

Summary of ASEF Action Plan (2006-2008)

Action/Recommendation	Action By
Action 1: Alignment of ASEF activities with ASEM priorities will continue to be improved, building on stronger relations and mutual communication between ASEF BoG, Management and ASEM SOM. The "Recommendations for Organisational and Management Strategy and Long-Term Financial Sustainability of ASEF", endorsed at SOM in Hanoi, October 2004, calls for a strengthening of the relations between ASEF Governors and ASEM SOM leaders, and the invitation of ASEF's Executive Director to attend SOMs "and submit budgetary reports and brief on its activities." The regularity of these arrangements should be formalised in the Dublin Agreed Principles of the Asia-Europe Foundation.	ASEM SOM and ASEF BoG to follow
Action 2: ASEF Policies shall be updated in accordance with the evolution of the ASEM/ASEF and revised Dublin Principles.	ASEF Management and BoG
Action 3: Special audits shall be recommended by the Executive Office when deemed necessary. The Executive Committee shall decide whether to initiate such audits, and the BoG shall make the final decision on the findings.	ASEF Management and BoG
Action 4: A 'Project Policy' shall be written to bring standardisation across all Programme Departments at ASEF.	ASEF Management
Action 5: Core priority areas have been identified as follows: a) cultures and civilisations (e.g., interfaith dialogue); b) youth, education, and academic co-operation; c) good governance, democracy, and human rights; d) environment and sustainable development; e) multilateralism, regionalisation, and globalisation.	ASEF Management
Action 6: ASEF shall implement projects specifically to support	ASEF Management

ASEM Summits and Ministerial Meetings.	
Action 7: ASEF shall seek to establish more permanent but informal institutional partnerships in different locations with the view to facilitate information dissemination about Asia to Europe and Europe to Asia.	ASEF Management
Action 8: ASEF institutional publications (newsletters, annual reports, and Asia Europe Journal) shall be streamlined, and be posted on-line wherever possible for cost-effectiveness.	ASEF Management
Action 9: Reports from flagship programmes and institutional publications would be consolidated wherever possible to stay cost-effective.	ASEF Management
Action 10: Whenever possible, all approved projects should first seek financing by Trust Funds. However, ASEF should not be bound to restrict its projects to only those that have secured TF in order to retain some flexibility and timeliness in project developments and executions.	ASEF Management
Action 11: An adequate number of professional administration personnel including a Director for Finance and Administration should be hired to oversee the smooth and efficient operation of the office.	ASEF Management
Action 12: An IT specialist shall be recruited with the view to resolving and improving in-house IT system reliability and capacity.	ASEF Management
Action 13: The existing HR Policy Manual shall be revised and regularly updated following the recommendations from the recently completed HR audit.	ASEF Management

ASEF Action Plan (2006 – 2008)

Preamble

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Preamble

Many actions elaborated in these pages have been initiated. This has led to positive results in rationalising ASEF operations. Some of the financial housekeeping problems have been resolved. An organisation review has taken place to rationalise the organisational structure.

There is a positive outcome with the last ASEM SOM in London in that, henceforth, the ED will be invited to participate in all SOMs as an observer, likewise the Chairman of the BoG will be invited to the SOMs as an observer once a year, and that ASEF will be part of the SOM agenda.

These positive developments provide the bases to build confidence in what ASEF is doing and thereby attract support and new contributions from the member Governments.

I. Background

The ASEM Senior Officials Meeting (SOM) on 11 to 12 March 2005 in Jakarta appreciated the ASEF Executive Director's Strategy Paper, on which this Action Plan is based. This Action Plan elaborates specific measures needed to implement the ASEF Strategy.

At the last ASEM Summit in Hanoi, Vietnam (October 2004), 13 new partner countries joined the ASEM process thereby increasing its constituency or audience by nearly 150 million people. ASEF faces new challenges due to the enlargement and dwindling financial resources available to implement projects. In the meantime, ASEF must contend with higher expectations from the Governments and the general public. While ASEF has to do more, it is still operating under an unpredictable funding system of voluntary contributions from partner Governments. This Action Plan intends to address these two important challenges.

ASEF continues to be ASEM's only permanent institution, mandated by all ASEM Governments to 'promote better mutual understanding between Asia and Europe through greater intellectual, cultural and people-to-people exchanges'¹.

