

---

The Parliament of the Commonwealth of Australia

# **Australia's Relations with the Middle East**

Joint Standing Committee on Foreign Affairs, Defence and Trade

August 2001  
Canberra

© Commonwealth of Australia 2001

ISBN 0 642 36647 0





# Contents

|                                                                                   |           |
|-----------------------------------------------------------------------------------|-----------|
| Foreword.....                                                                     | xi        |
| Membership of the Committee 39 <sup>th</sup> Parliament .....                     | xvii      |
| Membership of the Foreign Affairs Sub-Committee 39 <sup>th</sup> Parliament ..... | xix       |
| Terms of reference .....                                                          | xxi       |
| List of abbreviations.....                                                        | xxiii     |
| List of recommendations.....                                                      | xxvii     |
| <br>                                                                              |           |
| <b>1 Introduction.....</b>                                                        | <b>1</b>  |
| Geographical Scope of the Inquiry.....                                            | 1         |
| An Explanation of Terms.....                                                      | 2         |
| The Context of the Inquiry.....                                                   | 2         |
| Australia's interests.....                                                        | 4         |
| The Committee's Continuing Interest in the Region.....                            | 5         |
| Previous reports .....                                                            | 5         |
| Delegation visits .....                                                           | 5         |
| The Inquiry Process .....                                                         | 6         |
| Structure of the Report.....                                                      | 7         |
| <br>                                                                              |           |
| <b>SECTION ONE - Political and Strategic Issues.....</b>                          | <b>9</b>  |
| <br>                                                                              |           |
| <b>2 The Middle East Conflict in Outline.....</b>                                 | <b>11</b> |
| Origins of the Conflict.....                                                      | 11        |
| The British Mandate .....                                                         | 12        |
| Early Peace Plans .....                                                           | 14        |
| The First Arab-Israeli War .....                                                  | 15        |
| Arab-Israeli Relations after 1948.....                                            | 16        |
| The 1967 war.....                                                                 | 16        |
| The Intifada of 1987.....                                                         | 17        |
| The Path to Madrid and Oslo .....                                                 | 17        |
| The Gulf War .....                                                                | 19        |
| The Madrid Peace Conference.....                                                  | 20        |
| Oslo and the 1993 'Declaration of Principles'.....                                | 21        |

|                                                                          |           |
|--------------------------------------------------------------------------|-----------|
| The Interim Agreement (Oslo 2).....                                      | 22        |
| The Other Occupied Territories.....                                      | 22        |
| East Jerusalem.....                                                      | 23        |
| Final Status Negotiations (Israeli-Palestinian Track) .....              | 24        |
| Israeli Settlements.....                                                 | 25        |
| Refugees .....                                                           | 26        |
| The future of Jerusalem.....                                             | 27        |
| An eventual Palestinian state? .....                                     | 29        |
| The 'Al-Aqsa' Intifada .....                                             | 29        |
| Sharm el-Sheikh and Taba.....                                            | 31        |
| The Arab Summit.....                                                     | 32        |
| Further Developments.....                                                | 33        |
| The joint Egypt-Jordan proposals for a cease-fire.....                   | 34        |
| <br>                                                                     |           |
| <b>3 Australia's Contribution to the Middle East Peace Process .....</b> | <b>37</b> |
| The Outlook for Peace .....                                              | 38        |
| The Australian Perspective .....                                         | 40        |
| Australia's geographic distance from the Middle East conflict .....      | 41        |
| Australia's voice in the Middle East region .....                        | 42        |
| Australia as 'honest broker' .....                                       | 42        |
| Australia's Voting Record at the UN.....                                 | 44        |
| Friendship Delegations.....                                              | 46        |
| Australian Representation in the Region.....                             | 47        |
| Australian Representative Office, Ramallah.....                          | 48        |
| Location of foreign embassies in Israel .....                            | 49        |
| Australia's consular services .....                                      | 50        |
| Senior-level visits to the region.....                                   | 51        |
| Australia's Stance on Key 'Final Status' Issues.....                     | 54        |
| Settlements and bypass roads .....                                       | 54        |
| Final Palestinian Borders and 'Statehood' .....                          | 55        |
| The Palestinian National Authority .....                                 | 56        |
| The Palestinian refugees.....                                            | 58        |
| Water resources .....                                                    | 61        |
| Palestinian Representation .....                                         | 62        |
| <br>                                                                     |           |
| <b>4 Regional Stability and Strategic Issues.....</b>                    | <b>65</b> |
| Oil as a Strategic Commodity.....                                        | 67        |
| Regional Security .....                                                  | 69        |
| Australia's Defence Relationship with the Middle East .....              | 70        |
| Commitments to regional security .....                                   | 70        |
| Future Directions for Defence Relations in the Region .....              | 74        |
| Destabilising Influences in the Region .....                             | 75        |
| Terrorism and violence .....                                             | 76        |
| Escalation of violence: the 'al-Aqsa Intifada' .....                     | 78        |
| Tensions to the north of Israel .....                                    | 80        |
| An Australian perspective.....                                           | 80        |
| Arms Spending.....                                                       | 81        |

