# **Management report to Council**

Agenda item 6.1

# 'Melbourne as a global city' International Engagement Framework

Council

**Presenter:** Andrew Wear, Director Economic Development and International

30 May 2023

# Purpose and background

- 1. The purpose of this report is to seek endorsement of the City of Melbourne's (CoM) International Engagement Framework ('Framework', Attachment 2).
- 2. A major initiative in the Council Plan 2021–25 is to develop a new approach to international engagement, 'to optimise future and existing partnerships to enable mutual growth and opportunity'. In April 2022, Council endorsed the scope of this work.
- 3. The proposed Framework sets out guiding principles to consider where and why CoM engages internationally.
- 4. The direction of the Framework has been informed and guided by expertise from an expert panel (chaired by former Premier, Hon Ted Baillieu) and extensive input from Australian and Victorian Government organisations, universities, innovation hubs, industry associations, bilateral trade organisations, chambers of commerce, global networks, and community, cultural and educational groups.

# **Key issues**

- 5. City diplomacy has long been important for CoM, enabling it to engage in dialogue with peer international cities, share best practice, and encourage collaboration that supports a strong economy, innovation, sustainability and resilient, thriving communities. CoM has a number of existing sister cities and partner cities around the world, including in Japan, China, Greece, the United States, Italy and Indonesia. In addition, CoM participates as part of a number of international alliances and global networks.
- 6. During COVID-19, despite major trade disruptions and geopolitical tensions, CoM strengthened its relationships with partner cities. Through its international engagement, CoM has taken leadership on climate change, supported start-ups and the innovation ecosystem, and continued strong city relationships with China despite challenges at the national level.
- 7. During consultation for the development of the Framework, stakeholders emphasised:
  - 7.1. The important role of city diplomacy, and guiding principles that provide a strong clarity of purpose. Clearly articulated principles and priority areas will lead to impactful engagement for all city stakeholders and a targeted regional positioning well-suited to ensuring the city's continued performance as an internationally recognised best practice hub and a truly 'global' city.
  - 7.2. While China remains important and should continue to be a focus for CoM, diversification is critical. CoM should explore opportunities to scale up its engagement elsewhere in Asia.
  - 7.3. Economic development and the fostering of innovative ecosystems should be a central focus of the Framework.
  - 7.4. Ongoing sister city relationships are useful, but CoM should have a diverse and flexible approach to the forming of relationships.
  - 7.5. There is an opportunity to work across all levels of government and collaboratively with other stakeholders to ensure we give visitors the best welcome to Melbourne.
  - 7.6. There is opportunity for CoM to better understand diaspora communities and their make-up, to realise the potential of Melbourne's multicultural diaspora to strengthen international engagement.
  - 7.7. CoM should be bold and develop a strong international value proposition, with city-to-city engagement that is built on promotion of Melbourne as one of the world's most innovative and multicultural cities.
- 8. The Framework gives effect to this stakeholder feedback. Given the limited resources available to Council for international engagement, it proposes a focused approach. It sets out the guiding principles against which international relationships and activities can be evaluated, along with priority areas of focus.

