



Submission No 36

Review of Australia's Relationship with the Countries of Africa

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Organisation: Minister for Resources and Energy
Minister for Tourism



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Secretary:.....

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**MINISTER FOR RESOURCES AND ENERGY
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C09/3523

Senator Michael Forshaw
Chair
Joint Standing Committee on Foreign Affairs, Defence and Trade
PO Box 6021
Parliament House
CANBERRA ACT 2600

Dear Senator Forshaw

Thank you for your letter of 3 November 2009 concerning the Joint Standing Committee on Foreign Affairs, Defence and Trade (JSCFADT) Inquiry into Australia's relationship with the countries of Africa.

As Minister for Resources and Energy, and Tourism, I am aware of the potential importance of African countries for Australia in relation to the resources and energy, and tourism sectors. Portfolio engagement with Africa on resources, energy and tourism issues is primarily conducted through multilateral forums, such as the International Energy Agency; International Renewable Energy Agency; and the Global Carbon Capture and Storage Institute, and also in collaboration with other agencies such as Austrade and AusAID. While my Department and its portfolio agencies do not have capacity or resources to expand their engagement with the countries of Africa, the Department does provide input into other agencies engagement, such as through AusAID's Australia-Africa Partnerships Facility.

Please find enclosed some additional contextual information of relevance to this Inquiry.

Should the JSCFADT identify further issues relating to resources, energy or tourism aspects of this Inquiry, my Department would be pleased to provide further information.

Yours sincerely

Martin Ferguson

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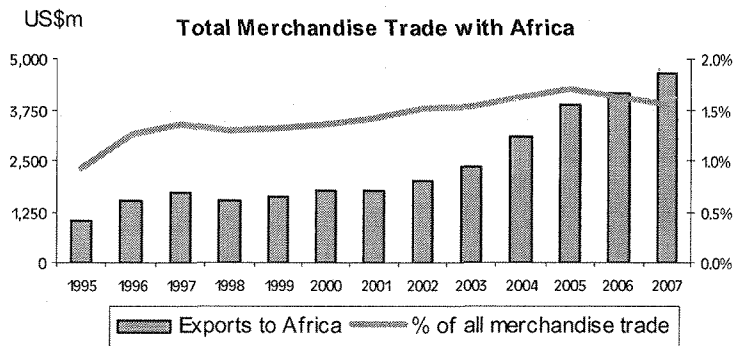
**Additional information relevant to the
Joint Standing Committee on Foreign Affairs, Defence and Trade
Inquiry into Australia's Relationship with the Countries of Africa**

December 2009

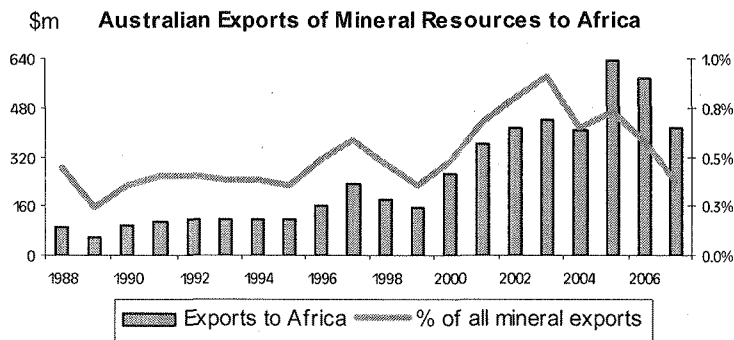
Economic profile – resources, energy and tourism

Trade

The value of Australian exports of mineral resources to Africa is relatively small, with Africa accounting for less than 1% of Australia's overall exports of mineral resources over the past 20 years (see figure below).



Source: UN Comtrade Database



Source: UN Comtrade Database

Investment

More than 300 Australian minerals and petroleum resources companies are active throughout Africa, with existing and prospective investments estimated at up to US\$20 billion. Most of these companies are small to medium enterprises.

Tourism

In the year ending September 2009, there were 84,400 visitor arrivals to Australia from sub-Saharan Africa, 61,800 of which were from South Africa. For this period, South Africa was Australia's 18th largest in-bound market.

In the year ending September 2009, there were 101,100 inbound visitor arrivals from North Africa and the Middle East¹.

¹ In the Australian Bureau of Statistics' Overseas Arrivals and Departures, the countries of North Africa are included in a major group with the Middle East because they are socially and culturally similar to many Arabian countries.

Relations at the parliamentary and government levels

Resources and Energy

The Department of Resources, Energy and Tourism (The Department) engages in a number of multilateral forums on which African countries are also represented, such as: the International Energy Agency (IEA); International Renewable Energy Agency (IRENA); and the Global Carbon Capture and Storage Institute (GCCSI).

In 2008-09 The Department put forward a new policy proposal (NPP) to deliver an Australia-Africa Sustainable Resources Initiative – a capacity building program that would target the resources and energy sectors of selected African countries. This NPP supported a broader, whole-of-government strategy for engaging more closely with Africa. This NPP was not supported.

Notwithstanding, The Department and its portfolio agencies are involved in collaborative work with other agencies, such as Austrade, DFAT and AusAID, which are aimed at engaging with African countries on resources and energy sector issues.

In September 2009, Geoscience Australia (GA) completed an AusAID funded report titled '*Potential Australian Assistance to Help Develop Sustainable Extractives Sectors in Africa*'. This report provides an assessment of the scope for Australian expertise in sustainable resources sector to be used as a model for capacity building in the resources sectors of African countries. The report lists a range of organisations and agencies that might be able to deliver additional capacity building (subject to their availability and agreement). While GA have advised that they do not have the available staff or resources to do follow up work based on the findings of this report, AusAID recently went out to tender for the Australia-Africa Partnerships Facility. We have been advised that the Partnerships Facility will be used to follow up on the recommendations and findings of the above report.

Tourism

The UN World Tourism Organization (UNWTO) plays a central and decisive role in promoting the development of responsible, sustainable and universally accessible tourism, paying particular attention to the interests of developing countries.

Its membership includes 161 countries and territories and more than 390 Affiliate Members representing the private sector, educational institutions, tourism associations and local tourism authorities.

African UNWTO Members include: Algeria, Angola, Benin, Botswana, Burkina Faso, Burundi, Cameroon, Cape Verde, Central African Republic, Chad, Congo, Côte d'Ivoire, Democratic Republic of the Congo, Djibouti, Equatorial Guinea, Eritrea, Ethiopia, Gabon, Gambia, Ghana, Guinea, Guinea-Bissau, Kenya, Lesotho, Madagascar, Malawi, Mali, Mauritania, Mauritius, Morocco, Mozambique, Namibia, Niger, Nigeria, Rwanda, Sao Tome and Principe, Senegal, Seychelles, Sierra Leone, South Africa, Sudan, Swaziland, Togo, Tunisia, Uganda, United Republic of Tanzania, Zambia and Zimbabwe

While Australia is a Member of the UNWTO's East Asia and Pacific Regional Commission, it notes the Africa Regional Commission's mission to "support and assist UNWTO African members and other stakeholders from the region in their efforts to develop their tourism industry as a catalyst for sustainable economic and social development, and ensuring that the members fully benefit from the services of the organization."