Submission No 84

Inquiry into Australia's Relationship with Timor-Leste

Name: Austrade - Answers to questions on notice

Joint Standing Committee on Foreign Affairs, Defence and Trade Foreign Affairs Sub-Committee

Joint Committee on Foreign Affairs, Defence and Trade Inquiry into Australia's relationship with Timor-Leste Questions on Notice to <u>Austrade</u>

Question 1

During the public hearing Austrade provided the Committee with the reasons for not opening an in-country Austrade presence in Timor-Leste. What would need to change for Austrade to be prepared to open an office in Dili?

Answer

Whilst the Timor-Leste market does offer some potential business opportunities for Australian businesses, the scale and number of those opportunities do not, at this point, warrant a dedicated Austrade presence given current budget constraints.

Austrade would review this assessment if funds became available or if there was a material increase in the volume and quantity of commercial opportunities where Australia has the capability to win business.

Question 2

On page six of the transcript, Mr Smith commented that Austrade was looking to 'partner with business groups here in Australia to highlight opportunities for export, investment and setting up businesses together in East Timor'.

- a) Please provide more information.
- b) How have these groups responded to any approaches Austrade has made?
- c) Can you provide examples of the outcomes from your activity?

Answer

- a) Austrade has held discussions on a number of occasions with the Victoria Employers' Chamber of Commerce and Industry, the Northern Territory Chamber of Commerce and the Australia Timor-Leste Business Council, based in Sydney, with a view to collaborating to promote business opportunities in East Timor.
- b) *Victoria Employers' Chamber of Commerce and Industry* Austrade plans to run a joint seminar in July this year to raise awareness and promote opportunities in the East Timor market.

Northern Territory Chamber of Commerce– Austrade will meet with the Chamber in Darwin on 8 August 2013 to progress discussions for a joint market awareness raising seminar and possible trade mission. Austrade will also meet with the Northern Territory Chief Minister to explore possible commercial opportunities between Northern Territory companies and Timor-Leste.

Australia Timor-Leste Business Council – Austrade has an offer on the table to collaborate and promote any future Council led trade missions to East Timor and is waiting on a response.

c) At this stage it is too early to provide outcomes.

Joint Committee on Foreign Affairs, Defence and Trade Inquiry into Australia's relationship with Timor-Leste Questions on Notice to <u>Austrade</u>

Question 3

The Department of Resources, Energy and Tourism has advised that Timor-Leste's national Strategic Development Plan includes tourism as an industry to develop. The Plan aims to promote high end beach and ecotourism products which are sustainable and adhere to strict environmental standards. (This question has also been asked of DFAT).

- a) How viable is this goal, given the poor state of Timor-Leste's transport infrastructure?
- b) What is the current state of Timor-Leste's tourism market?
- c) Have Australian tourism operators expressed an interest in investing in Timor-Leste?

Answer

- a) Austrade notes that work to support development in this sector is also a priority for the Australia Timor-Leste Business Council and has met and discussed this matter with them. Any such initiative would be best driven through an integrated strategic/business development plan for this sector. The Department of Resources, Energy and Tourism, other state allies and Australia's tourism sector have much to offer in this regard.
- b) Austrade notes Timor-Leste is not currently a large market for tourists. There are also limited formal tourism facilities. Austrade does not have detailed knowledge of this sector, and other agencies including the Department of Resources, Energy and Tourism, may be better placed to comment further.
- c) Not to Austrade's knowledge.