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**Italian Engagement with Southeast
Asia: Economic, Political and Security
Cooperation with ASEAN and its Member
States**

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European University Institute
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Ministry of Foreign Affairs
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Abstract

This report explores the growing ties between Italy and Southeast Asia through its engagement with the Association of Southeast Asian Nations (ASEAN) and its main members. Despite lacking a dedicated strategic policy document for the whole 'Indo-Pacific,' Italy has steadily increased its political, economic and cultural presence in the region. The report examines key areas of cooperation, including security, economic development and socio-cultural exchanges by focusing on bilateral relations with ASEAN member states such as Vietnam, Indonesia, Thailand and the Philippines. The role of Italy in promoting multilateralism and its commitment to maintaining a rules-based international order are highlighted as core aspects of its regional strategy. The report concludes with policy recommendations to further enhance Italy's strategic footprint in Southeast Asia and emphasises increased development cooperation and expanded investments in emerging industries like technology and defence.

Keywords

Italy, ASEAN, economic cooperation, security, multilateralism, development cooperation, regional strategy

Disclaimer

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In recent years, the relevance of Southeast Asia has been on the rise. The region is experiencing substantial and sustained economic growth, and is facing major social, economic and geopolitical challenges. The particular position of Southeast Asia in the broader 'Indo-Pacific' area has attracted the interest of many European countries, including Italy. While Rome is currently unequipped with a strategic policy document for the region, in recent years it has enhanced its economic and political connections with ASEAN and its member states. With increased world instability and significant challenges posed by the regional competition between China and the U.S., Italy¹ has substantial economic interests in the Indo-Pacific arising from its export-oriented economy² and its stake in the preservation of the current global order based on trade and international cooperation. Therefore, being at the centre of such a macro-region, Southeast Asia may be pivotal in future Italian Indo-Pacific policy.

This report examines the status of the ties between Italy and Southeast Asia and focuses on security, economic and development cooperation and cultural ties. It focuses on Italy's overall positive relationships and the image it enjoys in ASEAN and relevant Southeast Asian countries. The engagement of Rome with the region is strengthened by solid economic foundations, common preferences for multilateralism and cooperation, and an absence of colonial history. The report concludes by formulating some policy recommendations on how to further deepen cooperation and further elevate ties between Italy and Southeast Asia.

ASEAN

Since the beginning of the last decade, Italian decision-makers have understood the importance of engaging with the ASEAN economic bloc as an opportunity for Italian companies, in line with the objective of re-launching Italian exports.³ This has prompted an increase in engagement by Italy with ASEAN seeking to work on areas of cooperation that will result in mutually beneficial win-win outcomes for both parties. A few years after establishing these objectives, in 2020 ASEAN gave Italy the status of Development Partner, which set common ground to further expand cooperation. After kickstarting the partnership in 2021 by convening a Development Partnership Committee (AI-DPC)⁴ and setting out the priority areas for the partnership in 2022,⁵ the parties have cooperated on four pillars: political-security cooperation, economic cooperation, socio-cultural cooperation – reflecting the three ASEAN communities – and development.

1 Termine, L. and Ercolani, A. (2024). *Driver e ostacoli di un ribilanciamento asiatico dell'Italia*. Rome: UNINT University Press.

2 Piasentini, M. and Vesprini, A. (2024). *Geopolitical brief iii, Il ribilanciamento asiatico dell'Italia: Driver e prospettive della cooperazione Economica nell'indo-pacifico*. UNINT University Press.

3 Calenda, C. (2015). *L'impegno del Governo verso i mercati emergenti*. In *Associazione Italia-ASEAN*. (2015). *Le Imprese Italiane nei Paesi ASEAN*. https://www.itasean.org/wp-content/uploads/woocommerce_uploads/2019/09/aziende-asean-compressed-1.pdf; Letta, E. (2015). *Conoscere l'Asean per coglierne le opportunità*. In *Associazione Italia-ASEAN*. (2015). *Le Imprese Italiane nei Paesi ASEAN*. https://www.itasean.org/wp-content/uploads/woocommerce_uploads/2019/09/aziende-asean-compressed-1.pdf.

4 ASEAN. 2021. "ASEAN, Italy Launch Development Partnership." <https://asean.org/asean-italy-launch-development-partnership/>.

5 ASEAN and Italy. 2022. *ASEAN-Italy Plan of Action 2022-2026*. <https://asean.org/wp-content/uploads/2022/06/ASEAN-Italy-PCA-2022-2026-adopted.pdf>.

