

The Parliament of the Commonwealth of Australia

Report on the Australian Parliamentary Delegation to Indonesia, Brunei and Laos

11 to 24 April 2010

House of Representatives

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Membership of the Delegation

Delegation Leader The Hon Duncan Kerr SC MP

Members Dr Mal Washer MP
 Mr Kelvin Thomson MP

Delegation Secretariat

Delegation Secretary Dr Kris Veenstra

Administration Officer Mrs Donna Quintus-Bosz



List of abbreviations

AADCPII	ASEAN Australia Development Cooperation ProgramPhase II
AANZFTA	ASEAN-Australia-New Zealand Free Trade Agreement
AIFDR	Australia-Indonesia Facility for Disaster Reduction
AO	Order of Australia
APEC	Australia Pacific Economic Cooperation
ASEAN	Association of South-East Asian Nations
ASEANAPOL	ASEAN Chiefs of National Police
AusAID	Australian Agency for International Development
BEDB	Brunei Economic Development Board
BOSF	Borneo Orangutan Survival Foundation
CCAI	Climate Change Adaptation Initiative
COPE	Cooperative Orthotic and Prosthetic Enterprise
CPR	Committee of Permanent Representatives
DFAT	Department of Foreign Affairs and Trade
DPD	House of Regional Representatives, Indonesia
DPR	House of Representatives, Indonesia

DPRD-I	Indonesian Provincial Legislatures
DPRD-II	Indonesian District Councils
EAS	East Asia Summit
HE	His Excellency
KBK	Brunei's Joint Working Group on Counter Terrorism
KFCP	Kalimantan Forests and Climate Partnership
Lao PDR	Lao People's Democratic Republic
LegCo	Brunei's Legislative Council
LPRP	Lao People's Revolutionary Party
MDGs	United Nations Millennium Development Goals
MOU	Memorandum of Understanding
MP	Member of Parliament
MPR	Indonesia's People's Consultative Assembly
MRC	Mekong River Commission
NEM	New Economic Mechanism
PNPM	National Program for Community Empowerment
PTEM	Energy Club (for school children)
REDD	United Nations Reducing Emissions from Deforestation and Forest Degradation in Developing Countries
SPN21	National Educational System for 21 st Century
TNI	Indonesian National Defence Force
UNDP	United Nations Development Program
UXO	UnExploded ordnance

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Introduction

- 1.1 This report summarises the activities and observations of a delegation from the Parliament of Australia that visited Indonesia, Brunei and Laos between 11 and 24 April 2010.
- 1.2 Since 2009, the Australian Parliament's annual outgoing delegations program has included a visit to member countries of the Association of Southeast Asian Nations (ASEAN). Each year the visit encompasses three ASEAN countries with democratically elected parliaments.

Aims and objectives of the delegation

- 1.3 The aims of the annual Australian parliamentary delegation visit to ASEAN countries are to gain an appreciation of each country's relationship with ASEAN, to better understand developments in ASEAN countries and to examine opportunities to broaden links with those countries focusing on:
 - economic development, including responses to global economic issues and opportunities to strengthen trade and investment links
 - environment, including policies and initiatives to meet the challenges of climate change
 - security, including defence cooperation and responses to the threat of terrorism
 - social development, including community health and education.
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Delegation briefings

- 1.4 In the period prior to the delegation, Members met with officials from the Department of Foreign Affairs and Trade (DFAT) and AusAID to discuss a visit program tailored to the aims and objectives. The oral briefings were supplemented by comprehensive written briefings provided before the delegation departed and, upon arrival in each country, the delegation were provided with further oral and written briefings by Australia's diplomatic staff.
- 1.5 The delegation is very grateful to all the officials involved for their assistance. The background information on the three countries visited provided in this report is based largely on the written briefings provided by DFAT and AusAID, however, any conclusions drawn belong to the delegation.

Acknowledgements

- 1.6 The delegation records its appreciation of the efforts of those people who contributed to the smooth operation of the delegation and its overall success.
- 1.7 The delegation thanks the staff of the Parliamentary Relations Office, in particular the Visit Coordinator, Mr Andrew Templeton, for their support with the many administrative arrangements involved with the delegation.
- 1.8 The delegation is grateful to the many organisations and individuals who were generous with their hospitality, insights and knowledge and while there were many people involved, the delegation makes particular note of the following contributions:

Indonesia

- HE Mr Taufik Kiemas, Speaker of the People's Consultative Assembly (MPR) and his colleagues
- Mr Marzuki Alie, Speaker of the House of Representatives (DPR) and his colleagues
- Dr Surin Pitsuwan, Secretary-General of ASEAN
- Mr Lim Thuan Kuan, Singaporean Permanent Representative to ASEAN

- Mr Sumantri and colleagues at the Sebangau National Park, Indonesian Ministry of Forestry
- Mr Edy Pratowo, Deputy Regent of Pulang Pisau District
- Members of the Kahayan Hilir Sub-District community including staff at the Mentaren Village Health Clinic and staff and students at the Kahayan Hilir 6 Junior Secondary School
- Mr Togu Manurung, Mr Nico Hermanu and colleagues at the Nyaru Menteng Orangutan Centre
- HE Mr Bill Farmer AO, Ambassador
- Mr Paul Robilliard, Deputy Head of Mission and DFAT colleagues Mr Hugh Borrowman, Mr Michael Bliss, Mr Greg Ralph, Mr Paul Griffiths, Mr Jonathan Muir, Ms Helen Dai and in particular, Ms Emily Whelan
- Ms Jacqui de Lacy and AusAID colleagues, in particular Mr Sam Zappia, Ms Benita Sommerville, Mr Isradi Alireja and Mr Patrick Hermanus
- Ms Anita Dwyer and colleagues at the Australia Indonesia Facility for Disaster Risk Reduction
- Mr Neil Scotland and colleagues from the Indonesia-Australia Forest Carbon Partnership especially Mr Wilistra Danny (Co-Coordinator), Mr Mike Griffiths and Mr Eko Pranandhita
- Mr Brian Spicer and his team from the Australia Indonesia Basic Education Program, AusAID
- Mr Richard Gnagey, Advisor, Rural Program, National Community Empowerment Program.

Brunei

- HRH Prince Mohamad Bolkiah
- Pg Indera Mahkota Pg Anak (Dr) Kemaludin Al Haj Ibni Almarhum Pg Bendahara, Legislative Council Speaker
- Pehin Dato Singamenteri Colonel (B) Dato Paduka Hj Mohd Yasmin Hj Umar, and his colleagues at the Legislative Council
- The Honourable Pehin Dato Suyoi Osman and his colleagues at the Ministry of Health

- Dato Paduka Awang Haji Jemat bin Haji Ampal and his colleagues at the Ministry of Culture Youth and Sports
- Datin Paduka Apsah binti Haji Abdul Majid and her colleagues at the Ministry of Education
- Pehin Orang Kaya Perkerma Dewa Dato Seri Setia Awg Lim Jock Seng and his colleagues at the Ministry of Foreign Affairs and Trade
- Officials, staff and students at Temburong Forest Park and UBD Belalong Field Studies Centre
- Pehin Orang Kaya Seri Utama Dato Seri Setia Awang Hj Yahya bin Begawan Mudim Dato Paduka Hj Bakar and his colleagues at the Ministry of Industry and Primary Resources
- Dato Seri Paduka Eusoff Agaki Hj Ismail and his colleagues at the Prime Minister's Office
- Pehin Haji Masri, Acting Commissioner of Police and his colleagues
- Dato Paduka Dr Haji Mat Suny Jahi Mohd Hussein and his colleagues at the Ministry of Development
- Dato Paduka Timothy Ong and colleagues at the Brunei Economic Development Board
- HE Mark Sawers, High Commissioner and his colleagues, Mr Damien Donovan, and Ms Peta Pike

Laos

- Dr Thongloun Sisoulith, Deputy Prime Minister and Minister of Foreign Affairs
- Dr Xaysomphone Phomvihane, Vice President and his colleagues in the Lao People's Democratic Republic National Assembly
- Dr Suphanh Keomixay, Vice Governor of Savannakhet
- Mr John Dingley, UNDP Senior Technical Advisor of UXO LAO
- Mr Lieven Geerinck, Chief Technical Advisor, Navigation Programme, Mekong River Commission
- Ms Kerry Fisher, Project Coordinator and colleagues at COPE Rehabilitation Centre
- HE Dr Michele Forster, Ambassador and her colleagues at the Australian Embassy in Vientianne, Ms Raine Dixon (AusAID),

Ms Heather Bruce, Ms Natalie Boyes, Mr Alexander Marks (AusAID), Mr John Dore, Ms Xouchai Panyanouvong and Ms Sengphanom Viravouth.

Structure of the report

- 1.9 A number of common issues emerged from the visits to each of the three countries. The report therefore reflects a thematic approach to the delegation's activities. Chapter two of the report sets out some background material relevant to each country visited. Chapter three addresses environmental issues discussed during the course of the delegation and, while not unrelated to those issues, chapter four outlines some of the strategies being used to reduce poverty in the region. The focus of chapter five is strengthening the connections between the Australian Parliament and the parliaments of those countries visited. Records of a number of official meetings held are contained in that chapter.

Countries visited

Australia-ASEAN relationship

- 2.1 The Association of South-East Asian Nations (ASEAN) was established in 1967 and now includes the following countries: Indonesia, Malaysia, Philippines, Singapore, Thailand, Brunei Darussalam, Vietnam, Lao PDR, Myanmar and Cambodia.
- 2.2 The aims of ASEAN are to accelerate economic growth, social progress and cultural development in the region and to promote regional peace and stability through the rule of law and adherence to the principles of the United Nations Charter.¹
- 2.3 Australia became ASEAN's first Dialogue Partner in 1974 and since that time the relationship has been 'strengthened and enhanced'.² Australia has a long-standing development cooperation relationship with ASEAN and has long been a supporter of ASEAN achieving regional integration.
- 2.4 Australia provides development assistance to ASEAN countries in the order of \$913 million (in 2009-10). Of this figure, \$101 million is for regional activities and \$812 million is for bilateral activities.³

1 Viewed at Department of Foreign Affairs and Trade at: www.dfat.gov.au/asean/index.html on 14 July 2010.

2 Viewed at ASEAN web: www.aseansec.org/23213.htm on 14 July 2010.

3 Department of Foreign Affairs and Trade, *Australia-ASEAN: Development Cooperation*.

- 2.5 ASEAN's goals of establishing an ASEAN Economic Community by 2015 are supported by the ASEAN Australia Development Cooperation Program Phase II (AADCP II). This program is being jointly managed by AusAID and ASEAN.⁴
- 2.6 Australia is also working with ASEAN and New Zealand to implement an economic cooperation work program under the ASEAN Australia New Zealand Free Trade Agreement.⁵
- 2.7 As outlined in chapter one, since 2009, the Australian Parliament has sent an outgoing delegation each year to visit ASEAN member countries.

Background information

Indonesia

Geography and population

- 2.8 Indonesia, one of Australia's closest neighbours, is comprised of more than 13 000 islands covering 1 905 thousand square kilometres. It shares borders with Malaysia, Papua New Guinea and East Timor. Indonesia's capital, Jakarta, is located on the island of Java, the fifth largest island in the Indonesian archipelago.
- 2.9 Indonesia has a population of 231.5 million people (as at 2009). Its official language is Bahasa Indonesia, however, many of its ethnically and culturally diverse population speak a regional dialect such as Javanese, Minangkabau, Sudanese or Balinese.

Political structure

- 2.10 Indonesia is a unitary state, headed by an executive President and Vice President. These officials are directly elected by popular vote for a five year term. The President and Vice President govern with the assistance of an appointed Cabinet. Indonesia's parliament is comprised of 692 members. Of those, 560 members make up the House of Representatives (DPR) elected by proportional representation, with the authority to make legislation, determine the budget and oversee the implementation of legislation by the Cabinet. The parliament also has an advisory body, the

4 Viewed at: www.aseansec.org/aadcp/ on 17 November 2010.

5 Viewed at: www.dfat.gov.au/trade/fta/asean/aanzfta/index.html on 17 November 2010.

House of Regional Representatives (DPD), which is comprised of 132 members (four representatives from each of the country's provinces).

Recent political developments

- 2.11 Since the fall of the Soeharto Government in May 1998, Indonesia has undergone significant political and social reform. Indonesia has been transformed from 32 years of authoritarian rule to a vibrant democracy. It has also undergone a process of decentralisation since 1999 with control of large amounts of public expenditure and service delivery transferred to over 450 provincial and local government bodies. Since 2005, Indonesia has held more than 350 local elections. Sub-district and district leaders and provincial governors win office through direct elections. Voters can also select provincial and district-level parliaments.
- 2.12 The President, Susilo Bambang Yudhoyono, was elected to a second five year term on 8 July 2009. In that election, President Yudhoyono won approximately 61 per cent of the first round national vote and a majority in 27 of 34 provinces. Yudhoyono is the first Indonesian president to be re-elected to office in free and fair elections.
- 2.13 Parliamentary elections for a new House of Representatives, Regional Representative Council (DPD), provincial legislatures (DPRD-I) and district councils (DPRD-II) were also staged on 9 April 2009. President Yudhoyono's Democrat Party finished first with around 21 per cent of the national vote and 27 per cent of DPR seats.
- 2.14 Indonesia is the third largest democracy in the world after India and the United States. In recent years, Indonesia's political reforms have led to its parliament becoming more autonomous and robust.

Australia-Indonesia relations

- 2.15 The relationship between Australia and Indonesia is currently strong. The two countries are close neighbours who enjoy a wide-ranging relationship which encompasses political, security, commercial, cultural and people-to-people links. Australia is a popular destination for Indonesian students and an estimated 400 Australian firms are operating in Indonesia in a range of sectors such as mining, construction, finance and banking, food and beverages and transport.
- 2.16 President Yudhoyono and 12 of his ministers visited Australia in March 2010. During the visit, the President met the Prime Minister, other political figures and business leaders. One of the highlights of this visit was an address the President made to a joint sitting of Parliament. At this address

the President referred to the strategic partnership between Australia and Indonesia and he highlighted four challenges for the relationship. These challenges included improving public perceptions of each other, managing increasingly complex relations, moving toward a more opportunity-driven relationship and addressing new issues such as terrorism, people smuggling, natural disasters, infectious disease, financial crises and climate change.

Development cooperation

- 2.17 In 2009-10, Australian aid to Indonesia will be worth an estimated \$452.5 million, making Indonesia the largest recipient of Australian aid.
- 2.18 Work in education, health and infrastructure is helping the Government of Indonesia to meet the United Nations Millennium Development Goals (MDGs) particularly in the less developed eastern provinces. Work around preventing deforestation is assisting Indonesia to meet climate change challenges. Australia has been a key ally in Indonesia as it shapes its response to the global recession.

