<u>Press Releases: Briefing on Secretary</u> <u>Tillerson's Travel to the Philippines,</u> <u>Thailand, and Malaysia</u>

Special Briefing
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MS NAUERT: Thank you. Good morning, everyone, and thank you for joining us for today's call to preview Secretary Tillerson's upcoming travel later this week to the Philippines, to Thailand, and also to Malaysia. Today we're joined by Susan Thornton, the Acting Assistant Secretary of State for East Asian and Pacific Affairs. Today's call will be on the record. The content of this call will be embargoed until the conclusion of the call. And with that, I'll turn it over to Acting Assistant Secretary Thornton. Thanks for coming back; appreciate it.

MS THORNTON: Yep. Thank you, Heather. I'm very excited to be here today. We are heading out to the region for what should be a great chance to do some multilateral diplomacy in Asia, and also showcase bilateral ties with strong partners in Thailand and Malaysia. The Secretary, as you know from his comments yesterday, has spent a lot of time on Asia policy, and of course knows Southeast Asia well from his previous life. So the ASEAN — that's the Association of Southeast Asian Nations — the ASEAN-related ministerials in particular that we're going out for are a great opportunity to highlight U.S. engagement, to discuss U.S. priorities in the region and around the world, and also to prepare for leaders' meetings this fall that we're going to be having for both APEC and the East Asia Summit.

We began this prep with the Vice President's trip, actually, to the ASEAN secretariat in Jakarta in April, where he noted the President's intention to travel to the Summit this fall. The Secretary then hosted ASEAN foreign ministers here in Washington in May, and we've had many, many meetings and visits since, including the President's meetings with Prime Minister Lee and President Jokowi just last month in Hamburg.

So we are continuing our Southeast Asia engagement apace with the Secretary's upcoming trip to Philippines, Thailand, and Malaysia, and we are committed to

working with our allies and partners and friends to continue to provide regional security, to promote good governance and respect for the rules-based system, and to advance economic opportunity for the United States.

Just a word on North Korea. I know that the Secretary did speak quite a bit about North Korea yesterday. You've seen the statements and reactions from the White House, State Department, the UN mission in recent days to the — last week's launch. We continue to seek broad international cooperation to respond to North Korean provocations, and we call on the international community to enforce the UN Security Council resolutions passed to date, including the sanctions regimes within, and to drastically reduce their interactions with Pyongyang. And we stand ready, of course, to honor our ironclad commitments to defend our South Korean and Japanese allies.

And I think with that, I'll go ahead and close out my opening statement and look forward to your questions, and look forward to seeing some of you out there on the road as well.

MS NAUERT: Susan, thanks. Okay, let's take our first question, please.

OPERATOR: And ladies and gentlemen, if you'd like to ask a question, please press * then 1. Again, if you have any questions or comments, please press *1. Our question — first question is from Abigail Williams, NBC News. Please, go ahead.

QUESTION: Hi there. This is a — slightly left of center, but this is related to what the administration is doing regarding North Korea. I wondered if you could confirm reports that the Trump administration is planning trade measures to force China to crack down on intellectual property theft, and whether this will in any way hinder or impact cooperation with China on North Korea.

MS THORNTON: Well, I think there were some news articles about some kind of trade action this morning, but I don't think I have anything official for you on that, and don't have any further comment. We do have a lot of conversations with the Chinese about a whole range of trade and investment and other economic issues, and intellectual property rights is one that is a perennial favorite in those talks, and we talk to the Chinese about IPR violations and our concerns about those at every opportunity that we have to raise our concerns, and have made some progress over the years, but I think many of us who have been looking at this issue feel that the progress remains insufficient and needs to continue to be worked on. But I don't have any specifics for you on this thing that you raised.

MS NAUERT: Okay. Let's go on to the next question, please.

OPERATOR: And that's from Josh Lederman, AP. Please, go ahead.

