

Tabled: 1 March 2001



**GOVERNMENT RESPONSE
TO THE REPORT BY
THE JOINT STANDING COMMITTEE ON FOREIGN AFFAIRS, DEFENCE
AND TRADE**

"AUSTRALIA AND ASEAN: MANAGING CHANGE"

NOVEMBER 2000

GOVERNMENT RESPONSE TO THE JOINT STANDING COMMITTEE ON FOREIGN AFFAIRS AND TRADE REPORT

"AUSTRALIA AND ASEAN: MANAGING CHANGE"

INTRODUCTION

The Government welcomes the opportunity to comment on the Report by the Joint Standing Committee on Foreign Affairs, Defence and Trade, *"Australia and ASEAN: Managing Change"*, and to respond to the Committee's Recommendations contained therein.

Australia's links with ASEAN, and its bilateral relationships with ASEAN's member countries, remain important foreign policy priorities for the Government. The Government's efforts to expand bilateral relationships have reaped real and substantial benefits. Cooperation with Thailand, the Philippines and Singapore, for example, is as good now as it has ever been.

The Government has been a strong supporter of the historic democratic transition in Indonesia. The Government played an important and widely acknowledged leadership role in our region to restore peace and stability in East Timor.

Australia's response to the regional economic crisis demonstrated the Government's unequivocal commitment to the region. Australia was one of only two countries to participate in the IMF second-tier support arrangements, which has been widely recognised and praised in the region. Australia's support for discussions on establishing an ASEAN Free Trade Area – Closer Economic Relations Closer Economic Partnership (AFTA-CER CEP) is a further demonstration of the Government's support for promoting economic prosperity of and economic cooperation with the region.

While Australia's standing among the members of ASEAN has been enhanced by our steadfast support for the region during the recent economic turmoil, our continuing engagement with ASEAN as an institution, and bilaterally with ASEAN's members, extends far beyond economic support and interaction. The Government has developed an extensive network of bilateral regional security dialogues and has played a significant role in APEC, the ASEAN Regional Forum and the ASEAN Post Ministerial Conferences.

The 38 recommendations contained in the Joint Standing Committee's Report are wide-ranging, covering such diverse areas as economic, political and cultural engagement between Australia and ASEAN. The range of Government agencies with responsibility for administering parts of Australia's relations with ASEAN (fifteen agencies were involved in preparing this response) demonstrates the depth and range of the Government's engagement with the region.

The Standing Committee's Report makes a valuable contribution to the Government's efforts to maintain and enhance Australian engagement with ASEAN, at a time when there seems to be a tendency for some countries of the region to become more inward-looking. The Committee clearly understands the importance of our relations with ASEAN in ensuring a prosperous, secure and stable future for our region.

It will be clear from this response that the Standing Committee's views on the future direction of Australia's relations with ASEAN are generally in accord with the views of the Government. Such support is welcome as the Government seeks to manage the evolution of Australia's relations with this important regional institution and its member countries.

Recommendation 1:

The Federal Government strongly encourage those ASEAN countries not party to the WTO Information and Technology Agreement (ITA) to accede to the agreement as soon as possible.

Response

Agreed.

Comment

The five largest ASEAN members (Indonesia, Malaysia, Philippines, Singapore and Thailand) participate in the ITA. The Australian Government advocates, as a matter of standard practice, that all countries seeking WTO membership accede to the WTO Information and Technology Agreement (ITA). We have, for example, raised the issue with Vietnam in the course of WTO accession negotiations.

Of all ASEAN members currently parties to the WTO, only Brunei has not acceded to the ITA. While our preference would be to secure Bruneian accession, given the absence of tariffs imposed on goods and services covered by the ITA, and in light of the small size of the Bruneian economy, the Australian Government has chosen, along with other ITA participants, not to force the issue. The Government of Brunei is, nevertheless, aware of the Australian Government's support for the ITA.

The remaining three members of ASEAN, Burma, Cambodia and Laos have very limited information technology industries or capabilities. Their industries would not attract much coverage under the ITA and are not likely to be major markets for the Australian IT sector for some time.

Recommendation 2:

A unit be established within DISR to liaise with industry, Austrade and DFAT in identifying and regularly updating information on major non-tariff barriers to Australian exports in key markets, including those in ASEAN.

Response

Noted.

Comment

A Unit along the lines of the proposal already exists within the Department of Foreign Affairs and Trade (DFAT). Located in the Trade Negotiations Division, the Inventory of Non-Tariff Measures (INTM) is a small-scale program closely focused on product- and measure-specific complaints. The INTM has been successful in resolving a number of issues, as well as in providing other general trade policy and tariff-related information. In performing this task, DFAT officers work closely with the Department of Industry, Science and Resources (DISR), Austrade and export and industry associations, to identify and obtain information on non-tariff measures (NTMs).

An activity currently underway within DISR involves the Victorian Employers Chamber of Commerce and Industry (VECCI) undertaking a study to identify non-tariff barriers in Chinese and Korean markets. The Department is also engaged with industry in identifying trade and investment barriers that Australian businesses face when seeking to develop overseas markets.

Expanding market access through the identification of such impediments is a Government priority.

In support of this objective on a broader basis, DFAT works closely with Austrade and DISR to address impediments and to help business capitalise on export opportunities. Work to expand international and domestic market opportunities for Australian business through the identification of NTMs along the whole supply chain has been initiated. Other efforts are directed towards improving the competitiveness of Australian business.

It is worth noting that in many cases non-tariff measures that confront Australian exporters are not necessarily inconsistent with the provisions of WTO Agreements.

Recommendation 3:

The Federal Government, in close consultation with Australian industry and business groups, review the impact of AFTA on Australia's trade and commercial interests.

Response

Noted.

Comment

The Government, through DFAT and in close consultation with business, has closely monitored the development of AFTA and the impact it has had on Australia's trade and commercial interests. Analysis recently undertaken by DFAT shows there appears to be no hard or anecdotal evidence to suggest that Australia has been disadvantaged by current AFTA preferences. The main difficulty to date has involved Philippine sugar tariffs, where preferences were subsequently equalised. Many preferences cover products where ASEAN suppliers are not significant competitors for Australia. Future discriminatory AFTA preferences, however, could affect Australia's interests.

Recommendation 4:

The Federal Government further develop the existing program of CER-AFTA cooperation, and explore the possibility of expanding the initiative to include liberalisation on a sectoral basis, for example in the area of services.

Response

Agreed in part.

Comment

In October 1999, Ministers from the members of AFTA and CER agreed to establish a Task Force to examine the feasibility of establishing a free trade area (FTA) among the countries of the two groupings. The Task Force was asked to develop a report, which would be considered by Ministers at the next meeting of informal consultations between ASEAN Economic Ministers and their CER counterparts, scheduled for October 2000.

The high-level Task Force consisted of an eminent representative from each country. Mr Cesar Virata, former Prime Minister of the Philippines, chaired the Task Force, and the Hon Tim Fischer MP represented Australia. The Task Force held three meetings dealing with a broad range of issues, including scope and coverage of an AFTA-CER FTA, its economic benefits, and WTO-consistency, and concluded that not only was an AFTA-CER FTA feasible but also advisable.

Ministers were presented with, and considered, the Task Force's report at the 5th annual consultations between ASEAN Economic Ministers (AEM) and Ministers from Australia-New Zealand Closer Economic Relations (CER), held in Chiang Mai, Thailand, on 6 October. At the meeting, Ministers agreed to work towards a Closer Economic Partnership (CEP) and tasked officials to "elaborate on the potential and parameters" of the CEP, taking into account relevant recommendations of the Task Force. Officials are due to report back to Ministers in 2001.

It is the first time that the 12 regional governments will be involved in officials-level talks to promote regional economic integration. This provides an opportunity to pursue Australia's goal of regional trade and investment liberalisation, and to pursue elements such as e-commerce, competition policy and non-tariff barriers. Ideally, Australia would have liked to move faster, but there are clearly different levels of economic development and appetite for reform in ASEAN at the present time.

