

SINGAPORE: REVIEW OF MAJOR POLICY STATEMENTS

by JEREMY LEONG*

I. INTRODUCTION

The following issues have been selected for this review:¹

1. relations with the Federation of Malaysia (“Malaysia”) concerning on-going negotiations over the Causeway Bridge, Singapore’s land reclamation works and the establishment of the Iskandar Development Region (“IDR”) in Johor;
2. relations with the Republic of Indonesia (“Indonesia”) concerning the transboundary effects of the haze caused by forest fires in Indonesia, the export of sand from Indonesia and the Extradition Treaty and the Defence Cooperation Agreement between Singapore and Indonesia;
3. relations with the Kingdom of Thailand (“Thailand”) concerning the military coup in September 2006 and purchase of Shin Corp shares by Temasek Holdings;
4. relations with other States including the United States, India and other States in East Asia, the European Union (“EU”) and the Middle East;
5. outstanding international and regional issues including:-
 - a. human rights;
 - b. maritime security in the Straits of Malacca and in the region, especially in connection with increasing participation in the Regional Cooperation Agreement on Combating Piracy and Armed Robbery against Ships in Asia (“ReCAAP”);
 - c. terrorism and the proliferation of weapons of mass destruction;
6. practice in international and regional organizations; in particular the Association of Southeast Asian Nations (“ASEAN”); and
7. other statements concerning globalization and trade security.

II. RELATIONS WITH MALAYSIA

A. *On-Going Disputes*

Singapore and Malaysia currently have one dispute pending before the International Court of Justice (“ICJ”), *Sovereignty over Pedra Branca/Pulau Batu Puteh, Middle Rocks and South Ledge* (the “Pedra Branca Case”).² Public hearings for the Pedra Branca Case will begin 6 November 2007 after Replies were filed by each party.³

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¹ Covering the period June 2006 to June 2007.

² For full discussion see Simon S.C. Tay, “Singapore: Review of Major Policy Statements” (2004) 8 SYBIL 219 at 222-223. Also, Jeremy Leong, “Singapore and Malaysia: Recent Bilateral Developments” (2004) Sing. L. Rev. 1 at 18-20.

³ See International Court of Justice, Press Release 2006/38, “Public Hearings on the Merits of the Dispute to Open on Tuesday 6 November 2007” (16 November 2006), online: International Court of Justice <<http://www.icj-cij.org/presscom/index.php?pr=1883&pt=1&p1=6&p2=1>>.

A previous dispute over Singapore's land reclamation activities in the Straits of Johor, which had been referred to the International Tribunal for the Law of the Sea ("ITLOS") had been settled in 2005, with Singapore being permitted to continue its land reclamation activities in the Straits of Johor so long as the environmental impact of such activities continued to be closely monitored.⁴ Yet, this issue continued to be discussed in the Singapore Parliament ("Parliament") as Singapore Foreign Minister George Yeo was asked "*how will the maritime boundary between Singapore and Malaysia be affected by Singapore's land reclamation works*". He replied,

"With Malaysia, our existing boundaries were settled by the 1995 Agreement between the Government of Malaysia and the Government of the Republic of Singapore to Delimit Precisely the Territorial Waters Boundary in Accordance with the Straits Settlements and Johore Territorial Waters Agreement 1927. Our reclamation works, which are conducted within Singapore's territorial waters, cannot affect those two Agreements and the demarcated boundaries. There are some waters at the two ends, near the tri-junctions which have not been demarcated, either bilaterally with Indonesia or Malaysia, or trilaterally with both countries. These will have to be demarcated through negotiations".⁵

B. On-Going Negotiations Over the Causeway Bridge

Bilateral negotiations on the construction of a full straight bridge to replace the Causeway are currently on-going.⁶ However, in September 2006, Singapore Minister Mentor Lee Kuan Yew, in a dialogue session with former US Secretary of Treasury Larry Summers at the Raffles Forum conducted during the International Monetary Fund/World Bank Meeting was quoted to have said,

"So everytime we say 'No' to some scheme to knock down the Causeway and build a bridge, he says, 'Oh, you're not cooperative, you're only thinking of yourself'. For no rhyme or reason, we knock down a causeway, nearly 100 years old, which served us well. He wants to build a bridge because it looks pretty and he says ships will sail and his containers can move from the East Coast to the West Coast via this. But we say no...So we said, 'Alright, if you give us commensurate benefits, we'll agree'".⁷

This statement was later reproduced in the international press and drew a response from Malaysian leaders⁸ including Malaysian Prime Minister Abdullah Badawi, who asked for a

⁴ For full discussion please see Simon S.C. Tay, *supra* note 2 at 221 & 222. Also, Jeremy Leong, *supra* note 2 at 14-18 and 21.

⁵ Ministry of Foreign Affairs, Singapore, Transcript, "Transcript of Reply by Minister of Foreign Affairs George Yeo to Question in Parliament on sand and land reclamation" (12 February 2007), online: Ministry of Foreign Affairs, Singapore <http://app.mfa.gov.sg/2006/press/view_press.asp?post_id=2063>.

⁶ For full discussion see C.L. Lim, "Singapore: Review of Major Policy Statements" (2006) 10 SYBIL 323 at 323-328.

⁷ See Ministry of Foreign Affairs, Singapore, Press Release "MM Lee Kuan Yew's Letter to Malaysian PM Abdullah Badawi" (3 October 2006). Also, reported in "MM Lee Kuan Yew's Letter to Malaysian PM Abdullah Badawi" *The Straits Times (of Singapore)* (3 October 2006).

⁸ Much of the criticism about this statement centred around Minister Mentor Lee's statement that, "*(both Singapore's neighbours) have problems with their Chinese...And they want Singapore, to put it simply, to be like their Chinese, compliant*". See "Malaysia's Mahathir says Singapore's Lee Kuan Yew 'not that clever' following race remarks" *The Associated Press* (23 September 2006) and "Explain yourself, PM Tells Kuan Yew", *The New Straits Times* (24 September 2006).

clarification of the comment from the Minister Mentor. Minister Mentor Lee clarified, in a letter to Prime Minister Badawi which was later released publicly,

*“On the bridge and half bridge to remove the Causeway, you made the position of your government clear that Malaysia respects legally binding agreements and acts in accordance with international law. This made unnecessary a reference to ITLOS and the International Court of Justice that would otherwise have been unavoidable. This respect for the law is the basis for sound long-term relations between us”.*⁹

C. IDR

Plans between Singapore and Malaysia to develop Southern Johor had been discussed as early as September 2006 during the Sixth Asia-Europe Meeting.¹⁰ These plans came to fruition in May 2007 when Singapore Prime Minister Lee Hsien Loong and Malaysian Prime Minister Abdullah Bawadi agreed, at a high level meeting in Langkawi, that,

*“it would be useful to set up a Joint Ministerial Committee (JMC) as a platform for Singapore and Malaysia to explore ideas for collaboration in the Iskandar Development Region (IDR) project, and ways in which Singapore can help the IDR to succeed”.*¹¹

The IDR is intended to be *“a whole centre of vibrancy, of activities, of interest which will be good for tourism, good for manufacturing investments, good for our own people because there will be these opportunities for both sides”.*¹² Prime Minister Badawi explained,

*“I did tell Prime Minister Lee, as I have told other leaders and businessmen investors who have come to see me, that I see Singapore vis-à-vis the IDR like Hong Kong and Shenzhen, and of course that makes everyone understand easily. We can have easy access for people who are travelling between Singapore and IDR, and we do agree that we can have a smart card for this purpose and do away with the necessity of having to produce passports... What we want is speedy access and that we can certainly do, and I am happy Prime Minister Lee accepts that”.*¹³

After some discussion in the Malaysian press that the formation of the JMC compromised Malaysia's sovereignty,¹⁴ the Singapore Government clarified,

“This being so, Singapore does not see how the setting up of the JMC is a “concession” to Singapore as some have suggested. However, to avoid any misapprehension, Singapore will let Malaysia take the lead on the JMC. We will proceed with it only if the Malaysian and Johor authorities want us to do so.

⁹ See *supra* note 7.

¹⁰ Ministry of Foreign Affairs, Singapore, Press Release, “Sixth Asia-Europe Meeting (ASEM VI Summit) 9-11 September 2006” (11 September 2006), online: Ministry of Foreign Affairs, Singapore <http://app.mfa.gov.sg/2006/press/view_press.asp?post_id=1806>.

¹¹ Ministry of Foreign Affairs, Singapore, Press Release, “MFA Spokesman's Comments on Recent Reports of Malaysian Concerns Over the Proposed Joint Ministerial Committee (JMC) and Suggestions in the Malaysian Media to Use the JMC to Discuss Outstanding Bilateral Issues” (22 May 2007), online: Ministry of Foreign Affairs, Singapore <http://app.mfa.gov.sg/2006/press/view_press.asp?post_id=2638>.

¹² See Singapore Prime Minister Lee Hsien Loong's comments in “Singapore, Malaysia to set up ministerial committee for Johor's IDR” *Channel NewsAsia* (15 May 2007), online: Channelnewsasia.com <<http://www.channelnewsasia.com/stories/singaporelocalnews/view/276310/1/.html>>.

¹³ *Ibid.*

¹⁴ “Singapore not dictating on how to manage IDR” *Bernama* (18 May 2007), online: Bernama <http://www.bernama.com/bernama/v3/news_lite.php?id=262753>.

...The JMC is a forum with a specific purpose, that is, to facilitate Singapore-Malaysia cooperation in the IDR. As for the outstanding bilateral issues, the two leaders had agreed to deal with them later and not let them hold back the bilateral cooperation in the IDR. Singapore shares the view of Prime Minister Abdullah, when he said that "We'll deal with the outstanding issues later. ... We don't want to get blocked while trying to resolve these issues, while there are other things that we would like to do" (Bernama, 15 May 2007). As Prime Minister Lee had said in Langkawi, these outstanding bilateral issues are not easy to resolve. It is best to deal with them separately in a way that will be completely acceptable to both sides, and at the same time not affect the overall bilateral relationship. Prime Minister Lee cited the example of Pedra Branca, which is being settled amicably through adjudication at the International Court of Justice.

In Langkawi, both Prime Ministers reaffirmed the importance of Singapore-Malaysia relations not only to the peoples on both sides of the Causeway but also as a catalyst for regional growth. PM Abdullah invited Singapore to support and invest in the IDR project. Singapore studied the project papers it was given. We decided to do so because although the IDR will mean more competitive pressures on Singapore, there are also complementary aspects that will benefit Singapore. This mutual benefit is the only basis for sound long term cooperation because every project means both cooperation and competition. But once an agreement is reached, both parties have to abide by what has been agreed. The terms cannot be subsequently changed for whatever reasons. A good start has been made in Langkawi to move into a phase of strategic cooperation. Singapore looks forward to working closely with Malaysia to make further progress in the months and years ahead".¹⁵

The work of the JMC is ongoing and further details on the nature of the IDR project and scope of operations of the IDR project have yet to be released to the public. Nonetheless, commentators on both sides of the Causeway agree that the formation of the JMC on the IDR project signals renewed warmth in the conduct of bilateral affairs between the two States.¹⁶

Despite the minor differences over the Causeway Bridge and outstanding issues such as the Pedra Branca Case, it is clear that bilateral relations between Singapore and Malaysia continue to warm. When asked, in Parliament, of the state of bilateral relations with Malaysia, Singapore Foreign Minister George Yeo reported,

*"On the whole, our relations with Malaysia are good and getting better. I agree with the recent remarks by Foreign Minister Syed Hamid quoted in the Straits Times. I quote, 'our bilateral ties with Singapore have never been better. That doesn't mean all our bilateral issues have been resolved, but we are moving on to a more mature track. We are able to segment areas where we think we can move forward and areas we cannot, and move on the areas we think we can move ahead'—unquote. I welcome this new phase in our relationship".*¹⁷

¹⁵ See *supra* note 11.

¹⁶ See "Win, lose or draw flak?" *Today (of Singapore)* (17 May 2007), "Durian diplomacy" *The Straits Times (of Singapore)* (16 May 2007), Pearl Forss "Analysts call decision for ministerial committee a breakthrough" *ChannelNewsAsia* (15 May 2007) and "Malaysia, S'pore Talks Point to Greater Things to Come" *Bernama* (16 May 2007). Also, "Badawi-Lee meeting: Sign of good things to come for Singapore and Malaysia?" *Southeast Asia Peace and Security Network*, online: Singapore Institute of International Affairs <http://www.siaonline.org/news_highlights?wid=171&func=viewSubmission&sid=1239>.

¹⁷ See Ministry of Foreign Affairs, Singapore, Transcript, "Transcript of Remarks by Minister For Foreign Affairs George Yeo in Parliament during Committee of Supply (CoS) Debate (MFA) on 5 March 2007" (5 March 2007), online: Ministry of Foreign Affairs, Singapore <http://app.mfa.gov.sg/2006/lowRes/press/view_press.asp?post_id=2155>.

The IDR project is a clear example of a “*very concrete development in terms of relations*”.¹⁸ It is also a clear sign that each State is determined to ensure that the future development of this bilateral relationship will not be “*bogged down*” by outstanding disputes.

III. RELATIONS WITH INDONESIA

A. *The Haze*

The transboundary effects of the annual haze caused by forest fires in Indonesia continue to be a recurring issue between Singapore and Indonesia.¹⁹ Of late, this issue has also become a regional one as ASEAN looked to participate in assisting Indonesia in coping with the haze. On 11 September 2006, the Singapore Ministry of Foreign Affairs issued the following press statement,

*“Prime Minister Lee Hsien Loong has written to Indonesian President Susilo Bambang Yudhoyono to express his disappointment over the recurring haze problem, which has been particularly serious this year. In his letter, Mr Lee had stated that Indonesia needed to deal with the problem in a timely and effective manner, so that investor confidence in Indonesia, Indonesia’s international standing and ASEAN’s credibility would not be affected. Mr Lee had also noted that while it may be too late this year to prevent the fires that cause the haze, it was critical to take action now in order to prevent future forest fires. To this end, Prime Minister Lee informed President Susilo that a meeting of Environment Ministers from the ASEAN countries affected by the haze will be held in Singapore on 13 October 2006. Its objective is to muster ASEAN’s resources to help Indonesia cope with the present haze problem. Mr Lee also suggested that the meeting of 13 October 2006 could help in preparing for an international meeting which Indonesia could convene, to marshal the expertise and resources needed to help Indonesia and ASEAN tackle the haze problem effectively”.*²⁰

Indonesian President Susilo Bambang Yudhoyono responded to Prime Minister Lee and the two leaders agreed that “*Indonesia and the regional countries would take concrete steps, and develop a long-term plan of action towards preventing the haze*”.²¹ Prime Minister Lee assured President Yudhoyono that Singapore would give Indonesia its full support. Prime Minister Lee also noted that the haze problem was not an easy problem to solve but expressed confidence that with President Yudhoyono’s leadership and personal attention, Indonesia would ultimately be able to resolve it.

One measure, on the part of Indonesia, to resolve this issue was Indonesia’s hosting of the Sub-regional Environmental Ministerial Meeting on Transboundary Haze Pollution which prompted the Singapore Ministry of Foreign Affairs to make the following statement,

“We are delighted that Indonesia has heeded calls from the region to take urgent action to deal with this serious problem. We commend Indonesia for taking

¹⁸ See “Badawi-Lee meeting: Sign of good things to come for Singapore and Malaysia?”, *supra* note 16.

¹⁹ Full discussion see, Simon Tay, “South East Asian Forest Fires: Haze over ASEAN and International Environmental Law”, (1998) 7:2 R.E.C.I.E.L. 202 at 205. Also, “We cannot just depend on governments, says Simon Tay”, *The Straits Times (of Singapore)* (4 November 2006).

²⁰ See Ministry of Foreign Affairs, Singapore, Press Release, “MFA Press Statement: Haze Situation in Singapore” (11 October 2006), online: Ministry of Foreign Affairs, Singapore <http://app.mfa.gov.sg/internet/press/view_press_print.asp?post_id=1851>.

²¹ Ministry of Foreign Affairs, Singapore, Press Statement, “Telephone Call between Prime Minister Lee Hsien Loong and President Susilo Bambang Yudhoyono on Transboundary Haze Pollution” (12 October 2006), online: Ministry of Foreign Affairs, Singapore <http://app.mfa.gov.sg/pr/read_content.asp?View,5572,>.

responsibility and agreeing to convene this meeting. Singapore was happy to agree to shift the meeting to Indonesia. As the forest fires are on Indonesian territories, this is a more appropriate venue. The purpose of the meeting is to see how Singapore and other affected countries can help Indonesia prevent a recurrence of the problem in the future and take immediate action to mitigate the fires that are currently causing the haze. This will take not just a regional but international effort".²²

In Parliament, the Second Minister for Foreign Affairs was asked by Member of Parliament Lee Ban Wah, "*what implications does the haze issue have on bilateral relations between Singapore and Indonesia?*"²³ He replied,

"Indonesia and Singapore are ASEAN partners with a multi-faceted relationship and many common interests. Both of us agree that the haze is a serious transboundary problem with very harmful effects—on Singapore and other countries neighbouring Indonesia, and even more so on Indonesia itself. Hence, there should be no reason for the haze issue to affect relations between Singapore and Indonesia.

Members of the House would nonetheless have read in our newspapers about the recent exchange of correspondence between our Ambassador in Jakarta and the Indonesian Industry Minister, following his decision to absent himself from the Joint Steering Committee meeting on 3 November to discuss the implementation of our Special Economic Zones (SEZ) initiative in Batam, Bintan and Karimun. He was protesting against Singapore's statement on the haze problem at the United Nations. We have explained our position to the Indonesian Government and the Industry Minister himself, and this has been carried widely in the media.

Mr Speaker Sir, the haze has affected the health and economic and social activities of millions of people and communities in our region. Beyond our region, the haze has also aggravated the problem of global climate change. World-wide deforestation from burning and cutting alone is responsible for 20 percent of global greenhouse gas emissions. The fires in 1997-98, the worst on record, contributed 22 percent (over 700 million metric tons) of the world's carbon dioxide production that year (Source: A 19-month UNEP study on "Reducing the Impact of Environmental Emergencies through Early Warning and Preparedness: The case of El Nino Southern Oscillation" conducted in 1999. More information on www.ccb.ucar.edu/un/index.html).

According to experts at the Centre for International Forestry Research (CIFOR) in Bogor, Indonesia's peatlands contain 21 per cent of the earth's land-based carbon. Indonesia's 1997 peatland fires alone had accounted for 60 per cent of the haze. Unless we ensure that there are no more extensive peatland fires in the future, all that carbon will end up as greenhouse gas.

