

Report to the Future Melbourne (Prosperous City) Committee

Agenda item 6.3

**Post travel report by Lord Mayor Sally Capp:
Bandung, Jakarta in Indonesia and Guangzhou, Nanjing, Tianjin and
Beijing in China, May, 2019**

16 July 2019

Presenter: David Livingstone, Manager International and Civic Services

Purpose and background

1. To report to Council on the travel undertaken by Lord Mayor Sally Capp to Bandung and Jakarta, Indonesia and Guangzhou, Nanjing, Tianjin and Beijing, China for the period from 9 to 18 May 2019.
2. On 5 March 2019 the Future Melbourne Committee approved the Lord Mayor to travel to Indonesia and China to capitalise on collaborative opportunities in the areas of liveability, smart cities and startups, and to leverage the 40th Anniversary of Jiangsu-Victoria Sister State relations through establishment of the inaugural NEXUS: 2019 Jiangsu-Victoria Startup Summit. NEXUS highlighted Melbourne's capabilities in the startups and innovation space and created a sustainable pipeline of investment and trade opportunities.

Key issues

3. The Lord Mayor's comprehensive program included market briefings, meetings with counterpart Indonesian and Chinese Mayors of the cities of Bandung, Nanjing Guangzhou and Tianjin, site visits and networking events. The visit built upon Council's long standing city-to-city partnerships and aligned strongly with Melbourne's key capability sectors of liveability, smart cities and innovation.
4. The Bandung City Government indicated its strong interest in collaborating with Melbourne for the mutual benefit of both cities. The Lord Mayor and Mayor of Bandung signed a Letter of Intent concerning closer city to city cooperation in the areas of smart cities, liveability, startups and innovation, economy and trade, and capacity building.
5. During her visit, the Lord Mayor engaged with the finalists of the Open Innovation Competition which asked entrepreneurs in both Bandung and Melbourne to develop innovative solutions to enhance safe mobility in urban environments. This City of Melbourne initiative received a strongly positive reception in Bandung, with both the Mayor of Bandung and the Governor of West Java raising it in discussions with the Lord Mayor as an inspiring and valuable example of bilateral collaboration for mutual benefit.
6. Substantive discussions with Indonesian leaders including the Mayor of Bandung and Governor of West Java identified several areas of mutual interest and potential for Melbourne, including the Bandung Technopolis development, best-of-kind innovation facilities, education and coffee.
7. The Mayors of Whitehorse and Maribyrnong and Deputy Mayor of Ballarat also accompanied the Lord Mayor in Nanjing where they participated in the NEXUS Summit and the 4th Victoria-Jiangsu Mayoral Dialogue. The Indonesian Consul-General accompanied the Lord Mayor in Bandung.
8. Nexus Summit is a Victoria-wide initiative led by City of Melbourne, the People's Municipal Government of Nanjing Pukou, Australia-China Association of Scientists and Entrepreneurs (ACASE), Runway and the State Government of Victoria to provide trade and investment opportunities for Victorian startups.
9. The 4th Victoria-Jiangsu Mayoral Dialogue concentrated on the theme of 'Challenges facing cities to foster vibrant and healthy communities and economies amongst global issues such as climate change and environmental concerns.' Alongside the Victorian Mayors, the Vice Mayors of Nanjing, Wuxi, Suzhou, Huai'an, Yangzhou and Suqian shared best practices of municipal experiences and a commitment to engagement in this area.
10. An MOU was signed between Nanjing Pukou, the City of Melbourne, the Victorian Government, the Australia China Association of Scientists and Entrepreneurs and Runway to enhance further co-operation between the parties in the field of innovation and start-ups. Pukou has committed more than \$600K to fund an innovation centre in Melbourne and the 2020 Nexus Start-up Summit in Victoria.
11. The Lord Mayor and the Mayor of Nanjing signed a further MoU to increase co-operation in the areas of education, medical research, liveability, smart cities, creative and innovation industries, sports and trade.

Recommendation from management

12. That the Future Melbourne Committee:
 - 12.1. Notes this report and attached summary of outcomes of the Lord Mayor's travel to Indonesia and China.
 - 12.2. Notes that work will continue with key MoU stakeholders towards the development of the NEXUS Start-up Summit to be held in Melbourne/Victoria in 2020.

