Celebrating 50 years: EU–Australia
Published to mark the anniversary of 50 years of official EU–Australian relations

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Acknowledgements

The concept for this book arose from a series of public conversations held throughout 2012 between Ambassadors of the EU Member States and Australian politicians, diplomats and officials about why the European Union was created and how relations between the EU, and its member countries, and Australia evolved.

Many people were involved in the preparation of this book – too many to name individually but our special thanks must go to the EU Member State Missions, the staff and fellows of our Europe Centres (ANUCES, MEEUC and RMIT); our Radio National colleagues; and our Australian interlocutors. The names and titles of people referred to in the text were correct as at 2012.
It gives me great pleasure to introduce this commemorative book marking the 50th anniversary of official EU–Australia relations.

The concept for the book arose from a series of public conversations held throughout 2012 between Ambassadors of the EU Member States and Australian politicians, diplomats and officials about why the European Union was created and how relations between the EU, and its member countries, and Australia evolved. We also discussed the challenges facing us today and the way forward. These discussions were moderated by the ABC’s Paul Barclay, Network Ten’s Paul Bongiorno and Sky News’, Kieran Gilbert. My special thanks to all three for helping make these conversations interesting and vibrant.

For anyone interested in listening to these conversations, podcasts are available on the EU Delegation’s website and also on the websites of the Radio National’s Big Ideas program and the Australian National University Centre for European Studies.

Of course, these conversations were held very much against the backdrop of Europe’s financial debt crisis of the past three years and, as such, this topic was very much in the limelight. However, the conversations enabled the participants to go beyond the doom and gloom of many of the media headlines to engage in a more detailed analysis. This yielded a much more optimistic outlook, namely, that the EU would – as it has done with other crises in the past – overcome these challenges and emerge even stronger. From what we have observed in 2013, and the substantial progress the EU has made in improving economic and monetary union, this optimism is duly justified.

Participants also agreed that the European Union was a force for good and had paved the way for peace and prosperity in Europe. The notion of future wars between EU Member States, such as World War I in which 60,000 Australians died, has become simply unthinkable.

The huge success of creating a single market of over 500 million consumers across 28 countries has made the EU a vital player in the global economy, notwithstanding the current crisis. Indeed, the crisis is propelling even much deeper economic integration.

The advent of the Lisbon Treaty and the push for greater common foreign security policy has also given Europe a greater voice in global affairs – although there is still a lot more that could be done in this area. Former Foreign Minister of Australia, Gareth Evans, was explicit when he said that Europe was ‘punching below its weight’ when it came to foreign policy issues – and many in Europe would agree with him. While there was much agreement, there were also interesting differences of opinion which were teased out in these conversations.

I very much commend Celebrating 50 years: EU–Australia to you, and I hope you find it informative as well as entertaining.

Ambassador David Daly
Head of the European Union Delegation to Australia and New Zealand
European integration since the end of World War II is a remarkable story of peace, stability and growth. Determined never again to experience the calamity of continental conflict, six countries – Germany, France, Italy, the Netherlands, Belgium and Luxembourg – banded together as the European Coal and Steel Community in 1951.

From these hopeful beginnings, the union expanded its coverage to economic issues – encapsulated in the common market – and later a joint political purpose. Today’s European Union numbers 28 Member States, as well as a Council of Ministers, a Commission and a Parliament – an historic achievement.

Australia’s formal ties with the EU began in 1962 with the appointment of our first Ambassador to the then European Economic Community. Since that time, together we have built a dynamic relationship based on a shared commitment to freedom and democracy.

Australia and the EU are valued partners supporting global efforts to combat terrorism and weapons proliferation. We work to overcome the challenges of climate change and financial crisis, to promote sustainable development and encourage good governance. We collaborate closely in the United Nations, the G20 and the World Trade Organization.

In many ways, enduring cultural and people-to-people ties are the backbone of our relationship. Today, 70% of Australians have European ancestry. Thirty thousand new European migrants arrive in Australia annually. Over one million Europeans visit Australia – and around the same number of Australians visit Europe – each year. Thousands of young people are studying in our respective education institutions or travelling under work and holiday visa arrangements.

Economically we are close partners. The EU is the largest source of foreign direct investment in Australia and the second largest destination of Australia’s direct investment abroad. Annual two-way trade is worth over $80 billion.

Despite global economic uncertainty, the future of Australia–EU relations is bright. We are developing new ways to work together, including areas such as crisis management and development cooperation. Changing geostrategic dynamics will present opportunities and challenges for both of us. As it has been for the past 50 years, the EU will be a crucial global player in this period of transformation.

I commend this publication as a proud record of past achievements and a sign of the growth and prosperity I’m sure we will achieve in the years and decades to come.

The Honourable Kevin Rudd MP
Prime Minister of Australia
We warmly welcome this book commemorating the 50th anniversary of EU-Australia relations.

The bonds between the peoples of Europe and Australia are strong. Seventy per cent of Australians have European ancestry and we host many of each other’s expatriate communities. We share a world vision rooted in the respect for democracy, human rights and rule of law. We are both committed to open economies and open societies and we both seek to address today’s challenges through international cooperation and in a multilateral framework.

Fifty years ago the EU was a relative infant in the world recovering from the devastation of World War II. The European project is the most decisive response the Europeans have given to make peace inevitable and war unthinkable. Our bilateral ties were also forged in those days. Australia too had to emerge from war by modernising its economy and forging new markets in the region and across the world.

Since then the world has changed dramatically. In Europe we have witnessed the collapse of communism and progressive peaceful reunification through the successful enlargement of the European project.

We have seen the effects of globalisation – mostly for the good but with benefits not always equally spread. We have seen the growth and spread of technology which has dramatically affected our daily lives, the way we work, the way we play, and the way we plan for the future.

‘In today’s world, we believe that Europe and Australia have much in common and much to contribute – both bilaterally and globally.’

President of the European Commission, José Manuel Barroso, and President of the European Council, Herman Van Rompuy.

Foreword

Commemorating 50 years
Celebrating 50 years: EU–Australia

Amidst this transformation, the EU and Australia have developed a natural, solid and important global partnership.

The EU sees much to admire in Australia: its multicultural society and growing population, and its economy – rich in resources – which has seen growth for over 20 successive years, despite the global shocks of the Asian financial crisis and the more recent global financial crisis.

For its part, Europe holds its own lessons for those who seek freedom, peace and prosperity. It has grown from six Member States in 1951 to 28 in 2013. It has built the largest single market of 500 million citizens and has become the world’s largest trading bloc, while providing over half of the world’s development aid. In 1999, the EU launched the euro which, though recently under some pressure, has since become the world’s second reserve currency.

Europe is playing an increasingly important role in foreign affairs, taking part in a number of peacekeeping roles, conflict resolution operations and is taking a leading role in overcoming global challenges such as climate change.

Europe plays an important role in multilateral fora such as the UN and the G20 where again we very much value Australia’s role as a like-minded partner. We will work very closely for a successful meeting in Brisbane in 2014 when Australia chairs the G20.

The Asia-Pacific region is growing in importance. Both Australia and the EU are engaged in this region; we can both learn from each other and we can take complementary action where and when necessary.

In today’s world, we believe that Europe and Australia have much in common and much to contribute – both bilaterally and globally.

It is with great confidence, therefore, that we look forward to exploiting these opportunities as we work together in the future.

José Manuel Barroso
President of the European Commission

Herman Van Rompuy
President of the European Council

Above: H.E. The Hon Quentin Bryce AC CVO, Governor General of the Commonwealth of Australia with EC President, José Manuel Barroso, during her visit to the EU in June 2013.
FOREWORD

Shared values and institutional linkages

The origins of the European project are found in Europe’s response to World War II. In 1950, when French Foreign Minister Robert Schumann proposed the creation of a European Coal and Steel Community, he set the goal of making war ‘materially impossible’. The ensuing peace dividend demonstrates the value of the European project as an example of how states can replace historical enmities with mutually-beneficial cooperation.

For decades, Europe has been at the forefront of the evolution of ideas of social justice, the centre of some of the world’s most innovative thinking, and a global normative power.

Today, the weight of the world’s economy is moving towards Asia. This shift offers the potential for increased prosperity and more political and economic freedom in the Asian region – goals and values that have long characterised the European landscape.

Although Australia is deeply embroiled in the Asian Century, for us Europe remains an integral partner in promoting the values of freedom and democracy. We are both committed to greater global integration, freer movement of people, goods, services and investment, and promotion of good governance and human rights. We have a common interest in Asia’s continuing development and in being constructive partners. Our productive involvement in forums like the Asia-Europe Meeting shows our commitment to greater political and cultural dialogue with Asia.

Formal bilateral relations between Australia and Europe began in 1962 when Sir Edwin McCarthy, public servant, trade negotiator and diplomat, took up his position as the first Australian Ambassador to the European Economic Community. Since then, Australia’s relations with European institutions have flourished. Today, we work together across the spectrum of international policy – from security and climate change to cooperation in our aid programs. The conclusion of a Crisis Management Agreement – expected soon – will allow Australian participation in EU peace missions, a practical realisation of real-life cooperation.

Based on our shared values and growing institutional linkages, I am confident that the Australia–European Union bilateral relationship will continue to thrive. I fully expect that in another 50 years, a future Australian foreign minister will look back on the centenary of our relationship with an even keener sense of its importance.

Senator the Honourable Bob Carr
Australian Minister for Foreign Affairs
Last year saw the EU and Australia celebrate 50 years of official relations. Today, 50 years after Ambassador Sir Edwin McCarthy was first accredited as Australia’s official representative to the European Commission, the EU and Australia are natural, like-minded partners across all areas – economic, political, social and cultural.

Since the creation of the European External Action Service, we have been able to build on this partnership. The EU and Australia work together on foreign and security policy both bilaterally and through regular cooperation in international fora such as the UN, the WTO and the G20. We seek common solutions to crises in international hotspots, and our cooperation is continuing to grow as we look forward to working together in new fields such as security and defence policy.

The Asia-Pacific region has long been a focus of this cooperation, on issues such as counter-terrorism, asylum and organised crime prevention. Over the years, we have also built a strong partnership in development and humanitarian aid, and our links with Australia extend to other areas of external relations, most importantly trade. The EU is Australia’s second largest trading partner after China, and its most significant trading partner in services. The EU is also Australia’s largest source of foreign direct investment and the largest destination for Australian investment overseas. EU companies generate a total turnover of 270 billion Euros a year and account for up to 1.4 million jobs – just over 12% of the workforce – in Australia.

Together, we also invest in the future of our societies. In 2012, the EU and Australia agreed to define a new Australia–EU Research and Innovation Agenda Cooperation Roadmap. When I was last in Australia in 2011, we began negotiations on a Framework Agreement. This reflects the increasing strength of our partnership and we hope that negotiations can be concluded shortly.

Having achieved so much already, I am confident that the EU and Australia can look forward to another 50 years of fruitful and effective cooperation.

Baroness Catherine Ashton
High Representative of the European Union for Foreign Affairs and Security Policy, and Vice-President of the European Commission
Fifty years ago, the focus for the Europe–Australia relationship was trade. Today, the relationship includes cooperation in areas such as security matters, climate change, development aid, science and education.

Regular ministerial consultations alternate between Australia and Europe, and discussions go far beyond trade, to international hotspots such as Afghanistan, and North Korea. There is greater bilateral cooperation in international fora such as the UN and G20. As the relationship commemorates its 50th anniversary, the EU and Australia are negotiating a Framework Agreement which will bring all the elements of cooperation under one umbrella in the form of a legal, binding agreement.

Timeline of EU–Australia relations: 1962–2012

1962
- Australia’s first Ambassador to the EEC, Sir Edwin McCarthy

1968
- The EEC and Australia negotiate an agreement under GATT

1974
- European Commission Vice-President, Sir Christopher Soames, visits Canberra. Agreement on holding informal consultations at the official level. Australian PM Gough Whitlam visits the European Commission

1976
- Ministerial consultations begin

1977
- Australian PM Malcolm Fraser visits the European Commission and proposes regular high-level consultations. Minister for Special Trade Negotiations with the EC, John Howard, leads a delegation in talks with the EC

1978
- The European Parliament’s Committee on External Economic Relations releases a report on the state of the Australian–EC relationship.
- Australian Minister for Special Trade Negotiations, Vic Garland, visits EC member governments for talks on access to the EC for Australian goods. An agreement is reached on the export of Australian steel products to the EC

1980
- A preliminary round of Ministerial meetings is held in Canberra

1981
- The Delegation of the Commission of the European Communities to Australia opens in Canberra. The first official Ministerial Consultations are held in Brussels
1990

The EC and Australia agree to enhance their dialogue, with Ministerial meetings when necessary and with the EU Presidency Political Director every six months. The eighth Ministerial Consultations are held in Brussels.

1991

The ninth Ministerial Consultations are held in Canberra. The Agricultural Trade and Marketing Experts’ Group (ATMEG) is revived. Agreements are made on: information exchange on the environment; and the set up of an EU–Australia Joint Group on Industrial Cooperation (JGIC). Ministerial consultations are held in Luxembourg in June and in The Hague in September.

1992

In March, Ministerial discussions are held in Lisbon. The 10th Ministerial Consultations are held in Brussels, focussing on the Uruguay Round. The European Business Cooperation Network (BC-NET) is extended to Australia.

1993

Ministerial Consultations are held in January in Copenhagen, and Brussels in September with the EU Presidency (Belgium).

1994

The 11th Ministerial Consultations are held in Canberra in February. The EC/Australia JGIC has its second meeting in March. Australian PM Paul Keating visits Brussels for discussions with Commission President Jacques Delors. The EC signs a Framework Partnership Contract with Care Australia. The European Community–Australia Wine Agreement is signed. The EC–Australia Agreement on Scientific and Technical Cooperation comes into force.

1995

PM Keating and Commission President Jacques Santer suggest that the EU and Australia develop a Framework Agreement. The 12th Ministerial Consultations are held in May in Brussels, with parallel Senior Officials Meeting and EU/Australia High Level Environment talks.

1996

Negotiations begin on the Framework Trade and Cooperation Agreement and Joint Political Declaration. The 13th Ministerial Consultations are held in Brussels. In September, Ministerial Consultations are held in New York with the EU Presidency (Ireland).

1997

Ministerial Consultations are held with the EU Presidency (Netherlands) in The Hague in January and in Kuala Lumpur in July. Discussions take place in Brussels between the European Commission VP Manuel Marín and the Australian Foreign Minister: Alexander Downer, on the proposed Framework Trade and Cooperation Agreement. In March, Australia rejects the agreement and negotiations commence on a non-treaty status Political Agreement. In June, the Joint Declaration on EU–Australia relations is signed. The 14th Ministerial Consultations are held in Brussels in September.

1998

The first Australia–EU Troika Talks on Asia are held in Brussels. Ministerial Consultations are held in London in January and Manila in July including Australian, Austrian and UK Foreign Ministers and the EU Presidency (Austria). In June, the 15th Ministerial Consultations are held in Canberra, with parallel Senior Officials’ Meetings.

1999

The Mutual Recognition Agreement on Conformity Assessment, Certification and Markings between the European Community and Australia and New Zealand comes into force.

The second Australia–EU Troika Talks on Asia are held in Brussels. Ministerial Consultations are held in Bonn in February, and in Singapore in July. The 16th Ministerial Consultations and Senior Officials Meeting are held in Brussels in July. An amendment to the 1994 Science and Technology Agreement expands the scope of EU–Australia cooperation.
Timeline of EU–Australia relations: 1962–2012

2000
Ministerial Consultations are held in Lisbon between the Portuguese Foreign Minister, Jaime Gama, and Australian Foreign Minister Alexander Downer, and in July in Bangkok.

The third Australia–EU Troika Talks on Asia are held in Brussels.

2001
The 17th Ministerial Consultations are held in Canberra between the EU Commissioner for External Relations, Chris Patten, Australian Foreign Minister, Alexander Downer, and Australian Trade Minister, Mark Vaile. The ANU Centre for European Studies at the Australian National University, Canberra is officially opened.

Meetings of the Joint Science and Technology Consultative Committee and the Forum for European–Australian Science and Technology Cooperation (FEAST). An EU High Level mission meets the Australian Environment Minister, Robert Hill, to prepare negotiations on climate change.

The fourth Australia–EU Troika Talks on Asia are held in Brussels. Ministerial Consultations are held in Stockholm in February and Hanoi in July with the EU Presidency (Belgium).

2002
The EU–Australia Consumer Protection Agreement is signed in Brussels.

Ministerial Consultations are held in Madrid in January and Brunei in July. The EC Environment Commissioner, Margot Wallström and the Australian Environment Minister, David Kemp meet in Brussels in February.

In April, the 18th Ministerial Consultations are held in Brussels between Commissioners Patten, Fischer, Lamy and Vitorino, and the Australian Deputy Prime Minister John Anderson and Minister for Foreign Affairs Alexander Downer and Minister for Immigration and Multicultural and Indigenous Affairs, Philip Ruddock.

The Australian PM John Howard meets with the Commission President, Romano Prodi, and the full Commission in Brussels in July. The European Commissioner for Trade, Pascal Lamy visits Australia in November for WTO mini-ministerial summit and talks with the Australian Minister for Trade, Mark Vaile.

2003
Talks are held in Berlin between the Secretary-General of the Council of the EU and High Representative for Common Foreign and Security Policy, Javier Solana, and the Australian Foreign Minister, Alexander Downer.

The Annual Agricultural Trade and Marketing Experts Group (ATMEG) and the 19th Ministerial Consultations are held in Canberra.

The second Senior Officials’ Dialogue on Migration and Asylum is held in Brussels.

The fourth Conference of the Forum of European–Australian Science and Technology Cooperation (FEAST) and seventh Joint Science and Technology Consultative Committee are held in Canberra, together with high level environment talks.

2004
Ministerial Consultations are held with the EU Presidency in Dublin in January.

The European Commissioner for Development and Humanitarian Aid, Poul Nielson, visits Australia in January.

The inaugural Development Dialogue and the second Security Dialogue are held in Brussels in March.

The annual EU–Australian Senior Officials’ Meeting is held in Brussels in April, along with an informal trade dialogue.

The 20th Ministerial Consultations are held in Brussels, with meetings between EU Commissioner for External Relations, EU Commissioner for Development Cooperation, Poul Nielson, EU Commissioner for Regional Policy, Michel Barnier, President of the Commission, Romano Prodi, EU Enlargement Commissioner, Günter Verheugen, and Australian Minister for Foreign Affairs, Alexander Downer.

2005
Ministerial Consultations are held in Luxembourg.

2006
The European Commissioner for Agriculture and Rural Development, Mariann Fischer Boel, meets with the Australian Deputy Prime Minister and Minister for Trade, Mark Vaile, and the Minister for Agriculture, Fisheries and Forestry, Peter McGauran, in Canberra.

EMERGING FROM THE ECSC TO THE EU
1952 – European Coal and Steel Community (ECSC) comes into force
1958 – European Economic Community (EEC) comes into force
1965 – A treaty is signed merging the executive bodies of the three Communities (the ECSC, EEC and Euratom) and creating a single Council and single Commission. It comes into force in 1967.
1967 – The EEC becomes the European Communities
1993 – Treaty of the European Union comes into force and the EC becomes the EU.

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1967 – The EEC becomes the European Communities
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Celebrating 50 years: EU–Australia

2007
The Commissioner for Education, Training, Culture and Youth, Jan Figel’, signs a Joint Declaration with the Australian Minister for Education, Science and Training, Julie Bishop in Australia.

In June, European Commissioner for External Relations, Benita Ferrero-Waldner, visits Australia.

2008
Australian PM Kevin Rudd visits Brussels. In October, the Partnership Framework is signed.

In October, High Representative for Foreign Affairs and Security Policy and Vice-President of the European Commission, Catherine Ashton, attends the Commonwealth Heads of Government Meeting (CHOGM) in Perth as a Special Guest of the Commonwealth Secretariat, holding ministerial meetings with Prime Minister Julia Gillard, Foreign Minister Kevin Rudd and Defence Minister, Stephen Smith.

2009
In May, European Commissioner for Fisheries and Maritime Affairs, Joe Borg, meets with the Australian Minister for Agriculture, Fisheries and Forestry, Tony Burke, Minister for Environment, Peter Garrett, and Minister for Trade, Simon Crean.

European Commissioner for Energy, Andris Piebalgs visits Australia in May, and Commissioner for Internal Market and Services, Charlie McCreevy, visits in October.

2010
Australia joins the Asia–Europe meeting for the first time, and Prime Minister Julia Gillard attends ASEM.

Agreement between Australia and the European Union on the security of classified information signed 13 January (entering into force on 1 June 2011).

New Wine Agreement enters into force 1 September.

2011
European Commissioner for Trade, Karel de Gucht, meets Minister for Trade, Craig Emerson in Australia in March.

Australia and the European Commission agree on a pathway towards fully linking emissions trading systems.

In September, PM Julia Gillard and EC President José Manuel Barroso hold bilateral talks in Australia, agreeing to expand and deepen global carbon markets.

In October, High Representative for Foreign Affairs and Security Policy and Vice-President of the European Commission, Catherine Ashton, attends the Commonwealth Heads of Government Meeting (CHOGM) in Perth as a Special Guest of the Commonwealth Secretariat, holding ministerial meetings with Prime Minister Julia Gillard, Foreign Minister Kevin Rudd and Defence Minister, Stephen Smith.

Amendments to the Mutual Recognition Agreement signed (23 February) with amending agreement entering into force on 1 January 2013.

Agreement between the European Union and Australia on the processing and transfer of Passenger Name Record (PNR) data by air carriers to the Australian Customs and Border Protection Service enters into force on 1 June 2012.

The EU and Australia celebrate 50 years of relations.

The Commissioner for Research, Innovation and Science, Máire Geoghegan-Quinn, visits Australia for talks with the Minister for Science and Research, Senator Chris Evans, and with Australia’s Chief Scientist, Ian Chubb.
On 12 October 2012, the Nobel Peace Prize was awarded to the European Union for the contribution of ‘The union and its forerunners… to the advancement of peace and reconciliation, democracy and human rights in Europe’.

Over the last six decades, the European Union has grown out of the devastation of two wars. Its architects were committed to preventing such violence and loss from ever occurring again. Reconciliation between France and Germany was made possible by first binding their coal and steel industries and then cementing economic and political integration in Europe. Through successive enlargements – from the six founding states to 28 members in 2013 – the European Union has helped to ensure stability on the continent, through the spread and consolidation of democracy, human rights and prosperity.

The Nobel Peace Prize Committee quite rightly emphasises the EU’s most important contribution: its stabilising role, which has ‘helped to transform most of Europe from a continent of war to a continent of peace’.

The European Union was constructed from the devastation of two world wars. Today, after decades of division, both sides of the European continent, east and west, are united in peace and democracy.
Today, the European Union faces many challenges. The ‘Euro crisis’ has generated a new wave of ‘Euroscepticism’, which questions the EU’s very existence. However, Europe has faced many crises in the past, which have helped to further define and strengthen it. The Nobel Peace Prize Committee quite rightly emphasises the EU’s most important contribution: its stabilising role, which has ‘helped to transform most of Europe from a continent of war to a continent of peace’.

From war to peace: The beginnings of the European Union
Looking back, it is easy to assume that the construction of Europe from a ‘continent of war to a continent of peace’ was an almost inevitable process. But this was never a certainty. After two terrible wars, European leaders made the brave and difficult decision to create structures that would not only make war logistically difficult, but also politically inconceivable. While economic and political integration was not a new idea – the concept can be traced back centuries – it was not until 1945 that integration became a real possibility.

On 9 May 1950, the French Foreign Minister, Robert Schuman, proposed the establishment of the European Coal and Steel Community (ECSC). Originally conceived by Jean Monnet, the ECSC would bind the coal and steel production of France, Germany, Italy, Belgium, the Netherlands and Luxembourg under a common market, governed by a High Authority. The engines of war in Europe would now be under the control of a supranational authority, bringing together the six members under the principles of equality and peace. Economic cooperation under the ECSC meant that, in Robert Schuman’s words, ‘The solidarity in production thus established will make it plain that any war between France and Germany becomes not merely unthinkable, but materially impossible’.

The European Coal and Steel Community, signed into being by the 1951 Treaty of Paris, was the beginning of a process of political reconciliation in Europe. The architect of the ECSC, Jean Monnet, aimed to gradually ensure peace on the continent, through practical, step-by-step means. To Monnet, common institutions and policies would foster the growth of common understandings, aims and responsibilities. In the words of Herman Van Rompuy, the current President of the European Council, this process is Europe’s ‘secret weapon’ – ‘an unrivalled way of binding our interests so tightly that war becomes materially impossible. Through constant negotiations, on ever more topics, between ever more countries.’