First, Italy is increasingly interested in working closer with ASEAN to face common security challenges, and its contribution is substantial in sharing non-traditional security practices and know-how. In this domain the key issue areas of immediate interest are peace and reconciliation efforts, women's participation in peace processes, transnational crime prevention, cybersecurity capacity-building, counter-terrorism, maritime security, good governance and human rights promotion. This support extends to ASEAN-IPR, AICHR and cybersecurity centres, and emphasises the need to uphold rule of law, sovereignty and digital security with training, exchanges and best practices.⁶ As of 2025, Italy has participated in regional maritime security through an initiative organised by its Centre of Excellence for Stability Police Units (CoESPU), which are aimed at fighting piracy and awareness of maritime law. While it is still in an initial phase, Italy-ASEAN security cooperation underscores the mutual values that motivate the actions of the parties, namely their commitment to upkeep the current maritime order, observing international law and, crucially, supporting the Association's vision of an Indo-Pacific region that promotes development, peace and inclusivity through initiatives to strengthen connectivity and economic resilience.

Second, economic cooperation is given great attention by both parties with the establishment of several initiatives in trade, technology and development. Moreover, economic cooperation between them started prior to the establishment of the partnership with the first Italy-ASEAN High-Level Dialogue on Economic Cooperation in 2017, a platform for integrated dialogue between high-level businesses and institutions. In 2022 guidelines further stressed the possibilities for immediate cooperation in areas such as trade, development of medium and small-medium enterprises, digital integration, tourism, energy security and food sustainability. Priorities include business engagement, support for entrepreneurship, cybersecurity, AI, e-commerce, climate research, sustainable tourism and knowledge-sharing in agriculture, forestry and energy. Attention is also paid to sharing capacity-building in technology, governance and innovation in order to foster inclusive economic growth. Indeed, according to data provided during the last Italy-ASEAN High Level Dialogue in Manila in late 2024, from 2017 to 2022 the overall volume of foreign direct investment (FDI) by Italy in ASEAN rose to €31.5 billion, a more than threefold increase compared to the €9.73 billion recorded from 2011 to 2016.⁷ Similarly, overall commercial trade between Italy and ASEAN increased to \$131 billion between 2017 and 2023,⁸ with an increase of 1.4 times compared to the \$93.1 billion registered between 2010 and 2016. Economic ties between Italy and ASEAN outpace many of Italy's European peers in both investment and trade. In fact, Italy was the top trader with ASEAN and second top investor after France between 2017 and 2023.⁹ Similarly, according to Italian Ministry of Foreign Affairs trade data, The volume of trade between Italy and the region has experienced consistent increases reaching 30% year-on-year in 2022, with a decline of 9.3% in 2023, showing, however, robust growth over time.¹⁰ Moreover, ASEAN recognises the importance of initiatives such as the High-Level Dialogue and the role of other actors like the *Cassa Depositi e Prestiti* and the Italy-ASEAN Association in fostering economic cooperation. The latter contributes to strengthening economic dialogue, while the former provides financial support to small and medium-sized enterprises. In addition, during the last Dialogue, it was stressed that Italy's efforts in economic cooperation and know-how transfers cater to the need of many ASEAN countries to strengthen their resilience to extreme weather phenomena, especially through the use of the Italian Climate Fund, which allocates some 4.4 billion euros to

6 Ibid.

7 The European House – Ambrosetti. (2024 (a). *State-of-the-art of Italy and ASEAN economic relationship and partnership opportunities. High Level Dialogue on ASEAN Italy Economic Relations*. [https://eventi.ambrosetti.eu/high-level-dialogue-asean-italy-2024/wp-content/uploads/sites/274/2024/11/Asean-2024-Position-Paper-State-Art-Italy-ASEAN-economic-relationship-REV.pdf?contentReference\[oaicite:3\]{index=3}](https://eventi.ambrosetti.eu/high-level-dialogue-asean-italy-2024/wp-content/uploads/sites/274/2024/11/Asean-2024-Position-Paper-State-Art-Italy-ASEAN-economic-relationship-REV.pdf?contentReference[oaicite:3]{index=3}).

8 Ibid. note 7.

9 Ibid. note 8.

10 Ministero degli Affari Esteri e della Cooperazione Internazionale. 2024. *ASEAN – Principali indicatori economici*. InfoMercatiEsteri. https://www.infomercatiesteri.it/public/osservatorio/schede-aree-geografiche/Indicatori%20ASEAN_23_02_2024_1708686369.pdf.

finance initiatives aimed at fighting the effects of climate change.¹¹ Last, burgeoning tourism¹² flows between the regions testify to the vitality of this industry, which constitutes a pivotal sector to promote both economic engagement and people-to-people connectivity, in a context of growing economic relations promoted by institutions and at the top of foreign policy agendas.

Third, bilateral relations also involve socio-cultural cooperation. The parties have set a substantive list of priorities such as education, cultural exchanges, workforce development, disaster resilience, health training, climate action, biodiversity conservation and air quality improvement. Initiatives include student exchanges, vocational training, diplomatic collaboration, digital education, heritage preservation and transboundary haze control. Capacity-building and knowledge-sharing drive sustainable development, resilience and regional connectivity. In this field, it is reported¹³ that Italy has sustained efforts in archaeology and educational training and promoted initiatives financed by its Directorate-General for Global Affairs such as the 'Italy-ASEAN Virtual Learning Centre,' kickstarting a Youth Conference on ASEAN and Italy and financing summer schools on Human Rights and Democracy organised by the Global Campus of Human Rights at the National University of Timor Est with the participation of students and lecturers from ASEAN countries.

