
(2) Subsession 1

- Moderator : Dr. Joo Soo-hyeon, research fellow at the Busan Policy Development Institute
- Chairman : Mayor Christine Fletcher of Auckland
- Member Cities : Auckland, Brisbane, Ho Chi Minh City, Ipoh, Jakarta, Busan and Saga (7 cities)

Moderator

The theme of Subsession 1 is "Exchanges and Trade between Cities". Participating cities consist of Auckland, Brisbane, Ho Chi Minh City, Ipoh, Jakarta, Busan and Saga. Proceedings of this Subsession will be as follows: Each city will give a presentation on the theme. After all the presentations of the 7 cities, there will be some time for free discussion. The Asian-Pacific City Summit's Secretariat has discussed the matter and we would like to recommend Mayor Christine Fletcher of Auckland to chair the session. Well, I'll take that as acceptance of the mayor as Chair of the session.

Chairman Christine Fletcher of Auckland

Thank you. I'm Christine Fletcher, Mayor of Auckland city. And I'm supported in this delegation by our Deputy Mayor, Doctor Bruce Hucker and the Council and Chair of the Auckland City Committee, Mr. Richard Northey.

I want to use our time very productively. The theme of our dialogue this morning is expansion of inter-city exchanges and trade. As we have been told, we have the cities of Auckland, Brisbane, Ho Chi Minh, Ipoh, Jakarta, Busan and Saga. And I'd like to suggest that when we begin, we keep it inside of 10 minutes in order that we can have plenty time for discussion.

I'll be guided by you. If you would like to take questions at the end of the presentations, we can do so or we can hold the questions over until the end. But I'd like to thank the host city of Busan, "Annyeonghaseyo?" This is a beautiful room with flowers, and for someone who loves flowers it's lovely to have these gorgeous flowers.

I'm going to say to both our brothers and our sisters sitting around the table --

and I'd like to ask my brother here, Tim, the Mayor of Brisbane -- would you like to make your presentation first? Tim from Brisbane city is going to speak to us about the exchanges and trade between cities.

[Brisbane]

Deputy Mayor Tim Quinn of Brisbane

Thank you for your consideration.

My name is Tim Quinn. I'm the Deputy Mayor of Brisbane City. Mayors, governors, vice mayors and representative of cities of the Asian-Pacific region, distinguished guests, ladies and gentlemen. It's a great pleasure for me to represent the city of Brisbane at the Summit.

It is a wonderful chance for us to enlarge our friendships and opportunities for the trade and exchanges between our cities for the mutual benefit of all the citizens whom we represent. During my presentation there will be a small number of slides for illustration.

I'd like to speak to you about the vision the city of Brisbane has for its role in the region and the opportunities we see ahead for the promotion of trade and exchange between cities.

Indeed this is the pivotal theme at the Summit and it's appropriate we should gather in the thriving city of Busan, which, with its excellent natural harbor, has long been the center for most of this country's overseas trade.

For centuries, Busan has been the hub of international commerce and has been home to an impressive array of manufacturing industries, as well as being a popular resort city and a center for tourism. Busan sets, I think, a wonderful example for the cities of the region as we explore together the opportunities for enhanced trade and exchanges in the future.

Now as we have turned the corner of the New Millennium and a new century, our cities face the challenges of an internationalized world economy and rapid technological advances and urbanization with a renewed vitality and resolve.

The laws and accords that govern commerce, trade and economical relationships are determined at national and international level. However it is at the level of cities and the region that the administrative, economic, business, intellectual and social infrastructure

have to be assembled in order for countries to participate and compete in the global economy.

Local governments, particularly city governments, carried the responsibility for providing sound, progressive governance. We are required to deal with growth and its impacts and to put in place services and urban management systems to ensure our cities continue to be healthy, safe and vibrant places in which to live. Cities have the capacity to harness the technical, financial and human resources of the community to take a leading role in dealing with the issues we are likely to encounter.

Many of these issues are common amongst all cities -- they differ only in location and scale. There exists a significant opportunity for ongoing dialogue, the sharing of information and the growth of mutual support between city governments. There are also opportunities in the era of globalization in which we live for strategic partnerships between cities across a wide range of issues. The city of Brisbane recognizes the imperative to explore the prospects of increased cooperation and collaboration between cities.

Brisbane has played a leadership role in hosting a similar series of international summits across a broad range of issues and attended by committees and business leaders from across our vast and diverse world, which complement events such as the one we are attending this weekend. Many of the cities which are represented at this summit have indeed attended the summit held in Brisbane city. We believe that this City Summit this weekend in the north Asian Pacific region organized successfully over recent years by the cities of Busan, Fukuoka and Guangzhou complements well the Asian Pacific Cities Summit organized and held in Brisbane.

The 1996 and 1999 Asian-Pacific City Summits held in Brisbane have been about the cities and business establishing directions together and sharing the ownership of these visions. These Summits strengthened the links between cities and complemented the regional support for ongoing series of international events which provide an opportunity for heads of cities or regional governments and business leaders to share knowledge and ideas to improve city governance across the Asia Pacific.

Over 600 delegates from more than 21 countries attended the 1999 Summit in Brisbane, with active participation by civic leaders from 64 cities of the Asian Pacific region. Yesterday, Mayor Ahn spoke about the need to establish networks and linkages

between cities. And I believe that one of the challenges for us is to establish new linkages between the City Summit of the north Asian Pacific Summit here in Busan, Fukuoka, Guangzhou and the City Summit that has been organized in Brisbane. A guest yesterday spoke about the need to establish linkages -- technology linkages -- through websites and through Secretariats. The Brisbane Summit has already established those and perhaps our opportunity is to turn out a linkage together.

The city of Brisbane has established a Secretariat that serves as a coordination point for future Asia Pacific cities' events. The Secretariat's role is to support the outcome of the 1999 Summit and to facilitate and support preparations for the ongoing series of Asian Pacific cities' events.