The economic cost from the annual haze should not be overlooked. According to the ASEAN Secretariat's Environment and Disaster Management Centre, the 1997-98 fires cost regional economies a staggering US\$9 billion (about S\$14 billion). As MM Lee pointed out recently, the haze will drive foreign investments away from the entire region, including Indonesia and Singapore.

²² See Ministry of Foreign Affairs, Singapore, Press Statement, "MFA Spokesman's Comments on Sub-Regional Environment Ministerial Meeting on Transboundary Haze Pollution" (11 October 2006), online: Ministry of Foreign Affairs, Singapore <http://app.mfa.gov.sg/2006/press/view_press_print.asp?post_id=1855>.

²³ See Ministry of Foreign Affairs, Singapore, Transcript, "Transcript of Second Minister for Foreign Affairs Raymond Lim's Reply to the Question Posted by MP Lee Ban Wah on the Haze Issue, 14 November 2006" (14 November 2006), online: Ministry of Foreign Affairs, Singapore <http://app.mfa.gov.sg/2006/lowRes/press/view_press.asp?post_id=1887>.

In view of the very serious and far-reaching effects of the haze, it would not have been credible for ASEAN to remain silent on this issue at the United Nations. The members of the UN have a profound interest in this issue because an environmental problem of this scale has global implications. Singapore had strongly urged our ASEAN partners to make a joint statement on the haze. Unfortunately, the Indonesian representatives in the UN did not want the haze issue mentioned at all. Hence we had no choice but to make our own statement. We made a factual statement which acknowledged the commitments and efforts made by Indonesia and other countries. Our statement also aimed to present a comprehensive and balanced appraisal of the issue, including pointing out some of the more problematic issues that remain.

The haze has already afflicted our region for ten years. The problem has persisted despite efforts by Indonesia and other regional countries. Neither Indonesia nor ASEAN can solve this problem without international support. This is a major environmental problem that we can only overcome with full international support. Moreover, there is urgency to find a speedy and lasting solution as meteorological experts have warned that the haze could be far worse next year if the El Nino weather effect returns. We must take these warnings seriously. That is why Singapore felt compelled to take up the issue at the UN to help mobilise international expertise and resources.

The recent ASEAN Ministerial Meeting on the Environment (AMME) in Cebu (9-10 November 2006) has endorsed a good and comprehensive Plan of Action, which Minister Yaacob had touched on earlier. This includes a high-level international conference, which would be hosted by Indonesia in the coming weeks to mobilise international support and assistance. I am confident that Singapore and Indonesia will be able to work together as well as with ASEAN and the international community including UN agencies to find a lasting solution to this very serious international environmental problem.

My Speaker Sir, it is heartening that Indonesian President Susilo Bambang Yudhoyono understands the severity of this problem, really a problem he inherited from the past. In April 2006, President Yudhoyono declared war on haze. President Yudhoyono had also told PM Lee last month that he was determined in resolving the haze problem. Last week, President Yudhoyono wrote to update PM Lee on Indonesia's ongoing efforts to tackle the haze issue, including ratification of the ASEAN Agreement on Transboundary Haze Pollution. We appreciate President Yudhoyono's efforts. PM Lee has since replied to support President Yudhoyono's efforts and initiatives. Singapore will help Indonesia mobilize international support at the forthcoming APEC Economic Leaders' Meeting in Hanoi on 18-19 November 2006 and the ASEAN Leaders' Summit on 11-13 December 2006 in Cebu".²⁴

B. *The Export of Sand*

Indonesia has, since 2003, banned the export of marine sand which is used in Singapore's land reclamation works. However, this ban has not been effective as exporters have simply claimed that the exported sand is coastal sand instead of marine sand.²⁵ In February 2007, Indonesia banned *all* exports of sand to Singapore. This was expected to adversely affect the Singapore construction industry, which imports 6 to 8 million tonnes of sand

²⁴ See *ibid.*

²⁵ For fuller discussion, see Gavin Chua Hearn Yuit & Martha Maulidia, "Better than the ban" *Today (of Singapore)* (1 February 2007).

from Indonesia.²⁶ The Indonesian government justified the blanket ban on the basis that sand-mining activities cause environmental damage to the Indonesia coastline. However, Indonesian media reports, that Indonesia's blanket ban on the export of sand was driven by political motives, i.e. to gain leverage in on-going negotiations over the Extradition Treaty and maritime boundaries, surfaced. In response to these reports, the following statements were made by the Singapore Foreign Minister George Yeo in Parliament on 12 February 2007,

“Although various comments have been made by Indonesian politicians and journalists, it is not at all clear how the mining of sea sand in the seas off the outer islands of Indonesia could have an impact on the maritime boundary between our two countries. In any case, such mining is entirely within the power of Indonesian authorities to control. As far as Singapore is concerned, we have not imported sea sand for our reclamation works from Indonesia since its export ban in February 2003. As Minister Mah said earlier, we have been using sea sand from other sources to carry out our reclamation projects.

As for land sand, which we had continued to import from Indonesia till its recent ban, it is used for construction, not land reclamation. According to our contractors who imported the land sand from Indonesia, the sources of their Indonesian suppliers were from inland locations away from the border islands of Indonesia. It is therefore not possible for Indonesia's export of land sand to affect its maritime boundaries.

Our existing boundaries with Indonesia had been settled under the 1973 Agreement Stipulating the Territorial Sea Boundary Lines between Indonesia and the Republic of Singapore in the Strait of Singapore. With Malaysia, our existing boundaries were settled by the 1995 Agreement between the Government of Malaysia and the Government of the Republic of Singapore to Delimit Precisely the Territorial Waters Boundary in Accordance with the Straits Settlements and Johore Territorial Waters Agreement 1927. Our reclamation works, which are conducted within Singapore's territorial waters, cannot affect those two Agreements and the demarcated boundaries.

There are some waters at the two ends, near the tri-junctions which have not been demarcated, either bilaterally with Indonesia or Malaysia, or trilaterally with both countries. These will have to be demarcated through negotiations...

...There was a recent article in the Jakarta Post on 3rd February, quoting Chief Executive of the Indonesian Maritime Security Coordinating Board, Vice-Admiral Djoko Sumaryano, as linking the land sand ban to the ongoing border talks and Extradition Treaty negotiations. Such a linkage, if true, would be unfortunate and counter-productive. Our border limitation talks are complicated enough, and, if there is an additional linkage, it will only make the talks more difficult. As for the Extradition Treaty, Prime Minister Lee and President Yudhoyono had already agreed at their meeting in Bali on 3 October 2005 that the Extradition Treaty and the Defence Cooperation Agreement should be linked together and negotiated in parallel, as one package. The talks have made good progress although there are still a few difficult issues to overcome. Singapore hopes that both Agreements, as a package, could be concluded early.

As to whether we should slow down the pace of development in order to make our relations with our neighbours more comfortable, I fully agree with Ms Irene Ng that we should never do that. We should do what is in the interests of Singapore. Of course, where we can, we should help our neighbours in their economic development and indeed we are. We have, for instance, a very special package to help the CMLV countries, Cambodia, Myanmar, Laos and Vietnam and we have, over the years,

²⁶ See *ibid.* The Singapore Government responded to the ban by releasing its sand reserves to the construction industry.

programmes to assist Indonesia in its development. We have trained many of their officials. When they had the tsunami, we did not stint at all on our efforts to help them and in so many other instances, where we could, within our means, we extended a helping hand. And that has always been our approach—to help our neighbours because we believe that their prosperity is also good for us.²⁷

The Singapore Ministry of Foreign Affairs also made the following statements in response to media reports that remarks by the Director-General (East Asia, The Pacific and Africa) of the Indonesian Department of Foreign Affairs (“DEPLU”) Primo Alui Joelianto that Indonesia’s recent ban on the export of concreting sand was a “*key way of placing more pressure*” on Singapore to resolve differences in extradition and some border negotiations.

“If this is indeed DEPLU’s approach, it is a disappointment to us. The official reason for the ban announced last month was environmental protection. Director-General Primo’s remarks lead us to wonder whether that was the main reason for the ban. Singapore had earlier expressed willingness to work with Indonesia on environmental protection, but Indonesia ignored this offer and proceeded with the ban.

The ban is now purportedly tied to ongoing negotiations between the two countries. Singapore has embarked on negotiations with Indonesia on the Extradition Treaty and border delineation in good faith on the basis of mutual benefit. On the Extradition Treaty, both Indonesian President Susilo Bambang Yudhoyono and Prime Minister Lee Hsien Loong had agreed in Bali on 3 October 2005 that it would be in parallel and linked to the negotiation on a Defence Cooperation Agreement. Indeed, on this basis, we have made good progress on both agreements even though some difficulties remain. What is needed is political goodwill on both sides to finalise the agreements which, from Singapore’s perspective, is within reach. Unilaterally making sand an additional issue with the objective of delinking the Defence Cooperation Agreement from the Extradition Treaty contravenes the earlier agreement by the two Leaders. As for the linkage to border delineation, Minister for Foreign Affairs George Yeo said in Parliament recently (12 February 2007) that the talks are complicated enough without this additional complication”.²⁸

Further, the following statement was made by the Singapore Ministry of Foreign Affairs in response to media queries about the Jakarta Post report of 3 March 2007 quoting the Indonesian Maritime and Fisheries Minister Freddy Numberi as saying: “*Politically, we banned the export of sand because we wanted it to have a larger economic value and we also want to settle our border disputes with Singapore*”. The Singapore Ministry of Foreign Affairs Spokesman said,

“Minister Freddy Numberi’s comments are puzzling and disappointing. They clearly contradict categorical assurances we had received in public as well as in private from Foreign Minister Hassan Wirajuda that there was no linkage between the ban on the export of land sand and bilateral issues. Uncertainty over who speaks for Indonesia is not helpful. MFA will therefore ask the Indonesian Embassy in Singapore to urgently clarify whether Minister Numberi’s comments represent the official policy of the Indonesian Government”.²⁹

²⁷ See *supra* note 5.

²⁸ Ministry of Foreign Affairs, Singapore, Press Release, “MFA Spokesman’s Comments on Remarks by the Indonesian Department of Foreign Affairs on Indonesia’s Concreting Sand Ban” (19 February 2007), online: Singapore Government Media Release <<http://app.sprinter.gov.sg/data/pr/20070219999.htm>>.

²⁹ Ministry of Foreign Affairs, Singapore, Press Release, “MFA Spokesman’s Comments on Indonesian Maritime and Fisheries Minister Freddy Numberi’s comments quoted in Jakarta Post report of 3 March 2007” (4 March 2007), online: Singapore Government Media Release <<http://app.sprinter.gov.sg/data/pr/20070304997.htm>>.

Moreover, the detention of 13 granite carrying vessels by the Indonesian Navy raised concerns that the export of granite from Indonesia had also been banned.³⁰ The Singapore Foreign Minister later clarified in Parliament,

“Indonesia has not banned the export of granite. However, there has been supply disruptions in recent weeks due to the detention of several barges and tugboats carrying granite bound for Singapore since February.

2. When I met Indonesian Foreign Minister Hassan Wirajuda in Nuremburg last month on 15 March, he told me that an inter-departmental team from Jakarta had visited the Riau to investigate the detention of the tugboats and barges. Minister Hassan assured me that the Indonesian team’s verification process would be transparent. I agreed with him that transparency is important. Transparency in such matters is good for trade and investment and in the national interest of Indonesia.

3. On 5 March 2007, MFA sought clarification on the detained barges through a Diplomatic Note and subsequently followed up with two reminders on 12 March and 26 March. DEPLU (the Indonesian Foreign Ministry) replied on Thursday, 5 April 2007, last week via a Diplomatic Note giving us the inspection results. According to the Note, 22 tugboats and barges were detained in February and in March. However, only 7 were alleged to have violated the land sand ban by carrying land sand or a mixture of land sand and granite chips. The rest were detained on charges of violating various other Indonesian laws, shipping regulations and customs regulations. DEPLU informed us that these cases will now be taken up through the legal process in Indonesia. We are studying DEPLU’s response and will seek further clarification from the Indonesian Government if necessary.”³¹

C. Extradition Treaty and Defence Cooperation Agreement

During Indonesian President Susilo Bambang Yudhoyono’s visit to Singapore in August 2006, Singapore Prime Minister Lee Hsien Loong and President Yudhoyono reaffirmed the importance of making progress on the parallel negotiations for the Extradition Treaty, Defence Cooperation Agreement and Counter-Terrorism Cooperation Agreement.³² Despite

³⁰ This concern was exacerbated by comments by the Indonesian State Minister of Environment Rachmat Witoelar (which were reported in the Batam Pos on 7 March 2007) that the Indonesian government will issue a regulation banning the export of “granite and materials” to Singapore, and that the proposed ban has been approved at the Cabinet level. The Singapore Ministry of Foreign Affairs responded, “we are baffled. It is all rather perplexing. Just a week or so ago Foreign Minister Hassan Wirajuda and Trade Minister Mari Pangestu categorically told us that there was no ban on the export of granite. Now Minister Witoelar directly contradicts them. MFA will again have to ask the Indonesian Embassy to enlighten us”. See Ministry of Foreign Affairs, Singapore, Press Release, “MFA Spokesman’s Comments on Indonesian State Minister of Environment Mr Rachmat Witoelar’s comments quoted in Batam Pos on 7 March 2007” (9 March 2007), online: Ministry of Foreign Affairs, Singapore <http://app.mfa.gov.sg/2006/press/view_press.asp?post_id=2181>.

³¹ See Ministry of Foreign Affairs, Singapore, Transcript, “Transcript of the Reply by Foreign Minister George Yeo to Questions in Parliament on the detention of granite-carrying vessels, 9 April 2007” (9 April 2007), online: Ministry of Foreign Affairs, Singapore <http://app.mfa.gov.sg/2006/lowRes/press/view_press.asp?post_id=2393>.

³² Controversy also surfaced in relation to whether the Extradition Treaty and the Defence Cooperation Agreement were to be concluded as a package when Indonesian Vice President Jusuf Kalla’s reported dismissed claims that both Indonesian President Susilo Bambang Yudhoyono and Singapore Prime Minister Lee Hsien Loong “agreed in 2005 that any Extradition Treaty could only be signed together with a Defence Cooperation Agreement”. See John Aglionby “Indonesian vice-president forecasts growth up to 7%” *Financial Times* (28 February 2007). The Singapore Ministry of Foreign Affairs Spokesman replied, “(it is not a claim but a fact that President Yudhoyono and Prime Minister Lee had agreed in October 2005 to negotiate the two Agreements in parallel and as a package. One cannot be concluded without the other. We would like both Agreements to be concluded early”. See Ministry of Foreign Affairs, Singapore, Press Release, “MFA Spokesman’s Comments on Indonesian Vice President Jusuf Kalla’s reported comments in the Financial Times of 28 February 2007” (28 February 2007), online: Ministry of Foreign Affairs, Singapore <http://app.mfa.gov.sg/pr/read_content.asp?View,6601,->.

some distraction over whether the Indonesian government had banned the export of sand to Singapore to “[place] more pressure” on Singapore during the negotiations,³³ negotiations were concluded in April 2007. The Indonesian Government and the Singapore Government issued the following joint press statement on 23 April 2007:

“Minister for Foreign Affairs George Yeo, Minister for Defence Teo Chee Hean and Chief of Defence Force Major-General Desmond Kuek met Indonesian Minister for Foreign Affairs Dr Hassan Wirajuda, Minister for Defence Juwono Sudarsono and Commander in Chief of the Indonesian Armed Forces ACM Djoko Suyanto at the Ministry of Foreign Affairs today to discuss the Extradition Treaty and Defence Cooperation Agreement.

The Ministers and Armed Forces Chiefs were briefed by their Chief Negotiators on the key issues in the Extradition Treaty and Defence Cooperation Agreement. This was followed by a productive discussion between both delegations on the two Agreements. Both sides made significant progress and were able to reach agreement on all the remaining issues. The Ministers and Armed Forces Chiefs endorsed the finalised text of the two Agreements drafted by the negotiating teams of both sides.

*The Ministers and Armed Forces Chiefs confirmed that the Extradition Treaty and Defence Cooperation Agreement will be signed by the Foreign and Defence Ministers on Friday, 27 April 2007 in Bali and will also be witnessed by President Susilo Bambang Yudhoyono and Prime Minister Lee Hsien Loong”.*³⁴

Both the Extradition Treaty and Defence Cooperation Agreement were signed on 27 April 2007.

In Parliament on 21 May 2007, when asked what were the implications of the Extradition Treaty on bilateral relations and whether he would explain the issues taken into consideration when negotiating the Extradition Treaty and the Defence Cooperation Agreement, Singapore Senior Minister of State for Foreign Affairs Zainul Abidin Rasheed replied,

“The signing of the Extradition Treaty (ET) and the Defence Cooperation Agreement (DCA) last month was in line with the decision taken by PM Lee Hsien Loong and Indonesian President Susilo Bambang Yudhoyono in October 2005 to negotiate both the ET and DCA in parallel and conclude them as a package.

Since October 2005, there were several rounds of negotiations on the ET and DCA. Officials on both sides worked hard and made progress. Given that both agreements involve many complex issues, significant give-and-take was required on both sides. On 23 April 2007, the Foreign and Defence Ministers, as well as armed forces chiefs, from both sides met to discuss the outstanding issues in Singapore. In a spirit of compromise and friendship, both sides sorted out their differing positions vis-à-vis the various issues and reached agreement on the ET and DCA as a political package. This means that the two signed Agreements contained a carefully negotiated balance of benefits. These agreements are good for both countries. Now that they have been signed, the next step is for both agreements to be ratified by Singapore and Indonesia through our own procedures. As they are a package, we have agreed that they should come into force together.

Indonesia is a close neighbour. Our relations are extensive and broad-based. It is therefore in our interest to find opportunities to work with them where we can. The ET and DCA will help lay a strong foundation for further cooperation in the future. The ET will strengthen our cooperation with Indonesia in tackling crime and

³³ See above at *supra* notes 28 and 29.

³⁴ See Republic of Indonesia & Republic of Singapore, Press Release, “Joint Press Statement by the Governments of the Republic of Indonesia and the Republic of Singapore on the Ministerial Meeting on the Singapore-Indonesia Extradition Treaty and Defence Cooperation Agreement, 23 April 2007, Singapore” (23 April 2007), online: Singapore Government Press Release <<http://app.sprinter.gov.sg/data/pr/2007042301.htm>>.

other offences including acts of terrorism in accordance with the domestic laws of each country. Similarly, we would like to enhance the enduring defence ties between the SAF and the Indonesian Armed Forces (or TNI) and strengthen the professional bonds and interoperability of the two militaries through the DCA.