|                                                                  |            |
|------------------------------------------------------------------|------------|
| Weapons of Mass Destruction .....                                | 82         |
| Nuclear weapons.....                                             | 83         |
| Chemical and biological weapons .....                            | 85         |
| Conclusions on WMD as destabilising influences .....             | 86         |
| Missiles .....                                                   | 87         |
| Verification Mechanisms .....                                    | 87         |
| Political and Economic Factors .....                             | 89         |
| Water resources issues .....                                     | 90         |
| Political succession in the region.....                          | 90         |
| <br>                                                             |            |
| <b>5 The United Nations and the Sanctions Against Iraq .....</b> | <b>93</b>  |
| The UN in the Middle East .....                                  | 93         |
| UN Peacekeeping and Observer Operations.....                     | 96         |
| International Monitoring Force to Protect Palestinians.....      | 96         |
| The Gulf War of 1990-91 .....                                    | 97         |
| Imposition of Sanctions on Iraq.....                             | 97         |
| UNSCOM.....                                                      | 98         |
| UNMOVIC.....                                                     | 101        |
| Staffing assistance to UNMOVIC .....                             | 101        |
| Status of the monitoring and inspection program.....             | 101        |
| US and British leadership in maintaining sanctions .....         | 102        |
| The 'Oil-for-Food' Program.....                                  | 103        |
| Iraq's ban on oil exports .....                                  | 105        |
| Halliday and von Sponek.....                                     | 105        |
| 'Smart Sanctions'.....                                           | 106        |
| Australia's Response.....                                        | 108        |
| US Policy of Supporting an Iraqi 'Opposition' .....              | 110        |
| <br>                                                             |            |
| <b>SECTION TWO - Economic and Social Issues.....</b>             | <b>113</b> |
| <br>                                                             |            |
| <b>6 Australia's Trade Relationship with the Region.....</b>     | <b>115</b> |
| Key Findings.....                                                | 115        |
| Australia/Middle East – Direction of Trade .....                 | 117        |
| Bilateral trade .....                                            | 117        |
| Relative importance.....                                         | 117        |
| Trade with the Middle East as a region .....                     | 118        |
| New methodology.....                                             | 119        |
| Australian imports.....                                          | 121        |
| Australia/Middle East - Composition of Trade.....                | 121        |
| Broad categories .....                                           | 121        |
| Top ten exports.....                                             | 122        |
| Confidential items in trade statistics .....                     | 124        |
| Composition of imports.....                                      | 125        |
| Imports into the Middle East.....                                | 126        |
| Australia's market share .....                                   | 126        |
| Growth markets .....                                             | 128        |
| Benchmarking Australia's performance .....                       | 129        |
| A New Approach .....                                             | 135        |

|                                                                                |            |
|--------------------------------------------------------------------------------|------------|
| Market Development .....                                                       | 139        |
| Trade and other agreements .....                                               | 139        |
| Double taxation issues .....                                                   | 142        |
| Research and development.....                                                  | 143        |
| Common food standards .....                                                    | 144        |
| Cost of legalising documents.....                                              | 146        |
| The Internet .....                                                             | 147        |
| Trade missions .....                                                           | 150        |
| Promoting the Middle East in Australia .....                                   | 152        |
| Sponsored visitors .....                                                       | 154        |
| Recognition of importers.....                                                  | 155        |
| Tourism.....                                                                   | 156        |
| Overseas students in Australia.....                                            | 162        |
| Size of the market.....                                                        | 162        |
| Number of students from the Middle East in Australia .....                     | 163        |
| IDP Education Australia.....                                                   | 166        |
| Visa regulations for overseas students .....                                   | 167        |
| University of Wollongong.....                                                  | 168        |
| <br>                                                                           |            |
| <b>7 Promotion and Protection of Human Rights in the Middle East .....</b>     | <b>171</b> |
| The UN Human Rights Framework .....                                            | 172        |
| Terms in common use .....                                                      | 174        |
| Treaty monitoring committees .....                                             | 174        |
| The International Criminal Court .....                                         | 176        |
| Australia's Surveillance of Human Rights Practices.....                        | 177        |
| Multilateral initiatives .....                                                 | 179        |
| Views of Australian NGOs and Community Groups.....                             | 180        |
| The Palestinian Refugees .....                                                 | 182        |
| The role of UNRWA.....                                                         | 183        |
| Australia's response .....                                                     | 184        |
| The Human Rights Situation in Iran and Jordan .....                            | 185        |
| Developments in Iran.....                                                      | 185        |
| 'Dialogue Among Civilisations'.....                                            | 187        |
| Slow progress on human rights .....                                            | 188        |
| Human rights initiatives .....                                                 | 188        |
| Other concerns .....                                                           | 189        |
| Developments in Jordan.....                                                    | 189        |
| 'Honour' killings.....                                                         | 190        |
| Democratic processes in Jordan .....                                           | 190        |
| Treatment of Women in the Middle East.....                                     | 191        |
| Australia's Opportunities to Promote Human Rights .....                        | 192        |
| Aid and human rights.....                                                      | 192        |
| Responsibilities of Australian Businesses.....                                 | 194        |
| <br>                                                                           |            |
| <b>8 Social and Cultural Links Between Australia and the Middle East .....</b> | <b>195</b> |
| Migration to Australia from the Middle East .....                              | 195        |
| The Jewish Community .....                                                     | 198        |