Brunei Darussalam

Geography and population

- 2.19 The Sultanate of Brunei Darussalam is situated on the northwest coast of the island of Borneo. Its capital, Bandar Seri Begawan lies inland on the Brunei River. Brunei is divided into two parts both of which are surrounded by the Malaysian state of Sarawak. Of the 5 765 square kilometres Brunei occupies, approximately 60 per cent is covered by primary forest.
- 2.20 Brunei's population, as at 2009, was around 401 000 with the majority being Malay (around 66 per cent), around 11 per cent are Chinese and 3 per cent are indigenous. Islam is the official religion of Brunei and the Islamic faith permeates the social and cultural fabric of the country.

Political Overview

- 2.21 Brunei is constitutionally an absolute monarchy which is ruled by the 29th Sultan and Yang Di-Pertuan of Brunei Darussalam, His Majesty Paduka Seri Baginda Sultan Haji Hassanal Bolkiah Mu'izzaddin Waddaulah. His Majesty is both the head of state and Prime Minister and the head of the

Islamic faith in Brunei. The royal family retains a venerated position in Brunei and adverse comment about the royal family is forbidden.

- 2.22 Brunei achieved internal self-government in 1959 following a period of British rule when Sultan Omar Ali Saifuddien III (the father of the current Sultan) assumed executive authority.
- 2.23 In 1984 Brunei achieved full independence and the Government was restructured into a formal ministerial system with the Sultan as Prime Minister. The Sultan also serves as Minister of Defence and Minister of Finance. He is advised by, and presides over, four policy councils of which he appoints members: the Council of Cabinet Ministers, the Legislative Council, the Privy Council and the Religious Council. The Sultan's brother, His Royal Highness Prince Mohamed Bolkiah is the Foreign Minister.

Economic overview

- 2.24 Brunei's high-income economy is underpinned by revenue from the oil and gas sector. In 2008, 66 per cent of Brunei's economy, 95 per cent of exports and around 90 per cent of government revenues could be accounted for by oil and gas. Small scale manufacturers and primary production make up the balance of Brunei's merchandise economy. Brunei relies on imports for approximately 90 per cent of its total food requirements.
- 2.25 While businesses in Brunei pay company tax there is no personal income tax, no capital gains tax and a low tariff regime.
- 2.26 The Brunei Government is aiming to diversify the economy away from its dependence on oil and gas by promoting private non-energy sector development and by attracting more investment which is non-oil/gas-related. To this end, the Brunei Economic Development Board (BEDB) was formed in 2001.

Australia-Brunei Bilateral Relations

- 2.27 The relationship between Australia and Brunei has a long history pre-dating Brunei's self-government in 1959. The relationship has recently been strengthened with increasing links across a range of areas including defence and security, education and trade.
- 2.28 Brunei is an important partner for Australia in the Commonwealth, Asia-Pacific Economic Cooperation (APEC), the East Asia Summit (EAS), the Trans-Pacific Partnership negotiations, the United Nations and the World

Trade Organisation. Brunei was the ASEAN Coordinator in negotiations on the ASEAN-Australia-New Zealand Free Trade Agreement (AANZFTA) which was signed on 27 February 2009.

- 2.29 In June 2005, His Royal Highness Prince Mohamed Bolkiah, agreed to an Australian proposal to erect a permanent memorial to mark the 1945 landings in Brunei of the Australian force, which ended Japanese occupation and commenced reconstruction. The inauguration ceremony for this memorial was held in December 2008.
- 2.30 Australia is also developing a strong education and training relationship with Brunei with increasing effort being put into facilitating linkages between each country's educational institutions.

Lao People's Democratic Republic

Geography and population

- 2.31 Laos is a land-locked country bordered by China, Vietnam, Cambodia, Thailand and Burma. Laos total land area is 237 000 square kilometres. Much of its area is mountainous and heavily forested and the Mekong River forms most of the border with Thailand.
- 2.32 The population of Laos (as at 2009) is 6.4 million and ethnically diverse. Forty-nine broad ethnic groups are recognised by the Laos Government and there are four major linguistic groups. The largest of those, the Lao-Tai which is comprised of eight ethnic groups forms approximately 35 per cent of the population.

Political Overview

- 2.33 After many years of civil war and political instability, Laos became the Lao People's Democratic Republic (Lao PDR) on 2 December 1975. The Lao PDR is nominally a Marxist-Leninist state ruled by the Lao People's Revolutionary Party (LPRP). The key decision-making body is an 11 member Politburo. A National Assembly, elected by the people from a list of Party-approved candidates is responsible for scrutinising proposed legislation.
- 2.34 In recent years, Laos has promoted gradual economic liberalisation through the New Economic Mechanism (NEM). In 1991, the National Assembly adopted a new constitution which formalised the establishment of a market-oriented economy, guaranteed the right of all its citizens to

own property, and provided protection for foreign and domestic investment.

Development cooperation

- 2.35 Australia is one of the largest bilateral aid donors to Laos. Development cooperation has been a feature of the bilateral relationship for approximately 50 years. In 2009-10, the Australian government will have contributed approximately \$36 million development assistance to Laos. Of that amount, \$28.1 million will be dispersed through the Laos country program the focus of which is education, inclusive growth through trade and investment reform, and rural development.
- 2.36 The Australian Government sponsors up to 40 scholarships for Laos students to study in Australia each year under the Australian Development Scholarships program. These scholarships provide educational, research and professional development opportunities to support growth and build individual, institutional and country level linkages.

Environmental issues – climate change

- 3.1 Each delegation member holds a particular interest in the environment so issues around climate change were a key focus of the delegation program.
- 3.2 In each country, members were provided with information about the environmental challenges faced, the programs developed to deal with those challenges and each country's hopes for the future.
- 3.3 It was clear from each meeting held during the delegation that environmental issues are a priority for the ASEAN agenda. Dr Surin Pitsuwan, Secretary-General of ASEAN reiterated this point at a meeting held with the delegation on Monday 12 April where he informed the delegation that 80 per cent of the populations encompassed under ASEAN nations live on the coast. ASEAN countries also have responsibility for a large percentage of the world's rainforests and important water resources such as the Mekong River system. There is some solidarity therefore amongst ASEAN nations about these concerns.
- 3.4 What follows is a report on the meetings and site visits the Members took part in over the course of the delegation that were specifically related to environmental issues including the impact of climate change.

Indonesia-Australia Forest Carbon Partnership

- 3.5 Australia is the largest bilateral donor to Indonesia. In June 2008, former Prime Minister Rudd and President Yudhoyono signed the Indonesia-Australia Forest Carbon Partnership. This Partnership established a

framework for long-term cooperation on reducing emissions from deforestation and forest degradation in developing countries (REDD).¹

- 3.6 As part of the activities under this Partnership, Australia has committed \$30 million for the Kalimantan Forests and Climate Partnership (KFCP). The KFCP is the first large-scale REDD demonstration of its kind in Indonesia. The purpose of this project is to demonstrate how REDD can work in practice on 120 000 hectares of peatland in the province of Central Kalimantan on the island of Borneo.²

Sebangau National Park

- 3.7 One of the first site visits for the delegation in Indonesia was to Sebangau National Park in Central Kalimantan. The purpose of the visit was to illustrate how greenhouse gas emissions can be reduced by rehabilitating degraded peatlands and sustainably managing peat swamp forests.
- 3.8 The Park was established in 2004 from a number of former logging concessions. It covers around 570 000 hectares and has peat deposits ranging from 3 metres to 12 metres in depth.
- 3.9 Peat contains large stocks of carbon and the delegation was briefed on how drainage canals cut into the peat by logging concessions are draining the landscape. This drainage also makes the area vulnerable to fire in the underlying peat soil. The area then becomes trapped in a vicious cycle of drainage, fire and increasing degradation.
- 3.10 This process generates globally-significant greenhouse gas emissions and has severe consequences for the livelihoods and health of local people. Indeed the delegation heard during its visit to Brunei of the pollution haze that country experiences as a result of the seasonal forest fires in Indonesia and Malaysia.
- 3.11 The delegation saw the efforts to arrest this degradation first hand when it visited a pilot project located in Kapuas district. The visit took place in a region affected by what is known as the Mega Rice Project. The Mega Rice Project, initiated in 1996, aimed to turn 1.4 million hectares of peat swamp forest into rice paddies by constructing irrigation canals and removing trees. As the landscape is drained, the peat dries and oxidises releasing

1 Viewed at AusAID: www.ausaid.gov.au/hottopics/topic.cfm?ID=6987_5301_8374_2855_5730 on 17 November 2010.

2 For more information see: www.ausaid.gov.au/hottopics/pdf/IAFCP_factsheet_2_11Dec09.pdf

carbon dioxide into the atmosphere. The unsuccessful project was abandoned in 1998 after causing significant environmental damage.³

- 3.12 Here staff from the KFCP showed how Australia is supporting efforts to block canals and raise the water table and re-wet the peat. Delegates were shown how ground measurements of peat are taken and each was invited to plant a tree to draw attention to the efforts that are being made to re-establish tree cover in degraded areas to increase soil moisture and humidity.
- 3.13 The delegation also heard that a large part of this effort also involves working with local communities to promote and encourage sustainable farming practices. The majority of the people (approximately 10 000) who live in the project area are reliant upon forest crops for their livelihood, however, farming practices such as using fire to clear land are harmful to the environment. The delegation heard how facilitators are working with local villages to plan how to support local livelihoods at the same time as minimising harmful farming practices.
- 3.14 The delegation was encouraged to see the commitment of the Indonesian Government and the contribution of Australian aid in this project. The delegation was also impressed at the project's education project in local villages and efforts to ensure the long-term environmental and economic sustainability of the area.



Figure 1: Delegation planting trees in Central Kalimantan

3 Viewed at: www.thejakartapost.com/news/2008/06/22/money-might-just-grow-trees.html on 17 November 2010.

Nyaru Menteng Orangutan Centre

- 3.15 The delegation members heard that another devastating consequence as a result of the destruction and degradation of land in Central Kalimantan is the threat to wild orangutans with up to 80 per cent of suitable habitat in Indonesia and Malaysia having been lost in the last 20 years.
- 3.16 One of the greatest threats facing orangutans is the rapidly expanding palm oil trade. According to the Borneo Orangutan Survival Foundation (BOSF), rainforests are being cleared at the rate of 300 football fields per hour to make way for oil palm plantations. Even though there are millions of hectares of degraded land that could be used for plantations, many oil palm companies choose to use rainforest land instead to gain additional profits by logging the timber first. Additionally, uncontrolled burning to clear the land results in the death of thousands of orangutans leaving those that survive with nowhere to live and nothing to eat. Other threats, which are said to go hand-in-hand with rainforest destruction, are the illegal pet trade and poaching.⁴
- 3.17 The KFCP works closely with a number of existing initiatives such BOSF. BOSF is a non-profit foundation that focuses on the habitat rehabilitation and protection; information, education and raising social awareness; and orangutan reintroduction.
- 3.18 The delegation was invited to the Nyaru Menteng Orangutan Reintroduction Project which is situated 28 km outside Palangka Raya, the capital of Central Kalimantan. The delegation heard how Nyaru Menteng is currently rehabilitating approximately 600 orangutans.
- 3.19 Once rehabilitated, orangutans are released in a safe, secure forest area where human support is still required but is gradually reduced in order to encourage orangutans to live independently.
- 3.20 As part of the site visit to Nyaru Menteng, delegation members travelled by boat around the river islands that are home to these rehabilitated orangutans to witness their feeding regime.
- 3.21 It was a privilege to witness this rehabilitation process and delegation members were impressed by, and grateful to, the dedicated workers who

4 Viewed at BOSF Australia at www.orangutans.com.au/Orangutans-Survival-Information/Orangutan-Threats.aspx on 15 July 2010.

rescue and then care for these orangutans through the quarantine process, half-way housing and then final release back into the wild.



Figure 2: Carers at the Nyaru Menteng Orangutan Centre

Population and deforestation

- 3.22 The Citarum River, located in West Java, is reported to be one of the world's most polluted rivers. At the time of its visit to Indonesia, the Indonesian Government announced a 20 year master plan to restore the Citarum River Basin due to forest conversion, high levels of water pollution and sedimentation.⁵
- 3.23 The issues Indonesia faces with regard to the Citarum River Basin highlight the link between increasing population levels and deforestation. For example, data from the State Environment Ministry in Indonesia shows that from 2000 to 2009, the total forested area covering the Citarum

5 Simamora, A. P., '20 years' work needed to restore Citarum Basin', *The Jakarta Post*, 15 April 2010, p 5.

River Basin had been reduced from 71 750 hectares to 9 899 hectares. Over the same period, residential areas increased from 81 686 hectares to 176 442 hectares.

- 3.24 As a result of this loss of forested land, erosion levels and runoff had significantly worsened making the area more vulnerable to massive floods.⁶
- 3.25 The delegation was concerned by the ongoing degradation of the River Basin and raised this issue with His Excellency Mr Taufik Kiemas, Speaker of the People's Consultative Assembly in Indonesia at a meeting on 15 April 2010. Mr Kiemas indicated that efforts toward sustainable development are a priority for the Indonesian government.

Australia-Indonesia Facility for Disaster Reduction

- 3.26 The frequency, scale and impact of natural disasters are said to be increasing. Additionally, it has been argued that climate change increases the risk of more frequent and severe weather-related hazards, which accounts for 76 per cent of natural disasters over the last 10 years.⁷
- 3.27 As referred to above, the impact of disasters is also said to be exacerbated by a number of other factors including increases in global population and unplanned urbanisation, growing settlement and investment in high-risk coastal areas, deforestation and poor land-use management.⁸
- 3.28 In November 2008, the then Prime Minister of Australia, the Hon Kevin Rudd and the President of Indonesia, Susilo Bambang Yudhoyono announced the establishment of the Australia-Indonesia Facility for Disaster Reduction (AIFDR).⁹
- 3.29 The delegation visited the AIFDR and saw practical examples of how the Facility is using science to deal with the natural disaster hazards and risks in Indonesia.

6 Simamora, A. P., '20 years' work needed to restore Citarum Basin', *The Jakarta Post*, 15 April 2010, p5.

7 AusAID, *Investing in a Safer Future: A Disaster Risk Reduction policy for the Australian aid program* (June, 2009), p 6.

8 AusAID, *Investing in a Safer Future: A Disaster Risk Reduction policy for the Australian aid program* (June, 2009), p 8.

9 Delegation briefing provided by the Australia-Indonesia Facility for Disaster Reduction.

- 3.30 One of the features of the Facility is the development of a new earthquake hazard map for Indonesia's building codes. The aim of the map is to save lives through safer buildings.
- 3.31 The delegation also saw an example of the Facility's training and outreach activities. Specifically, the Facility has funded an information campaign entitled the Build Back Better (*Rumah Aman Gempa*). Part of this involves the dissemination of information which encourages local communities to rebuild homes following disasters which are able to resist earthquakes more effectively. The Committee viewed a recently developed one minute advertisement designed for that purpose.
- 3.32 The delegation is acutely aware of the natural disasters which have struck Indonesia over the last decade, such as the 2004 Boxing Day Tsunami, earthquakes and mudslides, and volcanic eruptions. Cooperative work between the Australian and Indonesian governments to mitigate the impact of disasters is a vital component of the burgeoning relationship between the two countries. The delegation was grateful for the opportunity to witness the innovative science and the cooperation that underpins the Facility and creates the potential to save lives in the event of future natural disasters.