When these agreements come into force, relations between Singapore and Indonesia will enter a new phase. But this does not mean that there will be no more bilateral issues. Indeed, signing an ET has removed a bone of contention in bilateral relations but it may also create other problems. For example, there are legal procedures and judicial processes which have to be followed when an extradition request is made. Indonesia's police and judicial processes will be subject to review by our judges and vice versa. It is therefore important that both sides understand this and allow the due process of law in each country to take its course.

Mr Speaker Sir,

It is natural that differences in bilateral relations will arise from time to time between close neighbours. We can resolve them together, as long as we take the right perspective against the overall relationship. This should also not stop us from finding ways to resolve these differences or explore new areas of cooperation on a "win-win" basis. The ET and DCA are good examples of how our countries were able to tackle difficult issues and find mutually beneficial solutions. I am therefore confident that Singapore-Indonesia relations will continue to mature and deepen".³⁵

When asked by Member of Parliament Ms. Irene Ng,

"Can I ask the Senior Minister of State whether this means that if the DCA and its Implementing Arrangements are not signed as mutually agreed upon earlier, then the ET would be off? The other question is, why did we rush into signing the ET when the DCA has not been all tied up with all the 'i's dotted and the 't's crossed?"³⁶

The Senior Minister of State replied,

"As I mentioned earlier, there was agreement between the two Leaders of Indonesia and Singapore, both PM Lee Hsien Loong and President Yudhoyono, that both the ET and DCA would be taken together, so we are looking forward that both would be ratified. There are some snags in terms of implementation issues, but we are waiting for the Indonesian side to conclude that, and we look forward to implementing both together. So our understanding is in fact that both would have to be signed together and both would be made applicable at the same time.

Ms Lee Bee Wah: Sir, I'll like to ask the Senior Minister of State, since it was signed two months after the sand ban, did we sign it because we were under the pressure of the sand ban? And the next question is, what have we sacrificed or compromised in reaching this agreement?

SMS Zainul: I think sacrifices and compromises are part of any negotiations and relations, and in the case of Indonesia and Singapore, as mentioned earlier, in fact, if we work on the basis of compromises and friendship, much can be achieved. But specifically to your question about sand, they are separate matters and are not linked. As I recounted earlier, the decision to conclude both the ET and DCA as a package was made much earlier in October 2005. The negotiations were already well-advanced, when land sand became an issue earlier this year. It was a distraction, but not related to these talks. The Indonesians have repeatedly stated that there is no ban on granite sales. It is the prerogative of the Indonesian government to sell us sand or not to sell

³⁵ Ministry of Foreign Affairs, Singapore, Transcript, "Transcript of Replies to Questions in Parliament by SMS Zainul Abidin Rasheed, 21 May 2007" (21 May 2007), online: Ministry of Foreign Affairs, Singapore <http://app.mfa.gov.sg/2006/lowRes/press/view_press.asp?post_id=2632>.

³⁶ *Ibid.*

us sand so long as they comply with WTO rules. And we, as you would all know as it has been reported before, have made alternative arrangements for sand supplies.

Ms Irene Ng: Senior Minister of State, you did not answer the question of why the rush to sign the ET, especially coming at a time when there was pressure over the land sand ban which might give some the impression that we are bowing to pressure, especially since the DCA has not been signed and delivered at the same time. Why the rush?

SMS Zainul: I think to answer that question, there are others who would say, why has it taken so long? We started back in 2005. Many have in fact complained that it was as though we were dragging our feet. So in fact when both sides met, after the officials had not been able to come to any agreement, so both Ministers and the chief of the armed forces met, and I think they were able to iron out the differences and even come to a conclusion. And although it surprised many, I think it was timely. And the sand and granite issue which came just before that, I don't think, was the primary contribution towards the signing of the two agreements.

Dr Ong Chit Chung: Sir, I would like to ask the Minister, whether the ET would undermine, or to use his own words, compromise Singapore's position as an international financial centre, and whether Indonesians would hesitate to invest, put their money or buy properties in Singapore because of this?

SMS Zainul: I think this question is best answered by MOF, but I think that this is a position that we have made clear from the very beginning, that we as a financial centre, we stand on our merits and our own credible position as a financial hub, and I don't think the signing of the ET would undermine that position. In fact, on the contrary, I feel it might strengthen our position".³⁷

Hence, it appears that despite some controversy leading up to the conclusion of the Extradition Treaty and the Defence Cooperation Agreement, bilateral relations with Indonesia are, on the whole, good. Of course, some commentators question whether the conduct of the Indonesian Government (*vis-à-vis* the export of sand issue) in using “*key ways to place more pressure*” on the Singapore Government is indicative of how the Indonesian government will conduct itself in treaty negotiations in the future. When asked in Parliament,

“May I seek Minister's comment on the article by Asiamoney magazine, entitled “The Singapore Sand Storm”, which said that despite Singapore's extraordinary advances, it is still vulnerable and Singapore being the “triple-A rated First World State” can still be bullied by its big developing neighbours and Singapore is “little more than a 10-stone weakling, defenceless against having sand kicked in its face”. Can the Minister reassure this House on the steps taken by the capable team of civil servants and Ministers to ensure that Singapore, the “little red dot” with no natural resources, is not a weakling nor “defenceless against having sand kicked in its face?” Thank you”.

Singapore Foreign Minister George Yeo replied,

“Mr Speaker Sir, I think we are used to being called names and described sometimes in comical idiomatic ways. The responses to some of the disruptions we have faced had been discussed in this House and I believe Minister Mah Bow Tan will be talking in greater detail about them in answer to the following question. It is true, Mr Speaker Sir, that we are not a “200-pound Hulk”. Maybe we are small, but we are not without capabilities and our gongfu is not bad. If sand is kicked in our face, the person may end up with a mouthful of sand in his own mouth”.³⁸

³⁷ *Ibid.*

³⁸ See *supra* note 5.

IV. RELATIONS WITH THAILAND

A. *The Military Coup*

In March 2006, the Singapore Government linked company Temasek Holdings, and its Thai partners completed a USD3.8 billion takeover of Shin Corp, Thailand's biggest telecommunications group. Temasek Holdings and its partners had first bought into Shin Corp in January 2006 with a 49.6% stake sold by the family of the then-Thai Prime Minister Thaksin Shinawatra. This added to existing political unrest in Thailand³⁹ as protesters took to the streets against then-Thai Prime Minister Thaksin Shinawatra.

The political situation in Thailand precipitated into a military coup against the Thai Rak Thai government on 19 September 2006. Responding to the coup, the Singapore government urged "*all parties involved to seek reconciliation and restore Constitutional Government as soon as possible*".⁴⁰

At that point, there was some uncertainty over bilateral relations between the new Thai Government and the Singapore Government, which had been largely supportive of the Thai Rak Thai government. In response to a private visit by Thaksin to Singapore in January 2007, the new Thai Government decided to suspend the Thailand-Singapore Civil Service Exchange Programme ("CSEP"),⁴¹ cancel the CSEP Coordinating Meeting scheduled from 29-31 January 2007 in Bangkok and rescind the invitation for Singapore Foreign Minister George Yeo to attend CSEP. The Singapore Ministry of Foreign Affairs responded,

"We regret that the Thai Government has decided to suspend the Singapore-Thailand Civil Service Exchange Programme (CSEP), cancel the CSEP Coordinating Meeting scheduled to take place in Bangkok from 29-31 January 2007, and rescind the invitation to Minister for Foreign Affairs George Yeo to attend the CSEP meeting. The Singapore Government notes that the position taken by the Thai Government is a response to the recent private visit of Dr Thaksin Shinawatra.

The Singapore Government hopes that Thailand can appreciate Singapore's position on the visit. The Thai Government did not notify us that Dr Thaksin has been charged for any offence. There is also no restriction on where he can travel to. He had chosen to make a visit to Singapore on his own. Dr Thaksin had asked to meet Deputy Prime Minister Professor S Jayakumar, who is an old friend. It was purely a social and private meeting. No official calls or meetings were arranged. Thai nationals do not require visas to visit Singapore. There is no reason for Singapore to turn Dr Thaksin away. Prior to Singapore, Dr Thaksin had also visited several other countries without any protest by the Thai Government.

*We are therefore saddened that the Thai Government has chosen to take this course of action. We hope Thailand will respect Singapore's position as that of a sovereign country. We value the longstanding friendly relations with Thailand".*⁴²

³⁹ The political situation in Thailand was brought about by several factors, including the controversy over the April 2006 Thai elections where the Thai Democrat Party boycotted the polls. Sale of Shin Corp to Temasek Holdings and its partners raised many allegations against Thaksin, including the allegations of conflict of interest.

⁴⁰ See Ministry of Foreign Affairs, Singapore, Press Release, "Comments by Minister for Foreign Affairs George Yeo on the Situation in Thailand" (21 September 2006), online: Ministry of Foreign Affairs, Singapore <http://app.mfa.gov.sg/internet/press/view_press_print.asp?post_id=1819>.

⁴¹ The Singapore-Thailand Civil Service Exchange Programme, established since 1998, is a forum that promotes closer contact and enhances bilateral cooperation between the various government agencies of both countries.

⁴² See Ministry of Foreign Affairs, Singapore, Press Release, "MFA Spokesman's Comments on Thai MFA's decision to suspend the Thailand-Singapore CSEP*, cancel the CSEP Coordinating Meeting scheduled from 29-31 Jan 07, and rescind invitation to Minister for Foreign Affairs George Yeo to attend CSEP" (16 January 2007), online: Ministry of Foreign Affairs, Singapore <http://app.mfa.gov.sg/internet/press/view_press_print.asp?post_id=1997>.

When asked in Parliament about the CSEP and other exchange programmes with Thailand, the Singapore Foreign Minister clarified,

The Thai Government suspended the bilateral Civil Service Exchange Programme in reaction to the private visit of former Thai Prime Minister Dr Thaksin to Singapore, during which DPM Jayakumar hosted him to a private dinner. Dr Thaksin, an old friend of DPM Jayakumar, had asked to catch up with him. Out of goodwill for the Thai Government, we informed them of this prior to the visit, emphasising that this would be a private social engagement and that there would be no publicity. When the Thai Government lobbied us to cancel the dinner, we sought its understanding of Singapore's position. There was no reason for us to deny Dr Thaksin entry into Singapore. He had a valid travel document; he was not a fugitive from Thai law. It is also not unusual for former political leaders to visit Singapore. Many have done so, including some former Thai leaders. And of course, everyone knows that in Singapore, we welcome foreign visitors. So long as a visitor is not a fugitive, respects our laws and does not engage in political activities when he is here, we have no reason to turn him away when he flies into Singapore. DPM Jayakumar could not refuse to see his old friend for a meal. He has known Dr Thaksin for a long time and they have met many times before, even when Dr Thaksin was not in office.

We are therefore saddened by the actions of the Thai Government and some quarters in Thailand in reaction to Dr Thaksin's visit. To begin with, it was the Thai side which made public DPM's meeting with Dr Thaksin despite our assurance that it would be kept private and discreet. Singapore values our friendship with Thailand and the mutually beneficial cooperation we have had over many years with many Thai administrations.

The Civil Service Exchange Programme is one G-to-G cooperation initiative from which both Thailand and Singapore have benefited. Unfortunately, following Dr Thaksin's visit, the Thai Government announced that it would suspend this programme. And in relation to that, they cancelled the Coordinating Meeting which was scheduled for late January in Bangkok, and they also dis-invited me from attending, which was a little sad. No other bilateral cooperation activities have been affected. As the Coordinating Meeting was meant to chart the exchange programme for this year and beyond, its cancellation means that no new programmes or projects have been drawn up. However, the activities which were agreed to earlier have carried on, notwithstanding the Thai Government's suspension of the programme. In January, we hosted a study visit by 48 Thai doctors and nurses. We have also received requests from Thai schools and agencies, through the Thai Embassy here, for us to facilitate their study visits to Singapore next month. And we are happy that these are continuing.

As for the other details of the exchange programme which Ms Lee requested—since the inception of the Civil Service Exchange Programme in 1998, at least 1800 Thais have come to Singapore for various courses and exchange activities, while 750 Singaporeans have participated in exchange activities. In the area of education, where Thailand has traditionally indicated the strongest interest to collaborate with Singapore, we have frequent exchanges between students and teachers from both sides through scholarships, courses, camps, school twinning programmes, and participation in each others' festivals. Other areas of cooperation over the years include exchanges in sectors such as health; social welfare, youth and sports; science and technology; manpower development; technical cooperation; the civil services and foreign ministries; media, arts and culture; land transport; legal and judicial; and information technology. So, on the whole, across a very wide range...

...Ms Lee Bee Wah: Sir, I will like to ask the Minister how much does it cost us for all these exchange programmes with Thailand since its inception. Thank you.

REPLY

Mr Speaker Sir, I do not have the figure with me right now. It is not so much the actual dollars and cents but the effort involved on both sides because many departments are covered in this programme. But over the years, this programme has generated considerable goodwill between Ministers; between counterpart agencies; and between civil servants. And while there might be some cost involved, I believe that they are a completely worthwhile investment in building up goodwill.

Ms Lee Bee Wah: In view of the recent suspension or cancellation by the Thai Government on the exchange of civil service programme, which I would interpret that they don't require this programme anymore, shouldn't the Ministry cancel all such programmes and channel the money to better use, such as for example expediting the lift upgrading programme in Nee Soon South? I believe our residents would better appreciate the efforts of the Government. Thank you.

REPLY

Mr Speaker Sir, I am all in favour of providing sufficient funds for lift upgrading programmes. But I think it is important for us to be very rational in our responses towards reactions in Thailand. They are going through a difficult patch. In the run-up to the coup, there was a lot of unhappiness in Thailand. The coup itself has created a new drama. It is a tough period for them. We hope that they can return to Constitutional rule as quickly as possible with a Government which ensures fairness and justice for the Thai people. Our hearts are with them and we wish them well. So it is certainly not in our interests to aggravate the situation by reacting in an emotional way.”⁴³

B. *Further Statements Concerning the Sale of Shin Corp Shares to Temasek Holdings*

After the military coup in Thailand, the Thai Council for National Security Chief Sonthi Boonyaratglin raised the issue of whether control of Shin Corp, Thailand's biggest telecommunications group, by Temasek Holdings, a Singapore Government linked company, would place Thai national security at risk. The Singapore Ministry of Foreign Affairs made the following statements in response,

“We do not know what General Sonthi's remarks meant. Domestic calls within Thailand are not routed through Singapore. It does not make business or technical sense to route domestic calls via another country. Doing so will incur additional and unnecessary network resources (including costly international bandwidth) and degrade the quality of service.

As an international telecommunication hub, Singapore maintains a strict and professional operating environment to safeguard the integrity of all communications which terminate in or transit through Singapore. In this age of globalised and extensively-networked economies, many countries have fully liberalised their telecommunication markets and allowed foreign operators in their markets. Appropriate licensing requirements and regulatory safeguards put in place by the host countries have effectively been able to address the national security concerns arising from foreign

⁴³ See Ministry of Foreign Affairs, Singapore, Transcript, “Transcript of Reply by Minister of Foreign Affairs George Yeo to Question in Parliament on Thailand, 12 February 2007” (12 February 2007), online: Ministry of Foreign Affairs, Singapore <http://app.mfa.gov.sg/2006/press/view_press.asp?post_id=2064>.

ownership of local telephone operators. We believe this would have been effectively achieved in Thailand as well".⁴⁴

"The Singapore Ministry of Foreign Affairs had to issue a public response to a public expression of concern because Council for National Security Chief General Sonthi Boonyaratglin had implied that Singapore could compromise Thai security. The implication of those remarks went beyond the commercial realm. It is also entirely appropriate that the Singapore Government elaborate on its regulatory principles to address concerns raised about its integrity as an international telecommunications hub".⁴⁵

The Singapore Foreign Minister also responded in Parliament,

"Ms Lee has asked about the allegations by some quarters in Thailand that Thai national security was compromised because Singapore was using Temasek's ownership of Thai telecommunications companies to eavesdrop on the communications of the Thai military by running their calls through Singapore. Well, in many countries around the world, there are telcos which have foreign ownership. In Thailand, there is another telco owned by a Norwegian company. We have explained—and those who are familiar with how modern telecommunications operate know—that it makes no technical or economic sense to route domestic calls within Thailand through Singapore. The Communications Authority of Thailand and the Telephone Organisation of Thailand, both state-owned enterprises of the Thai Government that provide international telecom services, as well as the Thai nationals who operate the Temasek-owned telcos, would obviously not allow such a thing to happen in any case. It would also have been absurd for Temasek to sully its reputation in this way.

Mr Speaker Sir, relations between countries, even close neighbours and partners, sometimes have their ups and downs. The current state of our relations with Thailand has its basis in the complex dynamics of Thai domestic politics since the coup. We have to take the current unpleasantness in our stride. Our ties of friendship and cooperation with Thailand are profound and will withstand this present problem".⁴⁶

Yet, it appears that bilateral relations with the new Thai government will survive these recent controversies. As noted by the Singapore Foreign Minister in Parliament,

"With Thailand, our relationship is strong enough to weather the uproar over Prof Jayakumar's private dinner with former PM Thaksin. As Thai Assistant Army Commander, General Saprang (Kalayanamitr), who is a member of the Council for National Security (CNS), said in his interview with the Straits Times published on 21 February 2007, "misunderstandings between the two countries have come about because of Thaksin's business. The problem can be resolved fairly... and won't blow up because the cause of the problem is not Singapore, but Thaksin". In other words, we are just being embroiled in their own domestic political conflict. I share General Saprang's sentiments. As close and friendly neighbours, it is right that both sides take into account each other's sensitivities whenever possible. We value our friendship with Thailand and the Thai people. It is good that both countries view Temasek's purchase of Shin Corp as a commercial transaction. The Thai Government has stated

⁴⁴ See Ministry of Foreign Affairs, Singapore, Press Release, "MFA Spokesman's Comments on Council for National Security Chief Sonthi Boonyaratglin's remarks about the impact of foreign ownership of telecommunication industry on national security" (22 January 2007).

⁴⁵ See Ministry of Foreign Affairs, Singapore, Press Release, "MFA Spokesman's Comments on Thai Ministry Of Foreign Affairs Spokesman Kitti Wasinondh's remarks of 24 January 2007" (24 January 2007), online: Ministry of Foreign Affairs, Singapore <http://app.mfa.gov.sg/2006/press/view_press.asp?post_id=2024>.

⁴⁶ See *supra* note 43.

publicly that it is mindful of the rights of international investors and will not take action which is discriminatory in nature".⁴⁷

V. RELATIONS WITH OTHER STATES

A. *The United States*

When US President George W. Bush visited Singapore in November 2006, Singapore Prime Minister Lee Hsien Loong made the following statement during a dinner hosted in President Bush's honour,

"Singapore and the US are close friends and strategic partners. Our relationship is excellent and covers many areas, from trade to defence and counter-terrorism. The friendship has endured because it is rooted in shared interests and compatible international perspectives.

