

## EUROPEAN EXTERNAL ACTION SERVICE



### **EU Indo-Pacific Ministerial Forum: Co-Chairs' press release**

#### **New political momentum to enhancing partnerships between the EU and the Indo-Pacific**

On 13 May 2023, the second EU Indo-Pacific Ministerial Forum was held in Stockholm. The Ministerial Forum was co-chaired by Mr Josep Borrell, EU High Representative for Foreign Affairs and Security Policy / Vice-President of the European Commission, and Mr Tobias Billström, Minister for Foreign Affairs of Sweden.

The Stockholm Forum brought together participants<sup>1</sup> from the EU and its Member States, the European Investment Bank, 26 Indo-Pacific countries and several regional organisations. Representatives of other countries, in the framework of their respective Indo-Pacific strategies, also participated at the invitation of the co-chairs.

In line with the EU Strategy for Cooperation in the Indo-Pacific and building on the success of the 2022 Paris Forum, the Stockholm Forum provided new political momentum to enhancing partnerships between the EU and the Indo-Pacific, promoting regional peace and security, stability and shared prosperity, and shaping a collective vision for the future of the Indo-Pacific region. Russia's war of aggression against Ukraine has made clear that, in a globalised world, there are no "safe distances" from disruptive shocks.

The participants emphasised their shared determination to:

***Uphold the rules-based international order***, the principles of the UN Charter and international law, which are crucial for supporting an open and rules-based Indo-Pacific and for maintaining peace, promoting democratic values and protecting human rights and fundamental freedoms.

***Promote an inclusive approach*** to the challenges affecting the Indo-Pacific region and Europe, recognising that their prosperity and security are interconnected; foster shared and sustainable economic growth and human development, and ensure that all countries in the Indo-Pacific have an equal opportunity to contribute to and benefit from the region's increasing prosperity.

***Build*** more resilient and sustainable global value chains for all by diversifying trade and economic relations.

***Work together*** to fight, mitigate and adapt to climate change, promote the energy transition towards climate neutrality and reinforce energy security, counter biodiversity loss, pollution and other forms of environmental degradation, as well as to strengthen ocean governance.

***Maintain freedom of navigation and overflight*** as fundamental principles that underpin regional security and stability, especially in accordance with the United Nations Convention on the Law of the Sea (UNCLOS).

The Forum explored **ways to enhance cooperation and deepen solidarity** in various policy domains during three parallel roundtables.

With regard to **“Building more sustainable and inclusive prosperity together,”** the participants recalled their ambition to advance towards a global economic recovery, and to promote greater economic cooperation. They agreed to pursue opportunities to increase trade and investment flows, while ensuring that such cooperation is mutually beneficial and contributes to the sustainable development of all countries in the region.

The participants discussed how to better coordinate and cooperate to achieve sustainable and inclusive economic growth, while ensuring resilience in the face of heightened and volatile energy prices, economic shocks and disruption, as well as economic coercion. Security of supply chains for all is essential, through diversification and avoiding dependencies, which could turn into critical vulnerabilities. Participants recalled the importance of the Indo-Pacific region for the trade and digital agendas. In this regard, the EU mentioned that it intends to negotiate additional ambitious and modern free trade agreements if the conditions are right, and referred to the ongoing negotiations with Australia, Kenya, Eastern and Southern Africa, India, Indonesia and Thailand. The EU has also concluded digital partnerships with Japan, the Republic of Korea, and Singapore, designed to promote an open, fair and competitive digital economy.

The need to improve trusted connectivity between Indo-Pacific countries and the EU was also highlighted, aiming to reinforce the resilience of global and regional supply networks, and to better protect against future disruption and create new economic opportunities with value-adding investments, including through the EU Global Gateway initiative. In addition to the EU-ASEAN Comprehensive Air Transport Agreement, which will open new routes and increase direct people-to-people connectivity, the EU informed that it will seek similar beneficial agreements with other key partners in the region.