Work on facilitating closer economic links under the AFTA-CER Linkage has continued in parallel with discussions on an AFTA-CER FTA. For example, collaboration between AFTA and CER countries under the MOU on Standards and Conformance is proceeding well, and the Department of Transport and Regional Services has conducted a study on freight logistics in the Mekong Delta area and compiled a Transport Information Directory. Australia has proposed three new projects under the Linkage in the areas of transport, competition policy and intellectual property. The Linkage remains an important mechanism for pursuing stronger economic links through the provision of practical assistance to business.

Recommendation 5:

The Federal Government explore ways in which the provision of state-funded, state-dedicated Austrade resources for trade and investment promotion (Bangkok model) can be extended to other states and territories.

Response

Agreed.

Comment

The Federal Government, through Austrade, is keen to extend this or similar models to other States and Territories, as appropriate and in accordance with State and Territory needs.

At the National Trade Consultations Intersessional meeting held in Canberra in October 1997, Austrade distributed a paper to State and Territory representatives setting out a range of ways - including the Bangkok model - in which Austrade could make its resources available to them. Austrade again drew attention to its willingness to engage in cooperative arrangements with States and Territories at the National Trade Consultations Intersessional meeting held in Canberra in April 1998.

It is likely that further cooperative placements will take place in the future, but the timing, location and other details will depend on the needs of the States and Territories.

Recommendation 6:

The Federal Government review the possibility of introducing a mixed credit scheme for Australian firms undertaking infrastructure projects in the Asia Pacific region, to be administered by the Trade portfolio with due regard to Australia's ODA program objectives.

Response

Not agreed.

Comment

The Government's response to the Simons Review of the aid program, *Better Aid for a Better Future*, accepted the recommendation that a tied aid mixed credit scheme should not be reintroduced into the aid program. While the Government has no in-principle objection to aid being provided in the form of soft loans, it considers this should not be at the expense of other higher priority aid activities. Any decision to introduce a mixed credit scheme would have significant funding implications.

Recommendation 7:

The Australian Government assist the Australian tourist industry, particularly through the Australian Tourism Commission, to increase promotional efforts in other key tourist markets, for example North America and Western Europe.

Response

Agreed.

Comment

The regional economic crisis had an adverse impact on visitor arrivals from the Asian region, including ASEAN countries, although not as severe as originally expected. Due in part to favourable exchange rates, much of the decrease was offset by increased arrivals from other key markets including North America and Europe. In addition, Australia's increased cost competitiveness in these markets was, and continues to be, capitalised upon by the marketing activities of the Australian Tourist Commission (ATC).

In the 1998-99 Federal Budget, the ATC was allocated an additional A\$41 million over four years to 2001-02 for increased promotional activity in selected Asian markets, but also for use in other established tourism markets such as the USA and Europe, and to offset the increase in promotional costs in these countries. The additional funding was also used by the ATC to establish a presence in emerging tourism markets such as China (where Australia has recently been granted Approved Destination Status), India, Latin America and the Middle East.

Recommendation 8:

The Government establish a formal, annual process of scrutiny both within the Parliament and the Australian National Audit Office of the streamlined entry system.

Response

Noted.

Comment

Under the *Auditor-General Act 1997*, the Auditor-General is functionally independent of both the Government and the Parliament. Accordingly, the Australian National Audit Office (ANAO) cannot be directed by the Government or the Parliament to undertake a particular audit. However, the ANAO, in developing its program of performance audit activities (which a scrutiny of the

streamlined entry system would constitute), considers a wide range of factors and views, including the audit priorities of the Parliament as advised by the Joint Committee of Public Accounts and Audit (JCPAA). The ANAO may also undertake an audit following consideration of particular requests from a range of sources including Ministers, Parliamentary Committees and Parliamentarians.

Performance audit topics are primarily selected on two grounds: the first of these grounds reflects the ANAO's need to focus on those audits which have maximum value-added in terms of improved accountability, economy, efficiency, and effectiveness; the second ground relates to ensuring appropriate coverage of entity operations within available audit resources. To the extent that a scrutiny of the streamlined entry system might meet these criteria, the ANAO may, from time to time, decide to conduct a performance audit of the system or review it as part of a broader audit.

The ANAO has undertaken a performance audit in the Department of Immigration and Multicultural Affairs (DIMA) in accordance with the authority contained in the *Auditor-General Act 1997*. The report was presented to the Parliament on 22 July 1999.

The objective of the performance audit was to assess the administrative effectiveness of the Electronic Travel Authority (ETA) with particular regard to:

- . the reliance that can be placed on information technology (IT) Systems;
- . the contribution of the Movement Alerts List to the effective operation of the ETA system;
- . the management by DIMA of the contribution of external parties in the operation of the ETA system; and
- . the financial management of the ETA system.

The ANAO concluded that "the ETA system is an innovative, Australian developed system which has the support of the travel industry. It has delivered efficiencies and has made the issuing of visas more effective. The ETA system has:

- . provided a facility that can handle growth in the number of short-stay visitors to Australia;
- . attracted a significant proportion of visa applications in the countries where it is available;
- . been implemented in almost all the countries assessed as low risk; and
- . enabled visa waiver arrangements to be extended to Australian travellers to the United States, France, Japan, Spain and the Republic of Korea following introduction of the ETA system in these countries."

The Government, through the DIMA, has implemented in a number of tourism source countries (including ASEAN countries) procedures to streamline visitor visa issues. In order to ensure the integrity of these procedures, DIMA has in place resources for extensive data collection and the monitoring of associated activities. These include:

- . visa (including ETA) applications and grants;

- . interdiction activity at major airport of uplift;
- . arrival details, including numbers referred to Immigration Inspectors for further assessment, numbers refused entry and numbers of infringement notices served on airlines for carrying inadmissible passengers, and
- . subsequent applications for further stay in Australia and change of immigration status, including Protection Visa applications.

Recommendation 9:

The Australian Government urge the Government of Thailand to :

- (a) Ratify the 1951 Convention Relating to the Status of Refugees and its 1967 Protocol; and***
- (b) Permit the United Nations High Commissioner for Refugees to provide greater assistance to the refugees on the Thai-Burma border.***

Response

a) Agreed.

b) Agreed.

Comment

Australia has close links, and engages in regular dialogue, with Thailand, other countries in the Asia-Pacific region, the United Nations High Commissioner for Refugees (UNHCR) and the International Organisation for Migration (IOM) on matters associated with refugees and displaced persons. There are existing multilateral mechanisms in which Thailand's role with refugees and displaced persons has been and can continue to be addressed. It should be noted that, although not a signatory to the Refugees Convention and Protocol, Thailand has hosted more refugees and people in refugee-like situations than most countries in the region. The Government has, in the past, encouraged Thailand to ratify the Convention and Protocol, and our major focus should be on continued dialogue and understanding as a means by which the Government of Thailand can be encouraged to do so. The Government will also continue to facilitate UNHCR involvement.

Australia and UNHCR co-sponsored a Conference on Regional Approaches to Refugees and Displaced Persons, held in Canberra in November 1996. This Conference was attended by 24 regional governments, including Thailand and Burma. A follow-up Experts Meeting was held in Bangkok in July 1997 and a third meeting, jointly chaired by UNHCR and IOM, was held in June 1998 in Bangkok. The consultations, known since 1998 as the Asia Pacific Intergovernmental Consultations on Refugees, Displaced Persons and Migrants (APC), are a constructive and helpful mechanism in which to encourage states to ratify the Refugees Convention and Protocol and to work closely with UNHCR. APC discussions are candid and as informal as possible. Trust has been built up between the member countries, and the involvement of the UNHCR from the outset has established the APC as a highly credible forum. The APC met last in June 1999. The next meeting is planned for November 2000.

Encouragingly, the Thai Government and UNHCR have reached agreement to secure an expanded role for the agency on the Thai-Burma border, with working arrangements put in place to cover:

- . UNHCR inspection of administration of refugee camps;

- . UNHCR assistance to the Thai Government towards the relocation of temporary shelter areas;
- . UNHCR assistance to displaced Burmese to facilitate their safe return to Burma, and
- . free and early access for the UNHCR to border camps.

