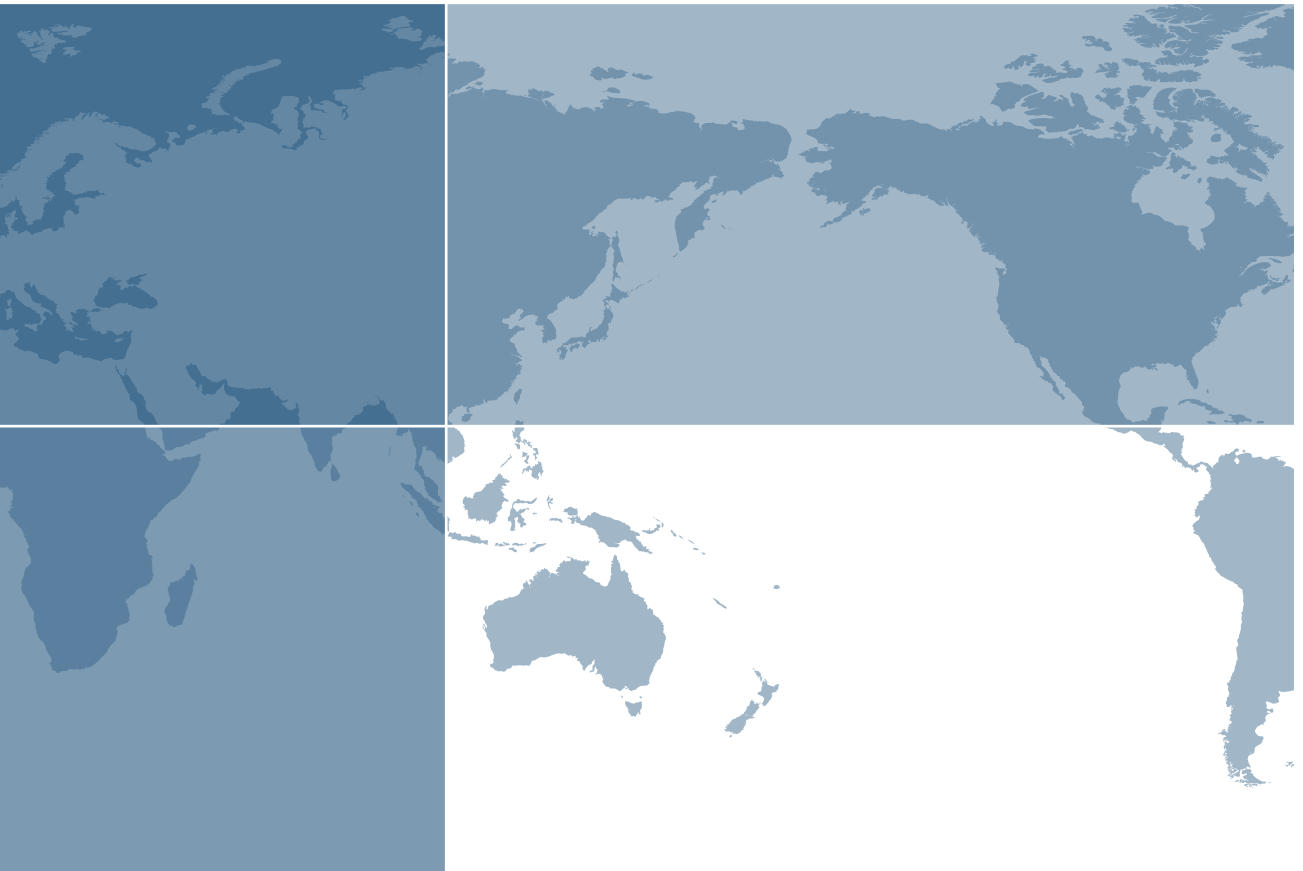


DEPARTMENT OF  
FOREIGN AFFAIRS AND TRADE

ANNUAL REPORT  
09|10



ISSN 1032-2019

ISBN 978-1-921612-38-1 (volume 1)

ISBN 978-1-921612-39-8 (volume 2)

ISBN 978-1-921612-40-4 (two-volume set)

ISBN 978-1-921612-41-1 (volume 1 online)

ISBN 978-1-921612-42-8 (volume 2 online)

© Commonwealth of Australia 2010

### **Copyright information**

This work is copyright. Apart from any use as permitted under the *Copyright Act 1968*, no part may be reproduced by any process without prior written permission from the Commonwealth.

Requests and inquiries concerning reproduction and rights should be addressed to the Commonwealth Copyright Administration, Attorney-General's Department, National Circuit, Barton ACT 2600, or posted at <http://www.ag.gov.au/cca>.

### **Acknowledgments**

Executive Editor	Lara Nassau
Coordinating Editor	Eric Spry
Assistant Editor	Stephen Dietz
Editorial Consultant	Longueville Media/Jo Marshall
Indexer	Michael Harrington

### **Internet websites**

[http://www.dfat.gov.au/dept/annual\\_reports](http://www.dfat.gov.au/dept/annual_reports)

<http://www.ausaid.gov.au/publications>

### **Contact**

Inquiries about the annual report are welcome and should be directed to:

Director, Corporate Planning Section  
Executive, Planning and Evaluation Branch  
Department of Foreign Affairs and Trade  
R G Casey Building, John McEwen Crescent  
Barton ACT 0221

Phone 02 6261 3299

Fax 02 6261 3541

Email [editor.annualreport@dfat.gov.au](mailto:editor.annualreport@dfat.gov.au)

Design and typesetting by ZOO Advertising

Printing by Blue Star Print



Australian Government  
Department of Foreign Affairs and Trade

Secretary

Telephone: 02 6261 2472  
Facsimile: 02 6273 2081

23 September 2010

The Hon Kevin Rudd MP  
Minister for Foreign Affairs

The Hon Dr Craig Emerson MP  
Minister for Trade

*Dear Ministers,*

It is my pleasure to present to you the Annual Report of the Department of Foreign Affairs and Trade for the financial year 2009-10.

The report has been prepared pursuant to section 63 of the Public Service Act 1999 and in accordance with the Requirements for Annual Reports as approved by the Joint Committee of Public Accounts and Audit. Subsection 63(1) of the Public Service Act 1999 requires that, after the end of the financial year, the Secretary of a department must give a report to ministers on the department's activities for presentation to the Parliament.

The report has again been divided into two volumes. Volume 1 is the report of the Department of Foreign Affairs and Trade (DFAT) proper and Volume 2 is the report of AusAID (Australian Agency for International Development). This division reflects the distinctive nature of the work of the two organisations and assists readers to locate more readily the information they seek.

In presenting the Annual Report, I take the opportunity to acknowledge my predecessor, Mr Michael L'Estrange, who left the Department on 21 August 2009 and Ms Gillian Bird, who acted as Secretary between 22 August 2009 and 12 January 2010. I also acknowledge the Hon Mr Stephen Smith MP, Minister for Foreign Affairs and the Hon Mr Simon Crean MP, the Minister for Trade, during the reporting period. I also thank my colleagues in DFAT and AusAID for their professionalism and dedication in advancing Australia's international interests over the past year.

Yours sincerely

*Dennis*  
Dennis Richardson

# CONTENTS (VOLUME 1)

Letter of transmittal	iii
Guide to the report	viii
<b>Section 1: Overviews</b>	<b>1</b>
Secretary's Review	3
Departmental overview	11
<b>Section 2: Performance reporting</b>	<b>19</b>
<b>Outcome 1: The advancement of Australia's international strategic, security and economic interests including through bilateral, regional and multilateral engagement on Australian Government foreign and trade policy priorities</b>	<b>20</b>
<b>Program 1.1: Foreign Affairs and Trade operations</b>	<b>22</b>
Program management (advocacy and protection of Australia's interests)	26
1.1.1 North Asia	26
1.1.2 South-East Asia	35
1.1.3 Americas	43
1.1.4 Europe	52
1.1.5 South and West Asia, Middle East and Africa	61
1.1.6 Pacific	72
1.1.7 Bilateral, regional and multilateral trade negotiations	80
1.1.8 trade development and policy coordination	92
1.1.9 International organisations, legal and environment	100
1.1.10 Security, nuclear disarmament and non-proliferation	110
Program management (services to other agencies)	117
1.1.11 Services to other agencies in Australia and overseas (including Parliament, state representatives, business and other organisations)	117
Program management (services to diplomatic and consular representatives)	122
1.1.12 Services to diplomatic and consular representatives in Australia	122
Program management (public information services and public diplomacy)	125
1.1.13 Public information services and public diplomacy	125
<b>Program 1.2: Payments to international organisations</b>	<b>143</b>
Administered item:	
Payments to international organisations	143
<b>Program 1.3: Public information services and public diplomacy</b>	<b>144</b>
Administered items:	
Shanghai World Expo (Special Account)	144
Australia Network	144
International relations grants	144

<b>Program 1.4: Other administered items</b>	<b>146</b>
Administered items:	
Payments to CAC Act bodies—EFIC	146
Other	146
<b>Outcome 2: The protection and welfare of Australians abroad and access to secure international travel documentation through timely and responsive travel advice and consular and passport services in Australia and overseas</b>	<b>148</b>
<b>Program 2.1: Consular services (departmental)</b>	<b>150</b>
Program management (consular)	151
<b>Program 2.2: Passport services (departmental)</b>	<b>163</b>
Program management (APO)	164
<b>Program 2.3: Consular services (administered)</b>	<b>169</b>
Administered item:	
Consular services (TEs and CES)	170
<b>Program 2.4: Passport services (administered)</b>	<b>171</b>
Administered item:	
Special Appropriation FMA Act, 1997 s28 (A)1	171
<b>Outcome 3: A secure Australian Government presence overseas through the provision of security services and information and communications technology infrastructure, and the management of the Commonwealth's overseas owned estate</b>	<b>172</b>
<b>Program 3.1: Other departmental</b>	<b>174</b>
Program management (security and IT)	175
<b>Program 3.2: Overseas property</b>	<b>181</b>
Special account, Overseas Property Account—Finance determination 2002–01 (D)	182
<b>Section 3: Corporate management and accountability</b>	<b>187</b>
Overview	189
Corporate governance	189
External scrutiny	194
Management of human resources	198
Management of financial resources	204
<b>Section 4: Appendices</b>	<b>209</b>
1 Ministerial responsibilities	211
2 Staffing overview	213
3 Agency resource statement and outcome resource summaries	220
4 Occupational health and safety	224
5 Freedom of information	226
6 Inquiries by parliamentary committees	237
7 Matters before courts and administrative tribunals	240

8 Ecologically sustainable development and environmental performance	243
9 Purchaser–provider arrangements	245
10 Advertising and market research	248
11 Grants and contributions	249
12 Consultancy services	252
13 List of sponsors	255
14 Summary of the overseas network	259

## Section 5: Financial statements 267

Independent auditor’s report	269
Statement by the Chief Executive and Chief Finance Officer	271
Financial statements	272
Notes to and forming part of the financial statements	285

## Section 6: Glossaries and indexes 353

Glossary of terms	354
Glossary of acronyms and abbreviations	356
List of requirements	360
Index	363

### List of Figures

Figure 1. Executive structure	13
Figure 2. Location of Australia-based staff	14
Figure 3. Outcomes and programs framework	15
Figure 4. Portfolio outcomes structure	16
Figure 5. Australia’s trade in goods and services with Japan	28
Figure 6. Australia’s trade in goods and services with China	31
Figure 7. Australia’s trade in goods and services with Taiwan	31
Figure 8. Australia’s trade in goods and services with the Republic of Korea	32
Figure 9. Australia’s trade in goods and services with ASEAN	42
Figure 10. Australia’s trade in goods and services with the United States	43
Figure 11. Australia’s trade in goods and services with the European Union	53
Figure 12. Australia’s trade in goods and services with New Zealand	74
Figure 13. Direction of Australia’s exports	81
Figure 14. Travel documents issued	166

**List of Tables**

Table 1.	Transition from outcomes and outputs to an outcomes and programs framework	x
Table 2.	Australia's trade in goods and services with North Asian economies	27
Table 3.	Australia's trade in goods and services with South-East Asia	36
Table 4.	Australia's trade in goods and services with the Americas	49
Table 5.	Australia's trade in goods and services with Europe	60
Table 6.	Australia's trade in goods and services with countries in South Asia and the GCC	62
Table 7.	Requests processed under the <i>Freedom of Information Act 1982</i>	139
Table 8.	Requests assessed under the <i>Archives Act 1983</i>	140
Table 9.	Consular services provided to Australian travellers	162
Table 10.	Employees by classification, gender and location	213
Table 11.	Ongoing and non-ongoing employees, full-time and part-time	214
Table 12.	Employees by categories of employment	214
Table 13.	Senior executive service by level and location	214
Table 14.	Senior executive service by gender	215
Table 15.	Senior executive service: gains and losses during the year	215
Table 16.	Senior executive service: inter-agency mobility during the year	215
Table 17.	Employees by location and gender	216
Table 18.	Employees covered by the Collective Agreement, Australian Workplace Agreements and Section 24(1) Determinations under the <i>Public Service Act 1999</i>	217
Table 19.	Performance bonus payments by level 2008–09	218
Table 20.	Performance bonus payments by level 2009–10	219
Table 21.	Agency resource statement 2009–10	220
Table 22.	Expenses and resources for outcome 1	221
Table 23.	Expenses and resources for outcome 2	222
Table 24.	Expenses and resources for outcome 3	223
Table 25.	Occupational health and safety statistics	225
Table 26.	Advertising and market research	248
Table 27.	Grants programs	249
Table 28.	Contributions to international organisations and peacekeeping operations	250
Table 29.	Consultancy services contracts	252
Table 30.	List of sponsors	255
Table 31.	Embassies, high commissions, consulates and multilateral missions	259
Table 32.	Consulates managed by Austrade	262
Table 33.	Consulates headed by honorary consuls	262
Table 34.	Places where Canada provides consular services to Australian citizens	264
Table 35.	Places where Australia provides consular services to Canadian citizens	265

# GUIDE TO THE REPORT

This is the Secretary's report to the Minister for Foreign Affairs and Trade on the performance of the Department of Foreign Affairs and Trade (Volume 1) and AusAID (Volume 2) during the financial year 2009–10. The report is prepared in accordance with the Department of the Prime Minister and Cabinet's *Requirements for Annual Reports*, as approved on behalf of the Parliament by the Joint Committee of Public Accounts and Audit on 23 June 2010.

Information and statistics, unless otherwise indicated, cover the financial year 2009–10, or relate to the situation as at 30 June 2010. All dollars are Australian unless otherwise specified.

## GUIDE TO VOLUME 1

The report of the Department of Foreign Affairs and Trade (Volume 1) uses the same outcome–program structure as outlined in the *Portfolio Budget Statements 2009–10* for the foreign affairs and trade portfolio. This structure contains a number of changes from that used in 2008–09 following the transition from reporting on an outcomes and outputs framework to reporting on an outcomes and programs framework introduced in the 2009–10 Budget. The structure also incorporates revisions made to outcome statements under the Operation Sunlight Outcome Statements Review.

Table 1 on pages x–xi provides details of the transition from reporting in the 2008–09 financial year to reporting under the new structure.

The report includes a review of the department's performance in 2009–10 in relation to the deliverables and key performance indicators of its programs and their effectiveness in achieving planned outcomes. Readers will find the relevant objectives, deliverables and key performance indicators listed at the beginning of each program. Quantity measures have been included in reporting against some programs in tabular form where the information contributes to the overall reporting of the department's effectiveness in achieving planned outcomes.

We have included trade statistics covering services as well as goods. The latest goods and services trade statistics relate to calendar year 2009. They are not part of the department's performance reporting but are included as background information for the benefit of readers.



**Section 1** contains:

- the Secretary's review for 2009–10
- the departmental overview, including:
  - role and functions
  - organisational structure
  - senior executive structure
  - outcomes and programs framework
  - portfolio structure.

**Section 2** contains the department's outcome–program performance information reporting. In line with the *Portfolio Budget Statements 2009–10*:

- performance is reported by departmental program
- reporting addresses all deliverables and key performance indicators.

**Section 3** reports on enabling services that do not appear under the program structure. It includes reporting on corporate governance, external scrutiny and management of human and financial resources.

**Section 4** includes appendixes providing reports required under specific legislation and other useful additional information.

**Section 5** contains the audited financial statements for 2009–10.

**Section 6** contains glossaries and indexes.

### Further information

Publications    *Portfolio Budget Statements 2009–10 and 2010–11*  
                       *Portfolio Additional Estimates Statements 2009–10*

Website         <http://www.dfat.gov.au>

TABLE 1. TRANSITION FROM OUTCOMES AND OUTPUTS TO AN OUTCOMES AND PROGRAMS FRAMEWORK

2008–09 Financial year	2009–10 Financial year																
<p><b>Outcome 1:</b> Australia's national interests protected and advanced through contributions to international security, national economic and trade performance and global cooperation.</p>	<p><b>Outcome 1:</b> The advancement of Australia's international strategic, security and economic interests including through bilateral, regional and multilateral engagement on Australian Government foreign and trade policy priorities.</p>																
<p><b>Output 1.1:</b> Protection and advocacy of Australia's international interests through the provision of policy advice to ministers and overseas diplomatic activity</p> <p>Administered Items:</p> <table border="0"> <tr> <td>Payments to CAC Act Bodies—EFIC</td> <td>P 1.4</td> </tr> <tr> <td>Other</td> <td>P 1.4</td> </tr> <tr> <td>Payments to International Organisations</td> <td>P 1.2</td> </tr> </table> <p>Departmental Outputs:</p> <table border="0"> <tr> <td>Program Management</td> <td>P 1.1</td> </tr> </table>	Payments to CAC Act Bodies—EFIC	P 1.4	Other	P 1.4	Payments to International Organisations	P 1.2	Program Management	P 1.1	<p><b>Program 1.1:</b> Other Departmental</p> <p>Program Support:</p> <table border="0"> <tr> <td>Program Management (Advocacy and Protection of Australia's Interests)</td> <td>O 1.1</td> </tr> <tr> <td>Program Management (Services to Other Agencies)</td> <td>O 1.3</td> </tr> <tr> <td>Program Management (Services to Diplomatic/Consular Representatives)</td> <td>O 1.4</td> </tr> <tr> <td>Program Management (Public Information Services and Public Diplomacy)</td> <td>O 3.1</td> </tr> </table>	Program Management (Advocacy and Protection of Australia's Interests)	O 1.1	Program Management (Services to Other Agencies)	O 1.3	Program Management (Services to Diplomatic/Consular Representatives)	O 1.4	Program Management (Public Information Services and Public Diplomacy)	O 3.1
Payments to CAC Act Bodies—EFIC	P 1.4																
Other	P 1.4																
Payments to International Organisations	P 1.2																
Program Management	P 1.1																
Program Management (Advocacy and Protection of Australia's Interests)	O 1.1																
Program Management (Services to Other Agencies)	O 1.3																
Program Management (Services to Diplomatic/Consular Representatives)	O 1.4																
Program Management (Public Information Services and Public Diplomacy)	O 3.1																
<p><b>Output 1.2:</b> Secure government communications and security of overseas missions</p> <p>Departmental Outputs:</p> <table border="0"> <tr> <td>Program Management</td> <td>P 3.2</td> </tr> </table>	Program Management	P 3.2	<p><b>Program 1.2:</b> Payments to International Organisations</p> <p>Administered Items:</p> <table border="0"> <tr> <td>Payments to International Organisations</td> <td>O 1.1</td> </tr> </table>	Payments to International Organisations	O 1.1												
Program Management	P 3.2																
Payments to International Organisations	O 1.1																
<p><b>Output 1.3:</b> Services to other agencies in Australia and overseas (including Parliament, state representatives, business and other organisations)</p> <p>Departmental Outputs:</p> <table border="0"> <tr> <td>Program Management</td> <td>P 1.1</td> </tr> </table>	Program Management	P 1.1	<p><b>Program 1.3:</b> Public Information Services and Public Diplomacy (Administered)</p> <p>Administered Items:</p> <table border="0"> <tr> <td>Shanghai World Expo (Special Account)</td> <td>O 3.1</td> </tr> <tr> <td>Australia Network</td> <td>O 3.1</td> </tr> <tr> <td>International Relations Grants</td> <td>O 3.1</td> </tr> </table>	Shanghai World Expo (Special Account)	O 3.1	Australia Network	O 3.1	International Relations Grants	O 3.1								
Program Management	P 1.1																
Shanghai World Expo (Special Account)	O 3.1																
Australia Network	O 3.1																
International Relations Grants	O 3.1																
<p><b>Output 1.4:</b> Services to diplomatic and consular representatives in Australia</p> <p>Administered Items:</p> <table border="0"> <tr> <td>Other</td> <td>P 1.4</td> </tr> </table> <p>Departmental Outputs:</p> <table border="0"> <tr> <td>Program Management</td> <td>P 1.1</td> </tr> </table>	Other	P 1.4	Program Management	P 1.1	<p><b>Program 1.4:</b> Other Administered</p> <p>Administered Items:</p> <table border="0"> <tr> <td>Payments to CAC Act Bodies—EFIC</td> <td>O 1.1</td> </tr> <tr> <td>Other</td> <td>O 1.4</td> </tr> </table>	Payments to CAC Act Bodies—EFIC	O 1.1	Other	O 1.4								
Other	P 1.4																
Program Management	P 1.1																
Payments to CAC Act Bodies—EFIC	O 1.1																
Other	O 1.4																

**Outcome 2:** Australians informed about and provided access to consular and passport services in Australia and overseas.

**Output 2.1:** Consular and passport services

Administered Items:	
Consular Services	P 2.3
Special Appropriation FMA Act, 1997 s28 (A)1	P 2.4
Departmental Outputs:	
Program Management	P 2.1 & P 2.2

**Outcome 3:** Public understanding in Australia and overseas of Australia's foreign and trade policy and a positive image of Australia internationally.

**Output 3.1:** Public information services and public diplomacy

Administered Items:	
Shanghai World Expo (Special Account)	P 1.3
Australia Network	P 1.3
International Relations Grants Program	P 1.3
Departmental Outputs:	
Program Management	P 1.1

**Outcome 4:** Efficient management of the Commonwealth overseas owned estate.

**Output 4.1:** Property Management

Departmental Outputs:	
Special Account Overseas Property – Finance determination 2002-01 (D)	P 3.2

**Output 4.2:** Contract Management

Departmental Outputs:	
Special Account Overseas Property – Finance determination 2002-01 (D)	P 3.2

**Outcome 2:** The protection and welfare of Australians abroad and access to secure international travel documentation through timely and responsive travel advice and consular and passport services in Australia and overseas.

**Program 2.1:** Consular services (Departmental)

Program Support:	
Program Management (Consular)	O 2.1

**Program 2.2:** Passport services (Departmental)

Program Support:	
Program Management (APO)	O 2.1

**Program 2.3:** Consular services (Administered)

Administered Items:	
Consular Services (TELS/CES)	O 2.1

**Program 2.4:** Passport services (Administered)

Administered Items:	
Special Appropriation FMA Act, 1997 s28 (A)1	O 2.1

*Note:* Outcome 3 for 2008–09 has been integrated into the new Outcome 1 for 2009–10 (above).

*See above Program 1.3*

*See above Program 1.1*

**Outcome 3:** A secure Australian Government presence overseas through the provision of security services and information and communications technology infrastructure, and the management of the Commonwealth's overseas owned estate.

**Program 3.1:** Other Departmental

Program Support:	
Program Management (Security and IT)	O 1.2

**Program 3.2:** Overseas Property

Program Support:	
Special Account Overseas Property	O 4.1
– Finance determination 2002-01 (D) & O 4.2	

*Below* The Minister for Foreign Affairs, Mr Smith, with the Indian Minister for External Affairs, Mr Somanahalli Mallaiah Krishna (left), and the Chinese Foreign Minister, Mr Yang Jiechi (right), at the East Asia Summit Foreign Ministers' Informal Consultations in Phuket, Thailand on 22 July 2009.

*Photo:* Sukree Sukplang / Reuters / Picture Media

*Below* The then Prime Minister, Mr Rudd, at a press conference with United States Secretary of State, Mrs Hillary Rodham Clinton, at the State Department on 30 November 2009.

*Photo:* Alex Wong / Getty Images News



*Opposite* The then Minister for Trade, Mr Crean, at a press conference with the Singaporean Minister for Trade and Industry, Mr Lim Hng Kiang, during a visit to Singapore for the APEC Ministers Responsible for Trade Meeting in July 2009.

*Photo:* Courtesy of Andrew West/Australian Trade Commission, Singapore

# OVERVIEWS

## SECTION 1



# OVERVIEWS

**Secretary's review**

**Departmental overview**



*The Secretary, Mr Dennis Richardson AO.  
Photo: Michael Jensen*

## SECRETARY'S REVIEW

A fragile global economy and contractions in the gross domestic products of seven of Australia's top 10 trading partners provided a critical context for the Government's foreign and trade policy agenda over the last year.

The changing strategic landscape in East Asia, shaped by the rise of China, was a further important context for our work.

We pushed strongly through the G20, the World Trade Organization (WTO) and bilaterally for a coordinated global response to the economic crisis, to resist protectionist forces and to extend trade liberalisation. We continued to engage within multilateral forums on key issues, including counter-terrorism, non-proliferation, climate change and people smuggling. We engaged with partners on regional economic integration and regional architecture. We strengthened bilateral relations with regional partners and worked to enhance our engagement in Africa, Latin America and the Caribbean.

We continued to provide high-quality consular services to ever-increasing numbers of Australian travellers.

### Enhancing key relationships

The department worked to enhance our strong relationship with the **United States (US)**, including on regional and global security, nuclear non-proliferation and promoting a coordinated response to the global economic crisis. We facilitated visits to Washington by the then Prime Minister, Mr Rudd, and the Minister for Foreign Affairs, Mr Smith, and hosted a senior US congressional staff delegation in Australia. The Australia-United States Ministerial Trade Talks, held in October 2009 in Washington, focused on multilateral and regional trade priorities, including the WTO Doha Round, the Trans-Pacific Partnership and Asia-Pacific Economic Cooperation (APEC).

We continued to work to further enhance our strong relationship with **Japan**. Mr Smith and the then Minister for Trade, Mr Crean, visited Japan and hosted a visit to Australia by Japanese Foreign Minister Mr Katsuya Okada. We advanced our bilateral strategic interests, including by concluding negotiations on cooperation between Australian and Japanese defence forces in areas such as peacekeeping and humanitarian assistance. Notwithstanding continuing differences on whaling, we coordinated closely with Japan on areas of mutual interest, such as climate change and disarmament. Our economic ties with Japan were strengthened through the inaugural Australia-Japan Trade and Economic Ministerial Dialogue. We continued negotiations on a free trade agreement.

Despite a number of bilateral challenges with **China**, we engaged constructively on key issues of common interest, including the international economy and the G20. A series of high-level visits to and from China, including by Chinese Executive Vice Premier, Mr Li Keqiang, and Vice President, Mr Xi Jinping, served to strengthen bilateral ties. We reinforced our already strong economic ties through the High-Level Economic Cooperation Dialogue and worked with Austrade to link Australian industry with opportunities in inland Chinese provinces. Negotiations with China on a comprehensive free trade agreement resumed after a long hiatus.

We worked to strengthen our economic and political relationship with the **Republic of Korea (ROK)** and to increase energy and resources exports. We continued negotiations on a free trade agreement. We strengthened strategic cooperation with the ROK through the conclusion of a revised bilateral agreement on enhanced global and security cooperation and worked cooperatively with the Department of Defence in responding to the sinking of the ROK navy vessel, the *Cheonan*.

Our strong ties with **Indonesia** were enhanced through the visit of Indonesian President, Dr Susilo Bambang Yudhoyono, in March 2010, during which he and Mr Rudd agreed that Australian and Indonesian leaders would meet annually, as would respective foreign and defence ministers. We continued to discuss an Economic Partnership Agreement and held two rounds of talks on consular issues. An Australia Indonesia Leadership Dialogue was established to foster education, media and business links.

We worked to strengthen relations with **Thailand**, including by advocating for further trade and investment liberalisation under the Thailand-Australia Free Trade Agreement.

We enhanced our close ties with **Singapore** on strategic and regional issues through the Singapore Australia Joint Ministerial Committee meeting and advanced bilateral economic cooperation by concluding the second review of the Singapore Australia Free Trade Agreement.

Our strong links with **Malaysia** were strengthened through the inaugural Australia Malaysia Foreign Ministers' Meeting, as well as through discussions on efforts to counter people smuggling and terrorism in the region.

We worked with the **Philippines** on counter-terrorism issues and held senior officials' mining talks.

We finalised the Comprehensive Partnership between Australia and **Vietnam** and advanced our bilateral economic interests, in particular in the areas of financial services, resources and infrastructure.



Our strong ties with **East Timor** were enhanced by the visit of East Timorese President, Dr José Ramos-Horta, to Australia in June 2010. In light of improved security, we decreased our deployment to the International Stabilisation Force. We reached agreement with East Timor for the development of the Kitan oil field in the Joint Petroleum Development Area. We continued discussions with East Timor on the development of the shared Greater Sunrise petroleum resource but have yet to resolve this issue.

We continued our efforts to promote political freedom in **Burma**. In October 2009, a DFAT official met Ms Aung San Suu Kyi – the first contact by an Australian official since 2003.

We strengthened our engagement with **Latin America and the Caribbean** through a program of ministerial visits to Argentina, Brazil, Chile, Cuba, Dominica, Mexico, Trinidad and Tobago and Uruguay and through the hosting of visits to Australia by the Foreign Ministers of Colombia and Cuba. Preparations to re-open our embassy in Peru later this year continued. We worked with the Department of Prime Minister and Cabinet to facilitate the signature of a Memorandum of Understanding establishing relations with the Caribbean Community (CARICOM) and further strengthened ties with CARICOM through Mr Smith's participation in the CARICOM Council for Foreign and Community Relations.

Following the entry into force of the Treaty of Lisbon, we supported Mr Smith's engagement with new **EU** leadership structures and advised the Government on the potential effect on our interests of the new powers acquired by the European Parliament. We led negotiations to strengthen the Australia-EU Partnership Framework. We worked to improve access to European markets through our hosting of the sixth Australia-EC Trade Policy Dialogue. We engaged with multilateral European organisations, including the Asia-Europe Meeting, and became an Asian Partner for Cooperation of the Organization for Security and Cooperation in Europe.

We reinforced enduring ties with the **United Kingdom (UK)** through two visits by Mr Smith and a visit by Mr Crean. We cooperated closely with the UK on G20 issues, our mutual commitment to Afghanistan as part of the ISAF mission and on climate change.

Ministerial and senior officials' talks with both **France** and **Germany** served to strengthen our relations with these key European partners.

We reinforced strong ties with **New Zealand** through two Closer Economic Relations (CER) Ministerial Meetings and a Foreign Ministers' meeting.

Despite damage to our bilateral relationship with **India** following the attacks on students in Australia, leaders agreed to elevate our bilateral relationship to the level of a strategic partnership. Through our Joint Declaration on Security and Cooperation, issued during Mr Rudd's visit to India, we committed to enhancing cooperation in areas of defence and security, economic engagement, energy, climate change, water resources and science. We supported an extensive program of ministerial visits to strengthen economic ties with India, our third-largest export market in 2009. Our public diplomacy efforts were directed at countering the negative impact of the student issue, but this is a long term project.

We facilitated the signing of a joint statement on cooperation with **Sri Lanka** on people smuggling.

The department broadened the Government's links with **Africa**. Mr Smith visited **South Africa** and agreed to annual bilateral foreign ministers meetings. We engaged with multilateral African organisations, including through a visit by Mr Smith to the headquarters of the Southern African Development Community in **Botswana** and through our announcement that we would open an embassy in Addis Ababa, **Ethiopia**, the headquarters of the African Union. We deepened economic ties through a visit by Mr Crean to South Africa, our largest trading partner in Africa. In collaboration with Austrade, we hosted major promotions in Perth and Cape Town of Australian mining expertise. We worked closely with AusAID to increase our development assistance to Africa. We continued to call for political reform in **Zimbabwe** and supported visits to Australia by reform-minded Zimbabwean ministers. As a member of the United Nations Peacebuilding Commission, we supported post-conflict reconstruction efforts in **Burundi** and **Sierra Leone**.

We worked to strengthen ties with the **Middle East** through senior officials' talks with **Egypt** and with the **Gulf Cooperation Council** and through the visits to Australia by the Foreign Minister of the **United Arab Emirates** and the Minister of Higher Education of **Saudi Arabia**.

We expanded our bilateral relationship with **Iraq** by implementing agreements in areas such as agriculture, education and border control and by holding inaugural senior officials' talks in Baghdad.

The department enhanced its cooperation with the **Pacific island countries** during Australia's term as Chair of the Pacific Islands Forum Leaders' meeting. We worked to strengthen development coordination in the region and Pacific policies on climate change.

## Promoting trade and investment

We advanced Australian trade policy priorities through facilitating ministerial participation in key **multilateral economic forums**, including the G20, the WTO, the APEC forum and the Organisation for Economic Co-operation and Development (OECD).

To improve market access for Australian exporters, the department continued to work towards concluding the **WTO Doha Development Round** negotiations. We supported Mr Crean in his efforts, during a gathering of trade ministers in France and at the Cairns Group meeting in Uruguay, to build political will to resume negotiations.

The department coordinated an active schedule of bilateral and regional **free trade agreement (FTA)** negotiations, including with China, Japan, the Republic of Korea and Malaysia. Australia hosted the first negotiation round of the Trans-Pacific Partnership (a joint FTA with seven of our Asia-Pacific partners). We continued to work closely with other participants on the Pacific Agreement on Closer Economic Relations (PACER) Plus. We finalised a study with India on the feasibility of a bilateral FTA and oversaw the entry into force of the Agreement Establishing the ASEAN-Australia-New Zealand Free Trade Area.

The department worked to advance Australia's **export competitiveness**, including by working with Austrade to assist Australian businesses access foreign markets and by

working with the Export Finance and Insurance Corporation (EFIC) to facilitate access to trade finance for Australian exporters.

## Strengthening multilateral and regional engagement

In support of the Government's policy of enhanced engagement with the multilateral system, we worked actively within the **United Nations** on key global challenges, including climate change, sustainable development issues, peace and security issues and human rights. We actively promoted Australia's candidacy for a seat on the UN Security Council for the 2013–14 term.

We continued to contribute to global efforts to combat **climate change** by supporting the Australian delegation to the UN Climate Change Conference in Copenhagen and working with the Department of Climate Change and Energy Efficiency to assist developing countries address climate change issues.

We worked to garner increased international support for **whale conservation** and provided legal advice to the Government on legal action against Japanese whaling in the International Court of Justice.

We supported participation by Mr Rudd and Mr Smith in the **Commonwealth Heads of Government Meeting (CHOGM)** in Trinidad and Tobago, a key outcome of which was the confirmation that Australia would host CHOGM in 2011. The Meeting will be held in Perth.

We worked to enhance our engagement with regional organisations. The **Asia Pacific community (APC) conference**, which the department hosted in December 2009, contributed to discussions on strengthening regional architecture. We worked to progress East Asian Summit priorities, including on economic integration and disaster response.

## Enhancing national security

We continued our close cooperation with NATO in **Afghanistan**, including by working with other departments and agencies to provide additional diplomatic personnel to civil-military stabilisation efforts and by facilitating Mr Smith's participation, as well as that of Australia's Special Envoy for Afghanistan and Pakistan, at international meetings on Afghanistan.

With the aim of strengthening regional stability, we worked with other agencies to assist **Pakistan** with its defence, law enforcement and counter-terrorism capabilities and participated in the Friends of Democratic Pakistan group.

The department promoted **nuclear non-proliferation and disarmament**, a key Government objective, through our active participation in the Nuclear Non-Proliferation Treaty (NPT) Review Conference, the Conference on Disarmament (where Australia was one of the six Presidents) and the US-hosted Nuclear Security Summit. The final report of the International Commission on Nuclear Non-Proliferation and Disarmament (ICNND), commissioned by the Australian and Japanese Governments and presented in December 2009, advanced the nuclear policy debate and contributed to NPT Review Conference outcomes.

We chaired the Missile Technology Control Regime (MTCR), which worked to **prevent the proliferation of weapons of mass destruction** through the harmonisation of national export licences. We promoted the entry into force of the Comprehensive Nuclear-Test-Ban Treaty and assisted Mr Smith's participation in a CTBT conference in New York. We worked with AusAID on a new Mine Action Strategy, which will deliver \$100 million over the next five years to efforts to remove landmines, cluster munitions and other explosive remnants of war.

We urged **Iran** to comply with its international security obligations and urged the **Democratic People's Republic of Korea (DPRK)** to abandon its nuclear weapons program.

The department worked multilaterally, regionally and bilaterally to advance our **counter-terrorism** agenda, including by engaging APEC, the ASEAN Regional Forum and the Pacific Islands Forum to build regional counter-terrorism capacity and by working closely with Indonesia to counter violent extremism.

The department worked with regional partners in our effort to combat **people smuggling**. We coordinated a senior officials' meeting of the Bali Process Ad Hoc Group (aimed at developing regional responses to irregular migration in the Asia-Pacific) and assisted with the organisation of the Bali Process Workshop on Protection, Resettlement and Repatriation.

We continued to advance the Government's **national security** agenda and worked cooperatively with other departments on cyber, maritime and aviation security.

We enhanced dialogue on strategic issues with the US and Japan through Mr Smith's participation in the fifth **Trilateral Strategic Dialogue** Ministerial Meeting.

## Enhancing consular and passport services

We continued to provide Australian travellers with high-quality consular service. We regularly updated our *smartraveller* public information campaign to assist Australians prepare for their travels. We continued to provide assistance to Australians overseas, including in geographically remote or politically unstable locations and in cases of natural disasters, accidents and international sporting events. We engaged in contingency consular planning for major events, such as the FIFA World Cup in South Africa.

Despite record demand for **passports**, we maintained an efficient passport service, with an average internal turnaround time for the production of travel documents of 4.1 days (well within the advertised commitment of ten working days). We increased resources dedicated to passport fraud and saw a corresponding increase in the number of fraud investigations.

## Promoting a positive image of Australia

We worked to influence positively international opinion of Australia through an extensive public diplomacy program, involving visits by journalists, policy-makers, opinion-shapers and cultural leaders and through the production of public affairs material. We showcased Australian culture and industry through our participation in the Shanghai World Expo.

## Portfolio agencies

Austrade advanced Australian trade and investment interests through the delivery of services to business, industry and governments. Austrade worked to enhance international competitiveness of industry by providing export and investment assistance. It also administered the Export Market Development Grants Scheme and worked with state and territory governments to attract foreign direct investment in key industries. During the year under review, Austrade worked closely with the Department of Employment, Education and Workplace Relations, and with the education sector, to prepare for the transfer of responsibility for international promotion of Australian education to Austrade from 1 July 2010.

In responding to the global recession, AusAID built partner country resilience and implemented targeted assistance programs. AusAID gave priority to generating employment and restoring growth; supporting delivery of basic services, such as health care and education; and protecting the vulnerable.

The Australian Government provided \$3.818 billion in Official Development Assistance (ODA) in 2009–10. Mr Smith reaffirmed the Government's commitment to increase ODA to 0.5 per cent of Gross National Income by 2015–16 to address poverty in the Asia-Pacific region and globally.

The Australian Centre for International Agricultural Research (ACIAR) worked towards poverty alleviation through food security research programs and projects, including major programs in eastern and southern Africa and the Pacific. ACIAR contributed to ongoing reform of the Consultative Group for International Agricultural Research (CGIAR), aimed at enhancing global agricultural productivity, and the management of increased investment in the CGIAR. ACIAR also worked on a number of joint initiatives with AusAID, including in Papua New Guinea, Indonesia, Cambodia and Pakistan.

## Outlook

We will continue to support the Prime Minister, portfolio and other ministers in advancing the Government's foreign and trade policy agenda. We will manage our resources flexibly to meet changing priorities, although resource constraints continue to be a challenge.

The department will continue to advocate our interests multilaterally, including on issues such as the global economy and climate change. We will provide high-level support for the G20 through our overseas network. We will continue to support high-level advocacy of our UN Security Council candidacy for the 2013–14 term. We will maintain a focus on combating people smuggling, including through participation in the Bali Process on People Smuggling, Trafficking in Persons and Related Transnational Crime.

We will advance the Government's non-proliferation and disarmament agenda, including through promoting the outcomes of the Nuclear Non-Proliferation Treaty Review Conference and encouraging further ratifications of the Comprehensive Nuclear-Test-Ban Treaty. We will work with the United States and regional partners on counter-terrorism and other security issues.

The department will support efforts to progress the WTO Doha Round negotiations. We will continue to pursue trade liberalisation through multilateral, regional and bilateral forums and will continue to pursue outstanding FTA negotiations.

We will work to strengthen our relationship with the United States, including through the Australia–United States Ministerial consultations and bilateral visits. We will continue efforts to strengthen our strategic ties with key partners in North Asia and continue to enhance our strong links with South-East Asia. We will work to strengthen political, economic and strategic ties with key European partners and regional countries. The department will continue efforts to enhance our engagement with African, Latin American and Caribbean countries, including through the opening of embassies in Addis Ababa and Lima. We expect the numbers of Australians travelling overseas will continue to increase. The department will strengthen its consular preparedness and response capacity as a result. We also expect a growth in demand for passports and will work to continue to respond promptly to this demand, while increasing our vigilance on passport security.

**Dennis Richardson**

Secretary

# DEPARTMENTAL OVERVIEW

## Role and functions

The department is responsible for advancing the interests of Australia and Australians internationally. The department's staff in Canberra, in our state and territory offices and around the world work to achieve the department's three outcomes, outlined in our *Portfolio Budget Statements 2009–10* and presented in Figure 3 on page 15:

- the advancement of Australia's international strategic, security and economic interests including through bilateral, regional and multilateral engagement on Australian Government foreign and trade policy priorities
- the protection and welfare of Australians abroad and access to secure international travel documentation through timely and responsive travel advice and consular and passport services in Australia and overseas
- a secure Australian Government presence overseas through the provision of security services and information and communications technology infrastructure, and the management of the Commonwealth's overseas owned estate.

To support the achievement of these outcomes in a challenging international environment, the department deployed its staff and other resources in a targeted and flexible manner (see Section 3 for more information).



*The Secretary and Deputy Secretaries of the Department of Foreign Affairs and Trade (as at 30 June 2010).  
L-R (seated) The Secretary, Mr Dennis Richardson AO, Deputy Secretary, Mr Ric Wells  
L-R (standing) Deputy Secretaries Mr Bruce Gosper, Dr Alan Thomas, Ms Gillian Bird  
Photo: Michael Jensen*

## Organisational structure

The Secretary and five deputy secretaries constitute the department's senior executive. Supported by a departmental executive, they manage the department and provide leadership on foreign and trade policy, consular and corporate issues. The senior executive shapes the values and culture of the department, promotes the highest professional standards of service to the Government and to Australia, and provides a fair and professionally rewarding working environment for staff.

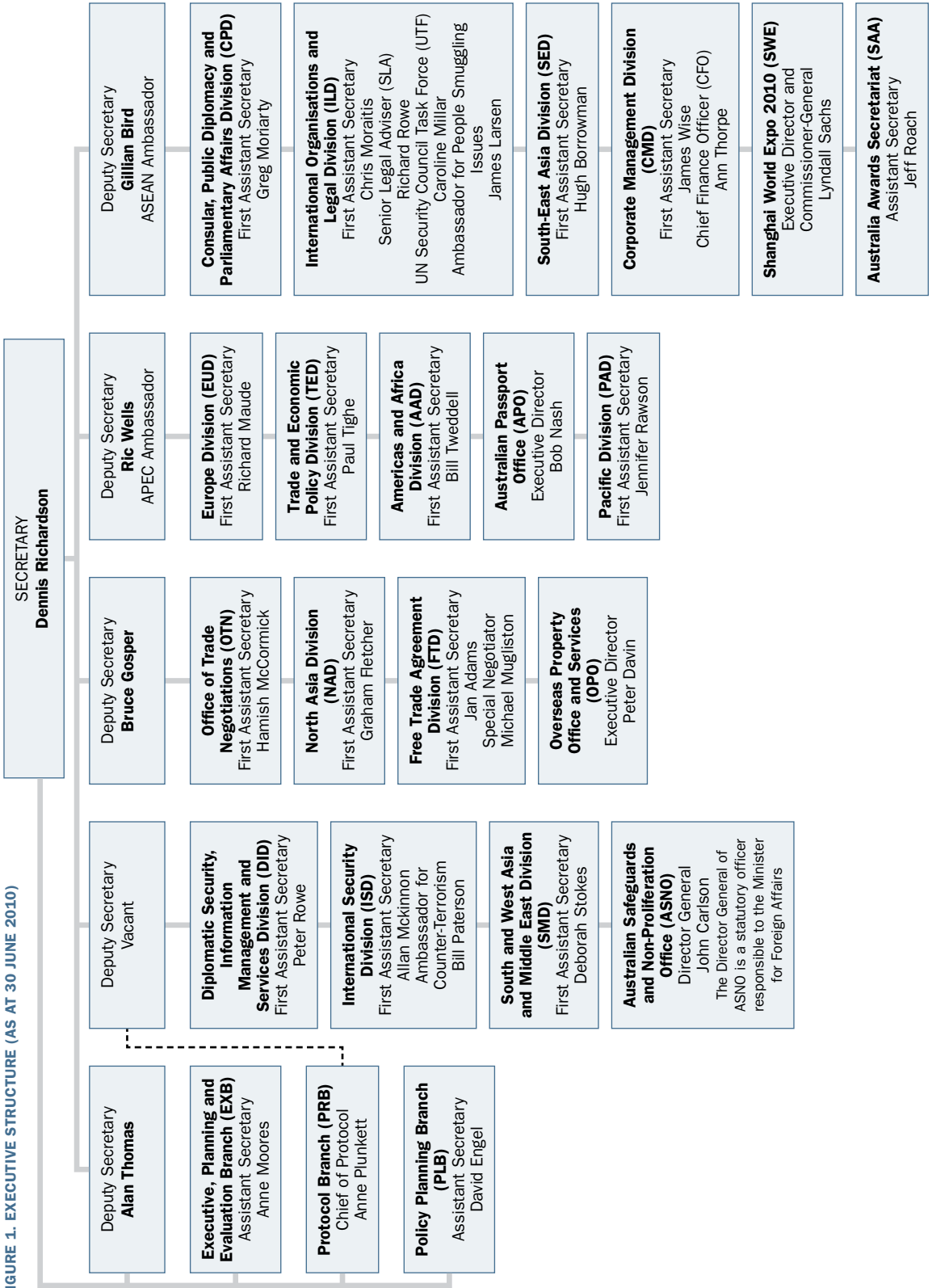
The department's organisational structure is outlined in Figure 1. In Canberra, as at 30 June 2010, the department was made up of 14 divisions, as well as three branches, the Australian Passport Office, the Overseas Property Office, the Australian Safeguards and Non-Proliferation Office, the Shanghai World Expo 2010 Executive and the Australia Awards Secretariat.

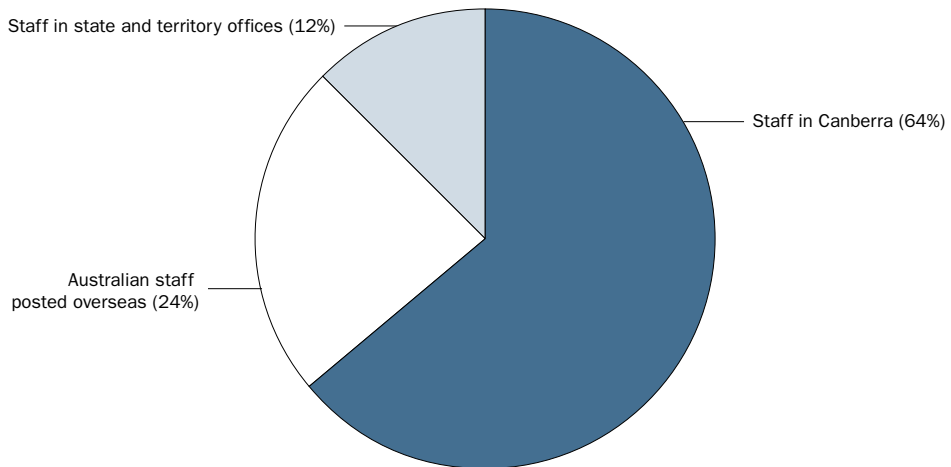
The department manages an overseas network of 89 embassies, high commissions, consulates-general and multilateral missions (see Appendix 14 for more information). Each overseas post is attached to a parent division in Canberra. In addition to headquarters in Canberra, the department maintains offices in all Australian state and territory capital cities. These offices provide consular and passport services to the Australian community and liaison services to state and territory governments and Australian business. We also maintain a Passport Office in Newcastle and a Liaison Office on Thursday Island in the Torres Strait. Details of our offices in Australia are provided inside the back cover of this report.

The department also engages people overseas to act as honorary consuls. Honorary consuls provide consular assistance on behalf of the department to Australian travellers in locations where the Australian Government does not maintain other representation (see Appendix 14 for more information).



FIGURE 1. EXECUTIVE STRUCTURE (AS AT 30 JUNE 2010)



**FIGURE 2. LOCATION OF AUSTRALIA-BASED STAFF**

## Structure of the Foreign Affairs and Trade Portfolio

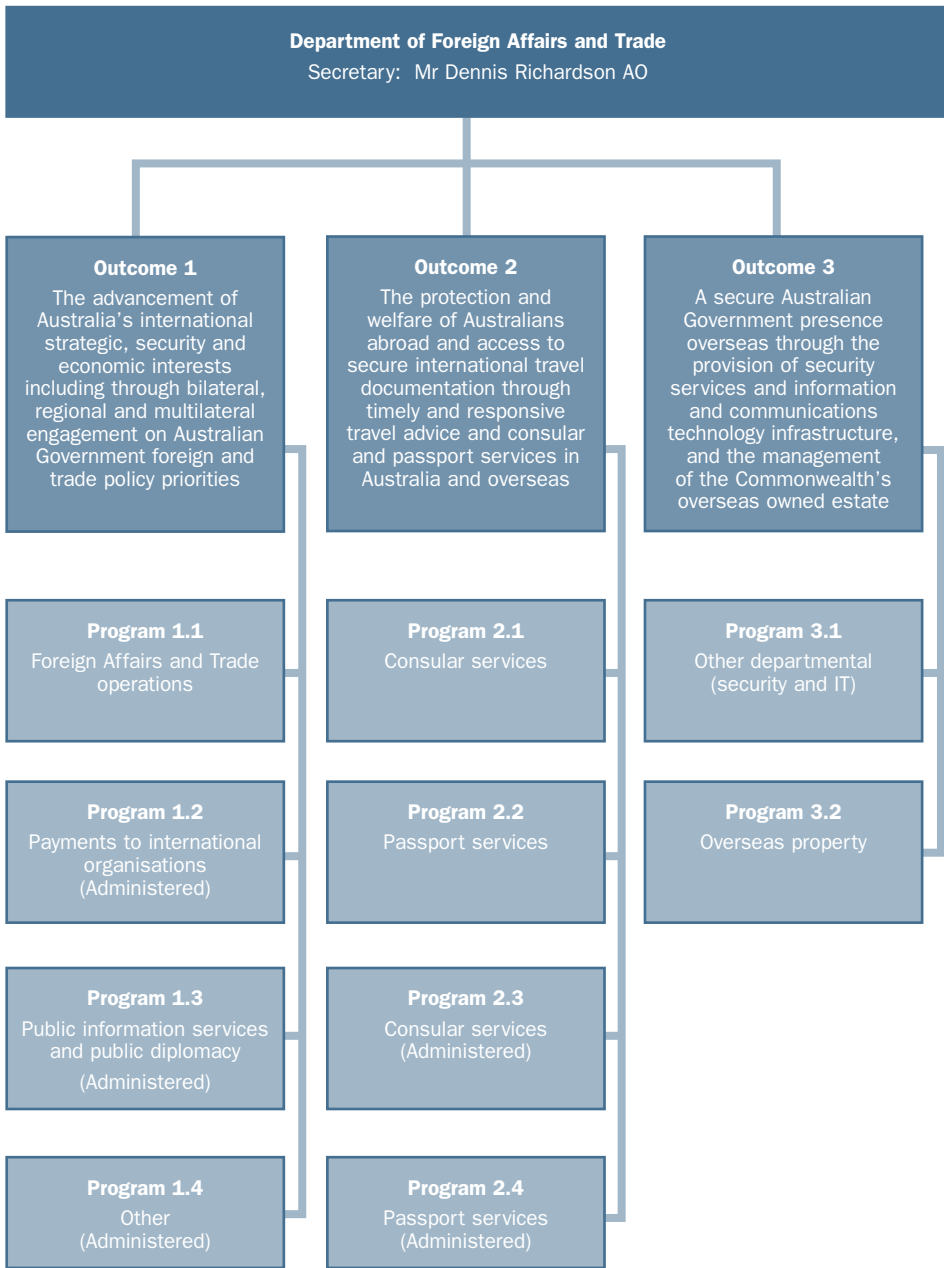
The foreign affairs and trade portfolio supports the Minister for Foreign Affairs and Trade, the Parliamentary Secretary for International Development Assistance and the Parliamentary Secretary for Trade in the conduct of Australia's foreign and trade policy.

Six agencies make up the portfolio:

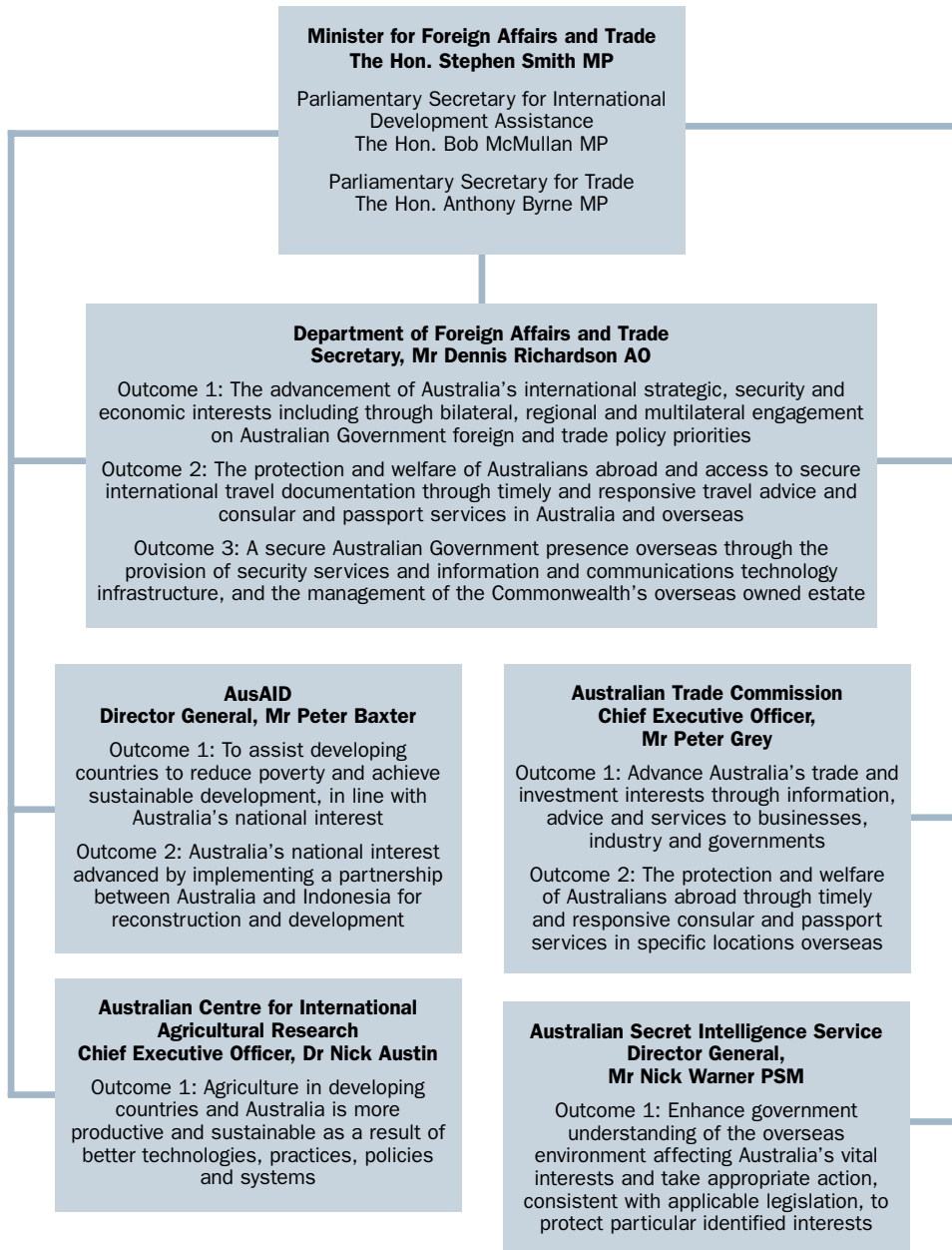
- Department of Foreign Affairs and Trade
- Australian Trade Commission (Austrade)
- AusAID (Australian Agency for International Development)
- Australian Centre for International Agricultural Research (ACIAR)
- Australian Secret Intelligence Service (ASIS)
- Export Finance and Insurance Corporation (EFIC).

Figure 4 outlines the portfolio structure and each agency's outcomes.

FIGURE 3. OUTCOMES AND PROGRAMS FRAMEWORK 2009–10



**FIGURE 4. PORTFOLIO OUTCOMES STRUCTURE—FOREIGN AFFAIRS AND TRADE PORTFOLIO AS AT 30 JUNE 2010**





*Below* The then Minister for Trade, Mr Crean, with the Japanese Minister for Foreign Affairs, Mr Katsuya Okada, in Tokyo on 26 October 2009.



*Below* The then Deputy Prime Minister, now Prime Minister, Ms Gillard, with the Indian Prime Minister, Mr Manmohan Singh. Photo: B. Mathur / Reuters / Picture Media



*Opposite* The Minister for Foreign Affairs, Mr Smith, talking with the then Minister for Foreign Affairs of Indonesia, Dr N Hassan Wirajuda, in New York on 22 September 2009. Photo: Tom Starkweather

# PERFORMANCE REPORTING SECTION 2



# OUTCOME 1

**The advancement of Australia's international strategic, security and economic interests including through bilateral, regional and multilateral engagement on Australian Government foreign and trade policy priorities**

## **Program 1.1: Foreign Affairs and Trade operations**

### **Program support:**

Program management (advocacy and protection of Australia's interests)

- 1.1.1 North Asia
- 1.1.2 South-East Asia
- 1.1.3 Americas
- 1.1.4 Europe
- 1.1.5 South and West Asia, Middle East and Africa
- 1.1.6 Pacific
- 1.1.7 Bilateral, regional and multilateral trade negotiations
- 1.1.8 Trade development and policy coordination
- 1.1.9 International organisations, legal and environment
- 1.1.10 Security, nuclear, disarmament and non-proliferation

Program management (services to other agencies)

- 1.1.11 Services to other agencies in Australia and overseas (including Parliament, state representatives, business and other organisations)

Program management (services to diplomatic and consular representatives)

- 1.1.12 Services to diplomatic and consular representatives in Australia

Program management (public information services and public diplomacy)

- 1.1.13 Public information services and public diplomacy

## **Program 1.2: Payments to international organisations**

### **Administered item:**

Payments to international organisations

## **Program 1.3: Public information services and public diplomacy**

### **Administered items:**

Shanghai World Expo (Special Account)

Australia Network

International relations grants

## **Program 1.4: Other administered**

### **Administered items:**

Payments to CAC Act bodies—EFIC

Other



# OUTCOME PERFORMANCE INFORMATION

## Outcome 1 strategy

This outcome reflects the department's primary responsibility for developing and implementing international policies on matters of security, trade and global cooperation that advance Australia's national interests. The majority of the department's financial and human resources are directed to the achievement of Outcome 1.

As highlighted in the strategic direction contained in the departmental overview in the 2009–10 Budget Statement, the department will advance a number of key strategies in support of the Government's national security agenda. These strategies are aimed at: promoting a more stable regional and global security environment; contributing to national prosperity by strengthening Australia's international trade competitiveness and export performance, and improving access to overseas markets for Australian exports through multilateral, regional and bilateral means; strengthening global cooperation in such areas as the environment, human rights and good governance; working multilaterally to address global challenges and to advance Australia's interests, including our bid for United Nations Security Council candidacy for the 2013–14 term; and enhancing international awareness and understanding of Australia's policies and society to the benefit of our foreign and trade policy goals.

As the lead agency managing Australia's external affairs, the department has a central role in the development and implementation of whole-of-government international policy. It provides leadership at Australian diplomatic missions overseas. It also manages and maintains Australia's diplomatic network, including the provision of services to other agencies represented overseas, and services to diplomatic and consular representatives in Australia.

## PROGRAM 1.1: FOREIGN AFFAIRS AND TRADE OPERATIONS

### Program 1.1 Objective

- To protect and advance the national interest through engaging in effective advocacy and overseas diplomatic activity which promote Australia's international political, security, economic and multilateral interests. To ensure the accurate and timely provision of policy advice to Ministers to meet the challenges of an evolving international environment.
- To protect and advance the national interest through a whole-of-government approach to foreign and trade policy, including leading the development and implementation of such policy, negotiating to reduce barriers to Australian trade and investment, providing leadership at overseas missions, and coordinating the overseas diplomatic network.
- To ensure the security and protect the dignity of the diplomatic and consular corps serving in Australia by delivering a quality service and upholding Australia's obligations under the Vienna Conventions.
- To project a positive and contemporary image of Australia, and to promote a clear understanding of the government's foreign and trade policies, through the delivery of high-quality and innovative public and cultural diplomacy programs.

### Program 1.1 Deliverables

- A heightened role for Australia in promoting non-proliferation and disarmament of weapons of mass destruction and other arms control efforts, including through the International Commission on Nuclear Non-proliferation and Disarmament (ICNND).
- Effective coordination of whole-of-government approaches to counter-terrorism programs and activities outside Australia, particularly focusing on South-East Asia, and also in concert with broader multilateral efforts.
- Effective contribution to whole-of-government approaches in promoting stability and reconstruction in Afghanistan.
- Reinvigorated engagement with the United Nations (UN), and international support for Australia's election to the UN Security Council for the 2013–14 term.
- Effective whole-of-government efforts in bilateral and regional diplomacy to counter people smuggling, in particular by reinvigorating the Bali Process on People Smuggling and Trafficking.
- Effective advocacy to strengthen good governance and democracy, including advocacy of human rights.
- Provision of advice relating to compliance with international legal obligations, and an effective contribution to the development of a strong international framework.
- Effective contributions that advance Australia's climate change and environment objectives, including in relation to:
  - strategies for the post-2012 climate change negotiations
  - promotion of Australia's Carbon Pollution Reduction Scheme

- hosting the 35th Antarctic Treaty Consultative Meeting in 2012
- stemming illegal, unregulated and unreported fishing
- Japan's 'scientific whaling' program.
- Strong leadership in advancing Australia's multilateral trade and economic interests, including:
  - effective participation in the World Trade Organization (WTO), including progress toward an ambitious outcome in the Doha Round
  - strong leadership of the Cairns Group of agricultural exporting countries
  - effective contribution to resolving economic and trade policy issues through the G20 process.
- Effective leadership in advancing Australia's free trade agreement (FTA) agenda, including negotiating and implementing FTAs, and exploring opportunities for new FTAs.
- Further enhancing Australia's strong alliance with the United States by building on economic, strategic, defence and intelligence cooperation, and enhancing high-level political engagement, including through mechanisms such as the Australia–United States Ministerial Consultations (AUSMIN).
- Enhanced engagement with the European Union (EU) on a range of economic and security interests, and strengthened bilateral cooperation, in particular with the United Kingdom, on shared defence and security interests.
- Continued strong relations with Canada.
- Strong relations with North Asia, including:
  - Japan through wide-ranging economic and security cooperation
  - China through wide-ranging political and economic engagement
  - the Republic of Korea through cooperation on economic and security issues.
- Strong relations with South Asia, particularly:
  - India through high-level political and economic engagement
  - Pakistan through counter-terrorism and law enforcement cooperation and development assistance.
- An advanced role for Australia in the Asia-Pacific, including by:
  - contributing effectively to Asia-Pacific Economic Cooperation (APEC) and other regional forums
  - enhancing the role of the East Asia Summit
  - encouraging consensus on an Asia Pacific community
  - building on regional economic and trade reform efforts.
- Enhanced regional cooperation and strengthened architecture in South-East Asia to meet emerging strategic and economic challenges, including by:
  - working with the Association of Southeast Asian Nations (ASEAN) on existing partnerships
  - supporting regional responses to terrorism, people smuggling and the global financial crisis
  - expanding our partnerships with Indonesia, Vietnam, Malaysia and Singapore.

- Enhanced engagement with Pacific island countries, including effective coordination of whole-of-government approaches to the Government's *Enhanced Pacific Engagement Strategy*, as well as through:
  - Pacific Partnerships for Development
  - Pacific Agreement on Closer Economic Relations (PACER) Plus trade and economic cooperation
  - encouraging an early return to democracy in Fiji
  - continuing the operations of the Australian Consulate-General in Nauru.
- Promoting political stability, economic growth and security in the region, including through program support and cooperation activities in:
  - East Timor
  - Solomon Islands through effective leadership of the Regional Assistance Mission to Solomon Islands (RAMSI).
- Further deepening our important and wide-ranging relationship with New Zealand.
- Stronger relations with the countries of Africa and the African Union through trade and investment, multilateral cooperation and high-level contact.
- Enhanced cooperation with Latin America and the Caribbean.
- Strong support for peace and stability in the Middle East, and advancing our trade and economic interests with the region.
- Closer engagement with the countries of the Gulf, including the Gulf Cooperation Council (GCC), including through negotiation of a free trade agreement with the GCC.
- High-quality public diplomacy, international media and cultural visit programs which promote an image of Australia and Australian government policies that are accurate, positive and contemporary.
- Effective consultation and liaison with, and provision of advice to, external clients on portfolio and whole-of-government issues, particularly trade issues. External clients include state and territory governments, industry and business representatives, non-government organisations (NGOs) and members of the public.
- Effective leadership of, and provision of advice and support to, other government agencies at overseas missions, in line with the Prime Minister's Directive on the Guidelines for the Management of the Australian Government Presence Overseas and service level agreements.
- Quality service and support by overseas missions to high-level Australian visitors and their delegations, including members of Parliament, state premiers, and senior officials.
- High-quality service and support to the diplomatic and consular corps serving in Australia, including with respect to the facilitation of accreditation and diplomatic visas, and the security and protection of the dignity of diplomatic missions and their personnel.

**Program 1.1 Key performance indicators**

- The department's delivery of policy advice to Ministers and high-level clients is well-judged, timely, accurate, well-coordinated, and in support of Australia's national interests.
- The department's advocacy, negotiation and liaison with stakeholders on Australia's political, security and economic interests is effective, collaborative and persuasive in encouraging an understanding of, and alignment towards, Australia's policy positions, and Australia's interests in these areas are advanced.
- The department's leadership in counter-terrorism and non-proliferation and disarmament efforts is effective, collaborative and persuasive, and contributes positively to regional and international outcomes that help ensure the security and prosperity of Australians.
- The department's work multilaterally to address global challenges and advance Australia's interests is effective, collaborative and persuasive, and contributes towards outcomes that promote peace and prosperity.
- The department assists in maintaining a high level of Australian compliance with international legal obligations through provision of appropriate advice, and the department's advocacy contributes positively toward the development of a strong international legal framework.
- The department's advancement of bilateral, regional and multilateral trade interests is effective, consultative and persuasive, and contributes positively to advancing Australia's trade interests, as well as towards improved market access and expanded trade and investment opportunities for Australia.
- The department's efforts to maintain and strengthen bilateral and regional relationships are effective and timely, delivering support for Australia's foreign and trade policy objectives, and increased linkages and opportunities for substantial engagement through both formal and informal channels.
- The department's delivery of public diplomacy, cultural and media programs is efficient, resourceful, well-targeted and accurate, and assists in the promotion of a contemporary and positive understanding of Australia and the Government's foreign and trade policies.
- Government agencies at overseas missions are satisfied with the level of DFAT service provided in accordance with the Prime Minister's Directive on the Guidelines for the Management of the Australian Government Presence Overseas and the relevant service level agreement in place.
- High-level Australian visitors overseas are satisfied with the level of logistic and administrative support provided by overseas missions (including with the timeliness and efficiency of support), with the depth of local knowledge and contacts, and the relevance of on-the-ground policy advice to their visit objectives.
- The diplomatic and consular corps posted or accredited to Australia is satisfied with the level of service provided, including in terms of responsiveness and timeliness in resolving issues and meeting Australia's obligations under the Vienna Conventions.

## Program management (advocacy and protection of Australia's interests)

### 1.1.1 NORTH ASIA

#### Overview

North Asia is of considerable strategic and economic importance to Australia. Its markets account for over half of Australia's merchandise exports, and its continued stability and prosperity have direct implications for Australia's national interests.

During the year, the department further strengthened Australia's ties with North Asia and promoted the Government's political, economic and strategic goals in the region. We supported visits to China, Japan and the Republic of Korea (ROK) by the Minister for Foreign Affairs, Mr Smith, and the then Minister for Trade, Mr Crean. We hosted a visit to Australia by Japan's Foreign Minister and assisted with visits by China's Vice-President and Executive Vice-Premier.

We promoted Australia's economic interests through ongoing negotiations of free trade agreements (FTAs) with China, Japan and the ROK and support for the Australian pavilion at the Shanghai World Expo 2010.



*The then Minister for Trade, Mr Crean, meeting with the Minister of Economy, Trade and Industry of Japan, Mr Masayuki Naoshima, at the Australia-Japan Trade and Economic Ministerial Dialogue in Tokyo on 27 October 2009.*

TABLE 2. AUSTRALIA'S TRADE IN GOODS AND SERVICES WITH NORTH ASIAN ECONOMIES <sup>(a)</sup>

Goods and services	Exports		Trend growth 2004–2009 %	Imports		Trend growth 2004–2009 %
	2008 \$m	2009 \$m		2008 \$m	2009 \$m	
Japan	53,129	40,389	11.6	22,783	18,821	2.0
China	37,123	47,991	27.3	36,870	37,252	15.2
Republic of Korea	20,248	17,467	12.8	7,013	6,948	5.9
Taiwan	8,754	7,086	9.7	4,761	3,606	1.1
Hong Kong, China	4,659	4,601	1.5	3,504	3,075	2.8
Other <sup>(b)</sup>	60	72	3.0	20	17	-3.4
<b>Total North Asia</b>	<b>123,973</b>	<b>117,606</b>	<b>15.8</b>	<b>74,951</b>	<b>69,719</b>	<b>8.3</b>

(a) Goods data on a recorded trade basis, services data on a balance of payments basis.

(b) Goods data only. Services data is not published by the ABS for these countries.

Based on DFAT STARS database and ABS catalogue 5368.0.55.004.

## Japan

The department helped strengthen Australia's comprehensive economic, security and strategic partnership with Japan. We led the implementation of activities under the 2007 Australia–Japan *Joint Declaration on Security Cooperation* (JDSC) and forged a bilateral agreement on a revised Action Plan that sets new objectives under the JDSC. We also contributed to bilateral negotiations that resulted in the signing of an Acquisition and Cross-Servicing Agreement (ACSA). This will enable closer cooperation between Australian and Japanese defence forces in international operations, such as peacekeeping, humanitarian assistance and disaster relief.

We supported high-level visits to Japan, advancing Australia's strategic interests. These included a visit to Tokyo in December 2009 by the then Prime Minister, Mr Rudd, to discuss climate change, security cooperation, and nuclear non-proliferation and disarmament. We supported a visit to Japan in May 2010 by Mr Smith and the Minister for Defence, Senator Faulkner, including to attend the third Australia–Japan '2+2' meeting of foreign and defence ministers at which the ACSA was signed. In February 2010, the department organised a Guest-of-Government visit to Australia by Japan's Foreign Minister, Mr Katsuya Okada, during which Mr Smith and Mr Okada released a joint statement reaffirming Japan and Australia's commitment to strengthening nuclear security in the Asia-Pacific.

The department supported Mr Crean in co-chairing with his Japanese counterpart, Mr Masayuki Naoshima, the inaugural Australia–Japan Trade and Economic Ministerial Dialogue in Tokyo in October 2009. We also supported Mr Crean's visit to Japan in June 2010, to attend an APEC meeting in Sapporo and conduct bilateral meetings in Tokyo. The department led three negotiating rounds with Japan on a comprehensive FTA (see sub-program 1.1.7). We worked to ensure our differences on whaling did not disrupt the broader relationship.

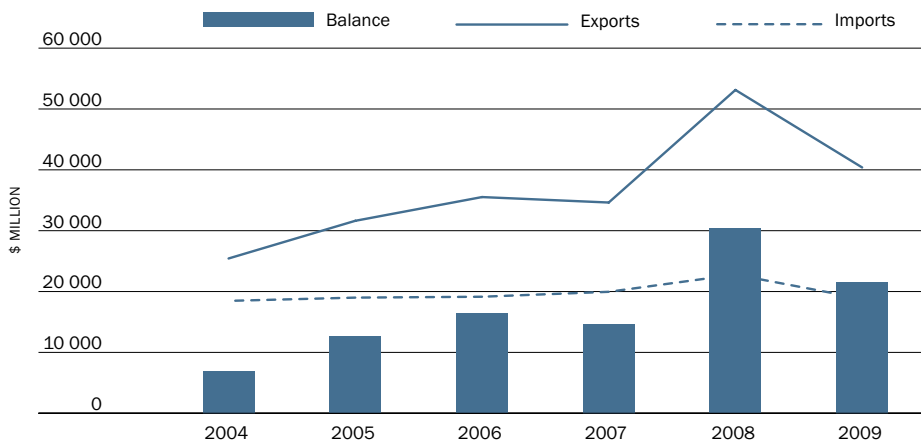


*The Minister for Foreign Affairs, Mr Smith, meeting the Japanese Minister for Foreign Affairs, Mr Katsuya Okada, in Tokyo on 19 May 2010.*

Japan was Australia's second-largest trading partner in 2009 and our largest export market for coal, LNG, copper ores and concentrates, beef, dairy products and cereals other than wheat. Japan was our third-largest source of foreign investment in 2009.

We organised the sixth Australia–Japan Conference, held in Canberra in February 2010, bringing together senior representatives from politics, business, academia and the media to explore new ideas to advance the bilateral relationship. We also provided secretariat support for the Australia–Japan Foundation (see sub-program 1.1.13).

**FIGURE 5. AUSTRALIA'S TRADE IN GOODS AND SERVICES WITH JAPAN <sup>(a)</sup>**



(a) Goods data on a recorded trade basis, services data on a balance of payments basis.  
Based on DFAT STARS database and ABS catalogue 5368.0.55.004.



## China

Following a period of political tension in mid-2009 prompted by a series of bilateral irritants, the department helped re-establish a constructive relationship with China, based on a frank appreciation of shared interests and mutual respect. Economic links were strengthened and diversified. We continued to engage China on key international issues including the G20 and the recovery of the international economy, climate change and ongoing efforts to conclude the World Trade Organization (WTO) Doha Round. We also made targeted representations on human rights.

In support of these efforts, the department facilitated a series of high-level visits to China, including those by the Governor-General, Mr Smith, Mr Crean and parliamentary delegations led by the Speaker of the House of Representatives, Mr Jenkins, and the President of the Senate, Senator Hogg. A keynote address in October 2009 at the Australian National University by Mr Smith on Australia's relations with China opened the way for a successful visit to Australia by Executive Vice-Premier Li Keqiang later that month. Vice-President Xi Jinping's visit to Australia in June 2010 affirmed the positive trend in relations.

Australia's trade and investment relationship with China continued to grow strongly. China was Australia's largest two-way trading partner in 2009, with total trade in goods and services valued at \$85.2 billion, an increase of 15.2 per cent over the previous year. This was underpinned by strong growth in our exports of resources and energy. Australian exports of iron ore to China grew by 22 per cent in 2009 and coal exports increased by over 1000 per cent, making this our second-largest export commodity, after iron ore. China became our second-largest source of foreign investment proposals during the year, heavily weighted towards mining.



*The then Minister for Trade, Mr Crean, leading economic talks with China in Beijing on 17 May 2010.  
Photo: Courtesy of China's National Development and Reform Commission*

We worked closely with other agencies and industry to support our commercial relationship with China. The annual High-Level Economic Cooperation Dialogue, co-chaired by Mr Crean in Beijing in May 2010, focused on investment, resources and energy and climate change issues. With Austrade, we led the Government's second-track commercial diplomacy initiative to match Australian industry strengths in automotives, agribusiness, clean energy and sustainable urban planning with opportunities in China's fast growing inland provinces. We continued to pursue a high-quality and comprehensive FTA with China (see sub-program 1.1.7).

With our support, the inaugural CEO Roundtable in June 2010 saw 25 top business leaders from Australia and China consider ways to strengthen business ties. The Australia–China Economic and Trade Forum, also in June 2010, brought together 500 business people on both sides to discuss trade and investment. We again supported the Australia–China Business Council Networking Day, held at Parliament House in March 2010, where ministers set out the Government's priorities in economic relations with China.

With strong input from the business and arts communities, we led Australia's engagement at the Shanghai World Expo 2010. The Expo opened on 1 May 2010 for six months. We expect to receive over seven million visitors to our pavilion.

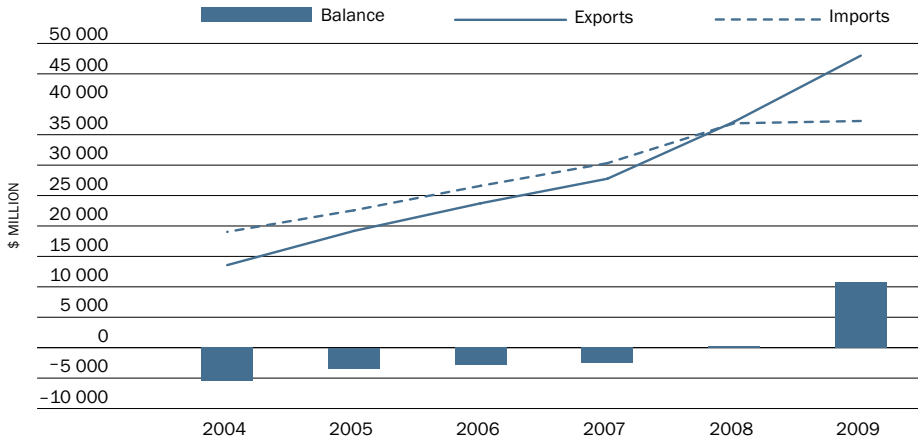
Under the Special Visits Program, we hosted a visit by the Mayor of Foshan in Guangdong Province, highlighting Australian capabilities in financial services and clean energy. We also helped arrange a visit by five Chinese journalists under the International Media Visits Program. This focused on the resources and investment relationship, and generated a volume of informed and balanced reporting.



*The then Deputy Prime Minister, now Prime Minister, Ms Gillard, welcoming the Chinese Executive Vice-Premier, Mr Li Keqiang, to a bilateral meeting in Sydney on 30 October 2009.  
Photo: Pool / Getty Images News*

In June 2010, the launch of the Year of Australian Culture in China set the stage for reinforcing people-to-people links and showcasing Australian culture in China over the coming year. We provided secretariat support to the Australia–China Council (see sub-program 1.1.13).

**FIGURE 6. AUSTRALIA’S TRADE IN GOODS AND SERVICES WITH CHINA (a)**

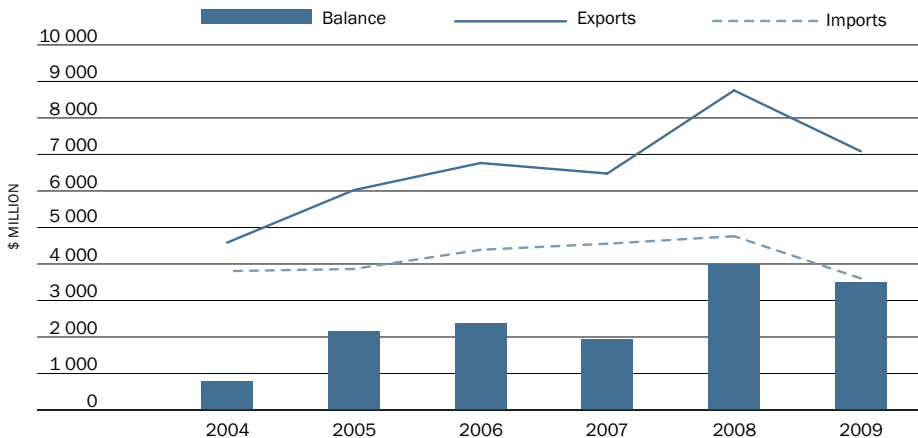


(a) Goods data on a recorded trade basis, services data on a balance of payments basis. Based on DFAT STARS database and ABS catalogue 5368.0.55.004.

### Taiwan

In 2009, Australia’s exports to Taiwan were valued at \$7.1 billion, making this our ninth-largest export market. The department supported these growing economic ties through convening the 14th round of bilateral economic consultations, with the main focuses on strengthening investment relations and cooperation in clean energy. We also conducted an active and successful public diplomacy program in Taiwan, by sponsoring high-profile Australian visits to promote science, culture, technology and the arts.

**FIGURE 7. AUSTRALIA’S TRADE IN GOODS AND SERVICES WITH TAIWAN (a)**



(a) Goods data on a recorded trade basis, services data on a balance of payments basis. Based on DFAT STARS database and ABS catalogue 5368.0.55.004.

## Hong Kong

The department worked closely with the Australian business community to advance our substantial commercial interests there. We supported a visit to Hong Kong by the Minister for Financial Services, Mr Bowen, to promote the Government's strategy of positioning Australia as a leading financial service centre in the region.

## Macau

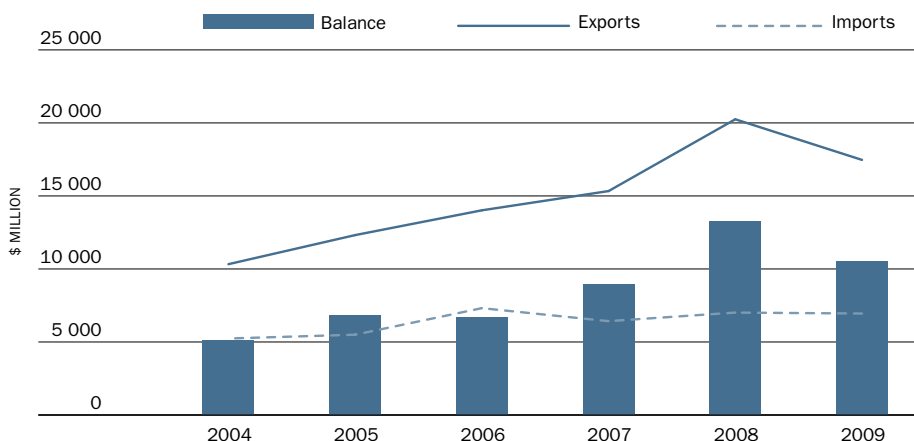
We continued to support Australian business interests in Macau through the Australian consulate-general in Hong Kong. Gaming and associated enterprises in construction and food/beverage services attracted significant Australian trade and investment.

## Republic of Korea (ROK)

The department led whole-of-government efforts to strengthen Australia's growing strategic partnership with the ROK. These included a review of Australia-ROK security cooperation that resulted in bilateral ministerial agreement on a *Revised Action Plan on Enhanced Global and Security Cooperation*. Areas of enhanced cooperation include: defence, law enforcement, counter-terrorism, disarmament and non-proliferation and development cooperation.

We supported the Australian Government's response to the sinking of the ROK navy vessel, the *Cheonan*, including by working closely with the Department of Defence on Australia's participation in a ROK-led international investigation. We also engaged key regional countries and United Nations Security Council members to advocate in favour of a meaningful international response to the attack by the Democratic People's Republic of Korea (DPRK).

FIGURE 8. AUSTRALIA'S TRADE IN GOODS AND SERVICES WITH THE REPUBLIC OF KOREA <sup>(a)</sup>



(a) Goods data on a recorded trade basis, services data on a balance of payments basis.

Based on DFAT STARS database and ABS catalogue 5368.0.55.004.



*The Minister for Foreign Affairs, Mr Smith, meeting with Republic of Korea Minister of National Defence, General Kim Tae-young, in Seoul on 15 December 2009.*

*Photo: Courtesy of ROK Ministry of National Defence*

The ROK is Australia's fourth-largest export market. We worked closely with other agencies and industry to support commercial interests, especially exports of resources and energy. We made good progress towards a comprehensive bilateral FTA, conducting four rounds of negotiations during the year (see sub-program 1.1.7).

We coordinated whole-of-government cooperation with the ROK across the full range of regional and global issues, including advancing WTO negotiations and strengthening regional architecture. We worked closely with our ROK counterparts in entrenching the G20 as the premier forum for global economic cooperation and in support of the ROK's hosting of a G20 summit in November 2010.

The department supported visits to the ROK by Mr Crean in October 2009, including to advance FTA negotiations, and by Mr Smith in December 2009, including to review Australia–ROK security cooperation. We also supported visits to the ROK by: the Parliamentary Secretary for Trade, Mr Byrne, who represented Australia at the funeral of former ROK President Kim Dae-jung; Senator Forshaw, Chair, Joint Standing Committee on Foreign Affairs, Defence and Trade; and a parliamentary delegation led by the President of the Senate, Senator Hogg. Under the Special Visits Program (SVP), we hosted visits by ROK National Assembly member, Representative Cho Yoon-sun, and Secretary to the ROK President for National Future and Vision, Dr Kim Sang-hyup.

Working with our ROK counterpart, we organised a 1.5-track dialogue, held in Seoul in May 2010. Australian and ROK participants from politics, government, business, academia and the media explored ways to strengthen Australia–Korea ties. We also worked with the Departments of Defence and Veterans' Affairs to support Australian veterans commemorating the 60th anniversary of the beginning of the Korean War. We provided secretariat support to the Australia–Korea Foundation (see sub-program 1.1.13).

## Democratic People's Republic of Korea (DPRK)

Supporting international efforts to find a peaceful resolution to the Korean Peninsula nuclear issue, the department continued to work closely with the United States, Japan, the ROK and other countries. We urged the Democratic People's Republic of Korea (DPRK) to abandon its nuclear weapons program, return to full compliance with the Nuclear Non-Proliferation Treaty and implement commitments made previously in the Six-Party Talks. We also raised directly with the DPRK Australia's concerns about its human rights record and co-sponsored resolutions in the United Nations General Assembly and Human Rights Council to focus international attention on the human rights situation in the DPRK.

## Mongolia

The department supported an expansion in Australia's relations with Mongolia, in areas such as development cooperation, commerce and parliamentary relations. We promoted Australia as a reliable investor and partner in the sustainable development of Mongolia's mining sector and explored other ways to expand Australian involvement in Mongolia. We also continued to help Mongolia create an effective and transparent legal framework for business. This will benefit Australian companies.

In July 2009, we supported a visit to Mongolia by an Australian parliamentary delegation and, in April 2010, one by the Governor of New South Wales. We also supported the second Australia–Mongolia Joint Minerals and Energy Working Group meeting held in Canberra in August 2009, as well as a number of high-level visits from Mongolia to Australia, including those by several parliamentarians and a delegation of state secretaries.

## Outlook

The department will work with North Asian partners to promote regional stability and Australia's economic interests.

Building on existing cooperative arrangements and bilateral dialogues, we will strengthen Australia's strategic engagement in the North Asian region. We will engage these governments on major international priorities for Australia, such as climate change, global financial governance, regional architecture and nuclear non-proliferation.

We will promote Australia's business interests in these important markets and will pursue a successful outcome to FTA negotiations with China, Japan and the ROK.

We will work with our regional partners and the United States to help encourage a negotiated settlement of the DPRK nuclear issue.

## 1.1.2 SOUTH-EAST ASIA

### Overview

The department advanced Australia's South-East Asian interests through support for high-level engagement with key countries in the region, including during visits by Indonesian President, Dr Susilo Bambang Yudhoyono, East Timorese President Dr José Ramos-Horta, and the General Secretary of the Communist Party of Vietnam, Mr Nong Duc Manh.

During 2009–10, we worked to encourage close practical cooperation with key regional partners, focusing on economic and people-to-people links. Achievements included the conclusion of a Comprehensive Partnership with Vietnam, the entry into force of the Agreement establishing the ASEAN–Australia–New Zealand Free Trade Area (AANZFTA) on 1 January 2010 and the strengthening of our strategic partnership with Indonesia.

We played an active role in regional architecture, coordinating a major conference in December 2009 to discuss the Government's Asia Pacific community proposal. This conference and related advocacy contributed directly to wider, regional efforts to continue to enhance regional arrangements. As part of this, we supported ongoing development of the East Asia Summit (EAS).

### Indonesia

The department played a key role in supporting the state visit of Indonesia's President Yudhoyono in March 2010, which underlined the strength of the bilateral relationship and its growing strategic importance and set the stage for further developing bilateral ties. The President's delegation was the largest and most wide-ranging Indonesian Government delegation ever to visit Australia. The then Prime Minister, Mr Rudd, and President Yudhoyono agreed to upgrade the Australia–Indonesia relationship to a 'comprehensive strategic partnership'. The leaders agreed to meet annually, and decided that foreign and defence ministers of both countries would meet each year in a so-called '2+2' arrangement. To strengthen links between Australia and Indonesia in areas such as education, culture, media, business and sport, leaders agreed to establish an Australia–Indonesia Leadership Dialogue.

The President and Mr Rudd also agreed on the need to accelerate and deepen the integration of the Australian and Indonesian economies. During President Yudhoyono's visit, Mr Crean and Indonesia's Minister for Trade, Dr Mari Pangestu, participated in a well-attended high-level business forum in Sydney. We continued to discuss the possible launch of negotiations on an Economic Partnership Agreement with Indonesia.

Following agreement between the Minister for Foreign Affairs, Mr Smith, and his Indonesian counterpart, Dr Marty Natalegawa, on a framework for improving consular access and assistance for each country to its nationals, we organised two rounds of consular consultations.

TABLE 3. AUSTRALIA'S TRADE IN GOODS AND SERVICES WITH SOUTH-EAST ASIA <sup>(a)</sup>

Goods and services	Exports	Exports	Trend growth 2004–2009 %	Imports	Imports	Trend growth 2004–2009 %
	2008 \$m	2009 \$m		2008 \$m	2009 \$m	
Indonesia	5,301	5,339	4.7	6,375	5,986	7.1
Malaysia	5,529	4,777	7.9	10,039	8,549	8.3
Philippines	1,831	1,572	10.6	1,140	932	-0.3
Singapore	9,954	8,295	10.1	21,141	14,661	13.3
Thailand	6,266	5,315	8.0	12,206	13,910	25.7
Vietnam	2,207	2,250	22.6	5,866	3,726	7.8
Other	285	311	8.1	1,517	961	7.5
<b>Total ASEAN</b>	<b>31,373</b>	<b>27,859</b>	<b>8.9</b>	<b>58,284</b>	<b>48,725</b>	<b>12.9</b>
East Timor <sup>(b)</sup>	35	43	11.6	11	5	15.2
<b>Total South-East Asia</b>	<b>31,408</b>	<b>27,902</b>	<b>8.9</b>	<b>58,295</b>	<b>48,730</b>	<b>12.9</b>

(a) Goods data on a recorded trade basis, services data on a balance of payments basis.

(b) Goods data only. Services data is not published by the ABS for East Timor.

Based on DFAT STARS database and ABS catalogue 5368.0.55.004.

In the aftermath of the Jakarta hotel bombings in July 2009, we supported the visit to Indonesia by Mr Smith. We also supported the attendance by Mr Smith, together with Mr Rudd, at President Yudhoyono's inauguration in October 2009, and subsequent travel by Mr Smith to Sumatra, where Indonesian and Australian defence forces had earlier worked together on the Op Padang Assist earthquake response effort.



The Minister for Foreign Affairs, Mr Smith, meeting with the Indonesian Minister for Foreign Affairs, Dr Marty Natalegawa, at Parliament House in Canberra on 9 March 2010.

Photo: Auspic



Visits by two Chairs of influential Indonesian Parliamentary Commissions under our Special Visits Program helped strengthen understanding and common interests. The visit by the Vice-Director of Indonesia's largest newspaper group, and founder of the country's largest basketball team, advanced people-to-people links (see sub-program 1.1.13).

At the request of the Australian and Indonesian foreign ministers, we completed a stocktake of people-to-people links between the two countries as a basis to deepen and broaden people-to-people exchanges.

We supported the Australia–Indonesia Institute in building stronger links between the people of Australia and Indonesia in order to strengthen mutual understanding and promote positive images of each country in the other. In 2009–10 the focus was on building links in education, interfaith, and arts and culture (see sub-program 1.1.13).

## Thailand

The department led Australia's response to the uncertain political environment in Thailand, which included major protests and political violence in central Bangkok in April and May 2010. The Australian embassy in Bangkok maintained its core functions throughout the crisis, but was closed to visitors for a period because of its proximity to conflict areas.

We continued to advocate renewed negotiations for further trade and investment liberalisation under the Thailand–Australia Free Trade Agreement. These negotiations would cover services, investment, business mobility, competition and government procurement. Under our Special Visits Program, we hosted a senior Ministry of Finance spokesperson, as part of our promotion of links between Australian and Thai economic and business communities. We also supported the Australia–Thailand Institute in its work to strengthen people-to-people and institutional links (see sub-program 1.1.13).

## Singapore

Our support for high-level visits to Singapore continued. We managed visits to Singapore by Mr Smith, Mr Crean and the Minister for Defence, Senator Faulkner, to participate in the Singapore–Australia Joint Ministerial Committee meeting in July 2009, providing an opportunity for strategic discussion on a wide range of bilateral and regional interests. At that meeting, Mr Crean and Singaporean Minister for Trade and Industry, Mr Lim Hng Kiang, announced the conclusion of the second review of the substantive elements of the Singapore–Australia Free Trade Agreement (SAFTA). This marked the culmination of extensive negotiations undertaken by the department (see sub-program 1.1.7). We also facilitated an inaugural business dialogue, co-hosted by Mr Crean and Mr Lim. We maintained a close, constructive dialogue with Singapore on regional architecture issues of importance to both countries. These discussions continued during the official visit to Australia by Singaporean Minister for Foreign Affairs, Mr George Yeo, in June 2010.



*The then Minister for Trade, Mr Crean, the Minister for Defence, Senator Faulkner and the Minister for Foreign Affairs, Mr Smith, with their Singaporean counterparts Mr George Yeo (Minister for Foreign Affairs), Mr Teo Chee Hean (Deputy Prime Minister and Minister for Defence) and Mr Lim Hng Kiang (Minister for Trade and Industry) speaking to the press after the Sixth Singapore-Australia Joint Ministerial Committee meeting in Singapore on 27 July 2009. Photo: Roslan Rahman / AFP*

## Malaysia

Helping enhance the strategic depth in our bilateral relationship with Malaysia, the department supported a number of high-level visits there. These included a key visit by the then Prime Minister, Mr Rudd, in July 2009. The department also supported a visit by Mr Smith in July 2009 for the inaugural Australia–Malaysia Foreign Ministers’ Meeting. We implemented a range of activities arising from that visit, including expanding the sister schools program and enhancing sports cooperation through the Australia–Malaysia Institute (see sub-program 1.1.13).

We arranged the Australia–Malaysia Joint Trade Committee meeting in Melbourne in August 2009. This included discussion between Mr Crean and Malaysian Minister of International Trade and Industry, Dato’ Sri Mustapa Mohamed, about Malaysia–Australia Free Trade Agreement negotiations (see sub-program 1.1.7). As a result of the Joint Trade Committee meeting, we supported the Treasury in negotiating and finalising a memorandum of understanding on cooperation in conventional and Islamic finance. In April 2010, our Ambassador for Counter-Terrorism reached agreement with Malaysian Home Affairs Minister, Dato’ Seri Hishammuddin Hussein, to establish a bilateral counter-terrorism working group meeting, which will bring together relevant Australian and Malaysian agencies to provide a strategic framework for developing future counter-terrorism cooperation.



*The Minister for Foreign Affairs, Mr Smith, speaks to students during a visit to Aminuddin Baki Secondary School on 7 July 2009. The school is a participant in the Australia-Malaysia Institute Sister School Program.*

## The Philippines

The department helped coordinate Australia's support for security and stability in the Philippines, which included development assistance, defence and counter-terrorism cooperation and encouragement of a sustained commitment by all parties to the Mindanao peace process negotiations.