While facing the greatest crisis in a generation, Europe’s commitment to peace and stability must not falter. The most basic aim of the Union has always been to secure peace on the continent.

Establishing two new communities
After six years of successful cooperation under the ECSC, the six founding members decided to increase their integration under the 1957 Treaty of Rome, establishing two new communities, the European Atomic Energy Community (Euratom) and the European Economic Community (EEC). Euratom reflected the desire of the six founding Member States to achieve energy security, and aimed to develop Europe’s nuclear industries. The Euratom Community guarantees the highest of safety standards, promotes research and investment, and, perhaps most importantly, ensures that nuclear materials intended for civilian use are not diverted for non-peaceful purposes.
The EEC extended the common market of coal and steel to a vast array of goods and services. Many common policies, including the Common Agricultural Policy, which aimed to ensure food security in Europe, were established during this time. Importantly, the Treaty of Rome enshrined the ‘four freedoms’ in Europe; the free movement of people, goods, services and capital across borders. According to Monnet, the EEC embodied the recognition by the Member States that ‘the sovereign nations of the past can no longer solve the problems of the present’.

**Enlargement from 1973 to 1986**

The Treaty of Rome allowed for any democratic European state to become a member of the Community, and the success of the EEC quickly drew the attention of other European countries. The first enlargement of the EEC, in 1973, saw the accession of the UK, Ireland and Denmark. Following this, Greece joined in 1981, and Spain and Portugal in 1986. Countries wanting to join the Community were required to accept the conditions of membership; most importantly, ‘a system of government…founded on the principles of democracy’. For these new members, accession to the Community consolidated their commitment to democracy and human rights.

The Treaty of Rome had also meant that by 1968, customs duties between the six countries would be completely abolished. After a period of stagnation in the 1980s, economic integration was kick-started by the President of the European Commission, Jacques Delors, who published a detailed proposal for the establishment of a single market by 1993. The culmination of this was the 1986 Single European Act, which came into force in July 1987. The Single Market, uniting the economies of Europe, gave smaller EU countries the strength and security to compete on the world stage.

**Unity and solidarity**

It was 1989, however, that brought about truly momentous change in Europe. The fall of the Berlin Wall and the reunification of Germany in 1990 was an unprecedented opportunity for unity and solidarity on the continent. The members of the Community were quick to act. The Treaty on European Union, also known as the Maastricht
Treaty, was signed in 1991, and came into force in December 1993. Wishing to open the doors to membership to newly independent European states, but not to compromise the values and objectives of the Union, the 1993 European Council established the Copenhagen criteria, which clearly outline the three basic requirements for membership. New members must have stable institutions, guaranteeing democracy, human rights and the rule of law; a functioning market economy; and the ability to take on the obligations of membership. The next enlargement came in 1995, when the EU, now with 12 members, welcomed three new members in Austria, Finland and Sweden.

The Maastricht Treaty also laid the foundations for the strengthening and expansion of the Single Market. The single currency, or Euro, was introduced in 1999 for financial transactions, and as a hard currency in 2002. Twelve EU Member States, known collectively as the Eurozone, now shared the single currency of the Euro. The Maastricht Treaty paved the way for Europe to become a formidable presence in world trade, with an internal market of over 500 million consumers and the world’s largest importer and exporter.

Commitment to fundamental rights

In 1999, the Treaty of Amsterdam reaffirmed Europe’s commitment to the fundamental rights of its citizens. The Charter of Fundamental Rights of the European Union, signed in Nice in December 2002, further strengthened this commitment. Europe’s fledgling democracies, wishing to consolidate their political institutions and also to share in the Union’s economic success, began to strengthen their applications for membership.

Europe embarked on an unprecedented path to enlargement. After opening accession negotiations in 1997, the EU grew from a membership of 15 to 25 in 2004, with the accession of Slovenia, the Czech Republic, Hungary, Poland, Slovakia, Estonia, Latvia, Lithuania, Cyprus, and Malta. Three years later, in 2007, Bulgaria and Romania also joined the EU. In 2013, Croatia joined, making it 28 Member States.

After decades of division, both sides of the European continent, east and west, were united in peace and democracy. It is for this reason that Chris Patten, a former European Commissioner, described enlargement as ‘the most successful foreign policy pursued by Europe’. >
‘Our continent, risen from the ashes after 1945 and united in 1989, has a great capacity to reinvent itself. It is to the next generations to take this common adventure further. I hope they will seize this responsibility with pride. And that they will be able to say, as we here today: Ich bin ein Europäer. Je suis fier d’être européen. I am proud to be European.’

President Van Rompuy

Thinking beyond the nation-state

Enlargement and integration in Europe are constantly evolving. In 2003, the Convention on the Future of Europe had completed the draft European Constitution. An intergovernmental conference began work on a draft Constitutional Treaty on 4 October that year. However, integration has never been a smooth or easy process. The Constitutional Treaty was rejected by referendum in both France and the Netherlands in 2005. Many commentators swiftly concluded that this rejection would mean the death of the EU. However, by 2009, the 27 Member States of the EU had signed the Lisbon Treaty, a revised version of the 2005 Constitutional Treaty. While Lisbon does not represent the final or perfect model of integration, it has consolidated and clarified the complex processes of integration. Under Lisbon, the European Parliament has gained a stronger voice, legislating together with the Council of the European Union. The High Representative of the Union for Foreign Affairs and Security Policy and the newly created European External Action Service have also given Europe a stronger and more unified voice in international affairs.
The European Union today, just as the Coal and Steel Community was in its day, is certainly greater than the sum of its parts. As Commission President José Manuel Barroso has said, ‘The genius of the founding fathers was precisely in understanding that to guarantee peace in the 20th century nations needed to think beyond the nation-state.’

**A continent of peace and stability into the future**

Today, the European Union continues to face many serious challenges, with the sovereign debt crisis being the most recent example. European integration, however, has faced many great challenges in the past and has overcome them through solidarity and strength. Europe will continue the process of reconciliation begun in 1945, with Croatia joining in 2013, while accession negotiations have begun with Turkey and Montenegro. Iceland, Serbia and the Former Yugoslav Republic of Macedonia have been granted candidate status, the latter two helping to consolidate peace and democracy in the Balkans. The possibility of Turkish accession has also undoubtedly strengthened democracy and a commitment to human rights in that country. Further enlargement of the EU is foreseen with potential candidate countries being Albania, Bosnia and Herzegovina and Kosovo.

While facing these challenges, Europe’s commitment to peace and stability must not falter. The most basic aim of the Union has always been to secure peace on the continent. As President Van Rompuy has stated, ‘Our continent, risen from the ashes after 1945 and united in 1989, has a great capacity to reinvent itself. It is to the next generations to take this common adventure further. I hope they will seize this responsibility with pride. And that they will be able to say, as we here today: Ich bin ein Europäer. Je suis fier d’être européen. I am proud to be European.’ It is only in this way that Europe can secure its future as a continent of peace.
In March 1962, Australia’s first Ambassador to the European Communities, Sir Edwin McCarthy, began the work of a permanent mission in Brussels. As an experienced trade negotiator and diplomat, Ambassador McCarthy was given the task of negotiating the terms of trade and economic relations more generally between Australia and the six Common Market countries: Germany, France, Italy, Belgium, Luxembourg and the Netherlands.

And so, from an early point in the history of European integration, Australia was forced to contend with the ‘dream’ of a united Europe. By 1962, the idealism associated with the ‘European dream’ had given away to hard bargaining between states and the nascent supranational institutions of the European Communities. Much like intra-European relations in the past 50 years, shared values provided a background to hard negotiations based on national, as well as European-level, interests.

Half a century later, as Australia and EU celebrate their ‘golden anniversary’ year, we are at one of the most optimistic stages in bilateral relations. But with the EU’s most serious political crisis still playing out and a likely change of government in Australia in 2013, none of this golden glow can be taken for granted.

The history of Australia–EU relations has been dominated by trade issues, particularly those to do with agriculture. At times, these have been acrimonious, despite the often declared shared

The golden anniversary of diplomatic relations between Australia and the European Union

Over the past 50 years, Australian–EU diplomatic relations have been shaped by issues such as trade, international relations and common values. This year, we are at one of the most optimistic stages in diplomatic relations with a treaty-level agreement to open up new opportunities for regional investment, closer alignment in research, science and technology, as well as in the education and services sectors.

‘For us, the European people, Europe is a dream. Europe is a quest. We have been dreaming of unifying European countries not only for decades but also for centuries. It’s a dream we have put all our energies into for decades and decades.’

Stéphane Romatet, Ambassador of France to Australia, speaking on the Big Ideas program of ‘Australia and Europe in Conversation’, on the Australian Broadcasting Corporation, 29 March 2012

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The history of Australia–EU relations has been dominated by trade issues, particularly those to do with agriculture. At times, these have been acrimonious, despite the often declared shared
values binding Australia and Europe. Australia–EU relations are best understood against a background of structural shifts in international relations since the end of the World War II and a neo-liberal re-alignment from the 1980s onwards. Australia’s foreign policy after World War II saw a major shift away from the United Kingdom and towards strengthening newer strategic alliances, enduringly with the United States of America and, from the 1990s, with the rising powers of the Asia-Pacific region.

The new ‘Europe’ in 1958: A threat to Australia’s exports

The creation of the European Communities in 1958 confronted Australian policy-makers with novel challenges. Following the devastation of World War II, some Europeans were determined to create a ‘Europe’ free of interstate conflict and secure from what they saw as the menacing Communist threat from the East. This was the ‘dream’ referred to by Ambassador Romatet above. But this ‘dream’ was the product not only of those who sought to create a new regional polity, free of what they saw as the evils of nationalism and state sovereignty; it was also the product of European governments seeking to protect and increase the fragile sovereignty that had emerged from the conflicts of the 20th century.

While European integration in the 1950s was legitimised by the language of creating an enduring peace, the picture was not so rosy when seen from the Antipodes. Europe’s newly integrating economies were perceived as a threat to Australian exporters due to high import duties. Attitudes were wary enough after the creation of the EEC in 1958. Suspicion turned to alarm when the United Kingdom announced its intention to apply for EC membership in July 1961.

So when it came to new ways of solving “guns and butter issues” in the international relations of Western Europe, Australia was more concerned with butter than with guns. Australian Prime Minister Sir Robert G. Menzies noted that: “In 1961–62, Australia exported to the United Kingdom just under £20,000,000 worth of butter, out of our total export of £23,500,000. It entered the United Kingdom duty free, whereas European butter pays a duty of 15s. a cwt.”
Should Great Britain go into the Common Market on the terms of the Treaty of Rome, Australian butter would be subject to variable levies and possibly quantitative restrictions, while European butter would have free access. Is the problem thus presented, in economic, industrial and human terms, a small one?"

Australian policy-makers thought that the UK’s entry into the European Common Market would have adverse consequences for the Australian economy. As Peter Doyle from the Australian Department of Foreign Affairs and Trade observed in the Conversations program: “For many in Australia [the British accession to the EEC in 1973] was quite a traumatic experience, because we lost preferential trade access for our agricultural goods, but we also felt abandoned by mother England.”

Thus European integration had a profound impact on Australian foreign policy from the 1960s onwards, propelling Australia’s ‘choice for Asia’ and further engagement with Pacific Rim partners.

The creation of the European Communities in 1958 confronted Australian policy-makers with novel challenges.

The thorny issue of agricultural trade

Changes within Europe also conditioned Australia–EU relations. The final agreement on a Common Agricultural Policy in 1962 shaped Australia–EU relations for decades. In the 1970s, 1980s and 1990s agricultural trade remained a thorny issue and consequently the level of trust was low. This period shaped the attitudes of a junior minister called John Howard and throughout the period of his government in 1996–2007, relations were not easy. Even before then, Australia became a leading international voice and permanent Chair of the Cairns Group calling for the reduction of agricultural subsidies globally. Australia’s opposition to the EU’s Common Agricultural Policy (CAP) and EU exports (such as of subsidised beef) to Asian markets dominated Australia–EU meetings, which became confrontational in style.
Towards a new phase of deeper diplomatic relations

Nevertheless, there was progress. In December 1981, the first official round of Ministerial Consultations took place in Brussels. The Delegation of the Commission of the European Communities to Australia was officially opened in 1982, the same year that the Euratom agreement regarding transfers of nuclear materials came into effect. In 1984, Australia and the EU signed an agreement on cheese. Sectoral discussions laid the groundwork for the initiation of regular forms of dialogue, and important agreements were signed in the 1990s.

If there was progress in ‘low’ politics, ‘high’ politics continued to present difficulties. In the 1990s, a human rights clause in a draft agreement constituted an area of confrontation between Australia and the EU, whose relationship was somewhat weakened by Malaysia’s veto on Australia’s application to join the Asia–Europe Meeting (ASEM) process. Political events again drew Australia and the EU into greater cooperation. Following the terrorist attacks on the USA, Australia and the EU engaged in discussions on security, non-proliferation and strategic-level information sharing. Issues of common concern, such as immigration and asylum seeker matters, were also areas of collaboration.

A change of government at the end of 2007 ushered in a new phase of deeper diplomatic engagement. Since 2008, Australia and the EU have signed further agreements, covering issues such as civil protection and the Partnership Framework Agreement. The latter agreement specifically referred to common democratic values, and emphasised closer collaboration on overseas developmental aid delivery, human rights promotion in the region and globally, as well as other areas of cooperation as specified in the agreement and its subsequent revision.

The upcoming treaty-level agreement is likely to go a step further and open new opportunities for regional investment, closer alignment in research and in science and technology, as well as in the education and services sectors. However, ratification by the Australian Parliament and the newly-empowered European Parliament has once again been delayed over standard human rights clauses in the text of the agreement. >
Underlying strength in an unfolding future

When asked by a young journalist what was the thing he least expected during his time as Prime Minister, Harold Macmillan replied: ‘Events, dear boy, events’. The only thing we can be sure of is that ‘events’ will play a key part in the next 50 years of Australia–EU relations.

The current delay over the ratification of the treaty-level agreement shows how what are presumed to be common values can be interpreted differently in Europe and Australia. The history of Australia–EU relations can be characterised as one underpinned by common values, but also one in which national and European interests have very much shaped negotiations and relations between the two polities. At a deep level, there is strength in the relationship. But one can never discount the shifting nature of politics and international relations.

The upcoming treaty-level agreement is likely to go a step further and open new opportunities.
Celebrating 50 years: EU–Australia

Australian Ambassadors to the EU

Official relations between the EU and Australia began in 1962 when Sir Edwin McCarthy, Australia’s Ambassador to the Netherlands was also accredited to the European Communities HQ in Brussels, Belgium. The current Ambassador, His Excellency Mr Duncan Lewis, presented his credentials to the President of the European Commission, José Manuel Barroso, on 20 February 2013. A list of all Ambassadors is shown below, with the date of their presentation of credentials.

Heads of the EU Delegation

In 1981, the EC established its Delegation in leased premises in Manuka, Canberra. The Delegation was officially opened by European Commission President Gaston Thorn and Prime Minister Malcolm Fraser in 1982. The Ambassador in Canberra is Head of the Delegation of the EU to Australia and to New Zealand.

Diplomatic relations
The EU and Australia now hold regular high-level talks on geopolitical security issues. They are also cooperating in addressing challenges to global peace and prosperity.

Over 50 years, the EU and Australia have broadened and deepened their relations beyond trade to forge strong ties in foreign policy and security issues, science and research, and education. From initial disagreements over agricultural policy, the relationship has expanded to the two partners negotiating a treaty-level agreement in 2013.

Official relations between the European Union and Australia began in 1962 when Sir Edwin McCarthy, Australia’s Ambassador to the Netherlands, was also accredited to the European Economic Community in Brussels, Belgium. Australia’s primary interest was to follow the United Kingdom’s negotiations to accede to the Common Market – as the EC was often called. The UK was Australia’s predominant export market, notably for its agricultural produce which in the main was wool, dairy products, wheat, beef and sheep meat.

The EU established its Delegation in Canberra in 1981. The Delegation was officially opened by Commission President Gaston Thorn and Prime Minister Malcolm Fraser in 1982. At this time, the relationship between the two partners was still clouded by the effects of the EU’s Common Agricultural Policy (CAP).
Celebrating 50 years: EU–Australia

Above: The Australian Government and the European Commission are negotiating a Framework Agreement to bring all elements of their cooperation under one agreement.

Left: In his 2011 visit to Australia, President Barroso met with the Governor-General of the Commonwealth of Australia, Quentin Bryce.
In exchange for the benefits of the Commonwealth preference, Australian agricultural exports faced a range of quotas and high tariffs. Australia was forced to find alternative markets for its agricultural products in the Middle East and Asia but even here it found access to market hampered by low global commodity prices brought about, in part, by a build up of EU stocks and the EU’s use of export subsidies. It was not surprising therefore that relations between the two sides were, at times, strained and talks between Australian Ministers and European Commissioners and respective officials were often described as ‘frank’. Whatever the merits of the arguments over the CAP, they overshadowed the whole relationship, not only at the level of government but also across other sectors – business, media and academia. Business perceived the EU as a closed market, the media described the EU as protectionist, and academia focused on the CAP and not much else. European perceptions of Australia would have been influenced by the fact that it seemed fixated on this single issue.

Broadening the relationship beyond agriculture

In these circumstances, the newly opened EU Delegation aimed to broaden and deepen relations beyond agriculture. It sought ways to encourage both sides to look for solutions to some of the more tenuous issues in agriculture – for example, the use of export subsidies in certain markets leading to innovations, such as the ‘Andriessen Assurance’ where the EU refrained from using export subsidies in specified markets important to Australia.

Beyond agriculture, Europe and Australia began to look at greater cooperation in the services sector, investment, science and technology and education. With goodwill prevailing on both sides, the EU and Australia relationship did broaden and deepen. For example, with the Science Agreement (1994) – the first ever such agreement signed by the EU with an industrialised country, and the Wine Agreement (1994, 2010) under which Australia has become the largest third country supplier of wine to the EU.

The EU is Australia’s largest source of foreign direct investment. Conversely, the EU is the second largest destination for Australian investment abroad after the US.
The inclusion of agriculture in the GATT/WTO Uruguay Round of negotiations in 1992 and ongoing reforms of the CAP took much of the heat out of tensions over agriculture. By 2000, the EU had become Australia’s largest economic partner when trade in goods, services and investment were taken into account. The EU is Australia’s largest source of foreign direct investment which, directly or indirectly, provides 1.4 million Australian jobs or 12% of the workforce. Conversely, the EU is the second largest destination for Australian investment abroad, after the US. The EU is Australia’s largest partner in trade in services and its third largest partner in trade in goods after China and Japan. Today, the EU and Australia are at the forefront of the WTO Doha Round negotiations. Trade Minister Emerson and European Trade Commissioner De Gucht work very closely to reinvigorate the negotiations.

Driven by shared values and common kinship, the EU and Australia today see each other as natural political, economic and social partners.

Regular ministerial exchanges

While the relationship is still largely driven by matters economic, EU–Australia political relations have also grown significantly. There are regular ministerial consultations in Australia and Europe, and sometimes in the margins of wider international conferences. Items on the agenda go far beyond trade, to international hotspots such as Afghanistan, North Korea, Iran and Syria; there is greater bilateral cooperation and coordination in international fora such as the UN and G20, cooperation in science and research, and the education sectors. There is cooperation, too, in combating global challenges such as climate change, terrorism and organised crime – including people smuggling, drugs and arms dealing.

Equally important is the cooperation in delivering development aid, especially in the South Pacific where the EU is the second largest donor after Australia. The EU and Australia have agreed to implement aid projects on behalf of the other – Australia being the first country outside the EU with which the EU has such arrangements.
The level of Commissioner/Ministerial exchanges has greatly increased, culminating in the important visits of the Australian Prime Minister, Kevin Rudd, to Brussels in 2007, PM Julia Gillard’s visit in 2010 and the reciprocal visits of Commission President Jose Manuel Barroso and HR/VP Catherine Ashton to Australia in 2011. Already in April 2013, the Australian Foreign Minister, Bob Carr, has visited the Commission in Brussels.

Important too is the cooperation in delivering development aid, especially in the South Pacific where the EU is the second largest donor after Australia.

The level of cooperation in foreign policy and security matters has particularly increased since the Lisbon treaty came into effect. The treaty gives EU institutions – the Commission, the Council of Ministers and the Parliament – more powers. The creation of the European External Action Service and the appointments of Herman Van Rompuy as Council President and Baroness Catherine Ashton as High Representative of the Union for Foreign Affairs and Security Policy have given the EU a more permanent voice in foreign policy.

In countries such as Australia, it is the Delegation of the European Union that now conducts the day-to-day contact, with the host government taking over the responsibilities of the rotating presidency. This gives the EU a more visible and consistent personality.

Cooperation on security issues

The EU and Australia now hold regular high-level talks on geopolitical security issues. They are also cooperating in addressing challenges to global peace and prosperity, including terrorism, the proliferation of weapons of mass destruction, and failing states. For example, Australia and the EU have a cooperation agreement to facilitate the exchange of information between the Australian Federal Police and EUROPOL, the EU’s law enforcement agency.

In the Asia-Pacific region, the EU makes an important contribution to promoting development and security outcomes for East Timor and the countries of the Pacific region. Australia also welcomed the EU’s constructive role in Aceh.
where, along with five ASEAN countries, the EU deployed a Monitoring Mission (AMM) for the implementation of the peace agreement signed between Indonesia and the Free Aceh Movement in August 2005 in Helsinki, Finland.

The EU provides support for the Jakarta Centre for Law Enforcement Cooperation (JCLEC), a joint Australian–Indonesian initiative to enhance the expertise of South-East Asian law enforcement agencies in combating terrorism and transnational crime, and for the Bali process on enhancing regional cooperation on people smuggling, trafficking in persons and related transnational crime. A more recent concrete example of cooperation is in the anti-piracy operations in the Horn of Africa.

During President Barroso’s visit in September 2011, Australia and the European Atomic Energy Community (EURATOM) signed an agreement which will deepen our cooperation in the areas of nuclear safeguards, security and safety.

A deep relationship into the future

The EU and Australia are currently negotiating a Framework Agreement which will bring all the elements of cooperation under one umbrella in the form of a legal, binding agreement. This treaty-level agreement was suggested by PM Julia Gillard during her visit to Brussels, on the margins of the Europe–Asia leaders meeting in 2010, as an agreement befitting the importance of relations between the two partners. The aim is to conclude negotiations in 2013.

Thus, driven by shared values and common kinship, the EU and Australia today see each other as natural political, economic and social partners. In upholding democratic values, the protection of human rights and on foreign policy issues in multilateral fora, the EU and Australia normally stand as one. Bilaterally, building on their robust economic ties, the EU and Australia have broadened and deepened their relations to forge strong ties in foreign policy and security issues, in science and research, and education sectors.
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A strong economic and trade relationship has always been a key feature of engagement between the European Union and Australia. As the EU expanded from six to nine, to 10, 12, 15, 25, 27, and now, 28 Member States, so have its trade and investment linkages with Australia. This was particularly apparent with the accession of the United Kingdom in 1973, although in more recent years, other Member States have assumed an increasingly important presence in the relationship. Despite Europe’s current economic challenges, the EU remains an essential economic partner for Australia. This is reflected in the consistent growth of bilateral trade and investment over the past five decades, and is expected to continue in future decades.

The EU and Australia engage on economic and trade issues in an increasingly wide range of forums, with cooperation at the bilateral, plurilateral and multilateral levels. A like-minded approach has seen both sides overcome more entrenched differences and enabled the pursuit of common objectives, whether through the WTO, the G20 or in sector-specific bilateral discussions.

The EU–Australia economic relationship is highly integrated, with diverse trade flows, and substantial investment stocks reflecting its longstanding nature. As Australia’s second-largest trading partner in goods and services, after China, and its largest investment partner, the EU’s economic engagement with Australia remains significant and continues to expand. This point is sometimes lost amid the refocusing on Australia’s growing trading relationships with its regional Asian partners.

Over the past 50 years, the EU and Australia have seen consistent growth in bilateral trade and investment. The EU is Australia’s second-largest trading partner in goods and services and its largest investment partner.

