from 2015 describes hedging behaviour in an environment of rising competition and strategic uncertainty. It analyses the repercussions of the shift of the global economic centre to the Asia-Pacific and speaks about an increasingly multipolar world.

It warned about challenges in the South China Sea and speaks, I quote, about a “shift from cooperation towards a zero-sum, winner-takes-all attitude by large powers”. It mentioned new cyber threats, competition over natural resources, including water, and it even refers to trade becoming another arena for major power rivalry.

Sounds familiar? That’s what I thought!

Quite a few of the visionary speakers from 2015 are actually in this ballroom right now. I want to acknowledge their analytical capacity to see so many of today’s challenges coming. At the same time, I believe that most of us were surprised about the rapid pace with which the world is changing.

We have heard many pertinent analyses this morning. And indeed, the question is: how do we respond? Since politics, ultimately, is about what we do. The concrete steps we take to make the world a better place for our peoples and our citizens to live in.

The European Commission recently asked former Finnish president Sauli Niinistö to take stock of today’s challenges – and propose a roadmap of what needs to be done. Let me read a paragraph from his findings: “Since the start of this decade, the EU has experienced the most severe pandemic in a century; the bloodiest war on European soil since the Second World War; and the hottest year in recorded history. The Covid-19 pandemic was a crisis of a nature and magnitude for which all member states and the EU as a whole were insufficiently prepared. Russia’s full-scale invasion of Ukraine showed that it takes two to maintain peace, but only one to start a war. Moreover, the increasing damage caused by extreme weather events is forcing Europeans to ask not only how climate change will affect future generations, but also what we need to prepare for today.”

Niinistö continues: “These deeply disruptive events are neither transitory nor isolated. They are driven and connected by underlying fault lines, long-term shifts and root causes that point to a prolonged period of high risk and deep uncertainty... We need to awaken to a new, unstable reality and there is no reason to expect that the underlying driving forces will dissipate in the foreseeable future.”

True, Sauli Niinistö was tasked to look at things from an EU perspective. At the same time, if you look at the key vectors he highlights – the Covid-19 pandemic, Russia’s unprovoked and illegal war on Ukraine, including its harmful impact on energy and food security (and international law), as well as climate change – their impact was strongly felt all across the globe – and it still is.

We would all be well advised to draw our lessons from these experiences: with regard to securing supply chains, addressing the root causes of climate change and preparing for its consequences, ensuring food security or avoiding dependencies on specific partners, whether with respect to energy, critical raw materials or security.

The above vectors are not the only ones. This forum, already 10 years ago, rightly singled out cybersecurity and hybrid threats, maritime insecurity and several others. While I won’t mention them all here, as this morning’s panel summarised the situation very eloquently, it is, however, worth highlighting climate change and the fundamental shifts, as they are the two biggest challenges lying ahead. In the case of AI, the technology could also provide solutions.

While we might have anticipated many challenges, the world in 2025 looks very different from what we had optimistically hoped for in 2015. We are all facing a new, harsher reality.

What have we done in response? In short, we decided to strengthen our resilience and economic security, to reinforce our civilian and military preparedness, and to build sustainable partnerships with likeminded.

We have seen in European history that every crisis can also be an opportunity. And indeed, the EU's response this time is different than 10 years ago. It is more ambitious, with a clear focus and significantly more resources. And we decided to prioritise cooperation with partners wherever possible.

To strengthen resilience and economic security, the EU has diversified supply chains, invested in digital and green technologies to enhance competitiveness, sustainability and independence, increased its focus on strategic sectors, such as semiconductors and critical raw materials, bolstered production and research capabilities, and implemented policies to enhance cybersecurity and safeguard critical infrastructure. All this underpinned with substantial funds and financial instruments, such as the European Recovery and Resilience Facility.

We are reinforcing civilian and military security. For decades, we focused on building trust, rather than building a stronger military. Focus was disarmament, NATO established the NATO-Russia Council and there was even talks of Russia becoming a NATO member. Europe cut defence spending, enjoying a "peace dividend" and investing in its people and economic prosperity instead. This worked as long as all sides shared the goal to preserve peace. But instead of enjoying the "peace dividend", we were de facto running a "security deficit". Russia's invasion of Ukraine was a stark reminder that the peace consensus is gone and that power competition is back.

Europe must now take greater responsibility for its own defence. Raise defence spending, despite fiscal constraints. We have to act fast and decisively. The European Commission has already proposed a plan to mobilise over US\$800 billion for defence and to give our member states more flexibility to increase defence spending without violating EU fiscal rules, which could add up to US\$650 billion in additional funding over the next four years.

Build closer cooperation: how we spend the money is as important as how much we spend. We must close critical capability gaps, but we also need to invest in advanced systems (ex: air and missile defence, military AI, quantum computing...)

Widen Europe's defence industrial base and create synergies to increase our defence production and meet the growing demand. We need large-scale, collaborative projects that can pool resources, ensure interoperability and reduce delivery times. We have some of the world's most advanced defence companies and many innovative SMEs pushing the boundaries of technology.

Solidify support and security guarantees for Ukraine. Regretfully, we were compelled to return to the principle that led my parents' generation safely through the Cold War and prevented it from turning hot. The guiding principle is deterrence equals peace through strength.

That's why Europe is now mobilising its resources to address these urgent challenges, increasing our defence spending to become more independent. We increased defence spending by 30%

between 2021 and 2024. Not out of choice but out of necessity. Not to threaten anyone but to deter any attacks against a united Europe.

Let me stress again in different words. Our overarching goal has not changed: we want to preserve peace. This is what the EU was designed for in its very origins. But since the road has become more bumpy, the environment more hostile, we must reinforce the vehicle. Not to threaten anyone, but to deter any attacks.



We seek partnerships built on trust and mutual respect for each other's interests. Probably all countries in the region would place the protection of their sovereignty and territorial integrity at the top of their priority list. With many, another focus will be trade and investments, with others research and education. For a few in the room, climate change might be the chief concern, as the very existence of their country will depend on the measures we are jointly taking to address the root causes. It is only natural that national interests vary, and we aim for tailor-made partnerships.

This is how we want to engage: hear our partners' interests and concerns and share our own expectations in return, in an honest and transparent manner. On that basis, jointly identifying common ground whenever possible, or find mutually acceptable and beneficial compromises.

The EU security engagement can take different forms, from new security and defence partnerships to dialogue formats. And cover different areas. We are ready to collaborate on maritime security, counter-terrorism, the prevention of natural disasters, countering hybrid threats or possible even on joining our efforts to diversify military supply and to access new capabilities.

We can help each other deliver on our security objectives. We can join forces where we have technology and expertise, such as on cybersecurity, space and drones. This is not only about

stability in our respective regions. It is also a key part in strengthening our economic security and ultimately our prosperity.

Let me turn to another dynamic field where we can be stronger together: free trade and upholding multilateral principles. In today's interconnected world, there is no such thing as "far away". Our economies are closely intertwined, in many ways interdependent. For decades, this has in principle worked well. However, we have in recent years witnessed an increasing weaponisation of dependencies in international trade relations. And as global geopolitics become more tense, economic relations are increasingly shaped by security considerations, not just efficiency.

We've seen this shift since the pandemic, worsened by tensions between the US and China, Russia's war on Ukraine, and increasing economic coercion. Some analysts even argue that the WTO model of free trade is outdated in this new, more securitised world. We will adapt where necessary but continue supporting the rules-based trade order. Our regions undergo significant economic and industrial transformations, and we share a strong interest to actively diversify our value chains. Trade is one key element in that respect.

Our FTAs and our green and digital partnerships go beyond economic interests – they aim at strengthening stability, security and the multilateral system. And these are not mere slogans. A clear indicator of our joint commitment to delivering prosperity for the benefit of our respective peoples are the FTAs that the EU currently negotiates with partners here in the wider region.

