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ASEAN-ROK Relations & NSP 2.0: A Bright Future Ahead?

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Abstract

Under the broad banner of the New Southern Policy (NSP), ASEAN and its member states are accorded unprecedented prominence and priority in South Korea's foreign policy. The NSP has allowed for an expansion in scope and depth of ASEAN-ROK relations and, under the three pillars of peace, prosperity, and people, meaningful steps have been taken to upgrade the strategic partnership.

Following the ASEAN-ROK Commemorative Summit in November 2019, South Korea prepares to unveil its New Southern Policy 2.0 – the ambitious update which will be implemented in 2021. In order to grasp the challenges and opportunities that lie ahead, the strengths and weaknesses of the existing NSP should be assessed. To realise the goal of a mutually beneficial and future-oriented community, a few issues need to be tackled, particularly regarding the absence of a clear and defined strategic imperative.

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Diplomatic relations between the Republic of Korea (ROK) and the Association of Southeast Asian Nations (ASEAN) were established in 1989 and cooperation has since expanded to include, among others, trade and security. The expansion in the scope and depth of relations has been largely propelled by the 'New Southern Policy' (NSP). Prior to the introduction of this policy by President Moon Jae-in, there had been previous Korean initiatives to improve inter-Asian relations. However, these were either focused on Northeast Asia or encompassed all of Asia. While Southeast Asia has long been an area of interest for the ROK, it has always been overshadowed by tensions on the Korean peninsula and other foreign policy objectives. Under the broad banner of the NSP, ASEAN and its member states are accorded unprecedented prominence and priority in the ROK's external relations. What has now become a signature foreign policy of the Moon administration was first introduced during his state visit to Indonesia in November 2017. This initiative aimed to "elevate Korea's relationship with ASEAN and India to the level of its relations with the four major powers around the Korean Peninsula", namely the United States, Russia, China and Japan.¹ While the NSP targets both ASEAN and India, it should be noted that this policy brief will focus solely on ASEAN-ROK relations.

The New Southern Policy's three pillars of peace, prosperity, and people reflect the values of various East Asian regional initiatives and identify 16 key areas of collaboration, ranging from tourism cooperation to terrorism response. The creation of a people-centred regional community is crucial to the sustainability and effectiveness of the policy. President Moon's personal commitment to this southern pivot started immediately upon him taking office. He sent special envoys to various ASEAN countries and completed a tour across all ten member states during his tenure, making him the first President of the ROK to do so. Rather than just focusing on a few key countries, as other leaders tend to do when trying to establish relations with the bloc, Moon went out of his way to visit every member state. His trip to Brunei, for example, was the first visit by a South Korean head of state in nearly two decades. These trips were substantive, as each one witnessed a mix of announcements on new deliverables, highlights of ongoing cooperation and arrangements of future summits. Notable examples are the establishment of the Korea Desk - a service center for Korean businesses - to strengthen economic cooperation with Myanmar on top of a decision to increase aid into the country, and the signing of a deal with Thai Prime Minister Prayut Chan-o-cha to include high-tech sectors, as well as exchanging military intelligence in their bilateral partnership.²

This expanded diplomatic engagement has come hand in hand with economic cooperation in order to realise the goal of a mutually beneficial and future-oriented community.³ While an ASEAN-ROK free trade agreement (FTA) has been in place since 2007, when the two-way trade volume was at USD 61.8 billion,⁴ the NSP has boosted it to USD 151 billion.⁵ Korean investment in ASEAN has also greatly increased, reaching USD 8.3 billion in 2019 alone.⁶ Under the New Southern Policy, Korea has been progressively taking meaningful steps to upgrade the ASEAN-ROK strategic partnership.

It is undeniable that ASEAN is an invaluable partner for South Korea. It has an alluring market consisting of more than 650 million people, with a combined GDP of USD

¹ Presidential Committee on New Southern Policy (2018). *New Southern Policy Brochure*. Retrieved from: <http://www.nsp.go.kr/eng/main.do>

² Lee, C. (2019, Sep 6). Moon's Regional Tour Injects Fresh Vigor into His New Southern Policy. *Yonhap News Agency*. Retrieved from: <https://en.yna.co.kr/view/AEN20190906000400315>.

³ Chheang, V. (2019, Nov 26). Korea's New Southern Policy 2.0. *Khmer Times*. Retrieved from: <https://www.khmertimeskh.com/664000/koreas-new-southern-policy-2-0/>.