During the May 2010 presidential, national and local elections, we organised a joint elections visit program with Japan and Indonesia, under the auspices of the Bali Democracy Forum, fielding election observers throughout the Philippines.

We also advanced bilateral commitments made at the 2008 Philippines–Australia Ministerial Meeting. This included holding senior officials' talks on mining.

## Vietnam

Working on a whole-of-government basis, we played a key role in finalising the Comprehensive Partnership between Australia and Vietnam. This was signed by the two Deputy Prime Ministers in September 2009, during the official visit by the General Secretary of the Communist Party of Vietnam, Mr Nong Duc Manh. In its role as ASEAN chair for 2010, we engaged closely with Vietnam on a range of regional and multilateral issues.

We supported Mr Crean's participation in the eighth Joint Trade and Economic Cooperation Committee (JTECC) in Hanoi in July 2009 and in the ninth JTECC in

Melbourne in June 2010. These meetings advanced Australia's trade and investment interests in Vietnam in the areas of financial services, education and training, resources and infrastructure. The Minister for Labour, Invalids and Social Affairs, Madame Nguyen Thi Kim Ngan, visited in June 2010, undertaking a high-level program coordinated by the department.

The bilateral strategic dialogue and the Australia–Vietnam Human Rights Dialogue were held in Hanoi, in August 2009 and December 2009 respectively (see sub-programs 1.1.10 and 1.1.9).

## East Timor

The department continued to coordinate Australia's whole-of-government efforts to build a stable and more prosperous East Timor, including through the International Stabilisation Force (ISF) and the UN police, as well as by providing capacity-building support for the East Timorese police and army.

The department made progress during 2009–10 on a number of issues: a negotiated drawdown of our deployment to the ISF in light of improved security; the renewal of the mandate for the UN Integrated Mission in East Timor (UNMIT); and formal approval from both countries for the development of the Kitan oilfield in the Joint Petroleum Development Area. We also continued to engage East Timor on the development of the shared Greater Sunrise petroleum resource, but, while the commercial operator has announced its preferred development option, the issue remains unresolved.



*The then Prime Minister, Mr Rudd, and East Timorese President, Dr José Ramos-Horta, speaking at a press conference in Canberra on 23 June 2010.*

*Photo: Andrew Taylor / Getty Images News*

Highlights for the bilateral relationship were the visit to Australia by East Timorese President, Dr José Ramos-Horta, in June 2010, and the visit by the Governor-General to East Timor in August 2009. We facilitated the fifth Australia–East Timor–Indonesia trilateral meeting at foreign ministers’ level in New York in September 2009.

## Other bilateral relationships

The department continued to support the judicial process to bring to trial former Khmer Rouge leaders in **Cambodia**. We also supported the official visit of the senior Deputy Prime Minister of Cambodia, Mr Sar Kheng, in May 2010, which deepened bilateral relations and advanced cooperation on security issues.

Under a bilateral human rights initiative, we provided support for the May 2010 appearance by **Laos** at its Universal Periodic Review (UPR) under the United Nations Human Rights Council and facilitated a civil society workshop in Vientiane on the UPR process. We sponsored a visit by the Lao Vice-Minister for Industry and Commerce, Madame Khemmani Pholsena, which deepened economic cooperation as Laos moves ahead with its accession to the World Trade Organization (WTO).

We supported the first visit by an Australian parliamentary delegation to **Brunei**. In May 2010, we hosted a visit to Australia by the Permanent Secretary of Brunei’s Ministry of Religious Affairs, with a focus on Islam in Australia, interfaith dialogue and expanding education links.

We helped develop Mr Smith’s major statement to Parliament on **Burma** and supported the Government’s response to the conviction of Ms Aung San Suu Kyi in August 2009. Australia’s Chargé d’Affaires in Rangoon, together with representatives of the US and UK embassies, met Ms Aung San Suu Kyi in October 2009 to discuss sanctions. This was the first contact by an Australian official with Ms Aung San Suu Kyi since 2003. We were unable to secure a further meeting. We implemented the Government’s financial sanctions and travel restrictions against members of the Burmese regime.

## ASEAN and regional issues

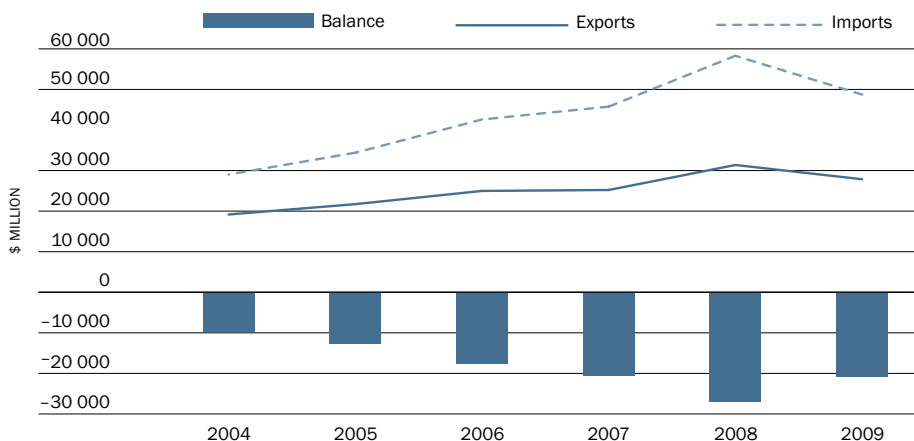
In December 2009, the department coordinated the Government’s Asia Pacific community (APc) conference in Sydney, which advanced and deepened discussions among Asia-Pacific countries on strengthening regional institutions. Subsequently, we supported diplomatic efforts by Mr Rudd and Mr Smith to gain support from key countries for reforms to regional architecture to achieve the strategic objectives of the Government’s APc initiative. Regional discussions, generated in part by this initiative, led to a decision by the Association of Southeast Asian Nations (ASEAN) in April 2010 to encourage the United States and Russia to deepen their engagement in evolving regional architecture.

We coordinated Australia’s participation in the EAS. Working with other agencies, we made a substantial contribution to progressing EAS priorities, notably on regional financial cooperation and economic integration, disaster response and education cooperation.

A significant outcome that advanced Australia’s trade interests in the region was the entry into force on 1 January 2010 of the Agreement Establishing the AANZFTA

(see sub-program 1.1.7). The department played a key role in securing positive outcomes at the fourth EAS, held on 25 October 2009 in Hua Hin, Thailand. This was reflected in the Chair's Statement, which advanced Australian strategic priorities, including securing an EAS Finance Ministers' meeting and consideration of a Comprehensive Economic Partnership in East Asia.

**FIGURE 9. AUSTRALIA'S TRADE IN GOODS AND SERVICES WITH ASEAN <sup>(a)</sup>**



(a) Goods data on a recorded trade basis, services data on a balance of payments basis.  
Based on DFAT STARS database and ABS catalogue 5368.0.55.004.

We coordinated the fifth Regional Interfaith Dialogue which was held in Perth on 28–30 October 2009. The Dialogue was attended by 146 delegates from 14 countries. With its theme 'future faith leaders', the Dialogue contributed to mutual respect and understanding among the diverse faith groups of the region.

## Outlook

The department will continue to accord priority to Australia's relationships with ASEAN, its member countries and East Timor. This will include supporting high-level exchanges between governments and encouraging people-to-people engagement and cooperation. We will provide advice to the Government as Burma conducts its first election in 20 years.

We will also continue to work closely with South-East Asian countries to support the ongoing evolution of regional architecture and integration in a way that meets the emerging requirements of the region.

The department will work to open new markets, reduce barriers to trade and improve access for Australian business in South-East Asia. This work will include negotiations towards a new bilateral agreement with Malaysia, potential Economic Partnership Agreement negotiations with Indonesia and efforts to continually improve existing agreements (including with Singapore and Thailand). We will support the implementation of AANZFTA as well as regional efforts towards an EAS-wide FTA through the Comprehensive Economic Partnership in East Asia proposal.

### 1.1.3 AMERICAS

#### Overview

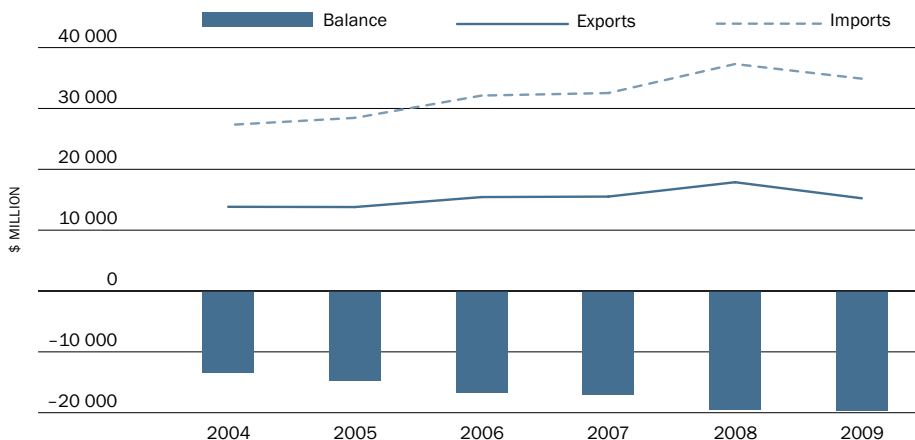
The department pursued an enhanced relationship with the United States, addressing non-traditional security concerns, while maintaining strong defence, security, economic and trade cooperation. Although the Australia–United States Ministerial Consultations (AUSMIN), scheduled for January 2010, were unavoidably postponed—as was United States President Mr Barack Obama’s visit to Australia, scheduled for March and then June 2010—we facilitated substantive and whole-of-government political engagement with the United States, helping advance Australia’s strategic objectives.

The department furthered Australia’s extensive cooperation with Canada in the United Nations and the G20, as well as on issues such as Afghanistan, consular cooperation and trade liberalisation. We led whole-of-government efforts to strengthen relations with Latin America and the Caribbean through high-level political engagement, enhanced participation in regional forums and in new areas of cooperation. Visits to Latin America by the Minister for Foreign Affairs, Mr Smith, and the then Minister for Trade, Mr Crean, advanced Australia’s political and economic cooperation with the region.

#### United States

The department facilitated high-level political engagement with the United States, advancing Australia’s objectives of promoting a coordinated response to the global economic crisis, regional and global security and nuclear non-proliferation. At officials’ level, we led the inter-departmental US Policy Group, which aimed to ensure coherence of government agencies’ work on the bilateral relationship.

FIGURE 10. AUSTRALIA’S TRADE IN GOODS AND SERVICES WITH THE UNITED STATES <sup>(a)</sup>



(a) Goods data on a recorded trade basis, services data on a balance of payments basis.

Based on DFAT STARS database and ABS catalogue 5368.0.55.004.



*The then Prime Minister, Mr Rudd, speaking with United States President, Mr Barack Obama, in Washington D.C. on 30 November 2009.  
Photo: Auspic*

We supported a whole-of-government effort to work with the United States and other partners on strengthening global financial and economic institutions. This culminated in G20 leaders' agreement at their meeting in Pittsburgh in September 2009 to designate the G20 as the pre-eminent global forum for economic cooperation. In November 2009, Mr Rudd visited Washington for bilateral consultations with United States President, Mr Barack Obama and Secretary of State, Mrs Hillary Rodham Clinton on the US Afghanistan strategy and on climate change. We worked with the Department of the Prime Minister and Cabinet and other agencies to prepare for the visit of President Obama to Australia, planned for March and then June 2010.

We aided the Government's close collaboration with the United States in responding to international strategic challenges, including the war in Afghanistan, the nuclear ambitions of Iran and North Korea and the threat of terrorism. In September 2009, Mr Smith visited Washington to discuss with senior Administration officials our key shared security interests. Mr Smith and the Minister for Defence, Senator Faulkner, were to have hosted United States Secretary of State, Mrs Hillary Rodham Clinton and Secretary of Defense, Dr Robert Gates, in Canberra for the 25th AUSMIN in January 2010, but the talks were postponed due to Secretary Clinton's central role in responding to the earthquake in Haiti.

We continued to advance cooperation with the United States on nuclear non-proliferation, a priority for the Australian and US Governments. In May 2010, Mr Smith visited New York for the Treaty on Non-Proliferation of Nuclear Weapons (NPT) Review Conference, for which Australia and Japan submitted a joint Package of Practical Nuclear Disarmament and Non-Proliferation Measures. The same month, Mr Smith signed a new agreement between Australia and the United States concerning the peaceful uses of nuclear energy.



In June 2010, we hosted prominent nuclear expert, Dr Charles Ferguson, President of the Federation of American Scientists, under the Special Visits Program.

The US Administration's response to the global economic crisis remained of critical importance, particularly the implementation of its stimulus package and the possible effects of this on Australian business. We made representations to the Administration about the need to avoid protectionism, including in government procurement and industry restructuring practices. We also welcomed the Administration's promotion of trade liberalisation as part of its National Export Initiative, which aims to create jobs following the global economic downturn. In response to the Administration's economic modernisation agenda, we assisted the Government's efforts to promote Australia's technology and services expertise in renewable and clean energy, biotechnology and water management.

In Washington in October 2009, Mr Crean convened the Australia–United States Ministerial Trade Talks (AUSMINTT) with US Trade Representative, Ambassador Ron Kirk. This meeting highlighted shared interests across the forward trade agenda, and helped deepen engagement with the US Administration on key multilateral and regional trade priorities, particularly the WTO Doha Round, the Trans-Pacific Partnership Agreement and APEC. We reviewed implementation of the Australia–United States Free Trade Agreement (AUSFTA) and found it to be working well. Ministers instructed the department, in consultation with the Department of Finance and Deregulation, to conduct a review of implementation of the Agreement's government procurement chapter with the Office of the US Trade Representative in 2010.



*The then Minister for Trade, Mr Crean, in a bilateral meeting with the United States Trade Representative, Ambassador Ron Kirk, at the Hotel Raphael in Paris on 27 May 2010.  
Photo: Alastair Miller*

In May–June 2010, we hosted a visit to Australia by a senior congressional staff delegation, interested in the benefits of Australia’s economic reform agenda and trade liberalisation experience. In June 2010, under the Special Visits Program, we hosted Mr Jeffrey Schott, Senior Fellow at the Peterson Institute for International Economics, and Mr Bill Reinsch, the President of the National Foreign Trade Council, to exchange ideas on trade policy, including the Doha Round, Asia-Pacific regional integration, the Trans-Pacific Partnership Agreement and APEC.

We worked with the Department of Agriculture, Fisheries and Forestry to promote export opportunities for a range of Australian agricultural and food products in the US market, including dairy and horticulture products. In August 2009, officials progressed technical discussions on specific agricultural market access issues under the AUSFTA umbrella. We continued to advocate against US farm subsidies and regulatory barriers, such as mandatory country of origin labelling for meat products, which affect the competitiveness of Australian agricultural exports.

We continued to advocate for the ratification by the US Senate of the Defense Trade Cooperation Treaty. If brought into force, the Treaty would create a comprehensive framework for two-way trade between Australia and the United States in defence articles, within an ‘Approved Community’, without the need for export licences.

The department supported initiatives for enhancing people-to-people links with the United States, particularly among young Australians and Americans. Mr Smith approved a departmental grant of \$150 000 to the Australian–American Education Leadership Foundation in 2009–10 to establish a Young Leadership Dialogue program to build on the success of the Australian–American Leadership Dialogue. The first such Dialogue took place in Canberra in March 2010. We assisted the Department of Immigration and Citizenship to secure the continuation of the Australia–United States Work and Holiday pilot program, which gives eligible young Australians the opportunity to live and work in the United States for up to 12 months.

Mr Smith announced in March 2010 that the department would continue funding a Fulbright Professional Scholarship in Australia–US Alliance Studies for a further three years from 2010–11. Mr Smith also announced a special commemorative Anniversary Alliance Scholarship for 2010–11 to mark the 60th anniversary of the establishment of the Australian–American Fulbright Commission and the 25th anniversary of the AUSMIN consultations. We supported G’Day USA 2010, promoting Australian business, knowledge and skills, education, tourism and film in the United States.

## Canada

The department worked closely with Canada in the G20 process, and supported Deputy Prime Minister Swan’s advocacy of Australian interests at the G20 Leaders’ Summit in Toronto on 26–27 June 2010. We continued to cooperate on people smuggling and security matters, including our mutual interests in Afghanistan, as well as on UN matters, consular issues and intelligence-sharing. We initiated a bilateral trade dialogue at senior officials’ level to further our trade interests, and worked with Canada to promote the benefits of trade liberalisation in the WTO and APEC and agricultural reform in the Cairns Group.

## Latin America and the Caribbean

The department supported Australia's growing relations with **Brazil** through facilitating high-level exchanges, including a visit by Mr Smith to Brazil in August 2009. We pursued shared and ongoing interests in the G20, and worked to expand links in new areas of cooperation including sport, science and technology, mining and energy. The department supported Mr Crean in promoting Australia's trade and economic objectives with Brazil, during his visit to Brazil in April 2010. We facilitated the signing of the bilateral Air Services Agreement by Mr Crean and External Affairs Minister, Dr Celso Amorim. We finalised the text of a Memorandum of Understanding (previously known as the Plan of Action) between Australia and Brazil for the Establishment of an Enhanced Partnership.

We continued to work closely with **Mexico** on multilateral issues, including global financial reform in the G20 process, climate change, the UN and the International Whaling Commission. We advanced economic relations with Mexico by supporting the reconvened Joint Trade and Investment Commission that Mr Crean and his counterpart, Mr Gerardo Ruiz Mateos, chaired during Mr Crean's visit to Mexico in April 2010. We facilitated the signing of a bilateral Air Services Agreement by Mr Crean and Mr Ruiz and worked with the Department of Resources, Energy and Tourism, and the Department of Agriculture, Fisheries and Forestry to facilitate the signing by Mr Crean of memorandums of understanding on agriculture and cooperation in mining. In March 2010, we hosted the first round of senior officials' talks with Mexico to deepen political cooperation.



*The Minister for Foreign Affairs, Mr Smith, meeting with the Brazilian Minister for External Affairs, Dr Celso Amorim, in Brasilia on 25 August 2009.*

*Photo: Joe Chan / Reuters / Picture Media*



*The then Minister for Trade, Mr Crean, exchanging a signed Memorandum of Understanding on Emergency Assistance with the Chilean Vice-Minister for Foreign Affairs, Ambassador Fernando Schmidt Ariztia, and the Chilean First Lady, Ms Cecilia Morel Montes.  
Photo: Veronica Caceres*

We supported Mr Smith's visit to **Chile** in August 2009. A key outcome was a commitment to hold regular political consultations. We supported Mr Crean in his visit to Chile in April 2010 and his constructive discussions with ministers in the new government of President Sebastián Piñera Echenique. We worked to advance cooperation in agriculture, mining and education. We provided consular support to Australians affected by the earthquake in Chile in February 2010, and worked closely with AusAID to provide emergency relief and reconstruction assistance to rebuild 12 childcare centres that had been destroyed. We progressed implementation of the Australia–Chile FTA and facilitated the conclusion of a Double Taxation Agreement. Due to the Chilean presidential election and earthquake, plans to hold the inaugural Joint Free Trade Agreement meeting with Chile had to be postponed, and a new date is yet to be determined.

Mr Crean's visit to **Argentina** in April 2010 led to enhancement of the bilateral trade and investment relationship and reinforced cooperation in the G20, WTO and Cairns Group. We worked closely with the Department of Infrastructure, Transport, Regional Development and Local Government to facilitate the conclusion of a bilateral memorandum of understanding with Argentina on rail infrastructure, and with the Department of Immigration and Citizenship on the resumption of negotiations on a reciprocal Work and Holiday visa arrangement. We helped to establish stronger parliamentary links by facilitating the visit by the President of the Senate, Senator Hogg, in September 2009.

TABLE 4. AUSTRALIA'S TRADE IN GOODS AND SERVICES WITH THE AMERICAS <sup>(a)</sup>

Goods and services	Exports		Trend growth 2004–2009 %	Imports <sup>(b)</sup>		Trend growth 2004–2009 %
	2008 \$m	2009 \$m		2008 \$m	2009 \$m	
United States <sup>(c)</sup>	17,877	15,238	3.7	37,300	34,896	6.0
Canada	2,334	2,198	-1.5	3,552	2,740	4.9
Mexico	731	897	7.6	1,412	1,241	13.2
<b>Total NAFTA</b>	<b>20,942</b>	<b>18,333</b>	<b>3.1</b>	<b>42,264</b>	<b>38,877</b>	<b>6.2</b>
<b>Central America &amp; Caribbean <sup>(d)</sup></b>	<b>308</b>	<b>336</b>	<b>6.7</b>	<b>1,009</b>	<b>993</b>	<b>13.3</b>
Brazil <sup>(e)</sup>	1,581	921	13.0	1,251	630	7.1
Chile	515	409	21.8	944	839	47.9
Argentina <sup>(e)</sup>	292	202	19.0	366	366	18.7
<b>Total South America</b>	<b>3,495</b>	<b>2,852</b>	<b>20.2</b>	<b>3,020</b>	<b>2,357</b>	<b>19.4</b>
<b>Total Americas</b>	<b>24,745</b>	<b>21,520</b>	<b>4.8</b>	<b>46,178</b>	<b>39,674</b>	<b>5.9</b>

(a) Goods data on a recorded trade basis, services data on a balance of payments basis.

(b) Imports total excludes imports of ABS confidential items (mainly aircraft) from September 2008 onwards.

(c) 2008 and 2009 based on unpublished ABS data and include confidential items (including aircraft) imports.

(d) Excluding Mexico.

(e) Goods data only. Services data is not published by the ABS for these countries.

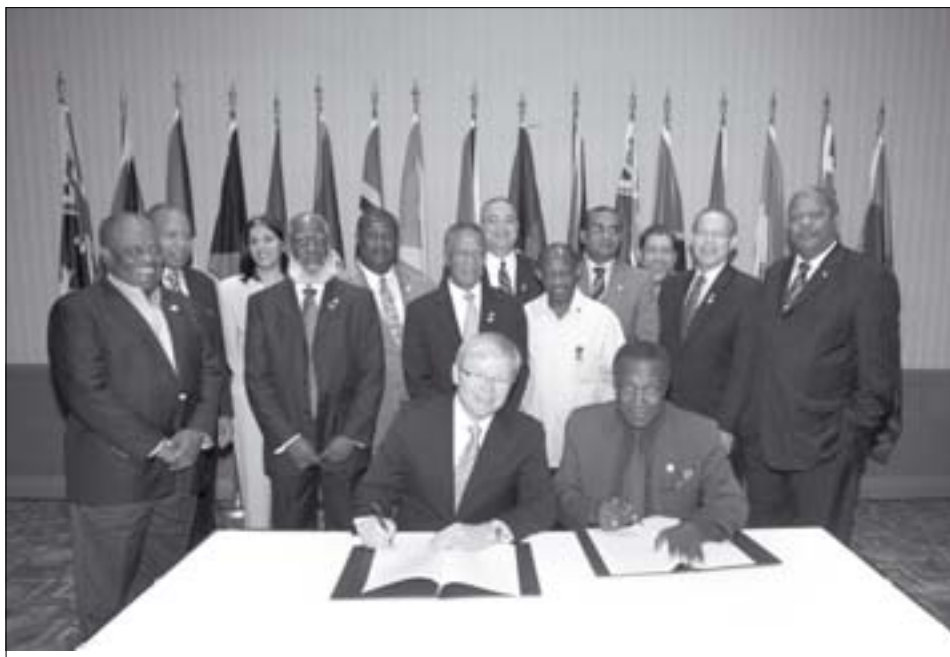
Based on DFAT STARS database, ABS catalogue 5368.0.55.004 and unpublished ABS data.

Relations with **Colombia** were significantly enhanced through the visit of Colombian Minister of Foreign Affairs, Dr Jaime Bermúdez Merizalde, to Australia in March 2010. A key outcome of the visit was a commitment to hold regular political consultations and build on cooperation with Colombia on multilateral issues such as disarmament, the environment, UN reform and trade liberalisation. In Geneva in November 2009, Mr Crean and Mr Luiz Plata Páez, Colombian Minister for Trade, Industry and Tourism, signed a Memorandum of Understanding on Trade and Investment with Colombia, negotiated by the department. Our facilitation of Senator Hogg's visit to Colombia in September 2009 helped establish stronger parliamentary links.

We continued to support enhanced engagement with **Peru**, through our cooperation in APEC and the Trans-Pacific Partnership negotiations. We continued our work to reopen Australia's embassy in Lima in 2010.

We supported a visit by Mr Crean to **Uruguay** to co-chair the Cairns Group Ministerial Meeting in April 2010. CER and Mercosur officials met to resume the CER–Mercosur Dialogue. Bilateral trade and economic relations with Uruguay were furthered through the conclusion of a memorandum of understanding on trade and investment.

In November 2009, we supported Mr Smith's visit to **Cuba**. A key outcome of this was the signing of a memorandum of understanding establishing political cooperation. Cuban Minister for Foreign Affairs, Mr Bruno Rodríguez Parrilla, visited Australia in June 2010, and, as a result, Ministers committed to enhance cooperation to improve health outcomes in the Pacific and the Caribbean.



*The then Prime Minister, Mr Rudd, and the Caribbean Community (CARICOM) Secretary-General, Mr Edwin Carrington, in the margins of the Commonwealth Heads of Government Meeting in Trinidad and Tobago, signing a memorandum of understanding formally establishing relations between Australia and CARICOM.*

*Photo: Auspic*

We helped to advance relations with the **Caribbean** through support for Mr Rudd's visit to the Commonwealth Heads of Government Meeting (CHOGM) in Trinidad and Tobago in November 2009. In the margins of that meeting, Mr Rudd signed a memorandum of understanding, formally establishing relations with the Caribbean Community (CARICOM), the centrepiece of which was a \$60 million Development Assistance Partnership. We supported Mr Smith's visit to Dominica in May 2010 to address the 13th meeting of CARICOM's Council for Foreign and Community Relations. We worked closely with AusAID and other agencies on Australia's response to the earthquake in **Haiti**, including by facilitating an assistance package and supporting the provision of air traffic controllers.

We supported strengthened regional engagement, including with the Forum for East Asia-Latin America Cooperation through the Parliamentary Secretary for International Development Assistance, Mr McMullan's attendance at the Fourth Foreign Ministers' Meeting in Tokyo in January 2010 and the preceding meeting of senior officials in Buenos Aires. We supported an increase to Australia-based staff numbers in Port of Spain, Mexico and Brasilia and have worked towards the appointment of more honorary consuls in the Caribbean and Latin America.

Under the Special Visits Program, we facilitated visits to Australia by Mr Federico Sturzenegger, President of the City Bank, Argentina, Mr Melitón Arrocha Ruiz, Vice Foreign Minister of Panama and Mr Eduardo Ferreyros Küppers, Vice Minister for Trade, Peru.

We continued to support the work of the **Council on Australia Latin America Relations** to further strengthen Australia's relationship with Latin America and managed the smooth transition of new appointments to the Council (see sub-program 1.1.13).

## Outlook

Enhancing Australia's engagement with the United States, including by strengthening strategic, commercial and people-to-people links, will remain a key goal for the department. A rescheduled AUSMIN meeting and bilateral Trade Ministers' meetings will provide significant opportunities to further consolidate the bilateral relationship, as would a visit to Australia by President Obama. Recognising that the Australia–US relationship touches on nearly every aspect of government business, we will continue to coordinate a whole-of-government effort to strengthen Australia's relationship with the United States.

We will continue to maintain the momentum of enhanced relations with Latin America and the Caribbean. Priorities include support for increased high-level political engagement, building bilateral relations in the region with new governments in countries such as Brazil, Colombia and Chile, enhancing relations with Peru through the reopening of the Australian embassy in Lima and strengthening engagement in regional forums.

## 1.1.4 EUROPE

### Overview

The department maintained the momentum in Australia–Europe relations in 2009–10, reflecting Europe’s economic and political importance to Australia and our shared approaches to major global challenges.

European integration took a historic step forward with the entry into force of the Treaty of Lisbon. The department advised the Government on the implications for Australia of the treaty, including the creation of new European Union (EU) leadership structures and new powers for the European Parliament. We supported Foreign Minister Smith’s engagement with the new High Representative for Foreign Affairs and Security Policy, Baroness Catherine Ashton.

We worked closely with the European Commission (EC) and European member countries of the G20 to respond to the global economic crisis. We led whole-of-government negotiations to update the Australia–EU Partnership Framework and advanced Australia’s economic and political interests with the EU through the Framework’s broad agenda of cooperation.

We led Australia’s inaugural participation in activities of the Asia–Europe Meeting (ASEM) and helped shape the agenda for the ASEM Summit to be held in October 2010, where Australia formally will take up its membership.



*Australian Ambassador to Germany, Mr Peter Tesch, addressing guests in the embassy’s courtyard for the presentation of the German edition of the memoirs of Australian holocaust survivor, Ms Sabina Wolanski, on 12 May 2010.  
Photo: Marko Priske, Stiftung Denkmal für die ermordeten Juden Europas/Holocaust Memorial, Berlin*



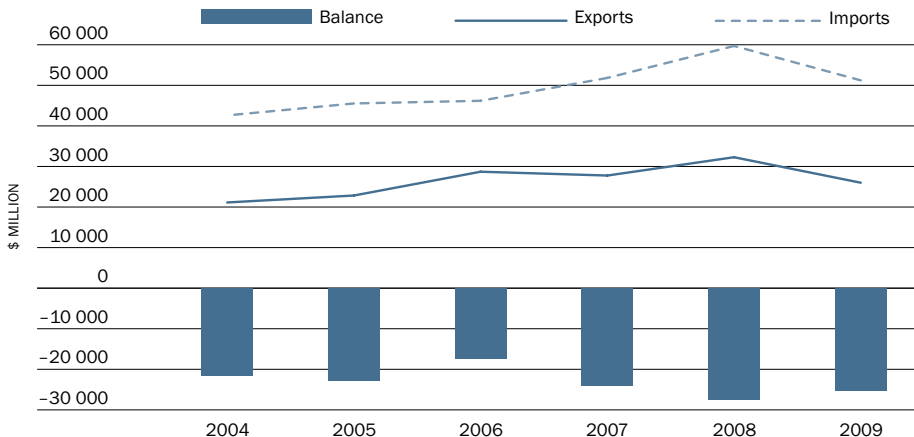
Australia became an Asian Partner for Co-operation of the Organization for Security and Co-operation in Europe (OSCE), strengthening our profile on international security issues in Europe and Central Asia.

We continued to build closer ties with individual EU member states and other European countries in support of Australia's political and security interests. We worked with Australian business to support trade and investment and win better access to European markets.

## European Union

The Australia–EU Partnership Framework is a flexible blueprint for practical cooperation between Australia and the EU in the pursuit of common objectives, including an ambitious trade and investment agenda. The department led work that added 19 new initiatives to the updated Partnership Framework, launched in October 2009. Completed activities include signing a Security of Information Agreement and concluding negotiations on an amended Mutual Recognition Agreement. Australian and European officials held an inaugural officials-level dialogue on counter-terrorism and Australia and the EU launched pilot projects for twinned research. With AusAID, we continued to pursue arrangements for delegated aid delivery with the EU, aiming to maximise aid outcomes by capitalising on each party's networks and expertise in the Pacific and Africa. An Australia–EU Comprehensive Air Transport Agreement, which the Government had aimed to conclude in the year under review, remains under negotiation.

**FIGURE 11. AUSTRALIA'S TRADE IN GOODS AND SERVICES WITH THE EUROPEAN UNION<sup>(a)</sup>**



(a) Goods data on a recorded trade basis, services data on a balance of payments basis.  
Based on DFAT STARS database and ABS catalogue 5368.0.55.004.

The department increased engagement with the EU and the EC on G20 issues, including through the first European Commission—Australia Macro-Economic and Financial Dialogue which took place in May 2010 in Canberra. Dialogue with the EC also addressed common approaches to trade liberalisation and progress towards the conclusion of the Doha Round.

In February 2010, we hosted the sixth Australia–EC Trade Policy Dialogue (TPD) between senior officials in Canberra, promoting Australian approaches to the WTO Doha Round negotiations, FTAs and bilateral trade and regulatory issues. We pursued the interests of the services industry in improved market access, particularly for professional services. We continued efforts to ensure the effectiveness of our agreement with the EU to provide early warning of regulatory measures that could affect trade.

We worked with the European Australian Business Council (EABC) to expand links between the Australian and European business communities. A senior-level EABC business delegation held discussions with ministers and senior officials in Canberra before visiting Brussels, Antwerp, Geneva, Lausanne, Istanbul, Paris and London in June 2010.

The Lisbon Treaty, which came into force on 1 December 2009, established a permanent European Council President and a High Representative of the European Union for Foreign Affairs and Security Policy. The European Parliament acquired greater powers, notably in relation to treaty-making, and extended its powers to approve EU legislation in areas of potential interest to Australia such as trade, agriculture, energy, fisheries, transport, immigration and justice. We maintained Australia's engagement with the new leadership following the entry into force of the Lisbon Treaty and advised the Government on the implications of new institutional arrangements for Australia.

In May 2010, the department hosted a visit to Australia by three members of the European Parliament and an adviser. The delegation saw firsthand the benefits of Australia's agriculture reforms, helping to inform debate within the EU about reforms to the EU Common Agricultural Policy. Together with the Australian Customs and Border Protection Service, we engaged members of the European Parliament as part of an advocacy campaign on the Australia–EU Passenger Name Record (PNR) Data Agreement—an important border security instrument which Australia has ratified but which is subject to consideration by the European Parliament.

For the first time, Australia participated in activities of the Asia–Europe Meeting (ASEM). We helped shape the agenda for the ASEM Summit in October 2010, at which Australia will formally take up membership.

## European security

Australia continued to make a major contribution to the North Atlantic Treaty Organization (NATO)-led International Security Assistance Force (ISAF) in Afghanistan. Australia's Special Envoy for Afghanistan and Pakistan, Mr Ric Smith, attended the ISAF Foreign Ministers' Meeting in Brussels in December 2009. The department supported the attendance of Foreign Minister Smith and Mr Ric Smith at the ISAF Foreign Ministers' Meeting in Tallinn, Estonia, in April 2010.

In December 2009, representations by the department culminated in Australia becoming an Asian Partner for Co-operation of the Organization for Security and Co-operation in Europe (OSCE). The department supported Foreign Minister Smith's visit to OSCE headquarters in Vienna in February 2010. With AusAID, we are contributing to OSCE projects which combat transnational crime.



*The Minister for Foreign Affairs, Mr Smith, meeting with the French Minister for Foreign and European Affairs, Mr Bernard Kouchner, at the NATO Foreign Ministers' Meeting in Tallinn, Estonia.*

## Europe—bilateral relationships

The department supported Australia's close cooperation with the **United Kingdom** (UK), including in the G20, in Afghanistan as part of the ISAF mission, and on climate change. We coordinated two visits to the UK by Mr Smith, as well as the then Trade Minister Crean's visit to London in January 2010, which reinforced the strong partnership between the two countries. We also supported a range of other senior visits which helped sustain the depth and breadth of our engagement with the UK. Under the National Security Partnership, we contributed to the success of a visit to Australia by then UK Minister for International Defence and Security, Baroness Taylor.

The year 2010 marks the centenary of Australia's diplomatic representation in the UK. The Australian High Commissioner hosted a reception at Australia House attended by Queen Elizabeth II, Prince Philip and the then UK Foreign Secretary, Mr David Miliband. Mr Smith launched a book about the history of Australian High Commissioners to the UK. Following the change of government in the UK in May 2010, we worked with the new UK Government to underline the strength of bilateral relations and promote continued close cooperation on shared interests.

We supported visits to **Germany** by the then Prime Minister, Mr Rudd, in July 2009 and the Minister for Innovation, Industry, Science and Research, Senator Carr, in June 2010. Mr Rudd and the German Chancellor, Dr Angela Merkel, announced closer cooperation on financial reform through the G20, climate change, counter-terrorism and in Africa and Afghanistan. We organised a senior officials' meeting in Berlin in May 2010, consolidating the closer practical engagement between the two countries and identifying new areas for cooperation.

We strengthened engagement with **France**. Bilateral political-military and military-military talks were held in Paris in November 2009. We coordinated Mr Smith's April 2010 visit to France for Anzac Day commemorations at Villers-Bretonneux and arranged his bilateral talks. With the Department of Veterans' Affairs, we organised attendance by Mr Griffin, Minister for Veterans' Affairs, at the January 2010 ceremonial re-burial of an unidentified World War I soldier at Fromelles, where Mr Griffin also advanced Remembrance Trail projects with his French counterpart. In May 2010, we organised a senior officials' dialogue in Paris, identifying potential for closer engagement on a number of political, economic and development challenges, including in the Pacific, Africa and Asia and on climate change. We initiated dialogue between the department's policy planning branch and its French counterpart. In March 2010, we supported a successful Australia–France 1.5-track strategic dialogue between the Lowy Institute and the French Foundation for Strategic Research.

We contributed to renewed engagement with the **Russian Federation**, culminating in the visit to Moscow by Mr Smith in April 2010. Outcomes from the visit included the commitment to ratify the Australia–Russia Nuclear Cooperation Agreement and to broaden reciprocal access to education scholarship programs. We worked closely with the Department of Agriculture, Fisheries and Forestry to secure access to the Russian market for Australian meat producers.



*The Minister for Foreign Affairs, Mr Smith, with the Russian Minister for Foreign Affairs, Mr Sergey Lavrov, in Moscow on 22 April 2010.*

*Photo: Sergei Karpukhin / Reuters / Picture Media*

In April 2010, we supported the visit of the Governor-General, Ms Quentin Bryce, to **Turkey** for Anzac Day commemorations and an official program of bilateral discussions that included witnessing the signature of Double Taxation and Air Services Agreements. Close coordination with the Department of Veterans' Affairs and the Turkish and New Zealand governments ensured a highly successful Anzac Day commemoration on the Gallipoli peninsula. We hosted Mr Suat Kiniklioglu, Turkish Member of Parliament and Deputy Chairman for External Affairs, Justice and Development Party (AKP), on a visit to Australia. The Speaker of the House of Representatives, Mr Jenkins, visited Turkey in December 2009, strengthening parliamentary links.

The department arranged a program for Mr Smith's visit to **Spain** in February 2010, including meetings with King Juan Carlos, the Prime Minister, Mr José Rodríguez Zapatero, the Foreign Minister, Mr Miguel Moratinos and other senior members of the Spanish Government. During the visit, Spain and Australia agreed to cooperate in the delivery of aid in Africa.

Australia's joint efforts with the **Netherlands** in Afghanistan were a continued focus of the bilateral relationship. Relations with **Switzerland** continued to be underpinned by strong trade and investment links; in February 2010, Australia offered to open negotiations on a double taxation agreement (DTA).

Mr Smith visited **Austria** in February 2010. With Austria's Federal Minister for Social Affairs, Labour and Consumer Protection, Mr Rudolf Hundstorfer, he signed the Second Protocol to the Agreement between Australia and the Republic of Austria on Social Security. Mr Smith announced in Vienna that Australia and Austria would renegotiate their DTA.

In March 2010, Mr Crean met **Belgium's** Minister for the Economy, Mr Vincent Van Quickenborne, during the latter's visit to Australia with a Belgian business delegation.

The department strengthened links at senior levels with the **Holy See**. We coordinated a visit by the then Prime Minister, Mr Rudd, to the Holy See in July 2009, where he had an audience with Pope Benedict XVI and a meeting with Vatican Secretary of State Cardinal Tarcisio Bertone.

We welcomed a visit by **Ireland's** Minister of State for Trade and Commerce, Mr Billy Kelleher, for St Patrick's Day celebrations in 2010.

The department supported Mr Smith's October 2009 visit to Warsaw and facilitated his signature of the Australia–**Poland** Social Security Agreement. Through our embassy in Warsaw, the department was engaged in holocaust-related matters, including supporting guidelines for the restitution of seized assets.

The department advanced ties with the Nordic countries, including **Sweden, Denmark, Norway** and **Finland**. We supported Mr Smith's visit to **Sweden** in October 2009, providing the opportunity to sign a memorandum of understanding formalising Sweden's Foundation Membership of the Global Carbon Capture and Storage Institute. Mr Rudd and the Minister for Climate Change and Water, Senator Wong, visited Denmark in December 2009 to attend the 15th Conference of Parties to the United Nations Framework Convention on Climate Change.

Relations with **Hungary** continued to expand, including through our hosting of senior officials' talks in Canberra in July 2009 and high-level visits. Mr Smith met his then counterpart, Mr Peter Balazs, in July 2009 in Budapest and President László Sólyom visited Australia in September-October 2009. Dr Tibor Navracsics, then Parliamentary Floor Leader of the Fidesz party, visited Australia in August 2009 as part of our Special Visits Program. He has since been appointed Deputy Prime Minister in the new Fidesz Government.

Mr Smith visited **Slovakia** in February 2010, the first visit by an Australian Foreign Minister to this central European country. The visit focused on both countries' commitment to Uruzgan Province in Afghanistan.



*The then Minister for Trade, Mr Crean, with the Belgian Minister for the Economy, Mr Vincent Van Quickenborne, in Melbourne on 3 March 2010.*

*L-R: Mr Alain Speeckaert, CEO, Sibelco; Mr Bernard Van Milders, CEO, Flying Group & Chairman, Chamber of Commerce; Mr Luc Luwel, General Manager, Chamber of Commerce; Mr Vincent Van Quickenborne, Belgian Minister for Economy; Mr Crean, the then Minister for Trade; Mr Marc Saverys, CEO, CMB (Compagnie Maritime Belge); H.E. Patrick Renault, Ambassador of Belgium to Australia; Ms Nathalie Surmont, Flanders Trade Commissioner.*

The department supported the visit to **Italy** of Mr Rudd and Senator Wong for the G8 Summit in July 2009, during which Australia, Italy and the US launched the Global Carbon Capture and Storage Institute. A visit to Australia in July 2009 by Secretary of State for Foreign Affairs, Ms Stefania Craxi, enabled discussion of bilateral and shared interests, including the global economic crisis and Italy's perspectives on Australia as a trade hub into Asia. We also supported the visit to Italy by Senator Carr, Minister for Innovation, Industry, Science and Research, in June 2010, to promote the Australia–New Zealand bid to host the Square Kilometre Array radio telescope.

## Personal Profile: Richard Maude



*Mr Richard Maude, First Assistant Secretary, Europe Division (far right), with the Minister for Foreign Affairs, Mr Smith, Australian Ambassador to Russia, Ms Margaret Twomey, and Assistant Advisor to Mr Smith, Mr Michael Kachel, during a visit to Moscow in April 2010 as part of the Government's renewed engagement with Russia.*

Richard Maude is head of the department's Europe Division. Europe is one of Australia's largest trading and investment partners and is a region with which we share common approaches to many global challenges. Migration from European countries to Australia has laid the foundation for enduring people-to-people links.

With his team, Richard coordinates Australia's bilateral relations with 51 European countries as well as with the European Union (EU), the North Atlantic Treaty Organization (NATO), the Organization for Security and Cooperation in Europe (OSCE) and the Asia-Europe Meeting (ASEM) process. Our Europe Division works closely with other government departments and agencies and with Australia's embassies and high commissions in Europe, to advance our political, economic and security interests.

*"It's an exciting time to be working on Europe—there's a lot happening in our relationships. We are joining the Asia-Europe Meeting and have become an Asian Partner of the OSCE. We are also working closely with European countries and the European Union in Afghanistan and on the global financial crisis in the G20."*

We supported Mr Smith's visit to **Malta** in July 2009, which reflected the longstanding people-to-people links that underpin the relationship between our two countries.

Australia maintained its strong support for the settlement negotiations in **Cyprus**, including through the work of Australia's Special Representative for Cyprus, Ambassador David Ritchie, and the ongoing provision of police personnel to the United Nations Force in Cyprus. In July 2009, Mr Smith met the United Nations Good Offices Mission to reaffirm the importance Australia attaches to a resolution of the dispute. Ambassador Ritchie undertook discussions with Turkish and Greek Cypriot representatives on the island in November 2009, followed by community consultations in Australia.

The visits in October 2009 of Prime Minister Mr Nikola Gruevski of **the former Yugoslav Republic of Macedonia** and President Mr Georgi Parvanov of **Bulgaria** were the first such visits from either country, marking a new phase in our bilateral relations. During his visit, Mr Gruevski and Mr Rudd signed a Social Security Agreement.

With the Department of Families, Housing, Community Services and Indigenous Affairs, we continued efforts to facilitate the repatriation of Indigenous remains. We succeeded in arranging the return of remains from institutions in the UK, Austria and the Netherlands.

TABLE 5. AUSTRALIA'S TRADE IN GOODS AND SERVICES WITH EUROPE <sup>(a)</sup>

Goods and services	Exports	Exports	Trend growth 2004–2009 %	Imports <sup>(b)</sup>	Imports <sup>(b)</sup>	Trend growth 2004–2009 %
	2008 \$m	2009 \$m		2008 \$m	2009 \$m	
United Kingdom	13,741	13,250	8.7	14,935	11,095	5.2
Germany	3,085	2,643	5.3	12,667	11,719	5.6
Italy	2,024	1,344	-2.1	6,246	5,697	4.3
France <sup>(b)</sup>	2,491	1,907	8.1	5,884	4,943	0.3
Netherlands	4,066	2,482	6.8	2,659	2,567	7.6
<b>Total European Union 27 <sup>(b)</sup></b>	<b>32,278</b>	<b>25,992</b>	<b>6.0</b>	<b>59,707</b>	<b>51,219</b>	<b>5.4</b>
Russian Federation	1,219	694	28.7	687	437	40.8
Other Europe	3,383	2,327	12.7	6,328	6,410	12.7
<b>Total Europe <sup>(b)</sup></b>	<b>36,880</b>	<b>29,013</b>	<b>6.9</b>	<b>66,722</b>	<b>58,066</b>	<b>6.2</b>

(a) Goods data on a recorded trade basis, services data on a balance of payments basis.

(b) Imports total excludes imports of ABS confidential items (mainly aircraft) from September 2008 onwards.

Based on DFAT STARS database and ABS catalogue 5368.0.55.004.

## Outlook

The department will continue to advance Australia's bilateral relations with European countries and work to enhance trade and investment ties. We will pursue closer strategic engagement with France and Germany and further strengthen our deep ties with the United Kingdom under its coalition government. We will build on progress made in our relations with Russia and Turkey, both bilaterally and in forums such as the G20. We will also broaden ties with other non-EU member countries, drawing on people-to-people links and trade and investment opportunities.

We will lead a whole-of-government review of the Australia–EU Partnership Framework, to be relaunched at Australia–EU Ministerial Consultations in 2011, while pursuing implementation of the current Framework. We will maintain Australia's profile and access with the new post-Lisbon Treaty leadership of the EU. We will increase our engagement with the European Parliament. We will continue our advocacy for EU ratification of the 2008 Australia–EU PNR Data Agreement.

We will continue to assess developments in the EU's trade policies, promote Australia's trade interests and work closely with the EU on efforts to conclude the Doha Round. We will work with European members of the G20 to ensure the ongoing effectiveness of responses to the global economic crisis and the full implementation of commitments made by G20 leaders. We will continue to strengthen our security cooperation with Europe by advancing our relations with NATO, notably in the context of our troop deployment to Afghanistan. We will also consolidate our participation and engagement as an Asian Partner for Co-operation with the OSCE and as a new member of ASEM.



## 1.1.5 SOUTH AND WEST ASIA, MIDDLE EAST AND AFRICA

### Overview

The department continued to play a key role in shaping Australia's whole-of-government engagement in Afghanistan, including work to enhance Australia's contribution to international diplomatic, development and governance efforts.

Australia and India announced a Strategic Partnership, issued a Joint Declaration on Security Cooperation and completed a Joint Free Trade Agreement (FTA) Feasibility Study. The department implemented a substantial public diplomacy program following extensive negative media reporting in India on attacks on Indian students in Australia. We worked with other government agencies to reform education and migration arrangements for overseas students.

We forged a strategy to invigorate and strengthen Australia's relationship with Pakistan. This included practical initiatives to expand defence cooperation, law enforcement ties, development assistance and strategic dialogue.

We supported the development of Australia's significant post-conflict humanitarian response in Sri Lanka. We worked closely with the Sri Lankan Government to combat people smuggling and called on them to pursue reconciliation with all ethnic groups.

Supporting international efforts to address deep concern about Iran's nuclear program, we led whole-of-government policy on Iran. We also led implementation of UN Security Council Resolution 1929, which imposed an additional series of sanctions measures against Iran's proliferation-sensitive nuclear and missile programs, and the introduction of further autonomous sanctions.



*Australian Special Envoy for Afghanistan and Pakistan, Mr Ric Smith AO PSM, AusAID Director-General, Mr Peter Baxter, Australian Ambassador to Afghanistan, Mr Paul Foley, and representatives from DFAT, AusAID, the Australian Federal Police and the Australian Defence Force, meeting with their Dutch colleagues in Uruzgan Province, Afghanistan.*

TABLE 6. AUSTRALIA'S TRADE IN GOODS AND SERVICES WITH COUNTRIES IN SOUTH ASIA AND THE GCC <sup>(a)</sup>

Goods and services	Exports		Trend growth 2004–2009 %	Imports		Trend growth 2004–2009 %
	2008 \$m	2009 \$m		2008 \$m	2009 \$m	
India	16,530	18,174	24.0	2,537	2,697	15.2
Bangladesh <sup>(b)</sup>	256	409	7.2	54	148	21.1
Pakistan <sup>(b)</sup>	432	528	0.8	169	163	2.4
Other South Asia <sup>(b)</sup>	296	287	4.6	112	111	6.3
<b>Total South Asia</b>	<b>17,514</b>	<b>19,398</b>	<b>22.0</b>	<b>2,872</b>	<b>3,119</b>	<b>14.1</b>
Bahrain <sup>(b) (c)</sup>	178	143	7.9	213	84	-0.7
Kuwait <sup>(b)</sup>	501	489	-0.3	481	354	26.3
Oman <sup>(b)</sup>	705	375	18.5	14	97	105.7
Qatar <sup>(b)</sup>	183	182	9.5	402	443	13.3
Saudi Arabia <sup>(b)</sup>	2,494	1,724	-0.2	890	631	-10.4
United Arab Emirates <sup>(b)</sup>	3,924	2,108	20.0	2,316	2,147	32.8
<b>Total GCC <sup>(b)</sup></b>	<b>7,984</b>	<b>5,020</b>	<b>8.9</b>	<b>4,316</b>	<b>3,756</b>	<b>12.6</b>

(a) Goods data on a recorded trade basis, services data on a balance of payments basis.

(b) Goods data only. Services data is not published by the ABS for these countries.

(c) Excludes exports of alumina (aluminium oxide) to Bahrain which are confidential in ABS trade statistics.

Based on DFAT STARS database and ABS catalogue 5368.0.55.004.

We led government efforts to enhance engagement with countries in the Middle East, in particular with Gulf Cooperation Council (GCC) countries. This included supporting a number of visits to the region.

We coordinated the implementation of six bilateral memorandums of understanding (MOUs) with the Iraqi Government.

We continued to strengthen relations with Africa. We worked closely with AusAID on Australia's expanded development assistance program. We facilitated the establishment of diplomatic relations with São Tomé and Príncipe, Togo, Equatorial Guinea, Cape Verde, Central African Republic and Somalia.

## Afghanistan

In 2010, the Government committed to increasing Australia's contribution to integrated civil-military efforts in Afghanistan, including through the provision of additional diplomatic, aid and policy personnel and heading the multinational Provincial Reconstruction Team (PRT) to replace the Netherlands in Uruzgan from August 2010. The department played a key role in planning for this enhanced engagement, and will continue to coordinate Government activity and interaction with our key partners on international efforts in Kabul and other capitals.

The department facilitated the participation of the Minister for Foreign Affairs, Mr Smith, and the Special Envoy for Afghanistan and Pakistan, Mr Ric Smith, at a number of international forums on Afghanistan. These included the London Conference on Afghanistan in January 2010 and the North Atlantic Treaty Organization/International Security Assistance Force Foreign Ministers' Meeting in Tallinn, Estonia, in April 2010. These multilateral conferences provided important opportunities for the international community to promote effective coordination with the Afghan Government on security, development and governance.

## India

In November 2009, we supported the visit to India by the then Prime Minister, Mr Rudd. During the visit, it was jointly agreed to elevate the relationship to the level of a strategic partnership. A Joint Declaration on Security Cooperation was issued and, in a joint statement, both countries committed to boosting: defence and security cooperation; regional and multilateral cooperation; economic engagement; cooperation in energy, climate change and water resources; science and education links through knowledge partnership; and cultural and sporting ties. Australia announced a further \$50 million contribution to the Australia–India Strategic Research Fund, which was matched by India. Australia also announced a major increase in its diplomatic presence in India, including in our consulates-general in Chennai and Mumbai, to underpin the growth of the strategic partnership.



*The then Prime Minister, Mr Rudd, meeting with the President of India, Mrs Pratibha Patil, at the Presidential Palace in New Delhi on 12 November 2009.*

*Photo: Raveendran / AFP*

Australia's trade and economic relationship with India grew strongly over the past year. India became Australia's third-largest export market in 2009, up from fifth in 2008 and seventh in 2007. Total exports to India were worth \$18.2 billion in 2009. Australia's

exports to India have grown at an average annual rate of 24 per cent over the past five years.

To further strengthen ties with India, we supported nine ministerial visits there. These included two visits each by Mr Smith and the then Minister for Trade, Mr Crean, as well as visits by the then Deputy Prime Minister, now Prime Minister, Ms Gillard, the Treasurer, now also Deputy Prime Minister, Mr Swan, Minister for Resources and Energy, Mr Ferguson, Minister for Immigration and Citizenship, Mr Evans, and Minister for Sport, Ms Ellis. The visit by Mr Smith in October 2009 for the annual Foreign Ministers' Framework Dialogue prepared the ground for the Prime Ministerial visit. Mr Crean's May 2010 visit for the 12th meeting of the Joint Ministerial Commission with his Indian counterpart, Commerce and Industry Minister, Mr Anand Sharma, advanced the economic relationship. The trade ministers announced the completion of the Australia–India joint FTA feasibility study, which recommended that both governments consider negotiation of a comprehensive bilateral FTA. Mr Crean and Mr Sharma endorsed the feasibility study recommendation, noting that both sides would need to undertake further internal processes before negotiations could be launched.

In 2009–10, the department also supported meetings for Mr Smith and Mr Crean with visiting Indian Ministers including Minister of External Affairs, Mr SM Krishna, Minister of Human Resource Development, Mr Kapil Sibal, Minister of Overseas Indian Affairs, Mr Vayalar Ravi, and Minister of Power, Mr Sushil Kumar Shinde.

Attacks on Indian students in Australia were of concern to Australian and Indian governments. Heightened media interest caused significant damage to Australia's image in India. We established a unit to coordinate the Government's responses to the issue, work closely with state and territory governments and contribute to reforms to education and migration arrangements.

We led a substantial public diplomacy program to deepen understanding of Australia in India. This included five group visits of a total of 25 Indian journalists under the International Media Visits Program, and an internship for an Indian TV journalist with Australia Network. We also hosted three visits by emerging Indian politicians under the Special Visits Program, as well as two visits by influential Indian commentators under the auspices of the Australia–India Council. In May, we sponsored the 2010 New Delhi Advance Summit. Through these activities, we presented a contemporary view of Australian culture and society, and highlighted the strengths of the bilateral relationship. (For further information on India-related public diplomacy activities, see sub-program 1.1.13).

## Pakistan

The department helped drive a revitalised strategy on Australia's engagement with Pakistan, which supported that country's efforts to address security, economic, development and governance challenges, and advanced our interests in strengthened regional stability. We worked with other agencies on a range of practical initiatives, including increased defence training, law enforcement and counter-terrorism capacity building, strategic dialogue and expanded development and humanitarian assistance. We also led Australia's participation in the Friends of Democratic Pakistan (FoDP).

## Sri Lanka

Working with AusAID, the department supported a major increase in Australian assistance to Sri Lanka, to address the post-conflict humanitarian needs of internally displaced people.

Mr Smith visited Colombo in November 2009. During the visit, Mr Smith and the then Sri Lankan Foreign Minister, Mr Rohitha Bogollagama, signed a joint statement and witnessed an MOU on cooperation in people smuggling. Australia and Sri Lanka have worked together closely to disrupt people smuggling ventures. The department, including through support for the work of Mr John McCarthy as Special Envoy on Sri Lanka, was active in promoting international engagement with Sri Lanka.

During his visit, and also in two statements to Parliament in September 2009 and March 2010, Mr Smith called on Sri Lanka to take advantage of the opportunity afforded by the end of the conflict to pursue genuine reconciliation and a political solution acceptable to all of its ethnic groups. Mr McCarthy reiterated these points during his two visits to Sri Lanka.

We also held two dialogues with Tamil community representatives in Australia. Mr Smith attended the inaugural dialogue in September 2009.

## Bangladesh, Nepal, Bhutan and Maldives

The department advanced trade and economic links with **Bangladesh**, including supporting trade liberalisation and micro-economic reform in the energy sector. We supported a March 2010 visit to Bangladesh by Mr Mick Gooda, Aboriginal and Torres Strait Island Social Justice Commissioner, to share experiences on development of indigenous communities in Australia and Bangladesh.

In 2010, Australia and **Nepal** marked 50 years of diplomatic relations with a series of celebrations in both countries. The department supported the April 2010 visit to Nepal by Parliamentary Secretary for International Development Assistance, Mr McMullan. This was the first high-level visit from Australia since 1985 and it provided an opportunity to express Australia's support for Nepal's peace process and an ongoing mandate for the United Nations Mission in Nepal and the Office of the High Commissioner for Human Rights. Mr McMullan also announced \$800 000 to support the establishment of an Electoral Resource Centre.

We supported a visit to Australia by the President of **Maldives**, Mr Mohamed Nasheed. This visit provided a useful opportunity to underline Australia's support for democracy and our commitment to cooperation in international climate change negotiations.

## South Asian Association for Regional Cooperation

Australia participated for the first time as an observer at the South Asian Association for Regional Cooperation (SAARC) Summit in Bhutan in April 2010. With support from the department, Mr McMullan represented Australia, delivering an opening address which underlined Australia's shared interests with the region in security, economic growth and

democracy. He also announced Australia's contribution of \$1 million for an agriculture project aimed at improving water sustainability to address food security in South Asia, which will be delivered by the Australian Centre for International Agricultural Research (ACIAR) and the Commonwealth Scientific and Industrial Research Organisation (CSIRO).

## Middle East

The department led whole-of-government policy on **Iran** to support international efforts to address concerns about Iran's nuclear program. This included implementation of United Nations Security Council Resolution 1929 and imposing new autonomous sanctions against Iran. We conveyed the Government's concern to Iranian officials over the human rights situation in Iran, especially following the presidential election in June 2009.

We intensified engagement with the **Gulf countries** (Saudi Arabia, United Arab Emirates (UAE), Qatar, Kuwait, Bahrain and Oman), including through agreement to hold the Australia-GCC Foreign Ministers Strategic Dialogue and cooperation in the areas of counter-terrorism, defence, law enforcement and trade. We also continued to facilitate closer engagement with other countries in the Middle East and North Africa. We supported high-level visits to the region, including by the Governor-General (to the UAE), Minister for Resources and Energy (to Qatar), the Assistant Treasurer (to the UAE, Qatar and Bahrain), the Minister for Innovation, Industry, Science and Research (to Kuwait, Saudi Arabia, Syria and the UAE), and the Minister for Environment Protection, Heritage and the Arts (to Morocco). We undertook senior officials' talks with the GCC and Egypt.

In February 2010, we supported the visit to Australia by **UAE** Foreign Minister, Sheikh Abdullah bin Zayed Al-Nahyan, including signing of an MOU on the establishment of a Joint Committee on Consular Affairs. We also supported a visit by the Saudi Arabian Minister of Higher Education, Dr Khalid Al Ankary.



*The Minister for Foreign Affairs, Mr Smith, with the Foreign Minister of the United Arab Emirates, His Royal Highness Sheikh Abdullah bin Zayed Al-Nahyan, signing a Memorandum of Understanding on the establishment of a Joint Committee on Consular Affairs between Australia and the UAE.*

The department supported the Government in its response to the abuse of Australian passports in connection with the assassination of a senior Hamas figure and provided advice in relation to the Government's response to the Gaza flotilla incident. We continued to support efforts to achieve peace and stability in the Middle East. This included strong support for **Israel's** security, and a two-state solution.

Australia provided over \$45.9 million in 2009–10 for the development of Palestinian institutions and humanitarian assistance.

We continued to work closely with the Government of **Iraq** to broaden the bilateral relationship, including by coordinating the implementation of six MOUs—on agriculture; resources and energy; trade cooperation; cooperation in education, training and research; health cooperation; and security and border control. In April 2010, we led the first senior officials' talks in Baghdad.

## Personal Profile:

### Ann Harrap



Photo: Courtesy of Blue Media

Having served her first posting in South Africa from 1994 to 1997, Ann Harrap returned to Pretoria as High Commissioner in December 2008. Accredited to seven countries in southern Africa (Botswana, Namibia, Swaziland, Lesotho, Mozambique, Angola and South Africa), she advocates Australia's growing political, economic and security interests on the continent to a wide range of government, business, media and community organisations. She highlights Australia's expanded development assistance program in Africa, and is particularly proud of the Australia Awards program, through which up to 1000 scholarships will be offered to African students by 2013.

In 2010, one of Ann's biggest challenges was coordinating the High Commission's consular and public diplomacy effort during the FIFA World Cup. As over 10 000 Australians visited South Africa for the tournament, innovative consular contingency planning was needed. At match locations, Pretoria's consular teams operated out of 'mobile embassies' (specially-badged mobile homes) to deliver consular services.

*"To be a High Commissioner in Africa at a time when the continent is really going places, politically and economically—and when the Government is keen to enhance Australia's engagement with the constituent countries and the continent as a whole—is a tremendous opportunity. I was in South Africa for the first democratic election in 1994, for the famous racially-unifying South African victory in the Rugby World Cup in 1995, and for the successful hosting of the largest sporting event on earth, the FIFA World Cup in 2010—it doesn't get much better than that!"*

## Africa

The department worked with the Department of Defence and AusAID to build contact with the **African Union** (AU). Mr Smith announced that Australia would open a new embassy in Addis Ababa, Ethiopia, the seat of the AU, to advance our regional engagement and boost relations with **Ethiopia**. We supported the visit to Australia by the Deputy Chairperson of the AU Commission, Mr Erastus Mwencha, who met Mr Smith, Mr McMullan and a range of senior officials.



*The then Minister for Trade, Mr Crean, signing a document that renewed a framework for bilateral cooperation on climate change with the South African Minister of Water and Environmental Affairs, Ms Buyelwa Sonjica, during his visit in February 2010.*

We supported a visit by Mr Smith to **South Africa** and **Botswana** in January 2010. In South Africa, Mr Smith met senior South African ministers, including Vice-President Mr Kgalema Motlanthe, and agreed to annual foreign minister meetings. In Botswana, Mr Smith conducted meetings with Botswana's President and Foreign Minister. He signed an action plan to increase bilateral cooperation and visited the headquarters of the Southern African Development Community.

We also supported a visit in February 2010 by Mr Crean to South Africa, Australia's largest trading partner in Africa, to advance Australia's economic interests. Mr Crean met South African economic ministers and renewed Australia's climate change partnership with South Africa. He also led Australia's official delegation to the Mining Indaba conference in Cape Town, holding bilateral discussions with mining ministers from South Africa, Tanzania, Mozambique, Ghana, Senegal, Eritrea, Namibia and Mali.



The department supported increased high-level political engagement with the region, including the visit to Australia by **Ghana's** Foreign Minister, Alhaji Muhammad Mumuni and the Foreign Minister of **Mozambique**, Mr Oldemiro Baloi. We also coordinated a range of other senior visits, including those by the Treasurer-General of the African National Congress of South Africa, Dr Mathews Phosa, the Assistant Minister of Livestock Development from Kenya, Mr Aden Duale, and Dr Kwesi Aning of the Kofi Annan International Peacekeeping Training Centre based in Ghana.

## Personal Profile:

### Stuart Mooney



*Mr Stuart Mooney, Second Secretary in Abuja, Nigeria, distributes health supplies to workers at the Primary Health Centre in Kabusa, Nigeria, as part of a Direct Aid Program project.*

In April 2010, the Australian High Commission in Abuja welcomed Stuart Mooney to its team of officers, charged with enhancing relations with Nigeria and other countries of non-resident accreditation in the region. In his role as Second Secretary, Stuart promotes Australia's international trade policy, reports on political and economic developments, assists Australians in the region as Vice-Consul, and undertakes a range of other functions to ensure the ongoing operation of this small post.

*"It's an exciting time to be working at the coalface of Australian foreign policy, as we strengthen our engagement with West Africa. I feel honoured to contribute toward Australia's growing diplomatic, trade, security and development relationships with African nations as they emerge onto the world stage. On a personal level, it is a great privilege to live with and learn from such a colourful and vibrant people as the Nigerians, notwithstanding some of the challenges of living in sub-Saharan Africa."*

The promotion of Australia's commercial engagement in Africa remained a key focus for the department, especially in the natural resources sector. There were more than 150 Australian resources companies active in 40 African countries. We again hosted, with Austrade, major promotions of Australian mining expertise at the Africa Down Under Conference in Perth in September 2009, and at the Mining Indaba conference in Cape Town in February 2010.

We led Australia's efforts to press for political reform and economic reconstruction in **Zimbabwe**. With AusAID, we worked to expand Australia's development assistance from humanitarian relief to focus on economic recovery. We also supported visits to Australia by two key reform-minded Zimbabwean ministers: Finance Minister, Mr Tendai Biti; and Education, Sports, Arts and Culture Minister, Senator David Coltart. We worked with other agencies to respond to humanitarian crises in Africa, including in **Sudan** and **Somalia**, and worked through the United Nations Peacebuilding Commission to support peace-building efforts in **Burundi** and **Sierra Leone**.

## Outlook

A major focus will be support for Australia's enhanced civilian contribution in Afghanistan.

The department will continue to seek to deepen relations with India, including by taking forward the strategic partnership and moving towards the commencement of FTA negotiations.

We will continue to lead the Government's enhanced, long-term engagement with Pakistan. We will also continue to work with the international community, including as a member of the Friends of Democratic Pakistan, to support the democratically elected Government of Pakistan.

Working with the international community to address concerns about Iran's nuclear program will be a high priority for the department.

In the Middle East, we will continue to build closer relations with the GCC and its member states, and enhance engagement with other countries in the Middle East and Africa. We will also continue our close engagement with the Government of Iraq, in coordination with other agencies, to assist Iraq's reconstruction and development. We will continue to cooperate closely with Israel and provide support for the Middle East peace process.

The department, including through the new embassy in Addis Ababa, will work with other agencies to advance Australia's engagement with African countries, regional organisations and the African Union. We will continue to promote Australian investment and the activities of Australian companies in Africa, and to deepen cooperation on political, development, and peace and security issues.



*The Minister for Foreign Affairs, Mr Smith, with the Ghanaian Minister for Foreign Affairs and Regional Integration, Alhaji Muhammad Mumuni, in Canberra on 30 June 2010  
Photo: Mark Graham*

## 1.1.6 PACIFIC

### Overview

Australia's role as host and Chair of the 40th Pacific Islands Forum Leaders' meeting, held in Cairns in August 2009, highlighted our strong commitment to working with regional countries to address their economic, development and security challenges.

The department had a key role in preparing and hosting the meeting. During Australia's year as Chair of the Forum, we led whole-of-government efforts to implement the meeting's outcomes. A major priority was working with AusAID to implement the Cairns Compact on Strengthening Development Coordination in the Pacific. We also led Australia's efforts to implement the Leaders' decision to negotiate a new regional trade and economic agreement—the Pacific Agreement on Closer Economic Relations (PACER) Plus.

We strengthened Australia's bilateral relationships in the region. We helped to deepen relations with New Zealand by supporting the implementation of economic integration and other initiatives. We increased Australia's engagement with Papua New Guinea, in particular on the development of the major PNG Liquefied Natural Gas project. We led Australia's support for Solomon Islands, bilaterally and through the Regional Assistance Mission to Solomon Islands. In the aftermath of the tsunami in August 2009, we coordinated Australia's assistance to Tonga and Samoa. We continued to work with other regional countries and the international community to encourage a return to democracy in Fiji.

### 2009 Pacific Islands Forum

The department played a major role in Australia's hosting of the 40th Pacific Islands Forum Leaders' meeting, held in Cairns in August 2009. In addition to supporting the smooth organisation of the meeting, we worked closely with other government agencies to develop an ambitious policy agenda for the then Prime Minister, Mr Rudd, in his capacity as Chair, to take forward with other Leaders.

The outcomes of the meeting, including the Cairns Compact on Strengthening Development Coordination in the Pacific and the Climate Change Call to Action, were designed to build the capacity, deepen resilience and lift living standards of Forum island countries.

### Pacific engagement

During Australia's year as Pacific Islands Forum Chair, the department contributed strongly to the whole-of-government efforts to implement the outcomes of the Cairns meeting. We coordinated the implementation of Australia's enhanced regional engagement with the Pacific, including through our leadership of the high-level Pacific Engagement Strategy Steering Group. We worked closely with the Pacific Islands Forum Secretariat and other regional organisations, and led Australia's engagement with other Forum countries and post-Forum Dialogue partners.



*The then Prime Minister and Chair of the Pacific Islands Forum, Mr Rudd, and the Premier of Niue and outgoing Chair of the Pacific Islands Forum, Mr Toke Talagi, speaking at the media conference held with other Forum Leaders in Cairns in August 2009.*

*Photo: Auspic*

We supported AusAID in making progress to achieve more effective coordination of development resources and improved development outcomes through the implementation of the Cairns Compact. We also worked with AusAID to reach agreement on Pacific Partnerships for Development with Palau, the Federated States of Micronesia and the Republic of the Marshall Islands. In cooperation with other agencies, we worked to begin implementing the climate change adaptation and other initiatives agreed in August 2009.

At the Cairns meeting, Australia offered to develop bilateral Security Partnerships to enhance the capacity of the Forum island countries to respond to complex external security challenges. The department led the successful negotiation of the first of the Security Partnerships with Kiribati and Samoa.

We worked closely with other departments to implement the Pacific Seasonal Worker Pilot Scheme, including through support for negotiation of a memorandum of understanding with Papua New Guinea on its participation in the Scheme. We helped to manage, with participating countries, the reduced demand for workers under the Scheme as a result of the global economic crisis.

We played an active role in Australia's hosting, in June 2010, of a Forum Energy Ministers' Meeting, aimed at improving energy security in the Pacific. We were also strongly involved in preparations for a Joint Pacific Fisheries and Law Enforcement Ministers' Meeting, hosted by Australia in July 2010, which agreed to recommend that Pacific Island Forum Leaders begin negotiations for a new treaty to enhance the protection of Pacific fisheries.

At the Cairns meeting, Pacific Leaders agreed to the negotiation of a new regional trade and economic agreement—the Pacific Agreement on Closer Economic Relations (PACER) Plus. These negotiations will enhance the long term capacity of Forum island countries to

take greater advantage of trade and economic opportunities. The department undertook consultations with domestic stakeholders, and a summary of their views was tabled in Parliament by the then Minister for Trade, Mr Crean, in August 2009. We supported a Forum Trade Ministers' Meeting in Brisbane in October 2009, which agreed on a framework to guide the PACER Plus negotiations.

In close consultation with other agencies, we developed detailed Australian positions on the priority negotiating issues, and made progress on these at a PACER Plus officials' session, held in mid-April 2010. We supported Mr Crean's participation in the April 2010 Forum Trade Ministers' Meeting, which advanced the PACER Plus negotiations.

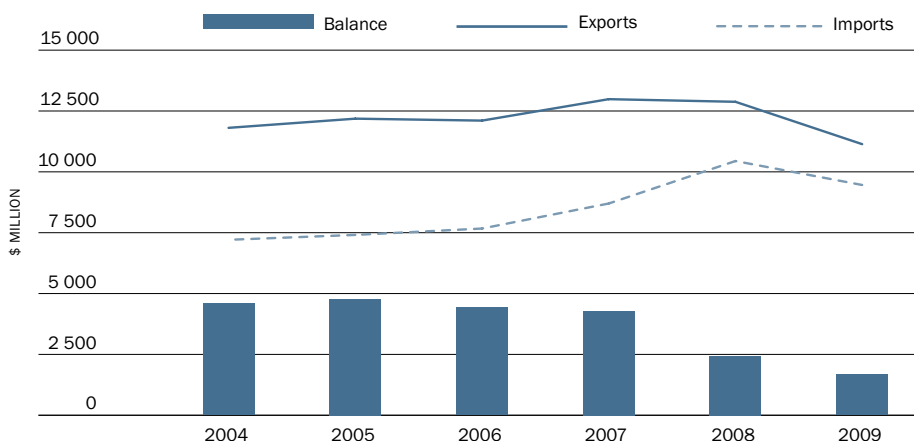
## New Zealand

The department contributed to a deepening of the trans-Tasman relationship by assisting with the implementation of a wide range of initiatives agreed by Australian and New Zealand Prime Ministers at their March and August 2009 meetings.

The department worked in concert with other agencies to deepen economic and trade integration, including by finalising amendments to the rules of origin of the Closer Economic Relations (CER) agreement and making good progress on negotiations for a high quality bilateral investment protocol. The department also contributed to a review of the Australia–New Zealand Joint Food Standards Treaty, which resulted in amendments to the Treaty that will promote consistency of food standards between Australia and New Zealand.

The department led Australia's commitment to strengthen engagement with New Zealand on key bilateral, regional and global issues by coordinating high-level ministerial exchanges, including two CER ministerial meetings (attended by three ministers from each country) and a Foreign Ministers' meeting. The department also facilitated deeper trans-Tasman integration by supporting the business-led Australia–New Zealand Leadership Forum in August 2009.

**FIGURE 12. AUSTRALIA'S TRADE IN GOODS AND SERVICES WITH NEW ZEALAND <sup>(a)</sup>**



(a) Goods data on a recorded trade basis, services data on a balance of payments basis.

Based on DFAT STARS database and ABS catalogue 5368.0.55.004.

## Papua New Guinea

The department worked with other agencies to strengthen Australia's engagement with Papua New Guinea, including implementation of the outcomes of the June 2009 Australia–Papua New Guinea Ministerial Forum.

We took the lead role in shaping and implementing Australia's support for the development of the PNG Liquefied Natural Gas (LNG) project, in particular the Export Finance and Insurance Corporation's offer of a loan of up to US\$500 million to support Australian participation in the project. We led the negotiation of the *Joint Understanding between Papua New Guinea and Australia on further cooperation on the LNG Project*. Under the *Joint Understanding*, Australia will help Papua New Guinea develop sovereign wealth funds to manage project revenues effectively and transparently, and provide other technical and skills-development assistance.

We contributed to the reviews of the PNG–Australia Development Cooperation Treaty and the PNG University System. The department led a multi-agency effort on the *Strongim Gavman Program*, which helps bolster governance and accountability by placing Australian officials in key PNG departments to provide mentoring and strategic advice, and help build capacity.

The Australian Government, with the department taking the lead, continued to support the peace process and post-conflict reconstruction on Bougainville. We coordinated a team of eight election observers for the peaceful Bougainville Autonomous Region General Elections, held in May 2010.

We supported the visit of the then Parliamentary Secretary for Pacific Island Affairs, Mr Kerr, to Papua New Guinea in late September and early October 2009 to examine and propose measures to enhance Australia's program of provincial and sub-national level engagement.

As the lead department responsible for overseeing the Torres Strait Treaty, we worked with other agencies and indigenous community representatives to ensure effective whole-of-government management of Torres Strait border issues. This included arranging visits for, and contributing to, two Parliamentary inquiries into matters relating to the Torres Strait region.

## Solomon Islands

The department continued to work closely with other agencies in coordinating Australia's leadership of the Regional Assistance Mission to Solomon Islands (RAMSI), to achieve a stable and more prosperous future for Solomon Islands.

We coordinated a meeting of the Pacific Islands Forum Ministerial Standing Committee on RAMSI in April 2010, chaired by the Parliamentary Secretary for International Development Assistance, Mr McMullan. The meeting advanced the implementation by RAMSI, and the Solomon Islands Government, of their Partnership Framework, which sets out objectives and plans for RAMSI's future work. This Partnership Framework was endorsed by Pacific Islands Forum Leaders in August 2009. We worked successfully to maintain regional commitment to RAMSI, with all Pacific Islands Forum countries continuing their participation in the mission.

We took the lead in advocating Australian views to a review of RAMSI undertaken by the Solomon Islands Parliament's Foreign Relations Committee. The Committee's report, tabled in November 2009 and adopted by the parliament in April 2010, made a positive assessment of RAMSI and outlined constructive recommendations for its future work.

The department also focused on deepening the bilateral relationship with Solomon Islands. We supported high-level engagement, including visits to Solomon Islands by the Minister for Environment Protection, Heritage and the Arts, Mr Garrett, and the Minister for Defence, Senator Faulkner, and visits to Australia by Solomon Islands Governor-General, Sir Frank Kabui, Prime Minister, Dr Derek Sikua, Foreign Minister, Mr William Haomae and Central Bank Governor, Mr Denton Rarawa.



*Special Coordinator of the Regional Assistance Mission to the Solomon Islands, Mr Graeme Wilson, presenting an award to Ms Florence Taro on International Women's Day in Honiara, Solomon Islands.*

## Fiji

The department took the lead in Australia's efforts to work with other Pacific Islands Forum members and the international community to encourage Fiji's return to democracy and the rule of law.

In the lead-up to the Pacific Islands Forum Leaders' meeting in August 2009, we worked with regional countries to produce a firm Forum response to the deteriorating situation in Fiji. Leaders confirmed their earlier decision to suspend Fiji from the Forum and condemned actions by Fiji's interim government that had led to a severe deterioration in basic liberties and democratic institutions. Leaders also called for genuine and inclusive



political dialogue in Fiji, and reiterated a commitment to engage Fiji on an early return to democracy, including through the Ministerial Contact Group (MCG) and the Forum–Fiji Joint Working Group in Suva.

We supported Foreign Minister Smith’s participation in an MCG meeting in Auckland on 31 May 2010. The MCG discussed the serious challenges facing Fiji and expressed concern about the lack of progress towards returning Fiji to democracy and the rule of law. The MCG reported to Forum Leaders in advance of their meeting in Port Vila in August 2010.

We led Australia’s participation in the Commonwealth’s consideration of Fiji. On 1 September 2009, the Commonwealth fully suspended Fiji because of the failure of the interim government to commit to a genuine political dialogue process leading promptly to credible elections.

We also raised, with a range of countries and international organisations, Australia’s concerns about Fiji’s deteriorating economy, human rights abuses and censorship of the media. Australia made a strong statement on Fiji’s human rights record in the Human Rights Council in Geneva, during Fiji’s appearance at the Universal Periodic Review on 11 February 2010.

With the Department of Immigration and Citizenship, we continued to implement travel sanctions against members and leading supporters of Fiji’s military regime, the military and senior government appointees. We also coordinated Australia’s response to the expulsion of Australia’s High Commissioner by the Fiji interim government in November 2009. The expulsion was condemned by regional and other countries.

## Vanuatu, Tonga, Samoa and Nauru

The department continued to promote stronger bilateral links with Vanuatu. This included contributing to the negotiation of a Taxation Information Exchange Agreement, which was signed in April 2010. In March 2010, we hosted a visit by Mr Charlot Salwai, Vanuatu’s Minister of Education, which supported his education reform plans. We also continued to support Project Wickenby investigations by the Australian Taxation Office and the Australian Federal Police.

The department worked with the Australian Electoral Commission and AusAID to support Tonga’s constitutional and electoral reform process, as Tonga prepared to move to a more democratic system of government at elections in November 2010. Following the sinking of the *Princess Ashika* in August 2009, with the tragic loss of 74 lives, the department supported Australian and New Zealand defence-led teams which located the sunken ferry.

We coordinated Australia’s response to the tsunami that hit Samoa and Tonga in September 2009. This included support for Mr McMullan’s visit to Samoa and Tonga to assess the damage and the effectiveness of Australia’s response.

We upgraded the status of Australia’s mission in Nauru from a consulate-general to a high commission in August 2009, and supported a visit to Nauru by Mr Kerr in July 2009. We continued to coordinate Australia’s efforts to support economic, governance and other reforms in Nauru.



*The Parliamentary Secretary for International Development Assistance, Mr McMullan, discussing the findings of the Pacific Economic Survey with Mr Ruben Markward Bakeo, Director of Agriculture, Vanuatu, at the survey launch in Nuku'alofa, Tonga.*

*Photo: Elizabeth James / AusAID*

## **Other Pacific island countries and French collectivities**

The department supported bilateral visits by Mr Kerr in July 2009 to Palau, the Republic of the Marshall Islands, the Federated States of Micronesia, Kiribati, Tuvalu and New Caledonia. We assisted the Australian Taxation Office's negotiation of a Taxation Information Exchange Agreement with the Republic of the Marshall Islands, which was signed in May 2010.

We promoted a deepening of bilateral relations with New Caledonia during the visit to Australia in March 2010 of a delegation comprising all the key New Caledonian political leaders. This visit resulted in an agreement to resume bilateral senior officials' talks after a five-year hiatus, as well as outcomes on marine management in the Coral Sea, air services, museum exchange and emergency management coordination.



*The then Parliamentary Secretary for Pacific Island Affairs, Mr Kerr SC, meeting a village elder prior to the traditional welcoming ceremony in Tarawa, Kiribati.*

## Outlook

Together with other Pacific Islands Forum members, the Forum Secretariat and other Australian government agencies, the department will work to advance governance, security, economic and development interests in the region. Specific regional priorities include developing the Pacific maritime security program and a legal framework to strengthen fisheries protection, as well as advancing the PACER Plus negotiations. Enhanced engagement on climate change issues with Pacific island countries and development partners will also be important.

We will drive Australia's efforts to strengthen bilateral relationships in the region. We will continue to coordinate whole-of-government efforts to assist PNG develop the LNG project and establish funds to maximise economic and development benefits. We will lead Australia's support for peaceful and credible elections in Solomon Islands and Tonga and the establishment of constructive relations with the newly-elected governments. Fiji's return to democracy will continue to be a priority. We will continue to coordinate Australia's leading role in RAMSI's efforts to secure a sustainable future for Solomon Islands.

### 1.1.7 BILATERAL, REGIONAL AND MULTILATERAL TRADE NEGOTIATIONS

#### Overview

Our highest trade priority over the last year was working towards a successful conclusion to the World Trade Organization (WTO) Doha Round of multilateral trade negotiations. The department supported the efforts of the then Minister for Trade, Mr Crean, to work with other WTO trade ministers to build the necessary political will and flexibility to conclude the Round. The December 2009 WTO Ministerial Conference achieved the key objectives of reinforcing the importance of the multilateral trading system and setting a strong platform for progressing the Doha Round. It also addressed the longer-term issue of WTO reform. Cairns Group ministers (in April 2010), APEC Ministers Responsible for Trade (in June 2010), and G20 Leaders (in June 2010), all confirmed their support for reaching a balanced and ambitious conclusion to the Round as soon as possible.

The entry into force on 1 January 2010 of the Agreement Establishing the ASEAN–Australia–New Zealand Free Trade Area (AANZFTA) was a historic milestone in strengthening Australia’s economic ties with the South-East Asian region. The Agreement covers a population of over 600 million people with a combined GDP of \$3.3 trillion and 19 per cent of Australia’s two-way trade, worth \$97 billion in 2009. AANZFTA will eliminate tariffs on 96 per cent of Australia’s current exports to ASEAN countries by 2020; currently only 67 per cent of Australia’s exports to the region are tariff-free. Australia’s trade with ASEAN countries has grown by an annual average of nine per cent over the last decade.



*The then Minister for Trade, Mr Crean with the Indonesian Minister for Trade, Dr Mari Pangestu at the WTO Ministerial Conference in Geneva.*

*Photo: Denis Balibouse / Reuters / Picture Media*

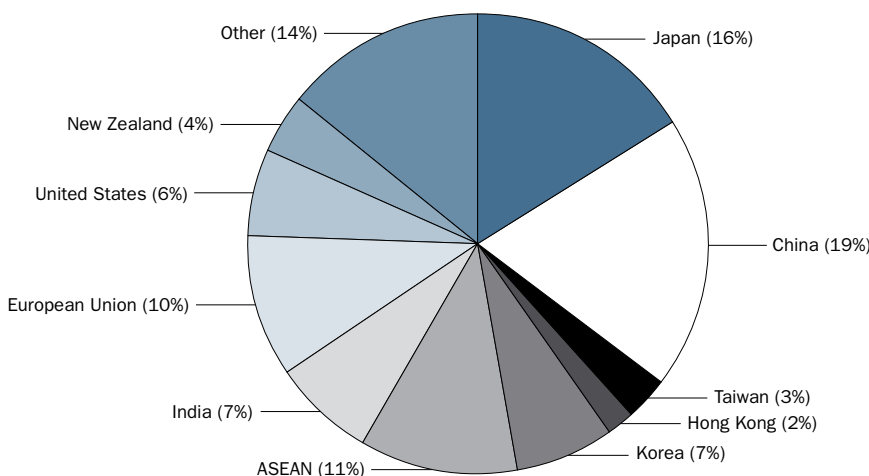
The department engaged very closely with the Republic of Korea, making steady progress in the negotiations with both sides committed to concluding a high-quality FTA as soon as possible. We also managed an active agenda of bilateral and regional FTA negotiations with a number of major trading partners, including China, Japan and the Trans-Pacific Partnership (TPP) parties (Brunei, Chile, New Zealand, Peru, Singapore, the US and Vietnam), and took the lead in guiding the future of the Pacific Agreement on Closer Economic Relations (PACER) Plus negotiations. We finalised a joint FTA feasibility study with India in May 2010.

We made a detailed submission to the Productivity Commission's review of the impact of bilateral and regional trade agreements on trade and investment barriers, and on Australia's trade and economic performance. Our submission provided information on the significant reductions to tariff and other trade and investment barriers that have flowed from Australia's FTAs.

## WTO Doha Round negotiations

The department played a leading role in attempts to conclude the Doha Round. It became clear in 2010, however, that the G20's aim of doing so by the end of the year would be unattainable. Differences among key players remained considerable, and a stocktake conducted by senior officials in Geneva in March confirmed that what was on the table would not be sufficient to conclude the Round. As calls for greater ambition on one side were countered by an insistence on balance on the other—particularly in relation to market access for industrial products into the major emerging economies—the Round remained at an impasse. Nevertheless, at the informal gathering of trade ministers which Mr Crean convened in Paris in May 2010, ministers accepted our proposals to move forward by exploring new thinking in key areas and through stronger engagement across the negotiating agenda.

FIGURE 13. DIRECTION OF AUSTRALIA'S EXPORTS 2009<sup>(a)</sup>



(a) Goods data on a recorded trade basis, services data on a balance of payments basis.  
Based on DFAT STARS database and ABS catalogue 5368.0.55.004.

Joined by special guests from Egypt, the European Union, Japan, Mexico and the United States, Cairns Group ministers met in Punta del Este, Uruguay in April 2010. Supported by the department, Mr Crean chaired the ministerial meeting, which injected momentum to the WTO Doha Round at a time of fragile global economic recovery.

It also provided a launch pad for subsequent high-level meetings within the Organisation for Economic Co-operation and Development (OECD), Asia-Pacific Economic Cooperation (APEC) and the G20. In addition to the 19 members of the Cairns Group, both Japan and the United States supported the call in the Punta del Este communiqué to bridge the gaps and move the negotiations forward.

### **Agriculture**

We continued our active involvement in the WTO Committee on Sanitary and Phytosanitary (SPS) Measures to benefit our agricultural industries and ensure that Australian interests are considered in the application of SPS measures by our trading partners. The department also worked closely with other government agencies within Australia to ensure our domestic biosecurity and food safety policies continued to be consistent with our international treaty obligations. On 1 March 2010, a new Bovine Spongiform Encephalopathy (BSE) food safety policy was implemented for imported beef and beef products. We coordinated closely with the Department of Health and Ageing, and the Department of Agriculture, Fisheries and Forestry, to ensure this new policy was consistent with our international obligations.



*The then Minister for Trade, Mr Crean, and the President of Uruguay, Mr José Mujica, at the opening session of the Cairns Group Ministerial Meeting in Punta del Este, Uruguay on 19-20 April 2010. The meeting was hosted by Uruguay and chaired by Australia.*

We played a key role in the WTO Doha Round agriculture negotiations, providing expert technical leadership on a range of central issues. In addition to pushing for resolution of outstanding issues, we continued to press for significant reductions in domestic support and to resist introduction of new and unrestrained safeguard mechanisms. We were actively engaged in work on export competition and domestic support. We also continued

our advocacy for improved market access for Australian farmers, highlighting with foreign governments our commercial concerns over access for Australian exports.

### **Industrials (non-agricultural market access or NAMA)**

Progress in non-agricultural market access (NAMA) remained central to an outcome in the broader Doha Round. The department was been active in the past year in seeking to rebuild momentum in the negotiations, in relation to both non-tariff barriers (NTBs) and sectoral liberalisation initiatives. We worked closely with key players, such as the US, to find solutions to issues blocking the negotiations.

### **Services**

The department played an active role in pursuing new markets for services suppliers. Trade in services is important in its own right for the continuing growth and development of the world economy, but it is also essential for enabling trade in goods. We advocated throughout the year for a higher profile for services in the Doha Round, and highlighted the integral nature of the services sector with other parts of the economy, including the commodity and manufactured goods sectors.

Recognising that services relating to supply chain management are crucial to the smooth flow of goods trade, we built coalitions with other countries to develop a proposal to liberalise services in logistics and supply chain services—including transport, handling and distribution services. Australia's other specific priorities included reductions in foreign equity caps on investments, greater regulatory transparency and improved business mobility (particularly for fly-in fly-out services contractors and professionals) to enable Australian businesses to pursue opportunities in the region more easily. Our priority sectors for market opening included financial services, telecommunications, professional services, education, mining-related and environmental services.

### **Intellectual Property**

The department defended Australia's interests in relation to commercially sensitive intellectual property issues in the WTO and other multilateral and bilateral forums. Australia continued its active opposition to proposals for higher levels of protection for geographical indications which threatened the continued use of common descriptive terms (for example 'feta' in relation to cheese) and pre-existing trademarks by Australian agricultural and food producers. The department was involved in intellectual property-related negotiations on genetic resources and traditional knowledge issues in the WTO, the World Intellectual Property Organization and the Convention on Biological Diversity.

We led Australia's participation in an intensified set of negotiations on an Anti-Counterfeiting Trade Agreement (ACTA). Australia is seeking a practical agreement capable of attracting broad support. The Government will decide whether or not to join any eventual treaty once the negotiations are finalised.

We also represented Australia's interests in international intellectual property-related negotiations and in discussions on a range of other issues including the further development of the international intellectual property system, development issues and climate change.

## WTO rules, including trade facilitation

The department led Australia's participation in the WTO Rules negotiations. We played an active role to ensure improvements to trade remedy rules would benefit Australian exporters and protect the rights of Australian industry. Australia continued to seek the broadest possible prohibition on harmful fisheries subsidies that lead to overfishing and overcapacity in the fisheries sector. This group developed a joint position on special and differential treatment for developing countries, a key sticking point in the negotiations.

Australia has remained an active player in the WTO Doha negotiations on Trade Facilitation, which concern the improvement of customs and other border procedures. With the support of other ambitious members, Australia has been successful in advancing negotiations to an intensive text-based stage.

## WTO development agenda

The department continued to advocate a successful conclusion of the Doha Round as a key measure to support developing countries' sustainable development by helping them better reap the benefits of international trade. We advocated the need for trade reform in core negotiating areas of the Doha Round, particularly the highly distorted agricultural sector, to fulfil the Doha Round's development mandate. We encouraged other countries to follow Australia's lead by providing tariff-free, quota-free access for all products from least-developed countries.

The Government supported trade-related development assistance to help developing countries engage in the multilateral trading system and regional trade initiatives. Through AusAID, Australia contributed \$2 million to the WTO Global Trust Fund for WTO trade-related technical assistance for developing countries and \$3 million to the Advisory Centre on WTO Law, a Geneva-based intergovernmental organisation that provides training and subsidised legal services on WTO law to developing countries. We facilitated the participation of trade officials from Asia, the Pacific and Africa in our biannual Trade Policy Course held in Canberra. The course increased participants' understanding of the WTO system, and better equipped officials to formulate trade policy and advance their countries' interests in the multilateral trading system.

## WTO compliance and dispute settlement

The department actively pursued Australia's interests in a range of WTO trade law issues. We continued to lead the whole-of-government task force to defend Australia's position in the dispute initiated by New Zealand against our quarantine measures regarding imports of their apples.

We remained committed to the WTO dispute settlement system more generally, through constructive engagement in negotiations in Geneva aimed at reforming the WTO Dispute Settlement Understanding, and third party participation in 12 disputes where Australia had commercial or systemic interests. In particular, we provided submissions to, and participated in, the Panel and Appellate Body hearings in the important China—Audiovisual dispute. We also secured enhanced third party rights in a complaint brought by Canada and Mexico against the US in the US—Mandatory Country of Origin Labelling



dispute. This status will provide a greater opportunity for us to advocate Australia's interests in the case.

In January 2010, the department secured Australian access to the EU's new high-quality beef quota. We worked to ensure that the quota was applied consistently with the EU's WTO commitments and without discrimination to Australian exporters. Australian industry has already begun exporting under the quota.

We continued to monitor the WTO ruling on EU sugar export subsidies following Australia's successful WTO challenge with Brazil and Thailand. The EU announced the export of an additional 500 000 tonnes of out-of-quota sugar in January 2010. We have liaised extensively with the Australian sugar industry, as well as Brazil, Thailand and the EU, and have made representations to the EU on the need for it to act consistently with its international obligations.

We provided advice to other agencies and state and territory governments to ensure WTO compliance of a range of government policy initiatives. An example of this was our role in advising on the WTO consistency of the recommendations of the Productivity Commission's review of Australia's anti-dumping and countervailing system. Our trade law advice covered a diverse range of issues including environment and climate change, telecommunications, health and intellectual property protection.

## WTO accessions

The department completed bilateral negotiations in 2009–10 with Yemen on the terms of market access for goods and services. The department supported Mr Crean's efforts to secure market access into Russia for Australian beef exporters and continued to work closely with Russia on finalising the terms of its entry to the WTO. We also provided technical assistance to Samoa and Vanuatu to advance their ongoing accession negotiations.

## Trade and the environment

The department continued to promote a mutually supportive approach to trade and environmental policies, and to highlight the contribution trade policy can make to addressing environmental challenges. One of the most concrete means was through the promotion of a robust global market for environmental goods and services (EGS). Australia continued to support the WTO negotiations aimed at liberalising EGS trade. In April–May 2010, we conducted a further round of stakeholder consultations to inform Australia's positioning in these negotiations. In APEC, Australia is co-sponsoring an initiative to produce a series of case studies on developing APEC economies' EGS markets—aimed at identifying the key EGS policies, market drivers and challenges.

We have also worked closely with other government agencies on the trade aspects of policy areas such as climate change and measures to counter illegal logging. Australia continues to explore the inclusion of trade-focused environment provisions in its free trade agreements on a case-by-case basis, including in the Trans-Pacific Partnership.

## Supporting trade liberalisation in other international trade bodies

The department used its participation in the G20, APEC and the OECD to strengthen international support for trade liberalisation and a successful conclusion to the WTO Doha Round of trade negotiations.

The G20 played a critical role in resisting protectionist responses to the global economic crisis in 2009–10. The department's efforts underpinned leaders' agreement at the Toronto Summit (June 2010) to renew their anti-protectionist pledge until 2013 and to withdraw existing trade restrictive measures. We also led Australian efforts to build G20 support for a balanced and ambitious conclusion to the Doha Round of negotiations as soon as possible.

The department was central over the past year in driving APEC's agenda to support Mr Crean's efforts to combat trade protectionism and to leverage regional political leadership to conclude the Doha Round. In Singapore in September 2009, APEC leaders and ministers reaffirmed G20 commitments to strengthen structural reform as a critical ingredient for increasing and rebalancing regional growth. In June 2010, APEC trade ministers extended APEC's standstill on protectionism until 2011, and reiterated their determination to bring the Doha Round to a successful conclusion.