Figure 3: Delegation studying map at AIFDR

The Mekong River – climate change and adaptation

- 3.33 The Mekong, which runs for approximately 4 900 kilometres, is the longest river in Southeast Asia. The Mekong Basin (watershed or catchment) is 795 000 square kilometres and comprises 4 per cent of Burma, 86 per cent of Cambodia, a very small percentage of China, 36 per cent of Thailand, 20 per cent of Vietnam and 97 per cent of Laos. It is reported that about 70 million people live in the Mekong Basin.¹⁰
- 3.34 The delegation heard about the significant challenges facing the Mekong region. For example, studies undertaken to date show that by 2030 a range of potentially significant impacts on the Lower Mekong Basin (which comprises Cambodia, Laos PDR, Thailand and Vietnam) include: an increase in the mean temperature of around 0.8°C; increases in annual precipitation of more than 13.5 per cent; decreases in dry season precipitation; more frequent, more severe and longer periods of drought; and impacts on productivity of agricultural activities and capture fisheries.¹¹
- 3.35 The delegation also heard about Australia’s significant support to Mekong governments to assist them to effectively manage their water resources over the last 15 years. The focus for the past 10 years has been the Mekong River Commission (MRC) where over \$10 million has been provided by the Australian Government to improve basin planning and river data.¹²
- 3.36 One of the MRC’s major activities is a Climate Change Adaptation Initiative (CCAI) which is designed to improve the capacity of Mekong governments to adapt to and manage climate change.¹³
- 3.37 As part of the delegation to Laos, Members visited the Champhone District in the province of Savannakhet in southern Laos. Delegation members heard how as part of the CCAI, farmers located in villages (specifically, Kengkok Neua, Nakathang and Taleo) which are flood prone during the rainy seasons are provided with training in farming techniques which may mitigate the impact of climate change.

10 AusAID, *Water: the heart of development in the Mekong*. Australian Mekong Water Resources Program, Update April 2010.

11 Mekong River Commission, Climate Change and Adaptation Initiative brochure, *Global Phenomenon, Regional Collaboration, Local Action*.

12 AusAID, *Water: the heart of development in the Mekong*. Australian Mekong Water Resources Program, Update April 2010, p 5.

13 AusAID, *Water: the heart of development in the Mekong*. Australian Mekong Water Resources Program, Update April 2010, p 9.

- 3.38 For example, the delegation saw the efforts that have been made to improve the water supply to farms and heard about how the program is identifying where alternative crops to rice might be used in flood-prone areas and introducing farmers to rice species that are more flood resistant and require less growing time prior to harvesting.
- 3.39 The delegation noted with great interest the parallels between the salinisation of soil in the Champhone District and the challenges Australia faces in dealing with secondary salinisation, particularly in areas like the Murray Darling Basin.¹⁴



Figure 4: Delegation briefing on CCAI

14 Viewed at Murray Darling Basin Commission:
www.mdbc.gov.au/salinity/land_and_water_salinity.html on 26 July 2010.

Navigation program

- 3.40 The *Australian Mekong Water Resources Program* is managed by AusAID at the Australian Embassy in Vientiane, Laos. As part of the delegation program in Laos, the delegation was invited to participate in a Mekong River boat trip while visiting Savannakhet Province.
- 3.41 As part of this boat trip, the delegation was briefed on the Mekong River Commission's Navigation Program. The program focuses on the reduction of physical and non-physical restriction for cross-border trade. This program is in line with AusAID's bilateral aid programs to Vietnam, Cambodia and Laos and the Greater Mekong Subregional Strategy that aims to:
- increase subregional connectivity through infrastructure investments primarily in transport and energy
 - promote cooperation in cross-border movement of goods and people
 - support the sustainable use and management of the Mekong River.¹⁵
- 3.42 The delegation heard how the Treaty on Waterway Transportation was signed by Cambodia and Vietnam on 17 December 2009. This treaty formally opened up cross-border trade and implements the principle of 'freedom of navigation' on Mekong waterways between the two countries and access to the river by foreign vessels.¹⁶
- 3.43 The delegation notes that a number of Mekong countries provide exports to Australia making the facilitation of movement on the Mekong River a priority for Australia.¹⁷ The delegation heard about the installation of navigation aids such as buoys and beacons to reduce safety risks, increasing the efficiency of waterborne transport on the River.
- 3.44 The delegation also experienced first-hand some of the challenges faced by the Mekong River Commission's Navigation Programme when the boat trip was cut short because of mechanical difficulties. These mechanical difficulties arose as a result of low water levels on the River.
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15 Viewed at AusAID at: www.aisaid.gov.au/country/country.cfm?CountryID=30851053&Region=EastAsia on 29 April 2010.

16 Mekong River Commission brochure, *Cambodia and Viet Nam formally open-up cross-border river trade on the Mekong*,

17 AusAID. *The Greater Mekong Subregion: Australia's Strategy to promote integration and cooperation 2007-2011*, p 1.

- 3.45 It is thought that low water levels on the Mekong in this region are attributable to drought conditions in Northern Thailand and Lao PDR and are part of wider regional drought experienced in the Yunnan Province of China.¹⁸
- 3.46 The delegation notes the current structure of the MRC includes four countries, Thailand, Laos, Cambodia and Vietnam. However, the Committee also notes there are two significant omissions, namely China and Myanmar. These omissions were the subject of some discussion during delegation visits to representatives of ASEAN such as that with Dr Surin Pitsuwan in Jakarta on 12 April 2010.
- 3.47 In light of the domestic issues around the Murray Darling Basin and the need for cooperation among different Australian states, these issues resonated strongly with the delegation. The delegation notes and supports the twinning relationship between the Mekong River Commission and the Australian Murray-Darling Basin Authority that has been in place since 1996.¹⁹



Figure 5: Delegation preparing for boat trip on the Mekong River

- 18 Viewed at Mekong River Commission: www.mrcmekong.org/mrc_news/press10/drought-condition26-2-10.htm on 20 October 2010.
- 19 AusAID, *Water: the heart of development in the Mekong*. Australian Mekong Water Resources Program, Update April 2010, p 5.

Brunei - Temburong Forest Park

- 3.48 In a briefing by representatives of Brunei's Industry and Primary Resources Ministry, the delegation heard of Brunei's efforts to sustainably develop, conserve and manage the forest resources of Brunei.
- 3.49 Brunei's population and its social and economic activities centre around its capital Bandar Seri Begawan leaving 70 per cent of Brunei's landmass covered by tropical rainforest. Additionally, agriculture is small scale and commercial logging has been banned since 1934. As a result, Brunei's forests are considered amongst the best preserved in South East Asia and environmental conservation has been listed as one of eight priority areas in Brunei's national vision statement (Wawasan Brunei 2035). Forty per cent of Brunei's total land area has been gazetted as Forest Reserve.²⁰
- 3.50 Brunei has not experienced many of the environmental problems that are common to other areas in that region. However, the delegation learned a great deal about Brunei's efforts to conserve and manage its forest resources, in particular the Heart of Borneo Initiative, which is a cross-border forestry conservation project established in 2007 by Brunei, Malaysia and Indonesia and its plans for eco-tourism.
- 3.51 At its meeting with representatives of the Ministry of Industry and Primary Resources the delegation heard how management of this initiative involves three levels: Brunei's internal management framework; transboundary collaboration with Sarawak including developing initiatives to benefit local rural communities such as eco-tourism; and, marketing the Heart of Borneo as one 'brand'.
- 3.52 As part of the itinerary, the delegation visited Temburong Forest Park and was invited to inspect Sembiling Eco-Village and the Ulu Ulu Forest Lodge. These sites reflect Brunei's economic diversification strategy which prioritises ecology and nature based tourism.
- 3.53 The delegation was also invited to inspect the University of Brunei Darussalam's Belalong Field Studies Centre, a research station currently conducting a number of research projects around bio-diversity. The development of a tropical biodiversity centre is a conservation initiative that has been implemented as part of its forest management program.

20 Ministry of Industry and Primary Resources Brunei Darussalam. *Forestry Briefing to Members of Delegation from Australian Parliament*, 19 April 2010.



Figure 6: Group photo with researchers at Belalong Field Studies Centre

Delegation comments

- 3.54 Each meeting, event and site visit that touched on environmental issues reinforced in the minds of delegation members the fragility of the environment and the commonality around issues in the region.
- 3.55 Similarly, the importance of protecting rainforests and preventing carbon leakage was underscored by delegation visits to areas severely affected by deforestation in Central Kalimantan, Indonesia. To that end, the delegation notes, congratulates and is encouraged by the extraordinary achievements of Brunei in managing its pristine rainforests.
- 3.56 The delegation also notes the considerable amount of goodwill that has been and is generated through the aid Australia provides to Indonesia and Laos. Delegation members were humbled by the expressions of gratitude for the support Australia provides.
- 3.57 The delegation believes that a large part of the goodwill generated is attributable to the professionalism and dedication demonstrated by the representatives of AusAID in carrying out their work. This work is often conducted in remote and challenging physical locations and the delegation commends those individuals for their achievements.

Poverty reduction

Indonesia - National Program for Community Empowerment

Mentaren Village Health Clinic

- 4.1 Approximately half of Indonesia's population live on US\$2 per day or less.¹ In 2007 the Indonesian Government introduced its flagship poverty reduction program, which is known as the National Program for Community Empowerment (in Indonesian the program is known as PNPM).
- 4.2 The focus of the PNPM is on community-based development projects. Communities are involved in all stages of the planning and implementation such as determining priorities for their community, carrying out the projects, managing the funds and taking responsibility for the Program.²
- 4.3 The types of projects undertaken include: infrastructure projects such as village roads, bridges and water and sanitation systems; community microcredit schemes; investments in health, education and agricultural projects.

1 AusAid brochure: *The Australian aid program in Indonesia: Working together to reduce poverty.* AusAid Jakarta.

2 Viewed at AusAid: www.indo.usaid.gov.au/projects/pnpm.html on 2 November 2010.

- 4.4 The delegation heard how the Program provides block grants (ranging from \$120 000 to \$360 000) to sub districts. Villages within that sub district then compete for funding of activities from the block grant.
- 4.5 The PNPM has been particularly important with regard to post-tsunami reconstruction in the areas of Aceh and Nias.³
- 4.6 In March 2010, Australia announced that it would contribute \$215 million over a period of five years (from 2010 to 2014) to support the PNPM.
- 4.7 To view some of the successful projects funded as a result of the PNPM, the delegation travelled to Palangkaraya, Central Kalimantan. The delegation enjoyed immensely the welcome ceremony which included a traditional Dayak dance.



Figure 7: Traditional Dayak dance welcome ceremony

- 4.8 The delegation was very pleased to be able to visit a village health clinic that was built under the PNPM in Mentaren Village in the Pulang Pisau District close to the provincial capital of Palangkaraya. The delegation was grateful for the hospitality shown by local officials by the host Mr Edy Pratowo, the District Deputy Regent, and a number of local government officials and community members.
- 4.9 The Mentaren Village health clinic is what is known as a *posyandu*, a 'satellite' health facility. This is a health facility that caters for villages when the local health clinic is located some distance away from the village.
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3 AusAID. Media release: *Australian Support to Reduce Poverty in Indonesia*.

- 4.10 The target groups for the Mentaren *posyandu* are children under five years old and the elderly, and a doctor and a midwife visit the clinic on a roving basis. Primary activities of the clinic include health education, weight measurement, supplementary feeding and regular health checks.
- 4.11 The delegation was overwhelmed by the community's response to its visit to the Clinic and was delighted to present health workers at the Mentaren *posyandu* with a gift of baby scales.
- 4.12 The delegation was very pleased to see first-hand the work being conducted under the PNPM. The delegation was encouraged by the interest and commitment demonstrated by members of the community to support local projects such as this health clinic in order to bring about positive change.



Figure 8: Presentation of baby scales to Mentaren *posyandu*

Kayahan Hilir 6 Junior Secondary School

- 4.13 While in Central Kalimantan the delegation also took the opportunity to visit a school built under the Australia-Indonesia Basic Education Program.
- 4.14 The Australia-Indonesia Basic Education Program which was developed in 2005 in response to the Boxing Day Tsunami, will contribute \$387 over five years.⁴
- 4.15 The delegation heard that the Kahayan Hilir 6 Junior Secondary School is one of about 2 000 that will be constructed or expanded under this program across Indonesia and one of 83 new junior secondary schools that will be built in Central Kalimantan.
- 4.16 Kahayan Hilir 6 Junior Secondary School is also located in the Pulang Pisau district. The school has six classrooms, student toilets and change rooms and a storage building and general purpose room. The delegation heard that with the help of Australian funding in the amount of \$30 000, the school was able to add a library and science laboratory.
- 4.17 The delegation also heard how the construction of this school has helped provide the children of this area with easier access to junior secondary schooling.
- 4.18 The delegation was touched by the large number of people that attended the traditional welcome ceremony and cultural dances arranged by officials of the Pulang Pisau District and the school.



Figure 9: Presenting gifts to Kahayan Hilir 6 School

4 AusAID brochure. *Australia Indonesia Partnership: The Basic Education Program.*

- 4.19 In a speech to the school the Hon Mr Duncan Kerr, on behalf of the delegation, congratulated the people of Kahayan Hilir for the work they had undertaken to build the school. The delegation was impressed by the strong relationships that were evident between the Australian AusAID officials and their Indonesian counterparts and the effective way in which they carried out their work together.
- 4.20 The delegation believes the school and the health centre both are concrete reminders of the close partnership between the people of Australia and the people of Indonesia. The delegation is encouraged by the active role the village and sub district governments play in shaping their communities.