Recommendation 10:

The Australian Government continue to press the ASEAN countries to maintain the constructive aspects to their engagement policy by pressing the Government of Burma towards further reform - the end to forced labour, the release of political detainees, dialogue with Aung San Suu Kyi and the liberalisation of the procedures of the Burmese National Convention, established to draw up a new constitution.

Response

Agreed.

Comment

The Government has devoted much effort to Burma in our regional and multilateral diplomacy. In particular, we have urged ASEAN countries to continue to use their relationship with Burmese leaders to encourage democratic change in Burma and an improvement in the human rights situation there.

The Minister for Foreign Affairs, Mr Downer, has taken every available opportunity to raise the Australian Government's concerns about the situation in Burma in international fora, most recently at the ASEAN Post Ministerial Conferences and the ASEAN Regional Forum held in Bangkok in July 2000. Mr Downer also met with the Burmese Foreign Minister in the margins of these meetings, and took the opportunity to raise Australia's concerns at the human rights situation in Burma directly with the Burmese Foreign Minister.

While we will continue to work with Burma within ASEAN, we will also make known bilaterally to the Burmese Government our concerns about developments in Burma. Similarly, in multilateral fora, such as the United Nations General Assembly and the Commission on Human Rights, we will continue to work with other regional countries to produce strong consensus resolutions on Burma.

Recommendation 11:

11. The Australian Government:

- (a) *send a senior delegation to the Thai-Burma border to assess the situation and report to the Government and the Parliament with recommendations for possible action on a bilateral or region wide basis; and*
- (b) *give generous consideration to the requests for entry visas from bona fide students from Burma itself or the Thai-Burma border and those seeking resettlement within the humanitarian category.*

Response

a) Not Agreed.

b) Not Agreed.

Comment

The Government considers that in addressing the refugee and humanitarian problems on the Thai-Burma border, Australian efforts should focus on facilitating and supporting regional dialogue (as outlined in response to Recommendation 9) and encouraging the Thai Government to work closely with the Burmese Government and UNHCR in resolving Thai-Burma border issues. Although the Australian Ambassador to Thailand and other Embassy personnel travel to the region and report on developments, and regularly report the views of key players, including UNHCR, assessment of the situation in the field and the development of specific recommendations are more appropriately activities to be undertaken by the Thai and Burmese Governments, in conjunction with UNHCR in its mandated international role.

In a context of maintaining and improving the integrity of Australia's migration program, the Department of Immigration and Multicultural Affairs (DIMA) is committed to assisting the development of Australia's international education and training industry. The Migration Act requires every visa application to be considered on its individual merits and it is not possible for DIMA to provide an undertaking that there will be any specific success rate for visa applications lodged by students participating in any program.

Decision makers in DIMA need to be satisfied that, while in Australia, students will abide by their visa conditions and return home on completion of their course of study. Students wishing to enter Australia must also meet Australian health and public interest requirements. The Australian Government has gazetted a list of countries whose citizens have been identified as having a low risk of overstay and a very high level of compliance with student visa conditions. The procedures for processing applications of gazetted and non-gazetted countries are different. Burma is not a gazetted country. There were 84 student visas granted offshore to Burmese nationals in 1997-98. This increased to 109 in 1998-99, and 145 in 1999-2000.

Australia's Humanitarian Program reflects the Government's commitment to assisting refugees and others in humanitarian need. As part of this commitment, Special Assistance Categories (SAC) were established in 1993 for Displaced Burmese in Thailand, and Burmese in Burma. The Burmese in Burma SAC later fell into disuse because of exit restrictions imposed by the Burmese Government. In April 2000, the Australian Government decided to close all remaining SAC, and the two Burmese SAC were included amongst them. In recognition of ongoing humanitarian need for resettlement of Burmese in Thailand a number of places (170) have been earmarked under the Refugee and Special Humanitarian categories to accommodate compelling cases identified in conjunction with UNHCR. In addition a final allocation of 50 SAC places has been made for FY 2000-01 to cover SAC applications at an advanced stage of processing.

Recommendation 12:

The Australian Government urge ASEAN to:

- (a) include on its agenda discussion on bilateral agreements for the implementation of internationally agreed minimum standards for the treatment of migrant workers; and*
- (b) place labour issues on the agenda of both ASEAN and APEC.*

Response

a) Noted.

b) Noted.

Comment

The Australian Government takes appropriate opportunities to discuss labour issues, including the treatment of migrant workers, with ASEAN governments in bilateral and multilateral discussions. However, at the multilateral level, the International Labour Organisation (ILO) is the most appropriate forum for the discussion of these issues. The ILO plays an important role in promoting the ratification of appropriate labour standards, including the six fundamental ILO Conventions dealing with human rights. Ratification of ILO Conventions remains a matter for ILO Member States to undertake voluntarily, based on their own priorities. It is also a matter for states to determine whether or not they wish to ratify the International Convention on the Protection of the Rights of All Migrant Workers and Members of their Families.

With regard to migrant workers, Australia recognises the global enormity of the migrant worker phenomenon while not ourselves being a country that is greatly affected. The term "migrant worker" does not fit particularly well in the Australian context as our immigration policies and practices are largely predicated upon the granting of permanent residence and the encouragement of permanent settlement in Australia. Unlike some other countries, Australia does not have significant numbers of migrant workers in the sense of temporary or "guest" workers.

Australia is not a member of ASEAN and has no role in setting the agenda for ASEAN meetings. Furthermore, decisions in APEC are taken on a consensus basis.

Recommendation 13:

The Australian Government encourage transnational businesses to adopt codes of conduct for their operations in regional countries such that health and safety standards for workers in multinational companies are consistent between the developing countries and the country of origin of the enterprise.

Response

Agreed.

Comment

The Government welcomes efforts by transnational businesses to adopt voluntary codes of conduct which would apply international labour standards and/or developed country labour standards to all their operations. In particular, the Government notes the existence of two international codes which would provide appropriate guidelines for transnational businesses: that is, the ILO Tripartite Declaration on Principles concerning Multinational Enterprises and Social Policy, and the OECD Guidelines for Multinational Enterprises. The ILO Declaration specifically addresses safety and health concerns.

Recommendation 14:

The Australian Government support the development of an East Asian political community in the form of a regional forum developed through consultation with all regional governments.

Response

Noted.

Comment

The Australian Government strongly supports the development of enhanced dialogue with the East Asian regional community, such dialogue having been a major foreign policy priority since the Government's election in 1996. The Government's commitment has been demonstrated in its pursuit of improvements to the quality of dialogue in a diverse range of fora, including the ASEAN Post Ministerial Conference (PMC), the ASEAN Regional Forum (ARF), the ASEAN-Australia Forum and, to some extent, in APEC.

These fora provide the opportunity for direct government-to-government discussions on a range of regional and international political and economic issues. For example, at this year's PMC held in Bangkok, Foreign Ministers from ASEAN and its Dialogue Partners discussed transnational issues including, money laundering, narcotics and HIV/AIDS. The meeting also looked at the social implications of the regional economic crisis and ways to improve cooperation to strengthen ASEAN integration.

Similarly, the Government has worked hard to promote the ARF as a forum for discussing regional security issues. Since its inception in 1994, the ARF has developed into the pre-eminent forum of its type in the Asia-Pacific region. While much work remains to be done in expanding the mandate and scope of work undertaken by the ARF, the Government has been encouraged by the outcomes that have emerged from recent ARF Ministerial Meetings. ARF meetings have provided a valuable mechanism for sending clear and united messages about issues of concern to member countries, including in relation to weapons of mass destruction and territorial disputes in the South China Sea. The Seventh ARF Ministerial in July 2000 also saw an increased willingness to discuss issues that had wider regional security implications.

Recommendation 15:

The Australian Government encourage the ASEAN states to ratify and implement international human rights instruments as an integral part of their responsibilities in the international order.

Response

Agreed.

Comment

The Government has taken appropriate opportunities in bilateral discussions and multilateral fora to encourage countries in the region to ratify major international human rights instruments.