ASEF, as a part of the ASEM process, complements the official political dialogue that rests with the first pillar of the ASEM by implementing projects in the forms of conferences, workshops, seminars,

¹ See *The Dublin Principles*, the "Charter" of ASEF, first endorsed on 19 December 1996, and amended on 6 October 2004 in Hanoi, Vietnam.

networks, and portals, involving non-official actors. Furthermore, ASEF programmes consist not of one-off projects, but are designed to result in self-sustaining networks that could yield new partnerships, long-lasting impact and ongoing collaborations, with or without the continued involvement of ASEF.

ASEF, in its track-two capacity, is expected to support the official process by designing and implementing projects and activities that contribute to a better security environment, sustainable social and economic development, good governance, and shared prosperity in Asia and in Europe within the larger global context.

Hence, it is crucial that ASEM Governments come to a clear common understanding and agreement on the realistic objectives, provision of adequate means and endorsement of implementation methods.

II. Policy and Organisation

- While there is encouraging feedback from ASEF's constituency among the civil society in the two regions affirming ASEF's fulfilment of its mandate, there is some sense on the part of ASEM officials that ASEF projects fall short of meeting the expectation to be closely aligned with ASEM priorities.² This perception is mainly due to four reasons:
 - a) *Inadequate interaction between ASEF and ASEM Governments' SOMs in the past.* ASEF relies heavily on its Board of Governors (BoG) to regularly convey information on ASEF's activities, advocate ASEF messages and defend ASEF's financial interests to their respective Governments. The strength of the link between a BoG member and the respective senior official/s is in this context decisive. The communication deficit has been partly addressed by the ASEF Management systematically sending out information to both ASEF Governors and ASEM contact points. The quality and regularity of two-way contacts between Governors and their respective senior officials should be constantly improved
 - b) *A lack of an agreed understanding between some ASEM Senior Officials and ASEF on ASEF's target audience, which makes it difficult for ASEF to fully satisfy anyone.* ASEF has been working essentially with actors from civil society in its broad sense, including youth, NGOs, artists, academics, media, and business through "greater intellectual, cultural and people-to-people exchanges". However, the lack of specificity regarding who makes up ASEF's constituency has resulted in the perception that ASEF is not fulfilling its role vis-à-vis member Governments with regard to complementing ASEM as a whole.
 - c) *A seeming lack of sufficient communication or coordination among the respective Ministries within Governments.* By structure, ASEF is linked to the ASEM Governments through Senior Officials of the Ministries of Foreign Affairs, but many of its activities correspond more with functional Ministries such as Culture, Environment, Education, etc. This situation complicates the definition of what constitutes "ASEM priorities", as each Ministry is likely to have particular priorities in their sectoral agendas and expectations of ASEF that differ from those of other

² At the last ASEM Foreign Ministers' Meeting in Kyoto in May 2005, the Ministers while "appreciating the contribution made by ASEF in the cultural area, [...] stressed the importance of closer alignment of its activities to ASEM priorities as well as the sound budgetary and organisational management of ASEF."

Ministries. On the other hand, the relevance of ASEF's work may be more evident to such functional Ministries than to the Ministries of Foreign Affairs.

d) *ASEM priorities are shifting as the ASEM process evolves.* ASEM, being a dialogue-oriented and non-institutionalised process, would not have a fixed set of long-term priorities and objectives. At the same time, ASEF Management has to select those areas where it is within its capacity and resources to carry out projects in aligning with what are understood to be ASEM priorities.

- Another challenge faced by ASEF in establishing its credibility is the perception on the part of some civil society actors that ASEF is already rather closely associated with and influenced by its member Governments and does not do justice to its designation as a Foundation. Such perceptions could hinder ASEF's ability to function as a people's forum, accessible to all ASEM nationals, irrespective of race, status, culture, or religion, to meet and to speak freely while exchanging views in unrestricted conditions.
- ASEF must not duplicate: (1) what could already be done at the non-official level by the civil society groups or cultural and academic institutions; and, (2) what could be done by partner Governments directly through ASEM's official processes.
- The charter of ASEF, The Dublin Principles, has been revised and approved by ASEM V at Hanoi, October 2004. However, the original mandate of ASEF remains: "to promote better mutual understanding between Asia and Europe through greater intellectual, cultural, and people-to-people exchanges." In the meantime, ASEF continues to address the most salient and current issues for the two regions covering political, economic, and other areas of cooperation in the ASEM process³ in its non-official capacity.
- ASEF should continue to reconcile its two functions: being a credible interface between Asians and Europeans at the general public level, on the one hand, and between partner governments and non-official audiences, on the other.
- Taking advantage of the unique positioning of ASEF between the Government and the non-official public, ASEF can further facilitate the substantive co-operation amongst the ASEM partners through value-added projects, on behalf of ASEM citizens. For example, ASEF has facilitated and compiled sound recommendations from the Civil Society representatives and experts that have been submitted to Government ministries and agencies as practical and constructive contributions to the ASEM process. This value and potential should be further recognised by ASEM SOM and at the higher levels.

