
The Parliament of the Commonwealth of Australia

Report of the Official Australian Parliamentary Delegation to Colombia and Argentina

9 – 24 August 2008

June 2009
Canberra

© Commonwealth of Australia 2009
ISBN 978-0-642-79138-2 (Printed version)

Printed by the Printing and Publishing Office, Department of the House of
Representatives.



Contents

FRONT PAGES

Foreword	vii
Membership of the Delegation.....	ix
List of abbreviations	xi

REPORT

1 Overview	1
The delegation.....	1
Aims and objectives	1
Pre-departure preparation.....	2
Delegation debriefs.....	3
Acknowledgements	3
Colombia.....	4
Argentina.....	5
Canberra	6
Australian Parliamentary Friendship Groups with Colombia and Argentina.....	7
2 Background Information on Colombia and Argentina	9
Colombia.....	9
Overview	9
Political overview.....	11
Economic overview	16
Argentina	21

Overview	21
Political overview.....	22
Economic overview	23
3 Delegation Visit to Colombia	29
La Guajira	30
Cerrejón Coal Mine	30
Cerrejón's community and social programs	32
Meetings with parliamentary and government officials.....	36
President and Foreign Minister	36
Ministry of Foreign Affairs and Ministry of Trade, Industry and Tourism.....	38
Meeting with Colombian Minister for Trade in Canberra	40
Senate and the Chamber of Deputies	41
Cartagena	44
Port of Cartagena.....	47
Medellín.....	48
4 Delegation Visit to Argentina	57
Iguazú Falls.....	58
Itaipú Dam.....	60
Meetings with parliamentary and government officials.....	62
Argentine National Congress	62
Meetings with congressional representatives.....	62
Foreign Ministry.....	65
Memory Museum and human rights secretariat of the Ministry of Justice and Human Rights ..	67
Science and technology cooperation, including nuclear	71
Nuclear research reactor.....	71
Lobos	73
Estancia La Candelaria	75
Business roundtable.....	76

APPENDICES

Appendix A: Program	79
----------------------------------	-----------

Colombia Program	79
Saturday 9 August 2008.....	79
Sunday 10 August 2008.....	79
Monday 11 August 2008	79
Tuesday 12 August 2008	80
Wednesday 13 August 2008	80
Thursday 14 August 2008	81
Friday 15 August 2008	81
Argentina Program	81
Saturday 16 August 2008.....	81
Sunday 17 August 2008.....	81
Monday 18 August 2008	82
Tuesday 19 August 2008	82
Wednesday 20 August 2008	82
Thursday 21 August 2008	82
Friday 22 August 2008	83
Sunday 24 August 2008.....	83
 Appendix B: DFAT Country Fact Sheets on Colombia and Argentina	85
 Appendix C: 2008-2010 Work Plan Between Ministerio de Educación Nacional, República de Colombia and Australian Education International, Department of Education, Employment and Workplace Relations, Australia	91
 Appendix D: Address to Colombian Senate	95
 Appendix E: Address at Asia Week, EAFIT University, Medellín	101



Foreword

From 9-24 August 2008 I led a delegation of six parliamentarians on the official Australian parliamentary delegation to Colombia and Argentina.

During our visit to both countries we met with a range of parliamentarians as well as government, business and community representatives to discuss issues of mutual interest, and inspected sites relevant to the delegation's aims and objectives.


This report details our programme activities and observations.

We were warmly received in both countries and appreciated the generous hospitality and support provided by the host Parliaments and Governments of Colombia and Argentina, as well as our embassy representatives in Chile (who have responsibility for Colombia) and Argentina. We are grateful to the many people who helped to make the visit such a success.

The delegation was a unique opportunity to learn more about Colombia and Argentina, to promote Australia, and to strengthen bilateral ties.

We have fond memories of our time in each country.

Senator Steve Hutchins
Delegation Leader



Membership of the Delegation

Leader	Senator Steve Hutchins, Senator for New South Wales
Deputy Leader	Mr Don Randall MP, Member for Canning (West Australia)
Members	Mr Luke Hartsuyker MP, Member for Cowper (New South Wales) Ms Melissa Parke MP, Member for Fremantle (West Australia) Senator Marise Payne, Senator for New South Wales Senator Helen Polley, Senator for Tasmania
Delegation Secretary	Ms Sara Edson, Department of the House of Representatives



List of abbreviations

AFP	Australian Federal Police
ANM	Archivo Nacional de la Memoria
APEC	Asia-Pacific Economic Council
AQIS	Australian Quarantine and Inspection Service
ATPDEA	Andean Trade Promotion and Drug Eradication Act
Austrade	Australian Trade Commission
COALAR	Council on Australia Latin America Relations
CONADEP	National Commission on Disappeared Persons
DEWR	Department of Education, Employment and Workplace Relations
DFAT	Department of Foreign Affairs and Trade
ELN	Ejército Nacional de Liberación
FARC	Fuerza Armadas Revolucionarias de Colombia
FEALAC	Forum for East Asia and Latin America Cooperation
FDI	Foreign Direct Investment
FTA	Free Trade Agreement
GDP	Gross Domestic Product
GFC	Global Financial Crisis
IDP	Internally Displaced Person

IWC	International Whaling Commission
JSCFADT	Joint Standing Committee on Foreign Affairs, Defence and Trade
JP	Justicialista Party
MFA	Ministry of Foreign Affairs
MOU	Memorandum of Understanding
PBEC	Pacific Basin Economic Council
PJ	Peronist Party
PL	Partido Liberal
R&D	Research and Development
US	United States of America

Overview

The delegation

- 1.1 An official delegation of six Australian parliamentarians (three Senators and three Members of the House of Representatives) travelled to Colombia and Argentina from 9 – 24 August 2008. The visit was an opportunity for parliamentarians to learn more about Colombia and Argentina (for most of us it was our first experience of South America), to promote Australia, and to strengthen bilateral ties. The delegation was the first Australian parliamentary visit ever to Colombia and the first in many years to Argentina.
- 1.2 The delegation was led by Senator Steve Hutchins. The deputy leader was Mr Don Randall MP. The other delegation members were Mr Luke Hartsuyker MP, Ms Melissa Parke MP, Senator Marise Payne and Senator Helen Polley.
- 1.3 This chapter of the report provides an overview of the delegation, its aims and objectives; preparation; debriefs; and acknowledgements. Chapter 2 contains background information on Colombia and Argentina. Chapter 3 details the Colombia trip. Chapter 4 outlines the visit to Argentina.

Aims and objectives

1.4 The delegation's aims and objectives were established with assistance from the Parliamentary Library and the Department of Foreign Affairs and Trade (DFAT).

1.5 The aims and objectives for the visit to Colombia were to:

- establish ties with the Senate and the Chamber of Deputies and gain an understanding of their political processes;
- gain an appreciation of contemporary political, economic and social issues in Colombia;
- review the bilateral relationship including the prospects for further growth in bilateral trade and investment;
- gain an insight into Colombia's perspectives on the Cairns Group and the CER-Mercosur Dialogue;
- explore the potential for further development of Australia as an education and tourism destination; and
- explore the potential for enhancing people-to-people ties through cultural and other exchange programs.

1.6 The aims and objectives for the visit to Argentina were to:

- renew links between the two parliaments and discuss means by which they can be strengthened;
- gain an appreciation of contemporary political, economic and social issues in Argentina;
- review the bilateral relationship including the prospects for further growth in bilateral trade and investment;
- gain an insight into Argentina's perspectives on the Cairns Group and the CER-Mercosur Dialogue;
- explore the potential for the development of Australia as an education and tourism destination for Argentines; and
- explore the potential for enhancing people-to-people ties through cultural and other exchange programs.

Pre-departure preparation

- 1.7 Prior to departure, the Parliamentary Relations Office of the Department of the House of Representatives organised two preliminary meetings for the delegation at Parliament House, Canberra.
- 1.8 At the first meeting, on 15 May 2008, DFAT and Australian Trade Commission (Austrade) officers briefed the delegation on Australia's relationship with the countries to be visited, and delegation members discussed the aims and objectives of the visit and had input into determining the program.
- 1.9 At the second meeting on 16 June 2008, there was further discussion about the program and additional briefings, from DFAT, the Australian Federal Police (AFP), and the Embassies of Colombia and Argentina in Australia. The delegation also met with the Colombian Ambassador to Australia, His Excellency Mr Diego Betancur, and the Argentine Ambassador to Australia, His Excellency Mr Pedro Raul Villagra Delgado.
- 1.10 DFAT provided the delegation members with written briefing materials in advance of the visit.
- 1.11 Calling cards were prepared containing biographical information on delegation members for distribution at official meetings.

Delegation debriefs

- 1.12 On return to Australia, the Parliamentary Relations Office organised a delegation debrief meeting on 2 September 2008 with DFAT and Austrade officers. Delegation members discussed the trip and provided feedback to the Department on the overall effectiveness of the program in Colombia and Argentina.
- 1.13 On 11 November 2008, the delegation attended a reception at the official residence of His Excellency Mr Pedro Raul Villagra Delgado, the Argentine Ambassador to Australia, to discuss the visit to Argentina.

Acknowledgements

- 1.14 On returning to Australia, the delegation sent thank you letters to our hosts, those with whom we met, and those who helped to coordinate the

visit. The delegation wishes to record its sincere appreciation to the host Parliaments (both the Senates and Lower Houses respectively) and the Governments of Colombia and Argentina for their courtesy and generous hospitality. We were granted access to a wide range of parliamentarians and senior representatives from government at the national, provincial and local levels.

Colombia

- 1.15 In Colombia, in particular, the delegation wishes to thank Mr Alvaro Uribe, President of Colombia, with whom it was a special privilege to spend over an hour in wide-ranging discussions, Senator Hernán Andrade, President of the Senate, and Deputy Germán Varón, President of the Chamber of Representatives; and parliamentary colleagues.
- 1.16 We also thank Mr Jaime Bermúdez, the Foreign Minister, and senior officials from the Ministry of Foreign Affairs, and Ministry of Commerce, Industry and Tourism who made themselves available for frank and open discussions.
- 1.17 The delegation was pleased to receive a comprehensive briefing on the human rights situation in Colombia from Mr Javier Hernández, Director of the United Nations Office of the High Commissioner for Human Rights, based in Bogotá, who was accompanied by a representative from a local human rights NGO.
- 1.18 We are grateful to Dr Luis Ernesto Araujo, the Deputy Mayor of Cartagena, Ms Silvana Giaimo Chávez, Executive President of the Cartagena Chamber of Commerce and Mr Joaco H. Berrío Villarreal, Governor of Bolivar for their informative presentations on Cartagena and organising a visit to the Port of Cartagena.
- 1.19 We were also pleased to meet with Mr Alonso Salazar, the Mayor of Medellín.
- 1.20 Thanks are due to Mr Pablo Maturana, Deputy Director of the development agency in Medellín, and staff who showed us around the Parque Biblioteca España development project.
- 1.21 We are obliged to Dr Juan Luis Mejía, the Rector of University EAFIT for the opportunity to participate in Asia week at the university – a highlight of our visit - and especially thankful to Dr Pablo Echavarría Toro, Director of Asia-Pacific Studies and Dr Adriana Roldán Pérez, Researcher at the Centre for Asia-Pacific Studies for accompanying us on various engagements in Medellín.

- 1.22 We are thankful to Mr León Teicher, President of Cerrejón Mine and staff, especially Ms Catalina García, Communications Director, for organising a comprehensive tour of the Cerrejón coal mine and surrounds in Guajira in the north of Colombia, including a visit to the local school where the delegation enjoyed meeting students and learning something of the indigenous culture and language.
- 1.23 The delegation thanks Orica for co-hosting an evening reception in Bogotá, at which we had the opportunity to meet a broad range of Australians operating businesses in Bogotá and across South America.
- 1.24 Last, but certainly not least, we are especially grateful to His Excellency Crispin Conroy, the Australian Ambassador to Chile (with responsibility for Colombia) and Ms Penny Toledo-Ocampo, Third Secretary to the mission, for developing an extremely interesting programme and offering tremendous support in the lead up to and throughout the Colombia visit. Our welcome reception in Santiago at the Ambassador's official residence was a pleasant start to the visit. We appreciated the opportunity at that function to meet with a range of Australians posted in Chile (working at the embassy or for other Commonwealth departments) as well as a number of Australians pursuing business interests in the region.
- 1.25 We received excellent briefings in Bogotá from both Mr Rick Cummins, the AFP representative in Colombia, and Dr Nicolas Baker, Australian Consul-General and Trade Commissioner in Peru, AusTrade. We appreciated their attendance at meetings and functions throughout the week. We also note the contribution of Mr Carlos Castellanos, the Bogotá-based locally engaged Austrade representative.

Argentina

- 1.26 In Argentina, in particular, the delegation wishes to thank Julio Cobos, Vice-President of the Nation and President of the Senate (and protocol staff) and Deputy Eduardo Fellner, President of the Chamber of Deputies, together with parliamentary colleagues from both chambers, including Deputy Ruperto Godoy, President of the Foreign Affairs Committee, Chamber of Deputies and Senator Carlos Albert Reutemann, President of the Foreign Affairs Committee in the Senate.
- 1.27 We are especially grateful for the assistance offered by Senator Sonia Escudero, Government Senator for the Salta Province and Chair of the Australia parliamentary friendship group in the Argentine Parliament, and her staff. Her help in facilitating meetings and accompanying us on engagements throughout the week was invaluable. Senator Escudero's

passionate and enthusiastic support for Australia is an asset to both our parliaments.

- 1.28 The delegation had fruitful discussions with a range of senior officials from the Ministry of Foreign Affairs and representatives of other government departments led by Ambassador Espeche Gil (Under Secretary for Political Affairs). Delegates also met separately with the Human Rights Secretariat of the Argentine Ministry of Justice and appreciated the tour they provided of the Memory Museum in Buenos Aires – a site used for detention and interrogation during the military dictatorship from 1976-1983.
- 1.29 Thanks are also due to Mr Gabriel Norberto Barcelo, Manager of International Relations at the National Commission of Atomic Energy, for showing the delegation around the nuclear reactor and research facility.
- 1.30 The delegation was delighted to meet with Professor Gustavo Rubén Sobrero, the Mayor of Lobos and Mr Germán Pérez, Tourism Secretary, Buenos Aires Province in Lobos. Visiting the Candelaria estancia, accompanied by the Tourism Secretary, was a unique opportunity and we appreciate the generous hospitality extended to us that day.
- 1.31 Finally, the delegation is most grateful for the fine support and assistance we received from the Australian Embassy in Argentina from His Excellency Peter Hussin, then Australian Ambassador to Argentina; Mr Nick McCaffrey, First Secretary; Ms Claire Rochecouste, Third Secretary; Mr Fernando Pérez Tain, Interpreter and Research Officer; and Ms Magda Luppi, Research Officer. We thank the Ambassador for co-hosting a reception at his official residence on our second-to-last evening, which was well-attended by invitees from the Lower House, Senate, and Ministry of Foreign Affairs, and business and embassy contacts.
- 1.32 We also thank Mr Santiago Rubio, Post Manager, AusTrade Buenos Aires; Mr William Duplak, Regional Manager for South America, Qantas; Mr Ulrik Ekonen, General Manager of Nurfarm Argentina; Mr Mariano Jenik, President HoneyMax S.A. for participation in an informative business roundtable at the Embassy on our final day in Buenos Aires.

Canberra

- 1.33 The delegation valued meeting with His Excellency Mr Diego Betancur, the Colombian Ambassador to Australia and His Excellency Mr Pedro Raul Villagra Delgado, Argentine Ambassador to Australia, prior to departure and were grateful for the briefing materials they provided us

with. We also thank His Excellency Mr Delgado for inviting the delegation to a reception at his official residence to discuss the visit on our return.

- 1.34 DFAT provided the delegation with oral and written briefings on the political, economic and social situations in Colombia and Argentina. Particular thanks go to Mr John Woods, Director, Canada and Latin America Section (especially for the provision of talking points for the Delegation Leader's addresses to the Colombian Senate and University EAFIT); Ms Jenny Brown, Project Manager, Americas International Liaison Unit; Mr Brendan Egan, Americas Manager, Austrade; and Ms Monica Hart, Ministerial, Cabinet and Parliamentary Services.
- 1.35 We note the assistance received from the Parliamentary Library in determining the aims and objectives of the visit.
- 1.36 We also thank Ms Lynette Mollard, Senior Visits Officer, from the Parliamentary Relations Office for her role in coordinating the delegation program and administrative arrangements.

Australian Parliamentary Friendship Groups with Colombia and Argentina

- 1.37 The Australian Parliament has had an Australia - Argentina Parliamentary Friendship Group for some years.¹
- 1.38 Following the Australian Parliamentary Delegation to Colombia and Argentina, the delegation leader initiated an Australia -Colombia Parliamentary Friendship Group, which is in the final stages of being established.

¹ Parliamentary Groups are formed under the auspices of the Australian National Group of the Inter-Parliamentary Union. The aim of Parliamentary Groups is to foster and maintain friendship with, and understanding of, particular countries through links with national legislatures. The Groups meet with members of visiting parliamentary delegations and other distinguished visitors of relevance to the groups, as well as with diplomatic representatives in Australia of the countries concerned. Members of the Groups may also take the opportunity to meet with their counterparts when travelling overseas. Source: Australian Parliament Website, <http://www.aph.gov.au/house/info/pro/index.htm>.

Background Information on Colombia and Argentina

Colombia

- 2.1 The Department of Foreign Affairs and Trade (DFAT) website provides information about Colombia, including a country brief (last updated on 17 April 2009); travel information; and details of embassy and consulate representation in Australia and Colombia.¹ A copy of DFAT's fact sheet on Colombia is provided at Appendix B.
- 2.2 The Australian trade and development agency (Austrade) Colombia website contains information about doing business in Colombia; assistance for exporters; profiled industries (mining and agribusiness to Colombia); and useful links.²
- 2.3 The background material below has been sourced from both websites.