Australia also supports the establishment of an appropriate Asia-Pacific regional human rights organisation to reinforce universal human rights in the region. Australia believes that the strengthening of regional co-operation among national human rights institutions will prove an important building block in the eventual establishment of a regional human rights mechanism. The Asia-Pacific Forum (APF) of National Human Rights Institutions, established in Darwin in 1996, is making significant progress in this regard. The Forum currently has eight members. From within ASEAN, the Human Rights Commissions of Indonesia and the Philippines are members.

Thailand is actively engaged in the establishment of a Human Rights Commission and may gain membership of the APF later this year. In April 2000 Malaysia established a Human Rights Commission. While this body does not yet comply with the Paris Principles which set out criteria for independence and effectiveness, there has been an active dialogue with the APF member

institutions with a view to Malaysia's ultimate membership by meeting the standards set out in the Paris Principles.

At the 1998 ASEAN PMC, Mr Downer encouraged Burma to consider establishing a national Human Rights Commission. At the 5th annual meeting of the APF the representative from Burma informed the Forum that Burma had decided to form a Human Rights Commission similar to those of Bangladesh, Thailand, the Republic of Korea and Papua New Guinea. It is not anticipated that this announcement will produce early results.

Recommendation 16:

The Government ensure that human rights issues are an integral part of emerging dialogues with ASEAN countries on regional development cooperation, economic and security issues.

Response

Agreed.

Comment

The Australian Government takes every appropriate opportunity to discuss human rights issues with ASEAN countries, including, where appropriate, in regional dialogues such as the ASEAN PMC, the ARF and the AAF.

Recommendation 17:

Representatives from the Australia Council be included in the Australian delegation to the ASEAN Australia Forum and particularly, where appropriate, to the working party of the ASEAN Committee on Communications and Information.

Response

Agreed in part.

Comment

The format of the ASEAN Australia Forum (AAF) now provides for a high level, streamlined and focused forum for addressing political, economic and strategic issues of relevance to both Australia and ASEAN member countries. A decision was taken by both Australia and ASEAN members to have the Working Group on Culture and Information continue its work independently of the AAF. There is, however, the opportunity for the Working Group to provide a brief report of its activities to the AAF.

AusHeritage is actively involved in the ASEAN Committee on Culture and Information (COCI) and in fact provided an overview of the work of the COCI to the most recent meeting of the AAF held in Canberra in June 2000.

The Australia Council while not active in the COCI, remains interested in participating in future ASEAN-Australia dialogue, particularly if there are opportunities to promote exchanges and professional and market development opportunities for artists and arts organisations from both ASEAN and Australia.

Recommendation 18:

The Australian Government invite the ASEAN Ministers for Culture to visit Australia with a view to establishing a regular dialogue between Australian and ASEAN ministers and officials on cultural matters.

Response

Noted.

Comment

ASEAN Ministers from a variety of portfolios are invited to visit Australia under various programs. There is regular dialogue at the official level on cultural matters through various fora such as the ASEAN-Committee on Culture and Information (COCI). The Chairman of ASEAN-COCI, Mr Choo Whatt Bin, visited Australia as a guest of the Australian Government under DFAT's Cultural Award Scheme in April 1998.

The first stage of the ASEAN COCI-Australia Project on "A Regional ASEAN Policy and Strategy for Cultural Heritage Management", jointly funded by the Department of Foreign Affairs and Trade and the ASEAN Secretariat, involved staging a workshop on cultural heritage management for senior officials from ASEAN member countries. The workshop, run by AusHeritage, was successfully held in Adelaide from 14-18 March 2000.

Recommendation 19:

The Australian Government endorses the ASEAN initiatives on common practices regarding intellectual property and offer assistance in the form of further training programs or technical assistance for their implementation.

Response

Agreed.

Comment

The Government is highly supportive of the efforts of ASEAN countries to date in strengthening the protection of intellectual property (IP) in line with the common standards established under the WTO Agreement on Trade-Related Aspects of Intellectual Property Rights (TRIPS), and to promote harmonised and simplified operations for the administration of intellectual property rights. Reflecting the need for closer cooperation with ASEAN countries on IP issues, Australia has recently taken the initiative within the AFTA-CER framework to propose stepped-up cooperation on practical IP management issues.

As a leading player in the APEC Intellectual Property Rights Experts Group (IPEG), Australia is working towards closer coordination of IP administration and enforcement mechanisms in the region, directly supporting and facilitating the parallel intra-ASEAN program similarly aimed at implementing common practices. Australia has also provided strong practical support for the development of a coordinated approach to facilitating technical cooperation. Australia has also played a leading role in three new initiatives of the APEC IPEG, the strengthening of cooperation on enforcement of intellectual property rights, raising public education and awareness of intellectual property issues and promoting a stronger policy dialogue on emerging IP issues. Australia is an active participant in the work of the IPEG aimed towards greater regional coordination in a number

of practical areas, such as paperless filing technologies, electronic commerce, office practice in relation to biotechnology and other emerging technologies, and simplified and harmonised trade mark filing.

Through bilateral and regional programs, Australia provides considerable technical assistance and training to ASEAN countries to promote the effective and efficient operation of the IP system. This assistance has included the provision of technical experts to Malaysia and Indonesia, the conduct of bilateral training programs with Indonesia, Malaysia, Thailand and Vietnam, and the provision of advice and assistance to Singapore, Indonesia and Brunei. Australia has conducted APEC-wide technical training programs on intellectual property administration (in March 1998) and on management of biotechnology IP (December 1998). A major training program on IP administration and enforcement for Indonesian officials and academics has been in place for over three years.

The Australian Government and Australian experts have also participated with the WTO and World Intellectual Property Organisation (WIPO) in the provision of further training, for example, by providing experts for training in the region, including in Singapore and Brunei. In March 2000 Australia hosted a WIPO Regional Symposium, and signed a Memorandum of Understanding with WIPO on technical cooperation in the region. Australia has already participated in training delivered under this agreement to the Philippines.

World Bank funding was made available for a six-month project for technical assistance for institutional development at the Directorate General of Intellectual Property Rights of Indonesia in 1999-2000. IP Australia was part of a consortium which tendered successfully for the project, of which a key component was IP awareness and information dissemination. Staff from IP Australia, DFAT and the Attorney-General's Department undertook this part of the project. Australia has also delivered training in specialised areas of IP, such as training courses in biotechnology IP held in Thailand and Vietnam in June 2000, and on IP enforcement training for Thai specialist IP judges in 1999.

Australia's efforts in support of technical cooperation cannot hope to match the scale of those undertaken by the European Union or Japan, or specialised international organisations such as WIPO. Such assistance as is given by Australia must be well targeted and focused. While Australia has strong legal and technical expertise on IP law and administration, the number of experts able to be involved in such programs is quite limited. Despite these constraints, the assistance provided by Australia has been well received in the region as it has had a strong practical focus, and it is sensitive to serving the specific needs and context of the region in a sustained fashion. The continued focus of bilateral direct assistance and promotion of regional and international training in the region affords the best opportunity of maximising scarce resources and contributing in a constructive way to the Australia-ASEAN relationship. Recent proposals concerning more direct cooperation with ASEAN in the context of AFTA-CER relations are at an early stage, but the initial signs are positive.

Recommendation 20:

The Australian Government provide sufficient financial and human resources to the newly formed Australian International Cultural Council to enable its effective operation in the full range of cultural promotion.

Response

Agreed.

Comment

The Government is fully committed to the effective operation of the Australia International Cultural Council (AICC). The first meeting of the Council, chaired by the Minister for Foreign Affairs, Alexander Downer, was held in Melbourne on 26 June 1998, and four further meetings have been held since then. The Council's principal objective is to project an image abroad of Australia as a sophisticated and culturally diverse nation, committed to democracy and tolerance. A rolling three-year strategy to promote Australian culture has been developed and published by the Council and a Commission for International Cultural Promotion (CICP) has been established at senior officials level to oversight the implementation of the Council's program. The CICP, which includes senior representatives of DFAT, the Department of Communications, Information Technology and the Arts, the Australia Council for the Arts, Austrade, the Australian Tourist Commission and the Australian Film Corporation, has proved very effective in coordinating international arts and cultural programs, in partnership with Australia's cultural community.