Actions to be taken:

- **Action # 1.** ASEF activities will continue to be closely aligned with what are understood to be ASEM priorities. To minimise or prevent any misunderstanding on this, two-way communication between ASEF Management and BoG on the one hand and ASEM SOM, on the other, should be improved. Where needed, contacts between Governors and their respective national ASEM Senior Officials should be enhanced in terms of quality and regularity. Governors should be equipped with well-packaged information to present to ASEM senior officials.

³ As defined in the Asia-Europe Cooperation Framework (AECF) 2000, adopted by the Heads of State/ Government at ASEM 3 Summit in Seoul.

- a) The first line of reporting by the Executive Office is to its Board of Governors, which is responsible for determining the Foundation's policies, programmes and priorities and work plan⁴. In addition to this, a regular two-way communication channel or consultation system is needed between the ASEF Management and ASEM SOM. Currently, a monthly report is disseminated electronically to members of the ASEF BoG and ASEM SOM. In parallel, ASEM SOM should regularly communicate to ASEF Management and Governors relevant information regarding key developments in the ASEM process.
- b) The London SOM in November 2005 decided that ASEF's Executive Director should henceforth be invited to attend all ASEM SOMs and the Chair of the BoG should be invited to meet with SOM once a year. Correspondingly, the ASEM SOM Leader (or Representative) of the country where an ASEF BoG meeting takes place is invited as an observer. ASEM SOM Coordinators/representatives are also invited to attend ASEF BoG meetings as observers.
- c) ASEM SOM Leaders should be invited to attend or participate in selected ASEF activities depending on the subject and nature of the projects, in order to gain deeper familiarity with how ASEF is operating.
- **Action #2.** ASEF Policies (Refer to 'The Legal Framework & ASEF Policies' dated May 2002) should be amended in accordance with the above and the evolution of the ASEM process. In particular, it should incorporate specific recommendations for organisational and management strategy which were endorsed at ASEM V in Hanoi in October 2004.
- **Action #3.** When deemed necessary, the Executive Office shall recommend special audits (e.g. financial, administration, policy, human resources, communications/ visibility) to the Executive Committee to decide whether these should be initiated. The results of the audits will be presented to the Board of Governors for final decision.

III. Projects

- **Action #4.** An institutional standard shall be set for Project Policy across the different portfolios of ASEF to delineate a) common project-related terminology; b) the nature of the projects and their outputs; c) funding/ cost-sharing policy; d) evaluation methodology; e) participant or speaker selection criteria; f) project proposal submission procedure; g) post-project reporting system; h) subsidy to participants; i) project prioritisation criteria; j) visibility aspects; k) post-project materials to be published or publicised and l) follow-up with 'ASEF Alumni'.

A. The Nature of the Projects:

- Continue to limit grant-giving/ sponsorship type projects and focus on selective and well-defined series of flagship projects
- ASEF projects should strike an optimum balance between scope and depth
- Focus on more relevant, visible, and cost-effective projects
- There should be clear deliverables, and projects will be accompanied by quality control - each project is subject to evaluation with the view to measure the long-term impacts

- Inclusive and involve all levels of society
- 'Projects' make up distinct 'programmes' and they shall have consistency and continuity to build up on past achievements
- Projects should continue to be unique, add value, and not duplicate the efforts already made by other institutions. If a proposed project does not advance the long-term objectives of ASEM or ASEF, or if it does not lie within the core competencies or comparative advantage of ASEM to undertake, ASEM shall not implement it.
- New projects will continue to be developed with the new ASEM partner countries in mind.

B. ASEM Projects in the context of ASEM:

- ASEM possesses accumulated resources and know-how that ASEM does not have due to the latter's lack of a Secretariat or other forms of institutionalisation. ASEM should be, thus, instrumental to ASEM in two ways: a) do what ASEM cannot do through official processes (some issues are better dealt with at the Civil Society level or more could be achieved at the Civil Society level, especially for those which may be considered politically sensitive); b) do what ASEM could not do without (providing research and information materials relevant to Asia and Europe in a broad sense; by collaborating with relevant think tanks, academic institutions, experts, and to reach the general public etc.).
- Organise projects on the sidelines of ASEM activities that are consistent with ASEM's revised mandate and mission, in order to promote ASEM and ASEM.
- Continue to insert the ASEM agenda into the flagship projects of ASEM (e.g. ASEM University, Journalists' seminars, TV Documentary Series, Youth Dialogues, Young Leaders' Meetings, Environment Roundtables, Human Rights Seminar Series, Lecture Tours, Asia-Europe Workshop Series).