Mr President, we are glad that you have found the time to visit Southeast Asia, and have chosen Singapore to deliver your speech on America's priorities in the region. America continues to play a vital role in Asia's stability and prosperity. You have important interests here that needs to be nurtured, amidst your many other commitments worldwide. Singapore looks forward to greater US engagement in this part of the world, and I believe so do many other Southeast Asian countries.

On the security front, Singapore has made common cause with the US in combating the terrorist threat. The fight against terrorism is a long-term ideological struggle. The strength and resolve of the US, and especially of its Commander-in-Chief, is critical to sustaining this struggle, and prevailing in it. And in you, President Bush, America is fortunate to have a leader with the courage of conviction, and the tenacity to press ahead towards your objectives despite all difficulties. Your steadfast leadership has helped to anchor this effort to make the world a better and safer place for us all".⁴⁸

On the future role of the US in ASEAN and Asia, Singapore Prime Minister Lee Hsien Loong made the following statement at The Asia Society Washington Centre/US-ASEAN Business Council Joint Gala Dinner on 3 May 2007 in Washington D.C.,

"22. From the American perspective, US-ASEAN relations fit into the broader framework of American engagement with East Asia. The relationship between America and China is critical. It anchors the stability of the whole region, and no Asian country wants to have to choose sides between the two. But besides China, America must nurture its diverse interests in the region, and in particular, its strategic interests in ASEAN.

23. Relations between ASEAN countries and China are substantial and growing, as are ASEAN's relations with India. But ASEAN countries are also keen to deepen ties with the United States, for they recognize that America continues to play an indispensable role, whether in maintaining the strategic environment, fighting extremist terrorism, or promoting economic growth. We do not want to see the growing cooperation among the Asian countries lead to rival blocs that split the Pacific down the middle.

24. Singapore has been outspoken in encouraging America to engage ASEAN. We are therefore happy to see positive developments in recent years. The US-ASEAN Enhanced Partnership will foster closer cooperation across a broad front, and the

⁴⁷ *Supra* note 17.

⁴⁸ See Ministry of Foreign Affairs, Singapore, Speech, "Speech by Prime Minister Lee Hsien Loong, at the dinner hosted in honour of the US President George W Bush and Mrs Laura Bush, 16 November 2006, at the Istana" (16 November 2006), online: Ministry of Foreign Affairs, Singapore <http://app.mfa.gov.sg/2006/press/view_press.asp?post_id=1897>.

US-ASEAN Trade and Investment Framework Arrangement (TIFA) will deepen our economic ties. President Bush has visited Southeast Asia twice, and we look forward to his third visit when he attends the ASEAN-US Commemorative Summit in Singapore in September. Former President Clinton had also visited Southeast Asia three times. This bipartisan engagement is encouraging.

25. *Going forward, there is scope to do even more. The 30th anniversary of US-ASEAN engagement this year is a timely opportunity to bring the relationship to a higher level. There are many possibilities for fruitful collaboration. In energy and the environment, we can share best practices on sustainable urban development, and on the prevention of trans-boundary pollution. In non-traditional security threats, we need to cooperate in the fight against terrorism, and against health pandemics such as AIDS/HIV and avian flu.*

26. *This is a substantial relationship, but one which has to be nurtured and grown. America's soft power is a tremendous asset. All over Asia, people watch the American Idol, and download American pop songs. All over Asia, hundreds of thousands of young people dream of studying in American universities. And anywhere in Asia, when natural disaster strikes, America uses its awesome might to do good, as it did after the Indian Ocean tsunami in 2005, when it sent the aircraft carrier, the USS Abraham Lincoln, to carry out relief operations in Aceh in Indonesia. The US should make the most of this soft power to win over hearts and minds, and inspire and shape developments in Asia and beyond.*

27. *One issue that holds back American cooperation with ASEAN is Myanmar. Myanmar is undoubtedly a concern, including to other ASEAN members. But ASEAN-US relations should not be held hostage by it. The US has a broader strategic interest in ASEAN, and should not allow this single matter to hinder its efforts to actively engage ASEAN countries, both individually and as a group.*

28. *American policies in the Middle East also impact Southeast Asia. The Israel-Palestine conflict stirs up strong passions in Muslim communities worldwide, including in Southeast Asia. If the United States can bring about progress on this problem, it will address perceptions of American unilateralism and one-sidedness, help America to build trust and credibility, and make it easier for countries with large Muslim populations to deepen relations with America.*

29. *In Iraq, imposing law and order remains a major problem with no clear solutions. But if the United States leaves under conditions that can be portrayed as defeat, jihadists everywhere will be emboldened, and we will all be at greater risk. The fight against extremist terrorism is far from over, whether in Southeast Asia or worldwide. But even more important, it is profoundly against ASEAN's interests to have America credibility weakened, and its standing diminished.*

CONCLUSION

30. *These are challenging times for America. You have fought two wars in a little more than five years. You have expended blood and treasure in a generational struggle against terrorism. The American people are, understandably, in a conflicted and introspective mood, engaged in an anxious national debate on the next steps forward. But in this tumultuous period, America's leadership and purpose is more critical than ever. I hope that Americans will firmly grasp the opportunities before you in Asia, to usher in a new era of stability and growth. In both America and Asia, we need to reach out across continents, and work together to create a better world for all".⁴⁹*

⁴⁹ See Ministry of Foreign Affairs, Singapore, Transcript, "Speech By Mr Lee Hsien Loong, Prime Minister And Minister For Finance Of Singapore, At The Asia Society Washington Center / US-Asean Business Council Joint Gala Dinner, 3 May 2007, at Washington D.C—America And Asia: Our Shared Future" (4 May 2007), online: Ministry of Foreign Affairs, Singapore <http://app.mfa.gov.sg/2006/lowRes/press/view_press.asp?post_id=2557>.

B. *The Peoples' Republic of China ("PRC")*

Bilateral relations between the PRC and Singapore continue to strengthen along economic lines as work continues on the Joint Council for Bilateral Cooperation co-chaired by Chinese Vice Premier Wu Yi and Singapore Deputy Prime Minister Wong Kan Seng. Last year, both sides agreed to launch negotiations for a China-Singapore Free Trade Agreement within the framework of the ASEAN-China Free Trade Agreement. Suzhou has become an icon of the parties' close partnership. China welcomes the extension of Singapore's involvement from the coastal regions to the West and the Northeast, and both sides have been making bilateral visits at a high level.⁵⁰

As noted by Singapore Senior Minister Goh Chok Tong at the 2nd Expo Central China on 26 April 2007,

"China is a large and diverse country. Development cannot take place across the entire country at the same pace and at the same time. In the initial years, China's development has necessarily been unbalanced. But over time, this imbalance has to be corrected which is what the Chinese Government has been doing. The "Rise of Central China" strategy is a relatively new and important thrust to spread out China's development. It will be a new source of growth for China's economy and bring about balanced development across the regions. Economic development in the past three decades has raised the standard of living of millions of ordinary Chinese. Never before in human history have we seen such a large scale uplifting of the lives of millions in so short a time. I am confident that the "Rise of Central China" strategy will prove yet another success.

3. I am therefore very pleased to be here in Zhengzhou to show Singapore's support for this regional development strategy. I can also see first-hand the economic potential and opportunities in Central China through the Expo. Regrettably, my stay in Zhengzhou is short as I have to inaugurate the Global Action Forum for Arab and Asian Dialogue in Singapore tomorrow morning. However, I have with me the Minister of State for Trade and Industry, Mr Lee Yi Shyan. He is leading a business delegation organised by the Singapore Business Federation to explore commercial opportunities here. Expanding our co-operation in Central China will further strengthen our two countries' close economic ties.

Singapore's Support for China's Regional Development

4. Singapore enjoys a long and abiding friendship with China. We cooperate in many areas. A key pillar of this cooperation is Singapore's support for China's regional developmental strategy.

5. This started with Singapore's active involvement in the development of Suzhou Industrial Park or SIP in 1994. This flagship project remains a hallmark of our bilateral cooperation. I am heartened that the SIP is today one of the role models for industrial park development in China.

6. Since then, we have sought to support China's regional development plans where we can. We have supported China's strategies to "Develop the West" and "Revitalise the Northeast". More recently, we have started economic co-operation in the Bohai Rim.

7. We are happy to explore areas where we can lend support to the "Rise of Central China" strategy. I believe that governments can play the most useful role by facilitating business exchanges and letting the private sector take the lead in pursuing business projects based on their own interests and calculations. This has worked well in the past. I am confident it will lead to similarly fruitful results in future.

⁵⁰ See *supra* note 17.

Economic Potential of Central China

8. I am glad to learn that business interest in Central China has risen. From Singapore alone, the size of our business delegation attending the Central China Expo has increased from 7 companies last year to 20 this year. This shows that businessmen are becoming more aware of the economic potential of the central provinces.

9. I am told that sectors such as food and mineral processing, transport and logistics, infrastructure, tourism and heavy industries like automobiles offer good business potential. With rising wages and business costs in coastal areas, Central China should become increasingly competitive and attractive for foreign investors. Singapore will not only encourage its own businessmen to invest here but also foreign businessmen.

10. The National Development and Reform Commission also recently announced that it will set up a new office to concentrate on the “Rise of Central China” strategy. Such political support will help focus greater investor attention on the region and spur development efforts.

11. However, as with all emerging regions, the achievement of sustainable economic development depends on the overcoming of several challenges. These include creating critical success factors such as a business-friendly environment, pro-business mindset, consistency of policies, proper implementation and a ready pool of skilled labour. Given China’s impressive developmental track record, I have no doubt that the central provinces will lay the firm foundation for sustainable growth”.⁵¹

Further, Singapore has continued to reiterate its “One-China” policy. In response to media queries on President Chen Shui-bian’s comments regarding “Four Wants and One No”, the MFA Spokesman said,

*“President Chen’s comments are clearly inconsistent with his inauguration pledge in 2000. Such comments are unhelpful as they can only increase the risk of instability in cross-strait relations. Singapore has a clear “One China” policy and is opposed to Taiwan independence and any unilateral moves to change the status quo”.*⁵²

C. Japan

Bilateral relations between Singapore and Japan continue to be good, having been built on the foundation of strong economic links. As noted by the Singapore Second Minister for Foreign Affairs Raymond Lim,

“As close partners, Japan and Singapore have been working together to tackle many of these challenges. Indeed, in taking stock of our bilateral relations, I am struck by the transformation of our bilateral relations over the past forty years. It is a great achievement that would not have been possible without far-sighted leadership and tireless efforts on both sides...”

The excellent state of our economic ties is borne out by several indicators. Japan was Singapore’s sixth largest trade partner in 2005. Singapore was Japan’s top Asian investor in 2004, with investment totalling S\$785.3 million. There are currently over 1600 Japanese MNCs operating in Singapore. At the tourism front, Singapore received 589,000 Japanese tourists and 94,000 Singaporeans visited Japan in 2005...

⁵¹ See Ministry of Foreign Affairs, Singapore, Speech, “Speech By Mr Goh Chok Tong, Senior Minister, At The 2nd Expo Central China At Zhengzhou, Henan, China, 26 April 2007” (26 April 2007), online: Ministry of Foreign Affairs, Singapore <http://app.mfa.gov.sg/2006/lowRes/press/view_press.asp?post_id=2506>.

⁵² See Ministry of Foreign Affairs, Singapore, Press Release, “MFA Spokesman’s Comments in Response to Media Queries on President Chen Shui-bian’s Comments Regarding “Four Wants and One No”” (8 March 2007), online: Ministry of Foreign Affairs, Singapore <http://app.mfa.gov.sg/2006/press/view_press.asp?post_id=2176>.

6. *In the economic sphere, we have also witnessed the maturing of ties. From simply attracting Japanese companies to invest in Singapore, we signed the Japan-Singapore Economic Agreement for a New Age Partnership, or in short JSEPA, in 2002. JSEPA was a ground-breaking initiative that helped to pave the way for Japan's bilateral EPAs with other ASEAN countries and the ASEAN-Japan Comprehensive Economic Partnership or AJCEP. Currently, Japan is negotiating bilateral EPAs with Thailand, Indonesia, the Philippines and Brunei while its EPA with Malaysia recently came into effect. This network of bilateral EPAs together with the AJCEP, once completed, will help to further drive regional integration.*

7. *At the same time, our cooperation has broadened from bilateral initiatives to cooperation to promote regional stability and development. We have worked very well together within multilateral frameworks to deal with non-traditional security issues such as infectious diseases and proliferation of Weapons of Mass Destruction as well as more traditional issues such as maritime security. Japan's ReCAAP initiative, proposed by Prime Minister Koizumi in 2002, is set to become an important institution in dealing with maritime security with the impending establishment of the Information Sharing Centre in Singapore...*

...10. *Singapore and Japan have established a forward-looking partnership based on the convergence of our many mutual interests and shared strategic perspectives. The new areas where we can strengthen cooperation are as follow[s]:*

11. *Firstly, the emerging regional architecture in East Asia is a key area of mutual concern. Currently, there are various multilateral institutions and frameworks, such as ASEAN+3, ARF, APEC and the newest forum, EAS. The regional architecture is still evolving and its final shape is unlikely to be known for years or even decades to come. But given the great diversity in political regimes, values and levels of economic development in East Asia, the eventual framework is likely to be more fluid than the EU model. Both Japan and Singapore have a common interest in working together to help shape the emerging regional architecture to ensure that it remains open and inclusive.*

13. *Building a regional architecture for the peaceful development of Asia will not be an easy task. This is especially given the lingering historical rivalries and disputes that plague the region. However, we must devote our best resources to it for the future of all our peoples. We welcome Japan's leadership and ideas in this regard such as the proposal for a Closer Economic Partnership Agreement within East Asia, or CEPEA, comprising the current 16 members of the EAS. As the regional architecture evolves, Japan and Singapore can work closely in regional forums such as ASEAN+3, ARF, APEC and EAS to achieve our shared desire of an open and inclusive regional framework of cooperation.*

14. *Secondly, in the economic sphere, there is room to build on our existing linkages. For many Japanese MNCs, Singapore is an attractive hub for locating their regional headquarters due to our strategic location and good communications and logistics systems. While the low-cost manufacturing industries have largely shifted out of Singapore into neighbouring countries and China, Singapore is often a convenient location for Japanese companies to plan their regional strategies, conduct R&D and develop their products. In the past, Singapore was a gateway to enter the ASEAN region. Increasingly, Japanese MNCs are also using their Singapore offices as a gateway to India. Singapore offers certain advantages in this respect due to our cultural familiarity, geographical proximity and experience in engaging India since the early 1990s. The India-Singapore Comprehensive Economic Cooperation Agreement signed in June 2005 will provide further opportunities for Japanese companies based in Singapore to invest in India.*

16. *Thirdly, Japan and Singapore face the same social and economic challenges of an ageing society, declining birth rate and shrinking workforce. Our countries are also tackling the issue of how to prepare our labour forces to cope with the rise of China and India. The potential impact of these problems on our societies should not be underestimated. If left unaddressed, they will have severe implications for our ability to maintain our international competitiveness and economic vitality. There is much that we can learn from each other's experiences in addressing these issues*.⁵³

However, tension between Japan and PRC continues to cause some concern to Singapore. When asked in Parliament about the state of relations between Singapore and its regional partners, Singapore Foreign Minister George Yeo clarified,

“Mr Palmer asked whether there is a danger that Singapore might be caught in between should conflict break out between the big powers, for example, between China and US, or China and Japan. There is always such a risk. What is important is for us to be clear about our own position. While we have friendly relations with the major powers, we are never their agents. And we must always be autonomous and have our own core”.⁵⁴

Singapore practice in this respect is evident from the position it took concerning the controversy surrounding the then-Japanese Prime Minister's visit to Japanese war shrines. The Singapore Ministry of Foreign Affairs acknowledged,

“We regret the visit by PM Koizumi as Prime Minister to the Yasukuni Shrine this morning. The Singapore Government's position on the visit to the Yasukuni Shrine has been articulated many times and remains unchanged. These visits are both a Japanese domestic issue and an international diplomatic concern. From the latter point of view, it is a fact that such visits have and will continue to provoke strong reactions in China, Korea and other parts of Asia. They thus are not helpful to the larger common interest of building closer relations and cooperation in East Asia, including Southeast Asia. We hope that this larger common interest which Japan undoubtedly shares will not be overlooked by Japan”.⁵⁵

D. India

Bilateral relations between Singapore and India continue to strengthen along economic lines as well. At the Confederation of Indian Industry Partnership Summit on 18 January 2007, Singapore Foreign Minister George Yeo made the following statement,

“When I was Minister for Trade and Industry, I did not believe at first that a Free Trade Agreement could be negotiated with India. PM Vajpayee had proposed such an agreement during his Official Visit to Singapore in April 2002. During breakfast with Disinvestment Minister Arun Shourie the following morning, I told him candidly that my officials were dripping with scepticism. After all, it was not the first time that the idea had been mooted. Arun listened hard and, to my slight discomfort, replied

⁵³ See Ministry of Foreign Affairs, Singapore, Speech, “Keynote Address By Second Minister For Foreign Affairs Raymond Lim At 6th Japan-Singapore Symposium (JSS), 24 July 2006, 9am, Four Seasons Hotel” (24 July 2006), online: Ministry of Foreign Affairs, Singapore <http://app.mfa.gov.sg/2006/press/view_press.asp?post_id=1745>.

⁵⁴ *Supra* note 17.

⁵⁵ See Ministry of Foreign Affairs, Singapore, Press Release, “MFA Spokesman's Comments On Visit By Prime Minister Koizumi To The Yasukuni Shrine On 15 August 2006” (15 August 2006), online: Ministry of Foreign Affairs, Singapore <http://app.mfa.gov.sg/2006/press/view_press.asp?post_id=1781>.

that he would convey what I had just said to PM Vajpayee. I did not realize how serious the PM was. Negotiations began in earnest.

2. As was to be expected, there were many sceptics on the Indian side too. To them, only Singapore stood to benefit. What advantage was there for India? Singapore was already tariff-free. But, in fact, physical goods were only one part of the story. In any case, India's tariffs were coming down and India was only conceding to Singapore what it was prepared to give to all other countries eventually. Furthermore, as Singapore had no agricultural sector worth speaking about, the sector most politically sensitive to India was not affected. India stood to benefit from the services agreement and the establishment of a framework of trust which enabled it to access international capital more cheaply and attract foreign investments...In the end, we were able to conclude a Comprehensive Economic Cooperation Agreement (CECA) which both sides were happy with. Since CECA came into force in August 2005, bilateral trade has shot up. Last year, it grew 40%. Singapore's Foreign Direct Investment into India was also the second-largest in the first seven months of 2006, with total investments of US\$520 million, according to India's figures.