|                                                                             |                                                                             |
|-----------------------------------------------------------------------------|-----------------------------------------------------------------------------|
| The Lebanese Community .....                                                | 198                                                                         |
| Arab Australians .....                                                      | 199                                                                         |
| Judaism and Islam in Australia .....                                        | 200                                                                         |
| Community Networks .....                                                    | 201                                                                         |
| Diary of multicultural events .....                                         | 203                                                                         |
| Australian citizenship .....                                                | 203                                                                         |
| An Australian Arabic Foundation.....                                        | 204                                                                         |
| Support Services for Settlers from the Middle East .....                    | 206                                                                         |
| Adult Migrant English Program.....                                          | 206                                                                         |
| Community Settlement Services Scheme .....                                  | 206                                                                         |
| 'Living in harmony' initiative .....                                        | 207                                                                         |
| Social Security Payments to Middle East Recipients.....                     | 208                                                                         |
| Tourists and Visitors.....                                                  | 210                                                                         |
| Media in Australia.....                                                     | 211                                                                         |
| Television and radio .....                                                  | 211                                                                         |
| Printed media .....                                                         | 212                                                                         |
| Education in Australia.....                                                 | 212                                                                         |
| Primary and secondary schools .....                                         | 212                                                                         |
| University courses .....                                                    | 214                                                                         |
| Student exchanges.....                                                      | 216                                                                         |
| Research materials.....                                                     | 217                                                                         |
| Professional Association .....                                              | 218                                                                         |
| Alexandria Library in Egypt .....                                           | 219                                                                         |
| <br>                                                                        |                                                                             |
| <b>9</b>                                                                    | <b>Australia's Response to Asylum-Seekers from the Middle East..... 221</b> |
| Humanitarian Entrants and Asylum-Seekers .....                              | 221                                                                         |
| The 'on-shore' and 'off-shore' Components of the Humanitarian Program ..... | 222                                                                         |
| Refugee Status Determination .....                                          | 225                                                                         |
| Problems with the 1951 Refugee Convention .....                             | 226                                                                         |
| Australia's Protection Visa Regime .....                                    | 227                                                                         |
| Temporary and Permanent Protection Visas .....                              | 227                                                                         |
| Refugees from the Middle East.....                                          | 230                                                                         |
| Australia's Response to Unauthorised Arrivals from the Middle East .....    | 231                                                                         |
| The Committee's Report on Immigration Detention Centres .....               | 232                                                                         |
| TPV Inter-Agency Strategy Group .....                                       | 233                                                                         |
| International People-Smuggling .....                                        | 234                                                                         |
| Combating the syndicates .....                                              | 236                                                                         |
| Support for the UNHCR.....                                                  | 238                                                                         |
| Perceptions of 'queue-jumping' and other negative images.....               | 239                                                                         |
| Support for Countries of First Asylum .....                                 | 240                                                                         |
| <br>                                                                        |                                                                             |
| <b>10</b>                                                                   | <b>Australian Overseas Aid for the Middle East ..... 245</b>                |
| Australia's Overseas Aid Program .....                                      | 246                                                                         |
| Geographic focus of the aid program .....                                   | 247                                                                         |
| Official Assistance to Israel and the 'Palestine Administered Areas' .....  | 250                                                                         |
| Australian Aid to the Middle East .....                                     | 250                                                                         |
| Egypt debt relief.....                                                      | 251                                                                         |
| Other Middle East aid flows.....                                            | 252                                                                         |
| Components of Australia's Current Aid Program in the Middle East.....       | 254                                                                         |

|                                                                                            |            |
|--------------------------------------------------------------------------------------------|------------|
| United Nations Relief and Works Agency .....                                               | 254        |
| Aid through NGOs .....                                                                     | 259        |
| Aid to the Palestinian Authority.....                                                      | 261        |
| Australian Centre for International Agricultural Research .....                            | 264        |
| <br>                                                                                       |            |
| <b>Appendix A - List of Submissions .....</b>                                              | <b>267</b> |
| <b>Appendix B - List of Hearings and Witnesses .....</b>                                   | <b>273</b> |
| <b>Appendix C - List of Exhibits .....</b>                                                 | <b>281</b> |
| <b>Appendix D - Historical Maps of Israel's Borders .....</b>                              | <b>291</b> |
| <b>Appendix E - Weapons Conventions: Schedule of Ratifications in the Middle East.....</b> | <b>297</b> |
| <b>Appendix F - Security Council Resolutions on Iraq since 1990.....</b>                   | <b>301</b> |
| <b>Appendix G - Selected Middle East Countries Fact Sheets .....</b>                       | <b>303</b> |
| <b>Appendix H - Ratification of Core International Human Rights Instruments</b>            |            |
| <b>in the Middle East .....</b>                                                            | <b>319</b> |
| <b>Appendix I - Humanitarian Program Visa Grants by Region .....</b>                       | <b>323</b> |
| <b>Appendix J - Private Schools in Australia, and Community Settlement Projects.....</b>   | <b>327</b> |
| <br>                                                                                       |            |
| <b>Minority Report—</b>                                                                    |            |
| <b>Mr C M Pyne MP, Dr A J Southcott MP, Senator M A Payne, Hon L S Lieberman MP,</b>       |            |
| <b>Hon J E Moylan MP, Hon B G Baird MP, Hon A P Thomson MP.....</b>                        | <b>337</b> |



## Foreword

Almost 20 years have elapsed since the Committee's last comprehensive review of the relationship between Australia and the Middle East region, which culminated in a report entitled *The Gulf and Australia*, presented in 1982. However, the passage of time has certainly not diminished the Committee's interest in that part of the world.

Individually and collectively, members of the Committee have participated in private visits to the region, and the Committee has met privately with visiting political leaders and officials from most countries of the Middle East in recent years. Similarly, participation in out-going Australian parliamentary and friendship delegations has enabled Committee members to keep abreast of developments in the region.

Nevertheless, the Committee recognised last year that a comprehensive review of relations between Australia and the region was overdue. A conscious effort has thus been made in the report that follows to re-focus attention on that relationship.

In February 2000, the Minister for Foreign Affairs, the Hon Alexander Downer MP, referred to the Committee the matter of Australia's relations with the Middle East, for examination and report. The terms of reference were particularly wide-ranging, and required the Committee to consider all major aspects of the political, strategic, economic, social and cultural links between Australia and the Middle East region, which includes the states surrounding the Persian Gulf. The Foreign Affairs Sub-Committee conducted the review on behalf of the full Joint Standing Committee.

For the purposes of the inquiry, the geographical focus comprised what might be termed the 'Mediterranean' arc from Egypt to Israel, the Occupied Territories, Jordan and Syria, the Persian Gulf states, and the Arabian Peninsula. The shaded map on page iii illustrates the geographical scope adopted by the Committee.

Material in this report, however, has not been restricted to the countries thus delineated. Where appropriate, the various chapters examine issues pertaining to neighbouring countries as well—for example, Pakistan, Afghanistan and Turkey.