On **“Pursuing green opportunities and overcoming global challenges,”** the urgency to act on climate change and environmental degradation was widely recognised. Rising temperatures and sea levels, biodiversity loss, and extreme weather events threaten to undermine the Indo-Pacific region's social and economic development and exacerbate existing vulnerabilities. Participants discussed comprehensive and least-cost approaches to decarbonising their economies and expressed their resolve to work for a positive outcome of the United Nations Climate Change Conference in Dubai later this year (COP28). The EU recognised that for some partner countries, notably in the Pacific, climate change is an immediate existential threat. The EU and the European Investment Bank, which together with EU Member States are the biggest contributor of public climate finance to developing economies, will continue to provide support for mitigation and adaptation to climate change.

The Indo-Pacific region is home to some of the world's fastest-growing economies, with increasing energy demand in the years to come, and key energy suppliers, which are engaging in ambitious climate and energy projects, while pursuing their pathways towards net zero emissions. Participants expressed their willingness to work together in promoting energy diversification and reinforcing energy security. The EU and its Member States expressed their commitment to work more closely with their Indo-Pacific partners to ensure sustainable, secure and affordable energy for all, by promoting energy efficiency and the uptake and system integration of renewable energy, conscious of water and environmental stress. They will also promote the deployment of safe and sustainable low-carbon technologies. The International Partners Group (G7-IPG), which includes the EU, contributes to progress through the Just Energy Transition Partnerships with South Africa, Indonesia and Vietnam, while ASEAN and the EU are engaging for the first time in an Energy Dialogue, agreed at their Commemorative Summit in December 2022.

Participants also expressed the importance of the protection, restoration and conservation of biodiversity through the implementation of the Kunming-Montreal Global Biodiversity Framework and the Biodiversity Beyond National Jurisdiction Treaty. They recognised the urgency to accelerate action within this decade, including through aligning national biodiversity strategies and action plans to this new global framework and by mobilising resources from all sources to implement them. Continuing the fight against illegal, unreported and unregulated fishing is essential to avoid the depletion of marine resources.

As for “**Facing jointly the evolving security landscape in the Indo-Pacific,**” it was acknowledged that the EU and Indo-Pacific countries have a stake in each other’s security, and that the consequences of ongoing conflicts and instability go beyond any one country or region. The importance of the respect for the principles of the UN Charter was reaffirmed. Participants discussed the evolution of the security landscape in the Indo-Pacific, which is of direct concern to Europe just as the impact of Russia’s war of aggression against Ukraine is of direct concern to Indo-Pacific countries.

The participants addressed and welcomed their growing engagement on a broad range of traditional and non-traditional security and defence-related issues, such as maritime security, cybersecurity, counterterrorism, crisis management, hybrid threats and transnational crime.

The EU emphasised its ambition to establish a meaningful European naval presence in the Indo-Pacific region including through the implementation of a Coordinated Maritime Presence in the North West Indian Ocean, as well as to contribute to regional security through its missions and operations, and programmes such as CRIMARIO, MASE and ESIWA.

The EU also referred to its intention to step up its engagement in regional fora, notably through its application to become a dialogue partner in the Indian Ocean Rim Association, as well as its applications to become an observer in regional defence fora such as the ASEAN Defence Ministers’ Meetings Plus framework, and in the South Pacific Defence Ministerial meetings.

The **EU and ASEAN, at their Commemorative Summit in December 2022**, committed to explore potential collaboration in the areas identified in the ASEAN Outlook on the Indo-Pacific and the EU Indo-Pacific Strategy. Participants also looked forward to the ASEAN-Indo-Pacific Forum in September, organised under the Indonesian Chairmanship. They welcomed the signing in 2022 of the Treaty of Amity and Cooperation in Southeast Asia by Denmark, Greece and the Netherlands.