As EU ambassador to Malaysia, I particularly welcome the negotiations for an EU-Malaysia FTA, with the first round starting in less than two weeks. I believe this can be a launchpad to strengthen cooperation in key sectors which will drive the global economy. From semi-conductors to clean tech, from AI – we just had a summit in Paris, and soon Malaysia will host an ASEAN AI summit – to high performance computing and digital public infrastructure.

By investing together in this tech and by building strong supply chains, we can create a real advantage for ourselves in today's competitive global economy. And we should draw on each other's skills and talents. The above also applies to the wider region, as could be witnessed in the countries who already have an FTA with the EU in place.

We should also continue to deepen the connectivity links within our regions and between them. This forms part of our distinctive offer under the Global Gateway Initiative, launched in December 2021 – to help build diversified and secure supply chains and to unlock sustainable investments in partner countries. We have a joint interest in making this work. And there is much we can learn from each other.

In closing, let me circle back to our event today and the Asia-Pacific. The region is crucial to us Europeans for many reasons: in terms of population and dynamic economic growth, here is where the future of the planet will be shaped, for the better or for the worse. The region is a key trading partner and both a destination and source of FDIs. Over 40% of world trade flows through the region and the Strait of Melaka, we share a strong interest in maritime security and safety, as well as unhindered access to international waterways. The region is a natural partner in many fields, including the green and digital transition. Our people are connected.

And just like ASEAN and the wider Asia-Pacific is a crucial region for the EU, I humbly believe that the EU can be considered an attractive and reliable partner: we seek partnerships

based on choice, not dependency. As stated earlier, our overarching goal is to strengthen our resilience, diversify supply chains, reduce dependencies, and preserve our sovereignty and independence. But naturally, we fully understand and support that our partners will want the same. Preserve the freedom of choice!

A lesson learned that we gladly share in this context is to avoid being overdependent on any of one's partners. We also do not demand exclusivity of our partnership. We want our friends to have a multitude of partners. And we also don't expect anyone to blindly side with us or any other partner.

What we do ask is to side with the fundamental principles underpinning our relations. And to contribute where possible with concrete efforts to the solution of common challenges in a way that corresponds to the respective means, abilities and experience. It is about addressing challenges together.

Multilateralism and cooperation is in our DNA. The EU unites a group of mid-size countries, who initially convened as a peace project based on economic integration, then growing into a political entity. Just like most countries in the region, we are countries who know that we can only defend our common interests and address global challenges together.

We put our resources where our words are. We provide tangible support – technical and financial. As suggested earlier today, statistics and facts speak for themselves. The EU and its member states combined remain the biggest global provider of ODA. In 2023 nearly €96 billion was spent, for example, to address root causes of climate change. Or to provide support and relief in crisis situations: in Gaza, Syria or Ukraine, Myanmar or elsewhere. And we also got involved with concrete support actions and put our political weight behind. Not always easy and at times impossible for lack of unanimity but it is not for lack of trying. Admittedly, the results are not always the ones we aim for. It still is a significant engagement and dedication of resources that are also scarce for us.

Not least, we are also an attractive single market and important partner for trade, investments, research, education. We will stand with those who choose cooperation, shared prosperity, and common security – because that is the world we believe in – and what Europe stands for. We are committed to upholding international law and multilateralism. So that the small are not pushed around by the big. So that might makes not right. And we stand with those who defend international humanitarian law. This must be the benchmark – in Myanmar as much as in Yemen or Sudan. In Gaza as much as in Ukraine and Iran.

Ladies and gentlemen,

As the high representative of the EU, Kaja Kallas, who will soon come to Kuala Lumpur, recently said at the Shangri-La Dialogue: "If you reject unilateralism, bullying and aggression, and instead choose cooperation, shared prosperity and common security, the EU will always be by your side."

I wish the 38th Asia-Pacific Roundtable successful deliberations, and I look forward to ideas and proposals on how to ensure the necessary amount of cooperation in an increasingly contested world. Many thanks for your kind attention and enjoy your lunch!



Dinner address by
HE Ouyang Yujing
Ambassador of the People's Republic of China to
Malaysia

Honourable Datuk Prof Dr Mohd Faiz Abdullah, 2025 Chair of the ASEAN-ISIS network and Chairman of ISIS Malaysia;

Heads of ASEAN-ISIS;

Your excellencies; ladies and gentlemen.

Good evening.

It is a great pleasure and honour to deliver the dinner address on the 38th Asia-Pacific Roundtable. On behalf of the Chinese Embassy in Malaysia, I give my warm congratulations to the successful convening of this prestigious event. My heartfelt gratitude goes to Datuk Prof Dr Faiz and his highly competent team for extending me the invitation and providing us a great platform to gain wisdom and insight. Thank you.

Being the most populous and economically vibrant area in the world, Asia's development goes beyond its own region, which is largely shaping global geopolitical evolution and humanity progress. What kind of place we want Asia to be? How to shape Asia's future? These weighty questions require serious pondering. I would like to share my perspective in four points.

First, we want Asia to be a place of peace and tranquillity. Suffering long from colonisation and wars, people of Asia cherish dearly the hard-won gift of peace. “Peace outweighs all”, “live in harmony despite differences”, “be loving and kind to others” are deeply rooted and shared by Asian people. Peaceful and tranquil at large, Asia today is challenged by tough situations.

Some country outside the region wanted to profit from making Asia a confrontational place. It aggressively pushed forward the “Indo-Pacific strategy”, flared up the “China threat” propaganda and even stationed the Typhon missile system in the region by coaxing one of the regional countries, aiming to set up another NATO in Asia. A frequent meddler in the South China Sea and other regional affairs, this country also provoked the escalation of Israel-Palestine conflicts and intensification of Israel-Iran fighting, continuously adding risks and tension to the region.

In face of such adversity, we should be firm in pursuing the Asian vision of common, comprehensive, cooperative and sustainable security, and strive for common development based on extensive consultation, joint contribution and shared benefits. We should be vigilant on moves which might jeopardise regional peace and security and take collective measures to counter them. We should do everything we can to ensure Asia of continued peace and stability. China will unswervingly take the path of peaceful development and be the dedicated builder and protector of regional peace. However strong China may become, it will never be a hegemony to impose will on others.

Asia cannot prosper without a peaceful and stable South China Sea. China is committed to observing international laws, including UNCLOS, and staying loyal to statements made in the DOC (Declaration on the Conduct of Parties in the South China Sea). China is firm in handling differences with countries concerned through dialogue and consultation and actively expanding practical maritime cooperation. Now, China has signed the intergovernmental consensus document on maritime joint development with Indonesia, initiated bilateral dialogues on maritime issues with Malaysia, realising a full coverage of institutional dialogues with all maritime-issue-concerned countries. This year is a critical year for COC negotiation. China is willing to strengthen communication and coordination with ASEAN countries to achieve more consensus and jointly bring an early conclusion to COC to meet the three-year schedule. With concerted efforts, we can make the South China Sea a sea of genuine peace, friendship and cooperation.

Second, we want Asia to be a place of mutual benefits and win-win cooperation. Connected by mountains and rivers, Asian countries enjoy complementary strengths and shared interests. With joint efforts, “the 21st century of Asia” is becoming true. Just at this time, a new form of economic hegemony loomed over Asia. Some country has launched a global trade war out of pure selfishness, which badly undermined global economic order and the international community’s interests.

The Asian wisdom tells us that “one chopstick is easy to break, while 10 binding together is as strong as iron”. In face of the economic hegemony, we should get united and support each other as one. We should expand and deepen comprehensive coordination and win-win cooperation, firmly upholding the WTO-centred multilateral trading system, steadily promoting an equal and orderly multipolarity and collectively advocating a universally beneficial and inclusive economic globalisation. We should implement RCEP with high quality and ensure a timely signing and implementation of the China-ASEAN Free Trade Area (CAFTA) 3.0.

We should make full use of the Asian Infrastructure Investment Bank (AIIB), the Silk Road Fund and other financing platforms, and create new growth points in green development, blue economy, digital transformation, artificial intelligence, and people-to-people exchanges, etc.

