

Australian Government

Department of Foreign Affairs and Trade



ASEAN and Australia *celebrating 30 years* 



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# ASEAN and Australia *celebrating 30 years*

BELOW: (left to right) The Australian Prime Minister, the Hon John Howard MP, the ASEAN Secretary-General, Mr Ong Keng Yong, and the Australian Minister for Foreign Affairs, the Hon Alexander Downer MP, meeting on the eve of the 30th anniversary of ASEAN and Australia's dialogue partnership, Canberra, April 2004.



## Foreword

#### BY THE MINISTER FOR FOREIGN AFFAIRS, THE HON ALEXANDER DOWNER MP

I am pleased to commemorate the 30th anniversary of Australia's dialogue partnership with the Association of Southeast Asian Nations (ASEAN) with this publication, one of a number of key activities that are taking place to celebrate this important event. Australia was ASEAN's first dialogue partner. The first formal talks, which brought the then five members of ASEAN and Australia together, were held in Canberra in 1974. The 30th anniversary of this event is a significant milestone in the history of Australia's relationship with the region.

This publication, ASEAN and Australia—celebrating 30 years, commemorates the dialogue partnership and outlines its significant achievements. From its early focus on economic development cooperation in South-East Asia, the dialogue, and Australia's relationship with ASEAN, has matured and broadened considerably.

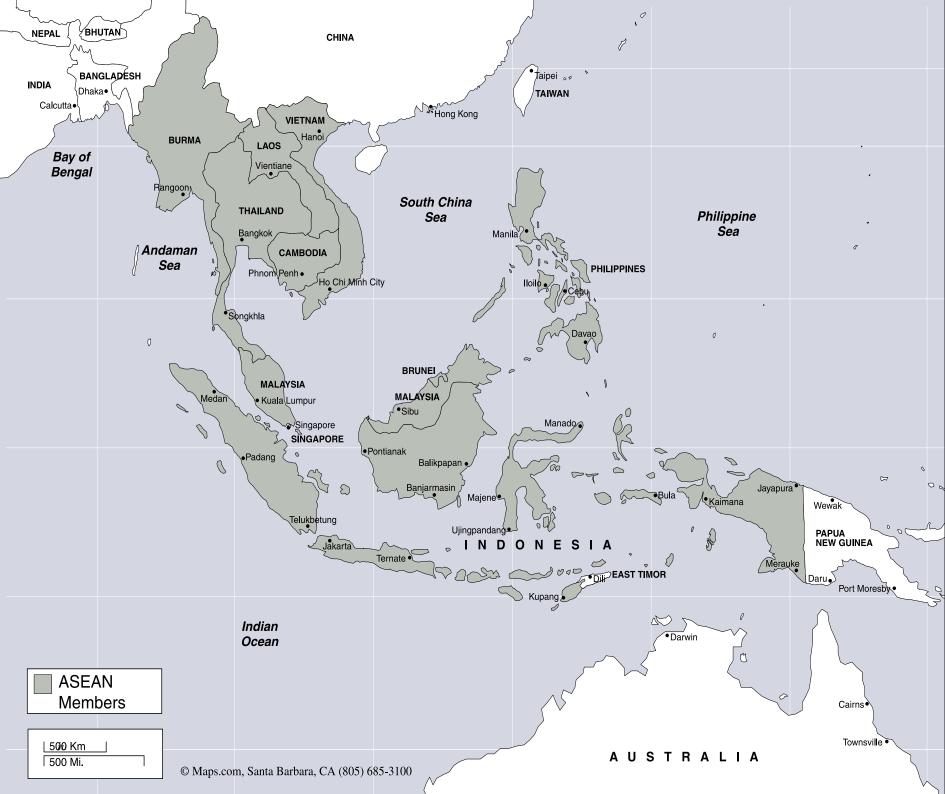
Australia and ASEAN have a strong record of economic achievement. In 2003, two-way merchandise trade between Australia and the member countries of ASEAN totalled \$32.3 billion, an increase of 47 per cent since 1998. People-to-people links are strong. Citizens from the ASEAN nations and Australia are in contact with each other in their thousands at any given time through travel, whether it be personal, business or study related. In 2003, over 625000 tourists from South-East Asia visited Australia. In the same year, 75730 students from South-East Asia were enrolled in Australian educational institutions. In 2003–04, Australia's total development cooperation commitment to ASEAN countries was \$395 million, including \$45 million over six years under the ASEAN–Australia Development Cooperation Program. While economic development is still a major element of Australian development assistance, our commitment also assists ASEAN countries to deal effectively with terrorism and transnational crime. We are also developing enduring links through our defence cooperation programs with a number of ASEAN countries.

On the eve of the 30th anniversary of the first formal dialogue in Canberra in 1974, the Prime Minister, the Hon John Howard MP, and I were very pleased to welcome the ASEAN Secretary-General, Mr Ong Keng Yong, to Australia. Mr Ong's visit to Sydney, Canberra and Melbourne was a highlight of our year-long celebration of the dialogue partnership.

