



# Delhi Policy Group

Advancing India's Rise as a Leading Power



## POLICY BRIEF

### Australia-ASEAN Golden Jubilee Summit

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Volume IX, Issue 9

March 19, 2024



**Delhi Policy Group**

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### Cover Photographs:

*Leaders from Australia and ASEAN meet at Melbourne for the Summit to Commemorate 50 Years of ASEAN-Australia Relations, March 4-6, 2024. Source: [Australian Government](#)*

*Australian Prime Minister Anthony Albanese meets ASEAN Secretary General Kao Kim Hourn during the ASEAN-Australia Special Summit on March 05, 2024 in Melbourne. Source: [Australian Government](#)*

*Vietnamese and Australian Prime Ministers Pham Minh Chinh and Anthony Albanese exchange the joint statement on the elevation of Vietnam-Australia relations to a comprehensive strategic partnership on March 7, 2024.*

*Source: [Vietnam's Prime Minister Office](#)*

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## Australia-ASEAN Golden Jubilee Summit

by  
Lalit Kapur

Created in 1967 to embed Indonesia into a regional framework and engender solidarity amongst Southeast Asian states as the Vietnam war intensified, ASEAN made Australia its first dialogue partner in April 1974. Fifty years on, Australia and ASEAN commemorated the Golden Jubilee of their relations with a Special Summit at Melbourne on March 4-6, 2024. Timor Leste participated as an ASEAN observer, while New Zealand participated as Australia's guest.

Relations between Australia and ASEAN have had their ups and downs. A characteristically activist Australia wedded to US leadership for security has fundamental ideological differences with a pacifist ASEAN guided by the belief that regional nations have the primary responsibility for preserving the region's security and stability. Australia hosts US facilities; ASEAN is averse to great power bases in Southeast Asia. Australia fought alongside the US in the Vietnam War; the then members of ASEAN stayed out.

Shortly after becoming a dialogue partner, Australia tried to suppress competition to Qantas from Singapore Airlines by levying steep charges on airlines landing at Singapore<sup>1</sup>. It was forced to back down in the face of Southeast Asian solidarity. After acquiescing in the annexation of East Timor by Indonesia, Australia was later instrumental in the independence of Timor Leste. On the other hand, Australia and ASEAN made common cause in opposing Vietnam's intervention to overthrow the despotic Pol Pot regime in Cambodia, which worked to the detriment of India's relations in the region.

Today, ASEAN is Australia's second-largest trading partner, but their security partnership is at the preliminary stages. The relationship's dual character comes out from Australia's repeated profession of support for ASEAN centrality while stepping up ties with extra-regional powers through instruments like the AUKUS alliance and bilateral agreements with Japan, the Philippines and the US, amongst others. Such duality, however, is an inherent part of international relations in the modern era.

The Golden Jubilee Summit adopted a Melbourne Declaration<sup>2</sup>. This is built around a preamble and five pillars: regional security and stability, prosperity,

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<sup>1</sup> Allan Gyngell, "Fear of Abandonment: Australia in the World Since 1943", P 133.

<sup>2</sup> The Melbourne Declaration – A Partnership for the Future, March 6, 2024, [https://asean.org/wp-content/uploads/2024/03/ASEAN-AU-agreed-Melbourne-Declaration\\_FINAL.pdf](https://asean.org/wp-content/uploads/2024/03/ASEAN-AU-agreed-Melbourne-Declaration_FINAL.pdf)

sustainability, deepening of ties and the commitment to a shared future. The Declaration is a reiteration of shared positions across a range of regional issues, repeatedly pronounced at periodic multilateral summits, with only minor differences in nuance.

An ASEAN-Australia Leaders' Vision Statement was also adopted<sup>3</sup>. This too repeats thrust areas which have been affirmed earlier: the commitment to a comprehensive strategic partnership, building people-to-people ties, reinforcing economic architecture, enhancing regional connectivity, and tackling common global challenges, with little progress to show.

