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EU Security in Southeast Asia: Insights into the 2023 Shangri-la Dialogue

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2-4 June 2023 saw the Shangri-La hotel in Singapore host its nineteenth Shangri-La Dialogue, having been held annually since 2002, besides its two-year pause due to the pandemic (2020 and 2021). The Dialogue is an inter-governmental security conference that has manifested to become one of the most important independent forums for the exchange of views through talks and bi-lateral agreements by international policy decision-makers. The Dialogue is usually attended by a variety of government representatives including defence ministers, military chiefs, experts and academics from across the majority of the Indo-Pacific States as well as the EU and the US. This year's Shangri-la Dialogue hosted the strongest European delegation yet, with central topics of conversation including the Russia-Ukraine War, China's presence in the South China Sea, Taiwan security and the interactions, or lack thereof, between the US and China.

This year's Dialogue also saw Heads of State attend such as the Prime Minister of Australia Anthony Albanese; Prime Minister of Timor-Leste Dr José Ramos-Horta; and the Prime Minister of Estonia Kaja Kallas, all of whom gave speeches throughout the Dialogue. This EIAS Policy Brief is going to provide an overview of the 2023 Shangri-la Dialogue by first dissecting its history and significance, before delving into the EU's prospects going into it, followed by its overall key security takeaways. What benefits and security provisions can the EU bring to Southeast Asia whilst taking into consideration the conflict in Ukraine, the increasing tensions in the Taiwan Strait and South China Sea.

Dissecting the Shangri-La Dialogue

Prior to the establishment of the Shangri-La Dialogue (SLD), the region of Southeast Asia already hosted a security umbrella under the [ASEAN Regional Forum \(ARF\)](#) which included the 10 ASEAN Member States, as well as 10 ASEAN Dialogue Partners, such as the EU, the US and Australia. Established in 1993, the ARF was no small feat as the forum's members comprised more than half the world's population. However, the slow pace of progress in developing a security architecture for the region saw the organisation be labelled unwieldy and accused of focusing more on "[confidence-building](#)" rather than security talks.

In the early 2000s, the current Director-General and Chief Executive of the London-based think tank International Institute for Strategic Studies (IISS), Sir John Chipman, thus saw the need for Asia to have "[its own defence institution at which defence ministers met and spoke](#)". Starting in 2002, the Shangri-La Dialogue began as an unofficial "defence summit" in the Shangri-La Hotel in Singapore which enabled defence officials to meet "[privately and in confidence, bilaterally and multilaterally, without the obligation to produce a formal statement or communique](#)". Since its formation the summit has developed markedly.

Modelled initially after the Munich Conference on Security Policy by the British-based ThinkTank IISS, it has now developed into a Track One organisation that is generously funded by the Singaporean government. This year's preliminary programme saw delegates from [over 41 countries](#) attend the gathering with Asia at the core, welcoming a range of ministers from Southeast Asia, the Indo-Pacific, Europe, Pacific islands, South Asia and the Middle East.

This year's Dialogue welcomed the most [high-level European delegation](#) the conference has ever seen, with Estonian Prime Minister Kaja Kallas present alongside EU foreign policy chief, Josep Borrell, as well as six [European defence ministers](#). Over time, the Dialogue has seen a global shift in gravity towards the Indo-Pacific and more particularly, Southeast Asia. Given the security concerns raised by the Ukraine War, Europe's presence in the Dialogue is ever more significant, aiming to present itself as a reliable security partner in and for Southeast Asia.

The Shangri-La Dialogue itself has enabled senior European defence leaders to deliver important messages in regards to their respective approaches for future engagement in the [Indo-Pacific region](#), with a particular focus on Southeast Asia and the South China Sea. At the Summit itself, there are several public talks and discussions between delegates that are publicly recorded, however, it is the bi-lateral and smaller group meetings - yet to be made public - that occur in the side-lines of the Dialogue which often hold significant weight for future collaboration between nations. A heightened focus on regional security cooperation in Southeast Asia comes following the EU's 2021 Indo-Pacific Strategy and its implementation, which was thoroughly discussed in the 2022 Dialogue. The EU's Indo-Pacific Strategy promotes an open and "[rules-based](#)" regional security architecture, which includes secure sea lines of communication, capacity-building and enhancing naval deployments by EU Member States in Southeast Asia and the Indo-Pacific as a whole. This Strategy shows promise in setting the scene for a security framework between the two regional blocs and their respective partners.