- 9. The Framework outlines seven key priority areas:
  - 9.1. Promoting Melbourne as one of the world's most innovative and multicultural cities a great place to live, visit, study, work and do business.
  - 9.2. Facilitating inbound and outbound missions and visits to support Council achieving its objectives.
  - 9.3. Establishing Melbourne as the economic hub for the Asia-Pacific, Australia's number one city for businesses and start-ups.
  - 9.4. Partnering with industry to develop globally-competitive innovation ecosystems.
  - 9.5. Being a city leader in the Asia Pacific region in working towards the United Nations Sustainability Development Goals.
  - 9.6. Leveraging diaspora and alumni communities to facilitate relationships and investment.
  - 9.7. Increasing engagement with important markets in Asia.
- 10. Deeper engagement with Asia is a key opportunity for CoM. Asia's numerous emerging and established markets provide significant opportunities for key sectors of Melbourne's economy. Asia is a key source of international students and visitors, and increasing engagement with the region can position Melbourne as an attractive destination and create more tailored experiences for them. Furthermore, Asia is home to some of the world's most dynamic and innovative cities. Enhanced engagement with the region will boost our reputation as an innovation city, and by collaborating, Melbourne can learn from their success and develop new ideas and approaches to innovation that can benefit both Melbourne and the wider region.
- 11. CoM already has an active relationship with major trading partners, China and Japan. To support market diversification and ensure CoM has strong relationships with some of the world's fastest-growing economies, the Framework proposes that stronger city-based relationships should be developed in Indonesia, Vietnam, India, South Korea and Malaysia. CoM has existing relationships with Bandung in Indonesia and Ho Chi Minh City in Vietnam that can be leveraged. However, further work will be required to develop an approach to engagement with India, South Korea and Malaysia.
  - 11.1. Opportunities to strengthen relationships with other Asian markets are also likely to present themselves from time to time.
- 12. On 1 March 2022, Future Melbourne Committee agreed to suspend the sister city relationship with St Petersburg until Council determines otherwise. This decision was aligned with the Australian Government's position to put on hold existing bilateral cooperation with Russia to send a clear message that acts of violence and war are condemned. Suspension rather than cancellation of the relationship continues to be appropriate. Sister city relationships are typically long-standing, multi-year relationships which endure through changes of government. The Melbourne-St Petersburg sister city relationship has been in existence for 34 years and there are connections that exist well beyond official channels, including local diaspora groups who maintain people-to-people and cultural connections with communities in St Petersburg and for whom a sister city relationship remains important.
- 13. Attachment 3 outlines plans to support implementation of the Framework during 2023–24. Key highlights include:
  - 13.1. Hosting by Melbourne of the Global Entrepreneurship Congress in September 2023, expected to attract over 2500 delegates from more than 170 countries. This convention will foster collaboration to address challenges around growing entrepreneurial ecosystems and more effectively enable entrepreneurs everywhere.
  - 13.2. CoM leading delegations of city leaders on outbound missions to key Asian markets. This will support the establishment or strengthening of relationships prioritised in the Framework.
  - 13.3. Hosting a Mayoral delegation from the City of Osaka in October/November 2023, to celebrate the 45<sup>th</sup> anniversary of the Sister City relationship between Osaka and Melbourne.
  - 13.4. Hosting of the next meeting of the Business Partner Cities Roundtable in Melbourne, bringing together delegates from Osaka, Hong Kong, Singapore, Bangkok, Kuala Lumpur, Manila, Jakarta, Seoul, Shanghai, Ho Chi Minh City, Mumbai, Tianjin, Auckland and Hamburg.

# **Recommendation from management**

# 14. That Council:

- 14.1. Adopts the International Engagement Framework, 'Melbourne as a global city' (Attachment 2 of the report from management).
- 14.2. Authorises management to make any minor editorial changes to the Framework prior to publication.
- 14.3. Adopts the proposed priorities for 2023–24 (Attachment 3 of the report from management) that support implementation of the Framework, including:
  - 14.3.1. Strengthening of relationships with Bandung and Ho Chi Minh City
  - 14.3.2. Continued investment in relationships with key partner cities in China and Japan
  - 14.3.3. Development of an approach to engagement with Malaysia, South Korea and India and delivery of activities that build and strengthen city to city relationships.
- 14.4. Endorses the continued suspension of the sister city relationship with St Petersburg.

# Attachments:

- 1. Supporting Attachment (Page 4 of 22)
- 2. International Engagement Framework, 'Melbourne as a global city' (Page 5 of 22)
- 3. Implementation plans 2023–24 (Page 20 of 22)

# **Supporting Attachment**

## Legal

1. There are no direct legal implications arising from this report.

#### **Finance**

2. The Framework will inform the development of future budgets and projects. The cost of hosting the next Business Partner Cities Roundtable meetings is to be funded by Council and is included in Council's draft Budget 2023–24 (subject to Council approval).

## **Conflict of interest**

3. No member of Council staff, or other person engaged under a contract, involved in advising on or preparing this report has declared a material or general conflict of interest in relation to the matter of the report.

## **Health and Safety**

4. In developing this proposal, no occupational health and safety issues or opportunities have been identified

## Stakeholder consultation

5. The process of developing and drafting the new Framework has been informed with guidance from an external panel of experts. Broad stakeholder consultation was conducted from September to November 2022 through a series of stakeholder interviews and online survey.

# **Relation to Council policy**

6. This report supports the strategic objectives identified in Council Plan 2021–25, the priority sectors and actions in the Economic Development Strategy 2031, along with objectives of the United Nations Sustainable Development Goals.

## **Environmental sustainability**

7. The Framework will contribute to environmental sustainability through support for the United Nations Sustainable Development Goals. CoM will share and learn from other countries and cities, and take action to improve performance against sustainability targets.



# **Acknowledgement of Traditional Owners**

The City of Melbourne respectfully acknowledges the Traditional Owners of the land we govern, the Wurundjeri Woi-wurrung and Bunurong Boon Wurrung peoples of the Eastern Kulin and pays respect to their Elders past, present and emerging.

We acknowledge and honour the unbroken spiritual, cultural and political connection the Wurundjeri, Bunurong, Dja Dja Wurrung, Taungurung and Wadawurrung peoples of the Eastern Kulin have to this unique place for more than 2000 generations.