Generated principally by the on-going Arab-Israeli conflict and the virtual collapse of negotiations between the Palestinian leadership and Israel, tensions in the Middle East continue to have international repercussions, given the strategic importance of the region and thus its potential to threaten world peace and security. Together with other responsible members of the international community, Australia has viewed with concern the escalation of violence and the cycle of revenge, particularly in the 'Occupied Territories' and very recently in Israel. These developments have been all the more distressing because of the large losses of life involved and the stalled attempts, by the major powers and the international community generally, to bring about a lasting peace.

Given the tensions prevailing in many parts of the Middle East, it would be surprising if members of the various communities in Australia did not hold strong views about the events unfolding in the region. Indeed, during the course of the inquiry, the Committee became very aware that some supporters of the parties involved in the Arab-Israeli conflict expected Australia to give clear support to their particular view.

While acknowledging the strong emotions which have been generated by the on-going and escalating regional disputes, the Committee has sought to achieve a balance in assessing the views presented in submissions and other evidence to the inquiry. In a region where complex and highly sensitive issues are in dispute, there is no single cause which is right and just above all others. The various Middle Eastern communities in Australia cannot expect unqualified support for their particular points of view, only the opportunity to express and explain them.

It is nevertheless reassuring to note that, for the most part, the tensions and conflict in the Middle East have not affected the relations between the various community groups in Australia. While there have been occasional instances where emotions have generated physical conflict or very strong language, the Committee does not believe there are any significant systemic problems with inter-community relations here in Australia.

Australia has played a recognised role in multilateral tracks of the peace process, most notably in the United Nations General Assembly and on two of the working groups established by the Madrid and Oslo Accords—the Arms Control and Regional Security Working Group and the Water Resources Working Group. In addition, Australia has maintained a long association with, and resource commitments to, a range of multilateral peace-keeping and monitoring operations in the Middle East. These and other initiatives undertaken in concert with

members of the international community have been widely commended and should be continued.

The geographic distance between Australia and the Middle East region makes it difficult for the full ramifications of the current Arab-Israeli conflict to be understood in the wider Australian community. We are literally a long way away. The Committee has recognised also Australia's relatively limited influence on events in the region. However, that does not mean that Australia should become merely a silent or passive observer. Rather, as a concerned, responsible and dispassionate member of the international community, Australia should make its views known in appropriate overseas and domestic forums.

In the Parliament, bipartisan support for the Middle East peace process and condemnation of the escalating violence on both sides of the Israeli-Palestinian conflict in particular has been expressed on a regular basis. However, the purported even-handedness of Australia's policies in relation to the region—including our voting record at the United Nations—have been questioned at times by particular communities in Australia. These issues are also discussed in this report.

Australia's diplomatic and other official representation in the region has been examined, and found to need some adjustment. On the particular issue of formal representation for Palestinians in Australia, the Committee has recommended that the current status of the 'General Palestinian Delegation' be reviewed.

The strategic importance of the Middle East to the world, and to Australia, scarcely needs to be stated. Conflict in that part of the world has both global and regional implications for peace and security. The end of the 'Cold War' resulted in a huge realignment of external influence in the Middle East, and signalled the emergence in the 1990s of the United States as the major peace broker in the region. The Iran-Iraq war between 1980 and 1988 and the (second) Gulf War highlighted the frictions that have strained relations for decades.

A stable Middle East is important to Australia and, within the limits of Australia's influence, promotion of regional security is a primary concern. Australia has clear interests in combating the proliferation of weapons of mass destruction, in reducing possible threats to lines of communication between Europe and East Asia, and in seeing the continued flow of oil essential to many of our trading partners as well as to Australia itself.

Australia's bilateral defence relationships have been developed in recognition of Australia's strategic interests in the region. With Kuwait, for example, Australia has evolved its closest regional defence ties, including provisions for the training of Kuwaiti Defence Force personnel. However, in order to emphasise the strategic importance of the Persian Gulf region to Australia, the lack of regionally-based defence representation in that part of the world should be reviewed.

Throughout the review, the Committee was very conscious of the impact of a number of destabilising influences operating in the Middle East. These influences not only work against achieving a lasting peace settlement, but also have profound impacts on the way the world perceives the region and responds to its sometimes bewildering diversity and volatility. The principal destabilising influences discussed in this report are:

- terrorism and violence;
- arms sales and weapons of mass destruction (chemical, biological and nuclear weapons and their delivery systems);
- poverty and other economic pressures;
- rapid population increases and other social pressures.

The historical and continuing involvement of the international community, including the United Nations, has been examined throughout the report. Particular focus has been given in Chapter 5 to the international sanctions applied to Iraq. Australia's support for the sanctions and serious concerns about the humanitarian impacts of the sanctions have also been discussed. The Committee has concluded that, as a responsible member of the international community, Australia should be more pro-active in supporting efforts to modify the economic sanctions so that they target the Iraqi leadership. The issue of so-called 'smart sanctions' and the possible review of the compliance system are also examined.

The second part of the report discusses economic and social issues relevant to the relationship between Australia and the Middle East.

The trade relationship between Australia and the Middle East is important, and it has therefore warranted significant attention in the Committee's latest report. Against the background of Australia's established commercial interests in the Middle East, the Committee has found that there are significant prospects for increasing two-way trade and investment. In 1999, Australia achieved a disappointing 1.9 per cent of total imports to the Middle East, even less than in 1990. Only a few Australian products have made significant inroads into the market—wheat, alumina, live animals, processed cheese and passenger motor vehicles.

Despite the commitment of substantial Australian trade development resources to the Middle East, Australia's market share has not increased. A radical new approach is needed, and the Committee has recommended the establishment of a Business Advisory Group to coordinate an effective 'Team Australia' approach, with a sharp trade focus.