QUESTION: Hey, thanks for doing this. So Secretary Tillerson said yesterday that the goal of applying pressure to North Korea is to develop a willingness for them to sit and talk with us. But I know you guys have all said the conditions aren't there yet. So I'm wondering how the Secretary will approach

the presence of North Korean Foreign Minister Ri Yong-ho in Manila, as North Korea has announced. Will he avoid the foreign minister? Is there any chance that they might find a moment to interact, even informally, on the sidelines of ASEAN?

MS THORTNON: Yeah. So I think, as you said, the Secretary was very clear yesterday in his discussion of North Korea that we are seeking to exert pressure on the North Korean regime in order to change their calculus about what — being willing to seriously discuss with us the abandonment of their nuclear and ballistic missile programs, which are prohibited by UN Security Council resolutions and other agreements.

So I think basically what we're trying to do is galvanize this pressure and isolate North Korea so that it can see what the opportunity cost is of developing these weapons programs, and that, we hope, will have the effect of bringing the regime in Pyongyang to the realization that it — they're just not worth keeping and that they would enter into a serious discussion with the international community about how to abandon what the process would be for giving up those weapons and what could they expect to gain from that decision. So that is very much what we hope to see unfold in the future. But that is — as I mentioned, it's in the future. As of right now, we don't see any indication that the North Koreans are willing to enter into such a serious discussion with us, and we have said that it's important now to create the conditions for them to make this change in their mind about their dedication to these weapons programs.

So I think right now we're still in the stage of elevating pressure on the North Korean regime, elevating their feeling of isolation. North Korea is a member of the ASEAN Regional Forum, which is one of the ministerial meetings that will be convening in Manila. They are not a member of the East Asia Summit, which is only 18 countries. The ASEAN Regional Forum is a broader grouping of countries in the region, and it's aimed at conflict prevention types of discussions and meetings and capacity-building.

So the North Koreans have been included in the ASEAN Regional Forum and have attended on an annual basis. I think what we would expect to see this year at the meeting would be a general chorus of condemnation of North Korea's provocative behavior and pretty serious diplomatic isolation directed at the North Korean foreign minister.

MS NAUERT: Okay, thank you, Susan. Next question, please.

OPERATOR: And that's from David Brunnstrom, Reuters News. Please, go ahead.

QUESTION: Yeah, thank you. Thank you very much. I mean, just to follow up on that last question, can you just say — are you saying that the Secretary will not be meeting under any circumstances with the North Korean foreign minister at the meeting? And is there any plan for a bilateral meeting with the Chinese foreign minister? And I'm wondering how they — the Secretary is going to counter perceptions in the region that the United States is not as committed as it could be in backing ASEAN countries and putting them in a position of having to find compromises with China rather than standing up to

MS THORNTON: Yes, so let me be clear on the first part of the question. The Secretary has no plans to meet the North Korean foreign minister in Manila, and I don't expect to see that happen.

On the contacts with other foreign ministers, including the Chinese, there will be a number of bilateral meetings. We're still working out the final schedule, so I don't have anything to announce, yet, on that. But I expect we will definitely have a chance to engage with the Chinese foreign minister while we're there and I think we'll have a chance to engage with a number of other foreign ministers there as well.

I'm not sure — the last question was about U.S. engagement, I believe, in Southeast Asia and with ASEAN. I mean, I think we have a very strong record in this administration of engagement with Southeast Asia. We've had a lot of travel out to the region, a lot of statements in support of ASEAN, ASEAN's centrality, continued ASEAN unity, and the importance of ASEAN to our approach to the region and what we believe is a very important element of the regional security architecture and the — very important for continued prosperity and peace in Asia. So I don't think that there's any question that the U.S. is somehow receding or toning down its engagement with the region. I think just the opposite: We are remaining engaged in this region which is crucially important to the future of U.S. security and prosperity.

MS NAUERT: Okay. Next question, please.