Laos – UXO clearance

- 4.21 Lao PDR, per capita, is the most heavily bombed nation in the world.⁵ During the years of the Indochina conflict, Laos was subjected to extensive aerial bombings. From 1964 to 1973 more than 270 million anti-personnel submunitions or ‘bombies’ as they are now commonly known were dropped on Laos. The average failure rate of these submunitions was 30 per cent; it is therefore estimated that as many as 80 million of them failed to explode. Weapons that did not detonate are described as unexploded ordnance, or UXO.
- 4.22 In addition to this, over 4 million large bombs were dropped and extensive ground battles in some Laos provinces has meant that significant amounts of other UXO such as mortars, artillery shells, landmines and grenades remain as contaminants of the land.⁶
- 4.23 The burden imposed by UXOs is heavy on the people of Laos. Between 1964 and 2008, over 50 000 casualties have been recorded.⁷ It is reported that one person is killed almost every day by a UXO in Laos.⁸
- 4.24 Twenty-five per cent of Laos villages are reported to be contaminated by UXOs. The presence of UXOs renders land inaccessible, constrains agricultural expansion, disrupts forest management, kills livestock and

5 UXO Lao: *Lao National Unexploded Ordnance Programme* brochure.

6 UNDP. *Hazardous Ground: Cluster Munitions and UXO in the Lao PDR*.

7 National Regulatory Authority. *National Survey of UXO Victims and Accidents, Phase 1*, p ix.

8 *Cluster Munitions in Lao PDR*. Leaflet distributed by Lao National Unexploded Ordnance Programme.

wildlife and creates perpetual insecurity. Rich agricultural land remains unused in contaminated areas which reduces the potential prosperity of affected local rural communities. Villagers are sometimes forced to choose between acute poverty and risking injury or death by cultivating contaminated land.⁹

- 4.25 The impact of UXOs impede the ability of the Laos Government to achieve the UN Millennium Development Goals.
- 4.26 The province of Savannakhet is one of the worst affected areas in Laos. Results of a survey of UXO casualties and accidents throughout the Lao PDR, revealed that 25 per cent of the victims currently live in Savannakhet.¹⁰
- 4.27 As part of the Laos delegation program, members were invited to witness the work currently being conducted under the Lao National Unexploded Ordnance Programme. This Programme was established by the Laos Government with the support of a number of stakeholders in 1996. There are four areas of operation: community awareness to raise levels of risk awareness; clearance tasks to remove underground UXOs; roving tasks to remove and destroy surface UXO; and survey and enhanced technical survey tasks to identify UXO locations for future action.¹¹
- 4.28 One of the delegation's first activities in Laos was a visit to witness how UXO Lao conducts the community awareness aspect of its National Unexploded Ordnance Programme. To that end, the delegation visited a school in the Thaphalanxai district of Savannakhet and saw first-hand risk awareness activities such as teaching children songs and games which raise awareness around the dangers of the bombies as well as puppet shows depicting scenarios villagers may face in the course of their daily lives.

9 UNDP. *Hazardous Ground: Cluster Munitions and UXO in the Lao PDR*.

10 National Regulatory Authority. *National Survey of UXO Victims and Accidents, Phase 1*, p ix.

11 UXO Lao: *Lao National Unexploded Ordnance Programme* brochure.



Figure 10: UXO community education program

- 4.29 The delegation heard how these activities are designed to counteract the appeal of UXOs such as bombies to both children (they resemble small balls) and adults (scrap metal is a valuable commodity in Laos).
- 4.30 The delegation also witnessed community members being taught how to use tools safely. Many UXO victims are killed or injured when they are engaging in agricultural activities.
- 4.31 The delegation also travelled to a UXO clearance site in Nongaseng Village to witness the work being done to clear the land of UXOs. Here, individuals with metal detectors painstakingly scan the ground for UXOs. Once a UXO is detected, it is contained until it can be safely destroyed at the end of each working day.



Figure 11: Painstaking work of UXO clearance team

- 4.32 Again, the delegation was impressed by the level of dedication demonstrated by all those individuals and agencies involved in UXO clearance activities.
- 4.33 Australia is a longstanding supporter of UXO action in Laos. Total Australian funding to the unexploded ordnance sector has been around \$16.5 million since 1996.¹²
- 4.34 The delegation notes that UXO Lao has a number of other supporters. These include Germany, Japan, Ireland, Luxembourg, Poland, Switzerland, United Kingdom, World Without Mines and the United States.
- 4.35 The delegation also notes that calculated in today's dollar terms, the cost of bombing Laos to the United States was approximately USD\$17 million per day. By comparison, the US contribution to Laos UXO project could be described as 'modest' at USD\$5 million in 2010.¹³
- 4.36 The delegation was appalled by the experiences the Laos people must endure as a result of these UXOs. The delegation firmly believes the US should provide substantially more funding to reduce the human toll of

12 Viewed at AusAID:
www.ausaid.gov.au/country/cbrief.cfm?DCon=5599_4009_4564_8437_7131&CountryID=35&Region=EastAsia on 3 November 2010.

13 Viewed at: www.america.gov/st/texttrans-english/2010/April/20100423165929eafas0.5589215.html&distid=ucs on 8 November 2010.

deaths and injuries suffered as a result of these explosive devices and render the land useable in order to reduce poverty in the region.

- 4.37 During its meetings with Laos Government officials, the delegation heard further about the Convention on Cluster Munitions. This Convention, which was adopted in Dublin on 30 May 2008, ‘prohibits all use, stockpiling, production and transfer of Cluster Munitions’.¹⁴ The first meeting of States Parties was held in Vientianne, Laos from 8-12 November 2010.
- 4.38 The delegation notes that ratification of this Convention was unanimously endorsed by the Australian Parliament’s Joint Standing Committee on Treaties in its Report 103.¹⁵
- 4.39 The delegation also notes that at the time of writing the Australian Parliament is debating the implementation of related legislation namely the *Criminal Code Amendment (Cluster Munitions Prohibition) Bill 2010* and on 28 October 2010, the Senate referred this bill for inquiry and report. It is anticipated the report will be tabled in the autumn sittings of 2011.



Figure 12: Young UXO victim shows his injuries

14 Viewed at: www.clusterconvention.org/index.php on 8 November 2010.

15 Joint Standing Committee on Treaties. *Report 103: Treaties tabled on 12 March and 13 May 2009.*

COPE rehabilitation centre

- 4.40 On the final day of the delegation, members were pleased to be able to visit the COPE rehabilitation centre located in Vientiane.
- 4.41 COPE stands for Cooperative Orthotic and Prosthetic Enterprise and it provides prosthetics and mobility devices for people in need. COPE is the only provider of prosthetic, orthotic and rehabilitation services in Laos. It was established in 1997 and is a joint venture between the Ministry of Health and a number of non-government organisations.
- 4.42 Australian aid in the order of \$350 000 for 2008-2010 supports COPE through a Partnership in Rehabilitation with the Laos Government's National Rehabilitation Centre. The aim of the partnership is to reduce the vulnerability of people with disabilities and reintegrate them into the community.¹⁶ While not limited to UXO victims, about 40 per cent of COPE'S patients use the service because they have been injured by a UXO.¹⁷
- 4.43 The delegation learned about the work being conducted at the Centre and met a number of UXO victims who had received prosthetic limbs as a result of that work. The Committee was moved by the courage of the victims of UXO, and those working to enhance their lives through rehabilitation services.



Figure 13: Beneficiary of prosthetic limb from COPE

16 Viewed at: www.aisaid.gov.au/country/country.cfm?CountryID=35&Region=EastAsia on 8 November 2010.

17 Viewed at: www.copelaos.org/COPEservices.html on 8 November 2010.

Strengthening connections

- 5.1 The delegation met with a large number of officials in each country it visited. A common theme of these discussions was a desire to strengthen the friendship and links between parliaments and people-to-people. A range of issues were raised during those meetings. Discussions and meetings on environmental issues and strategies to reduce poverty have been reported in earlier chapters.
- 5.2 A record of the other discussions held during those meetings between the delegation and officials in each country follows. While in Indonesia, the delegation met with two ASEAN officeholders. This chapter also provides a record of those meetings.

Indonesia

Formal meetings

Handover occasion of remains of Australian soldiers

- 5.3 One of the delegation's first official functions on arrival in Jakarta on 12 April 2010 was to attend a ceremony to handover the remains of two Australian soldiers missing in action during Indonesia's 'Confrontation' with Malaysia. Lieutenant Kenneth Hudson and Private Robert Moncrieff

were swept away during a river crossing while in West Kalimantan on patrol in March 1966.¹

- 5.4 The delegation was pleased, along with the then Minister for Veterans' Affairs, Hon Alan Griffin MP, to be invited to this ceremony at the Australian Embassy and to witness the formal handover of the remains by the Indonesian National Defence Force (TNI) to Special Operations Commander Major General Tim McOwan.
- 5.5 The delegation notes that following a ramp ceremony in Jakarta, members of the Special Air Service Regiment Association escorted the soldiers' remains home and handed them to their families for burial. Lieutenant Hudson and Private Moncrieff are the last SAS soldiers missing in action to be found and returned home.
- 5.6 The delegation is grateful to the strong support provided by the Indonesian Armed Forces in locating the Australian soldiers so that they may be returned home to their loved ones.



Figure 14: Handover of Lieutenant Hudson and Private Moncrieff's remains

1 Department of Defence, media release, 13 April 2010. Viewed at: www.defence.gov.au/media/download/2010/apr/20100413/index.htm on 9 November 2010.

Meeting with Presiding Officers and other parliamentarians

- 5.7 Delegation members met with two Presiding Officers of the Indonesian Parliament and a number of Members of Parliament during their visit to Jakarta. These meetings afforded the delegation valuable opportunities to discuss issues of mutual significance around a range of topics and to share their parliamentary experiences.
- 5.8 The first of these formal meetings took place on Thursday 15 April, when the delegation called on His Excellency Mr Taufik Kiemas, Speaker of the People's Consultative Assembly (MPR). Mr Kiemas warmly received delegation members, welcoming them to Indonesia. The delegation also called on Mr Marzuki Alie, Speaker of the House of Representatives (DPR). The following matters were discussed during those meetings:
- the depth of friendship between the two countries. A notable example of this friendship was the invitation extended to President Yudhoyono, to address a joint sitting of the Australian Parliament during his visit in March 2010
 - the need to balance a respect for the sovereignty of each country with the need to engage in open and frank dialogue on matters of significance to either country
 - the significance of *Pancasila*, the Indonesian state ideology, as a vehicle to unite an ethnically diverse Indonesia
 - the delegation, as representatives of Australia, was thanked for the funding provided by AusAID. Indonesian MPs from West Papua and Nias made particular note of the work that had been carried out in their local areas to assist individuals after the devastation of the 2004 tsunami
 - commonality around the environmental issues each country faces and the level of commitment required to address those issues in an environmentally sustainable way (see chapter 3 above)
 - the proposed link between environmental disasters such as flooding and landslides and increased population
 - the comparative place of women in both parliaments and the importance of increasing the representation of women in those roles. Delegates noted the vision expressed by Indonesian MPs that the current proportion of 101 women out of the 560 in total MPs would increase in the future.



Figure 15: Meeting with HE Mr Taufik Kiemas - Speaker MPR

- 5.9 In addition to these matters, Indonesian MPs and the delegation discussed a number of issues reported below.

Prisoner exchange/transfer program

- 5.10 A number of Australian citizens are currently serving prison terms in Indonesian jails and the delegation reiterated Australia's support for clemency in circumstances where the death penalty has been imposed on those prisoners.
- 5.11 The delegation also raised the issue of a prisoner exchange/transfer program, such as the Transfer of Sentenced Persons Agreements Australia currently has with a number of other countries. This discussion is particularly pertinent in light of the ever-increasing opportunities for citizens to travel between the two countries for the purposes of tourism, trade and study. Under such a program, Australian and Indonesian citizens incarcerated overseas might be able to serve out the balance of any custodial term in their home country rather than in the country of conviction. This would provide those prisoners with the opportunity to be closer to their families, minimising the additional suffering such incarceration causes.
- 5.12 The delegation notes from its discussions that this is an issue currently under consideration by the Indonesian Government.

Illegal fishing

- 5.13 Along similar lines, Mr Marzuki Alie articulated Indonesia's ongoing concern that citizens who have been detained for illegal fishing in Australia's northern waters are treated with respect.
- 5.14 The delegation acknowledged the difficulties that this issue had created in the past and reiterated Australia's efforts to ensure that these matters are dealt with appropriately.

Travel advisory

- 5.15 The Australian Government's travel advice in relation to Indonesia was raised as a point of concern for a number of the MPs hosting the delegation. The view expressed was that travel advice indicating, for example, that Australian citizens should reconsider their need to travel to Indonesia due to the very high threat of terrorist attack was not helpful because it was likely to elicit fear about travelling to Indonesia.
- 5.16 The delegation noted the concerns articulated by the MPs, however, it also reiterated the imperative of the Australian Government to warn its citizens of potential harm particularly in light of terrorist attacks that had previously occurred in Indonesia. The delegation advised its hosts that despite the travel advisories provided to Australians, many of its citizens, including parliamentarians, still travel to Indonesia.

Informal meetings

- 5.17 The delegation was delighted to attend a roundtable discussion with an expert panel on the state of human rights and gender issues during its visit to Jakarta. Attendees at this event included researchers and representatives from the ASEAN Intergovernmental Commission on Human Rights, the Commission for the Missing and the Victims of Violence (Kontras), the National Commission on Violence Against Women, the Women's Research Institute and Indonesia Institute of Sciences.
- 5.18 The delegation was also invited to dine with Indonesian members of the Australia-Indonesia Parliamentary Friendship Group. Parliamentary Groups such as this are formed under the auspices of the Australian National Group of Inter-parliamentary Union. Their aim is to foster and maintain friendship with, and understanding of, particular countries through links with national legislatures. This informal meeting provided a

further opportunity for delegation members and some of their counterparts in the Indonesian Parliament to discuss a range of issues and share their experiences of parliamentary life.

- 5.19 At all the meetings, the delegation members expressed their hope that reciprocal visits from Indonesian MPs would further strengthen parliamentary ties.

Brunei Darussalam

- 5.20 The delegation was particularly pleased to be able to visit Brunei, this being the first Australian parliamentary delegation to have travelled to that country. The delegation was also very grateful for the warm welcome it received and the hospitality extended to it during each official function.

Meetings with Government

Ministry of Health

- 5.21 One of the first official meetings with the Brunei Government was with representatives from the Ministry of Health.
- 5.22 The delegation was provided with an informative presentation on the health care system in Brunei Darussalam. The delegation heard that health care in Brunei Darussalam is provided by the public and private sector. Approximately 80 per cent of health care is provided by the Government through the Ministry of Health and the balance, 20 per cent is provided by the private sector.
- 5.23 Apart from a nominal fee of one Brunei dollar for each medical visit, Brunei provides free health care to all its citizens and permanent residents. This includes health care provided through decentralised community health centres and flying medical services to remote areas. When specialised services or expertise is required and it is not available in Brunei, citizens are flown to private hospitals overseas for the provision of those services.
- 5.24 The delegation reflected on the Australian health care experience and was interested to hear about the challenges the Brunei Ministry of Health has identified. For example, where in Australia the responsibility for health care is divided along state/federal lines, Brunei is more easily able to manage healthcare for its citizens with the dominance of public sector funding. Representatives from the Ministry of Health articulated that this

however, has its own challenges. For example, the high level of responsibility for health care on the Government leads to significant financial pressure and high public expectations about the level of care citizens are entitled to.