Consideration of issues surrounding the promotion and protection of human rights in the Middle East was an important element of the Committee's inquiry

---

process. The Australian Government believes that the implementation of international human rights standards is the best available safeguard for the rights and freedoms of individuals. Reports from international monitoring agencies such as Amnesty International, Human Rights Watch and the US State Department regularly assess human rights practices around the world. The Middle East continues to be the focus of considerable criticism from these organisations, for example in relation to blatant abuse of the rights of women and other vulnerable groups and the lack of basic democratic processes in many countries of the region.

Human rights concerns should be given greater emphasis in promoting Australia's foreign policy and overseas aid strategies with all dialogue partners. In bilateral discussions and less formal contacts, Middle Eastern countries should be made aware of practices and policies which Australia considers to be contrary to the intention of international human rights standards. The Committee has also made a number of recommendations designed to strengthen formal human rights dialogue mechanisms and the international human rights regime generally.

Social, cultural, educational and other links between Australia and the Middle East have been underpinned by the contribution made to Australia's social and cultural life by migrants from many countries of the region. The 1996 Australian census provided a 'snapshot' of the size and distribution of the various overseas-born Middle Eastern populations and their descendants, which this month's census will update.

The Jewish community in Australia can trace its origins back to the First Fleet, and many Australians of the Jewish faith have made, and continue to make, major contributions to Australian society. The Arab presence and contribution in Australia also have a long history. Although Arabs in Australia share a common language and similar cultural traditions, they come from many different countries and therefore diverse backgrounds. The Committee is most grateful to all community groups which provided valuable insights into the links which have been established between Australia and their homelands, and suggestions for enhancing those links.

Some attention is given in the report to the issue of Australia's response to unauthorised arrivals from the Middle East, particularly since mid 1999. Although Australia has a long history of resettling refugees and people in humanitarian need since World War 2, considerable media and community attention has become focused in recent years on the unauthorised landings of asylum-seekers on Australia's coasts and territories, and hence the operations of international people-smuggling syndicates. A large proportion of the 'boat people' originate in Afghanistan and Iraq, spending considerable time in refugee camps in countries of first asylum before making the often hazardous journey to Australia through transit countries in our more immediate region.

The Committee has drawn attention in the report to the need for the international community to alleviate the huge burden on countries of first asylum, such as Pakistan and Iran and to consider ways to combat the root causes of refugee outflows from Iraq and Afghanistan.

The report concludes with a detailed discussion of Australia's overseas aid program to the Middle East, and suggests ways in which it might be improved. The Australian Government has provided development assistance and humanitarian relief to the region over many years. As well as supporting the peace process through multilateral and bilateral avenues, the aid program has a strong focus on the delivery of assistance to Palestinian refugees and supporting infrastructure projects for an eventual Palestinian entity.

These priorities continue to be very important, both in support for the work of the UN Relief and Works Agency and through programs and projects undertaken by Australian and local non-government organisations. As well as recommending that aid to these sectors be sustained, modified or strengthened, the Committee has also recommended that a three-year forward commitment of at least \$10 million per annum in non-food aid to the Middle East be confirmed, over and above Australia's support for the World Food Program.

In conclusion, I would like to thank the members of the Foreign Affairs Sub-Committee for their commitment and contribution over many months to the completion of this review. My thanks are also extended to the secretariat staff who provided excellent research, procedural and administrative support for the Committee during this inquiry and in the production of this comprehensive report.

David Jull, MP  
Chairman  
Foreign Affairs Sub-Committee



# Membership of the Committee 39<sup>th</sup> Parliament

|                     |                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                    |                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                            |
|---------------------|----------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------|------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------|
| <b>Chair</b>        | Senator A B Ferguson (from 1/7/99)<br>Senator D J MacGibbon (to 30/6/99)                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                           |                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                            |
| <b>Deputy Chair</b> | Mr C Hollis, MP (from 11/8/99)<br>Hon Dr A C Theophanous, MP (to 14/7/99)                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                          |                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                            |
| <b>Members</b>      | Senator V W Bourne<br>Senator the Hon D Brownhill<br>(from 1/7/99 to 13/4/00)<br>Senator P H Calvert (from 1/7/99)<br>Senator H G P Chapman<br>Senator the Hon P Cook<br>Senator B Gibbs (from 9/8/99)<br>Senator B Harradine<br>Senator S Hutchins (from 17/8/00)<br>Senator J A L Macdonald<br>(to 30/6/99; from 9/5/00)<br>Senator K O'Brien<br>Senator M A Payne (from 1/7/99)<br>Senator J A Quirke (to 15/8/00)<br>Senator the Hon M Reynolds<br>(to 30/6/99)<br>Senator the Hon C Schacht<br>Senator K Synon (to 30/6/99)<br>Ms F E Bailey, MP<br>Hon B G Baird, MP<br>Hon L J Breerton, MP | Hon J A Crosio, MBE, MP<br>(from 9/12/99)<br>Hon G J Evans, QC, MP<br>(to 30/9/99)<br>Mr L D T Ferguson, MP (from 9/8/99)<br>Mr D P M Hawker, MP<br>Hon D F Jull, MP<br>Mrs D M Kelly, MP<br>Hon L S Lieberman, MP<br>Hon Dr S P Martin, MP<br>Hon J E Moylan, MP<br>Mr P E Nugent, MP<br>(to 23/4/01)<br>Hon N P O'Keefe, MP<br>Hon L R S Price, MP<br>Hon G D Prosser, MP<br>Mr C M Pyne, MP<br>Hon W E Snowdon, MP<br>Hon A M Somlyay, MP (from 24/5/01)<br>Dr A J Southcott, MP<br>Hon A P Thomson, MP |
|                     | Secretary                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                          | Ms Margaret Swieringa (from 15/6/99)                                                                                                                                                                                                                                                                                                                                                                                                                                                                       |









## **Terms of reference**

To inquire into and report on Australia's relations with Middle East nations and the Persian Gulf States, with particular reference to:

- Opportunities for, and impediments to, expanding Australia's trade relationship with the Middle East and the Persian Gulf States;
- Australia's contribution to the Middle East peace process, and the prospects for resolution of the Arab-Israeli conflict;
- The role of the United Nations, and Australia's involvement, in promoting regional stability for the Middle East and the Persian Gulf States, including consideration of the United Nations weapons inspection program and the impact on Iraq of internationally-applied sanctions;
- Australia's defence relationship with the Middle East and Persian Gulf regions, and the scope for promoting Australia's strategic interests;
- The impact of destabilising influences in the region including the potential production of weapons of mass destruction.
- Progress on implementation of human rights principles in the region; and
- Social and cultural linkages, given the levels of migration to Australia from the Middle East and some Persian Gulf States, with particular reference to the Australian aid program towards the Middle East and the training programs for students from the region.

