

International Relations

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The basic principles underlying the shaping and conduct of Australia's foreign policy are that Australia is a significant middle-level power with democratic institutions, having strong affiliations with other Western countries but an emerging Asia-Pacific identity through its increasing regional involvement.

Australia's prosperity is largely dependent on trade; it is geographically remote from some of its major markets and its main allies; it is a relatively affluent and resource rich country in a populous, developing and rapidly changing region.

While links with the United States, Britain and Europe remain important factors in Australian foreign policy in terms of cultural tradition, security, strategic interests and trade and investment, the specific focus of policy has shifted in the past 25 years to the Asia-Pacific region.

The Asia-Pacific region as a whole now accounts for about half of global production and about 40 per cent of global trade. Around 60 per cent of Australian merchandise exports is sold to Asian economies, and North Asia and South-East Asia accounted for over 60 per cent of Australia's total growth in merchandise exports between 1981 and 1991. Eight of Australia's top twelve markets are there. Awareness of the growing nexus between security and economic development has led successive Australian Governments to promote and maintain friendly and cooperative relations with the countries of the region both as means to secure our strategic interests while at the same time further developing mutually profitable trade and investment links and exchanges of technology with them. Australia gives special attention to its relations with China, Japan, the Republic of Korea, the member countries of ASEAN (the Association of South-East Asian Nations), New Zealand, Papua New Guinea and the other South Pacific states.

International issues including economic cooperation, disarmament, trade access, global environmental protection, human rights, refugees and new concepts of national interest in the post-cold war world have assumed importance together with an increasing recognition of the growing interdependence of the world community. This is reflected in such issues becoming priorities in Australia's foreign policy. Australia recognises the

importance and growing complexity of economic issues, particularly the need to maintain the recovery of world trade and to promote ecologically sustainable economic development and to deal with the major problem of world debt affecting both developed and developing countries. The growing interdependence of national economic and foreign policies and the increasing vulnerability of Australia's economy to international trade and other developments will remain at the heart of Australia's foreign policy concerns for some time to come. Australia places a high priority on its participation in the resolution of these global issues not only in the United Nations and other multilateral forums, but also in the regional context through multilateral bodies such as Asia-Pacific Economic Cooperation (APEC).

The United Nations

Australia was an original member of the United Nations. At the San Francisco Conference in 1945, which drafted the Charter of the United Nations, Australia succeeded in having the collective security measures contained in the UN Charter strengthened. With the passing of the Cold War, the Charter's collective security provisions were put successfully to their first real test in the international response to Iraq's invasion of Kuwait. The United Nations' system also provides the forums in which Australia can pursue its objectives in relation to disarmament, peacekeeping, human rights, international economic issues, women, control of drug trafficking, decolonisation and international law. Australian membership of the United Nations' specialised agencies provides Australia significant benefits, particularly from the agencies responsible for the establishment of new international norms and standards.

Australia has served on many United Nations' bodies. It was a member of the Security Council in 1946-47, 1956-57, 1973-74 and in 1985-86. In 1975, a long period of Australian membership of the Trusteeship Council came to an end with the independence of Papua New Guinea. Australia was a long-standing member of the Special Committee on Decolonisation until its withdrawal in January 1985 following UN recognition of the Cocos (Keeling) Islands' decision to integrate with Australia.

Australia is an active participant in the economic work of the United Nations, through such forums as the UN Conference on Trade and Development (UNCTAD), the Food and Agriculture Organisation (FAO), the World Food Program (WFP), and the UN Development Program (UNDP). Australia also participates in regional consideration of social and economic issues in the Economic and Social Commission for Asia and the Pacific (ESCAP), the United Nations' regional body. In 1989 Australia was re-elected for a further four-year term on the Commission on Narcotic Drugs. It is a member of the Governing Council of the UN Environment Program (UNEP) and is a long-standing member of the Governing Body of the International Labour Organisation (ILO). Australia is an active member of the UN Education, Scientific and Cultural Organisation (UNESCO) (former Minister, the Honourable Barry Jones, M.P., was elected to UNESCO's Executive Board in 1991) and its prominent role in world refugee assistance is reflected in membership of the Executive Committee of the UN High Commissioner for Refugees.

Australia has been a major contributor to UN peacekeeping operations since these began. Australia contributes its assessed share of the costs of UN budgets (1.51%), and similar percentages to all other UN bodies of which it is a member. In addition it makes voluntary contributions as well as providing personnel and equipment for peacekeeping forces. At present Australia provides personnel for the UN Forces in Cyprus, the UN Truce Supervision Organisation in the Middle East, the UN Mission for a referendum in the Western Sahara and is a major contributor to the UN Transitional Authority in Cambodia. The Australian Government decided in December 1992 to contribute a battalion to Operation Restore Hope in Somalia, and will probably make a further contribution of a movement control unit to the UN operation that will succeed Operation Restore Hope in that country.

Australia is fully involved in the work of the UN on disarmament and outer space, and is a member of the main subsidiary bodies working in these areas. Australia continues to play an active role in the UN Commission on Human Rights and fully participates in the work of other UN bodies dealing with the implementation of international human rights conventions. Australia was re-elected to the Commission on

Human Rights for a three-year term which began in January 1991 and was also elected to the Economic and Social Council for the period 1992-94. Australian candidates were elected to the International Law Commission in 1991 and the Human Rights Committee in 1992.

Australia accepts the compulsory jurisdiction of the International Court of Justice and plays an active role in bodies concerned with the development of international law.

The Commonwealth

The Commonwealth is an association of 50 countries, drawn from every region of the globe, which now comprises one-quarter of the world's population. Australia seeks, through its Commonwealth membership, to foster international peace and security, and political, social and economic advancement. The last Commonwealth Heads of Government Meeting (CHOGM) was held in Harare, Zimbabwe, in October 1991.

South-East Asia

Australia maintains wide-ranging relations with the countries of ASEAN (Indonesia, Malaysia, the Philippines, Thailand, Singapore and Brunei), both bilaterally and as a group. These relationships include political, economic and trade consultations, commercial, cultural and defence ties and wide-ranging personal contacts. There are regular Ministerial visits in both directions. Two-way trade between ASEAN and Australia is growing rapidly and now represents eight per cent of Australia's total trade with the world.

Indonesia is one of Australia's closest regional neighbours and straddles major sea and air routes. Australia is committed to the maintenance of sound and productive relations with Indonesia. Accordingly, Australia has pursued an active relationship with Indonesia in the areas of trade, investment, science, defence and culture. Australian aid to Indonesia is expected to be over \$110 million in 1992-93. Efforts to add further substance to the relationship through building on concrete areas of mutual interest have resulted in the development of a more substantial bilateral trade and commercial relationship as well as close cooperation on international economic issues. The Prime Minister's visit to Indonesia in April 1992, was highly successful

and productive. It consolidated and strengthened the bilateral relationship and helped lay the basis for its longer-term development. During the visit several major agreements were signed, including a Double Taxation Agreement, an Extradition Treaty and a Fisheries Cooperation Agreement. During the visit it was also agreed to finalise negotiations for an Investment Promotion and Protection Agreement and to set in train negotiations for a Copyright Agreement, an agreement on Mutual Assistance in Criminal Matters and over outstanding maritime boundaries.

An Australia-Indonesia Ministerial Forum was established which will meet every two years and will be attended by the two Foreign Ministers and at least two Economic Ministers from each side. The primary focus of the Forum is to be economic issues.

The Australian Government expressed its deep concern over the November 1991 Dili killings in public statements and in representations to the Indonesian Government. The outcome of the Indonesian National Commission of Inquiry into the killings has been encouraging and the Indonesian Government's response and follow-up action has been credible. The Australian Government is continuing to raise with the Indonesian Government the issues of security policies in the province and the need for a systematic approach to longer-term reconciliation. The Australian Government has also raised the marked disparities in the sentences handed down to the East Timorese civilians and the military involved in the killings.