Anticipation vs Achievement

The June [2023 Dialogue](#) saw 48 ministerial-level delegates, over 35 senior defence officials, including the much anticipated United States Secretary of Defence Lloyd J. Austin III and China State Councilor and Minister of National Defence General, Li Shangfu, as well as several prominent academics in attendance. Alongside the highly awaited US and Chinese delegates, an incredibly strong European contingent was echoing their preparedness to become more invested in Southeast Asia's security and defence questions.

The atmosphere amongst European delegates prior to entering the Dialogue was unanimously '[Europe today, East Asia tomorrow](#)', with the objective that security issues in Europe,

especially those associated with the war in Ukraine were not isolated to Europe, but would also affect Southeast Asia in due course. With this year's Dialogue marking over two years since the start of the Ukraine War, they centred their prospects around bringing more global attention to the conflict. Taking into account the rippling effects of what is discussed at the Shangri-La Dialogue, one of the main prospects for the European delegates was to gather increased support for Ukraine's peace plan and stronger condemnation of the Russian invasion. In addition, the European delegates were eager to present themselves as a "[reliable security partner](#)" in the Indo-Pacific that differed from "a classic military alliance".

Following Borrell's speech on the interrelatedness of Southeast Asian and European security, some Southeast Asian delegates were unsurprisingly worried that their security priorities were taking a backseat to the current conflict in Ukraine. Borrell's speech was perceived to lack concrete commitments in terms of EU [security and defence](#) support for Southeast Asia and how to increase its engagement with the region. In addition, he did not take recourse in a speech made by the [President of the EU](#) prior to the 2023 Dialogue in which de-risking was at the forefront. The combination with the lack of detail in how the EU would enhance security within the region was interpreted as the EU and Southeast Asia remaining oceans apart in terms of security.

However, Borrell gained confidence in the EU's collaboration with Southeast Asia and other Asian partners over the [rising tensions](#) in the South China Sea and Taiwan Strait. Furthermore, the interpretation of Borrell's speech lacking security details could be defended by the EU itself not having joint armed forces and the competence of security investment decisions to be lying with the [individual EU Member States](#), who vary in their levels of ambitions in the region. This is evident by for instance ambitious EU Member States such as Germany, Italy, France and the Netherlands sending carrier strike groups and ships from the end of 2023 up to 2025 to collaborate with Southeast Asia on defending and de-escalating the rising tensions in the South China Sea.

The EU is not a security actor, so why is it there?

The EU and its Member States are united in promoting global peace, security and prosperity. The EU is also a [one-of-a-kind](#) maritime actor which if all of the Member States navies were combined, it would form the "[world's largest maritime power](#)". However, security and defence remain EU Member State competencies, while the union lacks a joint military force. When it comes to being a "security actor", the EU has been facing numerous challenges. For instance, there has been an increased [intra-EU contestation](#) since the 2008 financial crisis which has greatly impacted EU foreign and security policy. The financial crash saw the fostering of Euroscepticism at a domestic level. This saw Eurosceptic parties and groups question the EU's purpose and the need for common foreign and security policies, which made it increasingly difficult for the EU to "[effectively pursue security objectives](#)". In addition, competitive multipolarity became a growing challenge to the EU as the bloc found

itself increasingly competing with both state-sponsored and non-state actors who had “[espousing different views of order](#)” such as the Wagner group. Furthermore, the EU’s Member States have become more fragmented, like when in the run-up to this year’s Shangri-La Dialogue French President [Macron](#) argued that the EU should refrain from getting “[caught up in crises that are not ours](#)” as it is preventing the bloc from building its own strategic autonomy.