We are committed to our reconciliation journey, because at its heart, reconciliation is about strengthening relationships between Aboriginal and non-Aboriginal peoples, for the benefit of all Victorians.

# Council Plan 2021-25

The Council Plan 2021-25 sets out our strategic direction and commitment to the community for the next four years. Based on six strategic objectives for our city, this is our detailed plan for our city's revitalisation and considers the needs of all people who access and experience the City of Melbourne municipality. For more information visit melbourne.vic.gov.au/council-plan



# **Economy of the future**

Driving economic recovery is one of our chief objectives, to ensure the central city maintains a strong reputation as a destination to do business, visit, study and live. We will support a diverse mix of industries and jobs by creating conditions for a sustainable and thriving future economy.

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# 17 May 2023

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# MELBOURNE AS A GLOBAL CITY

The City of Melbourne's framework for international engagement

# **Vision**

The City of Melbourne will undertake international engagement that supports a strong economy, innovation, sustainability and resilient, thriving communities. Our initiative, leadership and action on global issues will contribute to a better future for all.

# **Purpose**

This document provides a framework for the City of Melbourne's international engagement. It sets out guiding principles against which international relationships and activities can be evaluated, along with seven priority areas. The framework will ensure that the City of Melbourne's engagement is purposeful and contributes to major initiatives in the Council Plan, supported by the delivery of actions in the Economic Development Strategy.

This framework was developed with an external expert panel and input from Australian and Victorian Government organisations, universities, innovation hubs, industry associations, bilateral trade organisations, chambers of commerce, global networks, and community, cultural and educational groups.

# **Engagement principles**

Our engagement will:

- Support the objectives of the City of Melbourne's 2021– 2025 Council Plan, Economic Development Strategy 2031 and the United Nations Sustainable Development Goals.
- Develop new city partnerships where there is mutual benefit and commitment.
- Pursue opportunities in a diverse range of markets.
- Involve collaboration with other levels of government and industry partners to deliver initiatives.
- Leverage leading global networks to achieve economic and social benefits.

# Why does the City of Melbourne undertake international engagement?

The City of Melbourne plays an essential role in putting Melbourne on the global stage, articulating industry capability, and positioning the city as a hub for the Asia-Pacific.

Melbourne is the economic engine for the metropolitan region and for Victoria. The City of Melbourne has a strong track record of supporting economic growth and job creation by facilitating international business opportunities and attracting inward investment. We have also enabled shared learning and fostered community and cultural links to create a more sustainable and liveable city.

Melbourne is one of the most multicultural cities in the world, with over 140 cultures represented in our population. More than half (55 per cent) of residents were born overseas, and 71 per cent have at least one overseas-born parent. Despite the impact of COVID-19, trade tensions and geopolitical challenges, our long-held city-to-city relationships have prevailed, enabling economic, cultural and knowledge exchanges that benefit all Melburnians.

## The importance of city diplomacy

With more than half of the world's population now living in cities, urban dwellers account for a majority share of economic production, consumption and waste. In Australia, an even greater proportion of the population lives in cities, with two-thirds of people residing in our capital cities.

Cities play a vital role in responding to global challenges, and international engagement can help improve the quality of life for all residents.

City diplomacy has been growing in importance for many years, with cities able to engage in dialogue with counterparts, facilitate public diplomacy, share best practices, and encourage collaboration between international private and public entities. In addition, cities often engage in piloting and implementing solutions.

As part of global networks, local governments have taken bold climate and biodiversity action. These networks have also supported collaboration on pandemic recovery, urban resilience, affordable housing, gender equality, water security, safety and waste management.

During COVID-19, despite major trade disruptions and geopolitical tensions, we have strengthened relationships with partner cities. Examples include taking leadership on climate change and continuing strong city relationships with China despite challenges at the national level.

The City of Melbourne is proud to be part of a local and international movement recognising that we are in a climate emergency that requires urgent action to reduce emissions and to address climate change impacts. City of Melbourne declared a climate and biodiversity emergency in 2019. In doing so, we joined around 1400 jurisdictions across 27 countries – a local and international movement recognising that climate change poses serious risks to the people of Melbourne and the rest of the world. To support our climate and biodiversity emergency declaration, we have committed to reaching Council's zero emissions target for the municipality by 2040.

# How does the City of Melbourne undertake international engagement?

Our engagement encompasses:

- A strengthening of city-to-city relationships to facilitate shared learning, business connections, and community and cultural links.
- Promotion of Melbourne to the world as a great place to visit, study, work and do business.
- Facilitation of inbound and outbound missions and visits.
- Improvement to the market readiness of key industry sectors, and assisting companies achieve long term success internationally, resulting in jobs and growth.
- Attraction of foreign direct investment and top talent.
- Connection of global innovation ecosystems to futureproof Melbourne's knowledge economy.