We supported Mr Crean as vice-chair of the OECD Ministerial Council Meeting (MCM) in Paris in May 2010. We also coordinated an informal gathering of trade ministers, hosted by Mr Crean in the margins of the MCM to discuss the Doha Round. Mr Crean's participation in the MCM helped ensure that the MCM endorsed the importance of an ambitious and balanced conclusion to the Doha Round.

Through Australia's permanent delegation to the OECD in Paris, at regular meetings of the OECD Trade Committee, and by chairing its working party, we encouraged the OECD to continue to undertake work of interest to Australia, including efforts focused on non-tariff measures, regional trade agreements and aspects of trade and environment. We encouraged the OECD Trade Committee to continue its work on the role of trade in economic growth and employment coming out of the crisis, and on generating a better understanding of trade in value-added terms. We also supported continued work on a Services Trade Restrictiveness Index, which aims to measure the degree to which existing regulations restrict the international exchange of services.

## Free trade agreement negotiations

Australia seeks to further its trade interests through a strategic network of free trade agreements (FTAs). The department is responsible for advancing Australia's FTA agenda, including leading whole-of-government negotiating teams and consulting extensively with industry stakeholders and the states and territories.

At 1 July 2009, Australia had bilateral FTAs in place with New Zealand, the United States, Singapore, Thailand and Chile. Together with New Zealand, in 2009–10 we concluded a regional agreement with ASEAN. As at 30 June 2010, our active FTA agenda comprised ongoing negotiations with Korea, China, Malaysia, Japan, the Gulf Cooperation Council (GCC), the Pacific Island Forum countries (PACER Plus) and the Trans-Pacific

Partnership parties. Our FTA agenda also covered implementation of existing FTAs and feasibility studies.

### Korea Free Trade Agreement

By 30 June 2010, five rounds of FTA negotiations with Korea had been held since Mr Crean opened negotiations in May 2009. In 2009–10, the department took the lead in working towards the conclusion of these negotiations with rounds held in Canberra (in November 2009 and May 2010) and Seoul (in September 2009 and March 2010). Progress was generally quite rapid—by the end of the fifth round (May 2010) more than half of the chapter texts had been effectively concluded, and market access negotiations for goods, services and investment, and government procurement, were all well underway.

### China Free Trade Agreement

The department supported the visit to Australia of Chinese Vice-Premier, Mr Li Keqiang, in October 2009, during which Australia and China affirmed their commitment to conclude as rapidly as possible the negotiations for a comprehensive, high-quality, balanced and mutually beneficial agreement. This was further confirmed in statements by both countries during the visit of Chinese Vice-President, Mr Xi Jinping, to Australia in June 2010.

## Personal Profile:

### Nadia Krivetz



*Nadia Krivetz in front of the Chinese Ministry of Commerce (MOFCOM) while in Beijing for free trade agreement talks in June 2010.*

Nadia Krivetz is a director in the North Asia Investment and Services Branch, Free Trade Agreement (FTA) Division. She leads negotiations on a range of services and investment issues in Australia's FTA negotiations with China, Japan and Korea. She negotiates the text of FTA chapters on trade in services, investment and telecommunications services, as well as services and investment market access commitments.

In this role, Nadia draws on her past experience of working on FTA negotiations with the United States, Singapore and Chile—and of the implementation of Australia's FTA with Thailand, while on posting in Bangkok from 2004–2007.

*“Trade is a vital component of Australia's strong economy, and China, Japan and Korea are three of Australia's top trading partners. We're working hard to conclude FTAs with these countries that promote Australia's economic interests. Working on the negotiations is both challenging and interesting.”*

Based on preparatory work undertaken during two rounds of informal officials' talks in the second half of 2009, the fourteenth round of negotiations was held in Canberra in February 2010. This was the first formal negotiating round since December 2008. The fifteenth round was held in Beijing in June 2010. Discussions at both rounds were conducted in a positive spirit and some progress was made, although the negotiations remained difficult given the breadth and depth of each side's commercial interests. We further clarified Australia's requests for commercially-meaningful outcomes in the core market access areas of agriculture and non-agricultural goods, services and investment.

### **Japan Free Trade Agreement**

Leading an inter-agency team, the department continued to make steady progress with Japan on less controversial aspects of our comprehensive negotiating agenda. Three further rounds of negotiations were held (in July 2009, November 2009 and April 2010). Australia hosted two of these rounds.

We made good headway on chapter texts across many areas of the agreement. We also secured agreement from Japan to the inclusion of a telecommunications chapter.

We continued to emphasise to Japan the importance of commercially-meaningful outcomes, especially on legal, financial, education and telecommunications services. These efforts included our continuing insistence on better market access for Australian exports, and our broader advocacy on the benefits of agricultural reform. Negotiations, however, remained difficult.

We supported high-level political engagement, including Mr Crean's two visits to Japan. These yielded positive messages from Japan's new government about its commitment to an FTA with Australia.

### **Malaysia Free Trade Agreement**

The department led Australia's participation in three negotiating rounds (in August 2009, December 2009 and April 2010). Both sides acknowledged that the Malaysia–Australia FTA needed to build on the commitments exchanged between the two countries under the regional ASEAN–Australia–New Zealand FTA (AANZFTA), which entered into force on 1 January 2010. Negotiations progressed steadily, with advances in the draft chapter texts and discussion of Australia and Malaysia's priority interests for AANZFTA-plus market access outcomes. These include, for Australia, new or improved commitments by Malaysia on a range of goods, and in services and investment, and government procurement.

### **Gulf Cooperation Council Free Trade Agreement**

The department continued to pursue Australia's interest in securing an FTA with the Gulf Cooperation Council (GCC)—a customs union comprising Bahrain, Kuwait, Oman, Qatar, Saudi Arabia and the United Arab Emirates (UAE). The negotiations began in mid-2007, and there have been four negotiating rounds since then. It was not possible to hold a further negotiating round since the last round in June 2009, due to an internal review by the GCC of its negotiations with all FTA negotiating partners including Australia. We continued to work closely with the GCC countries to seek early re-engagement in the negotiations. The GCC is an important market for a diverse range of Australian goods and

services exports, including for Australia's automotive sector, taking 82 per cent of total exports of Australian-made passenger motor vehicles in 2009.

### **Trans-Pacific Partnership Agreement**

The department led Australia's participation in the Trans-Pacific Partnership (TPP) negotiations, including hosting the first round in March 2010 in Melbourne. A second round was held in San Francisco in June 2010. The TPP is a plausible pathway towards the APEC goal of a Free Trade Area of the Asia-Pacific (FTAAP).

We made solid progress on developing architecture for the FTA, and had productive discussions on a range of topics to be covered in the agreement in preparation for producing draft texts. The public consultation process, initiated before Australia's decision to join the TPP negotiations, continued to assist in further developing our negotiating mandate.

### **Pacific Agreement on Closer Economic Relations (PACER) Plus**

At the 40th Pacific Islands Forum Leaders' meeting, held in August 2009, leaders agreed to begin negotiations for a new regional trade and economic agreement—known as the Pacific Agreement on Closer Economic Relations (PACER) Plus. In close consultation with other agencies, the department led Australian efforts to advance the PACER Plus negotiations, including developing detailed Australian positions on the priority issues and supporting Forum trade ministers' decisions on progressing the negotiations.

## **Implementation of existing free trade agreements**

The entry into force on 1 January 2010 of the **Agreement Establishing the Association of Southeast Asian Nations (ASEAN)–Australia–New Zealand Free Trade Area (AANZFTA)** was a significant milestone in strengthening Australia's economic ties with the South-East Asian region. The agreement entered into force for eight countries (Australia, Brunei Darussalam, Burma, Malaysia, New Zealand, the Philippines, Singapore and Vietnam) on 1 January 2010 and for Thailand on 12 March 2010. As at 30 June 2010, the remaining three countries—Cambodia, Indonesia and Laos—had not yet completed their domestic ratification procedures.

To achieve entry into force in 2010, the department provided support for the Government in progressing necessary legislative amendments through Parliament. We also consulted closely with ASEAN countries to transpose AANZFTA tariff schedules from the Harmonised System (HS) 2002 tariff classification format to the more up-to-date HS 2007 format, as this was required to implement the Agreement.

Another key focus for the department in 2009–10 was raising business awareness about the agreement, and working with ASEAN (and New Zealand) to put in place appropriate systems and procedures for effective implementation. The FTA Joint Committee, co-chaired by senior officials from Australia, New Zealand and Brunei Darussalam (as ASEAN coordinator) met twice—informally in December 2009 and formally in May 2010. The Joint Committee approved the first tranche of projects under the agreement's five-year economic cooperation work program, to which Australia is contributing up to \$20 million over five years.

Through the **Australia–United States FTA (AUSFTA)**, the department worked towards improving access to the US market for Australian professional services providers, particularly for the legal profession. These efforts resulted in the endorsement by the US Council of Chief Justices of a draft discipline protocol allowing the exchange of disciplinary information relating to Australian and US legal practitioners offering a possible basis to pursue greater access for Australian lawyers to the US market. In conjunction with the Department of Agriculture, Fisheries and Forestry, we advanced the technical dialogue with the US on specific agricultural market access issues through AUSFTA's annual Agriculture and Sanitary and Phytosanitary Committees. At ministerial trade talks in October 2009, Mr Crean and US Trade Representative, Ambassador Ron Kirk instructed the department and the Office of the United States Trade Representative to conduct a review, under the Agreement, of the operation and implementation of the government procurement chapter in 2010.

The implementation of the **Australia–Chile FTA (ACI-FTA)**, Australia's first agreement with a Latin American nation, continued following the entry into force of the agreement on 6 March 2009. Consultations with industry and Chilean authorities were successful in addressing minor implementation issues, including confirming requirements for Certificates of Origin.

The **Thailand–Australia FTA (TAFTA)** Experts Group on Sanitary and Phytosanitary Measures and Food Standards and the TAFTA Joint Working Group on Agriculture met in September 2009. The department discussed with Thailand the commencement of additional negotiations under TAFTA.

The department worked to ensure the substantive conclusion of the second Ministerial Review of the **Singapore–Australia FTA (SAFTA)** by trade ministers in July 2009. After that, we worked with Singaporean officials to finalise amendments to the text of the agreement, including in relation to investment and intellectual property, with a view to tabling the revised agreement in 2010–11.

The **Australia New Zealand Closer Economic Relations Trade Agreement (ANZCERTA)** is the centrepiece of the trans-Tasman economic relationship. The department supported negotiations to add to ANZCERTA an investment protocol which would serve as a framework to further liberalise trans-Tasman investments and enhance investor certainty for these investments, thereby filling a significant gap in an otherwise very comprehensive free trade agreement. These negotiations made good progress in 2009–10. The department also played a major role in a review of the ANZCERTA Rules of Origin, undertaken during 2009 and 2010. Amendments stemming from the review will simplify the rules and make them more consistent with Australia and New Zealand's other free trade agreements.

## Outlook

Although all WTO Members remain committed to the aim of concluding the Doha Round, differences among some key players have, to date, made that shared objective elusive. New approaches to the negotiations, and concerted political-level attention, will be crucial to making progress in the near future. The department will seek to build on political-level commitment to translate this into concrete results, and will support the Government in

advocating the need for negotiating flexibility and focus. A key opportunity will be the G20 Leaders' Meeting in Seoul in November 2010 at which Leaders have agreed to discuss the status of the negotiations and the way forward. This opportunity will be enhanced by the input of trade ministers to the Leaders' Meeting, and we will help the Government bring shape to that process and the Leaders' discussion.

A program of intensive negotiations across the FTA agenda is expected for 2010–11. It may be possible to conclude the Korea–Australia FTA in this period. The department will seek to move forward with negotiations with China and Japan for high-quality agreements and will continue to look for appropriate opportunities to advance FTA negotiations with the GCC. The bilateral FTA negotiations with Malaysia will intensify during 2010–11. TPP parties are seeking to make maximum headway by the time of the APEC Leaders' meeting in November 2011, with an intensive schedule of meetings planned for 2010–11. PACER Plus negotiations with Pacific Islands Forum members will also intensify.

We will continue discussions with Indonesia on launching a possible bilateral negotiation, and remain engaged on the next steps to starting a negotiation with India.

Following extensive consultation, a scheme is to be introduced in early 2010–11 for the formal accreditation of bodies to issue Certificates of Origin to Australian exporters, under those Australian FTAs which require such certificates.

## 1.1.8 TRADE DEVELOPMENT AND POLICY COORDINATION

### Overview

Australian exporters faced an extremely difficult international environment in 2009–10. Although the global economy began to recover from the most severe recession since the 1930s, the recovery has been uneven. The value of global trade fell by 23 per cent in 2009 and the risk of a return to protectionism was greater than at any time in a generation. While the growth of Asian economies fuelled an expansion in Australian resources exports, European countries' debt problems and the continuing turbulence in global financial markets highlighted the fragility of the global recovery and the serious risks that remained for the world economy.

In this challenging environment, the department worked hard with other agencies in 2009–10 to protect and promote Australia's international trade and economic interests.



*The then Prime Minister, Mr Rudd, and United States President, Mr Barack Obama, at the G20 Leaders' dinner on 24 September 2009.*

*Photo: Auspic*



We supported the participation of the then Prime Minister, Mr Rudd, and other Australian ministers and officials in multilateral and regional institutions, including the G20, the Asia-Pacific Economic Cooperation (APEC) forum and the Organisation for Economic Co-operation and Development (OECD) to advance the Government's foreign and trade policy priorities. We maintained our active trade development and policy coordination role, involving extensive liaison with business, community groups and state and territory governments, and continued to support Australian firms' access to trade finance.

## G20

Designation of the G20 as the premier forum for international economic cooperation in September 2009 at the Pittsburgh G20 Leaders' Summit represented the culmination of a significant whole-of-government effort by Australia. Our inclusion in the G20 marked recognition of the growing importance of Australia in the global system. The department worked closely with the Department of the Prime Minister and Cabinet, the Department of the Treasury and, through our diplomatic network, with other G20 member countries, to secure this outcome.

The G20's decision to resist protectionist responses to the global economic crisis in 2009–10 was an important factor in avoiding an even deeper downturn in the global economy. WTO and OECD analysis highlighted that the absence of a protectionist response to the crisis contributed to a rebound in global trade volumes and renewed confidence in the global trading system. Australia, among many other countries, benefitted from these outcomes.

We led Australian efforts to build G20 support for a balanced and ambitious conclusion to the WTO Doha Round of negotiations as soon as possible, and promoted leaders' directives to receive a report on progress at the Seoul Summit. The department also worked to secure agreement that the OECD, International Labour Organization, World Bank and WTO report on the benefits of trade liberalisation for employment and growth at the Seoul Summit. Our efforts ensured that leaders remained committed to aid-for-trade initiatives that aim to develop the trade-related skills and infrastructure that developing economies need to better implement and benefit from WTO agreements and to expand trade.

We played an important role in Australia's broader participation in the G20. Using our network of missions in G20 partner countries, we supported Mr Rudd and other ministers through advocacy of Australia's interests with senior policy makers. Our missions in non-G20 countries also undertook extensive G20 outreach, particularly in the Asia-Pacific region, and contributed to our being increasingly viewed as a key interlocutor on G20-related issues.

## Personal Profile:

### Tim Stapleton



After returning from a posting in Dili in January 2010, Tim Stapleton joined the G20 and International Economy Branch as an Executive Officer. The Branch coordinates the department's contributions to whole-of-government G20 policy development, with a particular focus on the G20's institutionalisation, and on leveraging the G20 in pursuit of a Doha Round outcome.

Tim contributes to strategies to strengthen and advance Australia's interests in the G20, the premier forum for international economic cooperation. He produces advice to Australia's Foreign and Trade Ministers, and our overseas missions, to guide their advocacy in support of Australia's G20 objectives. He also provides briefing that guides engagement by ministers, Australia's G20 Sherpa and senior officials with G20 counterparts.

*"The G20 agenda is dynamic and constantly evolving. Contributing to whole-of-government efforts to cement the G20, and ensure Australia retains a prominent role in it, is very rewarding. Seeing the G20 in action while managing the Australian Delegation Office at the Toronto Summit in June 2010 was a particular highlight."*

## APEC

APEC makes an important contribution to promoting open trade and investment, economic development and prosperity in the Asia-Pacific region. Total two-way trade between Australia and APEC economies rose from around \$82 billion in 1989 to \$348 billion in 2009.

The department worked through APEC to bolster the region's response to the global economic crisis over the reporting period. At the annual APEC Economic Leaders Meeting in Singapore in September 2009, our efforts were instrumental in securing further commitments to implement the G20 structural reform agenda as a critical ingredient for increasing and rebalancing regional growth.

We supported the work of the then Minister for Trade, Mr Crean, at the APEC Ministers Responsible for Trade Meeting in Japan in June 2010, to combat trade protectionism and to garner support for the conclusion of the Doha Round. Our efforts underpinned APEC Trade Ministers' extension of APEC's standstill on protectionism until 2011.

We continued to spearhead Australia's broader engagement in APEC, leading efforts to advance APEC's core work streams of regional economic integration, structural reform and targeted capacity building. These efforts helped to consolidate the region's recovery despite the ongoing fragility of the global economy. We coordinated the involvement of 15 Australian government agencies across more than 30 APEC forums.

2010 is a significant year for APEC, with its industrialised economies (including Australia) committed to achieve the Bogor Goals of 'free and open trade and investment', as agreed by APEC leaders in 1994. The department worked closely with Japan, the 2010 APEC host, to prepare a transparent and rigorous analysis of industrialised economies' progress towards the Bogor Goals.

The department pursued an ambitious regional economic integration agenda in APEC. It worked to reduce the regulatory burden on exporters from rules-of-origin requirements, and to boost access to Asia-Pacific free trade agreements. It led efforts in APEC to promote sustainable economic development, and to address climate change by liberalising trade in environmental goods and services.

The department is driving APEC's efforts to enhance regional supply chains and the investment environment. In May 2009, Australia committed \$2 million to assist Australian agencies identify and address bottlenecks in regional supply chains, including reform and harmonisation of regulations and developing regional human and infrastructure capabilities.

In collaboration with the Asian Development Bank (ADB), the OECD, the World Bank and the WTO, we identified several practical activities through which APEC can improve development assistance for trade within the region, including joint training activities related to negotiating regional free trade agreements (FTAs), trade facilitation and trade logistics, and to developing good practices in trade-related technical assistance.



*The then Minister for Trade, Mr Crean, and the Minister for Foreign Affairs, Mr Smith, with their counterparts at the APEC Ministerial Meeting in Singapore on 11 November 2009.  
Photo: Courtesy of the APEC Secretariat*

## Human security

Human security cooperation remained strong. The department continued to work with Australian agencies to help APEC economies better prepare for, respond to and recover from emergencies.

The department led efforts to better utilise APEC's resources. Our efforts resulted in professionalising the APEC Secretariat, based in Singapore, boosting capacity-building resources, and securing continued funding for the APEC Secretariat's Policy Support Unit, greatly enhancing the Secretariat's policy and analytical capability.

## OECD

The department supported Mr Crean in his role as Vice-Chair of the OECD Ministerial Council Meeting (MCM) in Paris in June 2010. He led a series of meetings at and associated with the MCM to support efforts to conclude the Doha Round. Trade research and analysis material developed by the department and the OECD underpinned Mr Crean's efforts to promote a better understanding of the positive economic impact of trade on prosperity, and to engender commitment to further trade liberalisation. The MCM also adopted a Declaration on Propriety, Integrity and Transparency in Business that underlined the importance of restoring public confidence in businesses after the global economic crisis.

As chair of the OECD External Relations Committee, the department led Australian efforts to strengthen engagement between the OECD and the key non-member emerging economies of Brazil, China, India, Indonesia and South Africa. Australia joined other OECD members in welcoming Chile, Estonia, Israel and Slovenia, and encouraged further progress on accession talks with Russia.



*The then Minister for Trade, Mr Crean, and the WTO Director-General, Mr Pascal Lamy, at the OECD Trade, Jobs and Innovation Panel in Paris on 27 May 2010.*

*Photo: Courtesy of Natali Wilson/OECD*

## Trade finance

In 2009–10, the department continued its work to assess and address the impact of the global economic crisis on trade finance conditions, both locally and globally. We hosted the Second East Asia Summit Trade Finance Workshop, bringing together delegates from the private sector, regulators, multilateral development banks and export credit agencies. This helped establish a regional network of contacts to share information on trade finance developments, with the objective of promoting better access to trade finance for exports.

We worked closely with Australia's Export Finance and Insurance Corporation (EFIC), a statutory corporation that provides trade finance in support of Australian business in market segments where private sector financiers or insurers lack the capacity or willingness to assist. In 2009–10, EFIC signed 54 new facilities that supported 42 clients. These transactions had an aggregate value of \$971.3 million and supported exports and overseas investments with an aggregate value of \$5.97 billion. Key among these was the Australian Government's decision to support the Papua New Guinea Liquefied Natural Gas (LNG) project through a loan of up to US\$500 million and through collaboration with the PNG Government on the design of sovereign wealth funds to manage project revenues in a transparent and sustainable way.

We also progressed a Debt-to-Health Swap agreement with the Indonesian Government, in conjunction with AusAID and EFIC. A significant innovation, this will see the cancellation of up to \$75 million worth of debt repayments owed by Indonesia in exchange for their investing \$37.5 million in the Global Fund to Fight AIDS, Tuberculosis and Malaria, for programs in Indonesia.



*The Parliamentary Secretary for Trade, Mr Byrne, at the third Ministerial Council on International Trade (MCIT) meeting in Sydney on 30 June 2010.*

*L-R: Mr Tim Groser, Minister of Trade, New Zealand; Mr Bill Marmion MLA, Minister for Commerce, Science and Innovation, Housing and Minister Assisting the Treasurer, Western Australia; Ms Jaala Pulford, Parliamentary Secretary for Industry and Trade, Victoria; Mr Byrne, Parliamentary Secretary for Trade and Chair of the third MCIT meeting; Ms Lara Giddings, Minister for Economic Development, Tasmania; Mr Rob Knight, Minister for Trade, Northern Territory; Mr Michael Choi, Parliamentary Secretary for Natural Resources, Mines and Energy and Trade, Queensland.*

*Photo: Courtesy of MCIT Secretariat*

## Trade policy coordination and business liaison

In August 2009, the department supported Mr Crean in his role as chair of the second meeting of the Ministerial Council on International Trade (MCIT) in Brisbane. The MCIT was established in 2008 as the primary ministerial-level mechanism for consultation between the Australian Government and state and territory governments on international trade issues. The department, along with Austrade, provided the Secretariat for the MCIT.

The forum has played a valuable role in sharing information and coordinating policy between governments on measures to enhance Australia's international competitiveness and export performance. In particular, the MCIT welcomed the decisive and coordinated response of G20 countries to the global economic crisis, including their commitment to promote trade and investment and resist protectionism. While noting the pressure on governments to protect jobs, ministers agreed on the need to refrain from introducing protectionist measures and to avoid exposing Australia to retaliation or legal challenge by trading partners.

In June 2010, the department supported the participation of Mr Smith and Parliamentary Secretary for Trade, Mr Byrne, in the third meeting of the MCIT in Sydney. The New Zealand Minister for Trade, Mr Tim Groser, joined the forum for the first time, marking a significant milestone in the Australia–New Zealand trade and investment relationship. The meeting focused on infrastructure projects that would enhance Australia's trade competitiveness, and on measures to promote Australia's trade and investment, such as Brand Australia.

## Enhancing trade competitiveness

### Submissions to policy reviews

The department contributed to the Government's National Ports Strategy and the Energy White Paper, two key reviews designed to boost Australia's trade competitiveness and efficiency. In addition to outlining Australia's obligations under international trade agreements, our contributions highlighted the implications of the policies under consideration for Australia's trade performance.

We also worked closely with the Department of Resources, Energy and Tourism to promote Australia's interests in the Energy Charter Treaty. This included identifying the need for a transparent and rules-based approach to trade and investment in the global energy and resource markets, and for greater representation in the treaty by our trading partners in the Asia-Pacific region.

The department also participated in a range of other Government policy development processes, aimed at enhancing Australia's economic performance, including the National Broadband Network and the Carbon Pollution Reduction Scheme. The focus of our contribution to these processes was to highlight their potential impact on the international competitiveness of exporters.

## Food security

Food security remained an issue of increasing global debate, with varying views on the optimum ways to improve food security for all. The Government continued to advocate that improving food security required a long-term integrated and comprehensive approach, including through increased development assistance for agriculture and rural development, investment in agricultural research and development, reform of international agricultural and food markets, and improved economic governance in developing countries. The department consistently advanced this approach through multilateral, regional and bilateral forums, including the Food and Agriculture Organization (FAO) of the United Nations, the G20, APEC and the WTO.

## Conflict diamonds

In collaboration with the Department of Resources, Energy and Tourism and the Australian Customs and Border Protection Service, we represented Australia at meetings of the UN-sanctioned Kimberley Process Certification Scheme for Rough Diamonds in Namibia and Israel. Through our participation in these meetings, we contributed to efforts to block international trade in rough diamonds mined and sold by rebel groups to fund war and civil conflict.

In particular, we worked jointly with other Kimberley Process members to reform diamond production in the Marange area of Zimbabwe to address human rights abuses—including unlawful killings, forced labour and beatings by the armed forces—stemming from illicit diamond trade in the region. We continued to work with the Kimberley Process members and Zimbabwe to ensure that Zimbabwe exports only diamonds certified as conflict-free.

## Outlook

Around the world there are encouraging signs of economic recovery. The IMF forecasts global output growth of 4.6 per cent in 2010, (IMF World Economic Outlook, July 2010 Update), with Asia growing strongly. While the outlook for the global economy has improved, risks to global financial stability remain and could undermine the recovery.

Given ongoing uncertainties in the global economy, the department will continue efforts in the G20, APEC and the OECD to encourage policies that promote sustainable economic development and resist protectionism globally. This will require increased trade advocacy to promote a positive understanding of Australia's trade policy agenda, and efforts to ensure Australian exporters and investors maintain access to trade finance in turbulent times.

## 1.1.9 INTERNATIONAL ORGANISATIONS, LEGAL AND ENVIRONMENT

### Overview

In support of the Government's commitment to multilateral diplomacy, the department continued its intensive involvement in the United Nations (UN) and other international organisations.

We continued to advance Australia's candidacy for a seat on the United Nations Security Council (UNSC) for the 2013–14 term. We actively promoted Australia's strong credentials and coordinated whole-of-government campaign efforts.

We supported a successful campaign that saw the first Indigenous Australian woman, Ms Megan Davis, elected to the UN Permanent Forum on Indigenous Issues in March 2010.

Diplomatic efforts were made to further the Government's aims to improve whale conservation and end so-called 'scientific' whaling. We contributed to these, helping to increase international support for Australia's International Whaling Commission (IWC) initiatives, including the Southern Ocean Research Partnership and conservation-oriented reform of the IWC.

We continued our active engagement on climate change issues, providing policy support for Australia's participation in the United Nations Climate Change Conference in Copenhagen in December 2009. We also contributed to the development of initiatives to help developing countries address climate change, including the Commonwealth Climate Change Declaration.

We led Australia's delegation to the first Review Conference of the International Criminal Court (ICC) Statute. We played an influential role in forging consensus on the crime of aggression and several additional war crimes.

We oversaw the drafting of the Autonomous Sanctions Bill 2010 to implement the Government's decision to reform the way Australia imposes autonomous sanctions.

### United Nations

The United Nations has a major role in addressing important global challenges, maintaining peace and security and setting global standards on a wide range of issues. The department worked to achieve Australia's objectives at the 64th session of the United Nations General Assembly (UNGA). These centred on final negotiations towards a climate change outcome at the Copenhagen Conference, the impact of the global financial crisis and Australia's role in representing small states in discussions on the reform of global financial systems by the G20.

Australia participated prominently in the High-Level Event on the UN Collaborative Program on Reducing Emissions from Deforestation and Forest Degradation in Developing Countries (REDD), and worked to secure a statement which would build momentum towards the global goals being determined at Copenhagen.





*The Minister for Foreign Affairs, Mr Smith, and the UN Secretary-General, Mr Ban Ki-moon, at the United Nations Headquarters in New York on 4 May 2010.  
Photo: Courtesy of Eskinder Debebe / UN*

The then Prime Minister, Mr Rudd, presented Australia's national statement to the General Assembly, focusing on the global financial crisis and its impact. He attended the Clinton Global Initiative and the Friends of Pakistan Summit. The department supported attendance at the General Assembly by the Minister for Foreign Affairs, Mr Smith, who delivered interventions at the High-Level Event on Food Security, the High-Level Taskforce on International Innovative Financing for Health Systems and the Comprehensive Nuclear-Test-Ban Treaty (CTBT) Article IV Conference.

During the General Assembly, Mr Smith, with support from the department, co-chaired a round table on the Responsibility to Protect (R2P) principle. The R2P principle seeks to protect populations from genocide, war crimes, crimes against humanity and ethnic cleansing. Australia took a leading role in developing guidelines for the protection of civilians in UN peacekeeping mandates—and, in January 2010, co-hosted a workshop in New York to discuss current UN efforts on the protection of civilians.

We placed a high priority on leading efforts to secure a seat on the UNSC, supporting high-level advocacy and actively promoting Australia's credentials. The department continued to support Australian candidacies for senior UN positions. On 28 April 2010, Ms Megan Davis became the first Australian Indigenous woman to be elected to the United Nations Permanent Forum on Indigenous Issues. We supported successful campaigns for Australia's election to a number of other UN bodies, including the UN International Migration Organisation Council (2010–11) on 27 November 2009.

Australia was re-elected to the UN Environment Programme, the UN Commission on International Trade Law, the UN Economic and Social Council and the Executive Board of the World Food Programme.

We led Australia's engagement in the work of the United Nations Educational, Scientific and Cultural Organization (UNESCO). The Australian National Commission for UNESCO was reconstituted in 2009 to provide a greater strategic policy focus and to increase awareness in the community and within government of UNESCO activities. In 2009–10, the Commission awarded \$82 220 in grants to support community initiatives promoting UNESCO goals.

## Human rights

The promotion of universal human rights is an important foreign policy objective, which was reflected in strong Australian engagement on priority human rights issues during 2009–10.

### UN human rights forums

The department coordinated the Government's approach to human rights issues in the Social, Humanitarian and Cultural Affairs Committee (the Third Committee) of the United Nations General Assembly in 2009. Australia played an active role in the adoption of significant human rights resolutions, including those on human rights in Burma, DPRK and Iran.

Through our UN mission in Geneva, we continued to engage actively in UN Human Rights Council (HRC) discussions. We participated in a Special Session of the HRC on the earthquake in Haiti, which considered issues such as access to food, drinkable water and health care, and the situation of vulnerable groups. We continued to bring to the HRC's attention serious human rights situations around the world.

We engaged actively in the 6th, 7th and 8th sessions of the HRC's Universal Periodic Review, a process that involves an interactive peer review of the human rights records of all UN member states. Australia made practical recommendations on how states under review might improve their human rights situations. Australia's Review will be held in January 2011.

We submitted Australia's latest periodic report to the Committee on the Elimination of Racial Discrimination (CERD) in January 2010 and coordinated the Government's appearance before the Committee in August 2010.

Following the issue of a standing invitation to UN Special Procedures mandate-holders in August 2008, the department welcomed visits to Australia by the Special Rapporteur on Indigenous People, Mr James Anaya, and the Special Rapporteur on the Right to Health, Mr Anand Grover.

In conjunction with AusAID, we established an expert panel to consider applications for the Human Rights Grants Scheme. In 2009–10, the scheme provided \$2.95 million to fund grassroots projects that promote and protect human rights across Asia, the Pacific, Africa, the Middle East, Latin America and the Caribbean.

## Indigenous issues

Through the UN mission in New York, the department supported a high-level Australian delegation to the ninth session of the UN Permanent Forum on Indigenous Issues in April 2010. We facilitated Australian Government engagement with the Expert Mechanism on the Rights of Indigenous Peoples.

## Dialogues, consultations and representations on human rights

In September 2009 and February 2010, the department held human rights consultations with a range of Australia-based non-government organisations (NGOs). We co-hosted the inaugural NGO Forum with the Attorney-General's Department in June 2010, which included participation by both the Attorney-General, Mr McClelland, and Mr Smith.

We led Australia's delegation to the Australia–Vietnam Human Rights Dialogue, held in Hanoi in December 2009. The dialogue provided Australia and Vietnam the opportunity for frank and constructive discussion about human rights issues, including national approaches to human rights, freedom of expression and association, freedom of religion and belief, criminal justice and the death penalty.

Through our overseas missions, we made global representations against the death penalty to all countries that carry out executions or maintain capital punishment as part of their laws.

## People smuggling and trafficking

The department continued to support the Bali Process on People Smuggling, Trafficking in Persons and Related Transnational Crime.

We played an active role in the organisation and administration of the Bali Process Ad Hoc Group Workshop on Protection, Resettlement and Repatriation. Participants in the workshop came from all 12 Ad Hoc Group countries, and were joined by representatives from international organisations, including the Office of the United Nations High Commissioner for Refugees (UNHCR), the United Nations Office on Drugs and Crime (UNODC) and the International Organization for Migration. This was the first time members of the Bali Process had addressed issues relating to protection, resettlement and repatriation. The workshop acknowledged that developing consistent approaches to protection, resettlement and repatriation throughout the region would act as a deterrent to irregular movement and, in particular, secondary movement.

We organised and supported the Senior Officials' Meeting of the Bali Process Ad Hoc Group in Bali on 10–11 June 2010. The meeting agreed a forward work program aimed at further developing regional responses to situations involving the irregular movement of people in the Asia-Pacific region.

## Personal Profile:

### Katy Lin



Photo: Courtesy of IISD Reporting Services

Katy Lin has been Australia's representative in the Second Committee of the United Nations (UN) General Assembly since January 2009. The Second Committee covers a broad range of sustainable development issues—an area of increasing importance to Australia, and one which has been a core focus of the Government's enhanced engagement with the UN.

Working with developed and developing country partners, Katy advocates Australia's positions on resolutions such as support for Small Island Developing States, sustainable development in the context of poverty eradication, and international trade. She worked on the United Nations Summit on Climate Change in the 64th session of the General Assembly, and, in 2009, she was elected as Vice-President to the States Parties to the Law of the Sea. She brings to this role a background in international law, climate change and trade.

*"It is a privilege to represent Australia at the United Nations. Negotiating with 191 other countries to reach consensus on international issues of key concern is no small task. It requires building strong, cooperative and effective relationships with people from all cultures—and an optimistic outlook on the 'bigger picture'. Australia at the UN is where our middle power diplomacy is at work."*

The department contributed to whole-of-government coordination to combat people smuggling and to mitigate the flow of irregular migration to Australia, including by creating three full-time Canberra-based positions to support the Ambassador for People Smuggling Issues. The 2009–10 Budget also provided for a number of new overseas people smuggling-related positions across a range of Australian Government agencies, including DFAT.

At regional posts, the department led inter-agency people smuggling task forces to coordinate Australian bilateral engagement on people smuggling issues with host countries. We supported regional partners, including Indonesia and Malaysia, in their efforts to introduce legislation criminalising people smuggling and human trafficking.

We remained engaged in whole-of-government coordination to combat human trafficking, including by continuing to encourage countries that had not yet done so, to ratify the primary instruments in the fight against people trafficking, the *United Nations Convention against Transnational Organised Crime* and its supplementary *Protocol to Prevent, Suppress and Punish Trafficking in Persons, Especially Women and Children*.

## Commonwealth

The department supported Mr Rudd and Mr Smith at the Commonwealth Heads of Government Meeting (CHOGM) in Port of Spain, Trinidad and Tobago, in November 2009. The meeting progressed Australia's interests on climate change and our engagement with the Caribbean. Australia was confirmed as the host of CHOGM 2011 and appointed to the Commonwealth Ministerial Action Group (CMAG) for 2009–2011. The department supported the appointment of retired judge of the High Court of Australia, Justice Michael Kirby, to the Commonwealth Eminent Persons' Group, to examine and modernise the way Commonwealth business is conducted.

## Environment

### Whales

The department sought to further the Government's aims to improve whale conservation and end so-called 'scientific' whaling. These efforts resulted in increased international support for Australia's International Whaling Commission (IWC) conservation initiatives, including the Southern Ocean Research Partnership. The department provided support to Mr Sandy Hollway, Special Envoy for Whale Conservation, during discussions with Japan and pro-conservation countries. We contributed to advice to the Government on international legal action in the International Court of Justice against Japanese whaling, which was initiated on 31 May 2010.

### Climate change

We worked closely with the Department of Climate Change and Energy Efficiency (DCCEE) on strategies for international climate change negotiations after the expiry of the Kyoto Protocol in 2012. We promoted Australia's climate change policies internationally. We contributed to initiatives to support developing countries in addressing climate change, including the Commonwealth Climate Change Declaration. Agreed by leaders at the Commonwealth Heads of Government Meeting in November 2009, the Declaration aimed to enhance confidence in the international climate change negotiations, and build the capacity of developing countries and small island developing states. We participated in negotiations under the UN Framework Convention on Climate Change, including the UN Climate Change Conference in Copenhagen in December 2009. Australia's delegation was a key player in negotiating the Copenhagen Accord, a political agreement developed by leaders that included emissions reduction commitments and actions, commitments by developed countries to provide financial support for mitigation and adaptation in developing countries, and the establishment of a mechanism to reduce emissions from deforestation and forest degradation in developing countries (REDD).

### Negotiations on access and benefit sharing of genetic resources

In November 2009 and March 2010, we led Australia's participation at meetings of the Convention on Biological Diversity (CBD) Ad Hoc Open-ended Working Group on Access and Benefit-Sharing (ABS) which is negotiating an international regime to facilitate access to, and benefit-sharing from, genetic resources and associated traditional knowledge.

## Regional marine conservation initiatives

We worked with the Department of Environment, Water, Heritage and the Arts (DEWHA) in regional marine conservation initiatives, including planning for the establishment of a Permanent Secretariat for the Coral Triangle Initiative on Coral Reefs, Fisheries and Food Security. We also helped achieve the signing on 10 March 2010 of the Declaration of Intentions between France-New Caledonia and Australia for the Sustainable Management of the Coral Sea. This was the 'flagship' initiative of a multi-level delegation visit from New Caledonia that included the French Government's senior representative in New Caledonia and New Caledonia's political leadership. We coordinated discussions between France and Australia in the lead-up to the visit, including negotiations on the text of the declaration.

## Sea law, environment law and Antarctic policy

We provided legal and policy advice as part of the Government's efforts to fight illegal, unreported and unregulated fishing multilaterally, in regional fisheries management organisations (RFMOs) and bilaterally, particularly with Indonesia. In November 2009, we played a significant role in achieving agreement on a new RFMO in our region, by adopting the Convention on the Conservation and Management of the High Seas Fishery Resources of the South Pacific Ocean. We also contributed to the negotiation and adoption in November 2009 of the Food and Agriculture Organization Agreement on Port State Measures to Prevent, Deter and Eliminate Illegal, Unreported and Unregulated Fishing.

We advocated Australia's interests in sustainable fisheries management and effective implementation of international law of the sea at UN meetings on oceans, the law of the sea and fisheries. We ensured Australia's voice was heard in global meetings on marine biological diversity beyond national jurisdiction and on straddling and highly migratory fish stocks. Timor Sea resources were another continuing area of focus. We engaged with East Timor, through bilateral discussions and meetings of the Sunrise Commission, to promote the development of petroleum resources in the Greater Sunrise gas field. We also provided legal advice on Australia's rights and obligations under the Timor Sea Treaty arrangements.

We continued to provide legal and policy advice on Australia's substantial involvement in Antarctica, including the 5.8 million square kilometre Australian Antarctic Territory. We led Australia's delegation to the 33rd Antarctic Treaty Consultative Meeting (ATCM) held in Uruguay in May 2010. Our Senior Legal Adviser was elected Chair of the ATCM's Legal and Institutional Working Group. We continued work on preparations for ATCM35, which will be held in Hobart in 2012.

## Sanctions and transnational crime

The department coordinated whole-of-government implementation of UNSC and Australian autonomous sanctions regimes. These included monitoring Australian trade with countries subject to UNSC and Australian autonomous sanctions to ensure compliance with Australia's sanction laws.

During this reporting year, we oversaw the implementation of significant new measures imposed by the UNSC against Iran's proliferation-sensitive nuclear and missile programs (Resolution 1929 of 9 June 2010). We also oversaw a new UNSC sanctions regime against Eritrea (Resolution 1907 of 23 December 2009), as well as amendments to UNSC sanctions regimes relating to the Democratic People's Republic of Korea, Liberia and Somalia.

Following the Government's decision to reform the way Australia imposes autonomous sanctions, we oversaw the drafting of the Autonomous Sanctions Bill 2010, which Mr Smith introduced into Parliament on 26 May 2010. This Bill is intended to provide the Government with greater flexibility in the range of measures Australia can implement as autonomous sanctions.

We also worked hard on reforming Australia's terrorist asset freezing scheme (under UNSC Resolution 1373 of 21 September 2001) through amendments to the *Charter of the United Nations Act 1945* (which were included in the omnibus National Security Legislation Amendment Bill 2010).

We contributed to meetings of the Financial Action Task Force (FATF), providing international legal and sanctions expertise in the development of FATF's status report on combating proliferation financing. We also participated in a range of other international meetings on transnational crime, including the third Conference of the States Parties to the UN Convention against Corruption (Doha, Qatar, 9–13 November 2009), the 53rd session of the UN Commission on Narcotic Drugs (Vienna, Austria, 8–12 March 2009) and the 12th UN Congress on Crime Prevention and Criminal Justice (Salvador, Brazil, 12–19 April 2010).



Senior Legal Adviser, Mr Richard Rowe (far left), liaising with Dutch, Swedish and Swiss counterparts and the Chair of the Working Group on the Crime of Aggression, Prince Zeid bin Ra'ad Zeid of Jordan (far right).  
Photo: Courtesy of the ICC-CPI Secretariat of the Assembly of State Parties

Covering all Australian state and territory capital cities, we conducted seminars for industry and state and territory governments on trading with integrity (dealing with Australian laws with extraterritorial effect, such as offences relating to bribery of foreign public officials), as well as on the Autonomous Sanctions Bill 2010. At overseas posts in South-East Asia, North Asia and Latin America, we provided training for staff on their responsibilities relating to sanctions, criminal justice cooperation, and reporting credible allegations of serious criminal misconduct by Australians overseas.

## International law

The department supported the deployment of Australian personnel, including to Afghanistan, Solomon Islands, Samoa and Haiti, by providing advice on international law issues.

We supported Australia's ratification, on 15 July 2009, of the Protocol additional to the Geneva Conventions of 12 August 1949, and relating to the Adoption of an Additional Distinctive Emblem (Protocol III) of 8 December 2005. The Protocol recognises the red crystal emblem, in addition to the red cross and red crescent, to identify humanitarian workers and facilities providing aid in times of armed conflict.

We continued to work towards Australia's ratification of the Cluster Munitions Convention, by helping to draft implementing legislation.

We led Australia's delegation to the first Review Conference of the International Criminal Court (ICC) Statute, held from 31 May to 11 June 2010 in Kampala, Uganda. Australia was influential in forging consensus on several key outcomes that should help combat impunity and advance Australia's long-term interests. The Review Conference finalised longstanding negotiations to define the crime of aggression as well as conditions for the exercise of the ICC's jurisdiction over the crime. We also contributed to reaching agreement on three new war crimes that extend the ICC's jurisdiction over the use of certain weapons in non-international armed conflict.

We continued to support other international criminal courts and tribunals, such as the Special Court for Sierra Leone and the Extraordinary Chambers in the Courts of Cambodia, in their efforts to enhance the rule of law.

The department worked to advance Australia's interest in enhanced adherence to international human rights law, including through Australia's accession to the Optional Protocol to the Convention on the Rights of Persons with Disabilities on 21 August 2009.

We helped to liberalise air services between Australia and aviation partners by working towards the signature of a range of air services agreements, including with Mexico and Brazil.

We also contributed to extending a space tracking agreement with the United States for a further two years—and to negotiating, also with the United States, an agreement on the peaceful uses of nuclear energy.

We also helped to finalise treaties to improve cooperation on taxation, including with New Zealand, Jersey, and Antigua and Barbuda. We also supported the conclusion of



social security treaties (including with Austria, Poland, the Czech Republic and Latvia) to improve Australians' access to services here and overseas.

## Treaties and outreach

The department continued to support the Parliament's Joint Standing Committee on Treaties (JSCOT), including in its review of twenty-five new major treaties, and by providing both JSCOT and Parliament with briefings and advice on treaty processes.

We facilitated the signing of numerous treaties and some 200 memorandums of understanding. We also supported consultation with the Australian states and territories on treaties currently under negotiation. We provided extensive advice on treaty matters to other government agencies, including running seminars for numerous Australian federal and state government agencies.

## Outlook

The department will continue to focus on active engagement in the multilateral system as a means to advance Australia's interests in international security, human rights, climate change and global economic and development issues.

We will continue to advance Australia's UNSC candidacy, including by supporting high-level advocacy and clearly outlining Australia's credentials.

We will continue to focus on strengthening and improving the UN's human rights machinery and processes, including the UN Human Rights Council, by taking part in the review of the Council, to be concluded in 2011.

Through high-level advocacy and representations, we will maintain broad regional engagement and participation in the activities of the Bali Process on People Smuggling, Trafficking in Persons and Related Transnational Crime. We will also continue to pursue effective return arrangements with key source countries.

We will continue to support Australia's International Court of Justice case on Japanese whaling. We will advance reform of Australia's autonomous sanctions regime. We will engage actively in preparations for the Antarctic Treaty Consultative Meeting to be held in Hobart in 2012.

### 1.1.10 SECURITY, NUCLEAR DISARMAMENT AND NON-PROLIFERATION

#### Overview

The department advanced the Government's nuclear non-proliferation and disarmament agenda through active engagement in the Nuclear Non-Proliferation Treaty (NPT) Review Conference held in May 2010, the Conference on Disarmament and the Nuclear Security Summit hosted by US President, Mr Barack Obama, in April. The report of the International Commission on Nuclear Non-proliferation and Disarmament (ICNND), a joint initiative of the Australian and Japanese governments, fed positively into the NPT Review Conference outcomes. We helped keep Australia at the forefront of efforts to control conventional arms, and led Australia's involvement in major international export control regimes. Australia chaired the Missile Technology Control Regime (MTCR) until November 2009.

We coordinated Australia's international counter-terrorism engagement, multilaterally and regionally and worked closely with the Indonesian Government in building its counter-terrorism capabilities. We continued to lead Australia's international strategic engagement, including with the US and other key allies, and played an active role with other members of the national security community in advancing the Government's comprehensive national security agenda, as outlined in its 2008 National Security Statement.



*Launch of the Report of the International Commission on Nuclear Non-proliferation and Disarmament in Tokyo on 15 December 2009.*

*L-R: Co-Chair of the International Commission on Nuclear Non-proliferation and Disarmament, Professor Gareth Evans AO QC; the then Prime Minister, Mr Rudd; the then Prime Minister of Japan, Dr Yukio Hatoyama; Co-Chair of the International Commission on Nuclear Non-proliferation and Disarmament, Ms Yoriko Kawaguchi*

## Nuclear non-proliferation and disarmament

ICNND's final report, 'Eliminating Nuclear Threats: A Practical Agenda for Global Policymakers,' was presented by co-chairs Professor Gareth Evans and Ms Yoriko Kawaguchi to the then Prime Ministers, Mr Rudd and Mr Hatoyama, in Tokyo in December 2009.

This report was the product of detailed discussions in meetings of the 15 commissioners and a range of experts from the Commission's Advisory Board. These meetings attracted high-level participation from key countries.

The report, synopsis and media kits were produced by the department and distributed by Australian and Japanese embassies around the world. With continuing support from the department, co-chair Evans and other commissioners visited over 30 countries to promote the report ahead of the Nuclear Non-Proliferation Treaty (NPT) Review Conference. The report and associated activity helped build international consensus and momentum on nuclear policy—and the final document of the NPT Review Conference partly reflects the Commission's recommended outcomes.

The department played an active role in the lead up to and during the May 2010 NPT Review Conference. Another Australia–Japan initiative—a joint package of practical nuclear disarmament and non-proliferation measures—along with the work of the Vienna Group of Ten (a group of prominent NPT-supporting countries) which Australia chairs, were influential in shaping the comprehensive and forward-looking final document of the conference.

We coordinated the Government's response to the report of the Joint Standing Committee on Treaties inquiry into nuclear non-proliferation and disarmament and to the ICNND report.

We continued to promote, especially within the Asia-Pacific region, universalisation and entry into force of the Comprehensive Nuclear-Test-Ban Treaty (CTBT). We supported the attendance by the Minister for Foreign Affairs, Mr Smith, at the CTBT Article XIV Conference in New York in September 2009 and his meeting in Vienna in February 2010 with Mr Tibor Tóth, the Executive Secretary of the CTBT Organization. Both meetings provided opportunities to emphasise Australia's strong support for international efforts to promote CTBT ratification and implementation.

In 2009, as one of the six presidents of the Conference on Disarmament (CD), we worked hard to break the fifteen-year deadlock blocking negotiations on a Fissile Material Cut-off Treaty (FMCT). We came very close to achieving this, but ultimately failed.

In April 2010, Australia joined some 45 other countries at US President Obama's Nuclear Security Summit in Washington. The Summit galvanised international efforts to address the threat of nuclear terrorism and endorsed the goal of securing all vulnerable nuclear materials around the world within four years.

As a member of the Board of Governors of the International Atomic Energy Agency (IAEA) in Vienna, Australia pressed concerns about Iran's nuclear program and urged Iran to comply with its international obligations.



*The Minister for Foreign Affairs, Mr Smith, speaking at the Conference on Facilitating the Entry into Force of the Comprehensive Nuclear-Test-Ban Treaty.  
Photo: Trevor Collens*

## Counter-proliferation and export controls

The department led and coordinated the implementation of Australia's counter-proliferation policy, on both Weapons of Mass Destruction (WMD) and conventional weapons, including our participation in the major international export control regimes. We cooperated closely with other Commonwealth Government agencies on enforcement of UN sanctions measures, and on visa-screening and related processes aimed at preventing the illicit transfer of WMD-sensitive knowledge.

Australia chaired the Missile Technology Control Regime (MTCR) until November 2009. The MTCR seeks to harmonise national export licensing to prevent the proliferation of unmanned systems capable of delivering WMD. As MTCR Chair, we engaged in extensive outreach to encourage adherence by non-members to the MTCR's export controls.

We chaired two plenary meetings of the Australia Group (AG), which works to prevent the spread of chemical and biological weapons. It does so by harmonising export control lists, and by making it harder for states and non-state actors to exploit differences in national export control systems to obtain dual-use chemicals and biological agents, as well as dual-use chemical and biological equipment, technology and software.

As an active member of the Nuclear Suppliers Group (NSG), we continued to support and encourage efforts to strengthen controls on the export of sensitive nuclear technology, and to work for the adoption of the IAEA Additional Protocol as a condition of nuclear supply.

By co-hosting a regional Proliferation Security Initiative (PSI) workshop jointly with the United States in Sydney in September 2009, we encouraged Asia-Pacific members of the PSI to strengthen their counter-proliferation capabilities.

We worked towards Australia's ratification of the Convention on Cluster Munitions, signed in December 2008. With other governments, we are supporting Laos in its role as host of the first meeting of States Parties to the Convention in Vientiane in November 2010. We helped keep Australia at the forefront of efforts to promote effective implementation of the Mine Ban Convention and worked with AusAID on a new Mine Action Strategy (2010–2014) for the Australian aid program. Under the strategy, released in November 2009, Australia pledged \$100 million over the next five years for work towards a world free from landmines, cluster munitions and other explosive remnants of war. In December 2009, we participated in the Cartagena Summit on a Mine-Free World. Australia's new five-year (2010–2014) \$100 million Mine Action Strategy was warmly welcomed by Summit participants.

We continued to coordinate Australia's whole-of-government effort to counter the illicit trade in small arms and light weapons (SALW), particularly in the Asia-Pacific region. We led Australia's delegation to the Fourth Biennial Meeting of States on SALW in New York in June 2010. We promoted formal negotiations on a UN Arms Trade Treaty and these began in New York in July 2010.



*Australian High Commissioner to Sri Lanka, Ms Kathy Klugman, surveying some of the Australian Government-funded de-mining activities in northern Sri Lanka.*

## Counter-terrorism

The department played a central role in responding to the 17 July 2009 Jakarta hotel bombings, where three Australians were among seven killed. Directly after the attack, Mr Smith led a team—including Australia's Ambassador for Counter-Terrorism, Mr Bill Paterson, and the National Security Adviser, Mr Duncan Lewis—to provide political and further technical support to Indonesia.

We continued to broaden our support for Indonesia's counter-terrorism capacities, by expanding a major prison reform project, funded by DFAT and AusAID, to improve the handling and security of prisoners convicted of terrorist offences. DFAT also funded initiatives designed to build local communities' resilience to violent extremism, including training, curriculum development and language projects in major Indonesian institutions. We worked through the UN, APEC, the ASEAN Regional Forum and the Pacific Islands Forum to enhance regional capacity-building activities. These included workshops on detecting and deterring cash couriers and bulk cash smugglers. We also initiated a series of workshops designed to strengthen capacities to prevent terrorists gaining access to chemical, biological, radiological and nuclear materials.

We contributed to the Counter-Terrorism White Paper *Securing Australia—Protecting our Community* launched in February 2010. The White Paper announced an enhanced role for the Ambassador for Counter-Terrorism, including recommending international counter-terrorism policy priorities to the National Security Committee of Cabinet.

We worked with other donors to develop the concept of a South Asia law enforcement training centre. The exploratory stages of this initiative have been funded by the European Union. Australia played an important role in shaping partners' approaches given our own experience with the Jakarta Centre for Law Enforcement Cooperation (JCLEC), which is recognised as having made a major contribution to international counter-terrorism efforts. As a parallel measure, the department sponsored regional workshops run by the UN Counter-Terrorism Committee Executive Directorate (CTED) for South Asian law enforcement officers and prosecutors held in Dhaka in November 2009 and in Colombo in June 2010.

In October 2009, we expanded our network of bilateral counter-terrorism memorandums of understanding (MOUs) to include the United Arab Emirates, taking the total to 15. These MOUs provide a formal mechanism to enhance our policy and operational cooperation on counter-terrorism with those countries.

The department worked with the United Nations and the G8 Counter-Terrorism Action Group to strengthen multilateral counter-terrorism structures. We contributed to the review of the UN's listings of terrorist groups and individuals subject to sanctions or asset freezing.

The department initiated a series of workshops and two exercises for government officials from a number of South-East Asian countries. These training activities were aimed at reducing the risk of terrorists acquiring chemical, biological, radiological and nuclear materials and contributed to the work plan of the Global Initiative to Combat Nuclear Terrorism.

## National security and strategic policy

The department sustained its active engagement as a key agency within the national security community in advancing and implementing policies set out in the 2008 National Security Statement.

We supported Mr Smith's membership of two Cabinet Committees dealing with national security and border protection, and participated in other high-level strategic policy and coordination bodies, notably the Secretaries' Committee on National Security and the Strategic Policy Coordination Group. We contributed to strengthening the Government's new framework for the expanded national security community. This included taking part in the National Intelligence Coordination Committee, and the Homeland and Border Security Policy Coordination Group.

In July 2009, we supported Mr Smith's participation in the ASEAN Regional Forum (ARF). We coordinated Australia's strong multi-agency representation at the second ARF meeting on maritime security in March 2010. In the same month, for the first time, we and Border Protection Command attended the Governing Council meeting of the Regional Cooperation Agreement on Combating Piracy and Armed Robbery against Ships in Asia (ReCAAP) in Singapore as an external participant.

The department strengthened Australia's Trilateral Strategic Dialogue (TSD) with Japan and the United States, including through Mr Smith's participation in the fifth TSD Ministerial Meeting held in New York in September 2009. TSD continued to provide a valuable mechanism for dialogue on matters of mutual strategic interest. Working closely with AusAID and the Department of Defence, we took the lead, in May 2010, in the conduct, under TSD auspices, of a successful desktop exercise on humanitarian assistance and disaster relief.

We cooperated with other Australian Government agencies on a variety of national security and strategic policy issues. These agencies included the Department of the Prime Minister and Cabinet, the Department of Defence, the Attorney-General's Department, the Australian Customs and Border Protection Service, Border Protection Command, the Office of Transport Security (Department of Infrastructure, Transport, Regional Development and Local Government), as well as the Australian intelligence community. The issues we worked on included strengthening the US alliance, deepening Australia's cooperation with regional partners, cyber policy, training outreach, and maritime and aviation security. We also played a significant role in establishing a new National Security College at the Australian National University, which Mr Rudd opened in May 2010.

We continued to promote Australia's interests through productive bilateral strategic dialogues with Japan, China, the Republic of Korea, France, Russia, Vietnam and Thailand. These dialogues improved mutual understanding of respective strategic perspectives, concerns and interests.

The department made a strong contribution to inter-agency work on important government initiatives to improve Australia's contribution to international stabilisation and reconstruction activities, as well as to humanitarian and disaster relief operations. We supported the establishment by AusAID of the Australian Civilian Corps. We were closely

engaged with the Asia Pacific Civil-Military Centre of Excellence on its activities, such as providing staff and assisting with its international conferences and other outreach.

## Outlook

The department will work to advance the outcomes of the NPT Review Conference, promote further ratifications of the CTBT and the full establishment of its verification system, and continue to press for the immediate commencement of FMCT negotiations. We will continue cooperating closely with the IAEA and others to strengthen the nuclear safeguards regime and to address compliance concerns. We will contribute to Australia's ratification of the Convention on Cluster Munitions and to its effective implementation, and coordinate the development of a robust whole-of-government approach to Arms Trade Treaty negotiations. We will participate in Australia's hosting of the first Regional Operational Experts Group (ROEG) meeting of the Proliferation Security Initiative (PSI), and PSI Exercise Pacific Protector '10, in Cairns in September 2010.

The department will work to implement initiatives announced in the Counter-Terrorism White Paper. Our efforts will be focused primarily in South-East Asia but we will also seek to strengthen our engagement with South Asia, the Middle East and East Africa, as appropriate. We will continue to build on Australia's strong alliance with the United States and our security partnerships with other Asia-Pacific countries, notably Japan, Indonesia and the Republic of Korea. We will also work to advance Australian engagement with other key countries, notably China and India, on strategic and security issues.



## Program management (services to other agencies)

### **1.1.11 SERVICES TO OTHER AGENCIES IN AUSTRALIA AND OVERSEAS (INCLUDING PARLIAMENT, STATE REPRESENTATIVES, BUSINESS AND OTHER ORGANISATIONS)**

#### **Overview**

The department provided high-quality assistance and timely advice to parliamentary delegations, Australian government agencies overseas, Australian business, and state and territory governments.

We also provided financial, human resource and property management services to 30 government departments and agencies with overseas representation and, in one instance, to the New Zealand Government. We provided information and communications technology services to 38 agencies in Australia and overseas.

To implement government policy in the trade sphere, we collaborated with state and territory governments, and the business community. This work included promoting trade and progressing the trade development agenda.

#### **Parliament in Australia**

The department provided high levels of assistance to federal parliamentarians and ministers by facilitating parliamentary travel, presenting information to parliamentary committees and fulfilling our public accountability responsibilities.

#### **Parliamentary travel**

We promoted relations between the Australian Parliament and those of other countries by assisting with 137 overseas visit programs for individual federal parliamentarians and parliamentary delegations. These visits fostered enhanced links between parliamentary institutions, and gave parliamentarians the opportunity to study developments in a range of fields relevant to the Australian community.

As well as providing advice on in-country travel, we identified and scheduled appointments with key officials in specific fields of interest and provided written and oral background briefings on foreign and trade policy matters relevant to the visits.

Our work for the Parliament included facilitating parliamentary delegation visits to Austria, Belgium, China, France, Germany, Italy, the Republic of Korea, Rwanda, Singapore, Switzerland, Tanzania, Thailand, Tonga, the United Kingdom, the United States and Vanuatu.

### **Incoming delegations**

The department assisted with 23 visits to Australia by parliamentary delegations from other countries. We also provided country briefs and talking points to the Presiding Officers for their use in meetings with visiting parliamentarians and foreign officials.

### **Parliamentary committees**

We briefed and appeared before a range of parliamentary committees as outlined in Appendix 6.

We answered 127 questions submitted in writing or taken on notice during Senate Estimates hearings. These contained 392 individual sub-questions.

### **Questions on notice**

The department assisted portfolio ministers prepare accurate and timely responses to 125 written parliamentary Questions on Notice (also known as Questions in Writing). Of these, 61 were from the House of Representatives and 64 were from the Senate.

### **Ministerial submissions and briefing**

During the reporting period, the department produced 2889 ministerial submissions, 453 meeting briefs, 83 cabinet briefs and 15 cabinet submissions.

### **Ministerial correspondence**

By enhancing the ministerial correspondence workflow system, we strengthened our capacity to provide high-quality service for portfolio ministers. We received and processed 10 311 ministerial letters in 2009–10, compared with 9362 in 2008–09. By providing high-quality, timely and accurate responses to ministerial correspondence, we helped portfolio ministers communicate key messages to the Australian community regarding government policy on foreign and trade-related matters. We provided all responses within the specified timeframe, unless otherwise agreed by ministers' offices. The Departmental Executive closely monitored performance in this area, by reviewing a monthly report that detailed the timeliness of responses and the quality of drafting, and identified issues of public interest.

### **Services to attached agencies**

Under the Service Level Agreement (SLA), the department provided management services, on a user-pays basis, to 30 government departments and agencies with overseas representation—and in one instance to the New Zealand Government. We provided these services in accordance with the 2009 Prime Minister's Directive on the Guidelines for the Management of the Australian Government Presence Overseas.

The SLA set out the obligations of the department and other agencies for each category of management service and determines service delivery standards. The services included financial, human resources and property management services for Australia-based

employees and locally engaged staff in posts managed by the department. Feedback from SLA clients throughout the year was positive.

We updated the guidelines for the deployment of Australia-based Commonwealth employees and agreed with other agencies to extend the current SLA for one year from 1 July 2010.

Under separate memorandums of understanding, we also provided information and communications technology services to 38 agencies in Australia and overseas and payroll services to 17 agencies overseas (see Appendix 9).

## **Services to state governments and other agencies overseas and in Australia**

The department provided briefings, policy advice and other support for a range of Australian government agencies on international aspects of their agendas, activities and programs. We arranged visit programs, participated in negotiations on bilateral agreements and facilitated and provided representation at international meetings on behalf of many other government agencies in pursuing a whole-of-government agenda.

The department, including our overseas posts and state and territory offices (STOs), played a significant role supporting visits overseas by state and territory ministers, parliamentarians and officials, as well as other Australian government officials and Federal ministers. STOs remained instrumental in maintaining close communication with state and territory governments to develop and implement foreign and trade policy.

## **Services to business**

The department actively engaged business on aspects of trade policy, including market access and competitiveness issues, to support and develop Australian business capability and to ensure Australia's trade policy reflects commercial realities. Our engagement with business included public consultation on trade negotiations, organisation of trade missions and liaison with industry representatives, non-government organisations, community groups and senior business executives. We worked collaboratively with Austrade and EFIC to deliver services, programs and initiatives to help Australian businesses to access overseas markets and to attract foreign direct investment. For example, on the implementation of the Australia–Chile FTA, Austrade and DFAT worked closely together to assist business to develop commercial opportunities.

## **Market information and research**

The department continued to provide trade statistics publications, including through our website, which outlined Australia's trade performance and increased understanding within the wider Australian community of the economic benefits of trade.

## Personal Profile:

### David MacLennan



*Mr David MacLennan has been the WA State Director since November 2009, and is pictured addressing the WA Consular Corps.*

To enable us to fulfil our responsibility to manage Australia's international relations, the department maintains a network of seven state and territory offices. The Western Australia (WA) State Office ensures appropriate consultation and liaison with—and assistance to—the WA Government, local government, the business community, institutions and people in the state.

As Director of the WA State Office, David MacLennan supports Mr Smith in the execution of his duties in Perth. This includes managing a large number of high-level visits to Perth by Mr Smith's foreign counterparts for bilateral ministerial meetings. He also provides protocol services to the local consular corps, and consular services to the Australian public.

*"Perth is the base for Australia's commercial engagement with Africa and the Indian Ocean region, and will host the Commonwealth Heads of Government Meeting (CHOGM) in 2011. WA minerals and LNG exports also underpin Australia's trade and investment relationships with North Asia. My role as State Director is to connect WA into the department's pursuit of the Government's foreign and trade policy priorities."*

### Our network of state and territory offices

Our network of STOs continued to connect us with business, community groups and non-government organisations. During the past 12 months, the network has conducted important outreach activities to:

- facilitate state and territory government and business involvement in the Shanghai World Expo
- raise awareness of the benefits of the ASEAN–Australia–New Zealand FTA
- coordinate the Government's response on the welfare and safety of Indian students in Australia.

STOs liaised with local officials and organisers to coordinate logistical and other arrangements for major events, such as the Asia Pacific community (APc) conference and the World Masters Games sporting event. The STOs also provided consular and protocol services.

## Outlook

The department will continue to give high priority to the provision of services to Parliament. This will include managing parliamentary Questions on Notice promptly and efficiently—and ensuring federal parliamentarians, parliamentary delegations and committees are kept informed of the Government’s foreign and trade policy priorities and supported in their efforts to advance Australia’s interests overseas.

We will continue to support state and territory governments, other agencies and the business community, both in Australia and overseas. This will include consultation on trade policy issues.

We will continue to provide management services to other government agencies in our overseas network following our agreement with them to extend the Service Level Agreement for 12 months from 1 July 2010.

## Program management (services to diplomatic and consular representatives)

### 1.1.12 SERVICES TO DIPLOMATIC AND CONSULAR REPRESENTATIVES IN AUSTRALIA

#### Overview

The department provided visa, accreditation and other services to facilitate the work of the diplomatic and consular representatives and their offices in Australia. There was a strong demand for services arising from a growing diplomatic and consular community of over 4900 officials and dependants. With few exceptions, these services were delivered in a timely manner. We received positive feedback on our timeliness and responsiveness in providing support consistent with Australia's obligations under the Vienna Conventions.

The department continued to accord a high priority to protecting the security and dignity of diplomatic and consular representatives in Australia. We worked closely with the Security Coordination Branch, the Attorney-General's Department, the Australian Federal Police (AFP) and other relevant agencies to respond to issues of concern to individual missions and posts.



*Ambassador of the Socialist Republic of Vietnam, Mr Hoang Vinh Thanh (front, second from left), after presenting his Letter of Credence to the Governor-General, Her Excellency Ms Quentin Bryce AC (front, third from left) on 11 February 2010. Also pictured are Deputy Secretary, Mr Bruce Gosper (front, far right), and the Chief of Protocol, Ms Anne Plunkett (front, far left).*

*Photo: Andrew Taylor*

## Services to the diplomatic and consular corps

The department provided services to 94 diplomatic missions resident in Canberra, 34 non-resident diplomatic missions and 338 consular posts, representing a total of 148 countries, as well as 11 international organisations with offices in Australia. Twenty-two resident and three non-resident heads of mission were accredited to Australia in 2009–10. We shared responsibilities with other Australian government agencies to assist the consular corps on issues such as security, immigration, private domestic employment, customs and quarantine matters, airport facilitation, land and premises for foreign missions, taxation and motor vehicle ownership and disposal.

Having signed a new arrangement with the government of Colombia, we now have 39 bilateral employment arrangements in place with foreign governments to regulate the employment of diplomatic officers' dependants. These provide important reciprocal benefits for the dependants of Australian diplomatic staff wishing to work in the host country.

Following parliamentary review, reciprocal indirect tax concession arrangements with 11 countries were established, providing tax concessions for certain goods and services. Departmental officers acted as witnesses for a successful prosecution by the Australian Customs and Border Protection Service of a vehicle fraud case involving illegal access to diplomatic privileges.

We facilitated the reopening of the embassy of Ecuador in Canberra and supported a number of missions seeking new premises for chanceries where lease variations by the local authority were necessary. We also facilitated the establishment of seven new honorary consular posts in Australia.

## Protection of diplomatic and consular missions

The department devoted significant resources to helping agencies ensure the security and dignity of missions and posts, and their staff. This included responding to specific security issues affecting various missions during the reporting period.

We supported the AFP and local authorities in seeking waivers of immunity from individuals involved in criminal offences. In the interests of safety on public roads, we supported local authorities by bringing to the attention of heads of mission those individual diplomats with poor traffic infringement records.

## Engagement with the diplomatic and consular corps

The Ministers' 2009 function for the diplomatic corps featured the biennial Sir Arthur Tange lecture in Australian foreign policy, delivered by Mr Smith. His lecture focused on the major foreign policy and security challenge of nuclear non-proliferation and disarmament. The Acting Secretary, Ms Gillian Bird, hosted the traditional Christmas reception in honour of the diplomatic corps and Mr Smith attended.

We amended and updated our online protocol guidelines on a continuous basis to provide more clarity and detail on guidelines for the accreditation of the diplomatic and consular corps and the functioning of their offices in Australia. We published the guidelines on the department's website at [www.dfat.gov.au/protocol/Protocol\\_Guidelines](http://www.dfat.gov.au/protocol/Protocol_Guidelines) in the interests of transparency for the corps.

## Outlook

The department will continue to provide high-quality and timely services to the diplomatic and consular corps, placing a strong emphasis on security. We will endeavour to maintain a consistent approach and transparency in our dealings with the corps, reviewing and improving our guidelines as appropriate. The department will continue to actively pursue more bilateral employment agreements for dependants.

### PROGRAM 1.1.12 ADDITIONAL INFORMATION

	2009-10	2008-09	2007-08
Number of diplomatic representatives for whom the department provides services	1016	998	935
Number of consular representatives for whom the department provides services	936	856	892
Number and category of services provided:			
visas issued for the corps	2111	2307	2172
arrivals and departures processed	1279	1329	1541
identity cards issued	1278	1300	1204
presentation of credentials	25	38	24
exequatur issued	18	36	22
facilitation of purchase, registration and disposal of cars by privileged personnel	960	1065	1469
requests processed for foreign awards to Australian citizens	65	98	69
requests processed for dependants seeking permission to work	104	58	94
approvals for new foreign missions in Australia (includes diplomatic missions, consular posts and offices of international organisations)	8	14	20
approvals for defence advisers/attachés	14	13	19



## Program management (public information services and public diplomacy)

### 1.1.13 PUBLIC INFORMATION SERVICES AND PUBLIC DIPLOMACY

#### Overview

The department worked to ensure our public diplomacy efforts were well-targeted, undertaking outreach to diverse audiences to promote positive international perceptions of Australia.

We continued to assist the media to provide informed and balanced coverage of Australia's foreign, trade and international security policies, responses and achievements.

We liaised extensively, internally and with stakeholders, within and outside government, to further public diplomacy objectives and opportunities. Posts' public diplomacy resources were allocated and assessed on the basis of foreign and trade policy objectives.

Demand for our online information, including media releases and travel advice, remained high. We also continued to experience significant demand for our trade advocacy materials, including specialist trade-related publications and statistics.

The department took a broad-based approach to handling requests for information, providing information outside the formal processes of the FOI Act where appropriate, including by offering media briefings. We focused on continuously improving our FOI processes and supporting decision-makers to ensure quality decision-making. We continued to support archival research under the Archives Act 1983 and are revising our procedures to implement significant reforms to the FOI and Archives Acts under the Freedom of Information (FOI) Amendment (Reform) Act 2010.

Our historical research and publications program published two narrative and biographical histories, covering key periods in the history of Australia's foreign and trade policy.

We commenced the rollout of a new Electronic Document and Records Management System across the department, continuing our strategic approach to the improvement of the department's recordkeeping systems and practices and marking a formal shift to a predominantly electronic filing system.

#### Media services

The department's work attracted significant public and media attention. We responded to 8745 inquiries from domestic and foreign media outlets, of which over 30 per cent were handled out-of-hours.

There was significant interest in consular cases, including high profile consular cases and tragedies in China, the Republic of the Congo, Indonesia, Israel, Papua New Guinea and Yemen. We provided 63 background briefings and interviews on issues ranging from

developments in Asia, the Pacific and the Middle East, to nuclear disarmament and free trade agreements.

We provided strategic media advice and support to ministers, including in connection with the Pacific Islands Forum in Cairns, the APEC Economic Leaders' Meeting in Singapore, the climate change negotiations in Copenhagen, the Anzac commemorations at Gallipoli and the Asia Pacific community Conference in Sydney.

We monitored domestic and international media, as well as key foreign policy blogs, to ensure portfolio ministers, parliamentary secretaries and the senior executive were fully informed about media interest in, and reporting on, key and emerging portfolio issues. This also enabled us to correct inaccurate media coverage of portfolio issues.

Over the year, we issued 402 press releases and public statements for portfolio ministers, parliamentary secretaries and the department itself. We also issued 50 notes to the media to provide advance notice of overseas events and media opportunities and distributed 392 transcripts of interviews and speeches for ministers.

For new graduate trainees, consular officers and selected officers going on overseas postings, we provided in-house training on dealing successfully with the media on portfolio issues.

### Website services and public affairs material

The DFAT website recorded high usage, confirming its importance in our overall public advocacy strategy. Average weekly access to the website increased to around 980 703 page-views per week (compared with 755 000 in 2008–09). The *smartraveller* website recorded an average of 526 981 page-views per week compared with 512 000 in 2008–09. Our redesign of ministerial and corporate websites enhanced their appearance and made them easier to use. As part of our efforts to review web-based services, we began developing an enhanced website content management system.

To make the website more engaging and dynamic, we outsourced production of a number of short videos based on our flagship publication *Australia in brief*, covering issues such as Innovative Australia, Trading with the World and A Diverse People. These will be launched in 2010–11. We utilised social networking tools such as Facebook and Twitter to support our work, including a test exercise for consular purposes in Pretoria during the 2010 Fédération Internationale de Football Association (FIFA) World Cup. We also established a bilingual website for the Year of Australian Culture in China (Imagine Australia, see: <https://imagineaustralia.net/en/>).

We commissioned a review of our public diplomacy materials with a view to establishing a consolidated online resource for our overseas posts.

We continued to strive for full compliance with current guidelines aimed at ensuring websites are accessible to people with a disability, as required by the Australian Government Information Management Office.

## Advocating the benefits of trade

The department made a substantive effort to inform the community of Australia's trading achievements and of the importance of trade for creating jobs and prosperity for all Australians. We produced a number of publications, including *Trade at a Glance* and *Trade Matters*, and produced trade advocacy materials for media releases, speeches and publications on our website, many of which achieved wider circulation through the media. *Trade at a Glance* was distributed to every high school in Australia. Our trade statistical publications continued to provide a valuable source of information on Australia's trade performance and were widely quoted in the media. These publications enhanced public understanding of the important contribution of trade to the economy. One such article analysed Australia's trade performance over the past 20 years, showing the growing importance of trade with Asia, while another analysed the benefits of our increased exports of coal and iron ore. Both were widely reported by the media.

Our eight regular statistical publications were available free of charge on our website, with some 860 000 downloads recorded in 2009–10. The department's statistical consultancy service responded promptly to some 5000 individual enquiries, often providing tailored statistical material and analysis to business and other stakeholders. We received positive feedback on this from exporters and other clients.

## Treaties

The Australian Treaties Database is an online public resource maintained by the department for researching treaties to which Australia is a signatory, or where Australia has taken other treaty action. It can be accessed at [www.info.dfat.gov.au/treaties](http://www.info.dfat.gov.au/treaties). The Australian Treaties Library also makes available the texts of all treaties Australia has signed, and also of those that have entered into force for Australia.

## International public diplomacy

Rebuilding Australia's image in India following attacks on Indian students in Australia was our single greatest public diplomacy challenge for the year. We led an Interdepartmental Committee (IDC) to coordinate a whole of government public diplomacy strategy for India, aimed at countering misleading media reporting and refocusing attention on the broader bilateral relationship. IDC participants included government agencies, education providers, the media, state governments and officials from the high commission in New Delhi. The IDC developed activities designed to present Australia as a modern, dynamic, innovative and multicultural nation, including programming on Australia Network; support for the A R Rahman concert in Sydney; and visits by Indian journalists to Australia through our International Media Visits (IMV) program.

Through our network of overseas posts, we supported Football Federation Australia (FFA)'s bid for the 2022 World Cup (following FFA's decision to withdraw the bid for 2018). We also assisted, through our posts, with advocacy of Australia's bid to host the Square Kilometre Array radio telescope project.

We worked to ensure staff were equipped to conduct effective public diplomacy activities, through public diplomacy training courses.

Using the results of independent international brand surveys and those commissioned by overseas posts and Australian government agencies as a baseline, we employed various mechanisms to assess the effectiveness of our international public diplomacy programs, to ensure they were aligned with current policy priorities, appropriately funded and well coordinated across target countries.



*Beijing's artistic, cultural and diplomatic community gathering at the National Art Museum of China as Australian Governor-General, Her Excellency Ms Quentin Bryce AC, launches the "Aboriginal Art from Australia's Deserts" exhibition in June 2010. The Exhibition formed part of Imagine Australia: The Year of Australian Culture in China. Photo: Courtesy of Olli Geibel/Australian Embassy Beijing*

### Activities and events overseas

Our overseas posts conducted a wide range of innovative and effective public diplomacy activities and events to promote a contemporary and positive image of Australia and to support broader foreign and trade policies objectives. For example:

- **New Delhi** implemented a comprehensive media and public diplomacy strategy to address the fallout from the attacks on Indian students in Australia, involving interviews, press conferences and media engagement; regular media visits to Australia; and a wide range of cultural activities focused on multicultural diversity in Australia.
- Through carefully targeted public diplomacy activities, **Apia** highlighted the assistance which Australia provided to Samoa in response to the 2009 tsunami.
- **Dhaka** organised a visit to Bangladesh by Australia's Aboriginal and Torres Strait Islander Social Justice Commissioner to highlight Australia–Bangladesh development cooperation.

- **London** supported a range of high-profile events to celebrate the centenary year of Australian diplomatic representation in the United Kingdom, including a centenary exhibition for the general public and a book launch at Australia House.
- **Phnom Penh** promoted Australian expertise in heritage management and educational services through the Greater Angkor Project 10th anniversary.
- **Pretoria** supported Australia's engagement with Africa through a program of cultural visits and events. This included the South Africa tour of a major Australian theatre production, *The Football Diaries*, during the FIFA World Cup.

## Special Visits Program

Our Special Visits Program brings emerging leaders and opinion-shapers to Australia for meetings in their areas of interest with government, business and community figures. It gives participants an understanding of Australia's culture and policy environment and has increased our network of international foreign and trade contacts. The 48 visits to Australia we organised in 2009–10 included:

- a delegation of European Parliament members, to demonstrate Australia's enduring interest in further reform of the EU's Common Agricultural Policy
- Mayor of China's Foshan Municipality, Dr Chen Yunxian, to demonstrate Australian capabilities in the financial and clean energy sectors
- Member of Japan's Lower House of Parliament, Mr Keiru Kitagami, to promote the case for a bilateral Free Trade Agreement
- Indian Congress Party National Spokesperson, Mr Manish Tewari MP, to discuss Indian student safety in Australia and to strengthen dialogue on strategic and defence issues
- Indian Parliamentarian, Mr Manicka Tagore MP, to discuss closer education, trade, investment and sporting linkages with Australia
- India's youngest Parliamentarian, Mr Muhammed Hamdullah Sayeed MP, to discuss maritime security and border protection, as well as cooperation on ecotourism and sustainable development
- African Union Commission Deputy Chair, Mr Erastus Mwencha, to discuss peace and security issues
- Panamanian Vice Minister for Foreign Affairs, Mr Meliton Arrocha, to strengthen bilateral relations in light of our increased engagement with Latin America
- Executive Director of the Advisory Centre on WTO Law (ACWL), Mr Frieder Roessler, to raise awareness of ACWL's services, including in Pacific countries
- Governor of the Central Bank of the Solomon Islands, Mr Denton Rarawa, to facilitate dialogue with Australian policy makers on economic and financial management reform
- Permanent Secretary of Brunei's Ministry of Religious Affairs, Haji Madhi Rahman, to discuss interfaith dialogue and Islam in Australia
- Chief of Cabinet to the Secretary-General of the Arab League, Mr Hesham Youssef to strengthen Australia's engagement with the Arab League and its member states.

## International media visits

Our International Media Visits (IMV) program helps generate informed international media coverage on Australia. We invite senior international journalists to Australia as IMV participants, providing them with targeted programs. We also arrange programs for Australia-based foreign journalists and their international media organisations.

Under the 2009–10 IMV program, we arranged 16 fully-funded visits and supported four partially-funded visits involving 77 media representatives from 26 countries. Visits included a program for Mexico, Argentina and Peru focused on Australia's enhanced relationship with Latin America; a program for Indonesia on the observance of Islam in Australia; and a program for Indonesia, Malaysia, the Philippines, Vietnam and Thailand on regional interfaith dialogue.

The IMV program for India supported our broader country strategy through five programs on bilateral relations, multicultural Australia, science and technology, culture, the 2010 Commonwealth Games and resources and energy.

We provided two internships with the Australian Broadcasting Corporation for Papua New Guinea and Vanuatu through the *Douglas Gabb Australia Pacific Journalist Internship*. An Indonesian journalist and an Australian journalist participated in the annual *Elizabeth O'Neill Journalism Award*. The IMV program also arranged an internship with Australia Network through the *John Doherty Asia Pacific Journalism Internship* for an Indian journalist.

## International cultural visits

The International Cultural Visits (ICV) program provides an opportunity for cultural leaders to visit Australia and increase their knowledge of the diversity of Australian culture, with a view to exporting Australian arts. The ICV has underpinned many collaborative international relationships, including the partnership between the National Museum of Australia and the National Art Museum of China for the presentation of *Aboriginal Art from Australia's Deserts* in Beijing.

The ICV program supported eight visits to Australia by significant cultural figures, including Mr Ismail Mahomed, Director of the National Arts Festival (South Africa), who presented Sydney-based company Urban Theatre Project's play *The Football Diaries* at the 2010 festival as a result of his visit. Another visitor, Ms Prathibha Prahlad, Executive Director of the Delhi International Arts Festival, will present Australian arts projects at the next festival.

## Cultural diplomacy

We pursued an active cultural diplomacy program designed to shape international views of Australia. Its pitch and direction were guided by the foreign and trade priorities of the Government.

## Australia International Cultural Council

The Australia International Cultural Council (AICC) met in February 2010 to consider its forward program of cultural diplomacy programs in China in 2010–11, Korea in 2011 and India in 2012.

From September to December 2009 the AICC presented its first major cultural initiative in Washington DC, *Australia Presents*, which included the Indigenous art exhibition *Culture Warriors*, Sydney Theatre Company's season of *A Streetcar Named Desire* and performances by the Australian Chamber Orchestra and The Wiggles. *Australia Presents* provided an effective platform for high-level engagement with the Obama Administration during its first year. It also helped create new relationships and enhance established ones with Congress, leaders in the media, business and cultural sectors.

The AICC's most significant cultural presentation in China, *Imagine Australia*—the Year of Australian Culture in China—was launched in Beijing in June. Launch events included the major exhibition *Aboriginal Art from Australia's Deserts* at the National Art Museum of China and a gala concert at the National Centre for the Performing Arts, featuring some of Australia's leading performers. *Imagine Australia* will continue through to June 2011, celebrating people-to-people connections in an effort to deepen understanding of Australia in China.

## Australia International Cultural Council grants program

The AICC grants program supported 17 cultural projects in 2009 10, including projects in Latin America, the Asia-Pacific, India, Canada and the United Kingdom and 11 projects in China to support *Imagine Australia*. The grants program's focus is on specific cultural relations objectives that contribute to advancing Australia's foreign and trade policy priorities and enhancing understanding of Australia overseas. One highlight was the performances by Indigenous music ensemble The Black Arm Band as part of the Aboriginal Pavilion for the 2010 Winter Olympics Cultural Program in Vancouver, Canada—delivering positive social messages from contemporary Australia to the international community.

## Working with Australians overseas to promote Australia's interests

We continued to support the work of Advance Global Australian Professionals (Advance) to engage with the network of Australians and alumni of Australian universities overseas, with a particular focus on the Asian region. We worked closely with Advance on their Emerging Leaders Summit in New Delhi, in May 2010, to support the development of stronger relationships between India and Australia.

## Presenting Australian visual arts and music overseas

The department continued to support the presentation of Australian visual arts and fine music in Asia under the Australian Visual Arts Touring Program and Australian Fine Music Touring Program.

Musica Viva Australia coordinated the touring of five music groups to countries in Asia including Laos, Singapore, the Philippines, Nepal, India and Brunei. A particularly

successful tour included performances and workshops by Indigenous musician, composer and vocalist William Barton, who performed his didgeridoo to audiences in Vientiane, many of whom had never previously experienced Australian Indigenous culture.

### **Indigenous Australian culture**

Through our Aboriginal and Torres Strait Islander Program we worked to increase awareness of contemporary Indigenous Australia. Our touring Indigenous visual arts exhibition, *Balgo: Contemporary Australian Art from the Balgo Hills*, visited eight cities in the Pacific, South-East Asia and North Asia, receiving strong media and public interest. In June 2010 *Balgo* featured at the launch of the Year of Australian Culture in China: *Imagine Australia*.

The program also supported the international release of Indigenous film *Bran Nue Dae* with screenings in London, Rome and New York, where it was shown before the United Nations Permanent Forum on Indigenous Peoples. We also celebrated Reconciliation Week (27 May–3 June) with a seminar series *Indigenous Australia—Closing the Gap*, exploring developments in the reconciliation movement since the National Apology in 2008 and the importance of repatriating Indigenous remains.

We supported events celebrating NAIDOC Week, both in Australia and overseas.

### **Australian Sports Outreach Program**

We supported the Australian Sports Outreach Program (ASOP), jointly managed with the Australian Sports Commission. In 2009–10, the program focused on community development projects to improve health outcomes, social inclusion and promote active lifestyles through sport.

### **Fostering people-to-people links**

The International Relations Grant Program (IRGP) is the largest grants program the department administers. Nine foundations, councils and institutes (FCIs) manage the majority of the grant programs funded under the IRGP. We provide secretariats for, and work closely with, the FCIs to promote people-to-people links and positive images of Australia in support of the Government's foreign and trade policy goals.

### **Council for Australian–Arab Relations**

The Council for Australian–Arab Relations (CAAR) continued to promote mutual understanding and people-to-people links between Australia and the countries of the Arab region. Following the appointment of four new external members (and one new *ex officio* member) in December 2009, CAAR approved 14 applications for grants to support activities in the areas of health, education, the arts, business promotion, agriculture, scientific research, media visits and cultural exchange. It also continued to support the development of a multimedia teachers' resource kit about the Arab world for use in Australian secondary schools as its major non-grant activity in 2009–10.



### **Australia–China Council**

The Australia–China Council (ACC) aims to foster institutional and people-to-people links between Australia and China. The 2008–11 Strategic Plan priority areas are education and science, economics and trade, and society and culture.

The Australian Studies in China program, the ACC’s flagship, continued to encourage greater understanding of Australian culture and society in China through support for a network of Australian Studies Centres located within Chinese universities. Of a further 44 projects supported across the three priority areas, highlights included: the Sydney Symphony’s first-ever tour to China, a series of high-level briefings on Australia’s financial services sector in Beijing and Shanghai, and an exchange between Australian and Chinese science researchers to develop joint research projects.

### **Australia France Foundation**

The Australia France Foundation (AFF) was created in 1989 as the major element of Australia’s official contribution to the celebration of the bicentenary of the French Revolution. The AFF’s mission is to strengthen France–Australia relations and mutual understanding by building long-term relationships between institutions and people across a range of fields.

Highlights in 2009–10 included: support for the inaugural 1.5-track Australia–France strategic dialogue; a major exhibition of Australian Indigenous art and culture in the Gorges du Verdon Museum; Australian participation in the biennale of contemporary non-European photography organised by the Quai Branly Museum, and ongoing provision of the Sadlier-Stokes scholarship for students from the north of France awarded on Anzac Day this year in Villers-Bretonneux by Mr Smith.

### **Australia–India Council**

The Australia–India Council (AIC) continued to build institutional and people-to-people links between Australia and India, and was closely involved in a number of whole-of-government initiatives to address the damage to Australia’s image in India following attacks on Indian students.

A major new initiative was the establishment of the AIC Young Media Fellowships, which gives promising Indian journalists an opportunity to visit Australia to undertake extended research. This program supports the goal of establishing deeper Australian links with the burgeoning Indian media.

The AIC supported a visit to India by leading Australian economist, Professor Ian Harper, and an Authors Tour of India featuring award-winning Australian authors for children and young adults, Ms Alison Lester and Mr Michael Panckridge. The AIC also supported visits to Australia by leading Indian aerospace scientist, Professor Roddam Narasimha, Secretary of the Indira Gandhi Trust, Mr Suman Dubey, and India’s leading commentator on foreign affairs, Mr Siddharth Varadarajan, who delivered the 2010 Australia–India Strategic Lecture with the Lowy Institute.

### **Australia–Indonesia Institute**

The Australia–Indonesia Institute (All) continued to support a range of activities in its six core program areas. It provided a total of 46 public grants for arts and culture, education, interfaith, civil society, and media and Australian studies, including for the Australia Indonesia Youth Exchange Program and the Muslim Exchange Program. The All also managed a visit to Australia by six senior Indonesian editors.

Education was the All's largest program in 2009–10. The BRIDGE (Building Relationships through Intercultural Dialogue and Growing Engagement) project, with significant supplementary funding from the Myer Foundation and AusAID, supported school-to-school partnerships that link primary and secondary school students in both countries. Ninety-three schools and 184 teachers participated.

### **Australia–Japan Foundation**

The Australia–Japan Foundation (AJF) seeks to advance Australia's engagement with Japan by supporting cultural, academic, business and community exchange and facilitating informed discussion on key bilateral foreign and trade policy issues. In 2009–10, it provided support for more than 40 projects across a diverse range of sectors reflecting the breadth of the bilateral relationship.

The AJF promoted Australian excellence in the arts through the Australian Chamber Orchestra's Winter Music Festival in Niseko, the inaugural Australia House artist-in-resident program in Echigo-Tsumari, and the Australia Jazz Nights at the Tokyo Jazz Festival. The AJF also continued to support higher education programs in Japan, and it enhanced media advocacy and public information about Australia–Japan relations through a number of published reports and media visits. Community grants were awarded to help strengthen individual and institutional links through exchanges in judo, girls' softball, surf-lifesaving, jewellery-making, youth choirs and university debating. Professional networks were expanded, particularly in health services, environmental education and urban planning.

### **Australia–Korea Foundation**

The Australia–Korea Foundation (AKF) supports activities aimed at building stronger networks between Korea and Australia. In 2009–10, the AKF delivered more than 30 projects and six flagship programs. 'Green Growth' encompassing the broad areas of renewable energy, sustainability and climate change, was a major theme throughout the year. Other activities included knowledge exchange workshops, bilateral young leaders and professional exchanges and institutional and research links projects. Major events co-funded by AKF during the year included the Korea–Australia–New Zealand (KANZ) Broadband Summit hosted by New Zealand in November 2009 and a 1.5-track Australia–Korea Dialogue held in Seoul in May 2010.

### **Council on Australia Latin America Relations**

The Council on Australia Latin America Relations (COALAR) continued to enhance Australia's relations with Latin America in the areas of business, education, sustainability, tourism and cultural promotion. It worked closely with Austrade and the Australia Latin

America Business Council to raise awareness of the potential of Latin American markets for Australian business and to enhance the profile of Australian businesses in the region.

In 2009, COALAR approved 19 projects and supported activities to mark the bicentenary of independence of five regional countries (Argentina, Chile, Colombia Mexico and Venezuela). COALAR supported the inaugural Australia–Latin America Leadership Program and Australia–Latin America Business Awards, building links between future leaders and professional networks.

We provided support to Mr Smith on appointments to the Board, with the departure of a number of long-standing members who had been with COALAR since its inception in 2001.

COALAR's Education Action Group and Tourism Action Group worked in close collaboration with stakeholders from government, business and academia contributing to the Council's work on the development of people-to-people links.

### **Australia–Malaysia Institute**

The Australia–Malaysia Institute (AMI) consolidated and built on a foundation of successful activities and programs. The AMI continued to administer the Australia–Malaysia Sister School Program, announced by Mr Rudd in July 2008. The Sister School Program has now successfully linked 26 secondary schools in Malaysia and Victoria. The Institute fostered sports collaboration between Australia and Malaysia, including through funding elite coaching scholarships in cycling, swimming and hockey. A total of 30 public grants were provided by the AMI in public policy, health, education and science, media and culture and sports.

The AMI Advisory Board completed a visit to Malaysia which helped lift the Institute's profile, including among senior Malaysian ministers and media leaders.

### **Australia–Thailand Institute**

The Australia–Thailand Institute (ATI) complemented Australia's diplomatic objectives in Thailand by broadening and deepening people-to-people and institutional links between our two countries. The Institute focused on developing next-generation leaders in public policy, industry and the media, including through visit programs for emerging Australian journalists and Thai Green Technology industry leaders. A Next Generation Community Leaders Visit (also known as the Interfaith Visit) saw six emerging community leaders from different backgrounds, religions and regions of Thailand come to Australia to observe practical Australian multicultural and harmonisation strategies at work in local communities.

A total of 32 grants were provided by the ATI in the areas of public policy, business, education, culture and the arts and community programs. A program part-funded by the ATI adapted 'Swim and Survive Australia' curriculums to suit Thailand's needs and also provided two portable pools. Another program enhanced wheelchair availability in Thailand.

## Australia Awards

The establishment of the Australia Awards was announced by the Government in November 2009. The initiative aims to maximise the benefit to Australia of our extensive scholarship programs and to support enduring ties between Australia and our neighbours. The Australia Awards bring together the international scholarships managed by the Department of Education, Employment and Workplace Relations (DEEWR) and AusAID, to ensure that Australia's scholarships are consolidated, better branded and delivered to support Australia's long-term interests. A Secretariat to support the work of a proposed advisory board was established at DFAT in January 2010.



*Second Secretary Mr James Yeomans and locally engaged staff member Mr Alejandro Gonzalez from the Australian Embassy in Mexico City with local community members from the indigenous village of Santa Maria Tonameca in the Mexican State of Oaxaca. The Embassy funds a Direct Aid Program (DAP) project in this village, allowing the installation of steel cisterns to store rainwater, which provides the only source of water storage to members of this community.*

## Direct Aid Program

The Direct Aid Program (DAP) is a flexible, small grants program funded by AusAID and delivered by DFAT at 54 overseas posts. It covers projects in over 80 developing countries. DAP focuses on small-scale projects with direct local benefits that might otherwise be overlooked by bigger aid programs.

DAP aims to advance Australia's national interests by helping developing countries achieve sustainable development and creating public diplomacy benefits for Australia. Typical DAP projects address community health, gender equality, rural development, environmental issues and youth and education. A clean water project in Bali and an African Youth

Leadership Forum in Johannesburg were examples of projects supported by DAP funds in 2009–10.

The DAP budget for 2009–10 was \$7.5 million, up from \$4.5 million in 2008–09. This increase reflected the Government's objective of raising ODA to 0.5 per cent of Gross National Income (GNI) by 2015–16.

The bulk of the budget increase was allocated to posts in emerging priority regions, including Africa and Latin America.

### **Regional television service: Australia Network**

The Government contracts the Australian Broadcasting Corporation to operate Australia Network to provide an independent Australian regional television service offering quality, contemporary programming across the Asia-Pacific. Australia Network broadcasts independent news and current affairs, as well as English-language learning programs, drama, children's entertainment and sport.

Australia Network is available in 22 million homes across 44 countries, through 648 rebroadcast partners. Its audience is developing particularly rapidly in India.

Our overseas posts worked closely with Australia Network to facilitate contacts at senior levels to secure re-broadcasting opportunities.

### **Australian pavilion at the Shanghai World Expo 2010**

The department led Australia's participation at the Shanghai World Expo, joining 192 other countries and 50 international organisations represented there. The Expo opened on 1 May 2010 for six months. We expect to receive over seven million visitors to our pavilion.

Coordinated by the department's Shanghai World Expo unit, the Australian pavilion was the first international pavilion to complete building and installation of exhibits on 31 March 2010. It was awarded the prestigious Civilised Site Award by Expo authorities for the high standards of safety, organisation and management. The Minister for Foreign Affairs, Mr Smith, formally opened the pavilion on 18 May 2010.

