

Chapter Three

International Relations

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The basic condition underlying the shaping and conduct of Australia's foreign policy is that Australia is a significant middle-level power with a strong Asia-Pacific orientation.

Australia has a wide spread of regional and global international interests, not least as a major trader and a country of immigration. Trade with the Asia-Pacific region and the rest of the world makes a significant contribution to Australia's prosperity. It is a relatively affluent and resource-rich country in a populous and dynamic region.

Links with the United States, Britain and other European countries remain important factors in Australian foreign policy in terms of cultural tradition, security, strategic interests and trade and investment. At the same time, the political, economic and strategic importance to Australia of countries of Asia-Pacific has led to the development of broader and deeper relationships with them and an increasing foreign policy focus on the region.

The Asia-Pacific region as a whole now accounts for about half of global production and about 40 per cent of global trade. More than 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 1983 and 1993. Twelve of Australia's top thirteen markets are members of the Asia-Pacific Economic Cooperation (APEC) group. 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, arms control and disarmament, trade access, conflict prevention and resolution, global environmental protection, human rights, status of women, refugees and post-cold war world security have assumed importance together with an increasing recognition of the

growing interdependence of the world community. Australia regards as a high priority 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 APEC.

South East Asia

Australia maintains wide-ranging relations with the countries of ASEAN (Brunei, Indonesia, Malaysia, the Philippines, Singapore and Thailand), both bilaterally and as a group. All six countries are members of APEC. The relationship encompasses the entire spectrum of political, economic, trade, cooperation, cultural and defence links, which are enhanced by regular personal contacts at all levels of government, business, academia and the community as a whole. Two-way trade is growing rapidly and now represents 11 per cent of Australia's total trade with the world. ASEAN is Australia's second largest export market and third largest import source.

Indonesia is one of Australia's closest regional neighbours and straddles major sea and air routes. Australia's relationship with Indonesia continues to strengthen and broaden, particularly in the areas of trade, investment, science, defence and culture. Indonesia is Australia's eleventh largest trading partner and, in 1993-94, development cooperation from Australia to Indonesia totalled \$134 million, representing Australia's second largest development cooperation program after Papua New Guinea. The development cooperation program for 1994-95 is expected to be of a similar magnitude. The Australian Prime Minister, Paul Keating, built on the solid relationship he established during his first visit to Indonesia in April 1992, when he revisited Indonesia in October 1993 and June 1994.

The Australia-Indonesia Ministerial Forum held its first meeting in Jakarta in November 1992, adding significant new layers of cooperation between Australia and Indonesia. The inaugural meeting agreed to the establishment of two working groups: one on agriculture and food cooperation and the other on trade, industry and investment. Both working groups have had subsequent meetings and progressed on priority areas for cooperation.

A Double Taxation Agreement, an Investment Promotion and Protection Agreement and an

Agreement for the Reciprocal Protection and Enforcement of Copyright, which were signed during the first Ministerial Forum in November 1992, all came into force during July and August 1993. Memorandums of Understanding on Collaboration in Animal/Plant Health and Quarantine Activities and on Cooperation in Industrial Relations were signed during 1993.

The Australian Government continues to raise its concerns over reports of human rights violations, particularly in East Timor, through regular bilateral representations and in multilateral bodies such as the United Nations' Commission on Human Rights.

In November 1993, the Joint Standing Committee on Foreign Affairs and Trade (JCFADT) tabled in Parliament a report titled *Australia's Relations with Indonesia*. The report, which is a significant and comprehensive study of relations between Australia and Indonesia, concluded that the future prospects for relations between the two countries were very promising.

Australia's relations with Thailand remain sound. Australia and Thailand share a range of political, strategic and economic interests. Thailand's impressive progress towards industrialisation and its success in international markets have 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. There was a significant increase in the flow of high-level visits between Australia and Thailand over the past year.

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 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.

Australia's interests in the Philippines arise from its efforts to further democratic and economic reform, its potential as a growth market for Australian trade and a destination for Australian investment, its strategic placement in the region and its membership of APEC and ASEAN. The successful development cooperation program, Australia's fifth largest, has also contributed to strong ties. Australia has become the largest provider of training to the Philippine armed forces under the Defence Cooperation Program.

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

Relations with Burma slowed significantly after the suppression of the Burmese pro-democracy movement in 1988 and the failure of the State Law and Order Restoration Council to implement the result of the 1990 elections for an assembly to draft a new constitution. While the Australian Government will provide humanitarian assistance in 1994-95 through non-government and United Nations' agencies, government-to-government aid will not be resumed until there is significant progress in the political and human rights situations. Trade and other contacts continue at low levels.

For more than a decade, Australia has felt that its strategic, political and economic interest lie in encouraging Vietnam out of its isolation towards becoming a peaceful, responsible and economically prosperous player in our region. The Cambodian Peace Accords and the resumption of bilateral aid to Vietnam have opened a new phase in Australia-Vietnam relations, with the longstanding political relationship providing a firm foundation for the expansion of trade, investment and other links. Ministerial visits by both nations, a visit to Vietnam by Prime Minister Paul Keating in 1994 and successful joint ventures in the banking, oil and telecommunications sectors also underline this progress. The Development Cooperation Program, doubled in 1994 to \$200 million over four years, also emphasises the development of mutually beneficial, long-term economic linkages while also contributing to social and economic development.

Given the relationship's maturity, a dialogue on the continued observance of internationally accepted human rights norms has also become part of our normal bilateral agenda.

Cambodia

The formation of the Government of the Kingdom of Cambodia on 24 September 1993 and the conclusion of the mandate of the United Nations Transitional Authority in Cambodia (UNTAC) marked the formal end of the peace process with which Australia was so closely identified. Australian policy moved to the establishment of a normal bilateral relationship, building on Australia's commitment to support Cambodia and its democratically elected government.

In addition to its support for Cambodia in the international context, bilaterally, Australia implemented a carefully targeted development cooperation program and announced an aid commitment worth \$92 million over four years, a defence cooperation program and a cultural relations program. Special emphasis was given to assistance with de-mining, in support of efforts to rid the country of the lethal legacy of the years of conflict left by millions of landmines.

Australia has developed a strong bilateral relationship with Laos, with commercial links and development assistance playing a prominent role. The \$42 million Australian aid-funded Mekong River bridge between Laos and Thailand was opened by the Australian, Lao and Thai Prime Ministers on 8 April 1994.

