



Parliament of Australia

Report of the Parliamentary Delegation
to
Singapore, Myanmar and Indonesia

2–13 July 2017

Members of the Delegation

Hon Kevin Andrews MP
Leader of the Delegation

Senator Kimberley Kitching
Deputy Leader of the Delegation

Mr Ken O'Dowd MP

Ms Catherine O'Toole MP

Dr Cameron Hill
Delegation Secretary

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ISBN 978-1-74366-748-4

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Introduction

Australia's economic and security interests remain inextricably linked with the countries of Southeast Asia. In recognition of this, the aims of the annual Australian parliamentary delegation visit to the Association of Southeast Asian Nations (ASEAN) are to gain a better understanding of 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
- cooperation within the multilateral system and
- social development, including community health and education.

In 2017, ASEAN is celebrating its fiftieth anniversary. ASEAN was formed in 1967 by the Philippines, Malaysia, Indonesia, Singapore and Thailand. Membership has expanded over the years to also include Brunei, Cambodia, Laos, Vietnam and Myanmar.

Australia became ASEAN's first dialogue partner in 1974 and entered into a free trade agreement with ASEAN and New Zealand in 2010. Australia's strategic partnership with ASEAN delivers important economic and security benefits to Australia. As a group, ASEAN is Australia's third largest

trading partner and Australia is working closely with ASEAN nations in important areas such as counter-terrorism cooperation and maritime security. In 2018, Australia will host the Australia-ASEAN Special Summit in Sydney, the first time Australia has hosted a summit with ASEAN leaders.

The 2017 ASEAN delegation visited Singapore, Myanmar and Indonesia. The program was comprehensive and facilitated insights into Australia's trade and investment, security and defence, development cooperation and people-to-people relationships across all three countries, as well as into the broader issues facing the region and the opportunities to strengthen Australia's engagement at the bilateral and regional level.

It is clear from the visit that Australia is regarded as a valued, constructive and practical partner by our ASEAN neighbours in an era of rapid change and uncertainty. The delegation was warmly received in all three countries by parliamentary colleagues, national and local government officials, business groups, religious leaders and local communities.

The delegation wishes to express its appreciation of the work that went into preparing for the visit, including the support provided by the Department of Foreign Affairs and Trade, the International and Parliamentary Relations Office and the Parliamentary Library. The delegation would also like to thank Australia's heads of mission and all of the mission staff in Singapore, Yangon and Jakarta for their work in developing the programs and the excellent support and hospitality provided during the visits.

Singapore

The delegation commenced its program with a visit to Singapore from 2 to 5 July. This visit provided an opportunity to review progress in strengthening the bilateral relationship under the Comprehensive Strategic Partnership (CSP), as well as to discuss shared regional challenges and future opportunities.

Bilateral relationship

Australia and Singapore have a strong and vibrant relationship. Australia was the first country to recognise Singapore when it became an independent nation in 1965. In 2015, as Singapore celebrated 50 years of independence and Australia and Singapore celebrated 50 years of diplomatic relations, our two countries committed to the CSP to frame our relationship. It encompasses all aspects of our relationship including trade, defence, science and innovation, education and the arts.

The delegation's meeting with a small group of our Singaporean parliamentary colleagues highlighted the depth of the contemporary relationship. It was emphasised during this meeting that Australia and Singapore have a range of shared interests when it comes to responding to the ongoing geopolitical shifts in the region, dealing with the growing threat of regional terrorism and violent extremism, and effectively managing economic transition and reform. The importance of parliament-to-parliament dialogue was also emphasised given the range of parliamentary visits that have taken place in recent years, including Prime Minister Lee Hsien Loong's historic address

to a joint sitting of the Australian Parliament in October 2016.

Defence and security relationship

The delegation's visit to the Kranji War Cemetery in Singapore served as an important reminder of the shared military history between Australia and Singapore, including the fall of Singapore to Japanese forces in 1942. There are 1,049 identified Australian servicemen and women buried at Kranji, which is managed by the Commonwealth War Graves Commission. The delegation laid a wreath at the memorial, as well as crosses at individual grave sites, and was able to hear the stories of some of the Australian men and women laid to rest there.