Despite the EU’s limited role as a security actor, its naval sector is still relatively strong, with Member States’ navies [engaging in a wide range of naval exercises](#) and with cooperation with Southeast Asia in the maritime field expanding rapidly. The EU’s resounding message from the Shangri-La Dialogue is that it is prepared to “[defend core security principles](#)” from Ukraine to the South China Sea, despite the ongoing war in Ukraine and the rippling effects of souring US-China relations on Southeast Asia. The EU’s strong presence in the 2023 Shangri-La Dialogue was therefore necessary to add weight to the message that the EU and Southeast Asia do have a “[direct stake](#)” in one another’s security.

Is there a need for ‘more EU’ in the realm of Southeast Asia’s security?

The EU’s core message at the 2023 Dialogue was one of multipolarity, underlining that their growing security presence in the Indo-Pacific could avoid a “[bipolar region dominated by great power competition](#)”, diverting away from its perceived image of being [a traditional great power wanting to throw its weight around](#). An open and free Indo-Pacific is within Europe’s self-interest, having “[crucial geopolitical and economic interest in stability and security in the region](#)” as stated in the EU’s 2022 Strategic Compass. However, this cannot be achieved without further EU investment and collaboration with Southeast Asia, as the expansion of the EU’s security footprint in the region could prove to be a balancing factor amongst growing polarisation and increasing tensions, especially between the US and China.

Partners in Southeast Asia are also seemingly keen for the EU to increase its regional security presence. [Germany](#) has already pledged to expand its recent military deployments and to send vessels to the Indo-Pacific in 2024, as embedded in [Germany’s Zeitenwende](#) which puts the security of Germany’s partners at the forefront. Therefore, taking Germany as an example, the EU’s increasing security collaboration in the Indo-Pacific could not only act as a factor of balance given its strong sense of multilateralism, but also encourage “de-risking” across the region, offering partners an alternative and rely less on other great powers such as China, the US and Russia.

Prominence to Southeast Asia's security threats, Taiwan, the South China Sea and Ukraine

Due to the EU's security nature being reliant on its Member States, Southeast Asian states have questioned whether the EU will rather opt for a fragmentary or a joint approach within the region. What military assets will be left for European defence engagement in collaboration with Southeast Asia in the context of the war in Ukraine? Concerns have been raised that the EU's security contribution in the Indo-Pacific and its collaboration with Southeast Asia may result in a "[lowest-common denominator](#)" approach dictated by the least ambitious EU Member State. However, the EU's message to its partners in Southeast Asia and the wider Indo-Pacific goes beyond Ukraine and Europe is prepared to expand for instance on joint exercises with Japan and establish increased [trilateral coordination](#) between Brussels, Washington and Tokyo. In addition, the 2023 Shangri-la Dialogue also marked almost two and a half years since the February 2021 [coup in Myanmar](#), a diplomatic crisis which has seen protests suppressed and over 20,000 armed engagements tracked in the civil war. The situation in Myanmar and the different takes on it by the other ASEAN members is also an example of how large the disparity is amongst countries within Southeast Asia, which has had negative effects on their economic stability and security situation. This presents great challenges for future multilateral collaboration between the EU and the region.

Amidst rising US-China tensions, the US proposal for a bi-lateral meeting with Chinese defence chiefs at the SLD was rejected by Beijing, with Foreign Ministry spokesperson Mao Ning stating that the US must "[respect China's sovereignty and security interests](#)". The tensions between the pair was likely not helped by the recent [blacklisting](#) of Chinese Defence Minister Li Shangfu by the US. Overall, the Sino-American "[strategic competition](#)" is a dominating factor in Southeast Asia, driving regional dynamics, affecting economic, security and technological developments, with many reluctant to pick a side. Yet, these two large powers "[throwing their weight around](#)" also enables the EU to act as an alternative, reliable security partner and balancing factor in the region promoting multilateralism. Furthermore, several close collisions at sea recently, including an accusation by the Philippines that a Chinese coast guard pointed a [military-grade laser](#) at their coast guard, have increased tensions between those who rely on fish, gas, and oil rights in the South China Sea.