Australia is proud to have been a partner with ASEAN and its member states in building a more prosperous and secure region over the past three decades. We look forward to a future of continuing and growing fruitful cooperation with our regional neighbours, both through ASEAN and bilaterally, in ensuring a peaceful and prosperous future for us all.

#### Alexander Downer

MINISTER FOR FOREIGN AFFAIRS



# Introduction

The year 2004 marks the 30th anniversary of Australia's dialogue partnership with the Association of Southeast Asian Nations (ASEAN). Formed in 1967, ASEAN is the primary regional institution in South-East Asia and a respected participant in global affairs. Australia became an ASEAN dialogue partner in 1974—the first country ASEAN agreed to meet on a regular basis to discuss political, economic and functional cooperation.

The 30th anniversary serves as a reminder of Australia's long-standing links with South-East Asia and of its strong bilateral ties with the member countries of ASEAN.

Throughout the year, the anniversary is being commemorated through a series of events in Australia and ASEAN member countries. On 15 April 2004, the eve of the 30th anniversary of Australia's first formal talks with ASEAN in Canberra in 1974, the Secretary-General of ASEAN, Mr Ong Keng Yong, met the Australian Prime Minister, the Hon John Howard MP, and the Australian Foreign Minister, the Hon Alexander Downer MP. The meeting was the high point of a week-long visit to Australia by Mr Ong. A series of activities was organised to coincide with Mr Ong's visit, including a visit by senior ASEAN



editors, a business roundtable, and a reception by AusAID to launch its own publication to mark 30 years of development cooperation with ASEAN. A range of cultural activities is also taking place in ASEAN capitals throughout the year.

ASEAN and Australia—celebrating 30 years outlines the history of our dialogue partnership, focusing on the issues, activities and programs that have defined Australia's relationships with ASEAN and its individual member countries. LEFT: ASEAN hydrographers on a study tour in Australia, 1995.

BELOW: The Australian Prime Minister, the Hon John Howard MP (centre), presenting a certificate to Ms Jennifer Robinson, the 500th participant in the Australian Consortium for In-Country Indonesian Studies Study Indonesia Program at Gadjah Mada University in Yogyakarta, Indonesia, 2002.



OPPOSITE: Australia and the ASEAN region.

# The birth of ASEAN: A momentous event



ABOVE: Indonesian delegation in Australia watching shearing operations at an Australian sheep station near Canberra, 1951.

RIGHT: The Australian Minister for Foreign Affairs, the Hon Alexander Downer MP, launches AusAID publication to commemorate 30 years of ASEAN–Australia development cooperation, Canberra, 2004. Amid the international political tumult of the 1960s, a meeting of foreign ministers in Bangkok was unlikely to excite close media attention outside of South-East Asia. As Australia's Minister for Foreign Affairs, Mr Alexander Downer, later noted: 'Only a starry-eyed optimist would have considered there was anything auspicious about the year 1967 for the future of South-East Asia'. But the Bangkok Declaration of 1967, resulting from a meeting of the foreign ministers of Indonesia, Malaysia, the Philippines, Singapore and Thailand, proved a major historical landmark for South-East Asia.



In Mr Downer's words, celebrating ASEAN's 30th anniversary in 1997, 'the signing of the Bangkok Declaration and the formation of ASEAN was, it is now clear, a momentous event in the region's history'.

The Bangkok Declaration, signed in 1967 by these original member countries, noted that

The Association represents the collective will of the nations of South-East Asia to bind themselves together in friendship and cooperation and, through joint efforts and sacrifices, secure for their peoples and for posterity the blessings of peace, freedom and prosperity. ASEAN heads of government made the first step towards promoting regional peace and stability by signing a Treaty of Amity and Cooperation at the first ASEAN Summit, held in Bali in 1976. Since then, the Association has come closer to its founding vision of an integrated South-East Asian community by increasing membership to include Brunei Darussalam in 1984, Vietnam in 1995, Burma and Laos in 1997 and Cambodia in 1999.

> BELOW: Signing of the Bangkok Declaration by the foreign ministers of the five original ASEAN member countries, 1967.



ABOVE: Picture taken after an informal meeting between ASEAN heads of government and leaders of Australia, New Zealand and Japan. (From left to right) Thai Prime Minister, Thanin Kraivixien; Singapore Prime Minister, Lee Kuan Yew; Indonesian President, Suharto; Malaysian Prime Minister Tun Hussein Onn; Philippines President, Ferdinand Marcos; Japanese Prime Minister, Takeo Fukuda; Australian Prime Minister, Malcolm Fraser; and New Zealand Prime Minister, Robert Muldoon, 1977.





LEFT: The Australian Minister for Foreign Affairs, the Hon Bill Hayden AC, with delegates to the 8th ASEAN–Australia Forum in Canberra, 1984.