As Australia’s second-largest trading partner in goods and services, and its largest investment partner, the EU’s economic engagement with Australia remains significant and continues to expand.
Celebrating 50 years: EU–Australia

Significant partners in merchandise trade

The EU is Australia’s third-largest merchandise trade partner, with two-way trade valued at $59.7 billion in 2012 (12.2% of Australia’s total). Between 1996 and 2007, the EU was Australia’s most important merchandise trade partner. However, the impressive growth of Australia’s trade with its regional Asian partners, combined with sharply rising commodity prices has since seen it overtaken by China and Japan.

In 2012, the EU was Australia’s fourth-largest merchandise export market, accounting for $17.1 billion (7% of Australia’s total exports), behind China ($73 billion; 30%), Japan ($48 billion; 19%) and the Republic of Korea ($20 billion; 8%). Within the past decade there has been a significant surge in commodities trade with Asia, rapidly boosting Australia’s exports to its Asian neighbours. In contrast, Australia’s exports to the EU are yet to rebound from the lows experienced during the global financial crisis, somewhat resembling Australia’s export performance to other developed economies, such as the United States and New Zealand.

EU companies directly created close to 500,000 jobs in Australia, and they were indirectly responsible for an additional 940,000 jobs.
The EU is Australia’s second-largest source of merchandise imports, which were valued at $42.6 billion (18%) in 2012, behind only China, which accounted for $44.5 billion (18%) of Australian imports. Australian merchandise imports from the EU increased by 5% in 2012, although they still remained 10% below the peak achieved in 2008, before the full onset of the GFC.

Although Australia generated an overall trade surplus in goods in 2012 of $6.2 billion, it continues to operate a merchandise trade deficit with the EU. This deficit was valued at a record $25.6 billion in 2012, up 23% on 2011, as Australia’s exports to the EU decreased by $2.5 billion, while its imports from the EU rose by $2.2 billion.

**AUSTRALIA’S TOP MERCHANDISE EXPORTS TO THE EU IN 2011**
- Coal ($4.6 billion; representing 23% of Australian exports to the EU and 10% of Australia’s total coal exports)
- Gold ($4.4 billion; 22%; 29%)
- Oilseeds ($1.0 billion; 5%; 80%)
- Alcoholic beverages ($0.7 billion; 3%; 33%)

**AUSTRALIA’S TOP MERCHANDISE IMPORTS FROM THE EU IN 2011**
- Medicaments ($5.7 billion, representing 14% of Australian imports from the EU and 66% of Australia’s total imports of medicaments)
- Passenger motor vehicles ($4.2 billion; 11%; 30%)
- Civil engineering equipment and parts ($1.2 billion; 3%; 29%)
- Pharmaceutical products ($1.1 billion; 3%; 53%)

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**Services – a key feature of the trade relationship**

The EU and Australia continue to enjoy a strong relationship with regard to trade in services. The EU is Australia’s largest partner in two-way services trade, accounting for 19.6% ($21.3 billion) of Australia’s total two-way services trade in 2011. Australia’s two-way trade in services continues to grow steadily, outperforming many of Australia’s other major services trading partners.

**Australia’s two-way services trade with its major partners, 2009–2011**

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The EU is Australia’s largest market for services exports. It also constitutes Australia’s largest source of services imports, representing 16% ($8.3 billion) and 22% ($13.1 billion) respectively of Australia’s total services exports and imports in 2011. From the EU’s point of view, Australia is the EU’s 10th largest trading partner in services. The bulk of two-way trade in services consists of travel services, largely personal travel, but also business travel and education related travel, in total accounting for more than half of two-way services trade. The EU is Australia’s third largest partner in education-related services, after China and India.

Services account for more than one quarter of total trade between the EU and Australia, reflecting the sizeable presence of the services sector in both economies and existing opportunities for trade. In comparison, services represent just 6% of Australia’s total trade with its two largest merchandise trading partners, China and Japan.

Enduring investment linkages

The EU’s status as a significant global investor and recipient of foreign investment is reflected in its strong investment links with Australia. The EU has been Australia’s largest two-way investment partner since 2006 when it surpassed the United States. It is Australia’s largest source of investment, accounting for about 33% ($637 billion) of total investment stocks in 2011. While the EU’s total foreign investment in Australia has fallen slightly in the past couple of years, it still exceeds that of the United States and remains well above Australia’s other major investment partners. Significantly, the EU is also the largest supplier of foreign direct investment to Australia, at $143 billion in 2011 (+4.5% on 2010). This represents 28% of Australia’s inward foreign direct investment stocks, ahead of the United States’ 24% share and Japan’s 10%. >

The data cited in this article is based on the following sources: Australian Bureau of Statistics 2013, International Trade in Goods and Services, December 2012, cat. no. 5368.0; Australian Bureau of Statistics 2012, International Trade in Services by Country, by State and by Detailed Services Category, Calendar Year 2011, cat. no. 5368.055.004; Australian Bureau of Statistics 2012, International Investment Position, Australia: Supplementary Statistics, Calendar Year 2011, cat. no. 5352.0; Australian Department of Foreign Affairs and Trade 2012, Composition of Trade Australia 2011, DFAT, Canberra.
The EU is also an important destination for Australian investment overseas accounting for 30% ($356 billion) of total Australian overseas investment in 2011. This makes it Australia’s second largest destination for overseas investment after the United States. The EU is also the second-largest recipient of Australian foreign direct investment after the United States, representing 22% of Australia’s outward foreign direct investment stocks.

Nearly 2400 EU companies had a presence in Australia in 2009. These companies had a total estimated turnover of almost $270 billion (just over 14% of total sales in Australia), according to a survey conducted by the then-European Commission Delegation in Australia, in cooperation with EU diplomatic missions. The survey also found that EU companies directly created close to 500,000 jobs in Australia, and were possibly responsible for an additional 940,000 jobs with the flow-on (multiplier) effects of EU company activities. This makes total direct and indirect employment generated by EU investment equivalent to more than 1.4 million jobs, or just over 12% of the Australian workforce.

The previous survey in 2006 showed that the major areas of turnover by EU companies were in the manufacturing and finance and insurance sectors. Other important areas included mining, wholesale trade activities and construction.

The EU and Australia can look forward to a continued, strong relationship in trade and economics with opportunities for growth.
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The Chairman of the European Australian Business Council, Alastair Walton, emphasised the importance of the Australia–EU relationship and outlined an ambitious bilateral agenda in his keynote address of the annual Schuman Lecture at the Australian National University, Canberra in May 2012.

‘Australia’s relationship with the European Union must be seen as strategically important as those with the United States, China and Indonesia,’ Mr Walton said. ‘The dynamics of this relationship and what underpins it need not only to be well understood across the political divide but also resonate with the public at large. The Australia–EU relationship must be viewed as core business for any Australian leader.’

In the keynote lecture, entitled New Alliances: Australia and Europe in a G20 World, Mr Walton outlined five key action points that Australia should undertake to build on the momentum of the most recent phase of Australia’s bilateral relationship with the European Union.

‘The magnitude and dimensions of the Australia–Europe relationship are of such importance in the Asian Century that a complete strategic re-think is required,’ Mr Walton said.

The European Australian Business Council (EABC) is driving this re-think by bringing together key stakeholders in the Australia–Europe economic relationship including government leaders, senior officials and diplomats with business leaders, leaders of Chambers of Commerce and other business and industry groups.

The Council has regular programs of business and industry round-tables, briefings, conferences, delegations and large events in Sydney, Melbourne, Canberra, Brussels and London. New programs have been launched in Brisbane and Perth in 2013.

Trade and shared interests

Established with the support of the Delegation of the European Union to Australia and New Zealand in 1999, the EABC was originally an umbrella organisation bringing together bilateral European Chambers of Commerce and other trade and investment-focused organisations. Today, it is one of the most active and influential business organisations in Australia.
Australia’s relationship with the EU must be seen as strategically important as those with the United States, China and Indonesia.

The Council’s Board and Corporate Council include some of Australia’s most respected business and policy figures including Alastair Walton (Chairman), Stephen Loosley (Deputy Chairman), Leigh Clifford AO, Cameron Clyne, Charles Curran AC, Nicholas Curtis AM, John Dawkins AO, Allan Fels AO, Nick Greiner AC, Graham Kraehe AO, Michael L’Estrange AO, Kevin McCann AM, Paul McClintock AO, Max Moore-Wilton AC, Bruce Morgan, Hugh Morgan AC, David Mortimer AO, Simon Rothery, Peter Shergold, Warwick Smith AM, James Strong AO, Peter Young AM and Carla Zampatti AC.

In addition to holding senior positions in business, many of these individuals have extensive policy experience and expertise, having served in public office, as diplomats and advisors to government.

**High-level missions**

Each year, the Council organises a high-level mission with Australian business to Brussels and other political and economic capitals in Europe. The aim of these missions is to provide opportunities for delegation members to engage in dialogue on issues including policy responses to the global financial crisis, the euro crisis, banking and financial services regulation, foreign and security policy, trade policy, competition policy, climate change and energy policy, research and innovation, transport and infrastructure.

Insights are also gained into the development of the institutions of the European Union, including the European Council, the European Commission, the European Parliament and the European Central Bank, and the relationships between these institutions and the EU’s Member States.

Participants in these missions have included representatives from leading Australian and international firms and organisations, including Australian National University, BHP Billiton, Brambles, Goldman Sachs, Macquarie Bank, Minter Ellison, Monash University, National Australia Bank, PwC, Ramsay Healthcare, Servcorp and Stockland.
Hosting European business leaders

The Council regularly hosts official and business leaders visiting from Europe, often in partnership with the Australian Government, the Delegation of the European Union to Australia and New Zealand, and with EU Member State Embassies and Chambers of Commerce. Highlights in recent years have included visits by:

- European Commission President Barroso and Commissioners Karel de Gucht, Connie Hedegaard, Maire Geoghegan-Quinn and Charlie McCreevy
- Delegations of Members of the European Parliament and the Secretary General of the European Parliament Klaus Welle
- Director General of the World Trade Organisation Pascal Lamy; and Director General of the World Intellectual Property Organisation Francis Gurry
- President of the Federation of German Industry, Professor Hans-Peter Keitel and senior Swedish businessman Jacob Wallenberg.

Government and industry meetings

The Council also focuses strongly on Australian public and economic policy developments and has held meetings and events with many Federal and State Government representatives including:

- the then Australian Prime Minister Julia Gillard and Federal Ministers including Trade Minister Craig Emerson, Infrastructure Minister Anthony Albanese, Immigration Minister Chris Bowen, Resources Minister Martin Ferguson and Broadband Minister Stephen Conroy
- Federal Shadow Ministers including Shadow Foreign Affairs and Trade Minister Julie Bishop, Shadow Treasurer Joe Hockey, Shadow Communications Minister Malcolm Turnbull and Shadow Resources Minister Ian MacFarlane
- Premiers and Treasurers of Queensland, New South Wales, South Australia and Victoria
- Senior officials including Reserve Bank Governor Glenn Stevens, Prime Minister and Cabinet Secretary Ian Watt, Treasury Secretary Martin Parkinson, ASIC Chairman Greg Medcraft and ACCC Chairman Rod Sims.

The EABC works closely with a range of government and industry partners both in Australia and Europe, contributing to policy discussion and development.
The Council works closely with a range of government and industry partners both in Australia and Europe, contributing to policy discussion and development including:

- Framework Treaty and free trade agenda
- EU Delegation and Australian Embassy Brussels
- EU Economic and Commercial Counsellors and Austrade
- European Chambers and Australian Business in Europe networks
- European and Australian Business and Industry Organisations
- EU Centres: the Australian National University, Monash University, RMIT University
- policy conferences – free trade, competition policy, resources and energy, women in business leadership, IPR and tax
- business surveys.

**Worldwide networks**

The EABC is an active member of the European Business Organisations (EBO) Worldwide Network, an association of European Chambers and Business Councils in 26 countries, including the major high-growth countries of Brazil, Russia, Indonesia, India and China. The EABC’s Chief Executive Officer, Jason Collins, was elected the inaugural Chairman of the EBO Worldwide Network in April 2011 and re-elected in June 2012.

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The world of foreign exchange (FX) has altered significantly in recent times. Market movements that used to evolve during a period of years now take days, and this volatility has made risk management a top priority for businesses with international operations. Consider how the financial state of European countries, such as Cyprus, has affected currencies worldwide, and it becomes clear how critical FX risk is for businesses with international operations.

Now more than ever, companies in a broad range of industries need strategic assistance from specialist resources to manage volatile currency markets, and the challenge of global payments and receivables.

**Facing up to currency volatility**

Companies are counting every cent at the moment, and focusing more and more on risk management strategies to avoid being hit by large swings in currency. Management has learnt that, without a solid hedging strategy in place, their bottom line is exposed to negative impact from the currency market.

Many of these businesses have never implemented a currency hedging strategy before, and can end up inadvertently increasing their risk exposure. Hedging is about managing risk, not creating it.

The realm of foreign exchange is complicated and, with a large portion of exporters/importers being small businesses, not every company has spare resources they can dedicate to its management. The more successful businesses are the ones that develop and follow good hedging policies; they reduce risk, secure cash-flow certainty and are easily understood and executed by the business. Along with including an FX provider in the development of currency hedging policies, there are a few simple guidelines that businesses should keep in mind.

**Price should not drive strategy**

Firstly, a good strategy does not predict currency moves. It expects movement or volatility and then provides the business and the FX provider with clear instruction. Secondly, a good strategy aims for outcomes that are not necessarily price specific. And thirdly, it’s important that strategies are flexible enough to respond to an ever-changing market. What worked last quarter might not be applicable this quarter. These are areas where working with a good currency dealer can help a lot.

Also, it sounds obvious but, before negotiating with your international business partner, you should determine what exchange rate you want to trade at, and then evaluate the outcome of that trade to refine your strategy moving forward.

For example, if you’re an exporter that expects a payment in 90 days time, a 10% upward shift in the foreign currency you’re dealing with could eat into a significant chunk of your profit. In a situation like this, hedging your expected payment can help to minimise the effects of an upward currency swing. The smaller your profit margins for foreign sales, the more of your sales you should hedge. Of course, this depends on the goals and budgets of each individual company, but it’s a critical consideration for companies doing business internationally.

**Adaptability is key**

Flexibility is an important factor in today’s economy, as noted above. In a constantly fluctuating marketplace, risk management strategies should be reviewed on a monthly or quarterly basis and refined to match shifts in currency. SMEs that take a proactive approach to their FX exposure are positioning themselves for a stronger bottom line. •

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Western Union Business Solutions enables companies of all sizes to send and receive cross-border payments and manage foreign exchange. With deep expertise in moving funds around the globe, access to over 135 currencies, and a global financial network spanning more than 200 countries and territories, we help companies spend less time managing international financial transactions and more time growing their businesses.

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Europe’s Common Agricultural Policy has impacted on Australian and worldwide markets. Following years of reforms, the policy is very different today and there are now strong links in agricultural trade between the EU and Australia.

‘Trade relations between the European Union and Australia have a history of discord, this is principally over the Common Agricultural Policy (CAP) and the associated impact of UK accession to the then EEC in 1973. However, this is very much a story of history, with the reasons for the dispute no longer applicable, as the CAP of today is now very different having been reformed on many occasions, in particular during the past two decades.’

HE Ambassador David Daly, speaking at the ANU Conversations series on 4 December 2012

Fifty years ago, the original focus for the Europe–Australia relationship was trade, and the most contentious issue was the Common Agricultural Policy (CAP).

The CAP had its roots in 1950s Western Europe, whose societies had been damaged by years of war and food rationing. Agriculture had been crippled and food supplies could not be guaranteed. The CAP was born in 1962 and so, like EU–Australia diplomatic relations, it is celebrating its 50th anniversary. In the early days, the CAP aimed to encourage better productivity in the food chain, market stabilisation, the availability of food supplies at reasonable prices, and a fair standard of living for farmers and growers. Incentives to produce were provided through a system of high support prices to farmers, combined with border protection and export support.

**Historical development of the CAP**

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The crisis years: Over-production

These incentives, coupled with the ‘green revolution’, meant that the CAP was very successful in achieving increased food supplies. But by the 1970s over-production was beginning to occur. To address this, specific policy initiatives to speed up the structural adjustment of the European farm sector were considered. In 1972, legislation was passed to modernise farms, to promote professional training, and to renew the agricultural workforce by encouraging older farmers to take early retirement. In 1975, initiatives were taken to provide assistance to farmers working in difficult conditions, such as hill farmers and farmers in less favoured areas. In 1979, a ‘co-responsibility’ levy requiring farmers to pay a penalty for serious over-production was introduced in the dairy sector.

Despite these adjustments, by the 1980s the EU had to contend with almost permanent surpluses of major farm commodities, some were exported (with the help of refunds), others had to be stored or disposed of within the EU. These measures had a high budgetary cost and distorted some world markets. They did not always serve the best interests of farmers and became unpopular with consumers and taxpayers. The conflict in international trade, arising from both EU and US export subsidies, led to Australia forming the Cairns Group of 19 agricultural exporting countries in 1986. Some measures were taken to address the over-production problem with milk quotas introduced in 1984 and a voluntary set-aside scheme in 1988. Milk quotas curbed growth in milk production, while set-aside took land out of production and also addressed growing society concerns about the environmental sustainability of agriculture. >

The CAP has evolved from a policy that supports products and as an unintended consequence distorts markets, to one which supports incomes and aims to maintain vibrant rural communities and keep more farmers on the land.
The conflict in international trade, arising from both EU and US export subsidies, led to Australia forming the Cairns Group of 19 agricultural exporting countries in 1986.

The 1992 reform: A watershed for international trade

The 1992 MacSharry reform started the shift from product support (through prices) to producer support (through income support). The reform aimed to improve the competitiveness of EU agriculture, stabilise the agricultural markets, diversify the production and protect the environment, as well as stabilise the EU budget expenditure. Direct payments on an area or headage basis were introduced to compensate for the decrease of the price support (e.g. cereal guaranteed prices were lowered by 35%, and beef prices by 15%). Compulsory set-aside and other accompanying measures (agri-environment programs, afforestation, early retirement and diversification) were also introduced.

In international trade terms, these reforms represented a watershed and provided the necessary movement for the Uruguay Round and its Agreement on Agriculture to be concluded and for the subsequent establishment of the World Trade Organisation (WTO).

Agenda 2000: New policies for enlargement

Agenda 2000 introduced the necessary reforms to adjust for the enlargement taking in the central and eastern European countries. It explicitly established economic, social, and environmental goals within a new re-formulated set of objectives for the CAP. This had the aim of giving concrete form to a European Model of Agriculture and preserving the diversity of farming systems spread throughout Europe, including regions with specific problems. These objectives involved more market orientation and increased competitiveness, food safety and quality, stabilisation of agricultural incomes, integration of environmental concerns into agricultural policy, developing the vitality of rural areas, simplification and strengthened decentralisation.

A new rural development policy was introduced as a second pillar of the CAP at this time. This policy continues to encourage many ‘bottom-up’ rural initiatives while it also helps farmers to diversify, improve their product marketing, adopt more sustainable agricultural practices and restructure their businesses.
The 2003 reforms: Radical change in the CAP

The regular and consistent adjustment of the CAP to pressures from European society and its evolving economy was again illustrated by the new set of reforms in 2003, which aimed to enhance the competitiveness of the farm sector, promote a market-oriented, sustainable agriculture and strengthen rural development policy (both funds and policy instruments).

The 2003 reform introduced a radical rebuilding of the CAP, with a number of important innovations. These included a fundamental change with the decoupling of income support payments to farmers, freeing them up to produce for the market and not for subsidies. This was achieved by replacing the ‘coupled’ MacSharry payments, with a Single Payment Scheme, which is considered to be minimally trade-distorting in WTO terms. Other innovations included the introduction of cross-compliance where producers have to be seen to meet minimum good agricultural, animal welfare and environmental practices as part of a social contract with the broader society; and modulation of support, which involves moving funds from market support to rural development. In the following years, those sectors still considered to be in surplus (e.g. sugar, fruit and vegetables and wine sectors) were also reformed, and a new rural development policy for the financial period 2007–2013 was prepared.

As part of its ongoing drive to reduce regulatory burden, there was a major simplification of the CAP to reduce red tape for both farmers and administrations by making rules more transparent, easier to understand and less burdensome.

The 2008 Health Check

The Health Check was a built-in review of the 2003 CAP reforms. It introduced further reforms to modernise, simplify and streamline the CAP and remove restrictions on farmers, thus helping them to respond better to signals from the market and to face new challenges such as climate change, water management and bio-energy. The reforms also included the phasing out of milk quotas and set-aside as unnecessary instruments in the new market environment. >
Post-2013: Competitive and sustainable agriculture

The CAP is due to be reformed again by 2013. After wide-ranging public debate, in November 2010 the Commission presented ‘The CAP towards 2020’, which outlined options for the future and launched the debate with other institutions and stakeholders. In October 2011, the Commission presented a set of legal proposals to make the CAP a more effective policy for more competitive and sustainable agriculture and vibrant rural areas. These are the subject of ongoing consideration by the Council and the European Parliament.

The impact on Australia and world markets

Over the past 50 years, the CAP has evolved from a policy that supports products and as an unintended consequence distorts markets, to one which supports incomes and aims to maintain vibrant rural communities and keep more farmers on the land.

The impact this has had on the international community, especially agricultural exporters like Australia, can be seen in the graph on expenditure on export refunds by the EU – export refunds are perhaps the most trade distorting of subsidies. It can be seen that expenditure peaked in 1993 – the year of the MacSharry reforms – at over €10 billion and has progressively declined. By 2011, export refunds totalled less than 2% of the level in 1993 at €180 million. With this evolution, agriculture is no longer the area of contention that it once was and Australia and the EU now have strong bilateral links in food and agriculture. •
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Addressing climate change together

Australia and the EU are tackling climate change through multilateral fora, as well as within their own jurisdictions. Both now have a price on carbon and are on track to meet their respective renewable energy targets.

‘...A world in which warming reaches 4°C above pre-industrial levels would be one of unprecedented heat waves, severe drought, and major floods in many regions, with serious impacts on human systems, ecosystems, and associated services.’

*Turning Down the Heat: Why a 4°C must be avoided.*
The World Bank (2012)

Even though there is widespread agreement that constraining warming to within 2°C of pre-industrial levels is a reasonable goal to avoid the worst impacts of climate change, a recent report from the World Bank warns that present trends could see us nearer 4°C within this century. Worryingly, the developing world is expected to be disproportionately affected – those with the least resources to cope will be hit the hardest.
Opportunities for EU and Australian businesses to capitalise on novel low-carbon technologies will only increase.
AUSTRALIA AND THE EU COMBATING ILLEGAL LOGGING

The EU and Australia cooperate and exchange information on environmental issues well beyond those associated with climate change. For example, the EU and Australia have independently enacted legislation aimed at preventing illegally logged timber products from entering their markets. Over several years, officials from both sides have benefited from discussions on their policies.

In addition to the obvious ecological and environmental impacts, illegal logging can undermine legitimate, law-abiding forest industries. It costs billions of dollars in lost revenue to the companies and governments of timber-producing countries. As more countries act to prohibit the importation of illegally logged timber and work on chain of custody and due diligence requirements, it will become harder and harder to sell illegal timber around the world.

The EU and Australia are working together in multilateral fora, such as the United Nations Framework Convention on Climate Change to achieve progress on an international legal agreement to tackle climate change.

While concerted global action is crucial, both Australia and the EU are also taking action within their own jurisdictions and the EU Member States themselves recognise the benefits of cooperation internally. Many recognise that the EU together is more effective in confronting global challenges such as climate change, than individual Member States acting alone.

European–Australian synergies for a global problem

The European Union and Australia both recognise the importance of addressing climate change at a global level. They are working together in multilateral fora, such as the United Nations Framework Convention on Climate Change (UNFCCC), to achieve progress on an international legal agreement to tackle climate change.

Renewable energy targets

All EU Member States have binding targets for renewable energy, which collectively add up to the EU sourcing 20% of final energy consumption from renewables by 2020. Similarly, Australia has a mandatory renewable energy target for electricity generation. Recent analyses show that Australia and the EU alike are on track to meet these goals they have set themselves.

Both also provide support for accelerating the deployment of carbon capture and storage (CCS). For instance, the Global Carbon Capture and Storage Institute, launched by Australia, is proving a useful platform for disseminating information on CCS. On the EU side, the so-called NER 300 has generated billions of Euros for co-financing CCS and renewables projects, from proceeds flowing from the EU Emissions Trading Scheme (ETS).
Driving energy efficiency

When it comes to energy efficiency, many commentators would agree that energy efficiency gains create benefits well beyond solving climate change. However, actually realising these benefits may be more difficult than initially envisaged, and specific policy interventions are needed.

