

Enhancing the ASEAN Outlook on the Indo-Pacific through Sub-Regional Initiatives: The Case of the BIMP-EAGA Initiative

By Dr. Hafiizh Hashim

Effectively managing geopolitical competition in Southeast Asia has arguably become the most pressing concern for maintaining regional peace and stability. In recent years, US-China tensions have escalated across multiple facets of the region's multilateral institutions. As a result, managing strategic competition has become an ever more complex affair, testing the overall effectiveness of ASEAN centrality. The United States has taken a series of steps to strengthen its relations with its Indo-Pacific partners and allies through multilateral and minilateral frameworks—namely the Quadrilateral Security Dialogue, or the QUAD, and AUKUS, a trilateral security partnership between Australia, the United Kingdom, and the United States. In 2022, the Biden administration formally institutionalized the Indo-Pacific Strategy and announced the Indo-Pacific Economic Framework (IPEF) to bolster U.S. economic cooperation with the region.

The growing discourse of other major Indo-Pacific countries such as the United States, Australia, South Korea, Japan, and India has galvanized ASEAN to propose its own *ASEAN Outlook on the Indo-Pacific* (AOIP) in 2019. The AOIP aims to maintain ASEAN centrality and establish ASEAN as the conductor that helps the region navigate the geopolitical constraints of the US-China rivalry. It is seen as a supplement to other ASEAN-led multilateral initiatives that underscore the norms of socialization and inclusivity with extra-regional powers. Notwithstanding, the promulgation of the US Indo-Pacific Strategy can complement the AOIP as the strategies share similar strategic and economic goals, fostering connectivity and regional security. As the AOIP emphasizes interconnections among Southeast Asian states, it encourages great powers to cooperate with ASEAN in multilateral dialogues and initiatives to advance prosperity and security in the evolving regional architecture.

To ensure that the United States and like-minded countries continue to respect ASEAN centrality, ASEAN should focus on effective cooperation in subregional initiatives strategically aligned with its Indo-Pacific vision. Launched in 1994, The Brunei, Indonesia, Malaysia, Philippines East ASEAN Growth Area (BIMP-EAGA) is a subregional growth triangle encompassing the entire sultanate of Brunei Darussalam; the provinces of Indonesia, Kalimantan, Sulawesi, Maluku, and Papua; parts of Malaysia, the federal territory of Labuan and the states of Sabah and Sarawak; and the Philippine islands of Mindanao and Palawan. This subregional grouping focuses on closing the development gap between East ASEAN and more prosperous areas in Western Southeast Asia.

Although BIMP-EAGA is not widely known, Borneo Island, which is central to the grouping, will play a more important role in the coming decades as shifts in the geostrategic landscape are expected in the wake of Indonesia moving its capital to Kalimantan in 2024. However, the BIMP-EAGA region hosts some of ASEAN's most complex security threats, threats that could jeopardize ASEAN centrality. The biggest security challenge the BIMP-EAGA region faces is the overlapping claims on the South China Sea. Beyond the maritime dispute, non-traditional security challenges such as poverty, energy, undeveloped infrastructure, food insecurity, health, education, terrorism, transnational organized crime, human trafficking, and separatism are rife in the subregion. Nevertheless, as the South China Sea holds rich deposits of fossil fuels and vibrant marine life, a crucial food source for local coastal populations, China's

Dr. Hafiizh Hashim, Head Consultant at Sociable & Co. and Assistant Lecturer Universiti at Brunei Darussalam, explains that "[g]reater US engagement in the BIMP-EAGA [a subregional grouping encompassing states and subnational jurisdiction in eastern Southeast Asia] could deepen US-ASEAN relations" and "find convergence between US and ASEAN Indo-Pacific frameworks."

increasing assertiveness in recent years has greatly complicated the subregion's security situation. Putting the situation into context, Sabah and Sarawak possess nearly 79% of Malaysia's total proven oil reserves. At the same time, Brunei's main economy is still heavily dependent on oil and gas operating from the South China Sea. As a final point of context, Palawan Island has been the site of frequent skirmishes between China's Coast Guard and the Philippine Navy. Thus, these security issues are of considerable relevance. If allowed to exacerbate, these issues could cast further doubt upon ASEAN's ability to navigate great power tensions, especially as East ASEAN becomes more relevant on the global stage.

Despite concerns about the South China Sea dispute, China remains the top trading partner and a major source of foreign direct investment (FDI) for BIMP countries. China has stepped up its relations with ASEAN by highlighting BIMP-EAGA as a key area for Sino-ASEAN relations. In 2019, a leaders meeting between ASEAN and China produced a joint statement on [Synergizing the Master Plan on ASEAN Connectivity 2025](#). The statement highlights BIMP-EAGA's importance to China's Belt and Road Initiative. Other regional countries such as Japan and South Korea have similarly increased their active engagement with the maritime Southeast Asian states. Some of these countries have collaborated in providing assistance and support to the subregion. For example, the BIMP-EAGA Korea Cooperation Fund was established in 2021 to support developmental goals in the region.

"[T]he BIMP-EAGA has the potential to be a fruitful minilateral, allowing the United States to engage with a smaller number of ASEAN countries to effectively address 21st century challenges in the region."

Currently, the US presence in the Eastern ASEAN region is minimal. Greater US engagement in the BIMP-EAGA region could deepen US-ASEAN relations. Opportunities to enhance relations may prove beneficial to the United States as public opinion in ASEAN now favors aligning with China over the United States if hedging is not an option, according to the [ISEAS State of Southeast Asia 2024 Survey Report](#). However, the United States will need to be diplomatically savvy in its approach to issues in the subregion. The center-periphery dynamics in East ASEAN are especially politically sensitive, with the central governments wary of the increasingly brazen secessionist movements in the subregion.

That said, the BIMP-EAGA can benefit from the US Indo-Pacific Strategy, especially in tackling the goal of expanding connectivity throughout the subregion. This effort would be a significant boon to the region as internet access spurs economic growth and helps small and medium enterprises adapt to the 21st-century economy. With the level of its technical and infrastructural expertise, the United States can assist the subregion in mitigating its overreliance on fossil fuels by supporting a shift to clean energy.

Should the United States decide to increase its involvement in Southeast Asia, then the BIMP-EAGA has the potential to be a fruitful minilateral, allowing the United States to engage with a smaller number of ASEAN countries to address 21st-century challenges in the region effectively. Concrete action in ASEAN's eastern periphery jointly undertaken by the United States alongside local and national governments can not only address shortfalls in socioeconomic development but also find convergence between US and ASEAN Indo-Pacific frameworks.

Dr. Hafizh Hashim, Head Consultant at Sociable & Co. and Assistant Lecturer Universiti at Brunei Darussalam, can be contacted at hafizh.hashim@ubd.edu.bn.