

# HIS EXCELLENCY PROF. DR. SUSILO BAMBANG YUDHOYONO PRESIDENT OF THE REPUBLIC OF INDONESIA



Keynote address at the Second Summit of the Pacific Islands Development Forum

Nadi  
Thursday 19th June, 2014  
FIJI  
9:00am

Bismillahirrahmanirrahim,  
Assalamu'alaikum Warahmatullahi Wabarakatuh  
Peace Be Upon Us All,

Your Honour, Commodore Josaia Voreqe Bainimarama,  
Prime Minister of Fiji and Chair of the Pacific Islands Development Forum,

His Excellency Baron Divavesi Waqa, President of Nauru,  
His Excellency Anote Tong, President of Kiribati,  
His Excellency Lord Tu'ivakano, Prime Minister of Tonga,  
Excellencies, Your Honourables,

Ladies and Gentlemen,

It is a great honour and privilege for me to join you all in beautiful Nadi today. I am honoured to be the first Indonesian President to visit Fiji and the South Pacific region. This is indeed very much in line with my commitment for the past decade to deepen and strengthen relations with this important region.

Let me also extend my highest appreciation to my colleague and friend, Prime Minister Bainimarama, for inviting me to address this Pacific Islands Development Forum Second Leaders' Meeting as Chief Guest.

On this occasion, allow me to share my thoughts on three main points.

First, on the theme of this Summit "Green Growth in the Pacific: Building Resilient Sustainable Futures and Genuine Partnerships". Second, on what Indonesia has done and can do in support of the PIDF goals. And third, my observation on the current geopolitical situation at regional and global levels that could affect not only the PIDF in pursuing its noble goals but also the international community at large.

Mr. Chairman,

The leaders of Fiji and the Pacific Islands countries are indeed rendering a great service to the peoples of our region by establishing the PIDF. Without doubt, this further strengthens the existing regional cooperative frameworks. I commend you for your foresight, wisdom and leadership in establishing such a forum.

The theme of this year's Summit is indeed timely. It is a relevant topic, for both the Pacific Islands countries and Indonesia as an archipelagic country.

Green economy is certainly essential for our resilience. It becomes a new economic paradigm which promotes economic progress without harming our natural riches and resources.

We need green economy because our world today is facing a great challenge from the impact of climate change. This is the reason why Indonesia has taken steps to reduce its greenhouse gas emissions. By 2020, we aim to cut our emissions by 26 percent using only our own resources, and up to 41 percent with international support.

More than two-thirds of Indonesia's greenhouse gas emissions are caused by deforestation, peat land fires and forest degradation. By seriously fighting deforestation and preventing loss of peat lands, we have contributed to global efforts at mitigating climate change.

Furthermore, Indonesia has included green economy as one of the essential pillars of its national sustainable development. And to achieve a green economic system, in my view, we need to apply three strategies. First, sound policies. Second, appropriate choice of science and technology as well as the use of indigenous knowledge. And third, persistent efforts to promote "need not greed" as an outlook. These strategies have guided us in the implementation of our National Green Growth Program.

Also critical to Indonesia and the Pacific Islands countries is blue economy and I believe blue economy increasingly becomes our next frontier.

As the world's largest archipelago with over 17,000 islands, large and small, Indonesia has always been a maritime nation. It is a strategic space for our national security, and a critical source of livelihood for millions of our citizens.

For decades, the international community has been giving much attention to land-based solution to climate change. However, we have yet to fully explore the potential of oceans and coastal areas in addressing the impact of climate change.

In my view, the green economy and the blue economy are complementary. Blue economy is an integral part of the green economy. This is a concept which is often referred to as "a green economy in a blue world".

Integral to the pursuit of such visions is the promotion of equity and the eradication of poverty.

In my opinion, equity is crucial because it is about justice and fairness. It is also about equal access to resources. At the same time, economic growth and justice are mutually reinforcing. This is the reason behind Indonesia's decision to advocate sustainable growth with equity.

On poverty, this I believe remains one of the greatest challenges that we all must confront. However, through the Millennium Development Goals or MDGs, we have seen the fastest reduction in poverty in human history. Today, there are half a billion fewer people living below an international poverty line of 1.25 dollars a day.