And now a Website has been established to provide informative and interactive tools to enable participating cities to maintain a high level of contact and communication. Services such as e-mail networking, notice boards and chat rooms will provide the opportunity for direct communication between cities of the region.

The regional links established by these different events will continue to be built on at the Third Biennial Asia Pacific Cities Summit to be held in Seattle, Washington State, in May 2001, where the theme to be explored will be "Cities in a Technological Century." In particular, we will examine the important issues of the use of technology in city governance and the social impacts of technology. Brisbane has now conducted two biannual city summits, and the third will be held in May 2001 in the city of Seattle, which Brisbane works very closely with.

As well as these summits, Brisbane is proactively implementing a range of internationally focused activities aimed at developing strategic economic relationships with the cities in the region. Brisbane has 5 active Sister City relationships with Kobe, Auckland, Shenzhen, Semarang and Kaohsiung. These relationships are enhanced through Sister City Committees which assist in the development of beneficial exchanges between Brisbane and its Sister Cities across the region.

In addition, Brisbane runs an International Visitation Program, Staff Exchanges and an Honorary Ambassadors' Program. We have also entered into partnerships which enhance international environmental protection such as our agreement with the city of Narashino in Japan, with whom we share the distinction of being a stopover on the flight path of the many species of migratory shorebirds which call both cities home at different

times of the year.

Brisbane is also a founding member of the World Technopolis Association based in Taejon in Korea, whose objectives are the advancement of science and technology at an international level and the sharing of knowledge and experiences between cities with a strong science and technology base. Brisbane is also actively involved in exchanges of people, ideas, innovation and technology through our Office of Economic Development and Brisbane City Enterprises.

As the largest local government in Australia, representing 880,000 citizens, and with an annual budget of 1.6 billion Australian dollars, Brisbane has a wealth of experience to share on issues of governance, city planning and community development, urban infrastructure, services and finance.

The Office of Economic Development (OED) offers assistance in a diversity of fields from business expansion and relocation, to business networking, liaison and coordination with local, state and federal governments. The OED is responsible for securing and facilitating new investment together with the provision of key support in a range of areas including location to advantageous industrial and commercial precincts in the city.

Brisbane City Enterprises is a commercial enterprise wholly owned by the Brisbane City Council. Their business is to provide city and urban management products and services to clients in Australia, the Asia-Pacific region and other countries. Some of the projects Brisbane City Enterprises has secured -- and which have given us the chances to share knowledge and ideas -- are as follows:

Firstly the Johore Bahru 'BLISS' Traffic Control System.

Brisbane City Enterprises has been pursuing this project since early 1997, when a relationship was formed with Burchill Partners to develop opportunities in Malaysia. A Brisbane City Enterprise team went to Malaysia to sign an agreement with Johore Bahru City Council for the formation of the BLISS Traffic Control System.

The BLISS System was developed by the Brisbane City Council Traffic and Transportation Division over the past 14 years and is a proven, reliable and effective traffic control system at the front of intelligent transport systems. BLISS allows us to centrally coordinate the traffic signals across the entire area network so that when accidents and traffic jams occur we can redirect and control the operation of traffic signals

to improve the flow. The BLISS system also includes a bus prioritization component to coordinate signals at major intersections to keep buses running on schedule and also relay information to electronic displays for passengers waiting at bus stops.

That's the example of how electronic displays in real time are involved in the Brisbane bus systems. Brisbane does not have an underground rail system. It relies heavily on a system of bus transportation and reliable information about the buses. The real time displays tell people things along the road, not when the buses are supposed to arrive but actually will arrive. As a result of linkages of traffic control system through BLISS, the installation will be in Jahore Bahru, will be the first in south Australia. It will not only bring many benefits to the people of Jahore Bahru, but also in Brisbane it gives us technical solutions.

Secondly I'd like to quickly mention the Bangalore Water Supply and Sanitation Project. Brisbane Enterprise has joined this large water supply project funded by the Australian federal government's AusAID program.

Expert staff from Brisbane City Council and Brisbane Water will provide advice on changes to the structure and operations of Bangalore's Water Supply and Sanitation Board. The project will also involve the sharing of our expertise with local engineers and administrators to enhance the provision of these central services in the city of Bangalore. I believe the Brisbane City Enterprises have the capacity to work with cities across the Asia-Pacific region to share technological information, practice and advances which mutually benefit Brisbane and the cities we work in.

Finally, Brisbane is the capital city of the State of Queensland. Brisbane has a well deserved reputation as Australia's safest, cleanest, greenest capital city. Brisbane is the first choice for market leaders looking for the most cost effective and financially stable location. We are currently working with the support of Brisbane. Brisbane pushed the state government to develop Australia's trade cost as a joint enterprise based around two important port facilities in Brisbane. It is also offering high quality learning to students from the Asian Pacific region in the fields of computer science, international technology, electronic engineering and international business.

In concluding, I'd like to especially thank Mayor Ahn and civic leaders in Busan and the government of Korea for welcoming myself and other delegations. Could I simply mention that I talked about two city summits' exchanges and cooperation and Brisbane's enterprises and its activities in our city. Thank you.

□ Chairman Christine Fletcher of Auckland

Thank you very much, Deputy Mayor Quinn. Would you remain on the podium? I'm going to propose that we spend a few minutes now on questions on the presentation Deputy Mayor Quinn from Brisbane made. Delegates, are there questions that you would like to pose to Mr. Quinn. Vice Mayor Nam.

□ Vice Mayor Nam Choong-Hee of Busan City

I really appreciate the informative presentation. You have a similar kind of conference or city summit. I guess I attended it last year. How do you see the differences and similarities of the two summits?

