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**Australian Government**  
**Department of Foreign Affairs and Trade**

29 September 2006

Dr Andrew Southcott MP  
Chair  
Joint Standing Committee on Treaties  
Parliament House  
CANBERRA ACT 2600

Dear Dr Southcott

During the JSCOT hearing on the Agreement between the Government of Australia and the Government of the United Mexican States on the Promotion and Reciprocal Protection of Investments, and Protocol on 14 August 2006, the Committee posed a number of questions to Department of Foreign Affairs and Trade (DFAT) representatives regarding consultation undertaken by the Department during the negotiation of the Agreement, in particular with industry and business representatives.

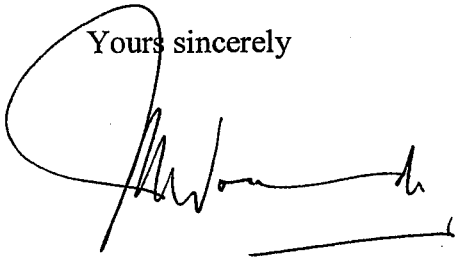
As a general proposition, the Department has found that Australian business welcomes Investment Promotion and Protection Agreements (IPPA) as they provide a more certain framework for the protection of investments in an overseas environment. The Agreements provide investors with greater transparency in the investment environment in which they are operating and add to the confidence of investors in those environments.

In the case of the IPPA signed with Mexico, DFAT did not specifically consult individual companies, however, over the long negotiation period (four years) the progress of the negotiations was discussed in both Mexico and Australia at business events, seminars, speeches and via mention in the Mexico country brief on the Department's website. The Department did not receive any negative feedback regarding the IPPA signed with Mexico.

One of the main vehicles for conveying information about the negotiations of the IPPA with Mexico was the Council on Australia Latin America Relations (COALAR), whose Board Members include representatives from, *inter alia*, Pacific Hydro, Orica, Nufarm, Xstrata Copper, Downing Teal, Austrade and Qantas. The Australia Latin America Business Council (ALABC) was also aware of the negotiation of the IPPA. The membership includes BHP Billiton, Securrency, AGL Limited, ANZ Bank, CSIRO Exploration and Mining, GRD Minproc, the Queensland Government and a number of other smaller companies and individual members.

If the committee has any further queries on the IPPA signed by Australia and Mexico, please contact me on 02 6261 3904 or [jml.woods@dfat.gov.au](mailto:jml.woods@dfat.gov.au).

Yours sincerely

A handwritten signature in black ink, appearing to read 'JML Woods', with a large circular flourish at the beginning and a horizontal line underneath.

John M L Woods  
A/g Assistant Secretary  
Canada and Latin America Branch  
Americas Division