⁴ The KOR-ASIA FORUM. (2019). *The KOR-Asia Forum 2019: Overview*. Retrieved from: <http://www.kor-asiaforum.com/eng/overview.php>.

⁵ Lim, S. (2020, Jun 26). Strengthening Korea-ASEAN strategic partnership. *The Jakarta Post*. Retrieved from:

<https://www.thejakartapost.com/academia/2020/06/26/strengthening-korea-asean-strategic-partnership.html>.

⁶ *Ibid.*

2.5 trillion which is growing at approximately 5.5% per year.⁷ The value of this bloc's market has led to the conclusion of an extensive amount of bilateral and multilateral FTAs, which has allowed steady foreign direct investment (FDI) inflows into the region. ASEAN has a key role in the supply chains of many Korean conglomerates.⁸ Indeed, the rapid expansion of Korea's economic engagement with Southeast Asia was mostly driven by the private sector. The Korean government has facilitated its development by signing FTAs and providing information and financial assistance to Korean firms entering this market. This interest in Southeast Asia is far from new and Moon's predecessors had already sought to strengthen ties with the region but the current administration is the first to demonstrate its seriousness about translating rhetoric into reality.

The timing of this renewed focus on ASEAN is not coincidental. The unveiling of the NSP occurred in the midst of China's economic boycott of Korean goods and industry. Beijing's punitive economic measures were a response to Korea's permission to the US for the deployment of the Terminal High Altitude Area Defence (THAAD) anti-missile defence system in early 2017, and cost the ROK an estimated USD 7.5 billion in economic losses that year.⁹ This heavily underscored South Korea's vulnerability and economic dependence on China, its largest trading partner. Besides this immediate economic issue, the rising production costs and general business barriers in the PRC led the ROK to shift its focus to ASEAN and India.

President Moon's devotion of time and resources to pursue diplomatic activism in ASEAN, with defined parameters and targets, is what differentiates this policy vis-à-vis Southeast Asia from its predecessors. Moon's strong personal commitment to the implementation of the NSP has fostered the creation of important institutions and the increase of manpower in existing ones. Principally among these is the NSP Presidential Committee, whose purpose is to implement this policy and coordinate various initiatives by ministries and agencies under the NSP umbrella. Bureaus engaging with ASEAN in the South Korean Foreign and Industry Ministries have expanded and the staff at the ROK Mission to ASEAN in Jakarta has tripled in size.¹⁰

The ASEAN-ROK Commemorative Summit was held in Busan in November 2019, a date marking the 30th anniversary of the establishment of relations between South Korea and ASEAN and the second anniversary of the NSP. The location of the summit, Moon's hometown, demonstrates the personal importance he has placed on the advancement of relations. The meeting allowed for the debate and collection of a range of opinions from government officials, companies and civilians of ASEAN countries. This summit will shape the New Southern Policy 2.0, the ambitious update that will be implemented in 2021. To fully grasp the challenges and opportunities that lie ahead as the Korean government prepares to unveil this plan, the strengths and weaknesses of the existing NSP need to be assessed.

⁷ Parpart, E. (2018, Jun 4). Korea Inc sharpens strategic focus in ASEAN. *Bangkok Post*. Retrieved from:

<https://www.bangkokpost.com/business/1478477/korea-inc-sharpens-strategic-focus-in-asean>.

⁸ Ha, H., & Ong, G. (2020, Jan. 30). Assessing the ROK's New Southern Policy towards ASEAN. *ISEAS - Yusof Ishak Institute*. Retrieved from:

https://www.iseas.edu.sg/wp-content/uploads/pdfs/ISEAS_Perspective_2020_7.pdf.

⁹ Glaser, B. & Collins, L. (2017, Nov 7). China's Rapprochement with South Korea: Who Won the THAAD Dispute? *Foreign Affairs*. Retrieved from:

<https://www.foreignaffairs.com/articles/china/2017-11-07/chinas-rapprochement-south-korea>

¹⁰ Lim, S. (2019, Nov 15). Korea's New Southern Policy: Walk to the border, sail to the island. *The Jakarta Post*. Retrieved from:

<https://www.thejakartapost.com/academia/2019/11/15/koreas-new-southern-policy-walkto-the-border-sail-to-the-island.html>.