3. PM Vajpayee saw CECA in strategic terms. India had already embarked on a "Look East" strategy and closer links with Singapore facilitated the process...

...5. Our bilateral relationship is broadening and deepening. It is rooted in our shared culture and institutional inheritance from the Raj, and shaped by an alignment of strategic interests. History is bringing us together, again.

6. At the political level, it behoves Singapore to have India properly established in the new Asian architecture of the 21st century. Diplomatically, Singapore played an active role strengthening India's links with ASEAN and bringing India into the ASEAN Regional Forum and the East Asian Summit. Singapore also supported strongly India's inclusion as a Permanent Member in the UN Security Council. India's full participation in these and other initiatives will help to create a better environment for peace and development in the region...

...8. Singapore therefore shares a strong political interest with India in building a larger framework of Asian cooperation. At the economic level, the cooperation between India and Singapore will grow in all sectors as our economies become more integrated. When CECA was being negotiated, Singapore's objective, put in the simplest terms, was to restore the position of the Raj when trade and investments flowed freely between India and Singapore, and professionals were free to practise under similar laws, regulations and standards. We are not quite there yet. I believe that, in a few years' time, we will begin negotiating CECA Two... In the initial stages, it was India, curiously enough, which feared being swamped by Singapore. In the future, it will be Singapore fearing that it will be swamped by India. But that we can now talk in these terms shows how much the world has changed and our bilateral relationship with it...

...11. A stronger India will also have more influence in West Asia. Many Islamic countries, fed up by the treatment they receive in the West, are increasingly turning eastwards. Singapore's links to many countries in West Asia have strengthened significantly in the last two years. There are many areas where Indian and Singaporean businessmen can work together in West Asia.

12. Despite our small size, Singapore's presence in India is growing in a number of sectors. Singaporeans are good at system management. Singapore's experience in urban planning and management is receiving considerable attention in India. Singapore is particularly strong in logistics—air, sea and land—which is an area India needs to improve on urgently. For India's economy to reach double-digit growth, many bottlenecks must be cleared. As India's middle classes grow, as more and more Indians migrate to the cities, the country's social and physical infrastructure must be

greatly improved. In many areas, Singapore can be a useful partner even though our experience is limited to that of a compact city-state. I like what former Andhra Pradesh Chief Minister Chandrababu Naidu once said of Singapore, that, small though it is, embedded in it is considerable complexity like nano-technology. One area in which India and Singapore are working together on is the establishment of Special Economic Zones (SEZs). Singapore has considerable experience in this area, having established successful SEZs in China and Vietnam...

...15. In short, we can go long on Singapore-India relations. It is a mutually beneficial relationship which will benefit larger Asia".⁵⁶

Yet, strong economic ties are but part of a strategic vision for India in the growth of East Asia. As noted by Singapore Deputy Prime Minister S. Jayakumar at the 5th Pravasi Bharatiya Divas in New Delhi on 7 January 2007,

"For most of this half century or so, India was not at the centre of East Asian development. India had different domestic and international priorities. But after the Cold War, East Asia's perceptions of India have changed and likewise, India's perception of East Asia has also evolved. Since economic reforms began in earnest in the early 1990s, India has increasingly become a part of the East Asian equation, a fact recognised by its admission into the East Asian Summit two years ago. India has settled into a steady growth rate of over 8% for the last three years. Indian companies are making their presence felt in the world economy. Globalisation and growth have created new patterns of trade, investment and production, bringing India into the mainstream of an integrating East Asia...

...India has a central role to play in all these aspects, in particular ASEAN. It is for this reason that Singapore pushed hard to make India a full ASEAN Dialogue Partner. It was also an early advocate of India's participation in the ARF and worked to bring India into the EAS. I was Foreign Minister at that time and I can state that we did so in our own interests and because we believe that a strong India and strong India-ASEAN relations can only strengthen ASEAN. And, as I have argued, a strong ASEAN is crucial to the construction of a new East Asia. This is the broader strategic context of on-going negotiations on ASEAN-India Free Trade Agreement. It is not just another FTA. It is a crucial piece of the overall regional architecture.

The new strategic complexity of East Asia means that it will no longer be possible to manage issues such as energy security or the security of major sea lanes without India's active participation. It is no longer possible to conceptualise East Asia just in terms of US-China-Japan relations or of ASEAN's relations with only these three major power centres. Increasingly, Sino-India, India-Japan and US-India relations will move to the centre of the East Asian equation.

Both China and India understand that a stable East Asia requires stable Sino-Indian relations and are moving to develop their relationship in positive ways. Sino-Indian ties are deepening which can only bode well for East Asia and the world. Both have professed their belief that Asia is large enough to accommodate the two of them and indicated that they want to concentrate on the challenge of development. An India-China Free Trade Agreement may still be many years in the future, but it is a bold vision worth striving for and, if achieved, it will transform the world.

A new strategic relationship is also being forged between India and the US, based on deepening economic engagement, closer defence relations and, in time to come, nuclear cooperation. India-US relations are also important for the future

⁵⁶ See Ministry of Foreign Affairs, Singapore, Speech, "Speech by Minister for Foreign Affairs George Yeo at the Confederation of Indian Industry Partnership Summit on 18 January 2007—Singapore-India: Roadmap to the Future" (18 January 2007), online: Ministry of Foreign Affairs, Singapore <http://app.mfa.gov.sg/internet/press/view_press_email.asp?post_id=2004>.

of East Asia. For many more decades to come there is no doubt that the US will continue to play an important role in East Asia's stability and growth. The US must therefore be persuaded not to oppose the construction of a new East Asia even if it may not participate in each and every aspect of the emerging architecture. Close US-India relations and an East Asian framework with an India that enjoys close relationships with key US allies firmly embedded in it will give comfort to the US...

...These are promising starts. But India's continued ability to play such a role will be dependent on the sustainability of India's growth and whether there is a national consensus to push through reforms in key areas. As Prime Minister Singh himself pointed out in his Independence Day Speech last August, while India is certainly on the march, it "still has miles to go before it makes its tryst with destiny".

But this is a challenge that all East Asian countries, and not just India, must face. The construction of a new East Asia is essentially an effort to transform a group of countries separated by inward looking policies into an open and integrated market. If a new East Asia is to become a reality, each member country must reform its domestic economic and political institutions in ways that will make its economy and society more free and open. ASEAN too has to reinvent itself and ASEAN Leaders later this week will be considering far reaching proposals by an Eminent Persons Group on ASEAN's future directions...

...Let me sum up: India has a natural and central place in the emerging East Asian order and has key roles to play to shape the emerging regional architecture. Increasingly, Sino-India, India-Japan and US-India relations will become integral to the East Asian equation. These relationships play an important role in maintaining East Asia's stability and continued economic growth. It is in the interests of both India and East Asia that India succeeds in playing these key roles, by staying the course of reform to sustain its economic growth, by accelerating its external links with the rest of Asia and by nurturing its relationships with key players in our region".⁵⁷

E. The Middle East

Singapore continues to build stronger relations in the Middle East by seeking increased economic engagement with States such as Libya, Kuwait, Jordan and Egypt. For example, when the Egyptian Prime Minister Ahmed Nazif visited Singapore in November 2006, Singapore President S.R. Nathan and Prime Minister Ahmed

"talked about how Singapore and Egypt can further strengthen economic relations. President noted that the initialling of the Comprehensive Economic Cooperation Agreement gives a strong signal to potential investors and others of growing prospects of business opportunities from Egypt and Singapore and the move to enhance economic cooperation. Prime Minister Nazif expressed interest in learning from Singapore, particularly in Singapore's IT [policies] and experiences in e-government. President welcomed the Prime Minister's interest and said that Singapore would be happy to share our experience. Minister Lee Boon Yang would follow up on this in his meeting with Egyptian Minister of Communications and Information Technology Dr Tarek Kamel today while the delegation is in Cairo. The Prime Minister had an

⁵⁷ See Ministry of Foreign Affairs, Singapore, Speech, "Speech by Deputy Prime Minister S Jayakumar at the 5th Pravasi Bharatiya Divas in New Delhi, India, 7 January 2007" (7 January 2007), online: Ministry of Foreign Affairs, Singapore <http://app.mfa.gov.sg/internet/press/view_press_email.asp?post_id=1970>.

opportunity to interact with members of the Singapore Business Federation delegation and mentioned to them of the range of opportunities for them to look at while in Cairo".⁵⁸

Further, Singapore continues to engage Middle Eastern states through the Asia-Middle East Dialogue ("AMED"). Speaking with the Iran Daily in March 2007, Senior Minister Goh Chok Tong noted,

"The inaugural AMED held in Singapore in June 2005 was in itself an achievement. It brought together, for the first time, participants from Middle East and Asian countries to discuss issues of common interest. This has promoted mutual understanding. Since then, we have established a regional vocational training centre in Jordan and a regional training institute for public administration in Qatar. We emphasise human resource development because we wish to help countries in their economic development. Later this year, Egypt will be hosting the second AMED. For AMED to be effective, the participants must set a strategic vision for AMED, identify the challenges which stand in its way and work together for a brighter common future".⁵⁹

Yet, Singapore's engagement of the Middle East is tempered by existing global security concerns, in particular terrorism and the proliferation of nuclear weapons. Senior Minister Goh continued in his interview with Iran Daily,

"My first visit to Iran was in 2004 when I was Prime Minister. Since then, Iran and the Middle East have seen many changes, some dramatic. The nuclear issue has aroused serious international concerns. I want to have a better understanding of this issue from Iran's point of view. I want to hear the views of Iranian leaders on this and other issues like the situation in Iraq, Lebanon, and the Palestinian/Israeli peace process. I will offer my frank views from a Singaporean and Asian perspective on these issues, especially the larger implications of Iran's standoff with the IAEA and international community. Such exchanges will help us better understand each other's interests and concerns.

Iran has a very talented population. It is also rich in resources. There are many opportunities for cooperation. However, we have to acknowledge that there are serious impediments to the development of our ties. Iran is under UN sanctions. Whether Iran agrees with the UN Security Council's decision or not, all UN members are legally obliged to comply with UNSC sanctions.

Singaporeans are concerned about Iran's standoff with the international community over its nuclear programme and the risk of further UN sanctions. Singapore's view is that Iran has the right to develop atomic energy for peaceful purposes. But, to be frank, there are serious international concerns about Iran's intentions. Singapore hopes that Iran will comply with its obligations under the Nuclear Non-Proliferation Treaty (NPT) and the IAEA's safeguards regime. Iran has explained that its nuclear programme is a peaceful one. But the IAEA is not fully convinced. Singapore therefore hopes that Iran will take concrete steps to reassure the international community of its peaceful intentions by complying with its obligations under NPT and abiding by the relevant UN Security Council resolutions.

⁵⁸ See Ministry of Foreign Affairs, Singapore, Press Release, "MFA Spokesman's Comments on the meeting between President S R Nathan and Egyptian Prime Minister Ahmed Nazif" (16 November 2006), online: Ministry of Foreign Affairs, Singapore <http://app.mfa.gov.sg/2006/press/view_press.asp?post_id=1889>. See also, Ministry of Foreign Affairs, Singapore, Press Release, "MFA Spokesman's Comments" (27 November 2006) with respect to the call by Libyan Secretary of Asian Affairs Mohamed Omar Al Barani on Senior Minister of State Zainul Abidin Rasheed on 27 November 2006.

⁵⁹ See Ministry of Foreign Affairs, Singapore, Transcript, "Senior Minister Goh Chok Tong's Interview with Iran Daily, March 2007" (11 March 2007), online: Ministry of Foreign Affairs, Singapore <http://app.mfa.gov.sg/2006/lowRes/press/view_press.asp?post_id=2185>.

*As a friend who wants to foster closer bilateral relations with Iran, I hope that the nuclear issue can be amicably resolved very soon. Then our relations can really move forward. Iran has a rich history and long civilisation. Iran has the potential to become an important regional leader in the Middle East. But to do so, there must be trust between Iran and the rest of the world, especially its neighbours. Iran can gain this trust by playing a constructive role to help restore peace and stability in Iraq and the Middle East”.*⁶⁰

Hence Singapore remains interested in the regional security situation in the Middle East. The Singapore Ministry of Foreign Affairs made the following statement with respect to the Israeli airstrikes on Lebanon in July 2006,

*“We are deeply shocked and saddened by the loss of innocent lives. We urge all sides to exercise restraint and immediately cease the activities that have triggered this cycle of violence. We support the UN’s call for a cessation of hostilities. This is an important first-step to pave the way for a solution that would secure security for all parties and peace and stability in the region”.*⁶¹

Speaking at the 61st United Nations General Assembly on Regional Contribution to Global Governance on 22 September 2006, Singapore Foreign Minister George Yeo noted,

“The recent war in Lebanon had no clear victor. Israel succeeded in removing the immediate threat across the border but could not wipe out Hezbollah. Hezbollah claimed victory having survived Israeli air bombardment and ground action. On both sides, innocent people have suffered greatly. Whether the present ceasefire can become a lasting peace depends on many factors, not least the ability of the Lebanese Army and UNIFIL to maintain the buffer in southern Lebanon. But one thing was clear: that without the eventual intervention of the UN, the fighting would have continued and more lives would have been lost.

2. The Middle East is going through the throes of change. In Palestine, there is no escaping a two-state solution. However, defining the precise boundaries of that solution is a grinding process which will take time. No one can achieve all his demands; no party can insist on absolute security. Between Sunnis and Shiites in Lebanon, Iraq and elsewhere in the region, a new balance is being established. This will also take time. In many countries, there is tension between those who are impatient for change and those who believe that discontinuity will lead to chaos and anarchy. For as long as there is more despair than hope, terrorist organisations will be able to find fresh recruits. What happens in the Middle East affects the entire world. No country is insulated, if nothing else, from the terrorist threat and high energy prices.

*3. No grand solution is possible. The end of the Cold War marked the end of an era when the major powers could settle the terms among themselves over the heads of lesser countries. It was not so long ago but it seems strange today that a cold peace could be maintained for decades by each side pointing tens of thousands of nuclear missiles at the other. Technology has changed the rules. Warfare has now become asymmetric. Cruise missiles and submarines cannot solve the problem of suicide bombers. And those who manipulate these terrorists might well take positions in global financial markets to benefit from the havoc that they create”.*⁶²

⁶⁰ *Ibid.*

⁶¹ See Ministry of Foreign Affairs, Singapore, Press Release, “MFA Spokesman’s Comments: Situation In The Middle East” (18 July 2006), online: Ministry of Foreign Affairs, Singapore <http://app.mfa.gov.sg/internet/press/view_press.asp?post_id=1738>.

⁶² See Ministry of Foreign Affairs, Singapore, Speech, “Speech by Minister for Foreign Affairs George Yeo at the 61st United Nations General Assembly on Regional Contribution to Global Governance, 22 September 2006” (25 September 2006), online: Ministry of Foreign Affairs, Singapore <http://app.mfa.gov.sg/internet/press/view_press.asp?post_id=1821>.

VI. OUTSTANDING INTERNATIONAL AND REGIONAL ISSUES

A. *Terrorism and Arms Proliferation*

Singapore continues to take a firm stance in relation to terrorism and arms proliferation as it denounces acts of terrorism and the development of nuclear weapons by the Democratic People's Republic of Korea ("North Korea") and Iran.

In relation to the development of nuclear weapons by North Korea, the Singapore Ministry of Foreign Affairs stated that "*Singapore deeply regrets that North Korea has test-launched several missiles. This will have serious repercussions on regional peace and stability. Singapore urges Pyongyang to cease such provocative actions and return to the six-party talks*".⁶³ Subsequently, in response to the United Nations Security Council's resolution on North Korean missile testing, it stated,

"The UN Security Council's unanimous decision on the DPRK's missile tests is a strong signal of the seriousness with which the international community views a situation which has the potential to destabilize East Asia. This could have global consequences. We appeal to the DPRK not to repeat such provocative acts, reinstate its 1999 moratorium on missile testing and return to the Six-Party Talks without preconditions".⁶⁴

In response to the North Korean Foreign Ministry's statement that North Korea will conduct nuclear tests in the future, the following statements were made,

"We have read the DPRK Foreign Ministry Spokesman's statement saying that North Korea will conduct a nuclear test in the future. We view this with great concern as such a move would be dangerously destabilising to the entire region. It would also not be in North Korea's own interest. We urge the DPRK authorities to reconsider its plan and not proceed with such a test under any circumstances".⁶⁵

"Singapore is deeply concerned by the Democratic People's Republic of Korea's (DPRK) announcement that it had conducted a nuclear test. We are seeking confirmation from other international sources. If confirmed, such a rash and dangerously provocative act will have grave consequences that could threaten to destabilise the entire region. The DPRK must bear the consequences of its actions. The DPRK should return to the Six-Party Talks without preconditions. Peaceful dialogue is the only way to secure the DPRK's security and economic interests. Singapore will be making its views known to the DPRK through its Ambassador in Singapore".⁶⁶

"The Singapore Ministry of Foreign Affairs (MFA) has today conveyed Singapore's deep concerns over the DPRK's announced nuclear test to the DPRK Ambassador in Singapore Ji Jae-suk. Describing the move as rash and provocative, MFA emphasised that the DPRK would not be made more secure by the test. Rather, the DPRK had aroused the entire international community against it and had thus placed itself in

⁶³ See Ministry of Foreign Affairs, Singapore, Press Release, "MFA Spokesman's Comments on the North Korean Missile Tests" (5 July 2006), online: Ministry of Foreign Affairs, Singapore <http://app.mfa.gov.sg/pr/read_content.asp?View,4740,>.

⁶⁴ See Ministry of Foreign Affairs, Singapore, Press Release, "MFA Spokesman's Comments: The Adoption Of UN Security Council Resolution 1695 On North Korea's Missile Launches" (18 July 2006), online: Ministry of Foreign Affairs, Singapore <[>](http://app.mfa.gov.sg/internet/press/view_press_print.asp?post_id=1739).

⁶⁵ See Ministry of Foreign Affairs, Singapore, Press Release, "MFA Spokesman's Comments: DPRK Foreign Ministry Spokesman's Statement On North Korea Conducting A Nuclear Test In The Future" (3 October 2006), online: Ministry of Foreign Affairs, Singapore <[>](http://app.mfa.gov.sg/internet/press/view_press.asp?post_id=1834).