The delegation received a comprehensive briefing from the Singapore Ministry of Defence on efforts to strengthen the contemporary defence and security relationship under the CSP. This included an update on the implementation of agreements relating to joint training and facilities, counter-terrorism, and strengthened maritime and cybersecurity cooperation. It also included a discussion of cooperation under the Five Powers Defence Arrangements between Australia, Singapore, Malaysia, New Zealand and the United Kingdom. The security and counter-terrorism response in the southern Philippines, to which Australia and Singapore have both provided support, was discussed. The importance of an open and inclusive rules-based regional security order, including the 1982 United Nations Convention on the Law of the Sea, was emphasised by both sides.

A briefing from the S. Rajaratnam School of International Studies' International Centre for Political Violence and Terrorism Research provided the delegation with an update on the current threats and trends associated with returning foreign fighters and various jihadi groups in Southeast Asia.

At a practical level, through visits to the Royal Australian Naval Liaison Office at Sembawang Naval Base and the Singapore Ministry of Home Affairs' Home Team Academy the delegation was able to see how Australia and Singapore are working together on defence, security and law enforcement issues.

Economic and trade relationship

The economic and trade relationship between Australia and Singapore is a crucial aspect of the new bilateral partnership. Singapore is Australia's largest trade and investment partner in ASEAN and our fifth largest trading partner overall.

The Singapore-Australia Free Trade Agreement was signed in 2003 and upgraded in 2016 to reflect an increasingly global, competitive and connected business environment. The upgrade will further integrate our two economies by locking in access and providing business certainty in trade and investment into the future. The delegation received a comprehensive briefing from the Australian High Commission and members of the Australian Chamber of Commerce in Singapore on the new opportunities in the bilateral economic relationship.

Education is a key aspect of the trade relationship. Meetings with Australian alumni in Singapore demonstrated the crucial role that education will continue to play in underpinning strengthened bilateral economic and people-to-people ties.

In addition, a visit to the James Cook University campus in Singapore highlighted potential future tertiary education opportunities in areas such as banking and finance, aquaculture, tropical health, special needs education, and urban planning and design.

Opportunities for Australia's education sector will be enhanced by the expanded training of Singapore defence personnel in central and northern Queensland and by expanded student mobility programs.

Both Singapore and Australia recognise the importance of innovation to creating modern and dynamic economies. The delegation received a briefing from the Ministry of Trade and Industry on Singapore's 'committee on the future economy' and the country's economic growth strategies.

A visit to Australia's new 'landing pad' facility, one of only five such facilities in the world, highlighted Singapore's important and growing role as a hub for innovative Australian start-ups seeking to expand their access to venture capital and Asia's emerging economies.



The delegation at the Kranji War Cemetery, Singapore

Myanmar

The delegation visited Myanmar from 5 to 9 July and travelled to Yangon and Naypyidaw, as well as Taunggyi and Inle Lake in Shan State. This visit provided an opportunity to witness and discuss some of the important changes happening in Myanmar, as well as the key challenges.

Bilateral relationship

While Australia has had diplomatic relations with Myanmar since 1952, our engagement has broadened and deepened following the country's pursuit of far-ranging reforms since 2011.

Myanmar, one of the poorest countries in the region, is undergoing an unprecedented, complex and challenging set of reforms: a transition to democracy; economic reform; and peace negotiations to end decades of conflict with the country's ethnic armed groups. Following historic openly-contested general elections in November 2015, there has been a peaceful transition of power to a new government.

Building effective institutions

The delegation's meetings with government officials from the Ministry of Foreign Affairs, the National Human Rights Commission and the Attorney-General's Department, as well as a visit to the national parliament in Naypyidaw, highlighted Myanmar's ongoing efforts to build effective oversight institutions and enhance the rule of law as part of its ongoing reform program.

After decades of military rule, capacity remains a key challenge and Australia's support has been highly appreciated. The cooperation between Australia's Federal Court and Myanmar's Supreme Court, our

engagement with the National Human Rights Commission, our support for human resource development within the foreign ministry, and our work with the Myanmar police force to combat the narcotics trade were all highlighted as areas where Australia had made a valuable contribution.

Australians are also playing a prominent role in efforts to strengthen Myanmar's parliament, with former MPs such as the former Member for Page, Janelle Saffin, conducting training programs for new Myanmar MPs, and staff from the Australian and state parliaments helping deliver parliamentary assistance programs.

