

## **Ireland and Asia/Pacific – Brief for incoming Minister**

The implications for Ireland of Asia's ongoing and unprecedented transformation are immense. Countries across Asia have developed rapidly to become the drivers of global growth, home to a majority of the world's population, and increasingly influential global actors. By 2025, Asia will account for almost half the world's output while the continent is set to overtake the combined economic output of Europe and North America before 2020. The rise of Asia is transforming the way the world works.

Ireland has a strategic interest in broadening and deepening relationships with Asian countries which are playing an increasingly important role in world affairs and will shape global developments in the decades to come. In order to do this, the Government is committed to promoting our political, economic and cultural ties, increasing our presence and building partnerships with key governments in this dynamic and diverse continent.

Economic development in Asia has lifted hundreds of millions of people out of poverty and life expectancy has increased dramatically. At a macro-economic level, this development has led to increasing demand for energy, raw materials and food. At the individual level, the rise of a large new middle class has created demand for improved health care, consumer technology, diverse and high-protein food products, luxury goods, and travel.

In recent years, a programme of high level visits from Ireland to the region has boosted political and economic ties. The Government is committed to expanding Ireland's presence and to developing our influence in the region as reflected in the decision to open new embassies in Thailand and Indonesia, and a Consulate General in Hong Kong. These new resources are in addition to our existing network of embassies in China (including a consulate general in Shanghai), India, Japan, Malaysia, Singapore, South Korea and Vietnam. The state agencies also maintain offices and agents across the region, working closely with the embassy network and strengthening operations in areas of greatest potential return. Even with these additional resources, our footprint in Asia is small in comparison with similar-sized countries, and it is planned to keep our diplomatic network in the region under review.

The Government is committed to promoting a joined-up approach to engagement with Asia, and has developed a number of coordinating mechanisms in this regard both in Ireland and in the field. The Asia Pacific Unit in the Department of Foreign Affairs and Trade is responsible for bringing strategic focus to our relations with the region, working closely with our embassies and Local Market Teams (which include the state agencies) to promote exports, encourage foreign direct investment, increase business and leisure travel to Ireland, and promote other offerings such as education and cultural links.

Total exports of goods and services to Asia exceeded €15 billion in 2012. As exports continue to be the main driver of our economy, and as Asia is the highest-growing market for imports globally, countries there are increasingly important markets for Irish companies.

The Government and state agencies will focus on specific sectors, including financial services, information technology, life sciences, food, beverages and ingredients, education,

and certain niche areas. In the period ahead, our efforts will focus on further strengthening trade, tourism and investment promotion in China, India, Japan, Singapore, Malaysia and South Korea, each of which are priority markets established under the Government's Trade Strategy. A review of this strategy in February 2014 added a new category of Exploratory and High Potential Markets, which in Asia includes Indonesia, Thailand and Vietnam.

Our engagement in Asia is based on building relationships at the highest political level, through Ministerial and other high-level visits and meetings, and, where possible, through establishing formal partnerships. In some Asian countries, state-owned enterprises play a preponderant role in the economy, increasing the importance of government-level relations. Even where the private sector is in the lead, across the region considerable importance is placed on government-level contacts as a precursor to economic cooperation.

A Strategic Partnership Agreement with China, launched during the Taoiseach's visit in March 2012, provides a framework to deepen bilateral engagement with this important economic partner. A Partnership for Prosperity and Growth with Japan was agreed during the Taoiseach's visit there in December 2013, setting out a path to enhance relations and promote the economic prosperity of both countries. Building on these agreements will be an important task in the period ahead. Ireland has strong historical ties with India, and education and tourist links with the country are growing strongly. India though remains beset by bureaucracy, and doing business there remains challenging.

Significant efforts to boost economic and other links with remaining countries in the region are ongoing.

Ireland also benefits from the EU's engagement with Asian countries and with collective Asian institutions and bodies, including annual summits, ongoing dialogues, strategic partnerships and Free Trade Agreements with key partners. Ireland plays an active role in EU policy formulation and implementation. We also work in cooperation with Asian countries within the UN, for example with Japan and Indonesia on disarmament, and with other countries in peace-keeping operations.

Regional bodies also offer opportunities to strengthen our ties with the region. Through the Asia-Europe Meeting (ASEM) process, which brings together fifty-one Asian and European countries at Head of State and Foreign Minister level, we are able to deepen our dialogue with Asian partners. Ireland is also accredited to the ten-member Association of Southeast Asian Nations (ASEAN) currently through our embassy in Singapore [Jakarta]. The next EU ASEAN Foreign Ministerial takes place in late July, and the ASEM summit in October.

Ireland has had an official development programme in Asia since 2007. The main focus of Irish Aid's development assistance has been on Vietnam, which has seen rapid development in recent years, with smaller scale programmes in Cambodia, Lao PDR and Myanmar/Burma. Ireland was one of the leading providers of emergency assistance to The Philippines in the wake of Typhoon Haiyan in late 2013.

The economic and political importance of the Asian region is likely to become ever more evident in the coming decades. Our natural advantages – our agriculture, our landscape, our people – combined with our business approach – entrepreneurial, flexible, innovative and outward looking – leave us well placed to respond to the demands of the emerging and developed Asian economies. The Government is committed to ensuring we can reap considerable rewards from a mutually beneficial relationship.

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