- A leveraging of our multicultural and diverse backgrounds to support international city relationships, while achieving social and economic benefits.
- Learning from other cities on how to address issues of urbanisation, health and wellbeing. Increasing participation, connectedness, and safety while reducing inequality.
- Work with global networks to reduce emissions and waste while combatting climate change and building resilience.

# International relationships

The City of Melbourne has valued relationships with five sister cities worldwide, as well as other critical international alliances and projects and membership in global networks. City of Melbourne will continue to reinvigorate and reinvest in these city to city partnerships.

RELATIONSHIP	DETAIL
Sister cities	<ul> <li>Osaka, Japan (1978)</li> <li>Tianjin, China (1980)</li> <li>Thessaloniki, Greece (1984)</li> <li>Boston, Massachusetts, United States (1985)</li> <li>Milan, Italy (2004)</li> <li>St Petersburg, Russia (suspended)</li> </ul>
Partner cities	Nanjing, Suzhou, Chengdu (China)     Bandung (Indonesia)
<b>Global</b> Networks	<ul> <li>Business Partner City Network: Osaka, Hong Kong, Singapore, Bangkok, Kuala Lumpur, Manila, Jakarta, Seoul, Shanghai, Ho Chi Minh City, Mumbai, Melbourne, Tianjin, Auckland and Hamburg.</li> <li>C40</li> <li>Carbon Neutral Cities Alliance</li> <li>Net Zero Carbon Cities</li> <li>City Champions for Heat Action (Adrienne Arsht-Rockefeller Foundation)</li> <li>Resilient Cities Network Asia-Pacific</li> <li>United Nations Economic and Social Commission for Asia and the Pacific (ESCAP)</li> </ul>
Projects and programs	Economic recovery international conversation series     International Urban and Regional Cooperation program

# Focus areas

Our 2021–2025 Council Plan identifies objectives that drive the city's performance. For example, the Economy of the Future objective includes reviewing "Melbourne's international relationships to optimise future and existing partnerships to enable mutual growth and opportunity."

While our international engagement sits under the Economy of the Future objective, it also spans all spheres of activity in the Council Plan. As a capital city with broad targets to improve outcomes for residents, businesses, visitors and stakeholders, our international engagement is complex and well-embedded in the organisation's fabric.

The adoption of this framework will support our Council Plan objectives and initiatives under four focus areas:

- 1. Economic development
- 2. Knowledge acquisition and sharing
- 3. Community, cultural, and people-to-people links
- 4. Peace, aid and development

FOCUS AREA	INTENDED OUTCOMES	EXAMPLES
Economic Development	Supporting focused international actions in the Economic Development Strategy, including:  • supporting Melbourne's knowledge-intensive industries and innovation ecosystems to become globally competitive to enable long-term recovery and prosperity  • facilitating new investment proposals and technology trials and supporting Melbourne's start-ups	<ul> <li>Outbound missions</li> <li>In-market representation</li> <li>Facilitating civic and business visits by Mayors, Councillors, and delegations from international partner cities</li> <li>Trade adviser services in partnership with Austrade</li> <li>Industry partnerships</li> <li>Capacity building programs and Asia-readiness training</li> <li>Leveraging other levels of government to market Melbourne internationally</li> <li>Facilitating foreign direct investment</li> <li>Experience Melbourne Destination Management Plan</li> <li>Supporting the international education sector through advocacy, student welcomes and assisting with employability</li> <li>Supporting the Melbourne visitor economy through ongoing promotion and advocacy including the WeChat visitor program</li> </ul>
Knowledge acquisition and sharing	Increasing exchanges and facilitating learning between Melbourne and international best practice cities in our Council Plan priority areas	Sharing of international best practices in Council priority areas, such as:  • liveability and sustainability  • smart cities and innovation  • retail and creative economy  • economic strategies and initiatives
Community, cultural, people-to-people links	Promoting Melbourne and enhancing cross-cultural understanding Leveraging our multicultural background	<ul> <li>Student arts and cultural exchanges and bi-directional visits</li> <li>Cultural and creative industries' cooperation plans</li> <li>Innovation and design showcases</li> <li>Sharing the stories of Melbourne diaspora with partner cities</li> </ul>
Peace, aid and development	<ul> <li>Exchanging knowledge with countries in the region, within the UN SDGs framework</li> <li>Collaborating to solve problems around homelessness, housing, infrastructure, and gender inequality</li> </ul>	<ul> <li>Supporting DFAT-led capacity building in developing countries</li> <li>Sharing learning on continual improvement against the United Nations Sustainable Development Goals</li> <li>Active membership in global organisations</li> </ul>

# Working with partners

We develop our international engagement programs in collaboration with other levels of government, industry associations, bilateral trade organisations, universities and innovation hubs, and community, cultural and educational groups.