China firmly supports ASEAN centrality. Not long ago, Premier Li Qiang came to Malaysia to attend the first ASEAN-GCC-China summit, a pioneering move to boost regional connection and economic cooperation. Bringing great growth opportunities to the three parties, this summit also added a great deal to global peace and stability.

Third, we want Asia to be a place of openness and connectivity. The idea of “opening gate to integrate with the world” underlies Asia’s success as the world’s most dynamic region. Promoting free trade to realise economic integration, advocating joint development by connecting one another, and making friends with an open mind are some of the recipes making “the Asia miracle” come true. Now, some country wanted to cover its own governance failure by scapegoating others. It constructed “small yards with high fences” and advocated “decoupling and breaking chains”, seriously undermining the healthy flow of global production and supply chains and global economic development.

President Xi Jinping pointed out: “Snuffing out others’ candles does not bring more light; blocking others’ paths will only end up blocking his own”. China is a consistent supporter of globalisation and cooperation, who takes openness over isolation; cooperation over confrontation; and mutual win over zero-sum. By April this year, China has signed BRI joint construction cooperation agreements with 25 regional countries and become the largest trading partner of 18 countries. The completed Jakarta-Bandung and China-Laos Railways, the in progress East Coast Rail Link and China-Pakistan Economic Corridor are but a few of the landmark BRI projects, which have immensely enhanced regional connectivity and kept adding to Asia’s weight in the global economy.



We should adhere to open regionalism and genuine multilateralism. We should deepen development integration, build high-level connectivity network, and strengthen industrial and supply chain cooperation. We should speed up building the free trade area of the Asia-Pacific (FTAAP) and keep furthering regional economic integration. An open and interconnected Asia will invigorate global economic growth.

Fourth, we want Asia to be a place of inclusiveness and harmony. Home to around 50 countries, over 1,000 ethnic groups and 100 plus languages, Asia learned the wisdom of living in harmony amid differences. Asian people honour peace, cooperation, openness and inclusiveness as core values, on top of which the unique Asian modes of the five principles of peaceful coexistence, Bandung spirit and ASEAN way, have been put forward to guide country-to-country relations, providing the philosophical foundation of “the Asia miracle”. Driven by ignorance and arrogance, some country provoked ideological bias and value confrontation in the region.

In face of this, we should get wisdom and confidence from our civilisation and wisdom and make our diversity an inexhaustible source of power driving Asia forward. We should “respect each other, be open and inclusive, and make collective decision on consensus” in dealing with country-to-country relations. We should “seek common ground while shelving differences” diverging in opinions and interests. We should assist one another in times of need and difficulty as brothers and sisters and enhance people-to-people exchange to tighten bonds.

Ladies and gentlemen,

China attaches priority importance to developing relations with neighbouring countries. Not long ago, the Central Conference on Work Related to Neighbouring Countries was held in Beijing, on which President Xi Jinping pointed out: “Neighbouring countries are the foundation in realising development and prosperity. They are pivotal in ensuring national security, of top priority in designing the overall diplomacy, and key to advancing building the global community with a shared future for humankind”. Upholding high building the global community with a shared future for mankind, China is committed to fostering an amicable, secure and prosperous neighbourhood and dedicated to building Asia a peaceful, safe and secure, prosperous, beautiful and amicable home for all.

China will take the Asian values of peace, cooperation, openness and inclusiveness as guidelines, and observe the principles of amity, sincerity, mutual benefit and inclusiveness in developing relations with neighbouring countries. Sharing weal and woe together, China will take risks together, seek common ground while shelving differences, and reach consensus through dialogue with Asian neighbours. China will continue to expand high-quality BRI cooperation and proceed with its own modernisation to bring more benefits to the region and the world.

China will keep injecting certainty and predictability into global economy with its own steady and stable growth. With economic transformation and industrial upgrading accelerated, a new development pattern is taking shape in China, mainly driven by domestic demand and sci-tech innovation. The first quarter of this year has seen China’s gross domestic product (GDP) growing by 5.4%, surpassing last year’s 5% average growth rate. Over the past five years, domestic demand has contributed more than 80% to China’s average economic growth. The added value of the “three new” economies, namely, new industries, new business forms and models, accounted for around 18% of China’s GDP in 2024.

China will keep providing development opportunities to the rest of the region by expanding high-standard opening. Being the largest trading partner of 13 APEC economies, China contributed 64.2% to Asia-Pacific economic growth. 2024 marked China the world's second largest import market for the 16th consecutive year, seeing 2.3% increase than the previous one. It also witnessed a drastic slash of China's foreign investment negative list, from 190 down to 29 in the national version and 27 in the free trade pilot zones version, leaving none in the manufacturing sector. Last year, 59,000 foreign invested companies established in China, seeing a 9.9% increase than the previous year. "Going to China" has become a trend embraced by foreign companies.

China has voluntarily expanded unilateral opening up, implementing mutual visa exemption with 25 countries and unilateral visa exemption with 38 countries. China has granted zero tariffs on all products from all the least developed countries having diplomatic relations with China. Dragged into the trade war unilaterally launched by the US, China took decisive and resolute measures to protect its legitimate rights and interests. As a responsible power, China is open to having dialogues with the US. The recent Geneva talk and London consultation have well demonstrated China's commitments and broad-mindedness in resolving difference for reaching consensus.

Ladies and gentlemen,

"One small boat cannot withstand stormy waves; a giant ship with all striving for a common goal can sail far." Taking risks together to safeguard peace, sharing opportunities to promote common development, Ship Asia will sail steady and far. Join hands, we will make Asia a peaceful, safe and secure, prosperous, beautiful and amicable home for all.

I wish the 38th Asia-Pacific Roundtable a great success! Wish everyone a wonderful evening! Thank you.



Lunch address by **Simon Fellows** **Chargé d'Affaires of the Australian High Commission in Malaysia**

ISIS Chairman Datuk Prof Dr Mohd Faiz Abdullah. A good friend of the high commission.

Excellencies, ladies and gentlemen. Selamat tengah hari.

At this time 80 years ago, you would've found my grandfather some 1,800km east of where we are now in Borneo. Walter Raymond Allan from Bondi came to the region with the Royal Australian Air Force as World War II was nearing its end. He had a humble but important job as part of Australia's contribution to the Allied effort, repairing, servicing and running spare parts for our aircraft.

Of all that my grandfather did while in Borneo, I am particularly glad for one thing. He was a keen photographer. During his time living amongst the local community, my grandfather took photos of his friends and daily life in the kampung.

As he showed me these photos when I was a young boy and shared stories of his time in Borneo, my grandfather spoke of the kindness, warmth and generosity of the local people he had met.

And when I had the honour of returning to the region as acting high commissioner here in Kuala Lumpur, I couldn't help but feel the same. I have been overwhelmed by the hospitality of my Malaysian hosts. I would like to say thank you.

The opportunity to represent Australia at a commemorative service in Sandakan last year, a site where so many Australian service personnel lost their lives, and to meet the descendants of some of those who hadn't returned gave me a new perspective on my grandfather's stories and photographs.

The experience challenged me to reflect on the past and look ahead with purpose. As does the theme for the 38th Asia-Pacific Roundtable "Recalibrating Asia's Frontiers".

In these times, we face new and changing frontiers: our sense of identity, as bilateral partners and crucial players with agency in this dynamic region; our economic resilience and how we protect our prosperity; and our security and how we work together to prevent conflict.

And as Prof Faiz said when he opened this conference yesterday, the question is how we respond to these new frontiers – collectively, creatively and purposefully.



Australia's Foreign Minister Penny Wong has said we live in the most dangerous set of circumstances since World War II. In times of deep uncertainty, we turn to our partners and friends for support. For Australia, Malaysia is one such friend.

This year marks a major milestone. Seventy years ago, Australia established its first diplomatic mission in Kuala Lumpur. Back then – in 1955 – the region looked vastly different. Yet that moment marked the beginning of a shared journey.

Seventy years of partnership gives us much to celebrate and a strong foundation to build upon. Malaysia's 2025 ASEAN chair theme "Inclusivity and Sustainability" echoes the values that have long underpinned our relationship.