Attachments:

1. Supporting Attachment (Page 3 of 13)
2. Outcomes and Benefits of Travel (Page 4 of 13)
3. Travel Photos (Page 9 of 13)

Supporting Attachment

Finance

1. The total costs associated with this travel for the Lord Mayor were \$9483.20 and will be met from within the 2018-19 budget for the Lord Mayors Office branch.

Conflict of interest

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

Relation to Council policy

3. The Director City Economy and Activation has confirmed that the travel costs accord with the requirements of the travel guidelines outlined in the Councillor Expenses and Resources Guidelines.

Environmental sustainability

4. Council's sustainability initiatives and commitment to the environment were profiled during the Lord Mayor's travel specifically through the sector of liveability. Carbon emissions resulting from air travel to India and Indonesia were offset with the purchase of credits.

OUTCOMES AND BENEFITS OF TRAVEL**Outcomes and Benefits**

1. The following is a summary of outcomes and benefits arising from the travel, including the means by which the matters raised are progressed within the Council, eg a report to the relevant committee/s.
 - 1.1. The program was comprehensive, busy and carefully targeted to promote the City of Melbourne's interests. Day 1 focused on the relevance of Bandung's advanced utilisation of smart city technology to provide improved services to its citizens. The Lord Mayor received impressive presentations from the Bandung Smart City Office and the Bandung Command Centre, highlighting the use of mobile applications as a basis for communicating with and servicing citizens. In particular, the use of apps has cut waiting times for both medical and council services, helped identify areas of public concern which enables Council resources to be directed accordingly, and provided a high degree of transparency and accountability in Council operations.
 - 1.2. The Lord Mayor also engaged with the finalists of the Open Innovation Competition which asked entrepreneurs in both Bandung and Melbourne to develop innovative solutions to enhance safe mobility in urban environments. The proposed solutions were clever and practical. The Bandung winner will travel to Melbourne for a program with RMIT Activator, and the international prize winner from Melbourne will travel to Bandung for a program at one of Indonesia's premier tertiary institutions, Bandung Institute of Technology. This City of Melbourne initiative received a strongly positive reception in Bandung, with both the Mayor of Bandung and the Governor of West Java raising it in discussions with the Lord Mayor as an inspiring and valuable example of bilateral collaboration for mutual benefit.
 - 1.3. The following day focused on substantive discussions with Indonesian leaders, including the Mayor of Bandung, Mr Oded Danial, and the Governor of West Java, Mr Ridwan Kamil. There were several common themes to the discussion. The first was a reflection on the progressive nature of Bandung and its ambitions to continue to be a leader in Indonesia in promoting prosperity for its citizens through enhanced transparency and combating corruption; exploiting technology to address social and environmental challenges; and designing an urban environment that supports business and quality lifestyles. There is strong interest in collaborating with Melbourne for mutual benefit and the Lord Mayor and Mayor of Bandung signed a Letter of Intent concerning closer city to city cooperation in the areas of smart cities, liveability, startups and innovation, economy and trade, and capacity building.
 - 1.4. The Bandung Technopolis initiative also featured in the discussions with the City Government. The City of Bandung wants to create a new smart and liveable city centre, with a focus on ICT, knowledge-based and creative industries. The planned area is divided into several zones, including a government complex, business districts, residential areas, an education area, open spaces and a sports stadium. The area is located close to the final terminal of the planned Jakarta-Bandung high speed train. Further exploration is now being undertaken into the possibilities this new area presents for Melbourne companies.
 - 1.5. In this context, the Lord Mayor introduced Andrew McIntyre of Monash University to Mayor Danial, and mentioned to Governor Kamil Monash's interests in establishing a tertiary campus in Indonesia. Both expressed strong interest in working with Monash to establish the proposed campus in Bandung/West Java. Professor McIntyre subsequently advised us that the Lord Mayor's assistance had facilitated results that were significantly greater than expected. Monash is continuing these discussions.
 - 1.6. Governor Kamil, reflecting on his visit to Melbourne last year, asked the Lord Mayor to use her good connections with Launch Vic to establish formal co-operation between Bandung, Launch Vic

and the City of Melbourne to assist Bandung with lessons gained through establishing best-of-kind innovation facilities such as the Goods Shed, which Governor Kamil would like to replicate in Bandung. We are now co-ordinating with Launch Vic and Bandung, with a view to developing practical co-operation which may be reflected in a Memorandum of Understanding between the three parties.

