

KEYNOTE SPEECH
BY
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AT
THE ASEAN 50 INTERNATIONAL CONFERENCE
JAKARTA, 19 JULY 2017

Excellencies,
Ladies and Gentlemen,

1. It is an honour for me to attend this meeting...
2. Last month, (13 June 2017), I Attended Oslo Forum in Oslo....It was my second participation in Oslo Forum. This year's theme was "*Peace Making in the New Era of Geopolitics*"
3. I was in the same stage...the same session with:
 - ➔ Foreign Minister of Iran, Javad Zarif
 - ➔ High Representative of the European Union for Foreign Affairs and Security Policy and Vice President of the European Commission, Federica Mogherini
 - ➔ Secretary John Kerry
 - ➔ Moderated by Foreign Minister of Norway, Borge Brende
4. It was inevitable that crisis in the Gulf and crisis in the Middle East were dominated the discussion....
5. During the discussion, I did not touch upon the crisis in the Gulf and Middle East.... but rather I was intentionally spoke about a different story... about ASEAN.....about how this Association contributes to Peace and prosperity in South East Asia...
6. I told the Forum that my story was a story of hope
 - ➔ a story of possibility....

→ which hopefully inspires other region that peace is always possible...

7. On the other occasion... it was in May 2017, I attended also a think-tank discussion “Sharing Experience of Promoting Regional Security and Business Connectivity: East Asia and West Asia”
8. We discussed about the shifting power balance in East Asia, and the new geo-political reality as well as economic growth in Southeast Asia.
9. And again, I told the story of ASEAN...

Ladies and Gentlemen:

10. Allow me to tell story about ASEAN (again)
11. A story of achievements and challenges of an Association which has 10-member countries... an Association that celebrates its 50th anniversary this year...
12. Two issues that I would like to share:
 - First: achievements of ASEAN in the last 50 years
 - Second: challenges facing by ASEAN in the future
13. This morning, I would like to share a story of:
 - a region that enjoys peace and stability....
 - a story of an Association that was born from fear and from so many differences...
14. This relatively success story was rarely found in the media... since bad news is good news... and good news means no news...
15. I do hope that my story will inspire the world and other regions that:
 - attainment of peace is always possible
 - this is a story of what is possible

Ladies and Gentlemen,

16. 50 years ago, ASEAN (Association of South East Asian Nations) was born...
17. No one will believe that ASEAN will survive till 50 years later...this is because of so many reasons:

- almost every member country has its story of conflicts with each other
 - this is a region of diversity: different in economic progress, political system, ideology, culture, geographical size and also differences in religious
18. Some even predicted that because of this diversity, South East Asia would become a “Balkan of Asia “... This prediction was wrong
 19. Instead, ASEAN becomes an engine of peace and stability in Southeast Asia .
 20. The question is: what makes this success story possible?
 21. First: ASEAN way of thinking... ASEAN way... avoid confrontation
 22. Many quarters criticized that the ASEAN way is not a progressive way
 - That might be right....
 - but what is the benefit of being very progressive if it will only be ended it up with fraction, conflicts and war
 23. Second: this ASEAN way indirectly creates the culture of dialogue
 24. ASEAN always tries to prevent using megaphone diplomacy
 25. We prevent the use of “sanction approach” ... example: how ASEAN approaches Myanmar situation
 - We believe on dialogue and diplomacy
 - This culture is not only developed within ASEAN
 - But it goes further
 - ASEAN provides a platform for major powers and key partners to meet and discuss current issues thru ASEAN-led mechanism (ARF, EAS, ASEAN+1)
 26. **Third: ASEAN is able to create the culture of equality**
 - largest country like Indonesia never plays “hardball” ...
 - instead, we are able to develop a sense of “brotherhood” and “sisterhood” ... and a sense of community
 27. **Fourth: ASEAN is able to develop the Association as a rule-based organization...**

- thru the promotion of ASEAN fundamental principles, shared values as well as principles of international law governing peaceful conduct among state
- these principles are very important... to respect the right of others... to allow ASEAN to contribute to the world peace

28. The success story continues on the economic field

29. ASEAN is able to create a good ecosystem for prosperity

- ASEAN was born in 1967... in 1965, Indonesia encountered high rate of inflation... almost 600% inflation rate in Indonesia
- Now, the average growth of ASEAN (4.7%) is above the average of world growth (3.1%)
- ASEAN transform itself to be an open and integrated economy (intra trade is 24% of total ASEAN trade... ASEAN has reached zero tariff on 96% of post tariffs)
- Economic integration continues to reach 6 partners (Australia, New Zealand, India, China, Japan and RoK)...
- Now negotiating a new regional free trade arrangement with those six partners (at once) to create a modern, comprehensive, high quality and mutually beneficial...

Ladies and Gentlemen

30. That is the success story of ASEAN

31. To continue to prosper and contribute more to world peace and prosperity, ASEAN must address the following challenges that are also faced by countries around the world today.