Inclusivity is at the heart of who we are as Australians. We are a multicultural and diverse nation. One in two Australians was either born overseas or has a parent who was. This cultural and linguistic diversity shapes how we engage with the world and strengthens our understanding of and connection to the region.

Australia's connection to Malaysia has been centred around education ties. We are proud of the approximately 500,000 Malaysian alumni of Australian education institutions, including at the five Australian university campuses here in Malaysia. Our Foreign Minister, Penny Wong, embodies this connection. Her father, originally from Sabah, was among the first Colombo Plan scholars who went to study in Australia, where he also met her mother.

Minister Wong spent her early years living in Kota Kinabalu, before moving to Australia. As she often says, "when we look around our neighbourhood, we see ourselves reflected". And it's one reason why Australia has been, is, and will remain, a steadfast, reliable partner for Southeast Asia. We are working with partners in Southeast Asia to shape a peaceful, stable and prosperous region, with ASEAN and ASEAN-led institutions at the centre.

A region that is resilient, operating by agreed rules, norms and standards, where all countries can cooperate, trade and thrive, and respect for sovereignty and international law is upheld. That requires strategic balance. It requires all countries in the region to exercise agency and play their part.

This is why we see ASEAN as holding the centre of the Indo-Pacific. Australia was proud to become ASEAN's first dialogue partner in 1974 and comprehensive strategic partner in 2021. And we are strong supporters of the ASEAN Outlook on the Indo-Pacific.

As this year's ASEAN chair, Malaysia has demonstrated commendable leadership in advancing a vision for peace, stability, and prosperity. We welcomed the Kuala Lumpur Declaration, and ASEAN leaders' decision at the recent summit to admit Timor-Leste as the 11th member in October – a key milestone in regional integration.

We also recognise and support ASEAN's efforts to address the worsening crisis in Myanmar, including the constructive efforts of the special envoy following the recent earthquake. And we continue to urge the regime to implement in full, its commitments under ASEAN's five-point consensus.

Distinguished guests, economic turmoil is the second frontier we must face together. Amid geopolitical uncertainty and rising protectionism, it's tempting to turn inward. But resilience today means enduring shocks, adapting to change, and emerging stronger through cooperation, innovation and trusted partnerships.

For Australia and Malaysia – two open, outward-looking economies – this begins with an unwavering commitment to multilateralism and the rules-based trading system. Our four free trade agreements with Malaysia are a testament to that commitment. And the results speak for themselves.

In 2023-24, two-way trade between our countries reached RM91 billion, making Malaysia our second largest trading partner in ASEAN and a top 10 trading partner globally. By 2040, Southeast Asia is expected to be the world's fourth-largest economy and Australia wants to ensure we are positioned to maximise our shared economic potential.

We recognise that our security, prosperity and economic future are intimately linked to the region. That is the spirit behind Invested: Australia's Southeast Asia Economic Strategy to 2040. Launched by Prime Minister Albanese in 2023, this is a roadmap to boost two-way trade and investment with the region. Giving effect to the strategy, our RM5.5 billion Southeast Asia

investment financing facility is building a strong pipeline of projects to boost Australian trade and investment in the region.

We are also deepening our collaboration in future-facing sectors such as the ASEAN power grid and responsible AI – laying the groundwork for a cleaner, more secure and connected regional energy future. Just this week, I was pleased to join a delegation of over 20 Australian companies working at the forefront of the energy transition, here for the Energy Asia Conference.

And in a time of global instability and tightening donor budgets, Australia remains steadfast in its commitment to a high-quality development assistance programme in Southeast Asia – one that responds to the needs of our partners.

Excellencies, ladies and gentlemen, we have heard much over the past two days about heightened tensions, both in our region and globally. In this context, the third frontier we face is how we can work together to prevent conflict.

Since the end of the Second World War, over 70,000 Australian Defence Force personnel have served or trained in Malaysia, including under the Five Power Defence Arrangement, which remains an indispensable anchor for regional security.

Our military officers are embedded within each other's services, a rare arrangement built on mutual trust, respect and deep operational cooperation. Together, we conduct joint maritime domain awareness exercises over the Andaman Sea and South China Sea, protecting vital waterways in accordance with international law.

Later this year, we will mark the 80th anniversary of the Sandakan death marches, where 1,787 Australian service personnel lost their lives. We also remember the tens of thousands of civilians who were killed in Malaysia during the Second World War. Their sacrifice will never be forgotten. Their legacy is one of courage, and a reminder of the tragedy for all parties when disputes are left unresolved to escalate into armed conflict.

Distinguished guests, we face today the most confronting strategic circumstances in decades, with heightened risks of miscalculation or misunderstanding that could lead to catastrophic conflict. We are already seeing this in Russia's illegal and immoral invasion of Ukraine. And what is happening in Gaza is unacceptable. Palestinian civilians cannot be made to pay the price of defeating Hamas. Israel must allow a full and immediate resumption of humanitarian aid.

And Australia is deeply concerned about the developing situation in the Middle East more broadly. We urge de-escalation, restraint, dialogue and diplomacy. Closer to home in the South China Sea, we are deeply concerned when countries pursue claims or engage in dangerous activities inconsistent with international law.

But while these developments are of grave concern to us all, as Prime Minister Anwar said this morning, chaos is not inevitable. We should never resign ourselves to that, in any circumstances.

All countries – large and small – share a responsibility to shape the region we want. This is why Australia strongly supports ASEAN-led preventive diplomacy frameworks, which build trust, enhance transparency, and manage tensions. We look forward to co-hosting with Malaysia and Indonesia a workshop on conflict prevention later this year.

We also welcome continued dialogue between the United States and China. Constructive engagement between major powers is vital to regional stability and prosperity. And just as Southeast Asia matters so much to Australia, it also holds strategic importance for the United States. We have conveyed this point to the Trump administration.

Excellencies, ladies and gentlemen, as we recalibrate for new frontiers, Australia will continue to listen to and work with the region's diverse voices as friends, equals and partners.

While differences may from time to time exist, we share a common vision for our region. One that is peaceful, stable, prosperous and respectful of sovereignty. Where disputes will inevitably arise but where differences are managed through peaceful means, guided by internationally agreed rules and norms, and in accordance with international law.

As we mark our 70th anniversary, Australia is honoured to have worked with Malaysia in all that we've achieved together. I believe our shared history, practical cooperation and commitment to regional peace and prosperity position us well for the journey ahead.

And I look forward to continuing to discuss over lunch, and this afternoon, how we can work together as partners, for the benefit of our region.

Enjoy the Australia beef ribeye and Tim Tam tarte.

Terima kasih.





Plenary 1

Wednesday, 18 June 2025
0930-1100

War, peace & the Asia-Pacific

While the Asia-Pacific continues to be a hub of global economic growth and innovation, the risks of conflicts, including wars, remain. Adjacent to the region, wars continue to afflict parts of West Asia, North Africa and Europe. How do conflicts outside the region impact on the strategic calculus of policymakers in Asia-Pacific? Have they impacted on the normative and ideological considerations that influence peace, security and conflict in this region? Has the threshold or tolerance for conflict changed in Asia-Pacific? How do we address the trust deficits that could lead to conflicts?

Instigator



Dr Happymon Jacob

Director
Council for Strategic &
Defence Research (CSDR)
India

Speakers



HE Chan Heng Chee

Ambassador-at-Large
Ministry of Foreign Affairs
Singapore



Prof Akio Takahara

Distinguished Visiting Professor
Tokyo Woman's Christian University
Japan



Suzannah Jessep

Chief Executive
Asia New Zealand Foundation



Dr Steven Everts

Director
European Union Institute for
Security Studies (EUISS)
France

This plenary sought broader and more representative perspectives on the impact of increasing insecurity and instability on the behaviour of countries in the Asia-Pacific. The rising unpredictability and growing ascendancy of might over right make it harder for countries, especially small and middle powers, to strategise. Thus, turning to interest- and trust-based partnerships. To spur the conversation, Dr **Happymon Jacob** invited each speaker to describe the current world order from the perspective of their country and region.