C. Core priorities of ASEM: 2006-2008

- **Action #5.** The following areas will be the primary focus in the next three years. There will be cross-departmental projects involving close internal co-ordination.
- The Executive Office and the Programme Directors shall continue to exercise strict selectivity and prudence when making decisions on future projects as well as on the anticipated project costs. Each project proposal shall be submitted only upon endorsement by the Executive Office based on the best-assessed interests of the Foundation.

Core Priorities of ASEM 2006-2008

1. Cultures and Civilisations

- ASEM will continue to develop and implement programmes promoting dialogue among cultures and civilisations, targeting cultural institutions and cultural practitioners in selected fields with high multiplying effects.
- ASEM shall continue to implement track-two projects to support high-profile ASEM events such as *Conference on Cultures and Civilisations*, and *Interfaith Dialogue*.
- 'Culture Mapping' or a cultural portal website will be pursued as a priority project as urged by ASEM Culture Ministers.

⁴ Point 13 of Dublin Agreed Principles of the Asia-Europe Foundation

2. Youth, Education and Academic Co-operation

- ASEF has been and will continue to enhance youth and education exchanges between Asia and Europe, involving students, young artists, teachers, and institutions. These projects shall remain balanced between the two regions and not have duplication with other existing academic exchange programmes.
- Similarly, academic co-operation programmes should be pursued further, with an emphasis on multilateral arrangements rather than bilateral cooperation between individual tertiary institutions.

3. Good Governance, Democracy, and Human Rights

- Complementary to ASEM, ASEF will continue to serve as the interface between the Government and the Civil Society to facilitate further dialogue and interaction on specific issues. ASEF has a unique positioning between the Government and the Civil Society that enables open, in-depth discussions even on politically sensitive issues that are difficult to discuss at either purely official or entirely non-official levels.

4. Environment and Sustainable Development

- ASEF will continue to contribute to global discourses on sustainable development and environment in partnership with the major specialised institutions at the international and regional levels.
- Focusing on policy debates through an inclusive process, the ASEF-initiated Asia-Europe Environment Forum and related activities will continue to promote synergy with related EC programmes such as *Asia Pro Eco* grant scheme.

5. Multilateralism, Regionalisation, and Globalisation

- As one of the key institutions at the centre of ASEM-related studies, ASEF will continue to support discourse, dialogue and debate on the ASEM process, and new trends in regionalism in the European Union and East Asia. Thematically, subjects under this area also cover security/"soft" security issues, conflict management and foreign policy.

IV. Visibility and Public Outreach

- Visibility-building efforts shall be oriented towards increasing awareness and relevance of ASEF before its stakeholders while continuing public outreach in ASEM countries and beyond.
- **Action #6.** The media play an important role as information multipliers between the civil societies of Asia and Europe. ASEF will therefore continue to conduct specific media projects to support major ASEM events such as Summits and Ministerial meetings, in the form of editors' roundtables, journalists' seminars, and colloquia. The long-term aim is to draw in mainstream press or mass media to generate more regular, balanced and in-depth reporting on ASEM events and Asia-Europe relations in general.
- **Action #7.** Other like-minded institutions can also act as information multipliers for ASEM and ASEF. Accordingly, ASEF will also seek more and deeper long-term institutional cooperation arrangements with key cultural, intellectual, youth, and media organisations in

partner countries, to jointly establish informal Asia-Europe information centres. These centres in the ASEM countries should be hosted by local institutions that are politically neutral and ready to dedicate resources to or advocate for the ASEM process in particular and Asia-Europe affairs in general. The Centres would also serve as important contact points for enriching our programmes and enhancing public awareness about ASEM/ ASEF. Such long-term partnerships could yield other mutual benefits such as sharing of resources, facilities, expertise; access to each other's publications, and the ability to ride on each other's networks for publicity or information dissemination. This should be done with the most cost-efficient approaches in mind.

- **Action #8.** ASEF corporate publications (newsletters, annual reports, and Asia-Europe Journal) will be streamlined and published materials will be posted on-line wherever appropriate for cost-effectiveness. It will also contribute to cost-effectively expanding the readership and public exposure. At the same time, greater emphasis will be placed on developing IT-based platforms as a strategic tool for the sharing and exchange of information and networking ability of ASEF, such as through enhanced database management, an improved website with increased range of links and interactivity, and ways of sharing and exchanging news material between Asian and European media organisations.
- **Action #9.** Series of reports from established flagship programmes and institutional materials (e.g. annual reports, newsletters, and Asia-Europe Journal) would be consolidated to reduce the number of publications and costs.

