The Parliament of the

Commonwealth of Australia

Report on the Australian Parliamentary Delegation to Denmark, Sweden and Greece

April 2011

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The delegation was accompanied by Mrs Sue Hogg, Mrs Maureen Ferguson and the Hon Russell Wortley MLC.

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Foreword

Between 2 and 16 April 2011, it was my pleasure to lead an Australian parliamentary delegation to Denmark, Sweden and Greece.

The full delegation was as follows:

- Delegation Leader, Senator the Hon John Hogg, President of the Senate and Senator for Queensland
- Deputy Leader, Mr Barry Haase MP, Member for Durack
- Senator Judith Adams, Senator for Western Australia
- The Hon Laurie Ferguson MP, Member for Werriwa
- Senator Sarah Hanson-Young, Senator for South Australia
- Senator Dana Wortley, Senator for South Australia.

The delegation was supported by Ms Julia Clifford (Adviser to the President of the Senate) and Ms Jackie Morris (Delegation Secretary). The delegation was also accompanied by Mrs Sue Hogg, Mrs Maureen Ferguson and the Hon Russell Wortley MLC.

One of the delegation's aims was to explore the issues surrounding sustainable energy production. The program in Denmark, Sweden and Greece allowed the delegation to discuss these issues with fellow parliamentarians, industry participants and key officials as well as to see first-hand how these countries are seeking to reduce carbon emissions.

The subject of irregular migration, including policies on detention and processing of claims for asylum, was also discussed in Denmark, Sweden and Greece. The delegation enabled a very fruitful exchange with officials and non-government organisations about the experience of each country in supporting the integration of migrant communities.

The program of the delegation in Denmark and Sweden arose out of a recommendation made by the Parliamentary delegation to European parliaments and institutions in April 2010. The original program of the 2010 delegation proposed visits to Sweden, Denmark, France, Belgium and Germany. However, the activities scheduled for the first week in Sweden and Denmark had to be curtailed due to the eruption of the Icelandic volcano Eyjafjallajökull and the subsequent emission of an ash cloud which brought European aviation to a halt. The 2010 delegation formally recommended:

> That the institutions and parliaments in Sweden and Denmark not visited due to the rearranged itinerary be the subject of a delegation visit in early 2011.

This delegation fulfilled the commitment to visit Sweden and Denmark as originally planned and allowed the delegation to pick up the program that had been so well organised by those countries 12 months earlier.

I would like to express sincere thanks to the Swedish Parliament for hosting our visit. The delegation was extended very warm hospitality in all three countries and the effort put into arranging and facilitating programs for us ensured that our visits were very informative and rewarding. I thank all those who generously made themselves available to meet with the delegation to assist us in fulfilling the aims of our visit.

Finally, I thank my fellow delegates for their thoughtful participation in the delegation's meetings and their commitment to our program of work.

Senator the Hon John Hogg

Delegation Leader

Chapter 1

Introduction

Aims and objectives

1.1 One of the delegation's key aims was to explore the issues surrounding sustainable energy production including policy settings that encourage the development of renewable energy. Delegates were also keen to examine how European countries are approaching the issue of irregular migration and the integration of immigrant communities.

1.2 In addition, the delegation provided a welcome opportunity to strengthen parliament to parliament relations between the Australian Parliament and the parliaments of Denmark, Sweden and Greece.

Acknowledgements

1.3 Before departure, the delegation greatly appreciated the opportunity to meet with Her Excellency Mrs Susanne Shine, Ambassador of Denmark, His Excellency Mr Sven-Olof Petersson, Ambassador of Sweden, and His Excellency Mr Alexios Christopoulos, Ambassador of Greece at an informal dinner. The Ambassadors each gave the delegation an overview of the relationship between their country and Australia, as well as very helpful suggestions about how the issues of interest to the delegates could be explored during their visit. The delegation also received informative oral and written briefings from Department of Foreign Affairs and Trade (DFAT) officers prior to departure. The delegation is grateful for the assistance provided by these officials.

1.4 The delegation wishes to acknowledge the efforts of the many people who contributed to the smooth operation of the visits, particularly the DFAT officers at each destination.

1.5 The delegation appreciates the assistance provided before and during the visit by staff in the International and Community Relations Office, particularly Ms Fiona Way, and the work of HRG staff in making the necessary travel arrangements.

1.6 Finally, the delegation thanks the many individuals and organisations who met with the delegation for their generosity in sharing their time, views and knowledge with the delegates. Specific acknowledgements will be made in the following chapters.

Structure of this report

1.7 Chapter 2 describes meetings and activities undertaken by the delegation in Denmark. The program for the visit of the delegation to Denmark is set out in Appendix 1.

1.8 Chapter 3 describes the meetings and activities that the delegation participated in while visiting Sweden. The program for the delegation's visit to Sweden is in Appendix 2.

1.9 Chapter 4 describes the meetings and activities that took place during the delegation's visit to Greece. The program for this visit is in Appendix 3.

Chapter 2

Denmark

Background

2.1 Denmark is a member of the European Union (EU) and has a population of approximately 5.5 million people. Denmark is a constitutional monarchy with legislative powers vested in a unicameral parliament (the Folketinget). There are 179 members of the Folketinget elected for four-year terms on the basis of proportional representation. Denmark has a modern market economy featuring a high-tech agricultural sector, and major pharmaceuticals, maritime shipping and renewable energy firms.[1]

Acknowledgements

2.2 The delegation is grateful for the support provided during the visit by HE Ambassador James Choi, Mr Matthew Banks, Mr Martin Jensen, and other staff of the Australian Embassy in Copenhagen. The delegation thanks the Ambassador for hosting a dinner with Danish industry representatives which provided a valuable opportunity for members of the delegation to explore issues of interest to them in an informal atmosphere.

2.3 The delegation also wishes to express its sincere thanks to the following individuals and groups who met with the delegation in Denmark:

Meetings with members of the Folketinget (Parliament)

- Mr Thor Pedersen, President of Folketinget
- Mr Steen Gade MP, Chairperson, Environment and Regional Planning Committee, Mr Jens Kirk MP, Chairperson, Energy Policy Committee, Ms Anne-Mette Winther Christiansen MP, Mr Eyvind Vesselbo MP and Mr Per Dalgaard MP

Other meetings

- Mr Lars Clausen, Mr Knud Pedersen and Ms Tine Heide Thomsen of DONG (Danish Oil and Natural Gas) Energy
- Ms Lykke Friis, Minister for Climate and Energy and Minister for Gender Equality
- officials from the Ministry of Refugee, Immigration and Integration Affairs

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1 Department of Foreign Affairs and Trade, *Brief for Parliamentary Delegation Visit to Denmark*, April 2011, pp 2-3 and 18.

- officials and researchers at the Risø National Laboratory for Sustainable Energy, Technical University of Denmark
- Mr Michael Persson, Vice President, Finance and Corporate Affairs, Inbicon
- Mr Justin Perrettson and Mr Stig Nielsson of Novozymes
- Professor Jan Gehl and Ms Henriette Vamberg of Gehl Architects
- Mr Jacob Lau Holst and Mr Erik Kjaer Soerensen of the Danish Wind Industry Association

Sustainable energy

2.4 In the 1970's, 95% of Danish energy supply was dependent on imported oil. The oil price shocks of the 1970's drove Denmark to seek energy independence particularly through oil and gas exploration in the North Sea. There was also a transition from oil-fired power stations to coal-fired stations and considerable energy efficiency improvements.[2] There has been strong opposition to the development of nuclear power amongst the Danish population.

2.5 In September 2010, the Danish Commission on Climate Change Policy proposed a road map for Denmark to be independent of the use of fossil fuels by 2050. To move towards that goal, Denmark aims to obtain 20% of gross energy consumption from renewable sources by 2011 and 30% from renewable sources by 2020.[3] In overall terms, the commission proposed that:

(a) energy will be used more efficiently;

(b) the proportion of energy consumption met by electricity will increase;

(c) offshore wind turbines will be central to the energy system;

(d) biomass will play an important role;

(e) the energy system will be intelligent (in particular to manage the dominance of fluctuating sources of power such as wind);

(f) household heating will be provided by a combination of electric heat pumps and district heating; and

(g) transport will be fuelled by a combination of batteries and biofuels.[4]

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2 The Danish Government, *Energy Strategy 2050 – from coal, oil and gas to green energy*, February 2011, at: www.kemin.dk/Documents/Klima-%20og%20Energipolitik/Energy%20Strategy%202050%20web.pdf (accessed 21 June 2011), p. 11.

3 Department of Foreign Affairs and Trade, *Brief for Parliamentary Delegation Visit to Denmark*, April 2011, p. 6.

4 Danish Commission on Climate Change Policy, *Green Energy – the road to a Danish energy system without fossil fuels*, September 2010, at: www.klimakommissionen.dk/en-US/AbouttheCommission/TheDanishClimateCommissionreport/Documents/green%20energy%20GB%20screen%201page%20v2.pdf (accessed 20 June 2011) p. 9.

Danish Minister for Climate and Energy

2.6 Ms Lykke Friis, Minister for Climate and Energy provided the delegation with an informative overview of Danish energy policy. Currently, 19% of electricity consumed in Denmark is produced from renewable sources. The Danish Government has recently launched its Energy Strategy 2050 which aims to ensure that there is no dependence on fossil fuels by 2050. As an interim step, the strategy aims to increase the share of renewable energy to 33% of energy consumption over the next decade. The core aspects of the strategy are:

(a) generating more power from wind energy (with 42% of electricity consumption to be supplied from wind power by 2020);

(b) supporting investment in biogas plants and encouraging more use of biomass at power plants in order to reduce the use of fossil fuels;

(c) development of a smart power grid; and

(d) cooperation with the rest of the EU on these initiatives.

2.7 This transition will be funded through various levies. Once fully implemented these will amount to around €10 per household per month. The Minister argued that, this was not a high price in the context of likely increases in the price of fossil fuels as those fuels become scarcer. There are mechanisms to exempt businesses in sectors where those businesses compete with other European businesses which are not subject to such high taxes on energy. Where there are social concerns about the impact of the levies, this is dealt with separately rather than through exemptions from the levies (for example there is an allowance for elderly pensioners to help them meet heating costs).

2.8 The Minister noted that there is consensus in Denmark that the country should become less dependent on fossil fuels but there is debate about the speed at which this transformation should occur (in particular, the opposition argues that the 33% target for renewable energy is too low). She suggested that the public debate had shifted, from a focus on carbon emissions and reaching a global deal, to a focus on the risks of being dependent on fossil fuels. She pointed out that, in Denmark, a further argument is that it is better to invest in the renewable energy industry because this creates jobs.

2.9 The delegates discussed regulatory requirements and government support for wind farm developments with the Minister and her officers. There is a requirement for wind turbines to be at least four times the height of the turbine away from homes in order to mitigate the impact of noise from the turbines. The Danish Government is considering scaling down subsidies for onshore wind farms as production of wind energy onshore is almost competitive with fossil fuels.

