

**ADDRESS BY SENATOR GARETH EVANS, FOREIGN MINISTER OF AUSTRALIA, TO THE ASEAN PMC 7+7 SESSION.**

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If we look back over the last year since ASEAN and its dialogue partners met in Bangkok, it would be fair to say that we have seen in the intervening twelve months a consolidation and strengthening of the sense of community amongst Asia-Pacific nations. This is reflected not only in the further development of APEC and the ASEAN Regional Forum, but perhaps also in a growing call that disputes in both the economic and the security fields not be resolved unilaterally but be addressed in a cooperative manner with the interests of the broader Asia-Pacific community in mind.

Economically, the Asia Pacific Region has been going from strength to strength, reflecting its pre-eminence as the fastest growing region in the world. This robust growth will be further enhanced by the historic declaration made last December at the APEC leaders meeting in Bogor. The agreement to achieve free trade in the region by 2010 for industrialised countries and 2020 for developing countries will have the end result of establishing an open market of around two billion people. It is pleasing too, that at a sub-regional level trade liberalisation is gathering pace. A good example is ASEAN's decision to speed up the implementation of the ASEAN Free Trade Area and significantly broaden its coverage.

Australia believes the success of the APEC process is central both to the future prosperity of the Asia-Pacific and to its long term stability. Apart from the enormous longer term economic benefits it will bring to all participants, we should remember that not the least of APEC's contributions to regional peace and prosperity is that it engages the United States in the Asia-Pacific in a constructive way that is strongly in the interests both of the US and regional nations.

Australia has been pleased by progress in recent APEC discussions and APEC now seems well on its way to putting in place an action agenda capable of effectively implementing the Bogor commitments. This reflects very positive Japanese leadership and a substantial body of support among APEC members for a bold outcome at the forthcoming Osaka Leaders Meeting.

[XXIII/95] APEC's success of course can only take place within the framework of the effective operation of the GATT and of the new World Trade Organisation. The willingness of major nations to deal with important bilateral economic disputes between

them by recourse to the multilateral system is particularly important for this region. Such disputes between the world's largest economies, for example the recent dispute between the United States and Japan, have major consequences for Australia and the rest of the Asia Pacific region. It is Australia's view that any further trade differences of this kind should be settled by recourse to multilateral processes such as the World Trade Organisation or suitable regional arrangements rather than by unilateral action.

In the regional security field, Australia has been very pleased with the considerable progress made in the ASEAN Regional Forum under the stewardship of Brunei over the last year, culminating in yesterday's successful meeting. Australia looks forward to working closely with Indonesia as it takes the process forward in the coming year. Australia welcomes in particular the progress made on confidence building measures, with particular dialogues to go forward under the auspices of the Intersessional Support Group (ISG).

It is essential, of course, for the ARF to address the real regional security issues facing the Asia-Pacific. The ARF could not claim to make a practical contribution to regional welfare if it were to ignore such issues as the Korean Peninsula and the South China Sea. It augurs well for the development of Asia-Pacific security processes that ARF participants have been prepared to tackle such issues in a constructive and non-confrontational way.

Both these issues demonstrate a growing preparedness on the part of regional countries to recognise their obligations as members of a regional community in the Asia-Pacific. North Korea's willingness to sign the 1994 US-DPRK Agreed Framework was a major breakthrough in resolving the nuclear issue and in contributing to peace and stability on the Korean Peninsula. The Agreed Framework offers the best way of ensuring the DPRK's compliance with its safeguards obligations, halting its weapons-related nuclear development and drawing it into a more responsible international role. Australia has also been encouraged by the outcome of the recent US and DPRK talks in Kuala Lumpur, which confirmed KEDO's authority to negotiate with the DPRK for the provision of Light Water Reactors. We believe it is in the security interests of the region and the international community to continue to support the implementation of the Agreed Framework through continued strong support for KEDO.

Australia takes a close interest in developments in the South China Sea. Instability there affects the security of Australia's surrounding region. Unilateral action unexpectedly initiated earlier this year was very unsettling for the region, and led to a strong and united call by countries of the region for cooperative solutions rather than imposed outcomes. To make progress towards a long term solution on the Spratlys dispute, it is very important that all claimants commit themselves to a serious multilateral, diplomatic, negotiating exercise, rather than seeking to resolve or assert claims through unilateral action or the use or threat of force or military might in any way. As a starting point, Australia urges mutual

recognition of the existence of competing sovereignty claims. We also encourage all claimants to clarify the precise extent of their territorial and maritime claims in the South China Sea.

Australia like many other countries is opposed to nuclear weapons testing by any state. We deplored China's undertaking a test just a few days after the NPT Review and Extension Conference, and France's announcement on 13 June that it would resume nuclear testing in the South Pacific. Australia is profoundly concerned that the actions of China and France will have adverse effects on international nuclear non-proliferation and disarmament efforts. These actions have betrayed the trust of the many countries - particularly those in the NAM - which agreed to the delicately balanced understandings which form the outcome of the NPT Review. Moreover, continued nuclear testing represent a potential threat to the negotiations for a Comprehensive Test Ban Treaty, which are now entering a crucial stage in Geneva.