Japan

Japan remains Australia's largest trading partner, with two-way trade in 1993 of \$27.5 billion, over 20 per cent of Australia's total trade, and with a surplus of \$3.7 billion in Australia's favour. While agriculture, mineral and energy products continue to constitute the bulk of Australian exports to Japan, in 1993 over 33 per cent were manufactured or processed products. Tourism continues to expand, with more than 667,000 Japanese visitors to Australia in 1993. Japan is the third largest source of foreign investment in Australia, behind the EU and USA. While investment from Japan has declined in recent years, the proportion

directed to the manufacturing sector has increased.

There is an active agenda of bilateral consultations between Australia and Japan, both at Ministerial and officials' levels. The most significant consultative forum is the Australia-Japan Ministerial Committee (AJMC) meeting which was last held in Tokyo in November 1993. This meeting was marked by free-flowing exchanges on a range of bilateral issues, and excellent rapport among Ministers.

China

1993 reinforced the Australian Government's commitment to building a long-term, cooperative and businesslike relationship with China. Prime Minister Paul Keating and Senator Cook as Minister for Trade both visited China during the year. The visits concentrated on opportunities existing for closer integration between the Australian and Chinese economies and aimed to shift the perception of Australia as primarily a supplier of raw materials, to that of a partner in high value-added manufacturing and services sectors. Total two-way trade increased by 24 per cent from \$4.2 billion in 1992 to \$5.2 billion in 1993. The Joint Ministerial Economic Commission held in September 1993 agreed to the negotiation of a Trade and Investment Framework to facilitate further economic cooperation.

In areas of difference, such as human rights, Australia sought to engage the People's Republic of China in a practical and constructive dialogue.

Hong Kong

In 1992-93, Hong Kong was Australia's tenth largest trading partner with total bilateral trade of \$3.5 billion. Exports to Hong Kong totalled \$2.7 billion, making it Australia's eighth largest export market. Of these, services exports including education, legal services and tourism are increasingly important. Some 20,000 Australians live in the territory and Hong Kong is host to over 350 Australian companies. Hong Kong's Governor, the Right Honourable Christopher Patten, visited Australia in February 1994.

Taiwan

Australia's commercial relationship with Taiwan has expanded significantly over recent

years with two-way trade reaching \$5.1 billion in 1993. Taiwan was Australia's seventh largest export market, valued at \$2.8 billion. In the absence of official links with Taiwan, Australia's commercial interests are represented by the Australian Commerce and Industry Office (ACIO) in Taipei. In 1993, the ACIO was signatory to two memoranda of understanding with the Taiwan authorities covering the Promotion of Investment and Technology Transfer and the Protection of Industrial Property. Direct airlinks since 1991 have resulted in tourism from Taiwan becoming a major export earner. Around 100,000 tourists visited Australia from Taiwan in 1993, an increase of 57 per cent over 1992.

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 \$4.34 billion in 1993. Australia has been seeking to diversify the economic relationship by placing greater emphasis on exports of manufactures and services and increased two-way investment, while at the same time improving the conditions for increased exports of minerals, energy and agricultural commodities. In 1993 a new Beef Access Agreement for 1993-95 was concluded with Korea, and the first sale of a spot cargo of LNG was made. There is an active agenda of bilateral consultations, both at Ministerial and officials' levels, with Prime Minister Keating's visit to Korea in June 1993 being the highlight of the year. Korean participation in the first National Trade and Investment Outlook Conference in November 1993 was very successful. The Australia-Korea Foundation established successful programs in the cultural, education and media fields.

Since the interruption of diplomatic relations with the Democratic People's Republic of Korea (DPRK) in 1975, Australia has had only limited official contact. In 1993 Australia played a prominent role in working to have the DPRK remain a member of the Nuclear Non-Proliferation Treaty (NPT), and to accept all its obligations under the NPT and its safeguards agreement with the International Atomic Energy Agency. The DPRK announced on 12 March it was withdrawing from the

NPT, then announced on 11 June the 'suspension of the effectuation of its withdrawal'.

South Pacific

Australia participates actively in meetings of the South Pacific Forum and is a member of 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. It provides significant financial support to these organisations 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 (the South Pacific Regional Trade and Economic Cooperation Agreement) in favour of the South Pacific Forum Island States.

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 and 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 signed the Agreement establishing SPREP on 21 September 1993, which established SPREP as a fully autonomous international organisation.

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.

Australia also ratified the Niue Treaty on Cooperation in Fisheries Surveillance and Law Enforcement in the South Pacific Region on 3 September 1993, and on 6 July 1992, ratified the Convention on the Prohibition of Driftnet Fishing in the South Pacific (Wellington Convention). This Convention came into force in May 1991.

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 1992, Australian exports were valued at \$883 million and imports \$1,115 million, and the total level of Australian investment in PNG was about \$1.6 billion.

PNG is the largest single recipient of Australian development assistance, accounting for about one-fifth of the aid program. In 1993–94, Australian development assistance to PNG totalled \$338 million, including \$244 million in budget support (direct cash transfer), \$56 million in program aid and about \$38 million in other aid flows.

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 then Minister for Trade and Overseas Development in September 1992. The new arrangements cover the years 1992–93 to 1996–97 and will be based upon a progressive reduction in budget support, which will be phased out by the year 2000. The level of aid will be maintained at the current level in

nominal terms as budget support is replaced by jointly programmed 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 sixth Forum took place in Mt Hagen, PNG, in December 1993.

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. A formal security treaty has linked the two countries for over 40 years. The US is Australia's second largest trading partner and the largest recipient of Australian overseas investment; it is also the country which is Australia's largest source of foreign investment. The two countries also share many fundamental values and have strong historical and cultural links.

The visit to Australia of President Bush in January 1992 reflected the importance which both countries continue to place on the relationship. Significant contacts have been built up with the Clinton administration. Prime Minister Keating met President Clinton in Washington in September 1993 and again in November at the APEC leaders meeting in Seattle.

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. Australian trade and investment with individual Latin American countries is growing significantly. Relations with the Caribbean are warm, particularly with Commonwealth countries.

Europe

Australia maintains constructive relations with the countries of Western Europe, with the European Union (EU) and its institutions, including the European Parliament.

Bilateral relations with the individual countries of Western Europe continue to be of very considerable importance to Australia. Australia's historical, cultural and social links with Europe underpin a series of relationships which remains one of our leading sources of investment, technology, ideas and culture. Cooperation with European countries on a number of international issues is extensive, and our trade and investment links continue to develop.

The EU is Australia's second most important trading partner, most important source of investment funds and second largest destination for Australian overseas investment, as well as a significant importer of Australian raw materials and an increasingly important market for Australian manufactured products. The establishment of the EU single market and its proposed extension to embrace most of the EFTA countries potentially offers Australia important new commercial opportunities. Tensions caused by trading difficulties in the agricultural sector have been ameliorated by the successful conclusion of the Uruguay Round of trade negotiations, and there is now scope to develop the relationship further in areas of mutual benefit. The EU and Australia signed a science and technology agreement as well as an agreement to promote trade in wine during 1994 and have more generally 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 Central and 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. In response to the dissolution of Czechoslovakia, Australia recognised the Czech Republic and Slovakia in January 1993. In February 1994, Australia recognised the Former Yugoslav Republic of Macedonia.