Parliamentary committees

2.10 The delegation met with Mr Steen Gade MP, Chairperson, Environment and Regional Planning Committee, Mr Jens Kirk MP, Chairperson, Energy Policy Committee and other committee members. The meeting discussed Danish energy policy since the 1970's including how Denmark reduced its dependence on imported

oil. Mr Gade MP noted that it was not environmental concerns that drove changes to Danish energy policy but the imperative to reduce reliance on oil. This was the impetus for initiatives to support the development of wind energy and for energy efficiency initiatives (such as improving insulation of homes). These initiatives mean that over the past three decades, Denmark's economy has grown by around 78% with nearly stable energy consumption.[5] The strategies Denmark is pursuing to reduce carbon emissions were discussed including how to resolve the issues arising from reliance on fluctuating renewable sources of power such as wind energy. The meeting also considered the issues confronting Australia in making a transition from reliance on fossil fuels including Australia's huge coal and natural gas reserves and the extensive investment in infrastructure related to those industries.

DONG Energy

2.11 DONG Energy is a majority state-owned power company which purchases, produces, distributes and trades energy in Northern Europe. The company has an annual turnover of €7.3 Billion and employs nearly 6,000 people. Its long term aim is to provide reliable energy without any CO_2 emissions. In 2006, the company was reliant on fossil fuels for 85% of its energy production; it aims to reduce this to 15% by 2040. The three main strategies for achieving this aim are :

(a) the development of wind farms (the company has just completed the largest wind farm in Denmark);

(b) conventional power stations as back up for wind energy with increasing use of biomass as a fuel for these plants; and

(c) increasing power production from natural gas because it emits less than half the CO_2 emitted by coal-fired power plants.

2.12 DONG Energy has determined that it will not develop any new coal-fired power stations and that it will convert many of its existing coal-fired units to biomass units. In a meeting with the delegation, Mr Lars Clausen, Executive Vice President of DONG Energy noted that DONG Energy did consider pursuing carbon capture and sequestration technology but considered that the development of the technology would take too long and it was not feasible for a company of its size to pursue independently.

2.13 Mr Clausen also explained that the company has an obligation to reduce its customers' power consumption by 1% per year and that it has met this target. One initiative the company has pursued has been to enter "climate partnerships" with its industrial customers. Under these agreements, DONG Energy guarantees to reduce the energy bill of an industrial customer by at least 10% and in return the customer commits to purchasing more renewable energy. Usually analysis of energy usage by the customer has led to a 20% improvement in energy efficiency.

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5 Danish Ministry of Climate and Energy, at: www.kemin.dk/en-US/facts/danishexample/Sider/TheDanishExample.aspx (accessed 21 July 2011).

2.14 Mr Clausen explained that energy in Denmark is taxed so heavily by the government that consumers do not, in effect, experience the market fluctuations in the price of energy. He pointed out that production of wind power remains more expensive than production of power from coal-fired plants and it would therefore not be viable without subsidies. In addition, in Denmark, the state pays for the connection of onshore and offshore wind farms to the power grid.

2.15 Delegates discussed the processes for approval of wind farms and the environmental and health impacts of wind turbines with Mr Clausen and his colleague Mr Knud Pedersen. The DONG executives noted that the political process of building wind turbines onshore is more complex than for building offshore turbines. They said that, while significant health issues have not been linked with wind farms, there have been concerns about the visual impact of the turbines. As a result, the Danish Government has introduced a system which provides more benefits to communities located near wind farms.

Avedøre Power Station

2.16 The delegation visited the Avedøre Power Station which is operated by DONG Energy. The Avedøre Power Station has two power generation units. Unit 1 is coal-fired whilst unit 2 is a multi-fuel fired unit which can be fueled by wood pellets, straw, oil, natural gas or coal. The wood pellets are produced from fast growing plantation timber. The growth cycle of the timber is approximately three years so, like straw stubble, it is considered a carbon nuetral fuel. Unit 2 includes a separate biomass boiler which is the largest and most efficient straw-fired boiler in the world. This boiler is connected to the same steam turbine plant as the steam boiler (which is fired by the wood pellets, oil, natural gas or coal).

2.17 Surplus heat produced by the two units is captured and distributed through pipelines to provide district heating for 200,000 homes in the Greater Copenhagen area. The combined heat and power production means that the Avedøre Power Station is very efficient with unit 2 utilising up to 94% of the fuel energy (unit 1 achieves up to 91% efficiency).

Risø National Laboratory for Sustainable Energy

2.18 On 5 April, the delegation visited the Risø National Laboratory for Sustainable Energy, Technical University of Denmark (Risø DTU). The Risø laboratory was established in 1954 to conduct research into nuclear energy. However, in the 1970's public opinion in Denmark turned against nuclear power and, in 1985, the Danish Parliament resolved that nuclear power would not be part of Denmark's energy future. The focus of research at the Risø laboratory therefore shifted to renewable energy especially wind power. Risø DTU is now conducting research into fields such as:

(a) wind and solar energy;

(b) fuel cells;

(c) batteries;

(d) biomass production; and

(e) smart grids.

Wind energy

2.19 In relation to wind energy, the research at Risø DTU has been directed at:

(a) meteorology (including the development of a wind atlas);

(b) the design of turbines (especially the blades and foundations); and

(c) the most effective layout for turbines (for example to ensure turbines are not affected by the wake of other turbines).

2.20 Risø DTU is also testing a scale model of a floating, combined wind and wave energy convertor. Delegates were advised that extensive research has been done on the health effects of noise, low frequency noise and flicker caused by wind turbines. As a result, there are regulations regarding the minimum distance between buildings and turbines as well as the maximum noise level permitted.

2.21 The tour of the Risø DTU laboratories was most valuable for the delegation. In particular, the delegation visited laboratories where research is being conducted in relation to fuel cells and the use of microalgae to produce biodiesel.

Fuel cells

2.22 Fuel cells convert the chemically bound energy of a fuel (such as natural gas, biofuels or diesel) directly into electricity which means they are more efficient, quieter and produce lower emissions than traditional generators and power plants. The research into fuel cells at Risø DTU is occuring in close collaboration with the Danish company Topsoe Fuel Cells. As the cells are currently produced from ceramic material, an issue for commercialising the technology is reducing the material and production cost of the cells. Possible applications of fuel cell stacks include combined heat and power production for households and auxillary power units for trucks and ships.

Biofuels

2.23 The research Risø DTU is conducting in relation to the use of microalgae to produce biodiesel currently focuses on biological issues such as strain selection, breeding to increase biomass and cultivation optimisation. In particular, the research is directed at identifying algae cells with high lipid content and where the lipid is easily released. The laboratory is not yet focussing on the process for producing biodiesel from algae. Trials of this technology are also underway at James Cook University in North Queensland.

The delegation with Ms Anne Ulson and Ms Sannie Larson at the Risø DTU laboratory conducting research in relation to microalgae.

Renewable energy industry

2.24 The delegation received a number of informative briefings from Danish renewable energy industry representatives.

Inbicon biomass refinery

2.25 In particular, delegates visited the Inbicon biomass refinery which is a demonstration plant producing second generation biofuels.[6] Inbicon is a subsidiary of DONG Energy and the demonstration plant has received support from both the EU (€9 million) and the Danish Government (€10 million).

2.26 Mr Michael Persson, Vice President Finance and Corporate Affairs, Inbicon explained to delegates that ten years ago the burning of agricultural stubble was banned in Denmark and since then there has been a focus on finding the optimal use for this waste cellulose ('biomass'). The Inbicon biomass refinery can produce 100

6 Second generation biofuels utilise sustainable feedstock (such as agricultural waste products) as opposed to feedstock which replaces food production (such as sugar cane or beet, corn or wheat).

litres of enthanol for every half tonne bale of wheat straw. Other by-products of this process are solid biofuel which can be burnt for power production (lignin pellets) and molasses. The process takes approximately one week and, in addition to the wheat straw, it requires water, enzymes and yeast. Mr Persson pointed out that it would be possible to integrate a biomass refinery with a conventional power plant in order to utilise the excess heat produced by the power plant in the biofuel production process.

2.27 The second generation ethanol is not yet price competitive with first generation ethanol. However, Inbicon anticipates that the start-up of the first commercial plants will occur in 2013-14 and it has sold the first licence to use this technology to a Japanese company. Mr Persson took delegates on a tour of the refinery.

Novozymes

2.28 The delegation later visited Novozymes a leading biotech company. Mr Justin Perrettson and Mr Stig Nielsson of Novozymes provided the delegation with a briefing about enzyme production and how it contributes to better use of energy and resources. Enzymes are biological catalysts which are present in all living cells and can replace chemicals in many industrial processes. Enzymes have the advantage of being fully biodegradable.

2.29 Inbicon is a major client of Novozymes which produces the enzymes required for bioethanol production. Indeed, Novozymes is the largest supplier of enzymes to the bioethanol industry and estimates that globally it has a 60% market share. Mr Perrettson argued that biofuels are the key to reducing global dependence on oil and, in particular, that over half of Australia's fuel supply could be produced from existing agricultural residues.[7]

2.30 In addition to providing enzymes for biofuel production, Novozymes produces enzymes and other biological products:

(a) for use in detergents;

(b) for textile processing;

(c) for baking, brewing and other food processing;

(d) to improve animal feeds;

(e) for use in wastewater treatment facilities; and

(f) which are biopharmaceutical ingredients.

2.31 Mr Nielsson explained that the enzymes are produced by genetically modified micro-organisms because enzymes are not produced in sufficient quantities by naturally occurring micro-organisms to be commerical. The genetically modified

7 Assuming all agricultural residues produced were converted to ethanol.

organisms are produced in contained processes and, in any case, he explained that it would be difficult for the genetically modified organisms to 'survive in the wild.'

Danish Wind Industry Association

2.32 Mr Jacob Lau Holst and Mr Erik Kjaer Soerensen of the Danish Wind Industry Association briefed the delegation on issues such as integration of wind energy into the power system and the approach Danish wind industry companies take to public consultation when they are establishing new projects. There are approximately 5,500 wind turbines in Denmark and the association has a target to reach a 50% share of Danish power production by 2020. This will primarily be achieved through development of offshore rather than onshore turbines.

2.33 Wind is a fluctuating power source (for example, no power is produced both when there is no wind and when turbines have to be shut down because wind speeds are too high). Mr Soerensen said this means that there is a need to integrate wind energy production with power produced from other sources, such as thermal power plants, which can ramp up production quickly when the power supply from wind drops.

2.34 Mr Holst noted that Denmark has in place guidelines in relation to consultation of neighbouring land owners where it is proposed to build new wind turbines. There is also a legislative requirement for developers to offer a 20% stake in the project to neighbours (this is a one-off offer made at the time of establishing the project). There are regulations regarding the distance turbines must be from dwellings (a longer distance is required if the landscape causes the sound to travel further). There are also standards for measuring the noise impacts.

2.35 Mr Holst noted that sometimes consultation reveals that the issues of concern to neighbours can be resolved through flexibility about the location of the turbines (for example by moving them out of a line of sight), planting trees or taking other practical measures to reduce the impact on neighbours. In response to a discussion about some of the difficulties being encountered in Australia with wind farm developments, Mr Holst suggested that it is important to have good public information as well as a regulatory regime that clearly sets out the rules for developers and the rights of citizens.

Integration of immigrant communities

2.36 The delegation met with Mr Henrik Kyvsgaard, Deputy Permanent Secretary, and Mr Henrik Thomassen, Head of Integration Policy Division, Ministry of Refugee, Immigration and Integration Affairs to discuss the Danish experience with integration of immigrants. The officers explained that 30 years ago there were only 150,000 immigrants in Denmark and those immigrants were generally from Sweden and Norway. Today, there are around 500,000 immigrants and their descendants in Denmark and they are predominantly from Africa and the Middle East.