□ Deputy Mayor Tim Quinn of Brisbane

I think the summits which have been organized by Fukuoka, Busan and Guangzhou and the summit organized by Brisbane can play a complementary role. I think they work together and some cities do attend both Busan and Auckland, etc. I think what we need to look at in some detail is how in fact the links between the two summits can be strengthened -- perhaps it is through sharing the technology and Website, such as a guest spoke about yesterday. I think the two summits in a sense are complementary. I believe and I hope there might be some strong product from this particular summit. It can be discussed at the other summit to be held in Seattle in May 2001. But I think we need to explore together how the two summits have in fact interlocked and acted more productively up to now. I think it has been somewhat accidental the way they have inter-related.

□ Chairman Christine Fletcher of Auckland

Thank you for that. Do you have further questions? Then, please join me in thanking the Deputy Mayor of Brisbane city.

The next presentation that we will enjoy is from the Chairman of the Ho Chi Minh City People's Committee. Mr. Thanh, welcome, sir and we look forward to your presentation.

[Ho Chi Minh City]

□ Chairman Vo Viet Thanh of Ho Chi Minh City

Madam Chairman, distinguished delegates, ladies and gentlemen, it gives me great pleasure to attend this 4th Asian Pacific City Summit in this beautiful, modern and hospitable city of Busan.

I am here mainly to learn from the experiences in various areas of city management from other cities. In my contribution, I would like to focus on how Ho Chi Minh City has promoted trade with other cities.

As we all know, big cities assume a very important role in the economic development and integration of their countries. Cities are usually considered as engines of growth, centers of industrial and service activities and gateways of trade, technology, and knowledge to the outside world. Ho Chi Minh City is no exception. As part of Vietnam's emerging economy -- from a low starting point, and in transition -- Ho Chi Minh City finds the promotion of trade, investment attraction, and technological renovation in the gradual process of industrialization and modernization an absolute necessity. Having said that, the biggest challenge remains how to develop highly competitive industries on the basis of existing local comparative advantages, so that Vietnam can partake in the mainstream of regional and global development.

As the stagnant economy under central planning led to severe economic crises for many years, Vietnam, from the mid-1980s, has adopted various waves of drastic economic reforms, under the name "doi moi, with a view to stabilizing its socio-economic situation, shifting to a market-oriented economy, and preparing necessary institutions for economic recovery and growth. Reform efforts have focused on building macro-economic management instruments and a legal system that allows the country to mobilize all resources for economic development and at the same time opens its doors to economic integration with the outside world.

It can be said that Ho Chi Minh City was the first province in the whole country to recommend and experiment with market economic reforms. These relevant economic reforms and the inherent dynamism of its population enabled Ho Chi Minh City to accelerate its economic growth right from the early 1990s. The GDP growth rate from 1991 to 1999 averaged 11.7% against the national average of 7.7%.

The two driving forces behind Ho Chi Minh City's and Vietnam's fast growth are increased exports and foreign direct investment -- the very accomplishment of opening up and global economic integration.

In the early 1990s, exports from Ho Chi Minh City and Vietnam faced great challenges when Eastern European markets collapsed. Ho Chi Minh City, with its own initiatives, turned to Asian and Western European markets and adopted a series of trade liberalizing policies such as allowing private enterprises to deal directly with their foreign export-import partners, reducing tariffs, abolishing state monopoly in trade, and creating a competitive playing field.

Those changes coupled with the shift of policy focus away from heavy industry to consumer goods and exports have contributed to an average growth rate of 17% in exports and 15% in imports from 1991-1999. The Law on Foreign Investment promulgated at the end of 1987 enabled Ho Chi Minh City to tap into these additional types of resources for development. By the end of the first quarter of 2000, total foreign direct investment into Ho Chi Minh City reached US\$11 billion. Most foreign enterprises in Ho Chi Minh City are joint ventures or 100% foreign-owned enterprises. Between 1991 and 1999, the annual increase of FDI value added was 23%, constituting more than 18% of the City's GDP.

Despite many accomplishments in economic reforms, Ho Chi Minh City and Vietnam are still faced with many structural weaknesses in their economies. Industrial production develops along with low efficiency, while other important service industries such as finance and banking remain underdeveloped. Against this background, economic growth and FDI performances worsened under the impact of the regional economic crisis. In order to overcome the difficult situation, in the last two years, Ho Chi Minh City, together with the whole country, has undertaken necessary reforms: further liberalizing trade, restructuring the state economic sector, strengthening the financial-banking system, revising policies to attract FDI, and creating favorable conditions for private sector development; instituting more comprehensive reforms to achieve less restrictive administrative and legal systems, abolishing the system whereby "what is not allowed is prohibited" and fighting red-tape in the government apparatus.

We clearly understand the integration process cannot succeed if the above mentioned fundamental economic shortcomings are not rectified. However, we are also fully

aware that the remedy of the problems can be accelerated by the support of external resources. Therefore, we have opted for a proactive approach to integration and self-improvement at the same time. ASEAN, AFTA and APEC memberships, the normalization of trade relations with the United States and the forthcoming WTO accession speak of a course full of challenges to a developing economy like that of Vietnam. Globalization has changed and is changing in a fundamental fashion the structure and location of the world's industries. Nowadays, the developmental path of a country or even a city is increasingly dependent on having globally competitive industries. To reach this target, Ho Chi Minh City has chosen to create strategic partnerships among manufacturers -- businesses and middle men on one hand and the government on the other -- and at the same time to develop a solid resource base.

Our focus now is to expand further businesses networking, business strategic partnerships and information exchange with a view to further facilitating economic development. Clearly, networking and partnerships are extremely important. They facilitate information exchanges among economic organizations, thus promoting technological renewal and product development. It is networking in trade, information and knowledge that will provide industries with adequate strengths and skills for effective competition. Moreover, networking also contributes to building trust among businesses as firms engage in cooperation, coordination, joint ventures and partnerships. These skills will be strengthened when exchanges and trade among cities are expanded on the basis of mutual benefit. Ho Chi Minh City is committed to moving forward in this direction. With that commitment, Madam Chair, ladies and gentlemen, I would like to close my presentation. Thank you for your attention.