Australia and Thailand share a range of political, strategic and economic interests. Thailand's impressive progress towards industrialisation and its success in international markets has made it increasingly important to Australia as a trading and investment partner. Cooperation in multilateral trade matters through the Cairns Group is also an important aspect of the relationship. Australia's relationship with Thailand is given added substance through development assistance and cooperation in narcotics control. Following the violence in Bangkok in May 1992, Australia announced a review of bilateral relations, a ban on ministerial level and senior military contracts and cancellation of a range of planned defence activities. With the appointment in June of the interim Anand

Government and subsequent elections in September 1992, the relationship was normalised.

Malaysia and Australia have a long history of close and constructive relations, covering the full range of political, defence, commercial and social links. Education links are particularly strong and have contributed significantly to continuing personal contacts between people, business, academic and government circles. Malaysia and Australia cooperate closely on defence and international trade issues.

Australia has a tradition of close interest in and association with Singapore. Relations are broadly based, encompassing the whole range of bilateral areas including trade and investment, defence, education, civil aviation, tourism and cultural relations.

The Philippines is important to Australia because of its strategic location and close cooperation on a range of matters of mutual interest. Australia has a substantial development assistance program with the Philippines, and there are important linkages through trade, migration and tourism.

Relations between Brunei and Australia are developing steadily, especially in the fields of trade, defence and education.

Relations with Burma slowed significantly after the brutal suppression of the pro-democracy movement in that country in 1988 and the military regime's continuing failure to implement the result of the 1990 election. Aid will not be resumed until a democratically-elected government is installed. Trade and other contacts remain at low levels.

Australia is concerned by the destabilising effects on the South-East Asian region posed by the situation in Cambodia. Australia's policy has been to promote dialogue among the parties to the conflict in order to achieve a comprehensive political settlement. Australia has proposed that in the transitional period leading to elections, the United Nations has a role in civil administration, in providing security and in organising and conducting elections, so that Cambodians will be able to determine their future without fear of coercion.

Australia is also developing a more broad-based relationship with Vietnam through increased trade, visits and cultural exchanges. The recent resumption, following the signing

of the Cambodian Peace Accords, of direct bilateral aid to Vietnam with a four year \$100 million program will give these relations an even broader role in facilitating economic development in Vietnam. Australia is also developing relations with Laos, principally through development assistance, the main element of which is a commitment to build a bridge across the Mekong near Vientiane.

Japan

Japan remains Australia's largest trading partner, with two-way trade in 1991-92 of \$23.9 billion — over 26 per cent of Australia's total trade and with a surplus of \$5.3 billion in Australia's favour. While agriculture, mineral and energy products continue to provide the bulk of Australian exports to Japan, in 1991-92 nearly 30 per cent were manufactured or processed products. Tourism continues to expand, with more than 600,000 Japanese visitors to Australia in 1992. Japan is the third largest source of foreign investment in Australia, behind the EC and USA. While this investment is welcomed, Australia wishes to attract more foreign investment to the manufacturing sector. A mission comprising representatives of leading Japanese companies visited Australia in December 1992 to encourage Japanese investors to become good corporate citizens in Australia and to examine two-way investment opportunities in Japan and Australia. There is an active agenda of bilateral consultations between Australia and Japan, both at Ministerial and officials' levels. Consultations have expanded to take in closer air transport links, telecommunication and the environment, and a range of political, economic and security issues.

China

With 1992 marking 20 years of diplomatic relations, the Australian Government remains committed to building a long-term, cooperative, businesslike and practical relationship with China. Commemorative activities to mark the anniversary provided the opportunity for Australia to emphasise its position in China as an important trading partner, source of investment and producer of high technology goods. Total two-way trade increased from \$2.85 billion in 1991 to \$3.43 billion in 1992. Institutionalised mechanisms set up under the umbrella of the Joint Ministerial

Economic Commission continued to facilitate economic cooperation. In areas of difference, such as human rights, Australia sought to engage the Peoples Republic of China in a constructive practical dialogue.

Hong Kong

With two-way trade of \$2.9 billion, Hong Kong is Australia's fifth largest Asian trading partner, following Japan, Korea, Singapore and Taiwan. Hong Kong is also an important source of migration, tourism and investment, as well as a major target for the export of education services.

Taiwan

While Australia has no official links with Taiwan, the commercial relationship is growing and increased significantly following the commencement of direct air services between Australia and Taiwan in October 1991. Taiwan is an important source of tourism for Australia and is Australia's main export market for manufactures. Two-way trade in 1991-92 was valued at \$4.5 billion and Taiwan ranks as Australia's third largest Asian export market and sixth largest export market overall.

Korea

Australia enjoys close and expanding relations with the Republic of Korea based on a dynamic trading relationship and shared political and economic interests in the Asia-Pacific region. The Republic of Korea is Australia's third largest export market, with exports of \$3.4 billion in 1991-92. Australia has been seeking to diversify the economic relationship, which has been narrowly based on the exchange of raw materials for manufactures. The Australia-Korea Foundation was launched in June 1992 to encourage increased links in culture, education, the media, business and science and technology. Korea was the location for the first of the Australia Abroad Council's country Promotions in November 1992. The Promotion was aimed at enhancing Korean awareness of opportunities provided by Australia in these areas.

Australia has no diplomatic relations with the Democratic People's Republic of Korea, but there were limited official contacts during 1992.

South Pacific

Australia is a member of the South Pacific Forum, the Forum Secretariat (formerly the South Pacific Bureau for Economic Cooperation), the Forum Fisheries Agency, the South Pacific Commission, the South Pacific Regional Environmental Program (SPREP) and the South Pacific Applied Geoscience Commission. Australia actively participates in meetings of these organisations and provides significant financial support to them and to other regional and international programs providing assistance to the South Pacific region. To assist in the preservation and development of indigenous Pacific cultures, Australia has established the South Pacific Cultures Fund. Australia and New Zealand have entered into a non-reciprocal preferential trade agreement in favour of the South Pacific Forum Island States, the South Pacific Regional Trade and Economic Cooperation Agreement.

Australia is a party to the South Pacific Nuclear Free Zone Treaty (the Treaty of Rarotonga). Australia ratified the Convention for the Protection of the Natural Resources and Environment of the South Pacific Region (SPREP Convention) on 19 July 1989 and the Convention on the Conservation of Nature in the South Pacific (Apia Convention) on 28 March 1990. The Apia Convention provides for the protection of natural resources through the creation and management of protected areas, the protection of flora and fauna, cooperation and coordination in respect of research and exchange of information. The SPREP Convention and its protocols provide for the protection, development and management of the marine and coastal environment. Both Conventions came into force in 1990 and the first meetings of parties to both Conventions were held in July 1991. Australia also signed the Nive Treaty on Cooperation in Fisheries Surveillance and Law Enforcement in the South Pacific Region on 9 July 1992, and ratified, on 6 July 1992, the Convention on the Prohibition of Driftnet Fishing in the South Pacific (Wellington Convention). This Convention came into force in May 1991.

Relations between Australia and New Zealand reflect their shared history, similarities in political and social structure and the importance of the economic links. While Australia and New Zealand still have some

differences of view in the defence policy area, specifically in relation to ANZUS, other aspects of the relationship have continued to expand. This has been exemplified in the 1988 Review of the Closer Economic Relations Trade Agreement which provided for free trade in goods from 1 July 1990, the extension of CER into trade in services and increased harmonisation of the commercial environment. The encouragement of political and cultural exchanges through the Australia New Zealand Foundation reflects another dimension in the close relationship. Australia and New Zealand also often work closely in their approaches to the international political and economic environment.