Next year, the target for realization of the MDGs will end. In this connection, I am pleased that through the work of a UN High-Level Panel, we have submitted concrete recommendations for global development agenda post 2015. Similar to MDGs, I hope that this agenda can serve us respectively, as an effective tool to end poverty.

Mr. Chairman,

In fact, the aspiration of the PIDF to achieve the Sustainable Pacific Society is in many ways similar to my four-pronged approach to development: pro-growth, pro-poor, pro-job, and pro-environment. Hence, we have strong reason to strengthen relations and cooperation to address our common development challenges. In this regard, I wish to share with you ways in which Indonesia can further contribute to these relations and cooperation.

FIRST, Indonesia is committed to intensify cooperation with the PIDF in the area of common concerns and interests.

As an archipelagic country, it is our priority to work more closely with the PIDF to conserve and enhance our fisheries and marine resources. We can collaborate to build linkages between our marine protected areas. In this regard, Indonesia supports the idea of expanding the participation of other Pacific countries in the Coral Triangle Initiative.

Our countries are also prone to natural disasters. Therefore, strengthening cooperation in disaster mitigation and management is important. I am pleased that as part of experience sharing, a number of Pacific Islands countries participated as observer in the disaster relief exercise of the ASEAN Regional Forum (ARF) in Manado in 2011.

At the same time, Indonesia has a strong commitment to broaden its network of cooperation with PIDF countries in mitigating the impact of climate change.

In the next five years, and in our collective efforts to effectively respond to aforementioned common challenges, Indonesia will offer various capacity building

programs. We intend to allocate a modest funding of 20 million US dollars for the Pacific Islands countries.

SECOND, Indonesia is committed to boost connectivity with the South Pacific region to overcome the challenge of distance. Better connectivity will help enhance interaction among our people.

Therefore, Indonesia had involved Pacific Island countries in the discussion of connectivity within APEC during Indonesia's chairmanship last year.

I also attach particular importance to the participation of our business communities in strengthening our air and sea linkages. To illustrate, last year, a direct air route between Port Moresby and Denpasar, Bali, was established. It was a calculated business risk that has paid off in terms of benefits and profits. I understand that the service is to undergo a further expansion.

THIRD, Indonesia is committed to enlarge our economic ties with the PIDF countries, particularly in trade and investment.

Our two-way trade in 2013 was 318 million US dollars. We can do much better than that as there remain many untapped potentials. We should aim to triple that amount to 1 billion US dollars in the coming years. And, of course, we should provide special prominence to our respective small and medium enterprises.

As we are linked by geographical proximity and blessed with their respective comparative advantage, we need to consider building sub-regional linkage. This will help us achieve greater common economic progress.

And based on our experiences in ASEAN, such a sub-regional arrangement is helpful in pooling resources, based on complementarity. For example, in the western part of Southeast Asian region, we intensify economic cooperation through SIJORI—involving Singapore, Indonesia and Malaysia.

And FOURTH, Indonesia is committed to capitalize on its enhanced linkages with the PIDF countries.

In recent years, Indonesia has established diplomatic relations with almost all Pacific Islands countries. We build these relations on the basis of equality, mutual respect for each other's sovereignty, independence and territorial integrity.

In addition, Indonesia is also a Dialogue Partner in the Pacific Islands Forum and an observer in the Melanesian Spearhead Group. We have also initiated the Coral Triangle Initiative. Moreover, there are regular consultations involving Indonesia, the Philip-pines, Papua New Guinea, Timor-Leste, Australia and New Zealand in the framework of the South-West Pacific Dialogue and other sub-regional efforts.

As Indonesia is both a Pacific Ocean country and an Indian Ocean country, it is in the best interest of Indonesia to bridge the Pacific region with the Indian Ocean. And also with East Asian parts of the larger region. By doing so, I believe that we can make this geographical bridging truly Asia-Pacific. And in this spirit, Indonesia strongly supports Papua New Guinea as host and chair of APEC in 2018.