Overview

- 2.4 Australia and Colombia share a good and expanding relationship. We cooperate on a range of international issues including agricultural trade reform, the environment, transnational crime and disarmament. Australia and Colombia work together to pursue free and fair agricultural trade through our joint membership of the Cairns Group³. Colombia hosted the
-

¹ DFAT website, <http://www.dfat.gov.au/GEO/colombia/>

² Austrade website, <http://www.austrade.gov.au/default.aspx?FolderID=2207>

³ Founded in 1986, the Cairns Group is a coalition of 19 agricultural exporting countries from Latin America, Africa and the Asia-Pacific region that continue to push for liberalisation of trade in

Cairns Group Ministerial Meeting in 2005. Colombia's role in the Asia-Pacific has increased in recent years. Colombia is now a full member of the Pacific Basin Economic Council (PBEC)⁴ and a member of two Asia-Pacific Economic Corporation (APEC)⁵ working groups. It is seeking full membership of APEC. Like Australia, Colombia also participates in the Forum for East Asia and Latin America Cooperation (FEALAC).⁶ FEALAC's fourth Political, Cultural and Education Working Group meeting was held in Bogotá in February 2006.

2.5 Colombia re-opened its Embassy in Australia early in 2008. The Australian Ambassador to Chile is accredited to Colombia on a non-resident basis. Australia established an Honorary Consulate in Bogotá in 1989 and maintains an Australian Federal Police Liaison Office in Bogotá working under the auspices of the Canadian Embassy.⁷ Australia has a Consul-General and Trade Commissioner based in Lima, Peru, with Austrade responsibility for Colombia. Austrade maintains a 'virtual office' in Bogotá, to promote trade and investment opportunities and service Australian business interests in Colombia.

2.6 In 2001 the Australian Government established the Council on Australia Latin America Relations (COALAR) to enhance Australia's economic, political and social relations with Latin America. A key element of the government's engagement with Latin America, COALAR supports collaborative activities in four priority areas: education; business; tourism; and cultural promotion. The 2007-2010 Strategic Plan covers:

- support for projects showing Australia as a competitive and high-quality provider of education, and a source of relevant research and innovation for institutions in Latin America;

agricultural exports in WTO agriculture negotiations. For details see the website <http://www.cairnsgroup.org/>.

⁴ Founded in 1967, the Pacific Basin Economic Council is an association of senior business leaders from the Pacific Basin and beyond, dedicated to expanding trade and investment through fostering open markets. For more information see the website <http://www.pbec.org/>.

⁵ APEC is the premier inter governmental forum for facilitating economic growth, cooperation, trade and investment in the Asia-Pacific region. APEC has 21 member countries including Australia. For more information see the website, <http://www.apec.org/>

⁶ FEALAC is an association of 33 countries from East Asia and Latin America which have come together to create a new mechanism of dialogue and cooperation between the two regions, and is organised into Foreign Ministers' Meeting, Senior Officials' Meeting, and three Working Groups, namely: Politics, Culture and Education, Economy and Society, and Science and Technology Working Groups. For more information see the website, <http://www.focalae.org/>

⁷ DFAT website, http://www.dfat.gov.au/geo/colombia/colombia_brief.html

- continued collaboration with the Australia-Latin America Business Council and bilateral business chambers;
- activities which promote Australia as a competitive and high-quality tourist destination;
- raising the profile of Australia in Latin America and of Latin America in Australia, by facilitating exchanges of high level government officials, key business representatives, senior journalists, young professionals, academics and other opinion makers;
- support for public diplomacy and cultural activities in Latin America which showcase Australia as a diverse and dynamic society; and
- leveraging from the APEC Summit in Sydney in September 2007 and APEC meetings in 2008 in Lima, Peru to strengthen Australia's links with Latin America.

2.7 COALAR is seeking funding applications for projects in 2009-10. Applications must be received by the COALAR secretariat by 26 June 2009.⁸

Political overview

Background

- 2.8 Colombia has a democratically elected representative government with a strong executive. The President, who is the head of state, is elected for a four-year term. Recent changes to the Constitution in 2004 allow the incumbent President to stand for one re-election. There are currently informal proposals to further amend the Constitution to allow for a third consecutive Presidential term. The legislature is a bicameral congress consisting of a 102-member Senate and a 161-member Chamber of Deputies, with all members directly elected for four-year terms.
- 2.9 In recent decades, Colombia has enjoyed virtually uninterrupted constitutional and institutional stability, with only limited influence from the military. There is a strict separation of powers between the executive, the legislature and the judiciary.

8 For more information on how to apply see the COALAR website, www.dfat.gov.au/coalar

Political outlook

- 2.10 The current President, Alvaro Uribe, won the 2002 presidential elections on a conservative independent campaign platform. His rise changed the traditional balance of the three main political parties, the centre left Partido Liberal (PL), the leftist Polo Democratico Alternativo (PDA) and the conservative Partido Social Conservador (PSC). Uribe left the PL to run for his first term, and a new party coalesced around his leadership. He also won the support of other minor parties, and many of his former PL colleagues. In congressional elections in March 2006, PL reflected this change, giving the Uribe government a clear majority in both the Congress and Senate.
- 2.11 Uribe was re-elected to the Presidency in the first round of the elections held in May 2006, with 62 per cent of the vote, and he will remain in power until 2010. President Uribe's supporters have been pushing for reforms to the constitution which would allow him to run for president for a third consecutive term. It is unclear whether the necessary reforms will be carried out to allow him to run in the 2010 elections. A recent Gallop Poll indicated that although approval ratings for the Government have dropped, 80 per cent of Colombians are in favour of President Uribe presenting as a candidate in 2010. Despite this, the constitutional changes that would be necessary to allow him to run for President in 2010 pose considerable challenges and it remains unclear if he will be able to do this.
- 2.12 President Uribe is continuing the disciplined macroeconomic policies initiated during his first term aimed at improving public finances, reducing inflation and boosting growth, along with his tough policies on security and drugs. Relations within the region and particularly with the USA are likely to remain Colombia's foreign policy priorities. The strong relationship with the USA has delivered significant political and economic benefits, but an FTA negotiated with the US has not yet been approved by the US Congress. The Uribe Government has invested much political capital in its strong alliance with the United States. Colombia is also increasingly focussing on strengthening relations and seeking economic opportunities with the broader Asia Pacific region.

Political history – guerilla warfare and the peace process

- 2.13 The deep political divisions shaping Colombia's modern development have strong historical roots, emerging shortly after independence from Spain. Colombia initially declared independence in 1810, but did not secure a lasting separation until 1819, when Simon Bolivar defeated the loyalists at Boyacá. Struggles between the conservative right and the free-

thinking left emerged soon after, and this rivalry continued throughout the 19th and early 20th century. The political tension came to a head in *La Violencia* (1948-1958), a period during which an estimated 250,000 people lost their lives. *La Violencia* was resolved by the formation of a (bipartisan) National Front in which the two parties agreed to rotate the presidency and share cabinet positions. Presidential rotations continued until 1974 when the National Front lapsed, although the parties have continued to share power.

- 2.14 Several guerrilla groups emerged during the 1960s, including the Fuerzas Armadas Revolucionarias de Colombia (FARC), the now demobilised M-19, the EPL and the Indian-based group Quintin Lame. The FARC and the smaller Ejército Nacional de Liberación (ELN) emerged as the major guerrilla groups. Their struggle has largely lost its ideological flavour and in the 1980s and 1990s the two groups became heavily involved in the lucrative narcotics and kidnapping industries. Although their control of areas of the Colombian countryside has diminished in recent years, they continue to attack the Colombian security forces, especially in the oil rich south-east and the coal basins in the north-east. Kidnapping remains a security risk and the 'industry' has been estimated to be worth US\$500 million per year. This situation was further complicated by the emergence of right-wing paramilitary groups who took up arms against the guerrillas, often appearing to work in concert with the military. These groups too became involved in drug trafficking and other areas of organised crime. Now, many paramilitary groups have been disbanded (see below) but some right wing groups consolidated their membership and continue to operate in various parts of Colombia and are largely involved in organised crime.
- 2.15 Uribe's predecessor, President Pastrana, began a peace negotiation process with the FARC in 1998, but this collapsed when, on 20 February 2002, the FARC hijacked a Colombian commercial airliner and kidnapped one of the passengers, who was a Senator. President Uribe's victory in the May 2002 elections was seen as a sign of public dissatisfaction with the Pastrana government's inability to bring security to much of the country, and Uribe's first term focused, with some success, on this objective.
- 2.16 Uribe was re-elected on the basis of his strong leadership, improvements in public security, and economic recovery. Violent crime and kidnappings, while still high, have moderated under President Uribe's 'democratic security policy'. Under the "law on peace and justice", which he introduced late in his first term, negotiations with the main right-wing paramilitary groups led to over 40,000 paramilitaries demobilising and giving up their arms. There have also been ongoing cease-fire talks with

the ELN. The FARC, while significantly weakened by the government's military offensive, remains active and unwilling to engage in serious negotiations with the Uribe government. This seemed possible late in 2006, when negotiations on release of people kidnapped by the FARC and held hostage had been agreed by both sides, but a bombing at a military installation in Bogotá led the government to call a halt to the process.

- 2.17 In early June 2007, President Uribe began taking steps to release some 193 FARC rebels from prison, in a bid to encourage the FARC to reciprocate by releasing a number of high profile hostages, including French-Colombian citizen and former Colombian Senator, Ingrid Betancourt. The FARC dismissed the offer as a 'farce'. An attempt in November 2007 to have Venezuelan President Hugo Chavez mediate with the FARC to broker the release of 45 high-profile hostages ended badly, with President Uribe calling a halt to the mediation and accusing Mr Chavez of legitimising the FARC. President Chavez responded by branding President Uribe a "liar and a cynic" and vowing to put relations with Colombia "in the freezer". Despite this, the FARC responded to Chavez's efforts and released former vice-presidential candidate Clara Rojas and former congress-woman Consuelo Gonzalez in January 2008. Four more hostages were subsequently released. On 2 July 2008, following an elite Colombian military and intelligence cooperation, 15 more hostages were released, including Ingrid Betancourt and three American contractors. The release of these hostages is a significant blow to the FARC, as Betancourt and the US hostages were a powerful bargaining tool.
- 2.18 In March 2008, FARC leader Manuel Marulanda, died from a heart attack. Other members of the FARC secretariat have also been killed in recent months. Most notably, in early March 2008, Colombian forces made an incursion into Ecuador which resulted in the death of FARC leader Raul Reyes and sparked both Ecuador and Venezuela to break off diplomatic ties with Colombia - Venezuela also sent troops to the Colombian border. This crisis was defused but had a lasting impact on regional relations. Tensions were further stretched between Colombia and Ecuador when computers seized from Raul Reyes were found to contain information alleging Chavez's involvement with the FARC.
- 2.19 Relations with the paramilitaries have deteriorated recently due to differences over the application of the peace and justice law, including the extradition of former paramilitaries to the USA to face drug charges. The difficult demobilisation process also saw allegations surface in early 2007 of past links of several high-profile politicians and public officials with paramilitary groups, a scandal dubbed 'paragate' by media commentators. The Colombian authorities have been quick to move against those

complicit (and those with any connection) with paramilitary groups, including the arrest and investigation of numerous members of Parliament and public officials. While the scandal has called into question the legitimacy of the Colombia congress, it has not severely affected Uribe's popularity. Parliament has also managed to stay relatively cohesive as those removed from their seats are replaced by another member of their Party. Political reform to change this process is currently being debated.

- 2.20 Despite the progress made by Uribe's administration, the peace process and Colombia's overall security situation remain fragile, particularly in rural areas affected by the conflict and by violence related to the drugs trade and the criminal networks it has spawned.

Narcotics

- 2.21 The illicit narcotics trade has had a significant impact on Colombia. The country continues to be the world's leading source of cocaine, and is a major source of marijuana and heroin.
- 2.22 The commercial worth of the illicit narcotics trade in Colombia is difficult to gauge, but is thought to be approximately 5-10 per cent of GDP. Significant in value, the trade has negatively affected the economy, with money laundering and contraband goods reducing the effectiveness of macroeconomic controls and distorting the consumer market. In addition, the current drug cartels have sought to exclude the government from large regions of the country in order to secure areas for growing coca and poppy and for trafficking routes to North American and European markets, although the Uribe government has had success in extending its authority in regions previously under the control of the FARC/ELN.
- 2.23 The uncontrolled use of fragile tropical and jungle ecosystems to grow coca has caused considerable environmental harm, as has the indiscriminate use of chemicals and fertilisers.

Human rights

- 2.24 The major source of human rights abuses in Colombia has been the internal armed conflict between the Colombian army, paramilitaries and the guerrillas. Massacres, extrajudicial execution, murder, torture, forced disappearance and kidnapping, threats and forced displacement have been common. This history of violence and insecurity gave rise to considerable international concern regarding the protection of human rights in Colombia. In response, an office of the UN High Commissioner

for Human Rights was established in Bogotá in April 1997. In discussions with the Director of the United Nations Office of the High Commissioner for Human Rights in Bogotá, the meeting noted the overall improvement in the security and human rights situation in Colombia over recent years, while acknowledging the significant human rights challenges that remain. These include the large number of Internally Displaced Persons in Colombia (more than 3.7 million); the recruitment of child soldiers by guerrillas; paramilitary activity; the continued illegal narcotics trade and cartel behaviour; and redressing past violations of human rights.

Economic overview

Economic and trade policy directions

- 2.25 President Uribe implemented a number of tough macroeconomic policies during his first term in office that improved public finances, reduced inflation and boosted growth. Disciplined, austere macroeconomic management has continued during Uribe's second term in office (at nearly 50 per cent of GDP, public debt remains one of Colombia's major weaknesses). The Uribe Government is also nearing the end of its privatisations program, with the October 2006 auction of Bancafé marking the sale of the last state-owned retail bank.
- 2.26 Colombia has experienced increasing levels of foreign investment in recent years. According to the national export commission, Proexport Colombia, foreign direct investment in Colombia in 2007 was US\$9,028 million. The principal sector for investment was petroleum, with US\$3,429 million. Other investment has been directed to the manufacturing, mining, transport and communications sectors. BHP Billiton is a significant foreign investor in Colombia with its 30 per cent share in the Cerrejón Norte coal mine complex and its ownership of the Cerro Matoso nickel mine.
- 2.27 Following the pattern of other Latin American countries keen to take advantage of China's growing economy, President Uribe visited China in April 2005 to promote Colombian coal sales, as well as to discuss financing for an oil pipeline that would run through to the Pacific coast from the east of Colombia. The Colombian delegation to China also sought Chinese investment in several proposed Colombian hydro-electric plants.
- 2.28 Colombia is committed to the Cairns Group and further agricultural liberalisation. It is at the forefront of the development of regional trade agreements and groupings such as the Andean Community (with Bolivia,

Peru and Ecuador – Venezuela withdrew in 2006) and the G3 (Colombia, Mexico and Venezuela).

- 2.29 Colombia is also looking to increase its role in the Asia-Pacific region. It is seeking APEC membership, is a full member of the Pacific Basin Economic Council (PBEC) and is a member of two APEC working groups.
- 2.30 Colombia concluded free trade negotiations with the United States on February 27, 2006. However, the US Congress cited concerns about political violence, especially against trade unionists and the lack of investigations and prosecutions and has not ratified the agreement.

Economic outlook

- 2.31 The Colombian economy has performed well in recent years with economic growth exceeding the regional average by a substantial margin. However, growth has slowed substantially. The IMF estimates growth more than halved to 3.5 per cent in 2008 and this will slow further to 2 per cent in 2009, before rising to 4 per cent in 2010. Colombian financial markets have been affected by the global financial crisis, although debt and interbank markets have continued to function normally.
- 2.32 Colombia's main economic focus in recent years has been addressing high inflation, reducing government debt and encouraging foreign investment. The central bank went through a long period of monetary policy tightening – raising interest rates by 400 basis points since the start of 2006. However, the outlook for lower growth and inflation has allowed the central bank to cut interest rates by 200 basis points since December 2008 and there has been a significant fall in the peso.
- 2.33 There is no doubt that the financial crisis will have a considerable impact on Colombia in the short term. However, the Colombian economy is expected by many analysts to recover more quickly than many others. In addition, the commitment the Colombian government has shown - and continues to show - in attracting foreign investment and creating a favourable environment for investors will serve to put it ahead of the pack once a recovery starts to kick in globally.

Bilateral economic and trade relationship

- 2.34 Australia and Colombia enjoy sound bilateral commercial relations in the mining, energy and education sectors. Australia's two-way merchandise trade with Colombia totalled around A\$73 million in 2008, of which Australian exports to Colombia totalled A\$41 million. Major export items included barley, electrical equipment and specialised machinery and

parts. Australia's imports from Colombia amounted to A\$32 million, with coffee being the main import.

- 2.35 BHP Billiton's refining plant and coal and nickel mining ventures in Cerrejón Norte, Central and Cerro Matoso are significant Australian investments in Colombia. Sedgman Coal is also involved in coal washing at the Cerrejón Norte mine. In information technology, Mincom provide technical support for the Colombian mining sector.

Export opportunities

- 2.36 A number of areas, principally in the agriculture, mining and telecommunications sectors, have potential to provide further long-term opportunities for Australian investment in Colombia, although much depends on continued improvements in the security situation.

Mining

- 2.37 Colombia is rich in mineral resources and the development and processing of these resources is an important economic activity that has helped build a competitive business sector. Colombia is recognised worldwide for its emeralds and is the fifth largest thermic coal exporter in the world. Colombia also produces and has significant reserves of gold, silver, platinum and iron ore.
- 2.38 In addition to its consortium interests in the Cerrejón Norte, Central and Cerro Matoso mines, in April 2006, BHP Billiton acquired exploration and production rights for oil and gas exploration from two offshore blocks in Colombia's Caribbean sector. BHP Billiton holds a 75 per cent interest in each block and is the designated operator.
- 2.39 An Australia Latin America Business Council mining mission to Colombia in November 2007 confirmed the considerable business potential for both Australian resource investors and exporters of mining equipment services and technology across all facets of the industry.
- 2.40 The Colombian Government is encouraging the development of coal-related infrastructure. Opportunities for Australian companies whose products and services have a technical and cost competitive advantage include: mining exploration; mining software; gold mining and processing technologies; contract mining and engineering services. With particular attention being placed on the environmental and safety aspects of the industry, there is a niche for environmental equipment (water and sewage treatment plants, effluent analysers and software); environmental

consulting (remediation and mine closure); and mine safety training and equipment.