□ Chairman Christine Fletcher of Auckland

Thank you. Please join with me in thanking Chairman Thanh. Please will you wait to answer questions that delegates may have of you.

I'd like to ask the first question. How do we re-change that red-tape that you speak of?

How do you change that negative into the positive? Doesn't it need to begin right at the beginning, with children entering school, that change in attitude, not to think in limited ways but to think in broader ways. In New Zealand we call it "can-do" attitude.

□ Chairman Vo Viet Thanh of Ho Chi Minh City

You know red-tape and corruption are part of the programs and routines possessed by many countries. In Vietnam we have the power to overcome this. First, to streamline and to protect our legal systems and at the same time, to improve our administrative system with higher transparency so that people will have more participation in management and administration of government activities.

□ Chairman Christine Fletcher of Auckland

Thank you. Any other questions? Thank you, Chairman Thanh.
Now, Mayor Dato Talaat Husain of Ipoh will make his presentation for the session.

[Ipoh]

□ Mayor Dato Talaat Husain of Ipoh, Malaysia

Thank you, Madam Chairman.

Mayors, delegates from many cities, ladies and gentlemen.

I'd like to thank Mayor Ahn and citizens of Busan for inviting me here to the summit. And I would like to offer a word of congratulations to the organizing committee for their efforts in realizing this summit. Now, let me proceed with my presentation.

The topic of this Subsession suggests that we ought to promote exchanges and trade between our cities. We in Ipoh City strongly agree with that statement. We also realize today that the world is evolving from the era of cooperation between nations to the era of cooperation between cities and regions. But is this phenomenon something new? Perhaps if we see it from the post-WWII perspective, we might think it is. Well, it is not really something new if we see it from a historical perspective.

During my short presentation, I shall not burden you with detailed statistics on every aspect of existing and potential exchanges and trade between our cities. I will instead focus on the history of the evolution of cities and nations to enlighten us to the fact that what we embark on here will not go for naught, but to revive the glories of cities of the past through greater cooperation among us. I will also share with you some of the benefits of cooperation between cities, especially through our experience with the

City of Fukuoka, Japan, and future prospects.

At the dawn of the new millennium the majority of the world population is living in urban areas, and hence, mostly in cities. The rapid growth of urbanization in the last century, made possible by the Industrial Revolution, posed a myriad of challenges and opportunities. Despite the fact that we live in a world of nations today, we cannot deny that cities are the centers of power, be they political, economic or social. Cities are not merely trading places for hinterland products anymore, but a place where civilization and culture thrive. They are where most nations spend their wealth and fortune. Since most people live in cities today, it is we, who present city governments and are closest to the people, that offer the greatest prospects for cooperation between nations. With the maturing of the computer revolution, cooperation and trading between cities will be heightened through electronic commerce or e-commerce, video conferencing and other information technology (IT) facilities.

On a historical note, the first urban settlements appeared between five to six thousand years ago in the Middle East on the fertile banks of the Nile, Tigris and Euphrates rivers. And in Asia, the Indus and Yellow rivers provided our first urban settlements. As agricultural production improved, food surpluses allowed cities to develop as centers of trade and then they became centers for politics and religion. Cities developed in Europe first as city-states such as Athens and Sparta and later as international trading centers such as Venice and Genoa. This international trading helped cities prosper as never before as the exchanges of a variety of goods and services from around the world increased the citizens' standards of living. In Asia, the city of Busan was a major trading port, and a good example at that.

Cooperation in the form of trading between cities had enabled the people of Europe to enjoy spice from the Malay Archipelago, tea from India and silk from China. It also allowed European and Middle-Eastern products to be accessible in the East. In the thirteenth century, Malacca in the Malay Peninsula became a major trading port between East and West and hence the saying " He who has his hands on Malacca holds the throat of Venice."

Nationalism, on the other hand, is a recent phenomenon. One of the first examples was the French Revolution. In reaction to Napoleon's French expansionist empire, other cities and kingdoms formed "nations" as protection against French imperialism. With the

exception of Thailand, nationalism in Southeast Asia is in fact a post-WWII experience. There is no doubt that nationalism is important as it gives people a sense of belonging and provides stability, but it has certain negative aspects to it.

One negative outcome of nationalism has been economic protectionism. With cities being "subordinates" and "creatures" of the state and nation, all policies have to conform to the national agenda. But ever since trading and cooperation between nations have been seen as the source of economic prosperity, much protectionism has been lifted and we are now moving towards a global economy. But, it is not enough, since a large national government tends to be bureaucratic by nature among other things. Increased cooperation and trading between cities offer better prospects for the future.

As most people live in cities today, direct cooperation and exchanges between cities will have a stronger impact. Bureaucratic red tape and protectionism can be reduced when cities trade independently and on a personal basis. Closer ties and friendships can be made when cities are involved in international relationship. Promoting exchanges between cities is the first step in economic cooperation. This cooperation between cities will increase the prosperity of citizens and in turn will increase the prosperity of nations, which then makes for a better and safer world.

Since 1989, when Ipoh and Fukuoka officially signed a sister city declaration, both cities have made great efforts in fostering closer friendship "by means of the mutual interchange of industry, economy, culture and sports." We have had many programmes and exchanges between us; and, last year we commemorated our 10th anniversary. In Ipoh, it culminated with Fukuoka Week, attended by the Honourable Mayor of Fukuoka and his delegation. Every year, we have homestay, social and cultural programs in both cities. In the field of education, the pairing of our primary schools, the Raja DiHilir and Uchihama Schools, was the first of its kind in Malaysia.

Both cities benefit from this close relationship. Fukuoka has assisted Ipoh on numerous technical matters, one of which was the Japanese Garden in Ipoh, and Ipoh has been a good place for Fukuoka to invest in. Both cities are now moving on to increase trade and industry between them. This will increase the prosperity of our cities, benefiting the people and our nations.