Peace, human rights and development and the situation in Rakhine State

Peace, human rights and development are inextricably linked in Myanmar's ongoing transition. As well as meeting with government officials, the delegation met with the Archbishop of Yangon, Cardinal Charles Maung Bo, to discuss these issues, including the situation for Myanmar's multiple religious and ethnic minorities.

While the delegation visited Myanmar prior to the latest surge in violence, the conflict in Rakhine State was discussed on several occasions. Noting that the situation is complex and contested, it is clear that the latest round of violence has led to a rapidly worsening human rights and humanitarian crisis in both western Myanmar and southern Bangladesh. The delegation shares the grave concerns expressed by the Australian Government and the international community.

The delegation supports recent calls on the Myanmar Government to grant international humanitarian agencies access

to Rakhine State, for a cessation to the violence, for the voluntary, safe and dignified return of displaced communities, and for a UN fact-finding mission to be allowed access to all affected areas.

The delegation notes the Myanmar Government's support for the recommendations contained in the recent final report of the Rakhine Advisory Commission, which was established by State Counsellor Aung San Suu Kyi in 2016, and the importance of finding a long-term political solution acceptable to all the religious and ethnic groups living in Rakhine State.

Australia's development assistance in Shan State

The delegation's visit to Taunggyi and Inle Lake in Shan State provided an opportunity to see some of the tangible benefits for local communities of Australian aid.

Education is the flagship of Australia's aid program in Myanmar. Our investments are enhancing human development by improving access to quality education through support to schools, teacher training and scholarships. The delegation visited a primary school near Taunggyi where Australia's assistance has improved school retention rates, facilitated easier and larger enrolments, strengthened P&C oversight, and helped provide uniforms, books and other materials to students.

Australia's work with UNICEF and local authorities is helping protect vulnerable children in Shan State from exploitation and abuse.

At Inle Lake, the delegation was able to see first-hand the important work that Australia is delivering in partnership with the UN Development Programme to help local farmers conserve the natural resources from which they derive their livelihoods, diversify their income streams, and access more sustainable sources of energy.

Economic and trade relationship

While the bilateral economic relationship remains small relative to our trade and investment ties with other ASEAN countries such as Singapore, the delegation did meet with representatives of Australian companies such as Woodside, BlueScope, and the legal services firm Baker and McKenzie, all of which have been active in Myanmar for some time.

There is significant opportunity to grow the economic relationship. Myanmar is continuing its transformation towards becoming an attractive trade and investment destination which is strategically located close to China, India and the rest of ASEAN. With the new civilian government continuing reforms to encourage foreign investment, a youthful population and one of the highest growth rates in ASEAN, the country offers significant long-term potential for Australian businesses and education providers.



The delegation visited a school benefitting from Australia's basic education assistance in Taunggyi, Shan State

Indonesia

The delegation visited Indonesia from 9 to 13 July. As well as visiting Jakarta, the delegation also travelled to the cities of Surabaya and Malang in East Java. In addition to reinforcing the bilateral relationship, the visit provided an opportunity to discuss Australia's regional engagement with ASEAN institutions headquartered in Jakarta.

Meetings with senior ASEAN officials

Australia's bilateral engagement with the countries of Southeast Asia is strengthened by our engagement with ASEAN, the region's premier representative grouping. The delegation met with senior officials from the ASEAN Secretariat and the ASEAN Inter-Parliamentary Assembly in Jakarta. This was an important opportunity to review the breadth of our engagement with this key body which includes political and strategic cooperation, economic cooperation and expanding socio-cultural links through initiatives such as the new Australia-ASEAN Council.

We also discussed the ASEAN Community agenda, including the Secretariat's efforts to improve outreach to local communities across the region, and preparations for the 2018 Australia-ASEAN Special Summit.

Bilateral relationship

Indonesia—the world's third largest democracy with the world's largest Muslim population—is one of Australia's most important bilateral relationships. As strategic partners, we enjoy an extensive framework of cooperation spanning political, economic, security, development, education, and people-to-people ties.

Our embassy in Jakarta is Australia's largest and the scope and scale of activities on which we are working with government, business and civil society partners across Indonesia continues to expand.

Political and strategic relationship

In the limited time available, the delegation experienced just a small portion of the far-reaching strategic partnership that now exists between Australia and Indonesia.