## **Brunei Darussalam**

Australia's relationship with Brunei covers a broad range of activities, including trade and investment, defence cooperation and education.

Australia is Brunei's fourth-largest export destination. In 2003, Australia's imports from Brunei were valued at \$568 million, with a heavy emphasis on crude petroleum. Brunei also has substantial investment interests in Australia, focused largely on the cattle industry in the Northern Territory. In 2003, Australia's exports to Brunei were valued at \$44 million and focused on live animals and automobiles.

Education is one of the most exciting areas of growth in the bilateral relationship. There are now estimated to be over 700 students from Brunei studying in Australia, with the University of Queensland campus home to the largest number of Bruneian tertiary students outside of Brunei itself. There is also increasing cooperation in the legal services sector, with moves to give greater recognition to Australian legal qualifications.

Since commencing cooperative defence activities in 1984, the bilateral defence relationship has developed rapidly, including the signing of a memorandum of understanding on defence cooperation in 1999. Brunei is increasingly looking to Australia as a regional source of support for training and military expertise, with several reciprocal training exercises taking place between the Bruneian and Australian defence forces.

# The beginnings of the dialogue partnership

Australia's relationship with ASEAN took a major step forward in 1974, when it became the Association's first formal dialogue partner. In January that year in Bangkok, the Secretaries-General of each of the then ASEAN member countries and a delegation of Australian officials met informally to discuss possible economic cooperation. It was the first meeting ever held between ASEAN as a group and a non-member country. The meeting agreed that it would be useful if the dialogue between ASEAN and Australia could be continued. The Secretaries-General accepted an invitation to visit Australia later in the year.

That visit included two days of talks (16–17 April 1974) in Canberra between the ASEAN Secretaries-General and senior Australian officials. A statement released at the end of the talks noted that Australian officials had reaffirmed support for the objectives and aspirations of ASEAN, and emphasised the importance that Australia attached to cooperation with ASEAN. Australia announced that \$5 million would be made available for ASEAN economic projects, and also offered training facilities in Australia for ASEAN experts. The seventh ASEAN Ministerial Meeting subsequently welcomed the outcome of the ASEAN–Australia dialogue, and expressed hope for the early implementation of the agreed projects.

The ASEAN–Australia Economic Cooperation Program (AAECP) was launched as the first collaborative development program between ASEAN and a dialogue





ABOVE: Air traffic controllers from Laos and Burma in Australia, 1973.

LEFT: The inaugural ASEAN–Australia Dialogue, Canberra, 1974.

ABOVE: The Secretary-General of ASEAN, Mr Dharsono, with the Australian Minister for Foreign Affairs, the Hon Andrew Peacock, and Australian parliamentarian Mr Mick Young, 1977. partner and became the cornerstone of dialogue between ASEAN and Australia. The program remained the principal mechanism for Australian assistance for ASEAN-wide projects until the inauguration of the ASEAN–Australia Development Cooperation Program (AADCP) in 2002.

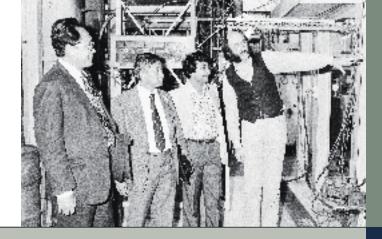
Since these first ASEAN–Australia talks in Canberra, the dialogue, at senior official level, has been an important component of the formal institutional relationship between ASEAN and Australia. In 1977, at the third ASEAN–Australia Dialogue in Solo, Indonesia, the series was renamed the ASEAN– Australia Forum. The 20th Forum is to be held in Canberra in 2004. Today Australia is an active partner of ASEAN through an institutional framework which includes the ASEAN Regional Forum, the ASEAN–Australia Forum, the ASEAN Post Ministerial Conference, the AFTA–CER Closer Economic Partnership, the ASEAN–Australia Development Cooperation Program Joint Planning Committee, and the AFTA–CER Business Council. The ASEAN Canberra Committee—which is made up of Canberra-based ASEAN Heads of Diplomatic Missions—also plays an important role in conducting and maintaining the dialogue with Australia.

Over the years, Australia's relationship with ASEAN has expanded and matured well beyond its initial development assistance focus. It now encompasses



LEFT: Signing ceremony of the memorandum of understanding on the ASEAN–Australia Development Cooperation Program in Brunei, 2002. trade and investment, security, transnational issues including terrorism, social policy, and people-to-people links through education, tourism and cultural exchange.

The following sections describe the most important elements of the relationship between Australia and ASEAN.



## Burma

In recent years, the focus of Australia's relationship with Burma has been on support for national reconciliation and democracy, human rights, humanitarian aid, and narcotics control. While Australia has full diplomatic relations with Burma, further development of the relationship has for many years been overshadowed and restrained by Burma's political circumstances.

