

Timor-Leste's ASEAN membership

The ASEAN

The Association of Southeast Asian Nations (ASEAN) is an intergovernmental organisation whose primary purpose is to promote economic growth and regional stability among its members. There are currently ten member states: Brunei, Cambodia, Indonesia, Laos, Malaysia, Myanmar, the Philippines, Singapore, Thailand and Vietnam. Within the ASEAN states trade is virtually tariff-free, with eleven prioritised sectors for integration. The association also acts as a political platform to maintain peace and stability between its member states and external partners.

The ASEAN Summit November 2022

At the ASEAN summit in Phnom Penh in November 2022, ASEAN agreed in principle to admit Timor-Leste – also known as East Timor, officially the Democratic Republic of Timor-Leste – as the 11th member state. The country was granted observer status at ASEAN meetings, including at summit plenaries. Nevertheless, it is still unclear when the country will be officially admitted as a member. The prerequisite, a catalogue of criteria, is currently being worked out.

Admission to ASEAN

General prerequisites for admission to ASEAN consist of the geographical location, the recognition by all ASEAN member states, the compliance with the ASEAN Charter, and the willingness and ability to fulfil the obligations of membership. Besides, legal as well as practical considerations also come into play, involving significant financial obligations tied to ASEAN membership: These include equal sharing of the annual operational costs of the ASEAN Secretariat, which amounted to US\$20 million in 2016. The final decision is made by consensus at the ASEAN Summit, on the recommendation of the ASEAN Coordinating Council (ACC), which is composed of the foreign ministers of ASEAN members.

Timor-Leste's motives to join ASEAN

The economic aspects of ASEAN membership constitute a motivational factor as well as a simultaneous challenge for Timor-Leste:

On the one hand, joining ASEAN is likely to mean open access for locals, especially in tourism and manufacturing, with positive implications for expanding economic capacity. This includes cross-border employment opportunities, especially in the ASEAN Economic Community, which includes eight major industries for an ASEAN market of 683 million people. These opportunities will encourage the diversification of government revenues from oil and gas to other potential sectors such as agriculture and tourism. Timor-Leste will also build closer ties with neighbouring ASEAN countries in the economic sphere. Between 2016 and 2019, more than half of Timor-Leste's imports came from five ASEAN member countries, amounting to US\$2.05 trillion, while its exports of goods and services were only US\$95 million. Timor-Leste's accession to ASEAN can reduce this disparity in trade activities.

On the other hand, Timor-Leste itself is a small country with 42 percent of the population living below the national poverty line and high rates of unemployment. In the face of ASEAN holding hundreds of meetings every year at different levels and bearing in mind that full membership demands payment for around US\$2.5 million per year, the lack of human and economic resources pose a serious challenge for Timor-Leste's accession. Consequently, opponents of Timor-Leste's accession to ASEAN fear that the country would only be a burden to ASEAN. According to the 2023 "The State of Southeast Asia" survey report one-third (34 percent) of respondents disapproving of Timor-Leste's admission, feel that it will slow down ASEAN's economic integration.

Despite this, two-thirds of the survey's respondents (62 percent) across all ASEAN states approve the admission of Timor-Leste to ASEAN. Almost half (49 percent) of those believe that it will enhance ASEAN's unity and centrality. This reflects the geopolitical component of Timor-Leste's accession, as it would avoid foreign, possibly competing, influence. Participation in ASEAN would assure that Timor-Leste aligns its policies with ASEAN interests. The government of Timor-Leste itself has even admitted that it would probably ally itself with the US or China if ASEAN does not agree to the membership application.

Besides Timor-Leste, Papua New Guinea is also an observer nation to ASEAN and has long-eyed full membership, holding observer status since 1976. Since then, Papua New Guinea is prevented from joining due to violent crime, political unrest, poor infrastructure, discriminatory laws, and unskilled labour. Furthermore, the nation is more culturally and geographically connected to Australia in the south and the Pacific islands to the east, than it is to Southeast Asia.

Outlook

At the 32nd ASEAN Coordinating Council (ACC) meeting in Jakarta in February 2023, Timor-Leste made its ASEAN meeting debut by the attendance of Timor-Leste Foreign Minister Adaljiza Magno. It has been revealed that the ACC meeting produced several outcomes, including the adoption of the guidelines for Timor-Leste's observer status. With Indonesia – a country that has traditionally been the first port of call for new Timor-Leste leaders – holding the ASEAN chair in 2023, it is expected to accelerate the process of welcoming the country to the association. Observers predict Timor-Leste to attain full membership when Indonesia, as chair, hosts the ASEAN Summit in 2023.

Benefit from free trade agreements

If you have any questions about the usage of Free Trade Agreements in the AsiaPacific region, you can contact Mrs. Annika Huck, Divisional Head for Trade Policies (Asia/ASEAN). E-Mail: annika.huck@sgc.org.sg

Resources

<https://moderndiplomacy.eu/2023/01/28/towards-an-integrated-southeast-asia-timor-lestes-challenges-and-opportunities-in-joining-asean/>
<https://www.dw.com/de/asean-staaten-wollen-osttimor-aufnehmen/a-63731673>

https://www.iseas.edu.sg/images/pdf/ISEAS_Perspective_2017_36.pdf

<https://www.iseas.edu.sg/wp-content/uploads/2025/07/The-State-of-SEA-2023-Final-Digital-V4-09-Feb-2023.pdf>

<https://www.undp.org/timor-leste/economic-transformation>

<https://jakartaglobe.id/news/timor-leste-makes-its-asean-meeting-debut>

<https://thediplomat.com/2011/11/papua-new-guinea-eyes-asean/>

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