Last, the parties set as a common objective narrowing the development gap and cooperating on sustainable development, with a focus on poverty alleviation and sustainable development (according to the UN Sustainable Development Goals). ASEAN praises Italy's efforts and the activity of AICS (Italian Agency for Development Cooperation), an agency financed by the Ministry of Foreign Affairs and International Cooperation. In 2022 AICS centralised its operations in Southeast Asia and the Pacific islands by elevating its branch in Vietnam (operational in different forms since 1990) to be its regional headquarters and by setting up a secondary accreditation office in Jakarta, where the ASEAN Secretariat (ASEC) is located.¹⁴ In the region, AICS is active in Vietnam, the Philippines and Myanmar with several projects. In addition to specific interventions in each country, AICS is also active with ASEAN in several initiatives, in compliance with ASEAN's 2030 development goals. Specifically, AICS is involved in a 2.8-million-euro project for sustainable agriculture to fight climate change and poverty, an almost 3-million-euro project for cooperation on sustainable fisheries and fishing activities, and finally AICS has budgeted 2.5 million euro for the ASEAN fund for the mitigation of COVID effects.¹⁵

In sum, Italy sees ASEAN as a crucial actor to increase its footprint in the region in several fields, and it has recently accelerated its reach and ties with the association. Growing relationships built on expanding economic foundations and economic interests definitely sustain such processes. However, this overview of the areas of cooperation shows that a commonality of preferences for multilateralism and international cooperation on conducting inter-state affairs permeate the relationship. Such norm-alignment is testified by the adherence and compliance of Italy to ASEAN norms and priorities on the one hand, and by the focus on connectivity and cooperation that characterises the EU Strategy for Cooperation in the Indo-Pacific¹⁶ on the other hand. Through these channels, Italy seeks to quietly expand its ties with the Association and further enmesh itself in the relationship with ASEAN in the management of regional affairs, which is consistent with the overall Italian approach to the Indo-Pacific region as a whole. In fact, Italy must continue to shape its engagement with ASEAN by stressing the importance of maintaining the rules-based order and respecting international law in the

11 The European House – Ambrosetti. 2024 (b). *Competitiveness of ASEAN Countries: The State-of-the-Art as Measured by TEHA's 2024 Global Attractiveness Index*. Accessed 9 March 2025. https://www.ambrosetti.eu/en/site/get-media/?type=doc&id=21965&doc_player=1.

12 Ibid. note 7.

13 Ibid. note 6.

14 Development Cooperation – Ambasciata d'Italia Jakarta. <https://ambjakarta.esteri.it/en/italia-e-indonesia/cooperazione-allo-sviluppo/>.

15 Agenzia Italiana per la Cooperazione allo Sviluppo. 2024. *Rapporto annuale 2023*. <https://hanoi.aics.gov.it/wp-content/uploads/2024/06/AICS-Hanoi-Rapporto-Annuale-2023.pdf>.

16 European Commission. (2021). *The EU strategy for cooperation in the Indo-Pacific* (Joint Communication JOIN/2021/24 final). European External Action Service. https://www.eeas.europa.eu/sites/default/files/jointcommunication_2021_24_1_en.pdf.

conduct of international affairs, for sustained economic expansion and mutually beneficial growth.

Vietnam

Vietnam is one of the closest partners of Italy among the ASEAN nations. The two states have maintained a strategic partnership since 2013.¹⁷ This was strengthened by high-level visits in 2023. This framework encompasses several agreements: an executive protocol for cultural and educational collaboration, a letter of intent to create a joint centre of excellence for training in industrial cooperation, on academic exchanges and a Defence Cooperation Memorandum. These agreements constitute the groundwork for tangible projects such as academic exchanges and military industrial collaboration. Italy and Vietnam jointly engage in a Mixed Economic Commission,¹⁸ the 9th meeting of which in January 2025 focused on enhancing energy, joint industrial projects, infrastructure, trade, investment, market access, information and communication, the environment, agriculture, culture, sport and tourism. Trade has flourished, with Vietnam being Italy's primary commercial partner in ASEAN.¹⁹ Moreover, Italy has facilitated the development of Vietnam with a debt-for-development swap programme and has provided technical assistance in sectors such as water management.²⁰

Italy has strengthened naval cooperation with Vietnam, notably with a 2023 port visit of the Italian Navy offshore patrol vessel ITS Francesco Morosini to Ho Chi Minh City, which included a joint drill with the Vietnamese Navy.²¹ Indeed, the visit highlighted Italy's intention to promote defence collaboration and employ dual-use maritime technology.