Australia's assistance efforts are currently focused on addressing humanitarian needs in Burma by supporting programs delivered through Australian and international non-government organisations and multilateral agencies. Examples include the provision of funding to the Australian Red Cross to address HIV/AIDS problems; to CARE Australia to re-establish and improve the livelihoods of (Rohingya) returnees; to the International Committee of the Red Cross in support of its crucial work including access to prisons and political detainees; and to the Nutritional Anaemia Initiative to improve the health status of the Burmese people. Ongoing humanitarian support is being provided to Burmese refugees in camps along the Thai border.

Australia also cooperates with Burma to combat the illegal narcotics trade. Two Australian Federal Police officers are deployed in Burma. Their primary role is to coordinate and support Australian law enforcement interests as well as support anti-narcotics activities. ABOVE LEFT: Energy experts from ASEAN countries visit the Commonwealth Scientific and Industrial Research Organisation (CSIRO), 1983.

## Cambodia

Australia's relationship with Cambodia has developed and broadened over 50 years and is currently expanding into new areas of mutual interest. The two countries are working closely together to combat people smuggling and trafficking, child sex tourism, narcotics trafficking, and terrorism. A Cambodian community of some 23000 people is making an active contribution to Australia's culturally diverse community.

As the Cambodian economy broadens, and infrastructure and legal frameworks improve, the modest bilateral trade and investment relationship is expected to expand together with the broader relationship. Major imports from Cambodia currently include veneers, plywood, particle board and clothing; while major Australian exports to Cambodia include cereal preparations, toys and sporting goods, medicaments (including veterinary products) and cotton.

The warmth of the relationship is reflected in Australia's substantial bilateral assistance which, in 2003–04, delivered programs worth \$44.4 million from a range of Australian Government agencies, including AusAID and the Department of Defence. These programs focused on national and regional security, strengthening governance and the rule of law, assisting vulnerable groups, and increasing productivity and incomes of the rural poor. Australia is also working with Cambodia to advance human rights and to assist with the establishment of a Khmer Rouge Tribunal.

# Trade and investment:



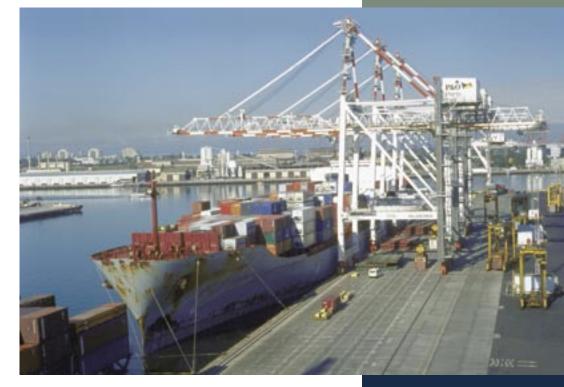
ABOVE: Australian-made Toyotas being exported to Thailand, 1993.

# towards greater prosperity



ASEAN and Australia have a strong trade and investment relationship. In 2003, two-way merchandise trade totalled \$32.3 billion, an increase of 47 per cent since 1998. Imports to Australia from ASEAN for the same period reached \$20.2 billion, an increase of 71 per cent since 1998. In 2003, ASEAN enjoyed an \$8.1 billion merchandise trade surplus with Australia, a significant increase from its 1998 surplus of \$1.7 billion.

In 2003, combined two-way trade in services between Australia and ASEAN totalled \$9.7 billion, making up 15 per cent of total Australian services exports. Since the period 1997–98, the total stock of financial investment between Australia and ASEAN has more than doubled, from \$25.3 billion to \$56.3 billion in 2002–03.



ABOVE LEFT: The Australian Minister for Trade, the Hon Mark Vaile MP, meeting Thai Prime Minister, Thaksin Shinawatra, in Bangkok, 2002.

ABOVE: The APL Ivory leaves Port Melbourne with Australian rice to help feed internally displaced people in Maluku, Indonesia, 2001. BELOW: The Australian Minister for Trade, the Hon Mark Vaile MP (centre), preparing to cut the ribbon marking the handover of an Australian plane to its Indonesian buyer, 2002. In light of this strong and growing trade and investment relationship, on 14 September 2002, twelve countries of the Asia–Pacific region took a large step towards ensuring their future prosperity together. In Bandar Seri Begawan, the capital of Brunei Darussalam, the ten ASEAN economic ministers, together with the Australian Minister for Trade, the Hon Mark Vaile MP, and the New Zealand Minister for Trade Negotiations, signed a declaration linking the ASEAN Free Trade Area with the Closer Economic Relations agreement between Australia and New Zealand. The new link was known as the AFTA–CER Closer Economic Partnership, or CEP.



The ministers set as their target the doubling of trade and investment by 2010, 'to ensure that the CEP was ambitious and results-oriented, with a practical focus on increasing trade and investment for the benefit of business and the wider communities in all ASEAN and CER countries'. The twofold boost to regional commerce would take merchandise trade between the partners to \$66 billion. Investment would rise to \$99 billion.