32. First: geopolitical rivalries

- This is the most obvious threat for ASEAN
- one of the hot issues that always emerge in ASEAN meeting is the situation of South China Sea
- We continue to work together through the established ASEAN+China mechanism... to discuss the Code of Conduct in the SCS...
- Indonesia welcomes the conclusion of the Framework of Code of Conduct by ASEAN and China... to be adopted in August 2017.
- But this is just a beginning... ASEAN and China must have strong commitment to start negotiation on the CoC.....

- At the same time, we must also try to implement ‘the low hanging fruits’ of the implementation of DOC.

33. Second: Transnational organised crime terrorism (marawi in the Philippines)

- The recent attack and occupation of Marawi City in the Philippines must be a wake-up call for us all... showing the regionalization of ISIS terror... the franchising of terrorist groups... the affiliation of local group with international terrorism...
- We cannot stay silent... ASEAN must unite in countering the threat of terrorism... regional and sub-regional cooperation must be further strengthened.
- Recently, under Indonesia’s initiative, an Indonesia-Malaysia-Philippines Trilateral Meeting was held... In addition, along with Australia, Indonesia has enhanced regional cooperation in combating terrorism.
- Within the ASEAN context, I note that we already have the ASEAN Convention on Counter Terrorism, as well as cooperation with 9 dialogue partners.
- However, more still needs to be done...
- I see the urgency for ASEAN to pool our resources and institutionalise common efforts in combating terrorism... to enable a joint, rapid response against terrorist attacks while also facilitating cooperation in information-sharing and prevent terrorist financing... as well as driving the soft power approach of deradicalization, strengthening moderation and spreading the values of tolerance.

maritime security (kidnapping) in southern part of the Philippines

- In certain areas, especially in the Sulu Sea, threats of kidnapping and armed robbery against merchant and fishing vessels remain.
- This should be a concern for all of us in the region.
- Any kind of threats to peace and security there will certainly affect growth and prosperity for our peoples.
- To that end, the Philippines, Malaysia and Indonesia have a mechanism in place, including the joint coordinated patrol, to address this issue.
- we will work together to strengthen ASEAN mechanism in enhancing maritime security in the region.

IUU Fishings

- IUU fishing has cost untold losses... for Indonesia alone it costs us an estimated US\$ 20 billion per year. It also cause tensions between nations in the region.
- This cannot be handled by one nation alone.
- Therefore, Indonesia have encouraged ASEAN to act together in combating IUU fishing... as a common threat to security as well as the environment.
- Indonesia has initiated the EAS Statement on Enhancing Regional Maritime Cooperation, which includes the prevention and eradication of IUU Fishing.
- Drugs trafficking
- Drug is a danger for all ASEAN member countries, particularly since it affected the younger generation most.
With the goal of a 'drug-free ASEAN,' last year member countries have agreed on a Work Plan on Securing Communities Against Illicit Drugs 2016-2025.

34. **Third, how to ensure that ASEAN's prosperity is enjoyed by all its people.**
- Ensuring people-centered ASEAN
 - Reducing welfare-gap between the rich and poor
35. **One** way we can do this is by spurring the development of the small medium and **micro** enterprises (SMEs)...
- Everywhere you go in Southeast Asia, in the city or in the village... you will see hawker stalls, warungs and street-side vendors selling food and handicrafts...
 - In fact, SMEs are the bedrock of our economy whose ability to withstand economic crises have been proven.
36. Right now, SMEs account for between 88.8% and 99.9% total establishments in ASEAN member states.... And between 51.7% and 97.2% of total employment.
37. The ASEAN middle class, projected to grow to 400 million by 2020, should be able to spur the development of small medium and micro enterprises (SMEs)...
- In 50 years to come, SMEs will become the backbone of ASEAN's economy... essential towards sustainable, long-run economic growth and narrowing the development gap.
38. In this context, there are at least three important points that ASEAN nations should ensure:

- ASEAN member countries must continue to deregulate and carry out economic reform policies...
 - to ensure a competitive economic environment that welcome FDIs, facilitate innovations and support entrepreneurship... elements essential for big businesses as well as SMEs development.
- ASEAN must embrace information and communication technology (ICT) and the digital marketplace...including for SMEs
 - to allow producers, suppliers and merchants from all corners of ASEAN to meet... as well as allow business matching of ASEAN businesses with potential foreign partners.
- ASEAN should continue to implement the ASEAN Connectivity Masterplan 2025 and strengthen infrastructure development...
 - improved linkages between areas, between countries and between regions will benefit all economic actors while ensuring the continued equitable economic growth of ASEAN.

39. **Finally: unity and centrality of ASEAN**

- very key to deal with all new challenges
- if ASEAN were not able to maintain unity and diversity, SEA could be another proxy ground for major powers
- therefore, Indonesia have strived to emphasize the importance of unity and centrality in all ASEAN meetings at all levels...
- because we realize that unity and centrality must be nurtured, not given.

40. **To conclude:**

- the first 50 years of ASEAN has been a success story... where ASEAN has established an ecosystem of peace and prosperity for the region.
- ASEAN's success has also benefited the region, particularly through the creation of regional architectures that ensure stability, as well as their continued contributions towards solving regional and global problems.
- moving forward, ASEAN will continue to play a constructive role in addressing issues of common concern.
- only by doing so can ASEAN and its member countries ensure the continued prosperity of the region.

41. I thank you.