Education

- 2.41 Colombia is second only to Brazil as a source of international students to Australia from South America, with 7,117 enrolments by Colombian students in Australian educational institutions in 2008. Australian education fairs in Colombia consistently attract thousands of interested students. Education-related services exports to Colombia amounted to A\$171 million in 2007-08, up from A\$100 million in 2006-07. Interest in Australia as a quality source of education has grown rapidly since 1996: more than 12,000 Colombian students studied in Australia in the decade to 2007, including one of President Uribe's children (who studied in Sydney). To encourage this trend further, some universities in Australia now offer scholarships to Colombian students.
- 2.42 While the majority of Colombian students undertake ELICOS courses (English Language Intensive Courses for Overseas Students) in Australia, there is also a large demand for university and vocational education and training placements.

Agribusiness

- 2.43 Tropical location, the availability of natural resources, and climate diversity are factors that allow Colombia to have a very strong agriculture and livestock sector. The sector currently accounts for 14 per cent of the country's GDP.
- 2.44 The Colombian Government has created several tax incentives for the sector including sales tax exemptions for milk, cheese and beef sales. A reduced tariff on leather goods exported to the USA is included in the Andean Trade Promotion and Drug Eradication Act (ATPDEA).
- 2.45 Raising cattle is one of the main rural activities in Colombia, with 37 million hectares supporting some 24 million heads of cattle (80 per cent Brahman breed), two per cent of the world's total. Colombia has established itself as the leading cattle and milk producer in the Andean community and the ninth largest worldwide. Milk production in the country has grown significantly due to increased internal and external demand.
- 2.46 Colombia has been implementing beef export plans to the Caribbean Islands and the Andean region. In this regard, opportunities exist for Australian companies providing machinery; cost-effective fertilisers and irrigation solutions; genetics; genetics technology; meat processing

technology; feedlot technology and pastures; and traceability solutions (software and hardware).

- 2.47 On the livestock front, Colombian farmers are interested in importing Australian cattle for breeding purposes and to develop their milking herd. The 2006 World Brahman Breeder's Congress held in Medellín attracted several Australian exhibitors and visitors. Australian livestock and genetics free of contamination and diseases have a competitive edge over imports from the USA, Canada and Argentina. In 2008 protocols were approved for the import of bovine semen, embryos and livestock from Australia to Colombia.
- 2.48 Colombia is a medium-size sugar cane producer with growth potential. It accounts for three per cent of raw sugar exports worldwide and two per cent of white sugar, with 19 per cent and eight per cent annual growths, respectively.
- 2.49 Ethanol, another sugar cane product, is a substance permitted to be used as an additive to traditional fuels. In 2001, the Colombian Parliament passed legislation to reduce CO₂ emissions. Law 693 mandates that in cities with more than 500, 000 inhabitants, gasoline must contain at least 10 per cent ethanol. Since 2004, there are four ongoing projects for the production of ethanol with an average capacity of 150, 000 L per day.
- 2.50 There is space for more investment with an estimated 1, 000, 000 L per day required for the new law. Opportunities exist for the provision of sugar cane technology and management; fertilisers; equipment and machinery; and ethanol production technology.

Other commercial opportunities

- 2.51 Other prospects include telecommunications services and equipment, rail and port infrastructure, and information technology. Colombia has also recently shown interest in defence related technology through contact with a range of Australian companies. Colombia's tourist industry on the Atlantic Coast is experiencing growth and opportunities may exist for Australian manufactures of ferries, catamarans and leisure craft. There is growing interest in Australian wines, with several brands now available in supermarkets and in restaurants.

Argentina

- 2.52 The DFAT website provides information about Argentina, including a country brief (last updated in April 2009); travel information; and details of embassy and consulate representation in Australia and Argentina.⁹ A copy of DFAT's fact sheet on Argentina is provided at Appendix B.
- 2.53 The Austrade Argentina website contains information about doing business in Argentina; assistance for exporters; profiled industries (agribusiness, education, food and beverage, franchising, ICT, mining and tourism to Argentina); and useful links.¹⁰
- 2.54 The background material below has been sourced from both websites.

Overview

- 2.55 Australia and Argentina have a mutually beneficial relationship based on many shared interests and similar perspectives – we are both large Southern Hemisphere nations with relatively small populations and strong resource bases.
- 2.56 Australia's principal engagement with Argentina is through the Cairns Group, the UN, the Commission for the Conservation of Marine Living Resources (CCAMLR), the Antarctic Treaty and the International Whaling Commission (IWC). We share common interests in international peacekeeping, the prevention of WMD proliferation, disarmament, Antarctica, international environment policy, trade liberalisation and economic cooperation policies.
- 2.57 Australia and Argentina play an active role in the G20 forum in addressing the global financial crisis in identifying reforms to the global financial system. As major wine producing nations, Australia and Argentina work together, through the World Wine Trade Group, to advance favourable international trade conditions in relation to wine.
- 2.58 Australia also participates in the CER-Mercosur Dialogue, bringing together Australia, New Zealand and Mercosur member countries, including Argentina and Brazil. The dialogue was established in 1996 as a

⁹ DFAT Argentina Country brief, http://www.dfat.gov.au/geo/argentina/argentina_country_brief.html

¹⁰ See the Austrade website for more, <http://www.austrade.gov.au/default.aspx?ArticleID=8506> updated 12 May 2008

mechanism to strengthen cooperation on global trade policy issues and to promote inter-regional trade and investment. The most recent of these meetings was hosted by Brazil in November 2004.

- 2.59 There is an Australian Embassy located in Buenos Aires. Austrade representation is co-located at the mission.

Political overview

Background

- 2.60 Argentina is a presidential democracy, with universal suffrage and compulsory voting. Under the current constitution, the President is the head of state and the Congress is bicameral.
- 2.61 Argentina is a federation of 23 provinces, plus the Federal Capital District (Buenos Aires City). The system of government (at both the federal and provincial levels) is based on the separation of powers into the Executive branch, the Legislative branch and the Judiciary. The President and Vice-President are chosen by direct popular vote. A new constitution approved in 1994 established a four-year presidential term, with provision for one consecutive re-election. The President appoints the ministers.
- 2.62 Argentina returned to civilian government in 1983 following a period of military rule. Since that time, the country's democratic institutions have achieved an unprecedented level of stability.
- 2.63 A deep recession foreshadowed the economic collapse of 2001 (see Economic Overview below). The economic crisis, which peaked in mid-December 2001, provoked serious civil unrest and resulted in the resignation of then President De la Rúa. After a period of transition under a caretaker administration, presidential elections were held in May 2003 in which President Néstor Kirchner came to power. Kirchner, from the Partido Justicialista (PJ, or Peronists), governed as part of a broader "Frente para la Victoria" coalition. With high public approval ratings, Kirchner's Government focused on restructuring Argentina's foreign debt and promoting economic growth.
- 2.64 In July 2007, President Kirchner announced that he would not seek re-election and that his wife, Cristina Fernández de Kirchner, would take his place on the ballot at the 28 October 2007 presidential elections. As predicted by pre-election polling, Fernández was comfortably voted in as Argentina's first elected female president. She won 45 per cent of the primary vote – a wide enough margin to avoid the need for a second round ballot – and took office in December 2007.

Political outlook

- 2.65 President Fernández is supported by a large bloc of the Peronist Party (PJ), which has dominated the Argentine political scene since 1946. However, both prior to and since the 2007 Presidential elections, Néstor Kirchner – now President of the PJ – has sought to expand the PJ’s power base beyond the traditional party structures by canvassing support from both the centre left and centre right.
- 2.66 President Fernández faces mounting challenges as a result of the current global economic downturn, including tensions with the farming community over export taxes and a deteriorating fiscal and financing outlook (see Economic Overview below).
- 2.67 The Government has secured the approval of Congress for its proposal to bring the mid-term legislative election (for half the lower chamber, and a third of the Senate) scheduled for October forward to June 2009. This has been widely viewed as an effort to both improve the Government’s chances in the election and limit its campaign spending needs. The next presidential election is due in 2011.

Economic overview

- 2.68 Argentina has a market economy based on an abundance of natural resources, a highly literate population and an export-oriented agricultural sector. Although Argentina is an industrialised country, its major exports are dominated by agricultural products, minerals, and fats and oils. In the last decade, soybeans have become the country’s main commodity export.
- 2.69 After decades of economic stagnation, economic reforms in the 1990s opened the market to foreign competition. Privatisation and economic deregulation saw foreign investment soar and GDP grow, with large domestic conglomerates and multinationals dominating the industrial base and utilities. For a decade, economic policy was based on the Convertibility law of 1991, which sought to end hyperinflation and attract investment by establishing a currency board system that maintained parity between the Argentine peso and the US dollar. However, the law, together with a lack of fiscal discipline, ultimately reduced Argentina's flexibility to deal with external shocks and made problems such as unemployment harder to resolve. Argentine exports became uncompetitive, exacerbating chronic fiscal deficits and swelling public debt.
- 2.70 In December 2000, the De la Rúa Government resorted to a US\$39 billion IMF bail-out, to address concerns that the country would default on its

debt. This package afforded Argentina only a short respite. Throughout 2001 subsequent government initiatives and fiscal changes failed to cap public spending.

- 2.71 In October 2001, the government was forced to restructure public debt (US\$90b) through a voluntary bond swap to once again avoid default. This still failed to stem capital flight from the local financial system, obliging the government to place restrictions on cash withdrawals and transfers abroad. These measures eventually led to a default to private creditors of US\$98 billion, political and social conflict, the collapse of the financial system and the fall of the government in December 2001. A transitional government, led by President Duhalde, applied emergency measures to devalue the peso and set a floating exchange-rate regime. After a long negotiation, Duhalde's Government obtained a transitional IMF aid package that prevented Argentina from defaulting on its debt commitments.

Economic and trade policy directions

- 2.72 After coming to power in September 2003, the President Kirchner Government made progress in stabilising inflation and maintaining the primary surplus. However, Argentina failed to make significant progress in achieving structural reform, including restructuring the banking system, implementing tax reform, and establishing a new fiscal relationship between the central government and provinces. Tension between Argentina and the IMF – particularly due to the unresolved issue of the debt renegotiation – led to the postponement of the stand-by agreement in August 2004. Negotiations with the IMF resumed following a successful debt swap in February 2005 and the US\$9.5 billion owed to the IMF was repaid in January 2006. However, Argentina failed to advance substantially in desirable structural reforms, including restructuring the banking system, implementing tax reform, and establishing a new fiscal relationship between the central government and provinces. Tension between Argentina and the IMF – particularly due to the unresolved issue of the debt renegotiation – led to the postponement of the stand-by agreement in August 2004. Negotiations with the IMF resumed following a successful debt swap in February 2005 and the US\$9.5 billion owed to the IMF was repaid in January 2006.
- 2.73 Argentina successfully, if controversially, renegotiated its large debt with the majority of private creditors in mid-2005 – although dealing with those who refused to settle remains an issue for the Fernández Government. In order to support a managed float, with the objective of maintaining a low

peso to stimulate exports and import replacement, Argentina has recommenced issuing some debt to foreign creditors. Venezuela has become a major customer, purchasing more than US\$5 billion in Argentine bonds in recent years.

- 2.74 President Fernández has adhered closely to the economic policies pursued by her immediate predecessor, including unorthodox anti-inflation measures such as domestic price accords, export taxes and utility tariff freezes. The recent introduction of measures aimed at slowing the flow of manufactured imports have met with criticism inside Argentina as being protectionist, and caused tensions within Mercosur.
- 2.75 In March 2008, the Government introduced a sliding scale export tax scheme for grains and oilseeds. In response, the leading farmers' associations in Argentina organised nationwide protests and roadblocks against the new measures, halting operations in the grains, beef and dairy sectors, with the objective of having the new tax scheme removed or substantially adjusted. The Government's proposed export tax measures for grains and oilseeds were narrowly rejected in the Senate in July 2008. However, this failed to resolve the conflict with farmers, who continue to seek a reduction of all export taxes on agricultural products.
- 2.76 In late 2008, President Fernández secured congressional approval for the nationalisation of private pension funds. This and other measures (such as the renationalisation of flag air carrier Aerolíneas Argentinas in September 2008) appear to presage a wider role for the state in the economy as the Government grapples with multiple economic challenges. Further nationalisations have been canvassed, as has the introduction of tighter capital controls.
- 2.77 Argentina's most important trade agreement is Mercosur. Together with Brazil, Paraguay and Uruguay, Argentina formed the Southern Cone Common Market known as 'Mercosur' in 1991. Mercosur is an imperfect customs union, with a common external tariff applied on most products. Mercosur represents a potential market of almost 240 million people with a combined GDP of around US\$2 trillion in 2008.

Economic outlook

- 2.78 The Argentine economy is expected to have recorded growth of 6.5 per cent in 2008. The impact of the current global financial instability, in particular weak demand and lower prices for Argentina's commodity exports, are likely to dampen economic growth expectations in 2009. Official inflation figures remain high at 6.8 per cent on a year on year basis

to February 2009, and non-official measures of inflation are as high as 20-25 per cent. Declining demand is expected to ease inflationary pressures throughout 2009. Export earnings have fallen sharply since the last quarter of 2008, affected by drought, lower prices and government intervention. As a result of these trends, the Economist Intelligence Unit expects that the current account deficit will move from an anticipated surplus of 2.5 per cent of GDP to a deficit of 0.5 per cent of GDP in 2009.

- 2.79 President Fernández faces serious challenges in managing the implications of the current global economic downturn. In late 2008, the Government announced a number of stimulatory measures, including increasing spending on public works, providing subsidised credit lines and extending a targeted taxation moratorium.
- 2.80 Another issue is the maintenance of a fiscal surplus – important for Argentina’s future economic health – and how this is achieved. There is a degree of domestic criticism of the reliance on export taxes on primary products (which now account for 18 per cent of revenue) and bank taxes to bolster that surplus. The Economist Intelligence Unit expects that weaker agricultural export earnings will negatively impact public finances, leading to an overall budget deficit in 2009.
- 2.81 The issue of energy security is a key long-term economic and policy challenge. Oil and gas production has stagnated in the face of artificially low domestic consumer prices. Similarly, electricity demand has increased due to strong economic growth, but generation capacity has been flat for several years, exacerbated by a failure to lift the freeze on tariffs fully since the 2001 devaluation. The government has announced several measures on both the demand and supply sides, but alleviating the energy imbalance will remain a challenge for President Fernández.

Bilateral relationship

- 2.82 Several recent senior government and officials’ visits have helped to enhance Australia’s relationship with Argentina. In April 2007, a delegation of Argentine ministers and officials visited Australia to attend the opening of the new research reactor at Lucas Heights in Sydney. The Argentine company INVAP, together with the Australian firms John Holland and Evans Deakin, won the tender to design, build and commission the replacement reactor. The project is a good example of the potential for increased business links between Australia and Argentina. In April 2008, the Hon John Murphy MP, former Parliamentary Secretary for Trade, visited Buenos Aires for talks with government and private sector contacts.

- 2.83 Argentina and Australia have signed an investment protection agreement, which provides additional security to Australian investors by protecting against the possibility of expropriation of Australian investments and providing for an international dispute settlement mechanism. A double taxation agreement entered into force in 2000. In November 2003, Australia signed a bilateral Memorandum of Understanding on scientific and technological cooperation with Argentina.
- 2.84 Since the onset of the global economic crisis, Australia and Argentina have intensified their cooperation and exchange on issues related to the G20, of which both countries are members.
- 2.85 Approximately 11,000 Argentine-born persons live in Australia, many of whom migrated to Australia in the 1970s, during a period of economic and political turmoil in Argentina. Australia's Argentine community also includes a network of second and third generation Argentine Australians.
- 2.86 Bilateral links with Argentina were boosted in November 2008, when Qantas commenced a thrice-weekly non-stop flight from Sydney to Buenos Aires.

Bilateral economic and trade relationship

- 2.87 Trade with Argentina is modest, with the balance in trade generally favouring Argentina since the onset of its economic crisis in 2001. Two way merchandise trade in 2008 of AUD 660 million is the first time it has exceeded the half billion dollar mark. Australian exports to Argentina are varied, and include coal, medicaments, fertilizers and civil engineering equipment. Australian imports from Argentina include animal feed, leather and soft vegetable fats and oils.
- 2.88 Australian investment in Argentina is estimated at around A\$161 million. Sectors of interest include mining, agribusiness, entertainment, port management, freight equipment and workers' compensation insurance.

Export opportunities

- 2.89 Export and, in particular, investment opportunities for Australia can be found in mining and most areas of primary production and agribusiness sectors as well as the revitalisation of Argentine industry and the overhaul of communications, transport and public utilities. Other sectors with promise are environmental management, wine, construction and building materials and high-tech machinery. Australian expertise in distance education, vocational training, tele-medicine, English as a second language and postgraduate studies could also find markets in Argentina.

With appropriate marketing, tourism could become another potential growth area.

Delegation Visit to Colombia

- 3.1 En-route to Colombia the delegation visited Santiago, Chile on Saturday 9 August 2008. The delegation visited Colombia from Sunday 10 August to Friday 15 August 2008. In order to achieve its objectives, the delegation undertook site visits and held meetings with parliamentary and government officials and representatives of corporate and community organisations. The delegation travelled throughout the country, with engagements in Guajira department; Bogotá, the capital; Cartagena in the Bolivar department; and Medellín in the Antioquia department.

Reception for the delegation at the Australian Embassy in Santiago



La Guajira

- 3.2 The delegation spent a full day visiting Cerejón mine - the world's largest open pit coal-mining operation¹ - situated on La Guajira Peninsula in the north-eastern part of Colombia.