Australia's position is that such testing lacks any justification, especially with the passing of the Cold War. The strength of feeling in the region - and indeed world wide - shows that countries which persist with testing programs are seriously out of step with the international community. South Pacific Forum nations, including Australia, feel particularly aggrieved at the French decision, on both environmental and wider nuclear policy grounds. I led a South Pacific Forum mission to Paris in June to protest against this decision. We were thus delighted at the call by ARF members yesterday for an immediate cessation of nuclear testing in the region.

More positively, Vietnam's presence at this meeting highlights two developments that contribute in an important way to a stronger sense of community in the Asia-Pacific - the expansion of ASEAN and the normalisation of relations between Vietnam and the United States.

I would like to express Australia's pleasure at Vietnam's accession to ASEAN. Membership of ASEAN is an important milestone in Vietnam's accelerating integration with the region. ASEAN membership is all the more significant because of the opportunity it gives Vietnam, which has suffered decades of war and isolation, to share fully in the economic growth and development of the region.

Nor are the benefits of this event only Vietnam's: the political and economic strength of ASEAN will be enhanced by the addition of an educated and industrious nation of some 73 million people. The combined population of the ASEAN states is now about 415 million, and the diversity of what was already a rich tapestry has been increased by addition of another nation with cultural traditions that reflect centuries of interaction and integration. Vietnam's membership - and prospects for an even larger group - will maintain ASEAN's central role in the Asia-Pacific community.

Australia looks forward to the time when ASEAN includes all the ten member states of South East Asia. ASEAN's success as a cohesive regional grouping strongly supports Australia's fundamental interest in the economic growth and strategic stability of South East Asia. The trends are encouraging. Cambodia, after decades of instability which witnessed the horrors of the late 1970s, is finally showing signs of re-emerging as a cohesive nation. Laos, after years of isolation, is becoming a focus for trade and investment, building upon its central position in Indochina.

Australia warmly welcomed President Clinton's announcement of the normalisation of diplomatic relations with Vietnam on 11 July 1995. Australia has long been of the view that the relationship should be normalised and has taken every opportunity to encourage both the United States and Vietnam to take the necessary steps to facilitate normalisation. Australia believes that normalisation marks the beginning of a new phase in US relations with Vietnam and with the region. Together with Vietnam's accession to ASEAN, the re-establishment of full diplomatic ties with the United States should allow each country to pursue more comprehensive engagement in regional affairs, enhancing the sense of community in the Asia-Pacific.

With regard to Myanmar, we of course welcome the release of Aung San Suu Kyi as an important action by the military leadership of that country. It is heartening to see that since her release she has laid stress on the need for dialogue, for reconciliation and for inclusiveness rather than for confrontation and division. But it is vital that none of us in the region should now send a message to the military leadership of Myanmar that it has now done enough simply by releasing Aung San Suu Kyi - that it simply has to wait out international disapproval for a year or two more and that it will be accepted into regional organisations without need for further change. All of us should make clear to the military leadership of Myanmar that we need further indications of its intention to move down the path towards reconciliation. We should make clear to that leadership that the region will respond in a measured and positive way to the benchmark steps it takes towards that reconciliation, but that those steps need to be taken.

The development of the Asia-Pacific towards a regional community has helped it avoid in recent years the worst type of security related problems that afflict other parts of the world. Not the least of these are the myriad of seemingly intractable ethnic conflicts, typified at present by the worsening situation in the former Yugoslavia. Like other nations, Australia has been deeply saddened by recent developments in Bosnia and its neighbourhood. Australia appreciates the strength of feeling in the region on this issue. We continue to encourage those countries directly involved - especially the European nations - to tackle the situation in the former Yugoslavia decisively.

Australians now accept, not grudgingly but enthusiastically, the idea that the East Asian Hemisphere, within the wider Asia Pacific region, is where we live, where we must find

our security, and where we can best guarantee our prosperity. Over the last ten years in particular, we have comprehensively engaged our East Asian neighbourhood to the extent now that we are economically, strategically, politically, related to it to a degree that would have been almost unimaginable even a decade ago. For us, therefore, the emergence of a real, identifiable Asia Pacific community, further consolidation of which we have seen in the past few days, is something which is vital to Australia's national interests. The simple conclusion to which we came many years ago, and which we believe is now being well borne out, is that no country in this part of the world can guarantee their security or their economic progress better alone than they can by working cooperatively with all other countries in the region.

Australia certainly appreciates that its interests will be best served by maintaining and strengthening the trans-Pacific architecture which APEC and ARF have already put in place. We believe, in fact, that the interests of all the nations of the region will best be served not only through the further evolution of these institutions, but by the emergence of a confident, articulate sense of membership of a common Asia Pacific community. And I believe that, with the events of the last twelve months I have described, we are well on the way to achieving that.