V. Financial Sustainability

- A predictable contribution system would allow ASEF to operate effectively with an early planning of its future activities. The existing funding system does not provide ASEF management with the ability to plan its activities for the coming years. This puts ASEF's continued functioning and reputation at stake. It is therefore urgent that ASEM officials recommend an explicit set of contribution guidelines for partners to follow.
- **Operating Fund:** ASEM Governments are requested to contribute to the Operating Fund of ASEF. Once the Operating Fund stabilises at an adequate level with a safe margin, additional funds could then be allocated to the Endowment Fund to generate interest for future endeavours.
- **Endowment Fund:** The 17th BoG Meeting in Tampere endorsed the utilisation of the accumulated interest to date (€ 1.5 million) from the Endowment Fund (€ 6 million excluding interest). This amount is to be used as contingency reserve. Therefore, this in itself will not alleviate the continuing problem of an unpredictable budgeting system.
- **Trust Fund:** This is an important alternative source of financing a number of ASEF's projects, which are adopted under the same procedures and rules as all other projects being approved by the BoG.
- The position of Director of Finance and Administration is being established in accordance with the recommendations of the Van der Geest-Macaranas Report and SOM.
- ASEF maintains a 20 to 80 split on overheads against Programme costs.

Fiscal Year 2006 (April 2005-March 2006):

- The current annual budget is EUR 3.25 million. This break-even budget where Expenditure is covered by Contributions, is being carried out after four years of deficit funding. ASEF has to scale down operations from EUR 4 million in FY 2004/5 due to lack of funding. This has to be carried out carefully in order not to damage ASEF's raison d'être and credibility. With this reduced budget, ASEF management and staff have struggled to maintain the quality of ASEF programmes with painful sacrifices.
- **Action #10.** ASEF will utilise Trust Funds where possible, to cover approved project costs. ASEF will strive to meet the specific criteria indicated by the Trust Fund donors through frequent communication and close co-ordination.
- The above-mentioned shall include the financial aspects as follows: a) co-funding or cost-sharing principles; b) guidelines on private sector sponsorships⁵; c) the regulations on the levels of subsidy provided to the individuals invited to participate in ASEF projects; and d) definitions and terms of "project sponsors" and "project partners." (Action #4)
- ASEF will intensify its efforts to identify relevant institutions, public and private, to work more in permanent partnership to defray its project costs and to broaden its institutional networks. (Action #7)

Fiscal Year 2007-2008 (April 2006-March 2008):

- To ensure the long-term sustainability of ASEF, an annual budget of at least EUR 4 million is required. This amount was tabled in the Berlin BoG in May 2003 (before enlargement from 26 to 39 members) for ASEF to meet the expectations of its constituents.
- Member Governments' contributions should be planned and committed in advance for ASEF's longer-term planning and budgeting.
- There is a need for convergence between Contributions and Expenditure. ASEF management shall submit an efficient operational budget, but for the budget to work, funding must be committed and delivered on time.
- For cash flow management, an early commitment from member Governments for the amount and period of transfer of funds for the upcoming year(s), would allow ASEF to plan and commit on programmes with reference to available funding.

VI. Organisational Management

- **Action #11.** Administration shall be strengthened with the view to properly carry out its main roles in terms of office maintenance, human resources, and corporate information technology (IT) support. Experienced administration professionals will be recruited or qualified existing staff retrained to manage the above functions and ensure that the office is to run professionally and efficiently in keeping with its purpose as a reputable international institution.
- **Action #12.** IT: In consideration of the increasing dependence on the corporate website and the strategic utility of Internet tools, and in order to ensure a virus-free and secure communications environment, ASEF shall look into the most cost-effective solution with the view to resolving and improving in-house IT system reliability and capability. A long-term

⁵ There should be an incentive to seek private sponsorship. It should not be a reason to reduce the level of Trust Funding. Savings of Trust Funds achieved by obtaining private sponsorships should be carried over to finance future projects, rather than be taken as a reason to reduce future funding.

IT development plan should also be drawn up to chart areas where future functionality and investment will be needed.

- **Action #13.** Human Resources: An HR audit has been conducted to ensure that there is an efficient HR structure in place, to ensure that the workload is fairly distributed, to ensure job satisfaction from the employees' end and the performance satisfaction from the employer's end. The existing HR Policy shall be revised and updated accordingly.

Adopted by the 18th ASEF BoG Meeting
16-17 February 2006
Singapore