HE **Chan Heng Chee** highlighted the dynamics of the US-China competition as a persistent concern for the region. Besides conventional military campaigns, wars have also been taking place in the trading, investment and technology sectors, which could come to a head in a new cold and proxy war. Nevertheless, this presents opportunities for countries in Asia-Pacific to create spaces for alternative engagements. The example used was CPTPP, where countries want to abide by the WTO rules ignored by major powers. Ambassador Chan also pointed out that countries today choose to align with counterparts based on the issue as opposed to exclusive alignment with any bloc. Consequently, smaller nations prefer multipolarity over the dominance of a few powerful countries.

Dr **Steven Everts** observed that while power politics and coercion are becoming the norm, the common denominator in all of today's major conflicts is a paralysed United Nations. This is not the world sought by the European Union, which, together with the Asia-Pacific, have a shared interest in stemming this tide and pressing for forging partnerships. In the meantime, the increasingly uncertain US-EU relationship does not mean that the EU-China distance automatically decreases, because the trade and security tensions that exist between them have in fact exacerbated. China cannot be reduced to one thing for the EU: it is an economic partner, a competitor and a systemic rival. Therefore, he proposed that the EU use China's charm offensive to persuade changes in Beijing's behaviour on divisive issues.

Suzannah Jessep highlighted the growing complexity of conflicts with the entry of grey zone, undersea, space and AI tactics into the foray, keeping states from going into full-blown war but only just. There is deteriorating trust in major powers to act responsibly, which increases the importance of small and middle powers in conflict management and resolution. The re-emergence of the Indo-Pacific is manifesting precisely because the Asia-Pacific order is crumbling. With instability being the norm, countries like New Zealand have a greater stake in adhering to the rules, as they can no longer depend on the rest of the world to provide the security assurances needed.

For Prof **Akio Takahara**, the international community has forgotten the primary lesson of WWII: the restraint in using force to solve global conflicts. He observed that P5 countries are violating the UN Charter, and there are countries which support them. If anti-West sentiment turns to support for China and Russia in their actions that contravene international law, it will mean further deterioration of trust and security between nations and regions. The paramount focus should be on preserving human life, livelihood and dignity: the culmination of which is human security.



Plenary 2

Wednesday, 18 June 2025
1130-1300

Dynamics of contemporary leadership in Southeast Asia

A strong convergence of interests among Southeast Asia's leaders was crucial in laying the groundwork for regional cooperation, from the founding of ASEAN to the expansion of its centrality through various mechanisms. Over the past two years, almost all member states have seen new leadership, setting the stage for new intra-ASEAN dynamics. To what extent do personality-driven policies shape Southeast Asia's dynamics? Do today's leaders prioritise ASEAN as their predecessors did? How do leaders relate to each other, if at all? Is there enough cohesion for a convergence of interests?

Instigator



Susannah Patton
Programme Director
Lowy Institute
Australia

Speakers



Prof Chantira na Thalang
Faculty of Political Science
Thammasat University
Thailand



Prof Kuik Cheng-Chwee
Institute of Malaysian & International Studies (IKMAS)
Universiti Kebangsaan Malaysia



Prof Herman Kraft
Department of Political Science
University of Philippines
Diliman



HE Trinh Minh Manh
Acting Director-General
Institute for Foreign Policy & Strategic Studies
Diplomatic Academy of Vietnam (DAV)



HE Dr Rizal Sukma
Senior Fellow
Centre for Strategic & International Studies (CSIS)
Indonesia

This session took stock of the five regional states' position towards ASEAN, considering the new leadership that has been in place since 2022. While ASEAN continues to be factored into its member states' foreign policy toolbox, the institution remains fraught with disunity and inefficiency and, thus, needing reform.

Dr **Rizal Sukma** believed that under the Prabowo administration, ASEAN would continue to be regarded as an important platform for Indonesia. However, its strategy has largely remained the same instead of pushing for new ideas. Rizal also addressed the importance for ASEAN leaders to develop personal ties and forge closer relations as they are crucial in managing and avoiding conflicts. While it is difficult to forge consensus on issues related to sovereignty and territorial integrity, there are instances, such as the Myanmar crisis, where ASEAN can still work together. Echoing other panellists' call to reform the ASEAN Charter, Dr Rizal mulled on ideas such as shortening the ASEAN secretary-general's term, enforcing mechanisms to ensure that the secretary-general serves ASEAN's interests and increasing funding for the ASEAN Secretariat.

To understand Prime Minister Anwar Ibrahim's activism towards ASEAN, Prof **Kuik Cheng-Chwee** laid out three points. The first point was that Southeast Asian regionalism has always been central to the Malaysian diplomatic tradition. The second point stated that every Southeast Asian country will see ASEAN as an indispensable platform for managing intra-group dynamics but remains insufficient to solve the myriad of problems. The final point emphasised that Anwar's approach is driven by his personal leadership style of building intra-ASEAN cooperation, economic interests and norms, such as inclusivity.

Given the new and inexperienced prime minister, Prof **Chanintira Na Thalang** argued that Paetongtarn Shinawatra does not have a clear vision of Thailand's foreign policy nor its ASEAN approach. She also opined that while Thailand is a capable actor on the regional stage, its foreign policy is going to be secondary to the struggle for political survival. Therefore, Thailand is expected to be more inward-looking compared with other ASEAN members. On the ongoing Thai-Cambodia border dispute, she expressed concern about the aggressive rhetoric employed by leaders and stressed the need for continued engagement.

The new leadership in Vietnam, according to HE **Trinh Minh Manh**, will result in a better and stronger participation in ASEAN. This was demonstrated by the visit of party secretary-general To Lam to the ASEAN Secretariat's headquarters in Jakarta, the first ever by a sitting secretary-general. The geostrategic challenges, such as the US tariffs and pressures from major-power rivalry, also lent greater urgency for Vietnam to forge closer cooperation and economic integration using the ASEAN platforms.

Prof **Herman Kraft** claimed that the Philippines under the Marcos Jr administration has largely retained the same posture towards ASEAN as past administrations. This indicated that Manila stands ready to cooperate in the economic and socio-cultural domains. However, when it comes to regional and national security issues, the Philippines increasingly views ASEAN as incapable of addressing such matters. Therefore, it has resorted to extra-regional powers for support to mitigate the geostrategic challenges that it currently faces.



Concurrent Session 1

Wednesday, 18 June 2025
1430-1600

Mapping 'boundaries': perspectives of maritime security

Maritime challenges and tensions are increasingly being shaped by different perspectives of security – political, legal and intellectual. These conceptual divergences have at times hampered any tangible progress on outstanding disputes. How do states define “maritime security” and to what extent does it shape conflict? Are international maritime laws and norms at risk as countries prioritise their national interests at the expense of the global commons? How can Track 2 actors encourage greater collaboration and cohesion on shared security issues like maritime safety, economy and ecology amid contested environments?

Instigator



Dr Jean-Loup Samaan
Senior Research Fellow
National University of Singapore

Speakers



Prof Charmaine Misalucha-Willoughby
Chair of Department of International Studies
De La Salle University
The Philippines



Dr Do Thanh Hai
Deputy Director-General
East Sea Institute
Diplomatic Academy of Vietnam (DAV)



Dr Asyura Salleh
Associate Programme Officer
UNODC Global Maritime Crime Programme
Brunei Darussalam



Prof Stuart Kaye
Director
Australian National Centre for Ocean
Resources & Security (ANCORS)
University of Wollongong

The session began with the panel speakers outlining their assessment of maritime security, with overwhelming themes of the importance of freedom of navigation in the South China Sea for the sake of trading routes.

Prof **Charmaine Misalucha-Willoughby** observed that the Philippines' mentality has traditionally been preoccupied with domestic security, but in recent years external security and maritime security has gained importance. She noted 1995 as a turning point, alluding to the developments in Mischief Reef. The Philippines now prioritises engaging in partnerships with external actors and actively upholding international law.