- 5.25 Like Australia, Brunei is experiencing a trend towards an increasingly ageing population which will place a further burden on the healthcare system, as well as medical workforce shortages that require urgent attention.
- 5.26 The delegation also heard about the high level of cooperation around health that occurs under the ASEAN banner including working groups which are a part of the ASEAN Senior Officials Meeting on Health Development, ASEAN Coordinating Committee on Services (including the ASEAN Framework Agreement on Services), and ASEAN Consultative Committee on Standards and Quality.
- 5.27 The delegation was impressed by the level of health care Brunei is able to afford its citizens. The delegation also notes and congratulates Brunei for the significant progress it has made on the UN's Millennium Development Goals, in particular reaching its goal of reducing the maternal mortality ratio by 75 per cent, well ahead of the anticipated target date.
- 5.28 The delegation encouraged representatives of the Ministry of Health to maintain the links it currently has with Australian institutions such as the University of Queensland (a MOU for academic cooperation was signed on 15 February 2010) and to establish new links by targeting relevant individuals and organisations.²

Legislative Council

- 5.29 Brunei's Legislative Council (LegCo) is comprised of 26 members and provides the annual forum whereby His Majesty the Sultan and Yang Di-Pertuan of Brunei delivers national directives to his ministers, introduces issues, and is provided with feedback from ministers and other community representatives on issues of significance.³
- 5.30 The delegation was pleased to be invited to meet with Pg Indera Mahkota Pg Anak (Dr) Kemaludin Al Haj Ibni Almarhum Pg Bendahara, Legislative Council Speaker and other Legislative Council Members on 17 April 2010.

2 Ministry of Health. *An overview of Brunei Darussalam's Health Care Delivery System*. Presentation to the delegation on 17 April 2010.

3 Brunei's State Legislative Council. *The Brunei Times*, 11 March 2010.



Figure 16: Hon Duncan Kerr and speaker of LegCo

5.31 The delegation and LegCo Members discussed a range of issues including:

- the history of friendship that has existed between Australia and Brunei since 1945 (when Australia contributed to bring about an end to Japanese occupation and help Brunei with reconstruction)
- the comparative role and workings of the Legislative Council and the Australian parliament
- opportunities for exchange visits with other parliamentarians including ASEAN parliamentary organisations;
- shared concerns about the sustainability of each country's heavy reliance on the mining sector
- the ongoing evolution of LegCo and its workings. LegCo members were interested in learning more about the Australian Parliamentary Committee system. Committees in Brunei are convened as and when

necessary although some interest was expressed in re-establishing a public accounts committee. To that end, delegates extended a warm invitation to Brunei LegCo members to visit Australia and benefit from the expertise that could be provided by Members of the Australian Parliament's Joint Committee of Public Accounts and Audit.

HRH Prince Mohamad Bolkiah

5.32 The delegation met with HRH Prince Mohamad Bolkiah on Saturday 17 April 2010. HRH Prince Mohamad Bolkiah is the Sultan's brother and the Minister of Foreign Affairs and Trade.



Figure 17: Meeting with HRH Prince Mohamad Bolkiah

5.33 The delegation discussed a number of issues with Prince Mohamad including:

- the reinstatement of the Legislative Council in 2004 and its evolution since that period including proposed changes to the manner in which members are elected to the Council

- the Delegation thanked Brunei for its role as ASEAN Coordinator in the negotiations for the ASEAN-Australia-New Zealand Free Trade Agreement which was signed in February 2009, and also for its support of Australia's bid for a non-permanent seat on the United Nations Security Council in 2013-14
- Brunei's first appearance before the United Nations Human Rights Council in December 2009 and its intention to introduce legislation to address the resource and expertise shortages currently preventing Brunei from considering human rights treaties, such as the International Covenant on Civil and Political Rights, more comprehensively (as per UN Human Rights Council recommendation)
- Brunei's support for the International Commission on Nuclear Non-proliferation and Disarmament
- Australia's role in the evolution of ASEAN including its proposed architecture in the Asia Pacific Region.

Ministry of Culture Youth and Sports

- 5.34 The delegation was invited to a presentation entitled the *Status of Women in Brunei Darussalam*.⁴ The delegation heard how Brunei has recently achieved a great deal in advancing the interests of women particularly in the education arena. For example, the literacy rate for women (aged over 9 years) has increased from 73.3 per cent in 1981 to 98.2 per cent in 2007-08. Girls outnumber boys in secondary-level education and, even though women represent only 47 per cent of the population, they account for 73 per cent of the graduate population (as at 2007).
- 5.35 Women's participation in the workforce has also risen from 31.3 per cent in 1981 to 59.1 per cent in 2005. Women constitute approximately 49 per cent of the civil service where they occupy 28 per cent of senior management roles. Women are also active participants in business. As of 2006, 62 per cent of the beneficiaries of micro-credit financing schemes are women.
- 5.36 In 2006 Brunei acceded to the Convention on the Elimination of All Forms of Discrimination against Women and has signed a number of ASEAN human rights documents including the elimination of violence against women. The delegation and representatives from the Ministry discussed

4 Ministry of Culture Youth and Sports. *Status of Women in Brunei Darussalam*. Presentation to delegation, 17 April 2010.

the issue of domestic violence in both countries. The delegation heard that in Brunei there is a reticence to report domestic violence and indeed some difficulty in encouraging women to pursue criminal charges because it may place the economic well-being of their family at risk.

- 5.37 The delegation also heard how efforts are currently underway to incorporate domestic violence (*dharar syarie*) into the Islamic Family Order 1999, the legislation which governs the relations within a Muslim Family.
- 5.38 There are a number of programs and activities organised to promote the interests of women in Brunei. These include ASEAN Women's Day and the ASEAN Committee on Women. The delegation discussed comparisons in the reporting of child abuse by authorities such as schools, medical practitioners and the like. Where in Australia, such reporting is mandatory, in Brunei the obligation to report child abuse is a moral rather than a legal obligation.
- 5.39 Despite the challenges still to be faced in relation to women's issues, the delegation was impressed with the achievements of Brunei Darussalam in relation to promoting the interests of women, particularly in relation to education, participation in the workforce and women's health.

Ministry of Education

- 5.40 At its meeting with representatives of the Ministry of Education the delegation discussed a range of issues. Of particular interest was the Ministry's Strategic Plan 2007-2011. This plan is known as SPN 21 (Sistem Pendidikan Negara Abad Ke-21 or the National Education System for the 21st Century).
- 5.41 The delegation was interested to hear about the Ministry's focus on multiple pathways to higher education, and its plans to review the curriculum and assessment system.
- 5.42 The Ministry reported that Brunei currently has 6 500 students in tertiary education at three universities. The Ministry plans to examine the quality of higher education including the previous reliance on examinations as the primary method of assessment. The Ministry also outlined its plans to develop a number of niche programs including Islamic education, and Islamic finance and review its approach toward distance education.
- 5.43 The importance of providing multiple pathways to educational programs which would cater to the interests, needs and abilities of all its citizens was discussed as were the Ministry's plans to build a polytechnic institution. This initiative resonated with delegates in light of the current skills shortages being experienced in Australia. To that end, the delegation

reiterated the importance of teaching technical skills such as those learned in the TAFE (technical and further education) model to encourage skills based training.

- 5.44 The delegation heard about Brunei's plans to establish an academy of sport and encouraged the Ministry to establish and maintain links with relevant Australian institutions like the Australian Institute of Sport located in Canberra and performance consultants who could provide strategic guidance such as Dr Ric Charlesworth (former captain of the Australian Hockey Team, former Member of Parliament, and former coach of the Australian Women's Hockey Team).
- 5.45 The delegation was also impressed by the Ministry's efforts to increase awareness of the importance of using energy sustainably through the 2009 launch of an educational program called the Energy Club (PTEM which stands for Pusat Tingkatan Enam Meragang) for school children.

LegCo members and Ministry of Foreign Affairs and Trade

- 5.46 Following its meeting with the Ministry of Education, the delegation met with a number of members of LegCo and officers from the Ministry of Foreign Affairs and Trade.
- 5.47 Representatives of the Ministry of Foreign Affairs and Trade articulated the Brunei Government's concern for its young citizens becoming caught up in illicit drug trafficking. The delegation outlined Australia's current approach to illicit drugs and invited the Brunei Government to make contact with the Australian National Council on Drugs for guidance and advice. Delegates again raised the issue of a prisoner exchange/transfer program in light of the increasing opportunities for citizens to travel between countries and the potential for them to find themselves in trouble with the law.
- 5.48 The UN Human Rights Council's recommendations that Brunei consider ratification of the core international human rights instruments such as the International Covenant on Civil and Political Rights and the International Covenant of Economic, Social and Cultural Rights was also raised. Delegates were advised again, that Brunei is currently considering a number of these issues and is building its expertise in order to enact the appropriate changes.
- 5.49 The delegation again congratulated Brunei on the exceptional approach it takes to managing its primary forest areas. Representatives of the Ministry of Foreign Affairs and Trade advised that this is an issue that remains under close scrutiny given that illegal logging is an activity that still occurs

around Brunei's borders. The need for a global approach to carbon trading was again discussed.

- 5.50 Australia is the second largest destination for Brunei's students wishing to travel overseas. The delegation encouraged students from Brunei to travel to Australia for the purposes of attaining educational qualifications.
- 5.51 Representatives from the Ministry also made a request that a short-course (such as the three month course previously provided by the Australian Government) to educate foreign diplomats and facilitate their capacity to build networks be reinstated.



Figure 18: LegCo meeting chaired by Pehin Yasmin

Ministry of Industry and Primary Resources

- 5.52 The delegation was pleased to meet with officials from the Ministry of Industry and Primary Resources. This Ministry holds responsibility for forestry, fisheries and tourism.
- 5.53 The delegation heard in more depth about Brunei Darussalam's economic diversification strategy. In order to meet the challenges it faces in this respect the Ministry has taken what is described as a 'niche' approach and has a number of priorities for preferred industrial activity in the agriculture, fisheries and forestry sector.

- 5.54 One of Brunei's priorities for diversification includes developing a Brunei Halal brand which aims to capture one per cent of the worldwide halal industry. Brunei Halal plans to market a range of halal products including food, pharmaceuticals and cosmetics. The delegation were interested to learn about the challenges involved in retaining compliance with industry groups who are responsible for preparing halal products and the benefits to Brunei in developing this brand.
- 5.55 Another industry priority which was touched on at this meeting included the development of capture fisheries which would focus on tiger prawns and tuna. Ministry representatives outlined their approach to sustainable fishing including ensuring species such as tuna will not be over-harvested.

Prime Minister's Office and Ministry of Defence senior officials

- 5.56 Australia and Brunei share a warm Defence relationship. There are a number of avenues of engagement including strategic dialogue, bilateral military exercises and technical assistance. Australia conducts military exercises with the Royal Brunei Armed Forces and also provides some training and military expertise.
- 5.57 During His Majesty the Sultan of Brunei's visit to Australia 2005, a Memorandum of Understanding (MOU) on Cooperation to Combat International Terrorism was signed by Australia and Brunei. The MOU provides for cooperation on customs, finance, immigration, intelligence, law enforcement, security and transport. In 2008, Brunei and Australia signed another MOU related to combating transnational crime and developing police cooperation.
- 5.58 The delegation met with representatives of the Prime Minister's Office and the Ministry of Defence senior officials who provided three interesting and informative presentations. These presentations led to discussion around a range of issues including:
- regional security cooperation which includes collaboration between ASEAN defence and law enforcement agencies to address issues such as serious crime, counter-terrorism and border protection and developing regional capabilities through shared training and experiences
 - ASEAN bodies such as the ASEAN Chiefs of National Police (ASEANAPOL) and their strong commitment to proactively exchange information on terrorist organisations and their activities. This included a discussion around the importance of facilitating information exchange across police and intelligence communities

and the use of telephone intercepts for intelligence gathering exercises

- the importance of building strong people-to-people links and exchange opportunities between Australia and Brunei in the Defence arena. Brunei Darussalam-Australia bilateral defence relations include a range of cooperative arrangements including an MOU on Royal Brunei Air Force Participation in Courses Programme and Military Exercises (signed in 1985) and an MOU with regard to cooperation on defence activities (signed in 1999)
- The delegation's hosts expressed gratitude to Australia for its assistance in education and training in the defence realm, in particular for the receipt of 2 200 books and journals provided by the Australian Defence Force to the Royal Brunei Air Force's new library
- broadening the scope of the military in terms of providing civil relief in times of natural disasters
- the role and function of Brunei's Joint Working Group on Counter Terrorism (KBK) established in 2007 to coordinate and share intelligence information among the appropriate agencies. This included a discussion on the transition from a 'need to know' environment to a 'need to share' environment.

5.59 The delegation and its hosts reiterated the imperative to address the threat posed by terrorists and terrorist organisations. The delegation was very encouraged by Brunei's and indeed ASEAN's proactive approach to counter terrorism in the region and it is very grateful for the efforts which will serve, ultimately, to benefit the citizens of the region.

Ministry of Development

5.60 The delegation was invited to meet with the Minister of Development. At this meeting the delegation and the Minister discussed a range of environmental issues including Brunei's approach to pollution, the development of energy efficient buildings, water recycling and ASEAN's approach to global environmental issues as outlined in its Blueprint for the ASEAN Socio-Cultural Community (2009-2015).⁵

Brunei Economic Development Board (BEDB)

5.61 Since its discovery in 1929, oil and gas have dominated Brunei's economy. This has resulted in a large sovereign wealth fund which the BEDB reports

5 Viewed at ASEAN: www.aseansec.org/22336.pdf on 16 November 2010.

to be in the range of 50 to 100 billion. However, the challenge for Brunei is to provide high quality jobs for its citizens. As outlined above, Brunei is therefore focusing on diversifying its economy.

- 5.62 At a presentation provided by representatives of the BEDB, the delegation heard that this diversification strategy includes extending the oil and gas value chain, building on Brunei's biodiversity and leveraging on the Islamic Brand (e.g. Brunei Halal).
- 5.63 The delegation heard that the role of the Brunei Economic Development Board (BEDB) is to:
- develop new industries opportunities in light of Brunei's economic diversification strategy
 - manage large infrastructure projects
 - improve the 'business-friendliness' of Brunei.
- 5.64 The delegation was impressed by the business advantages outlined by the BEDB. The political stability, the existence of a highly-educated community and a high standard of living, few restrictions on the ability to bring in labour, and appealing tax arrangements (corporate tax stands at 22 per cent) make Brunei a potentially desirable place to invest.
- 5.65 During its visit to Brunei delegates also informally met with a range of Australian business representatives to learn of their investment experiences in Brunei.
- 5.66 The delegates believe Brunei has a great deal to offer, to potential business investors and also to tourists from Australia, and other countries. The delegation also urges Australian businesses, educational and sporting institutions to take the opportunity to provide assistance to Brunei in its social and economic development as both countries stand to gain from increased cooperation.

Laos

Meetings with Government

- 5.67 During its visit to Laos, the delegation met with a range of Government representatives. What follows is an outline of the issues discussed during those meetings.

Governor of Savannakhet

- 5.68 On Thursday 22 April during its visit to Savannakhet, the delegation met with the Vice Governor of that province, Dr Suphanh Keomixay. During that meeting the delegation learned a great deal about the challenges faced by the citizens of Savannakhet, not least of which is the difficulties posed by the heavy contamination of UXOs (also see chapter four). The Vice Governor expressed the Province's gratitude to Australia for its assistance in clearing the land so that the Laos people can more effectively use it for food production and the like.
- 5.69 The delegation also heard about the environmental challenges such as drought and floods faced by the people of Savannakhet and the need to conserve and manage its water reserves appropriately.