Papua New Guinea

Australia and Papua New Guinea (PNG) enjoy a very close and cooperative bilateral relationship based on shared political, strategic and economic interests and ties that have continued at all levels of society since PNG attained its independence in 1975. In 1991, Australian exports were valued at \$880 million, imports \$810 million and the total level of Australian investment in PNG was about \$1.7 billion.

PNG is the largest single recipient of Australian development assistance, accounting for around one-quarter of the aid program. In 1991-92, PNG received \$335 million in total aid from Australia including \$270 million in budget support and \$37 million in project aid.

The 1989 Treaty on Development Cooperation establishes principles, levels and forms of Australia's aid to PNG. The first review of the Treaty was completed during the visit to PNG by the Minister for Trade and Overseas Development in September 1992. The new arrangements will cover the years 1992-93 to 1996-97 and will be based upon a progressive reduction in budget support to begin in 1994, and be phased out by the year 2000. Current nominal levels of aid will continue as budget support will be replaced by jointly agreed sectoral program aid. The new aid arrangements reflect Australia's continuing commitment to contribute to PNG's development and self-reliance.

The 1987 Joint Declaration of Principles (JDP) provides the framework for bilateral relations between Australia and PNG and covers a broad range of issues including defence, trade,

investment, development assistance, consular relations, communications and border administration. An important element of the JDP is its consultative mechanism, the PNG Australia Ministerial Forum. The fifth Forum took place in Launceston in December 1992.

The Torres Strait Treaty between Australia and PNG entered into force in February 1985. The Treaty defines the maritime boundaries between PNG and Australia and sets down provisions to protect the traditional ways of life of inhabitants on both sides of the border, to protect the environment, to ensure freedom of navigation and overflight, and regulate the exploitation of resources.

The Americas

Australia continues to have a substantial and wide-ranging political, economic and security relationship with the United States. The very extensive government-to-government links are part of a much larger interaction between the two societies, which share many fundamental values and have strong historical and cultural links. The visit to Australia of President Bush in January 1992 reflects the importance which both countries continue to place on the relationship.

The United States is Australia's second largest trading partner. The two countries have a very substantial and diverse economic relationship, despite the problems which US trade policy poses for Australia, particularly in the field of agriculture. In matters of security, Australia's alliance with the United States continues to serve the interests of both countries, and to contribute to both regional and global stability.

Canada is a country comparable with Australia in terms of institutions and traditions, geographical size, and international outlook. This has allowed a close degree of cooperation and interchange of ideas between the two countries.

Australia takes an increasing interest in developments in Latin America. Recent positive political developments in Latin America and substantial economic reforms, including an increasing focus on the Asia-Pacific region and constructive cooperation on multilateral trade, disarmament, environment and Antarctic issues, are fostering closer relations between Australia and many Latin America countries. Relations with the

Caribbean are warm, particularly through the Commonwealth.

Europe

Australia seeks to maintain constructive relations with the countries of Western Europe, with the European Community (EC) and its institutions, including the European Parliament.

Bilateral relations with the individual Western European countries continue to be of considerable importance. These relations, while founded on close historical, social and cultural links, continue to develop through extensive trade and investment links and cooperation on a number of international issues. Trade, however, is constrained by the EC's continued adherence to agricultural protectionism.

The EC is one of Australia's most important trading partners and its most important source of investment funds and technological expertise, as well as a significant importer of Australian raw materials. The establishment of the EC single market and its proposed extension to embrace most of the EFTA countries presents Australia with important new commercial opportunities. Despite tensions caused by trading difficulties in the agricultural sector, Australia remains committed to the strengthening of a positive relationship with the EC on the principle of mutual advantage. The EC and Australia are currently negotiating a science and technology agreement, and have in recent years enhanced business and industry links and cooperation in the areas of the environment, energy and development assistance. There is also regular contact at a senior level on foreign policy issues.

In recent years, revolutionary changes have swept through Eastern Europe and the former Soviet Union. Australia has strongly supported the introduction and development of democratic processes of government and market oriented economic reform.

In August 1991 Australia entered into diplomatic relations with Latvia, Lithuania and Estonia. With the dissolution of the Soviet Union in December 1991, Australia recognised eleven of the former republics as independent States — Armenia, Azerbaijan, Belarus, Kazakhstan, Kyrgyzstan, Moldova, Russia, Tajikistan, Turkmenistan, Ukraine, and Uzbekistan. Recognition of Georgia followed

in March 1992. Australia responded to the dissolution of Yugoslavia by recognising Slovenia and Croatia in January 1992 and Bosnia/Herzegovina in May 1992.

The region has recently been marked by increasing levels of instability. Where conflicts have arisen, such as in the former Yugoslavia, Australia has been vocal in its support of international peace and humanitarian assistance initiatives.

Australia is a member of the Group of 24 OECD countries providing practical assistance to Central European countries including a shareholding in the European Bank for Reconstruction and Development. Australia also provides technical assistance to the New Independent States (NIS) of the former Soviet Union.

Australia's trade with Central Europe and the NIS has been traditionally based on exports of commodities. However, the abolition of central planning and the move to market based economies has resulted in substantial disruption to the heavy industries using Australian inputs and the future of this trade remains uncertain. However, new opportunities have arisen for sales of Australian manufactures and services.

The Middle East

Australia has substantial trading interests in the area and long-standing friendly relations with the Arab nations, Iran and Israel. Australia's policy towards the Middle East is based on two main premises: a total commitment to Israel's right to exist within secure and recognised boundaries; and recognition of the right of self-determination for the Palestinian people, including their right, if they choose, to independence and the possibility of their own independent state. Australia supports the Middle East peace process which began in October 1991 in Madrid. Australia believes a settlement should be based on UN Security Council Resolutions 242 (which, *inter alia*, recognises the right of all States in the area to live in peace within secure and recognised boundaries and calls on Israel to withdraw from territories captured in 1967) and 338 and the principle of land for peace. The Government recognises, however, that any such arrangement will depend on decisions involving people of the immediate region. An Australian delegation participated in the September 1992 meeting of the Working

Group on Arms Control and Regional Security which was commenced as part of the multilateral phase of the peace process.

Australia continues to observe and encourage the implementation of all Security Council resolutions pertaining to Iraq. In 1990 Australia responded promptly to the call for participation in the multinational naval force to enforce sanctions against Iraq following the invasion of Kuwait, and has continued the deployment of elements of the Royal Australian Navy in support of the sanctions regime. At the same time, the Government endorses action taken by the Security Council to permit the sale of Iraqi oil to allow the purchase of food, medicines and essential civilian needs for the population of Iraq. Australia has sold one million tonnes of wheat to Iraq under the sanctions regime. Australia and Iraq maintain diplomatic relations, though the Embassy in Baghdad is closed.

Africa

Australia maintains a broad range of contacts with African states, and is closely concerned with developmental and humanitarian issues affecting Africa.

Its strong and continuing opposition to racial discrimination and the apartheid system was reflected in its adoption of all measures against South Africa agreed at the Commonwealth Heads of Government Meetings (CHOGMs) in Nassau (1985) and London (1986), its financial sanctions initiative agreed to at CHOGM in Kuala Lumpur (1989) and its active role in encouraging peaceful change in South Africa through the Commonwealth Committee of Foreign Ministers on Southern Africa (CFMSA). Australia has welcomed progress towards the normalisation of the political situation in South Africa since February 1990 and the commencement of formal all-party negotiations in December 1991 with the first meeting of the Convention for a Democratic South Africa (CODESA). Sir Ninian Stephen was Australia's representative in the Commonwealth Observer Group invited to the meeting. The Australian proposal for the phased lifting of sanctions in response to South African Government reforms was adopted by CFMSA in London (February 1991) and endorsed in New Delhi (September 1991). These meetings also agreed to a selective easing of the sports boycott, on a

sport-by-sport basis, as individual sports achieve unity, are readmitted to international governing bodies, and receive the agreement of the non-racial sporting movement in South Africa for a return to international sports competition. In October 1991 the Harare CHOGM adopted CFMSA's recommendations on the phased lifting of sanctions and agreed on the immediate lifting of all people-to-people measures. Australia acted quickly to remove restrictions on cultural and academic contact, visas, tourist promotion and airlinks.