Participants reiterated the importance of supporting the priorities and needs of the Pacific Island countries, in accordance with the **Pacific Islands** Forum’s 2050 Strategy for the Blue Pacific Continent.

Participants agreed that the 2023 **G20** chaired by India and the **G7** chaired by Japan offer important opportunities to advance their common agendas.

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<sup>1</sup> EU (HRVP, Commissioner for Energy), Sweden; Austria, Belgium, Bulgaria, Croatia, Cyprus, Czech Republic, Denmark, Estonia, Finland, France, Germany, Greece, Hungary, Ireland, Italy, Latvia, Lithuania, Luxembourg, Malta, Netherlands, Poland, Portugal, Romania, Slovakia, Slovenia, Spain; Australia, Bangladesh, Comoros, Fiji, India, Indonesia, Japan, Laos, Malaysia, Maldives, Mauritius, Mozambique, New Zealand, Oman, Pakistan, Philippines, Singapore, South Korea, Sri Lanka, Thailand, Timor Leste, United Arab Emirates, Vanuatu, Vietnam; European Investment Bank (EIB), Indian Ocean Rim Association (IORA), Pacific Islands Forum (PIF); Canada, UK, US.

13 May 2023

## **Concrete cooperation between the EU and the Indo-Pacific region**

### **– Progress achieved in the implementation of the EU's Indo-Pacific Strategy –**

By hosting the EU Indo-Pacific Ministerial Forum, the EU and its Member States reaffirmed the commitment to step up their long-term engagement in the Indo-Pacific, working with all partners when and where interests converge.

Since the Paris Forum in 2022, the EU has activated all its relevant resources and policy initiatives. **This has led to significant progress being achieved in the implementation of the EU's Strategy for Cooperation in the Indo-Pacific in all its priority areas.**

The EU Global Gateway initiative sets out the EU's plan to boost its engagement in the region and provide strategic investments in the development of infrastructure aiming at supporting the twin green and digital transitions in partner countries. Over 20 Global Gateway flagship projects have been launched and will be implemented across the Indo-Pacific during 2023 and beyond.

In addition, the Open Architecture Guarantees within the European Fund for Sustainable Development Plus (EFSD+) will be deployed in the Asia-Pacific region for the first time and are expected to contribute significantly to EU priorities as well as to the achievement of Global Gateway objectives.

Horizon Europe, the most open and by far the largest research and innovation programme globally, has enabled researchers and innovators from Europe and a growing number of Indo-Pacific countries to cooperate more easily.

### **Sustainable and inclusive prosperity**

The EU has worked on several tracks to fully play its part in securing global economic recovery and advancing towards resilient supply chains, including by looking into collaboration with all like-minded countries on critical raw materials looking into collaboration with like-minded countries on critical raw materials. The EU has signed Partnership and Cooperation Agreements (PCA) with Malaysia and Thailand in December 2022. In addition, Tonga, Timor-Leste, Niue, Tuvalu and Vanuatu have recently notified their intention to accede to the existing Economic Partnership Agreement (EPA) with the Pacific.

The EU has actively advanced its dedicated agenda with the Indo-Pacific region to foster new trade and investment opportunities. Negotiations on a Free Trade Agreement (FTA) with New Zealand were concluded in June 2022. Negotiations have been ongoing with various Indo-Pacific partners, including Australia, Eastern and Southern Africa, Kenya and Indonesia, in parallel with the relaunch of negotiations with India in June 2022 and, more recently, with Thailand in March 2023. The EU and India also launched a Trade and Technology Council.

To further support economic development in the Indo-Pacific, the EU has also provided trade benefits to countries, through the Generalised Scheme of Preferences and the Everything but Arms scheme, particularly important given the impact of the pandemic.

### **Green transition**

The EU has been taking a broad range of actions to advance sustainable, safe and affordable energy systems, in Europe as well as in the Indo-Pacific, a region particularly vulnerable to climate change. The Green Blue Alliance for the Pacific includes actions for climate mitigation, adaptation and resilience, and has recorded milestones this year in Fiji and Papua New Guinea, in addition to continued actions within the Kiwa initiative to the benefit of the Pacific Island Countries.