Taiwan and Cross-Strait relations were also much more of a focal point at the 2023 SLD than in previous years. Since the 2022 Dialogue, [Nancy Pelosi's](#) visit to the island and a series of other official visits evoked strong Chinese responses. At the global level this revealed that an escalation of the conflict across the Taiwan Strait would have undeniable ramifications, also for the EU and its Member States. Therefore, the 2023 Shangri-La Dialogue reaffirmed EU and NATO [strategic](#) interests in the region, addressing this by formulating concrete policy responses. Furthermore, while China's Defence Minister revealed nothing really new on Taiwan, this left a vacuum for European ministers at the SLD to reassure Southeast Asia of

the EU's new security initiatives, evidenced through individual Member States' naval equipment commitments.

However, Macron's reiteration of [strategic autonomy](#), an opinion later endorsed by the CCP, revealed [conflicting opinions](#) and intra-contestation amongst EU Member States and their level of preparedness to invest in the Strait's security.

Nevertheless, Borrell assured the SLD delegates present of the EU's [support](#) to its Member States' navies patrolling the Strait. In his speech Borrell further reiterated that the EU is committed to the freedom of navigation and that issues in the Strait concern the EU economically, commercially and technologically.

When it comes to the Ukraine War, the question is how the war should end. The EU strongly supports the belief that Ukraine deserves global solidarity given the underlying security and economic principles at stake. The topic of the war in Ukraine therefore created a heated conversation between Chinese and European delegates at the Shangri-La Dialogue. [China's ambassador to the US](#) hinted at the failure of Europe's approach to managing security in its own region, leading to a battle of narratives between the Chinese and the European delegates. Ukraine's defence minister informed those present of their peace plans to resolve the war, asking for support to help them [win](#) the war rather than mediate it. What occurs in Europe has clear security implications in Asia, with Estonian PM Kallas stating that "[aggression by a permanent member of the U.N. Security Council against its neighbour is a threat that has global implications](#)", with the European delegates at the Dialogue forming a rather united front.

The Indonesian Defence Minister [Prabowo Subianto](#) surprised delegates with his spontaneous peace plan for Ukraine which differed significantly from what Europe supports. Subianto proposed a ceasefire and called for the establishment of a demilitarised zone which would see both parties withdraw "[15 km from each party's forward position](#)", stating that UN peacekeepers should be deployed to monitor the zone. This greatly contradicts Ukraine's approach which does not wish to entertain a ceasefire that "locks in Russian territorial gains", but instead follows President Zelensky's [10-point peace plan](#). However, the Indonesian PM soon after insisted that this was a solo initiative by his Defence Minister, taken on his own account, which was not priorly communicated with the government.

Looking beyond 'hard security'

The 2023 Dialogue on a surface level was all about hard security and security forces collaborating to protect territorial, economic and political interests within the region. However, at the core European delegates at the Dialogue were conscious of where de-risking and de-coupling began. The term "de-risking" remains ambiguous with it likely to be applied differently by each nation as some would interpret it as a "modest scope of economic

separation”, whilst others may apply it similarly to “de-coupling”. The term “decoupling” is far harsher and a term often avoided by the EU. Borrell concluding remarks stated that the EU was [conscious](#) of getting the balance right between the increasing “risks stemming from the weaponisation of interdependence”, as well as preserving the benefits that “rules-based trade and investment” has brought to the EU and its Southeast Asian partners.