- 1.7. Another area of mutual interest and potential benefit is coffee. West Java is home to 20 distinct, high quality, sustainably grown, coffee regions. Governor Kamil would like to leverage Melbourne's reputation as a global destination city for coffee and our café culture. Discussions are continuing on assisting Kamil with advice on developing regional brands where the reputation for quality supports premium pricing, trialling West Java's coffee in selected Melbourne cafes, and liaising with West Java investors about establishing a West Java branded café in Melbourne.
- 1.8. In Jakarta, the Lord Mayor met with Sally-Ann Watts, General Manager, ASEAN & Pacific, Austrade. Ms Watts underscored the economic opportunities in Indonesia for Melbourne, noting the rising middle class and Indonesia's transition to an economy with a high level of disposable income, a young and technologically aware workforce, and significant concentrations of wealth looking for overseas investments.
- 1.9. Ms Watts also provided a comprehensive briefing on Bandung/West Java, describing the region as very progressive with strong commercial opportunities, particularly in urban design, smart cities technology, the creative economy, education (with an emphasis on vocational training), start-ups and innovation and liveability, including niches such as coffee and video game development.
- 1.10. In Guangzhou the Lord Mayor met with Chris Halford, Deputy Consul-General, Paul Sanda, Senior Trade Commissioner, and William Lin, Trade Commissioner. Mr Halford noted the complex bilateral relations with China and welcomed the Lord Mayor's visit as contributing to a positive narrative with China. Mr Sanda, noted that the Greater Bay Area comprising Hong Kong, Macau and the nine key cities of Guangdong, including Guangzhou, was the 12th largest economy in the world, placing it ahead of the Australian economy. Key areas of commercial potential for Melbourne included smart city technologies, water management, electric vehicles, aged care services, vocational training, and medical clinical trials and collaborative research.
- 1.11. In the Lord Mayor's meeting with the Mayor of Guangzhou, Mr Wen Guohui, Mr Wen outlined some facts about Guangzhou, including it is China's third largest city, has an area of 7,434 square kilometres and a population of 17 million people, over 1000 kilometres of freeways, produces over 3 million vehicles a year, and has over 1 million tertiary students and over 150 advanced science research institutes. He identified areas of potential co-operation with Melbourne as urban development, biotech, innovation, electric vehicles and scientific research.
- 1.12. Mr Wen also invited the Lord Mayor to return to Guangzhou in October to participate in a celebration of sister cities, and indicated that he was open to Melbourne joining Guangzhou, Los Angeles and Auckland as part of a group of cities that met once a year. Mr Wen also noted that Guangzhou has offices in Boston, Silicon Valley and Tel Aviv.
- 1.13. The Lord Mayor visited the headquarters of WeChat to brief senior officials on Melbourne's developments in WeChat, including its expanding WeChat account, growth of acceptance of WeChat Pay in Melbourne businesses and a pilot in the City of Melbourne, and the highly successful WeChat mini program that gamifies wayfinding. WeChat officials commended Melbourne for being an early adapter in the Western world. The Lord Mayor invited WeChat to open an office in Melbourne and work with the City of Melbourne in promoting increased acceptance of Chinese mobile payment platforms by Melbourne businesses.