Using information technology, cooperation between cities can be enhanced through e-commerce, video-conferencing and the like. Early this year, Ipoh embarked on a Virtual

City Hall program using the Internet, kiosks and telephones to provide better services to its citizens. The first phase of our program is to provide e-commerce between City Hall and the public and later process planning and building approvals. The advantages of this programme are that we can provide certain services to the public, 24 hours a day and 7 days a week, from anywhere in the world. We believe our friends in other cities will follow suit, and we believe this field offers one of the greatest potentials for cooperation among us. This in turn will generate more cooperation between our cities in economic and other areas.

I will conclude my presentation with the statement that we at Ipoh City firmly believe that greater cooperation among our cities will increase the prosperity of our people and make for a more friendly and safer Asia-Pacific region and the world. I wish peace and prosperity for the generations to come. Thank you.

Chairman Christine Fletcher of Auckland

Thank you. Any questions, delegates? Vice Mayor Nam.

Vice Mayor Nam Choong-Hee of Busan

You mentioned the virtual city hall program, and Ipoh seems very innovative, so my question is, could we get a more detailed description or explanation on that? Do you have any Internet homepage address so that we can access the information on that?

Mayor Dato Talaat Husain of Ipoh

Thank you very much for that question. I left that out. It's been newly introduced in Ipoh. It is based on cooperation between Ipoh and the Canadian government. This concept has been implemented in Vancouver, Richmond and in Yellowknife, Canada. The virtual city hall is actually based on facilities which allow the rest of the city to have transactions with a city 24 hours a day from anywhere in the world. Through the Internet, along with an interactive voice response system, for example, residents can access the city hall without ever having to come to it. That has truly saved time. So, this is something which we had just implemented early this year. Later, if we have the opportunity, we'd like to demonstrate and explain this to other cities so that we can exchange our experiences. Thank you.

□ Chairman Christine Fletcher of Auckland

Thank you. Please join with me in thanking Saga for a very colorful and exciting presentation.

[Auckland]

□ Mayor Christine Fletcher

I have asked Caroline Lassiter Turner, who is the International Affairs manager, to bring you a symbol of our country, New Zealand, the kiwi. Why I think this is necessary is because yesterday a very gracious young woman met me upon arrival here in this beautiful city, Busan, Korea. And she said to me the kiwi is a very delicious fruit and I said "yes." But the kiwi really is a bird, and what is more, it is a bird that cannot fly. So I thought I'll give you a reminder of what a kiwi really is.

And the challenge to fly is to the kiwi bird as the challenge to truly participate in the new world economy is to our cities. So delegates, please put on your kiwi, good. So kiwis are all around me, I feel I'm at home. And I can say to you that it is very exciting to be here with my deputy mayor, Dr. Bruce Hucker and with the Chair of Committee Richard Northey, to put a presentation on for the beautiful city of Auckland, the "city of sails." In the language of our people, the Maori people in New Zealand, the name of Auckland translated to "Temaka makaore," which means a place cherished by many. And we hope one day you visit us as our sisters and brothers and understand why we cherish our home so deeply.

A strategic trend worldwide, as we had heard from many of the speakers this morning, is a decline of the nation-state and rise of the city state. Successful cities of the future will have to develop strategic alliances as part of promoting their comparative advantages, so to speak, to see the Vice Mayor of Busan ballooning across Saga very shortly in terms of the strategic alliance. City-to-city cooperation and connections are therefore essential in this emerging area.

In our city, Auckland, we live at the bottom of the world. We have to go out to attract people and it was a long flight so we have to plan very special events this year, as last year, as New Zealand's only global city. We host APEC in 2000 and The

America's Cup.

We are second to none in the world for liberality and quality of life. And, after all, ladies and gentlemen, why are we talking about trade? Why are we talking about these opportunities? It's because we want to create prosperity for our citizens, for both the men and women in our country.

So it's important that we talk about this whole nation of liberality and quality of life. In Auckland, we are now internationally recognized for our educational infrastructure and booming information economy. Our city of Auckland has the largest population in New Zealand with 1.2 million people. It contains a third of New Zealand's economic activities.

So, you could say that Auckland is the driver. 15% of the population is Asian. By 2001 nearly 20% of our citizens are going to be of Asian descent, 14% from the Pacific islands. And we are the largest city of Polynesian people anywhere in the world. 37% of Aucklanders were born outside of New Zealand. 35% of our immigrants are Asians, and for me that is something to celebrate, because we like to think that they are now Aucklanders, first and foremost. And we really welcome them as new citizens. We don't want them to forget their ethnic origins because that provides us with a wonderful link to approach in the cities of their homeland in a trading sense.

So, Auckland is now a truly modern, cosmopolitan city. This creates a rich cultural composition including over 10 thousand people from Korea.

We want to be a learning city, looking to the future, building on the past and the links we have around the world. This way, we will adopt and approach the future with great confidence.

As New Zealand's truly global city, Auckland City takes its Sister and Friendship Cities very seriously. We aim to encourage links between our people, our educational institutions, our business communities, our political authorities, our sporting codes and our cultural groups. Our goal is to deepen these relationships and support exchanges to ensure that mutual benefits are achieved. Especially in promoting shared economic opportunities. When I look to the specific initiatives, some of those I want to touch on are the ones we are particularly proud of.

We have Auckland and Fukuoka youth exchanges and that has been taking place since 1987, and lots of students in Auckland were to participate. The building of a relationship between our young people has been important for both our two cities. We also

have enjoyed participating in the Fukuoka Trade Fair. Auckland companies have benefited from participating for the last 3 years and found it a very valuable introduction into the local market. We also enjoy our sistership at soccer tournaments. Auckland citizens say this Auckland Mayor is soccer mad.

We are involved in a soccer tournament and it's been hosted twice by Fukuoka and Auckland and once by Guangzhou, which is another one of our sister cities.