The ambitious CEP work program, developed with the direct involvement of the regional business community, covers an exhaustive list of target areas such as technical barriers to trade, non-tariff barriers, cooperation on



ABOVE: A free trade forum jointly organised by the Australian Embassy in Thailand and the Thai Ministry of Commerce to discuss the potential benefits of a free trade agreement between the two countries.



customs, trade and investment promotion, and facilitation. The AFTA–CER Business Council, made up of key business leaders from each of the twelve countries, is working on a parallel track with officials seeking to identify priorities and develop specific work programs on which the Council will report to ministers.

At the 10th ASEAN Economic Ministers' Retreat in Singapore in April 2004, the ministers reviewed the AFTA–CER linkage and indicated that it would be beneficial for both regions to upgrade economic relations. The ministers tasked officials to study the future direction of the AFTA–CER linkage, including the possible launching of an ASEAN–Australia–New Zealand Free Trade Area. Mr Downer and Mr Vaile welcomed the ministers' decision as a step forward for Australia's relations with ASEAN. LEFT: The Australian Deputy Prime Minister and Minister for Transport and Regional Services, the Hon John Anderson MP (left), and Singapore's Minister for Transport, Mr Yeo Cheow Tong, at the Australia–Singapore Air Services Agreement signing ceremony, 2003. BELOW: The Australian Minister for Foreign Affairs, the Hon Alexander Downer MP, and his counterpart in Singapore, Prof S. Jayakumar, exchanging notes to bring the Singapore–Australia Free Trade Agreement into force, 2003.





Indonesia, Mr Ric Smith AO(left), presents a life raft to Indonesian Search and Rescue officers in Jakarta, 2002.

LEFT: Australian Ambassador to

## Indonesia

Australia's relationship with Indonesia is a wide-ranging one encompassing a strong trade and investment relationship, extensive people-topeople links and cultural exchanges. More than 17000 Indonesian students are currently studying in Australia, making them one of the largest groups of foreign students in the country.

In 2003, two-way goods and services trade was over \$8 billion. Australia is Indonesia's eighthlargest export destination and sixth-largest source of imports. Between 2000 and 2003, Australia's imports from Indonesia increased by 40 per cent and are now valued at \$4.6 billion.

Australia and Indonesia signed a bilateral memorandum of understanding to combat international terrorism in February 2002, which facilitated the joint Indonesian–Australian investigation into the Bali and Marriott bombings. In February 2004, Australia and Indonesia co-hosted a regional ministerial counter-terrorism conference in Bali and announced the establishment of the Jakarta Centre for Law Enforcement Cooperation. Australia will contribute \$38.3 million over five years to this joint Indonesian–Australian initiative that will help build regional counter-terrorism capabilities and provide a source of practical expertise to deal with terrorist threats and incidents.

Australia has a strong interest in Indonesia's development as a stable, prosperous nation. This priority is reflected in its position as Australia's second-largest aid recipient. Australian aid flows to Indonesia for 2003–04 are estimated at \$151.7 million.

# The ASEAN Regional Forum

In 1994, Australia welcomed the establishment of the ASEAN Regional Forum (ARF), the first region-wide body devoted to security issues. The ARF brings together 23 countries with an interest in the security of the Asia–Pacific region to discuss current security issues and develop cooperative measures to enhance peace and security in the region. As a founding member of the ARF, Australia has actively contributed to the Forum's activities and institutional development.

The ARF meets at the ministerial level annually in conjunction with the ASEAN Post Ministerial Conference. The ARF is supported by the ARF Senior Officials' Meeting (ARF SOM), which also meets annually. Two ARF Intersessional Support Group meetings on confidence-building measures are held at officials' level each year. Recommendations and outcomes of these meetings feed into the ARF SOM. The meetings provide an opportunity to plan and review a range of confidence-building activities and seminars hosted by individual ARF members throughout the year.



ABOVE: Delegates to the 12th ASEAN–Australia Forum in Perth, 1989.



ABOVE LEFT: The Lao Foreign Minister opens a textile art exhibition at Gorman House, Canberra, 1989.

> ABOVE RIGHT: Laos and Australia signing ceremony, 1995.

#### Laos

The main elements of Australia's relationship with Laos are development cooperation and, more recently, mining investment. The Australian-built and funded Friendship Bridge, linking the two ASEAN countries Laos and Thailand across the Mekong River, is a striking symbol of Australia's commitment to Laos and its integration with other economies. The bridge, opened in 1994, has already had an important impact on economic development in the region.

Australia has been committed to cooperating in the country's economic and social development for more than 50 years. Lao Government statistics show that Australia is the fourth-largest investor in Laos, with 47 projects valued at more than \$750 million. Australian companies lead the mining sector in Laos. Australians of Lao origin also make a significant contribution to Australian Society.

