

HOM Speech – 37th Asia Pacific Roundtable

13:10–14:30 Thursday 6 June

**Special Address by HE Danielle Heinecke High Commissioner
of Australia to Malaysia**

**Working together and making a difference: Australia and
Malaysia as middle powers**

Timing: approx. 16 minutes

Acknowledgments

Datuk Prof Dr Mohd Faiz Abdullah, Chairman, Institute of
Strategic and International Studies (ISIS) Malaysia

Dr Yose Rizal Damuri, Executive Director, Centre for Strategic
and International Studies (CSIS), 2024 Chair of ASEAN-ISIS
Network

Your Excellencies

Distinguished Guests

Ladies and Gentlemen

Who we are

I'd like to start by discussing Australia – who we are, how we are
changing, and how that impacts our engagement with Malaysia
and the region.

Australia today is a modern, multicultural country - almost half
of our population was born overseas or has a parent born
overseas.

That includes my children who are of South African (Zulu
and Xhosa) and Irish heritage.

We are home to more than 7.6 million migrants, including over 172,000 of Malaysian heritage.

We are immensely proud of the contributions migrants have made to our society and who shape our identity and culture. Such as that of our own Foreign Minister, The Hon Penny Wong, who was born and lived as a child in Sabah, Malaysia.

We are home to the oldest continuing culture on earth – that of our First Nations people.

Australia sees itself as being in and of the region.

When we look to the region we see ourselves reflected in it. And today the region can see itself reflected in Australia.

Australia today is vibrant and dynamic.

Some of the world's important inventions have Aussie roots - such as Google Maps; Wi-Fi; the bionic ear; electronic pacemakers; penicillin and more.

Six Australian universities rank in the top 100 global institutes with four Australian universities with campuses in Malaysia.

And I acknowledge the significant number of our alumni in this room today. Please raise your hands if you or a family member are Australian alumni?

Our Australian story continues to evolve as we confront our history, adapt, and make changes for the better.

As our Assistant Foreign Minister, The Hon Tim Watts, has said “We weren't perfect at Federation and we aren't perfect now.”

This Australian story, our national identity, is also our government's starting point for our evolving foreign policy.

We want to – and we are – make a positive contribution regionally and internationally.

Because our futures are intertwined.

Australia-Malaysia relationship

Australia and Malaysia are longstanding partners and friends.

Next year we will commemorate the 70th anniversary of Australia's diplomatic presence in Malaysia.

We have deep connections across tourism, education, business, and proud family ties.

In 2021, Australia and Malaysia elevated our bilateral relationship to a Comprehensive Strategic Partnership.

During his visit to Australia in March, Prime Minister Anwar described our Comprehensive Strategic Partnership as “the hallmark” of our relationship.

He said the Partnership was a demonstration of how our bilateral cooperation cuts “across multiple spheres, often stretching beyond the traditional economic, diplomatic, security and cultural ties.”

Our extensive defence and security cooperation is of particular relevance to the Asia-Pacific Roundtable.

This cooperation stretches back to World War II, where Australian soldiers fought in defence of Malaya and the subsequent liberation of Sarawak, Sabah and Labuan.

Our defence relationship has continued to mature under the auspices of the Five Power Defence Arrangements (1971) and the Malaysia Australia Joint Defence Program (1992).

In addition to numerous reciprocal secondments, courses and annual exercises, Malaysia hosts an ongoing Australian Defence Force presence at Royal Malaysian Air Force Base Butterworth.

Today, Malaysia has the largest number of foreign embedded officers within the Australian Defence Force, and Australia is privileged to have the same honour here in the Malaysian Armed Force.

Since July last year, 129 Malaysian defence members have attended 81 military courses in Australia and over 800 Australian soldiers, sailors and aviators have trained here in Malaysia over the same period.

These deep and practical links are an indicator of our trust and confidence in the partnership.

Australia and Malaysia also cooperate to address security threats facing the region.

There are close links between Australian and Malaysian police, security, counter-terrorism, civil maritime security, border and immigration agencies.

2023 marked the 50th anniversary of the Australian Federal Police's liaison office in Malaysia.

Examples of successful police-to-police cooperation include the 2023 arrest of Adrian Katong and the disruption of his international syndicate (*Bulletprooflink*) which enabled hundreds of cyber-criminals to perpetrate scams targeting victims around the world.

Our ties are strong, but there's still much more we want to do together.

Our economic futures are intertwined

As we look towards the future, Australia has recognised that further economic cooperation, particularly investment, will bring benefits to Australia and the region.

And that's why we launched 'Invested: Australia's Southeast Asia Economic Strategy to 2040'.

The Strategy sets out a pathway to significantly increase two-way trade and investment with Southeast Asia.

And includes a \$2 billion Southeast Asia Investment Financing Facility to catalyse Australian trade and investment in the region.

The Strategy recognises the complementarities between our economies – complementarities which we want to work with you to take advantage of.

As Malaysia heads towards high income country status and continues to transition to a knowledge-based and high value economy, the Strategy envisages more cooperation between Malaysian and Australian businesses in areas like renewable energy transition, the digital economy, food control systems and agribusiness, and education.

More recently, our Prime Minister launched the \$22.7 billion Future Made in Australia package.

Future Made in Australia is about maximising the economic and industrial benefits of the move to net zero.

As our Treasurer has said, “made in Australia doesn’t mean made alone.”

We see this policy as opening opportunities for cooperation on supply chains that can support the region’s net zero transformation, and increase two-way green trade and investment.