Vice President of National Assembly

- 5.70 As outlined in chapter two, Laos has a National Assembly, elected by the people from a list of Party-approved candidates. The National Assembly is responsible for scrutinising proposed legislation.
- 5.71 At the meeting with the Vice President of the National Assembly, Dr Xaysomphone Phomvihane, the following matters were discussed:
- the importance of strengthening the relationship between the Australian Parliament and the National Assembly through exchange visits
 - acknowledgement by the Laos Government of Australia's aid contribution including: the 1994 Australian-built and funded 'Friendship Bridge' linking Laos and Thailand; the contribution to delivering better education in Laos; and, in particular, for Australia's work in UXO clearance
 - Australian investment in the mining sector, and the Vice President again expressed Laos gratitude for the opportunities this investment provides to the people of Laos to improve their living standards
 - the commonality of the environmental challenges posed by drought, flood and salinity that each country has to face
 - the delegation outlined the process involved in Australia's ratification of treaties such as the Convention on Cluster Munitions (see also chapter four).



Figure 19: Meeting with Vice President of National Assembly

Hmong community

- 5.72 The situation of the Hmong community in Laos was of particular interest to the delegation. The delegation notes that in December 2009 approximately 5 000 Lao Hmong people were forcibly returned to Laos from Thailand under an agreement between those two countries.
- 5.73 In January 2010 Amnesty International expressed particular concern about a group of 158 Hmong, designated as official refugees by the UNHCR, who had been offered immediate resettlement to third countries. Australia was one of those countries.
- 5.74 The Vice President of the National Assembly advised the delegation that the Minister of Foreign Affairs had recently arranged a site visit to assess the re-settlement areas. The Minister was satisfied that the Hmong community were satisfied with the living conditions since their repatriation.
- 5.75 The delegation reiterated Australia's offer to resettle the 158 Hmong identified as official refugees and expressed its gratitude that the Australian Ambassador would be able to continue to be provided with access to the Hmong community in Laos.

Deputy Prime Minister and Minister of Foreign Affairs

5.76 The final meeting of the delegation was with the Deputy Prime Minister and Minister of Foreign Affairs, Dr Thongloun Sisoulith, on Friday 23 April.



Figure 20: Meeting with Deputy Prime Minister and Minister of Foreign Affairs

5.77 The following matters were discussed at that meeting:

- the significance of the Friendship Bridge (see above) to trade and transport in Laos
- Laos' gratitude for the Australian support provided to reduce poverty in Laos including the Australian Development Scholarships program where up to 40 students each year are funded to study at Australian institutions in order to address the skills shortages in Laos
- delegation insights into the toll uncleared UXOs place on the Laos people and its government and the imperative for the United States Government to contribute significantly more funding
- the importance of parliament-to-parliament exchanges including sharing knowledge about the application of democratic principles
- the offer to resettle the Hmong refugees in Australia (see above).

Meetings with ASEAN officials

5.78 During its visit to Indonesia, the delegation met with two ASEAN officials. Although these visits have been referred to in earlier chapters, an outline of the discussions that took place during those visits is reported below.

Dr Surin Pitsuwan, Secretary-General of ASEAN

5.79 The delegation's first official meeting in Indonesia was with Dr Surin Pitsuwan, Secretary-General of ASEAN. Dr Pitsuwan and the delegation discussed the following issues:

- the relationship between ASEAN and China particularly with regard to trade balance between those countries
- the capacity of the East Asia Summit (EAS) to facilitate cooperation between countries in the East Asian region and the importance of enhancing intra-ASEAN connectivity
- the future architecture of ASEAN
- the practical implications for citizens of ASEAN nations such as the free movement of skilled labour across those countries, investment restrictions, and tariffs
- climate change issues including concerns about the Mekong River, in particular, the impact of drought on downstream areas, preservation of rainforest areas and protecting the oceans' resources
- land rehabilitation projects and Australia's contribution to those projects and also the importance of ASEAN nations harnessing and utilising alternative sources of energy
- the importance of developing a trading instrument for carbon credits
- ASEAN support for Myanmar working toward free, fair and inclusive elections as part of its democratisation process.



Figure 21: Meeting with Secretary-General of ASEAN

Mr Lim Thuan Kuan, Singaporean Permanent Representative to ASEAN

5.80 At its second meeting with the Singaporean Permanent Representative to ASEAN, the delegation discussed the following issues:

- evolution of the ASEAN charter including the future architecture of ASEAN and the potential inclusion of other countries such as the United States and Russia
- the establishment of a coordinating council for ASEAN (Committee of Permanent Representatives, CPR) to assist the councils of each ASEAN community (i.e., the Political-Security Community, Economic Community, and Socio-Cultural Community) and foster an *identity* for ASEAN by 2015
- CPR support for, and oversight of, the ASEAN secretariat
- ASEAN's priority to improve connectivity and economic integration between member nations by facilitating trade and movement between countries
- ASEAN's ongoing focus on promoting peace and stability in the region and its efforts to make clear the expectations of potential member nations.

Media coverage

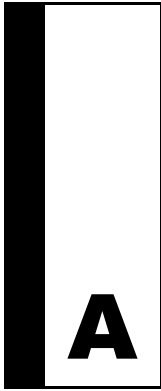
- 5.81 The visit by the Australian delegation received some press coverage. Press clippings from the visit are located at Appendix A.

Final comment

- 5.82 The delegation members again thank all the individuals and organisations who extended such a warm welcome to them during their visit. All the meetings were informative, interesting and thought-provoking. The delegation visit reminded members that while culturally Australia may be very different from ASEAN nations, geographically Australia is very much a part of the region. The delegation visit underpinned the importance of collaboration in a range of areas, and the capacity of each country to learn from the experiences of others.
- 5.83 The delegation is encouraged by the parliamentary and people-to-people exchanges made during its visit and looks forward to providing a reciprocal level of hospitality to its ASEAN hosts should they visit Australia in the future.

Dr Mal Washer MP

Deputy Leader of the Delegation



Appendix A – News articles

News articles on the Australian Parliamentary Delegation visit to Indonesia, Brunei and Lao.

Aussie MPs visit Indonesia

23:31 AEST Mon Apr 12 2010

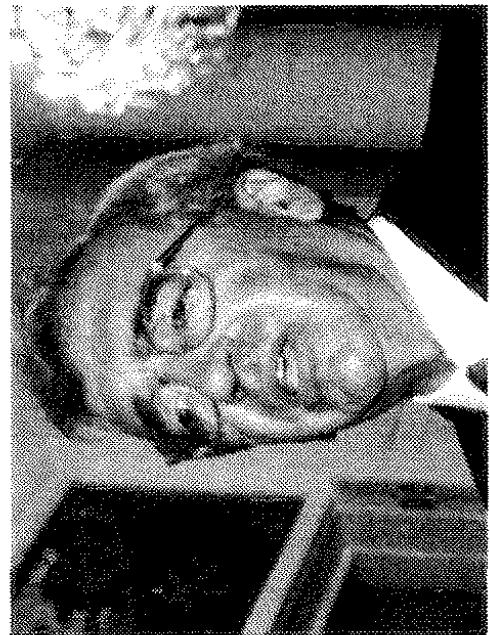
Three Australian MPs are visiting Indonesia to strengthen ties between the two countries' parliaments.

Labor MPs Duncan Kerr and Kelvin Thomson and Liberal MP Mal Washer arrived in Jakarta on Sunday for a five-day visit.

They will meet with Indonesian MPs and ASEAN Secretary General Surin Pitsuwan and visit the new Australia Indonesia Facility for Disaster Reduction.

They will also visit some joint Australia-Indonesia environment, health and education programs in Central Kalimantan province.

"The visit is part of the deepening interaction between our two democracies and reflects the importance that both countries place on the relationship," Australian ambassador Bill Farmer said.



Australian ambassador Bill Farmer says three Federal MPs are in Jakarta to boost parliamentary ties.

Bantuan Asing Hendaknya Langsung ke Daerah

PULANG PISAU - Wakil Ketua I DPRD Pulang Pisau, H Idham SH mengatakan, menyambut baik jika ada pihak asing yang berkeinginan membantu daerah untuk membantu mengurangi kemiskinan dan meningkatkan kesehatan, pendidikan dan infrastruktur.

Namun dia berharap bantuan dari pihak asing tersebut dalam pelaksanaannya dapat langsung diberikan kepada daerah yang bersangkutan.

"Ini dilakukan untuk menghindari benturan-benturan dengan pihak lain," terang Idham, Rabu (14/4).

Menurut Idham, selama ini dalam pemberian bantuan dilakukan melalui mekanisme birokrasi yang panjang dan prosesnya harus melalui pemerintah provinsi.

Dalam hal ini, kata dia, kerap terjadi *miss komunikasi*. Palingnya, bisa saja daerah tidak

mengetahui adanya bantuan yang diberikan dari pihak asing yang sebenarnya menjadi hak daerah tersebut.

Ia berharap segala bentuk bantuan yang berkaitan dengan upaya peningkatan dibidang kesehatan, pendidikan dan infrastruktur oleh pihak asing

harus melalui dan melibatkan *stakeholder* daerah setempat. Hal tersebut dilakukan agar bantuan yang diberikan oleh pihak asing melalui program kerjasama antara kedua negara benar-benar bisa dirasakan dan dimanfaatkan sepenuhnya oleh masyarakat. (was/rud)

Bantu Indonesia Melalui Program Kemitraan

PULANG PISAU - Ketua tim Delegasi Perlemban Australia, Duncan Kerr mengatakan, pihaknya telah melakukan kerjasama melalui kemitraan Australia-Indonesia diberbagai bidang. Salah satu bentuk kerjasama itu yaitu mendanai pembangunan sebanyak 2.075 sekolah menengah pertama di wilayah miskin dan terpencil, salah satu hasilnya adalah bangunan SMPN-6 Kahayan Hilir.

"Kedatangan kami ke sini adalah untuk melihat langsung proyek-proyek yang telah dibangun. Pemerintah Australia dalam kerjasama kemitraan ini telah berkomitmen memberikan pendanaan pembangunan dan sekolah sebesar A\$300 Juta," kata Duncan kepada wartawan saat melakukan kunjungan di SMPN-6 Kahayan Hilir, kemarin (14/4).

Menurut Duncan, selain membangun sarana fisik sekolah, pemerintah Australia juga fokus terhadap kualitas pendidikan untuk mendukung program pemerintah Indonesia melaksanakan prioritas reformasi pendidikan nasionalnya, termasuk di dalamnya adalah strategi-strategi untuk memperbaiki kualitas guru, kurikulum, manajemen berbasis sekolah dan memperbaiki distribusi pendanaan sekolah.

Dana tambahan yang dialokasikan pemerintahnya untuk peningkatan kualitas dan tata kelola pendidikan itu mencapai A\$87 Juta.

"Setiap tahun pemerintah Australia mengirimkan delegasinya untuk melakukan kunjungan ke negara-negara Asia penerima bantuan seperti Indonesia, Brunei dan Laos," terang dia.

Dia mengatakan, bahwa SMPN 6 Kahayan Hilir adalah salah satu dari 83 sekolah menengah pertama yang dibangun di Kalimantan Tengah, atau diantara 2.075 sekolah di Indonesia yang dibangun melalui dukungan Australia. Dana hibah yang dialokasikan untuk membangun sekolah ini sebesar Rp1.296.983.000. Diharapkan seluruh sekolah yang didanai dari program ini sudah dioperasikan pada tahun 2010 ini.

Sementara itu selain Duncan, rombongan yang hadir adalah Dr Mal Washer, Kelvin Thompson dan Dr Kris Veenstra. Rombongan meninjau kondisi fisik gedung sekolah yang memiliki enam ruang kelas, toilet dan kamar ganti murid, tempat penyimpanan barang dan ruang serba guna. Demikian juga dengan dukungan tambahan dari Australia sebuah perpustakaan dan laboratorium IPA yang diharapkan Duncan bisa beroperasi untuk



Wakil Bupati H Edy Pratowo Ssos MM bersama delegasi pemerintah Australia yang diketuai Duncan Kerr meninjau salah satu ruangan di SMPN-6 Kahayan Hilir, kemarin (14/4). Sekolah ini dibangun melalui program kerjasama antara pemerintah Australia-Indonesia dibidang pendidikan.

tahun ajaran 2010.

SMPN-6 kahayan Hilir tercatat memiliki 50 siswa yang terdaftar di kelas I dan II SMP, dan terdiri dari 27 siswa laki-laki dan 23 siswi perempuan. Selain meninjau sekolah, rombongan delegasi Australia ini juga melihat Posyandu Melati Putih dari program PNPMD Mandiri di Desa Mentaren II didampingi

beberapa pejabat di Pemkab dan DPRD Pulang Pisau.

Sementara Wakil Bupati Pulang Pisau H Edy Pratowo Ssos MM saat menyambut rombongan mengharapkan kedatangan para delegasi parlemen Australia di Indonesia khususnya di Kabupaten Pulang Pisau semakin menambah keakraban dan meningkatkan

hubungan bilateral antara dua Negara bertetangga ini, khususnya dalam pembangunan bidang kesejahteraan sosial dalam rangka menurunkan angka kemiskinan dan meningkatkan akses masyarakat terhadap lembaga pendidikan dasar dan menengah diiringi peningkatan mutu pendidikan di daerah-daerah. (was/rud)



01 TABENGAN/DINDIA

Tiba di Kalteng-Rombongan Delegasi Australia dipimpin Duncan Kerr, disambut Wagub Achmad Diran, turut hadir dalam rombongan, Pimpinan Delegasi Deputi DR Mal Washer, Sekretaris Delegasi Dr Kris Veenstra, dan Anggota Delegasi Kelvin Thomson dan Kerry Gordon, serta Humas Kedutaan Besar Australia di Indonesia Bram Marolop dan beberapa perwakilan WWF dan BOS Pusat, Selasa (13/4).

Delegasi Australia Disambut Upacara Adat *Tampung Tawar*

Tanam Pohon di Taman Nasional Sebangau

Kekayaan alam dan budaya di Provinsi Kalteng bagaikan magnet di mata dunia internasional. Karena itu, tak heran bila provinsi itu menjadi perhatian dunia barat, bahkan tak sedikit yang menyumbangkan dana dan pemikiran secara sukarela demi kelestarian alam maupun lingkungan hidup setempat.

PALANGKA RAYA, Ta-
benan: Untuk alasan yang sama, rombongan delegasi Australia yang dipimpin Duncan Kerr, melakukan kunjungan sekitar tiga hari di *Bumi Tambun Bungai*. Misi utama mereka, melakukan observasi lapangan, serta mengunjungi sejumlah daerah dan sekolah yang mendapat program pembangunan dari pemerintah

pusat.

Menginjakkan kaki pertama kali di Kalteng, rombongan berjumlah 20 orang itu langsung disambut upacara selamat datang khas *Dayak tampung tawar* oleh sesepuh adat setempat. Wakil Gubernur Kalteng H Achmad Diran yang memimpin rombongan penyambutan tamu, sengaja tiba lebih awal sehingga bisa menyambut

rombongan saat turun dari tangga pesawat di Bandara Tjilik Riwet, Palangka Raya, Selasa (13/4) sekitar pukul 11.30 WIB.