- 1.14. In a meeting with officials from China Southern Airlines, the Lord Mayor was told of the competitive nature of the Australian route, and how China Southern Airlines was the largest carrier in that market. The Lord Mayor congratulated the officials and encouraged them to increase the number of flights to Melbourne, given the growing number of Chinese students and visitors.
- 1.15. The Lord Mayor attended a private dinner with Dio Chen, the Chairwoman, Ousia Australia, where Ms Chen outlined the extensive nature of her businesses, including a long established chemical business and leading cosmetics company. The Lord Mayor invited Ms Chen to visit her in Melbourne to further discuss commercial opportunities.
- 1.16. The Lord Mayor's visit to Nanjing was a significant element of her trip, where she contributed to the celebration of the 40th anniversary of Jiangsu-Victoria sister state relations. In her meeting with the Mayor of Nanjing, Mr Lan Shaomin, Mr Lan noted Nanjing's 2,500 year history, including 500 years as capital of China. He also said Nanjing's ties with Australia were strong, with over 1000 Nanjing based companies having ties with Australia, and Caulfield Grammar had a campus in Nanjing.
- 1.17. Mr Lan thanked the Lord Mayor for coming to Nanjing to celebrate the 40th anniversary, and commended her for leading a delegation of Victorian mayors to participate the Fourth Jiangsu-Victoria Mayors' Dialogue, and for the initiative of the new Nexus Jiangsu-Victoria Start-up Summit. In relation to the Nexus Summit, Mr Lan said Melbourne's Nanjing partner, the Pukou High Tech Zone, was committed to a long-term collaboration with Melbourne in promoting innovation, and noted that Nanjing would strongly support Pukou's on-going engagement with Melbourne.
- 1.18. The Lord Mayor and the Mayor of Nanjing signed a Memorandum of Understanding on increasing co-operation in the areas of Education, Medical Research, Liveability, Smart Cities, Creative and Innovation Industries, Sports and trade. (signed copy DM#12621821).
- 1.19. In a meeting with the Vice Governor of Jiangsu, Mr Guo Yuanqiang, Mr Guo thanked the Lord Mayor for contributing to the 40th anniversary of sister state relations and noted Jiangsu has 80 million people, and contributes 10 percent of the Chinese economy, including 13 percent of its manufacturing. Jiangsu exported over USD600 billion of goods last year. Mr Guo commended the Lord Mayor for leading a Victorian delegation to the Mayors Dialogue, commenting that her effort promoted good relations between Australia and China, and that the relations she was fostering at the municipal and state level in China made a valuable contribution to bilateral relations at the national level. Mr Guo welcomed the MOU signing and the Nexus Start-up Summit.
- 1.20. At the Nexus Start-up Summit, the Lord Mayor gave the keynote speech, with the theme 'Future city: more liveable, more intelligent'. The Lord Mayor also praised the collaboration between Nanjing/Pukou and Melbourne that resulted in 15 Victorian start-ups and mentors (a total of 46 Victorians) travelling to Nanjing to pitch their businesses/ideas to Chinese representatives of venture capital and companies that can assist with commercialisation. The event culminated in the awarding of prizes totalling \$110,000 to seven start-ups. An MOU was signed between Pukou, the City of Melbourne, the Victorian Government, the Australia China Association of Scientists and Entrepreneurs to enhance further co-operation between the parties in the field of innovation and start-ups, with Pukou committing an additional \$640,000 to fund an innovation centre in Melbourne and fund the 2020 Nexus Start-up Summit in Victoria (likely to be in Ballarat and Melbourne).
- 1.21. In addition to the Lord Mayor, the Fourth Jiangsu-Victoria Mayors' Dialogue featured Bill Bennett, Mayor of Whitehorse, Martin Zakharov, Mayor of Maribyrnong, and Jim Rinaldi, Deputy Mayor of Ballarat, as well as the Vice Mayors of Nanjing, Wuxi, Suzhou, Huai'an, Yangzhou and Suqian. The theme of the Mayors' Dialogue was 'Challenges facing cities to foster vibrant and healthy communities and economies amongst global issues such as climate change and environmental concerns.' There was a valuable sharing of municipal experiences and a commitment to continue to engage for mutual benefit. At the conclusion of the Dialogue, MOUs were signed between:

- 1.21.1 City of Melbourne and City of Suzhou
 - 1.21.2 City of Yangzhou and Ballarat
 - 1.21.3 Huishan District of Wuxi and City of Maribyrnong
- 1.22. The day concluded with the Jiangsu-Victoria 40th Anniversary Gala Dinner, which brought together the participants of the Nexus Start-up Summit and the Mayors' Dialogue, as well as key stakeholders including the Victorian Government, Austrade and a representative from the Australian embassy in Beijing.
- 1.23. In Tianjin, the Lord Mayor gave a keynote address to the Third World Intelligence Congress, with the theme of 'Innovation: Technological innovation and industrial breakthrough'. The Congress brought together global leaders in innovation, including representatives from United States and Europe in fields as diverse as autonomous vehicles, artificial intelligence in medicine, communications and robotics.
- 1.24. In the evening, the Lord Mayor attended a dinner hosted by RMIT University to celebrate the 20th course of the Tianjin Government Leaders' Training Program. That program involves senior Tianjin officials travelling to Melbourne to participate in an RMIT course for government leaders. It was established in 2001, and has over 300 alumni, many of whom are now in very senior positions throughout China. It was also an opportunity for the Lord Mayor to meet the participants in the 20th course before they travel to Melbourne in June.
- 1.25. At the centre of Tianjin's new city development, the Binhai area, lies the Binhai Cultural centre, a remarkable collection of architecturally significant buildings that house a range of cultural institutions, including a spectacular library designed by Rotterdam-based architectural firm MVRDV. Within the library is a media dome, in which the Lord Mayor introduced a screening of a documentary 'Melbourne City, Chinese Flavour', which features the stories of three people with strong Melbourne and China connections. The documentary won two awards at the Tianjin Binhai International Film Festival – Most Popular Film and Best Film Editing. Two of the three stars of the documentary attended the screening.
- 1.26. Further underscoring Melbourne's deep connection with China, the Lord Mayor launched the exhibition in Tianjin of Melbourne's Chinese Museum's collection, '200 years of Chinese settlement in Australia'. The Lord Mayor also promoted City of Melbourne's innovative use of WeChat mini program - 'Check in Melbourne', which gamifies wayfinding in Melbourne, directing Chinese visitors to specific points around town, and rewarding visitors for completing the circuit. 'Check in Melbourne' has generated strong interest from Visit Victoria and other municipalities seeking to enhance the experience of Chinese visitors and encourage them to visit beyond the obvious tourist destinations.
- 1.27. In the Lord Mayor's meeting with the Mayor of Tianjin, Mr Zhang Guoqing, Mr Zhang said he valued Tianjin's sister city relations with Melbourne, and referred to the visit of the Lord Mayor as bringing the joy of a visit by dear relative. Mr Zhang noted with pleasure the close co-operation between Melbourne and Tianjin, including the 20th iteration of the Tianjin Government Leaders Training Course, and that the urban development of 120 square kilometres of Tianjin's main river front, the Haihe river, was designed by Melbourne planners drawing on their experience in Melbourne. The Melbourne Office, Tianjin, established over 20 years ago, had been a great benefit to both cities, and Mr Zhang would strongly support it in any way necessary.
- 1.28. Mr Zhang congratulated the Lord Mayor on her excellent speech at the World Intelligence Conference, and noted that he was very focused on using big data to improve transport, medicine and city management.

- 1.29. Mr Zhang outlined some of the challenges facing Tianjin. His office was closing down 200 of the 300 industrial zones in Tianjin. He had already closed over 21,000 enterprises on environmental and safety grounds. It had reduced Tianjin's GDP by 1.5 percent, but it was necessary to protect people and clean up the environment. In this context, Tianjin had established a new wetlands park covering 875 square kilometres, and it had already seen the arrival of over 100 new types of birds. Tianjin was now focused on new industries including artificial intelligence (AI), biotech, new energy and new materials.
- 1.30. The Lord Mayor noted areas of potential co-operation, including AI for smart cities, life sciences, health care, liveability, urban planning, biotech and start-ups. The Lord Mayor advised Mr Zhang that Melbourne is the first city to be powered by 100 percent renewable energy.
- 1.31. In turning to the future, Mr Zhang said that we was enthusiastic about the prospects for valuable collaboration as he deeply felt he and the Lord Mayor shared the same mindset and goals. Next year would be a milestone year, with the 40th anniversary of sister city relations. The anniversary deserved 'our greatest efforts', and he looked forward to welcoming the 2020 City of Melbourne Trade Mission.
- 1.32. In the final city of the visit, Beijing, the Lord Mayor visited the headquarters of Didi, the largest ride sharing company in China. Senior executives briefed the Lord Mayor on the extensive data generated through Didi's operations, and how they use it to enhance the experience of users. There was a particular focus on providing a safe journey for passengers, and the data collected was analysed by AI to identify poor or dangerous driving habits by drivers, and seek to correct that behaviour. Furthermore, Didi's app had a panic button, which the passenger could push at any time, and which would immediately alert the police and Didi headquarters. If a female passenger was travelling at night, Didi's system automatically monitored the journey and if the vehicle diverted from the most appropriate route, an officer would immediately contact the driver. If the driver did not respond, the police would immediately be notified. Didi has recently begun operations in Melbourne and was keen to co-operate with the City of Melbourne.
- 1.33. The final official engagement for the Lord Mayor was with Australia's ambassador to China, Jan Adams, who had invited the Lord Mayor to be her guest at a black tie function at the Great Wall of China. The evening was arranged by the Australian Chamber of Commerce in China, and featured leaders of industry from China and Australia's expatriate community. It was a valuable opportunity for the Lord Mayor to gain insights on the Chinese economy and bilateral trade from a range of economic and community leaders. Ambassador Adams congratulated the Lord Mayor on the success of the Mayors' Dialogue and the Nexus Summit, and noted the Lord Mayor's visit had made a useful contribution to bilateral relations.