Furthermore, bilateral trade surpassed \$6.57 billion in 2024,²² reflecting 11% growth compared to the previous year. Vietnam is a vital provider of electronics, textiles and agricultural commodities, whereas Italy exports equipment, fashion items, medicines and automotive goods. Following the implementation of an EU-Vietnam Free Trade Agreement (EVFTA)²³ in August 2020, restrictions on Italian products entering Vietnam were reduced, which boosted Italian exports of industrial equipment and luxury items. As multinational corporations move their operations away from China, Vietnam has become a pivotal manufacturing centre and could potentially manufacture Italian exports of machinery, industrial automation and renewable energy technologies. Italy is eager to incorporate Vietnam more extensively in its supply chains and investment frameworks and to utilise the EVFTA as a vital trade tool. Italy ought to boost its investments in Vietnam's high-tech industries.²⁴ Vietnam is advancing in value chains by cultivating businesses such as semiconductors, artificial intelligence and sustainable technology. Italy should promote investment and collaborative partnerships in these industries to maintain competitiveness. Moreover, promoting collaboration between small and medium-sized enterprises (SMEs) would be advantageous since Italian SMEs possess knowledge of industrial machinery, design and automation, which aligns with Vietnam's industrial enhancement initiative.

17 Pezzati, Andrea. 2023. "Italy and Vietnam Mark 50 Years of Diplomatic Relations." *The Diplomat*, 21 December.

18 Italian Embassy in Hanoi. "Meetings." *Ambasciata d'Italia Hanoi*, accessed 15 March 2025. <https://ambhanoi.esteri.it/en/italia-e-vietnam/rapporti-politici/meetings/>.

19 Vietnam.vn. "Chấp Cảnh Cho Quan Hệ Thương Mại Việt Nam – Italy." *Vietnam.vn*, accessed 15 March 2025. <https://www.vietnam.vn/chap-can-h-cho-quan-he-thuong-mai-viet-nam-italy>.

20 Italian Agency for Development Cooperation. "Italy-Vietnam Debt Swap Program Starting Its Activities in Quang Tri." *Italian Agency for Development Cooperation – Hanoi*, 27 February 2024. <https://hanoi.aics.gov.it/news/italy-vietnam-debt-swap-program-starting-its-activities-in-quang-tri/?lang=en>.

21 Port call of the Italian vessel "ITS MOROSINI" in Ho Chi Minh City https://ambhanoi.esteri.it/it/news/dall_ambasciata/2023/05/port-call-of-the-italian-vessel/?utm_source=chatgpt.com.

22 Osservatorio Economico MAECI, "Scheda di Sintesi: Vietnam," 2025 https://www.infomercatiesteri.it/public/osservatorio/schede-sintesi/vietnam_143.pdf.

23 Vietnam Briefing. "Italian Investment in Vietnam: How to Leverage the EVFTA." *Vietnam Briefing*, <https://www.vietnam-briefing.com/news/italian-investment-vietnam-leverage-evfta.html>.

24 Pezzati, Andrea. "Italy and Vietnam Mark 50 Years of Diplomatic Relations." *The Diplomat*, 21 December 2023.

In addition to these robust economic links, Italy and Vietnam aim to enhance their defence collaboration. This is motivated by Vietnam's desire to diversify its military suppliers and Italy's sophisticated defence sector, especially in naval technology, aircraft and training. A 2013 Memorandum of Understanding (MoU) on Defence Cooperation instituted high-level discussions, military training exchanges and collaborative research efforts. In January 2025, Vietnam's Deputy Military Minister convened a delegation from Italy's Leonardo military business²⁵ to deliberate on prospective agreements on radar systems, naval technologies and aircraft. In January 2025 Leonardo expanded its footprint in Southeast Asia by establishing a representative office in Hanoi, which shows its interest in fostering collaboration with the country.²⁶

Although military connections were restricted during the time of the Vietnam War, current relations are facilitated by Italy's historical diplomatic initiatives during the War, which strengthened Rome's image as a "neutral middleman"²⁷ in the conflict. This may open avenues for further enhancing cooperation in the defence industry, since Vietnam's naval modernisation initiative offers prospects for Italian shipbuilders (Fincantieri)²⁸ and defence companies (Leonardo) to provide frigates, patrol vessels and surveillance equipment. Notably, in December 2014, Vietnam Helicopter Corporation (VNH) signed a contract with Italy's AgustaWestland, part of Leonardo, for the acquisition of two AW189 super-medium helicopters. These were deployed by VNH South and VNH North for offshore transport operations, showing Vietnam's trust in Italian aerospace technology.²⁹

Indonesia

Italy and Indonesia have cultivated a dynamic relationship in recent decades marked by increasing trade, investment, cultural exchanges and nascent security collaboration. As the largest economy in Southeast Asia and a pivotal member of the G20, ASEAN and recently BRICS, Indonesia has economic and geopolitical significance for Italy. Rome ranks as the third-largest commercial partner of Indonesia³⁰ in the EU and is essential in enhancing economic and diplomatic relations between Europe and Southeast Asia. Nonetheless, obstacles such as legal constraints, competition by other EU nations and evolving geopolitical factors make it necessary for Italy to enhance its approach.