It is clear that the NSP has been primarily underpinned by a strong economic imperative rather than a strategic thrust. Regardless of Korea's need for diversification, there are many untapped opportunities in trade, investment and tourism in Southeast Asia. Since the conclusion of a series of economic agreements at the beginning of the 21st century,¹¹ ASEAN has become Korea's 2nd largest trading partner and 2nd largest overseas construction market.¹² Progress derived from this collaboration can be witnessed in infrastructure, smart cities development, environmental sustainability, and small- and medium-sized enterprises. Korea is scheduled to sign an FTA with Indonesia this year, while simultaneously negotiating FTAs with the Philippines and Malaysia, and discussing possible upgrades to FTAs with ASEAN and India. Mutual prosperity has developed in these last three years but, moving forward, the Moon administration should shift the centre of the bilateral cooperation away from its focus on the economic domain towards the other two pillars of the policy.

Moon's investment in this policy set the wheels in motion for a strong ASEAN-ROK relationship. Due to sufficient mutual interest, sustained cooperation will likely persist beyond this administration. However, challenges remain as South Korea aims to shift into more specific joint actions under NSP 2.0.¹³ The seeking of an all-inclusive engagement has hindered the possibility of setting clear priorities or frameworks, leading to a lack of strategic planning and execution. Going forward, there needs to be a clear identification of what the policy pursues under each pillar, in order to avoid the simple reclassification of existing projects under the umbrella of the NSP.

The People Dimension: The Basis for a Genuine and Sustainable Rapport

The people and socio-cultural dimension of the NSP plays a foundational role in creating a genuine and durable relationship. People-to-people exchanges - including tourism, culture, education and entrepreneurship - between South Korea and ASEAN have surpassed 10 million per year,¹⁴ having grown forty times in size since the establishment of relations.¹⁵ The ROK has recently promised to improve visa policies and expand scholarship schemes, in order to increase mutual understanding through the promotion of exchanges and interactions between the countries.¹⁶

Several concrete actions and pilot programs were agreed upon during the summit in Busan. For example, the "Higher Education for ASEAN Talent" will offer full Ph.D. scholarships to 90 ASEAN postgraduate students.¹⁷ Another program focused on

¹¹ The ASEAN Secretariat. (2013, Nov). *ASEAN-Korea Free Trade Agreement*. Retrieved from: <https://www.asean.org/wp-content/uploads/images/resources/ASEAN%20Publication/2013%20%2811.%20Nov%29%20-%20AKFTA.pdf>

¹² Yeo, A. (2020, Jul 28). South Korea's New Southern Policy and ASEAN-ROK Relations. *The Diplomat*. Retrieved from: <https://thediplomat.com/2020/07/south-koreas-new-southern-policy-and-asean-rok-relations/>

¹³ Lee, C. (2019, Nov 27). S. Korea announces New Southern Policy 2.0 plan after Busan summit with ASEAN. *Yonhap News Agency*. Retrieved from: <https://en.yna.co.kr/view/AEN20191127004500315>.

¹⁴ Lee, J. (2019, Nov 29). 30 years of ASEAN-Korea partnership: From prosperity to peace with people. *The ASAN Institute for Policy Studies*. Retrieved from: <http://en.asaninst.org/contents/30-years-of-asean-korea-partnership-from-prosperity-to-peace-with-people/>

¹⁵ Hyuk, L. (2019). SG Greetings. *ASEAN-Korea Centre*. Retrieved from: <https://www.aseankorea.org/eng/AKC/greetings.asp>

¹⁶ Park, N. (2019, Nov 26). Vietnam central to South Korea's ASEAN-focused 'New Southern Policy': ambassador. *Tuoi Tre News*. Retrieved from: <https://tuoitrenews.vn/news/features/20191126/vietnam-central-to-south-koreas-aseanfocused-new-southern-policy-ambassador/51988.html>.

¹⁷ Lim, S. (2020, Jun 26). Strengthening Korea-ASEAN strategic partnership. *The Jakarta Post*. Retrieved from:

Technical and Vocational Education and Training will help lay the foundation for the improvement of human resources in ASEAN. Korea has also pledged to work with the ASEAN Humanitarian Assistance Centre on a USD 3.5 million project to improve the bloc's disaster management capacity.¹⁸ The ASEAN-ROK Cooperation Fund was established to strengthen cooperation in areas such as people-to-people exchanges, trade and investment, and technology transfers, and this fund was doubled following the Busan summit. All these programs are crucial to narrow the perception gap between the two.