TRAVEL PHOTOS

Indonesia



Letter of Intent Signing with Mayor of Bandung



Open Innovation Competition at Institute of Technology Bandung with Director of the Greater Hub, Dr Dina Dellyana



Mayor of Bandung and his wife, Indonesian Consul-General, Vice Mayor of Bandung, Huda Albanna from Victorian Government (VGTIO), Indonesian Consul-General Spica Tutuhawanewa



Bandung Command Centre visit



Meeting with Governor Kamil



Bandung riverbank redevelopment project



Visit to Bandung Planning Gallery

China







From left: Peter Tunjic – mentor, Marshall Hughes – Passel Founder and Nexus second prize winner, Lord Mayor

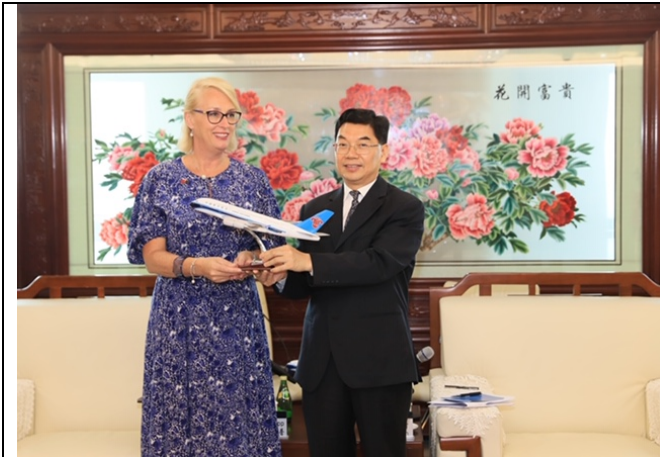


From left: Martin Zakharov, Mayor of Maribyrnong, Bill Bennett, Mayor of Whitehorse, Lord Mayor, Deputy Mayor of Ballarat



Lord Mayor courtesy call with Mr Lan Shaomin, Mayor of Nanjing

 <p>中国南京市与澳大利亚墨尔本市 友好合作备忘录 Nanjing, China & Melbourne, Australia Memorandums of Understanding 签约仪式 SIGNING CEREMONY</p>	<p>Memorandum of Understanding signing between Nanjing Pukou High-Tech Zone, City of Melbourne, ACASE, Runway and State Government of Victoria</p>
 <p>第四届江苏·维州市长对话会 THE 4TH JIANGSU-VIC MAYORAL DIALOGUE</p>	<p>Victoria-Jiangsu Mayoral Dialogue in Nanjing</p>
 <p>249,737,476</p>	<p>Tencent WeChat head office meeting in Guangzhou</p>
	<p>Meeting with Mr Chen Nan, VP of Government Affairs, DIDI Chuxing</p>



Meeting with Mr Xiao Lixin, CFO, China Southern Airlines in Guangzhou



Lord Mayor with Australia's Ambassador to the People's Republic of China Ms Jan Adams