The delegation had very positive meetings with the Deputy Speaker of Indonesia's lower house, Dr Agus Hermanto, as well as a group of Indonesian MPs. These meetings highlighted the breadth of the relationship, as well as the potential for further expanding parliament-to-parliament ties as a means of enhancing mutual understanding and managing shared challenges.

As two neighbours whose populations have both experienced the impact of terrorism, bilateral cooperation to counter the increased security threat posed by violent extremism is a key priority. The delegation met with local researchers working on counter-terrorism and violent extremism issues to discuss the current trends and threats and how Australia, Indonesia and other ASEAN partners can work together more effectively on these issues.

Increased trade and economic cooperation

The Australian and Indonesian governments have committed to finalising the Closer Economic Partnership agreement by the end of this year. There is clearly potential for a much stronger trade and economic relationship given our proximity, the size of Indonesia's economy, and Australia's ability

to help provide a range of services and consumer goods to the country's growing middle class.

Education and tourism are two sectors where there continues to be impressive growth, as well as vast potential. There are more than 20,000 Indonesians currently enrolled in Australian education institutions and Australia remains the most popular study destination for Indonesian students. Australia is the eighth most popular destination for Indonesian tourists and Indonesians stay longer in Australia than in any other destination.

Technology and the digital economy are also growth areas. The delegation visited a successful joint venture between Telstra and Telkom Indonesia in which Australian know-how is helping provide network, cloud and IT security services for business customers.

It is clear that Australia's extensive tertiary alumni networks across Indonesia's public, private and community sectors are a key resource in efforts to further build economic and people-to-people links. Australia's diplomatic missions in Indonesia are actively supporting and strengthening these networks. It was a highlight of the delegation's visit to meet some of these alumni and their families at two informal gatherings arranged by the embassy.

Development cooperation

In support of the wider partnership, Australia's aid program is helping Indonesia meet its key economic reform and development priorities, including in areas such as infrastructure, budgeting and

planning, agriculture, education, and gender equality. The delegation visited an innovative partnership between Australia, Indonesia and the UN that is using 'big data' analytics to help local authorities and communities improve transport infrastructure, service delivery and disaster response.

In East Java, the delegation saw first-hand the practical difference Australia's development assistance is making to people's everyday lives through the provision of clean drinking water and improved sanitation to poor urban populations in Malang.

Visit to East Java

The delegation's visit to the cities of Surabaya and Malang in East Java province also highlighted the economic dynamism that exists in the regions outside of Jakarta and the potential opportunities to link this dynamism to the northern Australia development agenda. During the delegation's meetings with local officials, Indonesian alumni and Australian businesses, it was made clear that Australia's new consulate in Surabaya will help facilitate growing economic links and that the decision to open the new post has been very warmly received.

Finally, the East Java program was an important opportunity for the delegation to better understand Indonesia's unique approach to building inter-religious tolerance and pluralism at the local level. The program included visits to an Islamic university campus, a major mosque and a Chinese Buddhist temple in Malang, and meetings with local religious leaders.



The delegation visited an urban community benefitting from Australia's assistance for clean water and sanitation in Malang, East Java

Conclusions

As an avenue for deepening mutual understanding, the annual ASEAN parliamentary delegation remains a very important part of Australia's overall engagement with the countries of Southeast Asia. It allows Australian parliamentarians to engage in a dialogue with their peers in different ASEAN countries, as well as with partner government officials, businesses, experts, non-government organisations and local communities with whom Australia is working to advance our shared interest in ensuring a secure, stable and prosperous region.

The delegation also believes that there are several ways these visits could be further strengthened. First, we believe that at the commencement of each visit program future delegations would benefit from a briefing by the ASEAN mission in Jakarta on Australia's overall regional engagement strategies. This could be held either in Jakarta or remotely, prior to departure. Second, the Government and Opposition may wish to consider appointing a standing delegation member for the term of each parliament to allow for greater continuity and follow-up on issues from year to year. Finally, we believe that there may be value in considering whether future delegation visits should be timed to coincide with meetings of the ASEAN Inter-Parliamentary Assembly, of which Australia is an observer member, in order to maximise the delegation's interaction with regional parliamentarians.

Hon Kevin Andrews MP
Leader of the Delegation
December 2017