The pavilion's business program, developed in cooperation with pavilion sponsors, state and territory partners, Austrade, other Commonwealth agencies, AustCham Shanghai, the Australia–China Business Council and the Australia–China Council, provides a platform to strengthen and diversify Australia's already strong relationship with China. Designed to promote Australia's creativity, innovation and commercial capabilities, the pavilion is hosting over 200 targeted business events covering a full range of industry sectors. Ranging in scope from the international launch of Brand Australia, to agribusiness seminars, biotechnology roundtables and wine tastings, these well-subscribed events demonstrate Australia's credentials as an economically advanced, technologically sophisticated, diverse, welcoming partner for trade, investment and cooperation.



*Staff of the Australian pavilion on 1 May 2010, the official opening day of the Shanghai World Expo.*

Our cultural program, developed in collaboration with the Australia International Cultural Council, Australia–China Council and Australia Council for the Arts, presents up-and-coming export-ready talent to audiences at Expo and showcases the diversity of our contemporary cultural capabilities.

Our communications and public relations program, targeting print, electronic and new media, successfully projected positive images of Australia to a broad audience in China and internationally.

Australia's national day celebrations on 8 June at Expo, attended by the Governor-General, Ms Quentin Bryce, fostered deeper appreciation of Australia's cultural achievements, and trade and investment links between Australia and China.

## Freedom of Information

The department finalised 98 applications (see Table 7), eight more than during the last financial year. As in previous reporting periods, requests often involved a substantial volume of information and/or covered complex and sensitive topics. Where access decisions were made outside the statutory deadline, this was often due to the volume or sensitive nature of the documents requested. We managed our FOI caseload proactively, liaising closely with applicants on the content and processing of all requests.

Six requests for internal review of access decisions were received and decisions were made on all the requests. One appeal to the Administrative Appeals Tribunal (AAT) against an access decision was lodged in 2009–10. One request was made to the Ombudsman.

There was one application received under section 48 of the FOI Act for amendment of records.

The department met fully its obligations under sections 8 and 9 of the FOI Act, including the provision of statistical reports to the Department of the Prime Minister and Cabinet. Our statement in accordance with section 8 of the FOI Act is at Appendix 5.

**TABLE 7. REQUESTS PROCESSED UNDER THE FREEDOM OF INFORMATION ACT 1982**

	2009–10	2008–09	2007–08
<b>Requests for information</b>			
Access granted in full	13	7	14
Access granted in part	52	39	39
Access refused	11	12	6
Requests transferred or withdrawn	22	32	19
<b>Total</b>	<b>98</b>	<b>90</b>	<b>78</b>
<b>Requests subject to review or legal appeal</b>			
Requests for internal review (s.54)	6	5	4
Appeals lodged with the AAT (s.55)	1	3	2
Ombudsman	1	0	2

## Historical publications and information

The department continued to research and publish in the field of Australian foreign and trade policy. Our publications remained a valuable resource for scholars and members of the public interested in the historical context of Australian foreign and trade policy. They also provided a valuable means of explaining the nature of the department's work.

In August 2009, the then Secretary, Mr Michael L'Estrange, launched the biography, *Trusty and Well Beloved: A Life of Keith Officer, Australia's First Diplomat*, written by departmental officer Mr Alan Fewster. The biography provides insights on the formative years of Australian diplomacy including the foundations of our most important bilateral relationships.

In February 2010, to commemorate the centenary of Australian diplomatic relations with the United Kingdom, the Minister for Foreign Affairs launched *The High Commissioners: Australia's Representatives in the United Kingdom, 1910–2010*. The book was edited by Professor Carl Bridge and Dr Frank Bongiorno from the Menzies Centre, King's College and David Lee from the department's Historical Publications and Information Section. The launch at Australia House, London was attended by Queen Elizabeth II, Prince Philip and the then UK Foreign Secretary, Mr David Miliband.

In November 2009, the department and the National Archives of Australia (NAA) jointly hosted the fourth R G Neale lecture. This lecture series focuses on foreign policy issues, utilising thirty-year-old Commonwealth records released each year by the NAA. Emeritus Professor Donald Denoon from the Australian National University delivered the lecture on 'Australia, Papua New Guinea and the Torres Strait Treaty'.

## Archival examination

Under section 40 of the *Archives Act 1983*, our archival records that are more than 30 years old are available to public researchers on application to the NAA. Prior to release to the public, the NAA refers records to the department for expert assessment regarding possible exemption in light of sensitivities relating to intelligence, security or international relations of the Commonwealth of Australia. We are also responsible for approving applications for Special and Official access to Commonwealth records under section 56(2) of the *Archives Act 1983*.

Table 8 outlines requests we received for review under the *Archives Act 1983*. These included files or documents relating to:

- ANZUS (Security Treaty between Australia, New Zealand and the United States of America)—Council of Ministers (1963–1964)
- Joint Intelligence Organisation—Organisation and Responsibilities (1971–1980)
- The political situation in China (1968–1976)
- Malaysia—Political Parties—The Malayan Chinese Association (1970–1972)
- United States Weekly Reports on Vietnam (1973)
- Singaporean Defence Forces (1965–1966)
- Pakistan—Nuclear Policy (1977–1979)
- India's relations with Pakistan (1971–1973)
- India—Nuclear Weapons Testing (1973–1980)
- Australian relations with Solomon Islands—Political (1978–1980)
- Australian policy towards Indo-China: Refugees (1977)

We also cleared records for the 2009 R G Neale Lecture on the Torres Strait Treaty and for the University of Tasmania's research on Australia and the OECD; as well as 1980 Cabinet Records due for public release in January 2011 under the 30-year rule.

**TABLE 8. REQUESTS ASSESSED UNDER THE ARCHIVES ACT 1983**

	2009–10	2008–09	2007–08
Requests received	543	913	499
Total requests assessed	456	462	445
Requests completed	456	462	441
Number of folios assessed	82 413	69 118	84 080
Open access	214	287	132
Wholly or partly exempt	242	175	309
Subject to review	2	2	5
Subject to appeal	4	0	2



Of the 543 requests received, 242 files or documents were the subject of a recommendation for at least one exemption on national security or international relations grounds and 214 were released in full. We referred for clearance 121 files or documents to other agencies (the Australian Secret Intelligence Service, Australian Security Intelligence Organisation, Australian Federal Police and the Department of Defence) and 61 requests to foreign governments (the United Kingdom, United States, New Zealand and Canada). We processed five requests from foreign governments (the United States, United Kingdom and New Zealand) and 67 requests from other agencies (the Department of Defence, Australian Security Intelligence Organisation, the Department of the Prime Minister and Cabinet and the Office of National Assessments).

## Recordkeeping

The department has continued to promote and improve its records management programs through ongoing implementation of the Strategic Plan for DFAT Records Management 2008–11. The plan provides a proactive approach to department-wide training in recordkeeping best practice and targeted outreach programs to overseas posts.

Following the successful pilot of the new Electronic Document and Records Management System (EDRMS) during 2009, the department commenced full rollout of the system in January 2010. The system is being rolled out through a phased two-year program to over 4500 users in Canberra, overseas posts and state and territory offices.

The EDRMS provides the department with an effective and efficient records management system which will significantly increase our ability to manage our electronic records in compliance with legislative recordkeeping obligations. The system is also introducing significant long-term efficiencies to departmental work processes.

We completed 15 records management projects, including 13 sentencing and disposal projects; six in Canberra divisions, six at overseas posts and one in a state office. Other projects focused on enhancing records management systems in line with action items in the Strategic Plan. We also provided specialist recordkeeping registry services requested by divisions. We transferred over 290 linear meters of 'Retain as National Archives' files to the National Archives of Australia following its creation of additional storage space for such records.

## Outlook

We expect the media will retain a close interest in major foreign and trade policy developments and high-profile consular cases. Providing accurate information to media representatives will remain a priority for the department.

We will continue to deliver key messages to the Australian community on the benefits of trade and investment, as well as providing specific statistics to the public about our trading partners. We will continue to accord priority to the production and dissemination of information and advocacy material to the media, stakeholders and the public on issues such as WTO and FTA negotiations.

We will support major public diplomacy initiatives, including the ongoing India Strategy and AICC cultural promotions in China and the Republic of Korea in the coming year. We will refocus the International Media Visits program to a smaller number of more targeted visits. The Aboriginal and Torres Strait Islander Program will work on a new touring exhibition featuring urban Indigenous art to be launched in July 2011.

In advance of the Australia Network contract expiring in August 2011, we will provide advice to the Minister on succession planning.

In the lead-up to a decision by the FIFA Executive in December 2010, we will continue to work with FFA in support of Australia's bid to host the 2022 FIFA World Cup.

We will introduce a new web content management system and review website content and architecture. We will launch a series of web-based short videos based on themes from our flagship publication, *Australia in brief* and assess the outcomes of the review of public diplomacy materials.

We will continue to provide public diplomacy support for Australia's UN Security Council candidacy, including by preparing materials clearly outlining Australia's credentials.

We will continue to provide a high-quality experience for visitors to the Australian pavilion at the Shanghai World Expo, until the Expo's conclusion at the end of October. We will take advantage of the presence in Shanghai of Australian business, academic and other leaders to enhance understanding of Australia.

In 2010–11, in preparation for the entry into force from November 2010 of the Government's major reforms to the FOI and Archives Acts (through the *Freedom of Information Amendment (Reform) Act 2010*), the department will continue preparing changes to its processes to ensure the reforms are fully implemented.

In particular we will prepare new guidance, in light of the reforms to the exemption regime under the FOI Act, for departmental decision makers on FOI requests. We are also preparing for the new framework of proactive publication of information by agencies through the Information Publication Scheme for the department, which will be prepared by the deadline of May 2011, as required by the reforms to the FOI Act.

We will continue reviewing our procedures for the examination of archival records, with a view to continuing to fulfil our legislative obligations following amendments to the *Archives Act 1983* that will bring forward the open access period for most Commonwealth records from 30 to 20 years, to be phased-in from January 2011.

We will continue to publish books of historical interest and significance, including a documentary history of Australia and the United Kingdom, 1960–75, to be published in September 2010. We will take forward work on a history of Australia's involvement in the United Nations, due for publication in late 2011.

Implementation of the Strategic Plan for DFAT Records Management 2008–11 and ongoing improvement to records management practice across the department will be continuing priorities, laying the basis for effective uptake and operation of the EDRMS. We will continue the rollout of the EDRMS across the department, aiming to deliver the system to 75 per cent of users by June 2011. We will continue planning for the long-term management of the system after the rollout.

## PROGRAM 1.2: PAYMENTS TO INTERNATIONAL ORGANISATIONS (ADMINISTERED ITEM)

### Program 1.2 Objective

- To advance Australia's foreign, trade and security interests by administering the payments of Australian Government contributions to international organisations.

### Program 1.2 Deliverable

- Payments of Australian Government contributions to international organisations.

### Program 1.2 Key performance indicator

- The department's delivery of payments to international organisations is correct, appropriate, on time and within budget.

The department made payments totalling \$259.9 million, consisting of \$97.4 million to 29 international organisations and international treaty secretariats, including the United Nations, and \$162.5 million to 15 United Nations peacekeeping operations (see appendix 11). We made these payments in full and on time.

## PROGRAM 1.3: PUBLIC INFORMATION SERVICES AND PUBLIC DIPLOMACY (ADMINISTERED ITEMS)

### Program 1.3 Objective

- To advance the national interest through the department's public diplomacy, cultural and media activities, which will project a positive and contemporary image of Australia and promote a clear understanding of Government policy and programs.

### Program 1.3 Deliverables

- Effective management of the contract with the Australian Broadcasting Corporation (ABC) to deliver an Asia-Pacific television service which provides a credible and reliable voice in the region, and presents images and perceptions of Australia in an independent and impartial manner.
- Grants in support of the Government's foreign and trade policy goals, including through bilateral foundations, councils and institutes, which help promote people-to-people links and a contemporary and positive image of Australia.
- Management of Australia's participation in Shanghai World Expo 2010, including delivery of an Australian pavilion and comprehensive business, culture and communications programs, all of which will highlight Australia's business expertise, innovation, creativity, culture and values to the Chinese market and a wider global audience.

### Program 1.3 Key performance indicators

- The department's delivery of public diplomacy, cultural and media programs is efficient and effective, including in:
  - promoting an image of Australia that is accurate and up-to-date
  - fostering an understanding of Australian foreign and trade policies
  - strengthening people-to-people links and trade and economic ties.

The department continued to manage the \$92.4 million contract with the Australian Broadcasting Corporation (ABC) to deliver the Australia Network Asia-Pacific television service.

The department administered grants in 2009–10 totalling \$8 460 000. Grants were administered in accordance with the Commonwealth Grant Guidelines. See Appendix 11 for further details of the grants programs administered by the department. Information on department-administered grants is also available online (see: [www.dfat.gov.au/dept/grants](http://www.dfat.gov.au/dept/grants)).

The Australian pavilion at the Shanghai World Expo was delivered on time and on budget. Its balance of an exhibition based experience for visitors, with a targeted program of over 200 business events, and a diverse engaging program showcasing the depth and quality of Australian creative capabilities, drew larger than expected interest and enthusiasm from our Chinese audiences. We welcomed around 6 000 more people per day than

the 40 000 originally foreseen. Our active communication program, which resulted in over 5500 positive media reports, helped project our core messages of Australian innovation, creativity and values beyond the Expo precinct to a broader Chinese and international audience.

## PROGRAM 1.4: OTHER ADMINISTERED ITEMS

### Program 1.4 Objective

- To advance the national interest by administering on behalf of the Commonwealth a range of programs, activities and services that promote Australia's international political, security, economic and multilateral policy agenda.

### Program 1.4 Deliverables

- Administration of the Export Finance and Insurance Corporation (EFIC) National Interest Account (under the *Commonwealth Authorities and Companies Act 1997*).
- Services to diplomatic and consular representatives in Australia.
- Preparations for the hosting of the 35th Antarctic Treaty Consultative Meeting in 2012.
- Management of cases of compensation for detriment caused by defective administration.

### Program 1.4 Key performance indicator

- The department's management of administered programs, activities and services on behalf of the Commonwealth is efficient, effective, timely and accountable.

The department managed, in accordance with the national interest provisions of the *Export Finance and Insurance Corporation Act 1991*, whole-of-government coordination of National Interest Account (NIA) transactions. This involves assessing the risks and benefits of proposed transactions in consultation with other departments and EFIC. In 2009–10, the value of exports to be supported on the NIA increased compared with the previous year, due to the scale of the PNG LNG facility signed during the year. We also oversaw EFIC's NIA reporting under the *Commonwealth Authorities and Companies Act 1997*. The department managed efficiently, in liaison with the Department of Finance and Deregulation, national interest payments and receipts involving EFIC and the Commonwealth. More information on this is available in EFIC's annual report.

We continued to provide high quality and timely services to members of the diplomatic and consular corps, placing a strong emphasis on security. We received positive feedback from the corps on the efficient delivery of services in relation to credentials ceremonies, diplomatic estate issues, support for dependant employment and privileges and immunities issues.

The department began preparations for hosting the 35th Antarctic Treaty Consultative Meeting in Hobart in 2012. This represents a timely start given the scale of the meeting, which is expected to be attended by more than 300 delegates from 48 treaty parties. Detailed project planning has enabled us to use resources efficiently and accountably over the life of the project. We identified a venue which will allow us to realise this opportunity to showcase Australia's Antarctic credentials. We also commenced detailed discussions with the Tasmanian Government on how it can support this major event.

Thirty-two cases were lodged under the compensation scheme for detriment caused by defective administration. Twenty-one were resolved during the year (including six from

previous financial years), resulting in 11 payments made from administered funds (two additional payments were processed in the subsequent financial year). In six cases, compensation under the scheme was found not to be warranted (including one from a previous year). Nineteen cases (including two from the previous years) remained in progress at the end of the financial year.

## OUTCOME 2

**The protection and welfare of Australians abroad and access to secure international travel documentation through timely and responsive travel advice and consular and passport services in Australia and overseas**

### **Program 2.1: Consular services (departmental)**

Program support:

Program management (consular)

### **Program 2.2: Passport services (departmental)**

Program support:

Program management (APO)

### **Program 2.3: Consular services (administered)**

Administered item:

Consular services (TEs and CES)

### **Program 2.4: Passport services (administered)**

Administered item:

Special Appropriation FMA Act, 1997 s28 (A)1



# OUTCOME PERFORMANCE INFORMATION

## Outcome 2 strategy

The department is committed to supporting Australians overseas through a highly effective consular service, accurate and timely travel advice, practical contingency planning and rapid crisis response. With the additional resourcing for Travellers Emergency Loans and Consular Emergency Services provided through the Budget, the department can continue to provide a timely response to Australians in need of financial assistance overseas.

The department will continue to give priority to managing the growing demands of consular casework. It will focus on further educating Australians about the importance of making informed travel choices and having realistic expectations of the consular services the department can provide.

The department has adopted more accurate passport forecasting models to enhance its operational planning to meet growing passport demand and maintain short turnaround times. Work is continuing to further enhance the department's passport fraud detection, investigation and prevention measures. Passport security remains a focus and progress will be made in 2009–10 on the release of the next passport series.

## PROGRAM 2.1: CONSULAR SERVICES (DEPARTMENTAL)

### Program 2.1 Objective

- To protect the welfare of Australians abroad by supporting and assisting Australian travellers and Australians overseas through high-quality consular services, including timely travel advice, practical contingency planning and rapid crisis response.

### Program 2.1 Deliverables

- High-quality consular services to an increasing number of Australian travellers and Australian citizens living overseas, including notarial services and assistance with welfare issues, whereabouts inquiries, arrest or detention matters, deaths and medical emergencies.
- High-quality travel advisory services, including issuing up-to-date travel information on travel destinations, promotion of this information through the smartraveller campaign using various media and travel-oriented networks, and management of an online travel registration service.
- Effective consular contingency planning for major events or high-risk scenarios, including through regular reviews of procedures and available resources, training of staff, and coordination with other government agencies and foreign governments.
- Coordination of whole-of-government responses to large-scale crises involving conflict, civil unrest, natural disasters or tragic accidents.

### Program 2.1 Key performance indicators

- The department's delivery of consular services is effective, efficient, timely and responsive, and within the scope of Australian Government responsibility.
- The department's travel advisory services are up-to-date, accurate, responsive and effective in reaching a broad audience and encouraging a greater awareness of potential risks and the extent of Australian Government assistance, and public use of the online registration service and smartraveller website continues to grow.
- Consular contingency planning accurately anticipates high-risk events and scenarios, the necessary resources for response are readily available, the procedures and networks remain valid and viable, and plans are tested and reviewed regularly to satisfaction.
- Coordination of whole-of-government responses to large-scale crises is targeted, timely, consultative, resourceful and effective in maintaining the welfare of the maximum possible number of Australians involved.

## Program 2.1. Consular services (departmental)

### Overview

The numbers of Australians travelling overseas increased again in 2009–10 and we provided consular assistance to the many who sought our help. We maintained a comprehensive system of travel advisories to help Australians make informed decisions about their security, safety and well-being, particularly in high-risk destinations. We used our *smartraveller* public information campaign to help Australians prepare for their travel and promote safe travel messages such as the importance of subscribing to our travel advice, registering travel plans online and taking out travel insurance.

Our casework in dangerous and remote areas continued to grow as more Australians travelled to these locations. The increasing popularity of adventure tourism also had an impact on our consular caseload, as did the numbers of Australians travelling overseas to attend major events, including sporting events. Contingency planning was a key part of our work in 2009–10, both for general consular preparedness and in relation to specific major events, such as the 2010 FIFA World Cup in South Africa and Anzac Day commemorations in Turkey and France.

We refined our crisis management capacity while responding to a number of major incidents overseas, including several in which Australians were killed. We also undertook further work on our technical and communications support for consular work both in Canberra and overseas and reviewed our network of Regional Consular Officers. Both measures were part of our work to enhance our ability to respond quickly to consular incidents, particularly in remote locations or where our consular representation is less concentrated.

### Consular services

At 30 June 2010, Australians had access to consular services in 174 locations around the world through:

- 85 diplomatic and consular missions, one representative office and 48 consulates headed by honorary consuls managed by the department
- 16 consular missions and three consulates headed by honorary consuls managed by Austrade
- the Australian Commerce and Industry Office in Taipei
- 20 Canadian diplomatic missions under Australia's Consular Sharing Agreement with Canada.

Australians also had access to notarial services through the department's state and territory offices in Adelaide, Brisbane, Darwin, Hobart and Perth, and through our passport offices in Sydney, Melbourne and Canberra.

Australians had access to advice on safety and security conditions in other countries through the *smartraveller* website. The site's subscription service enabled Australians to receive emails each time a travel advisory was updated.

Our 24-hour Consular Emergency Centre (CEC) and consular duty officers on call in Canberra complemented Australia's extensive overseas consular network. The CEC provided a direct and permanently-staffed point of contact for Australians overseas in need of emergency consular assistance. It received more than 44 000 telephone calls in 2009–10, up from 37 000 the previous year.

Our network of Regional Consular Officers bolstered our ability to respond quickly and effectively to consular incidents in areas where our consular presence is less concentrated. We reviewed the network in 2009–10 and retained Regional Consular Officers in Mexico City, Abu Dhabi and Pretoria, while relocating one from Santiago to London to enhance our coverage across Europe and the Middle East.

We continued our close practical cooperation with Canada, New Zealand, the United Kingdom and the United States to enhance delivery of consular services, including in areas where we have no resident consular representation.



*Staff working in the Crisis Centre during the coordination of the Australian Government's responses to the Pacific tsunami and the Sumatra earthquake. Both natural disasters occurred within 24 hours of each other in late September 2009.*

## Assisting Australians overseas

In 2009–10, consular staff provided 186 235 consular services compared with 194 523 in 2008–09, a decrease of 4.45 per cent. There was also a slight decrease (0.86 per cent) in demand for notarial services from 166 662 in 2008–09 to 165 240. These reflect the magnitude of major overseas incidents in the previous year, particularly the volume of whereabouts inquiries following airport closures and a nightclub fire in Thailand.

More broadly, we saw growing public expectations of the range and quality of the consular services the department should provide. We sought to manage expectations through consistent public messages, including that Australians need to abide by local laws overseas and take out travel insurance appropriate to their travel plans.

The media continued to give wide coverage to consular cases. To respond to the high level of interest, we issued 760 sets of media talking points on consular matters in 2009–10, down from 911 in 2008–09. The decrease was a result of efforts to streamline production of talking points.

Our consular caseload continued to be diverse, complex and challenging (see Table 9 on page 162). This reflected Australians' propensity to travel widely, often to geographically remote or politically unstable locations where the department is not represented, and to engage in a broad range of activities including adventure tourism.

We coordinated the whole-of-government response to the crash of an Airlines PNG aircraft near Kokoda on 11 August 2009 in which nine Australians were killed. We arranged for an Australian Federal Police team to travel to the crash site, recover the bodies and undertake Disaster Victim Identification processing. We then secured the assistance of the Department of Defence to repatriate the bodies to Brisbane, Melbourne and Perth, in accordance with the wishes of the victims' families, using an Australian Defence Force aircraft.

We led a whole-of-government response to the kidnapping of an Australian in Somalia. We deployed our Regional Consular Officer based in Pretoria, along with consular staff from Canberra and elsewhere, to Nairobi a number of times over a fifteen-month period to coordinate and cooperate with local authorities and other stakeholders until the victim's release.

Our consular staff provided assistance and support to 1410 Australians arrested or imprisoned overseas. We ensured arrested Australians had access to legal assistance. Our consular staff attended their trials to ensure they did not suffer discrimination by local police or courts.

Consular staff also made regular visits to Australians in custody awaiting trial, or serving sentences, to ensure they were treated properly and had access to adequate food and medical care. We kept their families closely updated on their welfare.

We made extensive efforts to ensure a fair trial in China for Mr Stern Hu, a Rio Tinto, Australia executive, on charges of accepting bribes and violating commercial secrets. We made repeated representations through diplomatic channels to the Chinese authorities seeking access for our consular staff to the whole trial, including the closed parts dealing with commercial secrets.

We continued to devote considerable resources to locating Australians overseas where their families held well-founded concerns for their welfare. In 2009–10, consular staff undertook 9310 missing persons' enquiries overseas. This was significantly fewer than the previous year, which had seen an unusually high number of enquiries (17 966) as a result of events such as airport closures and a nightclub fire in Bangkok, Thailand; and terror attacks in Mumbai, India.

We continued to liaise with other countries on consular assistance and cooperation, and strengthened our ability to influence consular issues affecting Australians in those areas. In particular, we engaged with China and Vietnam in our annual senior officials talks, held in Beijing in August and Hanoi in November 2009. We negotiated and finalised a memorandum of understanding with the Government of the United Arab Emirates in

February 2010 and an Australia–Indonesia Consular Arrangement with the Government of Indonesia in March 2010. The latter will increase our ability to help Australians in trouble in Indonesia, by setting out timeframes for their arrest and detention, and establishing regular consultations on consular matters.

## Responding to and preparing for consular crises

The department led whole-of-government responses to a number of incidents arising from natural disasters, political crises, tragic accidents and large international sporting events:

- Plane crash in Indian Ocean—July 2009
- Earthquake in China—July 2009
- Hotel bombings in Jakarta, Indonesia—July 2009
- Tent collapse at a music festival in Slovakia—July 2009
- Train crash in Croatia—July 2009
- Plane crash in Iran—July 2009
- Bus crash in Russia—July 2009
- Plane crash at Kokoda, Papua New Guinea—July 2009
- Plane crash in Koh Samui, Thailand—August 2009
- Ferry sinking in Tonga—August 2009
- Cruise ship attacked on the Amazon—August 2009
- Earthquake in West Java, Indonesia—September 2009
- Aircraft hijack in Mexico—September 2009
- Floods in north-west Turkey—September 2009
- Floods in the Philippines—September 2009
- Typhoon Ketsana in Vietnam—September 2009
- Earthquake and tsunami in Samoa and the South Pacific—September 2009
- Earthquake in Sumatra, Indonesia—September 2009
- Ferry sinking in India—October 2009
- Mudslides in Italy—October 2009
- Train collision in northern India—October 2009
- Explosions at Helena Bazaar, Peshawar, Pakistan—October 2009
- Explosions in Rawalpindi, Pakistan—November 2009
- Ferry collision in Guangzhou—November 2009
- Bus crash in Samoa—November 2009
- Train derailment in Russia—November 2009
- Air services disruption, Noumea, New Caledonia—December 2009
- Fire in Medan, Indonesia—December 2009
- Explosion in Perm, Russia—December 2009
- Train crash in The Hague, the Netherlands—December 2009

- Cyclone Mick in Fiji—December 2009
- Cargo vessel sinking off Lebanon—December 2009
- Ferry sinking in the Philippines—December 2009
- Plane crash in Bengun, Papua New Guinea—December 2009
- Earthquake in Haiti—January 2010
- Flooding in Machu Picchu, Peru—January 2010
- Jeep crash in Phuket, Thailand—January 2010
- Earthquake in Solomon Islands—January 2010
- Plane crash in Lebanon—January 2010
- Cyclone Oli in French Polynesia—February 2010
- Cyclone Pat in the Cook Islands—February 2010
- Bomb blast in Pune, India—February 2010
- Train crash in Belgium—February 2010
- Bus crash in Peru—February 2010
- Earthquake in Chile—March 2010
- Cyclone Tomas in Fiji—March 2010
- Bus crash in New Zealand—March 2010
- Explosions in Moscow, Russia—March 2010
- Civil unrest in Kyrgyzstan—April 2010
- Plane accident in Indonesia—April 2010
- Train accident in Italy—April 2010
- Civil unrest and protests in Bangkok, Thailand—April 2010
- Earthquake in Qinghai, China—April 2010
- Explosions in Burma during New Year Festival—April 2010
- Volcanic ash and disruptions to air travel, Europe—April 2010
- Bomb blast outside IPL cricket match, Bangalore, India—April 2010
- Plane crash in Tripoli, Libya—May 2010
- Plane crash in Afghanistan—May 2010
- Plane crash in southern India—May 2010
- Cruise ship fire off Norway—May 2010
- Train crash in India—May 2010
- Gaza Flotilla incident off Israel—May 2010
- Plane crash in Congo—June 2010
- Boat accident in Thailand—June 2010

We activated the Crisis Centre to coordinate whole-of-government responses to assist Australians affected by the bombings of two hotels in Jakarta in July 2009; an air crash near Kokoda in Papua New Guinea in August 2009; an earthquake and tsunami affecting Samoa and Tonga in September 2009; an earthquake in Sumatra, Indonesia, in September 2009; and civil unrest in Thailand in April 2010.

Consular Contingency Plans for our overseas network and countries of accreditation ensure our capacity to deliver effective and efficient responses to a range of risk scenarios. In 2009–10, together with the Department of Defence, we conducted Contingency Planning Assistance Team (CPAT) visits to several overseas posts to refine and update their contingency planning for a range of risks. CPATs visited India in preparation for the 2010 Commonwealth Games; South Africa in the lead up to the 2010 FIFA World Cup; the United Arab Emirates; Vietnam; and the Middle East (Cyprus, Lebanon, Jordan and Israel).

We drew up specific contingency plans for a number of large-scale events overseas which were attended by Australians. In doing this, we worked closely with Football Federation Australia and the Australian Olympic Committee on contingency planning for the 2010 FIFA World Cup in South Africa and the 2010 Winter Olympics in Vancouver, Canada. We engaged with the Indian authorities and the Australian Commonwealth Games Association as part of Australia's preparation for the Commonwealth Games in New Delhi in October 2010. Our work included consular planning for the large number of Australians expected to attend the games and work with India on security measures for athletes, officials and spectators. The March 2010 Hockey World Cup in New Delhi, attended by the Minister for Foreign Affairs, Mr Smith, provided a useful test of India's games preparations. In May 2010, we established a Commonwealth Games Task Force to coordinate whole-of-government preparations for the Games.

We worked with the Department of Veterans' Affairs and other agencies on contingency planning for the 2010 Anzac Day events in Gallipoli and Villers-Bretonneux.

Based on our contingency planning and risk assessments, we sent Consular Response Teams to Turkey for 2010 Anzac Day commemorations and to South Africa for the 2010 FIFA World Cup to manage the anticipated increase in requests for consular assistance.

We implemented further measures under the four-year Consular Enhancement Program announced in the 2006–07 Budget, including running new training courses on contingency planning and crisis management and response. We rolled-out new consular emergency communications equipment to support our Regional Consular Officers and Emergency Response Teams so they can establish consular operations in remote areas within short time frames and independent of local infrastructure. We now have consular emergency communications kits ready for deployment at short notice and a growing number of staff trained to use them.

## Keeping Australians informed

Our travel advisories helped Australians make well-informed decisions about their travel by providing clear, current and practical information on safety and security overseas. We continued to liaise closely with the National Threat Assessment Centre (NTAC) and our consular partners (United States, United Kingdom, Canada and New Zealand) to ensure travel advice was supported by the best available threat information. We reissued 740 travel advisories in 2009–10.

We published new travel bulletins for major issues, events and incidents including the 2010 FIFA World Cup, Anzac Day in Turkey, the 2010 Commonwealth Games in New Delhi and disruptions caused to air travel in Europe by the eruption of a volcano in Iceland. Our



new *Partying Overseas* travel bulletin attracted immediate media interest. We regularly updated travel bulletins on the H1N1 virus and Avian Influenza.

The *smartraveller* website recorded 27.9 million page-views in 2009–10, an increase from 26.6 million in 2008–09. The *smartraveller* travel advice subscription service had 69 991 subscribers at 30 June 2010 (70 124 at 30 June 2009). The service enabled users to receive updated travel advisories and bulletins by email as soon as they were posted on the *smartraveller* website. Public awareness of our online registration service grew but the percentage of travellers registering was still low compared with the total number travelling. The Consular Assistance Information System project, which will deliver a new registration system, continued to experience delays due to software development issues.

The automated *smartraveller* telephone service, which received 16 292 calls in 2009–10, made travel advice available to Australians without internet access or with visual impairment.

We undertook research to evaluate the success of the second phase of the *smartraveller* campaign which concluded in 2009–10 and also to prepare for the third phase, starting in 2010–11. This research will enable us to target specific segments of the travelling population more effectively.

We refreshed many of our consular publications which provide targeted information and hints for specific segments of the travelling community (for example *Travelling Seniors*, *Travelling Women* and *Travelling Parents*), or advice on specific concerns or situations (for example *Travelling Well*, *Death Overseas*, *When Someone is Missing Overseas*, and *Sexual Assault Overseas*). We also developed an insurance card to encourage Australians to take out comprehensive travel insurance before travelling overseas. As part of our preparations for the 2010 FIFA World Cup, we developed a wallet-size consular card, containing key information and emergency contacts for Australians at the event. As in past years, we also produced consular cards for Anzac Day.

In August 2009, we produced a flyer promoting safe travel messages to young Australians travelling overseas for end-of-school celebrations. We encouraged them to register online, take out travel insurance and subscribe online for travel updates. We also promoted safe travel messages through print and electronic media in the lead up to the Christmas holiday season. A flyer targeting business travellers was well received by national and state peak industry and business organisations and disseminated to their members and posted on their websites.

We continued our close relationship with the travel industry to promote travel advice and other *smartraveller* messages, including important information on insurance and health issues. We convened two meetings of the Smartraveller Consultative Group to communicate safety and security messages to travel agents/operators, airlines and Australian travellers. We reinforced safe travel messages to travel industry contacts at events arranged by our Smartraveller Consultative Group partners. We briefed members of the Australian Society of Travel Writers on the *smartraveller* campaign, resulting in a number of articles in electronic travel bulletins. We also took part in travel expos and travel industry events to increase public and travel industry awareness of *smartraveller*, especially its safety and security messages.

As part of our ongoing outreach program, we reinforced strong anti-drug trafficking messages to a group of around 600 young Vietnamese Australians at a ‘Don’t do drugs’ community forum in Brisbane in November.

Continuing support for the Charter for Safe Travel—membership of which grew to 2891 by 30 June 2010 from 2662 a year earlier—reflected the travel industry’s continued satisfaction with the quality of our information and services to travellers. We used travel expos and other industry events to disseminate *smartraveller* safe travel messages directly to the Australian travelling public. Feedback through focus groups and other market research mechanisms was generally positive and provided a useful foundation for further refinements to outreach programs.

Media activities throughout 2009–10 continued a strong advertising presence in non-English speaking media, especially newspapers. In addition to this we actively promoted the *smartraveller* website in magazines and through digital advertising. In consultation with industry partners we developed flyers and brochures for Australian business travellers to encourage them to play a greater role in their travel preparations, particularly in relation to safety and security issues.

## Personal Profile:

### Tracey Wunder



One of DFAT’s most experienced consular officers, Tracey Wunder was awarded the Public Service Medal for the provision of consular assistance to the victims and families of the 2002 Bali bombings. She also provided consular assistance during many other crises, including the September 11 terrorist attacks, the 2004 Indian Ocean tsunami, the 2006 Lebanon crisis, the 2007 Garuda plane crash, the Thai airport closures in 2008, and the 2010 Red Shirt protests in Bangkok.

As the First Secretary and Consul at the Australian embassy in Bangkok, Tracey oversees consular services to Australians at our busiest consular post. In 2009, our Bangkok Embassy and our Honorary Consuls in Phuket, Koh Samui and Chiang Mai assisted 143 Australians hospitalised in Thailand, 19 who suffered assault, including sexual assault, 54 who were arrested, 19 serving prison sentences and 301 seeking welfare assistance. They also supported the families of 97 Australians who died in Thailand that year.

*“As a consular officer I feel privileged to do the job I do. To be able to assist Australians in what may be the most difficult times of their lives gives a real sense of pride and personal achievement. Consular work can be stressful and emotionally taxing, but being witness to the personal strength, human spirit, and mateship demonstrated by our fellow Australians in the face of real tragedy makes it all worthwhile.”*

## 2010 FIFA World Cup



*The joint DFAT and Defence Contingency Planning and Assistance Team (CPAT) inspecting the Moses Mabhida Stadium in Durban, the venue for Australia's opening match against Germany on 13 June 2010. The CPAT visited South Africa in February to help refine the Australian High Commission in Pretoria's consular planning for the World Cup.*

Australians were one of the largest groups of supporters in South Africa for the 2010 FIFA World Cup. Australians purchased over 43 000 tickets to World Cup matches—including the three matches in June 2010 in which the Socceroos played.

DFAT, through the high commission in Pretoria, put in place unprecedented measures to assist Australians during the tournament, including:

- two 'mobile consular embassies' providing assistance at each of the Socceroos matches and at other major locations where Australian fans congregated
- the establishment of World Cup Facebook and Twitter pages, to deliver consular information in a timely and accessible way
- the deployment of additional consular staff to assist Australians in need
- the establishment of a 24-hour consular hotline for Australians in South Africa.

Prepared over a period of nine months, the high commission's extensive consular contingency plan was underpinned by close engagement with South African authorities, Australian tour groups and Football Federation Australia in the lead up to and during the event. We also ensured effective interdepartmental cooperation on World Cup consular issues by coordinating the efforts of other Commonwealth departments and agencies, both in South Africa and Australia.

Together with our consular contingency planning, we provided Australian fans with up-to-date travel advice and *smartraveller* information to help make their World Cup experience safe. We also published a wallet-size World Cup consular card and a dedicated travel bulletin for Australian fans travelling to South Africa. Significantly, the figures for South Africa in the Smartraveller Online Register of Australians Overseas more than doubled in the weeks leading up to the tournament, indicating that DFAT's pre-World Cup outreach was successful.

## Consular Service Charter

We used a range of mechanisms to obtain and monitor feedback on the consular assistance and travel advice we provided to the Australian public in accordance with our Consular Service Charter.

During 2009–10, the department received 764 letters and emails (through the consular feedback form on the *smartraveller* website). Of these 35 commented positively on services provided in specific consular cases and on our *smartraveller* services. Some correspondents sought clarification of travel advisories or provided suggestions for improving advice to the public. The remaining letters and emails sought general consular or notarial information. This feedback contributed to improvements we made to our consular services.

## Outlook

The number of Australians travelling and living overseas will almost certainly continue to increase. This growth will continue to build demand for consular services, as will the increasing popularity of travel to remote and dangerous locations. The increasing number of Australians travelling to major international events, including sporting events, will test the department's capacity to provide consular services for very large concentrations of Australians overseas.

To address these challenges we will focus on providing timely and comprehensive public information for Australians travelling overseas; educating them on the limits to consular services; and strengthening our consular preparedness and response capacity.

## Public information and risk mitigation

We will use the results of research we have commissioned on traveller behaviour, needs and expectations to inform the development of phase III of the *smartraveller* campaign. In our public messages, we will emphasise the importance of considered preparation, travel insurance and avoiding risky behaviour and dangerous destinations. We will promote public understanding of realistic expectations of consular services. We will continue strategically-targeted outreach activities, including to community organisations and through industry stakeholders.

## Consolidating the enabling environment

We will implement the final two years of the Consular Enhancement Program, by providing specialised training courses in core consular skills as well as crisis preparedness, management and response. We will continue work on a new consular management information system to underpin our delivery of services to travelling Australians, including an improved registration system.

We will consolidate consular cooperation with other countries and will host annual consular consultations with China, Vietnam and the United Arab Emirates.

## Contingency planning and preparedness

We will implement reforms to our crisis management processes and Crisis Centre staffing arrangements, to enhance our ability to respond to future crises and serious incidents overseas and to meet the increasing demands on the departmental crisis management systems. We will undertake Contingency Planning Assessment Team visits to overseas posts, to test and refine their plans to respond to incidents that affect the safety and welfare of Australians.

### Personal Profile:

#### Betty Sutinen



Betty Sutinen (second from right), with consular officers (Tony Feeney, Robyn Barlow and Matt Skelly) at the launch of the mobile consular vans during the 2010 FIFA World Cup in South Africa.

As the Regional Consular Officer in Pretoria, Betty Sutinen is responsible for the consular workload for South Africa and its six other countries of accreditation. She also provides consular support to our high commissions in Abuja, Accra, Nairobi and Port Louis, and to our embassy in Harare. Her role in Africa is to enhance consular contacts in those countries where Australia does not have in-country representation. She also identifies and mentors honorary consuls in an increasing number of African countries.

Betty has fostered relationships with consular staff in like-minded embassies and high commissions throughout Africa. She meets with companies and African officials to discuss local emergency services that can be offered to Australians in need. She also meets with Australian companies to discuss their consular contingency planning.

Betty was heavily involved in consular contingency planning and services for the FIFA Football World Cup 2010 in South Africa. She staffed the consular mobile vans at all the Australian football matches.

*“Consular work in Africa is interesting and challenging. You never know what your day will bring—whether you will be travelling to one of our missions to help in a crisis, visiting an Australian who has been arrested in another country, or dealing with a kidnapping case.”*

TABLE 9. CONSULAR SERVICES PROVIDED TO AUSTRALIAN TRAVELLERS

	2005-06	2006-07	2007-08	2008-09	2009-10
Australian resident departures <sup>1</sup>	5 000 860	5 300 830	5 878 445	6 009 033	6 938 303
Cases of Australians hospitalised given general welfare and guidance	819	1 093	1 260	1 480	1 467
Cases of Australians evacuated to another location for medical purposes	82	67	46	32	29
Cases of next of kin of Australians who died overseas given guidance or assistance with disposal of remains	811	912	994	1 038	1 143
Cases of Australians having difficulty arranging their own return to Australia given guidance and assistance	68	5 209	51	39	29
Inquiries made about Australians overseas who could not be contacted by next of kin	8 457	13 025	13 598	17 966	9 310 <sup>2</sup>
Cases of Australians arrested overseas	752	934	970	1 019	1 086
Cases of Australians in prison overseas (as at 30 June)	291	188	211	223	252 <sup>3</sup>
Cases of Australians given general welfare and guidance	6 225	12 385	8 405	5 992	7 679 <sup>4</sup>
<b>Total number of cases involving Australians in difficulty</b>	<b>17 505</b>	<b>33 927</b>	<b>25 987</b>	<b>27 861</b>	<b>20 995</b>
Notarial acts <sup>5</sup>	115 418	135 347	159 005	166 662	165 240
<b>Total number of cases of Australians provided with consular assistance</b>	<b>132 923</b>	<b>169 274</b>	<b>184 992</b>	<b>194 523</b>	<b>186 235</b>
Australians in financial difficulty who were lent public funds to cover immediate needs (travellers emergency loans)	393	301	384	334	286

1 This figure draws on ABS data and includes permanent departures, long-term departures and short-term departures of Australian residents. It includes Australian citizens (5 837 542 ) and other residents (1 100 761) who reside in Australia on a permanent or temporary basis.

2 This figure includes inter alia whereabouts inquiries in crises in the South Pacific (1124), Chile (889) and Indonesia (549).

3 The total number of cases of Australians imprisoned during 2009-10 was 324. Two figures are provided for Australians in prison. 'Cases of Australians in prison overseas' is the total number of cases assisted throughout 2009-10. Some of these cases may have been resolved during that year. The 'number of Australians in prison at 30 June' is a 'snapshot' of the Australian overseas prisoner population on 30 June 2010.

4 Welfare and guidance figure includes the following sub-categories: assaults (231), theft (1115), welfare of children (167) and other welfare matters (6166).

5 Figure includes notarial acts performed by overseas posts, in Canberra and state and territory offices in Australia.

## PROGRAM 2.2: PASSPORT SERVICES (DEPARTMENTAL)

### Program 2.2 Objective

- To provide Australians access to secure international travel documentation through the delivery of high-quality passport services.

### Program 2.2 Deliverables

- High-quality passport services to Australians, including processing new passport applications, registering lost or stolen passports, issuing emergency passports, and detecting passport fraud.
- Rollout of a new passport series with enhanced security features and a more durable design.
- Effective management of an increasing workload, including maintenance of security standards, promotion of web-enabled services, and adherence to the client service commitment of passport issue within ten working days.

### Program 2.2 Key performance indicators

- Public and travel industry clients are satisfied with the department's efficiency and effectiveness in delivering passport services, with routine passports issued within ten working days and urgent passport issues dealt with in a timely and responsive manner.
- The demand for passport services is managed effectively, including in a way that maintains security, efficiency and responsiveness, and that builds on information technology capabilities and innovative solutions.

## Program 2.2. Passport services (departmental)

### Overview

During a year of record demand, the department worked to provide an efficient and responsive passport service for Australian citizens. To achieve this, we used our network of passport offices in nine cities around Australia, diplomatic and consular missions overseas, our call centre (Australian Passport Information Service) and 1700 Australia Post outlets.

While the number of passports issued was 16 per cent higher than in 2008–09, we maintained our ten-day internal turnaround time service level and reduced our average internal turnaround time from 5.1 days last year to 4.1 days this year.

To ensure our processes would remain responsive to ongoing growth in demand and emerging security challenges, we planned a program to introduce new systems and technology, which will be funded over six years. Funding of \$100.8 million for this program was announced in the 2010–11 Budget.

We began designing new online and interview systems to strengthen the integrity of the issuing process, to improve productivity and to provide more streamlined passport services. To enhance the security of our travel documents, we also tested and rolled-out new passport printers and continued design work on the next-generation 'P-series' passport.

Incidents of abuse of Australian passports in 2009–10 intensified the need to keep improving security. We increased the resources dedicated to tackling passport fraud, and the number of fraud cases detected and investigated grew as a result. We gave greater emphasis to high-value cases, and better intelligence capabilities opened a new stream of fraud identification.

We took part in national identity management initiatives, particularly through the National Identity Security Strategy and the Strategic Border Management Plan. We contributed to international programs to promote the security of travel documents and border security, including through the International Civil Aviation Organization (ICAO) and the Five Nations Passport Conference.

### Passport services

The surge in demand for passports evident in the second half of 2008–09 continued throughout 2009–10, with the total number of passports issued increasing to a new annual record of 1 774 224. As a result, the number of valid Australian passports currently on issue rose to 10 412 587 (as at 30 June 2010), as compared with 9 950 061 (as at 30 June 2009).

By using more clearly defined risk-based assessments and decision-making, we were able to manage the substantial growth in demand without compromising the integrity of our issuing processes. The expansion of our Business Assurance Unit contributed to overall enhancements to the quality assurance of our systems and procedures.



The department responded effectively to increased workloads. In 2009–10, the average internal turnaround time for passport production was 4.1 days, well within our advertised commitment of 10 working days. This compared favourably with benchmark countries (the United States, the United Kingdom, Canada and New Zealand).

To obtain their passports within 48 hours, 191 532 applicants paid the priority processing fee. We refunded fees to 10 applicants where we did not meet the 48-hour turnaround service level.

Uptake of our online services continued to grow, with 28 per cent of all passports issued using online forms. We advanced the design of an enhanced online application process and streamlined interview arrangements. These will strengthen and automate identity confirmation practices and help us manage the growth in demand efficiently.

Following successful trials, we introduced centralised overseas passport processing arrangements, diverting some functions from our London and Washington regional production centres to the Canberra Regional Eligibility Centre. This program delivered a greater level of consistency and integrity in the passport issuing process.

We produced 1 753 197 passports in Australia and 21 027 at our production centres in London and Washington. In 2009–10, Australian diplomatic missions abroad issued 7500 emergency passports to Australians who required consular assistance.

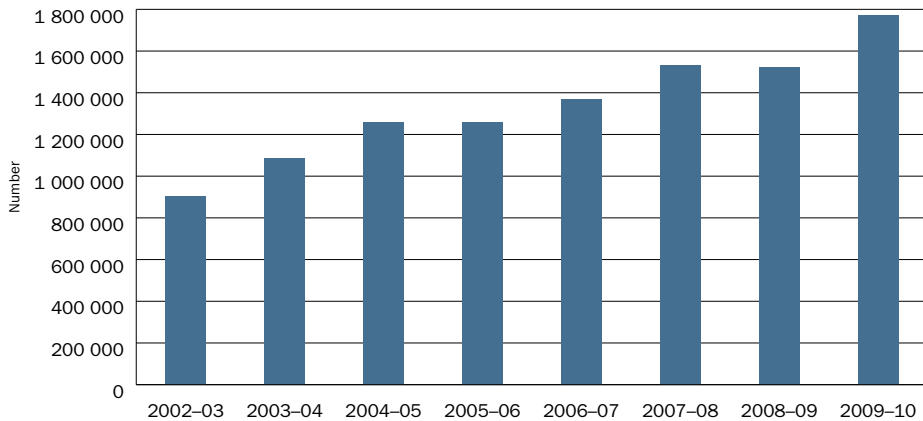
Responding to the significant increase in demand for passport services on our overseas network, we established a dedicated unit to support overseas posts with their passport operations.

To improve the integrity of the passport issuing process, we released a new e-learning system across the network. We expanded our overseas training program, providing face-to-face training twice a year for staff in all regions. We launched new training for experienced eligibility officers (who assess passport applicants' eligibility for travel documents) to further enhance the consistency of decision-making. These *Eligibility Leaders Forums* will be run throughout 2010–11 following successful pilots in 2009–10.

The number of passports reported as lost or stolen rose to 36 099 (from 34 788 in 2008–09), but remained below the levels recorded before the introduction of stringent measures in the *Australian Passport Act 2005* to manage this issue.

The number of passports reported as missing in the mail following despatch from our production centres was 115, compared with 128 in 2008–09. We worked closely with the Office of the Commonwealth Ombudsman regarding an inquiry into passports lost in the mail. While this inquiry related primarily to the operations of Australia Post and the handling of passports by holders and other parties, we welcomed and implemented two recommendations to improve our advice to the public about the secure handling of travel documents.

FIGURE 14. TRAVEL DOCUMENTS ISSUED



## Passport security

To meet projected passport demand and improve security and fraud prevention, the department continued to develop a new, centralised passport business system.

In the 2010–11 Budget, the Government announced funding of \$100.8 million over six years for a new passport system to underpin the Passport Redevelopment Program (PRP). In January 2010, we issued a Request for Expressions of Interest (EOI) for this program. We began evaluation of the responses to the EOI and will invite a shortlist of respondents to participate in a select Request for Tender (RFT) process in 2010–11. We also continued to consult closely with other agencies to ensure the PRP follows industry best practice.

We trialled new passport printers in the Canberra Production Centre. Once these are installed in all passport offices, our travel documents will be more secure and durable.

We continued development work on the next-generation passport, the 'P-series'. The continual evolution of our passports enables us to stay ahead of efforts to forge our travel documents.

### Passport redevelopment program

The Australian passport is the most widely held identity document in the Australian community and is an essential element of the Government's National Identity Security Strategy. In 2009–10, DFAT issued more than 1.7 million passports. Demand is projected to exceed 2 million by 2012 and to rise by between 70 and 100 per cent within 10 years.

The Passport Redevelopment Program will provide a more secure, efficient and responsive passport system through four key elements:

- eScan—which will enable large-scale scanning of passport application forms and supporting documents
- eFlow—which will manage the flow of data through the stages of the passports approval processes, ensuring quality decision-making
- eCase—which will provide significantly enhanced fraud investigation, analytical and intelligence capabilities and case management functions
- ePrint—which will allow for quality-assured, bulk centralised printing of personal information into passports (including biometric chip encoding).

The new system will take advantage of the latest technologies and will improve the integrity of Australia's travel documents as demand for them increases. It will enable efficient and economical production of high volumes of passports, combat identity theft and improve secure passport operations.

### Fraud detection and prevention

The department continued to detect, investigate and prosecute passport fraud offences under the *Australian Passports Act 2005*. In 2009–10, we investigated 644 new cases. The increase over 2008–09 (525 cases) was attributable to the higher application rate and an increased emphasis on fraud detection. Work was also undertaken in early 2010 to establish an operational intelligence capability to assist in the prevention of passport fraud.

The Minister for Foreign Affairs, Mr Smith, cancelled 118 Australian passports under the Passports Act during the year for reasons concerning law enforcement, security and child sex tourism. We conducted a review of the management of passport cancellations under section 13 of the Passports Act and implemented procedural improvements.

We assisted in the investigation of the abuse of Australian passports in relation to the assassination of Mahmoud al-Mabhouh in Dubai in January 2010. The integrity of the Australian passport system, the protection of the Australian travelling public and our national security interests were key issues underpinning the investigation.

We worked actively with state and federal agencies on elements of the National Identity Security Strategy (NISS). Our examination of issues surrounding the national management of death records led to the establishment of a Commonwealth Reference Group within the NISS to investigate these matters further.

## Client Service Charter

Under our Client Service Charter, we used a range of methods to obtain and respond to feedback on the passport services we provide to the Australian public. These included feedback forms available at passport offices, online feedback facilities, in-house surveys and mystery-shopper exercises (in which researchers pose as genuine users of our services) conducted by an independent market research firm. The feedback we obtained remains an essential element of our business improvement program.

Our 2009–10 mystery shopper exercise began in April 2010. As a result of the previous exercise, we rolled-out a client service training program at passport offices and the department's emergency call centre. This training program will be delivered to the department's overseas network in the second half of 2010.

## Outlook

The perennial challenges of security and rapid growth in demand will underpin the department's passport service agenda in 2010–11.

We will continue to be under pressure to respond promptly to shifts in demand for passport services. We will undertake a comprehensive review of our forecasting mechanisms in 2010–11 to ensure they remain responsive to changing economic circumstances.

Following funding announcements in 2009–10, we will issue a select RFT for the Passport Redevelopment Program. Taking advantage of emerging identity capture and confirmation technologies, these systems will assist the department to identify and manage security risks and respond to increasing demand for passport services.

Fraud prevention will guide the development of Australia's next-generation passport. We will also participate actively in the NISS and related forums to improve identity management in Australia.

## PROGRAM 2.3: CONSULAR SERVICES (ADMINISTERED ITEM)

### Program 2.3 Objective

- To protect the welfare of Australians abroad by administering on behalf of the Commonwealth consular programs and activities that support and assist Australian travellers and Australians overseas.

### Program 2.3 Deliverables

- Payment and administration of Travellers Emergency Loans (TELs) to Australians in need, in accordance with the guidelines of the DFAT Consular Handbook.
- Delivery of increased consular emergency services to Australians overseas, including medical evacuations and repatriations, in accordance with the guidelines of the DFAT Consular Handbook.
- Revenue collection of consular fees, and recovery of loan debts.

### Program 2.3 Key performance indicators

- Payment of Travellers Emergency Loans is administered in a timely and efficient manner, in accordance with established guidelines and practices.
- Revenue collection of consular fees and recovery of loan debts is administered efficiently and effectively in accordance with established guidelines.
- Consular emergency services are delivered in a timely and responsive manner.

### Program 2.3. Consular services (administered)

The emergency loans and emergency services programs had a combined Appropriation of \$750 000 in 2009–10, an increase of \$250 000 from the Appropriation in 2008–09. With increasing numbers of Australians travelling each year, the additional resourcing provided the department with greater flexibility to help those needing emergency funds overseas. The two programs are able to use the funds flexibly, drawing on the total combined appropriation as required up to the level of the joint cap. The numbers of Australians needing this assistance fluctuates, as does the extent of assistance required in individual cases, and in 2009–10 there were fewer calls on this facility than in previous years.

#### **Travellers emergency loans**

In 2009–10, the department granted emergency loans to 286 Australian travellers to the total value of \$320 456 compared with loans issued in the previous year to 334 Australian travellers to the value of \$415 767. In accordance with guidelines in our Consular Handbook, we provided loans on a case-by-case basis, rigorously assessing individual client needs and their access to other sources of finance (including family members in Australia). We ensured all loan recipients signed legally enforceable deeds of undertaking to repay.

Loans issued during 2009–10 included those made under the Prisoner Loans Scheme to 60 Australians imprisoned overseas. These enabled Australian prisoners in approved countries to buy adequate food and other essentials not provided by prison authorities.

In 2009–10, we recovered \$196 447 from Australians who had been issued loans, compared with \$181 789 in 2008–09. As we issued loans according to travellers needs and not their capacity to repay, this pattern of recovery reflected the success of our debt management and recovery efforts. These included rapid follow-up contact with debtors offering a number of different repayment options, such as by instalment, and linking debtors' eligibility for a new passport to the repayment of the outstanding loan.

#### **Consular emergency services**

In 2009–10, the department granted payments of \$12 387 to five Australian travellers, against the consular emergency services financial support mechanism introduced in 2007–08. This allows payment for in-kind services to destitute Australians and minors, and covers Australian paupers' funeral costs where it is not practical or legally possible for an undertaking to repay to be signed.

## PROGRAM 2.4: PASSPORT SERVICES (ADMINISTERED ITEM)

### Program 2.4 Objective

- To provide Australians access to secure international travel documentation by administering on behalf of the Commonwealth passport programs and activities which contribute to the delivery of high-quality passport services.

### Program 2.4 Deliverables

- Revenue collection and administration of passport fees.

### Program 2.4 Key Performance Indicators

- Passport fees are collected and administered in a timely, efficient and accountable manner, in accordance with established guidelines and practices.

The department delivered high quality passport services, providing all eligible citizens with access to secure international travel documentation. We collected and administered passport fees in a timely, efficient and accountable manner.

## OUTCOME 3

**A secure Australian Government presence overseas through the provision of security services and information and communications technology infrastructure, and the management of the Commonwealth's overseas owned estate**

### **Program 3.1: Other departmental**

Program support:

Program management (security and IT)

### **Program 3.2: Overseas property**

Program support:

Special Account, Overseas Property Account—Finance determination 2002–01 (D)



# OUTCOME PERFORMANCE INFORMATION

## Outcome 3 strategy

The department gives the highest priority to the safety of Australian Government personnel overseas, and the security of our diplomatic and consular posts. In 2009–10 the department will enhance the protection of Australian diplomatic and consular posts by undertaking works which will strengthen security measures at a number of priority posts in line with the evolving security environment. This includes construction of new embassies in Jakarta and Bangkok in more secure locations.

The department will continue to manage the Government's overseas network in an efficient and effective manner, including its owned overseas estate. In managing the overseas network, the department operates in an inherently high risk overseas environment and needs to maintain a capability to respond promptly when new or unforeseen security-related challenges arise.

The department will maintain a strategic forward five-year rolling plan for its overseas property that identifies future requirements for capital works and other major expenditure. In terms of the owned overseas estate, the plan will continue to aim to ensure that financial objectives, including the annual return of an agreed dividend to Government, a sound return on investment and a management-expense ratio consistent with property industry benchmarks, are achieved within the context of the Government's broader policy objectives.

## PROGRAM 3.1: OTHER DEPARTMENTAL (SECURITY AND IT)

### Program 3.1 Objective

- To ensure a secure Australian Government presence overseas by sustaining and improving security, and strengthening information and communications technology (ICT) capability at Australia's overseas missions.

### Program 3.1 Deliverables

- Enhance security measures at a number of priority overseas posts in line with the evolving security environment.
- Classified information safeguarded through effective management of ICT systems and security vetting processes, as well as through security training to staff to ensure a high level of security awareness and vigilance.
- Continued implementation of the department's ICT Asset Refresh Program to 2010–11, which will lay the foundation for the progressive upgrade of the department's ICT network infrastructure.
- Implementation of the agreed recommendations of the independent Review of the Australian Government's Use of ICT—the Gershon Review—including strengthened ICT capability through the recruitment of skilled ICT professionals and implementation of ICT training and development programs.
- High-quality overseas ICT services to other government agencies.

### Program 3.1 Key performance indicators

- Security risks relating to safeguarded classified information are minimised to the extent possible, as evidenced by a low number of sensitive security breaches.
- Effective risk mitigation strategies in response to heightened security risks.
- Client satisfaction with the accessibility, reliability and effectiveness of the secure cable network (Official Diplomatic Information Network—ODIN) and the secure telecommunications infrastructure.

## Program 3.1 Other departmental (security and IT)

### Overview

The department intensified its overseas protective security activity during the year in light of developments in the international security environment, particularly the terrorist bombings in Jakarta on 17 July 2009. We put in place a consolidated threat-rating reporting system, combining foreign intelligence service (FIS) ratings with threat ratings for politically motivated violence, crime and civil disorder for all DFAT posts. Contingency and incident-response planning continued in cooperation with relevant agencies for all posts and in particular for posts in high-threat security environments, such as Afghanistan, Iraq and Pakistan.

The year saw continued growth in demand for DFAT ICT services. We provided global ICT systems services to some 6700 users on our in-confidence network (Satin Low) and to 4800 users on our secret network (Satin High). Of these two groups, 3000 users access both systems. We introduced a new remote log-in solution. The new solution is used by Ministerial staff and other staff who have regional responsibilities. This compliments the pandemic solution developed in 2008–09. We also finalised the implementation of the key findings of the Gershon review and completed the three-year ICT Assets-Refresh Project at overseas posts.

### Managing security of overseas missions

The department maintained its program of security inspections to ensure physical, operational, technical, and information and communications technology (ICT) security measures matched security threats to chanceries and residences. We put in place significant new security measures at a range of posts, and relocated or refurbished five chanceries (Abu Dhabi, Phnom Penh, Kuala Lumpur, Seoul and Kabul). Through our training programs, we continued to give priority to ensuring a high level of security awareness and practice among staff in Canberra and overseas.

We advised agencies on international security threats and countermeasures, including through the maintenance of appropriate guidelines and standards. These covered the development of personnel security, protective physical, technical and operational security, and the formulation of ICT security policy both within Australia and overseas.

### Effective risk mitigation

The department sustained efforts to improve security at all posts, but also directed greater focus and resources to the security needs of three high-risk posts (Baghdad, Kabul and Islamabad) and nine security-critical posts (Abuja, Bali, Beirut, Colombo, Dili, Harare, Jakarta, Nairobi and Riyadh). In support of Australia's expanding relations with Afghanistan, Iraq and Pakistan, we established a new work unit specialising in high-threat environments, to provide an increased level of security advice and strategic support.

New and enhanced security measures were implemented in Kabul, including physical-security development and the commencement of the fit-out of new embassy headquarters and accommodation for staff. An accelerated security-measures package

was delivered in Islamabad, including the installation of anti-ram perimeter walls at the chancery. Work continued with the Department of Defence on the shape and scope of the transition to a civilian-led security operation in Baghdad. Security fit-out works were completed for posts in the Holy See, Nicosia, Stockholm and Suva, while security planning and design work continued on the development of a new chancery for Jakarta. We improved security at other posts by enhancing guarding arrangements, installing additional walk-through metal detectors, increasing the number of armoured vehicles and upgrading building exteriors, perimeter fences and barriers. We also improved operational systems, such as access control and CCTV monitoring.

### Safeguarding classified information

In June 2010, the department completed the installation of a new internet gateway. This will further enhance security and provide greater ease of access for the department's remote working capability, which was developed in 2009.

### ICT capability building



*Washington-based Local Area Network Administrator Mr Edward Yardley assisting with the deployment of the REACH (Remote Emergency Auxiliary Communications Hub) Satellite Antenna at the Ambassador's residence during the REACH/Business Continuity Plan trial in Washington in February 2010.*

During 2009–10, Satin High use increased by 60 per cent among other government agencies in Australia, reflecting the increasing whole-of-government interest in the system. Partner agencies at 35 other sites now access Satin High on 597 terminals. The growth of Satin High, Satin Low and complementary web browser-based access systems

accounts also increased significantly in 2010 among non-DFAT users. We are currently commissioning additional high-capacity servers to prevent delays in the system and to provide additional capacity for expansion.

In June 2010, we completed the three-year ICT Asset-Refresh program for overseas posts, on schedule and under budget. This provides enhanced communications to missions, and ensures continuity of reliable communications in high-risk environments. We implemented the legal Knowledge and Matter Management System project, which now provides the department's legal branches with a flexible and user-friendly information and case management system.

Replacing emergency radio networks at 13 posts helped enhance staff security. Uninterrupted power supply upgrades at 16 overseas locations further improved business continuity capabilities.

We carried out an initial assessment of our ICT project management capability, and drafted our capability improvement plan, in line with Australian Government Information Management Office guidelines.

### **Availability and reliability of communications**

During the reporting period, diverse links and back-up satellite facilities enabled us to maintain communications during crises, natural disasters and equipment failures.

### **Security clearances**

All staff who handle classified information must have an appropriate level of security clearance. During the reporting period, the department granted 313 security clearances to new staff; recognised 92 clearances for personnel transferring from other agencies; renewed the security clearances of 232 existing staff; and completed 185 other security-related procedures, including police checks, reactivations and upgrades. In addition, our overseas posts processed 27 initial clearances and renewals for existing staff. In consultation with the Attorney-General's Department, we developed procedures to allow the immediate employment of personnel holding Top Secret (Positive Vet) clearances issued by other agencies.

All but two active departmental employees had current security clearances as at 30 June 2010. We continued to align our personnel security practices with the Government's Protective Security Policy Framework. We maintained a high level of security awareness and vigilance among staff, including through a briefing program for all officers travelling overseas, staff security training and advice, and a rigorous clear desk policy and security breach reporting system.

## Security training

To ensure a high level of security awareness and practice among staff in Canberra and overseas, we provided security awareness and related training to 790 DFAT and other government agencies office staff, anti-carjacking training to 80 staff at posts in Africa and armoured vehicle training to 47 drivers at various locations around the world.

We review our courses regularly to ensure they remain relevant to, and consistent with, the changing overseas security environment. Officers within the Diplomatic Security Branch sharpened their skills by attending a range of professional courses and conferences. Specialist recruitment rounds ensured we continued to employ professional security experts to enhance our capacity to deliver targeted and effective security programs.

## Government ICT review outcomes

The department successfully implemented key elements of the Government's ICT Reform Program, which incorporates the outcomes of the Gershon Review. These included converting ICT contract staff to permanent APS positions, and reducing costs in line with agreed savings targets. We secured funding of \$3.4 million from the ICT Reinvestment Fund, to cover the migration of a number of legacy software applications to our standardised development platform. We also began planning to replace the global communications network, in the light of whole-of-government and national security policy and operational considerations.

## ICT training and development

To ensure we have the necessary skills to provide and maintain support services to posts and partner agencies in future years, we:

- continued to convert ICT contract positions to APS staff to ensure better staff retention rates, in line with the Gershon Review recommendations
- provided tailored on-the-job and technical college training through the Technical Officer Development Program. Selected staff complete a two-year program designed to broaden and improve their skills and prepare them for posting as a Regional Technical Officer (RTO). The RTOs deliver critical, on-the-spot service for our communications network at posts
- planned to create a number of apprenticeships in the coming year to attract and train entry level ICT officers in line with the whole-of-government Strategic Workforce Plan.

## ICT client services

We implemented a memorandum of understanding (MOU) on a new ICT services framework in 2009–10. This is based on industry best practice, and we have reached agreement with 34 partner agencies that need to use our ICT services.

After tender, we appointed a new ICT Service Desk provider and the transition of services progressed smoothly. A program began in 2010 to transform the role of the Global Support Centre to a single point of contact for all ICT services, including voice support, equipment loan services, desktop refresh and audit services. This will continue in 2011. As at 30 June 2010, the ICT service desk had received 121 450 contacts, including service requests and follow-up telephone calls and emails.

Our Client Services Section managed the successful implementation of a number of partner-agency programs in 2010. These included the refresh of 125 Department of Immigration and Citizenship (DIAC) desktops at post, the transition of DIAC to a new inbound voice solution at post and the installation of 55 Satin High terminals at the Department of Climate Change and Energy Efficiency. We also coordinated the migration of Australian Education International users to Satin services at post.

## Outlook

In protecting government officials serving overseas and Commonwealth assets, the department will sustain efforts to focus on new and improved security activities. This will be underpinned by the thorough assessment of international security threats; the preparation of appropriate risk mitigation strategies; the establishment of reliable and workable minimum security standards and guidelines; and the research, promotion, and testing of security products and technical specifications and performance criteria. We will implement further specialist training to ensure staff serving in high-threat environments are as well-equipped as possible to carry out the Government's expanding role in these locations.

We will aim to provide enhanced service, while also improving operational efficiency and reducing costs. We will closely scrutinise the technology used for the networks and other underlying capabilities to keep abreast of rapid changes in ICT. Emerging technology will be evaluated to provide improved business tools and strengthen the alignment of ICT with business priorities. We will initiate the ICT Capability Improvement Plan, in order to improve our capability to commission, manage and realise benefits from our ICT-enabled business change initiatives.

We will work to provide enhanced secure phone capability, extended secure video conferencing and enhanced data storage capacity. Our ICT operating environment will be influenced by the increasing use of the internet, a greater focus on whole-of-government programs and solutions, a continuing increase in the number of staff from other agencies using our ICT systems and environmental considerations.

## PROGRAM 3.1 ADDITIONAL INFORMATION

	2009-10	2008-09	2007-08
Number of posts and Australian Government entities with access to the secure communications network and secure telecommunications infrastructure	* 145	* 142	116
Number of client agencies receiving ICT services	** 42	** 42	33
Number of cables	166 580	168 113	185 423
cables to overseas posts	83 221	80 766	83 766
cables from overseas posts	83 359	87 347	101 657
Number of visits to overseas missions to address protective security issues	187	140	125
Number of security clearances and reviews processed	849	1029	846

\* Quantity shown as number of sites. Detailed breakdown as follows:

DFAT-managed posts 91; non-DFAT-managed posts 2; DFAT state and territory offices, including Thursday Island 8; R G Casey Building 1; Passports 1; Partner Agency Sites 32; Parliament House 1; Electoral Offices 4; Commonwealth Parliamentary Offices 2.

\*\* Number of government business entities across portfolios.



## PROGRAM 3.2: OVERSEAS PROPERTY

### Program 3.2 Objective

- To ensure a secure Australian Government presence overseas through the effective management of the Commonwealth's overseas owned estate, including through effective contract management.

### Program 3.2 Deliverables

- Effective management of a substantial construction program in the overseas property estate, including new chancery construction projects in Jakarta and Bangkok.
- Effective management of outsourced property contract arrangements.
- Effective management of the overseas property Special Account, consistent with the provisions of the Australian Government Property Ownership Framework.
- Progression of a feasibility study and planning towards a secure, purpose-built Australian embassy in Kabul, Afghanistan.

### Program 3.2 Key performance indicators

- Management of the overseas property estate meets the Government's property needs, achieves an appropriate return on investment, and accords with the principles set out in the Australian Government Property Ownership Framework.
- Management of the property services contract and construction project contracts is effective and accountable, and ensures that contractors deliver on intended results within agreed performance and cost targets.
- Tenant satisfaction with the condition and utility of the estate.

## Program 3.2 Overseas property

### Overview

The department's Overseas Property Office (OPO) is responsible for managing all aspects of the Government's overseas owned property estate, and provides advisory services to posts and other areas of the department which manage chanceries and staff residential accommodation leased on the commercial market. Our work also covers the construction, refurbishment and maintenance of embassies and staff accommodation.

We managed the estate through the application of sound commercial practices and in accordance with the framework set down by the Department of Finance and Deregulation (Finance), in particular the Australian Government Property Ownership Framework. We paid a dividend to the Government and maintained a management expense ratio consistent with industry standards. A negative rate of return on investment reflected reduced revenues and current market conditions.

The Australian National Audit Office (ANAO) completed a performance audit of the operation of the overseas owned estate during 2009–10, with the report tabled in Parliament on 28 April 2010. The report focused on administrative processes. It acknowledged the department's implementation of a range of good practices and made four recommendations aimed at strengthening management of the overseas owned estate. The recommendations related to tenant–agency arrangements, improving the property condition rating system, strengthening building compliance auditing and performance indicators and reviewing with Finance the effectiveness of the current commercial management model. The department has agreed to these recommendations and is in the process of implementing them. In particular, we will be undertaking a joint review with Finance of the overseas property operating framework with the objective of reporting to ministers during 2010–11. The ANAO has also begun a performance audit of the overseas leased estate. The ANAO report is expected to be tabled during 2010–11.

The difficult international security environment continued to pose significant challenges for our management of overseas property. We ensured that new projects complied with security requirements.

### Construction program

OPO managed a varied construction program across the owned and leased estates during 2009–10. The embassy in Seoul was relocated and phase one of the refurbishment of the residential apartment complex at the Tokyo embassy compound was completed. We completed the refurbishment of the locally heritage-listed head of mission residence in The Hague which involved the removal of asbestos, a major services upgrade and internal redesign to improve the building's functionality. We made substantial progress in constructing staff apartments in Baghdad and in relocating the chanceries in Stockholm, Nicosia and the Holy See—all of which are expected to be completed later in 2010.

Progress in finalising the design of the new embassy compound in Jakarta continued on schedule. The project involves construction of a secure compound including a chancery of approximately 20 000 square metres gross floor area, a head of mission residence

designed for optimum use for representational activities, residential accommodation for 32 diplomatic personnel and their families, recreational facilities and a medical clinic. Parliament approved the project on 20 August 2009 following detailed consideration and a report by the Parliamentary Joint Standing Committee on Public Works.

We signed a thirty-year lease for a block of land for the construction of a new embassy compound in the Pathumwan District of central Bangkok with the Thai Crown Property Bureau (CPB).

### **Outsourced property services contract**

The department provided a range of property, facilities management and financial services for the overseas estate through its outsourced property services provider, UGL Services Pty Ltd (UGL). For the owned estate, UGL provided the full range of services including repairs and preventive maintenance of plant, equipment and buildings, revenue collection and operational and financial reporting. For chanceries and head of mission residences leased on the commercial market, UGL undertook biannual inspections and provided technical advice on matters such as essential services and building safety and compliance. UGL's services include a global network of 21 on-site facilities managers.

We reviewed the operation and outcomes of the first year of the new four-year contract for outsourced property services with UGL against the new contract requirements and the contract key performance indicators (KPIs). Some contract and operational modifications were made to reflect the evolving overseas operating environment and to refine administrative procedures. We worked closely with UGL to improve service delivery and the quality of UGL's reporting on the performance of the overseas owned estate.

### **Overseas Property Special Account**

The department is funded for its management of the overseas owned estate through the operation of a Special Account established by the then Minister for Finance and Administration in 2002. The account is separate from the department's Budget appropriations. Funding is raised through revenues derived from commercially-based rents paid by agencies that occupy government-owned property overseas.

The Special Account met the funding needs of the overseas property estate, including construction and maintenance. The expiry in June 2009 of a ten-year agreement with agencies for supplementary rental payments, however, created a shortfall in anticipated Special Account reserves. This funding shortfall, amounting to \$42 million per annum, impeded OPO's ability to develop forward planning in relation to capital works in the overseas owned estate. The future of funding arrangements for the Special Account is one of the critical elements of the joint DFAT/Finance review of the overseas property operating framework due to be finalised by the end of 2010–11.

The department paid a dividend to the Government of \$986 200 in 2009–10. This amount, which was agreed between the Minister for Foreign Affairs, Mr Smith, and the Minister for Finance and Deregulation, Mr Tanner, was smaller than in previous years because of the unavailability of the \$42 million in agency rents mentioned above and the current heavy capital works program.

## Kabul embassy

In the 2009–10 Budget, the Government approved feasibility funding of \$3 million to undertake planning for construction of a new chancery and secure staff residential compound in Kabul. The study was undertaken by OPO's consultants in Afghanistan, the Snowy Mountains Engineering Corporation (SMEC). The Government also approved \$19.4 million for the purchase of land in Kabul for the compound.

Negotiations to purchase a suitable site in Kabul were ultimately unsuccessful. Given the lack of suitable sites and the complexities of the Afghan land tenure and legal systems, there are no current plans to purchase land in Kabul. In November 2009, however, the department leased two properties in Kabul, one for use as a chancery and one for staff residential accommodation. These properties are currently being refurbished and are expected to be operational before the end of 2010.

## Meeting the Government's overseas property needs

In 2009–10, OPO managed owned properties in 61 countries valued (at 30 June 2010) at \$1641 million. The leased estate, which comprises properties leased on the commercial market from private landlords, is funded by departmental appropriations with OPO providing management advice and oversight.

By managing a mix of owned and leased properties, the department met the office and staff residential accommodation needs of agencies representing the Government's interests overseas.

We maintained a program of continuous assessment of the overseas estate through annual property inspections by facilities managers and consulted closely with agencies on overseas property issues, particularly agency requirements for new and/or relocated chanceries.

In accordance with industry standards, we determined priorities for maintaining, upgrading and refurbishing properties under a five-year rolling program approved annually by the Departmental Executive. We also initiated longer-term planning over a twenty-year horizon for major capital works. Acquisitions and disposals of properties were implemented in accordance with the Australian Government Property Ownership Framework and the *Lands Acquisition Act 1989*.

The rate of return on investment was negative 0.5 per cent in 2009–10, reflecting reduced income revenue and an appreciating Australian dollar, which lowered overall asset values.

The management expense ratio for 2009–10 was 1.366 per cent. This measure indicates the relationship between costs of management and the value of the estate.

The department returned \$5.9 million to consolidated revenue from property divestments in 2009–10.

## Tenant satisfaction

OPO assessed the extent to which its tenants were satisfied with service delivery by UGL through direct survey, regular consultations with agencies in Canberra and regular post inspections. The overall assessment was between satisfactory and good. OPO continued to work closely with UGL and tenants to improve the efficiency and effectiveness of service delivery.

## Outlook

We will continue to manage a significant construction program in the overseas property estate in 2010–11. The program of regular assessments and inspections of the overseas estate will continue with the objective of maintaining and enhancing the value of the estate in compliance with appropriate standards.

The outcomes of the joint DFAT/Finance review of the overseas property operating framework will be the key to shaping the department's future approach to overseas property management.

*Below Emeritus Professor Donald Denoon of the Australian National University delivering the 2009 R G Neale lecture on 'The Hundred Fathers of the Torres Strait Treaty: Australia, Papua New Guinea and the Torres Strait Treaty' in Canberra on 5 November 2009.  
Photo: Angus Kendon*



*Below Reinforcement being put in place for the construction of the new perimeter wall around the Australian embassy in Baghdad.*



*Opposite Ms Deborah Cheetham and Company performing at the Department's 2009 NAIDOC Week celebrations in Canberra.  
L-R: Ms Toni Lulich; Mr Zoy Frangos; Ms Deborah Cheetham; Mr Don Bemrose; Mr Tiriki Onus.  
Photo: Chris Canham*



CORPORATE  
MANAGEMENT  
AND  
ACCOUNTABILITY  
SECTION 3



# CORPORATE MANAGEMENT AND ACCOUNTABILITY

**Overview**

**Corporate governance**

**External scrutiny**

**Management of human resources**

**Management of financial resources**



## Overview

The department demonstrated strong and flexible resource management in response to the Government's new policy initiatives and budget priorities. These included extending Australia's diplomatic presence in Afghanistan; combating people smuggling; the International Commission on Nuclear Non-Proliferation and Disarmament; the United Nations Security Council campaign; enhancing our engagement with Latin America, Africa and the Pacific; and beginning work on expanding our diplomatic presence in Lima, Chennai, Mumbai and Addis Ababa.

In response to the Government's new bargaining framework, we negotiated a new Enterprise Agreement for 2010–11, which included a number of enhancements to existing entitlements.

The department initiated new management mechanisms to strengthen coordination across the portfolio and the government.

## Corporate governance

Flexibility and innovation underpinned the department's robust governance framework. In 2009–10 we initiated new management mechanisms to strengthen whole-of-portfolio and whole-of-government coordination, commenced an appraisal of risk management initiatives, and completed a comprehensive review of the department's business continuity management and planning.

### Senior executive

During the reporting period the then Secretary, Mr Michael L'Estrange, the Acting Secretary, Ms Gillian Bird and, from January 2010, the Secretary, Mr Dennis Richardson, oversaw all significant foreign and trade policy and corporate management issues and decided all placements for senior executive staff. The deputy secretaries supported the Secretary through their management of the department's work units (see Figure 1 on page 13 for our organisational structure and the deputy secretaries' areas of responsibility). They also represented the Government at high-level meetings in Australia and overseas and chaired key corporate governance bodies.

### Senior management committees and their roles

#### Portfolio coordination

As the lead agency in the foreign affairs and trade portfolio, the department worked closely with portfolio agencies to coordinate objectives and ensure their consistency. In addition to routine consultation at the working level, from January 2010, we held weekly consultations at the senior level through the Secretary's policy meeting, to discuss foreign and trade policy issues, with a senior officer from each of AusAID and Austrade.

We continued to hold portfolio coordination meetings with the Australian Centre for International Agricultural Research (ACIAR) to discuss strategic and corporate issues.

We were also represented at deputy secretary level on the Development Effectiveness Steering Committee (DESC), a body charged with strengthening whole-of-government coordination of the aid program. The committee also advised government on the overseas development assistance strategy and budget proposals.

### **Whole-of-government coordination**

Effective whole-of-government coordination is essential to the department's policy and organisational work. We worked closely with a wide range of other agencies to achieve whole-of-government objectives, including in hosting major international meetings, in responding to consular crises, in regional counter-terrorism cooperation, and in coordinating policy approaches to bilateral and multilateral trade negotiations.

Whole-of-government coordination at our overseas posts is crucial to their operations, given the increasing numbers of attached agency staff.

As a part of this, the department issued a revised Prime Minister's Directive on the Guidelines for the Management of the Australian Government Presence Overseas. The Directive set out the guiding principles for the operation of the Australian Government's overseas operations and applies to all government agencies overseas. It helps promote an effective and coordinated approach to our overseas representation and the efficient use of public resources.

Mr Rudd's December 2008 National Security Statement gave prominence to diplomacy in achieving national security objectives. Consistent with this policy, the department contributed its perspectives and expertise on the international dimensions of national security issues, including through the new structures and processes set up to achieve greater coordination and integration on national security.

Inter-Departmental Committees (IDCs) also play a vital role in ensuring effective inter-agency coordination. We agreed to a set of whole-of-government principles and practices relating to IDCs, to ensure meetings remain focused, effective and relevant. As part of a whole-of-government twice-yearly review, we reviewed the number of IDCs (or similar meetings/committees/activities) that we chair.

Over the last couple of years, Government demands during responses to international and domestic crises and natural disasters have increased. As a result, a whole-of-government review of the existing processes and systems for responding to such events took place. The department identified a series of reforms which will enhance the way we respond to international incidents, including the way the Crisis Centre is staffed during major overseas crises.

### **Management mechanisms and meetings**

On taking up the position in January 2010, the Secretary, Mr Richardson, addressed all departmental staff, and subsequently met staff from each division and state and territory office.

The regular Senior Executive meeting was replaced by a Departmental Executive meeting with a broader membership from across the department. It met weekly from January 2010 and focused on strategic resource management and priorities, including the budget, and other matters requiring high-level attention.

The Secretary's policy meeting was established in January 2010 and took place weekly to discuss current, emerging and medium- to long-term foreign and trade policy issues. Its membership included senior departmental staff and senior officers from the Office of National Assessments, the Department of the Prime Minister and Cabinet, AusAID and Austrade.

The Secretary met division heads every week to communicate the department's foreign and trade policy and corporate priorities. Further information was conveyed to staff through administrative circulars, the department's intranet and the staff newsletter.

We kept our overseas network informed of policy and corporate issues through:

- regular formal and informal channels of communication with divisions in Canberra
- regional heads of mission/post meetings
- regional management conferences
- post liaison visits led by a deputy secretary.

The department's **Audit and Risk Committee** (ARC) provides independent assurance and assistance to the Secretary and the Departmental Executive on our risk, control and compliance framework, and our external accountability responsibilities. In 2009–10 the committee met four times.

Our **Ethics Committee** met three times during the year to oversee the development and implementation of our conduct and ethics policy. The committee promotes the highest standards of conduct and ethics within the department. Chaired by a deputy secretary, it comprises 12 members from various staffing levels and areas within the department.

In 2009–10, the Ethics Committee oversaw improvements to ethics-related training and the publication of the Conduct and Ethics Manual.

The **Workplace Relations Committee** is the primary consultative forum for management and staff representatives. A deputy secretary chairs the committee. Membership includes representatives from management areas and elected staff representatives. The Community and Public Sector Union, the Australian Manufacturing Workers' Union, the Media, Entertainment and Arts Alliance and the Association of Foreign Affairs and Trade Employees are also represented on the committee.

In 2009–10, the committee focused on a range of issues including overseas conditions of service, ICT teleworking options and the management of personnel files.

### **Conduct and ethics**

The department's Conduct and Ethics Unit (CEU) investigates allegations of fraud and misconduct and promotes the Australian Public Service (APS) Values and Code of Conduct. It also provides conduct and ethics training.

Our Conduct and Ethics Awareness Program regularly reminded staff of their responsibilities. The program included training, policy circulars and briefings on overseas conduct and ethics issues, for heads of mission, deputy heads of mission and senior administrative officers.

In addition to the APS Values and APS Code of Conduct, the department obliges employees posted overseas to abide by our own Code of Conduct for Overseas Service for Australia-based staff. This addresses our significant overseas representational role.

We also reviewed the CEU to ensure that its procedures follow best practice.

### Countering fraud

The department's fraud prevention, investigation, reporting and data collection procedures and processes meet our specific needs and comply with Commonwealth Fraud Control Guidelines.

Our fraud control plan is focused on raising awareness among staff, through fraud prevention training, fostering an ethical and professional working environment aligned with the APS Values and APS Code of Conduct, and maintaining strong internal control and audit processes that reduce fraud risks.



### Evaluation and planning

Our performance was evaluated throughout the year to ensure resources were directed most effectively to support the Government's foreign and trade policy goals. Our performance expectations and planned use of resources were outlined in our Portfolio Budget Statements.

Divisional evaluation reviews are conducted each year in July–August. These enable the Departmental Executive to evaluate the performance of each division and to determine or refine divisional priorities for the period ahead.

The Budget Allocation Review (BAR) and the Capital Management Plan (CMP) are the primary mechanisms through which decisions are made on allocating funding within the department. Work units, both in Australia and overseas, have the opportunity to bid for

funds through the BAR/CMP and mid-term BAR/CMP each year. Bids are considered by the Departmental Executive. This consolidated process allows for strong budget planning and expenditure forecasting, and ensures our internal processes are aligned with the Government's Budget timetable. BAR/CMP meetings were held in May 2010, with mid-term BAR/CMP meetings in November 2009.

We are reviewing the process for evaluating the performance of posts and state and territory offices. New arrangements will be in place for 2011. These will continue to involve seeking feedback from other agencies and departments.

In 2009–10 deputy secretaries led small teams to nine posts—Abu Dhabi, Abuja, Accra, Islamabad, Kuwait City, Nairobi, Port Moresby, Pretoria and Suva—to conduct post liaison visits to assess at first hand each post's performance against agreed objectives.

### **Risk management and business continuity planning**

The Audit and Risk Committee is responsible for risk management and business continuity planning.

In 2009, we refined our 'critical risk list', in order to enhance corporate governance and assurance processes and to ensure that current and emerging risks are appropriately identified and addressed. We also provided a submission to the annual Comcover risk management benchmarking survey.

We completed a comprehensive review of our business continuity management and planning in 2009. This involved finalising and testing business continuity plans, which we have standardised across overseas missions, state and territory offices and Canberra work units to achieve organisational consistency.

### **Internal audit**

Internal audit forms an important part of the department's governance framework, providing an integral contribution to governance, risk management and control. Internal audits presented to the Audit and Risk Committee in 2009–10 included:

- sixteen post compliance audits
- superannuation delegations audit (annual requirement)
- performance audit of service level agreement relationships at posts
- performance audit of business continuity planning management at posts.

All recommendations arising from these audits were either satisfactorily addressed during the year or were in the process of being addressed.

## External scrutiny

In 2009–10, the Auditor-General tabled in Parliament the following reports by the Australian National Audit Office (ANAO) related to the department's operations:

### **Report No.2: Campaign Advertising Review 2008–09**

This cross-agency review included DFAT. As part of the ANAO's role in reviewing proposed advertising campaigns for compliance with the June 2008 guidelines, the Auditor-General advised the Joint Committee of Public Accountants and Audit (JCPAA) that the ANAO would provide regular summary reports on its advertising review activities to Parliament.

DFAT reviewed ANAO's assessment of government advertising campaigns to ensure continued compliance.

### **Report No.14: Agencies' Contract Management**

The ANAO completed a performance audit of agencies' contracts management. The department was one of three agencies reviewed. The ANAO found overall that DFAT's practices were reasonable. More broadly it recommended that all agencies should review and where required strengthen their compliance with Finance Regulations, with specific reference to management of contract records. It also recommended that agencies managing a broad range and large number of contracts develop a systematic approach to disseminating information on contract management including periodically reviewing aggregate contract management information to identify trends in contract management performance to improve contract management processes.

The department reviewed its contract management processes and procedures to ensure ongoing compliance with Finance Regulations and took steps to reinforce with staff the requirement for compliance. It also began investigating options to further enhance contract information management systems to facilitate more strategic use of aggregate contract data. The department is currently undertaking a review of the content and delivery of contract management training to develop a more systematic approach to disseminating information on contract management.

### **Report No.17: Audits of the Financial Statements of Australian Government Entities for the period ended 30 June 2009**

Financial statement audits are an independent examination of the financial accounting and reporting of public sector entities. This report complements the interim phase report and provides a summary of the final results of the audits of the financial statements of all Australian Government entities, including the Consolidated Financial Statements for the Australian Government.

## Personal Profile:

### William Ewing



William Ewing joined DFAT as a graduate trainee in February 2009. He worked with legal counsel on the Japan and Korea Free Trade Agreements (FTAs), and was involved in a number of FTA negotiation rounds, including one in Seoul. He has also worked in the Korean Peninsula and Mongolia Section and the Solomon Islands Section. William also acted as liaison officer for high-ranking foreign officials visiting Australia under DFAT's Special Visits Program. He recently coordinated a visit by the Governor of the Central Bank of Solomon Islands.

William will shortly begin his first posting, as Third Secretary in the Australian High Commission in Honiara, Solomon Islands. His responsibilities will include liaising with representatives of the Solomon Islands Government, the private sector and non-governmental organisations, and reporting on bilateral developments and the political and economic situation.

*"My exposure to a wide range of DFAT's core tasks has prepared me well for my first posting. I'm looking forward to applying the skills and knowledge I've learnt in Canberra to help advance Australia's relationship with Solomon Islands—a regional partner of great strategic importance."*

#### **Report No.32: Management of the Overseas Owned Estate**

The objective of this audit was to assess the effectiveness of OPO's management of the overseas owned estate. In particular, the audit examined whether: sound arrangements are in place to effectively plan and oversee the management of the overseas estate; OPO effectively manages owned property on a day-to-day basis; the condition of the overseas owned estate is adequately maintained by structured and systematic repair and maintenance arrangements; OPO has appropriate information to manage the owned estate effectively; and OPO consults appropriately with stakeholders.

The report made four recommendations which related to tenant agency arrangements, improving the property condition rating system, strengthening building compliance auditing and performance indicators and reviewing with Finance the effectiveness of the current commercial management model. The department has agreed to these recommendations and is in the process of implementing them. An improved property condition rating system will be implemented in 2010–11. We will be undertaking a joint review with Finance of the overseas property operating framework with the objective of reporting to ministers during 2010–11.

**Report No.38: Campaign Advertising Review July 2009 – March 2010**

This cross-agency review included DFAT and supplements the reviews included in report No.2 above. As part of the ANAO's role in reviewing proposed advertising campaigns for compliance with the June 2008 Guidelines, the Auditor-General advised the JCPAA that the ANAO would provide regular summary reports to Parliament on its advertising review activities.

DFAT reviewed ANAO's assurance report on campaign advertising and will endeavour to incorporate the report's findings into future *smartraveller* advertising campaigns.

**Report No.41: Effective Cross-agency Agreements**

This cross-agency audit of 21 agencies, including DFAT, assessed whether agreements between Australian Government (Commonwealth) agencies reflected sound administrative practices. To meet this objective, the audit reviewed current government policy and a range of better practice guidelines, conducted interviews with agencies and examined cross-agency agreements, to formulate suitable audit criteria and subsequently develop better practice principles.

DFAT noted the contents and recommendations contained in the ANAO's report and will endeavour to implement the better practice principles contained in the report when negotiating or renegotiating new and current cross-agency agreements respectively.

**Report No.50: The Interim Phase of the Audit of Financial Statements of Major General Government Sector Agencies for the Year Ending 30 June 2010**

The interim audit of agencies related to their financial reporting responsibilities, and examined relevant internal controls, including information technology system controls.

**Courts and administrative tribunals**

The department was involved in a number of legal matters during the year. There were no decisions that had a significant legal impact on the operations of the department. Details of matters in which the department was involved are at Appendix 7.

**Commonwealth Ombudsman**

The Commonwealth Ombudsman investigated 27 approaches/complaints with respect to the department's activities in 2009–10, making no findings of administrative deficiency. No formal reports were issued.

**Fair Work Ombudsman**

On jurisdictional grounds, the department has objected to a complaint lodged with the Fair Work Ombudsman by a locally engaged staff member.

**Legislation**

The process for all portfolio-related legislation has been managed effectively.

Amendments to the *South Pacific Nuclear Free Zone Treaty Act 1986* made by the *Crimes Legislation Amendment (Serious and Organised Crime) Act (No. 2) 2010* began



on 20 February 2010. Amendments to the *Export Market Development Grants Act 1997* made by the *Crimes Legislation Amendment (Serious and Organised Crime) Act (No. 2) 2010* began on 20 February 2010. Further amendments made by the *Export Market Development Grants Amendment Act 2010* commenced operation on 30 June 2010. The *Statute Law Revision Act 2010* repealed the *Papua New Guinea (Application of Laws) Act 1973* on 1 March 2010 and made a number of minor amendments to Acts on 19 March 2010 to Acts administered by the portfolio.

The department facilitated the enactment and amendment of a number of regulations and determinations. Among them were regulations to implement Australia's obligations under the United Nations Security Council resolutions to impose sanctions upon several countries, a declaration to impose trade sanctions and determinations to implement amendments to the *Australian Passports Determination 2005*.

The department provided input to legislation managed by agencies within the portfolio and to legislation managed by other agencies that affected foreign affairs and trade portfolio legislation.

### Privacy

No reports were served on the department under section 30 of the *Privacy Act 1988* (the Privacy Act), nor were there any determinations made by the Privacy Commissioner relating to the actions of the department under sections 52 or 53 of the Privacy Act.

We are in consultation with the Office of the Privacy Commissioner (OPC) about replacing Public Interest Determination 7 with a new enhanced Public Interest Determination. This new Public Interest Determination would aid the department's consular staff overseas when assisting Australians abroad by being able to share information with medical staff in hospitalisation cases, and to provide further details to next of kin and authorities when responding to whereabouts enquiries.

In 2009–10, three complaints were made directly to the department. We concluded our investigations into one case, finding no breach of privacy. In another case, we found a breach of privacy had occurred and we offered an apology to those affected. We are continuing to investigate the other complaint.

The OPC completed one own-motion investigation in the year, finding that our handling of the issue was appropriate. It initiated another own-motion investigation in the year and found on 20 August 2010 that the department handled the issue appropriately. We continue to work with the OPC on the conciliation of a complaint it received in 2007–08, where we had found no breach of privacy.

We concluded our investigations into two of the three complaints received during 2008–09. In one matter, we found no breach of privacy. In the other, we found a breach of privacy had occurred and we offered an apology to the complainant. We are continuing an investigation into a complaint and a department-initiated investigation, both from the previous year.

A Privacy Impact Assessment (PIA) was completed and another two are being undertaken, one as part of a data sharing project between the Australian Passport Office and the

Department of Immigration and Citizenship and the second will inform the design and development of an online passport application system.

We took part in interdepartmental consultations on proposed reforms to the *Privacy Act 1988*.

### **Parliamentary committees**

The department made submissions and/or gave evidence to 10 parliamentary committee inquiries. In addition, departmental staff appeared before the Joint Standing Committee on Treaties in relation to 15 proposed treaty actions (see Appendix 6 for further details).

### **Compensation for detriment caused by defective administration**

Thirty-two cases were lodged under the compensation scheme for detriment caused by defective administration. Twenty-one cases were resolved during the year (including six from previous financial years), resulting in 11 payments made from administered funds (two additional payments were processed in the subsequent financial year). In six cases, compensation under the scheme was found not to be warranted (including one case from a previous year). Nineteen cases (including two from the previous year) remained in progress at the end of the financial year.

### **Management of human resources**

The department managed staff flexibly and effectively in response to the Government's policy priorities in 2009–10, including the International Commission on Nuclear Non-Proliferation and Disarmament and the United Nations Security Council campaign; combating people smuggling; enhancing our engagement with Latin America, Africa and the Pacific; extending Australia's diplomatic presence in Afghanistan; and commencing work on expanding our diplomatic presence in Lima, Chennai, Mumbai and Addis Ababa.

In line with the government's changing priorities, funding was provided during 2009–10 for new positions, including 31 new A-based positions overseas, 17 new locally engaged staff positions overseas, and 25 new positions in Canberra. These additional resources enhanced productivity and strengthened the department's capacity to perform the full range of its foreign, trade, security, consular and passport responsibilities.