Under the climate action and resilience strand of this Team Europe Initiative, two pre-feasibility studies have been under preparation in 2022, for the building of a hydroelectric dam in Qualiwana (Fiji) and for the construction of a multi-purpose deep sea port in Kiribati.

The EU launched a €30 million Green Team Europe Initiative with ASEAN in December 2021 to support cooperation on climate action and environmental protection. Implementation is already underway.

The EU has also initiated Team Europe Initiatives in green transition or the energy domain with Bangladesh, Djibouti, Kenya, Madagascar, Mozambique, Cambodia, Indonesia, Lao PDR, the Philippines, Somalia, Vietnam and Tanzania.

The EU is also supporting key infrastructure projects like the Bac Ai Pumped-Storage Hydropower project, near-shore wind farms in Vietnam, and the expansion of the desalination plant and construction of a solar energy plant in Djibouti.

In addition to its Green Alliance with Japan, the EU has been actively seeking green partnership with others. Through the Just Energy Transition Partnerships set up with South Africa, Indonesia and Vietnam, the EU and G7-IPG partners are contributing to advancing the green transition while also effectively managing its social aspects. The EU and its G7 partners are also exploring the establishment of a similar partnership with India. Through its energy diplomacy, the EU will promote the development of a rules-based, transparent and undistorted global hydrogen market based on reliable international standards and certification schemes. The EU has started hydrogen cooperation, e.g. with the United Arab Emirates, India and Japan.

The EU renewed its commitment to support developing countries meet the International Maritime Organisation's energy efficiency and greenhouse gas targets, by funding Global Maritime Technology Cooperation Centres in Africa and the Pacific. Additionally, with a view to ensuring the attainment of the International Civil Aviation Organisation's long-term goal of net-zero CO<sub>2</sub> emissions by 2050, the EU will assist India and multiple African partners in boosting their Sustainable Aviation Fuels production capabilities.

### **Ocean governance**

The EU has played a key role in strengthening international ocean governance especially through its negotiation efforts at the United Nations to reach an agreement on the Biodiversity Beyond National Jurisdiction Treaty. As a result of its active participation in regional fisheries management organisations, the EU has led joined the North Pacific Fisheries Commission in March 2022.

The EU has been supporting Indo-Pacific partners in the fight against illegal, unreported and unregulated (IUU) fishing, including through dedicated dialogues. To reinforce the fight against IUU fishing, the ECOFISH programme is supporting the implementation of the "fisheries regional surveillance programme" with organisation of joint patrols at sea.

The EU has also extended its network of Sustainable Fisheries Partnership Agreements (SFP) to the Cook Islands, Kiribati, Micronesia and Solomon Islands, alongside its continued encouragement to Pacific Island Countries to accede to the FAO Port State Measures Agreement. Negotiations for a new SFP with Madagascar were concluded in 2022.

The EU launched a project on the Marine Regions Forum in the Western Indian Ocean, which aims to help establish the Forum as an inclusive and informal dialogue platform at the science-policy interface. It will also build on the BlueInvest Africa 2022 launched in Seychelles.

## **Digital partnerships**

In order to tackle the digital divide and strengthen its ties beyond Europe, the EU has been building a network of digital partnerships with Japan and the Republic of Korea, launched in May and November 2022 respectively, as well as with Singapore in February 2023. These partnerships aim to increase cooperation between the EU and these like-minded countries and produce concrete deliverables that will foster a safe, secure digital space and jointly shape a set of standards that can be used globally. The EU has also agreed on a set of Digital Trade Principles with these three countries, as a first deliverable of their Digital Partnership. The EU has launched projects in support of the green and digital transition in the Gulf. As an instrument to support the EU and Member States' digital partnerships throughout the region, the Asia-Pacific branch of the Digital4Development Hub was launched in 2022 and is being operationalised through concrete cooperation within Team Europe Initiatives (TEI).