Australian and Victorian Governments and industry stakeholders have confirmed City of Melbourne's critical role in international engagement and identified several areas for collaboration. We work closely with the Victorian Government and Austrade through their global network of offices. Despite the different focus area of each level of government, priorities such as economic development, international education, investment, visitor economy, innovation and addressing climate change require a collaborative approach.

The City of Melbourne complies with the Foreign Relations Act 2020, and our engagement is consistent with Australia's foreign policy. Where possible, we run outbound trade missions in partnership with Austrade and the Victorian Government.

Through our partnership with the Australian Government, City of Melbourne-based TradeStart Advisers extend the Austrade network to assist small and medium size exporters achieve long-term success in international markets. This TradeStart partnership offers exporters the combined resources of Austrade and the City of Melbourne, providing local assistance and a direct link to Austrade's services and overseas network.

Our innovation programs are developed in partnership with partners, such as StartupVic and LaunchVic, universities and accelerator programs, to support development of Melbourne start-ups.

Our international diplomacy efforts strengthen Melbourne's reputation as a preferred destination for international education and as a city that welcomes and supports international students. We work with relevant stakeholders in global education markets, such as overseas Study Melbourne hubs and Austrade offices.

We work collaboratively with the Australian and Victorian Government's investment promotion agencies, including Austrade, Invest Victoria and the Department of Jobs, Skills, Industry and Regions to facilitate and secure high job creating and strategic foreign direct investment (FDI) and domestic reinvestment projects to the City of Melbourne. This includes leveraging the Victorian Government's investment attraction financial incentive programs were appropriate.

Melbourne's visitor economy is critical to the city's broader economy and is a component of our community's overall health and vibrancy. Therefore, we are developing a destination management plan detailing collaboration with the Department of Jobs, Skills, Industry and Regions, Visit Victoria and Austrade to attract international visitors to Melbourne.

The Australian Government takes the lead on foreign aid, so any engagement we undertake to build capacity in developing cities is undertaken through existing federal programs or groups such as C40.

# International engagement priority areas

We will achieve our vision as a globally engaged city by putting greater effort into the following priority areas:

1. Promoting Melbourne as one of the world's most innovative and multicultural cities - a great place to live, visit, study, work and do business

The Victorian and Australian Governments often utilise Melbourne in overseas promotions, and the City of Melbourne will develop updated messaging that articulates our strengths to a global audience. Our diversity is a strength as a modern, welcoming, and multicultural city. We will create a comprehensive narrative on industry and our capabilities in sustainability, innovation, international education, and a knowledge economy.

In addition, we will promote Melbourne as the best city in Australia to set up a business and as a hub location for the Asia Pacific. We are working with agencies, including Austrade and Global Victoria, to help businesses and industries pursue international opportunities and position Melbourne as the destination for investors, top talent, visitors and students. Austrade and Global Victoria campaigns will be able to amplify our updated messaging.

# 2. Facilitating inbound and outbound missions and visits to support Council achieving its objectives

As a globally engaged city, conducting targeted international visit programs is integral to profiling Melbourne's capability globally, facilitating new connections and fostering long-term relationships. City of Melbourne has a significant role to play in leading business missions:

- Its unique civic role and status facilitates communication and connections with international counterparts that can be accessed to create introductions for business mission delegates.
- Civic missions contribute to creating and maintaining the city's global connections in priority geographic locations and these connections and relationships are later accessed by delegates in subsequent international business missions to realise their international strategies.
- The Lord Mayor and Councillors play a vital role in leading successful business missions that are tailored to the needs of the City of Melbourne.
- Playing the lead role as Melbourne's champion promoting industry capabilities, exemplar firms, and the city as a whole.
- Acting as a market bridge across gaps not filled by the commercial market or other government organisations
- The small-scale and tailored nature of the City of Melbourne's mission program optimises interactions between program delegates, overseas officials and industry representatives through seminars, forums and networking functions.

The City of Melbourne will continue to run pre-departure and market intelligence briefings and host inbound delegations and student exchanges. In addition, as part of a whole-city approach to international engagement, we will work with stakeholders to extend an impressive welcome to our visitors. Melbourne is home to many organisations with strong international standing, including the Australian Open, Melbourne Grand Prix, Melbourne Exhibition Centre, Arts Centre Melbourne and Universities. These organisations are central to the "Melbourne" experience and will brand Melbourne internationally in the context of their excellence. We will be taking an active leadership role in collaborating with this network of Melbourne iconic organisations, working together to create an impressive visitor experience, as well as promoting Melbourne in a powerful and coordinated manner.