The Australian Government's commitment to an economically robust post-apartheid South Africa was demonstrated by visits to South Africa by an Economic Planning Assistance Team in May 1991 and by Senator Evans in June 1991, the first visit by an Australian Foreign Minister for 40 years. South African Foreign Minister Pik Botha reciprocated with a visit to Australia in October 1991.

Australian aid to Africa is focused on eastern and southern Africa. This includes assistance given through the Southern African Development Coordination Conference as well as humanitarian assistance for the reintegration and development of South Africans disadvantaged by apartheid. Food aid constitutes the dominant share of Australian aid to Africa because of growing food deficits and the continuing famine crisis in the horn of Africa, and problems caused by the serious drought in southern Africa.

Indian Ocean

Australia, as an Indian Ocean littoral state with wide interests in the region, is committed to the development of the concept of an Indian Ocean Zone of Peace (IOZP). For many years Australia has played an active and constructive role in the United Nations Ad Hoc Committee on the Indian Ocean. The Ad Hoc Committee has so far not succeeded in its attempt to convene an international conference on the Indian Ocean to develop the IOZP concept. Australia maintains a modest aid program to Mauritius and other smaller Indian Ocean states.

ANZUS

Following a review in 1983 of the ANZUS Treaty by the Australian Government, including a re-examination with its ANZUS

partners at the 1983 ANZUS Council Meeting in Washington, the Government reaffirmed the alliance as fundamental to Australia's national security and foreign and defence policies. The text of the ANZUS Treaty of 1952 can be found in Treaty Series No. 2, for 1952, printed by the then Department of External Affairs. In 1984, the New Zealand Government implemented a policy not to permit the entry to New Zealand of nuclear powered warships or of warships (or aircraft) which might carry nuclear weapons. Consequently the United States, at the Australia-United States ministerial talks in August 1986, formally suspended its security obligations to New Zealand under the ANZUS Treaty pending adequate corrective measures. Both the United States and Australia agreed that the relationship between the United States and Australia under the ANZUS Treaty and the rights and obligations assumed by the United States and Australia towards each other under the Treaty would remain constant and undiminished. ANZUS continues to govern the bilateral defence relationship between Australia and the United States, and that between Australia and New Zealand.

Nuclear issues

Australia's strong commitment to effective nuclear disarmament and arms control is reflected in its support for the international non-proliferation regime. Australia ratified the Nuclear Non-Proliferation Treaty (NPT) in 1973 and encourages universal adherence to it.

The response of the international community to the Gulf conflict revealed a new political climate within which to address nuclear non-proliferation problems. A feature of this has been the adoption of a more forthcoming attitude toward the international non-proliferation regime by a number of important countries, including the accession to the Treaty by France, China and South Africa.

Australia has continued to encourage new adherents to the NPT and scrupulous fulfilment of the obligation for all Non-Nuclear Weapon States Parties to conclude a safeguards agreement with the International Atomic Energy Agency (IAEA).

Australia is a founding member of the IAEA and provides political and financial support to the organisation. Australia's active participation, including contributions to the

IAEA regular budget and to the Technical Assistance and Cooperation Fund, helps the Agency to continue to function in an effective and efficient manner. Australia has been working with other countries through the Agency to strengthen the international nuclear safeguards regime in the light of the lessons of the Gulf War.

The stringent nuclear safeguard conditions applied to exports and subsequent use of Australian uranium are set out as binding international legal obligations in the bilateral nuclear safeguards agreements which customer countries must enter into before any uranium exports from Australia are permitted. These conditions include an undertaking not to use Australian-obligated nuclear material for any military or explosive purpose, and the acceptance of IAEA safeguards in order to verify that undertaking. Australia has concluded 15 bilateral nuclear safeguards agreements covering 23 countries and 2 international bodies.

Australia is also a member of the Nuclear Energy Agency (NEA) of the Organisation for Economic Co-operation and Development (OECD). Australia values the NEA as an essentially technical forum for international consultation on nuclear issues.

Disarmament and arms control

Australia promotes global security and stability by working for arms control and disarmament objectives at the United Nations, the Conference on Disarmament in Geneva and many other world forums. A key foreign policy objective is to establish and strengthen international arrangements against proliferation of weapons of mass destruction and their missile delivery systems. This contributes to keeping Australia's own regional environment free from any such proliferation.

Australia attaches great importance to the early conclusion of an effective, verifiable treaty banning all nuclear testing by all States in all environments for all time (a Comprehensive Test Ban) and is committed to strengthening the Treaty on the Non-Proliferation of Nuclear Weapons (NPT). Through membership of the IAEA since its inception in 1957, it is able to promote non-proliferation policies and contribute to regional and wider nuclear cooperative projects. Australia, together with other South Pacific countries, was instrumental

in negotiating the South Pacific Nuclear Free Zone Treaty (Treaty of Rarotonga) which came into force on 11 December 1986.

Australia, a leading advocate for a Chemical Weapons Convention (CWC) for many years, welcomed the conclusion of a treaty which bans the production, trade in and use of chemical weapons and requires the destruction of existing stockpiles. The Convention, negotiated by the Conference on Disarmament, was endorsed by the United Nations General Assembly in its 47th session in late 1992. Australia contributed to the conclusion of the treaty by producing a compromise text which assisted the negotiations in Geneva.

Australia also chairs a group of countries called the Australia Group, which meets twice a year and comprises 24 western industrialised countries and the Europe Commission. The group works towards harmonising the export controls of member countries over chemicals, biological agents and equipment used in the production of chemical and biological weapons.

Awareness of chemical weapons issues in South-East Asia and the South Pacific has been raised since 1988 through a Chemical Weapons Regional Initiative (CWRI). The CWRI has resulted in three seminars in Australia — in 1989, 1990 and 1992 — and a technical workshop for government chemists from the region in 1991. Hosted by the Australian Government, the CWRI has been valuable in explaining the complexities of the CWC to countries of the region.

The UN Register of Conventional Arms which came into operation in January 1992 was strongly supported by Australia which has consistently called for the establishment of a universal and non-discriminatory register of conventional arms transfers under the auspices of the UN.

Australia has acceded to the following disarmament and arms control agreements: the Partial Test Ban Treaty, the Geneva Protocol (on the Prohibition of the Use in War of Asphyxiating Poisonous or Other Gases and of Bacteriological Weapons), the Outer Space Treaty, the Sea-Bed Arms Control Treaty, the Nuclear Non-Proliferation Treaty, the Biological Weapons Convention, the Environmental Modification Convention, the Antarctic Treaty, and the Inhumane Weapons

Convention. Australia was the first signatory to the South Pacific Nuclear Free Zone Treaty on 6 August (Hiroshima Day) 1985.

Trade relations

One of Australia's highest priorities is to continue to improve its international economic and trade performance through a range of bilateral, regional and multilateral strategies, as well as through structural adjustments and micro-economic reforms.

