

70th Commission Session Phase II

'Regional Connectivity for Shared Prosperity'

Australia's Country Statement (8 August)

Introduction

Executive-Secretary, Ministers and Distinguished Colleagues.

Australia extends its gratitude to Thailand for hosting this 70th session of the United Nations Economic and Social Commission for Asia and the Pacific and to the ESCAP Secretariat, under Dr Shamshad Akhtar's leadership, for the quality of its ongoing support to member states.

Australia welcomes the theme for this year's Commission. It very usefully focuses our attention on just how important enhanced connectivity is in facilitating economic growth and development.

It's this fact that explains why Australia's new aid policy, launched in May 2014, emphasises the importance of enhancing regional connectivity. Our new policy makes clear that – as part of its overall commitment to supporting economic growth and poverty alleviation – Australia will continue to:

- invest in the infrastructure needed to improve regional connectivity, including by:
 - facilitating private investment; and
 - utilising international forums such as APEC and the G20, and our work with ASEAN partners, to address systemic barriers to investment in infrastructure and better integrate financial markets.

Let me now touch on how Australia is supporting the four critical areas for connectivity, as referenced in ESCAP's useful thematic paper

- Australia agrees that building **trade and transport, information and communications technology** and **energy** connectivity are core priorities for the region.
- Our new aid policy includes a target to double aid for trade investments, including economic infrastructure, by 2020.
- Australia has invested heavily in both hard and soft infrastructure in the Asia Pacific Region.
 - For example, on the physical infrastructure side, I was interested to hear in the national statement from Lao PDR yesterday, reference to the utility of the various friendship bridges that have been built across the Mekong. It reminded me of the length of time that Australia has been contributing to better connectivity in our region - because it was Australia that built the first Thai-Lao Friendship Bridge. In fact, earlier this year we celebrated the 20th anniversary of its opening, which took place in 1994.
 - And our contributions have continued - for example through our investments in the Southern Coastal Corridor Projects in Cambodia and Vietnam, and the Central Mekong Delta Transport Connectivity Project.
- Our work with partners in the region has not been limited to physical infrastructure projects, but has extended to enhancing soft infrastructure. On **telecommunications** reform, for example, we

have helped to open and regulate competition: increasing private sector participation, reducing costs, and improving services in Fiji, Indonesia, PNG, Solomon Islands, Timor-Leste, and Vanuatu.

- Australia has also funded a number of **energy** projects promoting rural electrification in Asia and the Pacific.

In addition to our bilateral efforts, Australia is working on connectivity initiatives through regional institutions

- As a long-standing partner of ASEAN, in fact ASEAN's first dialogue partner, we are working actively to support its objective of achieving an ASEAN Economic Community by 2015.
- Australia recognises ASEAN's work to date in achieving significant economic integration, which has helped ASEAN economies grow at twice the global rate over the past thirty years.
 - Australia actively supports these integration efforts through initiatives such as the ASEAN-Australia Development Cooperation Program Phase II.
- We are also proud of the contribution to regional economic integration made by our high-quality free trade agreement with ASEAN (AANZFTA) and, as part of our collective efforts to advance such integration, we are actively participating in the ASEAN-led negotiations for a Regional Comprehensive Economic Partnership.
- We are also working in the G20 to advance the connectivity agenda. As the president of the **G20** in 2014, Australia's agenda is focused

on three themes: the first, making the global economy more resilient to future shocks; the second, strengthening global institutions to make sure they are fit for purpose in the global 21st century economy; and the third, promoting growth and employment by empowering the private sector, including through supporting investment and infrastructure to address the \$70 trillion global infrastructure gap.

Australia is also an active supporter of enhancing people-to-people connectivity - the fourth critical area of ESCAP's thematic paper

- As the fourth largest host for international students globally in 2012, Australia is contributing to the development of people-to-people links through: **tertiary education; private sector linkages;** and improving **international labour mobility and conditions.**
- In particular, through a new signature initiative of our government, called the **New Colombo Plan**, we will:
 - Deepen the connections between our young people and their peers throughout the region by supporting Australian undergraduate students to study and undertake internships in more than 30 countries in the Indo-Pacific region; and
 - encourage Australian universities to deepen and expand their ties with institutions in the Asia-Pacific.
- Additionally, through Australia's Pacific-focused **Seasonal Worker Program**, we are actively working to improve conditions around **regional labour migration.**

Asia-Pacific's role in shaping an effective post-2015 development agenda

- Before concluding, let me acknowledge the significant contributions of countries in the Asia Pacific region to meet the MDGs and to shape the post-2015 agenda.
 - In our view a post-2015 agenda should strengthen the drivers of economic growth, promote investment in infrastructure and energy to support trade, market access and poverty reduction; and reflect the vital role of the private sector.
- Australia stands ready to finalise the design of the new framework in 2015 and to work with UNESCAP and other key partners in the Asia-Pacific in this process.

Conclusion

- Clearly, with some 743 million people still living in extreme poverty in the Asia-Pacific, the challenges of sharing prosperity across the region remain considerable,
 - which is why our shared commitment to supporting connectivity to drive sustainable economic growth and reduce poverty is so important.
- Australia looks forward to continuing to work with fellow member states, the Executive Secretary and the Secretariat, to increase prosperity and opportunity for all our peoples in the Asia-Pacific.

Thank you.