The Digital Connectivity TEI in the Philippines, for example, will support digital transformation to scale up service provision from the Copernicus mirror site to all ASEAN countries through purchase of bandwidth capacity to provide high-speed internet capacity.

## **Connectivity**

To ensure greater connectivity with the Indo-Pacific, the EU has deepened its engagement and sought synergies through key partnerships, namely with Japan and India. These partnerships are starting to deliver concrete projects such as the renovation of the road crossing Laos, Thailand and Vietnam, and the construction of the metro line MRT in Jakarta with the support of European Investment Bank (EIB) and Japan International Cooperation Agency (JICA).

At the national and regional levels, including on the African continent, the EU has actively been identifying and implementing collaborative projects with its partners. These efforts, in line with the G20 Principles for Quality Infrastructure Investment, underpin the EU's Global Gateway contribution towards affordable, reliable and sustainable connectivity.

In the context of the EU-ASEAN Commemorative Summit in December 2022, the EU and ASEAN reaffirmed their joint commitment to promote connectivity with and within ASEAN, with the launch of a Sustainable Connectivity Team Europe Initiative. This will be supported by a Sustainable Connectivity Package of €60 million funded by the EU, focusing on trade and economic connectivity, transport, energy, digital and people-to-people connectivity sectors.

With €50 million, the ASEAN Catalytic Green Finance Facility (ACGF) is the biggest grant provided under the Asia Investment Facility (AIF) with the objective to mobilise investments supporting EU green and connectivity priorities.

The Sustainable Assets for Agricultural Markets, Business and Trade (SAAMBAT) project in Cambodia is supporting transport connectivity in the country, thus facilitating trade, reinforcing agricultural value chains, and providing improved access to social infrastructure and services. In the long term, this would strengthen Cambodia's integration in the greater Mekong Sub-region (GMS) and with its ASEAN partners.

In addition, the EU and ASEAN signed the Comprehensive Air Transport Agreement in October 2022. The world's first region-to-region agreement, it will bolster connectivity among the 37 States of the EU and ASEAN, leading to more flight options and more competitive prices. The EU and the Republic of Korea launched a High-Level Transport Dialogue in September 2022. The EU and Japan signed a Horizontal Agreement on air services in February 2023. Following up on the commitments of the EU-India Connectivity Partnership, both sides held the Aviation Summit in April.

## **Security and defence**

The EU has stepped up its engagement in the security and defence field in the Indo-Pacific, as set out in the Strategic Compass. Seeking to establish “tailored partnerships” designed to better address our common challenges, the EU held regular security and defence consultations and dialogues.

The EU’s recently updated Maritime Security Strategy will add new impetus to the EU’s cooperation with Indo-Pacific partners. EUNAVFOR Operation Atalanta has successfully concluded joint naval exercises with partners, such as Indonesia, the Republic of Korea, Japan, Oman and, most recently, the United States. The EU and Japan signed an Administrative Arrangement for cooperation on anti-piracy operations in March 2023. In support of the extended mandate of Operation ATALANTA to drugs and arms trafficking, negotiations for a “legal finish” agreement with Seychelles are ongoing. In Somalia, the Operation and EUCAP Somalia has conducted several joint exercises for maritime law enforcement agencies from Mogadishu, Somaliland and Puntland. The EU established a new Training Mission in Mozambique in 2021 to support the armed forces of the country.

The EU has been implementing its Coordinated Maritime Presence concept in the North-West Indian Ocean to optimise the use of assets that EU Member States are deploying in the region. In this context, the EU has been engaging actively with partners, including members of the Djibouti Code of Conduct.