The economic recession of the world economy in the 1970s and early 1980s led to the growth worldwide of protectionist pressures and moves towards seeking solutions to economic problems through bilateralism and the formation of trade blocs. The Australian Government has endeavoured to counter trends towards increased protectionism and to encourage freer trade through active participation in forums such as the General Agreement on Tariffs and Trade (GATT) and the Asia-Pacific Economic Cooperation (APEC) process.

GATT is the principal multilateral institution for the pursuit of the further liberalisation of world trade. Australia has consistently supported a reduction in barriers to trade in both goods and services and the concept of an open and multilateral trading system, and is playing an active role in the Uruguay Round of Multilateral Trade Negotiations taking place under GATT auspices.

In particular, Australia initiated the formation of the 14 member Cairns Group of Fair Traders in Agriculture, which has established itself as an effective proponent of reform in international agricultural trade. It is also participating actively in Uruguay Round negotiations in other areas, notably services trade. These negotiations are extremely important. The Summit meeting of the Group of Seven Industrialised Nations in Munich in July 1992 noted that a successful Uruguay Round will be a significant contribution to the future of the world economy and that a balanced agreement can be reached before the end of 1992. Australia is concerned to ensure that Uruguay Round is completed before the expiry of the United States 'fast-track' legislation in mid-1993.

The last two decades have seen the economies of the Asia-Pacific region (in this case taken

as the Western Pacific region plus North America) emerge as the fastest growing in the world. The region accounts for over half the world's economic output and more than 40 per cent of world trade. While containing some of the world's most dynamic economies, these too have been affected adversely by the general downturn in the international economy — although not to the same extent as elsewhere. It was against this background that Australia launched the APEC process in January 1989.

This APEC initiative reflected Australia's major stake in economic developments in the dynamic Asia-Pacific region. The extent of Australia's integration will be critical to Australia's economic future. The region already accounts for 70 per cent of our merchandise exports and 66 per cent of our merchandise imports. Australia's primary objectives in greater regional economic cooperation, particularly through APEC, are to enhance the prospects for sustained regional growth and development, and to take part in that growth.

APEC Ministerial-level meetings have been held in November 1989 (Canberra), July 1990 (Singapore), November 1991, (Seoul) and September 1992 (Bangkok). APEC comprises Australia, the six ASEAN nations, Japan, the Republic of Korea, New Zealand, Canada, the USA, China, Chinese Taipei, and Hong Kong, (the last three were admitted at the Seoul Ministerial Meeting). The ASEAN and South Pacific Forum Secretariats, as well as the Pacific Economic Cooperation Council (PECC), have observer status in APEC. APEC has now passed its formative stage and, with the inclusion of the three Chinese economies and institutionalisation, it is now widely acknowledged as the pre-eminent forum for economic cooperation in the region.

In addition to developing sectoral policy through its 10 working groups, APEC is now focusing increasingly on the scope for regional trade liberalisation in accordance with GATT principles. At the APEC Ministerial Meeting in Bangkok, Ministers endorsed a concrete agenda of shorter- and longer-term measures aimed at strengthening and liberalising trade in the region.

Australia is also examining the potential benefits from participating in subregional arrangements which allow for the more rapid removal of barriers to trade and investment.

Australia is seeking to move faster and further on trade liberalisation and in facilitating trade, initially at the bilateral level but with a view to constructing arrangements taking in a subset of regional economies, with both present and prospective members of APEC.

At the bilateral level, Australia has myriad contacts and negotiations with its trading partners at every level — ministerial, official and commercial. Australia's diplomatic and consular posts in more than 80 countries actively pursue Australia's foreign and trade relations interests. Australia has bilateral trade/economic agreements with some 30 countries, together with a range of bilateral agreements on double taxation, investment protection and science and technology.

An efficient and internationally competitive services exports sector is also integral to improving Australia's international trade performance. Australia's expanding services exports have been given impetus by a series of major micro-economic reforms over recent years in areas such as telecommunications, aviation and financial services. Increased services exports, highlighted by the rapid growth of inbound tourism — now Australia's largest foreign exchange earner, are not only expanding Australia's export base but also tapping into rising Asia-Pacific and global demand for innovative, high-value-added products. Australia's export activity is becoming increasingly reoriented towards Asia. This is particularly evident with regard to the high-value-added manufacturing sector. South-East Asia is now Australia's fastest growing market for manufactured exports, having overtaken North America as a major destination for high-value-added Australian goods. Efforts are being intensified to take greater advantage of the important synergies between various services export activities.

It is important also that the process of micro-economic reform, structural adjustment and industry deregulation, including the operation of Statutory Marketing Authorities, make a significant contribution to increasing the efficiency of primary industries and lifting the competitiveness of Australia's commodities trade.

Australia's participation in multilateral economic organisations supports a broad range of foreign policy, economic and trade objectives. Australia gives particular priority to

encouraging agencies to promote the expansion of practical and policy measures which support trade liberalisation.

Australia's membership of the OECD provides a forum in which its views on a broad range of trade and trade related issues can be pursued collaboratively with other industrialised countries.

In response to the emphasis which developing countries have given to international economic issues, Australia participates actively in the economic forums and institutions of the United Nations' system. The United Nations Conference on Trade and Development provides a very useful forum to emphasise the importance of trade liberalisation in the development process.

To complement regional policy perspectives on trade, economic and development issues, Australia has been actively encouraging the strengthening of the dialogue between OECD and Dynamic Asian Economies (Republic of Korea, Singapore, Hong Kong, Taiwan, Malaysia and Thailand). Also at a regional level Australia has been active in the Economic and Social Commission for Asia and the Pacific (ESCAP) in order to define more clearly the role and responsibilities of that organisation for broadly based development activities and to ensure the most effective use of resources.

Law of the Sea

Australia participated in all sessions of the Law of the Sea Conference, the largest and potentially the most important conference in the history of the United Nations, involving major strategic, economic, transport, scientific and environmental issues. The UN Convention on the Law of the Sea opened for signature on 10 December 1982 and Australia signed that day.

It had attracted 158 other signatures by the time it closed for signature two years later. The Convention will enter into force 12 months after it receives 60 ratifications or accessions. As at September 1992 there were 51 ratifications/accessions. The text includes articles on the system of exploration and exploitation of the deep seabed beyond the limits of national jurisdiction; extension of the territorial sea to 12 nautical miles; establishment of coastal state sovereign rights

in the living and non-living resources of an 'exclusive economic zone' of 200 nautical miles; recognition of coastal state sovereign rights over the exploration and exploitation of the natural resources of the continental shelf, defined in terms of the natural prolongation of the land-mass; protection and preservation of the marine environment; marine scientific research; and the settlement of disputes. Rights of freedom of navigation and passage through straits and archipelagos, which are important to trading nations such as Australia, are also recognised. A preparatory commission for the establishment of the International Seabed Authority and its various organs has been meeting biannually since 1983. In addition, the Secretary-General of the United Nations has recently been chairing consultations aimed at resolving some outstanding issues regarding deep seabed exploitation. Australia has been an active participant in both the Preparatory Commission and the Secretary-General's consultations.

Antarctica

Australia has had a long association with Antarctica commencing with early expeditions and continuing with an active scientific program. Antarctica's importance to Australia derives from its geographical proximity, the history of Australian involvement there and Australian administration of the Australian Antarctic Territory. Australia maintains three permanent bases in the Territory; at Casey, Davis and Mawson (as well as one on Macquarie Island). See also the chapter on Territories of Australia.

As one of the 12 original signatories, Australia attaches particular significance to the 1959 Antarctic Treaty, which serves important Australian scientific, environmental and security interests. Antarctic Treaty Consultative Meetings (ATCM) are now held annually in one of the Consultative Party States. The seventeenth ATCM was held in Venice in November 1992. There are now 40 governments which are parties to the Antarctic Treaty. Of these 26 are Consultative Parties entitled to participate fully in Consultative Meetings.

