

Analysis

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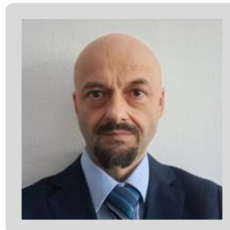
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Poland's Relations with ASEAN: The Visit of Minister Sikorski to Southeast Asia

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Poland's presidency of the EU Council in the first half of 2025 presents new opportunities for strengthening its cooperation with Southeast Asian countries. Poland's valuable, albeit limited relations with ASEAN members, bolstered by the growing trade exchange between the parties, provides a solid foundation for further expansion of this potential. The upcoming visit of Poland's Minister of Foreign Affairs, Radosław Sikorski, to the Philippines, Singapore, and Malaysia is a key opportunity to advance cooperation between the parties in crucial areas such as modern technologies, digitalization, and the defense industry.

The Association of Southeast Asian Nations (ASEAN) was established in August 1967 in Bangkok by five founding members: Thailand, Indonesia, Singapore, the Philippines, and Malaysia. Formed during the Cold War, ASEAN's primary goal was to counter the spread of communist influence in the region. The founding nations sought to stabilize their internal affairs, foster good relations with neighboring countries, and promote economic development by engaging with Western powers.

Over the years, ASEAN expanded to include Vietnam, Laos, Myanmar (Burma), Cambodia, and Brunei Darussalam, forming a bloc of ten nations. Despite differences and historical tensions, ASEAN has emerged as the leading cooperative organization in Southeast Asia. In 2015, the bloc introduced the ASEAN Community initiative, modeled after the European Union, and focused on three key pillars: political, economic, and socio-cultural cooperation.

The ASEAN Way

ASEAN has never functioned as a monolithic entity. Each member state has distinct national interests that shape both their involvement within the organization and their external relations with non-ASEAN countries. This diversity is reflected, for instance, in the differing stances of ASEAN nations on Russia during United Nations votes related to the war in Ukraine.

ASEAN's longstanding principle of non-interference in the internal affairs of its members has been essential for preserving internal cohesion, particularly as its members have navigated the complexities of state-building in a region marked by significant religious, racial, and ethnic diversity.

Despite these challenges, ASEAN has consistently demonstrated its capacity to pursue shared objectives, contributing to the prosperity and security of its member states. Moreover, the organization has built extensive international relationships, engaging in dialogue and cooperation with countries outside the region such as China, Japan, and South Korea through mechanisms like ASEAN+ frameworks. The region's growing

geopolitical importance is increasingly acknowledged within the broader Indo-Pacific strategy, which is becoming a key element of the global security framework.

ASEAN and the Indo-Pacific Region

The Indo-Pacific, where ASEAN plays a pivotal role, has emerged as a critical arena for competition between major global powers, particularly the United States and China. This rivalry spans a range of domains, from control over strategic maritime routes to competition for natural resources and influence in political, economic, cultural, and military spheres. Maritime routes, such as those running between the Strait of Malacca and Japan, are crucial for global trade, while the region itself is abundant in minerals and energy resources.

China's claim to nearly 90% of the South China Sea, and its aspirations for exclusive control over these strategic waters, have sparked resistance from several ASEAN countries, most notably Vietnam and the Philippines. These tensions exposed divisions within ASEAN, particularly during the 2012 Phnom Penh summit, where the bloc was unable to reach a consensus on addressing China's claims. Meanwhile, countries like Cambodia, Laos, Myanmar, and Thailand, known as the KLMT group, have been less inclined to confront China, reflecting the diverse priorities within ASEAN.

Additionally, some ASEAN nations, such as Thailand and Malaysia, have shown interest in aligning with the BRICS bloc, often framed as part of the "Global South." This shift has raised concerns in Washington, as the United States views it as a sign of China's growing influence in the region. In response to these evolving dynamics in the Western Pacific, ASEAN strives to strike a balance between deepening ties with major powers while safeguarding its own internal cohesion.