Funding for AICC administration and for the AICC Secretariat are being provided from the DFAT portfolio budget. Program activities have been funded by the CICP member agencies. In 1998-99, DFAT provided an additional A\$1 million to fund the work of the Council.

Recommendation 21:

The Department of Communications and the Arts and Austrade combined to explore ways in which Australian theatre management and associated technological skills can be more effectively marketed to the region.

Response

Agreed.

Comment

Austrade and the Department of Communications, Information Technology and the Arts, together with relevant portfolio agencies, will pursue co-operative strategies to market more effectively theatre management and associated technological skills. These strategies will seek to enhance commercial opportunities in the theatre services sector; for instance, by further developing links between organisations and enterprises with specific expertise, such as the Victorian Arts Centre Trust and Stagecraft; "umbrella" organisations and networks with a regional focus such as the Association of Asia Pacific Performing Arts Centres; and by utilising the services of Austrade to promote Australia's expertise in this sector.

Recommendation 22:

The Federal Government give consideration to the expansion, over a period of ten years, of the University Mobility in the Asia Pacific Program to reach the target of 5,000 Australian students studying in Asia annually.

Response

Noted.

Comment

A review of the Australian Government University Mobility in Asia and the Pacific (UMAP) program has been initiated. The review will examine the effectiveness of the program in terms of its objectives, to increase:

- . the number of active, viable bilateral student exchange agreements;
- . cooperation between Australian universities and their counterparts in the region in the development of higher education programs, and
- . the number of Australian graduates with cultural, language and professional experience relevant to the region.

The review will provide an information base against which the JSCFADT's Recommendations will be considered.

Recommendation 23:

The Department of Foreign Affairs and Trade, through the establishment of the International Cultural Council, and in conjunction with the Australian Vice Chancellors' Committee develop strategies for the promotion of Australian excellence in educational and cultural fields.

Response

Noted.

Comment

The Government expects that the Australia International Cultural Council (AICC) will primarily focus on promotion, through Australia's cultural relations programs, of Australia's performing and visual arts in support of foreign and trade policy objectives. The AICC does not have a specific educational mandate. The interest of the Australian Vice-Chancellor's Committee (AVCC) in the work of the Council has, however, been brought to the Council's attention.

It is proposed that DFAT and the AVCC work in conjunction with Australian Education International (AEI) to develop strategies for the promotion of Australian excellence in education. AEI, the Government agency established within the Department of Education, Training and Youth Affairs (DETYA) to promote Australian education and training overseas, has leading responsibility for the promotion of Australian excellence in education in international student markets. In addition, AEI has a broader brief than just the higher education sector, and is concerned to ensure that excellence in all sectors is appropriately promoted.

Recommendation 24:

The Department of Foreign Affairs and Trade and the Department of Employment, Education, Training and Youth Affairs liaise with the Australian Vice Chancellors' Committee to investigate the establishment of a network of supporting arrangements for foreign students studying in Australia.

Response

Noted.

Comment

The Government supports the intentions behind this Recommendation and would draw to the JSCFADT's attention the comprehensive and coordinated work that is being done by AEI in what is now DETYA, the AVCC and other peak bodies to support foreign students studying in Australia.

AEI activities include:

- . publishing a national survey in 1998 to benchmark support services provided by universities for the students they recruit overseas;
- . conducting major national survey of international students in 1997, 1999 and 2000 (the later two with the explicit support of the National Liaison Committee for International Students in Australia, the peak representative student body), to identify the views of international students, inter alia, on the provision of academic support services;
- . sponsoring national conferences of international students and student organisations, including the National Liaison Committee for International Students in Australia and the International Student Advisors Network of Australia. These organisations contribute respectively to the improvement of services for international students and the professional development of staff who deliver them; and
- . publishing a study into fostering social cohesion in universities in 2000 and disseminating the study to institutions which enrol international students.

DETYA is currently developing a *National Code of Practice for Registration Authorities and Providers of Education and Training to Overseas Students* which will be enforceable under the proposed revisions to the *Education Services for Overseas Students (ESOS) Act*.

The AVCC has strengthened and updated its Code of Ethical Practice in the Provision of Education to International Students by Australian Universities. The Code aims to safeguard the interests of international students, and assure the quality of the information and educational experience provided by universities. The Code provides ethical practice guidelines for universities on promotion, marketing, agents and partners, providing information, admission of students, arrival and orientation, student support, fee-charging and refunds, university infrastructure and returning home support.

Recommendation 25:

The Australian Government investigate the feasibility of establishing a broad based Australia ASEAN Council comprising business, academic and cultural interests, as well as relevant government and non government agencies, to support, coordinate and review Australia's programs which seek to advance Australia's relations with ASEAN.

Response

Noted.

Comment

Since 1984, when the possible establishment of an Australia ASEAN Council was first raised by the JSCFADT, the concept has been given regular consideration by successive Governments. In the

intervening period, the level of mutual understanding and engagement between Australia and ASEAN has grown considerably, manifested in the development of such fora as the ASEAN Australia Forum (AAF).

These fora have, in the past, operated along the lines that the JSCFADT is suggesting for the Australia ASEAN Council. The 1996 AAF, for example, included representatives from many Government departments, business chambers and companies trading with ASEAN. The AFTA-CER process also involves the participation of government and business.

The most recent meeting of the AAF, held in Canberra in June 2000, adopted a new format designed to be a high level, streamlined and focused forum addressing political, economic and strategic issues of relevance to both Australia and the ASEAN member countries. It was thought that some of the working groups duplicated work undertaken in other fora, such as APEC. The working groups on the environment and culture and information have been retained to continue to work independently and provide brief reports to the AAF. It was also agreed with ASEAN member countries that business participation would be more usefully facilitated through AFTA-CER and bilateral fora. ASEAN member countries have been very positive in their support of this new approach to the AAF.

Australia has close co-operative relations with ASEAN on cultural and academic issues. The involvement of Australia in the ASEAN Committee on Culture and Information (COCI) is a demonstration of this fact.

Given that linkages between ASEAN and Australia continue to expand across a diverse range of endeavours, it may be that the imperative for the creation of an Australia ASEAN Council has diminished over time, although the Government will continue to explore the means by which relations might be enhanced.

Recommendation 26:

Post privatisation, the Government continue to monitor and enforce the adherence of Australia Television (ATV) to the contractual obligations requiring the use of Australian content, the retention of Australian and ABC news and current affairs and the service's consistency with broader national objectives.

Response

Noted.

Comment

On 8 August 2000, the Government announced an initiative to enhance Australia's broadcasting into the Asia Pacific, recognising the dynamic nature of the region, and the importance of a credible, reliable and independent voice. As part of this initiative, the Government has requested proposals for an editorially independent Australian television presence in the region, projecting accurate images and perceptions about Australia and its way of life.

Australia Television is a commercial service operated by the Seven Network. Since 1 July 1999 the Government has ceased to fund the provision of news services by the ABC.

To ensure that international broadcasting services operated from Australia are in the national interest, the Government has agreed in principle to permit international broadcasting from Australia by companies incorporated in Australia, subject to a case-by-case assessment by the Minister for

Foreign Affairs based on national interest criteria. A bill to implement a licencing scheme for international broadcasting services operating from Australia which addresses national interest and other relevant criteria is currently before the Parliament.

Recommendation 27:

The Government restore the Cox Peninsula transmitters to full operation for the use of Radio Australia.

Response

Noted.

Comment

On 22 May 2000, the Minister for Finance and Administration determined that Christian Vision Ltd would be granted a 10 year non-exclusive licence to operate the Cox Peninsula transmission facility following the conclusion of an international tender process. Christian Vision is a United Kingdom based registered charitable company.