Hobart is host to the Commission for the Conservation of Antarctic Marine Living Resources established by a Convention adopted in Canberra in 1980. The Commission and its

Scientific Committee meet annually. The Commission is the only international organisation based in Australia.

On 22 May 1989 the Australian Government announced that it was opposed to mining taking place in Antarctica and it would not sign the Convention on the Regulation of Antarctic Mineral Resource Activities (CRAMRA) but that it would pursue the negotiation of a comprehensive environmental protection regime for Antarctica. On 18 August 1989 the Australian and French Prime Ministers announced that Australia and France would pursue this initiative jointly.

Following consideration of the joint Australia/France proposal, ATCM XV (October 1989) recommended the establishment of Special Consultative Meeting XI (SCM XI) to explore and discuss all proposals relating to the comprehensive protection of the Antarctic environment and its dependent and associated ecosystems. The negotiations were concluded and the Protocol on Environmental Protection to the Antarctic Treaty was opened for signature in Madrid on 4 October 1991. The Protocol designated Antarctica as a natural reserve devoted to peace and science. It establishes a set of environment principles to which all activities in Antarctica are to be consistent. Mining activities are specifically prohibited. When fully implemented the Protocol will establish a comprehensive regime for assessing the environmental impact of activities in Antarctica and specific guidelines for waste disposal, marine pollution, the conservation of fauna and flora and area protection and management.

Treaties

The texts of bilateral and multilateral treaties to which Australia is a party are printed in the *Australian Treaty Series* (ATS) when they enter into force. Australia's current position in regard to individual treaties may be ascertained by referring to the *Australian Treaty List* (ATS 1989 No. 38) which was up-to-date at 31 December 1989, and supplements to the List which appear annually in *Treaty Action* (No. 1 of ATS each year). Monthly updates are contained in the Department of Foreign Affairs and Trade publication *Insight*.

In addition, the texts of multilateral treaties, in the negotiation of which Australia has participated but to which it has yet to become

a party, are printed in annual volumes of *Select Documents on International Affairs*. The foregoing publications are available from Commonwealth Government Bookshops, except *Insight* which is available from the Department of Foreign Affairs and Trade, Canberra.

Cultural relations

The Department of Foreign Affairs and Trade administers a program of cultural relations overseas. This program supports Australian foreign policy and economic objectives through cultural activities and exchanges. These include tours overseas of all types of performing and visual arts, promotion of Australian studies, sport exchanges, film screenings, visits to Australia by people able to facilitate cultural exchange and activities in support of the commercial marketing of Australian culture overseas. Formal priorities have been established for the program, with major emphasis being given to countries in Asia, the Pacific and North America.

The Department collaborates closely with other departments, institutions and agencies in the development of its program. The Department seeks to build up programs which will increase understanding and comprehension overseas of Australian society and culture, and thus help foster a favourable environment for the promotion of foreign policy goals. At the same time it seeks to promote professional opportunities for Australian practitioners in all cultural and sporting fields.

The Department also provides secretariats for the Australia-China Council, the Australia Japan Foundation, the Australia New Zealand Foundation, the Australia-Indonesia Institute, the Australia-India Council, the Australia-Korea Foundation, the Australia-France Foundation and the Australia Abroad Council.

Human rights

Human rights issues were prominent on the Government's international agenda throughout 1991-92, consistent with Australia's strong commitment to the universal protection and promotion of internationally-accepted human rights standards. Through its overseas missions, the Government continued to raise with foreign governments cases of alleged serious human rights abuses, such as extrajudicial killings, torture and detention without trial. During the year, 394 new cases of alleged human rights abuse were raised with

69 foreign governments and ongoing work on cases raised earlier continued. Many of those cases were brought to the Government's attention by the Parliamentary Group of Amnesty International. These representations also involved cases of legal executions, including in such countries as the United States on the basis of Australia's universal opposition to the death penalty.

In addition to direct representations to foreign governments, Australia is an active participant in developments on human rights in the United Nations and maintains close contact with non-governmental human rights organisations, including Amnesty International, the Australian Council for Overseas Aid, the International Commission of Jurists and others.

Status of women

Australia continues to promote women's rights internationally by taking part in programs and meetings of multilateral bodies dealing with the status of women.

The focus of Australian multilateral attention in 1991-92 was the Convention on the Elimination of All Forms of Discrimination Against Women (CEDAW), the position of women employed in the UN Secretariat and violence against women. In April 1992, Australia was elected for a four year term on the Commission on the Status of Women, the UN body specifically mandated to deal with the status of women's issues. During the year Australia worked closely with Canada and other interested countries to develop a Draft Declaration on Violence Against Women.

Consular services and passports

The Department is responsible to the Minister for Foreign Affairs and Trade for the protection and welfare of Australian citizens and their interests overseas. Consular services to the Australian public are available from Australian diplomatic and consular posts throughout the world.

In recent years, the service has been expanded through arrangements with Canada and the introduction of the Honorary Consul Program.

The Australia Canada Consular Sharing Agreement, signed in 1986, was extended to a larger range of countries in 1989. The agreement enables Australian citizens to obtain consular assistance from Canadian diplomatic and consular

posts in certain countries where Australia has no representation. The countries where Canada provides consular services to Australians are Norway, Tunisia, Peru, Ivory Coast, Ghana, Ethiopia, Guinea, Tanzania, Senegal, Zaire, Gabon, Morocco and Cameroon. Australia reciprocates with the provision of consular services to Canadians in Hawaii, Bali, Western Samoa, Solomon Islands, Nauru, Tonga, Vanuatu, Kiribati, Mauritius, Brunei, Burma, Cambodia and Laos.

The Honorary Consul program, introduced in 1989, has proven to be an economical way for the Government to increase its representation where the need is identified. Honorary Consuls have been appointed in the following 17 locations: Barcelona and Seville (Spain), Bogota (Colombia), Boston (USA), Guayaquil (Ecuador), Kuching (Malaysia), Lae (Papua New Guinea), Montevideo (Uruguay), Papeete (French Polynesia), Port of Spain (Trinidad and Tobago), Pusan (Korea), Monterray and Guadalajara (Mexico), Sao Paulo (Brazil), Vladivostok (Pacific Russia), Kiev (Ukraine) and Zagreb (Croatia). Honorary Consuls in Denver (USA), Prague (Czech Republic), Lisbon and Madeira (Portugal) will be appointed shortly.

In 1991-92, 803,232 passports were issued to eligible Australian citizens. 74.8 per cent of all applications were lodged at Australian Post Offices. A toll-free telephone passport information and enquiry service is available to the general public and over 453,000 calls were handled in 1991-92. To support the Department's consular operations the telephone information service incorporates a facility to handle large numbers of phone enquiries from the public about overseas crises which might involve Australians.

AUSTRALIAN OVERSEAS AID PROGRAM

The objective of the Australian aid program is to promote the sustainable economic and social advancement of people of developing countries, particularly in our region. This objective is pursued by assisting in the alleviation of poverty and in encouraging strategies for equitable economic growth. At the same time, the program contributes to peace, stability and security in our region and advances Australia's national political and economic interests.

In 1992-93, Australia's official development assistance (ODA) will total \$1,384 million, a real increase on the previous year's expenditure of about one per cent. It represents an ODA to Gross National Product ratio of 0.36 per cent. This is a step up on the 0.35 per cent level set in the previous year's budget.