In October 2012, the EU took a big step in passing the Energy Efficiency Directive. This legislation brings forward legally-binding measures to step up Member States’ efforts to use energy more efficiently at all stages of the energy chain – from the transformation of energy and its distribution to its final consumption. It also requires Member States to set indicative national targets for 2020.

Many expect that the Energy Efficiency Directive will make a significant contribution to putting the EU on track towards its 20% energy efficiency target for 2020. This legislation should also mean the EU will overachieve its 20% emissions reduction pledge. And a full 30% reduction still remains on the table.

Pricing carbon emissions

Importantly, both the EU and Australia now have a price on carbon. The EU Emissions Trading Scheme (EU ETS) operates across the EU, as well as in Norway, Iceland and Liechtenstein. It began with a pilot phase running from 2005 to 2008 and now covers about half of the EU’s emissions. The EU ETS applies to over 10,000 installations and covers defined sectors, such as power generation, iron and steel, glass, pulp and paper and other high-emissions industries. The second phase coincided with the first commitment period of the Kyoto Protocol (2008–2012), and it is now into the third phase, running from 2013 to 2020.

The third phase brings a number of very significant improvements. For example, there is a much higher level of auctioning of allowances (rather than free allocation); there is now a single, linearly-declining EU-wide cap as opposed to individual Member State National Allocation Plans; new sectors have been added; stakeholders deal with a single registry; there are harmonised rules where free allocation still occurs; and new, stricter rules on the use of international credits apply.
Despite these improvements, it has become apparent that there is a ‘surplus’ of allowances in the scheme, largely brought about by the economic crisis. At the time of writing, the European Commission had put forward a list of six options for structural reform of the EU ETS. The price of carbon under the EU ETS remains relatively depressed owing to the surplus, but there is no doubt that the system has created a functioning, liquid market for carbon, which has contributed to a reduction in greenhouse gas emissions.

International linking of ambitious, compatible emissions trading schemes deepens the carbon market and lowers the overall costs of abatement. For these reasons, the EU and Australia have agreed to pursue linking of their respective schemes. As an interim measure, Australian companies will be able to purchase allowances from the EU scheme from 2015, until a full link is established, no later than 1 July 2018. There are a number of technical issues which need to be resolved and Senior Officials Talks are continuing to that end.

Opportunities in a low carbon world

If humanity has any hope of averting potentially disastrous disruptions to the climate system, then we need to drastically step up our efforts to decarbonise the energy sector and to improve energy efficiency in particular. There has been too much focus on the costs this entails, rather than accepting the reality of the urgent changes that are required, and just getting on with it. The less we do now, the steeper the emissions cuts required as time goes on to achieve any given climate goal.

Opportunities for EU and Australian businesses to capitalise on novel low-carbon technologies will only increase, whether they are in carbon capture and storage, renewables, transport and building stock energy efficiency, smart grids or in a myriad of other areas.

Australia and the EU have adopted, and are continuing to adopt, policies to dramatically change the way we supply and use energy.
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- Transformation of the energy system
- Productivity

Through industry partnerships, NIER creates the collaborative platform to deliver sustainable solutions to real world problems.

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www.newcastle.edu.au/nier

NIER is an Australian Government Initiative, funded through the Education Investment Fund, and is generously supported by the NSW Government.
Europe is Australia’s largest research partner working together to tackle global research challenges. A number of bilateral and multilateral agreements help to strengthen these collaborations.

As a major contributor to the global research effort, Europe has long been a key innovation and science collaboration partner for Australia. Despite its small population, Australia produces 3% of the world’s knowledge. Australians are among the world leaders in many areas of research and innovation.

Europe and Australia have diverse, vibrant collaborations across many different research fields. Areas of cooperation vary across the individual European countries, and include: ICT, molecular and medical sciences, water and solar energy technologies, agriculture and biotechnologies, astronomy and astrophysics, gravitational wave detection and biodiversity.

Australia works with the EU as a whole, as well as with individual Member States. It has the most research links with the United Kingdom, Germany, France, the Netherlands and Italy. In terms of academic publication activity, Europe is Australia’s most important collaborative partner.

In 1994, the EU signed an Agreement on Scientific and Technical Cooperation with Australia – its first such agreement with an industrialised country. The agreement established a Joint Science and Technology Consultative Committee, which meets regularly to exchange information and to examine ways to enhance research collaboration. The agreement means that Australian researchers are able to join their European counterparts as full participants in research programs which are managed by the European Commission under the EU’s Framework Program for Research and Technological Development. Likewise, European researchers and institutes can participate in Australian research activities.

The Australian Research Council opened its fellowships to international candidates for all schemes in 2008, providing funding for eligible organisations to promote collaboration, movement and networking between Australia-based and overseas researchers. This has resulted in several successful research projects between Australian and EU researchers and enhanced the opportunity for them to strengthen their networks internationally.

In 2012, the European Commissioner for Research, Innovation and Science Máire Geoghegan-Quinn visited Australia and met with the then Australian Minister for Science and Research, Senator Chris Evans. They discussed
the current cooperation and the prospects for increasing collaboration on new research and innovation topics of mutual interest. The Commissioner also met with Australia’s Chief Scientist and visited world-class research facilities in Australia that have cooperation with their European counterparts – the Australian Microscopy and Microanalysis Research Facility, the Sydney Institute for Marine Sciences, and the CSIRO High Resolution Plant Phenomics Centre.

There is a strong interest at the policy level in increasing collaboration in innovation, as well as in science and technology. The EU–Australia Framework Agreement, currently under negotiation, has a chapter dedicated to relations in these areas.

**Enabling multilateral research**

The EU’s Framework Program for Research and Technological Development is the main platform for enabling multilateral research. This program is the largest in the world and open to all countries. The EU is especially interested in the involvement of industrialised countries.

The level of Australian participation in the framework programs (FP) has grown strongly since FP4:

- FP4 1994–1998: 60 Australian projects
- FP5 1999–2002: 90 Australian projects

In terms of number of participants, Australia ranks 9th among the non-EU countries participating in FP7 (the current framework program). Australian research organisations have the second highest success rate in their applications (31% compared to the average 23%). The Australian research organisation most heavily involved is the CSIRO – it accounts for 12% of all projects involving Australians. The Group of Eight (Go8) universities collectively account for 50% of all project involvement. >
Over 300 Australian proposals have been successful. Many of these have come with EU funding for the Australian participants – over €5 million to date. The latest success is the first Marie Curie Initial Training Network (ITN) to include an Australian partner, RMIT Melbourne. The ITN will focus on training researchers for careers in architecture, art and design. RMIT has become one of the rare organisations in industrialised countries to receive such Marie Curie financing, worth nearly €800,000.

The Marie Curie international fellowships have been particularly fruitful with Australia. Australian researchers have been hosted in European institutions and European fellows have come to Australia. A large number of Australian research organisations have also been involved in the International Research Staff Exchange Schemes (IRSES).

Australians also score well in the European Research Council Programs (ERC). Sixteen Australian principal investigators have received ERC grants to work at European institutions – this was 11% of all grants that went to third country nationals.

Some Australian agencies have dedicated funds for Australian researchers to take part in the EU’s framework programs. For example, the National Health and Medical Research Council (NHMRC) has a dedicated fund to enable Australian research teams to fully participate in collaborative European projects.

With FP7 ending, the European Commission’s new program – Horizon 2020 – will be launched in January 2014. With a proposed budget of €80 billion, Horizon 2020 complements the approach being taken in most of the EU’s Member States to increase investment in research and innovation as the route to future growth.

Impressively, all but four of the 27 EU Member States registered increased public and private R&D investment between 2007 and 2010. A strong correlation exists between the economic rebound of certain European countries in 2010 and their average level of R&D investments over the period 2004–2009. The rule seems to be: the higher the average R&D intensity in the past, the quicker the economic recovery.
Bilateral projects

Australia’s cooperation with the EU is underpinned and reinforced by its strong bilateral research cooperation links with a number of EU Member States.

The Forum on European–Australian Science and Technology cooperation (FEAST) was launched in 2000 and was established and funded jointly by Australia and the EU. FEAST aimed to provide practical support to Australian and European researchers looking to develop their research collaborations and to define and demonstrate new, more strategic and policy related approaches to fostering a truly international research and innovation system. FEAST undertook a study of how open Australia’s R&D programs were to European collaboration (via the EU-funded ACCESS4EU project). The results indicate a high degree of openness. The FEAST initiative has now come to a close but a new project, Connecting Australian and European Science and Innovation Excellence (CAESIE), is now building on FEAST’s success. CAESIE will focus on enhancing the S&T collaboration between small and medium-sized enterprises and researchers with three priority areas: clean energy, healthy ageing through enabling technologies, and sustainable cities.

Another key bilateral project is PACE-Net whose main goal is to strengthen bi-regional sustainable dialogue on S&T between Europe and the Pacific. This project has involved researchers from across the Pacific with strong input from Australia and New Zealand.

Cooperation among scientists and researchers

The European Research Area is a unified research area open to the world, based on the internal market, in which researchers, scientific knowledge and technology circulate freely. Through ERA, the EU and its Member States strengthen their scientific and technological bases, their competitiveness and their capacity to collectively address grand challenges.
European Cooperation in Science and Technology (COST) is an intergovernmental framework allowing the coordination of nationally-funded research on a European level. COST increases the mobility of researchers across Europe and fosters the establishment of scientific excellence in nine key domains.

Australian researchers have participated in almost 90 COST initiatives since 2007. COST has also invited over 160 Australian researchers to participate in its action meetings over this period. Most of these researchers have received funding for their participation from the Australian Government administered by the Australian Academy of Science.

Next-generation telescope: An example of cooperation

One example of EU–Australia cooperation is in the development of the Square Kilometre Array Telescope, an international radio telescope for the 21st century, identified in the European Strategy Forum on Research Infrastructures Roadmap.

This telescope is a next-generation radio telescope that will be up to 50 times more sensitive than the best present-day instruments. It will give astronomers remarkable insights into the formation of the early universe, including the emergence of the first stars, galaxies and other structures.

The telescope will comprise over 3000 antennas linked electronically to form one enormous telescope. Australia is one of two sites for the $3 billion international project, with the proposed core to be located in the mid-west region of Western Australia. Australia is already building the Australian SKA Pathfinder (ASKAP) radio-telescope, which will amass more information in the first six hours of operation than has been saved from all the world’s radio-telescopes to date. As part of its Super Science Initiative, the Australian Government will provide $80 million for the Australian National Centre of SKA Science in Perth. The highly collaborative centre will manage the huge amount of data flowing from ASKAP and later the SKA, and will help to establish Australia as a world hub for high-performance computing.
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As Australia's largest co-educational boarding school, Geelong Grammar School provides a unique learning and living environment that encourages young people to grow and flourish. We believe learning is life's greatest adventure and every single step matters.
Cooperation in education between the EU and Australia has increased progressively over the last decade, with joint projects, sectoral policy dialogue, conferences and student and staff exchange programs.

Partners in education and training

Joint EU–Australia mobility projects have seen more than 1100 students from 35 Australian institutions and 66 European institutions from 20 Member States spend a study period with the respective country.
If we had to use one word to sum up the ethos of the European Union, that word would be ‘freedom’. The EU, in all its various guises – from the EEC to EC to EU – has been built on the four freedoms – free movement of goods, persons, services and capital. Now there is a fifth freedom – the freedom of knowledge.

We talk much in Europe about the Knowledge Triangle – Education, Research and Innovation – and how this is the oil that runs the economic motor of the EU. We no longer talk about a brain drain but the ‘brain train’ where students, researchers and innovators from around the world interact and share information, creating a continuous circle of knowledge and innovation.

Australia and the EU are working together in developing and implementing education and training policies and practices which promote economic growth and prosperity. They held the Australia-EU Forum: Education in Industrialised Economies: Skills, Innovation and Economic Growth in Brussels on 19 November 2012. The delegation included government and non-government representatives from Europe and Australia led by the then Ambassador to the EU Mr Brendan Nelson and Mr Xavier Prats Monné, Deputy Director-General, Education and Culture, European Commission.

Education for better socio-economic outcomes

Europe’s 2020 Strategy sets ambitious objectives for smart, inclusive and sustainable growth, and puts a strong focus on knowledge and innovation, sustainability, employment and social inclusion. In this context, higher education plays an essential role in society by creating new knowledge, transferring it to students and fostering innovation. Institutions throughout Europe have to adapt to a growing global environment – they are working to modernise, both in terms of the courses they offer and the way they operate.

The EU has just launched a new strategy – Rethinking Education: Investing in skills for better socio-economic outcomes. In this strategy, the internationalisation of education is recognised both through the systematic and coordinated application of the European Credit Transfer and Accumulation System (ECTS) and the ongoing development of the Bologna Process. International partnerships are fundamental to this new approach, at the level of tertiary institutions and vocational education and training institutes.
Partners in education

The Joint Declaration on Cooperation in Education and Training between the EU and Australia, signed in 2007, has strengthened cooperation in a variety of fields. Education and training forms a key part of the new EU–Australia Partnership Framework Agreement which is currently being negotiated.

Cooperation in education and training with Australia has increased progressively over the last 10 years. Starting with a small pilot curriculum development and exchange project in 2002, it now features:

- annual calls for proposals for joint projects (including joint and/or double degrees)
- sectoral policy dialogue in the area of education and training (including senior officials meetings, joint studies, conferences and workshops)
- steady exchange of information on new programs, policies and initiatives.

The inaugural policy dialogue meeting between the European Commission and Australia was held in March 2009 in Melbourne. The focus was on reforms in higher education, as well as mobility and quality. This led to a joint EU–Australia Tuning pilot project encouraging enhanced cooperation in higher education between Australia and the EU to align academic standards and reference points.

Subsequent dialogues were held in: Brussels on qualifications frameworks in 2010; Australia on early childhood education and care in April 2011; and Brussels on international education in 2012. In 2013, the theme was quality and recognition and in 2014, the focus will be on lifelong learning.

The European Commission is funding a project to implement U-Multirank – a new multidimensional, user-driven approach to international ranking of higher education institutions. Australian universities are prominently represented in the feasibility study on new forms of university ranking.

International partnerships are fundamental to this new approach, at the level of tertiary institutions and vocational education and training institutes.
Student exchanges and joint degrees

Since the first pilot project in 2002, the European Commission and Australia have jointly funded 21 curriculum development and mobility projects in higher education and post-secondary vocational education and training. This has allowed more than 1100 students from 35 Australian institutions and 66 European institutions from 20 Member States to spend a study period with the respective country. In 2012, the first joint degree project was awarded and another call for proposals has just been launched to continue this highly successful series.

Exchanges such as these give students the opportunity to develop their personal skills, improve their employment prospects and prepare them for working in increasingly globalised environments. They have also strengthened links between European and Australian institutions.

Erasmus Mundus program

Erasmus Mundus is the EU’s flagship scholarship program. It is built around three pillars: joint programs and scholarships; partnerships between European and non-EU higher education institutions; and the promotion of European higher education through projects to enhance Europe as a centre of excellence.

Australian students and academics have been highly successful in the Erasmus Mundus (EM) program. Since the start of the program, more than 200 Australian students and academics have received scholarships to take part in EM courses. Australian institutions have also been active in partnerships and there are 13 EM Masters Courses and six Doctoral programs with Australian institutions. In total, 13 Australian institutions are involved, with some taking part in two programs. Five are taking part as full partners and 13 as associates.

In 2012, the first joint degree project was awarded and another call for proposals has just been launched to continue this highly successful series.
The EM Partnerships program links leading universities in Europe with those in Australia and New Zealand to promote the study of EU external relationships by offering exchanges for postgraduate students, post-doctoral students and academic staff. The first partnership was announced in 2010 with six European partners, two partners in New Zealand and three in Australia. The second partnership focused on architecture and urban planning with five EU partners (Germany, Belgium Bulgaria, Portugal France), plus Japan, South Korea, Australia and New Zealand. In 2012, a third partnership was announced focusing on ‘Networking on Environmental Safety and Sustainability Initiative for Engineering’ with 10 partners from six EU countries (France, Spain, Italy, Greece, Czech Republic and Finland) and four Asia-Pacific institutions (Japan, South Korea, Australia and New Zealand). These projects will enable nearly 300 exchanges in total.

Other collaborations include Jean Monnet Fellowships and, again, Australia has a good track record with three Jean Monnet Chairs, and several modules.

The Erasmus Mundus Partnerships program links leading universities in Europe with those in Australia.

EU Centres in Australia

The EU–Australia relationship in education is enhanced in other ways. There are now three EU Centres in Australia:

- ANU Centre for European Studies at the Australian National University in Canberra
- European Union Centre at RMIT University in Melbourne
- Monash Europe and EU Centre based at Monash University in Melbourne.

The centres are co-funded by the European Commission and their home institution. They encourage the study and research of the EU in Australia, as well as undertaking outreach activities to promote the benefits of the EU–Australia relationship.
Student links and exchanges

European and Australian institutions welcome students from their counterpart countries. There are student links and exchanges across all levels of education, from primary school to postgraduate studies.

Europe and Australia have been cooperating on education from 1788 when British settlement first saw a steady stream of Europeans coming to Australia to start new lives. Since then, cooperation in education has expanded and developed.

Education cooperation with the EU is important to Australia because of Europe’s strong tradition of research and development, the existing academic linkages, opportunities for study in Europe, as well as the extensive cultural and people-to-people linkages.

Australia has a history of international education which continues today with its multicultural campuses, international teaching staff and global outlook. Australian institutions host around 40,000 students annually from Europe. In addition, other Europeans undertake short study tours or English language courses. The highest numbers of European students are from Germany, the United Kingdom, France, Czech Republic, Poland, Norway, Italy and Sweden.

Europeans are studying at all levels in the Australian education system, including high school and student exchanges. Many European students love the Australian lifestyle. Exchanges at the academic and research levels are also popular, with networks created across universities in Europe and Australia.

Australia offers high quality education and training at all levels for European students. Its education system is regulated by government and provides an enriching learning experience with dedicated student support. Australia is the third most popular English-speaking education destination in the world.

Both Australia and Europe emphasise lifelong learning as a key to ongoing personal, social and economic development, so exchanges and links are popular across all age groups. Student mobility between Australia and Europe is encouraged to share knowledge, expand networks and promote links across the two partners.
St Catherine’s School Waverley overlooks Sydney’s world famous eastern suburbs beaches, not far from the grand Centennial Park and one of Australia’s leading universities, the University of New South Wales.

This prestigious day and boarding school for girls was founded in 1856 and offers academic challenge and academic care for every student, from Kindergarten to Year 12, in a caring, Christian community that welcomes and values all faiths.

Boarding at St Catherine’s offers a unique living environment where respect for others, integrity, trust and responsibility are nurtured. With 70 boarding places in a well appointed homely environment, each girl has the privacy of her own living space. Boarding students enjoy outstanding school facilities as well as cultural, sporting and entertainment activities.

St Catherine’s girls are secure in their character, confident in their abilities, respectful in manner and equipped to make their unique contribution to the school and the wider world.

**Academic challenge in a caring environment**

There are two striking characteristics of a St Catherine’s education – its academic challenge and its academic care. Staff work hard to ensure that they raise the academic bar to the right level for every girl.

This is done through streaming lessons, mentoring, extension classes, a gifted and talented program, and a comprehensive academic support program. ICT skills are integrated fully in the teaching programs with ready access to technology in each classroom. Interactive whiteboards, laptops, slate PCs and desktop computers are well utilised to facilitate learning across the school. Our one-to-one ICT for Learning program commences in Year 5.

Relationships are at the heart of what we do. To ensure that each student in our care is nurtured and inspired in the pursuit of academic excellence, teachers seek to know each girl: her strengths and relative weaknesses; her character; and how she learns. An innovative positive psychology program means girls can build resilience through identifying and exploring their individual key strengths and attributes.

**Inclusive school community**

Because St Catherine’s is genuinely comprehensive, girls mix with students of different backgrounds, faiths and abilities, but are educated according to their intellectual needs. Their academic studies are complemented by strong co-curricular programs in sport, music, performing arts and service education.

St Catherine’s offers an extensive range of Junior and Senior School sporting activities from rowing through to snow sports. With Olympic standard coaches many girls compete at state, national and international levels in a variety of sports. The school has five Junior School music ensembles, 16 Senior School music ensembles as well as clubs and choirs. There are extensive curricular and co-curricular opportunities in drama and performance.

**Find out more**

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The EU Centre initiative

EU Centres around the world aim to provide information about the EU and to encourage greater understanding of the EU and its policies. Australia has three EU Centres in Canberra and Melbourne.

Foreign policy is not just about international summits and meetings between government officials. It is also about helping people in different countries to understand each other. In 1998, the European Commission launched a pilot project to establish a network of European Union Centres in the United States. The aim was to provide information about the EU and to encourage greater understanding of the EU and its policies, and how they were relevant to the host country.

Since then, the network has grown substantially and there are now 37 EU Centres across the world in the USA, Canada, Australia, New Zealand, Japan, South Korea, Singapore, Taiwan, Russia, Macao and Hong Kong.

In Australia and New Zealand, the first Centres were established in 2001 as three-year pilot projects. These two centres were the National Europe Centre at the ANU in Canberra and the National Centre for Research on Europe at Canterbury University in Christchurch.

Following on from their success, two more centres were established in Australia at Monash University, and a network jointly administered by La Trobe University in Melbourne and Macquarie University in Sydney. An EU network was also formed in New Zealand encompassing all of the universities there.

Today in Australia, there are three EU Centres:
- the ANU Centre for European Studies, Australian National University, Canberra
- the Monash European and EU Centre, Monash University, Melbourne
- the EU Centre, RMIT University, Melbourne.

The EU Centre Network continues in New Zealand. The Centres are projects jointly funded by the European Commission and the host institution.

Promoting greater understanding

The EU Centres promote greater understanding of the EU and stronger relations between the EU and the partner country through their teaching, research and outreach activities.

While each Centre has a different approach and focus, their objectives are the same. As communication has become easier, the networks have become more inter-connected and joint events are now a common occurrence. The EU Centres are all hosted by universities – academic centres of excellence in themselves.
The Centres try to provide a platform for their local communities to be engaged in European issues and understand the changes in Europe.
The core objectives of the EU Centres are to encourage the study and research of the EU. The Centres stimulate development of European Studies across a broad range of fields, including:

- the role of the European Union as a major economic and trade partner
- the European Union as a political actor and its international relationships, in particular in the Asia-Pacific region
- the integration process of the European Union (e.g., single market, monetary union, economic and social cohesion)
- the policies of the European Union (e.g., single market, competition, environment, climate change, energy and transport, security, education and science, and their relevance for Australian/New Zealand partners.

The purpose is not only to develop courses for specialists of the European Union who will work in the field of government and international relations, but also to provide relevant courses useful for students/scholars/researchers in different fields (e.g., law, political science, economics, business administration, science and technology).

Community events on European issues

The Centres must also reach out beyond the academic world into their local communities. In Australia, where so much of the population has a European background, many people are interested in what is happening “back there”. The Centres try to provide a platform for these communities to understand the changes in Europe.

The types of activities can be very different. For instance, the ANU Centre hosted the highly successful series of “Conversations” which was broadcast on ABC National Radio but it also took part in the “Europe Street” event which brought all the EU Member States together as part of Canberra’s National Multicultural Festival.
The three Centres collaborate on a summer school for secondary school teachers, engaging them in issues that have as much relevance for Australia as they do for Europe – asylum policy, migration, rural development and so on.

Other Centres around the world hold art exhibitions, Parliamentary simulations, travel tours and other events designed to showcase Europe and the EU to suit everyone’s taste.

**Partnering for an extra dimension**

The Centres are generally funded for three to four years at which time a new call for proposals is issued and other institutions are encouraged to apply. The host institutions are encouraged to also look at other partners to help them carry out their objectives. Groups such as think tanks, community groups and chambers of commerce can all be partners and add an extra dimension to the implementation of the Centres’ objectives.

The next call for Australia and New Zealand will be published in September 2013.

The primary objective of creating the EU project was to end the frequent, terrible wars between European neighbours, which culminated in World War II. The EU has achieved this aim but now there are other objectives – primarily to ensure continued economic prosperity for all of Europe’s citizens, as well as helping developing countries. Like the EU project itself, the work of the Europe Centres is an ongoing project around the world. There will always be new objectives and new generations to reach out to and encourage their understanding of the European dream.