⁶⁶ See Ministry of Foreign Affairs, Singapore, Press Release, "MFA Press Statement: Democratic People's Republic Of Korea's Nuclear Test" (9 October 2006), online: Ministry of Foreign Affairs, Singapore <[>](http://app.mfa.gov.sg/internet/press/view_press.asp?post_id=1842).

a more precarious position. MFA urged the DPRK to return immediately to the Six-Party Talks without preconditions".⁶⁷

In November 2006, North Korea returned to the Six Party Talks and an agreement was made in relation to cessation of North Korea's development of nuclear weapons prompting the following statement from the Singapore Ministry of Foreign Affairs, "*(w)e welcome this positive development. It is an important step forward, but there is still a long road to travel. We hope that all parties will keep to their commitments and that there will be further progress at the Sixth Round of the Six-Party Talks in March 2007*".⁶⁸ However, in May 2007, North Korea conducted short-range missile testing. In response the Singapore Ministry of Foreign Affairs spokesman said, "*We are deeply disappointed that the DPRK has recently test-fired short-range missiles. Such action does little to enhance the peace and stability of the Korean Peninsula and mars the efforts made in the 13 February 2007 Agreement reached by the Six Parties in Beijing*".⁶⁹

Singapore hosted the 5th ASEAN Regional Forum Inter-Sessional Meeting on Counter Terrorism and Transnational Crime ("ISM on CTTC") from 3-4 May 2007. In his opening address at ISM on CTTC, the Singapore Senior Minister of State for Law and Home Affairs remarked,

"...Beefing up our counter terrorism security measures will continue to be our first line of defence. At the same time however, we need to seriously address the ideological dimension underpinning terrorism. This is the key fodder feeding today's terrorist phenomenon. It is no longer enough for us to just employ law enforcement and military measures to uproot terrorist infrastructures and deny them sponsorship, support and sanctuary. We need to counter ideological support for terrorism and recognise the essential role played by radical ideologies in motivating terrorists and their supporters today...

...Terrorism developments can potentially lead to increased polarisation. And this is where the public at large can take active steps to build bridges and defuse misunderstandings between and within communities to improve the situation. Embarking on interfaith dialogues is an important way of promoting understanding between different communities. In this sense, the timing and topic of this meeting could not have been better... Winning the fight against the terrorist threat requires winning the hearts and minds of all, Muslims and non-Muslims alike. We need to take a sustained, balanced, coordinated and comprehensive approach. There is no "one size fits all" solution. Let me take this opportunity to share with you how we in Singapore have taken an integrated approach in involving and engaging the significant stakeholders in our counter-terrorism effort. Through our own experience in dealing with the terrorist threat, we recognise that Government action alone, i.e., arrest and detention, is not enough. Singapore's strategy in countering the ideological roots of extremism is therefore predicated on a series of measures which include (a) enhancing internal security, (b) stemming the spread of extremist ideology and (c) strengthening cohesion and religious harmony...

...In summary then, we cannot afford to only rely on the police and security services to guarantee our long term security. Ultimately, it rests on whole communities to come

⁶⁷ See Ministry of Foreign Affairs, Singapore, Press Release, "MFA Press Statement: Demarche on the DPRK" (10 October 2006), online: Ministry of Foreign Affairs, Singapore <http://app.mfa.gov.sg/pr/read_content.asp?View,5550>.

⁶⁸ See Ministry of Foreign Affairs, Singapore, Press Release, "MFA Spokesman's Comments on the agreement reached at the Fifth Round of the Six-Party Talks from 8-13 February 2007" (14 February 2007), online: Ministry of Foreign Affairs, Singapore <http://app.mfa.gov.sg/2006/press/view_press.asp?post_id=2075>.

⁶⁹ See Ministry of Foreign Affairs, Singapore, Press Release, "MFA Spokesman's Comments on the DPRK's Missile Test" (26 May 2007), online: Ministry of Foreign Affairs, Singapore <http://app.mfa.gov.sg/2006/press/view_press.asp?post_id=2665>.

*together in a consolidated effort to challenge and defeat the extremist ideologies and to keep our society together. Each country must take into account its unique local characteristics so as to be able to effectively address the complex mix of factors that gives rise to terrorism. We can discuss and share our experiences, but each country must find its own formula to address the challenges”.*⁷⁰

B. Human Rights

1. The death penalty⁷¹

In January 2007, the President of Nigeria asked Singapore Prime Minister to review the sentence of one of its nationals, Mr Iwuchukwu Amara Tochi who had been convicted for drug trafficking and sentenced to death under Singapore law. The Singapore Prime Minister Lee Hsien Loong replied,

“We did not take the decision lightly. Mr Tochi has committed a serious offence under Singapore law. He was convicted for importing over 700g of diamorphine. This amounts to more than 48,000 doses of heroin on the streets, enough to have destroyed many lives and families. There are no new grounds for the case to be reconsidered and all legal avenues have been exhausted.

The Singapore Government takes a firm stance against drugs to deter Singaporeans and others from importing drugs into Singapore or using the country as a transit hub for narcotics. We have publicised this stance widely, in order to deter would-be traffickers from entering Singapore or operating here. If despite this we find and arrest a trafficker, who is then convicted according to due process of law, then the law has to take its course.

*I realise that Mr Tochi’s family will find Singapore’s position difficult to accept, but we have a duty to safeguard the interests of Singaporeans, and protect the many lives that would otherwise be ruined by the drug syndicates”.*⁷²

2. Freedom of expression

In April 2007, members of the European Union Troika were invited to speak at a Singapore Democratic Party forum in Singapore. The following statement was made by the Singapore Ministry of Foreign Affairs,

“In response to media queries, the MFA Spokesman confirmed that the EU troika (ie. The Ambassadors of the European Commission and Germany and the Chargé of Czech Republic) called on a senior MFA official today to ask us to reconsider our decision not to allow some members of the European Parliament to speak at the SDP forum.

We informed them that as a matter of principle, Singapore political issues have to be decided by Singaporeans and not foreigners who had no responsibility for Singapore.

⁷⁰ See Ministry of Foreign Affairs, Singapore, Speech, “Opening Address by Senior Minister of State for Law and Home Affairs A/P Ho Peng Kee at The Asean Regional Forum (ARF) Inter-Sessional Meeting (ISM) On Counter-Terrorism And Trans-National Crime (CTTC) on 3 May 2007 at 9.10 am” (3 May 2007), online: Ministry of Foreign Affairs, Singapore <http://app.mfa.gov.sg/2006/lowRes/press/view_press.asp?post_id=2548>.

⁷¹ See fuller discussion on Singapore’s practice in human rights in C.L. Lim *supra* note 6 at 333.

⁷² See Ministry of Foreign Affairs, Singapore, Press Release, “MFA Press Release: Letter from Singapore Prime Minister Lee Hsien Loong to Nigerian President Olusegun Obasanjo, 25 January 2007” (25 January 2007), online: Ministry of Foreign Affairs, Singapore <http://app.mfa.gov.sg/2006/press/view_press.asp?post_id=2026>.

*They were however free to express their views in the European Parliament or post them on the Internet. But they should not come to Singapore to participate in a domestic political event”.*⁷³

C. Maritime Security in the Straits of Malacca

The ReCAAP Agreement entered into force on 4 September 2006. The following statement was made by the Singapore Ministry of Foreign Affairs.

“This marks a significant step forward in the ReCAAP initiative. Altogether, 11 countries have signed and ratified the Agreement so far, namely Cambodia, Japan, Laos, Singapore, Thailand, the Philippines, Myanmar, the Republic of Korea, Vietnam, India and Sri Lanka. Brunei and Bangladesh have also signed the Agreement and are in the process of ratification. Singapore looks forward to the signing and ratification of the ReCAAP Agreement by the remaining countries. With the ReCAAP Agreement in force, Singapore will host the first meeting of the Governing Council of the ReCAAP Information Sharing Centre (ISC) on 27-30 November 2006. The Governing Council oversees policies guiding the work of the ReCAAP ISC. It is composed of one representative from each Contracting Party and will meet annually.

The ReCAAP ISC will be launched during the meeting of the Governing Council. The launch of the ReCAAP ISC will mark the first time that cooperation among regional governments against piracy and armed robbery at sea will be institutionalised in a permanent body with full-time staff.

*The ReCAAP Agreement is the first regional government-to-government agreement to promote and enhance cooperation against piracy and armed robbery at sea in Asia. The ReCAAP ISC, located in Singapore, will serve as a platform for cooperation under the ReCAAP initiative, in particular, the sharing of piracy and armed robbery information to help improve operational cooperation when responding to security incidents at sea”.*⁷⁴

Subsequently, the Singapore Senior Minister of State for Foreign Affairs invited Middle Eastern states to participate in the improvement of maritime security in the Straits of Malacca.

“Given the large distance between the Middle East suppliers and its Asian markets, the main transport route will still be through the sea. Oil and gas pipelines over such distances will take a long time to bring about. As such, maritime security, especially in major sea lines of communication like the Straits of Hormuz and the Straits of Malacca and Singapore will remain critical.

5. The Straits of Hormuz and the Straits of Malacca and Singapore are undoubtedly two of the most vital energy transit routes in the world. An estimated 15 million barrels of oil are transported through the Straits of Hormuz daily, while an estimated 11 million barrels pass through the Straits of Malacca and Singapore daily. The safety and security of vessels transiting through these and other chokepoints are therefore tied closely to the energy security concerns of all energy importing and exporting states. Any disruptions to vessel traffic through these chokepoints will have massive repercussions on the world economy.

⁷³ See Ministry of Foreign Affairs, Singapore, Press Release, “MFA Spokesman’s Comments on EU Troika’s call on MFA” (13 April 2007), online: Ministry of Foreign Affairs, Singapore <http://app.mfa.gov.sg/2006/press/view_press_print.asp?post_id=2426>.

⁷⁴ See Ministry of Foreign Affairs, Singapore, Press Release, “Regional Cooperation Agreement on Combating Piracy and Armed Robbery Against Ships in Asia (ReCAAP)” (4 September 2006), online: Ministry of Foreign Affairs, Singapore <http://app.mfa.gov.sg/internet/press/view_press.asp?post_id=1795>.

6. *Let me elaborate on the Straits of Malacca and Singapore, a maritime passageway with Singapore, Indonesia and Malaysia as the littoral states. All three states have long recognized the strategic and economic importance of the Straits of Malacca and Singapore, and are fully committed to ensuring that the Straits remain safe, secure and open to international shipping and trade at all times.*

7. *Individually, we have each developed our own security and navigational safety measures within our territorial waters. For Singapore, the Maritime and Port Authority has established the vessel tracking systems to more effectively manage shipping traffic in the Singapore Strait, while the Singapore Coast Guard and Navy also conduct surveillance and maintain patrols round-the-clock. Collectively, the three littoral states have been working closely together on Straits navigational safety issues since the 1970s through the Tripartite Technical Experts Group, or TTEG. We have established a Traffic Separation Scheme and a Mandatory Ship Reporting System, which have been instrumental in promoting safe navigation through the Straits. The littoral states have also established operational maritime security cooperation through the coordinated Malacca Straits Sea Patrols and the “Eyes in the Sky” maritime air patrols.*

8. *Besides individual efforts and cooperation among ourselves, the littoral states also recognise that extra-regional users of the Straits can play an important role in the Straits, as long as the cooperative measures respect the littoral states’ sovereignty and are in accordance with international law. As global trade expands and energy needs increase, the interests of these user States will similarly grow in intensity and complexity. It is imperative that we manage these varied interests and harness the collective resources of the extra-regional stakeholders in an open, inclusive and transparent manner, so as to build up confidence and trust among the various stakeholders.*

9. *In the past year, we have in fact seen cooperation and engagement between littoral States and user States evolve steadily from confidence building to greater concrete cooperation. Recent encouraging developments include the following: First, the Regional Cooperation Agreement on Combating Piracy and Armed Robbery Against Ships in Asia (ReCAAP), came into force on 4 September 2006, is the first government-to-government agreement to promote and enhance cooperation against sea piracy and armed robbery against ships. Formulated by the ten ASEAN countries, Japan, China, South Korea, India, Bangladesh and Sri Lanka, the centrepiece of ReCAAP is the Information Sharing Centre, recently established in November 2006, which will facilitate information exchange among regional authorities to tackle incidents of piracy and build up their capacity. Second, the IMO has been convening a series of meetings on the Straits of Malacca and Singapore as part of its Protection of Vital Shipping Lanes Initiative. At the second meeting held in September 2006 in Malaysia, many user States of the Straits of Malacca and Singapore gave strong support for the littoral States’ proposal to establish a Cooperative Mechanism for cooperation between littoral States and user States in the fields of navigational safety and environmental protection. This Cooperative Mechanism comprises various modalities for user States to contribute voluntarily to Straits cooperation, including a forum for dialogue; project coordination committees to drive practical cooperation in the Straits; and a fund for voluntary financial contributions for the maintenance and replacement of aids to navigation in the Straits. Third, at the 13th ASEAN Regional Forum (ARF) in July 2006, ARF Ministers endorsed the proposal for an ARF Maritime Security Shore Exercise, which would help build up confidence, familiarity and interoperability among the region’s maritime security agencies.*

10. *While flagships from Gulf countries are not heavy users of the Straits of Malacca and Singapore, energy suppliers like the Gulf countries do have a stake in ensuring the safety and security of the routes through which their energy exports flow transit. In a recent study by the Japanese Ministry of Land, Infrastructure and Transport on*

Vessel Traffic through the Straits of Malacca and Singapore, around 30% of the ships passing through the Straits of Malacca and Singapore in 2004 had either come from a port in the Gulf (UAE, Saudi Arabia, Iran, Oman and Kuwait) or were heading to a port in the Gulf. This volume of traffic will no doubt continue to grow, and so will interest of the Gulf countries in ensuring the security of their energy export routes.

11. *We therefore welcome the Gulf countries to play a role in maritime security in the Straits of Malacca and Singapore, based on the open and inclusive frameworks of cooperation that we have established among the littoral states and extra-regional stakeholders. The main East Asian importers of oil from the Middle East, e.g. China, Japan, and the ROK, are already stakeholders in ensuring the security of the Straits of Malacca and Singapore*.⁷⁵

VII. PRACTICE IN INTERNATIONAL AND REGIONAL ORGANISATIONS

A. *The United Nations ("UN")*

The following statement was made by Singapore Foreign Minister George Yeo at the United Nations General Assembly on Regional Contribution to Global Governance on 22 September 2006.

"Madam President, ASEAN supports you and the UN strongly. We will work with you to improve the workings of the UN and make it more effective. In this regard, ASEAN continues to endorse the candidature of Dr Surakiart Sathirathai as the next Secretary General despite the recent coup in Thailand. Although it was a setback, Thai society has a deep resilience which will enable it to recover quickly. ASEAN will always be on the side of the Thai people. If every region in the world, working with the UN, can help to stabilize its own immediate environment and promote favourable economic conditions, the prospects for global peace and development will be enhanced. What the nations of Africa have been able to do despite adverse circumstances is impressive. The willingness of individual African countries to agree on common positions is unique to that continent and an inspiration to the rest of us. The UN is already stretched and can only do so much. Instead, let us in each of our regions do our part and work with the UN and its organisations in a complementary way. On Darfur, for example, we need close cooperation between the UN and African countries to stop the killing. Wherever possible, regional organisations should be strengthened. The UN and other international organisations can play a facilitating role, provide resources and advice, set standards and establish benchmarks. Even in the Middle East, where the work often seems the hardest, regional cooperation can help create a better environment for peace and development. Without the goodwill of its neighbours, the reconstruction of Iraq, for example, will be much more difficult".⁷⁶

B. ASEAN

1. *The 12th ASEAN summit*

Philippines hosted the 12th ASEAN Summit in Cebu from 12-15 January 2007. The ASEAN leaders endorsed the Report made by the Eminent Persons Group on the ASEAN Charter,

⁷⁵ See Ministry of Foreign Affairs, Singapore, Speech, "Remarks By Mr Zainul Abidin Rasheed, Senior Minister Of State For Foreign Affairs, Singapore, At The Energy And Maritime Security Break-Out Group, At The Third Iiss Regional Security Summit, 8-10 December 2006, Manama, Bahrain" (10 December 2006), online: Ministry of Foreign Affairs, Singapore <http://app.mfa.gov.sg/2006/lowRes/press/view_press.asp?post_id=1942>.

⁷⁶ *Supra* note 62.

and signed the Cebu Declaration on the Blueprint of the ASEAN Charter.⁷⁷ In line with the Declaration, a High Level Task Force (“HLTF”) was established and charged with the task of drafting the Charter. The ASEAN Charter is expected to transform ASEAN into a more effective organisation and give impetus to ASEAN’s community-building efforts. Singapore’s representative to the HLTF was Ambassador-at-Large Professor Tommy Koh.

⁷⁷ The text of the Cebu Declaration on the Blueprint for the ASEAN Charter is as follows:

“WE, the Heads of State/Government of Brunei Darussalam, the Kingdom of Cambodia, the Republic of Indonesia, the Lao People’s Democratic Republic, Malaysia, the Union of Myanmar, the Republic of the Philippines, the Republic of Singapore, the Kingdom of Thailand and the Socialist Republic of Viet Nam, Member Countries of ASEAN, on the occasion of the 12th ASEAN Summit in Cebu;

INSPIRED by One Vision, One Identity, the creation of One Community for ASEAN by the year 2020;

EMBARKING on a momentous undertaking of establishing an ASEAN Community and facilitating its realisation by adopting an ASEAN Charter as stated in the Kuala Lumpur Declaration on the Establishment of the ASEAN Charter adopted at the 11th ASEAN Summit on 12 December 2005 in Kuala Lumpur;

CONSCIOUS that ASEAN has matured into a regional organisation and is expanding its role as an integrated regional economy and a dynamic force in maintaining regional peace and stability as envisaged in the Declaration of ASEAN Concord II (Bali Concord II) and its plans of action, roadmaps, and the ASEAN Vision 2020 which envisions ASEAN as a concert of Southeast Asian nations, outward-looking, living in peace, stability and prosperity, bonded together in partnership in dynamic development and in a community of caring societies;

MINDFUL of the immense opportunities and key challenges posed by ASEAN’s regional integration process, rapid globalisation and impact of new technologies, as well as the pressing need to strengthen and reinforce further the existing institutions of ASEAN by providing ASEAN with a legal personality and an efficient structure, which will facilitate the attainment of community objectives;

RECALLING our decision in the Kuala Lumpur Declaration on the Establishment of the ASEAN Charter at the 11th ASEAN Summit to establish the Eminent Persons Group (EPG) on the ASEAN Charter, whom we mandated to examine and provide practical recommendations on the directions and nature of the ASEAN Charter relevant to the ASEAN Community as envisaged in the Bali Concord II and beyond, taking into account, but not limited to, the principles, values and objectives as contained in the Kuala Lumpur Declaration on the Establishment of the ASEAN Charter, and to consider their recommendations at our subsequent meetings;

NOTING that our Ministers have established a High Level Task Force to carry out the drafting of the ASEAN Charter based on the Kuala Lumpur Declaration on the Establishment of the ASEAN Charter and the recommendations of the EPG;

RECOGNISING the outstanding and comprehensive work of the EPG and its dedication and the efficiency with which it has carried out its mandate, producing the Report of the EPG on the ASEAN Charter;

ACKNOWLEDGING the earnest efforts of the EPG in actively consulting various ASEAN sectors and stakeholders, including civil society organisations, businessmen, academics and parliamentarians on their views regarding what should be the key components of an ASEAN Charter and the changes necessary to support the realisation of ASEAN’s community building;

WE DO HEREBY AGREE :

FIRST, we are committed to establish an ASEAN Charter as a crowning achievement of 40 years of ASEAN to enable ASEAN to meet future challenges and opportunities.