For example, we can see a future in which Malaysia integrates products like green metals and batteries – made in Australia – into your high-end manufacturing, creating products that attract a premium with their clean, green footprint; and where Australia and Malaysia invest more in each other’s industries.

In April, Australia’s Assistant Trade and Manufacturing Minister Tim Ayres visited Malaysia and Singapore.

The Minister brought out 23 Australian companies and organisations seeking to work on trade and investment in maritime decarbonisation and renewable energy sectors as part of our new Australia-Southeast Asia Business Exchange programme.

The visit was a big step towards leveraging shared opportunities from the energy transition.

We want to keep building on those steps.

Australia has the comparative advantage and ambition to become a renewable energy superpower.

We have abundant resources of solar and wind power and vast reserves of critical minerals. We are building our green hydrogen industry.

While Australia has already undergone rapid renewable energy transition (now at 40% with an aim to reach 82% by 2030), our journey hasn’t all been smooth sailing – with challenges

including implementation costs, high cost of capital, policy leadership, winners/losers, and our federal-state system.

We can – and are – supporting the region’s transition to low-cost and zero emissions energy.

We are happy to share our lessons and technology (all the ups and downs) with Malaysia and the region.

Middle power agency

Let me now turn to where our national story and our economic futures intersects with foreign policy.

As we have discussed for the last few days, we are in a period of profound strategic change, facing the most complex and challenging set of circumstances seen in decades

strategic trends are not going in the right direction

long-standing rules are being bent, twisted and broken

big players are bullying smaller ones, and common ground is harder to find.

How can we, and should we, collectively respond to these challenges?

Australia and Malaysia are both middle powers but we are creative and nimble (although I note many Malaysian foreign policy thinkers describe Malaysia as small).

We both deploy our statecraft to help shape a region that is peaceful, stable and prosperous.

Since I arrived late last year, I’ve heard references to Malaysia’s ‘mousedeer diplomacy’, drawing on the Malay fable of Sang Kancil – a mousedeer who uses wit to outsmart dangerous crocodiles.

Australia also has similar indigenous and children’s stories about diplomacy and conflict prevention which seek to describe how smaller or middle sized entities can use agency to navigate their interests in times of contestation.

The Rainbow Serpent from the Dreamtime in Aboriginal culture represents a great and powerful force.

In some indigenous cultures, people approaching a waterhole will sing out to the Rainbow Serpent to reassure it of their safe intentions.

This is a story of diplomacy, assurance, and conflict prevention.

We are confident we share many similar cultural traditions and approaches with Malaysia.

We deploy all our tools of statecraft, working bilaterally, minilaterally, regionally and multilaterally.

We work **bilaterally** together in practical ways.

For example:

1. Under the Australia-Malaysia Institutional Strengthening Program we are deepening cooperation on institutional reform.
2. This week, Minister in the Prime Minister's Department (Legal and Institutional Reforms) YB Azalina is leading a delegation to Australia to learn from each other's respective Westminster systems.
3. Through the Australian Government's Partnerships for Infrastructure program, Australian experts are working with Sarawak to share expertise on solar energy and pumped hydro energy storage.
4. And we are working with Malaysia's Ministry of Transport to support Malaysia's ambition to become a green bunkering hub, supporting the region's maritime decarbonisation imperative.

We also work **regionally**, through ASEAN and in support of ASEAN centrality.

At the ASEAN-Australia Special Summit in March, Australia announced a package of support worth over \$500 million.

Some highlights of the package include:

- more than 75 new Aus4ASEAN Scholarships and 55 Fellowships to support the region's emerging leaders; and

- \$64 million for Australia's Southeast Asia Maritime Partnerships Initiative to enhance Australia's practical support for maritime capacity-building, peace and stability in the region.

Our support reinforces Australia's commitment to Southeast Asia and ASEAN.

And our commitment to partnering with Malaysia during its upcoming ASEAN Chair Year.

We also work together in a range of different formats to achieve mutual objectives.

For example, Australia was pleased to partner with Malaysia to support trilateral capacity building for Timor-Leste officials to help them practically prepare to join ASEAN.

This work has been very impactful – showing how two middle powers can positively contribute to the region.

And we work through minilateral partnerships, including the Quad to offer the region practical support.

By pooling resources and leveraging the collective strengths and capabilities of Australia, India, Japan and the United States the Quad makes us a more effective partner for regional countries.

As Prime Minister Anwar said at his Oration at the Australian National University in March:

“Working on our respective strengths and unique relationships with the major countries of this region, we can achieve something of profound consequence for the Asia Pacific.”

That is, middle power countries like Australia and Malaysia do have a key role to play in creating the kind of region to which we aspire.

A region that is respectful of sovereignty and agreed rules and norms, and where no country dominates and no country is dominated.

Australia, Malaysia, and indeed all middle powers, increasingly need to find creative ways to prosecute their interests in sometimes difficult circumstances.

As our own Prime Minister has said:

“Our challenge and our great opportunity lies in anticipating change, shaping it and making sure it delivers for our people. And doing this in in our own uniquely Australian way.”

As DG Nushirwan said in Plenary 1 yesterday, national history and identity matters.

Australia is drawing on our national identity and being ambitious about our economic potential to contribute to our shared vision for our region.

Conclusion

Ladies and Gentlemen, Australia and Malaysia have always been active and agile small-middle powers.

And we’ve always worked together.

We will both continue to play a major role in our region.

And we will continue to support each other.

We look forward to the next chapter in our story of partnership with Malaysia and the region.

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