**Referred by the Minister for Foreign Affairs on 8 February 2000.**





## List of abbreviations

|        |                                                                   |
|--------|-------------------------------------------------------------------|
| AAAN   | Arab Australian Action Network                                    |
| AAC    | Australian Arabic Council                                         |
| AACC   | Australian Arabic Communities Council                             |
| AAP    | Australian Associated Press (newswire)                            |
| ACCI   | Australian Chamber of Commerce and Industry                       |
| ACFOA  | Australian Council for Overseas Aid                               |
| ACIAR  | Australian Centre for International Agricultural Research         |
| AFP    | Agence France-Presse (newswire)                                   |
| AI     | Amnesty International                                             |
| AIA    | Amnesty International Australia                                   |
| AICC   | Australia Israel Chamber of Commerce                              |
| AIIAC  | Australia/Israel and Jewish Affairs Council                       |
| AMEDEC | Australian Middle East Defence Exports Council                    |
| ANAO   | Australian National Audit Office                                  |
| ANU    | Australian National University                                    |
| AP     | Associated Press (newswire)                                       |
| APHEDA | Australian People for Health, Education and Development<br>Abroad |
| ATC    | Australian Tourist Commission                                     |
| AusAID | Australian Agency for International Development                   |
| BAG    | Business Advisory Group                                           |
| BARD   | (US/Israel) Binational Agricultural Research and Development Fund |

|        |                                                                                       |
|--------|---------------------------------------------------------------------------------------|
| BIRD   | Binational Industrial Research and Development Foundation                             |
| BWC    | Biological Weapons Convention                                                         |
| CAABU  | Council for the Advancement of Arab-British Understanding, UK                         |
| CAT    | Convention Against Torture and Other Forms of Cruel, Inhuman and Degrading Punishment |
| CEDAW  | Convention on the Elimination of All Forms of Discrimination Against Women            |
| CERD   | International Convention on the Elimination of All Forms of Racial Discrimination     |
| CIA    | (US) Central Intelligence Agency                                                      |
| CROC   | Convention on the Rights of the Child                                                 |
| CTBT   | Comprehensive Test-Ban Treaty                                                         |
| CWC    | Chemical Weapons Convention                                                           |
| DFAT   | Department of Foreign Affairs and Trade                                               |
| DIMA   | Department of Immigration and Multicultural affairs                                   |
| DOP    | Declaration of Principles on Interim Self-Government Arrangements                     |
| DSTO   | Defence Science and Technology Organisation                                           |
| EAAU   | East Asia Analytical Unit, DFAT                                                       |
| ECAJ   | Executive Council of Australian Jewry                                                 |
| EFIC   | Export Finance and Insurance Corporation                                              |
| ETM    | Elaborately Transformed Manufacture                                                   |
| FTA    | Free Trade Agreement                                                                  |
| GCC    | Gulf Cooperation Council                                                              |
| GMH    | General Motors Holden                                                                 |
| HREOC  | Human Rights and Equal Opportunity Commission                                         |
| HRW    | Human Rights Watch                                                                    |
| HURIST | UN Human Rights Strengthening Project                                                 |
| IAEA   | International Atomic Energy Agency                                                    |
| ICC    | International Criminal Court                                                          |
| ICCPR  | International Covenant on Civil and Political Rights                                  |
| ICESCR | International Covenant on Economic, Social and Cultural Rights                        |
| IDEX   | International Defence Exhibition                                                      |



---

|         |                                                                |
|---------|----------------------------------------------------------------|
| IDF     | Israeli Defence Force                                          |
| IHSS    | Integrated Humanitarian Settlement Strategy                    |
| IOM     | International Organisation for Migration                       |
| JMC     | Joint Ministerial Commission                                   |
| JSCFADT | Joint Standing Committee on Foreign Affairs, Defence and Trade |
| MAPWA   | Medical Association for the Prevention of War Australia        |
| MEPP    | Middle East peace process                                      |
| MFO     | Multinational Force and Observers                              |
| MIF     | Multinational Interception force                               |
| MRC     | Migrant Resource Centre                                        |
| NCCA    | National Council of Churches in Australia                      |
| NCCPD   | National Consultative Committee on Peace and Disarmament       |
| NGOs    | Australian non-government organisations                        |
| NPT     | Non-Proliferation Treaty                                       |
| OECD    | Organisation for Economic Cooperation and Development          |
| PA      | Palestinian Authority/Palestinian National Authority           |
| PFLP    | Popular Front for the Liberation of Palestine                  |
| PKK     | Kurdish Workers' Party                                         |
| PLC     | Palestinian Legislative Council                                |
| PLO     | Palestinian Liberation Organisation                            |
| PMV(s)  | Passenger Motor Vehicle(s)                                     |
| PNC     | Palestinian National Council                                   |
| PPV     | Permanent Protection Visa                                      |
| RCA     | Refugee Council of Australia                                   |
| RRT     | Refugee Review Tribunal                                        |
| SAEA    | South Australian Exporters Association                         |
| SHP     | Special Humanitarian Program                                   |
| SLA     | South Lebanon Army                                             |
| TPV     | Temporary Protection Visa                                      |
| UAE     | United Arab Emirates                                           |
| UK      | United Kingdom                                                 |
| UN      | United Nations                                                 |
| UNCHR   | UN Commission on Human Rights                                  |