ASEAN's Relations with the European Union

ASEAN maintains close relations with the European Union, one of the region's most important trade partners. ASEAN is the EU's third-largest trading partner outside Europe, following China and the United States, with a trade turnover of approximately €252.5 billion in 2023. Bilateral trade in services reached €126.1 billion in 2022. For ASEAN, the EU is also the third-largest trading partner after China and the US, accounting for 8% of ASEAN's trade. Moreover, the EU is the third-largest investor in ASEAN countries, with EU foreign direct investment (FDI) in ASEAN totaling €400.1 billion in 2022. Investments from ASEAN into the EU have also been increasing, exceeding €195.6 billion in 2021.¹

The EU aims to deepen its economic cooperation with ASEAN through free trade agreements (FTAs), which are designed to promote sustainable development and enhance regional stability. To date, the EU has signed bilateral agreements with Singapore and Vietnam, while negotiations with Malaysia and the Philippines are currently on hold, as are talks on an investment protection agreement with Myanmar. However, negotiations with Indonesia are ongoing, and talks with Thailand have recently resumed. These Bilateral free trade agreements (FTAs) between the EU and ASEAN countries may lay the groundwork for a future trade agreement between the EU and ASEAN as a whole.²

Beyond trade, the EU supports ASEAN's economic development through initiatives like the EU-ASEAN Partnership. This partnership encompasses cooperation in areas such as trade, investment, environmental protection, and the promotion of human rights and democracy. These efforts are crucial in addressing global challenges, including climate change and pandemics.

Despite the intensification of cooperation, ASEAN-EU relations face challenges, including differences in approaches to human rights, in addition to trade and investment

¹ https://policy.trade.ec.europa.eu/eu-trade-relationships-country-and-region/countries-and-regions/association-south-east-asian-nations-asean_en

² https://policy.trade.ec.europa.eu/eu-trade-relationships-country-and-region/countries-and-regions/association-south-east-asian-nations-asean_en

issues. Nevertheless, given the strategic importance of the Indo-Pacific region, the EU aims to strengthen its engagement with ASEAN to counter China's growing influence and safeguard European interests in Southeast Asia.

The Competition for ASEAN

The United States has long regarded ASEAN as a vital component of its Indo-Pacific strategy, maintaining strong ties with the region. In 2021, trade in goods and services between the U.S. and ASEAN reached approximately \$441.7 billion, underscoring the U.S.'s role as one of the region's most significant trade partners.³

In addition to economic ties, the U.S. invests heavily in Southeast Asian security through defense treaties with Thailand⁴ and the Philippines⁵, as well as its involvement in the Quadrilateral Security Dialogue (Quad), which includes the United States, Japan, India, and Australia. Although ASEAN countries are not directly part of the Quad, the initiative is crucial for the region as it seeks to counterbalance China's growing influence in the Pacific. On the economic front, China has been ASEAN's largest trading partner for 16 consecutive years. In 2022, trade between China and the ten ASEAN members surpassed \$975 billion⁶. China is also intensifying its investments in the region through the Belt and Road Initiative (BRI), aimed at developing infrastructure and trade connections. On the other hand, Beijing maintains particularly strong ties with Cambodia, Laos, and Myanmar.

ASEAN occupies a critical position in shaping the security landscape of Southeast Asia. Despite internal divisions, the organization has established mechanisms for cooperation that contribute to both regional stability and prosperity. As competition intensifies among

³ <https://www.aseanbriefing.com/news/an-overview-of-us-trade-and-investment-in-asean/>

⁴ <https://www.state.gov/u-s-relations-with-thailand>

⁵ <https://www.state.gov/u-s-philippines-relations>

⁶ <https://vntr.moit.gov.vn/news/caexpo-2023-opportunities-to-expand-china-asean-economic-cooperation#:~:text=In%202022%2C%20bilateral%20trade%20reached,partner%20continuously%20for%2014%20years.>

major global powers for influence in the Indo-Pacific, ASEAN is striving to strike a delicate balance between engagement with both the U.S. and China while maintaining its internal unity and independence.