2.37 Denmark received some migrant workers in the 1960's and 1970's primarily from Turkey, Pakistan and Yugoslavia. In 1973, unemployment rates led to a general freeze on labour migration. During the 1980's and 1990's the only immigrants were refugees and those arriving under family reunification criteria. In 1999, the Danish Integration Act was passed to establish a more coherent and standardised policy on migration. Since 2000, there has been a shift in the pattern of migration to more skilled entrants coming to Denmark for work or study. Currently, the largest number of entrants are holders of EU residence certificates. There is no cap on the number of migrants.

2.38 It is extremely difficult for migrants to become Danish citizens (for example to be eligible for citizenship an immigrant must have a permanent residence permit and have resided in Denmark for nine years). However, it is possible to remain on a temporary residence permit almost indefinitely and temporary residents have work rights and access to welfare payments.

Asylum seekers

2.39 Mr Kyvsgaard said that approximately 5,000 asylum seekers per annum arrive in Denmark of whom around 2,000 are recognised as refugees. Asylum seekers are subject to intitial identity checks including finger printing. Under the Dublin Agreement between European states,[8] asylum seekers who have arrived in other European states may be returned to the country of first arrival. However, as a result of concerns about conditions for asylum seekers in Greece, asylum seekers are no longer returned to Greece under the agreement.

2.40 While their claims are considered, asylum seekers stay in open camps run by the Danish Red Cross. They are free to leave the camp during the day but must return there in the evening (in order to receive funding the Red Cross must demonstrate that asylum seekers are residing in the camps). Asylum seekers do not have work rights or access to social security benefits. Children are schooled separately at a school operated by the Red Cross but are placed in mainstream schools once they have adequate Danish language skills. The Ministry aims for a processing time of approximately three months but a small number of families have been in the system for 10 years.

2.41 Where a person's claim for asylum is refused, he or she can be placed in detention. In general, people whose claims are refused leave Denmark voluntarily but some are deported.

Integration policy

2.42 Integration policy is a controversial issue in Denmark and has been a key election issue at the last three or four elections. Key challenges the officers identified included:

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8 The agreement includes European Union member states, Switzerland, Norway and Iceland.

(a) addressing ghettoisation;

(b) young, second generation immigrants (especially boys) dropping out of education; and

(c) concerns about the impact of migration on values and norms.

2.43 Under the Danish Integration Act municipalities are responsible for the integration program. The aim of the integration program is to ensure that immigrants learn Danish and obtain employment. In particular, refugees and some other migrants are offered introductory programs which incorporate job and language training. Immigrants receive an introduction allowance (equivalent to social security benefits) while they undertake the introductory program. The allowance is reduced if the migrant fails to attend. More broadly, all adults who hold a residence permit in Denmark are entitled to up to three years of Danish language tuition. There are three levels of Danish education program depending on the migrant's level of education.

2.44 To address the issue of ghettoisation, the Immigration Service selects a municipal authority area in which refugees must live for the first three years. Municipalities agree on quotas for the number of refugees who will reside in their area (some areas of Copenhagen have such large numbers of migrants that these areas have a zero quota).

Strengthening parliament to parliament relations

2.45 The delegation was honoured to meet with Mr Thor Pedersen, President of the Folketinget (Parliament). Not only did this meeting provide an opportunity to strengthen relations between the two Parliaments but it was also a chance to explore practical issues regarding the operation of the Danish Parliament. In particular, the delegates discussed how the Folketinget addresses issues such as procedures for question time, the security of information technology systems and the operation of the media within Parliament House.

2.46 The President of the Folketinget noted that Denmark usually has a minority government and there is therefore a culture of seeking to build a broad consensus for laws. Question time occurs for one hour, once a week and the Prime Minister determines which ministers will attend question time. Party leaders are given priority for asking questions and normally eight members will have the opportunity to ask a question without notice of the Prime Minister. After question time, there is provision for answers to be given to written questions. This procedure allows for two questions per member, to any minister, and there is provision for the member to ask two follow up questions. In the case of both questions with and without notice, the minister can refuse to answer the question.

2.47 There are 185 journalists with privileged access to the Folketinget. In other words, they have access to the daily life of the parliament and are able to enter the parliament without passing through security. On average, there are two or three incidents per year involving the behaviour of journalists outside this group.

2.48 There is a channel dedicated to broadcasting the proceedings of the Folketinget. There is also provision for the proceedings of committees to be broadcast and members of the public have access to video footage on demand.

Other issues

Sustainable cities

2.49 The delegation met with Professor Jan Gehl and Ms Henriette Vamberg of Gehl Architects on 6 April 2011. Professor Gehl was a visiting professor at Melbourne University in the 1970's and his firm has undertaken urban design projects in Melbourne, Sydney, Perth and Hobart. The firm is also looking at projects in Vancouver and New York. He outlined for the delegation how cities can be designed to encourage bicycle use, pedestrians and greater social engagement while decreasing traffic and pollution. Professor Gehl explained how, by creating an environment which invites people to walk and cycle, it is possible to create a safer, more lively and healthier city.

2.50 In 1962, Copenhagen closed certain streets to traffic and began opening up squares, which had been used as parking lots, to pedestrians. There are therefore 50 years of figures regarding pedestrian use of the city which demonstrate that not only do more people walk in the city now but they spend more time in the city as well. This has an economic benefit for businesses (such as cafes and restaurants) in the city centre. There is also very extensive use of bicycles in Copenhagen with over a third of the population cycling to work (in fact, congestion in bicycle lanes has become an issue).

2.51 To achieve these outcomes, Copenhagen's streets generally have: two sidewalks, two bicycle lanes and two-way traffic divided by a substantial median strip which assists with street crossing. The bicycle lanes are located between the footpath and parked cars so that cyclists are protected from traffic. Professor Gehl said this represented a shift from traffic engineers determining everything to balancing the needs of traffic, pedestrians and bicycles. He summarised his approach to architecture and design as: 'Being sweet to people.'

2.52 Delegates discussed with Professor Gehl how these principles could be applied in Australian cities where high proportions of the population live in the suburbs. Professor Gehl advocated making villages along public transport lines (such as train and tram lines). In other words, rather than allowing further spread of the suburbs allowing higher density development along the transport corridors. There was also discussion of how to avoid creating only isolated pockets of activity in city centres such as a single street closed off as a pedestrian shopping mall. Professor Gehl suggested that there is a need to look at 'in-between street types' rather than just pedestrian mall versus traffic streets. He also said that a mix of uses (that is residences, shops, offices, cafes and restaurants) helps to widen the city centre and bring in more residents.

Chapter 3

Sweden

Background

3.1 Sweden is the fifth largest country in Europe by area and has a population of approximately 9.4 million people. While Sweden is a member of the EU, it has not joined the Euro Zone and thus retains its own currency. Sweden is a constitutional monarchy with legislative powers vested in a unicameral parliament (the Riksdag). There are 349 members of the Riksdag directly elected every four years on a proportional basis. In order to be allocated seats in the Riksdag, a party must obtain at least 4 per cent of the national vote. Voting is not compulsory but turnout is usually over 80 per cent. The Swedish economy is heavily dependent on a highly developed industrial sector (including companies such as Ericsson, Asea, Astra, Alfa Lval, SKF, Electrolux, Volvo, SAAB, H&M and IKEA).[1]

Acknowledgements

3.2 The delegation is grateful to the Swedish Riksdag (Parliament) for hosting its visit to Sweden. The delegation is particularly appreciative of the assistance provided by Mr Ulf Christoffersson, Deputy Secretary General of the Riksdag, and Ms Eva Zorn, International Secretary, International Department of the Riksdag, who accompanied the delegation whilst it was in Sweden.

3.3 The delegation thanks HE Ambassador Paul Stephens, Mr Mattias Bengtsson, Mr Nicholas Charpentier and other staff of the Australian Embassy in Stockholm for the support and briefings they provided to the delegation.

3.4 The delegation also wishes to express its sincere thanks to the following individuals and groups who met with the delegation in Sweden:

Meetings with members of the Riksdag

- Mr Per Westerberg, Speaker of the Riksdag
- Professor Carl B Hamilton PhD MP, Chairperson of the Standing Committee on European Affairs
- Ms Maria Wetterstrand MP, Deputy Chairperson of the Standing Committee on Industry and Trade,
- Mr Frederick Federley MP, Mr David Lång MP, Ms Désirée Liljevall MP, Ms Lise Nordin MP, Ms Jessica Poljärd MP and Mr Börje Vestlund MP

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1 Department of Foreign Affairs and Trade, *Brief for Parliamentary Delegation Visit to Sweden*, April 2011, pp 4 and 5.

Other meetings

- Mr Daniel Johansson, State Secretary to the Minister for Enterprise, Energy and Communications
- Mr Jasenko Selimovic, State Secretary to the Minister for Integration
- Mr Anders Lago, Mayor of Södertälje Kommun
- Ms Birgitta Resvik, Head of Public Affairs, Fortum Corporation
- Ms Marlena Karlsson, Information Officer, Hammarby Sjöstad
- Dr Henrik Fridén, Program Manager, VINNOVA

Sustainable energy

3.5 On 7 April 2011, the delegation met with Ms Maria Wetterstrand MP, Deputy Chairperson of the Standing Committee on Industry and Trade and committee members to discuss Swedish climate and energy policy. The committee kindly prepared a background paper for the delegation on these issues.

3.6 In the early 1970's, hydro power and oil-fired power plants produced most of Sweden's electricity. As was the case in Denmark, major changes to Swedish energy policy were driven by the oil crises of the 1970's. In Sweden, this led to the development of nuclear power plants. By 2009, nuclear power supplied 37% of the country's electricity while hydro power supplied 49%. Legislation passed in 2010 repealed a 1997 Act requiring the phasing out of nuclear power and allowed for the approval of up to ten new nuclear reactors provided that each reactor replaces an existing reactor.[2]

Renewable energy

3.7 In 2009, the Swedish Parliament approved a new climate and energy policy under which Sweden aims to have at least 50% of energy supplied by renewable sources by 2020. The new policy sets a specific target for the transport sector of at least 10% of its energy use to be from renewable sources by 2020. While, by 2050, it is envisioned that Sweden will have no net greenhouse gas emissions.[3]

3.8 To support achievement of these targets, the Swedish Government provides green electricity certificates for renewable energy. Electricity produced from wind power, solar energy, wave energy, geothermal energy, certain biofuels and certain hydro power qualifies for green electricity certificates. Producers of renewable electricity receive one certificate unit from the state for each megawatt hour of electricity they produce. Demand for certificates is created by a requirement for all electricity suppliers and some electricity users to purchase certificates corresponding

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2 Standing Committee on Industry and Trade, *Energy in Sweden*, April 2011, p. 2.

3 Standing Committee on Industry and Trade, *Energy in Sweden*, April 2011, p. 1.

to a proportion of the electricity sales or use.[4] The average price of a certificate during the previous 12 months (April 2010 – April 2011) was 267SEK or approximately $40AUD. The certificate system ensures that electricity producers receive more for power produced from renewable sources. This system has broad support from most political parties in Sweden.