Countries in this region have pursued their respective political and economic reforms. Where conflicts have arisen, such as in the former Yugoslavia, Australia has been vocal in its support of international peace and humanitarian assistance initiatives.

Signs of positive economic growth are now emerging in Poland, Hungary, the Czech Republic and the Baltic states. Industrial production is increasing, inflation levels are falling and unemployment is stabilising. In particular, Poland is expected to see a four to five per cent growth in GDP in 1994-95. Highly skilled work forces and low wage rates provide the basis for the region to demonstrate its comparative advantages as a low-cost manufacturing and value-added commodity exporting area.

Australia is a member of the Group of 24 countries providing practical assistance to Central European countries. It has a shareholding in the European Bank for Reconstruction and Development. Australia also provides technical assistance to the Newly 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. On the other hand, new opportunities have arisen for sales of Australian manufactures and services, particularly in the construction, telecommunications and resource development sectors.

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 warmly welcomed the decision by Israel and the PLO, in September 1993, to exchange letters of mutual recognition and to sign a Declaration of Principles providing for the gradual introduction of Palestinian self-government in the occupied territories. The Government also welcomed the signing of an agreement in Cairo on 4 May 1994 which provided for implementation of Palestinian self-rule in the Gaza strip and Jericho. Similarly, the Government warmly welcomed the Washington Declaration, signed by Israel and Jordan on 25 July 1994, which effectively ended the state of belligerence which had endured between the two countries since 1948.

Australia contributes a small contingent of HQ staff with the Multinational Force and Observers in the Sinai (MFO). An Australian army officer, Major-General David Ferguson, was appointed MFO Force Commander in April 1994.

Australia continues to observe and encourage the implementation of all Security Council resolutions pertaining to Iraq. Australia continued to deploy a ship to the Multinational Interception Force (MIF) until November 1993, when it was decided that the gap between deployments would be extended to at least nine months. Australia welcomed

the decision to terminate the operations of the multinational intercept force in support of the sanctions regime and to replace it with a system of onshore inspections based in Jordan. The Government endorses action taken by the Security Council to permit the purchase by Iraq of food, medicines and essential civilian needs for its population. Australia has sold over one million tonnes of wheat to Iraq and has supplied other foodstuffs and essential civilian needs under the sanctions regime. Australia and Iraq maintain diplomatic relations, though the Embassy in Baghdad is not staffed by Australian personnel.

Africa

Australia maintains a broad range of contacts with African countries and is closely concerned with developmental and humanitarian issues as well as international efforts to assist peace and the establishment of democratic government in Africa.

The ending of apartheid and the inauguration of a democratic non-racial government in South Africa after the elections of April 1994 was warmly welcomed by Australia, which had maintained strong opposition to apartheid over many years. Australia played an active role in assisting the transition to democracy, first through the provision of members of the Commonwealth Observer Mission to South Africa, which was tasked to observe the violence and encourage the peace process, and then by providing observers to participate in Commonwealth and United Nations' observer missions to the elections. Australia is committed to a program of assistance to South Africa of \$30 million over 1994-97 to help with infrastructure and human resource development during the post-apartheid period.

In the post-apartheid period, Australia will be looking to establish a new relationship with South Africa across the board, especially in institutional contacts and through renewed trade and investment interest and cooperation in areas of common interest in multilateral forums.

Australia's aid to Africa focuses on southern Africa and on the countries of east Africa and the Horn of Africa. Food aid continues to be important but there is also a renewed interest in development assistance for those countries of the Horn, especially Ethiopia and Eritrea, which have emerged from years of civil war

and are now beginning the difficult task of reconstruction.

In particular, the humanitarian and political tragedies of Somalia in 1992 and Rwanda in 1994 called up a strong contribution of Australian aid, both by Government and the Australian public.

Australia contributed substantially to international peacekeeping efforts in Africa to UN operations in Somalia, Mozambique and Rwanda and in the Western Sahara.

South Asia

Countries of the region are continuing programs of economic reform and restructuring, opening up opportunities for Australian trade and investment. At the same time, conflicts in Afghanistan, north and north-east Sri Lanka and Kashmir remain sources of concern. Australia continues to play a constructive role in encouraging the peaceful negotiation of durable political settlements in each case.

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.

The combination of economic reforms, particularly in India, the ending of Cold War rivalries and the re-emergence of South Africa has reawakened interest in the development of the Indian Ocean as a region. Australia seeks to make a constructive contribution to the identification of possible strategies for enhancing economic and security cooperation among the Indian Ocean littoral and island countries.

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 NPT now has 163 member states.

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.

Australia is also a member of the Nuclear Energy Agency (NEA) of the Organisation for Economic Co-operation and Development (OECD), which Mexico joined in May 1994, bringing the membership to 25.

Disarmament and arms control

Australia promotes global security and stability by working for arms control and disarmament objectives at the United Nations in New York, the Conference on Disarmament (CD) 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 missile delivery systems capable of carrying them. This contributes to keeping Australia's region and other regions free from any such proliferation, and so contributes to maintaining a positive security environment both in our region and globally.

Australia attaches great importance to the early conclusion of an effective, verifiable Comprehensive Test Ban Treaty (CTBT) that would ban all nuclear testing by all states in all environments for all time. Australia was a key player in facilitating the commencement of formal negotiations in the CD and remains an active participant in the CTBT negotiations in the CD. Australia is also committed to strengthening the NPT and actively working to ensure members vote for its indefinite extension at the 1995 Review and Extension Conference in New York. Through membership of the IAEA, Australia is able to promote non-proliferation policies and contribute to regional and wider nuclear cooperative projects. Australia, together with the other South Pacific countries, was instrumental in negotiating the South Pacific

Nuclear Free Zone Treaty (Treaty of Rarotonga) which came into effect on 11 December 1986.

The opening for signature of the Chemical Weapons Convention (CWC) on 13 January 1993 saw the achievement of a longstanding Australian objective. Australia was instrumental in accelerating final negotiations for the CWC and in bringing them to a successful conclusion in 1992. This was a significant event because for the first time the global community agreed to ban chemical weapons completely, an act requiring the destruction of all existing stocks of chemical weapons and their production facilities, and providing an effective mechanism to verify compliance with the Convention. Since then, Australia has been actively involved in the Preparatory Commission preparing for the CWC's entry into force, which is expected in 1995. The Australian Government ratified the CWC in 1994 following the enactment of the *Chemical Weapons (Prohibition) Act 1993*, which will give effect to Australia's obligations as a party to the CWC after its entry into force.