Poland in Southeast Asia

For Poland, a country with growing economic potential, strengthening relations with ASEAN countries and actively participating in shaping EU policy toward the region represents a strategic opportunity to enhance its influence on the international stage. Warsaw should enhance its engagement, particularly with countries where there are clear economic opportunities for Polish companies and growth potential in the defense and technology sectors.

A) The Philippines

The primary focus of Philippine-Polish cooperation is the defense industry, driven by the escalating tensions in the South China Sea. In 2009, the Philippines acquired W-3A Sokół helicopters from Poland, followed by the completion of a delivery of 16 Black Hawk helicopters produced by PZL Mielec in 2021. In 2022, the main focus was on the export of aircraft engines⁷. The defense partnership continues to grow, with further deliveries of aircraft engines planned for 2024-2025, including an additional 32 helicopters.

The Philippines also maintains a notable presence in Poland through direct investments. The International Container Terminal Services Inc. (ICTSI) oversees operations at the Baltic Container Terminal, while ISOC is constructing a major business park in Katowice—currently the largest such investment in Silesia. Polish companies are also expanding their foothold in the Philippines' market of 115 million people, particularly in the food sector⁸. Key players include PTAK and meat exporters specializing in poultry,

⁷ <https://www.gov.pl/attachment/3e1e1f75-7cba-4a21-a029-61a3f9aac2df>

⁸ <https://x.com/PLinManila/status/1767826888570073565>

pork, and beef. Other Polish exports to the Philippines include electromechanical products⁹, dairy goods, mechanical devices, and measurement instruments. In 2022, Polish exports to the Philippines were valued at approximately \$200 million, while imports from the Philippines amounted to around \$701 million, predominantly in machinery, electronic equipment, and photo-optical instruments

However, high-level visits between the two countries have been infrequent over the past two decades. The last official visit by a Polish leader was Prime Minister Marek Belka's trip to the Philippines in 2005, following the Philippine Vice President's visit to Poland five years earlier. Government-level contacts have also been limited, with Foreign Minister Dariusz Rosati visiting Manila in 1997 and Minister of Defense Radosław Sikorski in 2006.

B) Singapore

The political relations between Poland and Singapore have remained consistently stable and positive, characterized by ongoing high-level diplomatic interactions. Over the years, significant visits have included Polish Prime Ministers Leszek Miller in 2003, Marek Belka in 2005, and Donald Tusk in 2012, as well as President Aleksander Kwaśniewski in 2004. On the Singaporean side, notable visits to Warsaw were made by Singaporean Prime Ministers in 1966, 2001, and 2013, with the Singaporean President visiting in 2017.

Economically, the relationship between Poland and Singapore has shown notable developments. In 2022, Polish exports to Singapore reached USD 449.1 million, marking an impressive 50.5% year-on-year increase. In contrast, imports from Singapore declined by 29.7% year-on-year, amounting to USD 574.9 million. Poland's key exports to Singapore include turbojet engines, machinery components, and agri-food products. In return, Poland primarily imports hearing aids, pharmaceuticals, electronic integrated circuits, and lithium-ion batteries from Singapore¹⁰. While these trade flows are well-

⁹ <https://www.gov.pl/attachment/3e1e1f75-7cba-4a21-a029-61a3f9aac2df>

¹⁰ [https://www.gov.pl/attachment/139be122-b375-42ae-8461-082569199943#:~:text=sytuacja%20zacz%C4%99C5%82a%20si%C4%99%20stopniowo%20poprawia%C4%87,%2C7%20r%2Fr\).](https://www.gov.pl/attachment/139be122-b375-42ae-8461-082569199943#:~:text=sytuacja%20zacz%C4%99C5%82a%20si%C4%99%20stopniowo%20poprawia%C4%87,%2C7%20r%2Fr).)

established, sectors such as agri-food, technological innovation, FinTech, and e-commerce offer significant potential for further economic cooperation.