OPERATOR: And again, ladies and gentlemen, if you have any questions or comments, please press * then 1. And our next question comes from Carol Morello, *Washington Post*. Please, go ahead.

QUESTION: Hi, thank you for doing this. I guess we all have North Korea on the brain. Can you tell us if North Korea is expected to be on the Secretary's agenda when he goes to Kuala Lumpur and to Bangkok, or will that all be compartmentalized into the talks that he has in Manila? And in particular, is he seeking anything particularly strong from Malaysia, since I believe that's where Kim Jong-un's brother was assassinated?

MS THORNTON: Yeah, thank you. So I know that we have been keeping a close track on the issue of the assassination, as you put it, in Malaysia, and I know that the legal proceedings and trial in connection with that case are upcoming and the Malaysians are continuing their investigation. I'm sure that the issue of North Korea will be raised not only at the ministerial meetings in Manila but will also be raised in those bilateral contexts just because it is such a prominent security challenge now, not only in Northeast Asia, not only in Asia, but actually for the entire world. So I think since that is such a high administration priority and since it's also on the minds of all of the leaders in Asia, that that will undoubtedly be on the agenda for the bilateral meetings as well.

MS NAUERT: Okay. Next question, please.

OPERATOR: That comes from the line of David Clark with AFP. Please, go ahead.

QUESTION: Oh, hi. Thanks for doing this. And the bulk of my question was actually covered by Josh and David; thanks for that. I did have one detail I wanted to press you on on the regional forum. We understand that the United States had requested of some of its ASEAN partners that North Korea not be invited, as it usually is, to the regional forum. Obviously, you've spoken today about your desire to isolate them as much as possible. Isn't coming to this forum, even if they don't have a bilateral with the Americans, a sign that they're not as isolated as they could be?

MS THORNTON: Yeah, well, I think we've made clear in a number of statements and I've made statements as well about our efforts to continue to promote the diplomatic isolation of the North Korean regime. So what we've been doing is going around talking to partners about what more could they do to contribute to that increasing pressure on the regime and the increasing sort of diplomatic isolation of the regime. And it is true that in the case of the ASEAN Regional Forum, as I mentioned, it's a preventive diplomacy, a conflict-prevention organization. It has principles upon which membership is stipulated, and I think there wouldn't be many members of the ASEAN Regional Forum that would disagree that the North Korean regime has violated many of the principles of the ASEAN Regional Forum.

So I think what we have been sort of looking at is having a serious discussion of what it would take for a member to be suspended from this organization that is dedicated to conflict prevention and preventive diplomacy. And I think we're going to continue to have that conversation as it regards North Korea, and I think we'll see how that develops over the coming year. Of course, it's too late now to have that conversation since the meeting is upon us for this year, but we'll continue to explore this and continue to, I think, push the organization to think about what kinds of suspension measures or requirements or stipulations might be included in the future.

OPERATOR: And our next question —

MS NAUERT: Next - next question, please.

OPERATOR: - is from Carter Rice, Asahi Shimbun. Please, go ahead.

QUESTION: Hi, can you hear me?

MS NAUERT: Yes, go right ahead.

QUESTION: Hi. Actually, my questions were all addressed, but thank you.

MS NAUERT: Let's go on to the next one, then.

QUESTION: Next question is Justin Arnold, Yomiuri Shimbun. Please, go ahead.

QUESTION: Hey, thanks a lot for this. One thing I've noticed is that the South China Sea has dropped off as a major issue. Are there any plans to be talking about this during the ASEAN summit, and will the Secretary reinforce

the normal United States line that all parties need to deal with it, essentially? Thank you.