Australia has been active in building support for strengthening the Biological Weapons Convention (BWC) through the development of verification arrangements. Australia attaches importance to the BWC as the sole global instrument for the abolition of biological weapons. Biological weapons not only are inhumane but are capable of causing such large-scale casualties that the mere possession of them by one or more countries in a region might seriously erode trust in that region.

Australia also chairs a group of 26 countries called the Australia Group, which works towards harmonising the export licensing measures of member countries over chemicals, biological agents and equipment which can be used in the production of chemical and biological weapons. In 1993 the Group finalised for practical purposes its lists for export controls on these items.

Awareness of chemical weapons issues in South East Asia and the South Pacific has been raised since 1988 through an Australian Chemical Weapons Regional Initiative (CWRI). The CWRI has been valuable in raising regional awareness of various aspects of the CWC and in helping regional countries to prepare for their national implementation of the Convention.

Australia is a strong supporter of the UN Conventional Arms Register and has provided data on our major arms imports and exports. It has also urged its regional neighbours to participate at the Conference on Disarmament and the UN on further multilateral measures to increase transparency in the area of conventional armaments.

Australia, as party to the Inhumane Weapons Convention, has been engaged in preliminary discussions on the strengthening of the Convention, to address in particular the widespread civilian suffering caused by the use of antipersonnel mines, which are covered by Protocol II of the Convention. It has encouraged other Asia-Pacific countries to accede to the Convention.

Australia is a party to the following disarmament and arms control agreements: the Partial Test Ban Treaty, the Geneva Protocol for the Prohibition of the Use in War of Asphyxiating, Poisonous or Other Gases, and of Bacteriological Methods of Warfare, 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, the Moon Treaty and the South Pacific Nuclear Free Zone Treaty.

The Commonwealth

The Commonwealth is an association of 51 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 was held in Limassol, Cyprus, in October 1993.

International trade relations

One of Australia's highest priorities is to continue to improve its international economic and trade performance by complementing domestic structural adjustment programs and micro-economic reforms with strategies which advance bilateral, regional and multilateral interests.

International protectionist sentiments of the 1970s and early 1980s sustained pressure for

preferential bilateral or regional trade arrangements as a response to domestic trade and economic concerns. Australia has withstood these pressures and maintained a strong commitment to the advancement of a more liberal multilateral trading system as the most effective means of supporting and promoting economic growth.

Central to this commitment has been Australia's participation over the seven years of the Uruguay Round negotiations, continuing participation in the regular work the General Agreement on Tariffs and Trade (GATT) and the development of a trade liberalising agenda in APEC.

The conclusion of the Uruguay Round negotiations on 15 December 1993 and the signing of the Final Act of the Uruguay Round together with the adoption of other agreements in Marrakesh on 15 April 1994 brought to an end the most ambitious and far-reaching multilateral trade negotiations ever undertaken. The successful outcome of the Round can be expected to underpin a boost in international business confidence which will promote faster recovery and improved levels of economic growth, employment and incomes in all participating countries.

In financial terms recent studies by the Industries Commission and the Australian Bureau of Agricultural and Resource Economics suggest that Australia's exports could increase by as much as \$5 billion and Australian gross domestic product by as much as \$4.4 billion over the next ten years. Globally, it is expected that the Round could deliver increases in economic activity of over \$481 billion and in world trade in excess of \$1 trillion (\$1,000 billion).

As well as tariff cuts averaging around 50 per cent in key trading partners, improved rules in relation to almost every aspect of international trade have been agreed, particularly in relation to agricultural trade. The Cairns Group of 14 agricultural fair traders was instrumental in the success which was achieved in this regard. The final agreement provides a start to wind back the domestic support measures and export subsidy regimes of the European Union and the United States. The outlook for access to both those markets and to third markets for Australian agricultural products has been considerably improved.

Formed in 1986 to counter European opposition to the negotiation of an outcome imposing GATT disciplines on the distortions in international agricultural trade, the Group provided a very effective caucus for liberalisation. The Australian Minister for Trade acted as chairman of the Cairns Group throughout the negotiations and continues to do so.

For the first time services trade will also be subject to rules and disciplines through the General Agreement on Trade in Services (GATS). Rules for the protection of intellectual property are contained in a new agreement on Trade Related Intellectual Property Rights (TRIPs) to reduce the losses suffered by Australian creative and cultural industries because of piracy and counterfeiting. More predictable conditions for Australian companies and individuals wishing to invest offshore will apply under the agreement on Trade Related Investment Measures (TRIMs).

The establishment of the World Trade Organisation (WTO) is another significant aspect of the outcome. Australia strongly supports 1 January 1995 as the date of entry into force of the WTO Agreement and commencement date for the implementation of commitments negotiated in the Round. The WTO will be responsible for facilitating the implementation and operation of all the agreements and legal instruments which constitute the WTO Agreement, including the Plurilateral Trade Agreements, and managing the new committee structure.

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. As this trend is expected to continue, economic commentators have dubbed the next century the 'Pacific Century'. The region accounts for half the world's economic output and more than 40 per cent of world trade. The rapid growth has been accompanied by a process of increased economic interdependence based on the growing complementarity of the economies in the region. It was against this background that Australia launched the Asia-Pacific Economic Cooperation (APEC) process in January 1989.

The APEC initiative reflected Australia's major stake in the dynamism of Asia-Pacific and the development of a more liberal trading

environment in the region, both considered critical to Australia's economic future. Membership of APEC began with Australia, New Zealand, the ASEANs, Japan, Korea, the United States and Canada. In 1991 APEC membership was expanded to include the People's Republic of China, Chinese Taipei and Hong Kong. In 1993 Mexico and Papua New Guinea were admitted, and Chile is to be admitted in 1994.

About three-quarters of Australia's exports go to APEC members and around two-thirds of its imports are sourced from APEC economies. Australia's trade with APEC has been growing faster than our overall trade; Australia's trade dependence on APEC has risen from 63.2 per cent in 1982-83 to 70.4 per cent in 1992-93. Australia's primary objectives in greater regional economic cooperation are to enhance the prospects for sustained regional growth and development and to take part in that growth.

The inaugural APEC Leaders Meeting, held in Seattle in November 1993, and the decision to hold another in Indonesia later in 1994 represent endorsement of APEC's agenda at the highest political level.

Law of the Sea

Australia is a signatory to the UN Convention on the Law of the Sea. The Convention 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 resource 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. The inaugural meeting of the International Seabed Authority will be held in Jamaica on 16 November 1994 (the date of the Convention's entry into force).