The EU Centres promote greater understanding of the EU and stronger relations between the EU and Australia through their teaching, research and outreach activities.
Over the past 50 years, cultural relations between the EU and Australia have been transformed. In part, this reflects the continuing migration of Europeans to Australia (especially from eastern Europe and the Balkans), complementing the earlier waves of southern European immigrants. However, it also reflects the evolution of diplomatic relations between the EU and Australia, and Australia and various Member States. Some European communities have been in Australia for many years, yet they still have close connections with family and business partners in their home countries. These communities support film festivals, concert tours, language programs and musical events.

‘All of this points to a widespread and deep conviction that in Europe, the arts matter, that culture is worth fighting for, and that education is what a democracy should do.’

Lyn Gallacher, EU-QANTAS Journalist Award, 2010
EU Member States regularly hold cultural events across Australia. Some of these have become an important part of the Australian cultural landscape.
However, culture is much more than artistic expression. At its heart are questions of identity, meaning and language. The cultural ties between Europe and Australia take on a much deeper and significant character when considered from this perspective. Over 70% of Australians can trace their roots to Europe, and even now, the number of Europeans visiting Australia each year (1.3 million), and Australians visiting Europe (1 million), is very important in sustaining cultural ties. For many Australians, these ties are most public through food: not only the number and diversity of Italian, Greek, Spanish restaurants (and of course, French), but also in the transition that has occurred in home cooking. However, the implications of the cultural ties go much further than this, not least through ties of language, values and family histories.

Despite the growing connections between Australia and Asia, this pattern is likely to continue as the European Union and its Member States recognise the importance of culture. All invest considerable resources in supporting cultural activities for their own citizens, and some do so globally, particularly in relation to language studies as well as cultural events.

‘For Europe, culture is not an optional extra...it is an ongoing fire in the belly.’

Lyn Gallacher, EU-QANTAS Journalist Award, 2010

European cultural events in Australia

EU Member States regularly hold cultural events across Australia. Some of these have become an important part of the Australian cultural landscape. Some examples of recent events offered by the Member States include the following.

AUSTRIAN EMBASSY
The Austrian Embassy proudly presented an Australian Premiere of Karl Markovics masterpiece Atmen (Breathing) in the World Dramatic Competition at the inaugural Cockatoo Island Film Festival in October 2012. The film was awarded the Jury Prize for Artistic Vision.

BELGIUM
On 21 November 2012, the Belgian Embassy hosted a classical piano concert for 200 guests in Sydney Opera House in honour of HRH Prince Philippe of Belgium, who was heading a large trade delegation. Harpsichordist Jos Van Immerseel, a Belgian born in Antwerp, played on a (remake) instrument from the time of the composers.

BRITISH HIGH COMMISSION
The British High Commission organised a Francis Bacon event as part of the GREAT campaign on 29 November 2012. A coffee tour started at the Restaurant of the Art Gallery of NSW, and was followed by a guided tour of the exhibition. Francis Bacon: Five Decades.

EMBASSY OF THE REPUBLIC OF CROATIA
On 5 December 2012, Domovina, a concert inspired by Croatian folklore, was held at the ANU School of Music. Realised in partnership with the Embassy of the Republic of Croatia in Canberra and the Centenary, this gala concert combined music with poetry and song, and embraced the traditional Croatian cultural practice with western art music.
Europe’s commitment to culture

The strength of this commitment can be seen through the words of Lyn Gallacher, winner of the EU–Qantas Journalist of the Year award in 2010. The EU-Qantas Journalist Award began in 1992 and is conducted by the Delegation of the European Union in conjunction with the National Press Club. Dr Gallacher, a features producer on ABC Radio National, was concerned about the fate of culture in the aftermath of the global financial crisis. In spite of her gloomy expectations, on her European journey, she saw:

‘...Creativity and culture creeping further and further up the EU Agenda, to the point where creative industries, arts, education and culture were being touted as a survival tactic. It was put to me like this by the Deputy Mayor of Paris, Christophe Girard: Culture is expensive, but ignorance is more expensive. You start with education and culture then maybe you have a good economy, NOT the other way around. Interesting. Not the kind of the thinking that fuels the Australian economy and our mining boom.

‘Of course there have been cuts, known in current parlance as ‘austerity measures’ that, like everything else, have left the cultural sector reeling. All this most people know about from reading news reports, but what I learnt from being there was that there is more to the story, and that the slash and burn mentality is not as universal as you might expect. If you take the time to dig a little deeper, you find that in spite of the fiscal crisis, or perhaps even because of it, a transition is happening. Meaning that many of the more agile-minded individuals, policy-makers and creative thinkers are using the global economic crisis as an opportunity to further the cause of culture, rather than embark on more cuts. >
CYPRUS HIGH COMMISSION
To highlight the Cyprus Presidency of the Council of the European Union, the Nicholson Museum at the University of Sydney and the High Commission of the Republic of Cyprus collaborated in the opening of an exhibition of Cypriot Antiquities titled Aphrodite’s island: Australian archaeologists in Cyprus on 29 November 2012. This exhibition was preceded by an extraordinary exhibition, Ceramic art of ancient Cyprus, in collaboration with the Ian Potter Museum of Art of the University of Melbourne, which ended on 7 October 2012.

CONSULATE OF THE CZECH REPUBLIC
One of the key Czech cultural events of 2012 was the performance of the Czech Philharmonic Orchestra on the occasion of the re-opening of a premier concert hall in Melbourne. It was a rare opportunity to hear one of the great orchestras of the world in two exclusive concerts at the Art Centre in Melbourne, on 26 and 27 August 2012.

EMBASSY OF FINLAND
On 19 October 2012 the Embassy of Finland hosted the National Youth Opera Concert at the function room of the Embassy of Finland.

EMBASSY OF FRANCE
The biggest event of the Embassy of France is organised in collaboration with the Alliance Française network - the annual Alliance Française French Film Festival held in March and April each year. It is the most important French film festival outside of France with more than 120,000 people attending. It starts in Sydney and then continues to the five other capital cities.

‘The really heartening aspect to all this, and the thing that impressed me more than anything else, is that the people care. In Britain, I heard talk-back callers telling the Arts Minister on live radio that they would rather have the money to go to a music concert than to fix up the bathroom tap. The Paris Opera Ballet put its ticket price up 10%, and much to its surprise, audience numbers also went up 10%. While I was there, crowds filled the streets in Rome protesting about cuts to the Italian opera. Students were at the barricades in London to protect their universities, and in Germany there was a furore surrounding changes to Stuttgart’s historic railway station. All of this points to a widespread and deep conviction that in Europe, the arts matter, that culture is worth fighting for, and that education is what a democracy should do.

‘So the story I saw unfolding was about more than money. Sure, that was part of the equation, but it was not the whole equation and it was certainly not the most interesting part. My feeling was that, for Europe, culture is not an optional extra. It is not something you can get back to after the economy has been fixed. It is an ongoing fire in the belly.’

Continuing cultural linkages
Similarly, the winner of the German award for an Australian journalist in 2012, Michael Shirrefs, was struck by both the strength of the continuing cultural linkages between Australia and Europe, and by the commitment of the EU and its Member States to supporting cultural activity. Mr Shirrefs, the presenter of ABC Radio National’s weekly arts feature program, Creative Instinct, gained insights through his visit to German cultural institutions. He says:

‘Despite the current fixation that both Australia and Europe have with the vast economies of China, India and Korea, they still have more in common with each other. This conversation is still rich and relevant and must not be allowed to falter.'
‘It highlights the value and necessity of keeping cultural and economic conversations in constant sync with each other.’

Michael Shirrefs, Winner, German Award for an Australian Journalist, 2012

**EMBASSY OF GERMANY**

Handwritten: Ten centuries of manuscript treasures from Staatsbibliothek zu Berlin was on display at the National Library of Australia from November 2011 to March 2012. It presented about 100 significant manuscripts from Germany’s largest library, covering a millennium of European history of ideas. The exhibition set a strong focus of German representatives of music, philosophy, art and science.

**EMBASSY OF HUNGARY**

In October 2006, Hungarians came together to commemorate the 50th Anniversary of the 1956 Hungarian Revolution across Australia, from the NSW Parliament to Federation Square. Hungarians remembered the 13 heroic days of struggle against Soviet domination, they mourned those who gave their lives in the Revolution and gave tribute to those surviving freedom fighters that fled Hungary after hundreds of Soviet tanks crushed the uprising.

**MALTA HIGH COMMISSION**

In April 2012, the Malta High Commission celebrated the 70th Anniversary of the Award of the George Cross to Malta, in recognition of the Island’s heroic bravery during World War II. Activities included presentations, an exhibition and commemorations at the George Cross Monument and at the Shelter of Peace, Shrine of Remembrance in Melbourne.

**EMBASSY OF THE NETHERLANDS**

A key cultural event, Rubber Duck by Dutch artist Florentijn Hofman, was held at Darling Harbour during the Sydney Festival 2013. Rubber Duck was one of the biggest attractions of the festival. The exhibition was combined with the screening of Dutch Profiles, a series of documentaries about Dutch design, fashion and architecture at the Powerhouse Museum.

**EMBASSY OF PORTUGAL**

The Embassy of Portugal has hosted concerts performed by the popular fado singer, Mariza, at the Sydney Opera House, which were big sell-out successes in 2006, 2007 and 2009.
On 10 December 2012, at the Anniversary of the Universal Declaration of Human Rights, the Embassy of Romania with the support of the Kingston for Human Rights Association in Melbourne organised Say NO to Violence – a complex event reflecting the European approach of the theme in the general context of the Universal Declaration of Human Rights. Several activities, including two exhibitions were held at Kingston Arts Centre and City Hall.

The Slovak National Folklore Ballet Lúcnica, famous for its many successful international tours and known as “The Rolling Stones of Folklore”, proudly presented its premiere Beautiful and Young - Australia Tour 2010 in October and November that year. Lúcnica, inspired by national traditions, is a creation of mastery and fantasy combined with a unique dance and music show based on Slovak folklore which has triumphed around the world for more than 60 years.

‘The problem for Australia is that it often lazily dismisses Europe as old, fixed, related to our past, not our future. There are some of us, working in various Australian media outlets, who still see the evolving European project as crucial to an understanding of ourselves and a reading of the future. My experience during my recent journeys through Europe has been of an urgent openness to the conversations and an easy sharing of wisdom. It highlights the value and necessity of keeping cultural and economic conversations in constant sync with each other.

‘The skill of a country like Germany for example, in maintaining strong resourcing to its global cultural presence in direct parallel to its economic, trade and political interests across the world, is at odds with the cultural retreat of most countries in times of stress. What it demonstrates most is that, from both sides of the world, the need is for strong bridges on which to share the burden of an increasingly uncertain and mutually consequential future.’

The Embassy of Spain
Foodjects: Design and the new cuisine in Spain was held at the Craft ACT: Craft and Design Centre, in July 2012. The Foodjects exhibition highlighted the Spanish New Cuisine that has become a concept that goes far beyond the culinary dominion. This has incited a group of designers to bring their art into a fusion which has given birth to amazing new products.

The Embassy of Sweden
In 2012, the Embassy of Sweden celebrated the Centenary of Swedish author and playwright August Strindberg (1849–1912). Strindberg was a trailblazer in his time and his work still provokes audiences in theatres around the world. The Embassy of Sweden participated as a cultural partner in the production of one of his most famous plays, Miss Julie at the Darlinghurst Theatre in Sydney from 12 October to 11 November 2012.

From left to right: Palau de Les Arts, Valencia, Spain; Venetian masks; Le Louvre, Paris, France.
Throughout 2012, a series of public Conversations were held each month between EU Ambassadors accredited to Australia and Australian representatives drawn from current and former ministers, diplomats, officials and academics. The Conversations were held at the Europe Centres – nine were held at the Australian National University Centre for European Studies in Canberra and one each at RMIT University and Monash University, in Melbourne. They set out to ascertain why 28 Member States were attracted to founding and joining the EU at different times in history. The Conversations discussed what benefits were derived from EU membership and how their membership had affected their relationship with Australia.

Each Conversation was adroitly moderated into a one-hour timeframe by alternating journalists. The journalists were: Paul Barclay, whose Radio National program Big Ideas was broadcasting most of the series; Sky News’ Kieran Gilbert with the A-PAC channel televising the series; and Network Ten’s Paul Bongiorno, a self-confessed Europhile.

This article provides a snapshot of the series, through the main guiding questions. The audio of the full series can be found on the EU Delegation’s website, http://eeas.europa.eu/delegations/australia >

The EU Ambassadors from the original six founding member countries explained that the European Union was born out of war, out of the ravages and destruction of both World War I and II, and the myriad of European wars before that.
The creation of the EU

Why was the EU created? What attracted so many countries to EU membership?

The EU Ambassadors from the original six founding member countries explained that the European Union was born out of war, out of the ravages and destruction of both World War I and II, and the myriad of European wars before that.

His Excellency Mr David Daly, EU Ambassador to Australia, described how the Founding Fathers of the EU sought in the late 1940s to ‘construct a different sort of Europe, one that was more integrated, more interdependent and one where the prospect of war between very recent enemies became unthinkable. By this very high standard, I think that some 60 years later, we have to say Europe has been a tremendous success’.

Ambassador Daly continued, ‘The economic part of Europe is often misunderstood as simply an economic union of some sort…but the origin is a very political idea, a political idea to break out of the cycle of war.’

A personal anecdote by His Excellency Mr Christoph Mueller, German Ambassador, captures the antagonistic feelings that existed between some European countries pre-EU and how drastically this had changed. His father was a schoolboy at the beginning of World War I and he was bitterly disappointed that he was too young to join in the war against France – ‘the arch enemy, Germany’s hereditary enemy’. That contrasts starkly today, with Ambassador Mueller reflecting on how vastly different the mood is within his own family – his two daughters having studied in different European countries, having very close friends from different nations, and having no frontiers to cross. ‘When you look at how much has been achieved since our beginnings of the European Steel and Coal Community in 1950, it’s just incredible what has changed,’ he said.

His Excellency Mr Stéphane Romatet, Ambassador of France, readily agreed. ‘For us Europeans, Europe is a dream. Europe is a quest. We have been dreaming about uniting the countries of Europe for centuries…and this
dream has just one objective: to make war between France and Germany – two hereditary enemies – impossible. With three wars in the last century, enough is enough.’

Associate Professor Don Kenyon, former Australian Ambassador to the EU (1997–2000) emphasised how the EU had chosen an economic path to deliver much more sensitive political objectives which proved too difficult to achieve on their own. ‘Even though the focus of European integration to this point has been on economic aspects, everything the EU has done – such as the customs union, the single market, and the euro – has been done with a political purpose, for political reasons,’ he said.

A founding member of the original six countries, His Excellency Mr Patrick Renault, Belgian Ambassador to Australia, recalled that the part of Europe now called Belgium had virtually been at war for over 2000 years, going back to the times of the Romans and later, when the Gauls and Germanic tribes roamed the land. This explains why the country is, still today, divided into French and Dutch/German language speakers with the political, religious and cultural differences that this implies. ‘This remarkable history, with parts of the population partly belonging to the Germanic world and partly to the Latin world, still confronts Belgium today but that has also been a big advantage for us,’ said Ambassador Renault.

His Excellency Mr Gian Ludovico de Martino di Montegiordano, Italian Ambassador to Australia, emphasised Italy’s involvement in Europe: ‘We are one of the founding members of the European Union. In June 1955, Italy hosted a conference in Messina which laid the foundations for the Treaty of Rome when the founding six members decided to pursue the path of economic integration as a means to achieve political union. The original treaties establishing the EEC and the European Atomic Energy Community (EURATOM) are kept at the Italian Ministry of Foreign Affairs in Rome,’ he said. >
“Belonging to the EU means sharing a common identity, symbolised by the reality of “European citizenship”, which has its roots in a common history and experience, and through its relationship with the rest of the world in a spirit of openness and understanding, yet guided by essential principles such as respect for diversity and human rights, the protection of political, civil and social rights, the promotion of peace and security between the nations, the constant search for dialogue and multilateralism and sustainable development,” the Ambassador continued.

“Italy remains a proactive partner of the European Union, playing a main role in strategic choices and in operational decisions, contributing to shape its policies. In recent months, Italy has made a point of advocating the need to combine budgetary discipline with a more decisive action for economic growth.”

The EU’s success in achieving peace in Europe was highlighted by His Excellency Mr Willem Andreae, Ambassador of the Netherlands to Australia in 2012. He recalled that when Europeans celebrated the 50th anniversary of the Treaty of Rome in 2007, it marked the longest period in European history where there had been no wars between the member countries. “There has been a lot of criticism of the EU of late, but it has achieved a lot – let’s not forget that,” stressed Ambassador Andreae.

**Belonging to the economic community**

By the time of the first enlargement of the EU in 1973, when Denmark, Ireland, and the United Kingdom joined the EU, the notion of peace, though still at the core of the EU, started to wane in profile. Political reasons, the importance of the economy, and of belonging to the ‘economic community’ were powerful driving factors for accession, given the relatively unrivalled success and performance of the six original countries.
‘Denmark is a small country, with a population of just over five million. Being a member of the EU makes us part of a major global actor, which is fantastic. The things we can do and are doing as a group, in areas such as climate change, food security and the environment in general, have a much larger impact than we could have achieved individually.’

Her Excellency Ms Susanne Shine, Denmark’s Ambassador to Australia in 2012

His Excellency Mr Noel White, Ireland’s Ambassador to Australia, pointed out that back in the 1960s when Ireland first put forward its candidature to become a member of the EEC, ‘we were a small country, isolated in many ways, politically and economically. Our economy was almost entirely dependent on agriculture, protected, and dependent on the vagaries of the UK market. A strong view developed that we needed to open up our country, economically, socially and politically. Membership of the then EEC, combined with our own efforts to bring about change, offered a way to achieve that objective,’ he said. ‘Forty years on, we have lived through enormous development and change. Quite simply, our country has been transformed.’

Her Excellency Ms Susanne Shine, the then Danish Ambassador, also spoke of the advantages of belonging to the EU. ‘You have to remember that Denmark is a small country, two-thirds the size of Tasmania, with a population of just over five million. Being a member of the EU makes us part of a major global actor, which is fantastic,’ she said. ‘The things we can do and are doing as a group, in areas such as climate change, food security and the environment in general, have a much larger impact than we could have achieved individually.’

In 1981, Greece joined the EU and was closely followed by Spain and Portugal in 1986. In all three cases, political and economic objectives were paramount.

Greece had first envisaged membership of the EU as early as 1961 when it signed an Association Agreement but the process towards membership was interrupted by the military dictatorship years of 1967–1974, explained His Excellency Mr Haris Dafaranos, Greek Ambassador to Australia.

Once the country returned to democracy in 1974, accession negotiations were quickly accelerated allowing Greece to join formally in 1981. Ambassador Dafaranos said, ‘the restoration of democracy in Greece enabled us to become a member of the European family. After all, through the ages, we have been a constituent pillar of European civilisation. In the years after accession, Greece has received assistance in the order of 3% of her GDP.

His Excellency Mr Rui Quartin-Santos, Portugal’s Ambassador to Australia in 2012, said, ‘Portugal joined the EU for two main reasons: the first was to consolidate democracy given its colonial history, political revolution and challenges with democratic stability in the past; the second reason was certainly economic – to develop economically by becoming more open to trade and investment, to build infrastructure projects to enable the country to catch up to European standards and improve the living standards of its citizens.’

The negotiations for Spain’s membership took seven years due to the complexity and diversity of the Spanish economy, according to His Excellency Mr Enrique Viguera, Spain’s Ambassador to Australia. ‘But thanks to this long negotiating process, Spain turned from a protectionist, inward-looking self-sufficient economy into a free trade, outward-looking competitive one in a relatively short period of time. Despite some initial adverse social consequences – high structural unemployment rates mainly because of industrial restructuring and a wide transformation in rural areas – the Spanish economy was able to become the 10th largest world economy in only 25 years. I have to add that, in this process, Spain had also received a significant financial assistance from all EU funds,’ Ambassador Viguera said. >
By 1995, the desire for accession was still strong, with the accession of two Nordic countries Finland and Sweden, as well as the central European country of Austria. The objectives were still political and economic, if different in nature. Pivotal was the fall of the Berlin Wall and the end of the Cold War enabling ‘neutral’ countries like Austria and Finland to seek membership.

His Excellency Dr Helmut Böck, Austria’s Ambassador to Australia said, ‘After the fall of the Berlin Wall, the perception of Austria as a “buffer zone” between the East and West changed and thus membership of the EU was no longer seen as a contradiction to Austria’s neutrality.’ With this political hurdle cleared and Austria already participating in the European Economic Area through its membership of the European Free Trade Association, which allowed EFTA countries to participate in the EU’s single market, ‘it was a natural and logical step to take to join the EU formally and thus regain Austria’s place at the heart of Europe,’ explained Ambassador Böck. Over 66% of Austrian citizens voted in favour of accession at the referendum.

With the question of neutrality no longer in play, it also made good sense for Sweden and Finland – another two countries with export dependent economies – to join the EU.

‘The Swedish economy is very much dependent on the outside world with 55% of our economy comprised of exports, and mainly to Europe,’ said His Excellency Mr Sven-Olof Petersson, Sweden’s Ambassador to Australia. ‘With regulatory decisions being decided more and more in Brussels, it was important for Sweden to have a seat at the table.’

Her Excellency Ms Maija Lähteenmäki, Finland’s Ambassador to Australia in 2012 said, ‘It makes good sense for Finland to be part of the EU. Finland’s economy is very export driven with some 40% of our GDP coming from exports – and EU member states take 60% of those exports. And there are good political reasons to be a member of the EU, as Finland gets to sit in various forums where, on her own, she might not.’
The fifth wave of enlargement
2004, 2007

‘Foremost in the mind of the generation of politicians that led the UK to accession was the peace and stability that the EU had achieved. This was something that everyone in the UK would certainly endorse as a key element of the European Union, alongside the benefits of the single market,’ said His Excellency Mr Paul Madden, British High Commissioner. ‘More recently, the wave of enlargements – particularly to the Eastern European countries which helped embed in those countries democracy, free markets as they emerged from the shadows of communism – are also a huge success of the EU.’

These sentiments expressed by High Commissioner Madden were very much in the minds of the Ambassadors from the fifth wave of EU enlargement. Twelve nations from Central and Eastern European countries, which were formerly behind the Iron Curtain, along with the two Mediterranean countries of Cyprus and Malta, joined the EU in 2004 and 2007.

Professor Ian McAllister, Distinguished Professor of Political Science at the Australian National University, neatly encapsulated the incentives for these countries to join the EU when asked whether certain benchmarks for freedom and democracy had been met through accession.

‘They have been met, but they’ve been met at different levels and at different times,’ Professor McAllister said. ‘It’s probably worth remembering that the initial experiment with democratisation in the EU was Spain and Portugal in the 1970s, so that effectively established the model for the enlargement to the various post-communist states. The EU was quite enlightened by setting up a set of criteria in 1993 with the Copenhagen agreement. Of course, in each of these countries there was a real incentive for the political elite to engage with the EU and to join at the earliest possible opportunity. It’s also important to remember that the transition to a market economy in these countries was very fraught – so the EU was really important in terms of smoothing over the transition, by mentoring, by encouraging foreign investment and other things. So, the political elites in these countries had a real incentive to join the EU, and there was quite a disincentive for them not to.’
His Excellency Mr Andrej Jaroszynski, Poland’s Ambassador to Australia in 2012, noted that ‘while the suffering endured under a totalitarian system cannot be erased from memory, Poland’s accession first to NATO provided the country with external security, and then the EU, allowed Poland to modernise the country in all its spheres – social, economic and most importantly, political. While a lot of work remains to be done, the benefits derived from the EU’s single market, access to funding and better, broader education means Poland can now have better access to expertise, innovation and capitalise on the benefits from fair competition.’

There are external benefits as well brought on by a matter of association and visibility. ‘For decades, countries such as Poland, Hungary and Slovakia were perceived as members of the fading socialist bloc,’ Ambassador Jaroszynski added. ‘As a member of the EU, all that has changed, and with these countries now being open, tourists from all over the world can visit. We also have better access to markets – for instance Poland’s trade volume with Australia has doubled since our accession in 2004.’