Cerrejón Coal Mine

- 3.3 The area of Cerrejón's coal deposits is a massive 69,000 hectares. One third owned by BHP Billiton, the mine provides thermal coal for use in the electric power generation industry and general industrial concerns such as cement production. A range of coal qualities are produced to cater for different applications.
- 3.4 40.9 % of the coal exports are shipped to Europe, 26.7% to North America, 20.2% to Central and South America and 12.2% to other destinations.
- 3.5 In 2008, 31.3 million tonnes of coal exports were produced.
- 3.6 The mine employs over 5000 people and 5000 contractors. Close to 70% of the workforce is from La Guajira.
- 3.7 Coal is transported out of the mine by a railway link to the export terminal at Puerto Bolívar, located 150 km away. The coal is transported in loads of up to 130 coal cars and is a continuous process. The complete cycle of loading, transportation, unloading at the port and return to the mine takes approximately 12 hours, with an average of 7 trains dispatched each day. Additionally, there is a service train that transports supplies, materials and spare parts. The railroad system is electronically controlled from a central traffic station situated at the mine.

¹ Open pit mining is an operation that starts with the cleaning of the surface and the careful removal of the topsoil layer, which is stored for future rehabilitation of the land used. Then drilling and blasting are carried out, followed by the removal of overburden material, until the coal seams are exposed.

Cerrejón Mine



Delegation with Cerrejón mine staff at Puerto Bolívar coal terminal



- 3.8 In addition to visiting the control centre, the delegation was shown around the mine and maintenance workshops, and gained an appreciation of the scale and sophistication of the mining operation.

Deputy delegation leader and wheel of coal truck



Carrejón's community and social programs

- 3.9 The company provided delegates with a comprehensive briefing on Carrejón's commitment to corporate social responsibility and the local indigenous community.
- 3.10 Company employees outlined how the company has established four foundations to promote sustainable development in the Guajira department:
- Carrejón Foundation for Progress in La Guajira – which focuses on supporting entrepreneurial ventures and strengthening entrepreneurial capacity;
 - Carrejón Foundation for Water in La Guajira, Aqua-Guajira – which focuses on improving the supply of potable water, improving hygiene and sanitation and preserving natural waterways;

- Cerrejón Foundation for Indigenous Development in La Guajira – which is dedicated to improving living conditions in indigenous communities, including food aid, and handicrafts projects; and
- Cerrejón Foundation for Institutional Strengthening in La Guajira – which is focused on ensuring sound investment of mining royalties in public services like health, education, and utilities.²

3.11 As part of the tour of the mine, delegates were shown a section of the 2,500 hectares of mined land that the company has recovered and returned to its natural state.

Kamusuchiwo'u Rural Educational Centre

- 3.12 The delegation visited the Kamusuchiwo'u Rural Educational Centre in Media Luna, near Puerto Bolivar. The school is the headquarters for an educational program with over 1500 students in 30 classrooms.
- 3.13 The program has benefited from \$4 billion pesos that Cerrejón has invested in education in the Guajira region over the last three years, in areas including teacher training and infrastructure.
- 3.14 The Kamusuchiwo'u Rural Educational Centre was built in 1984 as a pioneer program in cross-cultural Wayunnaiki – Spanish bilingual education. 450 indigenous children attend primary school with an academic program that emphasises the language, culture and values of the Wayúu people. The school is being extended to cater for secondary school students. Currently grades 6 and 7 are taught, with a further grade being added each year.

² See Cerrejón mine website for more details, <http://www.cerrejoncoal.com/index.html>

Delegates and school children



- 3.15 Traditionally an oral language, the Waayúu language is now with Cerrejón's support being preserved in written form. In 2006, the first Wayuunaiki-Spanish Bilingual Dictionary was prepared by Waayúu teachers and students and published as a teaching resource.

- 3.16 The company also has a scholarship program for high school students who receive outstanding results in their final examinations, which covers enrolment fees at Colombian universities and provides for a transport and living allowance. Currently 40 students are being supported on such scholarships.
- 3.17 In 2006, Cerrejon was awarded the British and Colombian Business and Social award (BSA) from the British Colombian Chamber of Commerce in London and the Colombian British Chamber of Commerce in Bogotá, in recognition for its work in education.
- 3.18 Delegation members enjoyed meeting with students and teachers and seeing the students perform traditional dance.
- 3.19 At the conclusion of the visit, the delegation leader and Australian Ambassador presented the school with information on the Australian Embassy's direct aid program. Subsequently, the Embassy has funded a project at the school that provides vocational skills training in fish and seafood processing, with the aim of assisting students to find work following completion of their studies.

Cerrejón mine CEO, Delegation Leader and Australian Ambassador to Chile presenting school with an application for AusAID funding



Meetings with parliamentary and government officials

President and Foreign Minister

3.20 It was an honour and privilege for the delegation to meet with the President of Colombia, Mr Alvaro Uribe at the presidential palace in the capital, Bogotá, together with the Colombian Foreign Minister, Mr Jaime Bermúdez.

Delegation with the President of Colombia at the Presidential Palace



Delegation in talks with the President of Colombia and the Colombian Foreign Minister

- 3.21 The President spoke of his affection for Australia, noting that his son studied in Sydney and that he admired Australia's democratic systems.
- 3.22 Discussions were wide-ranging. Colombia's aspiration to join APEC was noted and Australia's support sought in this regard. The President spent some time outlining his commitment to improving security, social (health and education) programs and economic growth in his country. The delegation leader acknowledged the President's efforts to-date in these areas, and the Colombian Government's success in recent negotiations for the release of a number of high profile hostages held by FARC, including the former Colombian senator, Ingrid Betancourt.
- 3.23 The high number of Colombian students studying in Australia – approximately 5000³- was noted and contrasted with the far fewer numbers of Australians studying in Colombia. Reference was made by the Australian Ambassador to the newly signed agreement between the Colombian Ministry of Education and Australian

³ The top universities by number of students enrolled in 2008 were Macquarie University; Griffith University; University of Technology, Sydney; Central Queensland University; University of Newcastle; and Swinburne University of Technology.

Department of Education which will facilitate further cooperation in a number of areas, including vocational education and training; language teacher training; and institutional and academic collaboration. A copy of the 2008-2010 Work Plan of this agreement is provided at Appendix C.

- 3.24 The President and delegates also discussed environmental matters: climate change and the Kyoto protocol; carbon emission trading schemes; conservation of rainforests; and the use of biofuels like ethanol and palm oil as alternative forms of energy.

Ministry of Foreign Affairs and Ministry of Trade, Industry and Tourism

- 3.25 Delegates met with the Director of the Asia, Africa and Oceania Branch, Ms Olga Bula and a number of other senior officials from the Colombian Department of Foreign Affairs.
- 3.26 The delegation appreciated the opportunity for frank discussions on human rights and the status of internally displaced persons, and ongoing efforts to combat drug trafficking.
- 3.27 The Ministry stated that the human rights situation in Colombia today was much improved from years ago, although challenges remained. Colombia introduced a new Code of Infancy and Adolescents in 2006 (inspired by the UN Convention on the Rights of the Child), which aims to improve children's rights and well-being. The Code raised the minimum working age of children and includes measures to discourage the use of child soldiers and support their rehabilitation and reintegration back into society.
- 3.28 The delegation was advised that an agency responsible for attending to the displaced had been created, Acción Social, and that it is well resourced to support the social and economic development of citizens affected by poverty, narcotics trafficking and violence. Assistance ranges from subsidies for food and school fees to help with employment and housing.
- 3.29 Officials described significant progress made during President Uribe's administration to interdict the movement of illegal drugs by sea, land and air, and to manually eradicate several hundreds of thousands of hectares of coca and poppy crops.
- 3.30 The delegation was pleased to continue talks with Foreign Ministry officials, together with senior officials from the Colombian Ministry of

Trade, Industry and Tourism, including free-trade agreement negotiators, at a working luncheon at the Palacio de San Carlos, the former Presidential residence.

- 3.31 Ministry officials spoke of a marked increase in economic development, trade and tourism and the importance of fostering investor confidence in Colombia. Delegates were advised that Colombia's free trade agreements in the region (with CAN⁴; CAN Mercosur⁵; G-3⁶; Chile and Central America) had played a significant role in increased trade opportunities.
- 3.32 Other guests at the working lunch included the President of the Colombian Livestock Association (Fedegan), Mr José Félix Lafaurie Rivera. The commonalities between Colombia and Australia's cattle and dairy industries were noted and mention made of the quality of stock in both countries. The recent agreement to allow bovine embryos, semen and livestock to be imported into Colombia from Australia for breeding purposes and to develop milking herds was endorsed. It was suggested that the next step may be to allow a reciprocal exchange of genetic material, from Colombia into Australia. The potential for joint investments in meat processing was also discussed.
- 3.33 This segued into talk of the international trade exhibition to be held in various locations throughout Latin America during September and October, including in Bogotá, *Expo Australia 2008, Latin America*. Organised by Austrade, the event is Australia's largest promotional event in Latin America. In 2007, the event brought together 20,000 Australian and Latin American industry players in tourism, food and beverage (with a special emphasis on wine), agribusiness, services, investment, and outdoor goods and fashion.
- 3.34 The delegation made mention of the Australian Parliament's Trade Sub-Committee of the Joint Standing Committee on Foreign Affairs, Defence and Trade's current inquiry into Australia's trade and

⁴ CAN stands for Comunidad Andina (Andean Community) comprising four member countries: Bolivia; Colombia; Ecuador and Peru.

⁵ Mercosur (common market of the south) encompasses four Latin American countries: Argentina; Brazil; Paraguay; and Uruguay.

⁶ G3 is a free-trade agreement between Colombia, Mexico and Venezuela that came into effect on 1 January 1995.

investment relations with Asia, the Pacific and Latin America.⁷ The Embassy of Colombia was invited to and subsequently made a submission to the inquiry.⁸

Meeting with Colombian Minister for Trade in Canberra

- 3.35 On 16 March 2009, delegates were pleased to have the opportunity to meet with the Colombian Minister for Trade, Tourism and Industry, Mr Luis Guillermo Plata at Parliament House in Canberra, when he visited Australia on an official trade delegation. The Minister was accompanied by the Colombian Ambassador, H.E. Diego Betancur, and Mr Luis Carlos Villegas, Chairman of ANDI (equivalent to the Australian Industry Group).
- 3.36 The Minister spoke about Colombia's economic recovery under President Uribe's leadership, and a renewed sense of self-esteem that Colombians have in their institutions and optimism about the future. Economic and social indicators had improved dramatically in line with improvements in security. In recent years, unemployment has fallen from 20% to 11% and poverty levels have dropped from some 60% in 2002 to 35% in 2008, with the average income trebling in the last ten years to reach \$6000.
- 3.37 Reflecting business confidence in greater security and economic certainty, Foreign Direct Investment (FDI) levels are increasing, assisted by new tax infrastructure for companies that include reduced income tax for new investments and the abolition of import duties for machinery. Colombia hopes to have FTAs with 45 nations by 2010. There has also been an increase in tourist numbers from 0.5 million in 2002 to 1.5 million in 2008.
- 3.38 The delegation asked the Minister to comment on what impact the Global Financial Crisis (GFC) was having on Colombia, and enquired whether it was reversing the gains made in recent times. The Minister responded that the slowdown had certainly impacted on Colombia – as it had on the rest of the world- and the momentum of recovery had been affected. Colombia will face four main challenges: reduced exports; reduced FDI; a reduction in remittances; and reduced access to foreign capital. That said, Colombia had reserves, and Colombian

⁷ See Trade Sub-Committee website for details, <http://www.aph.gov.au/house/committee/jfadt/apla/tor.htm>

⁸ Submission no. 5, <http://www.aph.gov.au/house/committee/jfadt/apla/tor.htm>

banks had learnt from previous economic crises and been conservative in their lending practices.

- 3.39 The Minister noted that Colombia seeks closer ties with Australia, and that the re-opening of the Colombian Embassy in Canberra in 2008 was a demonstrable commitment in this regard. He endorsed the Australian Government's intention to reopen the Australian Embassy in the neighbouring country of Peru (announced at the APEC summit in 2008).
- 3.40 Exchanges such as the delegation's visit to Colombia and ministerial visits are vital for redressing what Minister Plata described as an 'image gap' between the perception of Colombia in the past and the reality of Colombia today. Delegates agreed and spoke of their positive impressions of Colombia as a country moving forward.
- 3.41 Of talks with Minister Plata, the Australian Minister for Trade, the Hon. Simon Crean MP, spoke about the growing trade and investment links with Colombia in mining, agriculture and education, and how Australia and Colombia continue to work closely together to achieve further liberalisation of the global trading environment, through the DOHA round.⁹
- 3.42 Minister Plata's visit resulted in agreement to conclude a Memorandum of Understanding (MOU) to strengthen bilateral trade and investment.

Senate and the Chamber of Deputies

- 3.43 The delegation made calls on the President of the Senate, Senador Hernán Andrade and the Vice-President of the Senate, Senador Luis Fernando Duque García. Delegates appreciated the warm welcome they received from parliamentarians from both Chambers, and the level of interest in Australia.
- 3.44 Discussions were held on various aspects of foreign relations and trade matters.
- 3.45 The President and Vice-President of the Senate reiterated Colombia's desire for membership of APEC – a strong message received throughout the delegation's visit.

⁹ Media release, "Growing Links with Colombia", The Hon Simon Crean MP, Minister for Trade, 15 March 2009, http://www.trademinister.gov.au/releases/2009/sc_023.html

- 3.46 The Australian AFP presence in Bogotá was noted. The Colombian and Australian parliamentarians talked about the importance of sharing ways to combat drug trafficking.
- 3.47 It was apparent to delegates that Colombians wished to change the perception in foreigners' minds of 'Colombia being only about drugs' (indeed, this was something that was impressed upon the delegation wherever we went and with whomever we spoke). The Colombian parliamentarians observed the ways that Colombia had changed and was changing, and emphasised the improvements in internal security and social and economic conditions that had resulted under President Uribe's administration.
- 3.48 A member of the Colombian Parliament's Second Commission¹⁰ advised delegates that that it was focused on measures to improve the investment environment with new laws that will provide tax incentives for foreign investors in Colombia and redress the issue of double taxation.
- 3.49 Talks continued on the most recent DOHA¹¹ Development Agenda round and the role that the Cairns Group (of which Australia and Colombia are both members) continues to play in pushing for further liberalisation of trade in agricultural products, to the benefit of both countries.
- 3.50 The President of the Senate spoke of the importance of delegation visits and how integral face -to-face contact is between parliamentarians from different nations. The delegation leader and deputy leader agreed, and said they hoped that there will be a reciprocal visit from the Colombian Parliament to Australia soon. A Colombian Parliamentary Delegation will visit the Australian Parliament from 21- 27 June 2009.

¹⁰ Comprised of 13 members from the Senate and 19 from the Lower House, the Second Commission (Committee) is concerned with international relations, parliamentary relations, national defence and the armed services, free trade and commerce matters inter -alia.

¹¹ The November 2001 declaration of the Fourth Ministerial Conference in Doha, Qatar, provides the mandate for trade negotiations on agriculture and services. See the WTO website for details: http://www.wto.org/english/tratop_e/dda_e/negotiations_summary_e.htm

Delegation leader with President of the Colombian Senate



Address to the Colombian Senate

- 3.51 Following a short tour of the Congress (Colombia's bicameral national legislature), the delegation leader, had the distinct pleasure of addressing the Colombian Senate.
- 3.52 In his address Senator Hutchins stated that he brought warm wishes from the Australian Parliament, noted the warmth with which the delegation had been received in Colombia, and the desire for closer relations between Australia and Colombia. Reference was made to Colombia's challenges and successes in improving internal security and economic growth. Senator Hutchins referred to the high numbers of Colombian students studying in Australia, noting that some 4000 students had commenced studies in 2007, and the role that educational exchanges play in building understanding at the people-to-people level. Mention was made of the delegation's visit to the Cerejón mine, and how this and BHP Billiton's other investments in Colombia are evidence of the commercial opportunities that exist for our two countries. While trade between Australia and Colombia is still fairly modest, there is a growing appreciation in both countries of the benefits that we can offer each other, and emerging potential in areas including agribusiness, biotechnology, energy and mining services. The full version of the speech is provided in Appendix D.
- 3.53 The address was broadcast live on Colombian television to a potential audience of 40 million.

Delegation leader addressing the Colombian Senate



Cartagena

- 3.54 The delegation was fortunate to visit the picturesque port city of Cartagena, also known as Cartagena de Indias. With a population of some 1 million, it is the fifth largest urban area in Colombia and a major industrial, petrochemical and commercial hub.
- 3.55 Cartagena has a fascinating history. The city was founded in 1533 by the Spaniard Pedro de Heredía on the site of an Amerindian village and takes its name from Cartagena in Spain.
- 3.56 During their colonisation of South America, the Spanish seized vast quantities of treasure from native South American peoples like the Incas and sent it back to Spain. Treasure seized in Peru and Ecuador was taken north to Cartagena for shipping to Spain. The riches passing through this port became a target for pirates. To stop losses, the Spanish fortified the city, which soon became the strongest defended in South America. Today the San Felipe Fortress still keeps watch over the walled city. Cartagena flourished, becoming rich and

prosperous as a trading centre – in particular, for the slave trade. Lavish houses were built and large fortunes amassed.

- 3.57 The city declared its independence from Spain in 1811 but was recaptured by the Spanish in 1815. After losing nearly a third of the population Cartagena eventually gained independence in 1821.
- 3.58 Throughout the centuries the town has remained an important trading and shipping centre and is now also a popular tourist destination and port-stop for cruise-ships, and venue for meetings and conferences. The city's popularity for visitors was enhanced by its 1984 listing as a UNESCO heritage protected site. It also formed the backdrop of the 2008 film, "Love in the Time of Cholera," based on the Colombian nobel prize winning novelist Gabriel García Marquez's book of the same name.
- 3.59 The delegation was only there for a short time but can appreciate why Cartagena is a popular tourist destination. Its well-preserved Spanish colonial architecture, palaces, churches and forts; narrow cobbled streets; and balmy Caribbean setting lend it considerable charm.
- 3.60 In Cartagena, delegates met with a range of senior provincial and local government officials and business representatives, including the Governor of the Bolivar region, Mr Joaco H. Berrío Villarreal; the Deputy Mayor of Cartagena, Dr Luis Ernesto Araujo; and the Director of the Cartagena Chamber of Commerce, Ms Silvana Giaimo Chávez to learn more about economic activity in Cartagena and the Bolivar department.