|         |                                                                    |
|---------|--------------------------------------------------------------------|
| UNDOF   | UN Disengagement Observer Force                                    |
| UNEF    | UN Emergency Forces                                                |
| UNGA    | The UN General Assembly                                            |
| UNHCR   | UN High Commissioner for Refugees                                  |
| UNIIMOG | UN Iran-Iraq Military Observer Group                               |
| UNMOVIC | United Nations Monitoring, Verification and Inspection Commission  |
| UNMOVIC | UN is the Monitoring, Verification and Inspection Commission       |
| UNRWA   | UN Relief and Works Agency for Palestine Refugees in the Near East |
| UNSCO   | UN Special Coordinator for the Palestinian Territories             |
| UNSCOM  | United Nations Special Commission in Iraq                          |
| UNSCOP  | UN Special Committee on Palestine                                  |
| UNTSO   | United Nations Truce Supervision Organisation                      |
| UNYMO   | UN Yemen Mission                                                   |
| UoW     | University of Wollongong                                           |
| US/USA  | United States of America                                           |
| WEOG    | Western European and Other States Group (UN)                       |
| WMD     | weapons of mass destruction                                        |



# List of recommendations

## SECTION ONE - Political and Strategic Issues

### 3 Australia's Contribution to the Middle East Peace Process

#### Recommendation 1

The Committee recommends that the Australian Government:

- make comprehensive policy statements at much more frequent intervals in the UN General Assembly and the Western European and Other States Group, on developments in the Middle East;
- use those occasions to demonstrate Australia's contribution to international efforts for a just and lasting peace; and
- report to the Parliament each time statements on the Middle East are made in international forums.

#### Recommendation 2

The Committee recommends that the Australian Government give further consideration to re-opening the Australian Embassy in Damascus, which was closed in August 1999.

#### Recommendation 3

The Committee recommends that:

- in addition to the official Australian parliamentary delegations to the various nations of the Middle East, the Australian Government give consideration to including the region in overseas visits by senior political leaders, in order to give a regular focus for expressing Australia's views on the Middle East conflict; and
- at the conclusion of such high-profile visits by political leaders, a comprehensive statement be made in the Parliament.

**Recommendation 4**

The Committee recommends that, notwithstanding the setbacks which have been experienced in the peace process since the second half of 2000, the Australian Government support revival of the multilateral working groups in which Australia has particular expertise—the Arms Control/Regional Security Working Group and the Water Resources Working Group.

**Recommendation 5**

The Committee recommends that:

- the Australian Government review the formal arrangements through which the Palestinian General Delegation currently represents Palestinian interests in Australia, in order to ascertain whether those arrangements sufficiently reflect the maturing relationship between Australia and the Palestinian authorities; and
- preparation be made by the Australian Government for establishing a permanent Palestinian mission with full diplomatic status as soon as significant progress has been made in the 'final status' negotiations between the parties.

**4 Regional Stability and Strategic Issues****Recommendation 6**

The Committee recommends that the Department of Defence review its international engagement priorities in order to ensure that spare capacity in ADF courses, including those provided by commercial training organisations, is available in sufficient quantity to students from Middle East countries with which Australia has established close defence ties.

**Recommendation 7**

The Committee recommends that Defence representation in the Middle East (including the Persian Gulf region) be reviewed in order to provide a resident source of information and advice relating to regional security issues and Australia's contribution to current and future international peacekeeping and monitoring operations.

**Recommendation 8**

The Committee recommends that all Australian political and official public statements condemning terrorism and violence in the context of the Middle East conflict continue to be framed in terms which clearly apply to all the parties in conflict.

**Recommendation 9**

The Committee recommends that the Australian Government pursue all available avenues to achieve greater universal application of effective verification mechanisms for international arms control and disarmament in relation to the Middle East, as well as our own region.

**5 The United Nations and the Sanctions Against Iraq****Recommendation 10**

The Committee recommends that, under the auspices of the United Nations, the Australian Government urge the international community to accelerate its review of the sanctions regime currently applied to Iraq. Such a review should include seeking modifications which would target more effectively the Iraqi leadership and would therefore minimise the impact on the civilian population.

**Recommendation 11**

The Committee recommends that the Australian Government use its participation in multilateral discussions at the United Nations to ensure the international community considers 'qualitative' as well as 'quantitative' compliance measures in any revision or replacement of Security Council Resolution 1284.

**Recommendation 12**

The Committee recommends that the Australian Government support consideration by the international community of practical mechanisms to give effect to the establishment of a Weapons of Mass Destruction-free zone in the wider Middle East region, as originally envisaged in Security Council Resolution 687 of 1991 (paragraph 14).

**SECTION TWO - Economic and Social Issues****6 Australia's Trade Relationship with the Region****Recommendation 13**

The Committee recommends that the Department of Foreign Affairs and Trade examine the methodology developed by the Australian Chamber of Commerce and Industry for analysing trade relationships, with a view to incorporating it in all future departmental reviews and briefs.

**Recommendation 14**

The Committee recommends that the Department of Foreign Affairs and Trade discuss the use of the category 'Confidential Items' for both exports

and imports with the Australian Bureau of Statistics, to produce more meaningful trade statistics.

#### **Recommendation 15**

The Committee recommends the Department of Foreign Affairs and Trade establish a Business Advisory Group on the Middle East, comprising the Department of Foreign Affairs and Trade, Austrade, and relevant Chambers of Commerce, to more effectively coordinate export strategies for the region.