‘Coming home’ to Europe from the Soviet bloc

His Excellency Dr Hynek Kmoniček, Czech Ambassador to Australia, said that for Czechs joining the EU, it was a mental homecoming. ‘We were part of the West all the time, our culture is Western, our thinking is Western, our institutions were Western, but in 1948 we suddenly got a communist regime with Russian tanks out on streets’. Joining the EU was not only for economic reasons but they wanted to be part of the European project which they believed had the right future. ‘It was never primarily economic for us,’ said Dr Kmoniček. ‘The EU was not only home, it was the civilisation project of the future. We didn’t want to be out of this project.’

Similar sentiments were expressed by His Excellency Dr Mihai-Stephan Stuparu, Romania’s Ambassador to Australia. ‘Romania was always in Europe and, after the fall of communism in 1989, it was a natural thing to do to regain one’s place in Europe,’ Dr Stuparu said. ‘Moreover,
the benefits which are offered by the EU as a community, not only on the economic side, but also socially, politically, as a representation worldwide, are extremely important and should be valued as such by the Member States."

Her Excellency Ms Anna Mario Siko, Hungary’s Ambassador to Australia, compared joining the EU as becoming a member of a club. ‘We think it is a process, that all of us are Europeans and that we should come together. We have fought long and hard enough for hundreds and hundreds of years on various issues. And being European now with a code of conduct, it is like a club, you have to accept the rules. The members have to vote for you to be part of it. Membership has created a lot of opportunities for all these countries, Hungary included. This is like being members of a club, people then know what to expect of you. They know that you behave in a legal, transparent, and recognised way and in this way you can take advantage of the benefits of membership,’ Ambassador Siko said.

‘For decades, countries such as Poland, Hungary and Slovakia were perceived as members of the fading socialist bloc. As a member of the EU, all that has changed…We also have better access to markets – for instance Poland’s trade volume with Australia has doubled since our accession in 2004.’

His Excellency Mr Andrej Jaroszynski, Poland’s Ambassador to Australia in 2012
Slovakia’s path to the EU was similar to other new democracies that emerged after the fall of the Berlin Wall. Slovakia’s priority, after becoming an independent country in 1993, was to become a member of the EU. The negotiations for Slovakia’s membership took less than three years – the shortest term of negotiations ever. Her Excellency Ms Eva Ponomarenkova, Slovakia’s Ambassador to Australia, remarked that ‘with our capital Bratislava being only some 60 kilometres from Vienna, Slovakia is really at the heart of Europe. There was never any question that we would not become part of the EU and restore our democratic institutions’.

His Excellency Mr Krassimir Stefanov, Bulgaria’s Ambassador to Australia, said that while there were a number of factors for his country’s push to EU membership, the most decisive one was ‘the feeling of belonging’. Bulgaria’s European credentials are without question. In fact, Bulgaria is one of the oldest European countries, dating back some 1300 years under its name. As with the other countries, the disintegration of the Soviet bloc allowed Bulgarians to choose their destiny, and there was no hesitation, with 82% voting in favour of the EU. ‘The feeling of belonging and the attractiveness of the European project offering a lot of advantages, a lot more opportunities for our people, a guarantee for security and the irreversibility of the process was a driving force of our membership to the European Union,’ emphasised Ambassador Stefanov.

EU Ambassador David Daly noted that ‘the EU’s successive enlargements from six to 27, but particularly from 15 to 27, was very much an expression of the importance of peace, stability, as well as prosperity in Europe’.
Celebrating 50 years: EU–Australia

Membership of Croatia in the EU means endorsement of peace, prosperity and stability in the once troubled region of South Eastern Europe.

His Excellency Mr Vicencije Biuk, Croatia’s Ambassador to Australia

A political vision for the future

Slovenia was not part of the Soviet bloc. It declared itself an independent state in 1991 following the disintegration of Yugoslavia. His Excellency Dr Milan Balažic, Slovenian Ambassador to Australia, said joining the EU was a ‘natural decision, the same values, politics, economy, security, and it is also some kind of common house, like family with agreements and disagreements. You’re married for the good and the bad, but we are all equal in this partnership’.

For the Mediterranean islands of Cyprus and Malta, the path to the EU was slightly different. Both countries have strong historical European links and had concluded Association Agreements with the EU, which came into force in 1973 and 1966 respectively. But for differing reasons, negotiations for full membership did not start until 1990s, eventually joining the EU in the enlargement of 2004.

His Excellency Mr Yannis Iacovou, Cyprus High Commissioner to Australia, said, ‘Cyprus is part of Europe historically and culturally. We are very happy to contribute towards this European structure. Cyprus will continue to play its positive role in cooperation with her partners towards European integration’.

His Excellency Mr Francis Tabone, Malta’s High Commissioner to Australia, said, ‘being a member of the EU is a political vision. It is a place where Malta naturally belongs given our history and our links with Europe. Now we sit at the table with our European colleagues participating in the decision-making process which is basically determining our future’.

The last nine years have changed Malta dramatically and positively. In times of economical and financial turbulence, it is easy to focus on the difficulties and underestimate the benefits that EU membership has brought with it. ‘Joining the world’s largest internal market upon accession and then adopting the euro in 2008, boosted the image of Malta as a sound and attractive destination for foreign investment and similarly opened up trade and investment opportunities for Maltese entrepreneurs,’ High Commissioner Tabone said.

2013: Membership of Croatia

The newest Member State, Croatia, joined the EU in July 2013. His Excellency Mr Vicencije Biuk, Croatia’s Ambassador to Australia, said it is an opportunity ‘to attain further enhancements of a country’s democratic rule, legal system and economic structure through harmonised laws, common policies and the four freedoms of the EU single market.

‘Membership of Croatia in the EU means endorsement of peace, prosperity and stability in the once troubled region of South Eastern Europe. In this respect, we are happy to be able to provide assistance to our neighbours in their endeavours on the way to the EU membership. Cooperation and interdependence within the EU framework means that any new war in Europe is unthinkable.

‘Another important reason why smaller countries like Croatia need the European Union is a possibility for us to be one European voice in today’s globalised world. Competition with the rising powers like China and India is possible only if we act together as one strong EU identity, one voice of 500 million people,’ Ambassador Biuk said. •
In the 2012 public Conversations series between Ambassadors of the EU Member States and Australian politicians, diplomats and officials, a wide range of issues were discussed. This article provides a short overview of the discussion of the financial debt crisis, EU foreign policy and relations with Australia.
As covered in the previous article, the Conversations series began with an explanation of why countries joined the EU. They then flowed into discussion on the challenges being faced by individual Member States and by the EU as a whole. This inevitably led to considerable debate on the sovereign debt crisis, as well as many other issues. The Conversations were frank and fearless and many topics were broached.

Resilience in the financial debt crisis

Over the past two or three years, tensions between Member States and recriminations over measures to control the financial debt crisis have led many commentators to predict the collapse of the euro, and, indeed, the very demise of the European Union. But throughout the Conversations series in 2012, the EU Ambassadors and a good majority of the Australian representatives showed greater faith and argued that both the euro and the EU would emerge stronger from the crisis.

EU Ambassador David Daly stressed that it was perfectly normal to have tensions and differences of opinion within fundamentally a democratic club. Ambassador Daly pointed out that the story of Europe has always been a story of countries coming together to face up to enormous crises. World War II is the primary example but there were other crises as well. He recalled the constitutional crisis of the 1960s (the so-called ‘empty chair crisis’), and the ‘euro-sclerosis’ of the 1980s, among others.

‘These crises have brought us forward because European leaders and governments and peoples have seen that the answer to overcoming the crises tends to involve a large amount of more Europe as part of the solution, rather than less,’ Ambassador Daly said. He pointed to the development of the single market as the answer to the euro-sclerosis of the 1980s, and to the emergence of a more pronounced common foreign and security policy in answer to Europe’s apparent paralysis during the Balkan wars, as striking examples. ‘With regard to the financial crisis, you can see a much stronger economic and monetary policy coordination and a much stronger system of the common currency… While these measures are ongoing and difficult, do not conclude from that, that we are unable to handle it, because one thing the EU has shown, is that it is extremely resilient, economically and politically,’ concluded Ambassador Daly.

The call for greater European integration was echoed by both French Ambassador Romatet and German Ambassador Mueller. ‘The way forward for Europe to face its challenges of promoting peace and development, global warming and global threats, and to continue its role in this new world is to be more integrated and to be more united,’ stressed Ambassador Romatet.

Ambassador Mueller proffered ‘…these problems have to be solved by all or not at all. We have no choice but to pool our resources, and to do that effectively, we have to continue on the road of sharing more and more sovereignty, and the biggest chunk of sovereignty shared by the eurozone countries is the chunk related to monetary interdependence’.

However, Dr Ben Wellings, then Convenor of European Studies at ANU, was not so sure. He acknowledged that more integration was supported in some parts of the EU, but not all Member States were of the same frame of mind – pointing to the UK (its planned referendum on Europe a point in question) and Ireland (its tendency to vote ‘no’ on important EU referenda) as prime examples. In this regard, Dr Wellings pointed to the communication problem faced by the proponents of a ‘greater Europe’. New political parties have emerged and they communicate their populist messages to create mass support at the grass-roots level. They find it very easy to blame Brussels for just about everything. But, argued Dr Wellings, the EU per se has no political base from which to draw its grass-root levels of support. Nevertheless, Dr Wellings was convinced that the EU had the ‘profound political will’ – if not the economic means at this stage – to pull through the financial crisis and keep the eurozone intact.

Dr Wellings warned that Europe’s further integration also created new divisions. ‘Of course, there aren’t the intra-European wars of the 19th century or the first half of the 20th century but there are certainly new fault lines, (for example eurozone countries facing default) that are opening up as their process of integration deepens. That’s going to be interesting politically over the next decade or so,’ he said. >
Ambassadors Romatet and Mueller, however, were adamant that the answer to the financial crisis was a question of solidarity – not economics. Ambassador Romatet said, ‘the question of Greece and other states in critical financial situations is not an economic issue; it is a political one, a question of principle. This is a question of solidarity. If Greece were to leave the eurozone, I would regard that as a moral failure of Europe.’

German Ambassador Mueller concurred. Evoking the Schuman Declaration of May 1950 (Europe will not be made all at once, or according to a single plan. It will be built through concrete achievements which first create a solidarity by deeds), Ambassador Mueller added ‘but in any case, this is very much a hypothetical question because it would be mind-boggling to think of the impact on the banking system [if Greece were to opt out]...It would involve years of such hardship I cannot imagine’.

Swedish Ambassador Mr Sven-Olof Petersson was more specific. ‘The consequences [of Greece leaving the euro] would be very serious for Greece. Economists estimate Greece would have to devalue its national currency by 60% for a start, and then there is default, and galloping inflation. But this would be just the start of their problems,’ he said.

President of the Contemporary European Studies Association of Australia, Swinburne University’s Dr Bruno Mascitelli, could but agree saying, ‘even if Greece were to leave the euro, this would not end the problems, as it would be prone to speculation and many investment movements that would be very detrimental to Greece’.

Portugal’s Ambassador to Australia, Mr Rui Quartin-Santos, was also optimistic about the future of the euro. He urged doubters to think about the implications of Europe without the euro. ‘I cannot conceive what Europe would be like, how the world economy would be affected and global finances without Europe...the consequences would be devastating for all of us,’ he said.
By November 2012, the situation in Greece had become a lot clearer with the media speculation of doom and gloom looking far from coming to fruition. In June, the Greek people voted with their feet and opted to adhere to a financial bail out package and the austerity measures that this implied. Greece’s Ambassador to Australia, Mr Haris Dafaranos, acknowledged that, ‘the past three years of fiscal consolidation had been very difficult for Greece and for many other countries in the EU. But Greece responded with resilience and maturity with the support of the institutional partners, which endowed the country with a financial firewall, a recapitalisation of its banks as well as a provision for a European Growth Compact to help boost employment.’

EU Ambassador Daly reinforced the framework of solidarity in the EU, not only towards Greece but to Ireland, Portugal and other member states in need. Solidarity was one thing but the other side of the coin was greater responsibility for better economic governance to bring back competitiveness and growth. The reason why the EU shows this high degree of solidarity is that ‘we are all in this together, in the single market of 500 million people, where goods, capital, services and people flow freely’. And in this era of globalisation, Europe’s competitiveness remains the key if it is to meet the challenges of the dynamism of Asia and other parts of the world.

Slovenia’s Ambassador to Australia, Dr Milan Balažič thought the financial crisis was more symptomatic of a deeper issue, a broader problem, something he coined ‘liberalism capitalism with a human face’. He called for stronger, bolder action. ‘For me, today’s utopia is that everything will remain the same without serious reforms of structural malfunctions of the system, but we need new innovations… At the moment, there is a crisis of European identity, a lack of vision of what is Europe. We should make bold decisions about what kind of Europe we want and decide our future,’ Ambassador Balažič said.

Romania’s Ambassador to Australia, Dr Mihai-Stephan Stupuru was optimistic saying, ‘each evolution has its difficult moments, and I think, in spite of all the difficulties that the eurozone is going through, there are some very good and positive developments to discipline and strengthen the euro. I personally think the euro will emerge very strong from this,’ he said.
Ambassador Daly also highlighted the positive effects arising from the Compact for Growth and Jobs which was agreed last June where €120 billion of investment is being channelled towards the creation of jobs. This was also being accompanied by the freeing up of the labour market, making it more flexible, to help it function more effectively. This was just part of the whole range of structural economic reforms that are needed in many countries to help regain competitiveness. Ambassador Daly argued the results borne out in Ireland show that this is not an impossible task. ‘Investment in Ireland is up and so were Irish exports. The Irish case is demonstrating to everybody that these difficult challenges can be overcome,’ the Ambassador said.

Questioning the effectiveness of the EU’s foreign policy

When the Conversations turned to matters of foreign policy, former Australian Foreign Minister and now Chancellor of the Australian National University, Professor the Hon Gareth Evans was quite forthright in his views on Europe’s policy on the Middle East, and the Palestinian issue specifically. He took the European Ambassadors to task opining, ‘Europe’s Middle East policy, has been an area frankly of disappointment for most of the rest of the world for a long time now... This is one of the classic areas in which Europe has been seen as punching below its possible weight, not least because of the enormous financial resources you [the EU] had available to exercise leverage with, in terms of aid development policy, but none of that has really translated into very visible political influence’.

Ambassador Daly responded by saying it was far too early to judge Europe’s influence in this long-standing conflict. Europe’s position was well known and, while it is a strong supporter of Israel, it also supported having a two-state solution, and had been a significant supporter to Palestinians in terms of technical assistance and finances. Ambassador Daly noted that Europe was in the forefront of bringing Iran to the negotiating table on the nuclear issue, not with the use of force but through measures such as the oil embargo, even though this was difficult for energy hungry European states.
Although not entirely convinced Professor Evans conceded that the EU did have some ‘peace credentials’ saying, ‘I do actually think the EU deserved the Nobel Peace Prize, not for what it is actually doing now, which leaves a lot to be desired still, but for what it is. There is no question that the EU is by far the most successful conflict prevention enterprise the world has seen in the last half century just by its very existence. And we must never forget that. I also think that Europe, the EU, is trying fantastically hard to get its institutional structure right. It has been a really significant evolution: the common foreign service, the creation of a single spokesperson…I know from experience that this is very hard work given the intricacies of 27 different countries each with their set of aspirations…but I do want to congratulate the Europeans for what they have done so far.’

The Nobel Peace Prize, to which Professor Evans referred, is a timely reminder that the EU’s enlargement process from six to 28 – with yet more countries lining up to join – is a mark of the outstanding success of the EU’s foreign policy in finally bringing peace to a continent ravaged by war for much of its history.

Its ideals and standards, and its aid programs – providing close to 60% of the world’s development aid – serves to encourage countries throughout the world to aspire to peace and democracy as well as economic prosperity.

EU relations with Australia

European explorers from Portugal, Spain, the Netherlands, France and other countries have left some imprint on Australian soil. But the first European settlement came from Britain and Ireland. Following World War II, the wave of European migration to Australia was still largely British and Irish but it included Italians, Greeks, and a host of northern and eastern Europeans. The UK’s negotiations for accession to the EU led to the start of Australia’s formal diplomatic relations with the EU in 1962. This quickly accelerated in 1973 with the UK’s and Ireland’s accession to the EU and brought Australia into contact with a broader number of European countries. Of course, both Europe and Australia have changed since those times but the strong ties of kinship remain.
Mr Noel Campbell, Official Secretary and Chief of Staff at the Office of the Governor of NSW in 2012 and a former Australian Ambassador to Spain, recalled how relations between the two partners were fixated on agricultural policy, almost to the exclusion of all else. While some irritants still exist, ‘it is no longer an issue that holds hostage over the other elements of the relationship. The relationship has evolved from what it was 50 years ago in a very positive way,’ he said.

This was also the view of Mr Peter Doyle, from the Australian Department of Foreign Affairs and Trade. He argued that from the stresses caused by the UK’s accession to the EU and the associated loss of the Commonwealth preference, Australia is much more positively disposed towards the EU, focussing on what the two can do together, given that they were so likeminded on global issues. ‘Our relations went to new levels in the past few years with the visit to Australia of Commission President Jose Manuel Barroso, High Representative Catherine Ashton, as well as a number of other Commissioners,’ Mr Doyle said.

British High Commissioner Mr Paul Madden acknowledged the very long historical relationship with Australia. ‘I think that the relationship continues today to be a vital one and relevant one into the 21st century,’ he said. ‘We work incredibly closely together; Australia is one of our closest allies. We are militarily engaged together, exemplified by operations in Afghanistan. On the economic side, we are the second largest investor in Australia, and Australia is now a major investor in the UK, and there is an important trading relationship as well. And then at the people-to-people level, not least because of history, 1.5 million Australians have British passports, a million Australians visit Britain every year, and because of those people-to-people flows there is a huge cultural connection’.
‘In the 1990s, we also had the tragedy of the Balkan wars. One of the political reactions of the European Union was to get our act together much more seriously in the foreign policy area. Now that has gone ahead in leaps and bounds to make the Union today a very different Union from in the past.’

EU Ambassador, His Excellency Mr David Daly

Mr Richard Marles, Parliamentary Secretary for Foreign Affairs in 2012, reaffirmed the strength of the relationship. ‘While we focus a lot on the US and Asia today, when you actually look at the EU, it is Australia’s second largest trading partner, our largest investor, and the UK is the largest component of that,’ he said. ‘This remains a very important part of our future. We have very similar international reflexes; we are very strong allies; we are in the same places and engage on the same issues in the world and, by and large, we take the same positions and work very closely’.

‘We are currently negotiating a treaty level Framework Agreement. This was an initiative put forward by Prime Minister Julia Gillard during her visit to Brussels to take our relations beyond those trade frictions of the past,’ Mr Marles added.

But today, EU–Australia relations go well beyond the British and Irish connections. Italy’s Ambassador to Australia, Gian Ludovico de Martino di Montegiordano, said Australia and Italy have an excellent relationship. ‘Italy is actually the 12th largest exporter to Australia, and the third among European countries. Our trade has been growing steadily over the past few years. Italian companies have been awarded contracts in infrastructure, energy and resources projects worth over $11 billion. Our business community in Italy is very much aware of the opportunities in Australia, also as a platform for joint ventures with Australian companies looking also at the wider Asia-Pacific region. We share the same values, we face the same challenges, and we work closely together in international fora. The community we have of Italian background is also an asset in our relationship because, according to the last census, we have about one million people of Italian origin and these are well represented in politics, industry and business, and in the arts, in academia, in all ways of life,’ said the Italian Ambassador.

This linkage with Australia is also evident with other European partners, such as Greece, who have large ethnic communities in Australia. ‘Seven hundred thousand Australians of Hellenic origin are active in all walks of life. For instance, Greek merchant marine is a major carrier of Australian exports to the world,’ said Ambassador Dafaranos of Greece.

The development of bilateral relations

Ambassador Daly pointed to a series of developments that helped take EU–Australia relations beyond those tensions over agricultural trade. ‘In the 1990s there were a number of very important processes that really started to kick in,’ he said. ‘One was the start of a very serious rolling reform of the agricultural policy of the EU. Second was the negotiation of the Uruguay trade round which brought agriculture into the GATT. In the 1990s, we also had the tragedy of the Balkan wars. One of the political reactions of the European Union was to get our act together much more seriously in the foreign policy area. Now that has gone ahead in leaps and bounds to make the Union today a very different Union from in the past. As we progressively began to use some of these instruments, replacing NATO soldiers in Bosnia or in the Former Yugoslav Republic of Macedonia with European Union soldiers. This was something unprecedented but we were able to demonstrate that we are much more of a player than we used to be. But all of this is a process which includes breakthroughs in the scientific area or in research and development, in education, and so on – issues well beyond trade in agriculture.’
Mr Richard Marles pointed to development assistance as another good example. ‘We are close partners in relation to that and seeking to have arrangements where we have delegated cooperation. We provide the EU with money which they effectively spend in places like Africa where they have expertise, and the reverse happened in terms of EU money being provided to Australia, which we then work with in places like the Pacific. But this can only work because of the closeness of the relationship,’ Mr Marles said.

According to most of the participants in the Conversations series, prospects for the future of bilateral relations remained strong, irrespective of the financial setback in Europe and Australia’s push to engage more fully with Asia. Former Deputy Prime Minister and Minister for Trade, Mr Tim Fischer, argued that, ‘Australia should do everything with Asia that it should be doing, as is Europe doing...but that doesn’t mean that we shut down embassies and turn our back on Europe’. He pointed to business relationships growing between Australia and European countries – even smaller countries like Malta where an Australian firm was already building state-of-the-art ferries.

The EU: A global force and important to Australia

On the eve of the visit of European Commission President Jose Manuel Barroso to Australia in September 2011, the then Australian Ambassador to the EU, Brendan Nelson, wrote the following in The Australian newspaper. Much of this remains true today and reflects the views of the participants in the Conversations series.

‘The EU countries produce a quarter of the world’s economic output. They are Australia’s largest source of direct foreign investment and second-largest trading partner. The EU sits alongside Australia at the G20, is a member of the Quartet Middle East peace process, a major player at the World Trade Organisation and now has speaking rights at the UN. The EU also provides more than half of the world’s overseas development assistance.

‘Australia has invested heavily in a peaceful Europe – 70,000 Australian lie buried in Europe from two bloody wars. The EU’s origins are in avoidance of war, but its future and influence depend on how it adapts to a rapidly changing world.'
‘We [Australia] are engaging the EU more creatively, actively and broadly than we have done in the past.

‘Australia is working towards a Treaty Framework with the EU... [this] would position our relationship with the EU alongside that of other G20 countries. It will place architecture around our engagement, committing each party at a political and official level to dialogue and cooperation in foreign policy and security, trade and economy, overseas development assistance, environment and climate change, education, science, research and innovation. But in the end, it must be flexible and pragmatic in its execution.’

Within the Conversation series, there were differing views and nuances, but all would broadly agree with the proceeding words. The participants all generally agreed that the EU was a force for peace and democracy, stability. ‘Diverse but united, facing challenges; Europe remains a global force and important to Australia’: these words attempt to sum up the thrust of the Conversation series. Despite some current serious financial challenges, the participants believe the EU remains an important global economic player, an increasingly important actor in foreign policy, and a key partner for Australia.

Throughout the Conversations series in 2012, the EU Ambassadors and a good majority of the Australian representatives argued that both the euro and the EU would emerge stronger from the financial crisis.

The series of 11 public Conversations were held at the Europe Centres — the Australian National University, RMIT University and Monash University — throughout 2012 and broadcast on ABC radio. To hear the audio of the full series, go to the EU Delegation’s website, http://eeas.europa.eu/delegations/australia/
Enlarging the European Union

In 1951, six countries (France, Germany, Italy, Belgium, the Netherlands and Luxembourg) set up the European Coal and Steel Community, the foundation of the European Union. The first enlargement in 1973 saw the accession of Britain, Ireland and Denmark to the EEC, followed by Greece in 1981, and Spain and Portugal in 1986. Austria, Finland and Sweden joined the EU in 1995. From a membership of 15, the EU grew to 25 in 2004, with the accession of Slovenia, the Czech Republic, Hungary, Poland, Slovakia, Estonia, Latvia, Lithuania, Cyprus, and Malta. Three years later, in 2007, Bulgaria and Romania joined the EU, and 2013 saw the accession of Croatia, taking the number of Member States to 28. The enlargement of the EU will continue, with the possibility of the western Balkan countries, Iceland and Turkey. Potentially, EU membership could grow to 35 countries by the end of this decade.
The role of the EU Delegation in Australia

The European Union is represented in Australia by a Delegation in Canberra which was established in 1981. By 1984, the Head of Delegation was also accredited to New Zealand. The Delegation has full diplomatic privileges and immunities with the Head of Delegation accorded full ambassadorial status in both Australia and New Zealand.