The Government currently contributes \$7.2 million per annum to the ABC to fund a Radio Australia service to Pacific Island nations and Papua New Guinea. The funding is used to provide English language and Tok Pisin programming and to pay for satellite costs. Some of this money is also used to fund shortwave services which will continue to be broadcast to audiences in Papua New Guinea and the South Pacific region from the Shepparton and Brandon shortwave transmission facilities. In addition, the ABC contributes approximately \$1.6 million to provide Indonesian, Mandarin, Khmer and Vietnamese foreign language programming.

Under the initiative announced on 8 August 2000 to enhance Australia's broadcasting into the Asia Pacific, Radio Australia will be provided with up to \$3 million of additional funding per year for three years to ensure it is able to strengthen transmission arrangements in the region and to enhance its online services.

The Government is confident that the additional \$3 million per year in funding combined with existing resources will ensure that sufficient alternatives are available to the ABC to increase its transmission capacity or reach to Asia. These options include leasing offshore sites, access to the Cox Peninsula facility or organising relays of its programs. Radio Australia has been innovative in this regard, establishing retransmission arrangements with 83 stations in the Asia-Pacific region alone, and leasing capacity from offshore transmission facilities in Taiwan.

Recommendation 28:

The Australian Government, in both its bilateral dialogue and in the multilateral forums of ASEAN:

- (a) encourage countries of the region to adhere to Article 19 of the Universal Declaration of Human Rights - Everyone has the right to freedom of opinion and expression; and*
- (b) press governments in the region for the repeal of the anti-subversion laws.*

Response

a) Agreed.

b) Noted.

Comment

The Australian Government has consistently encouraged regional countries to respect and adhere to fundamental human rights, including the rights to freedom of expression, religion, association, assembly and a free press.

The Australian Government raises the issue of national security laws in its bilateral dialogue with countries in the region, where we think those laws have been used inappropriately to detain people for the peaceful expression of their political views.

In 1999, in delivering Australia's main statement to the Third Committee of the United Nations General Assembly, our Permanent Representative to the United Nations emphasised our concern at the way national security legislation is misused in many countries to deal harshly with the peaceful expression of opinion or belief.

Also at the multilateral level, a consensus resolution at the Commission on Human Rights deals with the question of arbitrary detention, including detention under the auspices of national security legislation as outlined in Article 29 of the UDHR and Article 19 of the International Covenant on Civil and Political Rights (ICCPR). Australia regularly co-sponsors this resolution.

Recommendation 29:

The Australian Government continue to use its position on the Mekong River Commission and through bilateral relations to ensure that social and environmental concerns are paramount in river system management and development.

Response

Agreed.

Comment

Australia is not a member of the Mekong River Commission (MRC), and does not attend meetings of the MRC. The member states are Thailand, Cambodia, Laos and Vietnam. These countries are four of the six Mekong River riparian states which are individually and collectively responsible for the management of the Mekong River and its Basin. (The other two countries are Burma and China). However, Australia is one of a range of developed countries whose aid programs support the activities of the MRC.

Through its support for the MRC, and in its bilateral relations with the MRC member states, Australia will continue to accord a high priority to assisting the responsible Governments to manage the Mekong River and its basin, with due consideration to relevant environmental and social issues.

Where appropriate, the Government will work to establish linkages between Mekong River riparian states and the Australian private sector to enhance awareness of, and provide solutions to, social and environmental problems experienced by these states.

Recommendation 30:

The Australian Government:

- (a) *examine the possibility of expanding its regional aid program, such as the South East Asia regional program (SEARP), in order to address cross regional issues such as water, forestry, energy, labour standards and protection and issues relating to the trafficking of women and children in the region; and*
- (b) *provide an increase in funding to the regional aid programs commensurate with any expanded scope of the program.*

Response

Agreed in part.

Comment

The Government acknowledges the role of regional aid programs in addressing transboundary regional issues, particularly for high priority issues which are not easily managed under AusAID's bilateral country programs. Regional programs also play an important role in supporting regional cooperation and economic integration, which in turn are widely accepted to contribute to economic growth and poverty alleviation.

Water resource issues continue to receive support under the SEARP through our programs of cooperation with the Mekong River Commission (MRC), the pre-eminent catchment management organisation in the region: we are currently negotiating two new activities with the MRC. We also continue to support energy policy and regional cooperation on energy through a A\$5 million project under the ASEAN Australia Economic Cooperation Program (AAECP). Trafficking of women and children in the region has become an issue of increasing concern to regional Governments and to Australia, and a major response is now under development through the SEARP, valued at approximately A\$10 million over five years. Combatting the spread of HIV/AIDS is also a crucial humanitarian and developmental challenge for the region, and Australia will continue to support a South East Asian regional response within the framework of Mr Downer's recent A\$200 million global HIV/AIDS initiative. Forestry issues have been addressed in Cambodia and in Indonesia, but mechanisms for a truly regional response are yet to develop.

Responding to the recent regional economic crisis has been one of the most urgent issues for Australian aid in the region in the past few years. Australia's response has been fast and effective, involving more than A\$150 million to help affected countries overcome the crisis and related problems.

An important and very high profile mechanism for Australian engagement with ASEAN at a regional level will be the upcoming ASEAN Australia Development Cooperation Program (AADCP). Valued at A\$45 million over 5 years from 2001, the program will include projects on economic integration and enhancing ASEAN competitiveness, a regional partnerships scheme and a regional economic policy support facility. The poorer 'new ASEANs' will be a key focus of the AADCP.

Funding issues for regional programs are determined not only in the context of the scope of the program, but also based on available resources for the aid budget as a whole and the relative merits of regional and other approaches (especially bilateral programs). Nevertheless, it should be noted that funds for Asia regional programs expanded significantly in response to the regional economic

crisis, from A\$20.5 million in 1997-98 to A\$38.3 million in 1999-2000. While funding has decreased somewhat in 2000-01 as the regional economic crisis 'tails off', the Government's commitment to the new AADCP, new people trafficking and HIV/AIDS initiatives and an ongoing response to the economic governance issues revealed by the regional economic crisis indicate that Australian regional aid programs in Asia will continue to be substantial.

Recommendation 31:

The Australian Government seek to strengthen civil society through training and other forms of institutional development in regional countries and thereby strengthen Australia's relationships with the non-government sectors in those countries.

Response

Agreed.

Comment

Promoting and supporting good governance in developing countries is a key priority of the Australian Government's development cooperation program. This is based on a recognition that good governance is an essential precondition for sustainable development. Support for the development of civil society has been identified as one of the four key areas of assistance under the aid program's governance framework (along with improving economic and financial management, strengthening law and justice and increasing public sector effectiveness).

In 1999-2000, over 38 per cent of Australia's governance assistance was directed towards strengthening civil society. One of the important ways in which this is done is through Australia's NGO programs. The development cooperation program also provides support to strengthen other civil society organisations and institutions such as cultural, sporting and other community groups, the media, professional associations, chambers of commerce and trade unions.

An example is the Philippines Australia Community Assistance Program (PACAP). PACAP is a program of direct assistance to Non Government Organisations (NGOs) or people's organisations in the Philippines. PACAP's aim is to raise the living standards of poor and marginalised Filipinos through funding community based self-help projects, as well as strengthening the capacity of these organisations to carry out community development activities.

Other examples are in East Timor, where Australia's Community Assistance Scheme has helped a large number of local groups with employment, income generation and community development activities, and in Bougainville, where civil society is being strengthened through a range of training programs.

The Centre for Democratic Institutions (CDI), established by the Government in 1998, harnesses the best of Australia's democratic experience to support good governance in developing countries through training, information exchange and networking. An important component of the CDI's work is those activities that focus directly on institutions of civil society, such as media training courses for journalists.

In 1999-2000 Australia's ODA expenditure on activities directly supporting good governance was estimated at A\$252.5 million, including A\$83.7 million for activities aimed at strengthening civil society. This very substantial effort towards strengthening civil society will continue to be a key component of the Government's support for effective governance in developing countries.

Recommendation 32:

Given the emphasis on the need for improved regulatory systems in the financial sector of countries in the region, the Government support projects to encourage international standards of accounting and auditing throughout the region.