The Convention provides for entry into force one year after the sixtieth ratification. On

16 November 1993, Guyana deposited its instrument of ratification of the Convention, bringing the number of ratifications to 60. The Convention will thus enter into force on 16 November 1994 for the 60 ratifying nations. However, to date the ratifiers have all (with the exception of Iceland and Malta) come from the developing world. The unwillingness of industrialised states, including Australia, to ratify has largely been due to their difficulties with Part XI of the Convention, which deals with the deep seabed mining regime. In the course of 1994, informal consultations involving some 80 countries continued under the auspices of the Secretary-General of the United Nations. As a result, negotiations on the text of an agreement which in effect amends Part XI thereby resolving the outstanding differences on the Convention.

Australia is one of the major beneficiaries of the Convention. By reason of Australia's lengthy coastline and broad continental margin, the Convention accords Australia large areas of exclusive economic zone and continental shelf (and consequently significant resource benefits). It also guarantees rights of passage for Australian vessels and provides a significant basis for marine environment protection measures. In addition, the agreement negotiated in the UN Secretary-General's informal consultations meets Australia's concerns on the deep seabed mining regime.

Following the successful outcome of the consultations, the Government decided Australia should sign the agreement after its adoption by the UN General Assembly. The Government also decided that, following the adoption of the agreement, Australia should ratify the Convention (as amended by the agreement) prior to its entry into force on 16 November 1994.

Because of the imminent entry into force of the Convention, the Australian Government has been studying its maritime legislation with a view to implementing the relevant provisions of the Convention. In 1990, Australia extended its territorial sea to 12 nautical miles, in accordance with Article 3 of the Convention. The Maritime Legislation Amendment Act was passed by Parliament in early 1994 and sets the scene for Australia, in accordance with the Convention, to proclaim an exclusive economic zone and a contiguous zone and to adopt the definition of the continental shelf found in

Article 76 of the Convention. The Act came into force during August 1994.

International environment

Australia has been closely involved in the development of a wide range of environmental conventions which address problems of an international, often global, dimension which no country can solve unilaterally. Such problems include the depletion of the ozone layer, climate change, desertification, hazardous wastes, and the loss of biological diversity. The importance to Australia of participating in the negotiation of these regimes lies in the fundamental need to protect the ecological life support systems upon which Australia's long-term existence depends. In line with emerging international views, the Australian Government recognises that environmental matters have strong links to other important areas such as trade, development, security and social issues such as population.

Australia participated actively in the United Nations' Conference on Environment and Development (UNCED) at Rio de Janeiro in 1992, a watershed in the emergence of an international consensus on the need to address environment and development concerns within the context of 'sustainable development'. Sustainable development is frequently defined as development which meets the needs of the present without compromising the ability of future generations to meet their own needs. The outcomes of UNCED included Agenda 21 (an action plan to guide governments and international organisations in the pursuit of sustainable development), the Rio Declaration on Environment and Development (a set of 27 principles outlining the rights and responsibilities of states in achieving sustainable development), the Framework Convention on Climate Change, the Convention on Biological Diversity and a Statement of Principles on Forests.

Following UNCED, the United Nations' General Assembly established the Commission on Sustainable Development (CSD) to monitor and promote the implementation of UNCED outcomes, in particular Agenda 21. Australia was elected in 1993 as a founding member of the Commission, which comprises 53 member states, and has been re-elected to the CSD for a second term (1995-97).

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 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 eighteenth ATCM was held in Kyoto in April 1994. There are now 42 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. 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 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 consultations relating to the comprehensive protection of the Antarctic environment and its dependent and associated ecosystems, 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 with which all activities in Antarctica are to be consistent. Mining activities are specifically prohibited. When it enters into force, the Protocol will establish a comprehensive regime for assessing the environmental impact of activities in

Antarctica and guidelines for waste disposal, marine pollution, the conservation of fauna and flora and area protection and management.

Consistent with the priority attached to protecting the Antarctic environment, Australia enacted its principal legislation to implement the Protocol in December 1992. Australia was the first country to do so. Australia ratified the Protocol on 6 April 1994. The Protocol will enter into force when all 26 Antarctic Treaty Consultative Parties have ratified the agreement.

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.

Human rights

Human rights issues are prominent on the Government's international agenda, consistent with Australia's strong commitment to the universal protection and promotion of internationally accepted human rights standards. Through its overseas missions, the Government continues to raise with foreign governments cases of alleged serious human rights abuses, such as extrajudicial killings, torture and detention without trial. During 1993, over 500 new cases of alleged human rights abuse were raised with other 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 1992-93 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. Throughout 1993, Australia continued to serve on the Commission on the Status of Women, the UN body specifically mandated to deal with the status of women's issues. The highlight of 1993 was the adoption of the UN General Assembly of the Declaration on Violence against Women, a major Australian objective.

Cultural relations

The Department of Foreign Affairs and Trade administers a program of cultural relations overseas in support of Australian foreign policy and economic objectives. Within the context of the program, 'culture' includes all aspects of Australian life, including science and technology, social and economic projects, the arts, Australian studies and sport. Through the program the Department seeks to improve perceptions of Australia and in so doing, promote a favourable environment for the program of Australia's economic and foreign policy goals. The major priority areas for the program are countries in Asia, the Pacific and North America. The Department collaborates closely with other departments, institutions/agencies and individuals in the development of its program.

The Department provides secretariats for the Australia Abroad Council which, inter alia, has undertaken Australian promotions in Korea,

Japan and Indonesia, and for the Australia-China Council, the Australia-France Foundation, the Australia-India Council, the Australia-Indonesia Institute, the Australia-Japan Foundation, the Australia-Korea Foundation and the Australia New Zealand Foundation.

Consular services and passports

The Department is responsible to the Minister for Foreign Affairs to assist the welfare and protection of Australian citizens 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 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: Cameroon, Cote d'Ivoire, Ethiopia, Gabon, Ghana, Guinea, Morocco, Norway, Peru, Senegal, Tanzania, Tunisia and Zaire. Australia reciprocates with the provision of consular services to Canadians in a comparable range of posts.

In 1993-94, 683,382 passports were issued to eligible Australian citizens. 74.7 per cent of all applications were lodged at Australian post offices. A toll-free passport information and enquiry service is available to the general public and over 496,000 calls were handled in 1993-94. 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 Australia's development cooperation program is to promote the sustainable economic and social advancement of people in developing countries in response to Australia's humanitarian concerns and foreign policy and commercial interest. In support of the Australian Government's strategy of closer engagement with Asia, the development

cooperation program has a strong focus on developing countries of the Asia-Pacific region.