There were also, nevertheless, incremental initiatives to justify the Summit. Prime Minister Albanese announced the establishment of a A\$2 billion Investment Financing Facility to increase investment in key sectors<sup>4</sup>. He also announced an Energy Cooperation Package to support the ASEAN Centre for Energy; the establishment of an ASEAN Centre for Climate Change; the appointment of ten business champions to facilitate greater linkage between economies; improved visa access for Southeast Asian nations; the establishment of an ASEAN-Australia Centre at Canberra; and the establishment of scholarships for ASEAN students in Australian universities.

Australia's Foreign Minister had earlier announced grants to 38 community, university and business projects to strengthen collaboration between Australia and ASEAN<sup>5</sup> and the launch of investment hubs in Singapore, Jakarta and Ho Chi Minh City<sup>6</sup>. Other announcements were that the first business mission under a \$19.2 million Australia Southeast Asia Business Exchange will visit Singapore and Malaysia in April, to enable Australian businessmen to identify and capture commercial opportunities in Southeast Asia; a \$10 million climate and clean energy window<sup>7</sup>; a \$222.5 million investment by Australia to strengthen the resilience and prosperity of the Mekong sub-region through the

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<sup>3</sup> ASEAN-Australia Leaders' Vision Statement – Partners for Peace and Prosperity, March 6, 2024, <https://www.pm.gov.au/media/asean-australia-leaders-vision-statement-partners-peace-and-prosperity>

<sup>4</sup> Press Conference 2024 AASEAN-Australia Special Summit, March 06, 2024, <https://www.pm.gov.au/media/press-conference-2024-asean-australia-special-summit>

<sup>5</sup> Grants to support the Australia-ASEAN relationships, March 06, 2024, <https://www.foreignminister.gov.au/minister/penny-wong/media-release/grants-support-australia-asean-relationship>

<sup>6</sup> Southeast Asia hubs for investment Deal Teams, March 05, 2024, <https://www.foreignminister.gov.au/minister/penny-wong/media-release/southeast-asia-hubs-investment-deal-teams>

<sup>7</sup> Australia and Southeast Asia Strengthen Climate Change and Energy Cooperation, March 04, 2024, <https://www.foreignminister.gov.au/minister/penny-wong/media-release/australia-and-southeast-asia-strengthen-climate-change-and-energy-cooperation>

Mekong-Australia Partnership<sup>8</sup>; and funding of \$64 million over the next four years for maritime partnerships in Southeast Asia<sup>9</sup>.

Immediately after the summit, Australia and Vietnam upgraded their strategic partnership to the “comprehensive” level, making Australia Vietnam’s seventh comprehensive strategic partner (after China, India, Russia, the US, Japan and South Korea). The new partnership is structured around deepening political, defence, security and justice cooperation; enhancing economic engagement; building knowledge and connecting people; strengthening climate, environment and energy cooperation; supporting science, technology, innovation and developing digital cooperation; and reinforcing regional and international cooperation.

| Country     | GDP in USD Billion |         |         |         |         |         |
|-------------|--------------------|---------|---------|---------|---------|---------|
|             | 1980               | 2010    | 2020    | 2023    | 2025    | 2028    |
| India       | 189.44             | 1708.46 | 2671.60 | 3732.22 | 4511.85 | 5944.38 |
| Australia   | 162.96             | 1254.47 | 1360.84 | 1687.71 | 1780.92 | 2053.55 |
| SE Asia     | 245.91             | 2015.47 | 3096.60 | 3864.08 | 4489.18 | 5543.36 |
| Brunei      | No Data            | 13.71   | 12.00   | 15.15   | 16.24   | 18.19   |
| Cambodia    | No Data            | 11.23   | 25.77   | 30.94   | 35.86   | 45.09   |
| Indonesia   | 99.30              | 755.26  | 1062.53 | 1417.39 | 1670.63 | 2093.46 |
| Laos        | 1.91               | 7.51    | 18.51   | 14.24   | 14.87   | 17.93   |
| Malaysia    | 26.76              | 258.64  | 365.18  | 430.9   | 502.27  | 603.43  |
| Myanmar     | No Data            | 35.75   | 81.26   | 74.86   | 83.58   | 98.04   |
| Philippines | 37.08              | 208.37  | 361.75  | 435.68  | 521.90  | 698.51  |
| Singapore   | 12.08              | 239.81  | 348.39  | 497.35  | 547.32  | 626.07  |
| Thailand    | 33.42              | 341.05  | 500.46  | 512.19  | 579.69  | 682.68  |
| Vietnam     | 35.36              | 143.21  | 346.31  | 433.36  | 514.65  | 657.3   |
| Timor Leste | No Data            | 0.88    | 2.16    | 2.02    | 2.19    | 2.69    |