Turut hadir dalam rombongan, di antaranya Delegasi Pimpinan Deputi DR Mal Washer, Sekretaris Delegasi Dr Kris Veenstra, dan Anggota Delegasi Kelvin Thomson dan Kerry Gordon, serta Humas Kedutaan Besar Australia di Indonesia Bram Marolop dan beberapa perwakilan WWF dan BOS Pusat.

Jadwal kunjungan pertama adalah Taman Nasional Sebangau yang terletak di Kabupaten Pulang Pisau. Rombongan melakukan penanaman sekitar 20 pohon jenis Jelutung, Tutup

Kabali, dan Pasir-pasir secara simbolis. Pada hari kedua, kunjungan dilanjutkan meninjau daerah program nasional pemberdayaan masyarakat (PNPM) di Desa Mantaren dan SMP-6 Kahayan Hilir, Kabupaten Pulang Pisau.

Menurut Kepala Balai TNS Sumantri, di samping melakukan observasi lingkungan, kunjungan rombongan delegasi Australia ke TSN guna mempelajari cara pembuatan kabag atau alat penampung air gambut saat musim kemarau. Menurut mereka (delegasi Australia), pembuatan kabag ini merupakan salah satu upaya mengembalikan proses suksesi alam agar kembali normal.

Sumantri mengakui, pem-

buatan kanal-kanal justru menguras air gambut ke arah sungai. Akibatnya, gambut menjadi kering dan rawan terbakar pada musim kemarau.

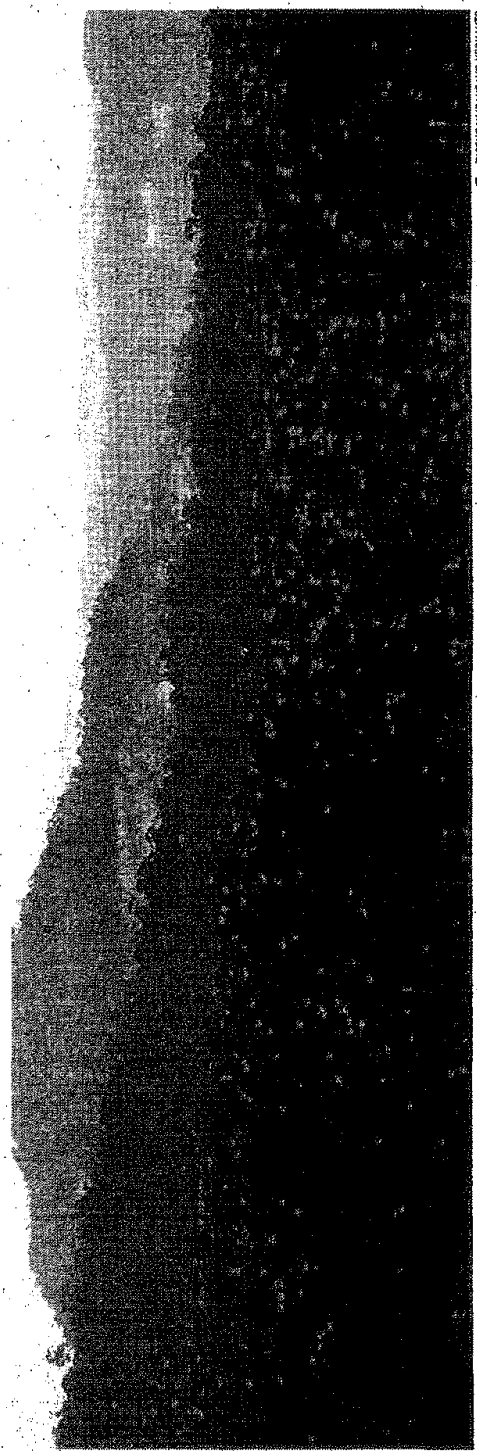
"Fungsi kabag inilah untuk menyimpan air di gambut, sehingga perlahan akan terjadi proses alami. Ini yang ingin dipelajari delegasi Australia, dan rencananya akan diterapkan di daerah binaan mereka di Kabupaten Kapuas," jelas Sumantri.

Pemasangan kabag di TSN sejak tahun 2004 hingga sekarang mulai menunjukkan hasil yang signifikan. Area gambut yang sebelumnya sempat tandus, kini mulai ditumbuhi berbagai aneka ragam tumbuhan alami, seperti layaknya hutan gambut normal. **ris**

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52 ZACERIAN/AMBANG HERMANTO

Hutan-Kawasan Hutan di Kecamatan Seribu Riam ini nantinya menjadi pelepaslaran Orangan terkait rencana reintroduksi orangutan yang digagas BOSF dan Pemkab Murung Raya.

Parlemen Australia Kunjungi Pulpis Bantu Pendidikan Sebesar Rp1,2 M

Melalui kemitraan antara Australia dan Indonesia, Australia mendanai pembangunan 2.075 Sekolah Menengah Pertama di wilayah miskin dan terpencil di Indonesia termasuk di Kabupaten Pulang Pisau (Pulpis).

PULANG PISAU, Ta- **benang:** Divisi Humas USAID Kedutaan Besar Australia Bram Marolop mengatakan, komitmen pendanaan pemerintah Australia untuk pembangunan dan perluasan sekolah itu sebesar 300 juta US Dolar, kemudian ada dana tambahan sebesar 87 juta US Dolar yang telah dialokasikan untuk

an sekitar 330 ribu bangku SMP untuk anak-anak usia 13-15 tahun. Jumlah ini mencakup p 1.500 SMPN dan 500 Madrasah Tsanawiah. Program pembangunan ini dirancang untuk membantu pemerintah Indonesia mencapai target wajib belajar sembilan tahun bagi seluruh anak Indonesia di tahun 2015. Bram mengatakan, sekolah-sekolah yang terpilih untuk mengikuti program pembangunan ini berasal dari daerah yang memiliki akses pendidikan dasar yang terbatas dan anak-anak umumnya mengakhiri

pendidikan formalnya setelah menyelesaikan sekolah dasar (SD) di usia 12 tahun. Setiap sekolah dibangun dengan partisipasi dari masyarakat setempat dengan menggunakan tenaga kerja, peralatan, dan bahan bangunan lokal di bawah petunjuk Departemen Pendidikan Nasional dan Departemen Agama RI untuk madrasah. "Dalam pembangunan sekolah ini, setiap kelompok masyarakat dibantu seorang insinyur lapangan yang berkualitas," katanya. Wakil Bupati Pulpis Edi

Pratowo mengatakan, Pemkab Pulpis termasuk salah satu kabupaten di Kalteng yang menerima bantuan hibah dari Pemerintah Australia. Dalam bantuan itu, Pulpis mendapat dana sebesar Rp1,2 miliar untuk membangun SMPN 6 Kahayan Hilir. Sekolah ini nantinya akan memiliki enam ruang kelas, toilet, kamar ganti murid, tempat penyimpanan barang dan ruang serbaguna. Selain itu Australia juga membantu pembangunan perpustakaan dan laboratorium IPA. **E c-mnye**

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Australia Indonesia

Australian parliament explores prisoner exchange in Indonesia

Posted: 2010/04/15
From: Source

Australian parliament delegation explored a prisoner exchange program in a meeting with Indonesian People Consultative Assembly on Thursday.

Apr 15, (english.people.com.cn) -- Duncan Kerr, Australia's Parliamentary Secretary for Pacific Island Affairs, who headed the Australian delegation, said that the policy will enhance ties between both countries.

He said that the delegation will propose an amnesty to President Susilo Bambang Yudhoyono for three young Australians who were sentenced to death penalty by Indonesian court.

"Although it would be beyond our capacity to apply for the mercy, we still want to do it. Hopefully, this will enhance our relationship," said Kerr.

Yasona H Laoly, a member of Indonesian parliament, said that the prisoner exchange would be a great possibility in the future.

"We have discussed the issue in parliament before and we do hope that we will have a breakthrough on it," said Yasona.

After the session, Yasona told Xinhua that maybe in the future Indonesia could revise its law concerning to foreign prisoners.

"Surely we have to honor each country's law before discussing it between both sides. However, I would say that it is possible that we could adopt the policy," he said.

Yasona said that both sides have prisoners in their own countries and the proposal would be a step forward in enhancing their ties.

Indonesian People Consultative Assembly's Chairman Taufik Kiemas said that parliament will discuss further about the issue.

Australian Delegation On Mission To Broaden Ties

Written by Adam Raelhi
Sunday, 18 April 2010 07:12



Bandar Seri Begawan - An Australian Parliamentary delegation is here for a five-day working visit to better understand developments in Brunei and to explore opportunities to broaden links between the two countries. The four-man delegation, led by member of parliament (MP) Duncan Kerr (Tasmania), paid a visit to the Ministry of Health yesterday morning to discuss intraAsean cooperation on health issues such as Severe Acute Respiratory Syndrome (San) and Influenza A (H1N1). The challenges of public health in the Sultanate and women's health were also brought up during the talks.

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Other members of the first Australian parliamentary delegation to Brunei are MP's Kelvin Thomson (Will, Victoria) and Dr Mal Walsher (Moore, Western Australia), and Secretary to the Australian delegation Dr Kris Veenstra. The delegation was also accompanied by Australian High Commissioner to Brunei Darussalam Mark Sawers.

Minister of Health, Yang Berhormat Pehin Orang Kaya Indent Pahlawan Dato Seri Setia Haji Suyoi bin Haji Osman briefed the delegates on the Sultanate's health system.

Kerr said the important reason for the visit was to get to know and understand the healthcare system in the country.

Kerr said: "What I think you can see in the opportunities that exist within Brunei is that some of the direction in public health strategies is what we would like to see strengthened in Australia."

He added: "We tend to always see that the grass is always greener, we look across and say things are done much better somewhere else; but from what we were given to understand this morning, the grass is pretty green already in Brunei on health strategies."

Kerr further said he was cautious about some of the aspects that might take the Bruneian healthcare system further towards the kind of models that have evolved in Australia, "because we are in a sense trying to re-orientate our health strategies back in some ways".

"There is no doubt that Brunei can draw on our health research institutions in Australia that are of world standard, but equally Australia can look to some of the initiatives that Brunei can take because it's a unitary system and less complex in its state and federal system. Things can be done, and those things can be tested more readily than in Australia," Kerr said.

After the morning visit to the MoH, the Australian delegation made their way to meet with the Legislative Council.

The delegates were briefed on the standing, functions and processes of the council.

Australia is eyeing to conduct an annual parliamentary visit to member-countries of Association of Southeast Asian Nations (Mean).

There is an importance in exchange, and discussion to better understand one another, as "culturally we are different, but geographically we are very much part of Asia", Kerr said.

"We are going through a transformative exercise in Australia to try, in a sense, get our system back to a more controllable system. There are things we can help each other with... and a lot of things that we can continue to exchange information about," the Australian legislator told The Brunei Times.-- *Courtesy of The Brunei Times*

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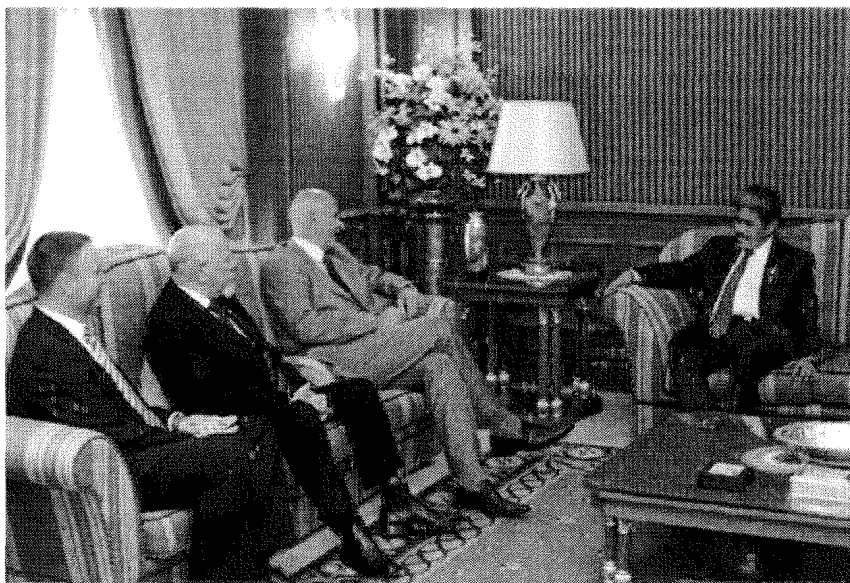


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MINISTER OF FOREIGN AFFAIRS AND TRADE GRANTS AUDIENCE TO AUSTRALIAN PARLIAMENTARIANS



17 April 2010 - His Royal Highness Prince Mohamed Bolkiah, Minister of Foreign Affairs and Trade, today granted an audience at the Balai Penghadapan, Bukit Kayangan to The Hon. Duncan Kerr, Dr. Mal Washer and Mr. Kelvin Thomson, members of the Australian Parliamentarians group currently visiting Southeast Asia.

His Royal Highness and the Parliamentarians discussed bilateral relations and current regional affairs.

The Australian Parliamentarians are in the country on a five-day visit.

Borneo Bulletin SUNDAY

THE INDEPENDENT NEWSPAPER IN BRUNEI DARUSSALAM, SABAH AND SARAWAK

Vol. 3 No. 042

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CROWN PRINCE AUDIENCE TO CHINA ENVOY



AZROL AZMI

HIS Royal Highness Prince Haji Al-Muhtadee Billah, the Crown Prince and Senior Minister at the Prime Minister's Office, consented to receive in audience Ambassador of the People's Republic of China to Brunei Darussalam, Mdm Tong Xiaoling (*photo above*), at the Istana Nurul Iman yesterday afternoon.

HRH the Crown Prince was greeted by outgoing Ambassador Mdm Mr Wang Wentian before proceeding to the audience. Mdm. Tong has been China's envoy here since March 20, 2007.

By Azrol Azmi

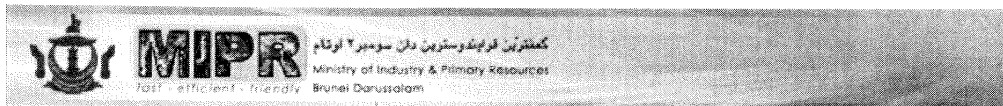


JASON LEONG

HRH Prince Mohamed Bolkiah greeted by Mr Duncan Kerr, Dr Mal Washer and Mr Kelvin Thomson during yesterday's audience at the Balai Penghadapan

PRINCE MOHAMED MEETS AUSSIE PARLIAMENTARIANS

HIS Royal Highness Prince Mohamed Bolkiah, Minister of Foreign Affairs and Trade, yesterday granted an audience at the Balai Penghadapan, Bukit Kayangan to Mr Duncan Kerr, Dr Mal Washer and Mr Kelvin Thomson, Australian Parliamentarians currently visiting Southeast Asia. - **by Jason Leong** (See pages 3&5)



Wednesday, 01 December 2010 |

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Priority For High-Tech & Green Industries

Published: Tuesday, 20 April 2010

Tuesday 20 April 2010, Bandar Seri Begawan – A group of Australian Members of Parliament (MPs) yesterday enquired about Brunei's business climate, in particular the priority list for preferred industrial activity, as well as efforts to preserve the Sultanate's biological resources through the Heart of Borneo initiative.

