

ASEAN makes progress on trade, not on sea disputes By JIM GOMEZ and EILEEN NG

Leaders of the Association of South-East Asian Nations join their hands as they pose for a group photo section during the 22nd ASEAN Summit in Bandar Seri Begawan, Brunei, Thursday, April 25, 2013. They are, from left, Philippines President Benigno Aquino III, Singapore's Prime Minister Lee Hsien Loong, Thai Prime Minister Yingluck Shinawatra, Vietnamese Prime Minister Nguyen Tan Dung, Brunei Sultan Hassanal Bolkiah, Myanmar's President Thein Sein, Cambodian Prime Minister Hun Sen, Indonesian President Susilo Bambang Yudhoyono, Laotian Prime Minister Thongsing Thammavong and Malaysia's Senate President Abu Zahar Ujang. (AP Photo/Vincent Thian)

BANDAR SERI BEGAWAN, Brunei (AP) – Southeast Asian leaders were upbeat Thursday about progress made on an ambitious plan to weld the region into a European Union-style economic community as a counterweight to Asian powerhouse China, while efforts were stalling on South China Sea disputes.

Leaders attending the Association of Southeast Asian Nations summit in Brunei had hoped China would soon agree to start talks on a nonaggression pact to prevent a major clash in the disputed



territories that could smoke out their region's robust economies.

But China has given no clear indication when it would agree to negotiate such a stopgap accord, known in ASEAN parlance as a "Code of Conduct."

"Everybody is interested in having a peaceful resolution and also in voicing a concern that there have been increasing sea disputes," Philippine President Benigno Aquino III told reporters after he and the other heads of state sat in a traditional dinner Wednesday.

Although overshadowed by security issues, an ambitious plan by ASEAN to transform itself into an E.U.-like community of more than 600 million people by the end of 2015 has sparked more optimism, with diplomats saying the bloc was on track to meet the deadline.

About 77 percent of the work to turn the bustling region into a single market and production base, first laid out in a 2007 blueprint, have been done, according to a confidential draft statement to be issued after the summit.

Nine leaders in the 10-nation bloc huddled behind closed doors Thursday at a cavernous, stone and marble building Brunei's Sultan Hassanal Bolkiah had ordered built for the annual two-day summit. Absent from the session was Malaysian Prime Minister Najib Rasak, who was campaigning for re-election back home.

Carl Thayer, an expert who has extensively studied the territorial conflicts, said ASEAN may have committed a strategic mistake of agreeing to a crucial process that could easily be stalled by China, which would not commit to anything that would restrict its plans.

"ASEAN is stuck in a bureaucratic rut," Thayer said.

The battle for ownership of potentially oil-rich territories in the South China Sea has settled into an uneasy stand-off since the last fighting, involving China and Vietnam, that killed more than 70 Vietnamese sailors in 1988. The other claimants are Brunei, Malaysia, the Philippines and Taiwan.

New skirmishes, however, have erupted in the last two years, involving Vietnam, the Philippines and China, which claims the busy waterway virtually in its entirety.

Concerns have been exacerbated by China's deployment of a patrol ship, equipped with a helipad, to guard its claimed areas and establishment last year of what they called Sansha city on a remote island 350 kilometers (220 miles) from southern Hainan to administer areas being contested by rival claimant countries.

A tense standoff erupted last year between Chinese and Filipino ships over the Scarborough Shoal has remained unresolved, prompting the Philippines in January to take a daring legal step that challenged China's vast claims before a tribunal under the United Nations Convention on the Law of the Sea. China has ignored the move.

Philippine Foreign Secretary Albert del Rosario said all the five arbiters of the tribunal have been appointed and they could now start looking into the case if they declare they have jurisdiction.

The long-raging disputes have threatened to divide ASEAN. Last year, its foreign ministers failed to issue a joint statement – a first in the bloc's 45-year history – after Cambodia refused mention of the territorial rifts in the communique, provoking protests from Vietnam and the Philippines.

Cambodia, a known China ally, has towed Beijing's line that the disputes should not be brought to the international arena. China wants the disputes settled by negotiating one on one with each of the rival claimants, something that will give it advantage because of its sheer size.

During the summit, ASEAN leaders also expressed concern about North Korea's latest threats.