Deputy Mayor of Cartagena addressing the delegation

- 3.61 Cartagena's strategic position at the northern end of South America and the southern Caribbean and the fact that it is only 12 hours from the Panama Canal was impressed upon the delegation. The Canal del Dique links the Port of Cartagena and the Magdalena River, and together these waterways serve as a vital transport corridor to Colombia's hinterland.
- 3.62 The port has regular connections with some 200 ports in 88 countries around the world, including the Port of Melbourne.
- 3.63 Both foreign and domestic trade have grown steadily in the past 10 years and today the port, which is Colombia's biggest, handles about 70 per cent of the dollar value of all Colombian exports. Some 141, 863, 907 tonnes were transported in 2008, with a third of that destined for the United States.
- 3.64 Located 20 minutes from Cartagena along a new highway is the Mamonal industrial area which contains over 60 industrial plants, including some of Colombia's top 100 oil and chemical companies (Ecopetrol, Exxon Mobil de Colombia and Petroquímica), among others.

- 3.65 Over 40 per cent of Cartagena's economic output is generated by this complex, which is also responsible for nearly 5% of Colombia's GDP.
- 3.66 The Governor emphasised the importance of the petrochemical sector to the Bolivar department to delegates. Oil, chemical substances and plastic products make up 80 per cent of industry production. Coal, coffee and clothing are other major exports.
- 3.67 In addition to the Ecopetrol oil refinery expansion, the Governor pointed to a number of other key investment projects currently underway in the region: ARGOS Cement Plant expansion; CONTECAR Port expansion; the PARQUIAMERICA Industrial Park; CELICA- a business and logistics hub for the Caribbean; and a new logistic activity zone known as Promotora Zona de Actividad Logistica.
- 3.68 Substantial growth in port cargo is expected to continue and the Colombian Government has invested some USD 111 million to enhance river accessibility in the Canal del Dique by controlling sediment in the harbour and deepening the channel from 15 to 17 metres so that the new Post Panamax vessels (which are capable of carrying loads twice as big) can pass through.

Port of Cartagena

- 3.69 The delegation was taken on a short tour of the port and given an informative presentation by senior employees of the port authority, the Sociedad Porturia Regional de Cartagena (SPRC).
- 3.70 The port has been named "Best Caribbean Container Terminal" for the last three years in a row.
- 3.71 SRC is one of 130 ports around the world to adopt the Sparcs (Navis) yard, vessel and equipment control system. Sparcs manages all container movements, equipment usage, rubber tired gantry (RTG) movements, truck activity and vessel loading sequences in real time.
- 3.72 Each container is recorded as it enters the port and allocated an optimum position in the stack, ready for loading on the vessel in a minimum number of moves. Refinement of RTG movements using a satellite communications system called SmartRail has reduced internal container moves by over 20 per cent.

- 3.73 The port's highly sophisticated technology systems including electronic data interchange (EDI)¹² allows the port to process over 600 trucks a day, with an average waiting time of less than 30 minutes each. 163 containers are moved per hour.
- 3.74 The port authority's IT network is available to port users through its SPRC Online system. This brings together customs, exporters and importers, port operators, shipping agencies and shipping lines in a single on-line community, allowing them to access and update information about port movements and processes in real time.
- 3.75 The port complies with a number of major international security agreements, including the International Ship and Port Security Code (ISPS) and Business Anti-Smuggling Coalition (BSC). Security measures include over 100 CCTV cameras stationed throughout the terminals and an intelligent identity card system for all personnel.
- 3.76 In addition to learning about how the port operates, delegates had the opportunity to see for themselves the first-rate cruise ship terminal facilities at the port, and enjoyed lunch in the outdoor restaurant with port authority employees.

Medellín

- 3.77 Medellín is the second largest city in Colombia, after Bogotá, with 3.2 million inhabitants.
- 3.78 Medellín is known as 'the city of eternal spring' for its pleasant spring-like climate all year round. It is a major industrial and educational centre, renowned for its many universities and private colleges. The city is increasingly a tourist destination in its own right, especially for enthusiasts of the work of Colombia's most famous artist, Fernando Botero, who was born here. Botero's immense bronze sculpture can be seen and enjoyed by all in the city's beautiful main

¹² Firms using EDI are interconnected through a global computer network, independent of internet although attempts are underway to integrate the two networks. It facilitates the computer-to-computer exchange of electronic documents (such as purchase orders, advance shipment notices and invoices) without human intervention or human readable (paper or electronic) documents. EDI eliminates manual re-keying of data, cuts order processing costs, increases data accuracy, improves cycle time and makes just-in-time deliveries possible. Like internet it is a standards based system independent of the type of computer hardware and software employed. Source: www.businessdictionary.com

square, known as Parque Botero. Additional sculptures, and paintings of Botero's figures (similarly characterised by their exaggerated proportions) are on display at the Botero Museum nearby.

Parque Botero, Medellín



- 3.79 In the 1980s and 1990s Medellín had a reputation for being one of the most dangerous cities in the world. It was the home of Pablo Escobar, head of the Medellín drug cartel, associated with guerrilla and paramilitary activity, and street gangs.
- 3.80 Towards the end of the 1990s, the city commenced an ambitious social master plan. By creating infrastructure, architecture and community programmes, the Colombian Government hoped to improve the quality of life for citizens and draw business and tourism to Medellín. Since 2000 the city has been experiencing a building boom (guided by the then Mayor, Mr Sergio Fajardo, himself the son of an architect) of parks, housing, schools, libraries, and public transportation – concentrated primarily in poorer neighbourhoods.
- 3.81 The delegation had the pleasure of meeting with the new Mayor of Medellín, Mr Alonso Salazar, who is continuing the work of his predecessor to turn the city into a showcase for new educational and architectural projects. The delegation spent a very interesting afternoon visiting one of the city’s development projects in the Santo Domingo Savio neighbourhood.

Parque Biblioteca España – Architecture to effect social change

Parque Biblioteca España



- 3.82 Though security is much improved today, the Santo Domingo Savio district remains a disadvantaged area of the city of Medellín.

- 3.83 In recent years there have been substantial efforts to revitalise the district with better public transport links and social infrastructure.
- 3.84 In 2004 a cable car, Metro Cable (Line K) was added to the Metro de Medellín public transport system. The Metro links the hillside neighbourhoods to the city below, making the commute between a quicker, safer and more economical journey than other transport options. The delegation took the cable car journey up to Santo Domingo Station themselves and was impressed, also by the views of the hillside neighbourhoods and city- surrounds that the trip affords travelling up and down.

Cable car up to Parque Biblioteca España



- 3.85 Approaching the top of Santo Domingo Station visitors are struck by the monumental scale and presence of the new library park, known as Parque Biblioteca España, which dominates the landscape.
- 3.86 The library's design and part of the budget for the library was a gift from the Spanish King and Queen. Designed by the Colombian architect Giancarlo Mazzanti and completed in 2007 at a cost of \$4 million, the 11, 500 square foot library's three discrete boulder-like shapes comprise an auditorium, library and community centre, linked by a concrete podium at the main level. The library's core houses

three stacked reading rooms, each ringed with computer stations in upper balcony-like mezzanines that look down on the rooms below. The community centre has a day care centre in one of the lower levels and, within the core, classrooms/workshops and an exhibition/event area. The auditorium's stadium seating follows the steep contour of the hillside to which the whole building clings.

3.87 Mazzanti designed the building with few windows. This is because it was his intention to create an inward looking building. The architect says this "disconnects the people temporarily from their context...we wanted to take people from this poor community into another place and change their reality." Where daylight does enter the library and community centre it is mostly through skylights.

3.88 Delegates were impressed with the building's design and feel. The bright modern inviting interiors were buzzing with children enjoying themselves and engaged, under the supervision of community volunteers in the playroom or on the computers as part of after-school programs. The delegation members delighted in seeing children taking part in a salsa dancing program in the public space outside the library. The positive energy in and around the building was palpable. One local boy approached our group and accompanied delegates for the whole afternoon, proudly pointing out the area's highlights.

Delegate in playroom at Parque Biblioteca España



Salsa dancing class outside Parque Biblioteca España



Asia Week at EAFIT University

- 3.89 Another one of the highlights of the delegation's visit to Colombia was the opportunity to participate in a panel discussion at EAFIT University's Asia Week (Semana Asia) in Medellín. The delegation leader and Ambassador Conroy were invited to speak at the private university on the topic of 'Australia's relations with Latin America.' Senator Hutchin's address on some of the key priorities of the Rudd Labour Government touched on Australia's investments in education; infrastructure; deregulation and economic reform; greater engagement with the Asia Pacific region; action on climate change; and reviving the DOHA development round of multilateral trade negotiations. A copy of the speech is provided at Appendix E.

Delegation leader addressing university students



- 3.90 Delegates were delighted at the high turn-out of students at the seminar, and their enthusiasm for Australia. Following addresses by Senator Hutchins and the Australian Ambassador, a series of thoughtful questions were posed to the panel. These included questions about Australia's business interests in Colombia; the quality of the Australian education system and the possibility for Colombian students to stay and work in Australia following the completion of their studies there; what impressions of Colombia the delegation would take home to the Australian population; and what Australian mining companies can teach Colombia about environmentally-friendly mining practices.
- 3.91 Answers were facilitated by the panel Chair, Dr Pablo Echavarría, Director of Asia-Pacific Studies. In response to the above questions, the Australians spoke about visiting the Cerrejón mine which is majority Australian-owned and the extent of Australian business interests in the mining and mining services sectors in Colombia; stated that a number of Australia's universities were amongst the world's best 200 according to the 2007 Times Higher Education world university ranking and the costs for international students compared favourably with other premier education destinations like the United Kingdom and United States, and that those on student visas were permitted to work up to 20 hours a week; that the delegation would

return to Australia and make the business community aware that that increased security and economic development meant Colombia was a better investment proposition, and that in addition to the mining and education sectors, further opportunities also exist in agribusiness; and that its tour of the Cerrejón mines had demonstrated the extent to which mined land can be successfully rehabilitated.

- 3.92 During its visit, the delegation was pleased to meet with the University Rector, Dr Juan Luis Mejía Arango and enjoyed a tour of the campus and its facilities.

Delegates with Dr Pablo Echavarría, Director of Asia-Pacific Studies, EAFIT University



- 3.93 Delegates also visited cultural exhibitions that other Asia Pacific countries, notably Indonesia, had put on at the university in support of Asia week.
- 3.94 The delegation wondered if a similar exhibition sponsored by Australia on an aspect or aspects of Australian culture might be supported by the Australian Government at future Asia Weeks at the university.

- 3.95 On return to Australia, the delegation wrote to the Australian Department of Education to enquire whether funding for such activities might be made available as part of a strategy for education engagement in the region. The Department's response indicated that there are a number of bilateral projects which have fostered relationships between Colombian and Australian institutions (see Appendix C for details).
- 3.96 The delegation was informed that the university has few educational materials on Australia, be they books, films or CDs and DVDs. Taken with the enthusiasm of the Colombian students at EAFIT University for Australia and given the high numbers of Colombians interested in studying in Australia, the delegation wonders if more support for exhibitions and/or educational materials might be made available to Colombian universities with Asia-Pacific studies departments, in the form of discretionary grants disbursed through the Department of Education, Employment and Workplace Relations (DEWR) presence in Santiago in Chile or the Australian Embassy in Chile, or through partnerships with Australian universities. The delegation understands that EAFIT University has academic co-operation agreements with the following three Australian universities: the Australian National University; Macquarie University; and the University of Wollongong.

Delegation Visit to Argentina

- 4.1 The delegation visited Argentina from Saturday 16 August to Friday 22 August 2008. In order to achieve its objectives, the delegation undertook site visits and held meetings with parliamentary and government officials and representatives of corporate and community organisations. The delegation spent the majority of the week in the capital city of Buenos Aires. A short trip was made to Iguazú in the Misiones Province the preceding weekend. At the same time delegates toured the world's largest hydro-electric power station at Itaipú across the border in Brazil. The delegation also visited a traditional 'estancia' (working farm) and a nuclear research reactor in Buenos Aires Province.

Iguazú Falls

View of falls



- 4.2 The Iguazú Falls (Portuguese: *Cataratas do Iguazçu*; Spanish: *Cataratas del Iguazú*) are waterfalls of the Iguazú river located on the border of the Argentine Province of Misiones and the Brazilian state of Paraná.
- 4.3 The name Iguazú comes from the Guarini words *y* (water) and *guasu* (big). According to indigenous legend, a god planned to marry a beautiful woman named Naipí, who fled with her mortal lover Tarobá in a canoe. In a rage, the god sliced the river, creating the waterfalls and condemning the lovers to an eternal fall. The first European to find the falls was the Spanish Conquistador Álvaro Núñez Cabeza de Vaca, after whom one of the falls on the Argentine side is named.
- 4.4 The impressive waterfall system consists of 275 falls along 2.7 kilometres of the Iguazú river. About 900 metres of the 2.7 km length does not have water flowing through it. Some of the individual waterfalls are up to 82 metres high, although the majority are about 64 metres. The Devil's Throat (*Garganta del Diablo* in Spanish or *Garganta Do Diabo* in Portuguese) is the most impressive of all, and marks the border between Argentina and Brazil.

- 4.5 The falls are shared between the Iguazú National Park (Argentina) and Iguazçu National Park (Brazil), although two thirds of the falls are situated within Argentine territory. Both parks were designated UNESCO World Heritage Sites, in 1984 and 1986 respectively.
- 4.6 The flora and fauna is rich in biodiversity and protected species of native vegetation and animals. Visitors may see orchids, ferns, butterflies, monkeys, lizards, and birds (including the Toucan, characteristically brightly marked with large colourful beaks). Jaguars, pumas and small leopards also live in the parks.
- 4.7 There are two main towns on either side of the falls: Foz do Iguazçu in the Brazilian side of Paraná, and Puerto Iguazú in the Argentine province of Misiones.
- 4.8 The delegation visited Misiones Province during a long weekend in Argentina, in order to see the management of large tourist flows, and to inspect the world's largest hydro-electric dam (at Itaipú across the border in Brazil).
- 4.9 The delegation was impressed with the organised tourism in both Argentina and Brazil whose national park facilities accommodate significant influxes of visitors. The parks are the major tourist attraction in the region and attract many thousands of visitors a day, mostly on tour buses. Pre-bought tickets specify time of entry in order to control and stage visitor numbers on the Brazilian side. The designated pathways and viewing platforms are sufficiently wide and afford excellent views of the falls. Appropriate barriers have been put in place to limit the environmental impact of visitors- protecting the forest, flora and fauna - and ensuring visitors' safety.
- 4.10 In addition to the usual services such as cafés and souvenir shops, delegates were interested to see a range of instant photographic services on offer throughout the park, including printing pictures and burning them onto CDs and DVDs.
- 4.11 Particularly noteworthy and praiseworthy, is the attention given to ensuring that the parks (some 80% of the National Park in Argentina) are easily accessible to visitors of all ages and levels of mobility.
- 4.12 The walking distances involved are reasonable. Along the paths there are regular opportunities to rest and purchase refreshments, and the paths are suitable for use by those in wheelchairs. On the Argentine side visitors must travel through the park on a small open-air train, known as the 'Tren Ecológico de la Selva' to view the park's principal attractions at three designated stops along a 10 km trajectory. On the Brazilian side when visitors reach the bottom of the falls a large lift transfers them back to the front entrance of the Park.

Delegates at the Iguazú falls



Itaipú Dam

- 4.13 The vast power of Iguazú falls was not fully utilised until the construction of the huge Itaipú hydroelectrical plant built jointly by Paraguay and Brazil. The dam is one of the largest in the world and is touted by both countries as a masterpiece of technology. It has been voted one of the Seven Wonders of the Modern World by the American Society of Civil Engineers.
- 4.14 The hydro-electric power plant located in the Foz do Iguazçu area of Brazil is a major tourist attraction and has received millions of visitors from around the world. The delegation took a tour of the site which comprised a film about the construction and a bus trip around the dam to various points of interest.
- 4.15 The dam is operated by Itaipú Binacional (a binational undertaking by Brazil and Pargaguay). The concept behind creating and managing the power plant to provide both countries with electricity was cemented in a Treaty signed by both parties in 1973.
- 4.16 Construction of the dam started in 1975, reaching its peak in 1978 with 30,000 people at work. The course of the 7th biggest river in the world, the Paraná river, was shifted to create the monumental dam. Some 50 million tonnes of earth and rock had to be removed prior to construction. Monthly

on-site concrete production reached 338, 000 m³. The iron and steel used would allow for the construction of 380 Eiffel Towers and the volume of concrete used was 15 times greater than that used to construct the Channel Tunnel.

- 4.17 In addition to the project's physical impact on the area, it had a significant social impact with some 10, 000 families living beside the Paraná river relocating in order to make way for the dam. One hundred and forty-nine workers died as a result of accidents during the construction of the dam.
- 4.18 The height of the dam reaches 196 metres and its length is 7.76 kilometres. The lake created by this is 170 kilometres long and contains 29 billion tonnes of water.
- 4.19 The main structure, a hollow, concrete gravity dam, has a powerhouse capable of generating 14, 0000 megawatts (MW) of electricity (12, 600 MW in the original construction plus 1, 400 MW added in 2006). Itaipú provides 25 percent of Brazil's energy supply and 78 percent of neighbouring Paraguay's energy supply.
- 4.20 Unit 1 started to operate in December 1983. Electrical grid connection to Paraguay was established in March 1984 and Brazil was connected 5 months later. In March 1991 the last unit (No. 18) was put into operation.
- 4.21 Commencing operations in 1984, Itaipú is now the world's longest operating hydroelectric power plant. It is second only to China's Three Gorges Dam in generating capacity. Itaipú dam



Meetings with parliamentary and government officials

Argentine National Congress

- 4.22 The delegation was honoured to meet with the President of the Senate and Vice-President of Argentina, Julio Cobos. The delegation appreciated the opportunity to meet parliamentarians from different political parties and benefited from formal and informal discussions throughout the week on a range of domestic and international current affairs.
- 4.23 The delegation leader was pleased to present a letter to the President of the Senate from the Presiding Officers of the Australian Parliament inviting a return official visit to Australia by an Argentinian Congress delegation.
- 4.24 Delegates enjoyed a guided tour of the impressive Congress building which was completed in the neoclassical tradition in 1906 by the Italian architect Vittorio Meano, who also designed Buenos Aires' famous opera house, the Teatro Colón.