Australia's total development assistance to Laos for 2003–04 is estimated at more than \$20 million. The main areas of focus include building the human capital of Laos through improving access to education both at primary and tertiary levels; promoting the growth of the market economy by improving land tenure security; and reducing the vulnerability of the poor through support for clearance of unexploded munitions, HIV/AIDS awareness and assistance in disaster preparedness.

# Counter-terrorism: Australia and the region

Terrorism poses a serious threat to regional security. Recognising that no country can combat terrorism on its own, particularly when terrorists are able to exploit the enhanced communications and travel afforded by globalisation, Australia has actively encouraged regional cooperation to track and arrest terrorists and disrupt terrorist networks.

In February 2004, Mr Downer and his Indonesian counterpart, Dr Hassan Wirajuda, co-chaired a regional ministerial meeting on counter-terrorism in Bali. All ASEAN member countries attended. The meeting gave fresh political impetus to the regional campaign against terrorism and identified practical ways of enhancing regional cooperation in the areas of law enforcement, information exchange and legal arrangements. An earlier Bali ministerial conference co-hosted by Australia and Indonesia in December 2002 dealt with steps to combat the financing of terrorism.

Regional cooperation in law enforcement, intelligence and security capabilities has led to the disruption of terrorist networks. In our region, some 200 Jemaah Islamiyah suspects have been detained and many of those involved in the Bali bombings are now behind



bars as a result of an effective working relationship between Indonesian and Australian police.

Australia believes that there is much to be gained by deepening bilateral links on counter-terrorism.

ABOVE: The first anniversary memorial service to remember those affected by the 2002 Bali tragedy. Held at Garuda Wisnu Kencana in Bali, 12 October 2003. FAR RIGHT: Australian Embassy official speaks to the Bahari Fishing Community, Buton Island, Southeast Sulawesi Province, regarding the risks associated with people smuggling, 2001.

FAR RIGHT: The late Foreign Secretary of the Philippines, the Hon Blas Ople (left), and the Australian Minister for Foreign Affairs, the Hon Alexander Downer MP, sign a memorandum of understanding on cooperation to combat international terrorism. Canberra, 2003.

> RIGHT: Australian Embassy officials welcomed by dancers on Alor Island. The visit to Alor Island was part of the Anti-People Smuggling Information campaign, Indonesia, 2001.

Australia has put in place a network of bilateral counter-terrorism memoranda of understanding with five ASEAN countries: Indonesia, Malaysia, Thailand, the Philippines and Cambodia.

Australia recognises that helping countries to develop their own capabilities to fight terrorism is an essential element to combating terrorism in the region. To this end, in 2003–04 Australia provided over \$12 million in counter-terrorism capacity-building assistance to our regional partners.

Australia has also identified conflict, disease, drugs and transnational crime, illegal immigration and environmental degradation as security challenges confronting Australia's region. Australian assistance from a range of government agencies addresses these problems in a practical way.









## Malaysia

Australia has substantial interests with Malaysia across a broad range of sectors including trade and investment, education and defence. There are also productive and cooperative links in areas such as civil aviation, law enforcement, tourism and immigration.

In 2003, two-way goods and services trade reached almost \$8 billion. Major Australian exports to Malaysia include copper, aluminium and dairy products. Major imports from Malaysia include crude petroleum and computers. At June 2003, Australian investment in Malaysia was valued at \$410 million, while Malaysian investment in Australia reached \$5.4 billion, much of it in commercial and residential property.

Defence links, both bilateral through the Malaysia Australia Joint Defence Program (MAJDP) and through the Five Power Defence Arrangements (FPDA), are substantial and solid. Australia is Malaysia's largest defence cooperation partner. Australia also works closely with Malaysia on non-traditional security threats, such as people smuggling and counter-terrorism. Australia and Malaysia signed a joint memorandum of understanding on counter-terrorism cooperation in August 2002.

Australia and Malaysia have exceptional peopleto-people links. Australia continues to be a major provider of education services. Malaysia is Australia's largest market for students in ASEAN with around 32 000 Malaysian students at Australian institutions here and in Malaysia in 2003. Around 155 000 Malaysians travel to Australia each year, and around 100 000 Australians travel to Malaysia. ABOVE LEFT: The trial of an Australian designed wind-powered energy system, as part of the Remote Area Power Supply Project, AAECP Phase III, Malaysia.



ABOVE RIGHT: Australian assistance funds a foot and mouth disease program, which has created quarantine areas and spot checks to stop the spread of the disease within the Philippines. The 24-hour checkpoint confiscates animals showing any signs of the disease, the Philippines, 2000.

## **The Philippines**

Australia's relationship with the Philippines encompasses trade and investment, defence, cooperation in the areas of security and counterterrorism, and development assistance.

There is a substantial trade and investment relationship. In 2003, two-way goods and services trade was valued at \$2 billion. Major Australian exports include dairy products and ships/boats, and major imports from the Philippines include computers and crude petroleum. At 30 June 2003, Philippines investments in Australia were valued at \$1.8 billion and Australian investments in the Philippines at \$955 million.