New initiatives for 1992-93 include additional poverty-focused programs totalling \$25 million. These will involve a \$4 million increase in direct funding for non-government organisations (NGOs); a further \$8 million for additional NGO activities in other parts of the aid program; a \$3 million increase in funding for Australia's volunteer agencies; an extra \$4 million for population activities; an increase of \$3 million in expenditure on the prevention of HIV/AIDS; and other smaller initiatives totalling some \$3 million which will focus on children's health and women-in-development activities. On top of these specific programs, increasing attention will continue to be given to poverty issues throughout Australia's aid program.

Other initiatives include an increase of over \$3 million in funding for international agricultural research; the introduction of a private sector linkages program worth \$5 million, which will fund pre-investment and feasibility studies, small-scale demonstration projects, and private sector training and exchanges.

The recent United Nations Conference on the Environment and Development (UNCED) drew the world's attention to the importance of ecologically sustainable development. In 1992-93, expenditure targeted on environmental activities is anticipated to substantially increase to over \$28 million.

Australia also continues to be one of the world's largest providers of food aid. In 1991-92 Australia provided \$104 million in food aid to developing countries. Food aid has an important developmental role as well as providing a vital means of assistance in emergency situations. Around three-quarters of Australia's food aid is provided to assist in the achievement of long-term developmental goals.

Within the emergency, refugee and relief program, funding for the United Nations High Commissioner for Refugees (UNHCR) and the international activities of the Australian Red

Cross will be expanded significantly. Funding will also be increased to respond to the needs arising from the worst drought this century in Southern Africa and the appalling situation in Somalia.

The aid program is administered by the Australian International Development Assistance Bureau (AIDAB) and is divided into four sub-programs: Country Programs, Global Programs, Corporate Services and the Australian Centre for International Agricultural Research.

Country programs

Most country programs are provided on a government-to-government basis. Country programming is based on a strategy for development cooperation which matches recipient country needs with Australia's objectives and capacity to assist.

4.1 TOTAL AUSTRALIAN AID FLOWS TO MAJOR RECIPIENTS, 1991-92(a)

<i>Country</i>	<i>\$ million</i>
Papua New Guinea	335.0
Indonesia	116.3
China	60.1
Philippines	47.6
Thailand	38.4
Bangladesh	31.7
Fiji	29.2
Malaysia	26.0
Ethiopia	24.3
India	23.0
Western Samoa	15.7
Cambodia	15.4
Egypt	15.1
Mozambique	15.1
Solomon Islands	14.6
Zimbabwe	13.2
Vanuatu	13.2
Vietnam	12.9
Laos	12.2
Tonga	11.4

(a) This includes assistance provided under both Country Programs and Global Programs.

Source: Australian International Development Assistance Bureau (AIDAB).

For most countries, the level of Australia's development cooperation is programmed on an annual basis. In other cases multi-year commitments are made.

Projects supported by Australia range from large-scale, long-term, integrated regional development programs to small-scale village level projects. Projects involve assistance to develop the recipient country's physical capital (such as bridge construction in Indonesia), the provision of technical assistance to enhance local expertise, (such as forestry assistance in Nepal and curriculum development in Vanuatu), or more direct poverty alleviation projects (such as a water supply project in the Indonesian province of West Nusa Tenggara).

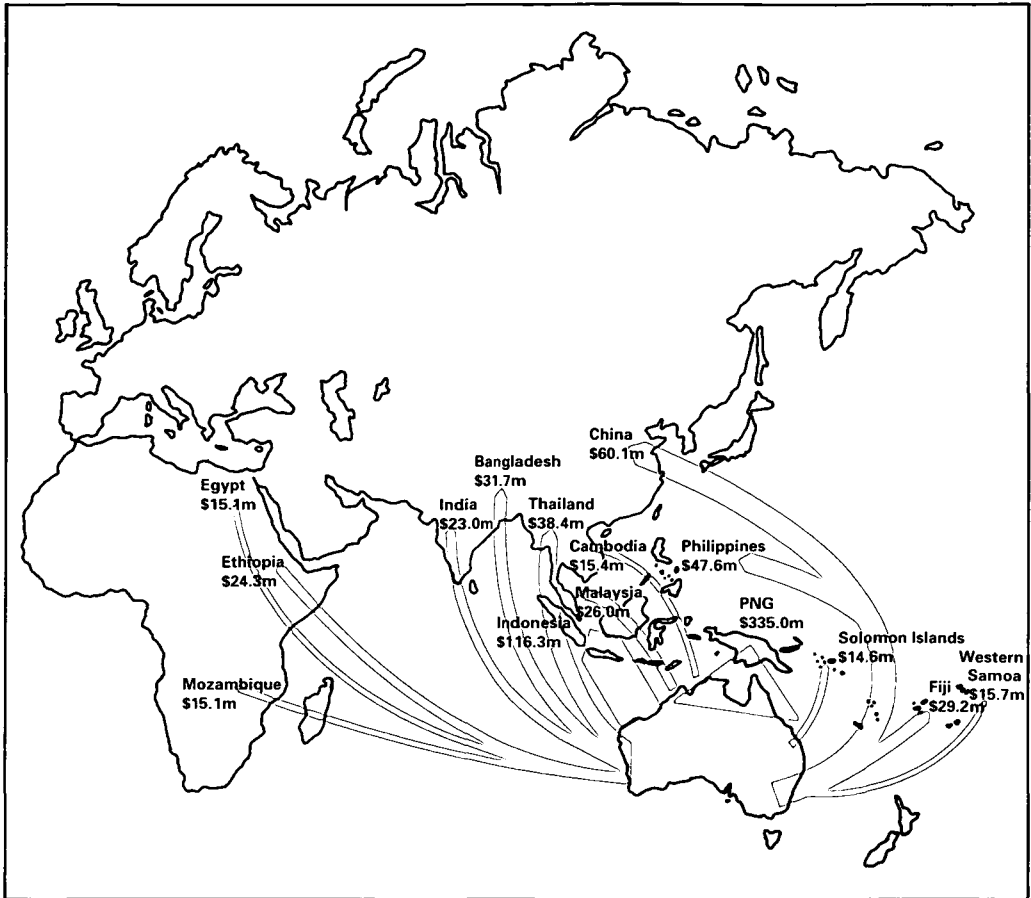
Papua New Guinea. The size of the Australia's development cooperation program with Papua New Guinea (PNG) reflects the significance of the relationship between the two countries. Development cooperation with PNG is aimed at promoting sustainable economic growth with equity. Most of Australia's assistance is currently in the form of untied budget support. To increase program effectiveness, both Governments have agreed to progressively reduce the level of budget support and to introduce a program of activities targeted at particular development needs.

PNG receives the largest share of the Australian aid program. In 1992-93 PNG will receive about \$322 million, which represents almost one-quarter of the total Australian development cooperation program. As a proportion of the PNG program, programmed activities are expected to increase from 3 per cent in 1987-88 to almost 16 per cent in 1993-94.

South Pacific. The South Pacific is a priority area for Australian development cooperation. For humanitarian, strategic and commercial reasons, Australia will continue to have a special relationship with the countries of the region. In 1992-93 country programs to the region will total around \$91.9 million. This maintains the level of assistance provided in 1991-92.

Given the diversity of the Pacific Island economies and their small size, Australia recognises that its development assistance programs are often of critical importance to these island countries. Accordingly, their implementation needs to be carried out efficiently and effectively in a manner consistent with the needs of individual countries, and with a sensitivity to social and cultural traditions.

4.2 AUSTRALIAN AID FLOWS TO MAJOR RECIPIENTS, 1991-92



Source: Australian International Development Assistance Bureau (AIDAB).