The Delegation is responsible for the conduct of official relations between Australia and the European Union. In all matters pertaining to the European Union, the Delegation works very closely with the diplomatic missions of the EU Member States.

The Delegation is the formal point of contact between the EU and the Australian authorities on issues which in Europe are handled at the EU level; it helps facilitate the negotiation and implementation of bilateral agreements.

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The principal tasks of the EU Delegation in Australia are to represent the European Union and enhance relations in the political, economic, commercial, environment, social and cultural fields, including finding new opportunities for cooperation.

As a diplomatic mission, the Delegation keeps the EU authorities fully informed of political, economic and social developments in Australia.

The Delegation is the natural contact point for all who are interested in EU issues. It promotes and protects the EU’s interests and values in Australia. It also raises awareness of the EU and its policies among target audiences in Australia. This is done by developing relations with key interlocutors across the political, media, economic, commercial, education, environment, social and cultural fields at the federal and state level.

However, the Delegation does not deal with trade promotion or other issues which are the responsibility of the Member State embassies, consulates, trade commissioners or national tourism offices.

The Delegation undertakes public diplomacy activities to promote the EU’s interests and engender a better understanding of EU affairs, its policies, purpose and aims.

President of the European Commission, José Manuel Barroso and the Head of the EU Delegation to Australia, His Excellency Mr David Daly.

The EUROPEAN UNION
Population: 504 million
Delegation opened in Canberra: 1981
Two-way trade: $59.7 billion
EU investment in Australia: $637 billion
Australian investment in the EU: $356 billion

Major European exports to Australia
• Medicaments
• Passenger motor vehicles
• Civil engineering equipment and parts
• Pharmaceutical products

Major Australian exports to the EU
• Coal
• Gold
• Oilseeds
• Alcoholic beverages

EU Delegation
Celebrating 50 years: EU–Australia

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Austria

Sharing similar values:
Message from the Ambassador

Ever since the formal establishment of the Austrian Embassy in Canberra in 1964, bilateral relations between Austria and Australia have grown steadily, culminating in the successful visit of the Austrian Vice-Chancellor and Foreign Minister, Dr Michael Spindelegger two years ago.

Austria and Australia obviously share a similar name, which sometimes gives rise to humorous mix-ups: when a prehistoric mummy, the so-called ‘Ötzi’, was found at a glacier near the Austrian border, a newspaper headline proclaimed: “Ice-man found at Australian-Italian border”. But most importantly, Austria and Australia share the same values on the international scene. This regularly allows for joint action on a number of issues, especially as both countries are or have recently been serving on the UN Security Council in New York. Both have been actively engaged in fields such as nuclear proliferation and disarmament, terrorism, transnational crime and corruption, which are being dealt with at the UN Headquarters in Vienna.

Despite its relatively smaller size, Austria remains a global player, especially in the cultural field, partly drawing from its past, partly serving as an avant-garde innovator. Over the last years, the Embassy in Canberra has brought a variety of cultural and academic projects to the antipodes in cooperation with its well-established local networks and partners.

As an active player in the European Union, Austria takes part in shaping its policy. With the further enlargement of the EU in South-East Europe, the EU is continuing its peace project born out of the ruins of World War II. With active Austrian involvement, the EU is helping these countries to overcome the bloody legacy of the Balkan wars in the 1990s in a pan-European setting. The continued successful implementation of this strategy will also prove the viability and validity of European solidarity and integration.

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Austria

Capital: Vienna
Population: 8.4 million
Date joined the EU: 1995
Embassy opened in Australia: 1964

Major Austrian exports to Australia
- Machinery and industrial plants
- Vehicles
- Processed goods
- Pharmaceutical products

Major imports from Australia
- Machinery and components
- Vehicles
- Australian wine

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Honorary Consulate-General
Brisbane, Melbourne, Sydney

Honorary Consulate
Adelaide, Cairns, Hobart, Perth
Belgium

Relationship underpinned by historical ties:
Message from the Ambassador

Bilateral relations between Australia and Belgium go back a long way, with the first Belgian consulates opening in Sydney in 1837 and Melbourne in 1851. This indicates that Belgian merchants were present in the early days of Australia and that, only seven years after Belgium’s foundation as an independent country, it was cultivating good foreign relations and mutual trade even with very distant communities.

Nowadays, Belgium and Australia still enjoy positive and constructive relations with a fast-growing bilateral commercial relationship. They share common values and have similar approaches and visions to many international issues such as gender issues, intercultural dialogue, the Kimberley process, multilateral trade, arms control, the ISAF operations in Afghanistan, whaling and Antarctica and so on.

The contemporary bilateral relationship between our countries is underpinned by binding historical ties stemming from World War I. Many Australians served in Belgium between 1916 and 1918, especially during the Battle of Messines and the Third Battle of Ieper. Of the more than 290,000 Australians who served on the Western front (France and Belgium), 46,000 were either killed in action or died of their wounds. Belgium and its population will never forget the diggers’ sacrifice for their country. In this framework, the Centenary of World War I (2014–2018) will provide an interesting focus for bilateral commemorative activities.

Belgium’s investment relationship with Australia significantly overshadows the trading relationship. In 2011, total Belgian investment in Australia was valued at approximately $3.8 billion. In 2011, Belgium was ranked as Australia’s 23rd largest merchandise trading partner. Australia on the other hand was ranked as Belgium’s 28th largest merchandise trading partner.

The total two-way trade in goods between Belgium and Australia is valued at approximately $3.8 billion. In 2011, Belgium was ranked as Australia’s 23rd largest merchandise trading partner. Australia on the other hand was ranked as Belgium’s 28th largest merchandise trading partner.

BELGIUM
Population: 11 million
Capital: Brussels
Date joined the EEC: 1957
Consulate opened in Australia: 1837
Embassy opened in Australia: 1961

Major Belgian exports to Australia
• Chemical products
• Pharmaceutical products
• MACHINERIES AND PARTS
• TRANSPORT MATERIAL

Main imports from Australia
• Coal
• Oil seeds and oleaginous fruits
• Lead ores and concentrates
• Precious metal ores (gold excluded)

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Bulgaria

Increased political contacts and trade opportunities:
Message from the Ambassador

Many factors led Bulgaria to EU membership but one of the most significant is the feeling of belonging. Bulgaria is one of the oldest countries in Europe dating back more than 1300 years under the same name. Historically and culturally, it has always been a part of Europe.

The fall of the Berlin wall in 1989 and the democratic changes that followed gave Bulgarians the option to choose their future and the majority had no hesitation about it. The driving forces towards the EU were the European feeling and the attractiveness of the European project, offering freedom and opportunities. It was seen as a guarantor for security and irreversibility of the democratic process. It is indicative that in 1992, 82% of the Bulgarians were supporting the country’s membership in United Europe, which became a reality for us in 2007.

The membership of Bulgaria in NATO and the EU gave impetus to its economic development and intensified its international relations, including relations with Australia. Until several years ago, there were almost no bilateral links between our two countries. In the last three to four years, we had more high-level political contacts than in the 40 years since diplomatic relations between our two countries were first established. In 2009, the Bulgarian President visited Australia, the first-ever visit at such level. More and more Australians are discovering Bulgaria as an interesting tourist destination with a beautiful nature, rich history and culture, modern winter and summer resorts, good food and wine.

I am very optimistic about the future of our relations and believe that our economic ties will also intensify, especially taking into consideration the active partnership between the EU and Australia. So far, Bulgaria has avoided the economic problems of other EU member countries, due to strict control over government spending, successful fiscal consolidation, stable monetary policy and the rebalancing of the economy. The fiscal budget deficit of 1.6% of GDP is well below the required 3%. The corporate tax of 10% is one of the lowest in Europe. The infrastructure has improved considerably. All this creates a favourable business climate of which many Australian businesses can take advantage.
Croatia

Ambassador of the Republic of Croatia to Australia, His Excellency Mr Vicencije Biuk

CROATIA
Population: 4.28 million
Capital: Zagreb
Date joining the EU: 1 July 2013
Consulate opened in Australia: 1992
Embassy opened in Australia: 1993

Major Croatian exports to Australia
• Electrical circuits equipment
• Edible products and preparations
• Electric power machinery and parts
• Plastic plates, sheets and film
• Chocolate and preparations of cocoa

Major imports from Australia
• Beef
• Sugars, molasses and honey
• Hand or machine tools
• Manufactures of base metal
• Pumps for liquids and parts

Forward-looking relations with Australia: Message from the Ambassador

Relations between Australia and Croatia are strong and forward-looking. These relations are based on the personal links built by the large Croatian community in Australia, which have contributed positively to multicultural Australian society. Some Croatian Australians have also returned to Croatia to make a significant contribution to Croatia, in both the private and public sectors.

The mutual confidence on which people-to-people links are built corresponds to the confidence in bilateral relations. Croatia and Australia share the common values of modern democracy and a strong commitment to supporting a range of multilateral objectives, including global security, nuclear non-proliferation and disarmament. Dedication to these objectives is most evident with both countries engaging in the anti-terror coalition and their soldiers and police officers working together on keeping peace and building civil society in Afghanistan and East Timor.

While the commercial relationship between Croatia and Australia is relatively small, there is considerable scope for growth in trade and investment. Opportunities for increased business between Australia and Croatia include the shipping sector, infrastructure, innovative technologies and sectors relating to education and tourism. In the last decade, tourism has become an especially important link between our countries. The beauties of Croatia are well known among Australians, and today Croatia is an attractive tourist destination. The number of Australians visiting Croatia is increasing each year, and reached 100,000 in 2012. The beautiful Adriatic Sea, apart from being a perfect tourist attraction, has great potential for the further development of Croatian ports, thus increasing Croatian prospects in trade and transport.

As Croatia prepares to join the EU on 1 July 2013, I am confident that Croatia’s membership in the family of European nations, where Croatia has always culturally and historically belonged, will give new impetus to the relations between Croatia and Australia. It will further enhance bilateral cooperation and open new opportunities for our citizens, businesses and community as a whole.

EMBASSY OF THE REPUBLIC OF CROATIA
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Consulate-General Offices
Sydney, Melbourne

Consulate Office
Perth
The Republic of Cyprus enjoys an excellent relationship with Australia and I am delighted to highlight this dimension on this celebration of 50 years of EU–Australia relations. Within the bilateral framework between our two countries, we continue to enhance our cooperation. We also cooperate through the dimension of the EU–Australia relationship.

The official visit to Australia by the President of Cyprus in May 2011, followed by the successful State visit to Cyprus of the Governor General of Australia in 2012 have provided a solid reaffirmation, at the highest level, of our strong, enduring and continuing links. These are underpinned by people-to-people ties and the adherence to common principles and values shared by both our countries.

During 2012, there were a number of reciprocal visits, including an all-party parliamentary visit to Australia at the invitation of the Australian Parliament, which contributed to our ongoing cooperation. In the economic sphere, we were delighted to welcome the high-powered participation of 20 Cypriot exhibitors at the Fine Food Australia fair in Melbourne (September 2012), in our effort to support expanding trade and exports to Australia.

The celebration of 50 years of EU–Australia relations coincided with the assumption of the Presidency of the Council of the EU by the Republic of Cyprus during the second half of 2012. At the helm of the EU, Cyprus has actively participated in European affairs, promoting our common European objectives and contributing to the shaping of a better Europe, for the benefit of the people of Europe as a whole.
Czech Republic

Links across many walks of life: Message from the Ambassador

As a representative of a country where a majority of Asian Pacific visitors come from Australia, I am pleased to meet so many Australians from different walks of life who share with me their own Czech stories. They may be businessmen who export wool or seeds to the Czech Republic, or import Skoda cars, Tatra trucks, sophisticated machinery or wood and toys back to Australia. They may be students and professors who travel on exchange programs; scientists who are seizing numerous opportunities for cooperation; bankers, investors or government officials. Or they may be tourists who visit a fairy-tale country famous for its golden beer, Baroque churches, hundreds of castles, Bohemian music tradition and sophisticated dining.

No wonder that another growing sector is the movie industry. The Czech Republic is still one of the most affordable filming places in the world with movie-making centres specialising in post-production. In addition, the Czech Republic has hosted the famous Karlovy Vary International film festival since 1948. It is one of the elite ‘A’ category film festivals, which is as prestigious within the industry as the Cannes and Berlin festivals.

In 2004, the Czech Republic joined the EU but it has not yet adopted the Euro currency. The local currency, the Czech crown, is another attraction for Australians arriving with their strong Australian dollars.

For Czechs, Australia is a growing trade partner. We are pleased to be a part of the Australian mining boom, with exports of our mining equipment and explosives that contribute to the yearly turnover of close to a half of billion AUD.

Even the Sydney Harbour Bridge is built with Czech steel nails. Australian investments in the Czech Republic have reached one billion AUD in the course of the last three years. The Australian community in Prague totals in hundreds. They even have their own rugby pub where they get the best training to become new emissaries of being Czech when back in Australia.

After all, what makes for a better day than the opportunity to have a big foamy glass of Czech beer while watching Sydney Harbour, the Melbourne Cup or a sunset in the outback in the perfect harmony of nature’s gifts.

Czech Republic

Population: 10.17 million
Capital: Prague
Date joined the EU: 1 May 2004
Consulate opened in Australia: 1920

Major Czech exports to Australia
- Passenger motor vehicles
- Rotating electric plant and parts
- Wood, simply worked
- Rotating electric plant and parts
- Prams, toys, games and sporting goods

Major imports from Australia
- Wool and other animal hair
- Measuring and analysing instruments
- Oil-seeds and oleaginous fruits
- Precious metal ores

Embassy of the Czech Republic to Australia, His Excellency Dr Hynek Kmonícek

Celebrating 50 years: EU–Australia

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Consulate-General
Sydney

Honorary Consulate Offices
Melbourne, Perth, Adelaide, Hobart, Brisbane
Shared values and interests: Message from the Ambassador

On a range of issues from climate change, energy efficiency and sustainability to human rights, development aid and peacekeeping around the world, Australia and Denmark work together bilaterally as well as through international organisations. Australia and Denmark share many values and interests, and the bonds between our two countries are growing ever stronger.

People-to-people contact is also growing stronger every day. Many Danes have ventured ‘down under’ to study or work in Australia. We share visions for an open global trade system with a minimum of barriers to the flow of goods and services.

Over the past 10 years, Danish exports to Australia have more than doubled, and an increasing number of Danish companies are investing in the Australian market. Danish technology is at the forefront in such industries as environment, energy and combating climate change. Denmark is one of the leading countries in the world in wind energy technology. The increasing demand for renewable energy gives great opportunities to work together for a cleaner and greener future.

Creating sustainable cities is also a major challenge that both Denmark and Australia face in the years ahead. It requires planning and skills to meet the cities’ demands. Energy consumption, water management and pollution are just some of the challenges we face. Denmark already has substantial experience in urban planning and architecture. Together, we can create a sustainable future in an urban environment.

In the areas of pharmaceuticals and medical devices, Danish companies are well positioned in providing top quality products to support Australia’s population.

Being a seafaring nation, Denmark is strong in shipping services, including globally leading shipping and logistic companies. World well-known brands of designer goods and gift articles are readily available for Australian consumers.

DENMARK
Population: 5.6 million
Capital: Copenhagen
Date joined the EEC: 1973
Embassy reopened in Australia: 2007

Major Danish exports to Australia
- Meat and meat products
- Engines and motors
- Medical and pharmaceutical products
- Machinery and accessories for industrial use

Major imports from Australia
- Australian wine
- Beef and beef products
- Medical instruments
Relations between Estonia and Australia go back more than 90 years: Australia recognised Estonia in 1921 after Estonia’s acceptance into the League of Nations. In Australia, Estonia’s interests were represented by the Finnish Consulate until 1935, when Estonia appointed its own honorary consul. The work of the consulate was interrupted in 1940, when the Soviet Union occupied Estonia; all official records were handed over to the Swedish Consulate for storage.

As a consequence of the occupation of Estonia, a large number of its citizens were forced to emigrate. Around 6000 of them founded their new homes in Australia. Estonia will always be grateful for the open-hearted welcome our countrymen received. Today, Australia has the seventh biggest Estonian expatriate community. In addition, Australia has become a prominent tourism destination for many Estonians.

The relationship between our two countries is very good. In multilateral organisations, we share our commitment to peace, security and democracy. It is a great pleasure to promote increased cultural cooperation and mutual awareness of the rich culture of both our nations. We are proud to cherish our common heritage, bright examples of which are Arvo Pärt, a renowned composer, Honorary Doctor of Music of Sydney University, and Arvo Volmer, Music Director and Chief Conductor of Adelaide Symphony Orchestra. Our bilateral relations could be further developed through greater technological and economic cooperation.

I have full confidence in the continued development of our bilateral exchanges, as well as wider relations between EU and Australia. I sincerely hope our two nations can further develop together in all areas to ensure there is an even brighter future in the making.

AMBASSADOR OF ESTONIA
C/o Ministry of Foreign Affairs
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Finland

Significant trading partners:
Message from the Ambassador

Relations between Finland and Australia are closer than one might expect given the vast geographical distance. Finns in Australia go quite far back in time. In fact, Herman Spöring, the first Finnish to set foot in Australia, was a shipmate of Captain James Cook in 1770.

In 1911, the Finnish architect Eliel Saarinen was the runner-up in the design competition for the new capital of Australia, Canberra. His more famous son, Eero Saarinen, sat on the panel judging entries for the design of the new Sydney Opera House and was instrumental in persuading his colleagues to opt for Joern Utzon’s bold vision, thus helping to create an Australian icon.

Finnish immigrants began to arrive in Australia in larger numbers in the 1920s, and they continued to come until the 1960s. Today, more than 30,000 Australians have Finnish ancestry.

Australia is a significant trading partner for Finland with two-way trade in 2011-12 totalling around A$1.2 billion. Australia’s exports to Finland include coal and alcoholic beverages. Finland’s exports to Australia include engineering equipment, paper and paperboard, paper machinery and parts.

At the moment, about 40 Finnish companies have established themselves in Australia. In addition, about 100 Finnish companies are represented here. In terms of sales, the biggest Finnish companies active in Australia are Nokia, Huhtamäki, Kone and Outokumpu.

Australia and Finland have a bilateral Social Security Agreement which provides for improved social security to people who have lived or worked in both Australia and Finland. There is also a bilateral Working Holiday Maker Arrangement and a Double Taxation Agreement.

FINLAND
Population: 5.4 million
Capital: Helsinki
Date joined the EC: 1995
Consulate opened in Sydney: 1919
Embassy opened in Canberra: 1966

Major Finnish exports to Australia
• Paper and paperboard
• Machinery for special industries
• Electric machinery
• Instruments and apparatus
• General industrial machinery
• Power generating machinery and equipment
The best known Finnish products in Australia are Nokia mobile phones, Marimekko textiles, Suunto watches and diving computers.

Major imports from Australia
• Metalliferous ores and metal scrap
• Coal
• Coke and petroleum products
• Beverages
• Non-ferrous metals
• Medicinal and pharmaceutical products
• Instruments and apparatus

AMENDMENT
Celebrating 50 years: EU–Australia
A special partner for France: Message from the Ambassador

Australia is a very special partner for France.

We have so much in common. Not only the same values but our shared history. History of the discovery of Australia in which French explorers had such a great influence. The names, La Pérouse, d’Entrecasteaux, Baudin and Freycinet, are part of the shaping of modern Australia. History of the two World Wars when the youth of Australia gave their lives on our land – 60,000 young Australians rest for the eternity on French soil. Commemorating together the centenary of WW1 next year will tighten, if possible, our bonds. Recently, our common presence in Afghanistan was new evidence of what unites us.

Geography also links us very closely. France has its longest maritime border with Australia thanks to our presence in New Caledonia. We also share a neighbourhood in Antarctica. As such, our relations cannot be dictated by the tyranny of distance but on the contrary, by physical proximity.

This proximity is reinforced by growing human exchanges. The French community in Australia is growing bigger and bigger everyday, and is now nearing 80,000 people. More and more Australian are visiting France (half a million a year!).

Our special partnership includes trade and investment, defence, and science and culture. But we can do even more on both sides, especially to mutually attract investments from companies of our countries.

So much to build on; so much to develop.

To go even further, at the beginning of 2012, France and Australia decided to sign a “strategic partnership” for common goals and a roadmap.

Yes, definitely, Australia is a very special partner for France.
Germany and Australia – Steadily moving closer: Message from the Ambassador

In 2012, both the EU and Germany celebrated milestone anniversaries of their diplomatic relations with Australia. While the EU was able to celebrate a golden jubilee, Germany could even add the splendour of diamonds, looking back at 60 years of formal bilateral relations.

On this special occasion of the 60th anniversary of our bilateral relations in January 2012, the foreign ministers of both countries decided to take another step forward and move towards a new strategic partnership. During the past year, both foreign ministries have worked out the Berlin–Canberra Declaration which outlines the core elements of our bilateral relations. It was signed by both foreign ministers on 28 January 2013 in Berlin.

Still, our relationship reaches much further back than the last 60 years. Many thousands of German immigrants have contributed to the exploration and formation of Australia from early on. The great explorer Ludwig Leichhardt and the pioneers of wine growing in the south are two examples of many generations of German immigration.

Today, we work together closely on a wide range of topics and in very different contexts, not only in the strictly bilateral sense. We also cooperate in the key multilateral fora, such as the G20 or the United Nations, and we cooperate on specific missions in third countries – be it for assistance purposes in developing countries, or for security reasons in Afghanistan. There is a solid, value-based foundation underpinning our cooperation. We share certain basic ideas about how international affairs should be run, and we share a very solid network of people-to-people relations permeating all spheres of life.

Germany ranks among Australia’s top 10 trading partners. We count hundreds of German subsidiary companies in the country, which, jointly with their Australian partners, are moving towards sectors poised for innovation and growth. Hundreds of academic and scientific exchange programs facilitate this evolution.

Cultural exchange flourishes, visible in Australia in a growing number of high profile musical events and exhibitions – the recent great manuscript show from Berlin in the National Library being but one example. So we are looking forward also to contribute to this year’s Centenary celebrations of Australia’s capital by helping to stage a great piece of music by one of our major composers.
Greece and Australia share a close and cordial relation, basic parameters of which are the common historical bonds forged during the two World Wars, especially during the Battles of the Greek mainland and Crete in 1941, as well as the dynamic Greek–Australian community which numbers 700,000 people.

It was 60 years ago – on 30 March 1953 – that the first Greek Ambassador was posted to Canberra. Reflecting back, we are happy that Australian–Greeks have made substantial progress in all fields of life and a very promising younger generation of scientists, entrepreneurs and politicians has emerged.

In 2012, Modern Greek, among the top three languages used in Australia, has been incorporated officially in the F-10 Australian curriculum. A very successful network of Greek studies has evolved in major Australian universities.

The creation of a Ministerial Consultative Committee on issues of interest to the Australian–Greek community in August 2012 is an interesting institutional development in terms of further enhancing the interaction of the community with the Australian Government.

We are heartened by the fact that Greek–Australians show a particular interest in politics at all levels. Their participation at local government, as State or Federal MPs has been fruitful and with success.

There has been a regular exchange of visits at all levels between Greece and Australia during the last decade and a multifaceted institutional framework of bilateral cooperation is in place. Trade, investments, tourism, culture and youth mobility are the focal areas of the bilateral cooperation. The Greek merchant marine, ranking first globally, is the main carrier of Australian exports to the rest of the world.

We appreciate also the fact that Australia has shown particular sensitivity and understanding regarding the aftershocks of the international financial crisis felt in Europe. My country has spared no effort to mobilise European solidarity and still undergoes unprecedented sacrifice to restructure her economy, regain competitiveness and contribute to European recovery and global financial stability.

Congratulations to the EU Delegation for the initiative to publish a commemorative book on the occasion of the 50th anniversary of the EU–Australia relationship.
Hungary

Strengthening friendship and economic ties: Message from the Ambassador

I arrived in Canberra in September 2011 and presented my credentials to Her Excellency Ms Quentin Bryce AC CVO Governor-General of the Commonwealth of Australia. As ambassador, I have the firm intention to contribute to the development of bilateral relations and to enhance the existing strong partnership between my home country, Hungary and Australia. Our relations are built upon mutual trust and the shared values of freedom, democracy, human rights and the desire of fostering the economic wellbeing of our peoples. I will strive to find new ways to strengthen the friendship between our citizens. In doing so, I would like to build in particular on the support of the Hungarian–Australian community that constitutes a special bond between our countries. Hungarians have contributed in many ways to the success of Australia – they regard this great country as their own.