Economic and trade links constitute a fundamental aspect of Italy-Indonesia ties. Bilateral commerce has consistently increased, and it reached \$3.9 billion in 2023. Indonesia exports rubber, palm oil, textiles and coffee to Italy, while Italy sells machinery, automotive components, fashion items and pharmaceuticals to Indonesia.

25 Ambasciata d'Italia ad Hanoi. "Leonardo Inaugura l'Ufficio di Rappresentanza in Vietnam, Rafforzando la Cooperazione Tecnologica nel Sudest Asiatico." Ambasciata d'Italia ad Hanoi, January 2025. https://ambhanoi.esteri.it/en/news/dall_ambasciata/2025/01/leonardo-inaugura-lufficio-di-rappresentanza-in-vietnam-rafforzando-la-cooperazione-tecnologica-nel-sudest-asiatico/.

26 Leonardo. "Leonardo Expands Asian Footprint with New Vietnam Representative Office." AIAD, 23 January 2025. <https://aiad.it/leonardo-espande-la-sua-presenza-in-asia-con-un-nuovo-ufficio-di-rappresentanza-in-vietnam/?lang=en>.

27 Varsori, Antonio. "Italy – A 'Bridge' Between the Blocks During the Vietnam War." In *Perforating the Iron Curtain: European Détente, Transatlantic Relations, and the Cold War, 1965-1985*, edited by Poul Villaume and Odd Arne Westad, 213–230. Copenhagen: Museum Tusulanum Press, 2010.

28 Antara News. "Indonesia Buys Two Upgradable OPVs from Italian Shipyard Fincantieri." Antara News Jawa Timur, March 2025. <https://jatim.antaranews.com/berita/780894/indonesia-buys-two-upgradable-opvs-from-italian-shipyard-fincantieri>.

29 AgustaWestland. "AW1206 AW189 Vietnam." Leonardo, 10 December 2014. <https://www.leonardo.com/en/press-release-detail/-/detail/aw1206>.

30 Embassy of Italy in Jakarta. "Economic Diplomacy." Ambasciata d'Italia Jakarta, accessed 15 March 2025. <https://ambjakarta.esteri.it/en/italia-e-indonesia/diplomazia-economica/>.

Italy endorsed Indonesia's accession to the OECD and continues to strongly support Jakarta's candidacy. In addition, Italy advocates continuation of a constructive dialogue between the EU and Indonesia on differences at the technical level, including ones stemming from the ongoing negotiations on an EU-Indonesia Comprehensive Economic Partnership Agreement (CEPA),³¹ which aims to reduce tariffs and boost Italian investments in Indonesia's industrial and service sectors. In 2018, Italian foreign direct investment (FDI)³² in Indonesia totalled \$32.09 million in 187 projects, positioning Italy as one of the leading EU investors in the nation, especially in the manufacturing, energy and infrastructure sectors. Prominent Italian corporations, like ENI (energy), Leonardo (defence) and Piaggio (automotives), have augmented their activities in Indonesia and capitalised on the nation's economic expansion. Italy has progressively engaged in Indonesia's renewable energy sector and infrastructure initiatives, which are essential in Indonesia's economic modernisation endeavours.

The Italian government ought to enhance collaboration in the defence industry and establish itself as a pivotal ally in Indonesia's military upgrading efforts. Italy already has a strategic entry point through Fincantieri,³³ which has successfully sold multipurpose offshore patrol vessels (PPA) to Indonesia. However, Italy faces stiff competition from other EU countries, particularly France and Germany, which are also vying for influence in the region. Furthermore, unlike Vietnam, Indonesia offers a more intricate legislative and business landscape, which Italy must meticulously traverse to optimise its involvement.

Indeed, it is imperative for the Italian government to assess the challenges posed by frequent political fluctuations and persistent military involvement in governance, which may present significant obstacles for Italian enterprises and diplomatic engagement in both Indonesia and Vietnam.

Thailand

Italy and Thailand maintain a historical diplomatic relationship that commenced in 1868, making it one of Italy's most enduring ties in Asia.³⁴ This connection has developed into a strong economic, cultural and strategic partnership, with Thailand becoming Italy's fourth-largest trading partner in ASEAN.³⁵ Italy significantly contributes to Thailand's infrastructure, luxury market and industrial sectors. In addition to economic relations, the two nations maintain robust cultural and educational interactions, although security and defence collaboration is somewhat constrained. As Thailand has established itself as a regional leader in advanced industries, technology and green energy,³⁶ Italy must enhance its engagement strategy to capitalise on these opportunities while addressing geopolitical complications, regulatory hurdles and competition from other EU and Asian partners. Bilateral commerce between Italy and Thailand amounted to \$4.27 billion in 2024³⁷ after exhibiting consistent growth over the preceding decade. Thailand sells air conditioning units, automobile components, rubber, electrical transformers and jewellery to Italy, while Italy exports machinery, high-end fashion, medicines and automotive parts to Thailand. The 4th Italy-Thailand Business Forum (2018) aimed to enhance corporate collaboration and emphasised investment prospects in Thailand's Eastern Economic Corridor (EEC), a high-tech industrial zone. Italian investments in Thailand have expanded, with firms such as Ducati (automotives), Ferrero (food) and Leonardo

31 Iannone, Aniello. "The European Union and Prabowo's Indonesia: What's Changed?" The Jakarta Post, 22 November 2024. <https://www.thejakartapost.com/opinion/2024/11/22/the-european-union-and-prabowos-indonesia-whats-changed.html>.

