

**Consultations Annex**

**Exchange of letters constituting an Agreement between the Government of Australia and the Government of the Italian Republic on the Civil Registry Documentation to be Submitted by Australian Citizens Wishing to Marry in Italy, done at Rome on 10 February and 11 April 2000**

**[2003] ATNIF 18**

Given the specialised nature of this Agreement, widespread consultations were not necessary.

State and Territory Governments have been advised of this proposed action through the Commonwealth-State Standing Committee on Treaties' Schedule of Treaty Action. There has been no request from State or Territory Governments for further information.



## National Interest Analysis

### ITALY: POLITICAL BRIEF

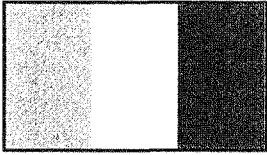
Australia and Italy enjoy a warm and long-standing relationship underpinned by strong community ties. According to the 2001 census, over 800,000 Australians claimed Italian descent with over 200,000 Australian residents having been born in Italy. There are also substantial numbers of Australian citizens living in Italy – many involved in the arts, especially painting and education. Italy is Australia's second largest export market in the EU and its 15<sup>th</sup> largest market worldwide; two way trade with Italy totalled \$5.8 billion in 2002. The Prime Minister, John Howard, visited Italy in June 2002 and Foreign Minister Alexander Downer has visited several times (October 2003, June 1998 and February 1997). Italian President Oscar Scalfaro and Foreign Minister Dini have both visited Australia (1998 and 2001 respectively).

The Head of State is the President although the role is largely ceremonial. The current President is Dr Carlo Ciampi. The Italian Parliament is bicameral: The Senate has 315 elected and ten life senators; the Lower House or Chamber of Deputies has 630 members. The Government consists of the Prime Minister and his Council of Ministers. Following elections in 2001, Prime Minister Silvio Berlusconi formed Government from the centre-right coalition, House of Freedoms. The Government has an absolute majority in both houses of parliament – a rarity in Italian politics. In opposition, the Olive Tree coalition combines centrist and moderate leftist parties.

Italy is the world's fifth largest industrial economy with a GDP accounting for 15 per cent of EU total output. Italy's economic strength is in the processing and manufacturing of goods, primarily in family owned small and medium sized enterprises with a domestic focus. The overall GDP in 2002 was 1,258 billion euro. There is a large disparity in wealth between the north and south of the country; the average wealth in the south is half that in the north.

Like most of Europe, economic growth has been slow in recent years. The Government has a range of reform proposals aimed at making the Italian economy more competitive including in the areas of tax, labour market, and pension system reforms. Italy has a rapidly ageing population and there are concerns that the social security system (which is heavily skewed toward pension provision) will not prove sustainable. Addressing Italy's large budget deficit is a priority because of the need to meet commitments entered into under the EU Growth and Stability Pact. Italy is bound under the Pact to achieve a balanced budget in 2006.

Italy was a founding member of the European Union (EU) and its foreign and trade policies are dominated by its EU membership. In the second half of 2003 Italy holds the EU presidency. Besides the EU, Italy's traditional geopolitical frame of reference is the Mediterranean and central and eastern Europe. Italy also has strong links with the Middle East, Latin America and parts of northern Africa. It has a strong relationship with the United States. Italy has taken an independent stance on developing relations with countries such as Iran, Libya and North Korea, normally regarded as international outsiders. Italy is a strong supporter of the United Nations and is the second largest contributor to UN peace-keeping operations. Italy has approximately 12,000 peace-keepers abroad (mainly in the Balkans, Afghanistan and Iraq).



# ITALY

Fact Sheet

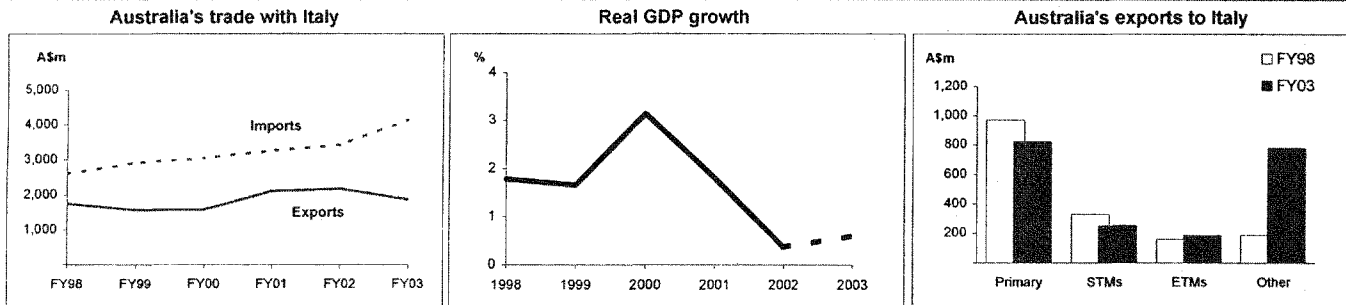
## General information:

<b>Capital:</b>	Rome
<b>Surface area:</b>	301 thousand sq km
<b>Official language:</b>	Italian
<b>Population:</b>	58.1 million (2002)
<b>Exchange rate:</b>	A\$1 = 0.5752 Euros (Aug 2003)

<b>Head of State:</b>	H.E. President Dr Carlo Azeglio Ciampi
<b>Head of Government:</b>	Prime Minister The Hon Mr Silvio Berlusconi