3.9 While there is a national policy in relation to energy planning, the approval and implementation of projects occurs at the local level. For example, the meeting with members of the Standing Committee on Industry and Trade canvassed the process for developing new wind farms in Sweden. Ms Wetterstrand explained that Sweden has a strong system for ensuring people can put their views on developments that require planning approval including establishing wind turbines. Wind farm developments are generally initiated by individuals and the planning issues are determined by municipalities so there is no overarching regional plan in relation to where it is desirable to locate turbines. She said that a major issue may be making necessary changes to the government-owned transmission grid to enable development of wind parks in areas further removed from population centres.

Carbon tax

3.10 The delegation met with Mr Daniel Johansson, State Secretary to the Minister for Enterprise, Energy and Communications. Mr Johansson briefed delegates about Swedish climate and energy policy and, in particular, the impact of introducing a carbon tax in Sweden. He argued that the Swedish economy has made a dramatic transition over the last 50 years from dependence on energy intensive industries with heavy reliance on fossil fuels.

3.11 Sweden introduced a carbon tax in 1991 which provided for a lower rate of taxation on energy intensive industries as well as exemptions for agriculture and electricity (which was already heavily taxed). Other environmentally damaging emissions (such as sulphur) are also taxed heavily. Mr Johansson argued these taxes have been effective in driving efficiency and have not been devastating for the business climate. He noted that the carbon tax has gradually increased in Sweden and argued that it has been instrumental in decoupling economic growth from greenhouse gas emissions. Between 1990 and 2006 Sweden reduced its greenhouse gas emissions by almost 9% but had 44% growth in Gross Domestic Product (GDP).[5] More specifically, he argued that a tax which makes it difficult for high emitting industries or practices opens up opportunities for new companies. Moreover, he considered that the cost of transforming an economy would be greater the longer action was delayed.

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4 Standing Committee on Industry and Trade, *Energy in Sweden*, April 2011, p. 3.

5 Ministry of the Environment Sweden, 'Towards a low carbon society', *Information Sheet from the Swedish Ministry of the Environment*, December 2008 at: www.sweden.gov.se/content/1/c6/11/66/69/f7b9ac55.pdf (accessed 16 August 2011), p. 1.

3.12 Mr Johansson said that there has been widespread acceptance of the policy amongst Swedish citizens and political parties. He noted that the tax is neutral when it comes to different economic sectors and suggested that it is more efficient than a trading scheme (on the basis that it is more direct and the administration is simpler). He said that Sweden expects that there will be a global agreement on climate change and that this will present countries which have moved early, and gradually, with a competitive advantage including by ensuring that the transition of their economies is not turbulent.

Lowering emissions from vehicles

3.13 Mr Johansson explained that the transport sector is the biggest challenge for Sweden in addressing CO2 emissions (particularly as export of vehicles is a major plank of the economy). Since 2006, the rate of annual vehicle registration tax has been linked to the CO2 emissions of the vehicle. In addition, from 2007, the Swedish Government introduced a system to provide a cash rebate to people purchasing green cars. In 2009, this rebate was replaced by a five year exemption from annual vehicle registration tax for new green cars.The definition of 'green car' has gradually been tightened but it generally refers to cars capable of running on E85 or biogas, electric or hybrid electric cars, and particularly fuel-efficient vehicles.[6]

Impact of government policies on the energy sector

3.14 On 8 April 2011, the delegation met with Ms Birgitta Resvik, Head of Public Affairs for Fortum Corporation. Fortum is a major power and heat generation company which is majority owned by the Finnish Government. The company has over 10,000 staff and assets in Sweden, Finland, the Baltic states, Russia and Poland. Fortum owns, or part owns, the following power plants in the Nordic countries (primarily in Finland and Sweden):

(a) 260 hydropower plants (46% of power production by terawatt hour);

(b) four nuclear power plants (44% of power production);

(c) three condensing power plants (10% of power production); and

(d) six wind power plants.

3.15 The company is building a fifth nuclear reactor in Finland and is researching the development of wave power, solar power and electric vehicles.

3.16 Ms Resvik described to the delegation the trends driving change in the power generation sector, and how government policy and regulation in Europe has impacted on the energy sector. She identified the following factors as key trends:

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6 See also Ministry of the Environment Sweden, *Sweden's Fifth National Communication on Climate Change: Under the United Nations Framework Convention on Climate Change*, December 2009, at: http://unfccc.int/resource/docs/natc/swe_nc5.pdf (accessed 16 August 2011), pp 9, 23-24 and 47-49.

(a) new power generation capacity is needed globally;

(b) the climate change issue will drive political developments;

(c) combined heat and power generation is more commercially attractive;

(d) in the longer term, there will be a gradual move towards a solar economy;

(e) power market liberalisation will advance; and

(f) integration of power markets in the EU will increase.

3.17 Delegates discussed with Ms Resvik the current debate about a carbon tax in Australia. She noted that Fortum would prefer to have a global price on carbon and considers it a business constraint that there is not yet a global price. In particular, she argued that it is necessary to have a price on carbon to make renewable alternatives, such as wind power, economically viable.

3.18 The meeting also discussed the use of waste to generate energy including through the use of biological waste to produce biogas and the direct use of waste as a fuel in power plants. Ms Resvik suggested that there is a need for regulation to prevent waste going to landfill instead of being used as fuel.

The delegation with Ambassador Paul Stephens and Ms Birgitta Resvik, Fortum Corporation.

Integration of immigrant communities

3.19 During the 1950's, 1960's and 1970's, people from Finland, southern Europe and Turkey migrated to Sweden seeking work. Since the 1970s, Sweden has received refugees, initially from Latin America and East Asia, and more recently from the Middle East and Africa.[7] Sweden is a major donor to the United Nations High Commissioner for Refugees and resettles approximately 2,000 refugees per annum.[8]

3.20 Lack of integration by immigrants has been a problem in Sweden which has a relatively homogenous society. Immigrant enclaves have formed in major cities as pockets of disadvantage. There has been an increased focus on integration issues following the election to the Riksdag, in September 2010, of an anti-immigration party (the Sweden Democrats) and a failed terrorist attack in Stockholm in December 2010. The centre-right coalition government in Sweden has agreed upon a new, more liberal immigration policy which also has the support of the opposition Greens. The policy provides irregular immigrants with entitlements to health care, basic education and the right to operate businesses.[9]

3.21 The delegation met with the State Secretary to the Minister for Integration, Mr Jasenko Selimovic, to discuss the Swedish experience with integration. Sweden passed an Integration Act in 2010 which aims to speed up the process of integration. Currently migrants take on average seven years from the time they arrive in Sweden until they are fully integrated in the labour market. Indeed, Mr Selimovic said that many immigrants are waiting to return to their home country rather than viewing Sweden as their permanent home.

3.22 Mr Selimovic was interested in the Australian experience of integrating immigrant groups. The Hon Laurie Ferguson MP noted that there had been largely bipartisan support for policies which allow immigrants to maintain their language and culture. He noted that the Australian Government provides English language training and other settlement services to support new migrants. Members of the delegation explained in more detail the operation of settlement services and the process for obtaining Australian citizenship including the administration of the citizenship test. Senator Wortley noted that one thing Australia has done well is to acknowledge the value of different cultures.

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7 Ministry of Integration and Gender Equality Sweden, *Fact Sheet: Swedish integration policy*, December 2009, at: http://ec.europa.eu/ewsi/UDRW/images/items/docl_11362_154894364.pdf (accessed 17 August 2011), p. 4.

8 Sweden was the fourth highest donor to UNHCR in 2010: UNHCR, *Total contributions to UNHCR in 2010*, at: http://www.unhcr.org/pages/49c3646c26c.html (accessed 22 August 2011); UNHCR, *UNHCR Statistical Yearbook 2009*, October 2010, at: http://www.unhcr.org/4ce531b59.html (accessed 22 August 2011), p. 31.

9 Department of Foreign Affairs and Trade, *Brief for Parliamentary Delegation Visit to Sweden*, April 2011, p. 3.

3.23 The meeting also discussed related issues of social inclusion of Roma people in Sweden and Indigenous people in Australia. The President of the Senate, Senator the Hon John Hogg, suggested that one difficulty has been governments seeking to impose a solution from outside. He said that solutions must be based on a vision that emerges from within the particular community.

Södertälje Kommun

3.24 The delegation visited Södertälje on 8 April 2011. Södertälje is a municipality located around 40km south of Stockholm with approximately 85,000 inhabitants. Nearly 40% of the population has an immigrant background and over 80 languages are spoken in the city. The population of the city grew during the 1960's and 1970's due to the growth of Scania (a truck and bus manufacturer) and AstraZeneca (a pharmaceutical company) which are still major employers in the city.

3.25 The city has received two waves of refugees: the first were Christian Assyrians/Syrians from Turkey, Lebanon, Syria and Iraq who arrived in the 1980's and 1990's. Assyrians are the largest immigrant group in the city (accounting for between 15,000 and 20,000 inhabitants). Over the last ten years, Södertälje has received over 8,000 Iraqi refugees. The city has taken more Iraqi refugees over that period than the United States and Canada combined. In addition, the city is home to around 500 asylum seekers many of whom have been waiting for several years for their applications to be determined and the appeals process to be finalised.

3.26 The delegation met with Mr Anders Lago, Mayor of Södertälje Kommun. The Mayor explained that immigrants who arrived between the 1960's and 1980's are well integrated but there have been a number of difficulties with the integration of more recent arrivals from Iraq. He outlined three specific problems. Firstly, the schools in Södertälje educate around 8,000 to 10,000 students 15% of whom are recently arrived refugees. The new arrivals are concentrated in particular schools (in some schools 98% of students are non-Swedes). This places a significant burden on those schools and can lead to difficulties in those children learning Swedish. Secondly, there is a significant shortage of accommodation in Södertälje and many flats are therefore overcrowded. Thirdly, new arrivals often experience difficulty finding employment (the unemployment rate in Södertälje is 11% compared to 6% in the Stockholm region). While the national government provides welfare to refugees for the first two and a half years, after that period the municipality provides welfare support.

3.27 The Mayor outlined for the delegation the initiatives the municipality has pursued to support the integration of immigrants. These initiatives include targetted labour market measures for newly arrived migrants. For example, to address concerns that the government employment service was not effectively assisting migrants, the municipality established an employment service company with Manpower called Manpower Telge Jobbstart. The company has placed 250 people in employment in 12 months. The muncipality also operates a construction company called Telge Peab in a joint venture with Peab (a Swedish construction and civil engineering firm). This is an entirely commercial operation and 80% of its employees are newly arrived refugees.

3.28 In response to questions from members of the delegation, the Mayor noted that very few people in the city are against immigrants per se but that, if there are large concentrations of unemployed immigrants, this creates issues.

3.29 There was significant media interest in the deglation's visit to Södertälje and the President gave a number of interviews as leader of the delegation.

Strengthening parliament to parliament relations

3.30 On 7 April 2011, Mr Per Westerberg, Speaker of the Riksdag, gave the delegation an overview of the history of the Riksdag as well as more recent economic and political events in Sweden. The current government is the first centre-right government to be re-elected in Swedish history and, as is often the case in Sweden, it is a minority government.

3.31 The delegation discussed with the Speaker the security arrangements applicable to both parliaments. The Speaker explained that members of the Riksdag are required to wear electronic passes and to pass through security screening. These measures were agreed to after much debate and were necessitated by the assassinations of the Swedish Prime Minister Olof Palme (in 1986) and the Swedish Foreign Minister Anna Lindh (in 2003) as well as other threats against Swedish parliamentarians.

3.32 The meeting also examined the adoption of new information technology by parliaments and how the security of information technology systems can be maintained. The President noted that the Australian Parliament's network had been subjected to a number of cyber attacks.