Meetings with congressional representatives

Delegation leader with the Chairs of the Foreign Affairs Committees



- 4.25 The Committee Presidents of the two chambers' foreign affairs committees (Commissions of Foreign Affairs), Deputy Ruperto Godoy and Senator

Carlos Reutemann¹, co-chaired a joint meeting with congressional representatives including members of both Commissions on Foreign Affairs and the Argentina-Australia Congress Friendship Group. Discussions covered topics as diverse as the respective parliaments' committee systems and gender representation to peacekeeping, the environment, and Argentina's proposed Work and Holiday Visa Arrangement with Australia.

- 4.26 Delegates explained to their Argentine counterparts the structure and mandate of the Australian Parliament's Joint Standing Committee on Foreign Affairs, Defence and Trade and its four sub-committees: foreign affairs; defence; trade; and human rights. They described some of the sub-committees' current inquiry activities, with particular mention made of the Trade Sub-Committee's current inquiry into Australia's trade and investment relations with Asia, the Pacific and Latin America.²
- 4.27 In turn, the Commission Presidents spoke about their respective committees' inquiry activities, and noted that their committee system appeared broadly similar to Australia's.
- 4.28 The Argentines enquired about the proportion of female politicians in the Australian Parliament and noted that Argentina ranked highly, currently 6th place, in the world for female representation in both the Lower House and Senate. The delegation learnt that Congress comprises approximately 40% women diputados (MPs) and senators.³
- 4.29 The delegation leader noted that Australia and Argentina share interests in peacekeeping missions around the world, including in Cyprus where both countries contribute personnel to the UN Peacekeeping Mission, UNFICYP.
- 4.30 Delegates recognised Argentina's contribution at the International Whaling Commission⁴, especially through its leadership of the Regional "Buenos Aires Group," which strongly supports whale conservation, and cooperation on Antarctic treaty issues and related environmental

¹ Prior to his entry into politics in 1991 (in the governing Peronist party), Mr Reutemann had become a household name in Argentina as a result of a long and successful career as a Formula One racing driver.

² See inquiry website <http://www.aph.gov.au/house/committee/jfadt/apla/index.htm>

³ The Inter-Parliamentary Union provides up-to-date statistics on women in national parliaments, <http://www.ipu.org/wmn-e/classif.htm>

⁴ The International Whaling Commission (IWC) was set up under the International Convention for the Regulation of Whaling to provide for the conservation of whales and management of whaling <http://www.iwcoffice.org/index.htm>

management matters. Argentina played a key role in negotiating the Kyoto Protocol and welcomed Australia's ratification of it in 2007.

- 4.31 Senator Escudero asked about the status of Argentina's proposal for a Work and Holiday Visa Arrangement with Australia (the Argentine Government having submitted a draft Memorandum of Understanding (MOU) to the Australian Government for a work scheme of 1000 places in July 2008). The delegation leader responded that the draft MOU was currently being reviewed by Australian agencies, prior to approval by Australian ministers. Both sides noted efforts to encourage greater people-to-people exchanges between our two countries as a positive move.
- 4.32 The Argentine side also sought inclusion of Argentina in Australia's electronic travel visa system⁵ which allows intending visitors to apply for visas through travel agents or airlines. They pointed out that the geographic size of Argentina makes it difficult for the small number of travellers who need to attend a face-to-face visa interview at the Embassy in Buenos Aires.

Delegation in discussions with Argentine parliamentarians from the Senate and Lower House



⁵ For more information on Australia's Electronic Travel Authority, see the website, <http://www.eta.immi.gov.au/ETAAus2En.html>



Foreign Ministry

- 4.33 The delegation met with a range of senior government officials gathered at the Argentine Ministry of Foreign Affairs (MFA) for discussions. Ambassador Espeche Gil (General Coordinator of Bilateral Issues) led the talks. He was accompanied by other senior officials, including Ambassador Nestor Stancanelli (Director for International Economic Negotiations), and Ministros Ricardo Bocalandro (International Security) and Silvia Fernandez (Human Rights). Also present at the meeting were other representatives from the Asia-Pacific section of the Foreign Ministry, as well as the Department of Environment, International Whaling Commission, and Department of Parliamentary Affairs.
- 4.34 The delegation was provided with an overview of the current political and economic situation in Argentina, in particular, the country's recovery from the economic crisis of 2001.
- 4.35 At the meeting, a number of topics were raised (many of which also arose at meetings with Congress officials), including mining and the export tax issue in Argentina; Australia's bid for a place on the UN Security Council in 2013-2014; the International Commission on Nuclear Non-Proliferation and Disarmament; WTO DOHA negotiations; the Falkland (Malvinas) Islands issue; and carbon emissions trading schemes.
- 4.36 At meetings with MFA and Congress representatives, Australia and Argentina talked about their shared interests in the mining sector. The delegation noted the large potential investment by Rio Tinto in a

phosphate project in Mendoza Province and the mutual benefits that the development would confer to both countries. They encouraged Argentine support for the project.

- 4.37 In the context of Australia's growing role in the mining sector in Latin America, delegates noted concerns about the imposition by the Argentine Government of export taxes on some mining companies in Argentina, which were previously exempted and protected under Argentine law. They outlined the importance of legal and tax predictability and stability and emphasised that taxes of this nature would make it more difficult to promote Argentina as a preferred destination for foreign investment. Argentine interlocutors acknowledged that the issue had caused concern and stated that discussions between the Government and affected companies to find an amicable solution to the matter were ongoing.
- 4.38 Throughout the week, the delegation referred to Australia's bid for a non-permanent seat on the UN Security Council in 2013-14 and Australia's ongoing representations on the matter, and said that they hoped that Argentina would support the bid.
- 4.39 Delegates encouraged Argentina to support the work of the newly established International Commission on Nuclear Non-Proliferation and Disarmament proposed by Prime Minister Rudd in June 2008 to be co-chaired by Australia and Japan.⁶ The MFA spoke of Argentina's long-standing efforts on international security issues and indicated support for the work of the Commission.
- 4.40 In meetings with both MFA and congressional representatives, the stalled DOHA talks were commented on. Delegates expressed disappointment at the failure to secure a successful outcome at the WTO Ministerial Meeting in Geneva in July and of the need to resume DOHA negotiations quickly, in order not to lose momentum. Ambassador Stancanelli said that too many technical issues had been left to Trade Ministers to decide in Geneva and that Argentina's preference was for senior officials to discuss outstanding issues more thoroughly before the Trade Ministers meet again, perhaps in the first half of 2009.
- 4.41 In the course of discussions, MFA and congressional representatives alike raised the Falkland (Malvinas) Islands issue with the delegation, emphasising that Argentina wished to recover the territory through peaceful negotiations and that it asked all countries to support Argentina in this regard. The delegation acknowledged that the sovereignty of the Falklands Islands (the Islas Malvinas in Spanish) remains a subject of
-

⁶ See the International Commission on Nuclear Non-Proliferation and Disarmament website for more details, <http://www.icnmd.org/>

dispute between the UK and Argentina. The delegation leader reiterated the Australian Government's long-standing position that the matter should be resolved peacefully through bilateral dialogue between the parties and, if required, through the auspices of the United Nations.

- 4.42 The delegation and Argentine counterparts discussed global carbon emissions trading schemes. Argentina does not yet have a carbon emissions trading scheme but congressional representatives were keen to learn more about Australia's proposed carbon emissions trading scheme (now known as the Carbon Pollution Reduction Scheme).⁷
- 4.43 Parliamentarians from both countries acknowledged the key roles that international cooperation and cleaner technology can play in reducing the level of carbon emissions, in developed and developing countries.
- 4.44 On return to Australia, the delegation raised with the Australian Minister for Agriculture Argentina's desire to cooperate with Australia on climate change research to reduce emissions in agriculture. Details of relevant climate change contacts in Argentina were passed on to Minister Burke.

Memory Museum and human rights secretariat of the Ministry of Justice and Human Rights

- 4.45 On 24 March 1976, in a well-planned coup, the Argentine armed forces overthrew the government of President Isabel Martinez de Perón, who had taken over the presidency of her husband, Juan Perón, following his death in 1971. A three-man military junta, led by General Jorge Rafael Videla took charge. With the suppression of a burgeoning left-wing guerrilla movement as its stated intent, and access to virtually unlimited power, the military regime undertook a campaign of systematic kidnapping, torture and assassination of political opponents that lasted into the early eighties and produced several thousand *desparacidos* or 'disappeared' (missing persons), the great majority of whom were presumed killed. Following the restoration of democracy in 1983, a government inquiry commissioned in 1984 identified that over 9, 000 people had disappeared. NGOs place the figure higher, at up to 30, 000 missing persons.
- 4.46 Among the disturbing abuses of the military dictatorship was the unknown fate of possibly hundreds of missing children, who were kidnapped along with one or both of their parents, or born in captivity. Most of the missing children of the disappeared are presumed to have

⁷ See Australian Government Department of Climate Change website for details, <http://www.climatechange.gov.au/emissionstrading/index.html>

been illegally adopted under changed identities, in many cases by persons involved in their parents' disappearance.

- 4.47 Established in 1999, the Memory Museum⁸ is a collection of five human rights organisations whose mandate is to collectively 'raise social awareness and knowledge about state terrorism in order to enrich democratic culture'. The 5 component organisations are:
- Asamblea Permanente por los Derechos Humanos (APDH) – the Permanent Assembly of Human Rights;
 - Centro de Estudios Legales y Sociales (CELS) – the Centre for Social and Legal Studies;
 - Fundación Memoria Histórica y Social Argentina – the Argentine Historical and Social Memory Foundation;
 - Madres de Plaza de Mayo ' Línea Fundadora –the Mothers of the Plaza de Mayo – Founding Line; and
 - Servicio Paz y Justicia (SERPAJ) – the Peace and Justice Service.
- 4.48 The Madres de Plaza de Mayo are a leading Argentine human rights organisation who have focused on finding the missing children of the disappeared. To- date – with the assistance of the government - it has successfully located and identified 77 of the missing children.
- 4.49 One of the Memory Museum's primary objectives is to make accessible all documentation regarding the military dictatorship of 1976-1983 – also referred to as *La Guerra Sucia* (the Dirty War) for the purposes of research and the education of future generations.
- 4.50 The Memory Museum receives support from the Argentine Government. Further, in 2003, the Argentine Government established a national archive, *Archivo Nacional de la Memoria (ANM)*, through which present and future citizens can learn about this dark period of history, through written and oral testimonies, other documents and objects. The ANM is situated within the human rights secretariat of the Ministry of Justice and Human Rights.
- 4.51 The delegation visited the Memory Museum which is located at the former institute of military instruction known as the Navy Mechanics School (ESMA) site.
- 4.52 The Nunca Más (Never Again) report of the Argentine National Commission on Disappeared Persons stated that, 'The ESMA was not only a clandestine detention centre where torture was inflicted, it also functioned as the operative axis of a complex organisation that even
-

⁸ Memory Museum website, <http://www.memoriaabierta.org.ar/eng/principal.php>

possibly intended to hide the crimes that it committed with the extermination of victims.⁹ Approximately 5, 000 people disappeared at this site during the military dictatorship.

- 4.53 Delegates were moved by their tour through the Officials' Casino building where the detained were kept on the third floor in a large attic. The delegation saw 'El Pañol', a place where items taken during the looting of the homes of the disappeared was deposited; 'La Pecera' (The Fishtank), where propoganda offices, the library and archive operated; and 'La Capucha' and 'Capuchita' (The Hood and Little Hood), places used to torture and house some of the detained.
- 4.54 Following the tour discussions took place with staff from the museum and the human rights secretariat of the Ministry of Justice, led by Dr Rodolfo Mattarollo, International Affairs Consultant to the secretariat, and highly regarded human rights lawyer and academic. Dr Mattarollo himself was forced into exile in France during the military regime in the 1970s and 1980s.

Delegates on tour of ESMA clandestine detention centre



- 4.55 Delegates learnt that the National Commission on Disappeared Persons (CONADEP) which was set up in 1984 after the restoration of democracy in Argentina was the first 'truth commission'¹⁰ set up in the world. There

⁹ Memory Museum website, <http://www.memoriaabierta.org.ar/eng/principal.php>

¹⁰ A truth and reconciliation commission is a commission tasked with discovering and revealing past wrongdoing by a government, in the hope of resolving conflict left over from the past.

are currently 1000 trials underway and 300 people now before the courts on various charges dating back to the military regime. Records from that era are still being unearthed. Recently, further records by police have been discovered.

- 4.56 The delegation congratulated the centre on its work and the important role that it plays in acknowledging uncomfortable truths, and preserving important documentation for generations to come.
- 4.57 Staff told the delegation that the majority of Argentines consider this period of history a shameful one and that the museum is part of the country's collective social consciousness on that era. School children visit the museum so that future generations do not forget.

International Convention for Protection of Persons from Enforced Disappearance

Human Rights Secretariat, Dr Mattarollo, third from right



- 4.58 Dr Mattarollo urged Australia to sign the International Convention for the Protection of all Persons from Enforced Disappearance which Argentina helped draft and was adopted by the UN General Assembly in December 2006. While enforced disappearances that constitute crimes against humanity or torture are already criminalised under international law, the Convention extends international criminalisation to acts of enforced

disappearance that may not amount to crimes against humanity or torture in their own right. Dr Mattarollo noted that 6 countries had thus far ratified the Convention but 20 are needed to bring it into force.

- 4.59 The delegation leader acknowledged the important role that Argentina had played in drafting the Convention and outlined Australia's view of enforced disappearance as 'egregious'. He noted that Australia's main concern with the initiative relates to the creation of a new treaty body to monitor the Convention and that this did not appear to be an efficient use of the limited resources available to the human rights treaty body system. The Australian Ambassador to Argentina added that a final decision on whether or not Australia would sign the Convention had not yet been made.

Science and technology cooperation, including nuclear

- 4.60 During meetings with the Congress and MFA the collaboration, and scope for further cooperation, between Australia and Argentina on science and technology, including nuclear matters was discussed.
- 4.61 In 2004 a bilateral Science and Technology MOU was signed, identifying four areas for greater collaboration: biotechnology; agriculture; clean technologies; and information society applied to agriculture. Additional areas include wine technology and the nuclear sector.
- 4.62 In 2001, Australia signed a Nuclear Cooperation and Safeguards Agreement with Argentina which provides a broad framework for cooperation in nuclear science and technology. This agreement followed the signing of a contract between the Australian National Science and Technology Organisation (ANSTO) and an Argentine company, INVAP, for the design and construction of a replacement research reactor at Lucas Heights in Sydney.
- 4.63 Delegates noted the key role that INVAP had played in designing and constructing Sydney's world-class facility for scientific and medical research, and that a senior Argentine delegation had attended the inauguration ceremony of the reactor in April 2007.

Nuclear research reactor

- 4.64 The Comisión Nacional de Energía Atómica (National Atomic Energy Commission) or CNEA is the Argentine Government agency in charge of nuclear energy research and development.¹¹
- 4.65 The agency was created in 1950 with the mission of developing nuclear energy for peaceful purposes.

¹¹ See website for details www.cnea.gov.ar

- 4.66 Delegates had the opportunity to visit one of CNEA's three nuclear research reactor sites, the Centro Atómico Constituyentes, in Buenos Aires. The Centre pioneered the construction of research reactors in Argentina, and has research groups in metallurgy, physics and chemistry. The academic institution, Instituto Sábató, associated with the National University of San Martín, is co-located and grants Masters and Doctoral degrees in materials science.
- 4.67 The delegation was provided with an overview of the nuclear sector in Argentina, briefed on the research centre's activities and taken on a fascinating tour of the RA-1 reactor and research laboratories.
- 4.68 The RA-1 is an open tank reactor with a 40 kw thermal power, that uses 20% enriched uranium as fuel. Amongst its many uses, it is able to calibrate radioprotection equipment, irradiate samples to determine damage caused by radiation in metal, sun cells, wires, optical fibres and other materials, irradiate hair and blood samples to detect fissionable elements; and irradiate samples to determine the abundance and isotopic composition of heavy metals in water, food and soil.
- 4.69 The centre also houses a Tandem accelerator. Built in the late seventies, the \$ 80 million Tandem is the largest linear particle accelerator in the Southern Hemisphere. The instrument is used for heavy ion detection to support research activities on low energy nuclear reactions and on accelerator mass spectrometry (AMS).¹²

¹² A method for detecting atoms of specific elements according to their atomic weights. There are a number of applications, the most common being in radiocarbon dating.

Delegates inspecting the RA-1 reactor



Lobos

4.70 Located 100 km from Buenos Aires, Lobos is a fertile agricultural area renowned for dairy production and part of the Pampas¹³ (Argentina's agricultural heartland and home of that symbol of romantic nationalism, the 'gaucho'¹⁴). The area is a tourist destination renowned for its lake (Laguna de Lobos) which is popular with recreational fishermen and water sports enthusiasts; Juan Perón's¹⁵ birthplace, which has been turned into a museum; and several ranches (estancias).

¹³ The name comes from a Quechua Indian word meaning 'flat surface.'

¹⁴ A gaucho is a cowboy of the South American pampas.