Mr. Chairman,

As I highlighted earlier, in pursuing our sustainable development goals, we must be mindful that we live in a constantly evolving geopolitical setting. Not least, we learned a lesson from history that our region cannot be separated from the dynamics of the larger world.

In the past, both Southeast Asia and the Pacific became a theater of the Second World War, severely affecting the life of our peoples.

And today, we are witnessing a world in great turmoil. Not a region has been spared.

In Europe for instance, we are seeing once more instances of armed conflict that risk wider geo-political tensions not seen since the end of the Cold War. In the Middle East and North Africa, the initial euphoria brought on by popular demand for democratic reform has been replaced by a sense of deep despair as violence and armed conflict spreads and humanitarian catastrophe results.

Elsewhere, including in parts of Africa, we are reminded of the increasing non-traditional and trans-national security threats. For example, terrorism and other forms of violence—often falsely justified in the name of faiths or ethnicity—invariably results in more untold sufferings for the innocents and the most vulnerable, especially women and children. And in many parts of the world, fragile post-conflict states are spiraling back to chaos and disorder, often risking the very existence of the state.

And even here, in our own Asia-Pacific region. Our region has for many decades enjoyed a “peace dividend”—an illustration of what can be achieved if peace and stability are maintained, namely economic development and social progress. But now, we are seeing rising tensions and risks of conflict over territorial disputes and driven by the promise of natural resources, such as in the South China Sea and East China Sea. At the same time, tensions in the Korean Peninsula also continue unabated.

In addition, I share the assessment by some pundits and leaders that point to a potential reality of the emergence of a New Cold War. The question remains, how can we avoid this New Cold War? Who can guarantee that such New Cold War be averted?

In my opinion, to prevent such a condition from occurring, every country—large and small—must live up to their shared responsibility. That is the responsibility to act. The world, including its peace and security, is too important to be left to the major powers

only.

Unfortunately, recent developments in many parts of the world suggest otherwise. The United Nations Security Council is yet to fully discharge its Charter-mandated responsibility to maintain inter-national peace and security. Divisions within the Council have tended to become the norm rather than the exception.

In the face of such reality, it is incumbent that conditions be promoted to enable all countries—large and small, developed and developing—to fully contribute to the maintenance of international peace and security.

Indonesia in this connection will continue to provide constant support to the enhanced role of small and developing countries and a strong advocate of their concerns. Indonesia therefore welcomes the plan of the Third International Conference of Small Islands Developing States in Samoa in September this year.

Mr. Chairman,

We must shape the geopolitics that would lead to peace, stability and order. A geopolitics that in return would bring economic development and growth. It would indeed be a great tragedy if our present world continues to be preoccupied solely on the traditional issues of international peace and security, inter-state conflict and war, at a time when new challenges confront us all, such as climate change, poverty, and trans-national crimes.

Indonesia believes that with a strong commitment to peaceful settlement of disputes; abiding respect for norms and principles that govern inter-state relations; and respect for universal democratic values, an alternative vision of a world at peace and in prosperity—a “pacific” world—is attainable. A world that draws lessons learned that the use of force and of armed violence cannot promise sustainable peace. A world that places primacy on dialogue, soft-power and persuasion. And a world that rejects the use of coercion, misuse of hard-power and unilateral actions. Such a world will provide us with more security assurance that allows us to pursue our economic and social progress.

Here in the wide expanse of the Pacific—among peoples and nations who are deeply conscious of the importance of the nexus between peace and prosperity, and of striking a fine balance between the pursuit of material progress and the protection of our environment much as our ancestors did for millennia—Indonesia and we, the PIDF Summit here in Fiji, call on the international community to step up to the extraordinary challenges before us all.

To move beyond lurching from one crisis to another that threatens us all. Instead to promote, and more importantly, to realize, a spirit of partner-ship and of dialogue which are so critical if we are to prosper and progress as one—and to enjoy security as one.

And as a final point, I have every confidence that the present Pacific Islands Development Forum will contribute immensely in promoting such a vision.

Thank you.

Wassalamu'alaikum warahmatullahi wabarakatuh,