# 3. Establishing Melbourne as the economic hub for the Asia-Pacific, Australia's number one city for businesses and start-ups

We intend to deliver an exceptional investor experience, leading to Melbourne becoming the premier investment destination in the Asia Pacific. Invest Melbourne is the City of Melbourne's dedicated trade and investment promotion agency. Invest Melbourne facilitates foreign and domestic investment and helps make Melbourne an easy place to do business. It works with new and existing companies, focusing on the priority and growth sectors of technology, life sciences, energy, finance and innovation.

Invest Melbourne is supported by the Invest Melbourne Advisory Board, which consists of eight highly experienced members who provide strategic advice and independent thinking to inform policy and productive investment in the municipality.

#### Its services include:

- Supporting market entry business case development by providing information on market potential, existing companies, research and development capabilities, labour market skills and talent availability, and cost of doing business.
- Facilitating introductions to relevant industry contacts, local suppliers, educational and R&D institutions to help businesses build their networks.
- Assisting with fulfilling property requirements, including free confidential site identification
- Facilitating and coordinating planning, regulatory and business licensing approvals.
- Supporting access to all levels of government, including leveraging Australian and Victorian Government financial support programs to secure footloose and strategic investment to the City of Melbourne.
- Generating export growth through the TradeStart program in partnership with Austrade.

We will improve the ease of doing business in Melbourne by streamlining processes through the adoption of digital solutions to enhance the desirability of the municipality as an investment location and place to do business.

# 4. Partnering with industry to develop globally competitive innovation ecosystems

Melbourne's future economic prosperity will primarily be a function of how we can become globally competitive in various knowledge-intensive industries. Melbourne already has innovation strengths in several existing and emerging technology sectors, including biotech, medtech, fintech, blockchain and cyber security.

The City of Melbourne plays a vital role in supporting the city's innovation ecosystems, including emerging industries and knowledge sectors, and facilitating international connectedness to enhance the city's resilience, global competitiveness and economic prosperity.

Relationships, networks and exchange of ideas locally and globally are essential for growing innovation ecosystems. We will support capacity building and global connectedness in Melbourne's innovation ecosystem by expanding Melbourne's global innovation reputation and fostering greater knowledge exchange and city-to-city connections. In addition, we will facilitate opportunities for start-ups and entrepreneurs to connect with international investment and commercialisation opportunities.

Fostering a globally competitive innovation ecosystem is a collaborative exercise. We will partner with relevant government agencies, universities and industry associations to deliver programs to encourage business development and capacity-building of Melbourne start-ups and support the entrepreneurial efforts of underrepresented groups.

We will also focus on creating zero-carbon jobs and positioning Melbourne as the knowledge economy epicentre of the transition to clean energy by unlocking significant private sector capital in decarbonisation opportunities.

# Be a city leader in the Asia Pacific region in working towards the United Nations Sustainability Development Goals

The United Nations Sustainable Development Targets have now been embedded in City of Melbourne plans and strategies. Staff training will be undertaken to improve organisational understanding of how work areas can contribute to meeting these goals. In areas where we require improving, we will undertake bi-directional knowledge sharing with other leading domestic and international cities and through networks such as C40, United Nations, Economic and Social Commission for Asia and the Pacific (ESCAP) Asia Pacific Urban Forum and the Pacific Urban Forum. We will also publish our performance via a data visualisation platform so the public can view our progress.

We aim to contribute to UNSDG goals and achieve our Melbourne specific subsidiary targets by 2030. We will conduct a review every four years, in the lead up to each new Council Plan – which outlines our priorities over a four-year term and identifies key performance indicators to which we hold ourselves primarily accountable to the community.

# 6. Leveraging diaspora and alumni communities to facilitate relationships and investment

Melbourne is one of the most multicultural communities in the world - 71 per cent of the population has at least one parent born overseas, and about 55 per cent of our population was born overseas. Our diaspora and alumni communities an invaluable source of knowledge and connect us to the rest of the world. We will engage with the local diaspora, overseas alumni and international students to leverage connections, strengthen international relationships and facilitate foreign direct investment.

We will continue to work to make Melbourne a place where everyone can prosper, where every voice is as important as the next and where diversity is celebrated for the vibrancy and richness that benefit us all. We will work closely with community groups to support programs and initiatives that will celebrate and empower people from culturally diverse backgrounds. In particular, we will continue to work with community organisations representing diaspora communities from Africa, Asia, Europe and Latin America living and working in the City of Melbourne.