South-East Asia. Australian development cooperation activities with South-East Asian countries have traditionally emphasised rural development, infrastructure upgrading and education. In poor and lesser developed areas especially, poverty alleviation has been a feature of Australian assistance. The program to the region is now clearly in transition as many countries in South-East Asia are enjoying sustained economic growth and Australia's economic and trade relations with these countries are rapidly developing. The program to many of these countries is quickly moving to investing more in the development of closer economic relations and mutual benefit. As part of Australia's growing engagement with Asia, a new program of private sector linkages will be initiated in 1992-93 in South-East Asia. Countries to be covered by the program include Vietnam, Malaysia, Thailand, Philippines, Indonesia and Laos.

In 1992-93, Australian development cooperation with South-East Asia through country programs will total around \$200 million. This allocation includes Australia's new programs of assistance for both Cambodia and Vietnam.

Other regions. Australian development cooperation to regions outside the South Pacific and South-East Asia generally cover a narrower range of development activities. Development cooperation with these other regions will total about \$104 million in 1992-93.

The largest allocation for a group of countries is that for Southern Africa, where \$39 million has been allocated in 1992-93. This represents the third annual allocation of a three year pledge of \$110 million by the Australian Government. Other countries benefiting from Australian development cooperation in 1991-92 include China (\$18 million), Bangladesh (\$13 million) and India/Pakistan (\$15 million).

It is important to note that country program activities represent only one Australian response to the development needs of these countries. For example, China and India also receive significant amounts of funding through the Development Import Finance Facility. Other countries such as those in the Horn of Africa receive substantial amounts of emergency aid. Other countries are primary beneficiaries of development assistance provided by international agencies to which Australia contributes.

Global programs

International development organisations and programs. Australia supports a range of key international financial and development institutions as part of our obligations as a good international citizen. These organisations can undertake development cooperation activities on a scale that might not be possible for Australia as a single donor. Australia's active participation in these agencies also enable Australia to have a policy influence on each institution's activities. In addition, cooperation with international development institutions can lead to more complementary bilateral programs that benefit both recipient countries and Australian business. Participation may thus provide greater opportunities for Australian business than are available just under a bilateral program.

In 1992-93 contributions from AIDAB administered funds will total about \$261 million. Australia contributes towards a range of United Nations organisations, international financial institutions, international agricultural research activities, international health programs and international non-government organisations. These include the World Bank (\$95.1 million), the Asian Development Bank (\$53 million), the World Food Program (\$47 million) and the United Nations' Development Program (\$17 million).

Emergencies and refugees. Emergency assistance remains a key part of Australia's development cooperation program. In 1991-92, the scope and number of crises throughout the world continued to be great and Australia responded to many emergency and refugee relief situations at a total cost of more than \$66 million. Types of assistance include food aid, temporary shelter materials, medical supplies and accountable cash grants. Australia also supports the general programs of a number of international relief agencies by making contributions to their core budgets. These include the UN High Commissioner for Refugees, the UN Relief and Works Agency and the International Committee of the Red Cross. Australia also provides assistance for disaster preparedness and mitigation measures, especially in the South Pacific.

Community and commercial programs. A wide range of Australian community interests are reflected in development cooperation activities. The participation of the business community, non-government

organisations, academic and other professional groups in the program is important to inform the wider community of conditions in developing countries. It also enhances the understanding and support of the Australian public of Australia's development cooperation activities.

In 1991-92, the Government will provide about \$25 million directly to non-government organisations (NGOs), an increase of about \$7 million on the last financial year. These funds subsidise development activities designed and implemented by the NGOs themselves including overseas development projects, volunteer programs, emergency relief assistance and some development education activities. Overall, NGOs will cooperate with AIDAB in implementing an estimated \$75 million in development cooperation activities.

The direct participation of the academic and research community in the program is generally encouraged by the Government through the support of development oriented seminars and through the provision of funds to the National Centre for Development Studies at the Australian National University in particular.

The involvement of Australian commercial organisations is a feature of Australia's development cooperation program. The quality of development assistance is increased by using

efficient Australian suppliers. The program also offers substantial returns to Australian firms — each dollar provided as aid is estimated to provide well over a dollar of business for Australian firms. AIDAB communicates widely with commercial organisations in order to increase their understanding of commercial opportunities under the program.

Expenditure on the Development Import Finance Facility (DIFF) will expand to \$120 million. This is a \$22 million increase on 1991-92 funding levels. DIFF allows Australian private sector firms to supply developmentally important goods and services to developing countries to compete in markets where other governments offer mixed credits. It is a developmentally effective scheme which also significantly increases Australian exports and employment.

AUSTRALIAN REPRESENTATION OVERSEAS

As at 30 June 1992, Australia maintained the following diplomatic and consular representation overseas (full details of these missions are available from the Department of Foreign Affairs and Trade, Canberra, ACT, 2600).

4.3 DIPLOMATIC AND CONSULAR REPRESENTATION OVERSEAS

<i>Country</i>	<i>Post</i>	<i>Country</i>	<i>Post</i>
Argentina	Buenos Aires	Fiji	Suva
Austria	Vienna	France	Paris
Bangladesh	Dhaka	New Caledonia	Noumea*
Belgium	Brussels	Greece	Athens
Brazil	Brasilia	Hong Kong	Hong Kong*
Brunei	Bandar Seri Begawan	Hungary	Budapest
Cambodia	Phnom Penh#	India	New Delhi
Canada	Ottawa		Bombay*
Chile	Santiago	Indonesia	Jakarta
China	Beijing		Bali**
	Shanghai*	Iran	Tehran
Cyprus	Nicosia	Ireland	Dublin
Czechoslovakia	Prague	Israel	Tel Aviv
Denmark	Copenhagen	Italy	Rome
Egypt	Cairo	Jamaica	Kingston
Federal Republic of Germany	Berlin*	Japan	Tokyo
	Bonn	Jordan	Amman

For footnotes see end of table.

4.3 DIPLOMATIC AND CONSULAR REPRESENTATION OVERSEAS — *continued*

<i>Country</i>	<i>Post</i>	<i>Country</i>	<i>Post</i>
Kenya	Nairobi	South Africa	Pretoria
Kiribati	Tarawa	Spain	Madrid
Korea, Republic of	Seoul	Sri Lanka	Colombo
Laos	Vientiane	Sweden	Stockholm
Malaysia	Kuala Lumpur	Switzerland	Berne
Malta	Malta	Syria	Damascus
Mauritius	Port Louis	Thailand	Bangkok
Mexico	Mexico City	Tonga	Nuku'alofa
Micronesia, Federated States of	Pohnpei	Turkey	Ankara
Myanmar (Burma)	Rangoon	United Kingdom	London
Nauru	Nauru	United States	Washington
Nepal	Kathmandu		Chicago*
Netherlands	The Hague		Honolulu*
New Zealand	Wellington		Houston*
Nigeria	Lagos		Los Angeles*
Pakistan	Islamabad		New York*
Papua New Guinea	Port Moresby		San Francisco*
Philippines	Manila	Vanuatu	Port Vila
Poland	Warsaw	Vatican	Holy See
Portugal	Lisbon	Venezuela	Caracas
Russia	Moscow	Vietnam	Hanoi
Saudi Arabia	Riyadh	Western Samoa	Apia
Singapore	Singapore	Yugoslavia	Belgrade
Solomon Islands	Honiara	Zimbabwe	Harare

* Consulate-General

** Consulate

Resident mission

Source: Department of Foreign Affairs and Trade.

Australia also maintained five separate permanent missions in:

New York — UN
 Geneva — UN
 Geneva — Disarmament
 Geneva — GATT
 Paris — OECD.

The Australian Trade Commission maintained trade missions with diplomatic or consular status in the following cities:

Auckland*, Frankfurt*, Fukuoka*, Istanbul*, Milan*, Osaka* and Toronto*.

The Department of Immigration, Local Government and Ethnic Affairs maintained offices with consular status in Manchester**, Edinburgh** and Vancouver**.

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