3.33 The protocols for the media to operate within parliamentary precincts were discussed. The Speaker noted that, in the past, the media had been subject to few restrictions in the Riksdag and this meant that they could lay siege to members' offices. Now restrictions have been imposed so that there are periods when the parliamentary offices are closed and each party has the power to close access to its offices. Journalists who are permanently based in the Riksdag are subject to fewer restrictions.

3.34 The President of the Senate outlined the proposals to establish a parliamentary budget office to act as an independent advisor to the Australian Parliament on proposed expenditure and government finances. The Speaker noted that the Riksdag had established an independent budget office around 20 years ago and that it is a highly regarded body.

3.35 The delegation was given a tour of the Chamber of the Riksdag. The Chamber seating plan is based upon each member's date of election with the most senior members seated at the front of the Chamber. This results in members of different parties sitting together rather than members being seated in party blocs. Members vote electronically and are able to see on an electronic board which members wish to speak in a debate.

Other issues

Sustainable cities

3.36 On 8 April 2011, the delegation visited Hammarby Sjöstad which is a district within Stockholm. This area was formerly a heavily polluted, industrial area. Redevelopment of the area was planned to support Sweden's bid for the 2004 Olympic Games. While the bid was unsuccessful, the redevelopment proceeded and will be completed by 2018. The development is a mix of residential and office space and was funded through both public and private investment with the bulk of government funding directed at cleaning contaminated areas of the site.

3.37 The overall goal of the development was to achieve a 50% reduction in the environmental impact of emissions from Hammarby Sjöstad compared to other newly constructed housing areas in Stockholm. To date, a 30 to 40% reduction has been achieved. Another aim of the development was to achieve 80% of commuters walking, cycling or utilising public transport to travel to work: a rate of 79% of commuters has been achieved.

3.38 Some of the features of the development which contribute to environmental outcomes include:

(a) requirements for developers to reduce energy consumption through energy efficient building designs and appliances, and to reduce water consumption through installation of water efficient toilets and taps;

(b) residents sort their waste to maximise recycling and reuse of waste;

(c) solid waste is transported from courtyard chutes via an underground vacuum suction system which transports it to a collection point;

(d) food waste is composted;

(e) combustible waste is incinerated to produce both electricity and district heating;

(f) the heat released through treatment of waste water is also used for district heating;

(g) the sludge resulting from waste water treatment is used to produce biogas; and

(h) storm water flows into the lake at the centre of the district after it has been naturally filtered by various plants.

3.39 The delegation was given a briefing and a tour of the district by Ms Marlena Karlsson. This allowed delegates to see first-hand the Hammarby Model for integration of waste, water and energy management. Ms Karlsson explained that integrated planning is the key to such developments and is now common on projects in Sweden. She noted that, while a percentage of the environmental goals have been achieved by technical measures, 25% has been achieved through changing the behaviour of residents.

Fostering innovation

3.40 The delegation met with Dr Henrik Fridén, Program Manager for VINNOVA (the Swedish Governmental Agency for Innovation Systems) to discuss how the Swedish government fosters research and development (R&D), and innovation. Dr Fridén noted that he had been scheduled to meet the 2010 delegation before its visit was disrupted and that he was pleased that an Australian parliamentary visit had been rescheduled.

3.41 VINNOVA is a Swedish Government agency established in January 2001 to promote sustainable growth in Sweden by funding needs-driven research and the development of effective innovation systems. Sweden spends over 3.5% of GDP on innovation. A new research bill is passed every four years or so. This legislation sets the thematic focus for research the government will support over the next four years and provides budget certainty. The 2008 Research and Innovation Bill included a 5 billion Swedish kronor increase in spending on innovation.[10] VINNOVA invested just over 2 billion Swedish kronor in research and innovation in 2010. VINNOVA generally requires co-financing for all projects and an important aspect of its role is to increase cooperation between companies, universities and research institutions.

3.42 Dr Fridén explained that a large share of the R&D work in Sweden is undertaken by a small number of very large firms (such as Ericsson). The funds invested by VINNOVA represent 6.5% of public funding of R&D in Sweden. Most of these funds go to universities. Existing research which has received support from VINNOVA includes research into degenerative brain diseases, tuberculosis, virus analysis technology, traffic safety, wireless data communication, sustainable bioenergy and integration of large scale wind power.

3.43 Until recently, VINNOVA had a national focus on research needs but it is now shifting focus to areas with potential international markets (including health and sustainable cities). The meeting discussed how further cooperation between research bodies in Australia and Sweden could be initiated.

10 $1AUD is equivalent to approximately 6.7 Swedish kronor.

Chapter 4

Greece

Background

4.1 Greece is a member of the European Union and has a population of 11.2 million people. It is a republic with legislative power exercised by a unicameral parliament. The Hellenic Parliament has 300 members elected on the basis of reinforced proportional representation for a maximum term of four years. Greece is confronting serious economic challenges with the EU and International Monetary Fund (IMF) agreeing in May 2010 to provide a €110 billion rescue package to Greece subject to the Greek Government implementing various austerity measures. The EU and IMF agreed to ease the terms of the loans to Greece in March 2011. A second EU and IMF bailout package of €109 billion was approved in July 2011. The Greek Government's primary focus is to rein in the budget deficit and public debt, and to boost competitiveness.[1]

Acknowledgements

4.2 The delegation is grateful for the support received during the visit to Greece from HE Ambassador Jeremy Newman, Mr Michael Opie, Ms Leonie Kowalenko, Ms Ria Mokas, Mr Antonios Savidis and other staff of the Australian Embassy in Athens.

4.3 The delegation also wishes to express its sincere thanks to the following individuals and groups who met with the delegation in Greece:

Meetings with members of the Hellenic Parliament

- HE Mr Phillipos Petsalnikos, President of the Hellenic Parliament
- Mr Emmanouil Stratakis, President of the Hellenic/Australian Parliamentary Friendship Group and members of the friendship group

Other meetings

- Mr Christos Papoutis, Minister for Citizens' Protection, Mr Theodoros Boufis, General Secretary for Civil Protection, Lieutenant Stylianos Stefanidis, Chief of Hellenic Fire Brigade
- Mr Ioannis Ragousis, Minister for the Interior
- HE Mr Dimitris Dollis, Deputy Minister for Foreign Affairs
- Professor Yannis Maniatis, Deputy Minister for Environment, Energy and Climate Change

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1 Department of Foreign Affairs and Trade, *Greece country brief*, at: www.dfat.gov.au/geo/greece/greece_country_brief.html (accessed 26 August 2011); Department of Foreign Affairs and Trade, *Brief for Parliamentary Delegation Visit to Greece*, April 2011, pp 2 and 6-7.

- Mr Daniel Esdras, Head of Mission, International Organization for Migration (IOM)
- Mr Giorgos Tsarbopoulos, Head of Office for Greece, the United Nations High Commissioner for Refugees (UNHCR)
- Ms Angeliki Chrisohoidou-Argiropoulou, President of the Greek Council for Refugees and officers of the council
- Ambassador Dimitrios Touloupas, Ambassador Dimitris Giannakakis and Ambassador Charalambos Dimitriou, Mr Christos Madelos, Ministry of Foreign Affairs
- Ms Eva Fouseki, Director for Vocational Orientation and Education Activities, Ministry for Education, Life-long Learning and Religious Affairs

Sustainable energy

Deputy Minister for Environment, Energy and Climate Change

4.4 On 12 April 2011, Professor Yannis Maniatis, Deputy Minister for Environment, Energy and Climate Change briefed the delegation on legislative measures Greece has adopted to support the introduction of renewable energy and investment in energy efficiency initiatives.

Renewable energy

4.5 Greece has adopted a National Renewable Energy Action Plan.[2] The Deputy Minister noted that the plan excludes nuclear energy and, in light of the difficulties Japan was facing with the Fukushima nuclear power plant, he suggested this was a wise decision for a country like Greece which is also located in a seismic region.

4.6 In addition, a new law supporting the transition to renewable energy sources (Law 3851/2010) came into effect on 4 June 2010. The law sets a national target of 20% of energy consumption to be supplied by renewables by 2020. To support achievement of this target, the law provides for feed-in tariffs for renewable energy such as wind, solar and geothermal power. The Deputy Minister said that the Greek Government expects €5 billion investment in renewable energy over the next five years.

4.7 Currently, 60% of Greece's electricity is produced by coal-fired power stations. By 2020 Greece aims to have 40% of electricity production from renewable sources including wind, hydro, photovoltaic and geothermal power as well as bioenergy installations (biogas and solid biomass).[3]

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2 Ministry of Environment, Energy and Climate Change, *Greece: National Renewable Energy Action Plan in the Scope of Directive 2009/28/EC*, at: http://www.ypeka.gr/LinkClick.aspx?fileticket=CEYdUkQ719k%3D&tabid=37 (accessed 5 September 2011).

3 Ministry of Environment, Energy and Climate Change, *Greece: National Renewable Energy Action Plan in the Scope of Directive 2009/28/EC*, p. 11.

4.8 Wind power was the first renewable energy source developed in Greece. The Deputy Minister explained that the development of offshore turbines is nevertheless a sensitive issue because of the importance of tourism in Greece.

4.9 A number of geothermal projects are being developed in Greece both by the Public Power Corporation and by private operators. The government funded the initial research and exploration of potential geothermal fields through the National Institute of Geology and Mineral Exploration.

4.10 One constraint on Greece increasing the share of renewable energy is the need to develop network connections to smaller islands. For example, Lesbos and Crete both have a potential surplus of energy but are not connected to the grid on the mainland. The government anticipates major investment in electricity networks to connect the Greek mainland to the islands.

Energy efficiency

4.11 In terms of energy efficiency initiatives, the Greek Government is investing €1 billion in a pilot project to implement energy saving measures in private houses. This project is based upon 50% public funds matched by 50% private funds and it should result in improvements to the energy efficiency of approximately 100,000 homes.

Emissions trading scheme

4.12 Through the European Union emissions trading scheme (ETS), Greece and other EU states impose a price on greenhouse gases emitted by power stations and certain industrial plants. The ETS caps or limits the greenhouse gases that can be emitted by the power stations and industrial plants in the system. Within this cap, companies receive emission allowances which they can sell to or buy from one another. From 2013, the ETS will be expanded to a number of industries which are currently excluded.[4] In response to questions from the delegation, the Deputy Minister said there was some concern that imposing this tax may lead to manufacturing jobs being relocated to countries which have not imposed such a tax. Despite this risk, the Deputy Minister said that the Greek Government believes that such a policy will increase jobs in other fields and has no plans to impose tariffs on imports from countries with no carbon tax.

Renewable energy roundtable

4.13 The Australian Embassy organised a renewable energy roundtable discussion on 13 April 2011 with presentations from the following representatives from both government agencies and industry:

(a) Dr Takis Chaviaropoulos, Director of Renewable Energy Sources Unit, Ministry of Environment, Energy and Climate Change;

4 For further detail see: European Commission, *Emissions trading system (EU ETS)*, at: http://ec.europa.eu/clima/policies/ets/index_en.htm (accessed 7 September 2011).