### **Workforce planning, staff mobility and retention**

In response to a dynamic policy environment and the need to deploy staff overseas, the department continued to carry out regular placements and posting rounds to ensure we filled positions with skilled staff. We continued to develop our employees' skills and experience to allow them to move readily between positions in Canberra, overseas and state and territory offices.

Seventy-nine ongoing staff separated from the department in 2009–10.

### Human resource management information system

The department expanded its human resource management information system, PeopleSoft, to include locally engaged staff (LES) in Port Moresby. This was the first step in improving global LES payroll management.

### Recruitment

In 2009–10, the department completed 65 recruitment processes resulting in over 273 offers of employment.

Thirty-nine graduate trainees and eight corporate and financial management trainees (CFMTs) started work in the department in 2010. The department's 2011 graduate recruitment program attracted well-qualified applicants, with 2234 applications received for the graduate trainee intake and 194 for the CFMT intake.

## Personal Profile:

### Sandra Tam



Sandra Tam joined the department in 2009 as a Corporate Financial and Management Trainee (CFMT). She has completed rotations in the Performance Management Unit, the Procurements, Contracts and Governance Section, and the Audit and ICT Finance Management Sections. These rotations have given her hands-on experience in human resources, legal issues and the financial management of the department's resources.

Sandra also worked in Cairo, on a short-term mission, as Vice-Consul. She oversaw property renovations to the chancery and the Ambassador's residence, and assisted the post with finance and consular matters.

Over the two-year CFMT program, Sandra's training in the financial, consular policy and corporate management roles has helped her develop the skills required for her first overseas posting. As well as practical on the job training, CFMTs undertake further financial or corporate management studies—and Sandra has just qualified as a Chartered Accountant.

*"It's been great to rotate through different areas of the department, because it gives you an insight into where your career in DFAT can take you."*

### Workplace diversity

Our key workplace diversity events included NAIDOC Week in July 2009 and International Women's Day in March 2010.

Through our overseas network and state and territory offices, we recognised and promoted the contributions women make to society in Australia and globally, by hosting

celebrations to commemorate International Women's Day on 11 March 2010. The events focused on the many challenges faced by women in leadership roles.

We continued our active engagement in APS-wide initiatives to promote workplace diversity, Indigenous employment and enhanced employment opportunities for people with disabilities, including through the celebration of Families Week and Harmony Day.

### **Reconciliation Action Plan**

Our Reconciliation Action Plan (RAP) 2007–10 contributes to Australia's National Strategy of Action, the overarching objective of which is closing the seventeen-year life expectancy gap between Indigenous and non-Indigenous Australians. The RAP reflects our Indigenous Recruitment and Career Development Strategy 2007–10, which seeks to improve recruitment and retention rates of Indigenous staff and ensure these staff maximise their career potential in the department.

### **Commonwealth disability strategy**

The department met its responsibilities under the *Disability Discrimination Act 1992*, the *Workplace Relations Act 2006* and the objectives in the Management Advisory Committee report on *Employment of People with Disability in the APS*, in accordance with the Commonwealth Disability Strategy Performance Reporting Framework. We are committed to equity in employment and the elimination of harassment and discrimination of employees with a disability. Our 2009–10 Collective Agreement and human resource policies set out mechanisms to achieve Commonwealth disability strategy objectives.

We continued to implement our 'Disability Action Plan for Employing People with Disability 2007–10'. We developed appropriately tailored individual employee programs designed to: foster reasonable adjustments, behaviours, attitudes, systems and knowledge; successfully engage with people with a disability as employees; and implement proactive strategies to attract and retain talented people with a disability. The department reviewed and developed new Selection Advisory Committee Guidelines to be more inclusive of employing and retaining employees with disabilities.

As at June 2010, 28 staff had identified as having disabilities.

### **Training and development**

The department provided a range of induction, management, leadership, policy and professional skills and overseas training programs, many of which utilised the expertise of external training consultants. Staff had access to over 175 courses, seminars and workshops during 2009–10. We concluded a memorandum of understanding (MOU) on education and training with the Indonesian Ministry of Foreign Affairs. The MOU sets out a framework for cooperation between officials, students and lecturers, as well as exchanges of information and joint training activities.

In September 2009, we introduced a 'Support for Professionals Scheme' to further our commitment to support staff to pursue professional development opportunities directly relevant to the department's work. The scheme provides for the reimbursement of fees and training costs required to retain membership of relevant professional associations.

### **Trainee programs**

In February 2010, 39 **graduate trainees** (one less than last year) commenced a two-year training program. The program consists of four work placements to build the trainees' skills in bilateral, trade, multilateral and corporate policy areas.

Eight **corporate and financial management trainees** joined the department in February 2010 (the same number as last year). Recruited with a minimum of a bachelor's degree minor in accountancy, they are trained to be corporate policy specialists.

The two-year **Administrative Development Program** provides a pool of skilled staff to fill administrative positions in Australia and overseas. This program is offered to employees at the APS2 to EL1 levels of the department. In 2009–10, 11 staff participated in the program.

We assisted seven cadets with their tertiary studies through the **Indigenous Cadetship Program**. One of the cadets completed the program and is engaged in employment outside the department. We are assisting the remaining six cadets with their studies, until they graduate and join as full-time employees.

### **Studies assistance**

Our Studybank scheme provided leave and financial assistance to 39 staff to complete academic courses in areas relevant to the department's work.

### **Language Training**

The department continued to place a high priority on training staff in languages that reflect Australia's foreign and trade policy interests and consular priorities. Over the year, 91 employees undertook long-term language training in Australia and overseas. A further 55 staff undertook short-term 'survival' language training of four weeks, in preparation for their postings. Total expenditure on language training was over \$3.78 million (compared with \$2.7 million last year).

### **Performance management**

Performance appraisal of employees is an important component of the department's human resource strategy. Our performance management system (PMS) sets performance objectives and indicators for each employee, provides the key means for evaluation and feedback, and is used to identify personal training and development needs.

The PMS was a key consideration during negotiations for the department's 2009–10 Collective Agreement (CA). The outcome of those negotiations introduced some substantial changes to previous arrangements. The key changes to the PMS were:

- movement of the performance cycle from the year ending 30 June to the year ending 31 March
- introduction of a system comprising four categories of performance assessment
- provision of annual pay-point movements for staff who perform in the top two categories, or a performance bonus (two per cent of annual base salary) for staff at the top of a broadband or band.

### Locally engaged staff

Our performance at overseas posts is significantly enhanced by the work of locally engaged staff (LES). Under the 2009 Prime Minister's Directive, the department manages the appointment, termination, salary and conditions of service of all LES, except Austrade and AusAID, in accordance with contemporary Commonwealth management principles, local labour and other relevant laws and good employer practice. The department is the legal employer of more than 3050 LES, over 1460 of whom were employed on behalf of other government agencies.

The department implemented the Machinery of Government decision to transfer the Australian Education International function from DEEWR to Austrade, which affected 60 LES positions at 21 posts.

### Workplace arrangements

Consistent with the Government's workplace relations framework, we use Determinations made under section 24(1) of the *Public Service Act 1999* to supplement the collective agreement terms and conditions for non-SES staff. SES officers' entitlements are delivered using Determinations under the same provision from the *Public Service Act 1999*.

During the year the department transitioned the majority of staff covered by Australian Workplace Agreements (AWAs) onto section 24(1) Determinations.

The department's 2009–10 collective agreement and supplementary workplace arrangements helped deliver increased productivity and a high-performing, motivated workforce. This was achieved through our strong performance-based culture and an emphasis on high-quality management of human resources to achieve excellence in foreign and trade policy and client service.

### Remuneration of senior executives

During 2009–10, all ongoing SES staff were placed on Determinations made pursuant to section 24(1) of the *Public Service Act 1999*. There was an annual increase of 2.8 per cent of base salary.

### Enterprise Agreement

Negotiations took place on a new Enterprise Agreement as the department's existing 2009–10 Collective Agreement expired on 6 July 2010. The new agreement came into effect on 7 July 2010 and expires on 30 June 2011. It includes a number of enhancements to existing entitlements, including flex-time and time-off in-lieu, personal/carers' leave and maternity/adoption leave. It also provides for a salary increase of 2.9 per cent.

## Personal Profile:

### Casey Beath



Casey Beath is a graduate of the Indigenous Cadetship Program, and is currently working in the Canada and Latin America Section at DFAT in Canberra. She joined the Department in 2007 as an Indigenous Cadet, while completing her degree in International Relations at the Australian National University.

After joining the department full-time in 2009, Casey gained experience in a wide range of Australia's foreign and trade issues, including through placements in the Indonesia Political and Trade Sections, and the Consular Information Section. She is currently the desk officer responsible for Haiti and Peru, and provides ministerial briefing, submissions and advice on our relationships with these countries.

*"I am grateful for the opportunities presented by both the Indigenous Cadetship and Graduate programs. I'm looking forward to developing my career in the department, and one day representing Australia overseas."*

#### **Non-salary benefits**

Our staff were entitled to a range of non-salary benefits, as offered by both the collective agreement and individual workplace arrangements. These included performance-based bonuses and a range of flexible and family-friendly working practices. Allowances for overseas service are a non-salary benefit available to compensate staff posted overseas for the costs and, in some cases, hardship conditions, associated with a posting.

#### **Staff welfare**

Our Medical Unit, Staff Counselling Office and Family Liaison Officer provide specialist welfare services to our staff. In addition to providing advice to the department and individual employees on health-related issues, the Medical Unit managed 77 medical evacuations over the year. Over 470 Australia-based staff, their families and locally engaged staff received counselling.

The Family Liaison Officer worked with the Community Liaison Officer network at overseas posts to provide assistance to posted employees and their families on spouse recognition and employment, educational needs of children, cultural adjustment, general living conditions at post and other issues.

## Management of financial resources

The department's operations in Australia and overseas are underpinned by a sound and prudent financial resource management framework, which includes effective internal controls and regular budgeting performance reports.

In the ANAO's *Interim Phase of the Audit of Financial Statements of General Government Sector Agencies for the Year ending 30 June 2010*, tabled in Parliament in June 2010, the ANAO acknowledged that the department has effective internal controls in place to ensure good financial management and a sound financial reporting framework. The ANAO found no audit issues of a significant nature in our financial statements.

In the 2009–10 Budget, the Government provided additional funding to enhance the ability of the department to advance the interests of Australia and Australians internationally:

- \$281.3 million over four years in new departmental funding (non-property)
- \$51.8 million to reverse savings that were due to impact on the department's budget in 2009–10
- \$163.6 million over four years for property projects.

Through the 2009–10 Additional Estimates, the Government provided additional funding of \$33.6 million for new measures and routine adjustments, net of a reduction of \$6.7 million to deliver savings to the Government.

In 2009–10 the department paid to the Consolidated Revenue Fund a dividend of \$986 200 from the Overseas Property Special Account.

There have been no developments since 30 June 2010 that have affected or may significantly affect future operations or financial results of the department.

### Financial management information system

The department commenced a large-scale program of work to upgrade the financial management information system, SAP. This work will be undertaken over the next two financial years. The program will deliver productivity improvements and enhanced functionality.

### Assets management

A rigorous capital funding process was in place to ensure work units provided well-argued business cases to seek capital funds. Bids are assessed twice a year by the Executive. Concurrently, the Executive, in addition to receiving monthly budget reports, reviews in detail the progress of previously approved projects. Work areas continually review and update their asset purchasing and disposal needs as part of a five-year asset plan.

In 2005–06, the department moved to a five-year rolling cycle for asset revaluations. Under the rolling plan, asset classes are revalued once every five years. The only exceptions are land and buildings, which are revalued every year. Informal reviews and impairment testing of asset classes are conducted annually to ensure asset values are fairly stated in the end of year accounts. In 2009–10, the Information Technology



equipment and Land and Building asset classes were formally revalued under the rolling cycle.

### **Competitive tendering and contracting**

The department commenced a continuous improvement program of procurement guidelines and templates in response to recommendations from a recent ANAO performance review. It participated in the evaluation of the procurement of the Whole-of-Australian-Government Air Travel and Travel Management Services.

### **Purchasing performance**

Our procurement policy and the contractual arrangements entered into by the department comply with all relevant Commonwealth procurement policies and legislation, in particular the *Commonwealth Procurement Guidelines*.

All competitive tendering and contracts of \$100 000 or more (inclusive of GST) let during the reporting period allow access for the Auditor-General to the contractors' premises.

### **Exempt contracts**

There were no contracts in excess of \$10 000 or standing offers exempted from being published in the Purchasing and Disposal Gazette (AusTender) on the basis that publication would disclose exempt matters under the *Freedom of Information Act 1982*.

### **Consultancy services**

During 2009–10, 48 new consultancy services contracts were entered into involving total actual expenditure of \$2 031 090 (inclusive of GST). In addition, 11 ongoing consultancy contracts were active during the 2009–10 year, involving total actual expenditure of \$1 470 798 (inclusive of GST).

A detailed list and actual expenditure of all consultancy contracts let during the year to the value of \$10 000 or more is available in Appendix 12: Consultancy services.

Annual reports contain information about actual expenditure on contracts for consultancies. Information on the value of contracts and consultancies to the value of \$10 000 or more is available on the AusTender website [www.tenders.gov.au](http://www.tenders.gov.au).

## Personal Profile:

### Nathan Leonard



Nathan Leonard joined the department in February 2006, as Manager of the Canberra Passport Office. In 2009, he was selected to undertake a two-year traineeship as part of the Administrative Development Program (ADP). This departmental program is designed to further develop individuals' administrative skills and corporate knowledge, to enhance the effective management of administrative processes in Australia's overseas missions.

As part of the ADP, Nathan has completed a number of placements in Australia and overseas, including in the Consular Operations Section and the Audit and Evaluation Section. He will soon begin a short-term mission in Riyadh, Saudi Arabia, as acting Senior Administrative Officer.

*"The Administrative Development Program has proved to be a fantastic opportunity. It has provided me with a broad range of skills and experience that I look forward to applying in the overseas environment."*

### Overseas property—leased estate

The department leases approximately 530 properties overseas, including chanceries, head of mission residences, staff accommodation and other facilities.

Overseas leased estate projects underway, or in the planning and development stages in 2009–10, included relocation of the chanceries in Ho Chi Minh City, Nicosia and Stockholm, as well as establishment of new chanceries in Addis Ababa, Lima and the Holy See and new offices for DFAT-led consulates-general in Chennai and Mumbai. The relocation of the chancery in Seoul to new premises was completed during the year.

### Domestic property

The department leases office accommodation for its operations in Canberra, each of the state capitals, Darwin and Newcastle, as well as on Thursday Island, where it also owns a residence.

The department continued its commitment to incorporating environmentally sustainable measures in its operations. Its Environmental Management System (EMS) for the R G Casey Building in Canberra underwent recertification in May 2010 and continues to comply with International Standard ISO 14001.

## Outlook

In 2010–11, the department will work to strengthen its risk management framework, to increase training of staff on risk management issues and to keep under review strategies to mitigate against the department's critical risks. We will also work to embed best practice business continuity management across the department following our comprehensive review of practices in 2009–10.

The department will continue to work closely with other portfolio agencies to coordinate policy responses. The expansion of the aid program will require continued close coordination between AusAID and DFAT, particularly through the DESC, to ensure a whole-of-government focus is maintained.

We will continue to monitor closely our budget expenditure. The department will focus on the efficient implementation of new policy objectives of the Government, including the expansion of our diplomatic presence in Afghanistan, strengthening of Australia's consulates-general in Chennai and Mumbai, the transfer of security arrangements at our embassy in Baghdad and the establishment of a diplomatic presence in Lima and Addis Ababa.

The implementation of the new one-year enterprise agreement will be a priority. Negotiation of a new enterprise agreement will also be required.

We will undertake a number of initiatives to improve efficiencies, including the implementation of Whole-of-Australian-Government Travel Management Services, upgrading our financial management system to enable improved business practices, implementing an ICT Capability Improvement Plan and delivering efficiencies in payroll services.

*Below* In March 2010, Australia hosted the Five Nations Passport Conference, a gathering of senior officials responsible for passport services in Australia, Canada, New Zealand, the United Kingdom and the United States. Delegates, who meet annually to share innovation in passport security, technology and issuing systems, were welcomed to Sydney by the Koomurri Dance Troupe. Photo: Jason McCormack



*Below* Australian High Commissioner to Samoa, Mr Matt Anderson (far right), speaking with members of the Queensland Urban Search and Rescue (USAR) team at the Lalomanu Forward Operating Base during the response to the earthquake and tsunami, which struck Samoa on 29 September 2009. The USAR team were a crucial part of the initial Australian response to the tsunami. They undertook more than 550 hours of search and recovery in physically confronting conditions, and which included numerous aftershocks. One hundred and fifteen Australian personnel were deployed to Samoa as part of an \$12 million response package.



*Opposite* The then Deputy Head of Mission of the Australian Embassy in Manila, Mr Stephen Scott (front), visiting the Women for Social Development, Inc. (WSDI) in Lavezares, Northern Samar, Philippines, in celebration of International Women's Day, 2010. The WSDI is leading local efforts to promote greater community participation in managing solid waste segregation and disposal. The Embassy's Direct Aid Program supported this initiative through the provision of 26 bicycles with sidecars (pedicabs) for each of the municipal barangays (villages).



# APPENDIXES

- 1. Ministerial responsibilities**
- 2. Staffing overview**
- 3. Agency resource statement and outcome resource summaries**
- 4. Occupational health and safety**
- 5. Freedom of information**
- 6. Inquiries by parliamentary committees**
- 7. Matters before courts and administrative tribunals**
- 8. Ecologically sustainable development and environmental performance**
- 9. Purchaser–provider arrangements**
- 10. Advertising and market research**
- 11. Grants and contributions**
- 12. Consultancy services**
- 13. List of sponsors**
- 14. Summary of the overseas network**

# APPENDIX 1

## MINISTERIAL RESPONSIBILITIES

### Minister for Foreign Affairs and Trade, The Hon. Stephen Smith, MP



Mr Smith has responsibility for the Foreign Affairs and Trade portfolio, including administration of the Department of Foreign Affairs and Trade. He is responsible for bilateral political relationships, international political, multilateral and legal issues, including the treaty-making process, UN engagement, human rights, arms control and disarmament issues.

Mr Smith is responsible for pursuing Australia's trade and investment interests through trade and economic diplomacy and negotiations. He is responsible for Australia's engagement with the World Trade Organization (WTO), including the

Doha Development Round of world trade talks, trade dispute settlement and other key global trade matters, along with Organisation for Economic Co-operation and Development (OECD) trade issues. Mr Smith actively pursues Australia's trade and economic interests, through the Asia-Pacific Economic Cooperation (APEC) forum, the ASEAN–Australia–New Zealand FTA, negotiations to advance the Trans-Pacific Partnership Agreement (TPP) and PACER Plus with our South Pacific neighbours and through the pursuit of other FTAs with trading partners.

Mr Smith is responsible for development assistance, consular and passport functions and the management of Australia's overseas estate.

Mr Smith has primary carriage of public affairs activities and questions of protocol.

Mr Smith shares responsibility for international security and counter-terrorism issues with the Minister for Defence.

He has responsibility for the administration and management of AusAID (the Australian Agency for International Development), the Australian Secret Intelligence Service (ASIS), the Australian Safeguards and Non-Proliferation Office (ASNO), the Australian Centre for International Agricultural Research (ACIAR), Austrade (including the Export Market Development Grants Scheme, TradeStart, Investment Attraction and Brand Australia) and the Export Finance and Insurance Corporation (EFIC).

### **Parliamentary Secretary for International Development Assistance, The Hon. Bob McMullan, MP**



Mr McMullan supports the Minister for Foreign Affairs in implementing Australia's international development policy and is responsible for the day-to-day management of issues related to the aid program. This involves working closely with AusAID, international development partners, other donor governments and international organisations to advance Australia's development objectives. He is also responsible for raising the awareness of the Government's aid policies and priorities among the Australian public through the media and public events.

### **Parliamentary Secretary for Trade, The Hon. Anthony Byrne, MP**



Mr Byrne supports the Minister for Trade in promoting and advocating the Government's trade and investment attraction policy. Mr Byrne works with the Minister for Trade, the Department of Foreign Affairs and Trade and Austrade to implement export, business development and investment attraction programs. He is responsible for raising the awareness of the Government's trade and investment policies and priorities among the Australian public through media and public events. Mr Byrne represents the Minister for Trade at trade-related functions. He also seeks to help Australian companies capitalise

on new market access opportunities resulting from multilateral, regional and bilateral agreements, especially with respect to the ASEAN–Australia–New Zealand FTA and the Australia–Chile FTA.



# APPENDIX 2

## STAFFING OVERVIEW

TABLE 10. EMPLOYEES BY CLASSIFICATION, GENDER AND LOCATION (EXCLUDING LOCALLY ENGAGED EMPLOYEES OVERSEAS)

Classification*	Female			Male			Total Staff 30 June 2010	Total Staff 30 June 2009
	Canberra	State Offices	Overseas	Canberra	State Offices	Overseas		
APS 1	0	0	0	0	0	0	0	0
APS 2	7	8	0	1	0	0	16	40
APS 3	19	52	1	6	12	0	90	55
APS 4	76	62	15	35	16	18	222	373
APS 5	132	82	55	55	27	35	386	230
APS 6	79	1	20	55	2	18	175	279
Exec. Level 1	237	10	92	272	17	110	738	558
Exec. Level 2	68	1	45	133	5	56	308	298
Non SES Unattached**	89	0	0	40	0	0	129	133
SES Band 1	19	1	18	55	0	31	124	120
SES Band 2	6	0	4	16	1	23	50	47
SES Band 3	1	0	0	5	0	16	22	15
SES (Spec.) Band 1	0	0	0	1	0	0	1	1
SES (Spec.) Band 2	1	0	0	0	0	0	1	1
SES Unattached**	8	0	0	12	0	0	20	24
Director of Safeguards***	0	0	0	1	0	0	1	1
Secretary	0	0	0	1	0	0	1	1
Cadet	3	0	0	2	0	0	5	5
Graduate	50	0	0	38	0	0	88	38
Medical Officer Class 3	0	0	2	0	0	3	5	6
Medical Officer Class 4	0	0	0	2	0	1	3	1
<b>Total</b>	<b>795</b>	<b>217</b>	<b>252</b>	<b>730</b>	<b>80</b>	<b>311</b>	<b>2385 †</b>	<b>2226</b>

\* Broadband classifications applicable to APS 1-6, Executive Levels 1-2, Cadets and Graduates are identified in Table 18 on page 217.

\*\* Includes staff on leave without pay, on long service leave, seconded to other agencies and staff covered by the Members of Parliament (Staff) Act 1984.

\*\*\* Director of Safeguards, a statutory officer responsible to the Minister for Foreign Affairs, occupies the position of Director General of the Australian Safeguards and Non-Proliferation Office.

† The rise in staff is attributable to an increase in Australian Passport Office staff (to service a growing demand for passports), the conversion of IT contractors to ongoing positions in implementing the APS-wide Gershon Review recommendations and additional resources received through the 2009-10 Budget process. The additional APO staff were funded by the Passports Funding Agreement with the Department of Finance and Deregulation.

Note: Staffing figures are based on a headcount.

**TABLE 11. ONGOING AND NON-ONGOING EMPLOYEES (EXCLUDING LOCALLY ENGAGED EMPLOYEES OVERSEAS), FULL-TIME AND PART-TIME**

Ongoing employees		No-ongoing employees		Total	Total
Full-time	Part-time	Full Time	Part Time	30 June 2010	30 June 2009
<b>2142</b>	<b>138</b>	<b>95</b>	<b>10</b>	<b>2385</b>	2226

**TABLE 12. EMPLOYEES BY CATEGORIES OF EMPLOYMENT (AS DEFINED UNDER SECTION 22 AND 74 OF THE PUBLIC SERVICE ACT 1999)**

Category	Female	Male	Total 30 June 2010	Total 30 June 2009
Ongoing employees	1197	1083	<b>2280</b>	2152
Non-ongoing employees	67	38	<b>105</b>	74
Overseas employees (locally engaged employees)	800	786	<b>1586</b>	1577
<b>Total</b>	<b>2064</b>	<b>1907</b>	<b>3971 †</b>	3803

† The increase in staff is attributable to an increase in Australian Passport Office Staff (to service the increase in demand for passports), the conversion of IT contractors to ongoing positions in implementing the APS-wide Gershon Review recommendations, additional resources received through the 2009–10 Budget process and additional LES funded through the Service Level Agreement to provide common administrative services to other Commonwealth agencies. The additional APO staff were funded by the Passports Funding Agreement with the Department of Finance and Deregulation, while the additional LES were funded through Service Level Agreements with other agencies.

**TABLE 13. SENIOR EXECUTIVE SERVICE BY LEVEL AND LOCATION**

Category	Canberra	State offices	Overseas	Total 30 June 2010	Total 30 June 2009
SES Band 1	74	1	23	<b>98</b>	87
SES Band 2	22	1	4	<b>27</b>	25
SES Band 3	6	0	0	<b>6</b>	5
SES Specialist Band 1	1	0	0	<b>1</b>	1
SES Specialist Band 2	1	0	0	<b>1</b>	1
Director of Safeguards*	1	0	0	<b>1</b>	1
Head of Mission Band 1	0	0	26	<b>26</b>	33
Head of Mission Band 2	0	0	23	<b>23</b>	22
Head of Mission Band 3	0	0	16	<b>16</b>	10
Secretary	1	0	0	<b>1</b>	1
SES Unattached**	20	0	0	<b>20</b>	24
<b>Total</b>	<b>126</b>	<b>2</b>	<b>92</b>	<b>220</b>	210

\* Director of Safeguards, a statutory officer responsible to the Minister for Foreign Affairs, occupies the position of Director General of the Australian Safeguards and Non-Proliferation Office.

\*\* Includes staff on leave without pay, on long service leave, seconded to other agencies and staff covered by the *Members of Parliament (Staff) Act 1984*.

TABLE 14. SENIOR EXECUTIVE SERVICE BY GENDER

Category	Female	Male	Total 30 June 2010	Total 30 June 2009
SES Band 1	27	71	<b>98</b>	87
SES Band 2	6	21	<b>27</b>	25
SES Band 3	1	5	<b>6</b>	5
SES Specialist Band 1	0	1	<b>1</b>	1
SES Specialist Band 2	1	0	<b>1</b>	1
Director of Safeguards*	0	1	<b>1</b>	1
Head of Mission Band 1	11	15	<b>26</b>	33
Head of Mission Band 2	4	19	<b>23</b>	22
Head of Mission Band 3	0	16	<b>16</b>	10
Secretary	0	1	<b>1</b>	1
SES Unattached**	8	12	<b>20</b>	24
<b>Total</b>	<b>58</b>	<b>162</b>	<b>220</b>	210

\* Director of Safeguards, a statutory officer responsible to the Minister for Foreign Affairs, occupies the position of Director General of the Australian Safeguards and Non-Proliferation Office.

\*\* Includes staff on leave without pay, on long service leave, seconded to other agencies and staff covered by the *Members of Parliament (Staff) Act 1984*.

TABLE 15. SENIOR EXECUTIVE SERVICE: GAINS AND LOSSES DURING THE YEAR

	Total
Commenced in the department*	29
Separated from the department	19

\* Includes promotions of non-SES staff from within the department.

TABLE 16. SENIOR EXECUTIVE SERVICE: INTER-AGENCY MOBILITY DURING THE YEAR

	Band 1	Band 2	Band 3	Total
To the department	1	1	1	3
From the department	0	1	1	2

TABLE 17. EMPLOYEES BY LOCATION AND GENDER AS AT 30 JUNE 2010

Location	Australia-based female:	Australia-based: male	Australia-based: total	Locally engaged: female	Locally engaged: male	Locally engaged: total
<b>Canberra</b>						
<i>Subtotal</i>	795	730	1525			
<b>Overseas post regions</b>						
North Asia	29	48	77	120	79	199
South and South-East Asia	71	91	162	229	294	523
Americas	33	40	73	96	77	173
Europe	58	61	119	179	143	322
Middle East and Africa	33	39	72	82	108	190
New Zealand and the South Pacific	28	32	60	94	85	179
<i>Subtotal</i>	252	311	563	800	786	1586
<b>State and territory offices</b>						
New South Wales	72	20	92			
Northern Territory	8	2	10			
Queensland	37	15	52			
South Australia	14	5	19			
Tasmania	4	5	9			
Victoria	59	21	80			
Western Australia	23	12	35			
<i>Subtotal</i>	217	80	297			
<b>Total</b>	<b>1264</b>	<b>1121</b>	<b>2385</b>	<b>800</b>	<b>786</b>	<b>1586</b>

TABLE 18. EMPLOYEES COVERED BY COLLECTIVE AGREEMENT, AUSTRALIAN WORKPLACE AGREEMENTS AND SECTION 24 (1) DETERMINATIONS UNDER THE PUBLIC SERVICE ACT 1999 AS AT 30 JUNE 2010

APS Level	Collective agreement			AWA			Section 24(1) Determination			Total
	Salary min	Salary max	No of staff	Salary min	Salary max	No of staff	Salary min	Salary max	No of staff	
APS 1-3, Broadband 1 (includes graduates and cadets)	38,569	55,151	205		n.a.	0			0	205
APS 4-5, Broadband 2	56,701	66,810	640		n.a.	0			0	640
APS Level 6	68,935	77,510	184		n.a.	0		*	2	186
Exec. Level 1	85,844	96,023	765		n.a.	0	103,708	122,621	11	776
Exec. Level 2 **	103,708	117,127	305		n.a.	0	132,402	135,380	30	335
Medical Officers		n.a.	0		n.a.	0	138,063	163,332	7	7
Sub-total non-SES			2099			0			50	2149
SES ***		n.a.	0		*	2	135,380	226,172	204	206
Sub-total SES			0			2			204	206
<b>Total</b>			<b>2099</b>			<b>2</b>			<b>304</b>	<b>2355 #</b>

n.a. not applicable

\* Where there is a possibility that payments to individuals may be identified (i.e. five or fewer employees at a classification level) the salary range is not shown.

\*\* Includes Executive Level 2 staff deployed to Head of Mission SES positions overseas.

\*\*\* The Secretary and the Director General of the Australian Safeguards and Non-Proliferation Office have not been included in the above figures as their remuneration is set by Prime Ministerial Determinations and the Remuneration Tribunal respectively.

# Note: This table excludes 28 staff on temporary transfer, including to the Office of the Governor-General, Parliament House and other government agencies.

## Performance pay

Performance pay information reported in this section relates to outcomes for the performance appraisal period 1 July 2008 to 30 June 2009 and for the period 1 July 2009 to 31 March 2010, following the introduction of a new performance management cycle in 2009–10.

### Appraisal period from 1 July 2008 to 30 June 2009

Performance-related bonuses for the 2008–09 period totalled \$4.76 million (up from \$4.41 million for 2007–08). The increase reflected one-off adjustments to compensate for changes to the performance management system and higher pay scales in 2008–09. The additional one-off payment of three per cent of annual base salary was paid to employees with banked ratings which could not be transferred to the new performance management system.

For non-SES employees, performance-related bonuses totalled \$2.98 million, an increase of 6.8 per cent on the \$2.79 million paid in 2007–08).

SES employees rated Outstanding received a 12 per cent bonus; those rated Superior received a six per cent bonus; and those rated Fully Effective received a three per cent bonus. SES bonuses for the 2008–09 period totalled \$1.78 million, an increase of 10.6 per cent on the \$1.61 million paid in 2007–08.

**TABLE 19. PERFORMANCE BONUS PAYMENTS BY LEVEL: 2008–09 PERFORMANCE CYCLE**

	Number	Aggregated amount (\$'000)	Average amount (\$)	Range of payments (\$) *
Non-SES				
APS 3	31	81	2 619	682–6 618
APS 4	22	79	3 570	2 119–4 963
APS 5	151	498	3 295	739–8 017
APS 6	23	106	4 625	1 801–9 301
Exec. Level 1	302	1 407	4 659	726–11 522
Exec. Level 2**	142	809	5 700	1 116–14 406
<i>Subtotal non-SES</i>	<i>671</i>	<i>2 980</i>	<i>4 441</i>	<i>682–14 406</i>
SES Band 1	141	837	5 936	2 281–17 910
SES Band 2	48	541	11 270	2 221–21 947
SES Band 3	23	398	17 304	3 038–43 125
<i>Subtotal SES</i>	<i>212</i>	<i>1 776</i>	<i>8 377</i>	<i>2 281–43 125</i>
<b>Total</b>	<b>883</b>	<b>4 756</b>	<b>5 386</b>	<b>682–43 125</b>

\*Low minimum payment figures are due to the payment of pro-rata bonuses to staff who worked only part of the performance management cycle.

\*\*Exec. Level 2 includes medical officers.

Note: The difference in the amount of performance bonus payments between the table above and the Executive Remuneration disclosures in the Financial Statements at Note 14A is due, inter alia, to the latter not including amounts paid to senior executives employed where the person worked during the financial year wholly or mainly outside Australia (e.g. heads of mission).

### Appraisal period from 1 July 2009 to 31 March 2010

The first period of the new performance management system was shortened to nine months (1 July 2009 to 31 March 2010) to allow for the change in timing for subsequent cycles.

Performance-related bonuses for the shortened 2009–10 performance period totalled \$1.94 million (a drop of 59.2 per cent from 2008–09).

For non-SES employees, performance-related bonuses totalled \$1.29 million (a decrease of 56.8 per cent from the \$2.98 million paid in the previous cycle). A total of 783 non-SES employees received bonuses in this performance management period, an increase of 16.7 per cent from 2008–09. However, the decrease in the size of bonus payments this year, compared with 2008–09, reflected changes in the 2009–10 Collective Agreement that introduced a two per cent bonus based on annual salary for eligible employees.

Transitional arrangements in the 2009–10 Collective Agreement included a \$1000 one-off bonus for eligible APS 6 employees totalling \$131 540.

SES bonuses for the shortened 2009–10 cycle totalled \$0.65 million, down from \$1.78 million in 2008–09. This represented a drop of 63.3 per cent. Bonus payments ranged from \$1 535 to \$7 187. Eligible SES officers were paid two per cent bonus on annual base salary, recognising that SES do not have access to incremental advancement. This new arrangement explains the difference in payments from previous cycles.

**TABLE 20. PERFORMANCE BONUS PAYMENTS BY LEVEL: 2009–10 PERFORMANCE CYCLE (PERIOD FROM 1 JULY 2009 TO 31 MARCH 2010)**

	Number	Aggregated amount (\$'000)	Average amount (\$)	Range of payments (\$)*
<b>Non-SES</b>				
APS 3	37	39	1 066	441–1 103
APS 4	0	–	–	–
APS 5	153	195	1 276	363–1 336
APS 6	142	137	967	283–1 550
Exec. Level 1	311	586	1 885	522–2 031
Exec. Level 2	140	330	2 359	1 235–2 840
<i>Subtotal non-SES</i>	<i>783</i>	<i>1 287</i>	<i>1 643</i>	<i>283–2 840</i>
SES Band 1	132	387	2 929**	1 563–2 985
SES Band 2	49	179	3 652	3 380–3 657
SES Band 3	18	87	4 869	4 316–7 187
<i>Subtotal SES</i>	<i>199</i>	<i>653</i>	<i>3 281</i>	<i>1 535–7 187</i>
<b>Total</b>	<b>982</b>	<b>1 940</b>	<b>1 975</b>	<b>283–7 187</b>

\*Low minimum payment figures are due to the payment of pro-rata bonuses to staff who worked only part of the performance management cycle.

\*\*The reduction in SES Band 1 bonus payments from 2008–09 reflects in part the new arrangements for EL2 HOM/HOPs to elect either a pay point movement at their substantive EL2 level or an SES bonus payment.

Note: The difference in the amount of performance bonus payments between the table above and the Executive Remuneration disclosures in the Financial Statements at Note 14A is due, inter alia, to the latter not including amounts paid to senior executives employed where the person worked during the financial year wholly or mainly outside Australia (e.g. heads of mission).

## APPENDIX 3

AGENCY RESOURCE STATEMENT AND  
OUTCOME RESOURCE SUMMARIES

TABLE 21. DEPARTMENT OF FOREIGN AFFAIRS AND TRADE RESOURCE STATEMENT 2009-10

	Actual available appropriation for 2009-10 \$'000 (a)	Payments made 2009-10 \$'000 (b)	Balance remaining 2009-10 \$'000 (a) - (b)
<b>Ordinary Annual Services</b>			
Departmental appropriation <sup>1</sup>	1,418,871	1,012,217	
<b>Total</b>	<b>1,418,871</b>	<b>1,012,217</b>	<b>406,655</b>
<b>Administered expenses</b>			
Outcome 1	393,896	307,966	
Outcome 2	750	265	
Payments to CAC Act Bodies	6,000	3,486	
<b>Total</b>	<b>400,646</b>	<b>311,717</b>	
<b>Total ordinary annual services</b>	<b>A 1,819,517</b>	<b>1,323,933</b>	
<b>Other services<sup>2</sup></b>			
<b>Departmental non-operating</b>			
Equity injections	119,298	22,291	97,007
Previous years' outputs	42,127	39,557	2,570
<b>Total</b>	<b>161,425</b>	<b>61,848</b>	<b>99,577</b>
<b>Administered non-operating</b>			
Administered Assets and Liabilities	75,000	0	
Payments to CAC Act Bodies – non-operating		0	
<b>Total</b>	<b>75,000</b>	<b>0</b>	
<b>Total other services</b>	<b>B 236,425</b>	<b>61,848</b>	
<b>Total available annual appropriations and payments</b>	<b>2,055,942</b>	<b>1,385,781</b>	
<b>Special appropriations</b>			
<b>Special appropriations limited by criteria/entitlement</b>			
<b>Special appropriations limited by amount</b>			
Special Appropriation FMA Act, 1997 section 28		767	
<b>Total special appropriations</b>	<b>C</b>	<b>767</b>	
<b>Special Accounts</b>			
Opening balance	262,835		
Appropriation receipts <sup>3</sup>	103,553		
Appropriation receipts – other agencies <sup>4</sup>	32,261		
Non-appropriation receipts to Special Accounts	24,098		
Payments made		119,711	
<b>Total Special Account</b>	<b>D</b>		<b>303,037</b>
<b>Total resourcing and payments</b>	<b>A+B+C+D</b>	<b>1,324,700</b>	
<b>A+B+C+D</b>	<b>2,055,942</b>	<b>1,324,700</b>	
Less appropriations drawn from annual or special appropriations above and credited to special accounts and/or CAC Act bodies through annual appropriations	31,000		
<b>Total net resourcing and payments</b>	<b>2,024,942</b>	<b>1,324,700</b>	

1 Appropriation Bill (No.1) 2009-10 and Appropriation Bill (No.3) 2009-10 and also includes prior year departmental appropriation and s31 relevant agency receipts.

2 Appropriation Bill (No.2) 2009-10 and Appropriation Bill (No.4) 2009-10.

3 Appropriation receipts from DFAT's annual and special appropriations for 2009-10 included above.

4 Appropriation receipts from other agencies credited to DFAT's special accounts.



TABLE 22. EXPENSES AND RESOURCES FOR OUTCOME 1

Outcome 1: The advancement of Australia's international, strategic, security and economic interests including through bilateral, regional and multilateral engagement on Australian Government foreign and trade policy priorities.	Budget* 2009–10 \$'000 (a)	Actual Expenses 2009–10 \$'000 (b)	Variation 2009–10 \$'000 (a) – (b)
<b>Program 1.1: Other Departmental – DFAT</b>			
Departmental expenses			
Ordinary annual services (Appropriation Bill No. 1)	513,849	414,929	98,920
Revenues from independent sources (Section 31)	48,969	74,899	-25,930
Expenses not requiring appropriation in the Budget year	1,809	880	929
<b>Total for Program 1.1</b>	<b>564,627</b>	<b>490,708</b>	<b>73,919</b>
<b>Program 1.2: Payments to International Organisations</b>			
Administered expenses			
Ordinary annual services (Appropriation Bill No. 1)	251,510	260,507	-8,997
<b>Total for Program 1.2</b>	<b>251,510</b>	<b>260,507</b>	<b>-8,997</b>
<b>Program 1.3: Public Information Services and Public Diplomacy</b>			
Administered expenses			
Ordinary annual services (Appropriation Bill No. 1)	65,951	59,764	6,187
<b>Total for Program 1.3</b>	<b>65,951</b>	<b>59,764</b>	<b>6,187</b>
<b>Program 1.4: Other Administered</b>			
Administered expenses			
Ordinary annual services (Appropriation Bill No. 1)	85,093	25,130	59,963
<b>Total for Program 1.4</b>	<b>85,093</b>	<b>25,130</b>	<b>59,963</b>
<b>Outcome 1 Totals by appropriation type</b>			
Administered Expenses			
Ordinary annual services (Appropriation Bill No. 1)	402,554	345,401	57,153
Departmental expenses			
Ordinary annual services (Appropriation Bill No. 1)	513,849	414,929	98,920
Revenues from independent sources (Section 31)	48,969	74,899	-25,930
Expenses not requiring appropriation in the Budget year	1,809	880	929
<b>Total expenses for Outcome 1</b>	<b>967,181</b>	<b>836,109</b>	<b>131,072</b>
	<b>2008–09</b>	<b>2009–10</b>	<b>Variation</b>
<b>Average Staffing Level (number)</b>	<b>2,150</b>	<b>2,017</b>	<b>133</b>
Australian-based staff	1,240	1,294	-54
Locally engaged employees overseas	910	723	187

\* Full year budget, including any subsequent adjustment made to the 2009–10 Budget.

TABLE 23. EXPENSES AND RESOURCES FOR OUTCOME 2

Outcome 2: The protection and welfare of Australians abroad and access to secure international travel documentation through timely and responsive travel advice and consular and passport services in Australia and overseas.	Budget* 2009-10 \$'000 (a)	Actual Expenses 2009-10 \$'000 (b)	Variation 2009-10 \$'000 (a) - (b)
<b>Program 2.1: Consular Services (Departmental)</b>			
Departmental expenses			
Ordinary annual services (Appropriation Bill No. 1)	83,220	72,238	10,982
Expenses not requiring appropriation in the Budget year	37	130	-93
<b>Total for Program 2.1</b>	<b>83,257</b>	<b>72,368</b>	<b>10,889</b>
<b>Program 2.2: Passport Services (Departmental)</b>			
Departmental expenses			
Ordinary annual services (Appropriation Bill No. 1)	203,821	176,922	26,899
Expenses not requiring appropriation in the Budget year	88	318	-230
<b>Total for Program 2.2</b>	<b>203,909</b>	<b>177,240</b>	<b>26,669</b>
<b>Program 2.3: Consular Services (Administered)</b>			
Administered expenses			
Ordinary Annual Services (Appropriation Bill No. 1)	200	12	188
Travellers' Emergency Loans	550	228	322
<b>Total for Program 2.3</b>	<b>750</b>	<b>240</b>	<b>510</b>
<b>Program 2.4: Passport Services (Administered)</b>			
Administered expenses			
Special appropriations	650	722	-72
<b>Total for Program 2.4</b>	<b>650</b>	<b>722</b>	<b>-72</b>
<b>Outcome 2 Totals by appropriation type</b>			
Administered Expenses			
Ordinary annual services (Appropriation Bill No. 1)	200	12	188
Other Administered Appropriation Items			
Travellers' Emergency Loans	550	228	322
Special appropriations	650	722	-72
Departmental expenses			
Ordinary annual services (Appropriation Bill No. 1)	287,041	249,160	37,881
Expenses not requiring appropriation in the Budget year	125	448	-323
<b>Total expenses for Outcome 2</b>	<b>288,566</b>	<b>250,570</b>	<b>37,996</b>
	<b>2008-09</b>	<b>2009-10</b>	<b>Variation</b>
<b>Average Staffing Level (number)</b>	<b>994</b>	<b>970</b>	<b>24</b>
Australian-based staff	662	532	130
Locally engaged employees overseas	332	438	-106

\* Full year budget, including any subsequent adjustment made to the 2009-10 Budget.

TABLE 24. EXPENSES AND RESOURCES FOR OUTCOME 3

Outcome 3: A secure Australian Government presence overseas through the provision of security services and information and communications technology infrastructure, and the management of the Commonwealth's overseas owned estate.	Budget* 2009-10 \$'000 (a)	Actual Expenses 2009-10 \$'000 (b)	Variation 2009-10 \$'000 (a) - (b)
<b>Program 3.1: Foreign Affairs and Trade Operations</b>			
Departmental expenses			
Ordinary annual services (Appropriation Bill No. 1)	152,757	107,501	45,256
Expenses not requiring appropriation in the Budget year	59	196	-137
<b>Total for Program 3.1</b>	<b>152,816</b>	<b>107,697</b>	<b>45,119</b>
<b>Program 3.2: Overseas Property</b>			
Departmental expenses			
Special Accounts	70,007	67,929	2,078
<b>Total for Program 3.2</b>	<b>70,007</b>	<b>67,929</b>	<b>2,078</b>
<b>Outcome 3 Totals by appropriation type</b>			
Departmental expenses			
Ordinary annual services (Appropriation Bill No. 1)	152,757	107,501	45,256
Special Accounts	70,007	67,929	2,078
Expenses not requiring appropriation in the Budget year	59	196	-137
<b>Total expenses for Outcome 3</b>	<b>222,823</b>	<b>175,626</b>	<b>47,197</b>
	<b>2008-09</b>	<b>2009-10</b>	<b>Variation</b>
<b>Average Staffing Level (number)</b>	<b>511</b>	<b>589</b>	<b>-78</b>
Australian-based staff	309	317	-8
Locally engaged employees overseas	202	272	-70

\* Full year budget, including any subsequent adjustment made to the 2009-10 Budget.

# APPENDIX 4

## OCCUPATIONAL HEALTH AND SAFETY

Information in this appendix is provided in accordance with section 74 of the *Occupational Health and Safety Act 1991* (the OHS Act).

### Health and safety management arrangements

The department attaches a high priority to the health, safety and wellbeing of its employees and is committed to facilitating an organisational culture that actively seeks to improve work practices and to foster attitudes which sustain healthy and safe work environments. The department's Health and Safety Management Arrangements (HSMA) provide the structural framework within which OH&S is managed, and outline the responsibilities of management, supervisors, employees and their representatives.

The department's Workplace Relations Committee (WRC), Occupational Health and Safety sub-committee meets quarterly, representing the collective interests of the employer, employees, contractors, clients and visitors. OH&S forums also operate in state and territory offices and at overseas posts. The forums facilitate cooperation on OH&S matters between management and employees and assist in the dissemination of health and safety information.

Potential Comcare clients include all of our APS employees located in Australia and overseas and some locally engaged staff at overseas posts. The case manager is also available to assist staff not covered by Comcare, including locally engaged staff covered under overseas insurance arrangements and contract employees.

### Initiatives taken during the year to ensure the health, safety and welfare at work of employees and contractors

The OH&S/rehabilitation case manager arranged for external ergonomic consultants to undertake 97 individual work-station assessments for employees and three group work-station awareness sessions. Seventy-one in-house work-station assessments were undertaken by the OH&S Manager. Training in safe lifting and handling techniques was provided by an external consultant. The department continued to provide first aid training and maintain a register of first aid trained staff on the department's intranet. This includes 84 staff in Canberra and 212 staff in state and territory offices and overseas posts. Health and safety awareness messages (throughout Australia and overseas) were conveyed through the department's SATIN network. Other measures included employer-subsidised eyesight testing for screen-based work and training for fire wardens and health and safety representatives. The department offered influenza vaccinations to employees covered by the 2009-10 Collective Agreement.

## Health and safety outcomes achieved

Sixty-nine OH&S incidents were reported to the OH&S/rehabilitation case manager in accordance with the department's incident notification and reporting procedures. Relevant remedial action was undertaken to eliminate or minimise recurrences. The OH&S/rehabilitation case manager continued to liaise with the department's Medical Unit, the Staff Counselling Office and personnel and property managers to promote a safe and healthy workplace.

## Reporting requirements under the Act

One incident was notified to Comcare under section 68 of the Act.

No directions were given to the department under section 45 of the Act.

No notices were issued under section 29, section 46 or section 47 of the Act.

No investigations were conducted.

**TABLE 25. OCCUPATIONAL HEALTH AND SAFETY STATISTICS**

	2007-08	2008-09	2009-10
Total departmental staff covered by Comcare (includes employees located in Australia, Australia-based employees overseas and, where applicable, locally engaged staff overseas)	2577	2704	<b>2874</b>
Number of claims accepted by Comcare:			
• falls, trips and slips	3	4	<b>4</b>
• hitting objects	0	1	<b>1</b>
• being hit by a moving object	2	1	<b>0</b>
• sound and pressure	0	1	<b>2</b>
• body stressing	8	4	<b>4</b>
• heat/chemical, biological or other substances	2	0	<b>0</b>
• mental stress	2	2	<b>1</b>
• other	1	0	<b>2</b>
Total	18	13	<b>14</b>
Average cost of compensation claims to date*	\$14 393	\$2 312	<b>\$5 350</b>
Departmental premium for Comcare coverage (as a percentage of total departmental wages and salaries) as at 30 June 2010**	0.52	0.76	<b>0.50</b>

\* Based on customer information data compiled by Comcare as at 30 June 2010; covers cost of sick leave taken and hospital/medical/pharmaceutical costs. These figures are represented in the year the injury or illness occurred and can change from year to year as additional claims are lodged or costs incurred.

\*\* The Comcare coverage premium for current and previous years is reviewed annually by Comcare based on the changes during the year in the number of claims and the average cost of all claims relating to injury or illness.

# APPENDIX 5

## FREEDOM OF INFORMATION

This statement is provided in accordance with section 8 of the *Freedom of Information Act 1982* and is correct to 30 June 2010. It covers:

- the organisation, functions and decision-making powers of the department
- access to records under the *Freedom of Information Act 1982*
- access to records under the *Archives Act 1983*
- outside participation
- categories of documents
- registers of Australian births overseas
- documents for sale and free of charge.

### Organisation, functions and powers

The broad functions of the department are described in the Departmental Overview in Section 1 of this report. A chart showing the department's senior executive structure as at 30 June 2010 appears on page 13. Further information on the organisation of the department can be found in Section 3: Corporate Management and Accountability. Legislation administered by the department is published in the Administrative Arrangements Order, which is available at <http://www.dpmc.gov.au/parliamentary/docs/aao.pdf>

### Access to records under the *Freedom of Information Act 1982*

The *Freedom of Information Act 1982* extends the right to obtain access to documents in the Government's possession. Access is limited only by exemptions that protect essential public interests and the private and business affairs of people about whom departments and statutory authorities collect and hold information.

Members of the public seeking access to documents should lodge a formal Freedom of Information request. This must be made in writing, be accompanied by the \$30 application fee, and include a telephone number, a fax number (if available) and an address within Australia to which notifications are to be addressed. Requests should be sent to:

Director, Freedom of Information Section  
Department of Foreign Affairs and Trade  
R G Casey Building  
John McEwen Crescent  
Barton ACT 0221  
Tel: (02) 6261 3775  
Fax: (02) 6261 2144

The department's state and territory offices can also be contacted for this purpose (see inside back cover of this annual report for contact details).

Decisions on granting access to documents under the *Freedom of Information Act 1982* are generally made by the departmental Senior Executive Service member responsible for the work area to which the request relates.

The department levies the applicable fees and charges imposed under the Freedom of Information Regulations (Fees and Charges). Such fees and charges may be remitted, reduced or not imposed for any reason, including if grounds of financial hardship or general public interest can be established. Further advice regarding fees and charges may be obtained from the department's FOI Section.

### Access to records under the *Archives Act 1983*

Currently an application can be lodged with the National Archives of Australia for public access to records that are in the 'Open Period' – i.e. records that are 30 or more years old. However, with the introduction of the *Freedom of Information Amendment (Reform) Act 2010* the 'Open Period' will be reduced to 20 years, over a phasing-in period of 10 years, commencing on 1 January 2011.

Inquiries regarding public access to archival records under the *Archives Act 1983* should be addressed to:

National Archives of Australia  
PO Box 7425  
Canberra Business Centre ACT 2610  
Tel: 1300 886 881  
Fax: 1300 886 882

The *Archives Act 1983* also allows the department to grant approved individuals special access to records not generally available to the public. Inquiries about eligibility for special access should be addressed to:

Document Access Unit  
Information Resources Branch  
Department of Foreign Affairs and Trade  
R G Casey Building  
John McEwen Crescent  
Barton ACT 0221  
Tel: (02) 6261 9836  
Fax: (02) 6261 1445

The department publishes a comprehensive range of public information on our website at <http://www.dfat.gov.au/>.

See Program 1.1.13 for further information on the department's processing of FOI and archival access examination requests.

## Outside participation

Members of the public are able to write to the portfolio minister about the range of policy and other matters dealt with by the department.

The department is open to the views of outside organisations and provides opportunities for members of the community to contribute to developing aspects of Australia's international relations through:

---

### Representation on various bodies

- Australia–China Council
- Australia France Foundation (whose director is located in the Australian embassy in Paris)
- Australia–India Council
- Australia–Indonesia Institute
- Australia International Cultural Council
- Australia–Japan Foundation
- Australia–Korea Foundation
- Australia–Malaysia Institute
- Australian National Commission for UNESCO
- Australia–Thailand Institute
- Council for Australian–Arab Relations
- Council on Australia Latin America Relations
- National Consultative Committee on International Security Issues

---

### Consultations regarding Australia's multilateral, regional and bilateral trade negotiations

- state and territory governments
  - industry associations, peak bodies and organisations
  - companies and business people
  - non-government organisations and public interest and community groups
  - academic institutions
  - individuals seeking consultation
  - individuals or groups responding to calls for public submissions
  - statutory authorities
-



<b>Consultations regarding development and prosecution of Australia's approach to dispute settlement cases and issues in the WTO through the department's WTO disputes inquiry point</b>	<ul style="list-style-type: none"> <li>• companies and business people</li> <li>• industry associations, peak bodies and organisations</li> <li>• other groups and individuals seeking consultation</li> </ul>
<b>Formal arrangements for consultations with interested bodies on trade-related matters</b>	<ul style="list-style-type: none"> <li>• statutory authorities</li> <li>• Intellectual Property Consultative Group</li> </ul>
<b>Consultations regarding Australian participation in international expositions</b>	<ul style="list-style-type: none"> <li>• companies and business people</li> <li>• industry associations, peak bodies and organisations</li> <li>• state and territory governments</li> </ul>
<b>Consultation on Australia's policy approach to the Asia-Pacific Economic Cooperation (APEC) forum</b>	<ul style="list-style-type: none"> <li>• APEC Business Advisory Council (ABAC)</li> <li>• Australian Chapter of the Pacific Economic Cooperation Committee (PECC)</li> </ul>
<b>Consultation on security in the Asia-Pacific region</b>	<ul style="list-style-type: none"> <li>• academic community</li> <li>• foreign and strategic policy institutions</li> </ul>
<b>Business relations programs operated by the department's state and territory offices</b>	<ul style="list-style-type: none"> <li>• companies and business people</li> <li>• identified interest groups and stakeholders within each state and territory</li> </ul>
<b>Liaison regarding agriculture, industrial products and services</b>	<ul style="list-style-type: none"> <li>• Commonwealth agencies with relevant technical competencies</li> <li>• Industry associations, peak bodies and organisations</li> <li>• state and territory governments</li> </ul>
<b>Consultations concerning negotiations affecting specific multilateral environment treaties</b>	<ul style="list-style-type: none"> <li>• environmental organisations</li> <li>• industry associations, peak bodies and organisations</li> <li>• state and territory governments</li> </ul>
<b>Consultations on biosecurity issues</b>	<ul style="list-style-type: none"> <li>• National Consultative Group on Biosecurity Issues</li> </ul>

---

<b>Regular exchanges of views</b>	<ul style="list-style-type: none"> <li>• Amnesty International and other human rights organisations</li> <li>• United Nations Association of Australia</li> </ul>
-----------------------------------	---

---

<b>Consultations on international humanitarian law</b>	<ul style="list-style-type: none"> <li>• Australian Red Cross</li> <li>• International Committee of the Red Cross</li> </ul>
--	--

---

<b>Consultations regarding Australia's approach to human rights</b>	<ul style="list-style-type: none"> <li>• non-government organisations</li> </ul>
---	--

---

<b>Consultations on Antarctica</b>	<ul style="list-style-type: none"> <li>• tourism companies</li> <li>• non-government organisations</li> </ul>
------------------------------------	---

---

<b>Consultations concerning UN sanctions</b>	<ul style="list-style-type: none"> <li>• industry and business associations, peak bodies and organisations/other groups</li> </ul>
--	--

---

<b>Consultations concerning the freezing of terrorist assets</b>	<ul style="list-style-type: none"> <li>• Australia's financial sector</li> </ul>
--	--

---

<b>Consultations on nuclear non-proliferation, disarmament and arms control issues</b>	<ul style="list-style-type: none"> <li>• non-government organisations</li> </ul>
--	--

---

<b>Consultation with bodies on promoting awareness and use of the department's travel advisories</b>	<ul style="list-style-type: none"> <li>• Australian Federation of Travel Agents and other peak travel industry bodies</li> <li>• <i>smartraveller</i> Consultative Group</li> </ul>
--	---

---

## Categories of documents

Documents are captured, managed and maintained in accordance with the department's recordkeeping policy. Documents not needed for current business are transferred into archival custody or destroyed in accordance with an authorised disposal schedule. Australia's overseas posts have document holdings of their own, which may parallel or complement those the department holds in Canberra and in state and territory offices.

The department has extensive document holdings including:

---

### **Documents relating to relations and communications with foreign governments, the United Nations, United Nations agencies and other international organisations**

- briefs for Australian delegations and ministers visiting overseas
- cables, minutes, memorandums, file notes and emails
- database of ministerial commitments
- discretionary grants program annual review papers
- documents and database records relating to foreign diplomatic and consular missions, international organisations and personnel in Australia
- documents and database records relating to visa applications referred for clearance under Public Interest Criteria 4003 of the Migration Regulations
- documents received from foreign governments, including notes verbale and aides-mémoire
- documents received from the UN, UN agencies and other international organisations, including notes verbale
- documents relating to human rights
- documents relating to international environment policy and programs
- programs for ministers visiting overseas
- reports on meetings and conferences
- submissions to portfolio ministers and senior officers
- texts of speeches and press statements on foreign affairs and trade

---

### **Documents relating to the administration of UN sanction enforcement laws**

- applications for permits under UN sanction enforcement laws and associated documents
  - documents and written information produced under s30 of the Charter of the UN Act
  - other correspondence and inquiries relating to the implementation of UN sanctions in Australia
-

---

**Documents relating to treaties**

- arrangements of less-than-treaty status
  - Australian treaty collection
  - database of all treaties to which Australia is a party and related metadata including access to texts via the electronic Australian Treaties Library maintained by the Australasian Legal Information Institute
  - documents and databases relating to multilateral and bilateral treaties and arrangements
  - national interest analyses on treaties submitted to Parliament's Joint Standing Committee on Treaties
- 

**Documents relating to multilateral, regional and bilateral trade policy, including negotiations for trade agreements and the World Trade Organization**

- briefs for Australian delegations and ministers visiting overseas
  - cables, minutes, memorandums, file notes and emails
  - submissions to portfolio ministers and senior officers
  - draft agreements and negotiating texts
  - official WTO documents, including reports, meeting agendas, declarations, statements and technical working papers
  - reports on meetings and conferences
  - texts of speeches and press statements on trade issues
  - reports and papers analysing the impact of trade liberalisation and other aspects of trade policy
  - submissions from stakeholders
  - documents received from foreign governments
  - statistical trade data
-

---

**Documents relating to international security issues, including disarmament, arms control and nuclear non-proliferation**

- briefs for Australian delegations and ministers visiting overseas
- cables, minutes, memorandums, file notes and emails
- documents and database records relating to international counter-terrorism cooperation
- documents and database records relating to the negotiation and implementation of international security treaties to which Australia is a party
- texts of speeches and press statements on international security issues
- submissions to portfolio ministers and cabinet
- reports and strategic policy papers analysing cross-cutting global, political and strategic issues

---

**Documents relating to public diplomacy, including information and cultural programs**

- documents relating to cultural promotion activities and visits programs
- documents relating to international expositions
- documents relating to public diplomacy and advocacy
- documents relating to international scholarships
- public information materials projecting Australia and its policies overseas on film, video cassette, radio tape, CD, slide, DVD and written forms

---

**Documents relating to the history of the portfolio**

- publications register
  - research papers and drafts of manuscripts and related material compiled to inform authors and editors preparing material for publication in stand-alone publications and/or series papers (note: publications are available for purchase from the department's website at: [www.dfat.gov.au/publications](http://www.dfat.gov.au/publications). Draft manuscripts may also be held by the National Archives of Australia and other research institutes.)
-

---

**Documents relating to passports and secure travel identification**

- documents on fraud investigations
  - documents related to seizure of foreign passports under the *Foreign Passports (Law Enforcement and Security) Act 2005*
  - records of passport issue details, electronic record of passport applications and relevant attachments
  - working files, including passport case files and case management databases, and correspondence related to issuing passports and other travel documentation under the *Australian Passports Act 2005*
- 

**Documents relating to provision of consular services to Australian citizens abroad**

- emergency task force papers
  - working files, including consular case files and case management databases and correspondence
  - documents on consular contingency plans in relation to the department's operations abroad
- 

**Documents relating to overseas property management**

- documents relating to overseas property management, including maintenance records, leasing and security
- 

**Documents relating to personnel management**

- information on employment histories and biographical details
  - documents and databases relating to human resources management including personnel records and documents on personnel planning, conditions of service, career development counselling, discipline, reviews undertaken pursuant to section 33 of the *Public Service Act 1999* and termination matters
  - documents and databases relating to staff employed overseas (locally engaged staff), their salaries, conditions, classifications and numbers
  - personal security files on security-cleared personnel
  - records of travel, removals and storage
  - training material in various forms
-

---

**Documents relating to financial management**

- documents and database records relating to procurement and contract management including résumés and contracts for contractors/consultants
- documents and databases relating to budget resources management and property and accommodation matters within Australia
- documents relating to funding, financial operations, debtors and payment of claims in Australia and overseas
- financial and expenditure records

---

**Documents relating to internal departmental administration**

- documents and databases relating to the design, implementation and operation of the department's electronic business systems
- documents on personnel security, physical and protective security, funding of protective security measures, post inspection reports, technical and information technology security, and contingency plans in relation to the department's operations abroad and in Australia
- internal procedures and instructions including sets of administrative circulars and master sets of *DFATNEWS*, an internal departmental bulletin

---

**Documents relating to parliamentary services**

- ad hoc reports on overseas official travel by federal and state members of parliament
- briefings for ministers on possible parliamentary questions, records of appearances by departmental officers before the Joint Standing Committee on Foreign Affairs, Defence and Trade, and other parliamentary committees
- Cabinet submissions and decisions
- Federal Executive Council minutes and accompanying documentation
- ministerial correspondence
- Portfolio Budget Statements and Portfolio Additional Estimates Statements

---

**Documents relating to legal matters**

- documents and database records relating to litigation, legal advice, international legal process, FOI, Ombudsman and *Privacy Act 1988* matters
-

---

**Documents relating to the *Export Finance and Insurance Corporation Act 1991***

- documents and database records related to policy and transactional issues under the *Export Finance and Insurance Corporation Act 1991* (note: EFIC's activities under parts 4 and 5 of the Act are exempt from the *Freedom of Information Act 1982*)
- 

## Registers of Australian births overseas

The Department of Immigration and Citizenship (DIAC) records details of Australians born overseas. People may seek extracts from the registers through that department. Consular officials of the Department of Foreign Affairs and Trade performing functions under the *Australian Citizenship Act 2007* at Australian overseas posts also maintain registers of Australians born overseas. Although data entered in our registers are regularly notified to DIAC, the registers themselves are held at the posts concerned. People may request and obtain extracts from the relevant posts.

## Documents for sale and free of charge

A range of documents, including the department's annual report, are available either for purchase or free of charge from the department. Many documents are presented in electronic form on the publicly accessible websites maintained by the department at <http://www.dfat.gov.au/> and at <http://www.dfat.gov.au/publications/>.



# APPENDIX 6

## INQUIRIES BY PARLIAMENTARY COMMITTEES

During the review period, the department provided submissions and/or gave evidence to the following parliamentary committees.

### Senate Standing Committee on Foreign Affairs, Defence and Trade

- *Supplementary Estimates 2009–10*, hearing attended on 22 October 2009
- *Additional Estimates 2009–10*, hearing attended on 11 February 2010
- *Budget Estimates 2010–11*, hearings attended on 2 and 3 June 2010
- *Inquiry into matters relating to the Torres Strait Region*, submission made in October 2009, hearings attended 18 December 2009 and 18 June 2010

### Joint Standing Committee on Foreign Affairs, Defence and Trade

- *Inquiry into Human Rights Mechanisms and the Asia Pacific*, hearing attended on 13 August 2009
- *Inquiry into Australia's Trade and Investment Relations with Asia, the Pacific and Latin America*, submission made in November 2009, hearing attended on 25 November 2009
- *Inquiry into Australia's Relationship with the countries of Africa*, submission made in March 2010, hearing attended on 20 April 2010

### Standing Committee on Public Works

- *Inquiry into Midlife Engineering Services Refurbishment of the Australian Embassy, Paris*, submission made in September 2009, hearing attended on 26 October 2009

### Senate Education, Employment and Workplace Relations Committee

- *Inquiry into the Welfare of International Students*, submission made in September 2009, hearing attended on 18 September 2009

### Senate Standing Committee on Rural and Regional Affairs and Transport

- *Inquiry into the possible impacts and consequences for public health, trade and agriculture of the Government's decision to relax import restrictions on beef*, submission made in November 2009 and hearings attended on 14 December 2009, 5 February 2010, 22 February 2010, 25 February 2010 and 14 May 2010

## Joint Standing Committee on Treaties

Departmental officers appeared before the Joint Standing Committee on Treaties in respect of proposed treaty actions.

The department appeared on **17 August 2009** in respect of:

- Optional Protocol to the Convention on the Safety of United Nations and Associated Personnel

The department appeared on the **7 September 2009** in respect of:

- Proposed Amendment of the Articles of Agreement of the International Monetary Fund to Enhance Voice and Participation in the International Monetary Fund—adopted by the IMF Board of Governors on 28 April 2008
- Proposed Amendment of the Articles of Agreement of the International Monetary Fund to Expand the Investment Authority of the International Monetary Fund—adopted by the IMF Board of Governors on 5 May 2008
- Proposed Amendment of the Articles of Agreement of the International Bank for Reconstruction and Development to Enhance Voice and Participation in the International Bank for Reconstruction and Development—adopted by the IBRD Board of Governors on 30 January 2009
- Convention between Australia and New Zealand for the Avoidance of Double Taxation with Respect to Taxes on Income and Fringe Benefits and the Prevention of Fiscal Evasion

The department appeared on the **14 September 2009** in respect of:

- Agreement between the Government of Australia and the Government of Jersey for the Allocation of Taxing Rights with respect to Certain Income of Individuals and to Establish a Mutual Agreement Procedure in respect to Transfer Pricing Adjustments
- Agreement between the Government of Australia and the Government of Jersey for the Exchange of Information with Respect to Taxes
- Second Protocol Amending the Agreement between Australia and the Kingdom of Belgium for the Avoidance of Double Taxation and the Prevention of Fiscal Evasion with Respect to Taxes on Income

The department appeared on **1 February 2010** in respect of:

- Agreement between Australia and the Republic of Lebanon regarding Cooperation on Protecting the Welfare of Children

The department appeared on **22 February 2010** in respect of:

- Measure 16 (2009) Amendment of Annex II to the Protocol on Environmental Protection to the Antarctic Treaty
- Extradition Treaty between Australia and the Republic of India
- Treaty between Australia and the Republic of India on Mutual Legal Assistance in Criminal Matters

The department appeared on **15 March 2010** in respect of:

- Agreement on Cooperative Enforcement of Fisheries Laws between Australia and France in the Maritime Areas Adjacent to the French Southern and Antarctic Territories, Heard Island and the McDonald Islands

The department appeared on **10 May 2010** in respect of:

- Czech Republic on social security and agreement with the former Yugoslav Republic of Macedonia on social security
- Exchange of letters amending the agreement with New Zealand concerning a joint food standards system

### **Briefings provided to parliamentary committees**

The department provided briefings to the following committees:

#### **Senate Foreign Affairs, Defence and Trade References Committee**

- Burma on 25 February 2010

#### **Joint Standing Committee on Foreign Affairs, Defence and Trade**

- South Pacific Forum on 16 September 2009
- Human Rights Council's Universal Periodic Review on 13 May 2010

#### **Standing Committee on Health and Ageing**

- Torres Strait Treaty on 19 August 2009 and 2 September 2009

# APPENDIX 7

## MATTERS BEFORE COURTS AND ADMINISTRATIVE TRIBUNALS

During the year the department was involved in the following matters before courts and administrative tribunals.

### Courts

The department continued to assist an inquiry by the Coroner's Court of Victoria into the death of an Australian overseas.

The department pursued costs awarded in the department's favour in three matters and recovered costs in relation to one other matter.

The department was involved in a Federal Court action brought against the Commonwealth alleging that the Commonwealth was complicit in the maltreatment of an Australian overseas.

The Full Federal Court unanimously upheld a decision by the Minister for Foreign Affairs that the plaintiff's presence in Australia was contrary to Australia's foreign policy interests.

A Federal Court decision regarding the Minister's decision to cancel a passport was remitted by consent to the Administrative Appeals Tribunal for a re-hearing.

The department continued to be involved in two employment actions in overseas courts brought by two former locally engaged staff members.

The department continued to defend an appeal with respect to an employment action brought in a foreign court by a former locally engaged staff member.

The department continued to defend an employment action brought in a foreign court by a former locally engaged staff member seeking reinstatement.

The department continued to oppose appeals with respect to employment actions brought in a foreign court by two former locally engaged staff members.

A plaintiff discontinued a High Court action against the department to recover costs in relation to previous litigation.

The department settled a workplace relations action brought against the Commonwealth in the Federal Magistrates Court.

The department settled an employment action brought in a foreign court by a former fixed-term local contractor.

The department continued to seek a settlement relating to an unfair dismissal action brought in a foreign court by a former locally engaged staff member.

The department settled an action brought by the department in a foreign court in relation to a locally engaged staff member's employment.

The department settled an action brought in a foreign Court by a former attached agency locally engaged staff member relating to personal injury suffered in the course of employment.

The department continued to defend an employment action brought in a foreign court by a former household staff member of a departmental officer at an overseas post seeking reinstatement.

The department was involved (as a non-party) in an appeal by a former employee at an overseas post against the decision of the local labour inspector. The appeal was dismissed.

The department continued to defend claims for unfair dismissal brought by former employees following redundancies at an overseas post.

The department continued to defend an appeal by a claimant against the decision of a foreign court rejecting a claim against the department for alleged loss of a passport.

The Federal Court summarily dismissed action brought against the Commonwealth alleging that the Commonwealth refused to take action in regards to a number of crimes allegedly committed by Australians overseas.

The department continued to defend against property-related proceedings brought in a foreign court by the current owner of land formerly owned by the Commonwealth.

The Commonwealth defended a defamation case brought in the Supreme Court of New South Wales relating, inter alia, to a communication made by a departmental officer.

The ACT Supreme Court made a finding against the department in relation to a rent review determination.

A foreign court dismissed on its own motion an action brought by a private individual against eight state-party defendants, including Australia, alleging the defendants had defamed Christianity.

The department continued to defend a claim involving the sale of a motor vehicle at an overseas post.

The department continued to be involved in proceedings for fraud against a former employee at an overseas post.

The department recovered costs arising out of an overseas accident-related litigation.

The department continued to be involved in a series of actions brought in another country for damages relating to alleged child abduction in Australia. The actions have been dismissed by the overseas courts but the applicant continues to seek a review of his appeal.

We continue to comply with discovery, subpoena and other document production obligations in a range of matters, including matters brought against the Commonwealth and other Australian Government agencies.

The department pursued costs awarded in the department's favour in relation to the department's compliance with a subpoena.

The department was regularly involved in the service of documents through the diplomatic channel relating to private litigation brought overseas and in Australia, and from time to time in the service of documents on foreign governments under the *Foreign States Immunities Act 1985*.

## Administrative tribunals

The department continued to be involved in applications before the Administrative Appeals Tribunal (AAT) concerning passports matters. During the year one application for review was dismissed and one application was upheld in the applicants favour. Three applications were withdrawn by the department, and five were withdrawn by the applicant. At the end of the financial year there were 11 active applications before the AAT for review of passport decisions. Eight applications were on hold or adjourned.

A small claim in the ACT Civil and Administrative Tribunal against the department as Second Respondent was dismissed by consent.

The department was the respondent in five applications to the AAT in relation to decisions made under the *Freedom of Information Act 1982*. Three matters were dismissed and two were settled by consent.

A foreign tribunal dismissed an action brought against the department alleging breach of contract in relation to the relocation of an Australian mission overseas.

The department settled an employment action brought in a foreign tribunal by an attached agency locally engaged staff member.

A claim was made against the department to the Australian Human Rights Commission for discrimination and breach of the applicant's human rights in relation to the handling of the claimant's application for an Australian passport. The complaint was conciliated and is now closed.

A complaint was made against the department to the Australian Human Rights Commission. The complainant alleged that the department discriminated against him on the basis of his race. The complaint was discontinued by the Australian Human Rights Commission.

A complaint was made against the department to the Australian Human Rights Commission. The complainant alleged that the department discriminated against him on the basis of his disability. The complaint was discontinued by the Australian Human Rights Commission.

## APPENDIX 8

### ECOLOGICALLY SUSTAINABLE DEVELOPMENT AND ENVIRONMENTAL PERFORMANCE

This appendix comprises the department's report on its ecologically sustainable development and environmental performance as required by section 516A of the *Environment Protection and Biodiversity Conservation Act 1999*.

#### **How the activities of the department, and the administration of legislation by the department, accorded with the principles of ecologically sustainable development (ESD)**

The department has sought to ensure that, where possible, its policy activities and other operations have accorded with and enacted ESD principles. It has pursued these principles through a variety of activities including its work on multilateral environment agreements, international legal frameworks and trade policy. These principles were also applied in our public diplomacy.

#### **How the department's outcomes contributed to ESD**

##### **Outcome 1 – The advancement of Australia's international strategic, security and economic interests including through bilateral, regional and multilateral engagement on Australian Government foreign and trade policy priorities**

The department contributed to ESD through participation in international and bilateral negotiations across a range of policy areas related to the environment and sustainable development.

##### **Outcome 2 – The protection and welfare of Australians abroad and access to secure international travel documentation through timely and responsive travel advice and consular and passport services in Australia and overseas**

The N-Series Passport, launched in May 2009, uses Australian Paper's 100 per cent carbon neutral ENVI paper range, which is Greenhouse Friendly as certified by the Department of Climate Change and Energy Efficiency.

##### **Outcome 3 – A secure Australian Government presence overseas through the provision of security services and information and communications technology infrastructure, and the management of the Commonwealth's overseas owned estate**

The department contributed to ESD in its management of the overseas estate.

## Effect of the department's activities on the environment

The department's operations in Canberra, our overseas posts and state and territory offices have a range of impacts on the environment. Measures to address these impacts are outlined below.

### Measures being taken by the department to minimise the impact of its activities on the environment

The department retained certification for its Environmental Management System (EMS) for its activities in the R G Casey Building. On 27 May 2010, the department's accredited external EMS auditor conducted a one-day surveillance audit against the international standard, ISO14001:2004 and found that the department remained in compliance. The auditor was satisfied that the department had continued to improve its environmental performance.

In the R G Casey Building, the department has taken further steps to reduce its carbon emissions, including by replacing halogen and incandescent light bulbs as they wear out with more energy efficient bulbs, and by installing an automatic light switch-off system that switches lights off at 7pm every evening. The department has continued to explore further ways of reducing energy consumption, including through environmentally sustainable procurement.

The department has complemented its recycling and waste management procedures with the introduction of shredded paper recycling. Shredded paper is collected and used in soil as mulch and to improve soil aeration while reducing the compaction of clay. Since May 2009, 5.45 tonnes of shredded paper has been collected and consequently been diverted from becoming landfill waste.

Café Brindabella, located in the R G Casey Building, continued to provide strong support for the EMS. The cafe maintained its 20-cents levy on takeaway cups, aimed at reducing waste. Since 2004, \$115 675 has been raised by the levy and the monies donated to Greening Australia for the planting of Australian native trees in areas affected by the 2003 Canberra bushfires.

### Mechanisms for reviewing and increasing the effectiveness of these measures

The EMS measures the effectiveness of the department's efforts to minimise the negative impacts of its operations on the environment. The EMS Committee meets regularly to review environmental performance and to consider future improvements. Internal and external EMS audits are undertaken and there is regular monitoring of statistical data on waste. Energy consumption is monitored monthly, and comparisons of annual energy consumption are undertaken to assess the department's energy reduction performance.



# APPENDIX 9

## PURCHASER-PROVIDER ARRANGEMENTS

The department provides management and administration services to other Australian Government agencies at our overseas missions. This ensures consistency and efficient use of resources and avoids duplication of effort (in accordance with the Prime Minister's Directive – *Guidelines for Management of the Australian Government Presence Overseas*). We manage these arrangements through a **Service Level Agreement (SLA)**.

In 2009–10, the department provided services under the SLA to:

Airservices Australia  
 Attorney-General's Department  
 AusAID (Australian Agency for International Development)  
 Australian Centre for International Agricultural Research (ACIAR)  
 Australian Customs and Border Protection Service  
 Australian Federal Police (also includes the Australian Federal Police Protective Service)  
 Australian National University  
 Australian Nuclear Science and Technology Organisation  
 Australian Security Intelligence Organisation  
 Australian Taxation Office  
 Australian Trade Commission (Austrade)  
 Bureau of Meteorology  
 Commonwealth Scientific and Industrial Research Organisation (CSIRO)  
 Department of Agriculture, Fisheries and Forestry  
 Department of Climate Change and Energy Efficiency  
 Department of Defence  
 Department of Education, Employment and Workplace Relations  
 Department of the Environment, Water, Heritage and the Arts  
 Department of Families, Housing, Community Services and Indigenous Affairs  
 Department of Finance and Deregulation  
 Department of Health and Ageing (Therapeutic Goods Administration)  
 Department of Immigration and Citizenship  
 Department of Infrastructure, Transport, Regional Development and Local Government  
 Department of Innovation, Industry, Science and Research  
 Department of the Prime Minister and Cabinet  
 Department of Resources, Energy and Tourism  
 Department of Veterans' Affairs  
 National Library of Australia  
 Office of National Assessments  
 The Treasury

The main purchasers of services under the SLA are the Department of Immigration and Citizenship, Department of Defence, AusAID, Australian Federal Police and Department of Education, Employment and Workplace Relations.

The department also has purchaser–provider arrangements to provide **information and communications technology (ICT) services** to Australian Government agencies with staff at our overseas missions and at a number of agency locations within Australia. In 2009–10 we provided ICT services to the following agencies:

Attorney-General’s Department  
 AusAID (Australian Agency for International Development)  
 Australian Antarctic Division (Department of the Environment, Water, Heritage and the Arts)  
 Australian Centre for International Agricultural Research (ACIAR)  
 Australian Customs and Border Protection Service  
 Australian Federal Police  
 Australian Fisheries Management Authority  
 Australian Nuclear Science and Technology Organisation  
 Australian Radiation Protection and Nuclear Safety Agency  
 Australian Security Intelligence Organisation  
 Australian Taxation Office  
 Australian Trade Commission (Austrade)  
 Australian Transaction Reports and Analysis Centre  
 Bureau of Meteorology  
 Commonwealth Scientific and Industrial Research Organisation (CSIRO)  
 Department of Agriculture, Fisheries and Forestry  
 Department of Broadband, Communications and the Digital Economy  
 Department of Climate Change and Energy Efficiency  
 Department of Defence  
 Department of Education, Employment and Workplace Relations  
 Department of the Environment, Water, Heritage and the Arts  
 Department of Families, Housing, Community Services and Indigenous Affairs  
 Department of Finance and Deregulation  
 Department of Health & Ageing  
 Department of Human Services  
 Department of Immigration and Citizenship  
 Department of Infrastructure, Transport, Regional Development and Local Government  
 Department of Innovation, Industry, Science and Research  
 Department of the Prime Minister and Cabinet  
 Department of Resources, Energy and Tourism  
 Department of Veterans’ Affairs  
 Export Finance and Insurance Corporation  
 Geoscience Australia  
 National Library of Australia  
 Office of National Assessments  
 Office of the Official Secretary to the Governor-General  
 Parliamentary Relations Office  
 The Treasury

The department has purchaser-provider arrangements with other Australian Government and state government agencies under which we provide **payroll services** to staff of other agencies overseas. In 2009-10 we provided payroll services to the following agencies:

Attorney-General's Department  
Australian Customs and Border Protection Service  
Australian National University  
Australian Taxation Office  
Department of Agriculture, Fisheries and Forestry  
Department of Climate Change and Energy Efficiency  
Department of Education, Employment and Workplace Relations  
Department of the Environment, Water, Heritage and the Arts  
Department of Finance and Deregulation  
Department of Infrastructure, Transport, Regional Development and Local Government  
Department of Innovation, Industry, Science and Research  
Department of the Prime Minister and Cabinet  
Department of Resources, Energy and Tourism  
Department of Veterans' Affairs  
National Library of Australia  
Office of National Assessments  
Western Australian Department of the Premier and Cabinet

# APPENDIX 10

## ADVERTISING AND MARKET RESEARCH

As required under Section 311A of the *Commonwealth Electoral Act 1918*, following is a list of agencies and organisations contracted by the department (including at overseas posts) to provide advertising and market research services. The list includes payments above \$11 200.

During 2009–10, the Department of Foreign Affairs and Trade conducted a *smartraveller* advertising campaign. Further information on that campaign is available at <http://www.dfat.gov.au> and in the reports on Australian Government advertising that are prepared by the Department of Finance and Deregulation. Those reports are available at <http://www.finance.gov.au/advertising/index.html>.

TABLE 26. ADVERTISING AND MARKET RESEARCH

Agencies/Organisations	Service provided	Program	Amount (\$)
<b>Advertising agencies</b>			
KWP Advertising Pty Ltd	Advertising for <i>smartraveller</i> Phase II	2.1	11 242
<b>Market research organisations</b>			
Stamford Interactive Pty Ltd	<i>smartraveller.gov.au</i> content and structure review	2.1	56 474
Open Mind Research Group Holdings Pty Ltd	Review and market testing of changes to the consular services charter and evaluation of travel advisories	2.1	42 570
Colmar Brunton Social Research	Evaluation of <i>smartraveller</i> Phase II campaign	2.1	74 129
<b>Polling and direct mail organisations</b>			
no payments to report			
<b>Media advertising organisations</b>			
Telstra	White Pages directory listings	1.1	228 199
Adcorp Australia Ltd	Advertising for general recruitment	1.1	76 596
Adcorp Australia Ltd	Advertising for Australia–China Council Grants Program	1.1	17 688
Adcorp Australia Ltd	Advertising for Council on Australia Latin America Relations Grants Program	1.1	13 518
Adcorp Australia Ltd	Advertising for Australia–Malaysia Institute Grants Program	1.1	25 946
Adcorp Australia Ltd	Advertising for Australia–Thailand Institute Grants Program	1.1	15 247
Adcorp Australia Ltd	2010 Major Grants Program advertising	1.1	17 028
McCann Worldgroup (trading as Universal McCann)	Advertising for <i>smartraveller</i> Phase II	2.1	1 967 483
<b>TOTAL</b>			<b>2 546 121</b>

Figures may not add due to rounding.

# APPENDIX 11

## GRANTS AND CONTRIBUTIONS

Table 27 provides a list of the grants programs administered or managed by the department in 2009-10. Information on grants awarded by the department since 1 July 2007 is available at [www.dfat.gov.au/dept/grants/index.html](http://www.dfat.gov.au/dept/grants/index.html).

In 2009–10, the department made payments totaling \$259.9 million consisting of \$97.4 million to 29 international organisations and international treaty secretariats, including the United Nations, and \$162.5 million to 15 United Nations peacekeeping operations.

**TABLE 27. GRANTS PROGRAMS**

<b>Program</b>	<b>Brief description of the program</b>	<b>2009–10 Actual (\$'000)</b>
International Relations Grants	Grants to advance Australia's objectives in the areas of international security, trade and economic performance, global cooperation and public diplomacy.	4 630
Other Departmental	Grants to advance Australia's objectives in the areas of international security, trade and economic performance, global cooperation and public diplomacy.	3 770
Other Administered	Grants to advance Australia's objectives in the areas of development of long-term links between individuals and institutions in Australia and their counterparts in Japan.	60
<b>Total</b>		<b>8 460</b>

TABLE 28. CONTRIBUTIONS TO INTERNATIONAL ORGANISATIONS AND PEACEKEEPING OPERATIONS\*

	Total (\$'000)
<b>International Organisations</b>	
Antarctic Treaty Secretariat	44
APEC Business Advisory Council	38
APEC Secretariat	377
APEC Policy Support Unit**	3 074
Biological Weapons Convention	5
Bureau of International Expositions	19
Commission for the Conservation of Antarctic Marine Living Resources	712
Commonwealth Secretariat	2 841
Comprehensive Nuclear-Test-Ban Treaty Organization	2 280
Convention on the Prohibition of the Use, Stockpiling, Production and Transfer of Anti-Personnel Mines and on their Destruction (Ottawa Convention)	7
Conventional Weapons Convention	38
Energy Charter Secretariat	248
International Atomic Energy Agency	8 049
International Bureau of the Permanent Court of Arbitration	31
International Centre for the Study of the Preservation and Restoration of Cultural Property	93
International Criminal Tribunal for the former Yugoslavia	3 030
International Criminal Tribunal for Rwanda	2 430
International Humanitarian Fact-Finding Commission	8
International Tribunal for the Law of the Sea	294
Non-Proliferation of Nuclear Weapons Treaty Organisation	55
Organisation for Economic Co-operation and Development	8 928
Organisation for the Prohibition of Chemical Weapons	1 738
Pacific Economic Cooperative Committee	29
United Nations 2nd Conference NWFZ and Mongolia	30
United Nations—Assessed Contribution	45 554
United Nations Capital Master Plan	6 988
United Nations Educational, Scientific and Cultural Organization	8 093
Wassenaar Arrangement	49
World Trade Organization	2 307
<i>Subtotal International Organisations</i>	<i>97 389</i>

	Total (\$'000)
<b>International Peacekeeping Operations</b>	
International Peacekeeping Operations	
United Nations Disengagement Observer Force	1 042
United Nations Hybrid Operation in Dafur	34 404
United Nations Integrated Mission in Timor-Leste	4 425
United Nations Interim Administration Mission in Kosovo	977
United Nations Interim Force in Lebanon	9 633
United Nations Mission for the Referendum in Western Sahara	1 167
United Nations Mission in the Central African Republic and Chad	15 254
United Nations Mission in Liberia	12 231
United Nations Mission in Sudan	21 243
United Nations Observer Mission in Georgia	220
United Nations Operation in Côte d'Ivoire	10 581
United Nations Organization Mission in the Democratic Republic of the Congo	29 941
United Nations Peacekeeping Force in Cyprus	673
United Nations Stabilization Mission in Haiti	15 926
United Nations Support for African Union Mission in Somalia	4 797
<i>Subtotal Peacekeeping Operations</i>	<i>162 514</i>
<b>Total</b>	<b>259 903</b>

\* Contributions to international organisations and United Nations peacekeeping operations are administered under Outcome 1. These figures are provided on an accrual basis consistent with the Financial Statements Note 18. Reporting of payments under the Outcome structure provides consistency with the reporting of these items in the *Portfolio Budget Statements 2009–10* and the *Portfolio Additional Estimates Statements 2009–10*.

\*\* The reported contributions for the APEC Policy Support Unit (PSU) include only contributions made directly to APEC in support of the Policy Support Unit. The overall cost of the measure includes salary and on-costs for the head of the APEC PSU, a DFAT officer on secondment to APEC as part of the measure. Salary costs for this officer are funded through the Administered measure and are reported as Employee Expenses in the DFAT Administered accounts.

# APPENDIX 12

## CONSULTANCY SERVICES

TABLE 29. CONSULTANCY SERVICES CONTRACTS LET DURING 2009-10 OF \$10 000 OR MORE

Consultant name	Description	Contract price (\$)	Selection process <sup>(1)</sup>	Justification <sup>(2)</sup>
Alliance Consulting	business continuity planning services	44 000	Direct Sourcing	A
Alliance Consulting	procurement advice and support services	49 999	Direct Sourcing	A
Alliance Consulting Group Pty Ltd	procurement related consultancy services	12 000	Select Tender	C
Alliance Recruitment Pty Ltd	security consultancy services	16 123	Direct Sourcing	C
Analytics Group Pty Ltd	financial advice—foreign exchange transactions	36 025	Direct Sourcing	B
Analytics Group Pty Ltd	IT consultancy services	49 184	Direct Sourcing	B
Analytics Group Pty Ltd	independent review of departmental cost recovery models	53 900	Direct Sourcing	B
Aurecon Australia Pty Ltd	blast analysis	33 600	Panel	B
Australian Services Roundtable Limited	industry workshop services	29 000	Direct Sourcing	B
CB Richard Ellis, Belgrade	property divestment consultancy	127 606	Direct Sourcing	B
Cedar Consulting Australia Pty Ltd	feasibility study for management information system implementation	342 375	Panel	B
Centre For Public Management Pty Ltd	independent review of select departmental processes	30 000	Direct Sourcing	C
Cogent Business Solutions Pty Ltd	IT systems change and release workflow management consultancy services	33 400	Select Tender	B
Control Risks Group Pty Ltd	independent review of security arrangements	32 339	Select Tender	C
Convergent Consulting Pty Ltd	evaluation services	62 645	Select Tender	B
Cousins, Ian Herbert	management advisory services	79 450	Direct Sourcing	B
Croftology, London	curatorial services	15 433	Direct Sourcing	B
Et Al Architecture Pty Ltd	design consultancy	17 500	Open Tender	B



Consultant name	Description	Contract price (\$)	Selection process <sup>(1)</sup>	Justification <sup>(2)</sup>
Fayle, Pamela Jean	consular services review	40 000	Direct Sourcing	C
Gartner Australasia Pty Ltd	IT consultancy services	23 980	Direct Sourcing	C
Gartner Australasia Pty Ltd	IT consultancy services	23 980	Direct Sourcing	C
Geoscience Australia	seismic monitoring services	645 819	Direct Sourcing	B
GHD Pty Ltd	construction support services	58 985	Panel	B
GHD Pty Ltd	construction support services	11 300	Panel	B
International Economics Unit Trust	economic modelling services	108 600	Select Tender	C
International Trade Strategies Pty Ltd	services trade research	39 600	Select Tender	C
JLT Actuaries	pension report and actuarial disclosures	24 723	Direct Sourcing	B
Len Early Pty Ltd	audit and risk consultancy	18 558	Direct Sourcing	B
Lowy Institute	assessment of Thai studies in Australia	14 890	Direct Sourcing	B
Major Training Services Pty Ltd	training assessment services	56 760	Direct Sourcing	B
McCarthy, John Philip	independent review of consular case management	66 000	Direct Sourcing	C
McGrathNicol Advisory Partnership	audit services	26 000	Select Tender	C
Nathan Associates Inc.	research services on environmental goods and services markets	40 000	Direct Sourcing	C
Noetic Solutions Pty Ltd	review of crisis management systems and processes	64 873	Direct Sourcing	B
Palm Consulting Group Pty Ltd	business process mapping services	11 220	Direct Sourcing	B
PricewaterhouseCoopers	audit services	18 480	Panel	C
Royal Melbourne Institute of Technology	IT consultancy services	110 000	Direct Sourcing	B
SRC Solutions Pty Ltd	OH&S consultancy services	10 000	Direct Sourcing	B
Tanner James Management Consultants Pty Ltd	P3M3 assessment and capability planning services	78 607	Panel	C
The Boston Consulting Group Pty Ltd	review of the DFAT IT capability and IT organisation	30 250	Direct Sourcing	C

Consultant name	Description	Contract price (\$)	Selection process <sup>(1)</sup>	Justification <sup>(2)</sup>
The Realise Group Pty Ltd	quality assessment services	160 000	Open Tender	B
The Trustee for the Stamford Interactive Trust	website evaluation services	56 475	Direct Sourcing	C
Thomson Maloney & Partners Pty Ltd	property management strategy	85 470	Open Tender	B
University of Melbourne	research services relating to intellectual property	49 610	Direct Sourcing	C
UXC Applications Development	corporate directory and metadata consultancy services	82 500	Direct Sourcing	B
VSL Australia Pty Ltd	blast analysis	19 113	Panel	B
VSL Australia Pty Ltd	blast analysis	148 500	Panel	B
VSL Australia Pty Ltd	blast analysis	20 625	Panel	B
<b>Total</b>		<b>3 209 496</b>		

**(1) Explanation of selection process terms drawn from the Commonwealth Procurement Guidelines (December 2008):**

*Open Tender:* A procurement procedure in which a request for tender is published inviting all businesses that satisfy the conditions for participation to submit tenders. Public tenders are generally sought from the Australian Government AusTender internet site.

*Select Tender:* A procurement procedure in which the procuring agency selects which potential suppliers are invited to submit tenders (this includes tenders submitted through Multi-Use Lists). This procurement process may only be used under certain defined circumstances.

*Direct Sourcing:* A form of restricted tendering, available only under certain defined circumstances, with a single potential supplier or suppliers being invited to bid because of their unique expertise and/or their special ability to supply the goods and/or services sought.

*Panel:* An arrangement under which a number of suppliers, initially selected through an open tender process, may each supply property or services to an agency as specified in the panel arrangements. Quotes are sought from suppliers that have pre-qualified on the agency panels to supply to the government. This category includes standing offers and supplier panels where the supply of goods and services may be provided for a predetermined length of time, usually at a prearranged price.

**(2) Justification for decision to use consultancy:**

A—skills currently unavailable within agency

B—need for specialised or professional skills

C—need for independent research or assessment

# APPENDIX 13

## LIST OF SPONSORS

The following is a list of sponsors who supported projects or programs undertaken by the department during the year. The list includes sponsorship equivalent to \$1500 and above (GST inclusive).