¹⁵ Juan Domingo Perón (1895-1974) was an Argentine general and politician elected three times as President of Argentina. He was overthrown in a military coup in 1955. He returned to power in 1973 and served until his death in 1974. Perón and his first wife Eva were enormously popular amongst many Argentine people for their social justice efforts. The Peróns gave their name to the political movement 'peronismo' which lives on in present-day Argentina, represented by the

- 4.71 The delegation met with the Mayor of Lobos, Professor Gustavo Sobrero and the Tourism Secretary of Buenos Aires Province, Mr Germán Pérez, in the mayoral offices in Lobos to discuss tourism and learn more about Lobos.
- 4.72 The delegation received a briefing from Mr Pérez on tourism in the area. Buenos Aires Province is the world capital of polo, and ranks third in the world for golf. Fifty of the country's best estancias are to be found there. The Tourism Secretary noted the potential of the new proposed Qantas route from Sydney to Buenos Aires to increase tourist traffic between Australia and Argentina.
- 4.73 Delegates learnt that the economic crisis of 2001-2002 had resulted in an increase of farms in Buenos Aires Province supplementing their income with tourist activities, namely farm stays or farms which school children visited to learn about farms and animals. Some 600 farms in the region now gained additional income in this manner.
- 4.74 The delegation commented on how farmers in Australia also relied on income of this nature when times were leaner, and that farm stays on colonial homesteads in Australia are especially popular.
- 4.75 The delegation enquired about the popularity of the Perón museum and was informed that it is a key tourism site, visited daily by many people.
- 4.76 Mayor Sobrero told the delegation about some programs that he had overseen in Lobos which had been demonstrably successful. He noted that the introduction of security cameras and the establishment of a neighbourhood watch type scheme had reduced petty crime significantly. Senator Escudero praised the Mayor for his role in increased public safety in the province.
- 4.77 Other programs introduced include a social-at-risk program which identifies and offers assistance to needy children in schools, and an apprenticeships scheme which facilitates high-school students into the workforce.

Estancia La Candelaria

Delegation with Buenos Aires Province Tourism Secretary and Senator Escudero



- 4.78 The delegation was fortunate to visit one of Buenos Aires Province's most prestigious and impressive estancias and polo clubs, La Candelaria, located just one hour's drive from Buenos Aires city.
- 4.79 At the heart of the property is La Candelaria, built at the end of the 19th century in the style of a French Château, complete with elegant furniture imported from Europe. Guests can choose to stay in opulent rooms in the castle or in simpler lodgings on the property, namely rural colonial houses, typical of Argentine ranches.
- 4.80 Polo- a sport for which Argentina is internationally renowned- is taught and practiced at the ranch. Visitors can also view gaucho folk dance performances and experience a traditional Argentine grill (asado).
- 4.81 The estancia is situated in a beautiful 100 hectare park designed by the French landscape artist Charles Thays, who designed the Buenos Aires' Botanic Gardens, Bosque del Palermo and Plazas Congreso and Constitución, amongst other major projects.¹⁶ His design incorporates 240

¹⁶ Trained under the famous French landscape architect, Édouard André, Charles Thays (b. 1849)

different trees, statues, a lake and a track where visitors can ride carriages of the époque.

Business roundtable

Post Manager for Austrade in Buenos Aires and business representatives in talks with delegates



- 4.82 The delegation met with the Post Manager for Austrade in Buenos Aires, Mr Santiago Rubio, and the local representatives of Qantas (Mr William Duplak, Regional Manager for South America); Nufarm Argentina (Mr Ulrik Ekonen General Manager); and HoneyMax SA (Mr Mariano Jenik President) to discuss current business conditions in Argentina and South America from the perspective of the private sector.
- 4.83 Nufarm produces products that protect crops against damage caused by weeds, pests and disease. Based in Melbourne, the company was founded in 1953, and is now ranked the 9th largest crop protection company in the world. Nufarm has clear leadership position in Australia and substantial operations in North and South America, Europe, New Zealand and Asia. In South America, Nufarm operates in Argentina, Brazil, Colombia, Paraguay, Uruguay, Chile, Boliva, Perú, Ecuador and Venezuela.¹⁷

moved from France to Argentina in 1889 and began working as a landscape artist, principally in Buenos Aires. In his position as Director of Parks and Walkways from 1891 onwards Thays had a strong influence on remodelling and designing the city's parks and plazas, the legacy of which can be seen today in the city's open spaces.

¹⁷ See Nufarm website for more details, <http://www.nufarm.com/>

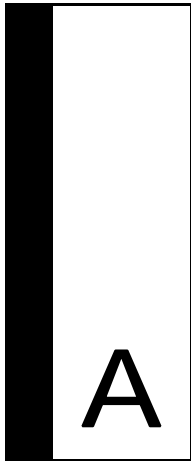
- 4.84 HoneyMax SA is Argentina's leading private exporter of high quality bulk honey. It currently exports to more than 15 countries across Europe and North America. The company's processing plant is located close to the Buenos Aires Port, and its four warehouses are situated in key beekeeping areas: Buenos Aires and Entre Rios provinces.
- 4.85 In 2003 HoneyMax entered into a joint venture with Queensland company Capilano Honey Limited to develop a world class honey processing facility capable of supplying quality controlled honey direct to international industrial customers. Capilano's Australian production facilities have the capacity to process and pack over 25, 0000 tonnes of honey per year. This supply is backed by additional capabilities in both Argentina and Canada.¹⁸ The HoneyMax representative told delegates that when Capilano's honey supply in Australia had suffered as a result of drought and bee disease, the Argentine arm had boosted supply.
- 4.86 Each of the companies noted that business in their respective areas was steady. The Qantas Regional Manager elaborated on Qantas' recent decision to commence direct Sydney-Buenos Aires flights from November 2008 as a result of increased passenger traffic (business, tourist and particularly, a growth in students wishing to study in Australia), between not just Australia and Argentina but Australia and the region. South America is now one of Qantas' top 5 destinations and Buenos Aires is seen as a major gateway into South America.
- 4.87 The delegation said that Qantas' new route from Sydney to Buenos Aires had been welcomed in meetings with congressional and government officials throughout the week, and would undoubtedly enhance economic and people-to-people links.
- 4.88 The business representatives spoke about the current political and economic climate in Argentina. The delegation was told that despite some recent turmoil including moves by the Government to increase export taxes, opportunities existed for Australian investment in Argentina, especially in mining and agribusiness.
- 4.89 Delegates were advised that Australia's largest producer of high quality extra virgin olive oil, Boundary Bend Ltd¹⁹, had recently invested AUD\$ 2 million in a property in San Juan Province to begin olive oil production. "The land and water package in Argentina is less than ten percent of the land and water package in Australia, so obviously the returns are higher [in Argentina]."²⁰

¹⁸ For more details see the Capilano Honey Ltd website, <http://www.capilanoargentina.com/>

¹⁹ Boundary Bend Ltd website, <http://www.boundarybend.com/>

²⁰ ABC Rural, "Olive oil company expands to Argentina", Thursday 15/05/08,

- 4.90 Business representatives told delegates that key factors for expansion of investment will be legal and tax predictability and stability. Having the right partner – familiar with local political and business conditions – is paramount for any long-term joint ventures between Australian and Argentine companies.



Appendix A: Program

Colombia Program

Saturday 9 August 2008

- Arrive Santiago, Chile
- Visit to Pueblito Los Dominicos (artisans' village)
- Reception at the Official Residence of the His Excellency Crispin Conroy, Australian Ambassador to Chile

Sunday 10 August 2008

- Travel to Bogotá
- Visit to Museo del Oro (Gold Museum) and Botero Museum
- Informal briefings from Mr Rick Cummins, AFP Officer and Mr Carlos Castellanos, AusTrade representative

Monday 11 August 2008

- Travel to Guajira region
- Visit to BHP Cerrejon Coal Mine, including the community school and mine operations

- Return to Bogotá

Tuesday 12 August 2008

- Meeting with Mr Alvaro Uribe, President of Colombia and Mr Jaime Bermúdez, Colombian Foreign Minister
- Briefing from Mr Rick Cummins, AFP representative
- Meeting with officials from the Colombian Department of Foreign Affairs
- Official luncheon hosted by Ms Olga Bula, Director of Asia, Africa and Oceania, Colombian Department of Foreign Affairs, representative of Vice Minister for Foreign Affairs, Mr Camilio Reyes at the Palacio de San Carlos
- Meeting with Senador Hernán Andrade, President of the Colombian Senate, Senador Julio Eugenio Gallardo Archbold and Hr. Manuel Ramiro Velasquez, Presidents of the Second Committee for Foreign Affairs from the Colombian Senate and Lower House respectively, and members of both foreign affairs committees
- Tour of Congress
- Attendance at session of Congress and address to the Colombian Senate given by Senator Steve Hutchins, Delegation Leader
- Meeting with Dr Luis Fernando Duque García, Second Vice-President of the Colombian Senate and parliamentarians
- Meeting with Mr Javier Hernández, Head of the United Nations Office of the High Commissioner for Human Rights in Bogotá
- Official reception co-hosted by Orica and the Australian Parliamentary Delegation at Club Nogal

Wednesday 13 August 2008

- Travel to Cartagena
- Meeting with Dr Luis Ernesto Araujo, Deputy Mayor of Cartagena, Mr Joaco H. Berrío Villareal, the Governor of Bolivar, Ms Silvana Giamio Chávez, Executive President, Cartagena Chamber of Commerce and Chamber of Commerce representatives
- Tour of Port of Cartagena

- Official luncheon hosted by Cartagena Chamber of Commerce at the Port of Cartagena
- City tour

Thursday 14 August 2008

- Travel to Medellín
- Official luncheon hosted by local government at Botero Museum
- Tour of Medellín development sites, Santo Domingo
 - ⇒ Cable car to Parque Biblioteca España
 - ⇒ Briefing on development projects
- Official dinner hosted by Australian Parliamentary Delegation in the Botanical Gardens

Friday 15 August 2008

- Meeting with Mr Alonso Salazar, Mayor of Medellín
- Meeting with Dr Juan Luis Mejía Arango, Medellín University Rector
- Attendance at Asia Week at University EAFIT, including address to students by Senator Steve Hutchins, Delegation Leader, on "Australia's relations with Latinamerica."
- Official luncheon for delegation hosted by Dr Juan Luis Mejía, Medellín University Rector in the Sala de Artes, University EAFIT
- Travel to Buenos Aires

Argentina Program

Saturday 16 August 2008

- Travel to Iguazu Falls
- Delegation meeting

Sunday 17 August 2008

- Tour of Brazilian side of Iguacu Falls (UNESCO declared site)

- Tour of Itaipu Dam – the world’s largest hydro-electric power station

Monday 18 August 2008

- Tour of Iguazu Falls National Park and Argentine side of Iguazu Falls
- Travel to Buenos Aires
- Delegation program briefing from His Excellency Peter Hussin, Australian Ambassador to Argentina

Tuesday 19 August 2008

- Meeting with officials at Argentine Foreign Ministry
- Official luncheon (working) in Senate dining room, hosted by the Vice-President of Argentina and President of the Senate, with invited parliamentarians
- Meeting with members of Foreign Affairs Committees of Senate and Diputados (Lower House) in the Salon Arturo Illia of Congress
- Attend official dinner and Tango Show, hosted by Congress

Wednesday 20 August 2008

- Tour of Memory Museum, the site used for detention and interrogation during the military dictatorship
- Meeting with museum representatives and officials from the Human Rights Secretariat of the Argentine Ministry of Justice
- Visit to Museo de Arte Latinoamericano de Buenos Aires (MALBA)
- Official luncheon hosted by Lower House in Diputados dining room
- Official reception co-hosted by Senator Steve Hutchins, Delegation Leader and Australian Ambassador to Argentina, His Excellency Peter Hussin at the Ambassador’s Residence

Thursday 21 August 2008

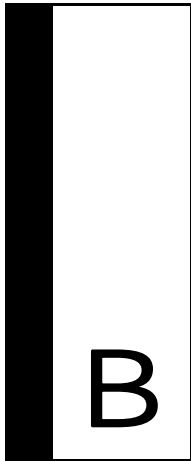
- Briefing and tour of National Atomic Energy Commission's nuclear research reactor, Centro Atómico Constituyentes (ACC)
- Meeting with Profesor Gustavo Rubén Sobrero, Mayor of Lobos and Mr Germán Pérez, Secretary of Tourism, Buenos Aires Province
- Visit to "La Candelaria" estancia in Buenos Aires Province

Friday 22 August 2008

- Roundtable discussions at the Australian Embassy with business executives from Australian companies operating in Argentina
- Depart Buenos Aires for Australia

Sunday 24 August 2008

- Arrive back in Sydney, Australia.



Appendix B: DFAT Country Fact Sheets on Colombia and Argentina¹

¹ Source: DFAT website, <http://www.dfat.gov.au/GEO/#C>



COLOMBIA

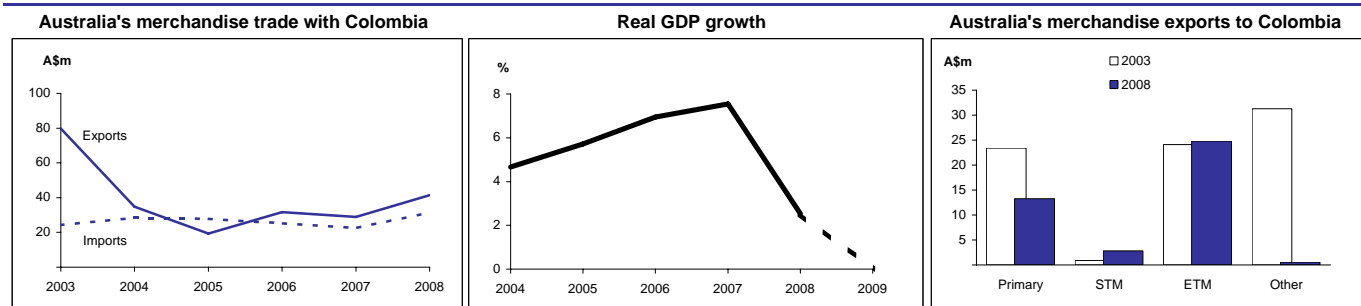
Fact Sheet

General information:

Fact sheets are updated biannually; May and September

Capital:	Bogotá	Head of State and Head of Government:
Surface area:	1,139 thousand sq km	President HE Dr Álvaro URIBE Vélez
Official language:	Spanish	
Population:	48.3 million (2008)	
Exchange rate:	A\$1 = 1,631.26 Pesos (Feb 2009)	

<i>Recent economic indicators:</i>	2004	2005	2006	2007	2008(a)	2009(b)
GDP (US\$bn) (current prices):	113.8	144.5	162.5	208.0	240.7	198.5
GDP PPP (US\$bn) (c):	284.0	310.5	342.8	378.6	396.6	400.3
GDP per capita (US\$):	2,510	3,139	3,474	4,377	4,985	4,047
GDP per capita PPP (US\$) (c):	6,265	6,745	7,329	7,967	8,215	8,162
Real GDP growth (% change yoy):	4.7	5.7	6.9	7.5	2.5	0.0
Current account balance (US\$m):	-909	-1,890	-2,982	-5,866	-6,765	-7,697
Current account balance (% GDP):	-0.8	-1.3	-1.8	-2.8	-2.8	-3.9
Goods & services exports (% GDP):	17.1	16.9	17.6	16.4	18.3	16.6
Inflation (% change yoy):	5.9	5.0	4.3	5.5	7.0	5.4



Australia's trade relationship with Colombia (d):

Australian merchandise trade with Colombia, 2008:	Total share:	Rank:	Growth (yoy):
Exports to Colombia (A\$m):	0.0%	73rd	43.9%
Imports from Colombia (A\$m):	0.0%	70th	40.4%
Total trade (exports + imports) (A\$m):	0.0%	80th	42.4%

Major Australian exports, 2008 (A\$m):

Barley	12
Electrical distributing equipment	4
Specialised machinery & parts	3
Soap & cleansers	3

Major Australian imports, 2008 (A\$m):

Coffee & substitutes	15
Specialised machinery & parts	2
Prams, toys, games & sporting goods	1
Paper & paperboard, cut to size	1

Australia's trade in services with Colombia, 2008:

	Total share:
Exports of services to Colombia (A\$m):	na
Imports of services from Colombia (A\$m):	na

Colombia's global merchandise trade relationships:

Colombia's principal export destinations, 2008:

1	United States	38.0%
2	Venezuela	16.2%
3	Ecuador	4.0%
52	Australia	0.1%

Colombia's principal import sources, 2008:

1	United States	29.2%
2	China	11.5%
3	Mexico	7.9%
44	Australia	0.1%

Compiled by the Market Information and Research Section, DFAT, using the latest data from the ABS, the IMF and various international sources.

(a) All recent data subject to revision; (b) IMF forecast; (c) PPP is purchasing power parity; (d) Total may not add due to rounding.

na Data not available.