Dr **Do Thanh Hai** also stressed the importance of international law, which he regards as the backdrop of maritime security. He expressed that although tensions over the South China Sea have existed for hundreds of years, the increased militarisation, deployment of vessels and assertive behaviour are worrying. He raised that the 9-dash line and its claims were unjustified, and that it has brought challenges such as the infringement of Vietnamese fishermen's legitimate fishing rights. Do sees international law playing an instrumental role in enabling Vietnam to uphold its maritime rights, such as to protect its rights to exclusive economic zones (EEZ).

Prof **Stuart Kaye** explained that as a trading nation, Australia's trade largely relies on maritime routes. The South China Sea holds particular importance, as significant trade flows through this route to reach many of Australia's largest trading partners. Hence, freedom of navigation is the utmost important while disruptions to maritime communication can have a catastrophic effect to Australia's trade and prosperity.

The discussion also emphasised the importance of international law. Kaye argued that 99% of the time, international law is effective and upheld. However, it is challenged when thorny issues emerge, especially when the interests of major powers are heavily engaged. While international law may be challenged, it can provide a template for resolving issues or moderate disputes. Do added that the 2016 arbitral ruling has been important in providing clarity on the legal aspects of maritime behaviour and laying the foundation for countries to negotiate.

Discussions also raised the role and limitations of ASEAN in managing the South China Sea. Misalucha-Willoughby argued that the normative commitments of ASEAN remain a reflection of the realities in 1967 and less of 2025, and that ASEAN needs to evolve. Do concurred that ASEAN was not designed to counter the influence of major powers but has been successful in managing relations among its member states. All speakers acknowledged that the importance of the South China Sea in international trade has made many countries interested in the stability and security of these contested waters. The speakers welcomed the thought of external players in the region, if they uphold the rule of law.



Concurrent Session 2

Wednesday, 18 June 2025
1430-1600

Evolving geopolitics of minilateralism

Minilateralism has shifted from being a response to stagnant multilateralism to a proactive strategy driven by like-minded states. While it can be an agile tool for power projection and shaping the regional and global order, critics contend that it perpetuates a less inclusive form of collaboration. Is minilateralism an effective tool for geopolitics or does it simply perpetuate exclusion and antagonism? Could minilateralism strengthen nuanced and targeted cooperation, paving the way for effective multilateralism or will it render the latter obsolete? Can one exist without the other?

Instigator



Dr Joel Ng
Head of Centre for
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S Rajaratnam School of International
Studies Singapore

Speakers



**Assoc Prof Giuseppe
Gabusi**
University of Turin
Italy



Dr Pongphisoot Busbarat
Director
Institute of Security & International
Studies (ISIS)
Thailand



Dr Elena Burova
Senior Research Fellow
Institute of China & Contemporary Asia
Russian Academy of Sciences



Fine Lavoni Koloamatangi
University of Auckland
New Zealand

The session deliberated on the evolving role of minilateralism in the region. It considered the nuances differentiating them to traditional multilateral engagements, explanations behind its increasing presence and the way different regions responded to such changes.

Dr **Elena Burova** started by deliberating possible reasons for the increasing presence of minilateral arrangements. She argued that the main strategic role of minilateralism lies in enabling agile problem solving. When applied in trade arrangements, it can address unfair unilateral restrictions and diversify economic architectures. Pursuing minilateralism can also serve as a corrective force towards the structural imbalances caused by globalisation, by allowing countries to reposition in value chains, coordinate industrial policies and investment tools. However, they would need to be mindful of three transaction costs: negotiations, information and enforcement, which can be reduced by targeting specific issues among parties involved. She argued that for minilateralism to be effective, they must remain constructive, focusing on achieving well-defined goals with clearly identified stakeholders and avoid unfair restrictions.

Dr **Pongphisoot Busbarat** argued that the effects of minilateralism in the Asia-Pacific region had been a response to address ongoing ambiguity. States do recognise the benefits of minilateralism, as its smaller membership and general flexibility allows greater ease in working on specific issues. However, states recognise it is also exclusionary in nature. For example, groupings, such as the Quad and AUKUS, were perceived as containment blocs against China, while BRICS was exclusionary to the United States. He noted that domestic politics remain to be a strong incentive in engaging in minilateralism as countries in Southeast Asia perceive it as a proactive gesture to promote international growth. One notable example had been the pursuit of economic hedging, allowing themselves access to a bigger market and remaining relevant in the global economy.

Fine Lavoni Kolomatangi shared her perspectives on the discourse of minilateralism through a South Pacific perspective. The region holds an expansive inclusive view of minilateralism, which has not been adequately explored. She noted that the positionality of the Pacific, places them in the middle of a geopolitically competitive environment. With the primacy of major-power dynamics, it consolidated a predominantly security-based outlook as reflected in their efforts to tackling existential issues such as climate change and resource security. However, they also recognised that given their limited access to resources and technologies, they need conducive environments and clear objectives to achieve their goals. She stressed that it is not a binary matter to choose between minilateralism or multilateralism, as the Pacific requires both.

Assoc Prof **Giuseppe Gabusi** closed with a discussion on the state of multilateral trade regimes and three takeaways. The first is that emerging powers changed the political structures of World Trade Organisation (WTO) since the launch of the Doha Development Round in 2001. It gave rise to hybrid trade governance, which remains to this day. Second, the status quo of globalisation based on American hegemony is over, however, as states remain interested in free trade, globalisation itself will continue. Gabusi noted that due to the trade-investment nexus and the system of global value chains, a full decoupling would be virtually impossible as capitalist production requires an unrelenting expansion of markets. Third, regional trade agreements (RTAs) can be enabling blocks to allow like-minded partners to resist and adapt to the new world order. However, for this to succeed, it would require members addressing existing global economic imbalances.



Plenary 3

Wednesday, 18 June 2025
1620-1750

China Plus One: reshaping global supply chains

The diversification of supply chains out of China to mitigate risks associated with the evolving geopolitical landscape has gained widespread attention in recent years. This is particularly evident in the electronics industry, including semiconductors. Is China Plus One driven solely by the US-China rivalry or are there other factors? How are China Plus One strategies playing out in Southeast Asia and is the region still a major beneficiary of major-power competition? Are current trends an indication of a possible deglobalisation or re-globalisation?

Instigator



**Assoc Prof
Simon Tay**
Chairman
Singapore Institute of
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Speakers



Prof Danny Quah
Dean
Lee Kuan Yew School of Public
Policy National University
of Singapore (NUS)



YB Liew Chin Tong
Deputy Minister
Ministry of Investment, Trade
& Industry
Malaysia



Prof Volker Perthes
Senior Distinguished Fellow
German Institute for
International & Security
Affairs (SWP)



Prof Jane Golley
Head of the Arndt-Corden
Department of Economics
Crawford School of Public Policy
Australian National University



Prof Di Dongsheng
Dean
Renmin University of China

The third plenary convened a timely discussion on the evolution of global supply chains in the wake of geopolitical fault-lines. The session addressed the recalibration of production networks as geopolitical considerations increasingly override traditional economic logic.

YB Liew Chin Tong challenged the sustainability of ASEAN's traditional export-led growth model, arguing that the region can no longer rely on external demand from an increasingly inward-looking US to drive industrial development. He emphasised that ASEAN needs to cultivate its own sources of demand by strengthening domestic consumption, building a resilient middle class, and moving away from the "race-to-the-bottom" strategy of low wages and minimal standards. He called for a more cohesive regional industrial policy, urging ASEAN to adopt coordinated mechanisms, such as a shared development fund and collective supply chain strategies, to enhance bargaining power. In doing so moving towards high-value production and position ASEAN not as a peripheral actor but as a proactive participant of global integration.

Prof **Danny Quah** provided a useful framing by distinguishing between good, necessary shifts in supply chains, such as those driven by rising Chinese incomes or greening supply chains, and bad, politically reactive ones that result in "chain washing" and "green washing". He highlighted the importance of preserving open, rules-based systems and urged ASEAN not to replicate Western protectionism under the guise of strategic diversification.