Historically, Australia's defence cooperation program with the Philippines has centred on the training of personnel. However, the defence relationship has now been broadened to include access to each other's defence facilities, exchange of defence information, and cooperative activities in science and technology. During his visit to the Philippines in July 2003, the Australian Prime Minister, Mr Howard, announced that Australia would provide a \$5 million counter-terrorism package of assistance over three years in four key areas: law enforcement, border control, port security and regional cooperation.

The Philippines remains one of our largest bilateral aid recipients (estimated at \$63 million in 2003–04). From January 2004, Australia commenced implementing a new five-year development cooperation strategy for the Philippines. Assistance is focused on economic governance, security and stability, and rural development, including an enhanced emphasis on education, in the southern Philippines.

# People-to-people links

Citizens of ASEAN countries and Australia are in contact with each other in their thousands at any given time through individual, family and informal group travel. Much of this travel is recreational, but a great many of these travellers are engaged in the serious business of commerce or study. Over recent decades many people born in ASEAN countries have settled in Australia. According to the most recent Census, the ASEAN-born population living in Australia in 2001 was 487 458.



ABOVE: Australian Minister for Foreign Affairs, the Hon Gareth Evans, attends the opening of the 'Eyes on ASEAN' exhibition, which comprised 120 photographs by 67 photographers from the then six ASEAN countries, 1994.

Cultural relations have become a dynamic element in the people-to-people relationship between Australia and its ASEAN neighbours. Tours by performing arts groups and cultural exhibitions are a regular feature of cultural exchange between countries in the region to help to bring people closer together and appreciate each other's arts, history and heritage. Both ASEAN and Australia recognise the importance of fostering and preserving the cultural achievements of their peoples.

BELOW: Students from ASEAN countries in Australia for a one-month training course with Australian film and sound archivists, 1995.



Australia has cooperated closely with ASEAN's Committee on Culture and Information in a number of areas.

The thirst for knowledge and skills has brought together many hundreds of thousands of people from many parts of our region in mutual endeavour over many years. In 2003, of the 303 324 overseas students enrolled in Australian educational institutions, 75730 were from South-East Asia. And the numbers are growing each year.

In 2001, Australia launched the Virtual Colombo Plan, which uses Australian expertise to help bridge the

RIGHT: Australia's 10000th Colombo Plan student arriving from Burma, 1971.



digital divide. The original Colombo Plan, of which Australia was a founder half a century ago, saw large numbers of students from developing countries educated in Australia. The Virtual Colombo Plan works in reverse, bringing education to students in the region via the Internet. An early focus has been to provide quality primary school teacher training.



ABOVE: TV trainees from ASEAN countries make a film at Fairbairn Air Base, Canberra, 1983.

## Singapore

Singapore and Australia have a strong and productive bilateral relationship based on long-standing political, defence, education, trade, tourism and Commonwealth links, and a similar strategic outlook.

Singapore is our largest trade and investment partner in ASEAN, and our seventh-largest trading partner overall. In 2003, Australian merchandise exports to Singapore were valued at \$3.5 billion and our imports from Singapore were valued at \$4.4 billion. Two-way investment continues to grow: in June 2003 Australian investment in Singapore was valued at \$10 billion, and total Singaporean investment in Australia at \$33.5 billion. Services are a key part of our exports to Singapore, particularly in education. Singapore is one of Australia's major sources of overseas students to both on- and off-shore Australian educational institutions, recorded at 31400 students in 2003.

The Singapore–Australia Free Trade Agreement (SAFTA), which came into force on 28 July 2003, has contributed towards a stronger bilateral economic partnership. It presents new trade and investment opportunities for businesses in both Australia and Singapore. SAFTA was Australia's first bilateral free trade agreement concluded since the 1983 Closer Economic Relations Trade Agreement with New Zealand.

Defence links with Singapore are significant and cooperative, based in part on our shared interest in enhancing regional security. We also have good cooperation in counter-terrorism.

## Thailand

Australia's relationship with Thailand is strong and spans trade and investment, defence, police, education, tourism and development assistance. In recent years, Australia and Thailand have also signed a number of memoranda of understanding on issues such as transnational crime, terrorism and social security.

In 2003, two-way goods and services trade was \$7 billion. Major Australian exports to Thailand are aluminium and non-monetary gold, and major imports from Thailand are motor vehicles, heating and cooling equipment, and prepared seafood. In 2003, imports from Thailand increased by 15 per cent. The Thailand–Australia Free Trade Agreement (TAFTA) is expected to come into force in early 2005. The Agreement is Thailand's first comprehensive FTA and its first with a developed country.

Tourism and education are Australia's most important service exports to Thailand. The number of visitor visas issued by the Australian Embassy in Bangkok totalled 42984 in 2002–03. In 2002, Australia became the number one destination for Thai students seeking an education overseas.