We will develop a comprehensive approach to engage diaspora communities and international students to foster community cohesion, promote cultural diversity and support the city's international engagement, including:

- Undertaking further engagement and research to better understand global linkages of diaspora and alumni groups and how we can work together to create benefits for trade, education, investment, tourism and cultural exchanges.
- Supporting diaspora to celebrate and share their culture through events, such as film festivals, art, fashion and cultural festivals.
- Implementing projects to leverage diaspora and alumni communities' connections, skills and expertise and mobilise champions for the benefit of the city.
- Supporting and delivering capacity-building programs that will uplift the entrepreneurial efforts of people of diverse background, with a focus on international students and new migrants.
- Improving our understanding of the challenges migrants living in Melbourne face so we can better support their employment and education opportunities and connection to the community.
- Nurturing international student talent, entrepreneurship and leadership skills; improving pathways to employment and establishing life-long relationships with graduates and alumni.
- Improving the experience of international students and their families through advocacy and wellbeing programs, as well as connecting international students to the resources they need to feel safe and supported.

# 7. Continue engagement with important markets in Asia

Engagement with Asia continues to remain a priority due to its proximity to Melbourne, growing market opportunities and the fact that it is responsible for the majority of two way trade with Australia. Twelve of Australia's 15 largest trading partners are within the Asia region, accounting for two-thirds of total trade. Language barriers, challenges in doing business and navigating regulations, along with the importance of the role of government in these markets are also important considerations. Opportunities also exist for bi-directional sharing aimed at addressing joint challenges on climate change, urban sprawl, growing populations and urban sustainability.

Numerous countries in Asia have shown robust economic growth over recent years and are projected to continue growing in the coming years. These markets have a large growing middle class that represent a consumer base for Melbourne's technology, education, tourism, and health industries. Established and sophisticated markets also present opportunities for these sectors as well as source markets for foreign direct investment and innovation partners.

# East Asia

China, Japan and South Korea

With a population of more than 1.4 billion and the second largest economy in the world, China is Australia's number one export market and remains a priority for City of Melbourne. Two way trade with Australia was at \$251 billion in 2019-20. It is the country's sixth largest source of FDI, and Melbourne's largest source of international students and tourists. The number of Chinese-born migrants living in Melbourne has more than doubled since 2001, representing the largest migrant group and an important part of our community. As the only capital city in Australia with an overseas office, Melbourne Office Tianjin will continue to play an important role in our engagement with China. Japan and South Korea are Australia's third and fourth largest trading partners respectively, with trade worth \$79 billion and \$39 billion in 2019-20. In 2019 Japan was Melbourne's tenth largest tourism market and South Korea was twelfth. In 2021 South Koreans represented Melbourne's ninth largest migrant group.

#### South East Asia

Singapore, Malaysia, Indonesia, Vietnam, Philippines

As one of the fastest-growing regions in the world, South East Asia is a strategic priority for engagement for the Victorian and Australian Governments. This region has frequently outperformed global economic growth rates, with increasing demand expected for services tied to innovation, healthcare and education. The Association of South-East Asian Nations (ASEAN) continues to be a major focus for Melbourne as it is responsible for about 13 per cent of Australia's two way trade.

Singapore is Australia's largest two-way trading partner in Southeast Asia and sixth largest overall, worth \$31 billion in 2019-20. As Australia's seventh largest source of foreign direct investment, it is a sophisticated established market, a world leader in providing a supportive environment for business and also a regional hub for Asia. In 2019 it was Melbourne's seventh largest market in terms of tourism expenditure. Malaysia is competing with other countries in the region to create a positive business environment. attracting companies from the financial services, ICT and logistics sectors. In 2019-20 Malaysia was Australia's second largest trading partner in Southeast Asia and tenth largest overall, worth \$21.6 billion. Malaysians are Melbourne's third largest migrant group and third largest student cohort. In 2019, Malaysia was Melbourne's sixth largest tourism market in terms of expenditure.

Indonesia is the largest economy in South-East Asia and has experienced steady growth over the past decade. With Gross Domestic Profit (GDP) growth of more than 5 per cent annually in recent years, it is projected to become the fifth largest economy in the world. It is the third largest democracy in the world and is one of Australia's most important bilateral relationships. In 2019-20, it was Australia's thirteenth largest trading partner with two way trade worth \$16 billion. It has the fourth largest population in the world, with half its residents under 30 and a rapidly expanding middle-class. In 2019, Indonesia was Melbourne's eight largest markets in terms or students and tourism. Indonesian's are Melbourne's fifth largest migrant group. The City of Melbourne aims to continue engagement through its partner city arrangement with Bandung in West Java. Bandung has strong alignment with Melbourne in a number of key sectors, including smart cities, liveability, creative economy, start-ups and innovation.

Vietnam is one of the fastest growing economies in ASEAN, with uninterrupted growth since the 1980s. It is the third largest consumer market in South East Asia, with a growing middle class that is educated and digital-savvy. Australia's total two-way trade with Vietnam in 2019-20 was valued at \$15 billion, making it the fourteenth largest trading partner. Trade opportunities exist in the areas of education, professional services, manufacturing, tourism, science, aviation, ICT, fintech, technology and innovation. The Philippines represents opportunities for start-ups, creative industries (game development), international education and tourism. In 2019, Vietnam was Melbourne's fourth largest student market and the Philippines was eleventh. In 2021, Vietnamese and Filipinos were Melbourne's seventh and tenth largest migrant groups respectively.