(b) Dr Dionysios Papachristou, Scientific Expert, Non-Interconnected Islands Unit, Regulatory Energy Authority;

(c) Mr Konstantinos Tigas, Centre for Renewable Energy Sources and Saving;

(d) Mr Dimitris Assimakis, Partner, and Mr Minas-Christos Kitsilis, Attorney at Law, Norton Rose LLP;

(e) Mr Theodore Papadopoulos, Infigen Energy; and

(f) Ms Hilda Alisandratou, Investment Promotion Officer, Invest in Greece.

National Renewable Energy Action Plan

4.14 Mr Tigas from the Centre for Renewable Energy Sources and Saving, outlined for the delegation the process the Greek Government followed in developing the National Renewable Energy Action Plan to achieve the government's base commitments to deliver 20% of energy, and 40% of electricity, from renewable sources by 2020. This included consideration of factors such as:

(a) the timeframe for commissioning and decommissioning power plants;

(b) projections of population growth;

(c) when grid interconnection will occur; and

(d) the costs of different renewable sources of energy.

4.15 He said that Greece expects to decommission lignite power plants producing 2.6 gigawatts of power and commission hydro power plants producing an additional 1.1 gigawatts of power. There will also be a net increase in power produced from natural gas because of its lower emissions intensity (compared to lignite and oil) and the fact that natural gas plants can increase or decrease power production quickly to compensate for fluctuations in renewable power sources.

4.16 Dr Chaviaropoulos from the Ministry of Environment, Energy and Climate Change said that Greece currently produces 13% of its electricity from renewable sources including large hydro. Between 2010 and 2020, the government expects investment of €22.2 billion in the energy sector including €16.5 billion in renewable energy capacity and €5 billion in grids. Investment in the grids will support grid reinforcement and a program to interconnect the major Greek islands. In addition to connection within Greece, the government is also looking at increasing grid connections to other countries. While the government has developed an overarching strategic plan for the grid, private developers will actually carry out projects to improve the grid. Dr Chaviaropoulos noted that grid interconnections are a major issue in Europe especially because of the variability of the power supplied by wind.

Regulatory environment

4.17 Dr Chaviaropoulos noted that the financial situation in Greece has made it difficult to encourage investment in renewable energy. The government therefore established feed-in tariffs for renewable power. The feed-in tariffs are scaled to give greater incentives to more experimental technologies. Developers are given a 20 year contract at a fixed price that includes the feed-in tariff. Renewable energy producers

are also exempt from paying charges for use of the electricity grid. These incentives have led to an additional 250 megawatts of renewable energy in the system since 2010.

4.18 Dr Chaviaropoulos explained that Greece has established a new legislative framework for licensing of electricity suppliers. Under the new framework, the processes for obtaining an electricity generation licence, an environmental licence and terms for supply of electricity are run in parallel as though they were a single installation licence. Small units (such as photovoltaic units up to one megawatt) bypass this licensing process and just operate on the basis of terms for supply of power.

4.19 Dr Papachristou from the Regulatory Energy Authority also suggested that regulatory requirements, particularly for smaller power producers, have been simplified. He noted that it used to take four to five years to obtain licences; in the photovoltaic sector it now takes around one year. For large projects the aim is for licensing to be complete within three years. He noted that environmental licensing takes the longest primarily because of the large number of archaeological sites.

4.20 An additional issue causing delays in the licensing process is that the Greek Government has received applications for over 60 gigawatts of renewable production when they were seeking to licence 7 gigawatts of production. This is because the licences themselves have value. Dr Chaviaropoulos said that two lessons from this experience were:

(a) firstly, that the licences themselves having value means that people apply for licences speculatively when they are not genuinely likely to pursue the project; and

(b) secondly, that there is a need to have a tariff that permits the market to grow but that is not so high as to create unrealistic interest.

Fast track law

4.21 Ms Alisandratou from Invest in Greece described how her organisation seeks to support strategic investments in Greece under the provisions of a new fast track law. Invest in Greece is a state-owned, special purpose company.[5] The fast track law (Law 3894/2010) applies to projects which enhance the competitiveness of the Greek economy and create jobs. The law provides special procedures for these strategic projects including allowing for the compulsory acquisition of land and special tax arrangements. In addition, Invest in Greece facilitates accelerated licensing of these projects. Ms Alisandratou said that, if applications are complete, licences can be issued within two months. The fast track law came into force in December 2010 and Invest in Greece had only been operating for one month at the time of the roundtable.

5 Norton Rose, *Law 3894/2010 or the Fast Track Law*, March 2011, p. 3.

Industry perspectives

Norton Rose

4.22 Norton Rose is an international commercial law firm. Mr Assimakis of Norton Rose provided the meeting with an overview of regulation of the energy sector in Greece from 1985 to the present and noted that, despite 26 years of regulation, Greece is only generating 1.7 gigawatts of renewable power. He suggested that the Greek Government had over-subsidised photovoltaic energy and that this had caused a flood of applications, over-investment and had contributed to licensing bottle necks. Mr Assimakis argued that it is necessary to send the right market signals by finding a balance between over-subsidisation and insufficient subsidisation to encourage investment.

4.23 In relation to production licences, he said there is a question about how many investors who hold licences will ultimately implement the project: in the wind sector only one in five licence holders proceed to construction. Mr Assimakis said that the 2010 fast track law was relatively new legislation but was having some encouraging results (for example, the environmental licensing process seems to be more streamlined). From an industry perspective, he said there was a need for efficient public administration and preferably a one-stop licensing shop.

4.24 Leaving aside licensing issues, he said that two key issues are:

(a) obtaining debt financing for renewable energy projects; and

(b) that expansion of the national grid to islands with high renewable energy potential may require partial financing by the state.

4.25 He explained that grid expansion is a precondition to achieving the government's targets for renewable energy because it will allow for the development of large scale projects. He suggested that grid design needs to be settled well ahead of the licensing of projects.

Infigen Energy

4.26 Infigen Energy Limited is a specialist renewable energy business which had investments in Europe, the United States and Australia.[6] Mr Papadopoulos of Infigen Energy said that the two drivers for investment in renewable energy are firstly profit and secondly the public relations benefit of being linked to an environmentally friendly energy product. He said the rate of return on solar projects is slightly higher than the return on wind projects because of the higher feed-in tariffs for solar. Despite this, investors prefer wind projects because it is easier to establish a high volume wind farm than a high volume solar facility. Mr Papadopoulos explained that for projects in Greece, investors would need to plan for three to six years before the first income from the project would be received. He said this was too long for most investors. This

6 In June 2011, Infigen sold its portfolio of German wind energy assets: Infigen, *ASX Release: Completion of German Portfolio Sale*, 30 June 2011 at: www.infigenenergy.com/media/docs/Completion-of-German-Portfolio-Sale-d6b5fd56-f72a-4083-ab2d-fdf9defae270-0.pdf (accessed 12 September 2011).

has led to investors paying up to €300,000 for a licence just prior to construction. This in turn creates an incentive for people to apply for licences who have no interest in pursuing the development of the project themselves. Further obstacles he identified included:

(a) the cost of finance;

(b) that the tax system is complex, unclear, unknown and may change over the life of the project; and

(c) difficulties establishing the ownership status of land.

4.27 On the positive side, he noted that Greece has good wind resources and there are low risks on running assets.

4.28 In summary, he said the issue for renewable energy companies is that their investors are long-term investors. These investors need a crystal clear investment market. They will accept longer timeframes and lower rates of return if investments are sufficiently secure. By contrast, he said the settings in Greece are encouraging short-term investors who are after high profit and can tolerate high levels of uncertainty.

Management of social impacts

4.29 Mr Haase MP asked how the social impacts of wind farm projects were addressed in Greece. Dr Papachristou said there had initially been concerns amongst communities about whether developments would diminish the value of land or reduce the numbers of tourists. Mr Kitsilis of Norton Rose advised that developers and the government are obliged to inform local communities about the project. While local authorities decide whether to approve projects, local communities can challenge the licence in the administrative courts. In addition, landowners must consent to turbines being established though most developments are on public land. In terms of compensation, 3% of gross revenues go to local communities with 1% going directly to local households in the form of reductions in energy bills. Mr Assimakis of Norton Rose added that there must be a 500 metre set back from the nearest dwelling and there are rules limiting the density of turbines within a particular area.

4.30 Senator Adams asked whether there were any concerns about the health impacts of wind farms. Dr Chaviaropoulos said turbines are subject to noise limits and cannot be heard at all at a distance of two kilometres. He said, while there had been complaints about the visual impact of the turbines, there were very few about noise or health impacts. He said, in general, there are more complaints prior to installation. By contrast, in regions where there are already wind farms there are fewer complaints and some interest in establishing more projects because of the associated employment and compensation.

4.31 The President thanked participants in the round table for coming together noting that it had helped the delegation to gather the collective wisdom of the group without having to hold meetings in several locations.

Irregular migration

International Organisation for Migration

4.32 The delegation had a very informative meeting with Mr Daniel Esdras, the IOM Head of Mission, on 11 April 2011. He described the difficulties facing irregular migrants in Greece and IOM's role in administering the assisted voluntary return program. Mr Esdras noted that there is no program to allow people to migrate to Greece in a legal or regulated way but there are large numbers of people illegally entering Greece across land borders and via the islands. It is estimated that there are 500,000 illegal immigrants in Greece. Between January and October 2010, there were an estimated 75,000 illegal crossings over Greek borders.[7] There is also a backlog of approximately 55,000 first instance asylum applications and 7,000 second instance applications.

4.33 He explained that irregular migrants used to be able to obtain work on the black market but the financial crisis has made this harder. As a result, 90% of the irregular migrants in Greece are homeless. He added that 12 to 17 year old Africans are a particularly vulnerable group. He said that one of the worst aspects of this situation is that, because people are not registered, it is as if they do not exist.

Assisted voluntary return program

4.34 IOM receives funding under various European funds. The European Commission provides 75% of funds and the national government must make a 25% contribution. IOM must implement these programs with the concurrence of the national government. The main program is the assisted voluntary return program. Mr Esdras emphasised that the program is on a strictly voluntary basis. He explained that IOM was funded to assist 400 people return to their home country but received 2,000 applications for assistance in a two month period.

4.35 When people come to register with IOM, UNHCR generally conducts an initial interview and advises people if they have a right to apply for asylum. IOM assists people who register with IOM to obtain identity documents after their identity has been confirmed with the relevant embassy. Once a migrant has these papers they cannot be arrested and IOM may be able to assist them to return home. In particular, IOM provides people with a small amount of money (€300) and a travel document, and arranges both their travel and reception in their home country. IOM also operates a reintegration program to help people establish themselves on their return. Between May 2010 and March 2011, IOM assisted approximately 600 people to return to their home country under this program.

4.36 Senator Hanson-Young queried whether people returned under this program faced a risk of persecution on their return home. Mr Esdras said that they did face risks but if a person wished to return home IOM would not prevent them doing so. He

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7 Department of Foreign Affairs and Trade, *Brief for Parliamentary Delegation Visit to Greece*, April 2011, p. 11.

said that IOM briefs people being returned home about the security situation in the area.

4.37 Mr Esdras noted that large numbers of asylum seekers do not approach IOM or UNHCR because they wish to seek asylum in another European country. Generally those that do apply for asylum in Greece are ultimately assessed as not being in need of protection but finalisation of their asylum application takes two to three years and during that period they have work rights.