32 OECD. OECD International Direct Investment Statistics 2019. Paris: OECD Publishing, 2020. <https://doi.org/10.1787/g2g9fb42-en>.

33 Asia Military Review https://www.asiamilitaryreview.com/2025/02/fincantieri-renames-two-new-combat-ships-for-indonesian-navy-foc/?utm_source=chatgpt.com.

34 Elite Plus Magazine. "150 Years of Thai-Italian Relations." Elite Plus Magazine, n.d. https://www.eliteplusmagazine.com/Article/103/150_Years_Of_Thai-Italian_Relations.

35 "Italy the Focus for Outlays in the EEC." Bangkok Post, n.d. <https://www.bangkokpost.com/business/general/2558041/italy-the-focus-for-outlays-in-the-eec>.

36 World Bank. Clean Energy: An Exporter's Guide to China, India, and the European Union. Washington, D.C.: World Bank, 2011. <https://documents1.worldbank.org/curated/zh/576401468120848097/pdf/662200WP0p12440e0Clean0Energy0all07.pdf>.

37 Osservatorio Economico MAECI, "Scheda di Sintesi: Thailandia," https://www.infomercatiesteri.it/public/osservatorio/schede-sintesi/thailandia_141.pdf. <https://www.bangkokpost.com/business/2489787/thai-and-italian-business-leaders-meet-to-enhance-relations>.

(aerospace and defence) enhancing their operations, thus capitalising on the country's strategic position as a manufacturing and logistical hub. Consequently, there has been a revival of EU-Thailand free trade agreement (FTA) negotiations, which were halted following Thailand's 2014 coup but resumed in 2023. In addition, Thailand's economic policies and industrial aims, especially in the Thailand 4.0 programme, provide significant prospects for Italy in smart manufacturing, the digital economy and green technology.

Regarding security and defence collaboration, in contrast to Italy's robust defence agreements with Vietnam, its military relations with Thailand are somewhat weak. However, recent naval visits and arms trade deals signify an increasing interest in security partnership. Thailand's military significantly influences the nation's political environment³⁸ and maintains robust connections with the monarchy. Defence diplomacy with Thailand must be conducted cautiously to mitigate potential political sensitivities. EU-Thailand relations are influenced by Thailand's democratic developments, which have direct implications for trade discussions.

Malaysia

Italy and Malaysia have maintained amicable relations focusing on commerce and investment. Italy buys Malaysian electronics and palm oil, whereas Malaysia purchases Italian machinery and chemicals. Defence cooperation between Italy and Malaysia is based on a Memorandum of Understanding (MoU) in force since 1998, which establishes a framework for collaboration in areas such as training, technology transfer and defence industry relations. For instance, Malaysian pilots continue to receive training on Italian aircraft. The parties also have a Bilateral Investment Treaty (BIT) in force since 1998, which aims to promote and protect mutual investment by ensuring fair treatment and protection against expropriation while facilitating the transfer of funds and resolving disputes between investors and states. A notable event was Malaysia hosting the 6th ASEAN-Italy High-Level Dialogue in Kuala Lumpur (July 2022),³⁹ during which both governments expressed their commitment to enhancing economic relations. Subsequently, Italy's aerospace giant Leonardo declared its intention to establish collaboration with Malaysian institutions in aerospace technology⁴⁰ by 2030.⁴¹

Defence cooperation between Italy and Malaysia has been underpinned by significant arms deals and growing industrial collaboration.⁴² Italy's defence firms play a central role in Malaysia's defence modernisation. In the late 1990s, Malaysia purchased four Laksamana-class corvettes from Italy's Fincantieri shipyard. Under contracts signed in 1995 and 1997, the Italian shipbuilder supplied the Royal Malaysian Navy with these 650-ton missile-armed corvettes (originally built for Iraq).⁴³ Helicopters are a centrepiece of Italian contributions to Malaysia. Leonardo (through its helicopter division, formerly AgustaWestland)⁴⁴ has supplied a large fleet of rotary-wing aircraft to Malaysia. In the past decade, Malaysia's military and agencies have acquired around 60 Italian-made helicopters for roles including naval operations, search-and-rescue, transport and law enforcement.

38 Cogan, Mark S. "Can Thailand's Military Evolve?: Moving Beyond Domestic Interference, Institutional Corruption, and Personal Gain." *Journal of Indo-Pacific Affairs*, 2023.