More importantly, however, was the establishment of several new institutions. The creation of a Presidential Committee on the NSP, combined with multiple high profile diplomatic meetings and summits, highlights the importance of this policy for Korea. To further the cooperation under this pillar, the role and mandate of the ASEAN-Korea Centre (AKC) should be strengthened. As an intergovernmental organisation, with an advisory committee composed of the ambassadors of all ten ASEAN countries, it can draw on their prior experience in facilitating people-to-people exchanges and visits, cultural activities, business matchmaking, and capacity-building programs. Since its establishment, the AKC's numerous educational and cultural programmes, and other activities, have significantly contributed to the evolution of the ASEAN-ROK relationship, greatly raising awareness of ASEAN in the Korean society. The AKC has a high reputation among ASEAN member states, not only due to its successful programmes but also because it is apolitical and well institutionalized, with relevant networks. It is therefore in a good position to further the People pillar under NSP 2.0.

Peace and Defence: The Basis for Strategic Convergence

The Peace pillar of the NSP encompasses diplomatic engagement and defence cooperation, among other goals. Unsurprisingly due to its sensitive nature, security cooperation lags in comparison to the others. In the realm of diplomatic and security cooperation, one of the NSP's 16 policy tasks was the continued Korean tradition of seeking support for its Korean Peninsula peace agenda. Until the 1990s, ASEAN was more engaged with North Korea than with South Korea. To this day, its member states maintain cordial relations with North Korea. ASEAN's peace-oriented values of inclusivity and non-interference offer avenues for the DPRK to connect with the international community, as was witnessed when Singapore and Vietnam hosted the historic US-North Korea Summits in 2018 and 2019.¹⁹ Additionally, the ASEAN Regional Forum (ARF), an annual security conference, is one of the few international conferences in which North Korea participates. While their leverage should not be exaggerated, this provides ASEAN with unique resources and perspectives to play a role in what is one of the biggest challenges for South Korea, being of great beneficial value in the pursuit of peace in this region.

Pragmatic defence cooperation is an important component of this pillar. Since the launch of the NSP, Korea has stepped up defence partnerships with almost all ASEAN member states, ranging from a Joint Vision Statement on Defence Cooperation with Vietnam to MOUs on defence and military intelligence cooperation with Thailand,²⁰ the

<https://www.thejakartapost.com/academia/2020/06/26/strengthening-korea-asean-strategic-partnership.html>.

¹⁸ *Ibid.*

¹⁹ Takahashi, T. (2019, Dec 15). How ASEAN Can Gain from South Korea Relations - and Kim Jong Un. *Nikkei Asian Review*. Retrieved from:

<https://asia.nikkei.com/Spotlight/Comment/How-ASEAN-can-gain-from-South-Korea-relations-and-Kim-Jong-Un>.

²⁰ Techakitteranun, H. (2019, Sep 3). Thailand, South Korea agree to deepen ties. *The Straits Times*, Retrieved from:

<https://www.straitstimes.com/asia/se-asia/thailand-south-korea-agree-to-deepen-ties>.

Philippines²¹ and Brunei.²² However, the push for defence industry cooperation seems to be driven by commercial interests rather than strategic calculations. The growth of South Korea's arms exports has so far not been conditioned by a strategically coherent regional agenda. For example, major clients of Korean defence exports are Southeast Asian states, some of which have claims in the South China Sea (SCS), and these procurements can strengthen their operational capabilities in the disputed waters. Yet, the ROK has maintained ambivalence regarding the SCS disputes for fear of antagonising China. The pragmatism of the ROK's defence cooperation with ASEAN is also illustrated by the lack of progress in its proposal for an annual ASEAN-ROK Defence Ministers' Meeting, even though it is a core policy task of the NSP.²³

The focus on the ROK's Korean Peninsula peace agenda and its vested commercial interests in the defence industry has overshadowed ASEAN's inherent strategic importance. An example of the oversight of this narrow focus is President Moon's decision to invite Kim Jong-Un to the Busan summit without consultation or the consent of each ASEAN member state. Not only did this breach established procedures in ASEAN-ROK dialogue mechanisms, but also conveyed a huge lack of respect towards ASEAN. Had the DPRK leader accepted the invitation or sent a special envoy, the summit would have been entirely overshadowed by Northeast Asian affairs.²⁴ It was unfitting to prioritise the Korean Peninsula agenda in the context of the summit commemorating the 30th anniversary of ASEAN-ROK relations. This is a particularly significant gaffe as it is exactly the prioritisation of North-South relations which has led to the breakdown of previous Korean policies focused on Southeast Asia. For continued cooperation under the NSP, it is imperative for South Korea to actively recognise ASEAN as an equal partner on its own merits.