In 1994–95, Australia's official development assistance (ODA) will total \$1,486.5 million. This is an increase of more than \$80 million on expenditure in 1993–94 and represents a real increase of 3.6 per cent. This maintains Australia's ODA to Gross National Product (GNP) ratio at 0.34 per cent — the outcome achieved in 1993–94. Australia's ODA/GNP ratio will remain above the average for other OECD donors.

The substantial real increase in Australia's development cooperation program will allow the introduction of several new initiatives in 1994–95 — increased funding of more than \$120 million for environment activities, \$70 million for emergency and refugee relief activities, a new four-year \$350 million commitment to Vietnam, Cambodia and Laos, and an increase of \$110 million in funding of health programs.

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

Country programs

Country programming involves a development cooperation strategy which matches recipient country needs with Australia's objectives and capacity to assist. Long-term strategies for the major recipients of Australia's aid are agreed with the partner countries, often during annual High Level Consultations. Additional support to individual countries is also provided through regional organisations and multi-country activities.

3.1 AUSTRALIAN AID FLOWS TO MAJOR RECIPIENTS, 1993–94(a)

Country	\$ million
Papua New Guinea	338.0
Indonesia	134.1
China	85.6
Vietnam	51.3
Philippines	48.6
Thailand	37.3
Malaysia	26.6
Bangladesh	25.6
Cambodia	22.6
Fiji	21.7
India	20.2
Laos	17.3
Vanuatu	15.3
Solomon Islands	14.1
Western Samoa	11.9
Tonga	10.8

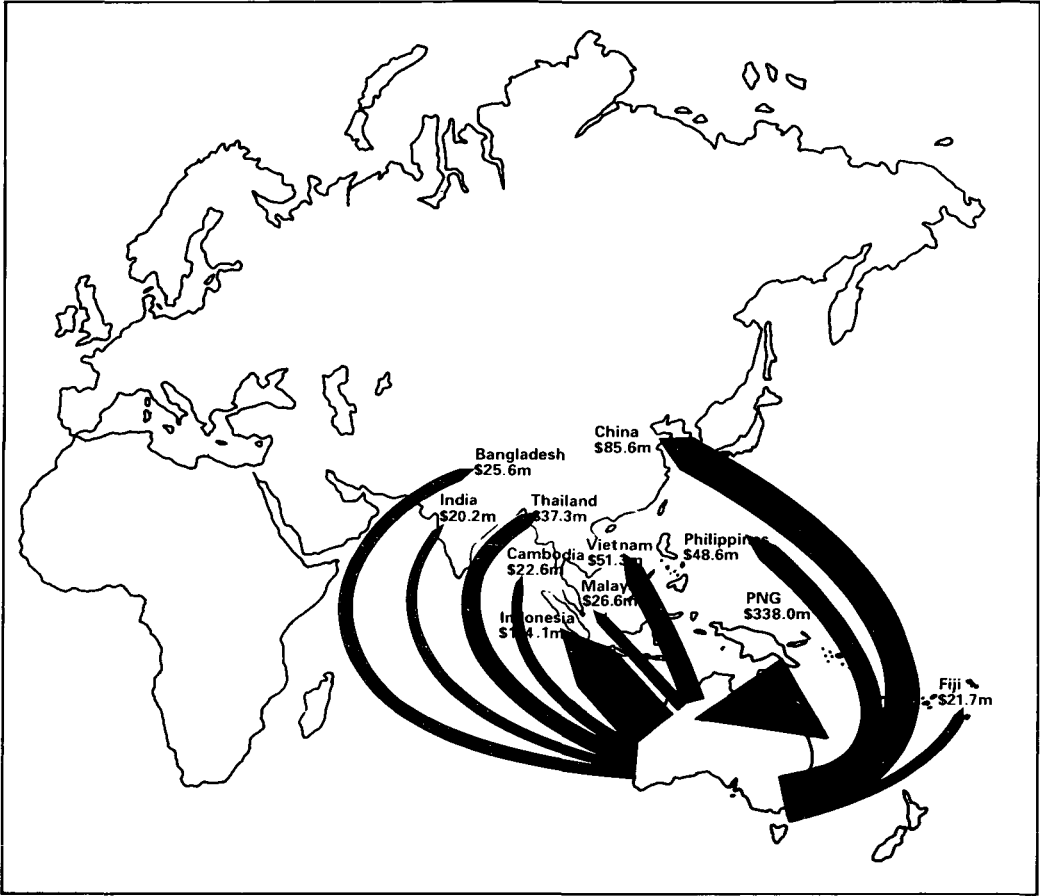
(a) This includes assistance provided under both Country Programs and Global Programs.

Source: Australian International Development Assistance Bureau (AIDAB).

For the majority of recipient countries, the level of Australia's development cooperation is based on an annual programming figure. For the remainder, multi-year commitments are made. In all cases, a regular cycle is followed which includes planning, implementation and review of activities. This includes careful screening to ensure that activities are environmentally sustainable, and that mechanisms are in place to ensure that the benefits of development cooperation are shared equally between women and men. In addition, Country Programs are evaluated regularly to ensure that the program objectives are being met.

Papua New Guinea. PNG receives the largest share of the Australian aid program, with total flows in 1994–95 expected to be around \$327 million, which represents about one-fifth of the total Australian development cooperation program.

3.2 AUSTRALIAN AID FLOWS TO MAJOR RECIPIENTS, 1993-94



Source: Australian International Development Assistance Bureau (AIDAB).

Most of Australia's assistance is 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 development needs in six sectors: health, education and training, infrastructure, law and order, renewable resources and the private sector. As a proportion of the PNG program, programmed activities have increased from three per cent in 1987-88 to over 23 per cent in 1994-95, and will represent 100 per cent by the year 2000.

South Pacific. The South Pacific continues to be an important priority within Australia's development cooperation program. In 1994-95, bilateral, multi-country and regional programs in the South Pacific will total around \$133 million. The focus will be on human resource development, institutional strengthening, health and private sector development. Australia is also active in encouraging improved aid coordination and policy dialogue mechanisms in the region as a way of improving the efficiency and effectiveness of Australia's aid.

East Asia. The countries of East Asia are another priority area for Australia's aid program, with total aid flows of around \$500 million expected in 1994-95. In Cambodia, Laos and Vietnam, three of the poorest countries in the world, Australian development cooperation concentrates on direct poverty alleviation, reconstruction of basic infrastructure and the development of long-term economic links with Australia. In the 1994-95 budget, the Government announced a new four-year \$350 million commitment to these three countries. In the rapidly growing economies of the region, such as Malaysia and Thailand, the developmental focus of cooperation programs increasingly reflects commercial goals and mutual benefit. In China, Indonesia and Philippines, Australian assistance supports human resource development, rural infrastructure development and the fostering of closer economic and trade linkages with Australia. In 1994-95, the Private Sector Linkages Program will continue to promote sustainable development and economic growth in the Asian region through activities which link market-oriented enterprises in Australia and selected developing countries.