ARGENTINA

Fact Sheet

General information:

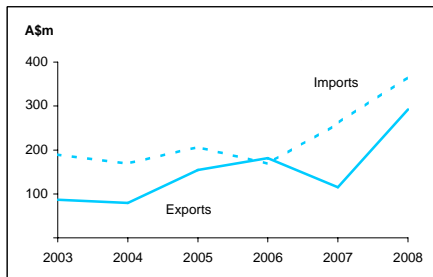
Fact sheets are updated biannually; May and September

Capital:	Buenos Aires
Surface area:	2,780 thousand sq km
Official language:	Spanish
Population:	39.7 million (2008)
Exchange rate:	A\$1 = 2.2666 Pesos (Feb 2009)

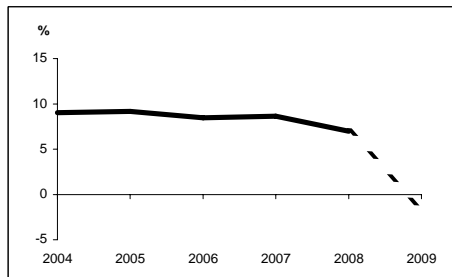
Head of State and Head of Government:
President HE Cristina Fernández de Kirchner

<i>Recent economic indicators:</i>	2004	2005	2006	2007	2008(a)	2009(b)
GDP (US\$bn) (current prices):	152.0	181.5	212.7	260.4	326.5	310.3
GDP PPP (US\$bn) (c):	373.0	419.6	469.8	524.1	572.9	569.4
GDP per capita (US\$):	3,975	4,704	5,458	6,617	8,214	7,732
GDP per capita PPP (US\$) (c):	9,759	10,872	12,054	13,318	14,413	14,188
Real GDP growth (% change yoy):	9.0	9.2	8.5	8.7	7.0	-1.5
Current account balance (US\$m):	3,121	3,020	4,873	4,293	4,428	3,180
Current account balance (% GDP):	2.1	1.7	2.3	1.6	1.4	1.0
Goods & services exports (% GDP):	26.2	25.9	25.6	25.4	24.2	22.8
Inflation (% change yoy):	4.4	9.6	10.9	8.8	8.6	6.7

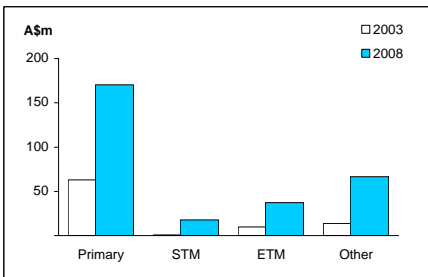
Australia's merchandise trade with Argentina



Real GDP growth



Australia's merchandise exports to Argentina



Australia's trade relationship with Argentina (d):

Australian merchandise trade with Argentina, 2008:

Exports to Argentina (A\$m):	292
Imports from Argentina (A\$m):	366
Total trade (exports + imports) (A\$m):	658

Total share:	Rank:	Growth (yoy):
0.1%	44th	154.2%
0.2%	47th	40.5%
0.1%	42nd	75.2%

Major Australian exports, 2008* (A\$m):

Coal	143
Fertilisers (excl crude)	16
Coke & semi-coke	16
Crude vegetable matter	8

*Includes A\$66m of confidential items, 23% of total exports.

Major Australian imports, 2008 (A\$m):

Animal feed	82
Leather	57
Fixed vegetable oils & fats, soft	55
Goods vehicles	46

Australia's trade in services with Argentina, 2008:

		Total share:
Exports of services to Argentina (A\$m):	na	na
Imports of services from Argentina (A\$m):	na	na

Argentina's global merchandise trade relationships:

Argentina's principal export destinations, 2007:

1	Brazil	18.8%
2	China	9.3%
3	United States	7.8%
43	Australia	0.4%

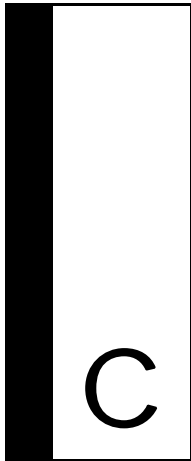
Argentina's principal import sources, 2007:

1	Brazil	32.8%
2	United States	11.9%
3	China	11.4%
27	Australia	0.4%

Compiled by the Market Information and Research Section, DFAT, using the latest data from the ABS, the IMF and various international sources.

(a) All recent data subject to revision; (b) IMF forecast; (c) PPP is purchasing power parity; (d) Total may not add due to rounding.

na Data not available.



Appendix C: 2008-2010 Work Plan
Between Ministerio de Educación
Nacional, República de Colombia and
Australian Education International,
Department of Education, Employment
and Workplace Relations, Australia



Australian Government
Department of Education, Employment
and Workplace Relations

2008-2010 Work Plan Between Ministerio de Educación Nacional, República de Colombia and Australian Education International, Department of Education, Employment and Workplace Relations, Australia

The Ministerio de Educación Nacional (MEN), represented by the Minister of National Education, and the Department of Education, Employment and Workplace Relations, represented by Australian Education International (AEI), agree to cooperate on seven (7) areas of activity. This work plan does not constitute a financial commitment by either agency, but represents a commitment to working together to achieve outcomes in these areas.

1. Vocational Education and Training

AEI will continue to support MEN in the promotion and development of their technical education system. This includes assistance in the area of:

- VET promotion (based on the "Skills for the future" campaign)
- Development of training packages
- Alliances with industry training groups in Australia
- Development and analysis of labour market trends and statistics
- Teacher exchange in priority areas, according to Colombia's technical education policy
- Student exchange, according to needs in each country

2. Institutional Linkages Portal

MEN will support AEI in the development of a web portal aimed at facilitating institutional linkages and student mobility between Colombia and Australia.

3. Tertiary Education Financing

Tertiary education financing is a key issue for MEN. AEI and the Council on Australia Latin America Relations (COALAR) have arranged the visit of the Australian expert on the topic. Based on the results of this visit, where a specific work plan was designed, MEN and AEI will continue cooperating on this issue.

4. Language Teacher Training

Both agencies have identified bilingualism as a major priority. Both MEN and AEI, thus, recognise the importance of language education in our countries, and agree to work on projects to improve the teaching of Spanish in Australia and the teaching of English in Colombia; including assistance for the Bilingualism Program in Colombia, which intends to improve the competencies of English language teachers.

5. Colombian Country Education Profile

MEN will assist AEI in the review of the Country Education Profile produced by the National Office of Overseas Skills Recognition (NOOSR). This will result in a more accurate understanding and assessment of the Colombian education system in Australia, both of which are necessary for increased collaboration at the tertiary education level.

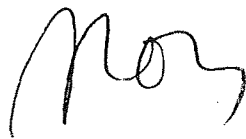
6. Institutional and Academic Collaboration

Both agencies agree that institutional cooperation and academic exchange are important aspects of our cooperation. MEN and AEI will continue to promote and support bilateral institutional visits and academic collaboration between research centres and individual researchers. Possible areas for future projects include agriculture, tourism, and education system development (particularly in the areas of vocational education and training).

7. Evaluation and Skills Assessment

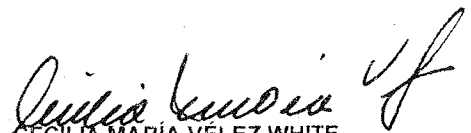
MEN and AEI will explore possibilities of cooperation in the area of evaluation and skills assessment. In particular, both agencies will facilitate the technical assistance that ACER (Australian Council for Educational Research) could bring to ICFES (Instituto Colombiano de Fomento de la Educación Superior) in order to enhance its higher education evaluation exam (ECAES) and design an exam that evaluates generic skills, based on the Australian Graduate Skills Assessment (GSA).

Representing the Department of
Education, Employment and
Workplace Relations



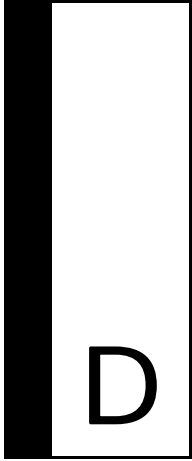
CRISPIN CONROY
AMBASSADOR OF AUSTRALIA TO
CHILE

Representing el Ministerio de Educación
Nacional de la República de Colombia.



CÉCILIA MARÍA VÉLEZ WHITE
MINISTRA DE EDUCACIÓN NACIONAL

Bogotá D.C.
12 August 2008



Appendix D: Address to Colombian Senate

Australian Parliamentary Delegation Visit to Colombia

Address to Colombian Senate

**Senator Steve Hutchins
Delegation Leader**

3.00pm Tuesday 12 August 2008

H E Mr Hernan Andrade, President of the Senate

Excellencies

Senators

I am honoured to have this opportunity to make some brief remarks to the Colombian Congress on this, the first full visit by an Australian Parliamentary delegation to Colombia.

I and the members of my delegation bring warm wishes to you from both houses of the Australian parliament.

We are most grateful for the warmth with which our delegation has been received and the welcome we have had from our Colombian hosts.

We have been honoured as well to meet this morning with President Uribe and with the Jaime Bermudez, Colombia's Minister for Foreign Affairs.

This is a challenging time in world affairs.

We have some major issues to confront:

- Globalisation,
- Poverty alleviation,
- Maintaining international peace and security,
- Global warming and climate change
- Achieving greater liberalisation of international trade,
- Maintaining financial stability,
- Combating terrorism,
- Ensuring respect for human rights, and
- Strengthening democratic societies and institutions, to name a few

Politicians, as the elected representatives of their people, have a special role in shaping the response to these challenges.

Our delegation, in preparing for this visit, has been greatly impressed by Colombia's record in tackling many of these challenges.

Colombia's success in maintaining an average growth rate in excess of 4 percent for the last twenty five years or so is an impressive achievement.

The advances that have been made, particularly since 2002, in improving your internal security have also been significant

- particularly in view of the magnitude of the security and narco-trafficking problems confronting the Colombian government

We pay tribute to the success you have achieved in confronting narco-terrorist groups such as the FARC and ELN and in demobilising paramilitaries

And to the recent operation which saw the release of fifteen hostages held by the FARC, including former Presidential candidate Ingrid Betancourt.

Members of Congress may be interested to know, in this context, that the Australian Senate has adopted several resolutions in recent years expressing our condemnation of kidnapping and other human rights violations, our strong concern about the dreadful situation faced by those held in captivity by the FARC and other such groups and calling for the release of all hostages held by these groups.

- So operation Jaque, as I understand it was called, was very warmly welcomed in Australia.

It is true to say that many Australians, including some members of Parliament, don't fully appreciate the reality of the situation in Colombia nor the success both the government of Colombia and its people have enjoyed in recent years in confronting many of these challenges.

This has acted as a barrier to closer relations between our two countries.

I am pleased to say that we think this is now changing and I am sure our delegation will have an important role on our return to Australia in advocating closer links between Australia and Colombia.

In 2007, over 4,000 Colombian students commenced studies in all sectors in Australia.

This is building understanding at the people-to-people level in a way that governments often find difficult.

Trade is still quite modest, but we detect here in particular and also in Australia a growing appreciation of the benefits each country can offer the other.

We have been most interested to visit Cerrejon Norte – one third owned by one of Australia's largest companies, BHP Billiton, with another thirds now owned by Xstrata, a global mining company with strong links to Australia.

This and BHP Billiton's other investment here – the Cerro Matoso nickel mine- show the benefit of growing commercial links between our two countries.

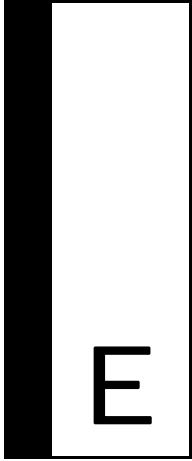
There are many other emerging opportunities in areas such as agribusiness, biotechnology, energy and mining services and many opportunities as well for Colombia to look at increased trade with Australia.

In this regard, we were delighted when your Government decided to re-open Colombia's Embassy in Canberra. We will no doubt be asked by our government when we return about the question of an Australian presence in Colombia.

Our visit is already showing us the untapped opportunities we have to strengthen our bilateral links

We thank you most sincerely for your welcome and your hospitality today and we look forward to playing our part in advancing and strengthening relations between our two countries.

Thank you.



Appendix E: Address at Asia Week, EAFIT
University, Medellín

**ADDRESS to EAFIT University, Medellin
15 August 2008**

**Senator Steve Hutchins
Leader, Australian Parliamentary Delegation to Colombia**

**Leading Australia - some key priorities of the Rudd Labor
Government**

Delighted to be here to address you and to talk about some key priorities for the new Australian Government.

Just over eight months ago Australians elected Kevin Rudd and the Australian Labour Party as its new Federal Government.

This followed 11 years of rule at the federal level by the Liberal and National Party Coalition, led by John Howard.

The Rudd Labor Government was elected because a majority of Australian voters felt the Labor Party was the party that could best prepare the Australian people for the future.

The future includes the uncertainties ahead as we meet the challenges of climate change, the ongoing need to secure our future both in the strategic sense and the economic sense and the need to ensure the ongoing wellbeing of the Australian people.

I want to talk in more detail later in this address about the new Government's approach to Climate Change and our deep commitment to pursuing greater trade liberalisation – both issues of considerable importance here in Colombia.

Before I do that let me mention a couple of other guiding principles for the new Government in Australia.

We are investing in **education** – because we believe that in a competitive and globalised world, we need to have the best-trained, best-educated work force in the world.

I know this is a major priority here in Colombia too. Indeed we welcomed last year over 4,000 Colombian students in Australian educational institutions and we were delighted to have them study in our country.

We are also investing in Australia in **infrastructure** – because governments have a critical role to play in making it easier for people to do business and drive economic development.

We are continuing a process of **deregulation and economic reform** because we see these as essential to continued increases in productivity.

And we will continue with policies that have long been a feature of our approach to government in Australia – equality of opportunity, the development of an equitable and efficient safety net for those less able to cope, the encouragement of diversity and development (particularly for our indigenous population) and closer engagement with our friends and partners in our neighbourhood and around the globe.

On the last point, we in Australia need to pursue creative middle power diplomacy, working towards shared goals with key partners so as to maximise our influence on outcomes.

We aim to be an effective voice in search of solutions to the problems the international community faces.

Australia's **foreign policy** under the Rudd government is based on three pillars:

- our alliance with the United States,
- our membership of the United Nations, and
- our comprehensive engagement with the countries of Asia and the Pacific.

I think here in Colombia you will have some appreciation of these pillars. Your relationship with the United States is a very important one and we know how much it would mean to Colombia to have the US Congress ratify your Free Trade Agreement.

You too attach considerable importance to the UN and successful multilateral diplomacy. We value highly the cooperation Colombia provides for example in the Cairns Group of agricultural exporting nations.

And we know that Colombia is giving more attention to the Asia Pacific – your decision to reopen an Embassy in Canberra was part of this strategy and most welcome in Australia.

Globally the United States is overwhelmingly a force for good and in the Asia Pacific region the key source of stability.

We are committed to being an active and constructive member of the United Nations. We continue to want the benefits of a global rules-based order and that is one reason why the new Government decided Australia should run for a non-permanent seat on the United Nations Security Council in 2013-2014.

The third pillar of our foreign policy is comprehensive engagement with the countries of Asia and the Pacific.

That is why it has been such an insight for us to make this Parliamentary visit to Colombia and to learn about your perspectives on the development of the region we are both part of.

I want to talk now about a key priority for the Rudd Government –dealing effectively with **Climate Change**.

Australia and Colombia are both significant coal exporters – we share many interests in achieving sustainable solutions to climate change – arguably the greatest challenge the world now faces.

The first act of the Rudd Government was to ratify the **Kyoto protocol**. This showed the commitment of the Australian Government to decisive action on climate change.

We recognized we had to prepare Australia for the transformation of the global economy to low carbon energy sources.

The Australian Government’s **action plan on climate change** includes:

- Establishing a national emissions trading market by 2010 – to enable the market to set a price for carbon, unleash innovation and create strong market incentives to reduce carbon emission levels.
- Implementing the Kyoto Protocol and strong support for a new global climate change agreement to take us beyond 2012.
- Investing in low carbon technologies such as clean coal and renewables.
- Setting a 20 per cent target for renewable energy by 2020 to dramatically expand the use of renewable energy sources such as solar and wind.

Australia is now playing an important role in the new round of international negotiations for a global climate agreement to take us beyond 2012, when the first round of carbon emission targets under the Kyoto Protocol expire.

The framework for these negotiations, known as the “Bali Roadmap”, was agreed in December 2007 at the United Nations conference on climate change in Bali.

We have also adopted a national plan to tackle the **water crisis** in Australia.

Lacking the abundant water resources you enjoy in your Amazon region and in other parts of Colombia, Australia has to adjust to being the driest inhabited continent on earth.

As the impact of climate change intensifies, Australia faces increasingly acute long-term water shortages both in our cities and regional areas – with lower rainfall, rivers drying up and dam water levels falling.

The Rudd Government will tackle the water crisis with a national plan to invest in water infrastructure, sustain our farming communities, revitalise our rivers and waterways, secure water supplies in our cities and towns and ensure that we become smarter and more efficient in our water usage.

Our plan to address the water crisis and to secure our future water supply requires all Australians to work together to use water more efficiently, cut water wastage, more effectively capture rain and stormwater, and adapt to the impact of climate change.

The Australian Government will invest in greater use of recycled water, desalination and stormwater through a \$1 billion urban water infrastructure fund.

You may think it strange that I mention water in this address today but I understand that drought and water shortage are also affecting countries in Latin America. Indeed Mexico is increasingly interested in Australia's approach to water management and we recently sent two experts on drought management to Chile.

This is a good example of some of the newer areas where Australia and countries in Latin America, such as Colombia, can learn from one another.

I wanted to mention another important issue for Australia and one where there are, I understand, quite similar views and approaches between our two countries.

I refer to the Doha Development Round of multilateral trade negotiations.

We in Australia were disappointed that we were not able to achieve our objectives in Geneva in the WTO Ministerial meeting that ended on 29 July.

That meeting was something of a lost opportunity but Ministers and negotiators did make significant progress across a range of complex issues.

Australia believes that Doha is definitely not a lost cause – indeed we must continue on the path of trade and investment liberalisation using all of the forums available to us.

Australia's Minister for Trade, Simon Crean, made a speech in Melbourne last week where he elaborated Australia's approach in response to the impasse at the Geneva WTO meeting.

Mr Crean said that if we are to give the global economy a much needed confidence boost at a time of financial instability and considerable uncertainty we need to conclude the Doha Round.

We remain optimistic that with more work and greater effort on the part of WTO members we can bridge the differences that prevented agreement in Geneva and bring the Doha Development Round to a successful conclusion.

We need this because failure to conclude will produce a large loss for WTO members, particularly developing countries, at a time of uncertainty in the world economy and rising food prices.

Australia's Prime Minister, Trade Minister Crean and other Ministers of the Government intend using every opportunity to revive the negotiations and to reach a successful conclusion - the world economy needs a successful outcome and Australia remains committed to fighting for this goal.

We conclude our visit to Colombia today.

It is clear I think from these brief remarks that even though our countries at times don't know much about each other there is great scope to cooperate on bilateral issues and together on the global issues we both face.

We have been very impressed with our visit – the first full visit by an Australian Parliamentary Delegation to Colombia.

We thank you for the opportunity to participate in today's seminar and welcome your questions and observations.