With the dramatic advances Thailand has achieved in social and economic development, the Australian development and assistance program is now declining and the relationship is transforming as Thailand itself looks to making a contribution to assisting less developed nations in the region.



FAR RIGHT: Training workshop under the AAECP Phase III Energy Project, Thailand.

# Development cooperation

The 1974 ASEAN–Australia Economic Cooperation Program (AAECP) represented an agreement between Australia, as a significant regional economy, and ASEAN, a relatively new regional association which had still to achieve robust economic and social links between its member countries. The AAECP was launched with a grant of \$5 million to ASEAN to fund research and development in food production and agriculture, high-priority issues in the region at the time and areas in which Australia had considerable expertise.





ABOVE: Australian health adviser trains Barangay health workers on the island of Negros Oriental, the Philippines, 2000.

LEFT: ASEAN scholars in Australia for an environment study tour, 1996.

FAR LEFT: Australian expert offers technical advice on the clearing of land mines in Cambodia, 1997.



The program made numerous contributions to the development of science and technology in ASEAN countries.

Perhaps the greatest benefit of the scheme, however, was the regional cooperation it helped to foster, enabling scientists and officials from various countries to work together for the first time. This cooperation



ABOVE: Food experts from ASEAN countries study Australian technology, 1983.



ABOVE: Australian Ambassador to Cambodia, Ms Louise Hand (centre), presents a bicycle to the Cambodian 'Wheels for Democracy' campaign. Newly elected councillors will use bicycles donated by Australia to travel among their constituents, 2002.

generated benefits that often outweighed the technical or commercial benefits of the projects themselves.

In 2003–04, Australia's overall development assistance to the region totalled an estimated \$395 million. A key part of the assistance is the ASEAN–Australia Development Cooperation Program (AADCP), valued at \$45 million over six years. The AADCP is the result of extensive consultation between Australia and ASEAN, and reflects the priorities of the partners: the expansion of economic links, the promotion of economic growth, and increased security in the region. An important objective of the program is to expedite the integration of the newer member countries of ASEAN by bridging the development gap.



ABOVE: Australian assistance provided sewing training to these women. Now they pass on their skills to other women to help them earn an income, the Philippines, 2000.





ABOVE: Cambodian agriculture researchers examining rice planting with an Australian agriculture expert, 1999.

LEFT: A Vietnamese crowd on the My Thuan bridge in June 2000 after a dragonboat race. The opening of the My Thuan Bridge, which spans an arm of the Mekong River in southern Vietnam, marked the completion of Australia's largest-ever single infrastructure project up to 2000. As well as linking the rice bowl of Vietnam to the rest of the country, the bridge benefits up to 15 million farmers of the Mekong Delta by cutting transport times to markets, and to health and education facilities.

### Vietnam

Australia and Vietnam recently celebrated two milestones in their relationship: in 2003, the 30th anniversary of the establishment of diplomatic relations, and in 2002, a decade of bilateral aid relations.

In 2003, two-way trade in goods and services was \$3.3 billion. Australia is Vietnam's fourth-largest export destination. Major imports from Vietnam include crude petroleum, fruit and nuts, crustaceans, furniture and footwear.

Defence cooperation is developing, with reciprocal defence attaches now in place. Royal Australian Navy ships regularly visit Vietnamese ports and Vietnamese army officers are undertaking training in Australia. Law enforcement cooperation is also expanding, particularly in combating narcotics trafficking, money laundering, child prostitution, paedophilia and people smuggling.

Vietnam is Australia's third-largest partner in development cooperation. Total assistance from Australia in 2003–04 was worth \$72.2 million. A new Vietnam–Australia Development Strategy (2003–07) focuses the program on strengthening the governance of institutions required for a competitive market economy and increasing productivity and links to markets for the rural poor.



FAR RIGHT: Ding Thi Phia makes use of a well that AusAID helped to build in Son Hai Commune, Vietnam, 2002.

# The future

Australia's commitment to ASEAN and the region is firm and enduring. The evidence is clear in the quality of our practical, multi-faceted, day-to-day cooperation.

We applaud the decision of ASEAN leaders, taken at their summit in Bali in October 2003, to work towards an ASEAN Security Community, an ASEAN Economic Community, and an ASEAN Socio-Cultural Community in the coming years. These decisions are evidence of ambitious and creative forward thinking. As one of ASEAN's closest neighbours, we continue to have a real stake in its success.



Australia will continue working together with ASEAN to strengthen existing regional institutions to promote greater regional security and growing prosperity for people throughout the region we share. LEFT: Australia assists in the reconstruction of a school building in Pak Ngeum village, Laos. The project falls under the Department of Foreign Affairs and Trade's Direct Aid Program, 2003.

FAR LEFT: The Australian Minister for Foreign Affairs, the Hon Alexander Downer MP (left), and ASEAN Secretary-General, Mr Ong Keng Yong, on his visit to Australia to celebrate 30 years of dialogue partnership, Canberra, 2004.



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