The difficulty in developing cooperation under the Peace pillar should not be entirely blamed on South Korea, as ASEAN tends to evade traditional security issues. However, as Chinese assertiveness has not abated in this region, the security cooperation component of the NSP cannot be ignored for much longer. Maritime cooperation is a significant area of concern for ASEAN, as demonstrated in the ASEAN Outlook on the Indo-Pacific (AOIP). Having endorsed the AOIP, South Korea can use it as a benchmark for addressing cooperation on security issues. An amplification of ASEAN norms and initiatives, such as the Code of Conduct in the South China Sea, is necessary to promote this pillar and regional stability as a whole. Korea's initiatives regarding defence cooperation should be incremental, thus allowing the NSP to contribute to a more peaceful and prosperous environment in this region.

Trade and Investment: The Basis for Mutual Prosperity

The NSP's tilt in favour of economic cooperation is no secret. This focus is the result of a convergence of strong "push" factors on the ROK's side and "pull" factors in ASEAN.²⁵ As previously mentioned, the impetus of the NSP came from South Korea's

²¹ Yap, D. (2019, Nov 26). PH signs 'defense cooperation' MOU with S. Korea. *Inquirer.net*, Retrieved from: <https://globalnation.inquirer.net/182276/ph-signs-defense-cooperation-mou-with-s-korea>.

²² Parameswaran, P. (2018, Sep 18). What's in the New Brunei-South Korea Defense Pact? *The Diplomat*. Retrieved from: <https://thediplomat.com/2018/09/whats-in-the-new-brunei-south-korea-defense-pact/>.

²³ Presidential Committee on New Southern Policy (2018). *New Southern Policy Brochure*. Retrieved from: <http://www.nsp.go.kr/eng/main.do>

²⁴ Lee J. (2019, Nov 22). Kim Jong-Un Declines to Visit Busan for S. Korea-ASEAN Summit. *The Hankyoreh*. Retrieved from: http://english.hani.co.kr/arti/english_edition/e_northkorea/918116.html.

²⁵ Ha, H., & Ong, G. (2020, Jan 30). Assessing the ROK's New Southern Policy towards ASEAN. *ISEAS - Yusof Ishak Institute (7)*. Retrieved from: https://www.iseas.edu.sg/wp-content/uploads/pdfs/ISEAS_Perspective_2020_7.pdf.

imperative to diversify its economic relations and decrease dependency on China and the USA, which together accounted for 38.1% of the ROK's total exports between 2015 and 2017.²⁶ Concerning the ASEAN pull factors, their economies are increasingly attractive as both markets for exports and a hub for manufacturing investment. A telling example is Samsung's southward relocation of its mobile phone production from China to Vietnam.²⁷ Between 2015 and 2018, ASEAN-ROK trade grew by 34% and South Korea's investment in the region grew by 17% to USD 6.6 billion.²⁸ This significant volume of trade and investment flow will likely continue to increase in magnitude, fulfilling the promise of co-prosperity.

The biggest problem of this pillar is that economic engagement remains disproportionately directed towards Vietnam in all aspects. Half of South Korea's total trade and investment in the regional bloc goes into Vietnam.²⁹ In addition, it is also the top destination in ASEAN for South Korean visitors and receives more than 35% of the official development assistance (ODA).³⁰ This pre-eminence has been rightly criticized by the other ASEAN member states. As the movements of capital and people remain driven by business considerations and personal decisions based on cultural affinity, the government should publicize and help the other ASEAN member states get traction in Korea. To become a reliable partner for ASEAN countries in the long term, South Korea should focus on balancing the relationship and adopt a specific plan for each country. South Korea should invest more in the infrastructure of countries with less economic capacity, such as Laos and Brunei, while concentrating on high value-added industries in the mature economies.³¹