In technical exchanges, both of our cities learned and shared valuable information with one another. Auckland and Guangzhou started exchanges, having the opportunities to experience life and work on their aspects as whole cities. And this is involved with two start members from each city who had been involved in economic development. There has been new motion on trade and investment missions, and we had a film crew visit from Guangzhou to Auckland in February 1999, to film the lives of the young Aucklanders who visit that city to participate in the conclusion of the film. We have technical exchanges on a variety of subjects including planning and environmental arrangement.

We haven't touched too much on the environment and I think there's a need for that sort of a topic for the consideration by this very esteemed group of people, here. And we have library exchanges with Busan. Cultural exchanges are seriously taken in these fields. Auckland has to be investigating also the possibilities of the annual cultural exchanges as one of many programs between the two cities.

And we are working hard on our trading links. The reciprocal trade and investment missions and trading have really, clearly, successfully opened doors for many Auckland companies. The technical exchanges between cities concentrate on the exchange of information concerned with effective and efficient management of urban areas.

And I'd like to acknowledge our sister city Brisbane and the tourism links that we have developed. And we, I think, have gone a long way, in which we can continue to develop and pursue joint initiatives.

In conclusion, I'd like to thank you all for the confidence in me as chair and to allow me to partake in this wonderful session and to say we do find many new innovations in addition to those I've discussed on youth and study groups and in the technical area. But I think we do need to be thinking much more creatively about how we can take and lead our cities to the next stage. Very often the structure of government that we had I think was inhibited in putting forward some of these very creative ideas and so

it's important in forms such as these to allow vast interchanges of ideas and debt.

We believe that we're going to strengthen our existing and ongoing ties for all of our international relationships. As part of the strategic vision for the future of Auckland, which is New Zealand's only truly global city, we are increasingly revising the city and we want to form an international relationship to foster participating and belonging between the many different sections of our city. Auckland city has 100 different cultures now living in our geographical zones. So, it makes a very exciting device, very environmental, with so many different people living there. So we want to encourage cultural understanding among the different communities in Auckland and to promote business and cultural opportunities which our linkages encourage.

So in the future we will encourage more trade, much more education and tourism activity in all of our relationships. As trade becomes more open, so does the responsibility as civic leaders to our people to ensure that economic gains we make are shared. It's the responsibility that we all have to work together to create. I think the world offers great opportunity for all men and women, be they young or old. And that too, I'm sure, is at the front of your thinking about your cities as we contemplate this magnificent future. Our sister cities are important to us, and we again thank Busan, our valuable sister city, for their fourth Asian-Pacific city summit.

Before I finish, may I just acknowledge for all of us that today is international mother's day. So I'd like to salute all of the mothers that are in this room and encourage you who have not yet found your mothers to do so. So tell yours that you love her.

□ Chairman Christine Fletcher of Auckland

As the chair, if you have questions of me, I'll answer. There are none. We are to move on and I'd like at this stage for us to begin to consider how we are going to promote issues that have been presented to this forum. I'm sorry that I missed a call from Chairman Thanh from Ho Chi Minh city. You have a question.

□ Chairman Vo Viet Thanh of Ho Chi Minh City People's Committee

Thank you very much for giving me a chance to ask a question. You are the mayor of a modern city. But are there any problems and what problems are the biggest challenges for you?

□ Mayor Christine Fletcher of Auckland

We have many problems in Auckland. I think one of the largest problems that we are focusing on is the fact that traditionally we have not invested in the maintenance of our infrastructure. So there is a major program on the way that is very costly. This generation of Auckland citizens is having to bear more than its fair share of reasonable costs of upgrading water and waste water systems.

And also the most important issue clearly for us is transportation. You may think that with 1.3 million people how you can possibly have congestion? Let me tell you. We do. We have a million people and half million cars and a lot of families have a lot of cars. But we have an inadequate public transportation system. Because there is a limited amount of money that we can spend. We are going to politicize the development of new public transportation. We do so because we want to see the relief of congestion because that is a costly business. It means slowing down the trucks leaving a port. It means everything slows down.

But, most importantly, if we are to be serious about our commitment to our environment, we actually do have to look at what the costs to our environment are of not correcting the transportation system that we have. So mobility and transportation is one area that we are like many other cities sitting in this room, looking on foreign investment and partnership to develop infrastructure.

When I say that they are key challenges, and I touch on it in my speech, the challenges of such multi-cultural and diverse communities are that the people of a hundred cultures have to learn ways of living harmoniously together. And I think we would like to be a common model for the world and how can we do that? People participate in our society and the key to that is education, and that is the new area for the Auckland city.

Thank you. Ipoh city?

□ Mayor Dato Talaat Husain of Ipoh

Thank you very much for your candid presentation. I'm sure you will benefit Auckland very much. You did say I have something along these lines. Auckland has embarked on several events, organizing things such as The America's cup. I think Auckland city organized at one time the Commonwealth Games.

Does this mean that Auckland has also elevated itself to larger roles? You are

embarking big projects which are being done by donation and attracting more tourists compared with other cities. It's beyond the normal role.

□ Mayor Christine Fletcher of Auckland

Certainly, in Auckland's case, we have had to lead on many occasions as I said in the beginning. We feel that the competition of the future is not more country-to-country but more city-to-city. And as the largest city in New Zealand, we have a special role responsibility for market not just to our city, but probably our country as well because Auckland is the gateway for tourism into New Zealand.

But we do have a much greater role and we are finding at times it's a lonely role. But we are going to create prosperity for our citizen, going to have to compete and market internationally. We had a wonderful opportunity to see that fantastic stadium in Fukuoka. Some of you may also have seen it. We need something like that but we can't do that because we don't have resources to build that facility.

But we can work with our sister cities and now we market jointly. Fukuoka might have one particular area strengthened and I met some of their people while I visited there recently. We could work together perhaps to compete in sports and to sell our respective cities and secure conferences and conventions, looking out several years ahead. But my view is that cities are going to have to play a much stronger leadership role. We can't wait for the government to tell us what to do.