Prof **Di Dongsheng** reframed the oft-cited issue of "Chinese overcapacity", particularly in green technologies, as a symptom not of oversupply but of global demand deficiency. He argued that the real crisis lies in the structural lack of global purchasing power and demand coordination, particularly in the Global South. The solution lies in rebalancing global trade architecture to fairly distribute the burdens and benefits of surplus economies. He also emphasised the urgency for emerging economies to co-design global norms and economic governance, particularly as US reliability continues to waver.

Prof **Volker Perthes** further argued that the EU and ASEAN are natural bloc partners in the reshaping of global supply and trade networks. He noted that while the EU's green regulations and sustainability standards may pose compliance challenges, they also offer ASEAN opportunities for higher value capture and technology transfer. He urged ASEAN to assert itself not only as a production base but also as a norm setter and value generator. The EU's experience with strategic autonomy and regional integration can offer useful lessons as ASEAN recalibrates its own industrial policy, supply chain governance and digital economy frameworks.

Overall, the speakers collectively agreed that ASEAN must move from being a passive, peripheral node in global value chains to becoming a strategic architect of regional economic systems. This involves not only upgrading industrial capacity but also investing in intra-ASEAN integration, pooled financing and shared regulatory platforms. Ideas proposed included the creation of an ASEAN technology fund, more coordinated infrastructure development and enhanced cooperation with external partners, such as the EU, China, and the African Union.

In a multipolar world, neither the US nor China would hold singular power to dictate global economic norms. Instead, middle powers, such as ASEAN, must play a more active role in sustaining global trade, investment flows and articulating development pathways that serve both national and collective interests. However, there was recognition that ASEAN must go beyond circumvention strategies like rerouting exports and embrace structural change. The focus must shift from being "plus ones" to being lead actors in shaping the next phase of global economic integration.



Plenary 4

Thursday, 19 June 2025
1100-1230

The Myanmar crisis: the road ahead

Four years after the coup, Myanmar remains deeply divided. The country faces widespread displacement and a collapsed economy, while various actors exert control over different regions. The earthquake in late March further strained an already fragile situation, compounding the humanitarian crisis. Despite ongoing conversations on a new federal system, the prospects of a Balkanised or fragmented Myanmar remains a possibility. How are ongoing developments impacting on political equations? Where is the most urgent humanitarian assistance required and how can stakeholders address this? How can ASEAN and other international actors respond to the complex dynamics at play in 2025 and beyond?

Instigator



Dr Lina Alexandra

Head of Department of
International Relations Centre
for Strategic & International
Studies (CSIS)
Indonesia

Speakers



Min Zin

Executive Director
Institute for Strategy & Policy
Myanmar



Arnaud de Baecque

Head of Delegation in Myanmar
International Committee of the Red Cross (ICRC)



Lilianne Fan

Head of Secretariat
Malaysian Advisory Group on Myanmar



Dr Fuadi Pitsuwan

President
Surin Pitsuwan Foundation
Thailand

The session assessed the recent developments in the Myanmar crisis, especially following the devastating earthquake earlier in the year. Through their different perspectives, speakers shared how their varied approaches play important roles in navigating the complexities of the conflict and towards a peaceful resolution.

Lilianne Fan opened by tracking Malaysia's efforts in managing the crisis. From the coup to the current chairmanship, its efforts were recognised through continued engagement with stakeholders, especially in attempts to address the eroding trust between the involved parties. There was also attention drawn to efforts to consolidate structure into the process, such as the appointment of a permanent special envoy, to ensure that progress does not reset with the conclusion of Malaysia's ASEAN chairmanship. She reiterated that the expected role of Malaysia was to be a facilitator, not a mediator in the crisis, where they would prepare Myanmar and consolidate positions. She also acknowledged that while ASEAN is not fully united in the current process, it was still considered in a "healthy" state.

Dr Fuadi Pitsuwan shared how domestic priorities of Thai decisionmakers affected their capacity to respond constructively to the Myanmar crisis. The instability and precarity of the government hindered them at a strategic level. He opined that it was indicative of a general lack of cohesive vision as most responses have been limited by an inward-focused approach that only addresses issues in the short term. Additionally, the generational gap in Thai foreign policy circles have complicated debates over the state's perceived role and place in the region. They struggle between focusing on insular, domestic matters and taking greater agency through an issue-focused approach on the regional agenda.

Min Zin observed that the country is facing a dual crisis, grappling with its many internal struggles while managing influential external powers, such as China. The intensity of the crisis has also increased, such as attacks on civilian facilities, the further militarisation of society and spiralling effects of conflict economies. He argued that alternate approaches should be considered when interacting with the Tatmadaw, such as the Chinese moves of de-escalation through financial incentives vis-à-vis the Western and ASEAN preferred approach of humanitarian assistance. ASEAN remains an important institutional and regional guard rail but stressed that measures, such as the Five-Point Consensus need to be strengthened and improved. Myanmar should not be prescribed solutions, rather there is a need to self-determine the support and assistance and make a compelling case for it.

Arnaud de Baecque provided an alternate perspective through the lens of international aid and the potential roles they can play in managing the crisis. He expressed deep concern that the suffering experienced by the Myanmar people is dynamic and continues to worsen. However, based on the mandate of the International Committee of the Red Cross, derived from the Geneva Convention, they are unable to provide political solutions. However, they are able support by building the necessary conditions for dialogue, which rests on the respect of the rule of law, civilians, healthcare and humanitarian access. This was referred to as preserving humanitarian space. De Baecque also discussed the concerns of "crisis of compliance" in humanitarian aid, as the area has become increasingly politicised at the expense of its civilians.



Plenary 5

Thursday, 19 June 2025
1400-1530

The United States in a changing Asia

Asia is navigating an era of heightened competition, economic realignment and the rise of minilateral partnerships. The US has maintained a strong presence in the region through a network of alliances over the past 75 years but faces a more complex and competitive strategic environment today. What are the emerging priorities and implications of American policies in Asia? How would Washington pursue its economic engagements in the region? How are regional stakeholders, including partners and multilateral groupings, responding to the changing dynamics?

Instigator



Prof Thitinan Pongsudhirak
Senior Fellow
Institute of Security & International Studies (ISIS)
Thailand

Speakers



Prof Sun Jisheng
Vice-President
China Foreign Affairs University



Elina Noor
Senior Fellow
Carnegie Endowment for International Peace
United States



Prof Park Jae Jeok
Associate Dean of Graduate School of International Studies
Yonsei University
South Korea



Ashok Malik
Partner and Chair of India Practice
The Asia Group (TAG)
India



Lisa Curtis
Director of Indo-Pacific Security
Centre for a New American Security
United States

The session assessed US policies towards world architectures, especially in the Asia region in midst of evolving dynamics and priorities. Instigator Prof **Thitinan Pongsudhirak** set the landscape for the discussion by seeking the speakers' perspectives on President Donald Trump's first and second term, and the priorities of US, Malaysia, China, South Korea and India across diplomatic, trade and security sectors.

Lisa Curtis pointed out that there is a continuity in Trump's approach to Asia, especially regarding the Indo-Pacific strategy. This was reflected in visits by key Indo-Pacific leaders to the White House and their strong joint statements, which emphasised on nurturing alliances and partnerships in the region. It was supported by similar commitments by Defence Secretary Pete Hegseth and Secretary of State Marco Rubio. In the geoeconomic space, a new equilibrium is expected to be established in the global trading system and at this time of uncertainty, the Quad can provide a sense of stability.

Elina Noor observed that while Southeast Asia remains uncertain about what Trump wants from the region, an equally important question is what the region wants from the US in both individual and collective capacities. For the region's sustainability, Southeast Asia needs to promote resilience and increasingly, chart its own course and future. This should be based on regional capabilities, engaging with regions like Africa and Latin America that face similar converging challenges, while adopting a fresh, region-tailored model of development.