Singaporean investments in Poland span multiple industries, with companies such as Flex Ltd, Paris Tobacco International, and investments in the expansion of the DCT Gdańsk port terminal playing a prominent role. Meanwhile, Polish firms, including Dresta Asia Pacific Pte Ltd and POLSIN PTE LTD, are expanding their presence in Singapore, reflecting the increasing interest of Polish businesses in this dynamic market.

C) Malaysia

Malaysia stands out as one of Poland's key partners in Southeast Asia, marked by stable and well-established political relations. This relationship has been strengthened over the years through a series of significant visits. Polish Prime Ministers Włodzimierz Cimoszewicz and Marek Belka visited Malaysia in 1996 and 2005, respectively, while President Aleksander Kwaśniewski made a visit in 1999. From the Malaysian side, notable visits include the King of Malaysia's trip to Warsaw in 2005, as well as visits from Malaysian Foreign Ministers in 2001 and 2013.

Trade between Poland and Malaysia is varied, involving products from the electromechanical, chemical, and metallurgical sectors. In 2021, Polish exports to Malaysia totaled USD 245.7 million, while imports amounted to USD 1.6459 billion¹¹. Polish agri-food exports to Malaysia are notably certified halal, which is crucial for compliance in predominantly Muslim countries. Future collaboration opportunities appear particularly promising in green technologies, digitalization, and the agri-food sector.

Although Malaysian investments in Poland are relatively modest, they remain noteworthy. Significant examples include Golden Fresh Sdn Bhd's investment in Szczecin and the acquisition of Galeria Katowicka in Silesia by the Malaysian pension

¹¹ <https://www.gov.pl/attachment/aa2888f1-2045-43e7-8932-0593256ce7e0#:~:text=W%202021%20r.,ponad%201400%2C2%20mln%20USD.>

fund EPF. Meanwhile, Polish companies such as WB Electronics, TTMS, and Millennium are expanding their operations in Malaysia, with a focus on Kuala Lumpur.

Recommendations

In recent years, Poland has made limited progress in strengthening its ties with Southeast Asian countries and remains at the initial stages of this process. While each of the ten ASEAN nations offers distinct opportunities, Poland would benefit from concentrating on a select few that align closely with its interests. Indonesia, for instance, is notable for its substantial market size and political significance as a G20 member. Malaysia, Thailand, and the Philippines are rapidly growing economies with sizable populations. Singapore, though small, is pivotal as a global financial hub connecting the West and Asia. Vietnam, emerging as a dynamic economic force, is particularly relevant due to Poland's established connections with its Vietnamese diaspora and a Vietnamese elite who studied in Polish universities during the socialist period.

Enhancing relations with ASEAN countries is crucial for diversifying Poland's export and investment markets, a strategy essential for the sustained growth of the Polish economy. The Polish government should foster favorable conditions for Polish enterprises to expand their engagement in Asian markets, especially in key sectors such as agri-food, pharmaceuticals, modern technologies, and digitalization. This will require intensifying bilateral interactions at the ministerial level, particularly in foreign affairs, defense, digitalization, and development. Additionally, increasing Polish participation in multilateral institutions would be beneficial, as exemplified by the recent appointment of a Polish diplomat as Director-General of the Asia-Europe Foundation (ASEF).

Poland's presidency of the Council of the European Union in 2025 presents an excellent opportunity to enhance Poland's visibility in Asia, including ASEAN countries. Beyond economic and business objectives, Poland should also focus on promoting its culture, science, and education in the region. A systematic approach to international relations will be crucial for Poland to effectively build its "soft power" in foreign policy.

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