TABLE 30. LIST OF SPONSORS

Sponsor	Project	Program	Amount (\$)
Gryphon	Anzac Day (Washington)	1.1	5 634
Noetic Corporation	Anzac Day (Washington)	1.1	5 485
Bectech	Anzac Day (Washington)	1.1	5 449
General Dynamics	Anzac Day (Washington)	1.1	5 426
Chevron	Anzac Day (Washington)	1.1	5 571
Pernod Ricard	Ashes Cricket Reception (London)	1.1	5 301
Sino Gold Mining Ltd	Askar Tour (Beijing)	1.1	20 000
Al Habtoor Leighton Group	Australia Day 2010 (Abu Dhabi)	1.1	3 292
ANZ Bank	Australia Day 2010 (Abu Dhabi)	1.1	3 260
University of Wollongong, Dubai	Australia Day 2010 (Abu Dhabi)	1.1	3 108
Murdoch University	Australia Day 2010 (Abu Dhabi)	1.1	2 989
Templeton Galt	Australia Day 2010 (Abu Dhabi)	1.1	2 938
GHD	Australia Day 2010 (Abu Dhabi)	1.1	2 938
Woodside	Australia Day 2010 (Abu Dhabi)	1.1	2 938
AE Com / Consult / Maunsell	Australia Day 2010 (Abu Dhabi)	1.1	2 938
Transfield Services	Australia Day 2010 (Abu Dhabi)	1.1	2 938
Blackmores Ltd	Australia Day 2010 (Bangkok)	1.1	5 087
PTT Exploration and Production Plc	Australia Day 2010 (Bangkok)	1.1	5 084
Akara Mining Ltd	Australia Day 2010 (Bangkok)	1.1	4 998
Australian Trade Commission	Australia Day 2010 (Bangkok)	1.1	2 633
University of New South Wales	Australia Day 2010 (Bangkok)	1.1	2 596
Banpu Public Co Ltd	Australia Day 2010 (Bangkok)	1.1	2 540
BNH Medical Centre Ltd	Australia Day 2010 (Bangkok)	1.1	2 501
Thai Leighton Ltd	Australia Day 2010 (Bangkok)	1.1	2 485
Peabody Energy	Australia Day 2010 (Chicago)	1.1	11 373
Caterpillar Inc	Australia Day 2010 (Chicago)	1.1	11 148
Macquarie Holdings	Australia Day 2010 (Chicago)	1.1	10 923
Anca Inc	Australia Day 2010 (Chicago)	1.1	5 462
Victorian Government	Australia Day 2010 (Chicago)	1.1	5 389

Sponsor	Project	Program	Amount (\$)
The Boeing Company	Australia Day 2010 (Chicago)	1.1	3 367
Creata USA	Australia Day 2010 (Chicago)	1.1	3 277
FCM Travel Solutions	Australia Day 2010 (Chicago)	1.1	3 262
Futuris	Australia Day 2010 (Chicago)	1.1	3 251
Baker & McKenzie LLP	Australia Day 2010 (Chicago)	1.1	3 249
Foster's Wine Estates	Australia Day 2010 (Hong Kong)	1.1	1 701
Pernod Ricard	Australia Day 2010 (London)	1.1	7 070
Binna: Colour Trends & Skin Care	Australia Day 2010 (Mexico City)	1.1	7 713
Grupo Maseca	Australia Day 2010 (Mexico City)	1.1	2 246
Macquarie Capital Mexico	Australia Day 2010 (Mexico City)	1.1	2 226
Sinclair Knight Merz Chile Ltd	Australia Day 2010 (Santiago)	1.1	6 824
BHP Chile Inc	Australia Day 2010 (Santiago)	1.1	6 672
Xstrata Chile Servicios Corporativos Ltd	Australia Day 2010 (Santiago)	1.1	6 570
Orica Chile S.A.	Australia Day 2010 (Santiago)	1.1	6 570
ARA WorleyParsons	Australia Day 2010 (Santiago)	1.1	6 495
Meat and Livestock Australia	Australia Day 2010 (Tokyo)	1.1	11 564
Vacel Inc	Australia Day 2010 (Tokyo)	1.1	5 937
Sekol	Australia Day 2010 (Tokyo)	1.1	5 770
Suntory Flowers Co Ltd	Australia Day 2010 (Tokyo)	1.1	2 885
Seatonfire Pty Ltd	Australia Day 2010 (Tokyo)	1.1	1 910
Kob Ltd	Australia Day 2010 (Tokyo)	1.1	1 534
National Australia Bank Ltd	Australia Day 2010 (Tokyo)	1.1	12 900
North West Shelf Liaison Co Pty Ltd	Australia Day 2010 (Tokyo)	1.1	12 600
Aristocrat Technologies K.K.	Australia Day 2010 (Tokyo)	1.1	12 560
Macquarie Capital Securities Japan Ltd	Australia Day 2010 (Tokyo)	1.1	12 560
Inpex Corporation	Australia Day 2010 (Tokyo)	1.1	12 560
ANZ Banking Group Ltd	Australia Day 2010 (Tokyo)	1.1	12 240
Tourism Australia	Australia Day 2010 (Tokyo)	1.1	11 530
BHP Billiton Japan Ltd	Australia Day 2010 (Tokyo)	1.1	6 450
Telstra Japan	Australia Day 2010 (Tokyo)	1.1	6 280
Commonwealth Bank of Australia	Australia Day 2010 (Tokyo)	1.1	6 210
Mars Japan Ltd	Australia Day 2010 (Tokyo)	1.1	5 900
Allied Pickfords Japan K.K.	Australia Day 2010 (Tokyo)	1.1	3 150
Servcorp Japan	Australia Day 2010 (Tokyo)	1.1	3 140
Mitsui & Co Ltd	Australia Day 2010 (Tokyo)	1.1	3 140
Itochu Corporation	Australia Day 2010 (Tokyo)	1.1	3 140

Sponsor	Project	Program	Amount (\$)
Marubeni Corporation	Australia Day 2010 (Tokyo)	1.1	3 140
Queensland Government Trade and Investment Office, Tokyo	Australia Day 2010 (Tokyo)	1.1	3 125
Government of Victoria, Tokyo Office	Australia Day 2010 (Tokyo)	1.1	3 113
Rio Tinto Japan Ltd	Australia Day 2010 (Tokyo)	1.1	3 073
Government of Western Australia, Tokyo Office	Australia Day 2010 (Tokyo)	1.1	3 020
Mitsubishi Corporation	Australia Day 2010 (Tokyo)	1.1	2 900
ANZ Bank	Australia Day 2010 (Wellington)	1.1	8 071
Trans-Tasman Business Circle	Australia Day 2010 (Wellington)	1.1	4 379
Contact Energy	Australia Day 2010 (Wellington)	1.1	4 036
Fulton Hogan	Australia Day 2010 (Wellington)	1.1	4 036
Toll Networks NZ	Australia Day 2010 (Wellington)	1.1	4 036
CPA Australia	Australia Day 2010 (Wellington)	1.1	4 017
Qantas	Australia Day 2010 (Wellington)	1.1	2 443
BHP Billiton	Australia International Cultural Council (Washington)	1.1	61 320
News Corporation	Australia International Cultural Council (Washington)	1.1	60 879
Intelsat	Australia International Cultural Council (Washington)	1.1	59 574
Chevron	Australia International Cultural Council (Washington)	1.1	53 845
Tsingtao Beer	Australian Film Festival 2010 (Beijing)	1.1	15 000
ANZ China	Australian Film Festival 2010 (Beijing)	1.1	55 489
Telstra Corporation Ltd	Australian Film Festival 2010 (Beijing)	1.1	15 000
Tourism Australia	Australian Film Festival 2010 (Beijing)	1.1	10 000
Meat and Livestock Australia	Australian Film Festival 2010 (Beijing)	1.1	1 595
Australis Network	Australian Film Festival 2010 (Hong Kong)	1.1	1 818
HKSAR: Leisure and Cultural Services Department	Australian Film Festival 2010 (Hong Kong)	1.1	2 885
BHP Billiton Eurasia BV	Australian Film Festival 2010 (Moscow)	1.1	37 270
Rostiks KFC (000 National Network PBO)	Australian Film Festival 2010 (Moscow)	1.1	8 702
Macquarie Capital (S) Pte Ltd	Australian Film Festival 2010 (Singapore)	1.1	5 552

Sponsor	Project	Program	Amount (\$)
Australia Council for the Arts	Australian Writers Week 2010 (Beijing)	1.1	9 999
Fortescue Metals Group	Australian Writers Week 2010 (Beijing)	1.1	9 999
Santa Fe Arts Solutions	Balgo Indigenous Art Exhibition (Hong Kong)	1.1	2 342
The Myer Foundation	Building Relationships through Intercultural Dialogue and Growing Engagement (BRIDGE) program (Indonesia)	1.1	250 000
Singapore International Film Festival Ltd	International Film Festival (Singapore)	1.1	2 809
Westpac	Italians in Australia 2010 (Rome)	1.1	4 953
Contact Energy	Melbourne Cup 2010 (Wellington)	1.1	2 018
Fulton Hogan	Melbourne Cup 2010 (Wellington)	1.1	2 018
Ayala Museum	Museum Exhibition – White Hot (Manila)	1.1	17 352
University of Queensland	Once in a 1000 years (Hanoi)	1.1	4 118
Nanyang Academy of Fine Arts	Promoting Australia (Singapore)	1.1	1 561
ANZ Bank	Promoting Australia (Taipei)	1.1	7 500
Rio Tinto	Shanghai World Expo 2010	1.3	1 485 000
ANZ Banking Group Ltd	Shanghai World Expo 2010	1.3	1 485 000
Victorian Department of Innovation, Industry and Regional Development	Shanghai World Expo 2010	1.3	797 500
Queensland Department of Employment, Economic Development and Innovation	Shanghai World Expo 2010	1.3	660 000
University of Sydney	Shanghai World Expo 2010	1.3	275 000
Australian National University	Shanghai World Expo 2010	1.3	209 000
Australian American Leadership Dialogue	Young Leaders Dialogue 2010 (New York)	1.1	2 357
Australian American Leadership Dialogue	Young Leaders Dialogue 2010 (New York)	1.1	2 240
<b>Total</b>			<b>6 045 955</b>

# APPENDIX 14

## SUMMARY OF THE OVERSEAS NETWORK

Following is a summary of the overseas network as at 30 June 2010.

More information about our overseas network is available at the department's website at [www.dfat.gov.au/missions](http://www.dfat.gov.au/missions) and at [www.smartraveller.gov.au](http://www.smartraveller.gov.au).

**TABLE 31. EMBASSIES, HIGH COMMISSIONS, CONSULATES AND MULTILATERAL MISSIONS MANAGED BY THE DEPARTMENT OF FOREIGN AFFAIRS AND TRADE (89 POSTS)**

Country of location	City	Post type
Afghanistan	Kabul	Embassy
Argentina	Buenos Aires	Embassy
Austria	Vienna	Embassy and Permanent Mission to the United Nations
Bangladesh	Dhaka	High Commission
Belgium	Brussels	Embassy and Mission to the European Union
Brazil	Brasilia	Embassy
Brunei Darussalam	Bandar Seri Begawan	High Commission
Burma	Rangoon	Embassy
Cambodia	Phnom Penh	Embassy
Canada	Ottawa	High Commission
Chile	Santiago	Embassy
China	Beijing Guangzhou Hong Kong Shanghai	Embassy Consulate-General Consulate-General Consulate-General
Croatia	Zagreb	Embassy
Cyprus	Nicosia	High Commission
Denmark	Copenhagen	Embassy
East Timor	Dili	Embassy
Egypt	Cairo	Embassy
Federated States of Micronesia	Pohnpei	Embassy
Fiji	Suva	High Commission
France	Paris Paris	Embassy* Delegation to the OECD
Germany	Berlin	Embassy
Ghana	Accra	High Commission
Greece	Athens	Embassy
Hungary	Budapest	Embassy

Country of location	City	Post type
India	New Delhi	High Commission
Indonesia	Jakarta Bali (Denpasar)	Embassy Consulate-General
Iran	Tehran	Embassy
Iraq	Baghdad	Embassy
Ireland	Dublin	Embassy
Israel	Tel Aviv	Embassy
Italy	Rome	Embassy and Permanent Mission to the FAO
Japan	Tokyo	Embassy
Jordan	Amman	Embassy
Kenya	Nairobi	High Commission
Kiribati	Tarawa	High Commission
Korea, Republic of	Seoul	Embassy
Kuwait	Kuwait	Embassy
Laos	Vientiane	Embassy
Lebanon	Beirut	Embassy
Malaysia	Kuala Lumpur	High Commission
Malta	Malta	High Commission
Mauritius	Port Louis	High Commission
Mexico	Mexico City	Embassy
Nauru	Nauru	High Commission
Nepal	Kathmandu	Embassy
Netherlands	The Hague	Embassy
New Caledonia (France)	Noumea	Consulate-General
New Zealand	Wellington	High Commission
Nigeria	Abuja	High Commission
Pakistan	Islamabad	High Commission
Papua New Guinea	Port Moresby	High Commission
Philippines	Manila	Embassy
Poland	Warsaw	Embassy
Portugal	Lisbon	Embassy
Russia	Moscow	Embassy
Samoa	Apia	High Commission
Saudi Arabia	Riyadh	Embassy
Serbia	Belgrade	Embassy
Singapore	Singapore	High Commission
Solomon Islands	Honiara	High Commission



Country of location	City	Post type
South Africa	Pretoria	High Commission
Spain	Madrid	Embassy
Sri Lanka	Colombo	High Commission
Sweden	Stockholm	Embassy
Switzerland	Geneva Geneva	Permanent Mission to the United Nations Permanent Mission to the WTO and Consulate-General
Thailand	Bangkok	Embassy and Permanent Mission to ESCAP
Tonga	Nuku'alofa	High Commission
Trinidad and Tobago	Port of Spain	High Commission
Turkey	Ankara Canakkale	Embassy Consulate
United Arab Emirates	Abu Dhabi	Embassy
United Kingdom	London	High Commission
United States of America	Washington DC Chicago Honolulu Los Angeles New York New York	Embassy Consulate-General Consulate-General Consulate-General Consulate-General Permanent Mission to the United Nations
Vanuatu	Port Vila	High Commission
Vatican City	Vatican City	Embassy to the Holy See
Vietnam	Hanoi Ho Chi Minh City	Embassy Consulate-General
Zimbabwe	Harare	Embassy

\* The Australian Permanent Delegation to UNESCO is located within the embassy in Paris. In Ramallah, the Australian Government maintains the Australian Representative Office. In Taipei, the Australian Commerce and Industry Office represents Australian interests in Taiwan in the absence of formal diplomatic relations. The office includes staff seconded from the Department of Foreign Affairs and Trade, Austrade, the Department of Education, Employment and Workplace Relations and the Department of Immigration and Citizenship.

TABLE 32. CONSULATES MANAGED BY AUSTRADE (16 POSTS)

Country of location	City	Post type
Brazil	Sao Paulo	Consulate-General
Canada	Toronto	Consulate-General
Germany	Frankfurt	Consulate-General
India	Chennai Mumbai	Consulate-General Consulate-General
Italy	Milan	Consulate-General
Japan	Fukuoka Osaka Sapporo	Consulate-General Consulate-General Consulate
Libya	Tripoli	Consulate-General
New Zealand	Auckland	Consulate-General
Peru	Lima	Consulate-General
Turkey	Istanbul	Consulate-General
United Arab Emirates	Dubai	Consulate-General
United States of America	Atlanta San Francisco	Consulate-General Consulate-General

TABLE 33. CONSULATES HEADED BY HONORARY CONSULS (51 POSTS)

Region	Country of location	City	Responsible post
Africa	Angola	Luanda**	Pretoria
	Mozambique	Maputo	Pretoria
	Nigeria	Lagos**	Abuja
	South Africa	Capetown	Pretoria
Asia	Indonesia	Medan	Jakarta
	Kazakhstan	Almaty	Moscow
	Korea, Republic of	Busan	Seoul
	Malaysia	Kota Kinabalu	Kuala Lumpur
	Malaysia	Kuching	Kuala Lumpur
	Malaysia	Penang	Kuala Lumpur
	Mongolia	Ulaanbaatar	Seoul
	Pakistan	Karachi**	Islamabad
	Pakistan	Lahore**	Islamabad
	Russia	Vladivostok*	Moscow
	Thailand	Chiang Mai	Bangkok
	Thailand	Koh Samui	Bangkok
Thailand	Phuket	Bangkok	
Pacific	French Polynesia (France)	Papeete	Noumea
	Papua New Guinea	Lae	Port Moresby

Region	Country of location	City	Responsible post
Europe	Bosnia and Herzegovina	Sarajevo	Vienna
	Bulgaria	Sofia	Athens
	Czech Republic	Prague*	Warsaw
	Estonia	Tallinn	Stockholm
	Finland	Helsinki	Stockholm
	Former Yugoslav Republic of Macedonia	Skopje	Belgrade
	Germany	Munich	Berlin
	Greece	Thessaloniki	Athens
	Italy	Venice	Rome
	Latvia	Riga**	Stockholm
	Lithuania	Vilnius	Stockholm
	Norway	Oslo	Copenhagen
	Romania	Bucharest**	Belgrade
	Russia	St Petersburg	Moscow
	Slovenia	Ljubljana	Vienna
	Spain	Barcelona	Madrid
	Spain	Seville**	Madrid
	Ukraine	Kiev**	Vienna
	United Kingdom	Edinburgh	London
	North America	Canada	Calgary
Canada		Vancouver*	Ottawa
United States		Boston**	New York CG
United States		Denver	Los Angeles
United States		Houston	Washington DC
United States		Miami**	Atlanta
United States		Seattle**	San Francisco
Central and South America	Bolivia	La Paz	Santiago
	Brazil	Rio de Janeiro	Brasilia
	Colombia	Bogota	Santiago
	Ecuador	Guayaquil	Santiago
	Mexico	Monterrey	Mexico City
	Uruguay	Montevideo	Buenos Aires

\* Austrade-managed consulate

\*\* Temporarily closed as at 30 June 2010

TABLE 34. PLACES WHERE CANADA PROVIDES CONSULAR SERVICES TO AUSTRALIAN CITIZENS

Country/consular area	Canadian post responsible	Australian supervising post
Algeria	Algiers	Paris Embassy
Burkina Faso	Ouagadougou	Accra
Cameroon	Yaoundé	Abuja
Congo, Democratic Republic of the	Kinshasa	Harare
Costa Rica	San Jose	Mexico City
Côte d'Ivoire	Abidjan	Accra
Cuba	Havana	Mexico City
Ecuador	Quito	Santiago
Ethiopia	Addis Ababa	Nairobi
Gabon	Yaoundé	Abuja
Gambia, The	Dakar	Abuja
Guatemala	Guatemala City	Mexico City
Guinea	Dakar	Accra
Mali	Bamako	Accra
Morocco	Rabat	Paris Embassy
Niger	Niamey	Abuja
Panama	Panama City	Mexico City
El Salvador	San Salvador	Mexico City
Senegal	Dakar	Accra
Syria	Damascus	Cairo
Tanzania	Dar es Salaam	Nairobi
Tunisia	Tunis	Cairo
Venezuela	Caracas	Brasilia

TABLE 35. PLACES WHERE AUSTRALIA PROVIDES CONSULAR SERVICES TO CANADIAN CITIZENS

Country/consular area	Australian post responsible	Canadian supervising post
Bali	Bali (Denpasar)	Jakarta
Burma	Rangoon	Bangkok
Cambodia	Phnom Penh	Bangkok
East Timor	Dili	Jakarta
Federated States of Micronesia Guam Marshall Islands Northern Mariana Islands Palau	Pohnpei	Canberra
French Polynesia (France)	Noumea	Wellington
Hawaii	Honolulu	San Francisco
Kiribati	Tarawa	Wellington
Laos	Vientiane	Bangkok
Nauru	Nauru	Canberra
New Caledonia (France)	Noumea	Canberra
Nusa Tenggara Barat	Bali (Denpasar)	Jakarta
Papua New Guinea	Port Moresby	Canberra
Samoa	Apia	Wellington
Solomon Islands	Honiara	Canberra
Tonga	Nuku'alofa	Wellington
Vanuatu	Port Vila	Canberra

*Below Deputy Head of Mission in Cairo, Ms Rachel Morris, with local Syrian beneficiaries receiving emergency food in March 2010, delivered by the World Food Program under a drought relief program supported by Australia.  
Photo: World Food Program.*



*Below Australian Consul-General in Ho Chi Minh City, Mr Graeme Swift, inspecting a new bridge constructed under a Direct Aid Program project, which facilitates access of local children to two primary schools.*



*Opposite Australian Ambassador to Egypt, Ms Stephanie Shwabsky, speaking about multiculturalism in Australia at the book launch of 'Where the Streets Had a Name' by Australian-Egyptian novelist Ms Randa Abdel-Fattah in April 2010.*

# FINANCIAL STATEMENTS SECTION 5



# FINANCIAL STATEMENTS FOR THE YEAR ENDED 30 JUNE 2010

**Independent auditor's report**

**Statement by the Chief Executive and Chief Financial Officer**

**Statement of comprehensive income**

**Balance sheet**

**Statement of changes in equity**

**Cash flow statement**

**Schedules of commitments, contingencies, asset additions and  
administered items**

**Notes to and forming part of the financial statements, including  
a summary of significant accounting policies**





## INDEPENDENT AUDITOR'S REPORT

### To the Minister for Foreign Affairs and Trade

#### Scope

I have audited the accompanying financial statements of the Department of Foreign Affairs and Trade for the year ended 30 June 2010, which comprise: the Statement by the Chief Executive and Chief Financial Officer; Statement of Comprehensive Income; Balance Sheet; Statement of Changes in Equity; Cash Flow Statement; Schedule of Commitments; Schedule of Contingencies; Schedule of Asset Additions; Schedule of Administered Items and Notes to and forming part of the Financial Statements, including a Summary of Significant Accounting Policies.

#### *The Responsibility of the Chief Executive for the Financial Statements*

The Department of Foreign Affairs and Trade's Chief Executive is responsible for the preparation and fair presentation of the financial statements in accordance with the Finance Minister's Orders made under the *Financial Management and Accountability Act 1997*, including the Australian Accounting Standards (which include the Australian Accounting Interpretations). This responsibility includes establishing and maintaining internal controls relevant to the preparation and fair presentation of the financial statements that are free from material misstatement, whether due to fraud or error; selecting and applying appropriate accounting policies; and making accounting estimates that are reasonable in the circumstances.

#### *Auditor's Responsibility*

My responsibility is to express an opinion on the financial statements based on my audit. I have conducted my audit in accordance with the Australian National Audit Office Auditing Standards, which incorporate the Australian Auditing Standards. These auditing standards require that I comply with relevant ethical requirements relating to audit engagements and plan and perform the audit to obtain reasonable assurance whether the financial statements are free from material misstatement.

An audit involves performing procedures to obtain audit evidence about the amounts and disclosures in the financial statements. The procedures selected depend on the auditor's judgement, including the assessment of the risks of material misstatement of the financial statements, whether due to fraud or error. In making those risk assessments, the auditor considers internal control relevant to the Department of Foreign Affairs and Trade's preparation and fair presentation of the financial statements in order to design audit procedures that are appropriate in the circumstances, but not

for the purpose of expressing an opinion on the effectiveness of the Department of Foreign Affairs and Trade's internal control. An audit also includes evaluating the appropriateness of accounting policies used and the reasonableness of accounting estimates made by the Department of Foreign Affairs and Trade's Chief Executive, as well as evaluating the overall presentation of the financial statements.

I believe that the audit evidence I have obtained is sufficient and appropriate to provide a basis for my audit opinion.

### ***Independence***

In conducting the audit, I have followed the independence requirements of the Australian National Audit Office, which incorporate the requirements of the Australian accounting profession.

### **Auditor's Opinion**

In my opinion, the financial statements of the Department of Foreign Affairs and Trade:

- (a) have been prepared in accordance with the Finance Minister's Orders made under the *Financial Management and Accountability Act 1997*, including the Australian Accounting Standards; and
- (b) give a true and fair view of the matters required by the Finance Minister's Orders including the Department of Foreign Affairs and Trade's financial position as at 30 June 2010 and its financial performance and cash flows for the year then ended.

Australian National Audit Office



Simon Kidman  
Executive Director

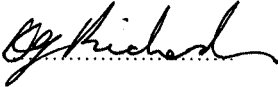
Delegate of the Auditor-General

Canberra  
8 September 2010

**STATEMENT BY THE CHIEF EXECUTIVE AND CHIEF FINANCIAL OFFICER**

In our opinion, the attached financial statements for the year ended 30 June 2010 are based on properly maintained financial records and give a true and fair view of the matters required by the Finance Minister's Orders made under the *Financial Management and Accountability Act 1997*, as amended.

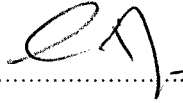
Signed.....



Dennis Richardson  
Chief Executive

8 September 2010

Signed.....



Ann Thorpe  
Chief Financial Officer

8 September 2010

**STATEMENT OF COMPREHENSIVE INCOME**  
for the period ended 30 June 2010

	Notes	2010 \$'000	2009 \$'000
<b>EXPENSES</b>			
Employee benefits	3A	390,209	378,293
Supplier expenses	3B	430,757	408,418
Grants	3C	5,243	3,040
Depreciation and amortisation	3D	84,952	81,467
Finance costs	3E	1,452	1,714
Write-down and impairment of assets	3F	116	2,048
Losses from asset sales	3G	1,561	3,393
Other	3H	129	83
<b>Total expenses</b>		<b>914,419</b>	<b>878,456</b>
<b>LESS:</b>			
<b>OWN-SOURCE INCOME</b>			
<b>Own-source revenue</b>			
Sale of goods and rendering of services	4A	101,065	114,829
Other	4B	7,523	3,459
<b>Total own-source revenue</b>		<b>108,588</b>	<b>118,288</b>
<b>Gains</b>			
Foreign exchange	4C	60	336
Other	4D	400	465
<b>Total gains</b>		<b>460</b>	<b>801</b>
<b>Total own-source income</b>		<b>109,048</b>	<b>119,089</b>
<b>Net cost of (contribution by) services</b>		<b>805,371</b>	<b>759,367</b>
Revenue from Government	4E	894,974	871,746
<b>Surplus (Deficit) before income tax on continuing operations</b>		<b>89,603</b>	<b>112,379</b>
Income tax expense	5	-	-
<b>Surplus (Deficit) after income tax on continuing operations</b>		<b>89,603</b>	<b>112,379</b>
<b>Surplus (Deficit) attributable to the Australian Government</b>		<b>89,603</b>	<b>112,379</b>
<b>OTHER COMPREHENSIVE INCOME</b>			
Changes in asset revaluation reserves		(78,706)	61,444
<b>Total other comprehensive income after income tax</b>		<b>(78,706)</b>	<b>61,444</b>
<b>Total comprehensive income</b>		<b>10,897</b>	<b>173,823</b>
<b>Total comprehensive income (loss) attributable to the Australian Government</b>		<b>10,897</b>	<b>173,823</b>

The above statement should be read in conjunction with the accompanying notes.

**BALANCE SHEET***as at 30 June 2010*

	Notes	2010 \$'000	2009 \$'000
<b>ASSETS</b>			
<b>Financial Assets</b>			
Cash and cash equivalents	<u>7A</u>	48,555	40,782
Trade and other receivables	<u>7B</u>	744,578	624,007
<b>Total financial assets</b>		<u>793,133</u>	<u>664,789</u>
<b>Non-Financial Assets</b>			
Land and buildings	<u>8A.C</u>	1,860,483	1,951,053
Infrastructure, plant and equipment	<u>8B.C</u>	142,766	127,755
Intangibles	<u>8D.E</u>	21,147	9,965
Inventories	<u>8F</u>	34,686	31,489
Other	<u>8G</u>	27,558	24,382
<b>Total non-financial assets</b>		<u>2,086,640</u>	<u>2,144,644</u>
Assets held for sale	<u>8A.C</u>	500	-
<b>Total Assets</b>		<u>2,880,273</u>	<u>2,809,433</u>
<b>LIABILITIES</b>			
<b>Payables</b>			
Suppliers	<u>9A</u>	83,120	85,973
Other	<u>9B</u>	27,182	24,779
<b>Total payables</b>		<u>110,302</u>	<u>110,752</u>
<b>Interest Bearing Liabilities</b>			
Leases	<u>10A</u>	-	648
<b>Total interest bearing liabilities</b>		<u>-</u>	<u>648</u>
<b>Provisions</b>			
Employee provisions	<u>11A</u>	117,738	109,241
Other	<u>11B</u>	23,979	19,547
<b>Total provisions</b>		<u>141,717</u>	<u>128,788</u>
<b>Total Liabilities</b>		<u>252,019</u>	<u>240,188</u>
<b>Net Assets</b>		<u>2,628,254</u>	<u>2,569,245</u>
<b>EQUITY</b>			
<b>Parent Entity Interest</b>			
Contributed equity		1,582,867	1,529,788
Reserves		417,669	496,375
Retained surplus (accumulated deficit)		627,718	543,082
<b>Total Equity</b>		<u>2,628,254</u>	<u>2,569,245</u>

The above statement should be read in conjunction with the accompanying notes.

**STATEMENT OF CHANGES IN EQUITY**  
for the period ended 30 June 2010

	Retained earnings		Asset revaluation reserve		Contributed equity/capital		Total equity	
	2010	2009	2010	2009	2010	2009	2010	2009
	\$'000	\$'000	\$'000	\$'000	\$'000	\$'000	\$'000	\$'000
<b>Opening balance</b>								
Balance carried forward from previous period	543,082	455,434	496,375	434,931	1,529,788	1,493,523	2,569,245	2,383,888
<b>Adjusted opening balance</b>	<b>543,082</b>	<b>455,434</b>	<b>496,375</b>	<b>434,931</b>	<b>1,529,788</b>	<b>1,493,523</b>	<b>2,569,245</b>	<b>2,383,888</b>
<b>Comprehensive income</b>								
Other comprehensive income	-	-	-	-	-	-	-	-
Revaluation Adjustment	89,603	112,379	(78,706)	61,444	(78,706)	61,444	(78,706)	61,444
Surplus (Deficit) for the period	89,603	112,379	(78,706)	61,444	89,603	112,379	89,603	112,379
<b>Total comprehensive income</b>	<b>89,603</b>	<b>112,379</b>	<b>(78,706)</b>	<b>61,444</b>	<b>10,897</b>	<b>173,823</b>	<b>10,897</b>	<b>173,823</b>
of which:								
Attributable to the Australian Government	89,603	112,379	(78,706)	61,444	-	-	10,897	173,823
<b>Transactions with owners</b>								
<b>Distributions to owners</b>								
Returns on capital:								
Dividends	(986)	(24,731)	-	-	-	-	(986)	(24,731)
Returns of capital:								
Other	(3,981)	-	-	-	(5,927)	(7,998)	(9,908)	(7,998)
<b>Contributions by owners</b>								
Appropriation (equity injection)	-	-	-	-	59,006	44,263	59,006	44,263
<b>Sub-total transactions with owners</b>	<b>(4,967)</b>	<b>(24,731)</b>	<b>-</b>	<b>-</b>	<b>53,079</b>	<b>36,265</b>	<b>48,112</b>	<b>11,534</b>
Transfers between equity components	-	-	-	-	-	-	-	-
<b>Closing balance attributable to the Australian Government</b>	<b>627,718</b>	<b>543,082</b>	<b>417,669</b>	<b>496,375</b>	<b>1,582,867</b>	<b>1,529,788</b>	<b>2,628,255</b>	<b>2,569,245</b>

The above statement should be read in conjunction with the accompanying notes.

**CASH FLOW STATEMENT***for the period ended 30 June 2010*

	Notes	2010 \$'000	2009 \$'000
<b>OPERATING ACTIVITIES</b>			
<b>Cash received</b>			
Goods and services		125,849	124,214
Appropriations		860,000	838,557
Net GST received		26,602	25,782
<b>Total cash received</b>		<u>1,012,451</u>	<u>988,553</u>
<b>Cash used</b>			
Employees		386,596	371,332
Suppliers		463,163	436,041
Other		5,243	3,041
Cash transferred to OPA		100,159	51,935
<b>Total cash used</b>		<u>955,161</u>	<u>862,349</u>
<b>Net cash from (used by) operating activities</b>	12	<u>57,290</u>	<u>126,204</u>
<b>INVESTING ACTIVITIES</b>			
<b>Cash received</b>			
Proceeds from sales of property, plant and equipment		10,511	8,396
<b>Total cash received</b>		<u>10,511</u>	<u>8,396</u>
<b>Cash used</b>			
Purchase of property, plant and equipment		99,242	126,763
Purchase of intangibles		7,844	8,127
<b>Total cash used</b>		<u>107,086</u>	<u>134,890</u>
<b>Net cash from (used by) investing activities</b>		<u>(96,575)</u>	<u>(126,494)</u>
<b>FINANCING ACTIVITIES</b>			
<b>Cash received</b>			
Contributed equity		59,006	44,263
<b>Total cash received</b>		<u>59,006</u>	<u>44,263</u>
<b>Cash used</b>			
Finance Lease		1,109	1,507
Returns of Contributed Equity		9,909	7,998
Interest paid		4	4
Dividends paid		986	24,731
<b>Total cash used</b>		<u>12,008</u>	<u>34,240</u>
<b>Net cash from (used by) financing activities</b>		<u>46,998</u>	<u>10,023</u>
<b>Net increase (decrease) in cash held</b>		<u>7,713</u>	<u>9,733</u>
Cash and cash equivalents at the beginning of the reporting period		40,782	30,712
Effect of exchange rate movements on cash and cash equivalents at the beginning of the reporting period		60	337
<b>Cash and cash equivalents at the end of the reporting period</b>	7A	<u>48,555</u>	<u>40,782</u>

The above statement should be read in conjunction with the accompanying notes.

## SCHEDULE OF COMMITMENTS

as at 30 June 2010

	2010	2009
BY TYPE	\$'000	\$'000
<b>Commitments receivable</b>		
Sublease rental income	(148,988)	(106,830)
GST recoverable on commitments	(44,541)	(29,858)
<b>Total commitments receivable</b>	<u>(193,529)</u>	<u>(136,688)</u>
<b>Commitments payable</b>		
<b>Capital commitments</b>		
Infrastructure, plant and equipment	49,359	47,467
<b>Total capital commitments</b>	<u>49,359</u>	<u>47,467</u>
<b>Other commitments</b>		
Operating leases <sup>1</sup>	321,511	253,054
Other <sup>2</sup>	280,810	293,601
<b>Total other commitments</b>	<u>602,321</u>	<u>546,655</u>
<b>Net commitments by type</b>	<u>458,151</u>	<u>457,434</u>
<b>BY MATURITY</b>		
<b>Commitments receivable</b>		
<b>Sublease rental income</b>		
One year or less	(41,161)	(34,101)
From one to five years	(77,602)	(53,247)
Over five years	(30,225)	(19,482)
<b>Total Sublease income</b>	<u>(148,988)</u>	<u>(106,830)</u>
<b>GST commitments receivable</b>		
One year or less	(33,207)	(13,436)
From one to five years	(10,990)	(16,140)
Over five years	(344)	(282)
<b>Total GST commitments receivable</b>	<u>(44,541)</u>	<u>(29,858)</u>
<b>Commitments payable</b>		
<b>Capital commitments</b>		
One year or less	29,297	31,861
From one to five years	20,003	15,606
Over five years	59	-
<b>Total capital commitments</b>	<u>49,359</u>	<u>47,467</u>
<b>Operating lease commitments</b>		
One year or less	120,702	81,982
From one to five years	168,160	141,419
Over five years	32,649	29,653
<b>Total operating lease commitments</b>	<u>321,511</u>	<u>253,054</u>
<b>Other Commitments</b>		
One year or less	165,181	138,213
From one to five years	114,038	154,884
Over five years	1,591	504
<b>Total other commitments</b>	<u>280,810</u>	<u>293,601</u>
<b>Net commitments by maturity</b>	<u>458,151</u>	<u>457,434</u>

NB: Commitments are GST inclusive where relevant.



**SCHEDULE OF COMMITMENTS***as at 30 June 2010*

---

<sup>1</sup> Operating leases included are effectively non-cancellable and comprise:

**Property leases for residential, compound and chancery properties at overseas posts and office property in Canberra and all state offices in Australia**

The leased estate consists of properties leased by the Department from private landlords. The terms and conditions of these leases overseas are negotiated at post and vary based on local market conditions.

**Agreements for the provision of motor vehicles to senior executive officers**

No contingent rentals exist. There are no renewal or purchase options available to the Department.

**Leases for computer equipment**

The lessor typically provides all computer equipment and software as necessary in the supply contract for 3 years, with instalments paid quarterly.

**Leases for office equipment**

All overseas lease terms and conditions are negotiated at posts and vary based on local market conditions.

<sup>2</sup> Includes passport, property and maintenance, IT services and security services contracts.

The above schedule should be read in conjunction with the accompanying notes.

**SCHEDULE OF CONTINGENCIES***as at 30 June 2010*

	<b>2010</b>	2009
	<b>\$'000</b>	\$'000
<b>Contingent assets</b>		
Claims for damages or costs	<u>101</u>	1,108
<b>Total contingent assets</b>	<u>101</u>	<u>1,108</u>
<b>Contingent liabilities</b>		
Guarantees	<b>134</b>	426
Claims for damages or costs	<u>1,011</u>	1,193
<b>Total contingent liabilities</b>	<u>1,145</u>	<u>1,619</u>
<b>Net contingent assets (liabilities)</b>	<u>(1,044)</u>	<u>(511)</u>

Details of each class of contingent liabilities and contingent assets listed above are disclosed in Note 13: Contingent Liabilities and Assets, along with information on significant remote contingencies and contingencies that cannot be quantified.

The above schedule should be read in conjunction with the accompanying notes.

**SCHEDULE OF ASSET ADDITIONS**

*for the period ended 30 June 2010*

**The following non-financial non-current assets were added in 2009-10:**

	Land \$'000	Buildings \$'000	Other property, plant & equipment \$'000	Intangibles \$'000	Other \$'000	Total \$'000
By purchase - appropriation equity	-	4,533	2,823	-	-	7,356
By purchase - appropriation ordinary annual services	-	8,013	25,180	4,892	-	38,085
By purchase - donated funds	-	-	-	-	-	-
By purchase - other	3,060	24,023	152	-	-	27,235
Assets received as gifts/donations	-	-	5	-	-	5
From acquisition of entities or operations (including restructuring)	-	-	-	-	-	-
<b>Total additions</b>	<b>3,060</b>	<b>36,569</b>	<b>28,160</b>	<b>4,892</b>	<b>-</b>	<b>72,681</b>

**The following non-financial non-current assets were added in 2008-09:**

	Land \$'000	Buildings \$'000	Other property, plant & equipment \$'000	Intangibles \$'000	Other \$'000	Total \$'000
By purchase - appropriation equity	-	6,909	4,098	-	-	11,007
By purchase - appropriation ordinary annual services	-	4,753	32,491	2,466	-	39,710
By purchase - donated funds	-	-	-	-	-	-
By purchase - other	8,809	33,707	179	-	-	42,695
Assets received as gifts/donations	-	-	16	-	-	16
From acquisition of entities or operations (including restructuring)	-	-	-	-	-	-
<b>Total additions</b>	<b>8,809</b>	<b>45,369</b>	<b>36,784</b>	<b>2,466</b>	<b>-</b>	<b>93,428</b>

The above schedule should be read in conjunction with the accompanying notes.

**SCHEDULE OF ADMINISTERED ITEMS**

		2010	2009
	Notes	\$'000	\$'000
<b>Income administered on behalf of Government</b>			
<i>for the period ended 30 June 2010</i>			
<b>Revenue</b>			
<b>Non-taxation revenue</b>			
Sale of goods and rendering of services	<u>17A</u>	331,485	290,697
Interest	<u>17B</u>	6,037	7,518
Dividends	<u>17C</u>	16,802	9,866
Other	<u>17D</u>	25,105	27,256
<b>Total non-taxation revenue</b>		<u>379,429</u>	<u>335,337</u>
<b>Total revenues administered on behalf of Government</b>		<u>379,429</u>	<u>335,337</u>
<b>Gains</b>			
Foreign exchange	<u>17E</u>	3,771	-
<b>Total gains administered on behalf of Government</b>		<u>3,771</u>	-
<b>Total income administered on behalf of Government</b>		<u>383,200</u>	<u>335,337</u>
<b>Expenses administered on behalf of Government</b>			
<i>for the period ended 30 June 2010</i>			
Employee benefits	<u>18A</u>	6,593	6,094
Suppliers expenses	<u>18B</u>	54,595	61,634
Grants and Contributions	<u>18C</u>	264,692	294,900
Write-down and impairment of assets	<u>18D</u>	9,880	351
Foreign exchange losses	<u>18E</u>	-	8,172
Other	<u>18F</u>	10,603	11,642
<b>Total expenses administered on behalf of Government</b>		<u>346,363</u>	<u>382,793</u>

This schedule should be read in conjunction with the accompanying notes.

**SCHEDULE OF ADMINISTERED ITEMS**

		2010	2009
	Notes	\$'000	\$'000
<b>Assets administered on behalf of Government</b>			
<i>as at 30 June 2010</i>			
<b>Financial assets</b>			
Cash and cash equivalents	<u>19A</u>	11,376	5,233
Receivables	<u>19B</u>	4,812	16,800
Other investments	<u>19C</u>	407,606	376,700
<b>Total financial assets</b>		<u>423,794</u>	<u>398,733</u>
<b>Non-financial assets</b>			
Prepayments	<u>19D</u>	1,607	3,649
<b>Total non-financial assets</b>		<u>1,607</u>	<u>3,649</u>
<b>Total assets administered on behalf of Government</b>		<u>425,401</u>	<u>402,382</u>
<b>Liabilities administered on behalf of Government</b>			
<i>as at 30 June 2010</i>			
<b>Payables</b>			
Suppliers	<u>20A</u>	12,559	3,961
Other Payables	<u>20B</u>	94,300	97,111
<b>Total payables</b>		<u>106,859</u>	<u>101,072</u>
<b>Total liabilities administered on behalf of Government</b>		<u>106,859</u>	<u>101,072</u>

This schedule should be read in conjunction with the accompanying notes.

<b>SCHEDULE OF ADMINISTERED ITEMS</b>			
	Notes	2010 \$'000	2009 \$'000
<b>Administered Cash Flows</b>			
<i>for the period ended 30 June 2010</i>			
<b>OPERATING ACTIVITIES</b>			
<b>Cash received</b>			
Sales of goods and rendering of services		331,532	290,556
Interest		89	135
Dividends		16,802	9,866
NIA subsidy, premiums and recoveries		14,323	3,083
North American Pension Scheme receipts and other		8,094	3,588
Net GST received		5,877	3,856
Other			
<b>Total cash received</b>		<u>376,717</u>	<u>311,084</u>
<b>Cash used</b>			
Grant and contribution payments		253,500	280,441
Employees		1,434	1,129
Personal benefits		2,259	2,100
Suppliers		57,809	63,587
NIA expense		7,556	9,677
Other		919	1,309
<b>Total cash used</b>		<u>323,477</u>	<u>358,243</u>
<b>Net cash flows from (used by) operating activities</b>		<u>53,240</u>	<u>(47,159)</u>
<b>Net Increase (Decrease) in Cash Held</b>		<u>53,240</u>	<u>(47,159)</u>
Cash and cash equivalents at the beginning of the reporting period		5,233	5,171
Cash from Official Public Account for:			
-Appropriations		311,717	352,666
		<u>316,950</u>	<u>357,837</u>
Cash to Official Public Account for:			
- Other		<u>(358,814)</u>	<u>(305,445)</u>
		<u>(358,814)</u>	<u>(305,445)</u>
<b>Cash and cash equivalents at the end of the reporting period</b>	<u>19A</u>	<u>11,376</u>	<u>5,233</u>
This schedule should be read in conjunction with the accompanying notes.			

<b>SCHEDULE OF ADMINISTERED ITEMS</b>		
	<b>2010</b>	2009
	<b>\$'000</b>	\$'000
<b>Administered Commitments</b>		
<i>as at 30 June 2010</i>		
<b>BY TYPE</b>		
<b>Commitments receivable</b>		
GST recoverable on commitments	<u>(2,513)</u>	<u>(6,441)</u>
<b>Total commitments receivable</b>	<u><b>(2,513)</b></u>	<u><b>(6,441)</b></u>
<b>Commitments payable</b>		
<b>Other commitments</b>		
Operating leases	59	257
Other <sup>1</sup>	<u>31,484</u>	<u>78,012</u>
<b>Total other commitments</b>	<u><b>31,543</b></u>	<u><b>78,269</b></u>
<b>Net commitments by type</b>	<u><b>29,030</b></u>	<u><b>71,828</b></u>
<b>BY MATURITY</b>		
<b>Commitments receivable</b>		
One year or less	<u>(1,935)</u>	<u>(1,974)</u>
From one to five years	<u>(578)</u>	<u>(4,467)</u>
<b>Total commitments receivable</b>	<u><b>(2,513)</b></u>	<u><b>(6,441)</b></u>
<b>Commitments payable</b>		
<b>Operating lease commitments</b>		
One year or less	59	172
From one to five years	<u>-</u>	<u>85</u>
<b>Total operating lease commitments</b>	<u><b>59</b></u>	<u><b>257</b></u>
<b>Other commitments</b>		
One year or less	31,484	50,581
From one to five years	<u>-</u>	<u>27,431</u>
<b>Total other commitments</b>	<u><b>31,484</b></u>	<u><b>78,012</b></u>
<b>Net commitments by maturity</b>	<u><b>29,030</b></u>	<u><b>71,828</b></u>
NB: Commitments are GST inclusive where relevant.		

<sup>1</sup> Other commitments represents 1) the Australian Government's contract with ABC Australia Network which expires in 2011 and 2) the contracts entered into by the Department for participation in the Shanghai World Exposition 2010.

This schedule should be read in conjunction with the accompanying notes.

**SCHEDULE OF ADMINISTERED ITEMS (continued)****Administered Contingencies***as at 30 June 2010*

	<b>2010</b>	2009
	<b>\$'000</b>	\$'000
<b>Administered contingent assets</b>	Nil	Nil
<b>Administered contingent liabilities</b>	Nil	Nil
<b>Net administered contingent assets (liabilities)</b>	<u>-</u>	<u>-</u>

Details of each class of contingent liabilities and contingent assets in the above table are disclosed in Note 22: Administered Contingent Assets and Liabilities, along with information on significant remote contingencies and contingencies that cannot be quantified.

This should be read in conjunction with the accompanying notes.

**Statement of Activities Administered on Behalf of Government**

The major administered activities of the Department are directed towards achieving the outcomes described in Note 1 to the Financial Statements. The major financial activities are the collection of passport fees and interest or premiums on the National Interest Account. Details of planned activities for the year can be found in the Department's Portfolio Budget and Portfolio Additional Estimates Statements for 2009-10, which have been tabled in Parliament.

**SCHEDULE OF ADMINISTERED ITEMS****Administered Asset Additions***for the period ended 30 June 2010*

There were no Administered asset additions in 2009-10 (2008-09: Nil).



**Table of Contents**

Note 1: Summary of Significant Accounting Policies  
Note 2: Events After the Reporting Period  
Note 3: Expenses  
Note 4: Income  
Note 5: Income Tax Expense (Competitive Neutrality)  
Note 6: Other Comprehensive Income  
Note 7: Financial Assets  
Note 8: Non-Financial Assets  
Note 9: Payables  
Note 10: Interest Bearing Liabilities  
Note 11: Provisions  
Note 12: Cash Flow Reconciliation  
Note 13: Contingent Liabilities and Assets  
Note 14: Senior Executive Remuneration  
Note 15: Remuneration of Auditors  
Note 16: Financial Instruments  
Note 17: Income Administered on Behalf of Government  
Note 18: Expenses Administered on Behalf of Government  
Note 19: Assets Administered on Behalf of Government  
Note 20: Liabilities Administered on Behalf of Government  
Note 21: Administered Reconciliation Table  
Note 22: Administered Contingent Assets and Liabilities  
Note 23: Administered Investments  
Note 24: Administered Financial Instruments  
Note 25: Appropriations  
Note 26: Special Accounts  
Note 27: Compensation and Debt Relief  
Note 28: Reporting of Outcomes

## Notes to and forming part of the Financial Statements

---

### Note 1: Summary of Significant Accounting Policies

#### 1.1 Objectives of the Department

The Department of Foreign Affairs and Trade (the Department) is an Australian Public Service organisation. The objective of the Department is to support Australia's interests in international security, contribute to national economic and trade performance, promote global cooperation in partnership with other members of the international community and help Australian travellers and Australians overseas.

Following the revision to the budget reporting framework in 2009-10, which emphasised reporting against outcomes and programs rather than outcomes and outputs, the Department moved from an outcome/output structure to a program reporting framework. This resulted in a move from a four outcome/ eight output structure in 2008-09 to a three outcome/ ten program structure in 2009-10.

The Department is structured to meet three outcomes:

Outcome 1: The advancement of Australia's international strategic, security and economic interests including through bilateral, regional and multilateral engagement on Australian Government foreign and trade policy priorities;

Outcome 2: The protection and welfare of Australians abroad and access to secure international travel documentation through timely and responsive travel advice and consular and passport services in Australia and overseas; and

Outcome 3: A secure Australian Government presence overseas through the provision of security services and information and communications technology infrastructure, and the management of the Commonwealth's overseas owned estate.

The Department's activities that contribute towards these outcomes are classified as either departmental or administered. Departmental activities involve the use of assets, liabilities, income and expenses controlled or incurred by the Department in its own right. Administered activities involve the management or oversight by the Department, on behalf of the Australian Government, of items controlled or incurred by the Australian Government.

The Department conducts the following administered activities;

- Consular and passport services;
- Public information services and public diplomacy; and
- Payments to international organisations.

The continued existence of the Department in its present form and with its present programs is dependent on Australian Government policy and on continuing appropriations by Parliament for the Department's administration and programs.

#### 1.2 Basis of Preparation of the Financial Report

The Financial Statements and notes are required by section 49 of the *Financial Management and Accountability Act 1997* and are a general purpose financial statements.

The financial statements and notes have been prepared in accordance with:

- Finance Minister's Orders (FMOs) for reporting periods ending on or after 1 July 2009; and
- Australian Accounting Standards and Interpretations issued by the Australian Accounting Standards Board (AASB) that apply for the reporting period.

The financial statements have been prepared on an accrual basis and are in accordance with the historical cost convention, except for certain assets at fair value or amortised cost. Except where stated, no allowance is made for the effect of changing prices on the results or the financial position.

**Notes to and forming part of the Financial Statements****Note 1: Summary of Significant Accounting Policies (continued)**

The financial report is presented in Australian dollars and values are rounded to the nearest thousand dollars unless otherwise specified.

Unless an alternative treatment is specifically required by an accounting standard or the FMOs, assets and liabilities are recognised in the Balance Sheet when and only when it is probable that future economic benefits will flow to the entity or a future sacrifice of economic benefits will be required and the amounts of the assets or liabilities can be reliably measured. However, assets and liabilities arising under agreements equally proportionately unperformed are not recognised unless required by an accounting standard. Liabilities and assets that are unrealised are reported in the Schedule of Commitments and the Schedule of Contingencies (other than unquantifiable or remote contingencies, which are reported at Note 13).

Unless alternative treatment is specifically required by an accounting standard, income and expenses are recognised in the Statement of Comprehensive Income when and only when the flow, consumption or loss of economic benefits has occurred and can be reliably measured.

Administered revenues, expenses, assets, liabilities and cash flows reported in the Schedule of Administered Items and related notes are accounted for on the same basis and using the same policies as for Departmental items, except where otherwise stated in Note 1.22.

**1.3 Significant Accounting Judgements and Estimates**

In the process of applying the accounting policies listed in this note, the Department has made the following judgement that has a significant impact on the amounts recorded in the financial statements:

- the fair value of land and buildings has been taken to be the market value of similar properties as determined by an independent valuer. In some instances, the Department buildings are purpose built and may in fact realise more or less in the market.

No accounting assumptions or estimates have been identified that have a significant risk of causing a material adjustment to carrying amounts of assets and liabilities within the next accounting period.

**1.4 New Australian Accounting Standard Requirements****Adoption of New Australian Accounting Standard Requirements**

No accounting standard has been adopted earlier than the application date as stated in the standard. The following new standards, amendments and interpretations which were issued prior to the signing of the statement by the Chief Executive and Chief Financial Officer, were applicable to the current reporting period:

AASB 5	Non-current Assets Held for Sale and Discontinued Operations - June 2009 (Compilation)
AASB 7	Financial Instruments: Disclosures - June 2009 (Compilation)
AASB 101	Presentation of Financial Statements - June 2009 (Compilation)
AASB 102	Inventories - June 2009 (Compilation)
AASB 107	Statement of Cash Flows - June 2009 (Compilation)
AASB 110	Events after the Reporting Period - June 2009 (Compilation)
AASB 116	Property, Plant and Equipment - June 2009 (Compilation)
AASB 117	Leases - June 2009 (Compilation)

**Notes to and forming part of the Financial Statements****Note 1: Summary of Significant Accounting Policies (continued)**

AASB 118	Revenue - August 2008 (Compilation).
AASB 119	Employee Benefits - June 2009 (Compilation)
AASB 132	Financial Instruments: Presentation - June 2009 (Compilation)
AASB 136	Impairment of Assets - June 2009 (Compilation)
AASB 137	Provisions, Contingent Liabilities and Contingent Assets - June 2009 (Compilation)
AASB 138	Intangible Assets - June 2009 (Compilation)
AASB 139	Financial Instruments: Recognition and Measurement - October 2009 (Compilation)
AASB 1031	Materiality - December 2007 (Compilation)
AASB 1048	Interpretation of Standards - June 2010 (Principal)
Interpretation 1	Changes in Existing Decommissioning, Restoration and Similar Liabilities - June 2009 (Compilation)
Interpretation 4	Determining whether an Arrangement contains a Lease - June 2009 (Compilation)
Interpretation 14	AASB 119 – The Limit on a Defined Benefit Asset, Minimum Funding Requirements and their Interaction - June 2009 (Compilation)
Interpretation 1019	The Superannuation Contributions Surcharge - December 2007 (Compilation)
Interpretation 1031	Accounting for the Goods and Services Tax (GST) - December 2007 (Compilation)

**Future Australian Accounting Standard Requirements**

The following new standards, amendments to standards or interpretations have been issued by the Australian Accounting Standards Board but are effective for future reporting periods. It is estimated that the adoption of these pronouncements will have no material future financial impact on the entity:

AASB 1	First-time Adoption of Australian Accounting Standards - February 2010 (Compilation)
AASB 5	Non-current Assets Held for Sale and Discontinued Operations - December 2009 (Compilation)
AASB 7	Financial Instruments: Disclosures - February 2010 (Compilation)
AASB 8	Operating Segments - December 2009 (Compilation)
AASB 9	Financial Instruments - December 2009 (Principal)
AASB 108	Accounting Policies, Changes in Accounting Estimates and Errors - December 2009 (Compilation)
AASB 110	Events after the Reporting Period - December 2009 (Compilation)
AASB 118	Revenue - May 2009 (Compilation)

**Notes to and forming part of the Financial Statements****Note 1: Summary of Significant Accounting Policies (continued)**

AASB 119	Employee Benefits - December 2009 (Compilation)
AASB 124	Related Party Disclosures - December 2009 (Principal)
AASB 132	Financial Instruments: Presentation - October 2009 (Compilation)
AASB 137	Provisions, Contingent Liabilities and Contingent Assets - December 2009 (Compilation)
AASB 139	Financial Instruments: Recognition and Measurement - December 2009 (Compilation)
AASB 2009-11	Amendments to Australian Accounting Standards arising from AASB 9 [AASB 1, 3, 4, 5, 7, 101, 102, 108, 112, 118, 121, 127, 128, 131, 132, 136, 139, 1023 & 1038 and Interpretations 10 & 12] - 07 Dec 2009
AASB 2010-3	Amendments to Australian Accounting Standards arising from the Annual Improvements Project [AASB 3, AASB 7, AASB 121, AASB 128, AASB 131, AASB 132 & AASB 139] - 23 Jun 2010
AASB 2010-4	Further Amendments to Australian Accounting Standards arising from the Annual Improvements Project [AASB 1, AASB 7, AASB 101 & AASB 134 and Interpretation 13] - 23 Jun 2010
Interp. 4	Determining whether an Arrangement contains a Lease - December 2009 (Compilation)
Interp. 14	AASB 119 – The Limit on a Defined Benefit Asset, Minimum Funding Requirements and their Interaction - December 2009 (Compilation)

**1.5 Revenue****Revenue from Government**

Amounts appropriated for departmental output appropriations for the year (adjusted for any formal additions and reductions) are recognised as revenue when the Department gains control of the appropriation, except for certain amounts that relate to activities that are reciprocal in nature, in which case revenue is recognised only when it has been earned.

Appropriations receivable are recognised at their nominal amounts.

**Resources Received Free of Charge**

Resources received free of charge are recognised as revenue, when and only when, a fair value can be reliably determined and the services would have been purchased if they had not been donated. Use of those resources is recognised as an expense.

Resources received free of charge are recorded as either revenue or gains depending on their nature.

**Other Types of Revenue**

Revenue from the sale of goods is recognised when:

- the risks and rewards of ownership have been transferred to the buyer;
- the Departments retains no managerial involvement nor effective control over the goods;
- the revenue and transaction costs incurred can be reliably measured; and
- it is probable that the economic benefits associated with the transaction will flow to the entity.

**Notes to and forming part of the Financial Statements****Note 1: Summary of Significant Accounting Policies (continued)**

Revenue from the rendering of services is recognised by reference to the stage of completion of contracts at the reporting date. The revenue is recognised when:

- the amount of revenue, stage of completion and transaction costs incurred can be reliably measured; and
- the probable economic benefits of the transaction will flow to the entity.

The stage of completion of contracts at the reporting date is determined by reference to the proportion that costs incurred to date bear to the estimated total costs of the transaction.

Receivables for goods and services, which have 30 day terms, are recognised at the nominal amounts due less any provision for bad and doubtful debts. Collectability of debts is reviewed at balance date. Allowances are made when collectability of the debt is no longer probable.

Interest revenue is recognised using the effective interest method as set out in AASB 139 *Financial Instruments: Recognition and Measurement*.

**1.6 Gains****Other Resources Received Free of Charge**

Contributions of assets at no cost of acquisition or for nominal consideration are recognised as gains at their fair value when the asset qualifies for recognition, unless received from another Australian Government Agency or Authority as a consequence of a restructuring of administrative arrangements (refer to Note 1.7).

Resources received free of charge are recorded as either revenue or gains depending on their nature.

**Sale of Assets**

Gains from disposal of non-current assets are recognised when control of the asset has passed to the buyer.

**1.7 Transactions with the Government as Owner****Equity Injections**

Amounts appropriated which are designated as 'equity injections' for a year (less any formal reductions) are recognised directly in contributed equity in that year.

**Other Distributions to Owners**

The FMOs require that distributions to owners be debited to contributed equity unless in the nature of a dividend. In 2009-10, by agreement with the Department of Finance and Deregulation, the Department returned from the Overseas Property Office net sale proceeds of \$5,927,485 (2008-09: \$7,997,667).

**1.8 Employee Benefits**

Liabilities for services rendered by employees are recognised at the reporting date to the extent that they have not been settled.

Liabilities for 'short-term employee benefits' (as defined in AASB 119 *Employee Benefits*) and termination benefits due within twelve months of balance date are measured at their nominal amounts.

The nominal amount is calculated with regard to the rates expected to be paid on settlement of the liability.

**Notes to and forming part of the Financial Statements****Note 1: Summary of Significant Accounting Policies (continued)**

---

All other employee benefit liabilities are measured at the present value of the estimated future cash outflows to be made in respect of services provided by employees up to the reporting date.

**Leave**

The liability for employee benefits includes provision for annual leave and long service leave. No provision has been made for sick leave for Australia based employees, as all sick leave is non-vesting and the average sick leave taken in future years by employees of the Department is estimated to be less than the annual entitlement for sick leave. In the case of locally engaged staff at overseas posts, where the entitlement is vested, a liability has been recognised.

The leave liabilities are calculated on the basis of employees' remuneration at the estimated salary rates that will be applied at the time the leave is taken, including the Department's employer superannuation contribution rates to the extent that the leave is likely to be taken during service rather than paid out on termination.

The liability for long service leave has been determined with reference to an actuarial assessment conducted as at 30 June 2008. The estimate of the present value of the liability takes into account attrition rates and pay increases through promotion, inflation and changes in the government bond rate.

**Overseas Allowances**

Overseas conditions of service entitlements for officers during their posting are expensed as incurred. At reporting date the Department did not recognise any liability for overseas allowances, except as part of year-end salary accruals.

**Separation and Redundancy**

Provision is made for separation and redundancy benefit payments. The Department recognises a provision for termination when it has developed a detailed formal plan for the terminations and has informed those employees affected that it will carry out the terminations.

In some countries, locally engaged staff at overseas posts are entitled to separation benefits. The provision for these benefits has been classified as employee benefits.

**Superannuation**

Australian based staff of the Department are members of the Commonwealth Superannuation Scheme (CSS), the Public Sector Superannuation Scheme (PSS) or the Public Sector Superannuation accumulation plan (PSSap). The CSS and PSS are defined benefit schemes for the Australian Government. The PSSap is a defined contribution scheme.

The liability for the defined benefits is recognised in the financial statements of the Australian Government and is settled by the Australian Government in due course. This liability is reported by the Department of Finance and Deregulation as an administered item.

The Department makes employer contributions to the employee superannuation schemes at rates determined by an actuary to be sufficient to meet the cost to the Australian Government of the superannuation entitlements of the Department's employees. The Department accounts for the contributions as if they were contributions to defined contributions plans. Where required, the Department contributes superannuation to comply with overseas local labour laws.

Australian based staff who are engaged on a temporary basis and locally engaged staff engaged overseas who are considered to be Australian residents for taxation purposes have compulsory employer superannuation contributions made on their behalf by the Department to the Australian Government Employees Superannuation Trust (AGEST) or another complying fund as nominated by them.

**Notes to and forming part of the Financial Statements****Note 1: Summary of Significant Accounting Policies (continued)**

The liability for superannuation recognised as at 30 June represents outstanding contributions for the final fortnight of the year.

The Department administers defined benefit pension schemes for some locally engaged staff in North America, the United Kingdom, Ireland and India on behalf of the Australian Government (refer to Note 20).

**1.9 Leases**

A distinction is made between finance leases and operating leases. Finance leases effectively transfer from the lessor to the lessee substantially all the risks and rewards incidental to ownership of leased non-current assets. An operating lease is a lease that is not a finance lease. In operating leases, the lessor effectively retains substantially all such risks and benefits.

Where a non-current asset is acquired by means of a finance lease, the asset is capitalised at either the fair value of the lease property or, if lower, the present value of minimum lease payments at the inception of the contract and a liability is recognised at the same time and for the same amount.

The discount rate used is the interest rate implicit in the lease. Leased assets are amortised over the period of the lease. Lease payments are allocated between the principal component and the interest expense.

**1.10 Borrowing Costs**

All borrowing costs are expensed as incurred.

**1.11 Cash**

Cash and cash equivalents includes cash on hand, cash held with outsiders, demand deposits in bank accounts with an original maturity of 3 months or less that are readily convertible to known amounts of cash and subject to insignificant risk of changes in value. Cash is recognised at its nominal amount.

**1.12 Financial Assets**

The Department classifies its financial assets in the following categories:

- financial assets at fair value through profit or loss;
- held-to-maturity investments;
- available-for-sale financial assets; and
- loans and receivables.

The classification depends on the nature and purpose of the financial assets and is determined at the time of initial recognition.

Financial assets are recognised and derecognised upon 'trade date'.

***Effective Interest Method***

The effective interest method is a method of calculating the amortised cost of a financial asset and of allocating interest income over the relevant period. The effective interest rate is the rate that exactly discounts estimated future cash receipts through the expected life of the financial asset, or, where appropriate, a shorter period.

Income is recognised on an effective interest rate basis except for financial assets that are recognised at fair value through profit or loss.



**Notes to and forming part of the Financial Statements****Note 1: Summary of Significant Accounting Policies (continued)**Financial Assets at Fair Value through Profit or Loss

Financial assets are classified as financial assets at fair value through profit or loss where the financial assets:

- have been acquired principally for the purpose of selling in the near future;
- are a part of an identified portfolio of financial instruments that the agency manages together and has a recent actual pattern of short-term profit-taking; or
- are derivatives that are not designated and effective as a hedging instrument.

Assets in this category are classified as current assets.

Financial assets at fair value through profit or loss are stated at fair value, with any resultant gain or loss recognised in profit or loss. The net gain or loss recognised in profit or loss incorporates any interest earned on the financial asset.

Held-to-Maturity Investments

Non-derivative financial assets with fixed or determinable payments and fixed maturity dates that the group has the positive intent and ability to hold to maturity are classified as held-to-maturity investments. Held-to-maturity investments are recorded at amortised cost using the effective interest method less impairment, with revenue recognised on an effective yield basis.

Available-for-Sale Financial Assets

Available-for-sale financial assets are non-derivatives that are either designated in this category or not classified in any of the other categories.

Available-for-sale financial assets are recorded at fair value. Gains and losses arising from changes in fair value are recognised directly in the reserves (equity) with the exception of impairment losses. Interest is calculated using the effective interest method and foreign exchange gains and losses on monetary assets are recognised directly in profit or loss. Where the asset is disposed of or is determined to be impaired, part (or all) of the cumulative gain or loss previously recognised in the reserve is included in profit for the period.

Where a reliable fair value cannot be established for unlisted investments in equity instruments, cost is used. The Department has no such instruments.

Loans and Receivables

Trade receivables, loans and other receivables that have fixed or determinable payments that are not quoted in an active market are classified as 'loans and receivables'. Loans and receivables are measured at amortised cost using the effective interest method less impairment. Interest is recognised by applying the effective interest rate.

Impairment of Financial Assets

Financial assets are assessed for impairment at each balance date.

- *Financial assets held at amortised cost* - If there is objective evidence that an impairment loss has been incurred for loans and receivables or held to maturity investments held at amortised cost, the amount of the loss is measured as the difference between the asset's carrying amount and the present value of estimated future cash flows discounted at the asset's original effective interest rate. The carrying amount is reduced by way of an allowance account. The loss is recognised in the Statement of Comprehensive Income.

**Notes to and forming part of the Financial Statements****Note 1: Summary of Significant Accounting Policies (continued)**

- *Available-for-sale financial assets* - If there is objective evidence that an impairment loss on an available-for-sale financial asset has been incurred, the amount of the difference between its cost, less principal repayments and amortisation, and its current fair value, less any impairment loss previously recognised in expenses, is transferred from equity to the Statement of Comprehensive Income.
- *Available-for-sale financial assets (held at cost)* - If there is objective evidence that an impairment loss has been incurred the amount of the impairment loss is the difference between the carrying amount of the asset and the present value of the estimated future cash flows discounted at the current market rate for similar assets.

**1.13 Financial Liabilities**

Financial liabilities are classified as either financial liabilities 'at fair value through profit or loss' or other financial liabilities.

Financial liabilities are recognised and derecognised upon 'trade date'.

*Financial Liabilities at Fair Value through Profit or Loss*

Financial liabilities 'at fair value through profit or loss' are initially measured at fair value. Subsequent fair value adjustments are recognised in profit or loss. The net gain or loss recognised in profit or loss incorporates any interest paid on the financial liability.

*Other Financial Liabilities*

Other financial liabilities, including borrowings, are initially measured at fair value, net of transaction costs.

Other financial liabilities are subsequently measured at amortised cost using the effective interest method, with interest expense recognised on an effective yield basis.

The effective interest method is a method of calculating the amortised cost of a financial liability and of allocating interest expense over the relevant period. The effective interest rate is the rate that exactly discounts estimated future cash payments through the expected life of the financial liability, or, where appropriate, a shorter period.

**1.14 Supplier and other payables**

Supplier and other payables are recognised at amortised cost. Liabilities are recognised to the extent that the goods or services have been received (and irrespective of having been invoiced).

**1.15 Contingent Liabilities and Contingent Assets**

Contingent liabilities and contingent assets are not recognised in the Balance Sheet but are reported in the relevant schedules and notes. They may arise from uncertainty as to the existence of a liability or asset, or represent an asset or liability in respect of which the amount cannot be reliably measured. Contingent assets are disclosed when settlement is probable and contingent liabilities are disclosed when settlement is greater than remote.

**1.16 Financial Guarantee Contracts**

Financial guarantee contracts are accounted for in accordance with AASB 139 *Financial Instruments: Recognition and Measurement*. They are not treated as a contingent liability, as they are regarded as financial instruments outside the scope of AASB 137 *Provisions, Contingent Liabilities and Contingent Assets*.

## Notes to and forming part of the Financial Statements

### Note 1: Summary of Significant Accounting Policies (continued)

#### 1.17 Acquisition of Assets

Assets are recorded at cost on acquisition except as stated below. The cost of acquisition includes the fair value of assets transferred in exchange and liabilities undertaken. Assets are initially measured at their fair value plus transaction costs where appropriate.

Assets acquired at no cost, or for nominal consideration, are initially recognised as assets and income at their fair value at the date of acquisition, unless acquired as a consequence of restructuring of administrative arrangements. In the latter case, assets are initially recognised as contributions by owners at the amounts at which they were recognised in the transferor agency's accounts immediately prior to the restructuring.

#### 1.18 Property, Plant and Equipment

##### Asset Recognition Threshold

Purchases of property, plant and equipment are recognised initially at cost in the Balance Sheet, except for purchases costing less than \$2,000, which are expensed in the year of acquisition (other than where they form part of a group of similar items that are significant in total).

The initial cost of an asset includes an estimate of the cost of dismantling and removing the item and restoring the site on which it is located. This is particularly relevant to 'makegood' provisions in property leases taken up by the Department where an obligation exists to restore the property to its original condition on termination of the lease. These costs are included in the value of the Department's leasehold improvements with a corresponding provision for the 'makegood' recognised.

##### Revaluations

Fair values for each class of asset are determined as shown below.

<b>Asset Class</b>	<b>Fair value measured at:</b>
Land	Market selling price
Buildings exc. Leasehold improvements	Market selling price
Leasehold Improvements	Depreciated replacement cost
Plant and Equipment	Market selling price
Works of Art	Market selling price

In the absence of market-based evidence, fair value is estimated using depreciated replacement cost.

Following initial recognition at cost, property, plant and equipment are carried at fair value less accumulated depreciation and accumulated impairment losses. Valuations are conducted with sufficient frequency to ensure that the carrying amounts of assets do not differ materially from the assets' fair values as at the reporting date. The regularity of independent valuations depends upon volatility of movements in market values for the relevant assets.

Revaluation adjustments are made on a class basis. Any revaluation increment is credited to equity under the heading of asset revaluation reserve except to the extent that it reverses a previous revaluation decrement of the same asset class that was previously recognised through the surplus/deficit. Revaluation decrements for a class of assets are recognised directly through the operating result except to the extent that they reverse a previous revaluation increment for that class.

Any accumulated depreciation as at the revaluation date is eliminated against the gross carrying amount of the asset and the asset restated to the revalued amount.

**Notes to and forming part of the Financial Statements****Note 1: Summary of Significant Accounting Policies (continued)****Depreciation**

Depreciable property, plant and equipment assets are written-off to their estimated residual values over their estimated useful lives to the Department using, in all cases, the straight-line method of depreciation.

Leasehold improvements are depreciated on a straight-line basis over the lesser of the estimated useful life of the improvements or the unexpired period of the lease.

Depreciation rates (useful lives), residual values and methods are reviewed at each reporting date and necessary adjustments are recognised in the current, or current and future reporting periods, as appropriate.

Depreciation rates applying to each class of depreciable asset are based on the following useful lives:

	<b>2010</b>	2009
Buildings	<b>Based on remaining useful life</b>	Based on remaining useful life
Leasehold improvements	<b>Lesser of lease term or 15 years</b>	Lesser of lease term or 15 years
Plant and equipment	<b>5 or 10 years</b>	5 or 10 years
Intangibles	<b>6 years</b>	5 years

The aggregate amount of depreciation allocated during the reporting period is disclosed in Note 3D.

**Impairment**

Assets were assessed for impairment at 30 June 2010. Where indications of impairment exist, the asset's recoverable amount is estimated and an impairment adjustment made if the asset's recoverable amount is less than its carrying amount.

The recoverable amount of any asset is the higher of its fair value less costs to sell and its value in use. Value in use is the present value of the future cash flows expected to be derived from the asset. Where the future economic benefit of an asset is not primarily dependent on the asset's ability to generate future cash flows, and the asset would be replaced if the Department were deprived of the asset, its value in use is taken to be its depreciated replacement cost.

**1.19 Intangibles**

The Department's intangibles comprise internally developed software for internal use and purchased software. These assets are carried at cost less accumulated amortisation and accumulated impairment losses. Software is amortised on a straight-line basis over its anticipated useful life. The useful lives of the Department's software assets are 6 years (2008-09: 5 years). All software assets were assessed for indicators of impairment as at 30 June 2010.

**1.20 Inventories**

Inventories held for sale are valued at the lower of cost and net realisable value. Inventories held for distribution are valued at cost, adjusted for any loss of service potential.

Costs incurred in bringing each item of inventory to its present location and condition, are assigned as follows:

- raw materials and stores – purchase cost on a first-in-first-out basis; and
- finished goods and work in progress – cost of direct materials and labour plus attributable costs that can be allocated on a reasonable basis.

Inventories acquired at no cost or nominal consideration are initially measured at current replacement cost at the date of acquisition.

**Notes to and forming part of the Financial Statements****Note 1: Summary of Significant Accounting Policies (continued)****1.21 Taxation**

The Department is exempt from all forms of Australian taxation except Fringe Benefits Tax (FBT) and the Goods and Services Tax (GST). Overseas, the department may be subject to Value Added Tax (VAT) on the purchase of goods and services.

Revenues, expenses, assets and liabilities are recognised net of GST:

- except where the amount of GST incurred is not recoverable from the Australian Taxation Office; and
- except for receivables and payables.

**1.22 Reporting of Administered Activities**

Administered revenues, expenses, assets, liabilities and cash flows are disclosed in the Schedule of Administered Items and related notes. Except where otherwise stated below, administered items are accounted for on the same basis and using the same policies as for Departmental items, including the application of Australian Accounting Standards.

**Administered Cash Transfers to and from Official Public Account**

Revenue collected by the Department for use by the Australian Government rather than the Department is Administered Revenue. Collections are transferred to the Official Public Account (OPA) maintained by the Department of Finance and Deregulation. Conversely, cash is drawn from the OPA to make payments under Parliamentary appropriation on behalf of the Australian Government. These transfers to and from the OPA are adjustments to the administered cash held by the Department on behalf of the Australian Government and reported as such in the Statement of Cash Flows, in the Schedule of Administered Items and in the Administered Reconciliation table in Note 21. The Schedule of Administered Items largely reflects the Australian Government's transactions, through the Department, with parties outside the Australian Government.

**Business undertaken on the National Interest Account**

Part 5 of the Export Finance and Insurance Corporation Act (*EFIC Act 1991*) provides for the Minister for Trade to give an approval or direction to EFIC to undertake any transaction which the Minister considers is in the national interest. Such transactions may relate to a class of business which EFIC is not authorised to undertake, or involve terms and conditions EFIC would not accept in the normal course of business on its Commercial Account. EFIC manages these transactions on the National Interest Account (NIA).

Where the Minister gives EFIC an approval or direction to undertake a transaction under Part 5 of the Act, the credit risk is borne by the Australian Government and the funding risk is borne by EFIC on the Commercial Account. Accordingly, premium or other incomes arising from these transactions are paid by EFIC to the Australian Government in line with Part 8 of the EFIC Act. EFIC recovers from the Australian Government the costs of administering business undertaken under Part 5 and also recovers from the Australian Government any losses incurred in respect of such business. These transactions are disclosed separately as income and expenses administered on behalf of Government in Notes 17 and 18.

The Department's accounts reflect the Commonwealth's exposure to the NIA. This exposure is disclosed as a liability in Note 20 and reflects the overall business written on the NIA. The detailed transactions undertaken in the NIA are disclosed in EFIC's financial statements in accordance with EFIC's reporting requirements and applicable accounting standards.

**Notes to and forming part of the Financial Statements****Note 1: Summary of Significant Accounting Policies (continued)****Revenue**

All administered revenues are revenues relating to the course of ordinary activities performed by the Department on behalf of the Australian Government. Administered fee revenue is recognised when goods or services have been provided.

**Loans and Receivables**

Where loans and receivables are not subject to concessional treatment, they are carried at amortised cost using the effective interest method. Gains and losses due to impairment, derecognition and amortisation are recognised through surplus and deficit.

**Administered Investments**

Administered investments in subsidiaries are not consolidated because their consolidation is relevant only at the Whole of Government level. Administered investments other than those held for sale are classified as available-for-sale and are measured at their fair value as at 30 June 2010. Fair value has been taken to be the Australian Government's interest in the net assets of the entity as at balance date.

**Guarantees to Controlled Entities**

The amounts guaranteed by the Commonwealth have been disclosed in the Schedule of Administered Items and Note 22. At the time of completion of the financial statements, there was no reason to believe that the guarantees would be called upon, and recognition of a liability was therefore not required.

**Grants**

The Department administers a number of grant programs on behalf of the Australian Government. Grant liabilities are recognised to the extent that (i) the services required to be performed by the grantee have been performed or (ii) the grant eligibility criteria have been satisfied, but payments due have not been made. A commitment is recorded when the Australian Government enters into an agreement to make the grants but services have not been performed or criteria satisfied.

**Note 2: Events After the Reporting Period**

There have been no events after 30 June 2010 which will affect the financial position of the Department materially at the reporting date.

**Note 3: Expenses**

	2010	2009
	\$'000	\$'000
<b>Note 3A: Employee Benefits</b>		
Wages and salaries	296,607	288,502
Superannuation:		
Defined contribution plans	16,633	14,796
Defined benefit plans	27,553	29,961
Leave and other entitlements	32,007	28,527
Separation and redundancies	5,810	3,557
Other employee expenses	11,599	12,950
<b>Total employee benefits</b>	<b>390,209</b>	<b>378,293</b>
<b>Note 3B: Suppliers</b>		
<b>Goods and services</b>		
Passport Expenses	82,101	69,328
Property Related Expenses (excluding rent)	69,658	71,530
Information and Communication Technology	56,014	54,892
Staff Related Expenses	34,589	33,250
Security Expenses	28,586	23,547
Travel Expenses	27,083	21,117
Office Expenses	21,768	22,661
Legal and Other Professional Services	8,622	6,231
Other Expenses	23,364	23,963
<b>Total goods and services</b>	<b>351,785</b>	<b>326,519</b>
Goods and services are made up of:		
Provision of goods – external parties	61,237	56,794
Rendering of services – related entities	23,453	18,911
Rendering of services – external parties	267,095	250,814
<b>Total goods and services</b>	<b>351,785</b>	<b>326,519</b>
<b>Other supplier expenses</b>		
Operating lease rentals:		
Minimum lease payments	77,474	80,507
Workers compensation expenses	1,498	1,392
<b>Total other supplier expenses</b>	<b>78,972</b>	<b>81,899</b>
<b>Total supplier expenses</b>	<b>430,757</b>	<b>408,418</b>
<b>Note 3C: Grants</b>		
Private sector:		
Non-profit organisations	2,569	1,341
Overseas	2,674	1,699
<b>Total grants</b>	<b>5,243</b>	<b>3,040</b>

**Note 3: Expenses(continued)**

	2010 \$'000	2009 \$'000
<b><u>Note 3D: Depreciation and Amortisation</u></b>		
Depreciation:		
Other infrastructure, plant and equipment	30,328	30,760
Buildings	<u>50,741</u>	<u>45,999</u>
<b>Total depreciation</b>	<b><u>81,069</u></b>	<b><u>76,759</u></b>
Amortisation:		
Assets held under finance leases	148	658
Intangibles - computer software:	<u>3,735</u>	<u>4,050</u>
<b>Total amortisation</b>	<b><u>3,883</u></b>	<b><u>4,708</u></b>
<b>Total depreciation and amortisation</b>	<b><u>84,952</u></b>	<b><u>81,467</u></b>
 <b><u>Note 3E: Finance Costs</u></b>		
Finance leases	461	696
Other interest payments	4	4
Unwinding of discount	<u>987</u>	<u>1,014</u>
<b>Total finance costs</b>	<b><u>1,452</u></b>	<b><u>1,714</u></b>
 <b><u>Note 3F: Write-Down and Impairment of Assets</u></b>		
Asset write-downs and impairments from:		
Bad and doubtful debts expense	99	293
Revaluation decrement - Property, plant and equipment	<u>17</u>	<u>1,755</u>
<b>Total write-down and impairment of assets</b>	<b><u>116</u></b>	<b><u>2,048</u></b>



**Note 3: Expenses(continued)**

	2010	2009
	\$'000	\$'000
<b><u>Note 3G: Losses from Asset Disposals</u></b>		
Land and buildings:		
Proceeds from sale	(6,162)	(8,233)
Carrying value of assets sold	5,684	9,350
Selling expense	265	163
Infrastructure, plant and equipment:		
Proceeds from sale	(436)	(163)
Carrying value of assets sold	1,279	601
Selling expense	-	-
Intangibles:		
Proceeds from disposal	-	-
Carrying value of assets disposed	2	5
Selling expense	-	-
Leasehold improvement		
Proceeds from sale	(18)	-
Carrying value of assets sold	947	1,670
Selling expense	-	-
<b>Total losses from asset sales</b>	<b><u>1,561</u></b>	<b><u>3,393</u></b>
 <b><u>Note 3H: Other Expenses</u></b>		
Other expense	<u>129</u>	<u>83</u>
<b>Total other expenses</b>	<b><u>129</u></b>	<b><u>83</u></b>

**Note 4: Income**

	2010	2009
	\$'000	\$'000

**REVENUE****Note 4A: Sale of Goods and Rendering of Services**

Provision of goods - external parties	30	34
Rendering of services - related entities	91,555	103,504
Rendering of services - external parties	9,480	11,291
<b>Total sale of goods and rendering of services</b>	<b>101,065</b>	<b>114,829</b>

**Note 4B: Other Revenue**

Other revenue	7,523	3,459
<b>Total other revenue</b>	<b>7,523</b>	<b>3,459</b>

**GAINS****Note 4C: Foreign Exchange**

Non-speculative	60	336
<b>Total foreign exchange gains</b>	<b>60</b>	<b>336</b>

**Note 4D: Other Gains**

Resources received free of charge	400	465
<b>Total other gains</b>	<b>400</b>	<b>465</b>

**REVENUE FROM GOVERNMENT****Note 4E: Revenue from Government**

Appropriations:		
Departmental outputs	894,974	871,746
<b>Total revenue from Government</b>	<b>894,974</b>	<b>871,746</b>

**Note 5: Income Tax Expense (Competitive Neutrality)**

The Department does not engage in providing 'for profit' services, and therefore, does not pay an income tax equivalent under the competitive neutrality guidelines.

**Note 6: Other Comprehensive Income****Note 6: Reclassification Adjustments**

The Department did not have any reclassification adjustments in 2009-10 (2008-09: Nil)

**Note 7: Financial Assets**

	2010	2009
	\$'000	\$'000
<b>Note 7A: Cash and Cash Equivalents</b>		
Special Accounts	2,220	1,112
Cash on hand or on deposit	45,859	39,088
Cash held by outsiders	476	582
<b>Total cash and cash equivalents</b>	<b>48,555</b>	<b>40,782</b>
<b>Note 7B: Trade and Other Receivables</b>		
<b>Good and Services:</b>		
Goods and services - related entities	12,036	22,141
Goods and services - external parties	2,633	5,806
<b>Total receivables for goods and services</b>	<b>14,669</b>	<b>27,947</b>
<b>Appropriations receivable:</b>		
For existing outputs		
- undrawn (Overseas Property Office)	295,385	261,299
- undrawn (Other Departmental)	398,185	283,124
For additional outputs	18,155	32,435
<b>Total appropriations receivable</b>	<b>711,725</b>	<b>576,858</b>
<b>Other receivables:</b>		
GST receivable from the Australian Taxation Office	3,182	2,476
Advances	6,716	6,236
Other	8,675	10,992
<b>Total other receivables</b>	<b>18,573</b>	<b>19,704</b>
<b>Total trade and other receivables (gross)</b>	<b>744,967</b>	<b>624,509</b>
Less impairment allowance account:		
Goods and services	(389)	(502)
<b>Total impairment allowance account</b>	<b>(389)</b>	<b>(502)</b>
<b>Total trade and other receivables (net)</b>	<b>744,578</b>	<b>624,007</b>
Receivables are expected to be recovered in:		
No more than 12 months	740,182	620,037
More than 12 months	4,396	3,970
<b>Total trade and other receivables (net)</b>	<b>744,578</b>	<b>624,007</b>

All receivables are non-interest bearing. Credit items are net 30 days (2009: 30 days).

Appropriations receivable undrawn are appropriations controlled by the Department but held in the Official Public Account under the Government's just-in-time drawdown arrangements.

Appropriations receivable for additional outputs are accrued revenues for services provided in the current year either under a purchasing agreement with the Government or by a Cabinet direction. Funding for these services will be provided by appropriations in the subsequent year.

**Note 7: Financial Assets(continued)****Note 7B: Trade and Other Receivables**

Receivables are aged as follows:

Not overdue	<b>738,978</b>	609,711
Overdue by:		
0 to 30 days	<b>2,062</b>	7,421
31 to 60 days	<b>102</b>	1,462
61 to 90 days	<b>1,330</b>	348
More than 90 days	<b>2,495</b>	5,567
<b>Total receivables (gross)</b>	<b>744,967</b>	624,509

The impairment allowance account is aged as follows:

Not overdue	-	-
Overdue by:		
0 to 30 days	-	-
31 to 60 days	-	-
61 to 90 days	-	-
More than 90 days	<b>389</b>	502
<b>Total impairment allowance account</b>	<b>389</b>	502

**Reconciliation of the Impairment Allowance Account:****Movements in relation to 2010**

	Goods and services \$'000	Other receivables \$'000	Total \$'000
<b>Opening balance</b>	<b>163</b>	<b>339</b>	<b>502</b>
Amounts written off	-	-	-
Amounts recovered and reversed	(163)	(35)	(198)
Increase/(decrease) recognised in net surplus	<b>61</b>	<b>24</b>	<b>85</b>
<b>Closing balance</b>	<b>61</b>	<b>328</b>	<b>389</b>

**Movements in relation to 2009**

	Goods and services \$'000	Other receivables \$'000	Total \$'000
<b>Opening balance</b>	-	(305)	(305)
Amounts written off	-	-	-
Amounts recovered and reversed	-	2	2
Increase/(decrease) recognised in net surplus	(163)	(36)	(199)
<b>Closing balance</b>	(163)	339	(502)

**Note 8: Non-Financial Assets**

	2010	2009
	\$'000	\$'000
<b>Note 8A: Land and Buildings</b>		
Land at fair value	916,330	1,036,126
Buildings on freehold land:		
Work in progress <sup>1</sup>	7,891	3,506
Fair value	725,561	688,447
Accumulated depreciation	(12)	(5,500)
<b>Total buildings on freehold land</b>	<u>1,649,770</u>	<u>1,722,579</u>
Leasehold improvements:		
Fair value	246,573	171,783
Accumulated depreciation	(67,231)	(32,657)
Work in progress	31,871	89,348
<b>Total leasehold improvements</b>	<u>211,213</u>	<u>228,474</u>
<b>Total land and buildings</b>	<u>1,860,983</u>	<u>1,951,053</u>

<sup>1</sup>This is a qualifying asset and includes foreign exchange gains and losses which have been capitalised.

Two properties (a residence in Suva, Fiji and a Weather Station in Vanimo, PNG) have been classified as Assets Held for Sale. Total value is \$499,395.

**Note 8B: Infrastructure, Plant and Equipment**

Other Infrastructure, plant and equipment:		
Fair value	174,574	191,947
Accumulated depreciation	(44,218)	(69,591)
Work in progress	12,410	5,399
Accumulated impairment losses	-	-
<b>Total Infrastructure, plant and equipment</b>	<u>142,766</u>	<u>127,755</u>

All revaluations are conducted in accordance with the revaluation policy stated at Note 1. On 31 March 2010 and 30 June 2010, independent valuers, the Australian Valuation Office, Savills Pty Ltd and Pickles Valuations conducted the revaluations.

Revaluation decrements of \$118,167,000 for land (2009: increments of \$74,610,038) and increments of \$41,955,064 for buildings on freehold land (2009: decrements of \$12,694,063), impairment losses of \$87,993 for leasehold improvements (2009: decrements of \$35,424) and revaluation increments of \$598,341 for other plant and equipment (2009: decrements of \$436,407) were made to the asset revaluation reserve. Impairment losses of \$10,514 for other plant and equipment (2009: revaluation decrements of \$1,755,144) were expensed.

**Note 8: Non-Financial Assets(continued)****Note 8C: Reconciliation of the Opening and Closing Balances of Property, Plant and Equipment (2009-10)**

	Land \$'000	Buildings \$'000	Total land and buildings \$'000	Infrastructure, plant & equipment \$'000	Total \$'000
<b>As at 1 July 2009</b>					
Gross book value	1,036,126	860,230	1,896,356	191,947	2,088,303
Accumulated depreciation and impairment	-	(38,157)	(38,157)	(69,591)	(107,748)
Work in progress		92,854	92,854	5,399	98,253
<b>Net book value 1 July 2009</b>	<b>1,036,126</b>	<b>914,927</b>	<b>1,951,053</b>	<b>127,755</b>	<b>2,078,808</b>
<b>Additions:</b>					
By purchase	3,060	36,569	39,629	28,156	67,785
By donation/gift	-	-	-	5	5
Revaluations and impairments recognised in other comprehensive income	(118,167)	41,867	(76,300)	598	(75,702)
Revaluations recognised in the operating result	-	-	-	(10)	(10)
Assets held for sale or in a disposal group held for sale	204	296	500	-	500
Depreciation expense	-	(50,889)	(50,889)	(30,327)	(81,216)
Asset transfers	-	57,214	57,214	10,398	67,612
Net movement in work in progress	-	(53,092)	(53,092)	7,011	(46,081)
<b>Disposals:</b>					
Other	(4,893)	(2,238)	(7,131)	(820)	(7,951)
<b>Net book value 30 June 2010</b>	<b>916,330</b>	<b>944,654</b>	<b>1,860,984</b>	<b>142,766</b>	<b>2,003,750</b>
<b>Net book value as of 30 June 2010 represented by:</b>					
Gross book value	916,330	972,135	1,888,465	174,574	2,063,039
Accumulated depreciation	-	(67,243)	(67,243)	(44,218)	(111,461)
Work in progress	-	39,762	39,762	12,410	52,172
	<b>916,330</b>	<b>944,654</b>	<b>1,860,984</b>	<b>142,766</b>	<b>2,003,750</b>

**Note 8: Non-Financial Assets(continued)****Note 8C (Cont'd): Reconciliation of the Opening and Closing Balances of Property, Plant and Equipment (2008-09)**

	Land \$'000	Buildings \$'000	Total land and buildings \$'000	Infrastructure, plant & equipment \$'000	Total \$'000
<b>As at 1 July 2008</b>					
Gross book value	957,878	842,934	1,800,812	159,356	1,960,168
Accumulated depreciation and impairment	-	(11,604)	(11,604)	(42,144)	(53,748)
Work in progress	-	75,720	75,720	1,878	77,598
<b>Net book value as at 1 July 2008</b>	<b>957,878</b>	<b>907,050</b>	<b>1,864,928</b>	<b>119,090</b>	<b>1,984,018</b>
Additions:					
By purchase	8,809	45,369	54,178	36,768	90,946
By finance lease	-	-	-	-	-
By donation/gift	-	-	-	16	16
Revaluations and impairments recognised in other comprehensive income	74,610	(12,729)	61,881	(437)	61,444
Revaluations recognised in the operating result	-	-	-	(1,755)	(1,755)
Depreciation expense	-	(46,657)	(46,657)	(30,760)	(77,417)
Other movements	-	-	-	-	-
Asset transfers	-	7,742	7,742	1,913	9,655
Net movement in work in progress	-	17,134	17,134	3,521	20,655
Disposals:					
Other	(5,171)	(2,982)	(8,153)	(601)	(8,754)
<b>Net book value as at 30 June 2009</b>	<b>1,036,126</b>	<b>914,927</b>	<b>1,951,053</b>	<b>127,755</b>	<b>2,078,808</b>
<b>Net book value as of 30 June 2009 represented by:</b>					
Gross book value	1,036,126	860,230	1,896,356	191,947	2,088,303
Accumulated depreciation and impairment	-	(38,157)	(38,157)	(69,591)	(107,748)
Work in progress	-	92,854	92,854	5,399	98,253
	<b>1,036,126</b>	<b>914,927</b>	<b>1,951,053</b>	<b>127,755</b>	<b>2,078,808</b>

**Note 8: Non-Financial Assets(continued)**

	2010	2009
	\$'000	\$'000
<b>Note 8D: Intangibles</b>		
Computer software:		
Internally developed – in progress	4,178	548
Internally developed – in use	28,769	21,267
Purchased	19,493	15,802
<b>Total computer software (gross)</b>	<b>52,440</b>	<b>37,617</b>
Accumulated amortisation	(31,293)	(27,652)
<b>Total computer software (net)</b>	<b>21,147</b>	<b>9,965</b>
<b>Total intangibles</b>	<b>21,147</b>	<b>9,965</b>

No indicators of impairment were found for intangible assets.

No intangibles are expected to be sold or disposed of within the next 12 months.

**Note 8E: Reconciliation of the Opening and Closing Balances of Intangibles (2009-10)**

	Computer software internally developed	Computer software purchased	Total
	\$'000	\$'000	\$'000
<b>As at 1 July 2009</b>			
Gross book value	21,267	15,802	37,069
Accumulated amortisation and impairment	(16,894)	(10,758)	(27,652)
Assets under construction	548	-	548
<b>Net book value 1 July 2009</b>	<b>4,921</b>	<b>5,044</b>	<b>9,965</b>
Additions:			
By purchase	-	2,084	2,084
Internally developed	2,808		2,808
Amortisation	(2,189)	(1,546)	(3,735)
Other movements			
Asset Transfers	2,311	642	2,953
Reclassification - purchased to internally developed	(151)	151	-
Net movement in assets under construction (WIP)	3,629	3,445	7,074
Disposals:			
Other	(2)		(2)
<b>Net book value 30 June 2010</b>	<b>11,327</b>	<b>9,820</b>	<b>21,147</b>
<b>Net book value as of 30 June 2010 represented by:</b>			
Gross book value	28,769	16,048	44,817
Accumulated amortisation and impairment	(21,620)	(9,673)	(31,293)
Assets under construction	4,178	3,445	7,623
	<b>11,327</b>	<b>9,820</b>	<b>21,147</b>



**Note 8: Non-Financial Assets(continued)****Note 8E (Cont'd): Reconciliation of the Opening and Closing Balances of Intangibles (2008-09)**

	Computer software internally developed \$'000	Computer software purchased \$'000	Total \$'000
<b>As at 1 July 2008</b>			
Gross book value	10,297	18,657	28,954
Accumulated amortisation and impairment	(7,251)	(14,701)	(21,952)
Assets under construction	74	1,439	1,513
<b>Net book value 1 July 2008</b>	<b>3,120</b>	<b>5,395</b>	<b>8,515</b>
Additions:			
By purchase	-	1,614	1,614
Internally developed	852	-	852
Amortisation	(1,848)	(2,202)	(4,050)
Other movements:			
Asset Transfers	2,285	1,718	4,003
Reclassification - purchased to internally developed	38	(38)	-
Net movement in assets under construction (WIP)	474	(1,439)	(965)
Disposals:			
Other	-	(4)	(4)
<b>Net book value 30 June 2009</b>	<b>4,921</b>	<b>5,044</b>	<b>9,965</b>
<b>Net book value as of 30 June 2009 represented by:</b>			
Gross book value	21,267	15,802	37,069
Accumulated amortisation and impairment	(16,894)	(10,758)	(27,652)
Assets under construction	548		548
	<b>4,921</b>	<b>5,044</b>	<b>9,965</b>

**Note 8: Non-Financial Assets(continued)**

	2010 \$'000	2009 \$'000
<b>Note 8F: Inventories</b>		
Inventories held for sale:		
Finished goods	34,524	31,402
<b>Total inventories held for sale</b>	<b>34,524</b>	<b>31,402</b>
Inventories held for distribution	162	87
<b>Total inventories</b>	<b>34,686</b>	<b>31,489</b>

No items of inventory were recognised at fair value less cost to sell.  
All inventory is expected to be sold or distributed in the next 12 months.

**Note 8G: Other Non-Financial Assets****Prepayments**

Property Leases	16,129	16,281
Other	11,429	8,101
<b>Total other non-financial assets</b>	<b>27,558</b>	<b>24,382</b>

No indicators of impairment were found for other non-financial assets.

Total other non-financial assets - are expected to be recovered in:

No more than 12 months	22,097	18,218
More than 12 months	5,461	6,164
<b>Total other non-financial assets</b>	<b>27,558</b>	<b>24,382</b>

**Note 9: Payables**

	2010	2009
	\$'000	\$'000
<b>Note 9A: Suppliers</b>		
Trade creditors and accruals	<u>83,120</u>	<u>85,973</u>
<b>Total supplier payables</b>	<u>83,120</u>	<u>85,973</u>
Supplier payables expected to be settled within 12 months:		
Related entities	9,382	21,411
External parties	<u>73,738</u>	<u>64,562</u>
<b>Total supplier payables</b>	<u>83,120</u>	<u>85,973</u>

Settlement is usually made within 30 days.

**Note 9B: Other Payables**

Prepayment received	11,870	6,019
Salaries and wages	7,169	12,659
Superannuation	700	556
Separations and redundancies	434	-
Other	<u>7,009</u>	<u>5,545</u>
<b>Total other payables</b>	<u>27,182</u>	<u>24,779</u>
Total other payables are expected to be settled in:		
No more than 12 months	20,475	24,779
More than 12 months	<u>6,707</u>	<u>-</u>
<b>Total other payables</b>	<u>27,182</u>	<u>24,779</u>

**Note 10: Interest Bearing Liabilities**

	2010	2009
	\$'000	\$'000
<b>Note 10A: Leases</b>		
Finance leases	<u>-</u>	<u>667</u>
<b>Total finance leases</b>	<u>-</u>	<u>667</u>
Payable:		
Within one year:		
Minimum lease payments	-	667
Deduct: future finance charges	-	(19)
<b>Finance leases recognised on the balance sheet</b>	<u>-</u>	<u>648</u>

The finance lease in relation to a residential compound in East Timor expired in 2009-10. At 30 June 2010, the Department does not have any finance leases.