Other regions. Australian development cooperation to regions outside the South Pacific and East Asia will total around \$214 million in 1994-95.

In 1994-95, over \$114 million will be directed to Africa for programs which focus on meeting basic needs. This includes direct development assistance, refugee and emergency aid and assistance through non-government organisations. Other countries benefiting from Australian development cooperation in 1994-95 include Bangladesh (\$26.7 million), India (\$23.7 million), Pakistan (\$6.8 million), and Sri Lanka (\$10.3 million).

It is important to note that many of these countries are also primary beneficiaries of development assistance provided by the international development agencies to which Australia contributes.

Global programs

Multilateral development organisations

and programs. Australia supports the work of international development institutions as part of its obligations as a good international citizen and as a serious and concerned development partner. These institutions are a major vehicle for Australia's aid to Africa. The Government recognises that multilateral cooperation can bring results that are unachievable in a purely bilateral program, especially for a relatively small donor like Australia. Through supporting these agencies, Australia also contributes to their policies and program directions. To ensure that Australia is achieving its goals through multilateral organisations, close monitoring of the various agencies is undertaken. Contributions to international organisations in 1994-95 will total \$274.9 million. United Nations' development agencies will receive \$83.7 million, with the largest contributions directed to the World Food Programme (\$50 million), the United Nations' Development Program (\$17.7 million) and the United Nations' Children's Fund (\$5.5 million). Australia's contributions of \$155.4 million to the multilateral development banks will go mainly to the concessional lending arms of the World Bank and the Asian Development Bank. Other beneficiaries of Australia's contributions to international organisations in 1994-95 include Commonwealth development activities,

international health and environment programs, and international non-government organisations.

Emergencies and refugees. The provision of humanitarian assistance in response to natural and man-made disasters and to meet the needs of refugees and displaced persons is an important element of Australia's development cooperation program. In 1993-94 the scope and number of crises throughout the world continued to be great and Australia responded to many emergency and refugee situations at a total cost of \$67.9 million. In 1994-95 Australia will increase emergency and refugee assistance in real terms to \$70.9 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 programs. The Government actively seeks the involvement of non-government organisations, the academic community and other professional groups in the delivery of the Australian aid program.

In 1994-95, the Government will provide about \$90 million directly to non-government organisations (NGOs). This includes overseas development projects, volunteer programs, emergency relief assistance and some development education activities. A key element of this funding is the AIDAB-NGO Cooperation Program, which subsidises development activities designed and implemented by the NGOs themselves.

The direct participation of the academic and research community in the aid program is 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. From 1994-95, the Government will also commission development-related research from other research institutions in Australia.

Commercial programs. 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 involvement in and understanding of commercial opportunities under the program.

Expenditure on the Development Import Finance Facility (DIFF) will be increased to \$130 million in 1994-95. DIFF provides opportunities for Australian businesses to supply goods and services to developing countries for use in high priority development projects. DIFF aid grants are combined with export credits from the Australian Export Finance and Insurance Corporation (EFIC) to provide concessional, mixed credit finance packages to developing countries for the purchase of Australian capital goods. In 1994-95 the Government will introduce a new 'Green DIFF' initiative, whereby at least \$20 million of the DIFF allocation of \$130 million will be used for environmental projects.

AUSTRALIAN REPRESENTATION OVERSEAS

As at 30 June 1994, 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).

3.3 DIPLOMATIC AND CONSULAR REPRESENTATION OVERSEAS

<i>Country</i>	<i>Post</i>	<i>Country</i>	<i>Post</i>
Argentina	Buenos Aires	Mexico	Mexico City
Austria	Vienna	Micronesia, Federated States of	Pohnpei
Bangladesh	Dhaka	Myanmar (Burma)	Rangoon
Belgium	Brussels	Nauru	Nauru
Barbados	Bridgetown	Nepal	Kathmandu
Brazil	Brasilia	Netherlands	The Hague
Brunei	Bandar Seri Begawan	New Caledonia	Noumea*
Cambodia	Phnom Penh#	New Zealand	Wellington
Canada	Ottawa	Nigeria	Lagos
Chile	Santiago	Pakistan	Islamabad
China	Beijing	Papua New Guinea	Port Moresby
	Shanghai*	Philippines	Manila
Cyprus	Nicosia	Poland	Warsaw
Denmark	Copenhagen	Russia	Moscow
Egypt	Cairo	Saudi Arabia	Riyadh
Federal Republic of Germany	Berlin*	Singapore	Singapore
	Bonn	Solomon Islands	Honiara
Fiji	Suva	South Africa	Pretoria
France	Paris	Spain	Madrid
Greece	Athens	Sri Lanka	Colombo
Hong Kong	Hong Kong*	Sweden	Stockholm
Hungary	Budapest	Switzerland	Berne**
India	New Delhi	Syria	Damascus
Indonesia	Jakarta	Thailand	Bangkok
	Bali**	Tonga	Nuku'alofa
Iran	Tehran	Turkey	Ankara
Ireland	Dublin	United Kingdom	London
Israel	Tel Aviv	United States	Washington
Italy	Rome		Honolulu*
Japan	Tokyo		New York*
Jordan	Amman	Vanuatu	Port Vila
Kenya	Nairobi	Vatican	Holy See
Kiribati	Tarawa	Venezuela	Caracas
Korea, Republic of	Seoul	Vietnam	Hanoi
Laos	Vientiane	Western Samoa	Apia
Malaysia	Kuala Lumpur	Yugoslavia	Belgrade
Malta	Malta	Zimbabwe	Harare
Mauritius	Port Louis		

* 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.

Austrade maintained trade missions with diplomatic or consular status in the following cities:

Atlanta*, Auckland*, Bombay*, Dubai*, Frankfurt*, Fukuoka**, Guangzhou*, Houston*, Istanbul*, Los Angeles*, Milan*, Nagoya**, Osaka*, San Francisco*, Sao Paulo*, Sapporo**, Sendai** and Toronto*.