#### South Asia

India

India is the world's largest democracy and is expected to overtake China as the most populous nation by 2028. It is projected to become the third largest economy by 2030 and is expected to be one of the most important source market for Victoria in terms of students and tourists. In 2019-20 India was Australia's eighth largest trading partner, with two way trade of more than \$26 billion. Melbourne has a vibrant Indian community, with Indian-born migrants making up almost seven per cent of Melbourne's total population and representing the second-largest migrant group behind China. In 2022, the largest number of students in Victoria came from India. We will work with students and the Indian diaspora to foster stronger connections with India.

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17 May 2023

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#### **Interpreter services**

We cater for people of all backgrounds Please call 03 9280 0726

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# Implementation plans 2023–24

PRIORITY	Plans for 2023–24
1. Promoting Melbourne as a great place to live, visit, study, work and do business	Articulating Melbourne's value proposition - Develop communication and marketing messages and materials to be utilised by City of Melbourne and partners to promote Melbourne through overseas networks.  Support Melbourne to become the world's leading city for student experience - Work closely with the Victorian government and sector stakeholders to engage, support and empower new and continuing international students.
2. Facilitate inbound and outbound missions and visits	Inbound missions  Host city partners in Melbourne, facilitating bi-directional business exchange. Address issues such as improving innovation ecosystems, urban sustainability and building public sector capacity.  In particular, Melbourne will host a Mayoral delegation from the City of Osaka, to mark the 45 <sup>th</sup> anniversary of the Sister City relationship between Osaka and Melbourne.  Melbourne has been invited to host the next meeting of the Business Partner Cities (BPC) roundtable. The Roundtable will coincide with the Mayor of Osaka's visit, thereby providing an excellent opportunity for Melbourne to showcase its strengths and capabilities as a global city  Outbound missions  Lead city leaders on outbound missions to key markets in Asia, promoting the City of Melbourne internationally.  A reciprocal Mayoral visit to Osaka following Osaka Mayor's 2023 October visit.  Consider participation in relevant international forums, such as the World Cities Summit and C40.
3. Establish Melbourne as the global hub for the Asia-Pacific, Australia's number one city for businesses and start-ups	Implement Invest Melbourne strategy - including enhanced business concierge service, facilitate headquarter attraction, business support and fast-tracked permits.

PRIORITY	Plans for 2023–24
4. Partner with industry to develop globally competitive innovation ecosystems	Establish ecosystem-level collaboration with selected international innovation hubs through inbound and outbound visit programs.  Expand Melbourne's global innovation reputation and foster greater knowledge exchange, through strengthened connections with successful Melbourne start-ups, supporting major innovation conferences and conventions held in Melbourne, and participation in global forums and networks.  The Global Entrepreneurship Congress, Melbourne (19-22 September) - scope and deliver wrap around, value-add programs to support this Congress as well as legacy projects post-congress.  Facilitate opportunities for start-ups and entrepreneurs in Melbourne to connect with international investment and commercialisation opportunities.  International entrepreneurship programs - Deliver capability-building programs designed to connect Melbourne start-ups with the start-up ecosystems in partner cities and support innovative businesses to get Asia-ready.
	<b>Multi-city innovation series</b> - Bring together innovators and entrepreneurs from partner cities to solve shared city challenges and foster ecosystem connections and partnerships.
5. Implementing the United Nations Sustainable Development Goals (UNSDGs)	Identifying global city leaders in SDG goals where the City of Melbourne needs to improve and encourage bi-directional knowledge sharing. Participate (virtually or in person) in relevant international events.  Support the International Urban and Regional Cooperation Program to address urban issues such as climate change and circular economy.
6. Leverage diaspora and alumni communities to facilitate international relationships and investment	Develop and deliver a project to leverage the connections of diaspora and alumni communities for the benefit of the city.  Support and deliver capability-building programs that will facilitate the entrepreneurial efforts of people of diverse backgrounds, with a focus on international students and new migrants.  Deliver programs focused on engaging with international students, including 'welcome back' events, involvement in innovation challenges, cultural events at The Couch, and student led research into how Melbourne can improve the experience of international students and their visiting families.
7. Continue engagement with important markets in Asia	Strengthen relationships with Bandung (Indonesia) and Ho Chi Minh City (Vietnam).  Invest in relationships with key partner cities in China and Japan.  Develop an approach to engagement with Malaysia, South Korea and India and deliver activities that build and strengthen relationships.