Response

Agreed in part.

Comment

The Government recognises that there is significant scope for improvements in the regulatory systems of the financial sectors of some countries in the region. The systemic and structural weaknesses in some major ASEAN countries exposed by the recent crisis, however, require responses deeper and broader in scope than just encouraging international standards of accounting and auditing throughout the region.

The Government's Aid Program in economic governance aims to assist developing ASEAN countries implement the key economic reforms, including in the financial sector, essential for long-term economic growth and poverty reduction. Significant regional and bilateral projects aimed at promoting economic governance in the region have been supported under the A\$50 million Financial and Economic Initiatives (1998-2001) announced by the Government in November 1998. Many of the bilateral and regional governance activities supported under this initiative will continue beyond 2001.

The Government also established in 2000-01 the A\$6 million Asia Recovery and Reform Fund to support on-going regional initiatives in this area. Key corporate governance projects being supported under this fund involving ASEAN countries include: the A\$0.755 million Managing Regulatory Change in Life Insurance and Pensions Project, which involves key regulatory agencies from the region and Australia; and the \$0.204 million Insolvency Forum Project, a regional initiative which *inter alia* will address poor accounting and auditing standards in many Asian countries.

Recommendation 33:

The Australian Government:

- a) *reinstate a well funded legal services assistance program within the Attorney-General's Department; and*
- b) *ensure there is greater coordination and cooperation between the Attorney-General's Department and AusAID in the development and delivery of those legal training and education programs currently within regional development assistance programs.*

Response

a) Agreed in part.

b) Agreed in part.

Comment

- a) The advisory function of the Australian International Legal Cooperation (AILEC)

Committee has now been absorbed by the International Legal Services Advisory Council (ILSAC), which has four main areas of interest: (i) globalisation of legal services and market access; (ii) international commercial dispute resolution; (iii) international legal cooperation; and (iv) international legal education and training. The principal goal of the Council is to improve Australia's international performance in the field of legal and related services.

The Secretariat to ILSAC is supported by the program funds of the Attorney-General's Department. The Council has no program funds but is able to access assistance grants through agencies such as AusAID as well as various bodies, such as the Australia-Indonesia Institute, located within the Department of Foreign Affairs and Trade. The Attorney-General's Department has developed good cooperative links with the relevant agencies, including AusAID, and would support the continuation of the current arrangements which have worked well in terms of the provision of legal assistance in the region, and in ASEAN in particular.

The Attorney-General's Department has also hosted or supported many visits to the Department by visitors or delegations from ASEAN. Some of the costs of holding these visits have been met by existing programs. To date, the financial burden of facilitating these visits has not been extensive.

b) The Government acknowledges that the establishment of an appropriate legal, judicial and regulatory environment is necessary for social and economic development, as well as international trade and investment. The aid program's focus on good governance includes activities aimed at strengthening legal sectors in recipient countries.

The aid program undertakes a collaborative approach with governments in recipient countries to determine priority needs, which may include legal sector development. AusAID relies on the expertise provided by both the public and private sectors for the provision of goods and services to recipient countries, and thus contracting out is an integral part of aid delivery. Experts are contracted on the basis of an open and competitive tender to design and implement projects in a large number of sectors, including legal training and education.

AusAID has been represented on ILSAC and endeavours to inform ILSAC of activities under development. Both ILSAC (from the perspective of improving Australia's international performance in legal services) and the Attorney-General's Department can submit proposals for legal assistance activities or projects on the same terms as non-government organisations and the private sector.

While the Government agrees that there is scope for enhanced coordination and cooperation between AusAID and the Attorney-General's Department in the development and delivery of legal training and legal education, such delivery must comply with Commonwealth Purchasing Guidelines as they relate to an open and competitive tendering process.

Recommendation 34:

The Australian Government in its bilateral discussions and in appropriate multilateral forums such as the ASEAN Regional Forum, continue to encourage the countries of ASEAN and the wider region, in particular China, to ratify the Inhumane Weapons Convention (IWC), Protocol II and the Ottawa Treaty.

Response

Agreed.

Comment

Consistent with Australia's support for a global ban on anti-personnel mines and its ratification of the Convention on the Prohibition of the Use, Stockpiling, Production and Transfer of Anti-Personnel Mines and on their Destruction (the Ottawa Convention), Australia continues to work bilaterally and through all appropriate regional and multilateral fora to encourage the broadest possible adherence to the Ottawa Convention.

Four members of ASEAN (Thailand, the Philippines, Cambodia and Malaysia) have ratified the Ottawa Convention, and another two (Brunei and Indonesia) have signed. The Government uses Australia's extensive range of bilateral dialogues in South-East Asia to encourage support for the Ottawa Convention. In addition, the Government is exploring with the Australian Network of the International Campaign to Ban Landmines (AN-ICBL) scope for a collaborative effort in the region aimed at encouraging regional countries to accede to the Convention.

Some countries, regrettably, argue they are not yet in a position to accede to the Ottawa Convention's complete ban on the production, transfer and use of landmines. The Government therefore supports the negotiation of a separate ban on the transfer of anti-personnel mines. Such a ban could be negotiated through the Conference of Disarmament and would complement the Ottawa Convention.

The Government also calls on those countries not yet in a position to sign the Ottawa Convention to adhere to the Amended Protocol II (AP II) of the Inhumane Weapons Convention (IWC) - also known as the Convention on Certain Conventional Weapons. APII regulates rather than prohibits the use of landmines and greater adherence has the potential to contribute significantly to a reduction of the humanitarian impact of landmines.

The Government supports efforts through the ASEAN Regional Forum to encourage members to sign and ratify the Ottawa Convention and to adhere to the Inhumane Weapons Convention. Half of the members of the ARF have ratified the Ottawa Convention (Australia, Cambodia, the Philippines, Malaysia, Thailand, Canada, EU [all except Finland], Japan and NZ). A similar number of ARF members have ratified the IWC's Amended Protocol II (Australia, Canada, China, Japan, New Zealand, the Philippines, the United States and roughly half of the EU).

Recommendation 35:

The Government continue its broad based support for and involvement in the ASEAN Regional Forum and the second track dialogue CSCAP process.

Response

Agreed.

Comment

The key components of Australia's regional security strategy are maintaining a strong defence capability, the security alliance with the United States, developing bilateral defence and security relationships with countries throughout the Asia Pacific, and strengthening multilateral security links in the region, especially the ASEAN Regional Forum (ARF). For Australia, the ARF's value is as a complement to our bilateral alliances and security relationships. Australia played a key role in the establishment of the ARF and has been a strong supporter of the ARF process since the first meeting in Bangkok in 1994. The ARF provides a forum in which members can discuss regional political and security issues of concern and develop cooperative measures to contribute to the

maintenance of peace and security in the region and to the avoidance of conflict. From tentative beginnings, the Forum has made remarkable progress, as an effective multilateral mechanism for dialogue and cooperation.

The Government will continue its support for, and involvement in, the ARF. The Australian Foreign Minister has attended every ARF Ministerial level meeting and Defence officials have accompanied senior officials from the Department of Foreign Affairs and Trade to all ARF Senior Officials Meetings. Since the ARF's inception, Australia has been an active participant in its first and second track meetings, hosting or co-chairing a number of ARF activities. In November 1994 Australia hosted the first ARF intersessional meeting. During the 1997-98 ARF intersessional year Australia co-chaired with Brunei two meetings of the Intersessional Support Group on Confidence Building Measures, the principal ARF intersessional mechanism, one of which was held in Sydney in March 1998. More recently, Australia has hosted an ARF confidence building Seminar on the Law of Armed Conflict in Newcastle in December 1999, and an ARF Defence Language School Seminar in Melbourne in March 2000. Australia has also provided financial support for a Thai hosted training seminar on disaster relief in early 2001.