An interesting possible priority for the NSP 2.0 would be the Regional Comprehensive Economic Partnership (RCEP). This provisional trade deal, negotiations of which have been ongoing since 2013, consists of the 10 members of ASEAN, as well as Korea, China, Japan, Australia, and New Zealand. With reinvigorated focus and discussion, South Korea has pushed for the conclusion of what is to be the largest FTA, with a market accounting for half the world's population and a third of the global GDP. This will not only facilitate trade and industrial technology cooperation, but it will also greatly impact regional co-prosperity and cohesion. Simultaneously, it will be important to continue promoting bilateral FTAs with ASEAN member states that have been 'left behind' such as the Philippines and Malaysia.³²

²⁶ Kwak, S. (2018, Nov 12). Korea's New Southern Policy: Vision and Challenges. *KIEP Opinions*, Korea Institute for International Economic Policy. Retrieved from: https://think-asia.org/bitstream/handle/11540/9407/KIEPopinions_no146.pdf.

²⁷ Park, J. (2019, Oct 2). Samsung ends mobile phone production in China. Reuters. Retrieved from: <https://www.reuters.com/article/us-samsung-elec-china/samsung-ends-mobile-phone-production-in-chinaidUSKBN1WH0LR>

²⁸ Ha, H., & Ong, G. (2020, Jan 30). Assessing the ROK's New Southern Policy towards ASEAN. *ISEAS - Yusof Ishak Institute (7)*. Retrieved from: https://www.iseas.edu.sg/wp-content/uploads/pdfs/ISEAS_Perspective_2020_7.pdf.

²⁹ Takahashi, T. (2019, Dec 15). How ASEAN Can Gain from South Korea Relations - and Kim Jong Un. *Nikkei Asian Review*. Retrieved from: <https://asia.nikkei.com/Spotlight/Comment/How-ASEAN-can-gain-from-South-Korea-relations-and-Kim-Jong-Un>.

³⁰ Ha, H., & Ong, G. (2020, Jan 30). Assessing the ROK's New Southern Policy towards ASEAN. *ISEAS - Yusof Ishak Institute (7)*. Retrieved from: https://www.iseas.edu.sg/wp-content/uploads/pdfs/ISEAS_Perspective_2020_7.pdf.

³¹ Inn, S. (2019, Dec 17). 'New Southern Policy': Is South Korea Ready for This? *International Policy Digest*. Retrieved from: <https://intpolicydigest.org/2019/12/17/new-southern-policy-is-south-korea-ready-for-this/>.

³² Jung, D. (2019, Nov 22). South Korea, ASEAN to strengthen economic, strategic partnership. *The Korea Times*. Retrieved from: http://www.koreatimes.co.kr/www/news/nation/2019/11/356_279167.html.

To develop a successful and coherent NSP 2.0, South Korea needs to work on overcoming its excessive concentration on Vietnam and develop a more broad-based economic engagement across ASEAN and its member states. By upgrading their FTAs as well as their cooperation on smart cities and innovation, infrastructure development, and connectivity, they can further strengthen their ties. Another important focus would be the fostering of two-way exchanges that improve ASEAN's market access and cultural promotion in the ROK and the articulation of a coherent idea of regional cooperation that supports the open, inclusive and rules-based order.

What about EU engagements in this region?

The European Union has long realised the importance of Southeast Asia and has made multiple rather unsuccessful attempts at negotiating FTAs. This is especially so at the region-to-region level or in attempts at upgrading relations to a 'strategic partnership'. One of the cruxes of the failure to sign an interregional FTA between the EU and ASEAN has been Europe's persistence on a comprehensive agreement with labour, environmental, and human rights clauses. ASEAN and individual member states have strongly opposed this and the EU should rethink its strategy to achieve these goals. The EU must work towards having a better understanding of the modus operandi and the values driving ASEAN. This would enable the establishment of common ground to work towards an interregional agreement. European support of ASEAN initiatives, in line with the ROK's approach, would have long-lasting, beneficial effects on the nature of their relationship.

The EU needs to understand that its ambitious trade agreements are practically impossible for ASEAN. To move the relationship forward without giving up on European values, the Union could break down its comprehensive agreements into various smaller and more targeted ones. This is a practice that has yielded successful results in ASEAN's history. For example, the China-ASEAN FTA was later complemented with an investment agreement. With the ROK, an estimated 80 agreements and MOUs were signed on the sidelines of their FTA, on topics such as trade and investment, infrastructure development, and development assistance. While the NSP and South Korea's attitude towards ASEAN still have a few wrinkles to iron out, their overall outcome is positive, urging the EU to draw inspiration from this approach.