SECOND, we reiterate our conviction that an ASEAN Charter will serve as a firm foundation in achieving one ASEAN Community by providing an enhanced institutional framework as well as conferring a legal personality to ASEAN.

THIRD, we endorse the Report of the EPG on the ASEAN Charter and agree that the High Level Task Force should commence the drafting of the ASEAN Charter based on our directions given at the 11th and 12th ASEAN Summits, the relevant ASEAN documents, together with the EPG recommendations, to be completed in time for the 13th ASEAN Summit in Singapore in November 2007.

DONE at Cebu, Philippines, this Thirteenth Day of January in the Year Two Thousand and Seven, in a single original copy in the English language”.

Available at Ministry of Foreign Affairs, Singapore, Press Release, “Cebu Declaration on the Blueprint of the ASEAN Charter” (16 January 2007), online: Ministry of Foreign Affairs, Singapore <http://app.mfa.gov.sg/2006/press/view_press.asp?post_id=1993> (last accessed 9 August 2007).

The ASEAN leaders also signed the Cebu Declaration on the Acceleration of the Establishment of an ASEAN Community by 2015,⁷⁸ which reflected ASEAN's commitment to accelerating regional integration from the original target date of 2020. With this Declaration, ASEAN will speed up the implementation of the various programme areas, measures and principles under the three pillars of the ASEAN Security Community, ASEAN Economic Community and ASEAN Socio-Cultural Community. This will lead to a strong and integrated ASEAN Community. In particular, ASEAN economic officials are already working on a detailed blueprint, which will lay down concrete work plans in areas within the economic arena. The following statements were also made by the Singapore Ministry of Foreign Affairs with reference to the 12th ASEAN Summit:

“Among other issues, ASEAN Leaders also declared their commitment to protecting and promoting the rights of migrant workers, and signed the ASEAN Convention on Counter Terrorism, the first region-wide counter terrorism pact. They also noted the importance of environmental cooperation in transborder problems such as haze pollution.

In line with Singapore's advocacy for an outward-looking ASEAN, ASEAN further enhanced its links with its key dialogue partner in 2006. France and Timor Leste acceded to the Treaty of Amity and Cooperation in Southeast Asia at the Cebu Summit, signalling their commitment to engaging ASEAN. Relations with China also reached a higher plane as ASEAN and China commemorated the 15th Anniversary of dialogue relations at the ASEAN-China Commemorative Summit in Nanning in October. Both sides are now committed to implementing the Joint Statement Towards a China-ASEAN Strategic Partnership, signed at the Commemorative Summit, which identified ways to deepen and strengthen mutual cooperation in key areas spanning political and security, economic, and socio-cultural spheres. As the coordinator for ASEAN-Russian Federation relations from 2003-2006, Singapore worked to bring the dialogue partnership to a higher level. We organised several commemorative activities, including the production of a magazine to commemorate ten years of relations between ASEAN and Russia. As the new coordinator for ASEAN-US relations from 2006-2009, Singapore will work with the US to implement the Plan of Action for the ASEAN-US Enhanced Partnership, signed at the ASEAN Ministerial Meeting in July 2006. As 2007 marks the 30th Anniversaries of ASEAN-US and ASEAN-EU relations, as well as the 10th Anniversary of ASEAN plus Three relations, ASEAN and its dialogue partners are now exploring means to mark these milestones.

Economically, FTA negotiations with ASEAN's dialogue partners are progressing well. In particular, ASEAN and China concluded the Trade in Services Agreement, bringing both sides closer to the conclusion of the ASEAN-China FTA. Both sides are now keen to press ahead with the Investment Chapter. Negotiations with Korea on the Services and Investment Chapter of the ASEAN-Korean FTA are also well underway. ASEAN is currently working with Japan and India towards concluding the Goods chapters in the ASEAN-Japan CEP and ASEAN-India FTA respectively. The signing of the Trade and Investment Framework Agreement with the US in August 2006 further exemplifies the extent and progress of ASEAN's economic linkages with its external partners. These agreements will be held as flagships of mutual cooperation.

The Cebu Summit also saw the convening of the Second East Asia Summit (EAS) encompassing the 10 ASEAN countries, Australia, China, India, Japan, ROK and New Zealand. At this Second EAS, Leaders demonstrated their concerns over energy issues through their Cebu Declaration on East Asian Energy Security. They also

⁷⁸ See ASEAN Secretariat, Press Release, “Cebu Declaration on the Acceleration of the Establishment of an ASEAN Community by 2015”, online: ASEAN Secretariat <<http://www.aseansec.org/19260.htm>> (last accessed 9 August 2007).

agreed to explore various areas of cooperation and projects. In this regard, the Leaders agreed to establish an Energy Cooperation Task Force and to convene an EAS Energy Ministers Meeting. They also tasked officials to develop proposals on financial cooperation, and to launch a Track II study on a Comprehensive Economic Partnership in East Asia (CEPEA) among EAS participants.

ARF members are currently focused on the issues of counter-terrorism, disaster relief, maritime security, pandemic influenza and non-proliferation. A number of confidence-building measures as well as table-top exercises were carried out in these areas. Singapore supports and plays an active role in the ARF process. For instance, we co-chaired two workshops in 2006, namely (i) the ARF Seminar on Non-Proliferation of Weapons of Mass Destruction in March, and (ii) the inaugural ARF Seminar on Energy Security in October. We also hosted the first ARF Maritime Security Shore Exercise from 22-23 January 2007, which brought together operational agencies from ARF members to engage in table-top and simulation exercises to build familiarity and confidence. This is the first time ARF members have come together for an operational activity. Such seminars and conferences not only reflect the great importance that Singapore attaches to the ARF process, but also attest to the headway made by the forum in addressing issues of critical security concern".⁷⁹

Following the 12th ASEAN Summit, the Singapore Foreign Minister was asked in Parliament,

"To ask the Minister for Foreign Affairs (a) whether he will give an update on the progress made in adopting an ASEAN Charter; (b) what will this Charter achieve; and (c) will the adoption of this Charter mark a change in ASEAN's principles of consensus and non-interference".

He replied,

"(a) Update on the progress made in adopting an ASEAN Charter

Last year, ASEAN Leaders tasked an Eminent Persons Group or EPG to recommend bold and visionary ideas of an ASEAN Charter. The Charter seeks to reposition ASEAN in the new strategic environment. As members may know, DPM S Jayakumar was Singapore's representative to the EPG. This group of very senior statesmen, including former President Ramos, DPM Tun Musa Hitam and Foreign Minister Ali Alatas, produced an excellent report. The ideas are bold yet practical. At the recent Cebu Summit, the Leaders gave their strong endorsement to the EPG report and have instructed a High Level Task Force to draft the Charter in time for ASEAN's 40th Anniversary Summit to be held in Singapore in November. The Charter can be expected to enter into force upon deposit of ratifications by all member states. Our representative on the High Level Task Force is Ambassador-at-Large Professor Tommy Koh. In fact, they have just had their first meeting in Jakarta.

(b) What will the Charter achieve

The Charter seeks to achieve two purposes. First, it seeks to transform ASEAN into a more effective organisation. It is clear that if ASEAN is to achieve its vision of an ASEAN Community, it cannot go on doing the same. It must implement the many agreements and declarations that its Leaders sign. This means that decisions taken must be treated seriously, ways must be found to enforce them and non-compliance must be frowned upon. As ASEAN matures as a regional organisation, it is only natural that it takes the next step of developing into a more rules-based organisation.

Second, it seeks to give impetus to ASEAN's community building efforts. Over the years, ASEAN cooperation has expanded into many fields. Today, all levels of ASEAN

⁷⁹ See online: Ministry of Foreign Affairs, Singapore <http://app.mfa.gov.sg/2006/idx_fp.asp?web_id=9#asean> (last accessed 9 August 2007).

officials meet in many settings and across different sectors. As regional integration efforts pick up, we can expect the demands on ASEAN to increase. Indeed, at the last Cebu Summit, the Leaders have brought forward the timetable for the realisation of the ASEAN Community from 2020 to 2015. The EPG have therefore recommended that ASEAN's organisational structure be enhanced to support regional integration efforts, including strengthening the role of the ASEAN Secretariat and Secretary General, getting Leaders to meet more often, better coordination across member states, and efforts to mobilise resources to help narrow the developmental gap.

(c) Will the adoption of the Charter mark a change in ASEAN's principles of consensus and non-interference

The principles of consensus and non-interference have served ASEAN well over the past four decades. They have made it possible for ASEAN countries to develop a sense of trust and understanding and pave the way for ASEAN cooperation as we know it today.

At the same time, ASEAN recognises that times are changing; the region is becoming more interdependent and faces transboundary challenges such as the 1997 Asian financial crises, SARS, tsunami, avian influenza and haze that no one country can handle on its own. This will require ASEAN to calibrate or adjust its traditional policy of non-interference with member states collaborating more closely to tackle some of these new challenges.

ASEAN must also respond more quickly to the demands of a dynamic and changing environment. While consensus as a principle should be upheld for particularly sensitive areas like security, defence and foreign policy, there are many functional areas where consensus would slow us down. The EPG have therefore recommended that for non-sensitive areas like economic cooperation, we can apply principles such as 10-X and 2+X, in which members that are willing and ready can proceed with implementing certain projects, while others have a more flexible timeline to come on board. Such flexibility and pragmatism will allow the grouping to move forward without being held back by one member or a minority".⁸⁰

2. ASEAN-US enhanced partnership⁸¹

The following joint press statement was issued on the follow up to ASEAN-US Enhanced Partnership.

"ASEAN Member Countries and the United States of America have agreed to continue to advance the ASEAN-U.S. Enhanced Partnership and the Plan of Action to Implement the Enhanced Partnership. Our cooperation also builds upon the ASEAN-U.S. Trade and Investment Framework Arrangement.

In the coming year, ASEAN and the United States have resolved to focus our cooperation on a range of priority areas including political, security and economic cooperation, health, scholarships, information and communications technology, transportation, energy, disaster management and environmental management. These eight thrusts will continue and support the ASEAN-U.S. endeavour to create an enabling regional environment in ASEAN conducive to sustained economic growth, enhanced economic interaction and stronger linkages between ASEAN and the United

⁸⁰ See Ministry of Foreign Affairs, Singapore, Press Release, "Written Answers by Minister of Foreign Affairs George Yeo to Questions in Parliament on the ASEAN Charter, 13 February 2007" (13 February 2007), online: Ministry of Foreign Affairs, Singapore <http://app.mfa.gov.sg/2006/press/view_press.asp?post_id=2069>.

⁸¹ The ASEAN-US Enhanced Partnership, comprising political and security, economic, social and development cooperation, aims to substantially broaden the US' engagement with ASEAN. For fuller discussion, see C.L. Lim, *supra* note 6 at 345.

States. Our efforts will build upon various ongoing programmes such as the Enterprise for ASEAN Initiative (EAI), ASEAN Cooperation Plan (ACP), ASEAN-U.S. Technical Assistance and Training Facility and USAID initiatives.

Specific priority measures for ASEAN-U.S. cooperation in 2007 include:

Economic Cooperation

- *Cooperation to promote good governance and work to combat corruption.*
- *Initiatives to promote intellectual property rights protection, and to promote the use of internationally adopted standards, increased transparency, and simplification of rules and procedures.*
- *Planned study on collaboration of ASEAN Small and Medium Enterprises and U.S. companies.*

Health Cooperation

- *Programs will be implemented to improve ASEAN's capacity to combat emerging infectious diseases including HIV/AIDS and Highly Pathogenic Avian Influenza.*

Scholarships

- *The U.S. will announce the launch of a new scholarship research program for ASEAN Member Countries under the Fulbright Program, starting from 2007.*

Cooperation in Information and Communications Technology (ICT)

- *A regular dialogue of telecommunications officials, whose priority will be to bridge the digital divide, promote the use of ICT for development, and improve the regulatory framework conducive to this effort in ASEAN.*

Cooperation in Transport

- *To improve transportation links between ASEAN and the U.S.*

Energy Cooperation

- *Joint studies and workshops for the development of alternative, renewable and clean energy sources.*

Cooperation in Disaster Management

- *A capacity-building program to improve ASEAN's capability to prevent, respond to, and recover from the impact of natural disasters.*

Cooperation in Environmental Management

- *An expansion of our cooperation on sustainable development, including further development of the ongoing "Model Sustainable Cities" project.*

The year 2007 marks the 30th Anniversary of the establishment of ASEAN-U.S. Dialogue Relations. ASEAN Member Countries and the United States plan to use this opportunity to increase awareness of ASEAN in the United States and of ASEAN-U.S. cooperation in the ASEAN region".⁸²

3. ASEAN & Human rights

Singapore Foreign Minister George Yeo was asked in Parliament,

"(a) if he will provide an update on plans to establish an ASEAN Commission on the Promotion and Protection of the Rights of Women and Children under the Vientiane Action Programme and what form will such a Commission take in terms of supervisory or monitoring powers; (b) whether Singapore supports an ASEAN mechanism for protecting human rights in general; and (c) whether the ASEAN Charter will

⁸² See ASEAN Secretariat, Press Release, "Joint Press Statement on Follow-Up to the Asean-U.S. Enhanced Partnership" (17 November 2006), online: ASEAN Secretariat <<http://www.aseansec.org/18955.htm>>.

incorporate provisions to promote and protect human rights and to adopt measures to realise this objective".⁸³

He replied,

"Discussions within ASEAN on the establishment of an ASEAN Commission on the Promotion and Protection of the Rights of Women and Children are on-going. ASEAN officials are looking at possible modalities. Track II discussions on this issue, organised by the Working Group on an ASEAN Human Rights Mechanism, are also concurrently ongoing among civil society, academia and government agencies. There have been two consultations conducted to date, with the last one taking place last week in Bangkok.

I believe that Professor Thio attended the first Track II consultation on the Commission in November last year, and I thank her for taking an interest in this issue. I understand that some preliminary proposals on the modalities of the Commission will be submitted to the ASEAN Senior Officials later this year. We look forward to receiving them.

As for the question on whether Singapore supports an ASEAN mechanism for protecting human rights in general, there is a growing consensus of the need to protect and promote human rights as we step up our community building efforts. The fact that measures such as human rights education, the rights of women and children, and the rights of migrant workers have been inscribed in ASEAN's own action plan reflects its growing importance. Singapore supports the moves within ASEAN to raise the general level of awareness of human rights, including the rule of law and good governance, as they are all inter-related.

At the same time, we should respect the diversity within ASEAN. ASEAN members are at different stages of development, each with its own history, culture and heritage. Any regional mechanism for human rights has to take this diversity into account.

Human rights are best protected when they are underpinned by strong economic, cultural and social foundations. Sound national policies that promote economic growth, raise living standards and provide basic social welfare are more important than any regional mechanism.

Drafting of the ASEAN Charter is on-going. There is a clear consensus within ASEAN that the Charter will contain a strong affirmation of the respect for human rights, as one of the basic principles of ASEAN. We have still not decided whether to have a Human Rights Commission. Being a Constitution, the Charter cannot go into details like a specific action plan. Instead, it should allow for the introduction of specific measures as and when the Leaders agree on them.

Supplementary Question

Professor Thio Li-Ann: I would like to ask the Minister for Foreign Affairs a supplementary question. I would like to ask, whether in his opinion, he discerns a shift among ASEAN member states in our willingness to raise human rights concerns with each other, and whether this is a qualification to the principle of non-intervention in internal affairs. And also, Singapore as a responsible member of the international community, do we have any concerns about the human rights practices of other ASEAN members, and are we going to raise these with them? Or do human rights issues remain within the OB markers for international affairs?

⁸³ See Ministry of Foreign Affairs, Singapore, Transcript, "Transcript of the Reply by Foreign Minister George Yeo to Questions in Parliament on ASEAN, 9 April 2007" (9 April 2007), online: Ministry of Foreign Affairs, Singapore <http://app.mfa.gov.sg/2006/lowRes/press/view_press.asp?post_id=2394>.

Reply:

Mr Speaker Sir, I assure Professor Thio that among Foreign Ministers, and among the Leaders and Ministers of ASEAN, that there is growing interest in this field—a growing acceptance that we are interdependent, we live together in one global community. Therefore there should be minimum human standards which govern our behaviour. But as to what specific steps we should take, these are issues that we have got to think over and compromise on. Should Singapore be telling what our neighbours should do? I don't think we should do that, because to begin with, why should they accept what we tell them? The best that we can do is to achieve high standards in Singapore, and then set an example which others would naturally want to study. And if we lead, let's lead by example".⁸⁴

C. ITLOS

The following statement was made by Singapore Deputy Prime Minister S. Jayakumar at the ITLOS Workshop on the Role of ITLOS on 29 May 2007:

“Value of third-party dispute settlement and role of ITLOS

5. Through the years, the Tribunal has shown itself able to render justice in a fair, prompt and cost-effective manner. One of the cases dealt with by the Tribunal involved Singapore and Malaysia. Our experience with ITLOS has been a positive one. As a demonstration of our support, Singapore is happy to host this Workshop. Submitting long-standing bilateral disputes to third-party dispute settlement is to be encouraged in the conduct of relations between states as it avoids unnecessary acrimony and allows the overall relationship to focus on positive areas of mutually beneficial cooperation. As it celebrates its 10th anniversary this year, it is important that the Tribunal continues to raise awareness of the advantages which it can offer to States in settling disputes relating to the Law of the Sea.

6. It is important to remember that the law of the sea has been one of the most dynamic and disputed areas of international law for many years and even centuries. In the 20th century, the disputes became more numerous as technology improved both the seafarers' access to the oceans and coastal states' ability to control their coastal areas. Resources, such as fish, that had previously been thought to be inexhaustible were in danger of depletion and oil and gas resources in the continental shelf had become exploitable. Coastal states exerted increasing influence and asserted extended jurisdiction, and ocean going states resisted their efforts. This led to some remarkable confrontations, such as the “cod war” between England and Iceland that culminated in the 1974 Fisheries Jurisdiction cases in the International Court of Justice (ICJ).