**Note 11: Provisions**

	2010 \$'000	2009 \$'000
<b>Note 11A: Employee Provisions</b>		
Annual Leave	28,485	26,193
Long Service Leave	61,230	54,939
Superannuation	7,803	7,614
Separation and redundancies	10,876	11,238
Other employee provisions	9,344	9,257
<b>Total employee provisions</b>	<b>117,738</b>	<b>109,241</b>
Employee provisions are expected to be settled in:		
No more than 12 months	44,543	50,456
More than 12 months	73,195	58,785
<b>Total employee provisions</b>	<b>117,738</b>	<b>109,241</b>
<b>Note 11B: Other Provisions</b>		
Provision for restoration obligations	23,979	19,547
<b>Total other provisions</b>	<b>23,979</b>	<b>19,547</b>
Other provisions are expected to be settled in:		
No more than 12 months	3,794	3,121
More than 12 months	20,185	16,426
<b>Total other provisions</b>	<b>23,979</b>	<b>19,547</b>
	<b>Provision for restoration \$'000</b>	<b>Total \$'000</b>
<b>Carrying amount 1 July 2009</b>	<b>19,547</b>	<b>19,547</b>
Additional provisions made	716	716
Revaluation of provisions	3,011	3,011
Amounts reversed upon leaving the premises	(291)	(291)
Unwinding of discount or change in discount rate	996	996
<b>Closing balance 2010</b>	<b>23,979</b>	<b>23,979</b>

The Department currently has 66 agreements (2009: 63) for the leasing of premises where the Department has raised a provision to restore the premises to their original condition at the conclusion of the lease. The provision reflects the present value of this obligation.

**Note 12: Cash Flow Reconciliation**

	2010	2009
	\$'000	\$'000
<b>Reconciliation of cash and cash equivalents as per Balance Sheet to Cash Flow Statement</b>		
<b>Cash and cash equivalents as per:</b>		
Cash flow statement	48,555	40,782
Balance sheet	48,555	40,782
<b>Difference</b>	<u>-</u>	<u>-</u>
<b>Reconciliation of net cost of services to net cash from operating activities:</b>		
Net cost of services	(805,371)	(759,367)
Add revenue from Government	894,974	871,746
<b>Adjustments for non-cash items</b>		
Depreciation / amortisation	84,952	81,467
Net write down of non-financial assets	17	2,049
Loss on disposal of assets	1,561	3,394
Investing OPA (receivable)	(34,352)	(51,935)
Effect of foreign exchange on cash	(60)	(337)
Finance lease expense	461	696
Interest	4	4
<b>Changes in assets / liabilities</b>		
(Increase) / decrease in net receivables	(91,590)	(28,013)
(Increase) / decrease in inventories	(3,197)	(15,967)
(Increase) / decrease in prepayments	(2,604)	(1,884)
Increase / (decrease) in other assets	1,511	3,930
Increase / (decrease) in employee provisions	3,585	16,151
Increase / (decrease) in supplier payables	(2,440)	3,882
Increase / (decrease) in unearned income	6,335	(6,006)
Increase / (decrease) in other provisions	2,122	6,051
Increase / (decrease) in other liabilities	1,382	343
<b>Net cash from (used by) operating activities</b>	<u>57,290</u>	<u>126,204</u>

**Note 13: Contingent Liabilities and Assets**

	Guarantees		Claims for damages or costs		Total	
	2010 \$'000	2009 \$'000	2010 \$'000	2009 \$'000	2010 \$'000	2009 \$'000
<b>Contingent assets</b>						
Balance from previous period	-	-	1,108	512	1,108	512
New	-	-	92	-	92	-
Re-measurement	-	-	-	638	-	638
Assets recognised	-	-	(15)	(42)	(15)	(42)
Expired	-	-	(1,084)	-	(1,084)	-
<b>Total contingent assets</b>	-	-	<b>101</b>	<b>1,108</b>	<b>101</b>	<b>1,108</b>
<b>Contingent liabilities</b>						
Balance from previous period	426	431	1,193	691	1,619	1,122
New	-	-	408	729	408	729
Re-measurement	(31)	3	(361)	3	(392)	6
Liabilities recognised	-	-	(60)	(230)	(60)	(230)
Obligations expired	(261)	(8)	(169)	-	(430)	(8)
<b>Total contingent liabilities</b>	<b>134</b>	<b>426</b>	<b>1,011</b>	<b>1,193</b>	<b>1,145</b>	<b>1,619</b>
<b>Net contingent assets (liabilities)</b>	<b>(134)</b>	<b>(426)</b>	<b>(910)</b>	<b>(85)</b>	<b>(1,044)</b>	<b>(511)</b>

**Quantifiable Contingencies**

The Schedule of Contingencies reports contingent liabilities in respect of claims for damages / costs of \$1,010,837 (2009: \$1,193,210). This amount represents an estimate of the Department's liability based on precedent cases and on advice from the Department's external legal service providers. The Department is defending the claims.

The Schedule of Contingencies reports contingent liabilities in respect of bank and residential lease guarantees made by the department of \$133,504 (2009: \$426,411).

The Schedule also reports contingent assets in respect of claims for damages / costs of \$101,494 (2009: \$1,107,868). The Department is expecting to succeed in claims and receive costs from claimants, although the cases are continuing. The estimate is based on precedent in such cases and on advice from the Department's external legal service providers.

**Unquantifiable Contingencies**

At 30 June 2010, the Department was defending a number of litigation claims in relation to losses allegedly suffered by claimants. In addition, the Department has a number of pending insurance claims in which a reliable estimate is not available.

**Significant Remote Contingencies**

The Department is currently defending a number of other legal claims. At 30 June 2010, advice from the Department's external legal service providers is that the Department has a strong case in each of these matters and is not likely to be found liable.

**Note 14: Senior Executive Remuneration****Note 14A: Actual Remuneration Paid to Senior Executives**

	2010	2009
The number of senior executives who received or were due to receive:		
less than \$145,000*	14	15
\$145,000 to \$159,999	1	1
\$160,000 to \$174,999	6	7
\$175,000 to \$189,999	6	3
\$190,000 to \$204,999	7	11
\$205,000 to \$219,999	16	14
\$220,000 to \$234,999	18	12
\$235,000 to \$249,999	6	7
\$250,000 to \$264,999	3	6
\$265,000 to \$279,999	9	9
\$280,000 to \$294,999	4	6
\$295,000 to \$309,999	6	1
\$310,000 to \$324,999	-	2
\$325,000 to \$339,999	2	2
\$355,000 to \$369,999	1	-
\$385,000 to \$399,999	1	-
\$520,000 to \$534,999	-	1
<b>Total</b>	<b>100</b>	<b>97</b>

\* Excluding acting arrangements and part-year service.

**Total expense recognised in relation to Senior Executive employment**

	\$	\$
Short-term employee benefits:		
Salary (including annual leave taken)	14,872,226	13,404,383
Changes in annual leave provisions	35,513	250,424
Performance bonus <sup>1</sup>	996,519	621,473
Other <sup>2</sup>	2,141,851	2,113,124
Total Short-term employee benefits	<u>18,046,110</u>	<u>16,389,403</u>
Superannuation (post-employment benefits)	2,938,093	3,377,656
Other long-term benefits	263,072	564,903
Total	<u>21,247,275</u>	<u>20,331,962</u>

During the year the entity paid \$555,843 in termination benefits to senior executives (2009: \$85,907). This amount is excluded from the "Total expense recognised in relation to Senior Executive employment" above.

Remuneration paid to executives and earned while located in Australia during the 2009-10 financial year has been included. For this purpose, Executive Remuneration includes: salary, allowances in the nature of salary, performance bonuses, fringe benefits tax, vehicle costs, parking costs, leave accruals and employer's superannuation contributions.

Notes

1. In 2009-10, the maximum performance bonus payable for senior executives was 2% of base salary (2009: 12%)
2. "Other" includes motor vehicle allowances and other allowances.
3. To comply with the 2009-10 FMOs, adjustments were made to prior year figures for comparability.

**Note 14: Senior Executive Remuneration (continued)****Note 14B: Salary Packages for Senior Executives****Average annualised remuneration packages for substantive Senior Executives**

	As at 30 June 2010			As at 30 June 2009		
	No. SES	Base salary (including annual leave)	Total remuneration package <sup>1</sup>	No. SES	Base salary (including annual leave)	Total remuneration package <sup>1</sup>
Total remuneration:						
\$160,000 to \$174,999	5	137,115	167,200	1	141,097	169,059
\$175,000 to \$189,999	7	144,153	179,542	14	153,284	180,376
\$190,000 to \$204,999	19	151,858	196,518	13	147,225	196,422
\$205,000 to \$219,999	21	149,894	210,451	16	145,409	211,692
\$220,000 to \$234,999	5	154,512	226,031	12	158,700	225,730
\$235,000 to \$249,999	6	174,799	241,584	5	170,510	241,880
\$250,000 to \$264,999	9	184,524	251,602	9	173,688	258,446
\$265,000 to \$279,999	2	190,817	281,186	4	183,638	268,052
\$280,000 to \$294,999	2	190,817	290,725	4	206,838	287,080
\$295,000 to \$309,999	2	209,107	292,220	-	-	-
\$310,000 to \$324,999	2	226,025	318,101	4	215,884	319,834
\$340,000 to \$354,999	1	226,173	341,717	-	-	-
\$445,000 to \$459,999	-	-	-	1	365,670	457,080
\$460,000 to \$474,999	1	376,640	470,790	-	-	-
<b>Total</b>	<b>82</b>			<b>83</b>		

## Notes

1. Non-Salary elements available to Senior Executives include:

- (a) Motor vehicle allowance
- (b) Superannuation

2. Note 14B excludes movements in long service leave and performance bonuses.

The primary differences between Note 14A and Note 14B is as follows:

- (a) Note 14A includes all qualifying staff (including acting arrangements and part year service) and Note 14B only includes substantive SES remuneration packages as at 30 June 2010.
- (b) Note 14A is based on all entitlements paid and accrued through the year. Note 14B is based on annualised average data, excluding annual leave, long service leave and performance payments due to the uncertainty of access to the benefits.

**Note 15: Remuneration of Auditors**

	2010	2009
Financial statement audit services were provided free of charge to the Department.		
The fair value of the services provided was:	<u>400,000</u>	<u>465,000</u>
	<u>400,000</u>	<u>465,000</u>

No other services were provided by the Auditor-General.

**Note 16: Financial Instruments**

	2010	2009
	\$'000	\$'000
<b>Note 16A: Categories of Financial Instruments</b>		
<b>Financial Assets</b>		
Cash	48,555	40,782
<b>Loans and receivables:</b>		
Receivables for goods and services (gross)	14,669	27,947
Other receivables	<u>15,390</u>	<u>17,228</u>
<b>Carrying amount of financial assets</b>	<u>78,614</u>	<u>85,957</u>
<b>Financial Liabilities</b>		
<b>At amortised cost:</b>		
Finance lease liabilities	-	648
Trade creditors	<u>83,120</u>	<u>85,973</u>
<b>Carrying amount of financial liabilities</b>	<u>83,120</u>	<u>86,621</u>
<b>Note 16B: Net Income and Expense from Financial Assets</b>		
<b>Loans and receivables</b>		
Exchange gains/(loss)	60	336
Impairment	<u>99</u>	<u>293</u>
<b>Net gain/(loss) loans and receivables</b>	<u>159</u>	<u>629</u>
<b>Note 16C: Net Income and Expense from Financial Liabilities</b>		
<b>Financial liabilities - at amortised cost</b>		
Interest expense	<u>4</u>	<u>4</u>
<b>Net gain/(loss) financial liabilities - at amortised cost</b>	<u>4</u>	<u>4</u>

The total interest expense from financial liabilities not at fair value through profit or loss is \$465,000 (\$700,000 for 2009).

**Note 16D: Fair Value of Financial Instruments**

As the Department only holds basic financial instruments (cash, receivables and payables), the carrying amounts are a reasonable approximation of fair value.



**Note 16: Financial Instruments(continued)****Note 16E: Credit Risk**

The Department is exposed to minimal credit risk as loans and receivables comprise of trade and other receivables. The maximum exposure to credit risk is the risk that arises from potential default of a debtor. This amount is equal to the total amount of these outstanding receivables of \$30,600,000 (2009: \$45,045,000).

The Department has assessed the risk of the default on payment and has allocated \$389,000 (2009: \$502,000) to an allowance for doubtful debts account.

The Department manages its credit risk by undertaking background and credit checks prior to allowing a debtor relationship. In addition, the Department has policies and procedures that guide employees debt recovery.

The Department has no collateral to mitigate against credit risk.

**Ageing of financial assets for 2010**

	Not past due nor impaired	0 to 30 days \$'000	31 to 60 days \$'000	61 to 90 days \$'000	90+ days \$'000	Total \$'000
<b>Not impaired</b>						
Cash	48,555	-	-	-	-	48,555
Receivables for goods and services	9,004	1,980	101	1,136	2,448	14,669
Other receivables	15,066	82	1	194	48	15,391
<b>Impaired</b>						
Receivables for goods and services	-	-	-	-	(389)	(389)
<b>Total</b>	<b>72,625</b>	<b>2,062</b>	<b>102</b>	<b>1,330</b>	<b>2,107</b>	<b>78,226</b>

**Ageing of financial assets for 2009**

	Not past due nor impaired	0 to 30 days \$'000	31 to 60 days \$'000	61 to 90 days \$'000	90+ days \$'000	Total \$'000
<b>Not impaired</b>						
Cash	40,782	-	-	-	-	40,782
Receivables for goods and services	21,234	975	1,374	276	3,586	27,445
Other receivables	17,159	62	3	-	4	17,228
<b>Impaired</b>						
Receivables for goods and services	-	-	-	-	502	502
<b>Total</b>	<b>79,175</b>	<b>1,037</b>	<b>1,377</b>	<b>276</b>	<b>4,092</b>	<b>85,973</b>

The following list of assets have been individually assessed as impaired:

**Note 16F: Liquidity Risk**

The Department's financial liabilities are trade creditors. It is highly unlikely that the Department will encounter difficulty in meeting its obligations associated with these liabilities given that it is a Commonwealth entity and has funding mechanisms available to ensure default does not occur. In addition, the Department has internal policies and procedures in place to ensure there are sufficient resources to make payments and has no history of default. The following table illustrates the maturities for financial liabilities:

**Maturities for non-derivative financial liabilities 2010**

	On demand \$'000	within 1 year \$'000	1 to 2 years \$'000	2 to 5 years \$'000	> 5 years \$'000	Total \$'000
Trade Creditors	-	83,120	-	-	-	83,120
<b>Total</b>	<b>-</b>	<b>83,120</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>83,120</b>

**Maturities for non-derivative financial liabilities 2009**

	On demand \$'000	within 1 year \$'000	1 to 2 years \$'000	2 to 5 years \$'000	> 5 years \$'000	Total \$'000
Finance lease liability	-	648	-	-	-	648
Trade creditors	-	85,973	-	-	-	85,973
<b>Total</b>	<b>-</b>	<b>86,621</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>86,621</b>

The Department has no derivative financial liabilities in both the current and prior year.

**Note 16G: Market Risk****Interest rate and Other price risk**

Interest rate and Other price risk refers to the risk that the fair value of future cash flows of a financial instrument will fluctuate due to changes in foreign currency exchange rates. The Department is exposed to foreign currency exchange risk primarily through undertaking certain transactions denominated in a wide range of foreign currencies through its operations overseas.

The following table illustrates the effect on the Department's operating result (profit or loss) and equity as at 30 June 2010 from a 14% increase or decrease against the AUD in the currencies in which financial instruments were held by the Department, with all other variables held constant.

Financial Instrument held in foreign currency	Change in variable	AUD equivalent \$'000	+Favourable		-Unfavourable	
			Profit or loss 2010 \$'000	Equity 2010 \$'000	Profit or loss 2010 \$'000	Equity 2010 \$'000
Cash	14%	20,034	(2,460)	(2,460)	3,261	3,261
Receivables for goods and services (net)	14%	905	(111)	(111)	147	147
Other receivables	14%	43,530	(5,346)	(5,346)	7,086	7,086
Trade creditors	14%	5,174	(635)	(635)	842	842
<b>Total</b>		<b>69,643</b>	<b>(8,552)</b>	<b>(8,552)</b>	<b>11,336</b>	<b>11,336</b>

Financial Instrument held in foreign currency	Change in variable	AUD equivalent \$'000	+Favourable		-Unfavourable	
			Profit or loss 2009 \$'000	Equity 2009 \$'000	Profit or loss 2009 \$'000	Equity 2009 \$'000
Cash	12%	25,521	(2,737)	(2,737)	3,483	3,483
Receivables for goods and services (net)	12%	1,159	(124)	(124)	158	158
Other receivables	12%	10,836	(1,161)	(1,161)	1,478	1,478
Trade creditors	12%	(6,769)	725	725	(923)	(923)
<b>Total</b>		<b>30,747</b>	<b>(3,297)</b>	<b>(3,297)</b>	<b>4,196</b>	<b>4,196</b>

**Interest rate and Other price risk**

The Department holds basic financial instruments that do not expose it to 'Interest rate risk' or 'Other price risk'.

## Notes to the Schedule of Administered Items

**Note 17: Income Administered on Behalf of Government**

	2010	2009
	\$'000	\$'000
<b>REVENUE</b>		
<b>Non-Taxation Revenue</b>		
<b><u>Note 17A: Sale of Goods and Rendering of Services</u></b>		
Rendering of services – related entities - passport fees	83	53
Rendering of services – external parties - passport fees	324,248	283,817
Rendering of services – consular services	6,626	6,348
Nuclear safeguard charges	528	479
<b>Total sale of goods and rendering services</b>	<b>331,485</b>	<b>290,697</b>
<b><u>Note 17B: Interest</u></b>		
National Interest Account (NIA)	5,946	7,385
Other	91	133
<b>Total interest</b>	<b>6,037</b>	<b>7,518</b>
<b><u>Note 17C: Dividends</u></b>		
Australian Government Entities - Export Finance and Insurance Corporation (EFIC)	16,802	9,866
<b>Total dividends</b>	<b>16,802</b>	<b>9,866</b>
<b><u>Note 17D: Other Revenue</u></b>		
NIA - repayment of interest subsidy and recoveries	2,787	3,098
NIA - premiums	6,755	2,898
Payments by foreign governments - fuel excise	-	2,725
Defined Benefit Pension Schemes - contributions	3,158	3,659
Industry contributions/Sponsorship	5,946	965
Refund of prior year expenses	6,433	13,830
Other	26	81
<b>Total other revenue</b>	<b>25,105</b>	<b>27,256</b>
<b>GAINS</b>		
<b><u>Note 17E: Foreign Exchange</u></b>		
Non-speculative - NIA	1,160	-
Non-speculative - other	2,611	-
<b>Total foreign exchange gains</b>	<b>3,771</b>	<b>-</b>

**Note 18: Expenses Administered on Behalf of Government**

	2010	2009
	\$'000	\$'000
<b>EXPENSES</b>		
<b><u>Note 18A: Employee Benefits</u></b>		
Wages and salaries	1,119	818
Superannuation:		
Defined contribution plans	4	-
Defined benefit plans	154	169
Leave and other entitlements	141	142
North American Pension Scheme - transfers and payments	4,649	4,554
Other	526	411
<b>Total employee benefits expense</b>	<b>6,593</b>	<b>6,094</b>
<b><u>Note 18B: Suppliers</u></b>		
<b>Goods and services</b>		
Professional Services	33,145	40,369
Australia Network	19,251	18,823
Other Suppliers	2,007	2,442
<b>Total goods and services</b>	<b>54,403</b>	<b>61,634</b>
<b>Goods and services are made up of:</b>		
Rendering of services – related entities	19,251	18,823
Rendering of services – external parties	35,152	42,602
<b>Total goods and services</b>	<b>54,403</b>	<b>61,425</b>
<b>Other supplier expenses</b>		
Operating lease rentals - external parties:		
Minimum lease payments	192	209
<b>Total other supplier expenses</b>	<b>192</b>	<b>209</b>
<b>Total suppliers expenses</b>	<b>54,595</b>	<b>61,634</b>

**Note 18: Expenses Administered on Behalf of Government(continued)**

	2010 \$'000	2009 \$'000
<b><u>Note 18C: Grants and Contributions</u></b>		
Private sector:		
Non-profit organisations - external	4,778	4,722
Overseas	259,902	290,130
Other	12	48
<b>Total grants and contributions</b>	<b>264,692</b>	<b>294,900</b>
The nature of grants and contributions are as follows:		
International organisations	97,391	136,690
UN peacekeeping	162,511	153,440
Non-profit institutions	4,778	4,722
Other	12	48
<b>Total grants and contributions</b>	<b>264,692</b>	<b>294,900</b>
<b><u>Note 18D: Write-Down and Impairment of Assets</u></b>		
Asset write-downs and impairments from:		
Impairment on financial instruments - NIA loans <sup>1</sup>	9,652	-
Impairment on financial instruments - receivables <sup>2</sup>	228	351
<b>Total write-down and impairment of assets</b>	<b>9,880</b>	<b>351</b>
<sup>1</sup> for further disclosure on the impairment of financial instruments see note 24C & 24E.		
<sup>2</sup> for further disclosure on the impairment of receivables see note 19B & 24B.		
<b><u>Note 18E: Foreign Exchange Losses</u></b>		
Non-speculative - NIA	-	2,936
Non-speculative - other	-	5,236
<b>Total foreign exchange losses</b>	<b>-</b>	<b>8,172</b>
<b><u>Note 18F: Other Expenses</u></b>		
NIA - Interest	7,006	6,949
EFIC - administration costs	2,521	2,739
EFIC - other financial costs	341	987
VAT and fee refunds	735	967
<b>Total other expenses</b>	<b>10,603</b>	<b>11,642</b>

**Note 19: Assets Administered on Behalf of Government**

	2010 \$'000	2009 \$'000
<b>FINANCIAL ASSETS</b>		
<b><u>Note 19A: Cash and Cash Equivalents</u></b>		
Cash on hand or on deposit	6,376	233
Cash at the OPA	5,000	5,000
<b>Total cash and cash equivalents</b>	<b>11,376</b>	<b>5,233</b>
<b><u>Note 19B: Receivables</u></b>		
<b>Goods and services:</b>		
Goods and services receivable - external parties*	828	817
<b>Total receivables for goods and services</b>	<b>828</b>	<b>817</b>
<b>Other receivables:</b>		
Related entities	1,119	3,993
GST receivable from ATO	-	207
Advances and loans:		
Other Loans - Consular Traveller Emergency Loans	1,263	1,169
National Interest receivable**	-	9,652
Passport Fees and VAT	2,166	1,338
<b>Total other receivables</b>	<b>4,548</b>	<b>16,359</b>
<b>Total receivables (gross)</b>	<b>5,376</b>	<b>17,176</b>
Less: impairment allowance account:		
Advances and loans - Consular Traveller	(564)	(376)
<b>Total impairment allowance account</b>	<b>(564)</b>	<b>(376)</b>
<b>Total receivables (net)</b>	<b>4,812</b>	<b>16,800</b>
Receivables are expected to be recovered in:		
No more than 12 months	4,657	6,853
More than 12 Months	155	9,947
<b>Total Trade and other receiveals (net)</b>	<b>4,812</b>	<b>16,800</b>
Receivables were aged as follows:		
Not overdue	4,099	6,250
Overdue by:		
0 to 30 days	316	555
31 to 60 days	16	1
61 to 90 days	61	3
More than 90 days	884	10,367
<b>Total receivables (gross)</b>	<b>5,376</b>	<b>17,176</b>
The impairment allowance account is aged as follows:		
Not overdue	-	(67)
Overdue by:		
0 to 30 days	(1)	-
31 to 60 days	(2)	-
61 to 90 days	-	-
More than 90 days	(561)	(309)
<b>Total impairment allowance account</b>	<b>(564)</b>	<b>(376)</b>

\*Goods and services receivables are with entities external to the Australian Government. Credit terms were net 30 days (2009: 30 days).

\*\*The 2008-09 National Interest receivable represents an amount receivable from a sovereign counter party. In 2009-10 this amount was provided for with the collection being managed through EFIC.

**Note 19: Assets Administered on Behalf of Government(continued)****Reconciliation of the Impairment Allowance Account:  
Movements in relation to 2010**

	Consular loans \$'000	Total \$'000
<b>Opening balance</b>	(376)	(376)
Amounts impaired	(189)	(189)
Amounts recovered and reversed	-	-
Increase/decrease due to foreign exchange variation of the underlying financial asset	-	-
<b>Closing balance</b>	(565)	(565)

**Movements in relation to 2009**

	Consular loans \$'000	Total \$'000
<b>Opening balance</b>	(135)	(135)
Amounts impaired	(241)	(241)
Amounts recovered and reversed	-	-
Increase/decrease due to foreign exchange variation of the underlying financial asset	-	-
<b>Closing balance</b>	(376)	(376)

**Note 19C: Other Investments**

Australian Government company - EFIC	407,606	376,700
<b>Total Other Investments</b>	<b>407,606</b>	<b>376,700</b>

Other investments are expected to be recovered in:

No more than 12 months	-	-
More than 12 Months	407,606	376,700
<b>Total other investments</b>	<b>407,606</b>	<b>376,700</b>

**Total Financial Assets Administered on Behalf of Government**

<b>423,794</b>	<b>398,733</b>
----------------	----------------

**NON-FINANCIAL ASSETS****Note 19D: Prepayments**

Prepayments	1,607	3,649
<b>Total Prepayments</b>	<b>1,607</b>	<b>3,649</b>

Other investments are expected to be recovered in:

No more than 12 months	1,607	3,649
More than 12 Months	-	-
<b>Total other investments</b>	<b>1,607</b>	<b>3,649</b>

**Total non-financial assets administered on behalf of Government**

<b>1,607</b>	<b>3,649</b>
--------------	--------------

**Total assets administered on behalf of government**

<b>425,401</b>	<b>402,382</b>
----------------	----------------

**Note 20: Liabilities Administered on Behalf of Government**

	2010	2009
	\$'000	\$'000

**PAYABLES****Note 20A: Suppliers**

Trade creditors and accruals	12,540	3,893
Other	19	68
<b>Total suppliers</b>	<b>12,559</b>	<b>3,961</b>

Suppliers are expected to be recovered in:

No more than 12 months	12,559	3,961
More than 12 Months	-	-
<b>Total suppliers</b>	<b>12,559</b>	<b>3,961</b>

All trade creditors are entities that are external to the Australian Government. Settlement is usually made net 30 days. 'Other' relates to amounts owed to DFAT Departmental accounts.

**Note 20B: Other Payables**

National Interest Account (EFIC) *	42,908	46,679
Unearned income - passports revenue	9,160	9,481
Unearned income - Sponsorship	1,621	1,485
GST Payable to the ATO	278	-
Defined Benefit Pension Schemes - NAPS	34,735	35,359
Defined Benefit Pension Schemes - Other	5,598	4,107
<b>Total other payables</b>	<b>94,300</b>	<b>97,111</b>

Total other payables are expected to be settled in:

No more than 12 months	19,146	19,146
More than 12 months	75,154	77,965
<b>Total other payables</b>	<b>94,300</b>	<b>97,111</b>

\* Loans on the NIA are funded from the Commercial Account at fair value. The amount disclosed above reflects the Commonwealth's exposure on business undertaken in the NIA. It reflects the net amount of assets in the form of loans and rescheduled credit insurance debts to overseas governments, commitment fees on loans received by EFIC but not yet paid to the Commonwealth, unamortised portions of the reinsurance payments and bond premiums receivable from exporters and liabilities relating to the reimbursement to EFIC for debt forgiveness on loans, provision for unearned income on loan premiums, accrued expenses including EFIC administration fees and other creditors.



**Note 20: Liabilities Administered on Behalf of Government(continued)**

<b><u>Defined Benefit Pension Schemes</u></b>	<b>2010</b>	<b>2009</b>
	<b>\$'000</b>	<b>\$'000</b>

*The amounts recognised in the Balance Sheet are as follows:*

Present value of funded obligations	<b>30,246</b>	25,591
Fair value of plan assets	<b>(24,648)</b>	(21,484)
	<b>5,598</b>	4,107
Present value of unfunded obligations	<b>34,735</b>	35,359
Net liability in balance sheet	<b>40,333</b>	39,466

*Movements in the net liability recognised in the Balance Sheet as follows:*

Net liability at the start of the year	<b>39,466</b>	30,011
Exchange differences on foreign plans	<b>(2,604)</b>	5,237
Net expense recognised in the income statement	<b>2,904</b>	2,866
Net actuarial losses (gains)	<b>3,414</b>	4,629
Contributions	<b>(580)</b>	(864)
Transfer of benefit	<b>(2,267)</b>	(2,413)
Net liability at the end of the year	<b>40,333</b>	39,466

*The amounts recognised in the Income Statement are as follows:*

Current service cost	<b>928</b>	1,199
Interest on obligation	<b>3,378</b>	3,674
Expected return on plan assets	<b>(1,369)</b>	(2,007)
Losses (gains) on curtailments and settlements	<b>(33)</b>	-
Total included in 'employee benefit expense account'	<b>2,904</b>	2,866
Actual return on assets	<b>6,534</b>	(8,502)

**Note 20: Liabilities Administered on Behalf of Government(continued)**

	2010 \$'000	2009 \$'000
<i>Principal actuarial assumptions at the reporting date (expressed as weighted averages):</i>		
Discount rate at 30 June	5.41%	6.29%
Expected return on assets at 30 June	3.51%	7.56%
Salary growth	3.46%	3.31%
Price inflation	3.12%	3.00%
Pension growth	3.00%	3.00%

The Department administers on behalf of the Australian Government, defined benefit pension schemes for locally engaged staff at posts in London, Dublin and New Delhi, and also the North American Pension Scheme. All schemes, with the exception of the New Delhi Gratuity Fund, have been closed to new employees and provide pensions that are linked to final salaries. Figures disclosed are based on formal actuarial reviews that are generally conducted triennially and reviewed and updated by the actuary on an annual basis. Actuarial gains are applied directly to retained surplus as directed by *Section 17.4 Finance Minister's Orders 2009-10*. The London, Dublin and New Delhi schemes are all funded schemes, the North American Pension Scheme is unfunded. Contributions for the North American Scheme are made to the Department of Finance and Deregulation, which will provide funding for the scheme. The Dublin scheme was wound-up on 30 June 2010.

**Note 21: Administered Reconciliation Table**

	2010 \$'000	2009 \$'000
<b>Opening administered assets less administered liabilities as at 1 July</b>	<b>301,310</b>	260,674
Adjustment for change in accounting policies	-	(4,629)
<b>Adjusted opening administered assets less administered liabilities</b>	<b>301,310</b>	256,045
Plus: Administered income	379,429	335,337
Less: Administered expenses (non CAC)	(349,777)	(374,621)
Administered transfers to/from Australian Government:		
Appropriation transfers from OPA:		
Annual appropriations for administered expenses (non CAC)	311,717	352,666
Special appropriations (unlimited) (non CAC)	767	584
Transfers to OPA	(359,581)	(306,029)
Currency translation gain/loss	3,771	(8,172)
Movement in carrying amount of investment	30,906	45,500
<b>Closing administered assets less administered liabilities as at 30 June</b>	<b>318,542</b>	301,310

**Note 22: Administered Contingent Assets and Liabilities**

There are no Administered Contingent Assets or Liabilities in 2009-10 (2008-09: Nil).

**Quantifiable Contingencies**

Quantifiable Administered Contingencies that are not remote are disclosed in the Schedule of Administered Items as Quantifiable Administered Contingencies.

**Unquantifiable Contingencies**

There are no unquantifiable administered contingencies.

**Significant Remote Contingencies**

Under section 62 of the *Export Finance and Insurance Corporation Act 1991*, the Australian Government guarantees the due payment by the Export Finance and Insurance Corporation of money that is, or may at any time become, payable by the Export Finance and Insurance Corporation to any person other than the Australian Government. Details of remote contingencies are shown in the following table:

	<b>2010</b>	2009
	<b>\$'000</b>	\$'000
Contracts of insurance and guarantees	<b>489,700</b>	720,300
Statement of financial position liabilities	<b>1,345,100</b>	1,154,700
NIA contracts of insurance, guarantees and statement of position liabilities	<b>801,300</b>	979,200
	<b>2,636,100</b>	2,854,200

**Note 23: Administered Investments**

The Australian Government owns 100 percent of the Export Finance and Insurance Corporation (EFIC). EFIC's principal activity is the provision of competitive finance and insurance services to Australian exporters and Australian companies investing in new projects overseas.

**Note 24: Administered Financial Instruments**

	2010 \$'000	2009 \$'000
<b>Note 24A: Categories of Financial Instruments</b>		
<b>Financial Assets</b>		
Held-to-maturity:		
Cash	11,376	5,233
<b>Total</b>	<b>11,376</b>	<b>5,233</b>
Loans and receivables:		
Goods and services receivables	1,947	5,017
Consular - Traveller Emergency loans	699	793
National Interest receivable	-	9,652
Other - passport fees and VAT	2,166	1,338
<b>Total</b>	<b>4,812</b>	<b>16,800</b>
Available for sale:		
Investment - Export Finance and Insurance Corporation	407,606	376,700
<b>Total</b>	<b>407,606</b>	<b>376,700</b>
<b>Carrying amount of financial assets</b>	<b>423,794</b>	<b>398,733</b>
<b>Financial Liabilities</b>		
At amortised cost:		
Suppliers	12,559	3,961
National Interest Account (EFIC)	42,908	46,679
<b>Total</b>	<b>55,467</b>	<b>50,640</b>
<b>Carrying amount of financial liabilities</b>	<b>55,467</b>	<b>50,640</b>
<b>Note 24B: Net Income and Expense from Financial Assets</b>		
<b>Held-to-maturity</b>		
Interest revenue	91	123
<b>Net gain/(loss) held-to-maturity</b>	<b>91</b>	<b>123</b>
<b>Consular - Traveller Emergency loans</b>		
Impairment decrease/(increase)	(189)	(241)
Write off	(39)	(82)
<b>Net gain/(loss) Consular - Traveller Emergency loans</b>	<b>(228)</b>	<b>(323)</b>
<b>Net gain/(loss) loans and receivables</b>	<b>(137)</b>	<b>(200)</b>
<b>Available for sale</b>		
Investment - Export Finance and Investment Corporation		
Dividend revenue	16,802	9,866
Revaluation gain/loss recognised in equity	30,906	45,500
<b>Net gain/(loss) available for sale</b>	<b>47,708</b>	<b>55,366</b>
<b>Net gain/(loss) from financial assets</b>	<b>47,571</b>	<b>55,166</b>

**Note 24: Administered Financial Instruments (continued)**

<b>Note 24C: Net Income and Expense from Financial Liabilities</b>	<b>2010</b>	<b>2009</b>
<b>Financial liabilities - at amortised cost</b>	<b>\$'000</b>	<b>\$'000</b>
National Interest Account (EFIC)		
Interest revenue	5,946	8,803
Other Revenue	9,542	190
Exchange gains/(loss)	1,160	(2,937)
Impairment decrease/(increase)	(9,652)	-
Interest Expense	(7,006)	(6,949)
Other Expense	(2,862)	(743)
<i>Net gain/(loss) - National Interest Account EFIC</i>	<u>(2,872)</u>	<u>(1,636)</u>
<b>Net gain/(loss) financial liabilities - at amortised cost</b>	<u>(2,872)</u>	<u>(1,636)</u>
<b>Net gain/(loss) from financial liabilities</b>	<u>(2,872)</u>	<u>(1,636)</u>

**Note 24D: Fair Value of Financial Instruments**

	<b>Carrying amount</b>	<b>Fair value</b>	<b>Carrying amount</b>	<b>Fair value</b>
	<b>2010</b>	<b>2010</b>	<b>2009</b>	<b>2009</b>
	<b>\$'000</b>	<b>\$'000</b>	<b>\$'000</b>	<b>\$'000</b>
<b>Financial Assets</b>				
Cash	11,376	11,376	5,233	5,233
Receivables for goods and services (net)	2,646	2,646	5,810	5,810
Accrued revenue	2,166	2,166	1,338	1,338
National Interest receivable	-	-	9,652	9,652
Investments	407,606	407,606	376,700	376,700
<b>Total</b>	<b>423,794</b>	<b>423,794</b>	<b>398,733</b>	<b>398,733</b>
<b>Financial Liabilities</b>				
Trade creditors	12,559	12,559	3,961	3,961
Other payables	42,908	42,908	46,679	46,679
<b>Total</b>	<b>55,467</b>	<b>55,467</b>	<b>50,640</b>	<b>50,640</b>

**Valuation Method used for determining the Fair Value of Financial Instruments**

The following table identifies for those assets and liabilities (those at fair value through profit and loss or available for sale) carried at fair value (above) whether fair value was obtained by reference to market prices or by a valuation technique that employs observable market transactions, or one that uses non-observable market inputs to determine a fair value.

	<b>Market Values</b>	<b>Market Inputs</b>	<b>Non-market Inputs</b>	<b>Total</b>
	<b>\$'000</b>	<b>\$'000</b>	<b>\$'000</b>	<b>\$'000</b>
<b>Financial Assets at Fair Values</b>				
EFIC - valuation by net assets	-	-	407,606	407,606
<b>Financial Assets at Fair Values</b>	<b>-</b>	<b>-</b>	<b>407,606</b>	<b>407,606</b>

As the Department only administers basic financial instruments (outlined above), the carrying amounts are a reasonable approximation of fair value.

<b>Reconciliation of level 3 fair value hierarchy</b>	<b>Investment</b>	<b>Investment</b>
	<b>2,010</b>	<b>2,009</b>
	<b>\$'000</b>	<b>\$'000</b>
<b>Financial assets at fair value</b>		
Opening balance	376,700	331,200
Total gains or losses recognised in other comprehensive income <sup>1</sup>	30,906	45,500
<b>Closing balance</b>	<b>407,606</b>	<b>376,700</b>

<sup>1</sup> These gains and losses are presented in the reconciliation of administered items.

**Note 24: Administered Financial Instruments (continued)****Note 24E: Credit Risk****Recognised in the DFAT Administered Accounts***Maximum exposure*

The Department's Senior Executive has endorsed policies and procedures for debt management (including the provision of credit terms) to reduce the incidence of credit risk. The majority of services provided by the Department on behalf of the Australian Government are delivered to another government entity and therefore represent minimal credit risk. Collateral is not required on any loan.

The Department's maximum exposure to credit risk at reporting date in relation to each class of recognised administered financial asset is the carrying amount of those assets as indicated in the Schedule of Administered Items, unless otherwise detailed in the table below:

The following table illustrates Administered gross exposure to credit risk, excluding any collateral or credit enhancements.

	2010	2009
	\$'000	\$'000
<b>Financial assets</b>		
as per balance sheet	423,794	389,081
<b>Total</b>	<b>423,794</b>	<b>389,081</b>

*Credit Quality*

The Department's Administered Consular Loans receivable includes debtors with a carrying amount of approximately \$0.378 million (2009: \$0.465 million) which are past due at the reporting date and for which the Department has not provided. Based on past experience, the Department believes that the amounts are still considered receivable. The Department does not hold any collateral over these balances. However it requires settlement of the outstanding debt before the debtor's passport is renewed.

**Ageing of financial assets that were past due but not impaired for 2010**

	not past due nor impaired	0 to 30 days	31 to 60 days	61 to 90 days	90+ days	Total
	\$'000	\$'000	\$'000	\$'000	\$'000	\$'000
<b>Not Impaired</b>						
Cash and Cash Equivalents	11,376	-	-	-	-	11,376
Goods and Services Receivables, Other and Passport fees	3,800	312	-	-	-	4,113
Consular - Traveller Emergency Loans	321	3	0	51	324	699
Investments - Export Finance and Investment Corporation	407,606	-	-	-	-	407,606
	<b>423,103</b>	<b>315</b>	<b>0</b>	<b>51</b>	<b>324</b>	<b>423,794</b>
<b>Impaired</b>						
Consular - Traveller Emergency Loans*	-	1	2	0	561	564
	<b>-</b>	<b>1</b>	<b>2</b>	<b>0</b>	<b>561</b>	<b>564</b>
<b>Total</b>	<b>423,103</b>	<b>316</b>	<b>2</b>	<b>51</b>	<b>885</b>	<b>424,358</b>

\* DFAT impaired some traveller emergency loans immediately on issuance as the loan recipient, while requiring consular assistance and legally able to enter into a loan contract, was assessed as not likely to be in a position to repay the loan based on observable evidence and factors.

**Ageing of financial assets that were past due but not impaired for 2009**

	not past due nor impaired	0 to 30 days	31 to 60 days	61 to 90 days	90+ days	Total
	\$'000	\$'000	\$'000	\$'000	\$'000	\$'000
<b>Not Impaired</b>						
Cash and Cash Equivalents	5,233	-	-	-	-	5,233
Goods and Services Receivables, Other and Passport fees and VAT	5,860	495	-	-	-	6,355
National Interest receivable	-	-	-	-	9,652	9,652
Consular - Traveller Emergency Loans	328	60	1	3	401	793
Investments - Export Finance and Investment Corporation	376,700	-	-	-	-	376,700
	<b>388,121</b>	<b>555</b>	<b>1</b>	<b>3</b>	<b>10,053</b>	<b>398,733</b>
<b>Impaired</b>						
Consular - Traveller Emergency Loans*	-	68	-	-	308	376
	<b>-</b>	<b>68</b>	<b>-</b>	<b>-</b>	<b>308</b>	<b>376</b>
<b>Total</b>	<b>388,121</b>	<b>623</b>	<b>1</b>	<b>3</b>	<b>10,361</b>	<b>399,109</b>

**Note 24: Administered Financial Instruments (continued)****Note 24F: Liquidity Risk**

The Department receives an annual Administered Appropriation to fund payments due on the financial liabilities listed and therefore does not carry any liquidity risk. The following tables illustrates the maturities for financial liabilities.

**Maturities for non-derivative financial liabilities 2010**

	On demand \$'000	within 1 year \$'000	1 to 2 years \$'000		2 to 5 years \$'000		> 5 years \$'000		Total \$'000
			9,545	10,125	15,445	42,909			
Trade creditors	-	12,559	-	-	-	-	-	-	12,559
National Interest Account - EFIC	-	7,793	9,545	10,125	15,445	-	-	-	42,909
<b>Total Financial Liabilities - Ageing Analysis</b>	-	<b>20,352</b>	<b>9,545</b>	<b>10,125</b>	<b>15,445</b>	-	-	-	<b>55,468</b>

**Maturities for non-derivative financial liabilities 2009**

	On demand \$'000	within 1 year \$'000	1 to 2 years \$'000		2 to 5 years \$'000		> 5 years \$'000		Total \$'000
			3,961	7,931	11,397	19,313	46,679		
Trade creditors	-	3,961	-	-	-	-	-	-	3,961
National Interest Account - EFIC <sup>^</sup>	-	8,038	7,931	11,397	19,313	-	-	-	46,679
<b>Total Financial Liabilities - Ageing Analysis</b>	-	<b>11,999</b>	<b>7,931</b>	<b>11,397</b>	<b>19,313</b>	-	-	-	<b>50,640</b>

<sup>^</sup> Ageing of the National Interest Account - EFIC liability has been restated in the 2008-09 comparatives due to changes in the disclosure of the NIA.

**Note 24G: Market Risk**

The following table illustrates the effect on the Department's Administered net income less expenses and equity as at 30 June 2010 from a 14% (2008-09: 12%) increase or decrease against the AUD in the currencies in which financial instruments were administered by the Department, with all other variables held constant.

	2010		2010		2009	
	USD \$'000	USD \$'000	USD \$'000	USD \$'000	USD \$'000	USD \$'000
National Interest Account - EFIC	(7,064)	(6,105)	(8,977)	(7,297)	-	-
Accrued Expenses - EFIC	(6,178)	(5,339)	(6,569)	(5,339)	-	-
NIA Receivable - Indonesia Late Interest	234	203	263	214	-	-
Supplier Payable - IOPKO Payable Accrual	(5,061)	(4,374)	0	0	-	-
<b>Total Exposure USD</b>	-	<b>(15,616)</b>	-	<b>(12,423)</b>	-	-

	2010		2010		2009	
	EUR \$'000	EUR \$'000	EUR \$'000	EUR \$'000	EUR \$'000	EUR \$'000
Supplier Payable - IOPKO Payable Accrual	(93)	(66)	247	(142)	-	-
NIA Receivable - Indonesia Late Interest	256	180	336	192	-	-
<b>Total Exposure EUR</b>	-	<b>114</b>	-	<b>50</b>	-	-

	Change in risk variable	Effect on		Effect on	
		Profit and loss	Equity	Profit and loss	Equity
Risk variable %		\$'000	\$'000	\$'000	\$'000
Currency Risk - All Currencies	+14% (2008-09: +12%)	2,199	2,199	1,628	1,628
Currency Risk - All Currencies	-14% (2008-09: -12%)	(2,915)	(2,915)	(2,072)	(2,072)

All other items are denominated in AUD and are not subject to market risk due to exchange rate fluctuations.





Note 25: Appropriations (continued)

Table A2: Acquittal of Authority to Draw Cash from the Consolidated Revenue Fund for Ordinary Annual Services: Appropriations (Reduction in Administered Items)

Particulars	Administered expenses						Total 2010	2009
	Outcome 1		Outcome 2		Outcome 3			
	2010	2009	2010	2009	2010	2009		
<b>Reduction in administered items</b>	\$	\$	\$	\$	\$	\$	\$	
Total administered items appropriated 2009-2010	399,896,000.00	305,284,000.00	750,000.00	500,000.00	0.00	63,838,200.00	400,646,000.00	369,622,200.00
Less administered items required by the agency as per <i>Appropriation Act 2010</i> <sup>1</sup> :								
<i>Appropriation Act (No. 1) 2009-2010</i>	315,751,152.00	272,037,589.85	248,495.00	486,340.00	0.00	58,046,244.00	315,999,647.00	330,570,173.85
<i>Appropriation Act (No. 3) 2009-2010</i>	0.00	4,462,560.00	0.00	0.00	0.00	5,791,956.00	0.00	10,254,316.00
Total administered items required by the agency as represented by:	0.00	11,998,291.78	0.00	0.00	0.00	0.00	0.00	11,998,291.78
Spent:	310,600,064.00	287,853,399.63	229,899.00	458,755.00	0.00	63,631,363.00	310,829,963.00	351,943,517.63
Retention:	5,151,085.00	644,842.00	18,596.00	27,585.00	0.00	206,837.00	5,169,684.00	879,264.00
<b>Total reduction in administered items - effective 2010-11</b>	<b>84,144,848.00</b>	<b>16,785,758.37</b>	<b>501,505.00</b>	<b>13,660.00</b>	<b>0.00</b>	<b>0.00</b>	<b>84,646,353.00</b>	<b>16,799,418.37</b>

1. Administered items for 2009-10 were reduced to these amounts when these financial statements were tabled in the Parliament as part of DFAT's 2009-10 annual report. This reduction is effective in 2010-11 and the amounts in the Total Reduction row will be reflected in Table A1 in the 2010-11 financial statements in the row 'Appropriations reduced (Appropriation Act sections 10, 11 & 12)'.

SECTION 5 FINANCIAL STATEMENTS

Note 25: Appropriations (continued)

Table B1: Acquired Authority to Draw Cash from the Consolidated Revenue Fund for Other than Ordinary Annual Services Appropriations

Particulars	Outcome 2						Administered						Non - operating						Total										
	SPPs			MAE			NAE			SPPs			MAE			Payments to CAC Act bodies			Equity			Loans			Previous years' outputs			Admin assets and liabilities	
	2010	2009	2010	2009	2010	2009	2010	2009	2010	2009	2010	2009	2010	2009	2010	2009	2010	2009	2010	2009	2010	2009	2010	2009	2010	2009	2010	2009	
Balance brought forward from previous period (Appropriation Acts)	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	
Correction of prior year error in disclosure	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	
Appropriation Act	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	
Appropriation Act (No. 2, 4&6) 2009-2010 as passed	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	
Appropriations reduced (Appropriation Act sections 12, 13&14)	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	
Advance to the Finance Minister (Appropriation Act section 15)	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	
FMA Act:	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	
Repayments to the Commonwealth (FMA Act section 30)	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	
* Appropriations to take account of recoverable GST (FMA Act section 30A) <sup>1</sup>	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	
Transfer of agency functions (FMA Act s 32)	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	
Total appropriations available for payments	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	
Cash payments made during the year (GST inclusive)	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	
Appropriations credited to special accounts (GST exclusive)	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	
Balance of authority to draw cash from the consolidated revenue fund for other than ordinary annual services appropriations and as represented by:	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	
Cash at bank and on hand	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	
Parliamentary appropriation receivable	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	
* Unknown, unapplied administered appropriations	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	
* Net GST payable (to)/from ATO	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	
* Adjustments under s101.13 of the Finance Minister's Orders, not reflected above	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	
Total as at 30 June	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	
1. The amounts in this line item are calculated on an accrual basis to the extent that an expense may have been incurred that includes GST but has not been paid by year end.	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	

Table C: Acquired Authority to Draw Cash from the Consolidated Revenue Fund - Special Appropriations (Unlimited Amount)

Export Finance and Insurance Corporation (EFIC) Act 1991 - section 54(b) (Administered)	2010	2009
Cash payments made during the year	\$ -	\$ -
Appropriations credited to Special Accounts	-	-
Repayments to the Commonwealth (net) (FMA, Act section 30)	-	-
Total charged to appropriation	-	-
Finance Fund	-	-

As the responsible portfolio agency, the Department has disclosed the above Special Appropriation. Payments by the Commonwealth to EFIC against this special appropriation are made out of the Consolidated Revenue Fund.

Financial Management and Accountability Act 1997 - section 28(2) (Administered)	2010	2009
Cash payments made during the year	\$ 767,096	\$ 583,964
Appropriations credited to Special Accounts	-	-
Repayments to the Commonwealth (net) (FMA, Act section 30)	-	-
Total charged to appropriation	767,096	583,964
Finance Fund	650,000	700,000

\* Purpose: for the repayment of passport and consular fees required or permitted by law. All transactions under this Act are recognised as Administered items.

**Note 26: Special Accounts**

Account Name	2010	2009
	\$	\$
<b>Australia-China Council Special Account (Administered)</b>		
<i>Appropriation: Financial Management and Accountability Act 1997; s20</i>		
<i>Establishing Instrument: Financial Management and Accountability (Special Accounts) Determination 2005/28</i>		
<i>Purpose:</i>		
(a) to assist in furthering Australia's foreign and trade policy objectives with China;		
(b) to promote broad-based community links and strengthen people to people contacts between Australia and China;		
(c) to assist in advancing cultural awareness and understanding between Australia and China;		
(d) other initiatives that contribute to the development of Australia-China relations;		
(e) activities that are incidental to a purpose mentioned in paragraphs (a), (b), (c) and (d);		
(f) to reduce the balance of the Special Account (and, therefore, the available appropriation for that Account) without making a real or notional payment; and		
(g) to repay amounts where an Act or other law requires or permits the repayment of an amount received.		
Balance carried forward from previous year	1,387	66,288
Appropriation for the Reporting Period		
Appropriation Act (No. 1)	0	0
Costs recovered from non-government sector		
Goods - provision of goods to external entities	0	0
Services - rendering of services to external entities	0	10,503
Appropriation to take account of recoverable GST (FMA Act s30A)	0	10,702
Realised Investments		
Other receipts		
Goods - provision of goods to related entities	0	0
Services - rendering of services to related entities	0	0
<b>Total increase</b>	<b>0</b>	<b>21,205</b>
Available for payments	1,387	87,493
Payments made to suppliers	(1,387)	(86,106)
Repayments debited from the special account (Transfer of balance to Consolidated Revenue to allow closure of Special Account)	0	0
Investments made from the special account (FMA Act s39)		
<b>Total decrease</b>	<b>(1,387)</b>	<b>(86,106)</b>
<b>Balance carried to next year</b>	<b>0</b>	<b>1,387</b>
<i>Represented by:</i>		
Cash on call held in the OPA	0	0
Add: Receivables - Net GST receivable from ATO	0	1,387
<b>Total</b>	<b>0</b>	<b>1,387</b>

The special account was abolished on 19 October 2009 when the account reached a zero balance in accordance with a determination by the Minister for Finance and Deregulation (2009/16) dated 25 May 2009.

**Note 26: Special Accounts (continued)**

<b>Account Name</b>	<b>2010</b>	<b>2009</b>
	\$	\$
<b>Australia-France Endowment Special Account (Administered)</b>		
<i>Appropriation: Financial Management and Accountability Act 1997; s20</i>		
<i>Establishing Instrument: Financial Management and Accountability (Special Accounts) Determination 2005/30</i>		
<i>Purpose:</i>		
(a) to assist in furthering Australia's foreign and trade policy objectives with France;		
(b) to promote broad-based community links and strengthen people to people contacts between Australia and France;		
(c) to assist in advancing cultural awareness and understanding between Australia and France;		
(d) other initiatives that contribute to the development of Australia-France relations;		
(e) activities that are incidental to a purpose mentioned in paragraphs (a), (b), (c) and (d);		
(f) to reduce the balance of the Special Account (and, therefore, the available appropriation for that Account) without making a real or notional payment; and		
(g) to repay amounts where an Act or other law requires or permits the repayment of an amount received.		
Balance carried forward from previous year	716	4,651
Appropriation for the Reporting Period		
Appropriation Act (No. 1)	0	0
Costs recovered from non-government sector		
Goods - provision of goods to external entities	0	0
Services - rendering of services to external entities	0	0
Appropriation to take account of recoverable GST (FMA Act s30A)	0	171
Realised investments		
Other receipts		
Goods - provision of goods to related entities	0	0
Services - rendering of services to related entities	0	0
<b>Total increase</b>	<b>0</b>	<b>171</b>
Available for payments	716	4,822
Payments made to suppliers	(716)	(4,106)
Repayments debited from the special account (Transfer of balance to Consolidated Revenue to allow closure of Special Account)	0	0
Investments made from the special account (FMA Act s39)		
<b>Total decrease</b>	<b>(716)</b>	<b>(4,106)</b>
<b>Balance carried to next year</b>	<b>0</b>	<b>716</b>
<i>Represented by:</i>		
Cash on call held in the OPA	0	716
Add: Receivables - Net GST receivable from ATO	0	0
<b>Total</b>	<b>0</b>	<b>716</b>

The special account was abolished on 19 October 2009 when the account reached a zero balance in accordance with a determination by the Minister for Finance and Deregulation (2009/16) dated 25 May 2009.

**Note 26: Special Accounts (continued)**

<b>Account Name</b>	<b>2010</b>	<b>2009</b>
	\$	\$
<b>Australia-India Council Special Account (Administered)</b>		
<i>Appropriation: Financial Management and Accountability Act 1997; s20</i>		
<i>Establishing Instrument: Financial Management and Accountability (Special Accounts) Determination 2005/32</i>		
<i>Purpose:</i>		
(a) to assist in furthering Australia's foreign and trade policy objectives with India;		
(b) to promote broad-based community links and strengthen people to people contacts between Australia and India;		
(c) to assist in advancing cultural awareness and understanding between Australia and India;		
(d) other initiatives that contribute to the development of Australia-India relations;		
(e) activities that are incidental to a purpose mentioned in paragraphs (a), (b), (c) and (d);		
(f) to reduce the balance of the Special Account (and, therefore, the available appropriation for that Account) without making a real or notional payment; and		
(g) to repay amounts where an Act or other law requires or permits the repayment of an amount received.		
Balance carried forward from previous year	<b>593</b>	87,418
Appropriation for the Reporting Period		
Appropriation Act (No. 1)	<b>0</b>	0
Costs recovered from non-government sector		
Goods - provision of goods to external entities	<b>0</b>	0
Services - rendering of services to external entities	<b>0</b>	0
Appropriation to take account of recoverable GST (FMA Act s30A)	<b>0</b>	3,005
Realised investments		
Other receipts		
Goods - provision of goods to related entities	<b>0</b>	0
Services - rendering of services to related entities	<b>0</b>	0
<b>Total increase</b>	<b>0</b>	3,005
Available for payments	<b>593</b>	90,423
Payments made to suppliers	<b>0</b>	(89,830)
Repayments debited from the special account (Transfer of balance to Consolidated Revenue to allow closure of Special Account)	<b>(593)</b>	0
Investments made from the special account (FMA Act s39)		
<b>Total decrease</b>	<b>(593)</b>	(89,830)
<b>Balance carried to next year</b>	<b>(0)</b>	593
<i>Represented by:</i>		
Cash on call held in the OPA	<b>0</b>	593
<i>Add:</i> Receivables - Net GST receivable from ATO	<b>0</b>	0
<b>Total</b>	<b>0</b>	593

The special account was abolished on 19 October 2009 when the account reached a zero balance in accordance with a determination by the Minister for Finance and Deregulation (2009/16) dated 25 May 2009.

**Note 26: Special Accounts (continued)**

Account Name	2010	2009
	\$	\$
<b>Australia-Indonesia Institute Special Account (Administered)</b>		
<i>Appropriation: Financial Management and Accountability Act 1997; s20</i>		
<i>Establishing Instrument: Financial Management and Accountability (Special Accounts) Determination 2005/34</i>		
<i>Purpose:</i>		
(a) to assist in furthering Australia's foreign and trade policy objectives with Indonesia;		
(b) to promote broad -based community links and strengthen people to people contacts between Australia and Indonesia;		
(c) to assist in advancing cultural awareness and understanding between Australia and Indonesia;		
(d) other initiatives that contribute to the development of Australia-Indonesia relations;		
(e) activities that are incidental to a purpose mentioned in paragraphs (a), (b), (c) and (d);		
(f) to reduce the balance of the Special Account (and, therefore, the available appropriation for that Account) without making a real or notional payment; and		
(g) to repay amounts where an Act or other law requires or permits the repayment of an amount received.		
Balance carried forward from previous year	3	33,730
Appropriation for the Reporting Period		
Appropriation Act (No. 1)	0	0
Costs recovered from non-government sector		
Goods - provision of goods to external entities	0	0
Services - rendering of services to external entities	0	412,021
Appropriation to take account of recoverable GST (FMA Act s30A)	0	44,612
Realised investments		
Other receipts		
Goods - provision of goods to related entities	0	0
Services - rendering of services to related entities	0	0
<b>Total increase</b>	<b>0</b>	<b>456,633</b>
Available for payments	3	490,363
Payments made to suppliers	0	(490,360)
Repayments debited from the special account (Transfer of balance to Consolidated Revenue to allow closure of Special Account)	(3)	0
Investments made from the special account (FMA Act s 39)		
<b>Total decrease</b>	<b>(3)</b>	<b>(490,360)</b>
<b>Balance carried to next year</b>	<b>0</b>	<b>3</b>
<i>Represented by:</i>		
Cash on call held in the OPA	0	3
<i>Add:</i> Receivables - Net GST receivable from ATO	0	0
<b>Total</b>	<b>0</b>	<b>3</b>

The special account was abolished on 19 October 2009 when the account reached a zero balance in accordance with a determination by the Minister for Finance and Deregulation (2009/16) dated 25 May 2009.

**Note 26: Special Accounts (continued)**

Account Name	2010	2009
	\$	\$
<b>Australia-Korea Foundation Special Account (Administered)</b>		
<i>Appropriation: Financial Management and Accountability Act 1997; s20</i>		
<i>Establishing Instrument: Financial Management and Accountability (Special Accounts) Determination 2005/36</i>		
<i>Purpose:</i>		
(a) to assist in furthering Australia's foreign and trade policy objectives with Korea;		
(b) to promote broad-based community links and strengthen people to people contacts between Australia and Korea;		
(c) to assist in advancing cultural awareness and understanding between Australia and Korea;		
(d) other initiatives that contribute to the development of Australia-Korea relations;		
(e) activities that are incidental to a purpose mentioned in paragraphs (a), (b), (c) and (d);		
(f) to reduce the balance of the Special Account (and, therefore, the available appropriation for that Account) without making a real or notional payment; and		
(g) to repay amounts where an Act or other law requires or permits the repayment of an amount received.		
Balance carried forward from previous year	711	111,337
Appropriation for the Reporting Period		
Appropriation Act (No. 1)	0	0
Costs recovered from non-government sector		
Goods - provision of goods to external entities	0	0
Services - rendering of services to external entities	0	0
Appropriation to take account of recoverable GST (FMA Act s30A)	0	13,024
Realised investments		
Other receipts		
Goods - provision of goods to related entities	0	0
Services - rendering of services to related entities	0	0
<b>Total increase</b>	<b>0</b>	<b>13,024</b>
Available for payments	711	124,361
Payments made to suppliers	0	(123,650)
Repayments debited from the special account (Transfer of balance to Consolidated Revenue to allow closure of Special Account)	(711)	0
Investments made from the special account (FMA Act s39)		
<b>Total decrease</b>	<b>(711)</b>	<b>(123,650)</b>
<b>Balance carried to next year</b>	<b>(0)</b>	<b>711</b>
<i>Represented by:</i>		
Cash on call held in the OPA	0	0
Add: Receivables - Net GST receivable from ATO	0	711
<b>Total</b>	<b>0</b>	<b>711</b>

The special account was abolished on 19 October 2009 when the account reached a zero balance in accordance with a determination by the Minister for Finance and Deregulation (2009/16) dated 25 May 2009.

**Note 26: Special Accounts (continued)**

<b>Account Name</b>	<b>2010</b>	<b>2009</b>
	\$	\$
<b>Australia-Japan Foundation Special Account (Administered)</b>		
<i>Appropriation: Financial Management and Accountability Act 1997; s20</i>		
<i>Establishing Instrument: Financial Management and Accountability (Special Accounts) Determination 2006/32</i>		
<i>Purpose:</i>		
(a) assist with furthering Australia's foreign and trade policy objectives with Japan;		
(b) promote broad-base community links and strengthen people-to-people contacts between Australia and Japan;		
(c) assist in advancing cultural awareness and understanding between Australia and Japan;		
(d) support other initiatives that contribute to strengthen Australia-Japan relations;		
(e) promote activities that are incidental to a purpose mentioned in paragraph (a), (b), (c) or (d);		
(f) reduce the balance of the Special Account (and, therefore, the available appropriation for the Special Account) without making a real or notional payment; and		
(g) repay amounts where an Act or other law requires or permits the repayment of an amount received.		
Balance carried forward from previous year	<b>64,159</b>	615,439
Appropriation for the Reporting Period		
Appropriation Act (No. 1)	<b>0</b>	0
Costs recovered from non-government sector		
Goods - provision of goods to external entities	<b>0</b>	0
Services - rendering of services to external entities	<b>0</b>	3,235
Appropriation to take account of recoverable GST (FMA Act s30A)	<b>0</b>	52,155
Realised investments		
Other receipts		
Goods - provision of goods to related entities	<b>0</b>	0
Services - rendering of services to related entities	<b>0</b>	0
<b>Total increase</b>	<b>0</b>	55,389
Available for payments	<b>64,159</b>	670,828
Payments made to suppliers	<b>(64,159)</b>	(606,670)
Repayments debited from the special account (Transfer of balance to Consolidated Revenue to allow closure of Special Account)	<b>0</b>	
Investments made from the special account (FMA Act s39)		
<b>Total decrease</b>	<b>(64,159)</b>	(606,670)
<b>Balance carried to next year</b>	<b>0</b>	64,159
<i>Represented by:</i>		
Cash on call held in the OPA	<b>0</b>	60,033
<i>Add:</i> Receivables - Net GST receivable from ATO	<b>0</b>	4,126
<b>Total</b>	<b>0</b>	64,159

The special account was abolished on 19 October 2009 when the account reached a zero balance in accordance with a determination by the Minister for Finance and Deregulation (2009/16) dated 25 May 2009.



**Note 26: Special Accounts (continued)**

Account Name	2010	2009
	\$	\$
<b>Expositions Special Account (Administered)</b>		
<i>Appropriation: Financial Management and Accountability Act 1997; s20</i>		
<i>Establishing Instrument: Financial Management and Accountability (Special Accounts) Determination 2007/14</i>		
<i>Purpose:</i>		
(a) to acquire, lease, hire, construct, manage, operate, repair, maintain, identify and advise on, and undertake any other activities in relation to Australia's participation at international expositions;		
(b) activities that are incidental to a purpose mentioned in paragraph (a);		
(c) to reduce the balance of the Special Account (and, therefore, the available appropriation for the Special Account) without making a real or notional payment; and		
(d) to repay amounts where an Act or other law requires or permits the repayment of an amount received.		
Balance carried forward from previous year	337,194	53,173
Appropriation for the Reporting Period		
Appropriation Act (No. 1)	31,000,000	40,266,200
Costs recovered from non-government sector		
Goods - provision of goods to external entities	0	0
Services - rendering of services to external entities	7,094,783	109,614
Appropriation to take account of recoverable GST (FMA Act s30A)	615,813	1,706,199
Realised investments		
Other receipts		
Goods - provision of goods to related entities	0	0
Services - rendering of services to related entities	0	0
<b>Total increase</b>	<b>38,710,596</b>	<b>42,082,013</b>
Available for payments	39,047,790	42,135,186
Payments made to suppliers	(33,641,074)	(41,797,992)
Repayments debited from the special account (Transfer of balance to Consolidated Revenue to allow closure of Special Account)		
Investments made from the special account (FMA Act s39)		
<b>Total decrease</b>	<b>(33,641,074)</b>	<b>(41,797,992)</b>
<b>Balance carried to next year</b>	<b>5,406,716</b>	<b>337,194</b>
<i>Represented by:</i>		
Cash on call held in the OPA	0	217,035
Cash at Bank/On Hand	5,752,099	
<i>Add:</i> Receivables - Net GST receivable from ATO	(345,383)	120,159
<b>Total</b>	<b>5,406,716</b>	<b>337,194</b>

The special account was created on 21 June 2007 in accordance with a determination by the Minister for Finance and Deregulation.

**Note 26: Special Accounts (continued)**

Account Name	2010	2009
	\$	\$
<b>Consular Services Special Account (Administered)</b>		
<i>Appropriation: Financial Management and Accountability Act 1997; s20</i>		
<i>Establishing Instrument: Financial Management and Accountability (Special Accounts) Determination 2005/38</i>		
<i>Purpose:</i>		
(a) providing assistance to Australian citizens and permanent residents overseas:		
(i) in circumstances of urgency; or		
(ii) when commercial money transfer services are unavailable or inappropriate;		
(b) to repay to an original payer amounts credited to the Special Account and residual after any necessary payments have been made under paragraph (a);		
(c) activities that are incidental to a purpose mentioned in paragraphs (a) or (b);		
(d) to reduce the balance of the Special Account (and, therefore, the available appropriation for that Account) without making a real or notional payment; and		
(e) to repay amounts where an Act or other law requires or permits the repayment of an amount received.		
Balance carried forward from previous year	54,280	46,254
Costs recovered from non-government sector		
Goods - provision of goods to external entities	0	0
Services - rendering of services to external entities	225,511	233,493
Appropriation to take account of recoverable GST (FMA Act s30A)	0	3
Realised investments		
Other receipts		
Goods - provision of goods to related entities	0	0
Services - rendering of services to related entities	0	0
<b>Total increase</b>	<b>225,511</b>	<b>233,496</b>
Available for payments	279,791	279,750
Payments made to suppliers	(229,183)	(225,470)
Repayments debited from the special account (Transfer of balance to Consolidated Revenue to allow closure of Special Account)		
Investments made from the special account		
<b>Total decrease</b>	<b>(229,183)</b>	<b>(225,470)</b>
<b>Balance carried to next year</b>	<b>50,608</b>	<b>54,280</b>
<i>Represented by:</i>		
Cash on call held in the OPA	46,647	54,280
Cash at Bank/On Hand	3,961	0
Add: Receivables - Net GST receivable from ATO	0	0
<b>Total</b>	<b>50,608</b>	<b>54,280</b>

**Note 26: Special Accounts (continued)**

Account Name	2010	2009
	\$	\$
<b>Administered Payment and Receipts for Other Entities Special Account (Administered)</b>		
<i>Appropriation: Financial Management and Accountability Act 1997; s20</i>		
<i>Establishing Instrument: Financial Management and Accountability (Special Accounts) Determination 2005/26</i>		
<i>Purpose:</i>		
(a) to make payments overseas on behalf of entities,		
(b) to make payments to entities for amounts received overseas on their behalf;		
(c) to make payments overseas on projects jointly funded with entities;		
(d) activities that are incidental to a purpose mentioned in paragraphs (a), (b) and (c);		
(e) to reduce the balance of the Special Account (and, and therefore, the available appropriation for that Special Account) without making a real or notional payment; and		
(f) to repay amounts where an Act or other law requires or permits the repayment of an amount received.		
Balance carried forward from previous year	4,967,091	4,999,967
Costs recovered from non-government sector		
Goods - provision of goods to external entities	0	0
Services - rendering of services to external entities	177,789,764	191,962,577
Appropriation to take account of recoverable GST (FMA Act s30A)	0	0
Realised investments		
Other receipts		
Goods - provision of goods to related entities	0	0
Services - rendering of services to related entities	0	0
<b>Total increase</b>	<b>177,789,764</b>	<b>191,962,577</b>
Available for payments	182,756,855	196,962,544
Payments made to suppliers	(177,756,855)	(191,995,453)
Repayments debited from the special account (Transfer of balance to Consolidated Revenue to allow closure of Special Account)	0	0
Investments made from the special account (FMA Act s39)	0	0
<b>Total decrease</b>	<b>(177,756,855)</b>	<b>(191,995,453)</b>
<b>Balance carried to next year</b>	<b>5,000,000</b>	<b>4,967,091</b>
<i>Represented by:</i>		
Cash on call held in the OPA	5,000,000	4,967,091
Add: Receivables - Net GST receivable from ATO	0	0
<b>Total</b>	<b>5,000,000</b>	<b>4,967,091</b>

**Note 26: Special Accounts (continued)**

Account Name	2010	2009
	\$	\$
<b>Other Trust Monies - Department of Foreign Affairs and Trade (Administered)</b>		
<i>Appropriation: Financial Management and Accountability Act 1997; s20</i>		
<i>Establishing Instrument: Financial Management and Accountability (Special Accounts) Determination F2006B11719</i>		
<i>Purpose: for expenditure of monies temporarily held in trust or otherwise for the benefit of a person other than the Commonwealth.</i>		
Balance carried forward from previous year	788,084	213,985
Costs recovered from non-government sector		
Goods - provision of goods to external entities	0	0
Services - rendering of services to external entities	212,155	3,183,344
Appropriation to take account of recoverable GST (FMA Act s30A)	0	0
Realised investments		
Other receipts		
Goods - provision of goods to related entities	0	0
Services - rendering of services to related entities	0	0
<b>Total increase</b>	<b>212,155</b>	<b>3,183,344</b>
Available for payments	1,000,239	3,397,329
Payments made to suppliers	(792,069)	(2,609,245)
Repayments debited from the special account (Transfer of balance to Consolidated Revenue to allow closure of Special Account)	0	0
Investments made from the special account (FMA Act s39)	0	0
Transfer of account balance to new special account	(208,170)	0
<b>Total decrease</b>	<b>(1,000,239)</b>	<b>(2,609,245)</b>
<b>Balance carried to next year</b>	<b>(0)</b>	<b>788,084</b>
<i>Represented by:</i>		
Cash on call held in the OPA	0	788,080
Cash at Bank/On Hand	0	4
<i>Add: Receivables - Net GST receivable from ATO</i>	0	0
<b>Total</b>	<b>0</b>	<b>788,084</b>

The special account was abolished on 30 November 2009 when the account reached a zero balance in accordance with a determination by the Minister for Finance and Deregulation (2009/24) dated 22 July 2009.

**Note 26: Special Accounts (continued)**

Account Name	2010	2009
	\$	\$
<b>Services for Other Governments and Non-Agency Bodies (Administered)</b>		
<i>Appropriation: Financial Management and Accountability Act 1997; s20</i>		
<i>Establishing Instrument: Financial Management and Accountability (Special Accounts) Determination F2006B11719</i>		
<i>Purpose: for the expenditure connected with services performed on behalf of other Governments and bodies that are not FMA agencies.</i>		
Balance carried forward from previous year	3,481,124	3,378,885
Costs recovered from non-government sector		
Goods - provision of goods to external entities	0	0
Services - rendering of services to external entities	552,274	4,440,374
Appropriation to take account of recoverable GST (FMA Act s30A)	15	0
Realised investments		
Other receipts		
Goods - provision of goods to related entities	0	0
Services - rendering of services to related entities	0	0
<b>Total increase</b>	<b>552,289</b>	<b>4,440,374</b>
Available for payments	4,033,413	7,819,259
Payments made to suppliers	(3,034,045)	(4,338,135)
Repayments debited from the special account (Transfer of balance to Consolidated Revenue to allow closure of Special Account)	0	0
Investments made from the special account (FMA Act s39)	0	0
Transfer of account balance to new special account	(999,368)	0
<b>Total decrease</b>	<b>(4,033,413)</b>	<b>(4,338,135)</b>
<b>Balance carried to next year</b>	<b>0</b>	<b>3,481,124</b>
<i>Represented by:</i>		
Cash on call held in the OPA	0	3,481,124
Add: Receivables - Net GST receivable from ATO	0	0
<b>Total</b>	<b>0</b>	<b>3,481,124</b>

The special account was abolished on 30 November 2009 when the account reached a zero balance in accordance with a determination by the Minister for Finance and Deregulation (2009/24) dated 22 July 2009.

**Note 26: Special Accounts (continued)**

Account Name	2010	2009
	\$	\$
<b>Services for Other Entities and Trust Monies Special Account (Administered)</b>		
<i>Appropriation: Financial Management and Accountability Act 1997; s20</i>		
<i>Establishing Instrument: Financial Management and Accountability (Special Accounts) Determination 2009/25</i>		
<i>Purpose:</i>		
(a) disburse amounts held on trust or otherwise for the benefit of a person other than the Commonwealth;		
(b) disburse amounts in connection with services performed on behalf of other governments and bodies that are not FMA agencies;		
(c) repay amounts where an Act or other law requires or permits the repayment of an amount received; and		
(d) reduce the balance of the Special Account (and, therefore, the available appropriation for the Account) without making a real or notional payment.		
Balance carried forward from previous year	0	0
Appropriation transferred from OTM/SOGNAB Special Accounts	1,207,539	0
Costs recovered from non-government sector		
Goods - provision of goods to external entities	0	0
Services - rendering of services to external entities	4,210,094	0
Appropriation to take account of recoverable GST (FMA Act s30A)	0	0
Other receipts		
Goods - provision of goods to related entities	0	0
Services - rendering of services to related entities	0	0
<b>Total increase</b>	<b>5,417,633</b>	<b>0</b>
Available for payments	5,417,633	0
Payments made to suppliers	(3,309,438)	0
<b>Total decrease</b>	<b>(3,309,438)</b>	<b>0</b>
<b>Balance carried to next year</b>	<b>2,108,195</b>	<b>0</b>
<i>Represented by:</i>		
Cash on call held in the OPA	984,074	0
Cash at Bank/On Hand	1,124,121	
<i>Add: Receivables - Net GST receivable from ATO</i>	0	0
<b>Total</b>	<b>2,108,195</b>	<b>0</b>

This special account was established in accordance with a determination by the Minister for Finance and Deregulation (2009/25) on 22 July 2009. It replaces the the abolished Other Trust Monies special account and the Services of the Other Governmtnets and Non-Agency Bodies special account.

**Note 26: Special Accounts (continued)**

<b>Overseas Property Special Account (Departmental)</b>	<b>2010</b>	<b>2009</b>
	\$	\$
<i>Appropriation: Financial Management and Accountability Act 1997; s20</i>		
<i>Establishing Instrument: Financial Management and Accountability (Special Accounts) Determination 2002/01</i>		
<i>Purpose: for expenditure relating to the provision of accommodation for Australian officials posted overseas and the acquisition, construction and maintenance of estates overseas.</i>		
Balance carried forward from previous year	<b>262,430,404</b>	214,613,126
Appropriation for the Reporting Period		
Appropriation Act	<b>0</b>	0
Costs recovered from non-government sector		
Goods - provision of goods to external entities	<b>10,077,334</b>	8,269,873
Services - rendering of services to external entities	<b>5,959,212</b>	7,608,030
Appropriation to take account of recoverable GST (FMA Act s30A)	<b>350,872</b>	390,877
Realised investments		
Other receipts		
Goods - provision of goods to related entities		
Services - rendering of services to related entities	<b>104,814,295</b>	136,533,073
<b>Total increase</b>	<b>121,201,713</b>	152,801,853
Available for payments	<b>383,632,117</b>	367,414,979
Payments made to suppliers	<b>(79,089,876)</b>	(72,255,908)
Repayments debited from the special account (Transfer of balance to Consolidated Revenue to allow closure of Special Account)		
Investments made from the special account (FMA Act s39)		
Returns of capital and dividends	<b>(6,913,685)</b>	(32,728,667)
<b>Total decrease</b>	<b>(86,003,561)</b>	(104,984,575)
<b>Balance carried to next year</b>	<b>297,628,556</b>	262,430,404
Represented by:		
Cash	<b>2,220,004</b>	1,112,187
Add: Appropriation receivable - Cash at Finance	<b>295,385,256</b>	261,298,941
Add: Receivables - Net GST receivable from ATO	<b>23,297</b>	19,276
<b>Total</b>	<b>297,628,557</b>	262,430,404

**Note 27: Compensation and Debt Relief**

	2010	2009
	\$	\$
<b>Departmental</b>		
1 payment was provided in special circumstances relating to APS employment pursuant to section 73 of the <i>Public Service Act 1999</i> (PS Act) during the reporting period. (2009: 3)	<u>37,950</u>	<u>53,144</u>
2 ex-gratia payments were provided for during the reporting period. (2009: 0)	<u>20,577</u>	<u>-</u>
<b>Administered</b>		
No 'Act of Grace' expenses were incurred during the reporting period (2009: No expenses incurred.)	<u>Nil</u>	<u>Nil</u>
No waivers of amounts owing to the Australian Government were made pursuant to subsection 34(1) of the Financial Management and Accountability Act 1997. (2009: One waiver)	<u>Nil</u>	<u>8,882</u>
No ex-gratia payments were provided for during the reporting period. (2009: Two ex-gratia payments)	<u>Nil</u>	<u>27,344</u>
Eleven payments were made under the 'Defective Administration Scheme' during the reporting period. (2009: Five payments made)	<u>5,021</u>	<u>2,936</u>



**Note 28: Reporting of Outcomes**

The Department uses an Activity Based Costing System to determine the attribution of its shared items. This system was based on an Output Pricing Review conducted in 1999-2000. The basis of attribution in the table below is consistent with the basis used for the 2009-10 Budget.

**Note 28A: Net Cost of Outcome Delivery**

	Outcome 1		Outcome 2		Outcome 3		Outcome 4		Total	
	2010 \$'000	2009 \$'000	2010 \$'000	2009 \$'000	2010 \$'000	2009 \$'000	2010 \$'000	2009 \$'000	2010 \$'000	2009 \$'000
<b>Expenses</b>										
Administered	345,399	315,335	962	1,072	-	66,386	-	-	346,362	382,793
Departmental	489,828	581,749	249,160	173,638	175,431	57,906	-	65,163	914,419	878,456
<b>Total</b>	<b>835,227</b>	<b>897,084</b>	<b>250,122</b>	<b>174,710</b>	<b>175,431</b>	<b>124,292</b>	<b>-</b>	<b>65,163</b>	<b>1,260,781</b>	<b>1,261,249</b>
<b>Income from non-government sector</b>										
Administered										
Activities subject to cost recovery	528	479	330,957	290,218	-	-	-	-	331,485	290,697
Other	-	-	-	-	-	-	-	-	-	-
<b>Total administered</b>	<b>528</b>	<b>479</b>	<b>330,957</b>	<b>290,218</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>331,485</b>	<b>290,697</b>
Departmental										
Activities subject to cost recovery	2,806	3,951	-	-	6,704	60	-	7,314	9,510	11,325
Other	-	-	-	-	-	-	-	-	-	-
<b>Total departmental</b>	<b>2,806</b>	<b>3,951</b>	<b>-</b>	<b>-</b>	<b>6,704</b>	<b>60</b>	<b>-</b>	<b>7,314</b>	<b>9,510</b>	<b>11,325</b>
<b>Total</b>	<b>3,334</b>	<b>4,430</b>	<b>330,957</b>	<b>290,218</b>	<b>6,704</b>	<b>60</b>	<b>-</b>	<b>7,314</b>	<b>340,995</b>	<b>302,022</b>
<b>Other own-source income</b>										
Administered	47,945	43,583	1	32	-	1,025	-	-	47,946	44,640
Departmental	66,701	62,375	-	-	32,837	949	-	43,975	99,539	107,299
<b>Total</b>	<b>114,646</b>	<b>105,958</b>	<b>1</b>	<b>32</b>	<b>32,837</b>	<b>1,974</b>	<b>-</b>	<b>43,975</b>	<b>147,484</b>	<b>151,939</b>
<b>Net cost/(contribution) of outcome delivery</b>	<b>717,247</b>	<b>786,696</b>	<b>(80,835)</b>	<b>(115,540)</b>	<b>135,890</b>	<b>122,258</b>	<b>-</b>	<b>13,874</b>	<b>772,302</b>	<b>807,288</b>

## Note 28: Reporting of Outcomes (continued)

## Note 28B: Major Classes of Departmental Expense, Income, Assets and Liabilities by Outcomes

	Outcome 1		Outcome 2		Outcome 3		Outcome 4		Total	
	2010 \$'000	2009 \$'000	2010 \$'000	2009 \$'000	2010 \$'000	2009 \$'000	2010 \$'000	2009 \$'000	2010 \$'000	2009 \$'000
<b>Departmental Expenses:</b>										
Employees	223,850	268,639	113,865	80,182	52,494	26,740	-	2,731	390,209	378,292
Suppliers	224,156	262,355	114,021	78,307	92,580	26,114	-	41,642	430,757	408,418
Depreciation and amortisation	36,841	44,083	18,740	13,158	29,371	4,388	-	19,838	84,952	81,467
Other expenses	4,981	6,672	2,533	1,991	987	664	-	952	8,501	10,279
<b>Total</b>	<b>489,828</b>	<b>581,749</b>	<b>249,159</b>	<b>173,638</b>	<b>175,432</b>	<b>57,906</b>	<b>-</b>	<b>65,163</b>	<b>914,419</b>	<b>878,456</b>
<b>Departmental Income:</b>										
Revenues from government	516,868	623,560	262,915	186,118	115,191	62,068	-	-	894,974	871,746
Sales of goods and services	60,970	61,764	-	-	40,095	941	-	52,124	101,065	114,829
Other non-taxation revenues	8,538	5,020	-	-	(555)	76	-	(836)	7,983	4,260
<b>Total</b>	<b>586,376</b>	<b>690,344</b>	<b>262,915</b>	<b>186,118</b>	<b>154,731</b>	<b>63,085</b>	<b>-</b>	<b>51,288</b>	<b>1,004,022</b>	<b>990,835</b>
<b>Departmental Assets</b>										
Cash	26,760	28,376	13,612	8,470	8,183	2,824	-	1,112	48,555	40,782
Receivables	252,951	247,198	128,668	73,783	357,184	24,606	-	271,130	738,803	616,717
Accrued Revenue	2,978	4,770	1,515	1,424	1,282	475	-	622	5,775	7,290
Land and buildings	127,328	167,245	64,767	49,919	1,668,388	16,647	-	1,717,243	1,860,483	1,951,053
Infrastructure, plant and equipment	80,237	89,865	44,648	28,712	17,883	8,945	-	233	142,766	127,755
Assets held for sale	-	-	-	-	500	-	-	-	500	-
Intangibles	11,317	5,232	7,308	4,212	2,522	521	-	-	21,147	9,965
Inventories	94	(729)	34,571	32,291	21	(73)	-	-	34,686	31,489
Other non-financial assets	10,667	14,762	5,426	4,406	11,465	1,469	-	3,745	27,558	24,382
<b>Total</b>	<b>512,332</b>	<b>556,717</b>	<b>300,515</b>	<b>203,215</b>	<b>2,067,428</b>	<b>55,415</b>	<b>-</b>	<b>1,994,085</b>	<b>2,880,275</b>	<b>2,809,433</b>
<b>Departmental Liabilities</b>										
Suppliers	42,863	69,532	21,803	20,754	18,454	6,921	-	(11,234)	83,120	85,973
Other payables	11,561	13,347	5,881	3,984	9,740	1,329	-	(7,095)	27,182	11,564
Leases	-	463	-	138	-	46	-	-	-	648
Employees	67,223	88,523	34,194	26,422	16,321	8,811	-	(1,301)	117,738	122,456
Other provisions	13,849	13,982	7,044	4,173	3,086	1,392	-	-	23,979	19,547
<b>Total</b>	<b>135,496</b>	<b>185,847</b>	<b>68,922</b>	<b>55,471</b>	<b>47,601</b>	<b>18,499</b>	<b>-</b>	<b>(19,630)</b>	<b>252,020</b>	<b>240,188</b>

Outcomes 1, 2 and 3 are described in Note 1.1. Net costs shown include intra-government costs that were eliminated in calculating the actual Budget outcome.

**Note 28: Reporting of Outcomes (continued)****Note 28C: Major Classes of Administered Expenses, Income, Assets and Liabilities by Outcomes**

	Outcome 1		Outcome 2		Outcome 3		Total	
	2010 \$'000	2009 \$'000	2010 \$'000	2009 \$'000	2010 \$'000	2009 \$'000	2010 \$'000	2009 \$'000
<b>Administered expenses</b>								
Grants and contributions	264,680	290,130	12	48	-	4,722	264,692	294,900
Employee Expenses	6,593	5,337	-	-	-	757	6,593	6,094
Suppliers	54,595	625	-	102	-	60,907	54,595	61,634
Net write-down and impairment of assets	9,652	-	228	351	-	-	9,880	351
Net foreign exchange losses	-	8,172	-	-	-	-	-	8,172
Interest	7,006	6,949	-	-	-	-	7,006	6,949
Other	2,875	4,122	721	571	-	-	3,596	4,693
<b>Total</b>	<b>345,401</b>	<b>315,335</b>	<b>961</b>	<b>1,072</b>	<b>-</b>	<b>66,386</b>	<b>346,363</b>	<b>382,793</b>
<b>Administered income</b>								
Sale of goods and services	528	479	330,957	290,218	-	-	331,485	290,697
Net foreign exchange gains	3,771	-	-	-	-	-	3,771	-
Interest	6,037	7,518	-	-	-	-	6,037	7,518
Dividends	16,802	9,866	-	-	-	-	16,802	9,866
Other non-taxation revenues	25,104	26,199	1	32	-	1,025	25,105	27,256
<b>Total</b>	<b>52,242</b>	<b>44,062</b>	<b>330,958</b>	<b>290,250</b>	<b>-</b>	<b>1,025</b>	<b>383,200</b>	<b>335,337</b>
<b>Administered assets</b>								
Cash	11,376	5,233	-	-	-	-	11,376	5,233
Receivables	2,683	12,418	2,129	2,638	-	2,815	4,812	17,871
Investments	407,606	376,700	-	-	-	-	407,606	376,700
Prepayments	1,607	2,080	-	-	-	1,569	1,607	3,649
<b>Total</b>	<b>423,272</b>	<b>396,431</b>	<b>2,129</b>	<b>2,638</b>	<b>-</b>	<b>4,384</b>	<b>425,401</b>	<b>403,453</b>
<b>Administered liabilities</b>								
Suppliers	12,540	647	19	44	-	3,270	12,559	3,961
Other	85,140	87,215	9,160	9,481	-	1,485	94,300	98,182
<b>Total</b>	<b>97,680</b>	<b>87,862</b>	<b>9,179</b>	<b>9,525</b>	<b>-</b>	<b>4,755</b>	<b>106,859</b>	<b>102,143</b>

*Below DFAT locally engaged staff in Canberra for the 2009 Leadership and Development Program.  
Photo: Auspic*



*Below The Speaker of the Australian House of Representatives, Mr Harry Jenkins MP, meeting students from Kebon Jeruk 11 Jakarta primary school while visiting Australia's science education exhibition 'Strike A Chord—The Science of Music' at Indonesia's National Science and Technology Centre in Taman Mini, Indonesia on 27 January 2010.*



*Opposite DFAT staff member Ms Isabelle Kremer, with language tutor Dr Ze Lin Li, learning Mandarin for her posting to Taipei.*

# GLOSSARIES AND INDEXES SECTION 6



## GLOSSARY OF TERMS

Accrual accounting	System of accounting where items are brought to account and included in the financial statements as they are earned or incurred, rather than as they are received or paid.
Additional Estimates	Where amounts appropriated at Budget time are insufficient, Parliament may appropriate more funds to portfolios through the Additional Estimates Acts.
Administered items	Revenues, expenses, assets or liabilities managed by agencies on behalf of the Commonwealth. Agencies do not control administered items. Administered expenses include grants, subsidies and benefits. In many cases, administered expenses fund the delivery of third party outputs.
Agency	Agencies are departments of state, departments of the Parliament and 'prescribed agencies' for the purposes of the <i>Financial Management and Accountability Act 1997</i> .
Appropriation	An authorisation by Parliament to spend moneys from the Consolidated Revenue Fund for a particular purpose.
APS employee	A person engaged under section 22, or a person who is engaged as an APS employee under section 74, of the <i>Public Service Act 1999</i> .
Average staffing level	The average number of employees receiving salary over the financial year, with adjustments for part-time and casual employees to show the full-time equivalent.
Corporate governance	The process by which agencies are directed and controlled. It is generally understood to encompass authority, accountability, stewardship, leadership, direction and control.
Grant	Commonwealth financial assistance as defined under Regulations 3A(1) and 3A(2) of the <i>Financial Management and Accountability Regulations 1997</i> .
Memorandum of understanding	A document outlining the terms and details of a non-binding agreement between parties including each parties requirements and responsibilities.
Non-ongoing APS employee	A person engaged as an APS employee under subsection 22(2)(b) or 22(2)(c) of the <i>Public Service Act 1999</i> .

Ongoing APS employee	A person engaged as an ongoing APS employee under subsection 22(2)(a) of the <i>Public Service Act 1999</i> .
Outcomes	The results, impacts or consequence of actions by the Commonwealth on the Australian community. Outcomes are consistent with those listed in the department's Portfolio Budget Statements.
Performance pay	Also known as performance-linked bonuses and usually take the form of a one-off payment in recognition of performance.
Program	An activity or a group of activities that deliver benefits, services or transfer payments to individuals, industry/business or the community as a whole and are the primary vehicles for government agencies to achieve the intended results of their outcome statements.
Purchaser–provider arrangements	Arrangements under which the services of one agency are purchased by another agency to contribute to outcomes.
Risk management	The systematic application of management policies, procedures and practices to the activities of communicating, consulting, establishing the context, and identifying, analysing, evaluating, treating, monitoring and reviewing risk.
Service charters	It is Government policy that departments which provide services directly to the public have service charters in place. A service charter is a public statement about the service that a department will provide and what customers can expect from the department.

# GLOSSARY OF ACRONYMS AND ABBREVIATIONS

AANZFTA	ASEAN–Australia–New Zealand FTA
ACBC	Australia–China Business Council
ACC	Australia–China Council
ACIAR	Australian Centre for International Agricultural Research
ACI–FTA	Australia–Chile Free Trade Agreement
ACTA	Anti-Counterfeiting Trade Agreement
ADF	Australian Defence Force
AFP	Australian Federal Police
AIC	Australia–India Council
AICC	Australia International Cultural Council
AII	Australia–Indonesia Institute
AJF	Australia–Japan Foundation
AKF	Australia–Korea Foundation
ALABC	Australia–Latin America Business Council
AMI	Australia–Malaysia Institute
ANAO	Australian National Audit Office
ANZCERTA	Australia New Zealand Closer Economic Relations Trade Agreement
APc	Asia Pacific community
APEC	Asia-Pacific Economic Cooperation (forum)
APO	Australian Passport Office
APS	Australian Public Service
AQIS	Australian Quarantine and Inspection Service
ARF	ASEAN Regional Forum
ASEAN	Association of Southeast Asian Nations
ASEM	Asia–Europe Meeting
ASNO	Australian Safeguards and Non-Proliferation Office
ATI	Australia–Thailand Institute
ATWS	Australian Tsunami Warning System
AUKMIN	Australia–United Kingdom Ministerial Dialogue



AusAID	Australian Agency for International Development
AUSFTA	Australia–United States Free Trade Agreement
AUSMIN	Australia–United States Ministerial Consultations
Austrade	Australian Trade Commission
CAAR	Council for Australian–Arab Relations
CAP	Common Agricultural Policy (European Union)
CARICOM	Caribbean Community
CCAMLR	Conservation of Antarctic Marine Living Resources
CHOGM	Commonwealth Heads of Government Meeting
COALAR	Council on Australia Latin America Relations
CTBT	Comprehensive Nuclear-Test-Ban Treaty
DAFF	Department of Agriculture, Fisheries and Forestry
DAP	Direct Aid Program
DEWHA	Department of the Environment, Water, Heritage and the Arts
DFAT	Department of Foreign Affairs and Trade
DIAC	Department of Immigration and Citizenship
DPRK	Democratic People’s Republic of Korea (also known as North Korea)
EABC	European Australian Business Council
EAS	East Asia Summit
EC	European Commission
EFIC	Export Finance and Insurance Corporation
ERT	Emergency Response Team
EU	European Union
FMCT	Fissile Material Cut-off Treaty
FMIS	Financial Management Information System
FOI	freedom of information
FTA	free trade agreement
FTAAP	Free Trade Area of the Asia-Pacific
GCC	Gulf Cooperation Council
GCCSI	Global Carbon Capture and Storage Institute
G8	Group of Eight industrialised nations (member countries Canada, France, Germany, Italy, Japan, Russia, the United Kingdom and the United States)

G20	Group of Twenty (19 member countries and the European Union) designated as the premier forum for international economic cooperation
IAEA	International Atomic Energy Agency
ICNND	International Commission on Nuclear Non-proliferation and Disarmament
ICT	information and communications technology
IMV	International Media Visits
IOR-ARC	Indian Ocean Rim Association for Regional Cooperation
IP	intellectual property
IRENA	International Renewable Energy Agency
ISAF	International Security Assistance Force
IWC	International Whaling Commission
JCLEC	Jakarta Centre for Law Enforcement Cooperation
JCPAA	(Parliamentary) Joint Committee of Public Accounts and Audit
JSCFADT	(Parliamentary) Joint Standing Committee on Foreign Affairs, Defence and Trade
JSCOT	(Parliamentary) Joint Standing Committee on Treaties
LES	locally engaged staff
LNG	liquefied natural gas
MAFTA	Malaysia-Australia Free Trade Agreement
MOU	memorandum of understanding
MTCR	Missile Technology Control Regime
NATO	North Atlantic Treaty Organization
NGO	non-government organisation
NPT	Nuclear Non-Proliferation Treaty
NSG	Nuclear Suppliers Group
ODIN	Official Diplomatic Information Network
OECD	Organisation for Economic Co-operation and Development
OHS	occupational health and safety
OPO	Overseas Property Office
OSCE	Organization for Security and Co-operation in Europe
PACER	Pacific Agreement on Closer Economic Relations
PBS	Portfolio Budget Statements

PIF	Pacific Islands Forum
PNG	Papua New Guinea
PPD	Pacific Partnerships for Development
PSI	Proliferation Security Initiative
PSWPS	Pacific Seasonal Worker Pilot Scheme
RAMSI	Regional Assistance Mission to Solomon Islands
ROK	Republic of Korea (also known as South Korea)
R2P	Responsibility to Protect (principle)
SAARC	South Asian Association for Regional Cooperation
SAFTA	Singapore–Australia Free Trade Agreement
SATIN	Secure Australian Telecommunications and Information Network
SES	Senior Executive Service
SGP	Strongim Gavman Program (PNG)
SLA	Service Level Agreement
STARS	Statistical Trade Analysis and Retrieval System (database)
SVP	Special Visits Program
TAFTA	Thailand–Australia Free Trade Agreement
TPP	Trans-Pacific Partnership (agreement)
TSD	Trilateral Strategic Dialogue
UAE	United Arab Emirates
UN	United Nations
UNCTAD	United Nations Conference on Trade and Development
UNESCO	United Nations Educational, Scientific and Cultural Organization
UNFCCC	United Nations Framework Convention on Climate Change
UNGA	United Nations General Assembly
UNHCR	United Nations High Commissioner for Refugees
UNSC	United Nations Security Council
US	United States of America
WIPO	World Intellectual Property Organization
WMD	Weapons of Mass Destruction
WTO	World Trade Organization

# LIST OF REQUIREMENTS

This list is prepared from the checklist of annual report requirements contained in attachment F to the *Requirements for Annual Reports* approved by the Joint Committee of Public Accounts and Audit on 23 June 2010.