MS THORNTON: Yeah, I definitely would not agree that the South China Sea has in any way dropped off. It'll certainly be a focus of the discussion also in Manila, and I think this has been — if there's a perception that it's dropped off, it's only probably because the North Koreans keep shooting missiles and doing — and undertaking other provocations that knock this kind of out of the front of people's minds. But it certainly hasn't been knocked out of the front of our minds and it will be a focus at the upcoming meetings. I think the United States will continue to press for language that makes it clear that we are dedicated to protecting and defending freedom of navigation and overflight in the South China Sea. We also have had a number of conversations with allies and partners in the region about their concerns over latent tensions and continued concerns about maritime disputes in the South China Sea, and we'll press for due regard for legal processes, dispute resolution mechanisms, and upholding, certainly, international law and the UN Convention on the Law of the Sea.

So we will continue to press for that. I know that there is in the works an announcement about a framework on the code of conduct which has been discussed and agreed among the ASEAN states and China, which I believe they are going to be bringing to a conclusion in the context of these ministerial meetings. And I think the U.S. has certainly welcomed the agreement on the framework, but we are also continuing to call for the rapid adoption of an effective code of conduct. The framework is really just the outline of what would be the content of the agreement and the agreement still needs to be negotiated, and we would like to see it negotiated expeditiously and we would also like to see the eventual code of conduct contain effective measures to for restraint and for dispute resolution, and also that the - whatever the agreement eventually contains, that the content be considered by all parties to be legally binding. So there is a — still a road ahead on negotiation and dispute resolution in the South China Sea which we support, and we would like to see that happen quickly and that it would happen with those parameters in mind.

MS NAUERT: Next question, please.

OPERATOR: Our next question is from Bingru Wang, Hong Kong Phoenix TV. Please, go ahead.

QUESTION: Thank you. Thank you, Susan, for doing this. My question is: China has said that trade and North Korea issues are different, so they should not be discussed together. So how are you going to address the North Korea issue with the upcoming economic sanction measure in place?

And another question: More broadly, Trump administration has said that Asia rebalance strategy is abandoned, so what's the difference now with regarding how you engage the Asian countries? Thank you.

MS THORNTON: Yeah, thanks very much for that. So I think there has been a lot of discussion — I mean, the two kind of prominent areas of discussion with

China at a lot of our recent meetings have been these two topics of North Korea and what to do about the challenge that North Korea poses for the security of all of us and how we can all work together to try to bring about this change in the mind of the regime that I was talking about earlier and get them to the table to talk about giving up their weapons. We and China have the same goal, which is denuclearization of the Korean Peninsula, and so we share a mutual interest there and we want to find out how we can work more effectively together to bring about that change in North Korea that we would like to see.

On the issues of trade, trade has also been a prominent topic of discussion. We've had the China — U.S.-China Comprehensive Economic Dialogue here in Washington, D.C. recently that discussed the full gamut of trade and investment and economic issues, and that discussion is continuing and we've got a number of hundred-day plans in the works to negotiate resolution and show concrete progress in that relationship.

I think what you're talking about, the perceived linkage or the mentioned linkage between these two issues comes down to the question — and the Secretary talked about this at some length yesterday in his press conference — the question of what kind of relationship the U.S. and China are really going to have going forward, and can we work together to jointly resolve the key security challenge now facing Northeast Asia, which is the North Korea challenge. And if we can work together to do that, surely we can have a productive, mutually beneficial economic relationship in which we both enjoy reciprocal and fair access to each other's markets and that this becomes a good basis for exchange between our two nations and our two peoples. So I think it's not that they're linked in a transactional way, but they're linked in a — sort of a philosophical way if you think about the future of the relationship between the United States and China.

On the issue of the rebalance, I think that slogans are sometimes overrated or overused, but certainly, what the rebalance was trying to denote was that the U.S. is an Asia Pacific power, we're going to be engaged in the Asia Pacific region, we're a provider of security in the region, it's key to our prosperity and our economic future, and we are going to pay a lot of attention to Asia and we're going to put a lot of resources into our policy focus and our engagement and our interaction with Asia.