#### **Recommendation 16**

The Committee recommends that:

- the Department of Foreign Affairs and Trade spread the load more evenly between the Australian embassies in Riyadh and Abu Dhabi; and
- Austrade include Israel in the Middle East/Indian Ocean Region, to enhance coordination within the region, and with the Department of Foreign Affairs and Trade.

#### **Recommendation 17**

The Committee recommends that

- Joint Ministerial Commissions be held more frequently and with more countries;
- The Government negotiate free trade agreements with Israel and with the Gulf Cooperation Council; and
- The Government negotiate double taxation agreements and investment protection agreements with key countries in the Middle East.

#### **Recommendation 18**

The Committee recommends that

- Research and Development Funds be established to foster cooperation, particularly in information technology and agriculture, between Australia and Israel; and
- Opportunities to develop closer research and development links in agriculture with other countries in the Middle East be actively pursued.

**Recommendation 19**

The Committee recommends that the Department of Foreign Affairs and Trade, in conjunction with relevant agencies such as the Australian Quarantine and Inspection Service, be proactive in assisting the Gulf Cooperation Council establish common food standards, including quarantine. DFAT should then encourage the adoption of those standards by other countries in the Middle East.

**Recommendation 20**

The Committee recommends that the Australian Government direct the Department of Foreign Affairs and Trade to formally raise with the representatives in Canberra of the UAE, Iran and Egypt the level of charges for legalisation of commercial documents

**Recommendation 21**

The Committee strongly recommends that DFAT and Austrade develop a joint strategy to utilise fully the power of the Internet to:

- promote Australia and Australian products and services in the Middle East, and
- publicise the export opportunities identified by Austrade staff.

**Recommendation 22**

The Committee recommends that the proposed Business Advisory Group establish mechanisms to enhance the coordination of trade missions, particularly to the Persian Gulf region of the Middle East.

**Recommendation 23**

The Committee recommends that Austrade develop proactive strategies to promote the Middle East region to Australian exporters—incorporating seminars and workshops, webcasting, the Internet, export opportunities, and regular visits by marketing staff and overseas buyers.

**Recommendation 24**

The Committee recommends that the Department of Foreign Affairs and Trade arrange a minimum of two visitors per annum from the Middle East under both the Special Visits Program and the International Media Visits program, as part of a comprehensive public affairs strategy for the region.

**Recommendation 25**

The Committee recommends that Austrade introduce an award scheme to recognise the vital contribution made to Australia's export success by outstanding overseas importers.

**Recommendation 26**

The Committee recommends that the Australian Tourist Commission add an Arabic version to the australia.com website.

**Recommendation 27**

The Committee recommends that the Department of Immigration and Multicultural Affairs review some of the new visa regulations for overseas students, particularly as they pertain to the Middle East.

**7 Promotion and Protection of Human Rights in the Middle East**

**Recommendation 28**

As recommended in the Committee's recent majority report on United Nations reform, the Committee urges the Australian Government to ratify as soon as possible the Rome Statute, to establish the International Criminal Court.

**Recommendation 29**

The Committee recommends that the Australian Government pursue bilateral discussions with governments in the Middle East, with a view to establishing formal dialogue mechanisms on human rights matters similar to the arrangements which have been discussed with Iran.

**Recommendation 30**

The Committee recommends that the Australian Government increase its commitment to the development of national human rights organisations in the Middle East by providing technical and other assistance to multilateral programs such as the UN Human Rights Strengthening project (HURIST), and by promoting such initiatives in bilateral dialogue with countries of the region.

**Recommendation 31**

The Committee recommends that the Australian Government enhance the priority given to human rights concerns in formulating foreign policy with Middle East states, including active pursuit of ratification of the international human rights treaties and the relevant optional protocols—especially the two Optional Protocols to the International Covenant on Civil and Political Rights. The first Optional Protocol entitles individuals to make complaints to the monitoring committee concerning violations of their civil and political rights. The Second Optional Protocol is aimed at the abolition of the death penalty.



## **8 Social and Cultural Links Between Australia and the Middle East**

### **Recommendation 32**

The Committee recommends that the Government establish an Australian Arabic Foundation within the Foreign Affairs and Trade Portfolio.

### **Recommendation 33**

The Committee recommends that the National Library of Australia establish formal links with the new Alexandria Library in Egypt, to the mutual benefit of both organisations.

## **9 Australia's Response to Asylum-Seekers from the Middle East**

### **Recommendation 34**

The Committee recommends that the Australian Government increase its efforts, in conjunction with other members of the international community, to focus world attention on measures to reduce the huge burden placed on countries of first asylum, which are supporting large numbers of asylum-seekers from the Middle East.

### **Recommendation 35**

The Committee recommends that additional resources be directed towards:

- combating the root causes of refugee outflows from countries such as Afghanistan and Iraq, to the extent permitted by the extremely difficult circumstances prevailing in those countries; and
- promoting repatriation solutions from countries of first asylum.

## **10 Australian Overseas Aid for the Middle East**

### **Recommendation 36**

The Committee recommends that the Government make a three year commitment to allocate a minimum of \$10 million per annum in non-food aid to the Middle East, as well as continue to support the World Food Program in the region.

### **Recommendation 37**

The Committee recommends that

- the United Nations Relief and Works Agency receive at least 50 per cent of Australia's non-food aid to the Middle East;

- the Australian Government use its influence to urge the international community to reverse the decline in financial support for the United Nations Relief and Works Agency; and
- the Australian Government employ every diplomatic means at its disposal to encourage the Lebanese Government to improve the conditions of the Palestinian refugees within its territory.

**Recommendation 38**

The Committee recommends that:

- AusAID, in consultation with the Palestinian Authority, focus on the agricultural and educational sectors for longer-term capacity-building projects;
- the Australian Centre for International Agricultural Research (ACIAR) re-direct some of its research towards collaboration with the Palestine Ministry of Agriculture; and
- ACIAR examine the feasibility of establishing scientific linkages with Israel and the Palestinian Authority on water use and management.