The Australian Government has also supported the CSCAP process. CSCAP is an important second track regional security body in the Asia Pacific and plays a valuable role in sounding out new approaches to regional confidence building and testing the acceptability of such approaches. Government involvement has included since 1995 an annual financial contribution, valued at A\$20,000, to Australia's national CSCAP committee, Aus-CSCAP. This has provided support for specific Aus-CSCAP projects and services, including Aus-CSCAP publications on regional security issues. Government officials have participated in their personal capacity at Aus-CSCAP, CSCAP working groups and CSCAP steering committee meetings, both in Australia and overseas.

Recommendation 36:

The Australian Government, through contact at ministerial level in the APEC and ASEAN forums and in its normal diplomatic contact, encourage the other ASEAN states to become members of the Financial Action Task Force (FATF).

Response

Agreed in part.

Comment

The Government agrees with the intention behind this recommendation, subject to the reservation that the appropriate organisation which Australia should encourage ASEAN states to join is the Asia Pacific Group on Money Laundering (APG) rather than the FATF as such. FATF's mandate is to expand to include politically strategic new members such as Russia and the People's Republic of China. There is virtually no prospect of its taking in additional members from South East Asia. The APG was established in February 1997 to take forward anti-money laundering initiatives in a cooperative, regional manner. It is the regional anti-money laundering body and recognised as such by FATF which supports the APG's operation and that of similar regional groups around the world. The APG has 19 member countries, including the Philippines, Singapore, Thailand and Hong Kong, China. The APG's role is to encourage and assist the countries of the region to adopt international anti-money laundering standards and implement anti-money laundering initiatives, including more effective mutual legal assistance, and to undertake mutual compliance evaluation of members with the FATF 40 recommendations.

Recommendation 37:

To improve our regional dialogue and legal cooperation on matters relating to transnational crime, the Government ensure that there is legal representation in at least one major diplomatic post in the region.

Response

Not agreed.

Comment

The Government recognises the intent behind this recommendation and notes that many of Australia's missions in the region have on their staff officers with legal qualifications. However, the Attorney-General's Department was required to withdraw its representation from both Brussels and Washington, DC during the late 1990s. Unlike the Australian Federal Police, which has a growing network of overseas liaison posts dealing with practical aspects of transnational organised crime on a day-to-day basis, the Attorney-General's Department now has no overseas representation. The Government does not believe that establishment of permanent legal representation in the region would be an effective use of resources.

In addition, the Attorney-General's Department and other agencies will continue to liaise with relevant national authorities within the region, including through the Department of Foreign Affairs and Trade, on matters relevant to transnational crime. In addition to pursuing bilateral negotiations on extradition, mutual assistance and international prisoner transfer, the Attorney-General's Department actively participated in the Asian Regional Ministerial Meeting on Transnational Crime (Manila, March 1998), the Asian Regional Preparatory Meeting for the Tenth United Nations Congress on the Prevention of Crime and the Treatment of Offenders (Bangkok, October 1998) (the Department having provided the rapporteur for the previous regional meeting) and the Asia-Pacific Ministerial Seminar on Building Capacities for Fighting Transnational Organized Crime (Bangkok, 20-21 March 2000), at which Justice Ministers declared their governments' commitment to work closely together in combating transnational organised crime. The Minister for Justice and Customs, in addition to attending the March 2000 Seminar, has travelled extensively in the region to discuss organised crime issues with her counterparts.

Recommendation 38:

The Australian Government:

- (a) investigate the practice of other countries in their use of resources to ensure the security of national borders; and***
- (b) following appropriate negotiation, seek to increase the number of Australian Federal Police (AFP) liaison officers in countries in the region.***

Response

a) Agreed.

b) Agreed.

Comment

(a) Ideas concerning the constitution of a nation's security are changing in light of the end of the Cold War, globalisation and the perception that transnational issues, such as environmental concerns and international criminal activity, are becoming more important.

Within Australia, there are growing levels of public concern about the effects on society and its institutions of problems such as the importation of illicit drugs, people smuggling, money laundering, the importation of exotic plant, human and animal diseases (as a result of illicit activities) and the erosion of business probity (as a result of the need to operate in an increasingly corrupt international environment).

Unlike military preparations, which are made in the context of a future threat that may never eventuate, problems encountered by law enforcement agencies, including imported ones, are of immediate concern. The Government continues to examine the disposition of national resources so as to better counter some of the problems outlined above.

Certainly, other Western nations such as Britain, the United States, France and Germany have identified the need to broaden the concept of security and harness some of their security intelligence and defence assets to assist in areas which are not the traditional domain of security.

The extent to which this could be done without unduly eroding traditional national security is a delicate issue, which should be the subject of careful consideration.

To that end, Australia supports the active involvement of regional organisations such as ASEAN, the ASEAN Regional Forum (ARF) and the Asia-Pacific Consultations on Refugees, Displaced Persons and Migrants (APC) to combat illegal immigration and other non-traditional security threats in the region and elsewhere. At the same time, Australia is actively engaged in developing cooperative arrangements with source and transit countries to combat people smuggling and other transnational crime issues.

(b) The Government, through its National Illicit Drugs Strategy (NIDS), has provided the Australian Federal Police (AFP) with funding to expand overseas liaison posts. This has included the establishment in the region of Liaison Officer postings in Beijing, Hanoi, Rangoon and two Liaison Officer positions in Hong Kong. Although the China and Hong Kong positions do not directly relate to the recommendation concerning new positions in ASEAN countries, they do address a general regional problem relating to the increasing volume of international criminal activity involving China and Hong Kong.

Under the Government's strategy to combat unauthorised arrivals in Australia (people smuggling), the AFP has established an additional liaison officer position in Jakarta.

Other initiatives flowing from the National Illicit Drugs Strategy include the formation of ten mobile strike teams based in Sydney, Melbourne, Brisbane and Perth. One of the strategies adopted in managing these teams has been to work more closely with regional law enforcement authorities in targeting criminal networks overseas, thus enabling these networks to be dismantled. This strategy has resulted in the development of a far closer operational relationship with a number of regional enforcement authorities than previously. Results from this strategy have been very positive.

The Government's National Illicit Drugs Strategy and people smuggling strategy also provides additional funding for bilateral training between Australia and regional police services, through law enforcement cooperation programs in the Asia-Pacific region and the rest of the world. The AFP

regards training as a particularly valuable way to raise regional policing standards and to develop durable and serviceable linkages between the AFP and regional police services.

The AFP has become more actively involved in supporting the Asia branch of Interpol and the Council for Security Cooperation in the Asia-Pacific (CSCAP). The AFP is proposing to establish a liaison officer position in the Interpol Regional Secretariat, Bangkok. The AFP Commissioner of Police is one of the three Asia delegates for the Executive Committee of Interpol and the AFP is co-chair of the CSCAP Working Group on Transnational Crime. These fora assist the countries of South East Asia to provide a more united approach to the problem of crime in the region, and raise the profile of international crime as a security issue.

ADDITIONAL COMMENTS FROM GOVERNMENT AGENCIES AND STATUTORY AUTHORITIES

The Australia Council

The Australia Council is prepared to be represented on the Australian delegations to the ASEAN Australia Forum and the working party of the ASEAN Committee on Communications and Information, where appropriate (Recommendation 17).

The National Gallery of Australia

The National Gallery of Australia is supportive of cultural relationships with South East Asia. The National Gallery has undertaken several activities in regard to South East Asian cultural projects, exhibitions and research, and would wish to be kept advised of ASEAN initiatives.

The National Science and Technology Centre (NSTC)

The NSTC supports Recommendations 23 and 25 and notes that the NSTC would like to be involved, should the proposed Australia ASEAN Council proceed.

The National Library of Australia

The National Library has strong long standing relationships with national libraries in the Asia region, and it will continue to support the development of these libraries through the allocation of funding to specific training and development activities under the Regional Cooperation Program administered by the Library. The Library also manages the International Federation of Library Associations Preservation and Conservation program for the Asia region. In addition the National Library regularly hosts librarians from the Asia region for training in librarianship and conservation. The Library has an office based in the Australian Embassy in Jakarta and through this office the Library actively participates in conferences and activities in the region. Given this strong base, the Library is well placed to contribute to government policies resulting from the recommendations of the Committee.