Prof **Sun Jisheng** noted that China is better prepared for the reciprocal tariffs in the second presidential term. He highlighted three key concerns within China regarding Trump's policies: the impact of the US withdrawing from international organisations; the erosion of consensus underpinning the global order; and its influence on relations among major countries. With regard to the South China Sea, there is a need to improve not only actions and behaviours but also the narrative accompanying them, as progress and efforts move forward.

Prof **Park Jae Jeok** agreed with Curtis' observations on Trump's continuity towards Asia. He also predicted that South Korea's newly elected President Lee Jae-Myung will opt for a pragmatic approach, continuing its momentum within the US-led security network with a stronger commitment to regional security. Within the current US security network, regional states should avoid competing for additional power and instead facilitate minilateral and bilateral security cooperation. Park also expects Washington to press its regional allies to assume greater roles in responding to regional security issues.

Ashok Malik steered the discussion away from Trump towards a broader trend since Obama's election. He observed that the American society is against the US' ambitious expeditionary international engagement, which indicated over-resourcing of the global architecture across trade, security and international public goods – a domestic pushback each presidential candidate needs to face. Pertaining to tariffs, they can be classified in two categories – transactional, short-term reciprocal instrument used to reach deals and sectoral, long-term instrument targeting specific sectors, such as semiconductors.



Closing reflections by
Jusuf Wanandi
Vice-Chair of the Board of Trustees
Centre for Strategic & International Studies
(CSIS) Foundation Indonesia

Good afternoon, everyone.

I have been following closely all the sessions of this year's Asia-Pacific Roundtable for the past two days. It has indeed been a very rich two-day event, with so much being discussed.

I have been asked by the organiser to give the closing reflections. Normally, one might expect me to go through all the things that have been discussed. However, I would like to use these 15 minutes to emphasise on one core issue, which I think can offer us one alternative to manage the ongoing uncertainty faced by the region.

I want to talk about something crucial for the future of our region: the Regional Comprehensive Economic Partnership or RCEP. Signed in 2020 and entering into force in 2022, RCEP is the world's largest free trade agreement. It encompasses 15 countries, including all 10 ASEAN member states, plus China, Japan, South Korea, Australia and New Zealand. Together, these economies represent a staggering 30% of global GDP, 30% of global trade, and over 2.3 billion people. Its potential is immense, promising to lift incomes by an estimated US\$653 billion by 2030 across the region.

Yet, despite its monumental scope and profound promise, RCEP's full potential remains largely untapped. This is precisely why we urgently need an RCEP leaders' summit – and we need it now, if possible during the upcoming 47th ASEAN Summit and related meetings in October.

Consider this stark fact: it has been six years since the last leaders' level RCEP meeting. That meeting took place in 2019, before the agreement was even finalised. Since its entry into force in 2022, there has been no summit to assess progress, provide strategic direction or renew political commitment. This six-year gap, especially in such turbulent times, is simply unacceptable. Without leadership-level attention, RCEP risks becoming a technical agreement with low-level commitment, lacking the visibility and decisive direction it so desperately needs.

Why is this summit so critical right now? Because the global economic landscape is becoming increasingly fragmented and fraught with protectionism. We are witnessing a troubling rise in inward-looking trends. From the re-imposition of tariffs by major global players, such as the widely discussed Trump's 2025 "Liberation Day" tariffs that threaten to sharply raise duties on imports from many Southeast Asian countries like Vietnam, Cambodia and Thailand, to the increasing securitisation of economic policy, trust in the rules-based multilateral trading system is eroding. The World Trade Organisation, for instance, has seen its dispute-settlement system effectively non-functional for the past six years.

In this environment, RCEP offers an essential regional alternative. It provides a powerful platform where our countries can coordinate, maintain open markets and develop shared rules. This is vital not just for trade but for managing issues like trade diversion, where exports originally bound for one market might be redirected to ours, potentially straining local industries and triggering new trade barriers within the region. An RCEP leaders' summit would send a powerful political signal of our collective commitment to upholding multilateralism and our readiness for a coordinated response to the current geoeconomic situation.

While ASEAN has taken commendable steps to respond collectively to global dynamics, such as issuing joint statements, it's not enough on its own. Trade redirection, export shocks, and investment uncertainty affect all RCEP members, not just ASEAN. Through RCEP, ASEAN can work with partners like China, Japan, Korea, Australia and New Zealand to coordinate responses, manage trade diversion and stabilise regional supply chains.

A leaders' summit would serve as the ultimate venue for this coordination at the highest political level, allowing for the articulation of shared trade norms and a stronger, unified statement to defend open trade against rising protectionism. This is about leveraging the collective weight of the entire Asia-Pacific.

So, we are going beyond ASEAN – a collective Asia-Pacific response. RCEP is far more than just a tariff-cutting trade agreement. It is an infrastructure for regional cooperation, with built-in economic and technical cooperation mechanisms designed to bridge development gaps and ensure more inclusive benefits of economic integration.

A leaders' summit can transform RCEP into an even more strategic platform. Leaders can elevate RCEP's relevance beyond just tariff cuts. Initiate crucial second-phase talks on vital future-oriented areas, such as sustainability, digital trade and subsidy disciplines. Our region is highly vulnerable to climate shocks, and Western economies are increasingly adopting carbon-border adjustment measures. An updated RCEP with provisions on sustainable trade and supply chains is crucial for maintaining our competitiveness. Similarly, ASEAN's digital economy alone

is projected to reach US\$1 trillion by 2030, yet RCEP has only basic e-commerce provisions. We need an upgrade to ensure digital trade is rules-based, interoperable, and inclusive.

We must address implementation gaps and capacity disparities across members. Leaders can mandate concrete implementation milestones and demand progress tracking tools like implementation scorecards at both the regional and national level. They can encourage concrete programmes on economic and technical cooperation under RCEP. This provision, though crucial, remains underdeveloped. The summit could launch pilot programmes for digital SME integration, green supply chains and capacity building to strengthen regional demand and ensure all members' benefit.



Finally, an RCEP leaders' summit is essential for reasserting ASEAN centrality in regional economic governance. There's a concern that ASEAN states are drifting towards "ASEAN+1" upgrades with individual dialogue partners, potentially fragmenting the coherence of our regional economic architecture. Without visible ASEAN leadership, RCEP risks losing coherence and fading as a regional priority.

Hosting an RCEP leaders' summit alongside the 47th ASEAN Summit in October 2025 can powerfully reaffirm ASEAN's strategic centrality and convening power in the regional economic architecture. It recentres ASEAN in regional trade dialogues and revives our members' sense of ownership over this supposedly ASEAN-led partnership.

So, what could come out of such a summit? We need clear, actionable outputs.

A joint leaders' declaration reaffirming RCEP's strategic relevance, committing to defend open, rules-based trade and expanding RCEP's reach into new, critical areas. This declaration should also commit to an RCEP leaders' summit every two years as a standing mechanism for oversight and renewal.

A mandate for RCEP implementation monitoring, with scorecards and monitoring of regional trade, supply chains and the impacts of trade shocks like recent US policies.

A mandate to work on “RCEP 2.0”, instructing ministers and senior officials to begin a second phase of economic integration focusing on digital trade, environmental goods, sustainability, subsidy transparency and competition rules. Concrete programmes on economic and technical cooperation, including regional pilot programmes for digital SME integration, green supply chains and capacity building.

And finally, a strong reaffirmation of ASEAN centrality and leadership, with renewed commitments to ASEAN-led RCEP Secretariat support and funding, and mandates encouraging all RCEP countries, especially Australia, China, Japan and Korea, to affirm ASEAN centrality in deeper integration.

The next ASEAN summit in October cannot be just another diplomatic event. It is a strategic opportunity for ASEAN to lead and to reframe RCEP as not only a trade deal but as a forward-looking platform for strategic economic governance in a fractured global order.


By convening a dedicated RCEP leaders’ summit, we can restore our sense of ownership in this vital partnership, strengthen regional unity and truly drive the next phase of economic integration in the Asia-Pacific and beyond. The time to act is now.

Thank you.




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