We have to pick up the ball and there is also a responsibility to communicate that clearly to the citizens. I also had a wonderful experience of mutual cooperation. Mr. Won, Managing Director of KOTRA, cooperated with us when his organization set up its first office in Auckland. And then we were cooperating with each other again for attracting international events, publicizing merits of each other to people in the world.

We have people in New Zealand who are still frightened of free trade as it hasn't been well explained to them what the benefits are going to be. And we are putting much more investment into strategic planning and communicating with citizens because we regard that as an area that we have been inadequate in the past. We can actually show them the blueprint for what the future might be in order that they will support us and understand why they must change. I'm sure you might also like to comment on your experiences in your city of Malaysia, what role you have to play in leadership since you lead your city.

Deputy Director Zainal Abidin Mohd Zain of Kuala Lumpur

Thank you. I guess what you have said is very true. That cities in the future will have to play a great role. I think it's a question of being creative and able to pursue new potential that will have to build the city as well as providing the benefits. I do agree with you. You are helping many other cities.

Mayor Christine Fletcher of Auckland

We will be very happy if anyone is interested. I brought copies of the strategic plans for the next 6 years. I'd like to share it with you. For myself I have done something that most people find very strange. I left the safest seat in New Zealand Parliament, and you politicians will understand that safest seat, to come back to my post as Mayor of Auckland City. And I did that because I believe that in the future the power base will be the city not the state.

Now, we have a question from Saga City, that they would like to put to Auckland city.

Mayor Kinoshita Toshiyuki of Saga

For 10 years, cities have carried out exchanges with their sister cities. But sometimes these exchanges don't develop into trade exchanges. And in terms of cultural exchanges, how do you develop cultural exchanges into trade exchanges? Do you have any plans on doing this?

Mayor Christine Fletcher of Auckland

Cultural exchanges should be preceded by trade exchanges. That has been our experience with every single city that we have encouraged a strategic relationship with. So the more I think and get a better understanding of one another, the more we have a likelihood of removing all of the barriers to trade between our two countries. So I would encourage cultural exchanges among the young people and also creative exciting ways to glean understanding one another's cultures.

I think the exchanges should start young, before opinions are formed, ideas shaped. We have to change the way that schools have programs. I love the ideas that are proposed today. That is, we are holding 2 city summits and it will be a good idea to

bring them together in one super summit to strengthen the role of cities. Any questions?

□ Governor Sutiyoso of Jakarta

From your presentation, we understand that the Auckland people have many ethnic groups and this is similar to Jakarta. Do you have any problems on the social practice regarding the need to keep order in the city? And does the city government lend itself to being one big family?

□ Mayor Christine Fletcher of Auckland

On the security issue, generally speaking, that is the responsibility of the central government. The central government has been very slow to respond. We have to come up with local government acts that are the acts of central government. What we are trying to do is to get the local government acts released to give local government greater power because I think, increasingly, we will need to have a much greater say in social policy that is appropriate for the city that we are becoming. As to how we can create a harmonious environment, I believe that we need to understand varying viewpoints.

The history of New Zealand is based on the treaty between the indigenous people, the Maori, the European settlers and the Crown of England at that time. And we must recognize that we can be the truly multi-cultural city that comes from a bicultural base. And they must respect our treaty with the Maori.

Otherwise, there'll be continuous racial tension and disharmony in our country. I'm sure that relationship is a healthy one that we can truly go on. And embrace all of the other nationalities of people floating into our city, and feel comfortable. But it is important that everybody -- with you being Bangladeshi, with you coming from Taiwan, or everyone of you coming from everywhere -- understands the nature of the country that they are coming to and shows respect for tradition and rules of our society. If we can do that I get to come back again to education.

We haven't done enough to support new immigrants with educational programs, support for English as a second language. But, particularly, giving education on the roles of the country and what some of the sensitive cultural issues. And also, what is very important, is to strengthen New Zealand's place on the environment. Thank you.

□ Chairman Vo Viet Thanh of Ho Chi Minh City People's Committee

I have a question. Each country needs to combine all the diversified cultural backgrounds of its people. I mean there is a need for global cultural integration. Some big powers somehow try to overshadow smaller ethnic groups with different cultures. I think there are some problems here.

□ Mayor Christine Fletcher of Auckland

I think so, too. Individual identity is very easy to get overshadowed. And I think one of the risks in the new economy is that our children may lose their identities. I'd like to think that we can hold on to ethnic origins and celebrate the world as a place of possibility.

But I worry that my children watch too much American TV. They need to remember that they are New Zealanders. So I said to turn the TV off. Maybe sometimes we need to support industries that are going to create our own culture and artists. We need our young people to see these artists as just as important as the international artists. Yes, we seem to be kiwis and at the same time feel comfortable with the responsibility to be citizens of the world and responsibility for the environment and other global issues.

Delegates, I think we need to summarize this session. I'd like Dr. Rainbow, who has been recording our discussions as we have been presenting, to highlight and summarize what he believes are the key issues that have been put forward today. Then, I encourage you to give me a sense of direction in telling me what the greatest priorities are.

So, I'll hand things over to Dr. Rainbow now, who will very briefly summarize the key issues raised in the session.

□ Dr. Rainbow, Manager of Public Affairs and Advocacy of Auckland

Thank you. All of the presentations I have highlighted are trends toward globalization and the growing importance of exchanges between cities. There has been a strong focus on economic development and many spoke of the growing importance of the city just as economic powerhouses and key economic drivers of their respective countries' economic growth.

We have heard the city to city relationships. In addition to globalization, the

declining significance of the nation-state and growing importance of the sub-region and the role of cities.

About the urban issues, as a result of increasing urbanization, more attention is needed to solve them. Because they are no longer just places for trading, now these are places where our culture and civilization are thriving. Free trade reduced national borders and the city has a critical role in terms of leading competition and cooperation and economic development between cities. Some cities said that we should build attractive cities which are safe and environmentally friendly. This will be the key to the success in this competitive global economy.