The Australian lawmakers met with the Minister of Industry and Primary Resources, Pehin Orang Kaya Seri Utama Dato Seri Setia Awg Hj Yahya, and Deputy Minister Dato Paduka Hj Hamdillah.

Duncan Kerr is leading the delegation which includes fellow parliamentarians Dr Mal Washer and Kelvin Thompson. Accompanying them were the Australian High Commissioner to Brunei, Mark Sawers, and Damien Donovan, Second Secretary.

They were told that corporate tax in Brunei has been revised and now stands at 22 per cent.

The delegation was briefed on the economic diversification strategy which focuses on niche approach in high technology, value-added, export-oriented and environmentally-friendly areas to attain national self-sufficiency.

Priority list for preferred industrial activity covers fisheries, agriculture and forestry such as halal food, aquaculture, capture fisheries, biotechnology and value-adding and downstream forestry products.

Priority list for preferred industrial activity in manufacturing and services sector covers medical (pharmaceutical and its related products) as well as chemicals and petrochemicals.

In hospitality and tourism, the list covers ecology and nature-based tourism, cultural and heritage tourism, health and wellness, sports tourism and MICE.

The benefits of investing in Brunei was highlighted such as low

cost of utilities, small but lucrative local market, most overseas investors encounter little or no local competition, living conditions are among the best in the region and investors find that the high standard of living makes their stay enjoyable and secure.

His Majesty's government also ensures that investors experience a business-friendly climate in which there is speedy, efficient and practical assistance on any enquiries.

Bilateral trade and investment between Brunei and Australia were highlighted in which for external trade with Australia between 2004-2008, the imports from Australia on average reached \$55.45 million (or 1.93 per cent of Brunei's total trade), while exports to Australia reached \$1,324.27 million (or 11 per cent of Brunei's total trade).

Brunei's imports from Australia consist mainly of food valued at \$35.82 million in 2008, while Brunei's exports consist mainly of mineral fuel valued at \$1,545.18 million.

Australia's foreign direct investment in Brunei (2004-2008) amounted to \$0.37 million - in construction (\$0.16 million), real estate, renting and business activity (\$0.13 million), financial intermediation (\$0.06 mil) and education (\$0.03 mil).

Australian tourist arrivals last year stood at 13,824 out of 157,474 visitors, while in 2008, the figure was 25,732 out of 225,757 visitors. It was also highlighted that macro-agri business consultants have been appointed for a feasibility study on potential agriculture and agrifood development as well as a study on the establishment of an agriculture marketing agency in Brunei.

Meanwhile, in a presentation made by the Forestry Department, the Australian delegation was briefed on forest conservation initiatives such as reduced cut policy (reduction in annual logging quota from 200,000 cubic metres/year to 100,000 cubic metres/year since 1990 in line with forest conservation policy), increased size of forest reserve from 40 per cent of country's total land to 55 per cent, limit on the issuance of logging permit/licences (the government has stopped issuing new logging licences since 1980s where at present only 24 sawmills are in operation), no export of raw logs and continuous awareness programme.

The Australian Parliamentarians were informed that the Heart of Borneo (HoB) does not aim to "lock away" development, but rather promote development in a harmonious and sustainable manner within the context of sustainable forest management.

Brunei's HoB implementation framework includes four strategies. The unique biological resources of HoB will be used and

conserved with due consideration for the long-term sustainability of ecosystems, focusing on strengthening the protected area network, transboundary cooperation and improving management capacity.

The second strategy is that tourism in HoB will be enhanced through development of niche nature tourism and joint tourism promotion with other Borneo countries. The scale of development will take into account the cultural and environmental sensitivity of the areas being developed.

The third strategy is that the development of non-renewable resources will be carried out in a manner that imposes minimal impact on the environment and protects the integrity of the forest connectivity. The fourth strategy is continuous environmental education and awareness. ~ *Courtesy of Borneo Bulletin*

CORPORATE COMMUNICATIONS, IT CENTRE MINISTRY OF INDUSTRY AND PRIMARY RESOURCES

Sources

Writer: Azlan Othman

Website: <http://www.brudirect.com/>

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Top

Market yourself to investors, Aussie MP tells Brunei

Quratul-Ain Bandial
BANDAR SERI BEGAWAN

BRUNEI holds many investment opportunities for Australian businesses but needs to promote its advantages more aggressively to a competitive global market, said the head of a

visiting Australian parliamentary delegation yesterday.

Member of Parliament (MP) for Denison in Tasmania Duncan Kerr said Brunei has more investment in Australia than

.....
Continued on Page 2

Market yourself to investors, Aussie MP tells Brunei

From Page 1

vice versa.

"I think it's a failure of our business community to see those opportunities, but equally I think Brunei's got a job to tell Australians and other potential foreign investors the story too," he told *The Brunei Times* after a closed-door briefing with the Ministry of Industry and Primary Resources on potential areas of bilateral trade yesterday.

Kerr is here on a five-day working visit with MPs Kelvin Thomson (Wills, Victoria), Dr Mal Washer (Moore, Western Australia), and Dr Kris Veestra.

Kerr said that Brunei needs to better market its investment prospects to a global market in order to beat out stiff competition from Asean counterparts, and especially regional giant, China.

"People tend to follow in the footsteps of their predecessors. For example, everyone knows the business opportunities in China, everyone knows that China's economy is booming, so it's an obvious thing to do.

"But Brunei is a smaller, but strategically interesting business environment with good arrangements that could potentially be taken advantage of," he added.

The Tasmanian MP, who also served as Justice Minister under the Keating government, said that Brunei proved a safe environment for foreign direct investment, because of "its stability and highly-skilled and well-educated community."

"There are very few restrictions on the ability to bring in labour, the opportunities of tax free start-ups, these are things that if they were more widely known in Australia, might be likely to encourage people to look to Brunei for other investments besides petroleum."

Kerr said that there are wider

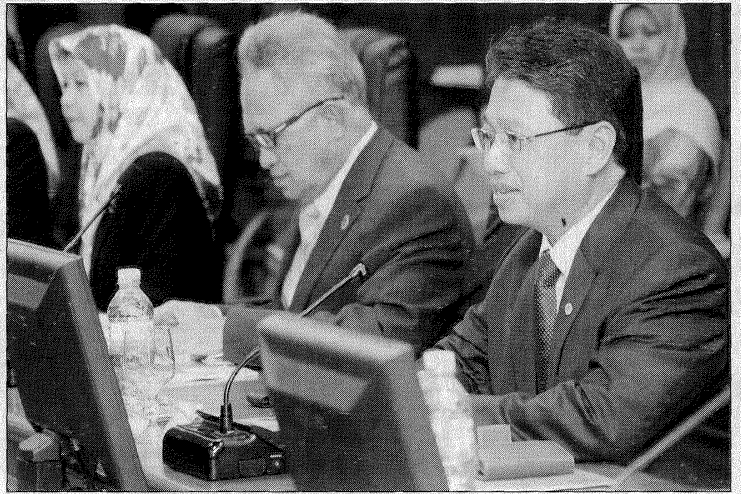
economic opportunities available besides oil and gas, and that the halal food industry and ecotourism were two areas which presented opportunities for "niche investment".

"There are a lot of young Australians who want to travel. Again, it's a marketing challenge, there are lots of Australians that would think twice about coming to a country where you can't drink alcohol, but on the other hand, there are a lot of young Australians and families who would be looking for safe places where they can travel, a friendly environment, low-risk, but with things of cultural and environmental interest," he said.

He added: "Brunei would be exotic to Australians but not so different that it would be frightening or present a barrier to people wishing to come here. And of course the common English language is a great advantage."

Kerr said that as one of the largest food-producing countries in the world, Australia would be keen to engage with the Brunei Halal Brand.

The MP explained that an ar-



MIPR Minister Pehin Dato Hj Yahya (R) and Deputy Minister Dato Paduka Hj Hamdillah Hj Abd Wahab (2nd R), during the briefing to the Australian delegation. Picture: BT/Saifulizam

range between Brunei and Australia would have "international credibility" with Muslim communities around the world, and that Australian companies would be quick to

see the advantages in such an arrangement.

"Our report to parliament will certainly draw some attention to the investment opportunities that are

potentially available in Brunei," he added.

The Australian delegation leaves Brunei today to travel on to Laos as part of their Asean tour.

The Brunei Times

'Work together to counter terrorism'

Quratul-Ain Bandial
BANDAR SERI BEGAWAN

BRUNEI and Australia must work together to facilitate information exchange across police and intelligence communities to counter terrorist threats, said Australian MP Duncan Kerr yesterday.

Speaking to *The Brunei Times*, he said that both countries have to be aware of sporadic acts of terrorism and how to position themselves to gain the most effective intelligence.

"We must be aware the big challenges that the new security environment poses for intelligence and releasing agencies which in the past operated on a what we called a need to know basis," said Kerr, who is the head of a four-man parliamentary delegation from Australia.

Kerr served as Justice Minister and Attorney General under the Keating government in the early 1990s, and was responsible for Australia's anti-terrorism response.

"(Back then) It was a very

different international context, but we had some insights and shared them (with Bruneian counterparts) and had strategic ways of dealing with the hard realities of our present world which do involve the possibility of terrorist attacks," he said.

The parliamentarian said that a new security environment was needed where information was shared across police and intelligence communities, and across civil areas such as international financial transactions.

Kerr said that during talks with Ministry of Defence senior officials, they discussed criminal and law investigation techniques and areas where Australian Federal Police could cooperate with Brunei. "We do regard each other as trusted partners for police-to-police information exchange."

The MP also lauded the solid ties between Brunei's military and the Australian Defence Force due to several joint military exercises in the past.

The Brunei Times

Priority for high-tech & green industries

Australian MPs meet with top officials at MIPR

By Azlan Othman

A GROUP of Australian Members of Parliament (MPs) yesterday inquired about Brunei's business climate, in particular the priority list for preferred industrial activity, as well as efforts to preserve the Sultanate's biological resources through the Heart of Borneo initiative.

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The Australian Members of Parliament (L) meeting with the Minister and Deputy Minister of Industry and Primary Resources

The benefits of investing in Brunei was highlighted such as low cost of utilities, small but lucrative local market, most overseas investors encounter little or no local competition, living conditions are among the best in the region and investors find that the high standard of living makes their stay enjoyable and secure.

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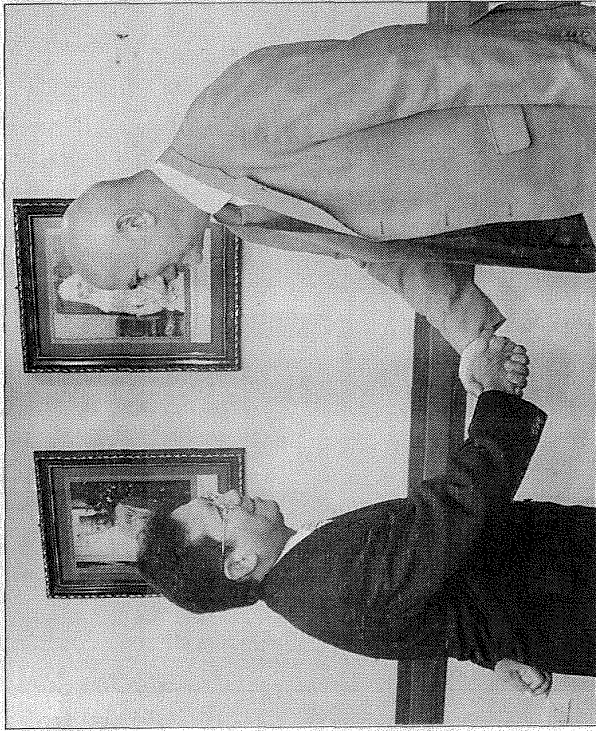
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The fourth strategy is continuous environmental education and awareness.

AZLAN OTHMAN



Minister of Health welcoming Mr Duncan Kerr SC, MP (TAS) who led the Australian Parliamentary delegation

PHOTOS: JAMES KON



Meeting in progress between the Ministry of Health (R), led by Pehin Hj Suyoi, and the Australian delegation (L)

DAYANG MASTURA & FAMILY GET NEW HOUSE

By James Kon

DAYANG Mastura binti Abang with family of nine have been staying in a tiny rundown old wooden shack since 2004 but her depressing condition is about to see better fortunes thanks to the joint effort of the Brunei-Muara District Office and Pehin Kapitan Laila Diraja Dato Paduka Awang Goh King Chin.

The Brunei-Muara District Office through its welfare charity fund with the generosity of Pehin Kapitan Laila Diraja Dato Paduka Awang Goh King Chin has borne the cost of \$24,000 to build a new concrete house for Dayang Mastura and her family. The new house will be equipped with three rooms, a living room, one toilet with a shower room, a dining room and a kitchen.



JAMES KON

Dygg Mastura laying the foundation

OZ MPS LAUD BRUNEI HEALTHCARE

By James Kon

The remarkable healthcare system here has received praise from the visiting Australian Parliamentary delegates yesterday following a briefing on the Brunei Darussalam Healthcare Delivery system.

Present at the briefing held at the Ministry of Health, Pehin Orang Kaya Indera Pahlawan Dato Seri Setia Hj Suyoi bin Hj Osman, his deputy, Pehin Orang Kaya Pekerma Laila Diraja Dato Paduka Awg Hj Hazair bin Hj Abdullah, and officials from the ministry.

A briefing on Brunei's healthcare delivery system, its challenges and the way forward was presented by Dr Hjh Norlila DP Hj Abd Jalil, Director-General of Medical Services and Dr Hjh Rahmah Hj Md Said, Director-General of Health Services.

In an interview, Mr Duncan Kerr SC, MP (TAS), who led the Australian Parliamentary delegation said, "We always thought that our Australian healthcare system is 'green'. However when we

heard the briefing on the Brunei healthcare system, the healthcare system is even greener.

"Currently in Australia, we are in the process of adjusting our healthcare system and we can see that the healthcare system here is impressive," he added.

Mr Kerr said the purpose of the visit to the ministry was to focus on intra-Asian cooperation especially on challenges facing community health in Brunei and Women's health.

The Australian Parliamentary delegates, who are on a four-day visit to Brunei, also comprise Dr Mal Washer MP (WA) and Mr Kelym Thomson MP (VIC). Accompanying the delegates is Mr Mark Sawers, the Australian High Commissioner to Brunei Darussalam.

The annual visit by the Australian Parliamentary delegation to Asian member countries including Brunei Darussalam is meant to enable delegates to gain an appreciation of each country's relationship with ASEAN to better understand developments and to examine opportunities to broaden links. (See Page 5)