39 6th High-Level Dialogue on ASEAN-Italy Economic Relations." Malaysian Investment Development Authority (MIDA). <https://www.mida.gov.my/media-release/6th-high-level-dialogue-on-asean-italy-economic-relations/>.

40 Leonardo Attends the Langkawi International Maritime and Aerospace in Malaysia." Leonardo. Accessed 15 March 2025. <https://www.leonardo.com/en/press-release-detail/-/detail/leonardo-attends-the-langkawi-international-maritime-and-aerospace-in-malaysia>.

41 Mida, "Malaysia, Italy seek stronger ties in aerospace". <https://www.mida.gov.my/mida-news/malaysia-italy-seek-stronger-ties-in-aerospace/>. 2021.

42 Asian Military Review. 2024. "DSA 2024: Leonardo and the Ministry of Defense of Malaysia Celebrate Industrial Collaboration Programme Agreement." *Asian Military Review*, May 2024. <https://www.asianmilitaryreview.com/2024/05/dsa-2024-leonardo-and-the-ministry-of-defense-of-malaysia-celebrate-industrial-collaboration-programme-agreement/>.

43 *Naval Technology*. 2001. "Laksamana-Class Corvettes." *Naval Technology*. <https://www.naval-technology.com/projects/laksamana/?cf-view>.

44 InvestKL. n.d. "AgustaWestland Hovers Higher on Helicopter Boom." InvestKL. <https://www.investkl.gov.my/insights/success-stories/europe/agustawestland-hovers-higher-on-helicopter-boom>.

Beyond platforms, Italian defence technology is present in Malaysia's defence infrastructure. Leonardo has provided air-defence radars, avionics and naval combat systems for various Malaysian assets (for instance, Oto Melara naval guns and Aspide/Mistral⁴⁵ SAM systems on Malaysian ships). In 2019, the Italian aerospace and defence company Leonardo signed a Memorandum of Understanding with Malaysia's Sapura Secured Technologies focusing on cybersecurity, and particularly on protection of critical infrastructure. A Memorandum of Understanding signed at the Paris Air Show 2019 led to collaboration on a Cyber Academy and Cyber Range in Malaysia. It is reasonable for Italian and Malaysian security agencies to share terrorism-related intelligence, methodologies for deradicalisation and lessons from counter-IED operations. This can occur through defence attachés, joint working groups or via multilateral forums (e.g. Italy's participation in the Global Coalition against ISIS and Malaysia in ASEAN counter-terrorism bodies). By exchanging threat information and best practices, both countries enhance their abilities to prevent attacks and dismantle extremist networks. Given Malaysia's strategic location along the Strait of Malacca and the South China Sea, maritime domain intelligence is crucial. Italy has therefore deployed naval assets to Southeast Asia, reflecting a shared interest in freedom of navigation and combating piracy and illicit trafficking. While official details on intelligence-sharing remain limited, cooperation between Italy and Malaysia appears to concentrate on counterterrorism and counter-piracy initiatives. This collaboration is further supported by broader EU programmes, such as the Critical Maritime Routes Programme (CRIMARIO), which aims to enhance regional maritime domain awareness.

Singapore

Singapore is Italy's most advanced partner in ASEAN and serves as a strategic hub for Italian enterprises in the region, with bilateral commerce reaching approximately \$4.82 billion in 2024.⁴⁶ A Scientific and Technological Cooperation Agreement has existed for years,⁴⁷ which provides money for collaborative research initiatives in robotics and materials science. In August 2021, Italy and Singapore signed a significant Memorandum on Digital Cooperation,⁴⁸ which enhanced engagement in the digital economy, cybersecurity, e-government and fintech. The MoU, signed by Italy's Innovation Minister Vittorio Colao and Singapore's Minister Josephine Teo, seeks to enhance collaboration in domains including digitalisation plans, e-commerce, new technologies and digital governance. It shows the commitment of both nations to innovation as a catalyst for progress.

Furthermore, in 2012 the two countries signed a Memorandum of Understanding on defence cooperation. As a result, Singapore's air force conducts training on Italian M-346 jet trainers and has procured Leonardo helicopters for its Navy. Under an Italy-Singapore Design Framework (updated in 2019) the parties also collaborate on fashion and industrial design. Singapore and Italy jointly participate in international finance, with Singapore's sovereign wealth funds investing in Italian enterprises. At the same time, Italy appreciates Singapore's involvement in global climate finance, which aligns with Rome's promotion of sustainable development.

45 Army Recognition. 2019. "Paris Air Show 2019: Leonardo and Sapura Signed a MoU on Cyber Defence." Army Recognition, June 2019. <https://armyrecognition.com/news/aerospace-news/2019/paris-air-show-2019-leonardo-and-sapura-signed-a-mou-on-cyber-defence>.

46 Osservatorio Economico MAECI, "Scheda di Sintesi: Singapore, 2025.

47 Singapore's Existing S&T Relations with Italy." Ambasciata d'Italia a Singapore. <https://ambsingapore.esteri.it/en/italia-e-singapore/diplomazia-scientifica/singapores-existing-st-relations-with-italy/#:~:text=Singapore%E2%80%99s%20existing%20S&T%20relations%20with,which%20was%20subsequently%20signed>.

