

Remarks by H.E. Dr. Makio Miyagawa, Ambassador of Japan  
At a Luncheon on the occasion of the 31<sup>st</sup> Asia Pacific Roundtable  
Hilton Kuala Lumpur  
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Tan Sri Rastam Mohad Isa, Chairman and Chief Executive of ISIS Malaysia,

Distinguished intellectuals, policymakers, opinion leaders, think tankers,  
and thinkers,  
Ladies and Gentlemen,

1. In one of the leading and renowned fora to discuss the future of this region and the world, held over 30 years in Malaysia, I am pleased and honoured to share views with you on what I observe current issues of strategic gravity in this region.
2. From intellectual stimulus viewpoint, Ambassador is a little tedious business even as an understatement. I am, therefore, delighted and thrilled to be given an opportunity to exchange thoughts with so many prominent scholars, think-tankers, researchers, journalists, and policy makers, present in this luncheon. On this score, I thank Tan Sri and ISIS Malaysia for the invitation.
3. In 2017, the world is at crossroads. East Asia seems to be standing at a major turning point for its future.
4. The Britain's determination to leave the EU and the election of the new US President, which both occurred last year, have hinted a reverse current of the global trend of lowering border barriers amongst nations and of enhancing regional co-operation and integration, which started worldwide at the beginning of post-Cold War era twenty-seven years ago.
5. From one angle, the two events failed to live up the expectation of journalism. From the other perspective, journalists failed to recognise such undercurrents, and failed to predict them. In any account, those two historical incidents seem not only to reflect an introverted

inclination to the already globalised or globalising world, but also to incite such propensity.

6. Bringing firms back to its territory, putting up new hurdles around its borders, and injecting money inside its economy are amongst the possible measures. Leaving the regional integration mechanism, exploring national benefit-first policies, and severing deviators harshly are another set of likely steps envisaged from this year.
7. The move is, perhaps, partly a response to modern version of mercantilism in some monstrous emerging economies, whose diplomacy looks gaining ground, enclosing economically weaker nations with money and muscles.
8. As this introverted move has started in two major nations, which have led cosmopolitanism and not insularity at least for the last half a century, the impact of these new events would be colossal. This tsunami wave has not reached the coast of East Asia, not fully yet as of today. But it may, and in which form, I wonder. Could East Asia engage in efforts to bring the world on a right track for the better future of the human race?
9. ASEAN celebrates its 50<sup>th</sup> anniversary this year. ASEAN is flourishing economically and integrating politically. Nothing could be more delightful for Japan than the advancement ASEAN, as Japan has continuously rendered support for its formation, economic foundation and political stability all through since its inception, and even days before its formation. The connectivity has immensely been uplifted among countries in Southeast Asia. ASEAN has been playing a pivotal role in reinvigorating dialogues for maintaining peace and prosperity in Asia. The partnership which ASEAN has designed and reactivated has been vital and valuable.
10. A challenge to ASEAN now seems whether this association could further expand its horizon to create a broader regional co-operation. RCEP is already overdue almost for two years, now supposed to complete its negotiations by the end of this year. If it materialises, it could further expand the scope of connectivity beyond ASEAN. As it

subsumes the whole ASEAN nations, RCEP could drive a vehicle to realise an expanded form of Southeast Asian Free Trade Area. In TPP process, some of the ASEAN members are also engaged. Both could potentially promote a region-bound, barrier-free, vast single market, sharing an extensive set of common rules. Should ASEAN succeed in these forms, their market potentiality will become gigantic.

11. In political and security front, members of ASEAN now face a serious challenge. For the last half a century, ASEAN member countries have managed to lower their guards against one another through what one called “sport shirt diplomacy”. ASEAN has created multi-layered politico-security dialogue formulae, such as ARF and EAS, while very skilfully ensuring its centrality. All of them are worthy of admiration.
12. However, a grave security challenge to ASEAN has loomed up over the horizon for the past few years. The challenge is whether the members could be prepared to face security threats from outside the region collectively so as to realise stable and secure region. The situation in the South China Sea is a real test case on whether ASEAN could perform its solidarity and confront effectively to the threatening rough tide.
13. The ASEAN Ministers expressed “concern over recent developments and escalation of activities in the area which may further raise tensions and erode trust and confidence in the region”. The ASEAN Leaders also “remain seriously concerned over recent and ongoing developments and took note of the concerns expressed by some Leaders on the land reclamations and escalation of activities in the area, which have eroded trust and confidence, increased tensions and may undermine peace, security and stability in the region.”
14. Among a number of elements of importance, such as (a) their commitment to abiding with international law including UNCLOS, (b) peaceful resolution of territorial and jurisdictional disputes, (c) non-recourse to the threat or use of force, (d) self-restraint, and (e) the freedom of navigation and over-flight, two factors are critical for the fair and sound settlement of this dispute.

15. One of them should be the principle that “the territorial and jurisdictional disputes should be resolved in accordance with universally recognized principles of international law, including the 1982 UN Convention on the Law of the Sea”. This principle was agreed upon between China and the ASEAN countries, and is embodied in the Declaration on the Conduct of Parties in the South China Sea in 2002, already 15 years ago. Leaders participating East Asian Summit have repeatedly underscored, in their statement, the importance of the full and effective implementation of the DOC in its entirety.
16. If the Code of Conduct, another document now under negotiations, fails to provide this concordance, all wonder what merit exists in spending 15 years in its crafting. It is on this very element that the true value of the document is evaluated. Any legally-binding Code of Conduct must contribute effectively to rule-based settlement of territorial and jurisdictional disputes in accordance with international law and not in any manner which undermines or waters-down the 2002 DOC.
17. The other critical principle should be the non-militarisation and self-restraint. The ASEAN Leaders already agreed in 2016 in their statement on the importance of this principle, stating that “We emphasised the importance of non-militarisation and self-restraint in the conduct of all activities, including land reclamation that could further complicate the situation and escalate tensions in the South China Sea”. The Leaders of East Asian Summit also emphasized the importance of non-militarisation.
18. Before finishing my luncheon talk, I would express my utmost admiration for the Asia-Pacific Roundtable, which every year provides invaluable opportunities for high powered intellectuals, policymakers and opinion leaders to address security challenges for the future of this region.
19. Let me conclude my remarks by saying that, the greater the complexity of security environment, the more heavily the world rely on profound wisdom of prominent figures. Your debates value very highly.