7. Against this historical backdrop of contention and dispute, UNCLOS represents a major advance in international law from a variety of standpoints. Apart from its comprehensive nature, governing virtually all aspects of the law of the sea, and its near universality, UNCLOS also sets out mandatory rules for the settlement of disputes. States are obliged to settle their disputes by peaceful means. In this regard, the dispute settlement mechanisms provided for in Part XV of the Convention were drafted to allow maximum flexibility for the State parties in their choice of modality.

8. ITLOS is an important part of this sophisticated dispute settlement system, the other options being the ICJ, arbitration under Annex VII of the Convention and special arbitration under Annex VIII of the Convention. The Tribunal brings together 21 Judges with exceptional experience and learning in the law of the sea. Within the past decade, the Tribunal has made significant contributions to the jurisprudence on

⁸⁴ See *ibid.*

the law of the sea, and has proven itself as a forum where parties can expect prompt and efficient disposal of their cases.

Potential of legal fragmentation

9. *Some commentators have expressed concern that the growth in the number of new courts and tribunals can lead to inconsistency in the development of legal norms, waste of resources and conflict of jurisdiction between courts. It could also encourage forum shopping by States looking for the best outcome.*

10. *Not a single one of the international tribunals created by specialised treaties in recent years, ITLOS included, have seen fit to turn its back on the general corpus of international law which constitutes the very essence of the international legal order. Instead, we observe that these are tribunals deeply conscious of the fact that, in applying their specialised treaty rules to the disputes before them, they are doing so within the context of a single, inter-connected, international law order. These tribunals, each working within their own specialised fields, are nevertheless aware that they are engaged in a single enterprise of upholding the rule of law in the international legal order. We see this demonstrated most clearly in the readiness of international tribunals, in particular ITLOS, to draw upon the work of other tribunals which have had the opportunity to grapple with similar issues before.*

Challenges for ITLOS

11. *ITLOS represents the first world-wide court set up specifically to deal with a major part of international law since the establishment of the ICJ. UNCLOS was a tour de force in treaty terms—the result of 10 years of negotiation in which numerous issues were addressed. Herein lies the challenge for ITLOS. Along with the dramatic growth in the volume of international shipping, there are also new issues and concerns which have arisen and which will pose new challenges to the work of the Tribunal in the years to come. There have been several negative developments recently, which in our view, have the potential to undermine the Convention. Let me just mention three of them.*

12. *First, it is clear that no reservations or exceptions may be made to UNCLOS. While States may make declarations or statements when joining the Convention, these cannot exclude or modify the Convention. However, this has not prevented a number of States from making declarations which purport to modify the meaning of the Convention or to exclude the application of certain provisions of the Convention to themselves.*

13. *Second, during the negotiations on the EEZs, a delicate compromise was reached. Coastal States were permitted to establish a new 200 nautical mile wide exclusive economic zone in which they would have sovereign rights to explore and exploit living and non-living natural resources. At the same time, other States would continue to enjoy the freedom of navigation and overflight in the EEZ and other uses related to these freedoms, including the conduct of military exercises. The EEZ, unlike the territorial sea, is not under the sovereignty of the coastal State. Recent attempts by some coastal States to unilaterally alter the status of the EEZ are not consistent with the Convention.*

14. *Third, there is a worrying trend by some coastal States to unilaterally impose measures inconsistent with the Convention in the name of protecting environment. Singapore supports efforts to protect the marine and coastal environment. But such measures must not contravene the carefully negotiated package enshrined in UNCLOS. We believe that the protection of the marine environment can be done without undermining this delicate balance in the Convention.*

Conclusion

15. UNCLOS has always had to deal with and balance numerous competing interests. It is because of this that UNCLOS is universally supported, even by those few States, such as the United States, which have not yet acceded to it. In fact, we are glad that President Bush has recently urged the US Senate to ratify the UNCLOS during the current session. We hope that it will come to pass. It will be an added endorsement that the Convention has served the world well. In this regard, the Tribunal is an important cornerstone of UNCLOS as it plays a central role in ensuring that States Parties are faithful in their interpretation and application of the Convention. I hope that in the coming years, States will be more willing to resort to the ITLOS to challenge what they perceive to be violations of the Convention by other States. Up to now, States have been reluctant to do so.

16. I hope that the exchange of views over the next three days will facilitate a better appreciation of the Tribunal's work as well as the challenges which lie ahead. ITLOS' ability in protecting the integrity of UNCLOS and encouraging a coherent application of the Convention will instil confidence in the dispute settlement mechanism and bode well for the future of UNCLOS".⁸⁵

VIII. OTHER STATEMENTS

The following statements of a general nature were also made.

A. Trade Security

At the APEC 2007 Annual Conference of APEC Centres, Melbourne 18-20 April 2007, Mr See Chak Mun, Senior Advisor at the Singapore Ministry of Foreign Affairs made the following statement on trade security.

"THE TRADITIONAL concept of security in trade arising from such acts as piracy, fraud, and pilfering has been drastically altered by the events of September 11. Clearly, terrorist attacks are aimed at gaining international publicity and inflicting maximum economic disruptions to bring the message of the perpetrators across. Hence the long international supply chains and interdependence among economies and businesses that globalisation has created are an obvious target.

Two simulation studies by the consultancy firm Booz Allen Hamilton in 2002 and in 2006 on the impact of trade disruption to the United States and the APEC economies due to a closure of US ports indicated that the total economic loss would be in the region of billions of US dollars. The focus has therefore now shifted from "threat to trade" to "threat from trade".

National Programmes

To protect their supply chains, some government and industry organisations have in fact initiated and been implementing their own programmes. Notable amongst them are the Canadian Customs' Partners in Protection, New Zealand's Secured Export Partnership, and The Technology Asset Protection programme started by an association of security professionals and related business partners. The better known programmes are those run by the US government, such as the Container Security Initiative (CSI), the Customs-Trade Partnership Against Terrorism (C-TPAT),

⁸⁵ See Ministry of Foreign Affairs, Singapore, Speech, "Speech by Professor S Jayakumar, Deputy Prime Minister, Co-ordinating Minister for National Security and Minister for Law at ITLOS Workshop on the Role of the International Tribunal For The Law of the Sea, 29 May 2007" (29 May 2007), online: Ministry of Foreign Affairs, Singapore <http://app.mfa.gov.sg/2006/lowRes/press/view_press.asp?post_id=2673>.

and the Advanced Manifest Rule (AMR)/Advance Cargo Information (ACI). Similarly, the relevant international organisations have also set up their guidelines such as the Frameworks of Standards to Secure and Facilitate Global Trade developed by the World Customs Organisation (WCO) and the 'Specifications for security management systems for the supply chain' of the International Organisation for Standardisation (ISO).

The Singapore government has also announced the establishment of its own national supply chain security programme called Secure Trade Partnership (STP). This sets out security guidelines and goals which the players in each different nodes of the supply chain such as suppliers, manufacturers, and warehouse operators should seek to achieve. They include measures to enhance the security of physical assets, security of processes, personnel security and data security. The programme is drawn up based on a risk and vulnerability assessment approach, and it will be introduced for voluntary adoption by all Singapore-based companies involved in supply chain activities as well as Singapore companies with overseas operations.

Broadly, these programmes seek to deal with two aspects. The first is cargo security which centres on safeguarding content security through various measures such as authorized exporter schemes, advanced electronic cargo data information for better risk assessment, and systems for the scanning of boxes. The second is supply chain security which focuses on the process of moving the cargo along the international supply chain and even across borders, from manufacturers to retailers and consumers. They are designed to minimise the danger of the international supply chain system being used as a means to deliver weapons of mass destruction, explosives or radioactive materials, to carry out a catastrophic attack on a particular economy or target.

However, having all preventive security measures in place addresses only part (albeit an essential part) of the problem. Assuming a catastrophic terrorist attack does successfully take place through the international supply chain, this can lead to a major disruption, and possibly a halt to trade and commerce between the economy that has been attacked, and its trading partners. International business confidence will be shaken and there could be knee-jerk reactions leading to the imposition of cumbersome measures that could further impair the flow of trade across borders. While the immediate urgency in the aftermath of a catastrophic terrorist attack of such magnitude would be to ensure that the security of the supply chain and goods and containers flowing between economies, it is also critical to recognise the detriment to the international economy if any stoppage to trade is allowed to prolong. The longer it takes for trade to resume, the greater the economic loss suffered by many economies.

Trade Recovery Programme

At their meetings in Busan, Korea in November 2005, and Hanoi, Vietnam, in 2006, APEC leaders acknowledged the importance for APEC economies to collaborate with each other to enhance the security of the global supply chain to enhance trade and facilitation. A group of experts from several APEC economies is also studying how APEC could develop a Trade Recovery Programme (TRP) to restart the flow of trade as quickly as possible in such a scenario. That APEC leaders have taken the initiative was pretty obvious. APEC, with its 21 economies, accounts for 40% of global trade and more than half of the world's GDP. Within APEC, there are also key air and sea transport hubs. A major disruption to trade and commerce within APEC would have severe repercussions on the rest of the world economy. As no single individual economy can act on its own to ensure protection of the entire international supply chain, it would require shared responsibility and coordinated response among its major trading partners in facilitating a rapid resumption of trade post-incident. In short, a trade recovery programme should help to minimise the time that trade is disrupted, and help to contain the impact on the system.

Key Concerns

The key concern, especially among the developing economies, is the issue of costs. This is because new measures to strengthen trade security would require sizeable costs in modernising physical infrastructure, in acquiring new technology as well as training of personnel. However a 17 August 2006 study by the Economic and Social Commission for Asia and the Pacific (ESCAP) has powerfully argued that the costs for inaction are even higher than that of prevention. It puts it succinctly thus:

“The cost for developing countries comes in two forms. On one hand is the cost of implementing the measures, on the other hand is the costs of being left out of the global supply chain because of lack of compliance with emerging multilateral security frameworks. With the global trend towards tightening security, weak compliance with trade security measures could discourage businesses from investing in a country that may otherwise be an attractive investment destinations and/or a trading partner. Such countries may find foreign direct investment (FDI) and trade diverted to third countries due to, inter alia, higher insurance premia, or the fact that goods originating from countries with lax security measures will be subject to closer security and customs delays. In the longer term, this will undermine export competitiveness, attractiveness as a destination for new FDI, and loss of international credibility which could take decades to repair”.

Benefits to Firms

Compliance with trade security requirements will obviously increase business costs. However, a survey sponsored by IBM and released by the US-based The Manufacturing Institute in July 2006 enumerated a number of significant benefits as reported by participating manufacturers. These include higher supply chain visibility; improved supply chain efficiency; better customer satisfaction; improved inventory management; reduced cycle time and shipping time; and cost reduction following the above-mentioned collateral benefits.

The study concludes that security investments should not be considered as a financial burden. On the contrary, they would give participating firms a competitive advantage over others that do not.

Secure trade, better trade

*Secure trade has become an important component in international trade. Governments, industries and businesses have to protect their supply chains from terrorist acts by establishing national trade security programmes and getting involved in trade recovery programme with their major trading partners. Being left out of the process would mean loss of export competitiveness if not loss of trade itself. There is therefore urgency in establishing national preventive security programmes as well as trade recovery programmes”.*⁸⁶

B. Globalization

Speaking at the Temasek Seminar on 26 July 2006, Singapore Second Minister for Foreign Affairs made the following statement.

“Staying Relevant In The Midst Of Globalisation

I am happy to be here today, to speak to you on Singapore’s foreign policy. Singapore does not have the luxury of pursuing a foreign policy of abstract ideals. Like that of other countries, ours is a servant to the national goals of survival and

⁸⁶ See See Chak Mun “Supply Chain Security becoming more crucial” *The Business Times (of Singapore)* (25 May 2007). A longer version of this article is also on file.

prosperity. The guiding principle is national interest. Of course, this does not mean that we have to define our interests narrowly...

...For Singapore, by survival, we mean to be successful—to be exceptionally so. By safeguarding our independence, we mean to have an overwhelmingly strong defence capability that deters others from dreaming of impinging upon us. Our success and independence are, in turn, the sum of our strategic relevance for the key regional and global powers, and the international economic and political system. The daily business of diplomacy is about making friends with whom we share common interests, particularly that of Singapore's continued independence...

...Today, we are a key node in the global supply chain, as one of the busiest sea ports in the world. Changi International Airport has flights weekly to more than 180 cities. We are the third most wired nation in the world. Because trade is our lifeline, Singapore has placed the highest priority on the multilateral trading system, as embodied in the WTO, and supported by other regional fora such as APEC and ASEAN. We have also deepened our commitment to free trade through Free Trade Agreements. When we first launched our FTA with top trading partners from the key regions, we were affectionately accused of promiscuity; we were called other names by the time we proposed four-way FTAs. More seriously, we were accused by some of opening a backdoor to ASEAN for our FTA partners. Now, all our naysayers are preoccupied with negotiating their own FTAs.

6. In September, we will host the IMF/WB Annual Meeting of the Board of Governors, where about 16,000 leaders, global financial representatives and civil society organisations will gather here to discuss the course of global economic development. More fascinatingly, for me personally, is that George Lucas has chosen Singapore for his first digital animation studio outside of the US, to produce digital animated content.

7. They don't have to come but they continue to because of their confidence in Singapore. These are the fruits of an activist and innovative economic and foreign policy. But there is no permanent advantage in whatever we do: it could well disappear in a twinkling of an eye...

...It has been suggested that the post-911 terrorist attacks on London, Madrid and most recently, Mumbai, have only served to prove that cities will win the war on terrorism, that they would simply live with it. I cannot agree more with Minister Teo that should it happen here, we shall expect the same degree of grit and resolution from our people, to rebuild and continue living as we have. But this city is also the whole of our country, we have nowhere else to run to and find succour in; this is what makes it so much more challenging for us. The new pathways for goods and services, global talent and knowledge are the same ones travelled by terrorists and viruses. The world is coming at us at a greater speed and depth than ever before. Our lack of strategic depth has implications beyond the physical and military, it also has economic, political, sociocultural and psychological dimensions to it.

There is no question that we had rightly chosen globalisation as our survival strategy. However, each solution brings with it new risks and challenges. And it certainly cannot help us overcome fully the constraints of size and geography.

In 1651, English philosopher Thomas Hobbes described life in the state of nature as "nasty, brutish and short". He also contended that the law of nations and the law of nature were the same thing. Thankfully, the conduct of international relations has since evolved, but countries have clearly not reached the happy state of peaceful coexistence where scores are all settled in the court of international law. The guiding principle remains survival and national interest; states that forget this will learn it to their own peril.

The world is still largely organised around the principle of power and therefore dominated by big powers. Much of the post-colonial literature on small states equated smallness with weakness and vulnerability, and viewed their survival as extraordinary. Singapore had often been on a short list that included others like Denmark and Ireland. Small states—that survive—were seen as better organised and flexible enough to meet challenges quickly.

Of course, not all small states were created equal. In the tougher neighbourhoods, it helps to have a strategic resource...

...Small states each face unique and complex combinations of geopolitical and economic circumstances. They are not entirely masters of their own destiny. Small states perform no irreplaceable functions in the international system: they do not have to exist. Big powers like China and Russia, on the other hand, could undergo cycles of stagnation and renewal over centuries and yet survive in one form or other. Small states have no margin for error. They need to be exceptionally successful, to hopefully eke out a relevant and useful role within the international system.

Singapore has always sought friendly relationships with our neighbours, based on the principle of mutual respect and benefit. However, the fact that we uphold meritocracy and multi-racialism as the most just and efficient way of organising a society presents a number of questions for countries with different systems. We have no natural resources to absorb any structural inefficiency. In the minds of some politicians, our success accentuates the absurdity of our existence. This affront was well encapsulated in the outburst of an Indonesian leader who called us “a little red dot”. There is nothing we can do about this sentiment but to embrace the identity of an upstart which would not be ignored...

...Southeast Asia, on the other hand, is a recent strategic invention. Our peoples are not homogenous and our political systems span from monarchy to liberal democracy. The primordial forces of race, language and religion continue to be existential issues for several countries and the organisation of ASEAN as a whole. We exist as a collection of new states with tender sovereignties. This sets significant limits on what ASEAN can do. We are nevertheless moving in the right direction, towards ASEAN as a true security community where, hopefully like Europe, bloodshed and war in Southeast Asia will become unthinkable. But we are not there yet.

Post-Cold War, the new Asian geopolitical map is still being re-drawn. While most agree that a prosperous and stable China is the best-case scenario for Asia, its inevitable challenge to the existing balance of power would be a source of uncertainty for some time. China, Japan and India are integrating their economic destinies while competing for strategic influence. Despite its preoccupation with the Middle East and the global war on terror, the US is in the process of consolidating its alliance with Japan and building a new one with India. However, a question mark hangs over the US' troubled alliance with South Korea and therefore the future of US military presence in Asia. Japan and India are finding fresh impetus in their relationship. China, too, has been successful at securing its borders with neighbouring countries, and renewing its ties with Southeast Asia and Russia.

These are the uncharted waters that the smaller states in the region, including Singapore, are navigating in. We are all seeking to balance the need to seize economic opportunities with our long term strategic goals.

A vigilant, informed and participative citizenry has a key role in the formulation and conduct of our foreign policy. A broad-based consensus on our national interests, common values and shared assumptions are critical to our ability to make policy and act. Because these interests evolve with our changing circumstances, the dialogue among the people and with the leadership must also be an on-going and robust one.

*Ideally, we would like for informed interaction to take place on the basis of some shared premises of our national, regional and global contexts. By necessity, the Foreign Ministry cannot always elucidate the strategic considerations behind our public positions. Some have commented that our positions on global events are not always consistent. I would advise you to note carefully our leaders' remarks on the long term trajectory of geopolitical trends and our shifting interests. As someone once said, consistency is a virtue for trains. But what is consistent in our foreign policy is a dogged and clear-eyed protection of our core interests, nothing more, or less...*⁸⁷

IX. CONCLUSION

That is a brief survey of the major policy statements made during the period under review. A review of major policy statements from June 2007 onwards will appear in the next issue of this *Year Book*.

⁸⁷ See Ministry of Foreign Affairs, Singapore, Speech, "Speech By Mr Raymond Lim, Minister For Transport And Second Minister For Foreign Affairs—"Staying Relevant In The Midst Of Globalisation"" (26 July 2006), online: Ministry of Foreign Affairs, Singapore <http://app.mfa.gov.sg/2006/lowRes/press/view_press.asp?post_id=1748>.