## Recent economic indicators:

	1998	1999	2000	2001	2002(a)	2003(b)
<b>GDP (US\$bn):</b>	1,202.3	1,182.0	1,077.9	1,092.8	1,189.0	1,461.7
<b>GDP per capita (US\$):</b>	20,868	20,493	18,635	18,860	20,483	25,137
<b>Real GDP growth (% change YOY):</b>	1.8	1.7	3.1	1.8	0.4	0.6
<b>Current account balance (US\$m):</b>	20,000	8,110	-5,780	-160	-7,120	-13,190
<b>Current account balance (% GDP):</b>	1.7	0.7	-0.5	0.0	-0.6	-0.9
<b>Goods &amp; services exports (% GDP):</b>	24.1	23.4	25.9	26.2	24.8	22.8
<b>Inflation (% change YOY):</b>	2.0	1.7	2.5	2.8	2.5	2.4
<b>Unemployment rate (%):</b>	11.7	11.3	10.4	9.5	9.0	9.0



## Australia's trade relationship with Italy:

### Major Australian exports\*, 2002-2003 (A\$m):

Wool	547
Coal	158
Zinc	47
Medicaments (incl. veterinary)	40
Cotton	36

### Major Australian imports, 2002-2003 (A\$m):

Medicinal & pharmaceutical products	239
Medicaments (incl. veterinary)	189
Pumps for gas	175
Household type equipment	173
Furniture	128

\*Includes A\$685m of confidential items, 36.8% of total exports.

### Australian merchandise trade with Italy, 2002-2003:

		Total share:	Rank:	Growth (yoy):
Exports to Italy (A\$m):	1,861	1.6%	15th	-14.1%
Imports from Italy (A\$m):	4,149	3.1%	11th	21.6%
Total trade (exports + imports) (A\$m):	6,009	2.4%	12th	7.8%
Merchandise trade deficit with Italy (A\$m):	2,288			

### Australia's trade in services with Italy, 2002-2003:

		Total share:
Exports of services to Italy (A\$m):	252	0.8%
Imports of services from Italy (A\$m):	446	1.4%
Services trade deficit with Italy (A\$m):	194	

## Italy's global trade relationships:

### Italy's principal export destinations, 2002:

1	Germany	13.7%
2	France	12.2%
3	United States	9.8%
4	United Kingdom	6.9%
5	Spain	6.4%
22	Australia	0.8%

### Italy's principal import sources, 2002:

1	Germany	17.8%
2	France	11.3%
3	Netherlands	5.9%
4	United Kingdom	5.0%
5	United States	4.9%
36	Australia	0.5%

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

(a): all recent data subject to revision; (b): EIU forecast.

n.a. Data not available.

Fact sheets are updated biannually; next update: May 2004

## **Bilateral treaties with Italy**

- Convention [between the United Kingdom and Italy] regarding Legal Proceedings in Civil and Commercial Matters  
**[1933] ATS 5**
- Treaty [between the Allied and Associated Powers and Italy] of Peace  
**[1948] ATS 2**
- Exchange of Notes constituting an Agreement concerning a gift of wool  
**[1948] ATS 12**
- Exchange of Notes reviving Certain Pre-World War II Agreements between Australia and Italy  
**[1949] ATS 2**
- Exchange of Notes constituting an Agreement regarding Visas and Visa Fees.  
**[1951] ATS 5**
- Exchange of Notes [between Australia and Italy] concerning the Force and Status of Certain Provisions of the Treaty of Peace with Italy of 1947 - [1948] ATS 2  
**[1951] ATS 21**
- Exchange of notes constituting an Agreement regarding the release of Italian property subject to Australian statutes and the settlement of Australian claims  
**[1952] ATS 8**
- Agreement relative to the Graves in Italian Territory of Members of the Armed Forces of the British Commonwealth, Protocol of Signature, and Exchange of Notes  
**[1955] ATS 7**
- Agreement relating to Air Services  
**[1963] ATS 14**
- Exchange of Notes constituting an Agreement [between the United Kingdom and Italy] exempting from Italian Duties and Taxes, Fuels and Lubricants used by the Commonwealth War Graves Commission acting under the War Graves Agreement of 1953 [1955] - ATS 7  
**[1963] ATS 33**
- Migration and Settlement Agreement  
**[1971] ATS 13**
- Agreement on Cultural Co-operation  
**[1975] ATS 20**

- Agreement for the Avoidance of Double Taxation of Income derived from International Air Transport  
[1976] ATS 7
  - Economic and Commercial Co-operation Agreement  
[1984] ATS 26
  - Convention and Protocol for the Avoidance of Double Taxation and the Prevention of Fiscal Evasion with Respect to Taxes on Income  
[1985] ATS 27
  - Reciprocal Agreement in the Matter of Health Assistance  
[1988] ATS 24
  - Treaty of Extradition  
[1990] ATS 20
  - Treaty on Mutual Assistance in Criminal Matters  
[1994] ATS 5
  - Films Co-Production Agreement  
[1996] ATS 22
  - Agreement on Social Security  
[2000] ATS 29
  - Exchange of Notes Amending and Clarifying the Agreement on Social Security of 1993  
[2000] ATS 29
  - An exchange of letters concerning Australian Citizens wishing to marry in Italy  
[2003] ATNIF 18
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**Australia is not a Party to any other treaties of this type**