48 The Minister for Technological Innovation and Digital Transition of the Italian Republic and the Minister for Communications and Information of the Republic of Singapore Sign Memorandum." Ministero per l'Innovazione Tecnologica e la Transizione Digitale. <https://innovazione.gov.it/notizie/comunicati-stampa/en/signing-of-memorandum-between-italy-and-singapore/#:~:text=The%20Minister%20for%20Technological%20Innovation,The>.

The Philippines

The relationship between Italy and the Philippines has been cordial and longstanding for over 78 years. While they are aligned in terms of their views and sustainment of the current liberal order and are committed to multilateralism, the relationship has been largely economic. Italy is one of the European countries with the largest number of overseas Filipino workers, and so is an important economic partner to sustain Philippine exports (in the form of remittances in foreign currency). In turn, Italy is an important exporter to the Philippines, with a trade volume increasing from 611 million euros in 2016 to 1.2 billion euros in 2022,⁴⁹ with computer parts, optics, food and machinery having the greater shares. Beyond trade, Italy is also active in some development projects led by AICS, which is bringing to conclusion a multi-year project to sustain rural development worth approximately 40 million euro, and is still active in minor projects on climate change resilience and a debt-conversion initiative worth 2.9 million euros.⁵⁰ While certainly growing, Italy-Philippines economic relations have potential for further expansion. Moreover, Italy has been indirectly supporting the Philippines' stance in its maritime disputes with China in its Exclusive Economic Zone in the South China Sea (also known as the 'West Philippine Sea'). After an award rendered in South China Sea arbitration, Italy subscribed to a joint statement issued by the Council of the European Union⁵¹ acknowledging the relevance of the award as a backbone for upkeeping international and maritime law.

In terms of security cooperation, it is unclear whether Italy will follow the same path adopted by some of its European peers like France, Germany and the UK in signing defence cooperation agreements with Manila. Rome's interest in maritime security is manifested in some significant deployments of naval assets, such as a visit by the *Morosini* interceptor to Manila in 2023⁵² and by the aircraft carrier *Cavour* for humanitarian assistance/disaster relief and hospital care in 2024. According to declarations made by the Italian Embassy in Manila, negotiations on a memorandum of understanding on defence cooperation between Italy and the Philippines are ongoing, with renewed commitments made in October 2024. In addition, the Italian Navy has begun discussions with the Philippine Navy on potential collaboration on shipbuilding, on which Italy could contribute its technical expertise.⁵³

Conclusion

Italy's engagement with Southeast Asia continues to be shaped by converging economic interests, from exports and development cooperation to targeted foreign investments in key regional hubs, particularly Thailand and Vietnam. At the same time, Italy has strengthened its security and defence ties with selected partners such as Vietnam and Malaysia. This growing defence dimension reflects both industrial outreach and increasing institutional efforts to deepen strategic cooperation with the region. Italy's deepening ties with ASEAN and the wider region signal a shared preference for cooperative, peaceful and mutually beneficial relations. This alignment constitutes the groundwork for further expansion, not only in the economic and defence areas but also in development cooperation. Italy's involvement in this part of the world is significantly enhanced with its increased participation in EU-wide initiatives such as the Global Gateway, which enables Rome to deliver development assistance while concurrently supporting the internationalisation of Italian companies. To further consolidate its presence in the region, Italy is increasingly aligning its diplomatic, commercial and

49 Farina, M. (2023). *Le relazioni commerciali Italia- Sudest Asiatico: Rapporto TOASEAN n. 4*. Torino World Affairs Institute. <https://www.twai.it/journal/rapporto-toasean-4/>.

50 Ibid. note 12.

51 Council of the European Union. (2016). *Declaration by the High Representative on behalf of the EU on the award rendered in the case of the South China Sea arbitration*. <https://www.consilium.europa.eu/en/press/press-releases/2016/07/15/south-china-sea-arbitration/>.

52 Piasentini, M. 2023. "Il Pattugliatore *Morosini* Attracca a Manila: Un Punto di Svolta per le Relazioni Militari tra Italia e Filippine?" *Geopolitica.info*, <https://www.geopolitica.info/pattugliatore-morosini-manila-italia-filippine/>.

53 Tribune.net.ph. (18 March 18 2025). *PHL Navy engaged in exploratory talks on shipbuilding with Italian Navy*. Tribune ph. <https://tribune.net.ph/2025/03/18/phl-navy-engaged-in-exploratory-talks-on-shipbuilding-with-italian-navy>.

defence efforts with a deeper understanding of Southeast Asia's diverse legal, institutional and political contexts. Countries such as Indonesia and the Philippines offer unique opportunities that benefit from tailored context-sensitive approaches. Strengthening institutional ties and fostering strategic bilateral partnerships will enable Italy to expand its role as a credible and long-term partner in the Indo-Pacific.

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