Description	Page	Requirement
Letter of transmittal	iii	mandatory
Table of contents	iv–vii	mandatory
Index	363–392	mandatory
Glossary	354–359	mandatory
Contact officer	ii	mandatory
Internet home page address and internet address for report	ii	mandatory
<b>Review by the Secretary</b>		
Secretary's review	3–10	mandatory
Summary of significant issues and developments	3–9	suggested
Overview of department's performance and financial results	204	suggested
Outlook for the following year	9–10	suggested
Significant issues and developments for the portfolio	9	suggested
<b>Departmental overview</b>		
Overview description of the department	11–16	mandatory
Role and functions	11	mandatory
Organisational structure	12–16	mandatory
Outcome and program structure	15–16	mandatory
Where outcome and program structures differ from PB Statements/PAES or other portfolio statements accompanying any other additional appropriation bills, details of variation and reasons for change	n.a.	mandatory
Portfolio structure	14–16	mandatory
<b>Report on performance</b>		
Review of performance during the year in relation to programs and contribution to outcomes	19–185	mandatory
Actual performance in relation to deliverables and KPIs set out in PB Statements/PAES or other portfolio statements	20–185	mandatory
Performance of purchaser—provider arrangements	245–247	suggested
Where performance targets differ from the PBS/PAES, details of both former and new targets, and reasons for the change	n.a.	mandatory
Discussion and analysis of performance	20–185	mandatory
Trend information	20–185	mandatory
Significant changes in the nature of principal functions or services	n.a.	suggested
Factors, events or trends influencing departmental performance	20–185	suggested
Contribution of risk management in achieving objectives	193	suggested

<b>Description</b>	<b>Page</b>	<b>Requirement</b>
Social justice and equity impacts	151–154, 170, 199–201	suggested
Performance against service charter customer service standards, complaints data, and the department's response to complaints	151–160, 164–168	mandatory
Discussion and analysis of the department's financial performance	204	mandatory
Discussion of any significant changes from the prior year or from budget	204	suggested
Agency resource statement and summary resource tables by outcomes	220–223	mandatory
Developments since the end of the financial year that have affected or may significantly affect the department's operations or financial results in future	204	mandatory
<b>Management accountability</b>		
<b>Corporate governance</b>		
Statement of the main corporate governance practices in place	189–193	mandatory
Names of the senior executive and their responsibilities	13	suggested
Senior management committees and their roles	189–191	suggested
Corporate and operational planning and associated performance reporting and review	191–193	suggested
Approach adopted to identifying areas of significant financial or operational risk	193	suggested
Certification of compliance with the Commonwealth Fraud Control Guidelines	192	mandatory
Policy and practices on the establishment and maintenance of appropriate ethical standards	191–192	suggested
How the nature and amount of remuneration for senior executive service officers is determined	202	suggested
<b>External scrutiny</b>		
Significant developments in external scrutiny	194–198	mandatory
Judicial decisions and decisions of administrative tribunals	240–242	mandatory
Reports by the Auditor-General, a Parliamentary Committee or the Commonwealth Ombudsman	194–198	mandatory
<b>Management of human resources</b>		
Assessment of effectiveness in managing and developing human resources to achieve departmental objectives	198–199	mandatory
Workforce planning, staff turnover and retention	198–199	suggested
Impact and features of collective agreements, determinations, common law contracts and AWAs	201–203	suggested
Training and development undertaken and its impact	200–201	suggested
Occupational health and safety performance	203, 224–225	suggested
Productivity gains	198	suggested

Description	Page	Requirement
Statistics on staffing	213–216	mandatory
Enterprise or collective agreements, determinations, common law contracts and AWAs	201–203, 217–219	mandatory
Performance pay	218–219	mandatory
<b>Assets management</b>		
Assessment of effectiveness of assets management	204	mandatory
<b>Purchasing</b>		
Assessment of purchasing against core policies and principles	205	mandatory
<b>Consultants</b>		
Number of new consultancy services contracts let; total actual expenditure on all new consultancy contracts let during the year (inclusive of GST); number of ongoing consultancy contracts active in the reporting year; and the total actual expenditure in the reporting year on ongoing consultancy contracts. A statement must be included noting that information on contracts and consultancies is available through the AusTender website. Information as per attachment D to the Requirements, presented in accordance with the proforma provided, must be available on the internet or published as an appendix to the report.	205, 252–254	mandatory
<b>Australian National Audit Office access</b>		
Absence of provisions in contracts allowing access by the Auditor-General	205	mandatory
<b>Exempt contracts</b>		
Contracts exempt from the AusTender process	205	mandatory
<b>Commonwealth Disability Strategy</b>		
Report on performance in implementing the Commonwealth Disability Strategy	200	mandatory
<b>Financial statements</b>		
Financial statements	267–351	mandatory
<b>Other information</b>		
Occupational health and safety (section 74 of the <i>Occupational Health and Safety Act 1991</i> )	224–225	mandatory
Freedom of information (subsection 8(1) of the <i>Freedom of Information Act 1982</i> )	226–236	mandatory
Advertising and market research (section 311A of the <i>Commonwealth Electoral Act 1918</i> ) and statement on advertising campaigns	248	mandatory
Ecologically sustainable development and environmental performance (section 516A of the <i>Environment Protection and Biodiversity Conservation Act 1999</i> )	243–244	mandatory
Grant programs	249	mandatory
Correction of material errors in the previous annual report	n.a.	mandatory
List of requirements	360–362	mandatory

n.a. not applicable

## INDEX

## A

- AANZFTA, 80, 89, 120
- ABC, *see* Australian Broadcasting Corporation
- abductions/kidnappings, 153
- Aboriginal and Torres Strait Island Social Justice Commissioner, 65
- Aboriginal and Torres Strait Islander Program, 132
- Aboriginal Art from Australia's Deserts* exhibition, 130, 131
- Aboriginal Australians, *see* Indigenous Australians
- Abu Dhabi, 152, 175, 193
- Abuja, 175, 193
- ACBC, 30, 137
- ACC, 133, 137, 138
- accidents and incidents reported, 225
- accommodation, 244  
*see also* overseas property
- accountability and management, 189–207  
documents relating to, 234–5
- Accra, 193
- accreditation of missions, 124
- ACI–FTA, 48, 90
- ACIAR, 16, 66, 189
- ACTA, 83
- Acting Secretary, 123, 189
- action plans  
Botswana, 68  
Brazil, 47  
Japan, 27  
Republic of Korea, 32
- Acts, *see* legislation
- Addis Ababa, 68, 206
- Additional Estimates, 204
- administered items, 143–7, 169–71, 221, 222
- administration defects, compensation for detriment caused by, 146–7
- Administrative Appeals Tribunal, 138, 139, 242
- administrative arrangements (Machinery of Government) decision, 202
- Administrative Development Program, 201
- Advance Global Australian Professionals, 131
- advancement of Australia's international strategic, security and economic interests, *see* strategic, security and economic interests
- advances to travellers, 162, 169–70, 222
- advertising, 248  
ANAO audits, 194, 196  
*smartraveller* campaign, 158
- Advisory Centre on WTO law, 84, 129
- advocacy and protection of Australia's interests, 26–116, 127  
*see also* media and media services; publications; seminars and workshops
- AEI, 182, 204
- AFF, 56, 133
- Afghanistan, 62–3  
bilateral discussions and cooperation, 44, 46; Europe, 54, 55, 57, 58  
Kabul, 175, 184
- AFP, 77, 123, 153
- Africa, 67–70, 96, 108, 193  
bilateral discussions on international aid and development assistance, 53, 55, 56, 57  
conflict diamonds, 99  
kidnappings, 153  
ministerial visits, 66  
parliamentary delegations to, 117  
Regional Consular Officer, 152, 153  
sanctions regimes imposed, 107  
security of missions and staff, 175, 178  
Special Visits Program, 129  
*see also* South Africa
- Africa Down Under Conference, 70
- African Mining Indaba, 68
- African Union, 68, 129
- African Youth Leadership Forum, 136–7
- after-hours media liaison, 125
- agricultural research, 66
- agricultural subsidies, 46, 85
- agriculture and agricultural markets, 82–3, 84  
Brazil, 85  
Chile, 48  
China, 30  
European Union, 54, 85  
Iraq, 67  
Japan, 28  
Mexico, 47  
New Zealand, 84

- Pacific Seasonal Worker Pilot Scheme, 73
- Russian Federation, 56, 85
- South Asia, 66
- Thailand, 85, 90
- United States, 90
- see also* food; meat and animal product markets
- AIC, 133
- AICC, 131, 138
- aid, *see* international aid
- All, 134
- air services
  - Airline PNG crash, 153, 155
  - to and from Europe, 53, 57, 156
  - fly-in fly-out, 83
  - Haiti, 50
  - to and from Latin America, 47
  - to and from New Caledonia, 78
- AJF, 134
- AKF, 134
- al-Mabouh, Mahmoud, 167
- Ambassador for Counter-Terrorism, 114
  - Malaysian agreement, 38
- Ambassador for People Smuggling Issues, 104
- Americas, 5, 43–51, 216
  - see also* Canada; Latin America; United States
- ANAO audits, 194–6, 204, 205
- animals, *see* wildlife conservation
- Anniversary Alliance Scholarship, 46
- Antarctic Treaty Consultative Meeting, 106, 146
- anti-carjacking training, 178
- Anti-Counterfeiting Trade Agreement, 83
- Antigua and Barbuda, 108
- Antwerp, 54
- Anzac Day commemorations
  - Gallipoli, 57, 126, 156
  - Villers-Bretonneux, 56, 133, 156
- ANZCERTA, 74, 90
- APEC, 27, 94–6, 99
  - bilateral discussions and cooperation, 45, 46, 49
  - Doha round, 86
  - Singapore meeting, 86, 126
- Apia, 128
- apple imports, 84
- appropriations, *see* finance
- APS Values and Code of Conduct, 191–2
- Arab League, 129
- archival examination, 140–1
  - addresses for applications, 227
- Argentina, 48, 50, 130.135
  - trade statistics, 49
- armoured vehicle training, 178
- arms, *see* weapons
- arrests overseas, 153, 162
- arrivals and departures of representatives in
  - Australia processed, 124
- Arrocha, Meliton, 129
- art, *see* visual arts
- arts, *see* performing arts; visual arts
- asbestos removal, 182
- ASEAN, 39, 41–2
  - trade statistics, 36, 42, 81
  - see also* South-East Asia
- ASEAN–Australia–New Zealand FTA, 80, 89, 120
- ASEAN Regional Forum (ARF), 115
- Asia, 26–42
  - bilateral discussions on international aid and development assistance, 56
  - see also* Middle East; North Asia; South Asia; South-East Asia
- Asia–Europe Meeting (ASEM), 54
- Asia Pacific Civil-Military Centre of Excellence, 116
- Asia Pacific community (APC) conference, 41, 120, 126
- Asia-Pacific Economic Cooperation, *see* APEC
- Asia-Pacific region, *see* APEC; Pacific
- Asian Development Bank, 95
- ASIS, 16
- ASOP, 132
- assets management, 177, 184, 204
- Association of Foreign Affairs and Trade Employees, 191
- Association of South East Asian Nations, *see* ASEAN
- astronomy, 58, 127
- ATI, 135
- attached agencies, *see* services to attached agencies
- Attorney-General’s Department, 177
  - NGO Forum, 103
  - Security Coordination Branch, 122
- Auckland, 77
- audiovisual material, 84
- Audit and Risk Committee, 191, 193
- audits, 193–6, 204
  - Environment Management System (EMS), 244
  - responses to ANAO suggestions, 205



- Aung San Suu Kyi, 41
- AusAID, 16, 115  
management meetings with, 189, 191
- AusAID programs, 54, 84, 102, 136–7  
Africa, 68, 70  
Chile, 48  
Indonesia, 97, 114, 134  
Mine Action Strategy, 113  
Pacific, 73  
Sri Lanka, 65  
Tonga, 77
- AUSFTA, 45, 90
- AUSMIN, 44, 46
- AUSMINTT, 45
- AustCham Shanghai, 137
- Austrade, 16, 98, 137  
African mining promotions, 70  
China, 30  
consulates managed by, 151  
Latin America, 134–5  
management meetings with, 189, 191  
transfer of Australian Education International function to, 202
- Australia Awards, 136
- Australia–Chile Free Trade Agreement, 48, 90
- Australia–China Business Council, 30, 137
- Australia–China Council, 133, 137, 138
- Australia–China Economic and Trade Forum, 30
- Australia–China High-Level Economic Cooperation Dialogue, 30
- Australia Council for the Arts, 138
- Australia–East Timor–Indonesia trilateral meeting, 41
- Australia–European Commission Trade Policy Dialogue, 54
- Australia–European Community Air Transport Agreement, 53
- Australia–European Union Partnership Framework, 53
- Australia–European Union Passenger Name Record Data Agreement, 54
- Australia–France 1.5 track strategic dialogue, 56, 133
- Australia–France Foundation, 56, 133
- Australia Group, 112
- Australia–Gulf Cooperation Council (GCG) Foreign Ministers Strategic Dialogue, 66
- Australia House centenary, 129, 139
- Australia in brief*, 126
- Australia–India Council, 133
- Australia–India Strategic Lecture, 133
- Australia–India Strategic Research Fund, 63
- Australia–Indonesia Consular Arrangement, 154
- Australia–Indonesia Institute, 134
- Australia–Indonesia Leadership Dialogue, 35
- Australia International Cultural Council (AICC), 131, 138
- Australia–Japan Conference, 28
- Australia–Japan Foundation, 134
- Australia–Japan Joint Declaration on Security Cooperation, 27
- Australia–Japan Trade and Economic Ministerial Dialogue, 27
- Australia–Japan ‘2+2’ meeting, 27
- Australia–Korea Foundation, 134
- Australia–Latin America Business Awards, 135
- Australia–Latin America Business Council, 134–5
- Australia–Latin America Leadership Program, 135
- Australia–Malaysia Foreign Ministers’ Meeting, 38
- Australia–Malaysia Institute, 135
- Australia–Malaysia Joint Trade Committee, 38
- Australia–Malaysia Sister School Program, 135
- Australia–Mongolia Joint Minerals and Energy Working Group, 34
- Australia Network, 137, 144  
Indian journalist internship, 130
- Australia New Zealand Closer Economic Relations Trade Agreement, 74, 90
- Australia–New Zealand Joint Food Standards Treaty, 74
- Australia–New Zealand Leadership Forum, 74
- Australia–Papua New Guinea Ministerial Forum, 75
- Australia–Poland Social Security Agreement, 57
- Australia Post, 165
- Australia Presents*, 131
- Australia–Russia Nuclear Cooperation Agreement, 56
- Australia–Thailand Institute, 135
- Australia–United States Free Trade Agreement, 45, 90
- Australia–United States Ministerial consultations (AUSMIN), 44, 46
- Australia–United States Ministerial Trade Talks, 45

- Australia–United States Work and Holiday pilot program, 46
- Australia–Vietnam Human Rights Dialogue, 40, 103
- Australian Agency for International Development, *see* AusAID
- Australian–American Education Leadership Foundation, 46
- Australian–American Fulbright Commission, 46
- Australian–American Leadership Dialogue, 46
- Australian births overseas registers, 236
- Australian Broadcasting Corporation (ABC), 130
- Australia Network, 137, 144; Indian journalist internship, 130
- Australian Centre for International Agricultural Research, 16, 66, 189
- Australian Chamber Orchestra, 131, 134
- Australian Civilian Corps, 115
- Australian Customs and Border Protection Service, 54, 99
- prosecution of vehicle fraud case, 123
- Australian Defence Force, 36, 77
- Australian Education International, 179, 202
- Australian Electoral Commission, 77
- Australian Federal Police, 77, 123, 153
- Australian Fine Music Touring Program, 131
- Australian House, 55
- Australian Manufacturing Workers' Union, 191
- Australian National Audit Office audits, 194–6, 204, 205
- Australian National Commission for UNESCO, 102
- Australian National University, 29, 115
- Australian Olympic Committee, 156
- Australian Passport Office, *see* passport services
- Australian Passports Act 2005*, 165, 167
- Australian Passports Determination 2005*, 197
- Australian Public Service Values and Code of Conduct, 191–2
- Australian Secret Intelligence Service, 16
- Australian Society of Travel Writers, 157
- Australian Sports Commission, 132
- Australian Sports Outreach Program, 132
- Australian Studies in China program, 133
- Australian Taxation Office, 77, 78
- Australian Trade Commission, *see* Austrade
- Australian Treaties Database, 127
- Australian Visual Arts Touring Program, 131
- Australian Workplace Agreements (AWAs), 202, 217
- Australia's international strategic, security and economic interests, *see* strategic, security and economic interests
- Austria, 57, 59, 111, 117
- Authors Tour of India, 133
- automotive industry, *see* motor vehicles
- Autonomous Sanctions Bill 2010, 107, 108
- average staffing levels, 221, 222, 223
- Avian influenza, 157
- aviation, *see* air services
- awards and recognition, 137
- foreign, 124
- see also* scholarships and fellowships

## B

- Baghdad, 67, 175, 176
- staff apartments, 182
- Bahrain, 62, 66
- see also* Gulf Cooperation Council
- Balgo* exhibition, 132
- Bali, 103, 136, 175
- Bali Democracy Forum, 39
- Bali Process on People Smuggling, Trafficking in Persons and Related Transnational Crime, 103
- ballistic missiles, 107, 112
- Bangkok, 37, 183
- Bangladesh, 62, 65
- counter-terrorism workshop, 114
- banking, *see* financial services markets
- Barton, William, 132
- beef markets, 28, 82, 85
- Beijing, 30, 88, 133, 153
- exhibitions, 130, 131
- Beirut, 175
- Belgium, 57, 117
- Brussels, 54
- Berlin, 55
- Bhutan, 65
- bilateral, regional and multilateral trade negotiations, 80–91
- see also* Doha Round; free trade agreements
- biological weapons, 112, 114
- biotechnology, 45
- bird flu, 157
- The Black Band, 126
- Bogor Goals, 95
- Bongiorno, Dr Frank, 139
- border protection, 115, 129

- Australia–EU Passenger Name Record Data Agreement, 54  
Iraq MoU, 67  
*see also* passport services
- borders, maritime, 75, 139
- Botswana, 68
- Bougainville, 75
- Bovine Spongiform Encephalopathy, 82
- Bran Nue Day*, 132
- Brand Australia, 98, 137
- Brasilia, 50
- Brazil, 47, 96  
trade dispute, 85  
trade statistics, 49
- bribery, 108
- Bridge, Professor Carl, 139
- BRIDGE project, 134
- briefings, *see* submissions and briefings
- Brisbane, 153  
‘Don’t do drugs’ community forum, 158  
meetings held in, 74, 98
- Britain, *see* United Kingdom
- broadcasting, *see* Australian Broadcasting Corporation
- Brunei, 41, 89, 131
- Brussels, 54
- BSE, 82
- Budapest, 58
- budget, *see* finance
- Budget Allocation Review, 192–3
- Buenos Aires, 50
- building, *see* construction
- Bulgaria, 59
- Burma, 41, 89, 102
- Burundi, 70
- business, services to, 119–20  
*see also* Austrade
- business continuity planning, 177, 193
- business liaison, 98
- business mobility, 83
- business travellers, 157
- C**
- CAAR, 132
- Cabinet Committees, 115
- cabinet submissions and briefings, 118
- cables, 180
- cadets, 201, 213
- Café Brindabella, 244
- Cairns Compact on Strengthening Development Coordination in the Pacific, 72, 73
- Cairns Forum Leaders’ Meeting, 72–4, 126
- Cairns Group, 46, 48, 49, 82
- Cambodia, 41, 89  
Phnom Penh, 129, 175
- Canada, 46, 141  
consular services, 151, 152;  
contingency planning, 156  
Toronto G20 Leaders Summit, 46, 86  
trade disputes, 84–5  
trade statistics, 49  
Winter Olympics, 131, 156
- Canberra Regional Eligibility Centre, 165
- Cape Town, 68
- Capital Management Plan, 192–3
- capital punishment, 103
- Carbon Capture and Storage Institute, 57, 58
- Carbon Pollution Reduction Scheme, 98
- Caribbean, 5, 49–50  
Antigua and Barbuda, 108  
Haiti earthquake, 44, 50, 102
- CARICOM, 5, 50
- cars, *see* motor vehicles
- Cartagena Summit on a Mine-Free World, 113
- CEO Roundtable, 30
- CER Agreement, 74, 90
- CER–Mercosur Dialogue, 49
- CERD, 102
- cereal markets, 28
- certified (collective) agreement, 200, 201, 202, 217, 219, 224
- Charter for Safe Travel, 158
- Charter of the United Nations Act 1945*, 107
- chemical weapons, 112, 114
- Chen Yunxian, Dr, 129
- Chennai, 63, 206
- Cheonan*, 32
- childcare centres, 48
- Chile, 48, 96, 135  
free trade agreement, 48, 90  
Regional Consular Officer, 152  
trade statistics, 49
- China, 29–31, 96, 115  
consular services, 153  
cultural and people-to-people programs, 30–1, 129, 130, 131, 133; *Imagine Australia—The Year of Australian Culture in China*, 126, 131, 132  
free trade agreement negotiations, 87–8  
Shanghai World Expo, 120, 137–8, 144–5  
trade disputes, 84

- trade statistics, 27, 29, 31, 81
- visits to and from, 29, 30, 87, 129  
*see also* Hong Kong; Taiwan
- Cho Yoon-sun, 33
- CHOGM, 50, 105
- Christmas reception in honour of diplomatic corps, 123
- city planning, 30
- civil aviation, *see* air services
- civil society, *see* democratic governance
- classification of staff, 213–15, 217–19  
*see also* Senior Executive Service (SES) staff
- classified information, 176–7
- clean energy, *see* renewable energy
- client satisfaction, OPO, 185
- client service charters, 158, 160, 168
- Client Services Section, 179
- climate change, 83, 105
  - bilateral discussions and cooperation, 27, 30, 44, 47, 55, 56, 63, 65, 68
  - Copenhagen Conference, 57, 100, 105, 126
  - Pacific initiatives, 72, 73
  - United Nations Framework Convention on Climate Change, 57, 105
- Clinton Global Initiative, 101
- Closer Economic Relations Agreement, 74, 90
- Cluster Munitions Convention, 108, 113
- coaching scholarships, 135
- coal markets, 28, 29
- COALAR, 134–5
- codes of conduct, 191–2
- Collective Agreement 2009–2010, 200, 201, 202, 217, 219, 224
- Colombia, 49, 123, 135
- Colombo, 65, 175
  - counter-terrorism workshop, 114
- Comcare, 224, 225
- Comcover, 193
- Commonwealth (of Nations), 105
  - Fiji, 77
- Commonwealth Authorities and Companies Act 1997*, 146
- Commonwealth Climate Change Declaration, 105
- Commonwealth Disability Strategy, 200
- Commonwealth Eminent Persons' Group, 105
- Commonwealth Fraud Control Guidelines compliance, 192
- Commonwealth Games, 130, 156
- Commonwealth Games Task Force, 156
- Commonwealth Heads of Government Meeting, 50, 105
- Commonwealth Ministerial Action Group, 105
- Commonwealth Ombudsman, 139, 165, 196
- Commonwealth overseas estate, *see* overseas property
- Commonwealth Scientific and Industrial Research Organisation, 66
- Community and Public Sector Union, 191
- Community Liaison Officer network, 203
- compensation for detriment caused by defective administration, 146–7
- competitive tendering and contracting, 205
- complaints, 139, 196, 197
  - passport services, 165, 242
- Comprehensive Nuclear Test-Ban Treaty, 111
- Comprehensive Partnership, Vietnam, 39
- conduct and ethics, 191–2
- Conference on Disarmament, 111
- conflict diamonds, 99
- construction, 32
  - overseas property program, 182–3
  - Shanghai World Expo pavilion, 137
- Consular Assistance Information System project, 157
- consular cards, 157
- Consular Contingency Plans, 156
- Consular Emergency Centre (CEC), 152
- Consular Enhancement Program, 156
- Consular Response Teams, 156
- Consular Service Charter, 160
- consular services, 12, 120, 150–62, 169–70, 222
  - Canada, 46
  - documents relating to, 234
  - Indonesia, 35
  - Macau, 32
  - media coverage, 153
  - see also* diplomatic and consular representatives in Australia
- Consular Sharing Agreement, 151
- consultancy services, 205–6, 252–4
  - provided by department, 127
- consultative arrangements, 228–30
  - free trade agreements, 90
  - with staff, 190, 191, 224
- Tamil community, 65
- trade policy: WTO negotiations on environmental goods and services, 85
- travel industry, 157

contingency planning, 156  
 contributions to international organisations,  
 143, 250–1.221  
 Convention on Biological Diversity, 83, 105  
 Convention on Cluster Weapons, 108, 113  
 Convention on the Conservation and  
 Management of the High Seas  
 Fishery Resources of the South  
 Pacific Ocean, 106  
 Convention on the Rights of Persons with  
 Disabilities, 108  
 Copenhagen Conference, 57, 100, 105, 126  
 copper ores and concentrates, 28  
 Coral Sea, 106  
 Coral Triangle Initiative on Coral Reefs,  
 Fisheries and Food Security, 106  
 corporate and financial management  
 trainees, 199, 201  
 corporate governance, 189–93  
 corporate management and accountability,  
 189–207  
   documents relating to, 234–5  
 correspondence  
   on consular issues, 160  
   ministerial, 118  
   passports reported lost in mail, 165  
 corruption, 107, 108  
 Council for Australian–Arab Relations, 132  
 Council on Australia Latin America Relations,  
 134–5  
 counselling services for staff, 203  
 counter-proliferation, *see* weapons  
 counter-terrorism, *see* terrorism  
 counterfeiting, 83  
 country of origin, *see* origin rules  
 court cases, 240–2  
   vehicle fraud case prosecution, 123  
 credentials, presentation of, 124  
*Crimes Legislation Amendment (Serious and  
 Organised Crime) Act (No. 2) 2010*,  
 196–7  
 Crisis Centre, 155, 190  
 crisis management, *see* emergency  
 management  
 CSIRO, 66  
 CTBT, 111  
 Cuba, 49  
 cultural programs, *see* international public  
 diplomacy  
 Cyprus, 59, 156  
   Nicosia, 176, 182  
 Czech Republic, 109

## D

dairy product markets, 28, 46  
 DAP, 136–7  
 Davis, Megan, 101  
 death penalty, 103  
 death records, national management of, 168  
 deaths overseas, 114, 153, 162  
 debt recovery from travellers' emergency  
 loans, 170  
 Debt-to-Health Swap agreement, Indonesia,  
 97  
 decisions by courts and administrative  
 tribunals, 240–2  
 Declaration of Propriety, Integrity and  
 Transparency in Business, 96  
 defective administration, compensation for  
 detriment caused by, 146–7  
 defence adviser/attaché approvals, 124  
 defence and security, 110–16  
   Democratic People's Republic of Korea,  
   32, 34  
   documents relating to, 233  
   East Timor, 40  
   Europe, 54  
   Iraq, 67  
   *see also* Afghanistan; law enforcement  
   cooperation; peacekeeping;  
   protective security; terrorism  
 defence and security, bilateral discussions  
 and cooperation, 115  
   Cambodia, 40  
   East Timor, 40  
   France, 56  
   Gulf countries, 66  
   India, 63, 129  
   Indonesia, 35  
   Japan, 27  
   NATO, 54  
   Pacific, 73  
   Pakistan, 64  
   Philippines, 39  
   Republic of Korea, 32, 33  
   United Kingdom, 55  
   United States, 44, 46  
   Vietnam, 40  
 deliverables  
   consular services, 150, 169  
   Foreign Affairs and Trade operations,  
   22–4  
   other administered items, 146  
   other department (security and IT), 174  
   overseas property, 181  
   passport services, 163, 171

- payments to international organisations, 143
    - public information services and public diplomacy, 144
  - democratic governance
    - Fiji, 76–7
    - South Asia, 65–6
    - Tonga, 77
    - see also* elections
  - Democratic People's Republic of Korea, 32, 34, 44, 107
  - Denmark (Copenhagen Conference), 57, 100, 105, 126
  - Denoon, Emeritus Professor Donald, 139
  - Department of Agriculture, Fisheries and Forestry (DAFF), 46, 47, 56, 82, 90
  - Department of Climate Change and Energy Efficiency (DCCEE), 105
  - Department of Defence, 68, 115, 153, 156, 176
    - Republic of Korea, 32, 34
  - Department of Education, Employment and Workplace Relations, 136, 202
  - Department of Families, Housing, Community Services and Indigenous Affairs, 59
  - Department of Finance and Deregulation, 45, 183
  - Department of Health and Ageing, 82
  - Department of Immigration and Citizenship, 46, 48, 77, 198
    - overseas posts, 179
  - Department of Infrastructure, Transport, Regional Development and Local Government, 48
  - Department of Resources, Energy and Tourism, 47, 98, 99
  - Department of the Environment, Water, Heritage and the Arts, 106
  - Department of the Prime Minister and Cabinet, 5, 44, 93, 191
  - Department of the Treasury, 38, 93
  - Department of Veterans' Affairs, 34, 56, 57, 156
  - Departmental Executive meetings, 190, 193
  - departmental overview, 11–16
  - deputy secretaries, 189, 190, 191
  - desktop equipment, 179
  - detriment caused by defective
    - administration, compensation for, 146–7
  - Development Effectiveness Steering Committee, 190
  - Dhaka, 114, 128
  - diamonds, 99
  - Dili, 175
  - diplomatic and consular representatives in
    - Australia, 122–4
  - diplomatic relations
    - Africa, 68
    - Ecuador, 123
    - Fiji, 77
    - Nauru, 77
    - Nepal, 65
  - Diplomatic Security Branch, 178
  - Direct Aid Program, 136–7
  - Directive on the Guidelines for the Management of the Australian Government Presence Overseas, 190
  - disability, people with, 200
    - Thailand, 135
    - UN Convention, 108
    - website accessibility, 126
  - disarmament, *see* nuclear non-proliferation and disarmament
  - disaster relief and response, 27, 115
    - Chile, 48
    - Indonesia, 36
  - distribution services, 83
  - dividend paid to Government, 183
  - divisional evaluation reviews, 192
  - documents, 140–1, 231–6
    - addresses for applications, 226–7
    - FOI requests for, 138–9
    - tabled in Parliament, 74; Solomon Islands, 76
    - see also* passport services; publications
  - Doha Round, 81–4, 86
    - bilateral discussions and cooperation, 29, 45, 46, 53–4
  - Dominica, 50
  - 'Don't do drugs' community forum, 158
  - double taxation agreements, 48, 57
  - Douglas Gabb Australia Pacific Journalist Internship, 130
  - DPRK, 32, 34, 44, 107
  - drugs, 107, 158
  - dual-use chemicals and biological agents, 112
  - Dubai, 167
  - Dubey, Sumam, 133
- ## E
- earthquakes and tsunamis
    - Chile, 48
    - Haiti, 44, 50, 102
    - Indonesia, 36
    - Pacific, 77, 128, 155

- East Asia, *see* North Asia; South-East Asia
- East Asia Summit (EAS), 41–2
- East Asia Summit Trade Finance Workshop, 97
- East Timor, 40–1, 175  
Timor Sea Sunrise resources, 40, 106  
trade statistics, 36
- Echigo-Tsumari, 134
- ecologically sustainable development and environment performance, 243–4
- Economic Partnership Agreement, Indonesia, 35
- economic relationships, *see* investment; markets and market access; trade
- ecotourism, 129
- Ecuador, 123
- EDRMS, 141
- education and education markets, 83  
Brunei, 41  
Cambodia, 129  
Chile, 48  
India, 120, 127, 128, 129, 130  
Indonesia, 134  
Iraq, 67  
Latin America, 135  
Malaysia, 135  
Russian Federation, 56  
United States, 46  
Vanuatu, 77  
Vietnam, 40  
*see also* scholarships and fellowships; training; universities
- education exchange programs, 135
- education resource kits, 132
- EFIC, 97, 146, 236
- Egypt, 66, 82
- elections  
Bougainville, 75  
to international organisations, 101–2, 106  
Philippines, 39  
Tonga, 77
- electricity, 177  
consumption, 244
- Electronic Document and Records Management System, 141
- Eligibility Leaders Forums, 165
- “Eliminating Nuclear Threats” report, 111
- Elizabeth O’Neill Journalism Award, 130
- embassies, *see* diplomatic and consular representatives in Australia; overseas network
- emergency issue passports, 165
- emergency loans/advances to travellers, 162, 169–70, 222
- emergency management, 152–6  
APEC, 96  
Crisis Centre, 155, 190  
New Caledonia, 78  
*see also* disaster relief and response
- emergency radio networks, 177
- Emergency Response Teams, 156
- employees, *see* staff
- employment of diplomatic staff dependants, 123, 124
- Energy Charter Treaty, 98
- energy consumption, DFAT, 244
- energy markets, 98  
Bangladesh, 65  
Brazil, 47  
China, 29, 30  
East Timor, 40  
India, 63  
Iraq, 67  
Japan, 28  
Mongolia, 34  
Republic of Korea, 33  
Taiwan, 31  
United States, 45
- energy security, Pacific, 73
- Energy White Paper, 98
- Enhanced Partnership MoU, Brazil, 47
- Enterprise Agreement, 202
- environment, 49, 102, 105–6, 129, 134, 135  
Antarctica, 106, 146  
departmental performance, 243–4  
trade and, 85, 95  
*see also* climate change; wildlife conservation
- environmental goods and services, 83, 85, 95
- Environmental Management System (EMS), 244
- Eritrea, 68, 107
- Estimates hearings, 118
- Estonia, 54, 96
- ethics and conduct, 191–2
- Ethics Committee, 191
- Ethiopia, 68, 206
- Europe, 52–60, 216  
consular services, 152, 156  
cultural programs, 132  
parliamentary delegations to, 57, 117  
*see also* France; Russian Federation; United Kingdom

- European Australia Business Council, 54  
 European Commission—Australia Macro-Economic and Financial Dialogue, 53  
 European Union (Commission), 53–4, 114  
   Doha Round negotiations, 53–4, 82  
   trade disputes, 85  
   trade statistics, 53, 60, 81  
 evacuations from overseas countries, 162  
   staff and families, 203  
 evaluation and planning, 192–3  
   asset revaluations rolling cycle, 204  
   business continuity, 177, 193  
   contingencies, 156  
   property services, 183  
   records management, 141  
   *smartraveller* campaign, 157  
   workforce, 178, 198  
 Evans, Professor Gareth, 111  
 executions, 103  
 exempt contracts, 205  
 exequateurs issued, 124  
 exhibitions and shows, 129, 132  
   *Aboriginal Art from Australia's Deserts*, 130, 131  
 expenses, *see* finance  
 export controls, 112  
 Export Finance and Insurance Corporation, 97, 146, 236  
*Export Finance and Insurance Corporation Act 1991*, 146  
*Export Market Development Grants Act 1997*, 197  
*Export Market Development Grants Amendment Act 2010*, 197  
 export subsidies, 85  
 exports, *see* trade  
 external scrutiny, 194–8  
 eyesight testing, 224
- F**
- Facebook, 126  
 Fair Work Ombudsman, 196  
 family members of overseas diplomatic staff, employment of, 123, 124  
 FAO, 99, 106  
 Federated States of Micronesia, 73, 78  
 Ferguson, Dr Charles, 45  
 Fewster, Alan, 139  
 FIFA World Cup, 126, 129, 156, 159  
 Fiji, 76–7  
 film and film screenings, 46  
 finance, 204–7, 220–3, 245–58, 268–351  
   ANAO audits, 194, 196, 204  
   Café Brindabella levy on takeaway cups, 244  
   debt recovery from travellers emergency loans, 170  
   documents relating to, 235  
   evaluation and planning, 192–3  
   language training expenditure, 201  
   overseas property, 183–4  
   Passport Redevelopment Program, 166  
   payments to international organisations, 143, 221, 250–1  
   workers compensation claims and premium, 225  
   *see also* grants; purchasing; remuneration and salaries; trade finance  
 Financial Action Task Force, 107  
 financial difficulty, Australians overseas in, 162, 169–70, 222  
 financial management and corporate trainees, 199, 201  
 financial management information system, 204  
 financial sanctions, *see* sanctions  
 financial services markets, 83  
   China, 129  
   Hong Kong, 32  
   Malaysia, 38  
   Vietnam, 40  
 financial statements, 204, 268–351  
 financing of terrorism, 107, 114  
 first aid training, 224  
 fish and fisheries, 73, 106  
 Fissile Material Cut-Off Treaty, 111  
 flu, 157  
   staff vaccinations, 224  
 fly-in fly-out services, 83  
 flyers (passengers), *see* air services  
 flyers (publications), 157  
 food, 82, 99, 101, 102  
   geographical indications, 83  
   Macau, 32  
   New Zealand, 74  
   South Asia, 66  
   Thailand, 90  
   *see also* agriculture  
 Food and Agriculture Organization, 99, 106  
*The Football Diaries*, 129, 130  
 Football Federation Australia, 127, 156  
 Foreign Affairs and Trade operations, 22–142, 221  
 foreign affairs and trade portfolio, 14, 16  
 foreign aid, *see* international aid  
 foreign awards to Australian citizens, 124



foreign investment, *see* investment  
 foreign-language materials, 126, 158  
 foreign language training, 201  
 foreign media, *see* media and media services  
 foreign representatives in Australia, 122–4  
 foreign students, *see* education and education markets  
 foreign trade, *see* trade  
 foreign travel, *see* overseas travel  
 forests and forestry, 85, 100, 105  
 former Yugoslav Republic of Macedonia, 59  
 Forum for East Asia–Latin America Cooperation, 50  
 France, 56, 115, 117, 133  
     Anzac Day commemorations, 56, 133, 156  
     New Caledonia, 78, 106  
     OECD Ministerial Council Meeting (MCM), 86, 96  
     trade statistics, 60  
 fraud control, 192  
     passports, 166–8  
 free trade agreements, 54, 85, 86–90, 95  
     Chile, 48, 90  
     China, 87–8  
     Gulf Cooperation Council, 88–9  
     India, 64  
     Japan, 88, 129  
     Malaysia, 38, 88  
     New Zealand, 74, 90  
     Republic of Korea, 87  
     Singapore, 90  
     Thailand, 37, 90  
     United States, 45, 90  
     *see also* regional trade agreements  
 Free Trade Area of the Asia-Pacific (FTAAP), 89  
 freedom of information, 138–9, 226–36  
 French collectivities, 78, 106  
 French Foundation for Strategic Research, 56  
 Friends of Democratic Pakistan, 64, 101  
 Fromelles, 56  
 Fulbright Professional Scholarship in Australia–US Alliance Studies, 46  
 full-time staff, 214  
 functions and role, 11  
     Machinery of Government decision, 202

## G

G8, 58, 114  
 G20, 46, 93–4, 98, 99  
     bilateral discussions and cooperation, 29, 33, 44, 47, 48, 53, 55  
     Doha round, 81, 86  
 Gallipoli Anzac Day commemorations, 57, 126, 156  
 gaming markets, 32  
 gas, 28, 75  
 Gaza, 67  
 GCC, *see* Gulf Cooperation Council  
 G'Day USA 2010, 46  
 gender of staff, 213–16  
 genetic resources, 83, 105  
 Geneva, 49, 54, 84  
     Doha Round negotiations, 81  
     Human Rights Council meeting, 77, 102  
 Geneva Conventions, 108  
 geographical indications, 83  
 Germany, 55, 117  
     trade statistics, 60  
 Gershon Review, 178  
 Ghana, 68, 69, 193  
 Global Carbon Capture and Storage Institute, 57, 58  
 global economic crisis, 86, 93, 98, 101  
     bilateral discussions, 29, 45, 58  
     Declaration of Propriety, Integrity and Transparency in Business, 96  
 Global Fund to Fight AIDS, Tuberculosis and Malaria, 97  
 Global Initiative to Combat Nuclear Terrorism, 114  
 global security, *see* defence and security  
 Global Support Centre, 179  
 Global Trust Fund, 84  
 Gorges du Verdon Museum, 133  
 governance, 189–93  
     Afghanistan, 63  
     Nauru, 77  
     Pakistan, 64  
     Papua New Guinea, 75  
     Solomon Islands, 129  
     *see also* democratic governance  
 government procurement, *see* purchasing  
 Governor-General, 29, 41, 57, 66, 138  
 graduate recruitment program, 199, 201, 213  
     trainee induction programs, 126  
 grain markets, 28  
 grants, 144, 249

Australia International Cultural Council, 131  
 Australian National Commission for UNESCO, 102  
 Australian–American Education Leadership Foundation, 46  
 Direct Aid Program, 136–7  
 Human Rights Grants Scheme, 102  
 International Relations Grant Program, 132–5  
 Greater Angkor Project, 129  
 Greater Sunrise petroleum resource, 40, 106  
 greenhouse gas emissions, 100, 105  
   *see also* carbon capture and storage  
 Greening Australia, 244  
 Guangdong Province, 30  
 Guest of Government visitors, 27  
 Gulf Cooperation Council (GCC), 88–9  
   trade statistics, 62

## H

H1N1 influenza, 157  
 The Hague, 182  
 Haiti, 44, 50, 102  
 Hamas, 67  
 handling and distributions services, 83  
 handling technique training, 224  
 Hanoi, 39, 40, 153  
 Harare, 175  
 Harper, Professor Ian, 133  
 heads of mission, 214–15  
   representatives in Australia, 123  
 health and safety, 101  
   hospitalisations overseas, 162  
   Indian students, 120, 127, 128, 129, 133  
   Iraq MoU, 67  
   medical evacuations, 162; staff and families, 203  
   *see also* occupational health and safety; protective security  
 Health and Safety Management Arrangements, 224  
 heritage management, 129  
*The High Commissioners*, 139  
 high commissions, *see* overseas network  
 high school links, international, 134, 135  
 high school resources, 127, 132  
 higher education, *see* universities  
 historical publications and information, 139  
 Ho Chi Minh City, 206  
 Hobart, 146  
 Hockey World Cup, 156  
 Holloway, Sandy, 105  
 holocaust-related matters, 57  
 Holy See, 57, 176, 182  
 Homeland and Border Security Policy Coordination Group, 115  
 Hong Kong, 27, 32, 81  
 honorary consuls, 12, 50, 151, 158  
   in Australia, 123  
 honours and awards, foreign, 124  
 horticultural products, 46, 84  
 hospitalised Australians overseas, 162  
 House of Representatives, 118  
   Speaker, 29, 57  
 Hu, Stern, 153  
 human resource management information system, 199  
 human resources, *see* staff  
 human rights, 102–3, 108  
   Burma, 41, 102  
   China, 29  
   Fiji, 77  
   Iran, 66, 102  
   Laos, 40  
   North Korea, 34  
   Palestinian Territories, 67  
   Vietnam, 40, 103  
   Zimbabwe, 99  
 Human Rights Grants Scheme, 102  
 human security, *see* emergency management; health and safety; terrorism  
 human swine flu (H1N1), 157  
 human trafficking and smuggling, 46, 65, 103–4  
 humanitarian assistance, 27, 115  
   Africa, 70  
   Pakistan, 64  
   red crystal emblem, 108  
   Sri Lanka, 65  
 Hungary, 58

## I

IAEA, 111, 112  
 ICNND, 111  
 identity cards issued, 124  
 Identity Security Strategy, 167, 168  
 illegal fishing, 106  
 illegal logging, 85  
*Imagine Australia*—The Year of Australian Culture in China, 131, 132  
 website, 126

- immigration, 101
  - Pacific Seasonal Worker Pilot Scheme, 73
  - people smuggling and trafficking, 46, 65, 103–4
  - public diplomacy programs, India, 120, 127, 128, 129, 130, 133
  - see also* visas
- imports, *see* trade
- incidents and accidents reported, 225
- India, 63–4, 96
  - public diplomacy programs, 64, 127, 128, 129, 130, 131, 133
  - sport and sporting events, 63, 129, 131; Commonwealth Games, 130, 156
  - trade statistics, 62, 63–4, 81
- Indigenous Australia—Closing the Gap* seminar series, 132
- Indigenous Australians
  - Aboriginal and Torres Strait Island Social Justice Commissioner, 65
  - Davis, Megan, 101
  - films, 132
  - musicians, 131, 132
  - staff, 200, 201, 213
  - visual arts and artists, 131, 132, 133; Beijing exhibition, 130, 131
- Indigenous Cadetship Program, 201, 213
- Indigenous Recruitment and Career Development Strategy, 200
- Indigenous remains, repatriation of, 59, 132
- indigenous UN forums, 101, 103
  - Special Rapporteur, 102
- Indonesia, 35–7, 89, 96, 175
  - Australia–East Timor–Indonesia trilateral meeting, 41
  - Bali Democracy Forum: Philippines elections, 39
  - consular services, 154, 155
  - cultural and people-to-people programs, 35, 37, 130, 134, 136–7
  - Debt-toHealth Swap agreement, 97
  - fisheries management, 106
  - Jakarta embassy compound, 182–3
  - people smuggling and human trafficking, 104
  - terrorism, 114, 155
  - visits to and from, 35, 36–7, 114, 130
- Indonesian Ministry of Foreign Affairs, 200
- industrial products, 83
- influenza, 157
  - staff vaccinations, 224
- information and communications technology, 178–9, 204
  - Electronic Document and Records Management System, 141
  - emergency communications equipment, 156
  - management information systems, 199, 204
  - passport services, 167
  - security, 175, 176–7
  - services to attached agencies, 119, 176–7, 178–9, 180, 246
- information requests, 140–1
  - about Australians overseas, 162
  - under FOI, 138–9
  - from media, 125–6
  - statistical consultancy service, 127
  - website page-views and downloads, 126, 157
- information security, 53
  - DFAT, 176–7
- infrastructure markets, 40
  - rail, 48
- injuries and incidents reported, 225
- inspections of overseas posts, 156, 180, 183, 191, 193
- insurance card, 157
- intellectual property, 83, 90
- intelligence agencies, 16
- intelligence cooperation, 46
- inter-agency mobility, SES, 215
- interdepartmental committees, 127, 190
- interfaith activities, *see* religion and interfaith activities
- internal audit, 193
- internal reviews of FOI access decisions, 138, 139
- international agreements, *see* treaties and bilateral agreements
- international aid and development assistance, 136–7, 190
  - Afghanistan, 63
  - Africa, 53, 136–7
  - bilateral discussions on collaboration, 32, 49, 53, 55, 56, 57
  - Caribbean, 50
  - East Timor, 40
  - Pacific, 49, 53, 72, 73
  - Papua New Guinea, 75
  - Philippines, 39
  - South Asia, 64, 65, 66
  - for trade, 95
  - WTO development agenda, 84

- see also* AusAID; disaster relief and response; humanitarian assistance
- International Atomic Energy Commission (IAEA), 111, 112
- International Commission on Nuclear Non-proliferation and Disarmament (ICNND), 111
- International Court of Justice, 105
- International Criminal Court, 108
- International Cultural Visits program, 130
- international investment, *see* investment
- International Labour Organization, 93
- international law, 108–9
- legal action against Japanese whaling, 105
  - see also* treaties and bilateral agreements
- International Media Visits program, 30, 64, 130
- international organisations, 100–9
- documents relating to, 231
  - missions in Australia, 123
  - OECD, 86, 93, 95, 96
  - payments to, 221, 243, 250–1
  - see also* APEC; United Nations; World Trade Organization
- international public diplomacy, 127–38, 130–5
- China, 30–1, 129, 130, 131, 133; *Imagine Australia*—Year of Australian Culture in China, 131, 132; website, 126
  - documents relating to, 233
  - India, 64, 127, 128, 129, 130, 131, 133
  - Indonesia, 35, 37, 130, 134, 136–7
  - Republic of Korea, 33–4, 131, 134
  - Taiwan, 31
  - United States, 46, 131, 132
  - see also* performing arts; Special Visits Program; visual arts
- International Relations Grant Program, 132–5
- International Security Assistance Force (ISAF), 54, 55
- International Stabilisation Force (ISF), 40
- international strategic, security and economic interests, *see* strategic, security and economic interests
- international trade, *see* trade
- international travel, *see* overseas travel
- International Whaling Commission, 47, 105
- International Women’s Day, 200
- internet, *see* websites and website services
- investment, 83, 98
- Bogor Goals, 95
  - China, 29, 30
  - India, 129
  - Japan, 28
  - Macau, 32
  - Mexico, 47
  - Mongolia, 34
  - New Zealand, 90
  - Singapore, 90
  - Taiwan, 31
  - Uruguay, 49
  - Vietnam, 40
- investment in overseas property, rate of return on, 184
- Iran, 44, 66, 107, 111
- human rights, 102
- Iraq, 67
- Baghdad, 67, 175, 176; staff apartments, 182
- Ireland, 57
- iron ore markets, 29
- Islam, 41, 129, 130, 134
- financial services, 38
- Islamabad, 175–6, 193
- Israel, 67, 96, 156
- Istanbul, 54
- Italy, 58, 117, 132
- trade statistics, 60

## J

- Jakarta, 175, 182–3
- hotel bombings, 114, 155
- Jakarta Centre for Law Enforcement Cooperation, 114
- Japan, 27–8, 134
- APEC meeting, 27, 95
  - Doha Round negotiations, 82
  - free trade agreement negotiations, 88, 129
  - nuclear non-proliferation and disarmament, 111
  - Philippines elections, 39
  - trade statistics, 27, 28, 81
  - Trilateral Strategic Dialogue, 115
  - visits to and from, 27, 50, 111, 129
  - whaling, 27, 105
- Jersey, 108
- Johannesburg, 137
- John Doherty Asia Pacific Journalism Internship, 130
- Joint Petroleum Development Area, 40

Joint Standing Committee on Foreign Affairs,  
Defence and Trade, 237, 239  
Joint Standing Committee on Treaties, 109,  
111, 238–9  
Joint Trade and Economic Commission,  
Mexico, 47  
Joint Trade and Economic Cooperation  
Committee, Vietnam, 39–40  
Jordan, 156

## K

Kabul, 175, 184  
Kawaguchi, Yoriko, 111  
Kenya, 69  
    Nairobi, 153, 175, 193  
key performance indicators, *see*  
    performance indicators  
Khmer Rouge, 41  
kidnappings, 153  
Kim Sang-hyup, Dr, 33  
Kimberley Process Certification Scheme, 99  
Kiniklioglu, Suat, 57  
Kirby, Justice Michael, 105  
Kiribati, 73, 78  
Kitagami, Keiru, 129  
Kitan oilfield, 40  
Knowledge and Matter Management System  
    project, 177  
Korea, 32–4, 44, 107  
    *see also* Republic of Korea  
Korea–Australia–New Zealand Broadband  
    Summit, 134  
Korean War anniversary, 34  
Kuala Lumpur, 175  
Küppeers, Eduardo Ferreyros, 50  
Kuwait, 62, 66  
    *see also* Gulf Cooperation Council  
Kuwait City, 193  
Kyoto Protocol, 105

## L

landmines, 113  
language training, 201  
Laos, 41, 89, 113, 131–2  
Latin America, 47–51, 96, 108  
    Cairns Group meeting, Punta del Este,  
    82  
    COALAR, 134–5  
    employment of diplomatic officers'  
    dependants agreements, 123  
    free trade agreements, 48, 90  
    International Media Visits program, 130

    Lima, 5, 198, 206  
    missions in Australia, 123  
    Regional Consular Officer, 152  
    trade dispute, 85  
    *see also* Caribbean  
Latvia, 109  
Lausanne, 54  
law enforcement cooperation  
    East Timor, 40  
    Gulf countries, 66  
    Pakistan, 64  
    Republic of Korea, 32  
    training centres, 114  
    Vietnam, 103  
law of the sea, 106  
leased estate, 184, 206  
Lebanon, 156, 175  
lectures and lecture series, 123, 133, 139,  
    140  
Lee, David, 139  
legal services markets, 90  
legislation, 196–7  
    AANZFTA, 89  
    EFIC National Interest Account, 146  
    passports, 165, 197  
    people smuggling and human trafficking,  
    104  
    sanctions, 107, 108, 197  
Lester, Alison, 133  
letters, *see* correspondence  
Liberia, 107  
lifting technique training, 224  
lighting, 244  
Lima, 5, 198, 206  
liquefied natural gas (LNG), 28, 75  
Lisbon Treaty, 54  
loans to travellers, 162, 169–70, 222  
locally engaged staff, 14, 202, 214, 216,  
    224  
    average levels, 221, 222, 223  
    complaint lodged with Fair Trade  
    Ombudsman, 196  
    new positions created, 198  
    payroll management, 199  
location of offices, 12  
location of staff, 14, 213, 214, 216  
logistics and supply chain services, 83, 95  
London, 129, 132  
    Australia House centenary, 129, 139  
    meetings held in, 54, 63  
    passport processing, 165  
    Regional Consular Officers, 152

lost or stolen passports, 165  
 Lowy Institute, 56, 133

## M

- Macau, 32  
 McCarthy, John, 65  
 Macedonia, 59  
 Machinery of Government decision, 202  
 MAFTA, 88  
 Mahomed, Ismail, 130  
 mail, *see* correspondence  
 Malaysia, 38–9, 89
  - cultural and people-to-people programs, 130, 135
  - Kuala Lumpur, 175
  - people smuggling and human trafficking, 104
  - trade statistics, 36
 Malaysia–Australia Free Trade Agreement negotiations, 38, 88  
 Maldives, 65  
 Mali, 68  
 Malta, 59  
 management and accountability, 189–207
  - documents relating to, 234–5
 management expense ratio of overseas property, 184  
 management information systems, 199, 204  
 manufactures (industrial products), 83  
 marine conservation, 106  
 maritime borders, 75, 139  
 maritime transport, 98
  - security, 115, 129
  - sinking of ROK navy vessel, 32
  - sinking of Tonga ferry, 77
 market information and research, 119  
 market research organisations, 248  
 markets and market access, 81–91
  - Africa, 70
  - Canada, 46
  - China, 29–30, 81
  - European Union, 54, 81
  - Hong Kong, 32, 81
  - Indonesia, 35
  - Japan, 27–8, 81
  - Laos, 41
  - Latin America, 47–9
  - Macau, 32
  - Malaysia, 38
  - Mongolia, 34
  - Republic of Korea, 33, 81
  - Russian Federation, 56
  - Taiwan, 31, 81
  - United States, 45, 46, 81, 90
  - Vietnam, 39–40
  - see also* free trade agreements; investment; trade statistics
 Marshall Islands, 73, 78  
 MCIT, 98  
 meat and animal product markets, 82
  - European Union, 85
  - Japan, 28
  - Russian Federation, 56, 85
  - United States, 46
 Media, Entertainment and Arts Alliance, 191  
 media advertising, *see* advertising  
 media and media services, 125–6
  - consular services advertising, 158
  - consular services of interest, 153, 157
  - Fiji, 77
  - international visits and exchanges, 30, 64, 130, 133, 134
 media releases, 126  
 media talking points, 153  
 medical conditions, *see* health and safety  
 Medical Unit, 203  
 meeting briefs, 118  
 Melbourne, 153
  - meetings in, 38, 40, 89
 memorandums of understanding (MOUs), 109
  - Caribbean Community (CARICOM), 5, 50
  - counter-terrorism, 114
  - Indonesia, 200
  - Iraq, 67
  - Latin America, 47, 48, 49
  - Malaysia, 38
  - Pacific Seasonal Worker Pilot Scheme, 73
  - services to attached agencies, 119.178
  - Sri Lanka, 65
  - Sweden, 57
  - United Arab Emirates, 114, 153–4
  - Uruguay, 49
 merchandise trade, *see* trade  
 Mercosur, 49  
 Mexico, 47, 82, 130, 135
  - Regional Consular Officer, 152
  - staff, 50
  - trade disputes, 84–5
  - trade statistics, 49
 Micronesia, 73, 78  
 Middle East, 66–7
  - Contingency Planning Assistance Team visits, 156

- Council for Australian–Arab Relations, 132  
 Regional Consular Officer, 152  
 security of missions, 175  
*see also* Gulf Cooperation Council; Iraq
- migration, *see* immigration
- Mindanao, 39
- Mine Action Strategy, 113
- Mine Ban Convention, 113
- minerals and resources (mining sector)  
 market, 83  
 Africa, 68, 70  
 Brazil, 47  
 Chile, 48  
 China, 29, 30  
 conflict diamonds, 99  
 Iraq, 67  
 Japan, 28  
 Mexico, 47  
 Mongolia, 34  
 Republic of Korea, 33  
 Vietnam, 40  
*see also* energy markets
- ministerial correspondence, 118
- Ministerial Council on International Trade, 98
- ministerial submissions and briefings, 118
- ministers and parliamentary secretaries, 75, 211–12  
 APEC, 27, 86  
 Bills introduced, 107  
 dividend paid to Government, 183  
 documents tabled, 74  
 engagement with diplomatic and consular corps, 123  
 media advice and support, 126  
 Ministerial Council on International Trade meetings, 98  
 national security and strategy policy role, 115  
 openings and launches, 137, 139  
 parliamentary statements, 41, 65  
 passports cancelled by, 167  
 websites, 126  
*see also* overseas travel by portfolio ministers and parliamentary secretaries
- missile program, Iran, 107
- Missile Technology Control Regime (MTCR), 112
- missing passports, 165
- missing persons, 153, 162
- missions, *see* overseas network
- Mongolia, 34
- Morocco, 66
- motor vehicles, 30  
 diplomatic and consular representatives in Australia, 123, 124  
 staff driver training, 178
- Mozambique, 68, 69
- multilateral trade negotiations, *see* Doha Round
- Mumbai, 63, 206
- museums, 78
- music, 127, 131–2, 133, 134
- Musica Viva Australia, 131–2
- Muslims, *see* Islam
- mutual recognition arrangements, EU, 53
- Mwencha, Erastus, 129
- Myer Foundation, 134
- mystery shopper exercise, 168
- ## N
- NAIDOC Week, 132, 199
- Nairobi, 153, 175, 193
- Namibia, 68
- Narasimha, Professor Roddam, 133
- narcotics and drugs, 107, 158
- National Archives of Australia, 139, 141
- National Art Museum of China, 130
- National Broadband Network, 98
- National Identity Security Strategy (NISS), 167, 168
- National Intelligence Coordination Committee, 115
- National Interest Account, 146
- National Museum of Australia, 130
- National Ports Strategy, 98
- national security, *see* defence and security
- National Security College, 115
- National Security Legislation Amendment Bill 2010, 107
- National Security Statement, 115, 190
- National Threat Assessment Centre, 156
- NATO, 54
- natural disasters, *see* disaster relief and response
- natural gas, 28, 75
- Nauru, 77, 176, 193
- Navracsics, Dr Tibor, 58
- Nepal, 65, 131
- Netherlands, 57, 59, 62  
 The Hague, 182  
 trade statistics, 60
- New Caledonia, 78, 106
- New Delhi, 127, 128

Advance Leaders Summit, 131  
   sporting events, 156  
 New South Wales Governor, 34  
 New York, 132  
   meetings held in, 41, 113, 115  
   *see also* United Nations  
 New Zealand, 57, 74, 77, 118, 141  
   ASEAN FTA, 80, 89, 120  
   Closer Economic Relations Agreement (ANZCERTA), 74, 90  
   consular services, 152  
   Korea–Australia–New Zealand Broadband Summit, 134  
   Ministerial Council on International Trade membership, 98  
   Pacific Islands Forum Ministerial Contact Group meeting, Auckland, 77  
   Square Kilometre Array radio telescope bid, 58, 127  
   taxation treaty, 108  
   trade dispute, 84  
   trade statistics, 74, 81  
 next of kin of overseas travellers, 162  
 NGO Forum, 103  
 Nicosia, 176, 182  
 Nigeria (Abuja), 175, 193  
 Niseko, 134  
 NISS, 167, 168  
 non-English speaking backgrounds, materials prepared for people from, 126, 158  
 non-government organisations (NGOs), 103  
 non-ongoing staff, 214  
 non-proliferation, *see* nuclear non-proliferation and disarmament  
 non-salary benefits, 203  
 North Africa, 66  
 North America, *see* Canada; Latin America; United States  
 North Asia, 26–34, 108, 132, 216  
   *see also* China; Hong Kong; Japan; Republic of Korea; Taiwan  
 North Atlantic Treaty Organisation, 54  
 North Korea, 32, 34, 44, 107  
 notarial services, 151, 152, 162  
 notes to the media issued, 126  
 nuclear non-proliferation and disarmament, 111–13, 196–7  
   bilateral discussions and cooperation, 27, 32, 44–5, 49, 56  
   Democratic People's Republic of Korea, 34, 44, 107  
   Iran, 44, 66, 107, 111  
   workshops, 114

Nuclear Non-Proliferation Treaty (NPT) Review Conference, 111  
 Nuclear Security Summit, 111  
 Nuclear Suppliers Group, 112  
 nuclear terrorism, 114

## O

objectives  
   consular services, 150, 169  
   Foreign Affairs and Trade operations, 22  
   other administered items, 146  
   other department (security and IT), 174  
   overseas property, 181  
   passport services, 163, 171  
   payments to international organisations, 143  
   public information services and public diplomacy, 144  
 occupational health and safety, 203, 224–5  
   asbestos removal, 182  
   security awareness training, 178  
   Shanghai World Expo pavilion award, 137  
 OECD, 86, 93, 95, 96  
 office accommodation, 244  
   *see also* overseas property  
 Office of National Assessments, 191  
 Office of the Privacy Commissioner, 197–8  
 Officer, Keith, 139  
 Okada, Katsuya, 27  
 Olympic Games, 131, 156  
 Oman, 62  
   *see also* Gulf Cooperation Council  
 Ombudsman, 139, 165, 196  
 ongoing staff, 214  
   separations, 198  
 online services, *see* websites and website services  
 Op Padang Assist earthquake response effort, 36  
 orchestras, 131, 134  
 organisation and structure, 11–16, 189–93  
   passport services, 165  
 Organisation for Economic Cooperation and Development (OECD), 86, 93, 95, 96  
 organised crime, *see* transnational crime  
 Organization for Security and Co-operation in Europe (OSCE), 54  
 origin rules/labelling, 90, 95  
   ANZCERTA review, 90  
   geographical indications, 83  
   United States, 46, 84–5  
 Oruzgan (Uruzgan) Province, 58, 62



- other administered items (Program 1.4), 146–7
- other department (security and IT) (Program 3.1), 174–80, 223
- out-of-hours media liaison, 125
- outcomes and programs, 20–185, 220, 221–3
  - portfolio agencies, 16
  - transition from outcomes and outputs, x–xi
- outside participation, *see* consultative arrangements
- outsourced functions, 126, 183
- overseas aid, *see* international aid
- overseas births registers, 236
- overseas network, 12, 151, 191, 193, 259–65
  - accommodation services, *see* overseas property
  - cables, 180
  - Consular Response Team destinations, 156
  - Contingency Planning Assistance Teams visits, 156
  - court cases, 240–2
  - family members of staff, employment of, 123
  - honorary consuls, 12, 50, 151, 158
  - information and communications technology, 176–7, 178–9, 246
  - passports issue, processing and production, 165
  - people smuggling task forces, 104
  - record management projects, 141
  - security, 175–80
  - staff, 14, 192, 198, 213, 214–15, 216; Regional Technical Officers, 178
  - staff management and welfare, 198, 202, 203
  - staff training, 108, 165, 178
    - see also* consular services; locally engaged staff; services to attached agencies
- overseas property (Program 3.2), 181–5, 206, 223
  - ANAO audit, 195
  - documents relating to, 234
- Overseas Property Special Account, 183
- overseas students, *see* education and education markets
- overseas trade, *see* trade
- overseas travel (tourism), 148–71
  - ecotourism, 129
  - Latin America, 135
  - United States, 46
    - see also* air services; passport services; visas
- overseas travel arranged
  - Aboriginal and Torres Strait Island Social Justice Commissioner, 65
  - by Australia–India Council, 133
  - Governor-General, 29, 41, 57, 66, 138
  - New South Wales Governor, 34
- overseas travel by Deputy Prime Minister
  - Canada, 46
  - India, 64
- overseas travel by ministers and parliamentary secretaries
  - Denmark, 57
  - France, 56
  - Germany, 55
  - Hong Kong, 32
  - India, 64
  - Italy, 58
  - Japan, 27
  - Middle East, 66
  - Republic of Korea, 33
  - Singapore, 37
  - Solomon Islands, 76
- overseas travel by parliamentarians, 117
  - Argentina, 48
  - Brunei, 41
  - China, 29
  - Colombia, 49
  - Mongolia, 34
  - Republic of Korea, 33
  - state and territory, 119
  - Turkey, 57
- overseas travel by portfolio Ministers and Parliamentary Secretaries
  - Africa, 68
  - Canada, 46
  - China, 29, 30, 137
  - Dominica, 50
  - Europe, 49, 55–9, 63, 86, 111, 133
  - India, 64
  - Indonesia, 36, 114
  - Japan, 27, 50
  - Latin America, 47, 48, 49, 82
  - Malaysia, 38
  - Pacific, 77–8
  - Papua New Guinea, 75
  - Republic of Korea, 33
  - Singapore, 37
  - South Asia, 65–6
  - United States, 44, 45; New York, 101, 115

Vietnam, 39

overseas travel by Prime Minister

- Denmark, 57
- Germany, 55
- Holy See, 57
- India, 63
- Indonesia, 36
- Italy, 58
- Japan, 27, 111
- Malaysia, 38
- Trinidad and Tobago, 50
- United States, 44, 101

overseas travel insurance, 157

overseas travel sanctions, 41, 77

overseas visitors to Australia, 118, 119, 129–30

- Africa, 68, 69, 70, 129, 130
- Belgium, 57
- Brunei, 41
- Bulgaria, 59
- Cambodia, 41
- China, 29, 30, 87, 129
- Colombia, 49
- Cuba, 49
- East Timor, 41
- European Union, 54
- former Yugoslav Republic of Macedonia, 59
- Guest of Government, 27
- Gulf countries, 66
- Hungary, 58
- India, 64, 129, 130, 133
- Indonesia, 35, 37, 130, 134
- Ireland, 57
- Italy, 58
- Japan, 27, 129
- Laos, 41
- Latin America, 50, 130
- Malaysia, 38, 130
- Maldives, 65
- Mongolia, 34
- New Caledonia, 78, 106
- Republic of Korea, 33
- Singapore, 90
- Solomon Islands, 76
- Thailand, 37, 130, 135
- Turkey, 57
- United Kingdom, 55
- United Nations Special Rapporteurs, 102
- United States, 45, 46
- Vanuatu, 77, 130
- Vietnam, 39, 40, 130

*see also* Special Visits Program

## P

'P-series' passports, 166

Pacific, 72–9

- ABC internships, 130
- bilateral discussions on international aid and development assistance, 49, 53, 56
- cultural and people-to-people programs, 132
- fisheries management, 73, 106
- parliamentary delegations to, 117
- security of missions, 176
- Special Visits Program, 129
- tsunami, 77, 128
- WTO accessions, 85
- see also* APEC; New Zealand; Papua New Guinea; Trans-Pacific Partnership Agreement

Pacific Agreement on Closer Economic Relations (PACER) Plus, 73–4

Pacific Engagement Strategy Steering Group, 72

Pacific Islands Forum, 72–4, 126

- Fiji, 76–7
- Ministerial Sanding Committee on RAMSI, 75

Pacific Partnerships for Development, 73

Pacific Seasonal Worker Pilot Scheme, 73

Padang earthquake, Sumatra, 36, 155

Pakistan, 64, 101

- Islamabad, 175–6, 193
- trade statistics, 62

Palau, 73, 78

Palestinian Territories, 67

Panama, 50

Panckridge, Michael, 133

paper, 244

Papua New Guinea, 73, 75, 139

- ABC internship, 130
- air crash, 153, 155
- Port Moresby, 193, 199

*Papua New Guinea (Application of Laws) Act 1973*, 197

Papua New Guinea Liquefied Natural Gas (LNG) project, 75

Papua New Guinea–Australia Development Cooperation Treaty, 75

Paris, 54, 56

- OECD Ministerial Council Meeting (MCM), 86, 96

Parliament, 117–18

- documents tabled in, 74; Solomon Islands, 76
- Parliament House, 30
- parliamentary committees, 183, 237–9
  - Joint Standing Committee on Treaties, 109, 111, 238–9
  - Senate Estimates, 118
  - Solomon Islands, 76
  - Torres Strait region inquiries, 75
- parliamentary questions, 118
- parliamentary secretaries, *see* ministers and parliamentary secretaries
- part-time staff, 214
- Partying Overseas* travel bulletin, 157
- passport offices, 12, 151, 165
- Passport Redevelopment Program, 166, 167
- passport services, 163–8, 171, 197, 222
  - AAT matters, 242
  - data sharing project, 197–8
  - documents relating to, 234
  - see also* visas
- Paterson, William, *see* Ambassador for Counter-Terrorism
- payments to international organisations, 143, 221, 250–1
- payroll services, 199
  - to attached agencies, 119, 247
- peace building
  - Africa, 70
  - Bougainville, 75
  - Middle East, 67
  - Nepal, 65
  - Philippines, 39
  - Sri Lanka, 65
- peacekeeping, 27, 101, 251
  - East Timor, 40
- people smuggling and trafficking, 46, 65, 103–4
- people-to-people programs, *see* international public diplomacy; overseas travel; overseas visitors to Australia
- People's Republic of China, *see* China
- PeopleSoft, 199
- performance indicators
  - consular services, 150, 169
  - Foreign Affairs and Trade operations, 25
  - other administered items, 146
  - other department (security and IT), 174
  - overseas property, 181; outsourced services, 183
  - passport services, 163, 171
  - payments to international organisations, 143
  - public information services and public diplomacy, 144
  - performance management, 193, 201, 218–19
  - performance pay, 201, 218–19
  - performance reporting, 20–185
  - performing arts, 131
    - The Football Diaries*, 129, 130
    - music, 127, 131–2, 133, 134
- Perth, 42, 70, 153
- Peru, 49
  - International Media Visits Program, 130
  - Lima, 5, 198, 206
  - Special Visits Program, 50
- petroleum, 40
- Philippines, 39, 89
  - cultural programs, 131
  - International Media Visits program, 130
  - trade statistics, 36
- Philippines–Australia Ministerial Meeting 2008, 39
- Phnom Penh, 129, 175
- photographic exhibitions, 133
- phytosanitary and sanitary measures, 82, 90
- piracy, 115
- Pittsburgh, 93
- plane crash, PNG, 153, 155
- planning, *see* evaluation and planning
- Poland, 57
- police services, *see* law enforcement cooperation
- political prisoners, Burma, 41
- Port Moresby, 193, 199
- Port of Spain, 50, 105
- Port Vila, 77
- portfolio, 14, 16
- Portfolio Budget Statements, 192
- portfolio coordination, 189–90
- power supplies, 177
  - consumption, 244
- Prahlad, Prathibha, 130
- press, *see* media and media services
- press releases, 126
- Pretoria, 193
  - FIFA World Cup, 126, 129, 156, 159
  - Regional Consular Officer, 152, 153
- Prime Minister, 72
  - National Security Statement, 115, 190
  - see also* overseas travel by Prime Minister

Prime Minister's Directive on the Guidelines for the Management of the Australian Government Presence Overseas, 190

*Princess Ashika*, 77

printers for passports, 166

priority passport service, 165

Prisoner Loans Scheme, 170

prisoners, 153, 162

Indonesian, convicted of terrorism offences, 114

political, 41

privacy, 197-8

procurement, *see* purchasing

Productivity Commission, 81, 85

professional services markets, 83

European Union, 54

United States, 90

*see also* financial services markets

programs, *see* outcomes and programs

project management capability, 177

Project Wickenby, 77

Proliferation Security Initiative (PSI), 113

prosecutions, 123

protection and welfare of Australians abroad (Outcome 2), 148-71, 220, 222, 243

transition from outcome and outputs, xi

protective security (Program 3.1), 174-80, 223

diplomatic and consular missions in Australia, 123

passports, 165-8

protocol, 122-4

protocol guidelines, 124

public affairs material, 126

public information services and public diplomacy, 125-42, 144-5, 221

public inquiries, *see* information requests

Public Service Act staff, 214

section 24(1) Determinations, 202, 217

Public Works Committee, 183, 237

publications, 126-7

historical, 139

press releases, 126

traveller information, 156-8

*see also* websites and website services

Punta del Este, 82

purchaser-provider arrangements, 118-19, 245-7

purchasing, 204-6

advertising and market research, 194, 196, 248

ANAO audits, 194, 196

Australia Network contract, 144

cars for diplomatic and consular representatives in Australia, 124

consultancy services, 205-6, 252-4

information and communications technology, 177; Service Desk provider, 179

passport services, 166

property services, 183; divestment proceeds, 184

US free trade agreement chapter, 45

## Q

Qatar, 62, 66

*see also* Gulf Cooperation Council

Quai Branly Museum, 133

quarantine, 84

questions on notice, 118

## R

R G Casey Building, 244

R G Neale Lecture, 139, 140

R2P principle, 101

racial discrimination, 102

radio networks, 177

radio telescope, 58, 127

Rahman, A R, 127

Rahman, Jaki Madhi, 129

rail infrastructure, Argentina, 47

RAMSI, 75-6

Rangoon, 41

Rarawa, Denton, 129

rate of return on investment on overseas property, 184

ReCAAP, 115

Reconciliation Action Plan, 200

Reconciliation Week, 132

recordkeeping, 141

recruitment of staff, 199, 200

induction programs, 126

information and communications technology positions, 178

security clearances, 177

Senior Executive Service, 215

recycling, 244

red crystal emblem, 108

REDD, 100, 105

regional architecture, 41, 86

bilateral discussions and cooperation, 33, 37, 46

Regional Assistance Mission to Solomon Islands (RAMSI), 75-6

- Regional Consular Officers, 152, 153
- Regional Cooperation Agreement on Combating Piracy and Armed Robbery against Ships in Asia, 115
- Regional Interfaith Dialogue, 42
- regional marine conservation, 106
- regional security, *see* defence and security
- Regional Technical Officers, 178
- regional trade agreements, 81, 86, 89
- AANZFTA, 80, 89, 120
- PACER Plus, 73–4
- see also* Trans-Pacific Partnership Agreement
- Reinsch, Bill, 46
- religion and interfaith activities, 42, 130
- Brunei, 41, 129
- Thailand, 135
- Vietnam, 103
- see also* Islam
- Remembrance Trail projects, 55
- remuneration and salaries, 202–3, 217–19
- payroll services to agencies overseas, 119, 247
- renewable (clean) energy, 129, 134
- bilateral discussions and cooperation, 30, 31, 45
- repatriation of remains, 153
- Indigenous, 59, 132
- Republic of Korea (ROK), 32–4
- cultural and people-to-people programs, 33–4, 131, 134
- embassy, 182
- free trade agreement negotiations, 87
- G20 Leaders Meeting, 91, 93
- trade statistics, 27, 32–3
- visits to and from, 33–4
- Republic of the Marshall Islands, 73, 78
- research, twinned, 53
- research awards and fellowships, *see* scholarships and fellowships
- resources, 220–3
- see also* finance; staff
- resources sector, *see* minerals and resources
- Responsibility to Protect principle, 101
- return on investment on overseas property, 184
- revenue, *see* finance
- Rio Tinto, 153
- risk management, 193
- security of overseas missions, 175–6
- Ritchie, Ambassador David, 59, 63
- Riyadh, 175
- Roessier, Frieder, 129
- role and functions, 11
- Machinery of Government decision, 202
- Rome, 132
- RTOs, 178
- Ruiz, Melitón Arrocha, 50
- rules of origin, *see* origin rules
- Russian Federation, 56, 115
- accessions to international organisations, 85, 96
- Asia Pacific regional involvement, 41
- trade statistics, 60
- Rwanda, 117

## S

- SAARC, 65–6
- Sadlier-Stokes scholarship, 133
- safety, *see* health and safety
- SAFTA, 90
- salaries, *see* remuneration and salaries
- Samoa, 73, 85
- tsunami and earthquake, 77, 128, 155
- San Francisco, 89
- sanctions, 106–8, 197
- Burma, 41
- documents relating to, 231
- Fiji, 77
- Iran, 66, 107
- sanitary and phytosanitary measures, 82, 90
- Santiago, 152
- SAP, 204
- Satin, 176–7, 179
- satisfaction, OPO tenants, 185
- Saudi Arabia, 62, 66, 175
- see also* Gulf Cooperation Council
- Sayeed, Muhammed Hamdullah, 129
- scholarships and fellowships, 46, 56, 133, 135
- Australia Awards, 136
- staff, 201
- Schott, Jeffrey, 46
- science and technology (innovation), 47, 63
- genetic resources, 83, 105
- public diplomacy programs, 56, 130, 133; Taiwan, 31
- Square Kilometre Array radio telescope, 58, 127
- see also* information and communications technology
- sea borders, 75, 139
- sea environment, 106

- sea transport, *see* maritime transport
- seasonal workers, 73
- Second World War holocaust-related matters, 57
- secondary school links, international, 134, 135
- secondary school resources, 127, 132
- Secretaries' Committee on National Security, 115
- Secretary, 189, 190, 191
  - book launch, 139
  - certification of Commonwealth Fraud Control Guidelines compliance, 192
  - engagement with diplomatic and consular corps, 123
  - review by, 3–10
- secure Australian Government presence overseas (Outcome 3), 172–85, 220, 223, 243
- Securing Australia* White Paper, 114
- security, *see* defence and security; protective security
- security clearances, 177, 180
- seminars and workshops
  - Bali Process, 103
  - Barton, William, 132
  - civil society, 41
  - 'Don't do drugs' community forum, 158
  - Indigenous Australia—Closing the Gap* series, 132
  - Proliferation Security Initiative, 113
  - terrorism, 114
  - trade finance, 97
  - trading with integrity, 108
  - treaty matters, 109
  - protection of civilians, 101
- Senate, 118
  - President, 29, 33, 48, 49
- Senate committees, 237, 239
  - Estimates hearings, 118
- Senegal, 68
- senior executive, 189–91
- Senior Executive Service (SES) staff, 202, 214–15
  - performance pay, 218–19
  - structure, 13
- senior management committees, 189–91
- Seoul, 87
  - embassy, 182
  - G20 Leaders Meeting, 91, 93
  - 1.5 track dialogue, 34, 134
- separations of staff, 198
  - Senior Executive Service, 215
- service charters, 158, 160, 168
- service desk, 179
- Service Level Agreements (SLA), 118, 193, 245
- services and services markets, 83
  - European Union, 54
  - United States, 90
  - see also* education and education markets; financial services markets
- services to attached agencies, 118–19, 193, 245–7
  - ANAO audit, 196
  - information and communications technology, 118, 176–7, 178–9, 180, 246
  - locally engaged staff, 202
  - security awareness training, 178
- services to business, 119–20
  - see also* Austrade
- services to diplomatic and consular representatives, 122–4
- services to other agencies, 117–21, 237–9
- services to state governments and other agencies overseas and in Australia, 119
- Services Trade Restrictiveness Index, 86
- Shanghai, 133
- Shanghai World Expo, 120, 137–8, 144–5
- shipping, *see* maritime transport
- Sierra Leone, 70, 108
- Singapore, 37–8, 89, 117
  - APEC meeting, 86, 126
  - cultural and people-to-people programs, 131
  - ReCAAP meeting, 115
  - trade statistics, 36
- Singapore–Australia Free Trade Agreement, 90
- Singapore–Australia Joint Ministerial Meeting, 37
- Sir Arthur Tange lecture, 123
- Slovakia, 58
- Slovenia, 96
- small arms and light weapons, 113
- smartraveller* campaign, 157–8
- smartraveller* Consultative Group, 157
- smartraveller* telephone service, 157
- smartraveller* website, 126, 157, 158
- Smith, Ric, 54
- smuggling/trafficking of people, 46, 65, 103–4
- Snowy Mountains Engineering Corporation, 184
- soccer World Cup, 126, 129, 156, 159

- social media, 126
- social security agreements, 57, 59, 109
- Solomon Islands, 75–6, 129
- Solomon Islands Government–RAMSI Partnership Framework, 75
- Solomon Islands Parliament Foreign Relations Committee, 76
- Somalia, 70, 107, 153
- South Africa, 68, 69, 96, 193
- African Youth Leadership Forum, Johannesburg, 136–7
- International Cultural Visits program, 130
- Regional Consular Officer, 152, 153
- World Cup, 126, 129, 156, 159
- South America, *see* Latin America
- South and West Asia, Middle East and Africa, 61–71
- South Asia, 62, 63–6
- cultural programs, 131
- law enforcement training centre, 114
- public diplomacy, 128
- see also* India; Pakistan; Sri Lanka
- South Asian Association for Regional Cooperation, 65–6
- South-East Asia, 35–42, 108
- AANZFTA, 89
- consular services, 153, 156
- parliamentary delegations to, 41, 117
- public diplomacy, 129, 130, 131–2
- see also* East Timor; Indonesia; Malaysia; Philippines; Singapore; Thailand
- South Korea, *see* Republic of Korea
- South Pacific, *see* Pacific
- South Pacific Nuclear Free Zone Treaty Act 1986*, 196–7
- Southern African Development Community, 68
- space tracking, 108
- Spain, 57
- Special Account, 183
- Special Envoy for Afghanistan and Pakistan, 54, 63
- Special Envoy for Whale Conservation, 105
- Special Envoy on Sri Lanka, 65
- Special Representative for Cyprus, 59
- Special Visits Program, 129
- Hungary, 58
- Indonesia, 37
- Latin America, 50
- Republic of Korea, 33
- Thailand, 37
- United States, 45, 46
- sponsors, 255–8
- Shanghai World Expo, 137
- sport, 120
- Australian Sports Outreach Program, 132
- FIFA World Cup, 126, 129, 156, 159
- India, 63, 129, 131; Commonwealth Games, 130, 156
- Japan, 134
- Malaysia, 135
- Winter Olympic Games, 131, 156
- Square Kilometre Array radio telescope, 58, 127
- Sri Lanka, 65, 175
- regional counter-terrorism workshop, 114
- staff, 198–203, 213–19, 224–5
- average levels, 221, 222, 223
- conduct and ethics, 191–2
- documents relating to, 234
- Latin America and Caribbean, 50
- Secretary's communications with, 190, 191
- security clearances, 177
- Staff Counselling Office, 203
- staff training and development, 200–1
- conduct and ethics, 108
- contingency planning and crisis management, 156
- information and communications technology development, 178
- media liaison, 126
- occupational health and safety, 224
- passport officers, 165, 168
- public diplomacy, 127
- security awareness, 178
- Standing Committee on Health and Ageing, 239
- Standing Committee on Public Works, 183, 237
- state and territory offices, 12, 120
- notarial services, 151
- passport offices, 12, 152
- recordkeeping, 141
- services to governments, 119
- staff, 14, 213, 214, 216
- statistical consultancy service, 127
- statistics, *see* trade statistics
- Statute Law Revision Act 2010*, 197
- Stockholm, 176, 182
- stolen or lost passports, 165

- strategic, security and economic interests (Outcome 1), 20–147, 220, 221, 243  
 transition from outcome and outputs, x  
 Strategic Plan for DFAT Records Management 2008–11, 141  
 Strategic Policy Coordination Group, 115  
*A Streetcar Named Desire*, 131  
 Strongim Gavman Program, 75  
 structure, *see* organisation and structure  
 studies assistance, 201  
 Sturzenegger, Frederico, 50  
 submissions and briefings, 118  
   to media, 125–6  
   to parliamentary committee, 237–9  
   policy reviews, 98  
   Productivity Commission, 81  
   WTO Panel and Appellate Body hearings, 84  
 subsidies, agricultural, 46, 85  
 Sudan, 70  
 sugar, 85  
 Sumatra, 36, 155  
 Sunrise Commission, 106  
 superannuation delegations, 193  
 supply chain services, 83, 95  
 ‘Support for Professionals Scheme,’ 200  
 Suva, 77, 176, 193  
 Sweden, 57  
   Stockholm, 176, 182  
 ‘Swim and Survive Australia’ curriculums, 135  
 swine flu (H1N1), 157  
 Switzerland, 57, 117  
 Sydney  
   Asia Pacific community (APc) conference, 41, 120, 126  
   Australia–Indonesia business forum, 35  
   Ministerial Council on International Trade meeting, 98  
   Rahman concert, 127  
 Sydney Symphony, 133  
 Sydney Theatre Company, 131  
 Syria, 66
- T**
- TAFTA, 37, 90  
 Tagore, Manicka, 129  
 Taiwan (Taipei), 27, 31, 81, 151  
 Tallinn, 54  
 Tamil community, 65  
 Tanzania, 68, 117  
 tariffs, 81, 84, 86  
   AANZFTA provisions, 80, 89  
 taxation  
   diplomatic and consular corps in Australia, 123  
   treaties, 48, 57, 77, 78, 108  
 teachers, 134  
   resource kits, 132  
 Technical Officer Development Program, 178  
 technical training, *see* training  
 telecommunications services markets, 83  
 telephones  
   Consular Emergency Centre calls, 152  
   *smartraveller* calls, 157  
 television, *see* Australia Network  
 terrorism, 114  
   bilateral discussions and cooperation, 32, 38, 39, 44, 53, 55, 64, 66  
   financing, 107, 114  
   Jakarta hotel bombings, 114, 155  
 Tewari, Manish, 129  
 Thai Crown Property Bureau, 183  
 Thailand, 37, 89, 115, 117  
   Crisis Centre activation, 155  
   embassy, 37, 183  
   International Media Visits program, 130  
   meetings held in, 42  
   trade dispute, 85  
   trade statistics, 36  
 Thailand–Australia Free Trade Agreement (TAFTA), 37, 90  
 theatre, 131  
   *The Football diaries*, 129, 130  
 timeliness  
   ministerial correspondence, 118  
   passport issuance, 165  
 Timor-Leste, *see* East Timor  
 Timor Sea, 40, 106  
 Tokyo, 27, 50, 111  
   Jazz Festival, 134  
   residential apartment complex, 182  
 Tonga, 77, 117, 155  
 Toronto G20 Leaders Summit, 46, 86  
 Torres Strait Islanders, *see* Indigenous Australians  
 Torres Strait Treaty, 75, 139  
 touring exhibitions, *see* exhibitions and shows  
 tourism, *see* overseas travel  
 trade, 80–99  
   documents relating to, 232  
   *see also* markets and market access



- trade advocacy and protection of Australia's interests, 26–116, 127  
*see also* media and media services; publications; seminars and workshops
- Trade at a Glance*, 127
- trade development and policy coordination, 92–9
- trade disputes, 84–5
- trade facilitation, 84  
*see also* markets and market access
- trade finance, 97, 146  
 documents relating to, 236
- trade law, 84–5, 102  
*see also* World Trade Organization
- trade liberalisation, 86, 93  
 bilateral discussions and cooperation, 45, 46, 49, 65
- trade negotiations, 80–91  
*see also* Doha Round; free trade agreements
- trade policy coordination and business liaison, 98
- Trade Policy Course, 84
- trade statistics, 127  
 Americas, 43, 49, 81  
 China, 27, 29, 31, 81  
 Europe, 53, 60, 81  
 Japan, 27, 28, 81  
 New Zealand, 74, 81  
 North Asia, 27, 81  
 Republic of Korea, 27, 32–3  
 South Asia, 62, 63–4, 81  
 South-East Asia, 36, 42, 81  
 Taiwan, 27, 31, 81
- trafficking/smuggling of people, 46, 65, 103–4
- trainees, 199, 201, 213
- training  
 Indonesian Ministry of Foreign Affairs officials, 200  
 regional FTA negotiating, 95  
 Trade Policy Course, 84  
*see also* education and education markets; seminars and workshops; staff training and development
- Trans-Pacific Partnership Agreement, 85, 89  
 bilateral discussions and cooperation, 45, 46, 49
- transcripts distributed, 126
- transnational crime, 54, 107  
 people trafficking and smuggling, 46, 65, 103–4  
*see also* terrorism
- transport, 83  
*see also* air services; motor vehicles
- travel, *see* overseas travel
- travel advisory system, 156–8
- travel documents, *see* passport services; visas
- travel industry, 157, 158
- travel insurance, 157
- travel sanctions, 41, 77
- travellers' emergency loans, 162, 169–70, 222
- travelling exhibitions, *see* exhibitions and shows
- Treasury, 38, 93
- treaties and bilateral agreements, 105–9, 111–13  
 anti-counterfeiting, 83  
 Australian Treaties Database, 127  
 Austria, 57  
 Brazil, 47  
 Canada, 151  
 Chile, 48  
 climate change, 57, 105  
 documents relating to, 232  
 East Timor, 106  
 European Union, 53, 54  
 former Yugoslav Republic of Macedonia, 59  
 genetic resources, 83, 105  
 Indonesia, 154  
 Japan, 27  
 Malaysia, 38  
 Mexico, 47  
 New Zealand, 74  
 Pacific fisheries, 73  
 Pacific Partnerships for Development, 73  
 Papua New Guinea, 75  
 people smuggling and human trafficking, 104  
 Russian Federation, 56  
 Switzerland, 57  
 Turkey, 57  
 United Arab Emirates, 153–4  
 United States, 44, 46, 108  
 Vietnam, 39  
*see also* free trade agreements; memorandums of understanding
- Treaties Joint Standing Committee, 109, 111, 238–9
- Treaty on Non-Proliferation of Nuclear Weapons Review Conference, 44
- tree planting, 244
- tribunal decisions, 138, 139, 242

Trilateral Strategic Dialogue, 115  
 Trinidad and Tobago, 50  
*Trusty and Well Beloved*, 139  
 tsunami, 77, 128, 155  
 Turkey, 54, 57  
     Anzac Day commemorations, 57, 126, 156  
 Twitter, 126  
 '2+2' arrangements, 27, 35

## U

UGL Services Pty Ltd, 183  
 UNESCO, 102  
 United Arab Emirates, 66, 114, 193  
     consular services, 153–4, 156  
     Dubai assassination, 167  
     Regional Consular Officer, 152  
     trade statistics, 62  
     *see also* Gulf Cooperation Council  
 United Kingdom, 55, 59, 117, 141  
     Burma, 41  
     consular services, 152  
     trade statistics, 60  
     *see also* London  
 United Nations, 100–3, 114  
     bilateral discussions and cooperation, 46, 47, 49  
     contributions to, 250, 251  
     Kimberley Process Certification Scheme, 99  
     peacekeeping forces, 101, 251; Cyprus, 59; East Timor, 40; Nepal, 65  
     *see also* sanctions  
 United Nations Arms Trade Treaty, 113  
 United Nations Collaborative Program on Reducing Emissions from Deforestation and Forest Degradation in Developing Countries, 100  
 United Nations Commission on International Trade Law, 102  
 United Nations Committee on the Elimination of Racial Discrimination, 102  
 United Nations Convention Against Transnational Organised Crime, 104  
 United Nations Convention on the Rights of Persons with Disabilities, 108  
 United Nations Counter-Terrorism Committee Executive Directorate, 114  
 United Nations Economic and Social Council, 102  
 United Nations Educational, Scientific and Cultural Organization, 102  
 United Nations Environment Programme, 102  
 United Nations Framework Convention on Climate Change, 57, 105  
 United Nations General Assembly, 100–1  
     human rights resolutions, 34, 102  
     Social, Humanitarian and Cultural Affairs Committee, 102  
 United Nations Good Offices Mission, 59  
 United Nations Human Rights Council, 102  
     Fiji Universal Periodic Review, 77  
     Laos Universal Periodic Review, 41  
     North Korea resolution, 34  
 United Nations Migration Organisation Council, 101  
 United Nations Office of the High Commissioner for Human Rights, 65  
 United Nations Peacebuilding Commission, 70  
 United Nations Permanent Forum on Indigenous Issues, 101, 103, 132  
 United Nations Security Council (UNSC), 101  
     *Cheonan* sinking response, 32  
     resolutions, 107, 197  
 United Nations Special Rapporteurs, 102  
 United States, 43–6, 108, 117, 141  
     Asia Pacific regional involvement, 41  
     Burma, 41  
     consular services, 152  
     cultural and people-to-people programs, 46, 131, 132  
     Doha Round negotiations and cooperation, 45, 46, 82, 83  
     free trade agreement, 45, 90  
     G20 Leaders' Summit, 93  
     Global Carbon Capture and Storage Institute, 58  
     Nuclear Security Summit, 111  
     post passport processing and production, 165  
     trade disputes, 84–5  
     trade statistics, 43, 49, 81  
     Trilateral Strategic Dialogue, 115  
     *see also* New York  
 United States Council of Chief Justices, 90  
 United States National Export Initiative, 45  
 United States Policy Group, 43  
 United States Senate, 46  
 universities  
     Australian Studies in China program, 133  
     Papua New Guinea, 75  
 University of Tasmania, 140

urban planning, 30  
 Urban Theatre Project, *The Football Diaries*,  
 129, 130  
 Uruguay, 49, 82, 106  
 Uruzgan Province, 58, 62

## V

value of overseas estate, 184  
 values, 191–2  
 Vancouver, 131, 156  
 Vanuatu, 77, 85, 117  
     ABC internship, 130  
 Varadarajan, Siddharth, 133  
 Vatican (Holy See), 57, 176, 182  
 vehicles, *see* motor vehicles  
 Venezuela, 135  
 Victoria, 135  
     *see also* Melbourne  
 videos, 126  
 Vienna, 54, 57, 111  
 Vienna Group of Ten, 111  
 Vientiane, 41, 113, 132  
 Vietnam, 39–40, 89  
     consular services, 153, 156  
     Human Rights Dialogue, 40, 103  
     International Media Visits program, 130  
     trade statistics, 36  
 Vietnamese Australians, 158  
 Villers-Bretonneux, 56, 133, 156  
 visas  
     issued to diplomatic and consular  
     missions in Australia, 124  
     working holidays, 46, 48  
 visitors, *see* overseas visitors to Australia  
 visual arts, 131  
     Indigenous, 131, 132, 133; Beijing  
     exhibition, 130, 131  
     photography, 133

## W

war memorials, 56  
 Warsaw, 57  
 Washington, 44, 45  
     Nuclear Security Summit, 111  
     passport processing and production,  
     165  
 waste management, 244  
 water resources and water management  
 sector, 45, 63, 66, 136–7  
 weapons, conventional, 108, 113  
 weapons of mass destruction (non-  
 proliferation), 111–13  
     proliferation financing, 107  
     *see also* nuclear non-proliferation and  
     disarmament  
 websites and website services, 126, 127  
     internet gateway, 176  
     passport services, 165  
     protocol guidelines, 124  
     *smartraveller* website, 126, 157, 158  
 West Asia, *see* Afghanistan; Iraq; Middle  
 East  
 whale conservation, 27, 47, 105  
 White Papers, 98, 114  
 whole-of-government efforts, 190  
     consular cases, 153, 155, 156  
     East Timor, 40  
     EFIC National Interest Account, 146  
     G20 inclusion, 93  
     Indian student safety, 127, 133  
     Iran, 66  
     New Zealand trade dispute, 84  
     people smuggling, 104  
     Republic of Korea, 32, 33  
     Torres Strait border issues, 75  
     United States, 43–4  
     Vietnam, 39  
 wildlife conservation, 83, 105–6  
     fish and fisheries, 73, 106  
     whales, 27, 47, 105  
 Winter Olympic Games, 131, 156  
 WIPO, 83  
 workforce planning, 178, 198  
 working holidays, 46, 48  
 workplace agreements, 200, 201, 202–3,  
 217, 219, 224  
 workplace diversity, 199–200  
 Workplace Relations Committee, 191  
     OHS Sub-Committee, 224  
 workshops, *see* seminars and workshops  
 workstation assessments, 224  
 World Bank, 93, 95  
 World Cup, 126, 129, 156, 159  
     Hockey, 156  
 World Expo 2010, Shanghai, 120, 137–8,  
 144–5  
 World Food Programme, 102  
 World Intellectual Property Organization, 83  
 World Masters Games, 120  
 World Trade Organization (WTO), 83, 84–5,  
 93, 95, 99  
     accessions, 41, 85  
     bilateral discussions and cooperation,  
     46, 48

Committee on Sanitary and  
Phytosanitary Measures, 82

*see also* Doha Round

World War II holocaust-related matters, 57

writers and authors, 133

*see also* media and media services

## Y

Year of Australian Culture in China, 131,  
132

website, 126

Young Leadership Dialogue program, 46

young people, 133, 134, 136–7

safe travel promotions, 157, 158

working holidays, 46, 48

Youssef, Hesham, 129

## Z

Zimbabwe, 70, 175

illicit diamond trade, 99