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

3.4 AUSTRALIAN HONORARY CONSULATES AS AT 30 JUNE 1994

<i>City</i>	<i>Country</i>	<i>Responsible office</i>
Barcelona	Spain	Madrid
Bogota	Colombia	Caracas
Boston	United States of America	New York
Bucharest	Romania	Belgrade
Chicago	United States	Los Angeles
Denver	United States	Los Angeles
Guadalajara	Mexico	Mexico City
Guayaquil	Ecuador	Caracas
Kiev	Ukraine	Moscow
Kuching	Malaysia	Kuala Lumpur
Lae	Papua New Guinea	Port Moresby
Monterrey	Mexico	Mexico City
Montevideo	Uruguay	Buenos Aires
Papeete	French Polynesia	Noumea
Port of Spain	Trinidad and Tobago	Kingston
Prague	Czech Republic	Warsaw
Pusan	Republic of Korea	Seoul
Sao Paulo	Brazil	Brasilia
Sevilla	Spain	Madrid
Vladivostock	Russia	Moscow
Zagreb	Croatia	Vienna

Source: Department of Foreign Affairs and Trade.

Australia's involvement and activities in the United Nations, 1945-95

1995, the fiftieth anniversary of the United Nations, also marks 50 years of Australian membership. Throughout the history of the organisation, Australia's involvement has been underpinned by a bipartisan commitment to multilateralism and the ideals that the United Nations represents. This commitment derives from Australia's international status as a medium-sized power and the recognition that international regimes provide Australia with a higher degree of protection and influence than it could otherwise hope to achieve. Support for the purposes and principles of the UN Charter is consequently a central element of Australia's foreign policy. Of these, high priority is attached to support for the UN's role in improving international security, in encouraging respect for human rights and in promoting international cooperation for economic and social development. Australia is also very conscious that global problems such as environmental degradation, HIV/AIDS and drug trafficking can be effectively addressed only at the international level.

Australia was a founding member of the UN and played an active role in the drafting of the UN Charter at the San Francisco Conference of 1945. The Australian delegation, led by External Affairs Minister, Dr Herbert Evatt, championed the rights of middle and smaller powers vis-a-vis the permanent members of the Security Council. Through Dr Evatt's efforts, Australia was successful in broadening the role of the General Assembly relative to the Security Council and in arguing that the UN's sphere of action should encompass an economic and social, as well as a security, agenda. Dr Evatt also sought to have limits placed upon the veto power of the permanent members, but the great powers conceded little ground on this point.

In the ensuing years, Australia has continued to make a constructive contribution to the United Nations. Australia has served four terms on the Security Council, in 1946-47, 1956-57, 1973-74 and 1985-86. During the first of these terms Australia provided the Council's first President, Norman Makin. In 1948, Dr Evatt was elected President of the

General Assembly and presided over the adoption of the Universal Declaration of Human Rights.

Australia cooperated closely with the UN in the decolonisation process, one of the UN's great success stories, and was one of the architects of the international trusteeship systems (Chapter XII of the Charter). 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 also a longstanding member of the Special Committee on Decolonisation, withdrawing in January 1985 following UN recognition of the Cocos (Keeling) Islands' decision to integrate with Australia.

Throughout its 50 year history, Australia has been one of the leading voices in the UN on human rights issues, not only in defence of fundamental human rights accepted by the international community as universal, but also in expanding the body of human rights treaties in specific areas and in improving the effectiveness of the UN's monitoring machinery on human rights. In support of these aims, Australia continues to play an active role in the UN Commission on Human Rights and is a strong supporter of the work of the expert UN bodies dealing with the implementation of international human rights conventions. Justice Elizabeth Evatt is currently a member of the Human Rights Committee and Professor Philip Alston chairs the Committee on Economic, Social and Cultural Rights. Justice Michael Kirby was recently named UN Special Representative for Human Rights in Cambodia.

International security is also an issue on which Australia has been very active, most notably through the UN Conference on Disarmament. Australia made a major contribution to the successful negotiation of a Chemical Weapons Convention and has taken a leading role in attempts to secure a Comprehensive Test Ban Treaty for nuclear weapons. Achieving the indefinite extension of the Nuclear Non-Proliferation Treaty will continue to be a major foreign policy goal for Australia.

As evidenced by its long history of contributions to UN peacekeeping operations, Australia strongly supports the UN's role in this area and has welcomed the rapid expansion of the UN's peacekeeping responsibilities following the end of the Cold War. In February 1994, Australia was providing personnel for the UN Peacekeeping Force in Cyprus, the UN Truce Supervision Organisation in the Middle East, the UN operation in Somalia and the Mission for the Referendum in Western Sahara. Australia played a pivotal role in the resolution of the conflict in Cambodia, one of the UN's major recent success stories. The concept of a UN-led interim authority to prepare the country for democratic elections was an Australian initiative, and Australia made important contributions of personnel and equipment to the resultant UN transitional administration. Senator Evans' book *Cooperating for Peace*, launched at the forty-eighth session of the General Assembly in 1993, has been Australia's main contribution to the debate on enhancing international security stimulated by the Secretary-General's publication of *An Agenda for Peace*.

Australia contributes financially to the United Nations through timely payment of its assessed share of the regular budget, currently 1.51 per cent of the total, and through payments to the budgets of the various UN agencies. In 1992-93, Australia contributed \$22.8 million to the UN's core budget and \$40.9 million for peacekeeping. Australia's peacekeeping contribution is expected to rise to around \$70 million in 1993-94. Australia also makes substantial voluntary contributions to UN development activities, humanitarian appeals and for specific human rights purposes.

Australia has been an active participant in the work of the UN Economic and Social Council since its inception, and Australia's Ambassador to the UN, Richard Butler, is currently President of the Council. In 1994, Australia was a member of six of the Council's subsidiary bodies: the Statistical Commission;

the Commission on Human Rights; the Commission on the Status of Women; the Commission on Narcotic Drugs; the Commission on Sustainable Development; and the Commission on Crime Prevention and Criminal Justice. Australia also plays a prominent role in the UN's Economic and Social Commission for Asia and the Pacific, which is based in Bangkok.

Australia is a member of 16 UN Specialised Agencies and in 1994 was serving on the governing bodies of six of these: the International Civil Aviation Organisation; the International Labour Organisation; the International Telecommunication Union; the UN Educational, Scientific and Cultural Organisation; the Universal Postal Union; and the World Meteorological Organisation.

Australia is also currently serving on the governing bodies of a number of other UN organisations and programs, including the UN High Commissioner for Refugees, the UN's Children's Fund, the UN Conference on Trade and Development, the World Food Program and the UN Environment Program.

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. In 1993, Sir Ninian Stephen was elected as a judge on the International Tribunal for Crimes in the former Yugoslavia, while Professor James Crawford is a member of the UN International Law Commission.

The fiftieth anniversary of the UN has intensified interest world-wide in reforming the UN's structures and operations to enable it to meet the challenges of the post-cold war world. Australia stands strongly committed to reform in a wide range of areas, including improving humanitarian relief coordination, the composition and functioning of the Security Council, restructuring of the Secretariat and management of peace operations, and will continue to seek opportunities to make a constructive contribution to the reform process.

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