Table 1: GDP Statistics and Projections for Australia, India and Southeast Asia<sup>10</sup>

ASEAN is primarily an economic bloc. Its GDP has grown from \$246 billion in 1980 to over \$ 3864 billion in 2023<sup>11</sup>. As seen from Table 1 above, the ASEAN economy is projected to grow in tandem with that of India, becoming the fifth

<sup>8</sup> Supporting Mekong sub-region resilience, March 04, 2024, <https://www.foreignminister.gov.au/minister/penny-wong/media-release/supporting-mekong-subregion-resilience>

<sup>9</sup> New funding for maritime partnerships in Southeast Asia, March 04, 2024, <https://www.foreignminister.gov.au/minister/penny-wong/media-release/new-funding-maritime-partnerships-southeast-asia>

<sup>10</sup> Excerpted from IMF World Economic Outlook, October 2023

<sup>11</sup> Based on data from the IMF World Economic Outlook, October 2023.

largest economy in the world (after the EU, US, China and India) by 2028. Given the element of unpredictability in China-Australia relations, it makes eminent economic sense for Australia to strengthen its relationship with India and ASEAN.

Five years after Australia published an economic strategy for India undertaken by Peter Varghese, it released the Nicholas Moore report on Australia's economic strategy for Southeast Asia<sup>12</sup>. The Moore strategy recommends expanding the relationship in ten priority sectors: agriculture and food, resources, green energy transition, infrastructure, education and skills, the visitor economy, healthcare, the digital economy, professional and financial services, and creative industries. It sees the potential for two-way trade between Australia and ASEAN to grow from about \$117 billion in 2022 to \$350 billion by 2040.

| Country/Grouping | Two-Way Trade (\$ Bn) <sup>13</sup> | Percentage of Australia's total Trade |
|------------------|-------------------------------------|---------------------------------------|
| All Economies    | 792.5                               | 100%                                  |
| China            | 197.6                               | 24.9%                                 |
| ASEAN            | 117.3                               | 14.8%                                 |
| Japan            | 97.2                                | 12.3%                                 |
| US               | 57.6                                | 7.3%                                  |
| ROK              | 54.0                                | 6.8%                                  |
| Singapore        | 34.9                                | 4.4%                                  |
| India            | 32.0                                | 4.0%                                  |

Table 2: Australia's Top Two-Way Trading Partners (2022)<sup>14</sup>

On the trade front, as seen from Table 2 above, ASEAN as a bloc was Australia's second biggest trade partner, after China, in 2022<sup>15</sup>, accounting for 14.8% of Australia's trade. The sheer volume makes ASEAN important for the prosperity of many Australians, even though ASEAN enjoys a minor trade surplus of \$ 4.5 billion with Australia.