In conclusion, I think, the key message that has come from everyone is a desire to build on existing international linkages. And there are very specific proposals from Busan for the exchanges of technology and information about the solutions to the very many problems and opportunities we will face.

□ Chairman Christine Fletcher of Auckland

Delegates, how would you like to see the issues prioritized? And would you like to see the inclusion of additional material in the documents that will be read to you. There is an issue I'd like to raise. It's a question for Chairman Thanh. You raised interesting issues for me when you talked of the reduction of red-tape necessary to ensure corruption does not exist.

And that's something I'd like you to expand on because in all these, there is a fundamental principal that we are trying to create a fair world. And we don't see corruption. Would you like to just add on the comments you have made perhaps to include in this document that we are preparing for the conference for the summit. I believe such inclusion is very necessary.

□ Chairman Vo Viet Thanh of Ho Chi Minh City People's Committee

So, for Vietnam, what we are trying to do is to have the government become a service-providing instrument. That is what we are trying to change.

□ Dr. Rainbow, Manager of Public Affairs and Advocacy of Auckland

Removing bureaucracy is very important. Otherwise, it can lead to the

environment where corruption is likely to take place. Will it be alright if we add a sentence to that effect, Chairman Thanh?

Vice Mayor Nam Choong-Hee of Busan

I believe Dr. Rainbow did a wonderful job in summarizing the discussions we had. Can we have one more thing included? As Mr. Tim Quinn briefly mentioned, we have to try to find some possibility of having a cooperative relationship between the two different city summits.

Can we say in our conclusion that we have to try our best to find potential areas of cooperation between the two Summits?

Chairman Christine Fletcher of Auckland

Delegates, Vice Mayor Nam of Busan has put forward the suggestion of the desirability of working toward one summit, right?

Vice Mayor Nam Choong-Hee of Busan

I don't know whether it's better for us to have one city summit. Maybe the first step to having a cooperative relationship is sharing the same different topics and some coordination. That's what I'm saying.

Chairman Christine Fletcher of Auckland

So, looking to greater cooperation between the two summits, if you agree, would you indicate support for this? Jakarta, would you be happy to see this included?

Governor Sutiyoso of Jakarta

Perhaps.

Chairman Christine Fletcher of Auckland

Deputy Mayor Quinn?

Deputy Mayor Tim Quinn of Brisbane

Perhaps, we should just consider this a little further. I think I strongly agree with

this suggestion of the Vice Mayor of Busan. I think the two summits have developed in a parallel line, in a similar time frame in some ways. Different cities go to the summits.

I don't think it's a matter of merging in the immediate future. But, I think it's very important to build a linkage. I thought that the suggestion of the Vice Mayor of Busan is a very good step to start the building of linkages. Vice Mayor Nam made a very concrete suggestion in his presentation. I think it's a very good idea to make an attempt for such.

What he suggested are 1) establishment of the cooperative system between cities. And I think this is also required between the two summits, 2) establishment of an information network between the two summits, and 3) an attempt to have the results of this summit in the Seattle Summit scheduled for May next year. One thing is clear, that the participants in the two summits recognize the existence of the other and strongly feel the need for linkage.

Chairman Christine Fletcher of Auckland

Thank you. Do we need some more discussion on this matter? Jakarta, you are for that inclusion?

Governor Sutiyoso of Jakarta

Which summit are you talking about?

Deputy Mayor Tim Quinn of Brisbane

The other summit that has been organized and is held every 2 years by Brisbane. It was held in 1997 and 1999. The 1999 summit in Brisbane was attended by 60 cities. Some of the cities represented here also attended the Brisbane summit. The 3rd summit will be held in Seattle in 2001. So the two summits...., it is very difficult to identify because they already have the same name. They call it the Asian-Pacific Cities Summit. The summit that has emerged in the north Pacific region was organized by Busan, Guanzhou and Fukuoka.

Chairman Christine Fletcher of Auckland

So, we have a proposal that was being put forward by Busan and Brisbane. And I

think we can have a consensus if it is to be included in this report. So, Jakarta, would you be happy about that inclusion?

Governor Sutiyoso of Jakarta

Thank you. The proposal is about blending the two summits into one. But I don't think I like it included in the report. I think we should check the mission of this summit before we make a decision. I think it should be put only as a suggestion.

Chairman Christine Fletcher of Auckland

Thank you. I think what is being proposed by the Vice Mayor of Busan is simply looking strategically for mutual cooperation. So I don't think that it would cause any difficulties.

Governor Sutiyoso of Jakarta

I see. You have my agreement.

Deputy Mayor Tim Quinn of Brisbane

It's not so much an issue in blending the two summits into one. But more in blending linkages and looking for future generations.

Mayor Kinoshita Toshiyuki of Saga

I'm not very familiar with the Brisbane City Summit. I mean I don't have full capacity to answer, but am fully in agreement with the two city summits' exchanging or linking with each other.

Chairman Vo Viet Thanh of Ho Chi Minh City People's Committee

If you have the same contents for the two summits, then we can cooperate well together. It will save time and it requires further discussion.

Chairman Christine Fletcher of Auckland

Thank you for your wise observation. Ipoh, would you be supportive of this proposition?

□ Mayor Dato Talaat Husain of Ipoh

Ipoh has had opportunities to participate in both of the summits. I believe that the two are similar but different. The similarity is that both are called the Asian-Pacific City Summit and there is also similarity in their objectives. A difference is that the Brisbane Summit has emphasized the business sector, which is important for development of cities.

I think we should have communicating links between the two summits in order to ensure that the time spent by the participants is maximized. So, I am all for creating communicating lines and looking forward to the possibility of improving chances for both the summits. Possibly the two summits can be one eventually.

□ Chairman Christine Fletcher of Auckland

Thank you. It is the time to let this session close. I'd like to thank all of the participants and delegations with them. This session is officially closed.