The EU and partners reiterated their readiness to continue active engagement in the ASEAN Regional Forum (ARF) to promote peace and security in the region. The EU also reiterated its interest in joining the East Asia Summit (EAS), the ASEAN Defence Ministers Meeting Plus, and the observership programme of the ADMM-Plus Experts’ Working Groups on Peacekeeping Operations, and on Humanitarian Assistance and Disaster Relief.

The EU-funded project CRIMARIO has offered capacity building activities and information sharing solutions to more than 20 countries across the Indo-Pacific region, especially by developing IORIS, a secure maritime domain awareness platform. This secure and impartial system supports maritime information sharing and coordination at the national, as well as regional, level.

The EU’s maritime security programme (MASE) is building a security architecture to improve the governance of the Indian Ocean with emphasis on information sharing and regional actions at sea to combat maritime crimes. The Port Security Programme (PSP) is contributing to improve port security legislation and its effective enforcement by the port authorities of the Indian Ocean region.

The EU has also stepped up security-related activities through the EU-funded project “Enhancing Security Cooperation in and with Asia” (ESIWA), which covers four thematic areas: counter-terrorism, cybersecurity, maritime security and crisis management. On Foreign Information Manipulation and Interference (FIMI), the EU is engaging with a number of partners as well as undertaking activities at regional level.

Cooperation in the field of cybersecurity and cybercrime intensified through the EU-funded ‘Global Action on Cybercrime’ programme. Mauritius was designated as a “regional hub” for sharing expertise and experience with neighbouring countries.

## **Human security**

The EU has also proved its capacity to swiftly provide humanitarian assistance and disaster relief. The EU is providing humanitarian aid to address the immediate needs of the most vulnerable people in Myanmar, including displaced and conflict-affected communities. It is also providing assistance in response to the Rohingya refugee crisis, in particular in Bangladesh where one million Rohingyas live in refugee camps entirely dependent on

humanitarian assistance. The EU has provided assistance in the Indo-Pacific to support victims in case of major natural disasters, such as in the recent case of the cyclones in Vanuatu. The EU also helped coordinate incoming assistance for flood victims in Pakistan in 2022 and contributed to the reconstruction of Pakistan in the donor conference in January 2023 with Team Europe support (including humanitarian efforts). The EU is also committed to support the region via disaster preparedness programmes. The EU has been assisting the Yemeni people with humanitarian and development support, especially in view of the global food crisis.

In 2023, the EU responded to cyclone Freddy in Madagascar, Mozambique and Malawi by providing immediate assistance to people in need. The EU is also responding to the impact of the historic drought in the Horn of Africa, providing live saving assistance in Ethiopia, Somalia and Kenya. The EU continues to support resilient food systems in the Arid and Semi-Arid regions and will step up support on fertilisers and soil management to facilitate the use of organic fertilisers by small farmers in Kenya.

The EU has mobilised the Copernicus Emergency Management Service over Pakistan and the Philippines (floods and typhoon respectively, September 2022), Australia (floods, October 2022), Indonesia (earthquake, November 2022), Madagascar (storm, January 2023), as well as over Mozambique and Vanuatu (floods and cyclones respectively, March 2023).

The EU has also confirmed its decisive support in the Indo-Pacific to health systems. Through the Asia Investment Facility, the EU is supporting with €10 million co-financing a technical assistance programme in Indonesia to strengthen university teaching in hospitals to build up capabilities for testing and research and to become part of a strong pandemic surveillance network.

The EU is engaged in providing basic assistance to the most vulnerable people in countries with weak or inexistent health systems, like in Afghanistan and Myanmar. In case of lack of health facilities, the EU has provided assistance through the development of a network of mobile clinics. The EU is also supporting the World Health Organisation South-East Asia Health Pandemic Response and Preparedness Project. This programme aims to support the fight against COVID-19 in eight ASEAN countries as well as ASEAN regional coordination. The EU also supports Indonesia's pandemic preparedness and contributes financially through the European Investment Bank to the health sector in the Maldives.