As an interregional FTA is not likely to be concluded in the near future, the EU should seek to foster stronger bilateral relations with the ASEAN member states. This would allow the EU to adapt its strategy to the idiosyncrasies of each country they negotiate with. The ASEAN member states have vast differences in their degree of economic development, cultural specificities and political systems, but through step-by-step, enduring dialogue and close cooperation, a model for flexible and multilevel mechanisms can emerge. This approach is crucial to lay down important stepping-stones for a potential future interregional agreement.

In reality, the EU needs not only to focus and elevate its economic partnership with ASEAN and its member states, but also acknowledge the relevance of diplomatic and institutional relations, and foster their development. Such frameworks have been crucial to the sustainability and success of policies like the NSP. President Moon was decisive and engaged at all levels; bilaterally, sub-regionally and through the ASEAN-ROK framework. Proactive summit diplomacy goes a long way, having allowed Korea to upgrade and consolidate its relationships with Malaysia and Thailand to "strategic partnerships", and with Indonesia to a "special strategic partnership". To demonstrate its seriousness about fostering better relations, it would be crucial for high-ranking officials from Brussels to travel to ASEAN countries. Previous High Representative Federica Mogherini co-chaired the EU-ASEAN Post-Ministerial Conference and represented the EU at the 26th ASEAN Regional Forum and the Shangri-La Dialogue, a defence summit. The

precedent set by Mogherini in 2019 must be followed by her successor Josep Borrell and other high-ranking officials and, ideally, this would include visits to each of the member states in order to demonstrate a genuine interest in each particular member state. This would be beneficial if coupled with the establishment of new institutions and the enhancement of existing ones, to further the people dimension, crucial for a sustainable relationship. The EU and most nations traditionally focus on state-centric diplomacy; however the NSP's core principle of people-centered diplomacy is what has been pivotal in the strengthening of ASEAN-ROK relations. With bottom-up processes and interactions such as socio-cultural initiatives, the public feels involved, thus gaining its support. Close intra-agency coordination via institutions such as the Presidential Committee on the NSP, combined with the fostering of strong grassroots links through events and summits, promotes mutual understanding. A multifaceted approach, with respect for each other's idiosyncrasies and cooperation on finding common ground greatly increases trust, which, in turn, is imperative for the establishment of strong and sustainable relations.

NSP 2.0: What's next?

The major diplomatic initiative that is the New Southern Policy stemmed from Korea's economic and diplomatic diversification strategy and the growing attraction of Southeast Asian economies. Under the umbrella of the NSP, ASEAN-ROK economic engagement has been robust and delivered on the promise of co-prosperity. This has allowed the ROK to foster a people-centred regional community by enabling the public to benefit from regional economic integration. The emphasis on the people and prosperity dimensions of the NSP played a key part in its sustainability. As progress is more tangible in these areas, this translates into popular support and an increase of domestic political points. Nevertheless, there are still several challenges ahead, as will be revealed when the Presidential Committee on the NSP unveils its 'NSP 2.0' at the end of 2020. As the geostrategic realities and the lack of defence cooperation hindered the synergy intrinsic to the 'push' and 'pull' factors, there has not been as much advancement under the Peace pillar thus far. As a rather sensitive topic for ASEAN, it remains to be seen if there will be more specific joint actions or any kind of additional boost to this pillar. Nevertheless, as a middle power, South Korea has the ability to play a critical role in maintaining regional stability through the promotion of an open and inclusive rules-based order. Despite the absence of a clear and defined strategic imperative, the NSP and its successor carry considerable geopolitical significance and potential. It opens new channels for South Korea and ASEAN to deepen cooperation and safeguard against vulnerabilities in relations with major powers, particularly in the face of current uncertainties arising from the US-China rivalry. It remains to be seen how the COVID-19 pandemic will affect the implementation of NSP 2.0 and the future of Korea-ASEAN relations. Nevertheless, the New Southern Policy meets the shared strategic need to diversify external economic relations, maintain an open and inclusive regional architecture, and mitigate the pressure to take sides in major-power rivalries.

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