Records relating to Greek migrants to Australia

4.38 From the 1950's to the mid 1970's, IOM assisted 140,000 Greek nationals to emigrate, the majority of whom were resettled in Australia. IOM has retained the records of those migrants, which include their personal accounts. Mr Esdras explained that IOM is considering using these archives to open a museum or at least obtain funds to digitise the records to make them more accessible to researchers. The meeting discussed possible sources of funding for this project.

Greek Council for Refugees

4.39 The delegation visited the offices of the Greek Council for Refugees and met with Ms Angeliki Chrisohoidou-Argiropoulou, President of the council and other officers including Mr Spyros Koulocheris, Senior Legal Advisor, and Mr Alexandros Anastassiou, Chief of Social Services. The council is a non-government organisation established 22 years ago to provide legal and social support to asylum seekers as well as to assist refugees to obtain employment in Greece. The council has very limited resources and has been unable to pay its 60 staff for the last three months.

4.40 Ms Chrisohoidou-Argiropoulou explained that there has been a dramatic increase in the number of asylum seekers coming to Greece since 1992 as a result of the wars in Iraq and the former Yugoslavia.

Assessment of asylum applications

4.41 Currently, the Greek Police are responsible for conducting the initial interviews to assess claims for asylum and for determining the application at first instance. If an application is rejected at first instance, the applicant can appeal. Second instance decisions are made by a committee which includes representatives from the Greek Government, UNHCR and the National Commission for Human Rights.

4.42 The council suggested that these formal procedures are not always followed (for example, police actively discourage asylum applications at the border region). The council acknowledged that the police face difficulties including a lack of access to competent interpreters.

4.43 The Greek Government is implementing changes to the asylum application process including establishing a new agency to process claims for asylum. However, it is not clear when the new asylum agency will begin operating. The council suggested that establishment of the new agency is being delayed, in part, by a lack of funds.

Detention centres

4.44 People who are intercepted trying to enter Greece illegally are held in detention centres pending expulsion from Greece or release into the community. The people held in detention are a mixture of illegal migrants and people who would be asylum seekers if they had the opportunity to apply for asylum. The council has a small team which visits the detention centres from time to time and considers the conditions in the centres to be 'inhumane'. Ms Chrisohoidou-Argiropoulou said a particular issue is unaccompanied minors and women being held in detention. There are limited separate places available for unaccompanied minors in detention facilities so they are sometimes detained with adults. Similarly, women are not always segregated from men in detention facilities.

4.45 The council argued that, while the Greek laws relating to asylum seekers are acceptable, the application of the law is problematic. For example, detention is meant to be for a maximum period of six months with judges approving detention beyond three months but, in practical terms, decisions are not being made by the courts.

Border control initiatives

4.46 In November 2010, the EU's external border agency, Frontex, deployed Rapid Border Intervention Teams (RABIT) to assist Greek authorities stem the flow of irregular immigrants entering Greece. In March 2011, the EU announced that RABIT operations would be replaced by a permanent joint operation known as 'Poseidon Land'.[8] The council argued that, while the Frontex operations have prevented people crossing the land border at one point (near the Greek city of Orestiada), this has simply led to them making a more dangerous crossing of the Evros River. People smugglers have been known to dump people in the middle of the river.

United Nations High Commissioner for Refugees

4.47 Mr Giorgos Tsarbopoulos, Head of Office for UNHCR in Greece discussed with the delegation issues relating to the processing of claims for asylum in Greece. He identified three key issues:

(a) firstly, the backlog of people living in Greece for several years with no legal status many of whom are homeless;

(b) secondly, economic migrants who are making use of the processing times for asylum applications to remain in Greece; and

(c) thirdly, that the first instance procedure for assessing asylum applications was not fair and included rejections without considering the applicant’s claims.

4.48 Mr Tsarbopoulos explained that, as many asylum seekers lack legal status, they are often unemployed, homeless and destitute, and are sometimes drawn into criminal activity. He noted that in order to apply for asylum in Athens, applicants

8 Department of Foreign Affairs and Trade, *Brief for Parliamentary Delegation Visit to Greece*, April 2011, pp 11-14.

must approach the central police station on Saturday. There is generally a queue of 300 people but only 50 applications are accepted each week. The queue used to be 1000's of people but now people realise they will not reach the front of the queue. He suggested that there is a need for specialist officers to process claims rather than police endeavouring to do so on top of their other duties. He explained that given Greece's current financial difficulties it was difficult to get the Greek Goverment to give priority to these issues.

4.49 He also suggested that the treatment of irregular migrants by Greek police is inconsistent. For example, there is an agreement between Turkey and Greece that illegal entrants intercepted crossing the border into Greece can be returned to Turkey but this agreement is not implemented for all nationalities. As a result, the Greek police will keep in custody entrants who Turkey will accept for repatriation (such as Syrians, Iraqis and Iranians) but release other nationalities quickly. Even within nationalities there are some inconsistencies: if an Afghan seeks asylum at Evros then he or she will be kept in detention where as those who do not seek asylum are released within four to five days.

4.50 Mr Tsarbopoulos explained that some economic migrants are utilising the delays in the processing of asylum applications to obtain work rights in Greece whilst their applications are assessed even though there is no prospect of them being recognised as refugees. This is one of the factors clogging up the asylum application process.

4.51 The meeting discussed UNHCR's role in relation to the IOM assisted voluntary return program. Mr Tsarbopoulos said UNHCR provide people with clear information about the possibilities under the asylum system. Most know they have rights but still prefer to return home: they are tired of waiting.

Greek Government

4.52 Reponsibility for migration within the Greek Government is divided between the Minister for the Interior who has responsibility for migration policy, while the Minister for Citizens' Protection has responsibility for border protection and illegal immigrants.

Minister for the Interior

4.53 On 13 April 2011, the delegation met with Mr Ioannis Ragousis, Minister for the Interior and ministry officials. The meeting discussed border protection and changes to the naturalisation process for migrants to Greece.

4.54 The Minister noted that the issue of illegal migration was a significant issue for Greece which Greece wants handled as an EU problem rather than a Greek problem, in part, because Greece is only used as a transit point for entry to other EU countries. He acknowledged that the EU had provided resources to support the Frontex operations at the border but said that Greece wants Europe to share the immigrants, not just provide resources to tackle the problem.

4.55 The Minister explained that the process for legal migrants to obtain Greek citizenship has been liberalised. For example, children born in Greece whose parents are both legal migrants have an automatic right to citizenship. Where a child is born

outside Greece, six years of schooling in Greece will qualify the child for citizenship. In addition, migrants who have five years of regular residence in Greece can apply for citizenship. They must show they are integrated into the local community and have knowledge of the Greek language and culture. Officials explained to the delegation in more detail how citizenship applications are processed and noted that fewer than 20% of applications are rejected.

Minister for Citizens' Protection

4.56 Mr Christos Papoutis, Minister for Citizens' Protection and Mr Theodoros Boufis, General Secretary for Civil Protection provided the delegation with information about irregular migration flows in the region and border protection initiatives. The Minister said that managing illegal migratory flows was a difficult task especially in the current financial climate. He noted that Greece has over 12,000km of land borders as well as maritime borders: in total the Greek coastline is as long as the African coastline.

4.57 The Greek coast guard has worked closely with Frontex to reduce irregular migration flows arriving on Greek islands by boat. As a result, there has been a decline in the number of people trying to reach Greece by sea but an increase in the numbers of people attempting to cross land borders. Last year over 100,000 people who entered Greece illegally were arrested.

4.58 The migratory flows to Greece are partly a function of its geography. A further issue is that Turkey has abolished visa requirements for North African countries. The delegation was told that irregular migrants consider it easier to enter the EU via Greece for the following reasons:

(a) Firstly, Greece has many open borders.

(b) Secondly, there are people smugglers operating in Turkey who have connections in Greece and other EU countries.

(c) Thirdly, people smugglers guide people to the Greek border and advise them to destroy their papers. When these people enter Greece and are arrested, they claim asylum and claim to be from countries whose nationals are more likely to be granted asylum.

4.59 The Minister said that international organisations have placed a spotlight on the problem of illegal migration in Greece and, in particular, have been critical of Greece for not processing asylum applications quickly enough. He said that these organisations do not appreciate the huge pressure the large numbers of immigrants places on Greece. The Minister explained that Greece has deployed three times as many people at the borders and is seeking to clear the backlog of asylum applications as quickly as possible. He said Greece would like to build a fence along some of its land borders with improved surveilllance to deal with the problem more effectively. The Minister expressed concern that the recent developments in North Africa could increase migratory flows and said this would be a catastrophe for Greece.

4.60 Senator Hanson-Young asked how police determine whether irregular migrants are economic migrants or refugees. Ministry officials responded that anyone who enters Greece without papers is considered an illegal immigrant though they have

the right to apply for asylum either immediately or after detention. If there is no basis for the asylum claim, the person is liable to be expelled but in practice it is difficult to expel people.

4.61 There was extensive media interest in the meeting between the Minister and the delegation. The President participated in a joint media conference with the Minister immediately after the meeting.

Strengthening parliament to parliament relations

President of the Hellenic Parliament

4.62 The President of the Senate was greatly honoured to receive the gold medal of the Hellenic Parliament from HE Mr Phillipos Petsalnikos, President of the Hellenic Parliament. The medal features a representation of the head of Pericles as a symbol of democracy.

4.63 The President of the Hellenic Parliament discussed with delegates how Greece is addressing its current economic issues. He noted that the Greek Government has made some difficult decisions which were necessary to address the financial crisis including reducing public service salaries in order to reduce the deficit.

4.64 The President of the Hellenic Parliament also outlined issues relating to the relationship between Greece and Turkey (particularly with respect to Cyprus) and the name of the former Yugoslav Republic of Macedonia (FYROM). He noted that there is bipartisan support in Greece for building good relations with Turkey and that Cyprus is the only country in the world where there is still a wall and demarcation line. In relation to FYROM, the President of the Hellenic Parliament said that Greece would like a name which is commonly accepted and geographically linked. He said he believed that an outcome that is good for Greece and FYROM can be found. The President of the Senate reponded that he and many Australian Parliamentarians are aware of the views the Greek Government has held over a long period of time in relation to these matters. He said that he hoped these issues would be resolved expeditiously and harmoniously.

Hellenic/Australian Parliamentary Friendship Group

4.65 The delegation had the pleasure of meeting Mr Emmanouil Stratakis, President of the Hellenic/Australian Parliamentary Friendship Group and members of the friendship group. Several members of the friendship group pointed to the links cemented between Australia and Greece through the large numbers of people with Greek ancestry living in Australia as well as the shared experience of Australians and Greeks fighting together during World War II particularly in the Battle of Crete.

4.66 The meeting canvassed issues such as the importance of parliamentary institutions in Australia and Greece, the recent natural disasters in both countries, and issues for the Greek diaspora in Australia.

4.67 Mr Stratakis noted that Greece has a history of 150 years of parliamentary presence. However, there have been periods in the modern history of Greece when the Hellenic Parliament could not operate and he described those as 'black days'. As a

result of that and the periods when Greece has been a theatre of war and strife, he noted that there is a strong desire to safeguard parliamentary institutions.

4.68 There was also discussion about how each country manages flows of irregular migrants particularly in the context of the revolutions of the Arab Spring which may increase the flow of migrants from North Africa. The President of the Senate noted that the difficulties for Australia with irregular migration flows were not of the same proportion as Greece because of Australia's geography. The Hon Laurie Ferguson MP outlined the bipartisan support for multiculturalism in Australia and examples of the steps governments have taken to ensure there is no marginalisation of newly arrived migrants. He acknowledged the important role Greek migrants to Australia played in fighting for and achieving multiculturalism.