And so I think you've seen the engagement by all — so many high-level officials, with leaders coming here, with our high-level cabinet officials going there, with the President's trip upcoming later this fall, so I think it's really just a matter of naming it. And I think I would say our active engagement is frankly continuing and is not going to be changing anytime soon.

MS NAUERT: Okay, thank you. Next question.

OPERATOR: Our next question is from Conor Finnegan, ABC News. Please, go ahead.

QUESTION: Thanks very much for doing this. I was also wondering if the

Secretary had any plans to meet directly with President Duterte, and if so, or even if not, how he'll express America's concerns about his human rights record while the Secretary is over there.

MS THORNTON: Yeah. Thank you very much for that question. We're really looking forward to the trip to Manila, and I think part of the reason why we're looking forward to it — not just the multilateral diplomacy, but there will be a chance for — to have a very good, robust bilateral program with the Philippines while we're there on the margins of the ministerial meetings. We're still working out the last details of the schedule of that bilateral meeting, so I can't tell you exactly what the meeting schedule is, but we will certainly get those details out as soon as we have them.

But I think you can be sure that we will be raising all of the relevant issues that we have in the bilateral alliance relationship with the Philippines. We have a lot of things to talk about, obviously. The Philippines is right now grappling with a very difficult situation down in the southern island of Mindanao with the ISIS takeover of one of the cities down there. And we are working together not just with the Philippines, but other countries in the region to try to address the growing concerns and growing threats, frankly, of international terrorism. But certainly, we will be talking about governance, about human rights issues, and about how we can increase our economic and other kinds of people-to-people engagement with the Philippines. It's one of our very important and oldest friends and partners in the region, and we are looking forward to being able to furnish the relationship and restore those bonds of friendship.

MS NAUERT: Okay, thank you. Last question.

OPERATOR: And that's from Margaret Warner, PBS. Please, go ahead.

QUESTION: Hi there. Thank you for doing this. In the question about the linkage between trade and North Korea, you said essentially, going forward, we're — we want to see if we can work together to solve the North Korea challenge. And if so, we can have a mutually beneficial relationship on trade. So flipping it around, though, what if you can't come to a — if the U.S. and China are not able to work together to solve the North Korea challenge, does that mean — what does that mean for the trade relationship?

MS THORNTON: Yeah, I don't think that I mentioned that there was that kind of explicit linkage between the if we can have a good relationship on North Korea then we can have a mutually beneficial relationship on trade. I think it's more of a holistic kind of nature of the relationship question that we're looking at in both of those cases, and they're not necessarily connected in that way; they kind of run parallel.

But on the issue of sort of how we work with China and — on North Korea, I mean, there are a lot of "if" questions out there. I don't think I'm necessarily that enthusiastic about answering these kind of hypothetical questions, but I would sort of go back to what the Secretary was talking about yesterday with regard to how we're working with China on North Korea. What we think we've seen today in the way of cooperation, which we have seen

significant steps taken by China to increase pressure on North Korea — frankly, unprecedented steps. And we do have indications that China is extremely concerned about North Korea and extremely unhappy with the direction things are going. They realize that this is becoming a greater and greater threat to China's own security, and we see a growing determination on their part to take steps to try to address the situation seriously.

We think that they can do a lot more, as the Secretary mentioned yesterday; 90 percent of the North Koreans' economy is still flowing through China, so that de facto gives them more leverage than other countries with more feeble and weak economic ties to North Korea. So we do want them to do more. We're working with them currently to continue to step up enforcement of sanctions and to try to levy additional sanctions, so I think we have to keep working on that track. It takes time, it takes a lot of shoe-leather diplomacy and hard work, it takes a lot of work on the part of the Chinese Government to do this, and we would like to see more action faster and more obvious and quick results. But I think we're not giving up yet.

MS NAUERT: Okay. Everyone, thank you so much for joining us. Acting Assistant Secretary Thornton, thank you as well. The embargo has now been lifted. Everyone, have a great day. And Susan, look forward to your trip.

MS THORNTON: Thank you.

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