Investment and trade relations between our companies are high on the list of our priorities. Mutually beneficial economic contacts and cooperation are more important than ever in today’s globalised world. I will make every effort to assist the development and strengthening of economic ties between our countries.

Enhancing the cooperation between our authorities and all Federal and State level stakeholders is an essential part of our relations. We always cherish the fruitful exchange of ideas, experience and views that aim at finding solutions to overcome the common challenges of the times.

I will do my best to acquaint the Australian public with Hungarian art and culture thus bringing about a better understanding of the unique Hungarian contribution to our multicultural world. Scientific exchange is a particularly challenging way of cultural exchange that can prove mutually beneficial in the future.

Hungary, as a member of the European Union, is proud to contribute to the more complex set of bonds that exists between Europe and Australia.

Ambassador of Hungary to Australia, Her Excellency Ms Anna Sikó

HUNGARY
Population: 10 million
Capital: Budapest
Date joined the EU: 2004
Embassy opened in Australia: 1975

Major Hungarian exports to Australia
• Electrical machinery and equipment
• Machinery and mechanical appliances
• Vehicles other than railway or tramway rolling stock
• Residues and waste from the food industries
• Optical, photographic, cinematographic, measuring, checking, precision, medical or surgical instruments and apparatus

Major imports from Australia
• Optical, photographic, cinematographic, measuring, checking, precision, medical or surgical instruments and apparatus
• Electrical machinery and equipment
• Organic chemicals
• Machinery and mechanical appliances
• Plastics

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Honorary Consulate Offices
Adelaide, Brisbane, Melbourne, Perth
Ireland

Celebrating 50 years: EU–Australia

Irish people have been part of the story of Australia since the arrival of the First Fleet in 1788. In the first 150 years, the Irish made up some 30% of Australia’s population. They came as convicts, as free settlers, as refugees. Over time, they made their way in business, politics and the arts, helping shape the personality of the nation. To this day, Australia remains the most Irish country in the world outside Ireland.

Today, a new wave of Irish people is arriving in Australia. They bring with them skills in a range of important areas. Australia welcomes them and they take pride in their contribution to this country.

The relationship between Ireland and Australia is also strengthened by increasing trade, investment and tourism. Irish companies find a receptive market in Australia for their goods and services, in particular, high technology products used in the telecom, finance, health and education sectors. Australian companies are active in Ireland in financial services, manufacturing and retail. They are attracted by the competitive cost base, the ease of doing business and access to an EU market of over 500 million consumers.

Ireland’s membership of the EU adds an important dimension to its relationship with Australia. This year, Ireland assumes the Presidency of the EU for the 7th time, and marks the 40th anniversary of its accession to the EU. On the international stage, the United Nations provides the cornerstone of the engagement of both countries. We work closely together in favour of peace and security, the protection of human rights, the elimination of hunger and the protection of the environment.

Ireland and Australia are bound by long-established links and a deep and abiding empathy. We can look forward with confidence to the continued prospering of that warm relationship.

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Consul General
Sydney

Irishland

Population: 4.6 million
Capital: Dublin
Date joined the EEC: 1973
Legation opened in Australia: 1946
Consulate General opened in Sydney: 2000

Major Irish exports to Australia
- Medicaments (inc veterinary)
- Orthopaedic appliances
- Pharmaceutical products (excl medicaments)
- Computers

Major imports from Australia
- Alcoholic beverages
- Medicaments (inc veterinary)
- Medical instruments
- Miscellaneous chemical products

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Integral in Australia’s history: Message from the Ambassador

Irish people have been part of the story of Australia since the arrival of the First Fleet in 1788.

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Italy

Strong commercial relations: Message from the Ambassador

Italy and Australia enjoy very strong economic and commercial relations, which have continued to grow steadily for the last two decades. According to Australian Bureau of Statistics data, Italian exports to Australia have increased more than three times in the last 20 years. Last year – 2012 – was a record year. Both the value of Italian merchandise exports to Australia and the trade surplus in favour of Italy registered their highest levels ever.

In 2012, Italian merchandise exports to Australia amounted to $5.35 million (+6.5% compared to 2011 and +9.2% compared to 2010) with a trade balance in favour of Italy of $4.52 million (+20% compared to 2011). Italy has also confirmed its position as the 12th overall supplier to Australia and the 3rd among European states.

The health of our bilateral economic partnership is not only based on flourishing trade. Italian companies increasingly see Australia an industrial partner and an investment hub. Vertical integrations using Italian technology and manufacturing capacity to add value to Australian resources – also through third markets – are increasingly sought and developed.

According to a survey conducted in 2009 by the European Union, over 150 Italian companies operate in Australia, employing about 19,500 people, with an estimated turnover valued at $13.2 billion. These numbers have been constantly rising in recent years.

The participation of Italian companies in the development of the Australian infrastructure, defence, mining and energy sectors is also rapidly growing. Data collected by the Embassy of Italy show that in the last four years, Italian companies have been awarded public procurement tenders for over $3.5 billion in the Australian infrastructure and defence sectors and over $8.2 billion in contracts for engineering works and equipment for the mining and energy sectors.

The Ambassador of Italy to Australia, His Excellency Mr Gianludovico de Martino
Latvia

Australia recognised Latvia’s regaining of independence on 27 August 1991. Many Latvians migrated to Australia in the 1940s. Australians with Latvian descent now number around 30,000.

The relationship between Australia and Latvia is underpinned by bilateral agreements covering Trade and Economic Cooperation (1993), Extradition (2005) and Social Security (2011). There have been high level visits in both directions over the past two decades. The Latvian Ambassador based in Vienna has non-resident accreditation to Australia. Latvia is represented in Australia by Honorary Consuls in Victoria, South Australia and New South Wales.

Two-way merchandise trade in 2011 between Australia and Latvia was $13.3 million. Australia exported $8 million worth of goods to Latvia during this period, primarily alcoholic beverages.

Luxembourg

Luxembourg and Australia enjoy a constructive and positive bilateral relationship. Official discussions are focused on multilateral issues including in the World Trade Organisation and international disarmament negotiations. Luxembourg is a strong supporter of multinational organisations as they assist in the attainment of policy goals and increase its influence.

Luxembourg is one of six founding members of the EU. It hosts several European institutions including the Secretariat-General of the European Parliament, the European Court of Justice and the European Investment Bank.

Luxembourg and Australia have a number of bilateral agreements, covering issues such as mutual assistance on criminal matters, extradition and visas. In 2011, Luxembourg’s investment in Australia was valued at $23.5 billion. Australian investment in Luxembourg was $13.3 billion.
Challenging period for Lithuania in the EU: Message from the Ambassador Designate

Lithuania joined the EU and NATO in 2004. It participates in the activities of numerous other international and regional organisations, and is an active, reliable member of the international community. From 1 July 2013, Lithuania will hold the Presidency of the Council of the European Union for the first time. This will be a very challenging and responsible period for our country. As one of the most successful countries to overcome the economic and financial crisis and return to sustained recovery and growth, Lithuania will seek to organise the Presidency in an equal efficient and result-oriented manner. Above all, our Presidency will focus on the three goals of a credible, growing and open Europe.

Although Lithuania suffered from the global recession, our economy appeared to be one of the first to fight it and we have returned to the same economic level of before the crisis. Lithuania’s GDP contracted 14.8% in 2009 following the crisis, but in 2011, it recovered by 5.8%, and by 3.6% in 2012. Lithuanian business opportunities are in the development of services and high-tech, as well as innovative and traditional industries. By 2015, the production of IT, laser technologies, nanotechnologies and materials science is expected to constitute 25% of Lithuania’s DGR.

As Australia and the EU have strong historical and cultural ties and are solid partners, we are proud of being a part of this cooperation and having a possibility to contribute to it. The bilateral relationship between Lithuania and Australia is longstanding and broad. We’re like-minded partners who share the same democratic values and respect of human rights. The Lithuanian community in Australia has also made an important contribution to strengthening bilateral ties.
From strength to strength: Message from the High Commissioner

Malta and Australia have enjoyed a strong relationship that pre-dates its diplomatic presence since Malta’s independence in 1964.

Although Felice Pace was the first Maltese to land in Australia in 1810, it was not until 1837 that the Maltese migrants came as free settlers in the sugar cane fields of Queensland. In the 2011 Census, we counted over 200,000 persons with Maltese ancestry living in Australia. Generations of Maltese Australians have integrated well while retaining their distinct culture. In a true spirit of solidarity, they have built a home away from home.

The relationship between Malta and Australia has gone from strength to strength. We have an excellent political relationship that is anchored on a longstanding sense of common purpose, shared values and interests. It is a relationship cemented by ties of blood. Malta and Australia fought side-by-side in both World Wars and, Malta provided shelter and treatment to many Australian soldiers during the Gallipoli campaign.

In light of this reality, Malta and Australia have signed bilateral agreements on immigration, health, social security, air services and working holiday visas among others. More recently, Malta and Australia agreed to the dual citizenship concept.

The prospect for increased trade between our two countries is encouraging. A number of Australian business enterprises in biotechnology, computer software, pharmaceutical and engineering products have been established in Malta. A large financial institution that set up a subsidiary in Malta to facilitate lending and business development in Europe and a joint venture in tourism are proving successful. A leading Australian oil exploration company is prospecting in Maltese territorial waters.

Recent high level visits underline the importance that authorities attach to the development of these relations. Visits to Malta include by Her Excellency Quentin Bryce, Governor General of Australia, and two Foreign Ministers, Stephen Smith and Bob Carr. Both President Fenech Adami and President Abela have visited Australia, accompanied by the Deputy Prime Minister and Minister for Foreign Affairs.

High Commissioner of Malta to Australia, His Excellency Mr Francis Tabone

MALTA
Population: 419,000
Capital: Valletta
Date joined the EU: 2004
High Commission opened in Australia: 1964

Major Maltese exports to Australia
• Optical/photographic
• Games/sport
• Machinery/mechanical
• Electrical machinery
• Pharmaceutical

Major imports from Australia
• Plastics
• Machinery
• Fuels/oils
• Electrical machinery
• Transport equipment

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To reach each other’s country, an Australian or Dutch citizen has to travel almost halfway around the globe. But to reach each other’s culture, the Australians and Dutch are more like good neighbours: it is just like crossing the border. This is because we have common views on political and cultural topics.

The Netherlands and Australia maintain long-standing relations. Our historical ties go back over 400 years: the Dutch seafarers Willem Jansz and Dirk Hartog were the first Europeans to make recorded landfalls on Australian soil, in the north (1606) and west (1616) respectively. Both countries were close allies during World War II: A Dutch air force squadron was formed in Australia during the War and a great number of Dutch commercial freight boats which had diverted to Australia, made an essential contribution to the Pacific campaign by transporting troops and supplies. Around 350,000 Dutch migrants moved to Australia in the 1950s and the early 1960s. The widespread Dutch–Australian cultural heritage is a fruitful base to further extend and deepen our relations.

Australia and the Netherlands have similar views on various international issues, such as free trade, human rights, and peace and security. Dutch and Australian troops worked side-by-side in Uruzgan, Afghanistan.

We are close partners in the economic field as well. The Netherlands is Australia’s second largest market in Europe. For many Australian products, the Netherlands is a gateway to reach other European destinations. For several years, the Netherlands has been in the top five of the largest investors in Australia.
Diplomatic relations between Poland and Australia were first established in 1972, but both countries had already enjoyed a significant tradition of cooperation before that date. A shared commitment to an active role in building international institutions that support democracy and prosperity has been a vital part of the relationship. About 170,000 Polish Australians bear witness to the deep-rooted affinity. They have contributed significantly to flourishing relations between our two nations.

An excellent tool for advancing our bilateral cooperation is the close relation between the European Union and Australia. The Polish Presidency of the EU Council in the second half of 2011 undoubtedly contributed to this relationship. Poland has one of the most rapidly growing economies in the EU. During the worst global economic and financial crisis in decades, Poland and Australia were linked by a special relationship – both were among only a few countries in the developed world that avoided recession and experienced positive economic growth.

Bilateral business relations are continuously developing. They are currently focusing on cooperation in the resource sector and mining services, including coal, copper and minerals mining. They are also cooperating on knowledge-based initiatives such as clean coal and carbon capture and storage, IT, education, agribusiness, food security and advanced processing technologies and consulting services. Australian companies are already taking up opportunities and investing in Poland. Success stories include major companies such as the Macquarie Group, Armoor, Goodman Group and many others.

I am convinced that Polish–Australian cooperation will see major success in the future and will help shape peaceful development and stability across the globe.
Portugal

Contributing to the Australian economy: Message from the Chargé d’Affaires

Although we cannot pinpoint the beginning of contact between Portugal and Australia, it can be said that relations have lasted for centuries, and the two countries enjoy the excellent relationship that we all acknowledge today. This is due, I believe, to two main factors: admiration and mutual respect. Both peoples, representing ancient cultures with important contributions to the history of mankind, recognise with a sense of admiration and respect those contributions. This mutual recognition has enhanced bilateral relations between our two countries.

While benefiting from that incredibly rich history, each country must, however, face new and more complex challenges in the modern world. Today, there are around 50,000 Portuguese living in Australia, the majority of whom are well integrated in Australian society. It is estimated that four out of five have already become Australian citizens. These Portuguese keep alive the good, old Portuguese traditions, forged over the centuries, of travelling and adapting to the local ways of life while contributing to the enrichment of other cultures. In the past few years, however, a different pattern of Portuguese migration has emerged. Due to the difficult economic situation in Europe, a new generation of mostly young people with high levels of education and expertise in their fields of study, is coming to Australia. They are coming to work as engineers, architects, nurses and university lecturers, contributing to the Australian economy and its future prosperity.

Many Portuguese companies are expanding their sales market to Australia, giving the Australian consumer the chance to access the many wonderful goods that Portugal has to offer. Tourism flows from Australia to Portugal have increased in the past decade with more and more Australians discovering the many attractions Portugal offers as one of the best destinations in Europe and in the world. We welcome them with open arms.

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PORTUGAL
Population: 10.8 million
Capital: Lisboa
Date joined the EEC: 1 January 1986
Consulate opened in Australia: 1947
Embassy opened in Australia: 1960

Major Portuguese exports to Australia
- Automobiles
- Cork
- Furniture
- Textile
- Canned food

Major imports from Australia
- Machinery
- Paper
- Wood
- Optic devices
- Food products

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Consulate General Office
Sydney

Honorary-Consulate Offices
Melbourne, Darwin, Perth, Brisbane, Adelaide

António Gaivão, Chargé d’Affaires of Portugal
On this special occasion, Romania is joining the other EU Member States in celebrating the semi-centenary of fruitful relations between EU and Australia.

Since 1968, Romania and Australia have been working steadily to promote diplomatic relations, sharing the same fundamental principles with ongoing dialogue and cooperation. Like Australia, Romania has a traditional policy of developing friendly and mutually beneficial relations with all countries, promoting and supporting the international and EU core values of democracy, liberty, human rights and rule of law. Romanian and Australian political, diplomatic and strategic interests are based on similar views concerning regional and international issues.

Romania and Australia have very good bilateral cooperation in various political and diplomatic fields, as well as at the international and multilateral levels. Across a number of international and regional organisations, Romania and Australia work together on a range of issues, mutually supporting initiatives and representatives. As an example, currently, both countries are coordinating their ISAF efforts for the reconstruction of Afghanistan. In bilateral cooperation, Romania is representing the Australian citizens’ consular issues in Damascus.

While two-way trade is not yet substantial (approximately A$90 million for 2011–12), there are opportunities in both countries. There is a suitable base for developing further economic and scientific cooperation, and for significant investments in many areas.

An important aspect in promoting bilateral relations is the Romanian community in Australia, which includes Australians of Romanian descent. This community plays a significant role as an economic, social, and cultural bridge between our two countries.

I am convinced that the cooperation and friendly relationship between Romania and Australia will successfully develop and expand. Our relationship encompasses a mutual understanding of our political, economic, social and cultural realities, achievements and values most of which we not only share, but actively promote regionally and internationally.

Opportunities to develop our relationship:
Message from the Ambassador

Ambassador of Romania to Australia,
His Excellency Dr Mihai Stefan Stuparu

ROMANIA
Capital: Bucharest
Date joined the EU: 2007
Economic office opened in Australia: 1967
Embassy opened in Australia: 1968

Major Romanian exports to Australia
• Clothing and textile products
• Medicaments
• Rubber tyres, treads and tubes
• Sound and video recorders

Major imports from Australia
• Telecommunications equipment
• Medicaments
• Furniture, mattresses and cushions
• Electrical machinery and parts
In the year 2013, we commemorate the 20th anniversary of the Slovak Republic. Two decades ago, a success story on our return to the family of democratic nations began. Those decades have been interlaced with numerous reforms that have shaped Slovakia and helped on its path towards integration. We were able to introduce reforms that would not be possible without the incentive of integration in the European Union – it has been the catalyst of change.

Slovakia enjoys an excellent relationship with Australia and both countries share common fundamental principles and values. Our excellent bilateral relations for the last two decades are becoming stronger with the support of our vibrant Slovak community in Australia.

The Slovak Republic is one of the favourite destinations for foreign direct investments. The location of Slovakia in the centre of Europe is very favourable; it offers convenient access to the whole European market. Slovakia has the Euro as its currency, which represents an important impetus for foreign investors. Due to EU membership, Slovakia is an integral part of the EU internal market, which includes half a billion people. Its GDP growth is the highest among the Eurozone countries and is forecast to continue growing in the coming years. It is also among the highest within the EU.

In economic cooperation with Australia, Slovakia is concentrating on investment and modern technologies. Good prospects for future cooperation are in the machinery industry, services, ICT, energy saving technologies, exploration and mining of minerals, higher education, science and research.

Slovakia is a world leader in car production per capita in absolute figures, almost reaching the milestone of one million cars produced in our territory. The most important exports from Slovakia to Australia are passenger cars – Volkswagen Touareg, Audi Q7 and Porsche Cayenne. Australian investments in Slovakia represent companies such as QBE Insurance Europe, Legend Europe s.r.o. (electronics), Howe Leather Slovensko s.r.o., GB Energy (exploration of energy resources), GRP Corporation Limited and Bronx International.

Slovakia, with its rich historical towns and romantic castles, colourful folklore, beautiful mountains and hot springs is also a desirable tourist destination. Feel welcome to visit us!
Slovenia remains grateful to Australia for joining the group of countries who were the first to recognise Slovenia as an independent state in 1991, and thus paved the way to Slovenia’s world-wide recognition, joining the European Union, NATO, WTO, OECD and many other international organisations. From the Slovenian perspective, Australia is a great nation of freedom and democracy and a role model of economic development.

Australians and Slovenians are working closely together: we have excellent political cooperation on the international stage, flourishing trade and common values. Even though our two nations live so far apart, we are united in our commitment to uphold freedom, democracy, human rights and peace.

Trade between Slovenia and Australia is thriving – it increased by 19% and 58% in the last two years. Slovenia is a unique country in the EU, in that we have a very strong network of Harvey Norman stores. However, there is still a lot of scope for further development. The last meetings between the Australian and Slovenian Prime Ministers and the two Ministers of Foreign Affairs substantially contributed towards development in that direction. I would also like to mention the recent successful visit to Slovenia of the Australian Federal Minister for Health, the Hon Tanya Plibersek MP.

Our two nations are linked by a strong, active and well-organised Slovenian community that lives in Australia – from Sydney to Perth and from Brisbane to Melbourne. I would like to thank Australia for welcoming Slovenians here and ensuring their safety and wellbeing.
Expansion potential across many fields: Message from the Ambassador

A historic Spanish presence in Australia can be traced back to the 17th century, when naval expeditions were dispatched from Peru and Mexico to discover a new continent on their way to the Philippines. In 1846, Spanish Benedictine priests set up a permanent mission in New Nursia (Western Australia). The first Consular envoy to Sydney took office on January 1855.

Over recent years, bilateral relations have experienced substantial progress in the political, economic and cultural fields. The strength of the relationship has been enhanced by a significant number of agreements, as well as high-level visits. Cooperation in defence matters lies at the core of this increasing bilateral commitment. The contract award to the Spanish public shipbuilder, Navantia, in 2007 for the design and construction of three new Australian air warfare destroyers and the hulls of two LHD amphibious vessels opened a new stage in this field with great expansion potential.

Many other significant Spanish companies also have a presence in Australia, including: Acciona, Indra, BBVA, Banco Santander, Maxam, ZARA, Ferrovial, Abengoa, OHL, Sacyr, Técnicas Reunidas, CAF and many others. A rise of Spanish companies involvement in the Australian economy is forecasted, particularly in infrastructure and renewal energy.

The cultural sphere is also noteworthy. The opening in 2009 of a Cervantes Institute in Sydney shows Spain’s clear cultural commitment. In the most significant bilateral cultural exchange to date, the Queensland Art Gallery in Brisbane hosted an exhibition of masterpieces from the Prado Museum in 2012.
In 1906, Sweden established its first consulate in Sydney. The first consul, Mr Mörner, took an interest in Swedish immigrants coming to Australia, which led to a public and critical debate with the leaders of the country, including Prime Minister Deakin. He was called back to Sweden in 1911. The next consuls stayed substantially longer; one for 17 years. In 1947, Sweden built an embassy in Yarralumla in Canberra, one of the first countries to do so, following only the US and the UK embassies.

However, Swedish contact with Australia started much earlier. A Swedish botanist, Daniel Solander, was on Captain Cook’s first voyage in 1770. Among the first convicts was the Swede Anders Nyman, who was later naturalised. The official number of Swedes in Australia today is very limited, around 8000. The reason is probably that Swedes come here young, and they quickly inter-marry with Australians and integrate into their new country.

As former Foreign Minister Kevin Rudd pointed out during his visit to Sweden in 2011, with some luck Australians could have been Swedish speakers. In 1786, two years before the arrival of the First Fleet, the Swedish king, Gustavus III, decided to establish a colony in Western Australia. However, the King also started a war with Russia, which became so expensive that the colony in Australia never materialised.

Swedish business is doing extremely well in Australia, especially in areas like mining equipment, defence technology, pharmaceuticals, trucks and cars. Around 200 Swedish companies are established in Australia, with more and more Swedish companies using Australia as a base for expansion into Asia.

Sweden is a country with a great number of transnational companies, and exports are as high as 55% of Swedish GDP. While the majority of our exports go to other European countries, our biggest recipients outside of Europe are the USA, China, Japan and Australia. This is an impressive result for Australia considering the number of citizens.

Swedes love Australia and the Australians. Swedes love the sunny weather, relaxed attitude together with the pragmatism, trustworthiness and feeling for a ‘fair go’. Around 30,000 Swedish tourists come to Australia every year.

**Sweden and Australia – A long relationship:**
**Message from the Ambassador**

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United Kingdom

Valued partners working together: Message from the High Commissioner

Britain has been involved in Australia from the first European settlement. Although Australia’s vibrant multicultural population is now drawn from many countries, and increasingly from Asia, physical traces of our historic relationship are widespread and cultural links remain strong.

The UK–Australia relationship is an important one and remains highly relevant in the 21st century. Economically, Britain is the second largest investor in Australia, and three-quarters of Australia’s investment in the EU comes to the UK. We are very significant trading partners. British companies are some of the largest players in Australia’s resource economy.

The security relationship is also strong. We have a bilateral Defence Treaty; we are treaty partners in the Five Power Defence Arrangements in South East Asia. British and Australian military forces have fought closely together in many conflicts over the years, including recently in Iraq and Afghanistan. Our Foreign and Defence Ministers meet each year in the Australia UK Ministerial Meeting (AUKMIN).

Around 1.5 million British citizens live in Australia and some 600,000 visit each year. A million Australians travel to the UK every year.

Australia is also a valued partner in a range of international organisations, like the Commonwealth (Australia hosted the Commonwealth Heads of Government meeting in 2011), the G20 and the Asia–Europe Meeting (ASEM). We will be working closely together on UN Security Council issues over the next two years, during Australia’s term as a non-permanent member.

British High Commissioner to Australia, His Excellency Mr Paul Madden

UNITED KINGDOM
Population: 63.2 million
Capital: London
Date joined the EEC: 1973
High Commission opened in Australia: 1936

Major British exports to Australia
• Transport services
• Travel services
• Financial services
• Other business/professional services
• Motor vehicles

Major imports from Australia
• Gold
• Travel services
• Alcoholic beverages
• Coal
• Other business/professional services