

A genuine partnership

By HE MARK CANNING

AMBASSADOR OF THE UNITED KINGDOM TO THE REPUBLIC OF INDONESIA



MARK CANNING

was appointed British Ambassador to Indonesia in June 2011. He serves concurrently as British Ambassador to ASEAN and to the Republic of Timor Leste. Mark previously served as Ambassador to Zimbabwe (2009-11) and as Ambassador to Burma (2006-2009). He is a career member of the UK Diplomatic Service. His career has focused strongly on South East Asia – his current tour in Jakarta is his second in Indonesia and he has also served in Malaysia and Burma – and on the promotion of trade and investment. He was educated at London University and also holds a Masters in Business Administration.

We are delighted President Yudhoyono will be coming to the UK this week at HM The Queen's invitation, and we warmly welcome him. This State Visit, following the visit of the Prime Minister to Jakarta in April, offers a wonderful opportunity to recognise the incredible transformation of Indonesia and to deepen the already excellent relationship with one of the most dynamic and important countries in Asia.

The rise of Asia has been and will continue to be one of the hallmarks of this century. Put simply, we believe that if we want to do more than just talk about the major challenges of our time – how we build a sustainable global economy, how we enlarge free trade and reduce protectionism, and how we build a secure world for our citizens to thrive in – then we need to work together with the nations of Asia, and increasingly with Indonesia.

Indonesia is becoming increasingly important to the UK. In the eight years since President Yudhoyono was elected president, Indonesia has transitioned from authoritarianism to democracy and economic stagnation to membership of the G20. Its democracy is vibrant: hundreds of elections at local and national level have successfully taken place. Indonesia is increasingly playing a confident role in the region and beyond and is building a strong reputation as a bridge-builder and leader. It has become an economic and political force that cannot be ignored. Others in Asia have also made great progress, but there are few other nations that can match the distance Indonesia has travelled in so short a time. Indonesia has navigated threats that would have overwhelmed others.

Indonesia has many natural advantages. One example is their economy, which is now growing at a consistent 6 per cent, and is by far the largest in South East Asia and has so far weathered the global down-turn relatively well. 60 per cent of the population is under 30. The middle class numbers more than 40 million. By 2030 an incredible 70 per cent of the population will be of working age. Some have predicted it could become the world's seventh largest economy by 2030, an economy within which the UK is already a leading investor.

The trade relationship between the UK and

Indonesia is already strong and is growing still. The UK is the second largest European investor in Indonesia, with total trade up 10 per cent on last year. British firms play a leading role in Indonesia's energy, financial services and retail sectors. Our economic partnership can benefit both our countries and we are looking to increase trade and investment in both directions. In April, the Prime Minister and President Yudhoyono agreed to double trade by 2015. In Britain, we aspire to the United Kingdom becoming the leading place for Indonesia to do business in Europe. We can offer plenty of opportunities for investment, whether in energy, transport or infrastructure.

The world is changing, with many more centres of decision making – such as Indonesia – than in the past. The world is also getting smaller: issues that would once have passed unnoticed outside of an isolated region have the ability to affect us. Issues such as financial stability, the flow of drugs, organised crime, terrorism or climate change now have the potential to undermine the prosperity and security of us all. None of us are insulated from their effects as we might have been previously. Our diplomacy needs to reflect these shifts in global politics, which is one of the reasons why the UK is deepening the partnership it enjoys with Indonesia.

What role does the UK seek? It seeks a partnership which is genuinely two-sided, which recognises where Indonesia is today and which gives equal weight to their priorities, as well as to our own. We will want to build on the strong personal commitment President Yudhoyono has shown on the issue of climate change and sustainability; to encourage his continued leadership in international negotiations and in reducing Indonesia's own greenhouse gas emissions. We wish to cooperate on the major challenges both our nations face: of international security and terrorism; education; climate change, and; the impact to our citizens brought by the difficulties faced by the world economy. As a nation which recognises the crucial importance of remaining competitive. The British government fully understands the immense potential of Indonesia, and is resolved to develop the relationship with this emerging giant in a way that brings benefit to the citizens of both nations. **E**