4.69 The President of the Hellenic Parliament kindly hosted members of the delegation to a working lunch which allowed the delegation to discuss these issues, as well as issues relating to the day to day operations of parliaments, in greater depth.

Other issues

Foreign Affairs

4.70 On 12 April 2011, HE Mr Dimitris Dollis, Deputy Minister for Foreign Affairs met with the delegation. The Deputy Minister migrated to Australia in 1971 and is an Australian-Greek dual national. He therefore provided delegates with a unique perspective on Australia's engagement with Europe and perceptions of Australia within the EU. The meeting also discussed recent developments in Northern Africa as well as initiatives Greece is taking to strengthen relations with Turkey and FYROM.

4.71 The Deputy Minister noted that Greece, Turkey and the United States were working closely together in relation to the conflict in Libya particularly on operations to evacuate foreign nationals. He explained that Crete was the closest land to Northern Africa with appropriate facilities to stage evacuations and had been used as a staging point for the evacuation from Libya of 13,000 Chinese workers. He said that, while there were costs associated with these operations, there was a benefit for Greece in being viewed as a reliable partner in times of crisis.

4.72 In response to an observation from the delegation about the dispute between Turkey and Israel, the Deputy Minister said he hoped Turkey and Israel would resolve these matters and noted that friendships founded on shared enmity founder quickly. The Deputy Minister argued that it is propaganda to suggest there is hatred between Greeks and Turks. He said the two governments meet frequently including holding joint cabinet meetings and that Greece supports Turkey's entry to the EU. He went on to say that there are issues in relation to Cyprus and intrusions into Greek waters and airspace but the two countries are slowly working through these issues.

4.73 The Deputy Minister was asked what Greece proposed with respect to nomenclature for FYROM. He responded that the issue needed to be resolved in terms of a name based on geographic location. He argued that, since the largest part of Macedonia is in Greece, while part is in FYROM and part in Bulgaria, a name such as 'Northern Macedonia' or 'Upper Macedonia' would be suitable. He said that, while

Greece has invested heaviliy in FYROM and assisted with its stability, Greece could not accept exclusive taking of a name which has historically been used to describe Greeks.

4.74 On 14 April 2011, Ministry of Foreign Affairs officials provided delegates with more in depth briefings on some of these issues.

Turkey

4.75 Ambassador Dimitrios Touloupas, Director for the Directorate for Turkey, described the initiatives Greece is taking to strengthen relations with Turkey. These include establishment of a high level cooperation committee headed by the Prime Ministers of both countries. Ambassador Touloupas noted that economic relations between the two countries are thriving with significant two-way trade and investment. However, he outlined a number of areas where Greece has concerns about actions of the Turkish Government. He described these as including overflights of Greek territory, violations of Greek territorial waters, delineation of the continental shelf between the two countries and treatment of the Greek Orthodox minority in Turkey.

Cyprus

4.76 Ambassador Dimitris Giannakakis, Director for Cyprus Directorate, provided delegates with an overview of the outstanding issues in relation to Cyprus which require resolution. Ambassador Giannakakis said that Greece considers that there is an issue of illegal colonisation on Cyprus with settlers from Turkey outnumbering the orginal Turkish Cypriots on the island. He noted that Greece supports the framework set out in the United Nations Security Resolutions on Cyprus which provide for settlement of the conflict on the basis of a State of Cyprus with a single sovereignty and a single citizenship. He suggested that these are not issues to be resolved by Greece and Turkey behind the backs of the Cypriots. Ambassador Giannakakis argued that rushing or imposing a solution from above will not lead to a stable, viable and functional agreement rather such an agreement must come from the two sides negotiating directly.

FYROM

4.77 The delegation was briefed by Ambassador Charalambos Dimitriou, Director of South-eastern European Countries Directorate, regarding the proposals Greece has made in relation to the name of FYROM. Ambassador Dimitriou said that the problem for Greece with use of 'Macedonia' was not only historical but also that Greece considers there are territorial claims behind the insistence on use of this name. He said that Greece insists the issue of the name be resolved before FYROM is allowed to enter the EU. He noted that a prerequisite for entry to the EU is 'good neighbourly relations'. Ambassador Dimitriou noted that Greece had moved away from the position that ‘Macedonia’ could not be used in the name to a suggestion that ‘Northern Macedonia' be adopted. Delegates emphasised that this was a matter of significant concern to their constitutents in Australia.

Bushfires

4.78 The cooperation between Australia and Greece in response to the tragic bushfires in Greece in 2007 was discussed at the meeting with the Minister for

Citizens' Protection on 13 April 2011. The Australian Government provided AUD$3 million to victims of the bushfires. After consultation with the Hellenic Red Cross, the donation was used to support projects in the Ilia region, the worst affected by the fires. The funds contributed to construction of an athletics centre, nine community centres, and a school multi-activity centre, purchase of a fire-engine and grader, and roll out of an education campaign regarding bushfires.[9] The Minister noted that Greece had received important help from the Australian Government in response to the bushfires.

4.79 Lieutenant Stylianos Stefanidis, Chief of Hellenic Fire Brigade, described the measures the fire service has taken to prevent a repetition of the 2007 fires including working with various stakeholders on fire prevention, increasing awareness about what to do in case of fire and establishing early warning systems. There was discussion with delegates about bushfire management in Australia and the support provided to volunteer fire fighters in both countries.

4.80 The delegation was very pleased to attend the launch of the Hellenic Red Cross bushfire awareness campaign on 14 April 2011 which was partially funded by the Australian Government's donation.

Military service

4.81 At their meeting on 13 April 2011, the Minister for the Interior and members of the delegation discussed how the requirements for Greek citizens to perform military service are enforced in relation to Greek citizens who are permanent residents of Australia or dual citizens. The Minister said that to be liable for military service a man must be identified as a Greek citizen. The military uses municipal registers to identify those who are liable for military service. If the parents are long term residents of Australia then children born in Australia are unlikely to be registered. In that case, a man would normally only be identified as liable for military service where he sought to exercise his citizenship rights (for example if he applied for a job with the state and claimed Greek citizenship in order to qualify for the position). The Minister agreed that if a man had been born in Greece, so that he was on a municipal register, he would be likely to be identified but the Minister suggested that this should be clarified with the Ministry of Defence.

Cyber-safety

4.82 On 14 April 2011, Ms Eva Fouseki, Director for Vocational Orientation and Education Activities, Ministry for Education, Life-long Learning and Religious Affairs discussed with delegates how Greece is approaching the issue of safer internet use for children. Ms Fouseki explained that this is a relatively new issue in Greek schools but the Ministry has established processes to deal with incidents of cyber-bullying and internet addiction. These include: a 'safeline' parents and students can call which provides access to pyschiatrists; information booklets for parents which are distributed through schools; and incorporating education about safer internet use into the curriculum. Senator Wortley, the then Chair of the Joint Select Committee on

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9 Department of Foreign Affairs and Trade, *Brief for Parliamentary Delegation Visit to Greece*, April 2011, p. 17.

Cyber-Safety, outlined the major issues which had arisen in the course of the committee's inquiry.

Visit to Commonwealth War Graves

The delegation was honoured to have the opportunity to visit the Phaleron War Cemetery where over 2,000 Commonwealth World War II servicemen, including 250 Australians, are buried. The President and Mr Barry Haase MP laid a wreath at the cemetery on behalf of the delegation.

The delegation at the Phaleron War Cemetery.

Appendix 1

Program of Parliamentary visit to Denmark 3 April to 6 April 2011

Saturday 2 April

- Departure from Sydney

Sunday 3 April

- Arrival in Copenhagen

Monday 4 April

- Visit to DONG Energy's Avedøre Power Station
- Briefing at DONG Energy
- Meeting with Ms Lykke Friis, Minister for Climate and Energy and Minister for Gender Equality
- Meeting with Mr Henrik Kyvsgaard, Deputy Permanent Secretary, Ministry of Refugee, Immigration and Integration Affairs

Tuesday 5 April

- Visit to Risø National Laboratory for Sustainable Energy, Technical University of Denmark
- Visit to Inbicon Biorefinery (second generation biofuels)
- Visit to Novozymes (leading biotech company)

Wednesday 6 April

- Meeting with Professor Jan Gehl and Ms Henriette Vamberg of Gehl Architects
- Meeting with Mr Thor Pedersen, President of Folketinget (Parliament)
- Meeting with Mr Steen Gade MP, Chairperson, Environment and Regional Planning Committee, Mr Jens Kirk MP, Chairperson, Energy Policy Committee, and other committee members
- Briefing by the Danish Wind Industry Association
- Departure for Stockholm

Appendix 2

Program of Parliamentary visit to Sweden 6 April to 9 April 2011

Wednesday 6 April

- Arrival in Stockholm

Thursday 7 April

- Briefing with Ambassador Paul Stephens
- Meeting with Mr Per Westerberg, Speaker of the Riksdag
- Meeting with members of the Standing Committee on Industry and Trade
- Working lunch hosted by Professor Carl B Hamilton PhD MP, Chairperson of the Standing Committee on European Affairs
- Meeting with Mr Daniel Johansson, State Secretary to the Minister for Enterprise, Energy and Communications
- Meeting with Mr Jasenko Selimovic, State Secretary to the Minister for Integration
- Visit to the Nobel Museum

Friday 8 April

- Visit to Hammarby Sjöstad
- Meeting with Ms Birgitta Resvik, Head of Public Affairs, Fortum Corporation
- Visit to the City of Södertälje
- Meeting with VINNOVA (the Agency for Innovation Systems)

Saturday 9 April

- Departure for Athens

Appendix 3

Program of Parliamentary visit to Greece 9 April to 15 April 2011

Saturday 9 April

- Arrival in Athens

Monday 11 April

- Meeting with Mr Daniel Esdras, Head of Mission, International Organization for Migration
- Meeting with Greek Council for Refugees
- Meeting with Mr Giorgos Tsarbopoulos, Head of Office for Greece, UNHCR
- Wreath-laying at Commonwealth War Graves

Tuesday 12 April

- Meeting with Professor Yannis Maniatis, Deputy Minister for Environment, Energy and Climate Change
- Meeting with Mr Emmanouil Stratakis, President of the Hellenic/Australian Parliamentary Friendship Group and members of the friendship group
- Meeting with HE Mr Phillipos Petsalnikos, President of the Hellenic Parliament
- Working lunch hosted by HE Mr Phillipos Petsalnikos, President of the Hellenic Parliament
- Meeting with HE Mr Dimitris Dollis, Deputy Minister for Foreign Affairs
- Visit to Acropolis Museum

Wednesday 13 April

- Meeting with Mr Ioannis Ragousis, Minister for the Interior
- Meeting with Mr Christos Papoutis, Minister for Citizens' Protection, Mr Theodoros Boufis, General Secretary for Civil Protection and Lieutenant Stylianos Stefanidis, Chief of Hellenic Fire Brigade
- Renewable energy roundtable discussion
- Dinner hosted by the delegation

Thursday 14 April

- Meeting with Ministry of Foreign Affairs officials

- Meeting with Ms Eva Fouseki, Director for Vocational Orientation and Education Activities, Ministry for Education, Life-long Learning and Religious Affairs
- Hellenic Red Cross Bushfire Awareness Campaign Launch

Friday 15 April

- Departure from Athens