<sup>12</sup> Invested: Australia's Southeast Asia Economic Strategy to 2040, A report for the Australian Government by Nicholas Moore, AO, <https://www.dfat.gov.au/sites/default/files/invested-southeast-asia-economic-strategy-2040.pdf>

<sup>13</sup> All figures in USD, converted @ 1 AUD = 0.66 USD

<sup>14</sup> Australia's top two-way trading partners, <https://www.dfat.gov.au/sites/default/files/australias-goods-and-services-by-top-15-partners-2022.pdf>

<sup>15</sup> Australia's top two-way trading partners, <https://www.dfat.gov.au/sites/default/files/australias-goods-and-services-by-top-15-partners-2022.pdf>

On the other hand, statistics pertaining to Australia's investment in ASEAN indicate that investment has not accompanied increasing levels of bilateral trade. Australia's cumulative investment in Southeast Asia as of 2021 (the latest year for which Australian government figures are available) was around \$ 165 billion<sup>16</sup>. This is just 3.3% of Australia's global investment<sup>17</sup>. Moreover, 75% of this amount is invested in Singapore alone; the figure jumps to 86% if Malaysia is added. In contrast, Australia's investment in Vietnam was just \$2.3 billion; in Indonesia \$3.2 billion; in the Philippines \$5.9 billion; and in Thailand \$9.3 billion. In comparison, Australia had invested \$ 121 billion in New Zealand; \$ 265 billion in Belgium; \$ 831 billion in the UK; and \$ 1434 billion in the US.

Clearly, Southeast Asia is not among Australia's investment priorities. The \$ 2 billion Investment Financing Facility is an effort to incentivise Australian business to build up relationships with Southeast Asian neighbours. How effective it proves will be up to the ten industry champions, coupled with a sustained commitment from the Australian government. This commitment will, to a large extent, also be a function of how Australia sees itself: as an Anglo-Saxon outpost in an Asian neighbourhood of emerging nations, or as a partner in what is economically the world's most dynamic region.

On the security and stability front, leaders at the Jubilee summit reiterated well-known positions. ASEAN Defence Ministers had met in parallel, but the ADMM statement had little to show<sup>18</sup>. ASEAN's limitations on the security front are well-known, but unless these are addressed, ASEAN could find itself being marginalised. Southeast Asia stands at the fulcrum of China's expanding hegemonic thrust, directed towards both the Indian Ocean and the Southern Pacific. Australia has prepared the ground for securing the region through structures like AUKUS, the Quad, trilaterals with Japan and the Philippines, and an incipient Australia-Indonesia-India trilateral. Australia's Deputy Prime Minister and Defence Minister has met his Indonesian counterpart three times in the last ten months, in pursuit of "the single deepest and most significant

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<sup>16</sup> All figures in USD, converted from AUD at 1 AUD = 0.66 USD.

<sup>17</sup> Australia's International Investment Detailed Tables, <https://www.dfat.gov.au/sites/default/files/international-investment-australia-2021.pdf>

<sup>18</sup> Joint Statement by the ASEAN Defence Ministers on the ADMM's Accomplishments in Implementation of the ASEAN Political-Security Community Blueprint 2025, March 05, 2024, [https://asean.org/wp-content/uploads/2024/03/Joint-Statement-by-the-ADMs-on-ADMMs-Accomplishments-of-the-Implementation-of-APSC-Blueprint-2025\\_Adopted-by-ADMM-Retreat-5-March-2024.pdf](https://asean.org/wp-content/uploads/2024/03/Joint-Statement-by-the-ADMs-on-ADMMs-Accomplishments-of-the-Implementation-of-APSC-Blueprint-2025_Adopted-by-ADMM-Retreat-5-March-2024.pdf)

Defence cooperation Agreement between the two countries" in their history<sup>19</sup>. It remains to be seen how far Indonesia's President-elect will be prepared to go.

In sum, the Australia-ASEAN Special Summit marked some progress on the economic front, but little on the security front. There were no transformational initiatives, but Australia-ASEAN relations continue to hold promise, and the summit has certainly provided a political impetus.

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<sup>19</sup> Joint Press Conference, Jakarta, Indonesia, February 24, 2024, <https://www.minister.defence.gov.au/transcripts/2024-02-24/joint-press-conference-jakarta-indonesia>





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