When looking beyond ‘hard security’ in Southeast Asia there is a clear [geo-economic paradigm](#) where there has been a shift from open markets and ‘just in time’ supply chains to security and state-driven ‘just in case’ approaches. Borrell’s speech also touched upon the publication of the EU’s [economic security strategy](#) released at the end of June, which established a “common framework for achieving economic security” by promoting the EU’s economic base and competitiveness whilst “partnering with the broadest possible range of countries”, including Southeast Asia. This [EU Strategy](#) looks beyond ‘hard security’ within the region by assessing the risks of cyber security of critical infrastructure, risks relating to technology security and technology leakage, and the risks of weaponisation of economic coercion. Therefore, the larger outcome of the Dialogue saw the need to look beyond hard security by recognising that security risks within Southeast Asia go beyond using military forces to protect one's territorial, economic and political interests.

Furthermore, in reference to increasing tensions between the US and China [Secretary Austen](#) stated in his speech that dialogue should not be a reward and that handshakes cannot replace meetings, with it being important to have the conversation continually flowing.

What the outcome of the SLD means for the EU and Southeast Asia going forward

The Southeast Asian countries have shown resilience in the face of global uncertainty, with the region’s economies withstanding the challenges presented by the Covid-19 pandemic, the War in Ukraine and a global economic slowdown. However, despite being a part of a continent considered the “[beating heart](#)” of the global economy, the global security environment has proved to be more challenging. Maritime routes are the backbone of the global economy, with [over 2000 ships](#) transporting goods daily across the Indian Ocean and South China Sea to Europe and back. The Shangri-La Dialogue enables nations to engage with bilateral talks and jointly establish fresh security approaches, such as Borrell reaffirming the EU’s commitment of [defending international law](#), including the UN Convention on the Law of the Sea. The EU recognises Southeast Asia to have a certain technological capacity that they are eager to help develop, thereby establishing the EU as a “[smart enabler](#)” with both blocs investing in shared security. The EU and Southeast Asia are also both conscious of “de-risking” and the need, moving forward, to become less reliant on larger dominating economic countries such as the US and China, especially with increasing tensions between the pair. With the majority of nations within these two blocs only getting the opportunity to

meet a few times a year and tensions in the South China Sea growing ever greater, this year's Dialogue proved imminent for securing more naval personnel to the region. The EU Member States' contracted agreement that they will deploy more naval personnel, alongside their global acknowledgement of the UN Convention on the Law of the Sea highlights on a much larger scale their unwavering long-term support for Southeast Asia during this turbulent time.

Moving forward, [CRIMARIO II](#) is still under construction, a project launched by the EU following the success of CRIMARIO I, aiming to strengthen inter-agency cooperation in maritime surveillance, policing, enhancing information exchange and analysis and crisis management across Southeast Asia. In addition, in 2020 the EU launched [ESIWA](#), Enhancing Security Cooperation in and within Asia, an Action which complements existing dialogues with the intention to enhance security cooperation with Asian partner countries and increase awareness of the EU as a security provider. Therefore, prior to the 2023 Shangri-la Dialogue, the EU already had security-related projects in place, as well as its Indo-Pacific Strategy, which were further built upon and strengthened through closed bilateral meetings and group discussions at this year's Dialogue. Furthermore, with security commitments made by numerous individual EU Member States such as [France, Germany, Italy and the Netherlands](#) to provide more maritime security in the South China Sea, this highlights the EU's commitment to their future relationship with Southeast Asia, making security and stability within the region a priority.

The EU has found itself promoting an open and “[rules-based](#)” regional security architecture which includes “secure sea lines of communication, capacity-building and enhanced naval presence” by the EU Member States in the Indo-Pacific. The outcome of the 2023 Shangri-la Dialogue has not only seen repeated verbal commitments from the EU, as well as reassurance that their priorities go beyond Ukraine, but also contracted commitment as individual EU member states have committed to deploying naval help to the region. To conclude, the 2023 Shangri-la Dialogue proved promising. Despite there being no bilateral meetings between the US and Chinese Defence ministers, it provided a vacuum for the strongest showing of the European delegates yet to build upon previous relationships with Southeast Asia. Although the outcomes of the bilateral meetings are yet to be made public, the key takeaways from the Dialogue remain that the EU is committed to acting as a reliable security partner for Southeast Asia, eager to increase stability and security cooperation in the region and globally.

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