

# FOREIGN AFFAIRS AND TRADE PORTFOLIO OVERVIEW

## Ministers and portfolio responsibilities

The portfolio ministers are the Minister for Foreign Affairs, the Hon Julie Bishop MP, and the Minister for Trade and Investment, the Hon Andrew Robb AO MP. They are supported by the Parliamentary Secretary to the Minister for Foreign Affairs and the Minister for Trade and Investment, the Hon Steven Ciobo MP.

The portfolio consists of the Department of Foreign Affairs and Trade (DFAT), the Australian Trade Commission (Austrade), Tourism Australia, the Export Finance and Insurance Corporation (EFIC), the Australian Centre for International Agricultural Research (ACIAR) and the Australian Secret Intelligence Service (ASIS).

DFAT's purpose is to help make Australia stronger, safer and more prosperous by promoting and protecting our interests internationally and contributing to global stability and economic growth, particularly in the Indo-Pacific region.

The department leads the Government's efforts to shape the regional and international environment and strengthen global cooperation in ways that advance Australia's interests. It advances Australia's security interests internationally and works to open up new markets and create conditions for increased trade and investment to strengthen Australia's economy and create jobs. Strengthening Australia's key regional partnerships is a priority for the department.

The Government's economic diplomacy agenda – led by DFAT with support from Austrade, Tourism Australia, EFIC and ACIAR – is key to advancing Australia's prosperity. DFAT will support the implementation of the new free trade agreements with the Republic of Korea, Japan and China and other existing agreements. The department will negotiate other priority bilateral and regional trade agreements, and step up efforts to make progress in plurilateral and multilateral trade negotiations.

As an open trading economy, Australia's economic success is closely tied to the transparency and openness of international markets. DFAT, working with Austrade, will focus on expanding access to markets for Australian exporters and lowering the cost of doing business into Australia. DFAT will also encourage two-way flows of investment that are in the national interest and help to ensure trade and investment reform is tied to the broader domestic economic policy agenda.

Australia's aid program will acknowledge the different development trajectories across the region. It will maintain a strong commitment to development in the Pacific and focus on building economic partnerships in growing Asia. DFAT will strengthen

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the aid program's engagement with the private sector and its promotion of the empowerment of women and girls. The *innovationXchange*, based in DFAT, will aim to significantly increase innovation in the delivery of the aid program, to be more cost-effective, have greater impact, and to leverage additional development finance in the region.

By supporting Australian undergraduates to study and undertake internships in the region, the New Colombo Plan will continue to increase knowledge of the Indo-Pacific in Australia and strengthen people to people links. In 2015-16, the program will expand, offering more opportunities for young Australian students.

With more Australians travelling overseas than ever before, DFAT will continue to provide high quality consular services, responsive travel advice and a secure and efficient passport service. The department will implement a new Consular Strategy, which will change consular policy and practices to respond to current demands while maintaining Australia's consular service at the forefront of world's best practice. Austrade will also deliver consular and passport services in specific locations overseas.

The effectiveness and security of Australia's network of overseas diplomatic missions will remain a high priority. The department will continue to maintain and protect Australia's secure government communications system. DFAT will provide high-quality protocol services to diplomatic and consular missions and international organisations accredited to Australia.

Austrade will contribute to Australia's economic prosperity by promoting Australia's international trade, investment and education interests, and providing advice to Government on tourism policy. Austrade has a particular focus on growth and emerging markets, including those in Asia that offer commercial potential, and provide opportunities aligned with Australia's comparative advantage. Within these markets there is a clear role for Austrade, as a government agency, to support Australian businesses and education institutions. Austrade will also promote the opportunities created by the three recently-concluded free trade agreements with the Republic of Korea, Japan and China.

Austrade will partner with state and territory governments and other Commonwealth Government agencies to attract productive foreign direct investment in priority sectors from established and other emerging markets. Austrade will also promote Australia as a preferred education destination and provider of education services, and continue to administer several grant programs.

Austrade will also implement the Government's tourism policy, *Tourism 2020*, working on tourism policy, projects, programs and research to strengthen Australia's tourism industry, and grow Australia's tourism market share. The international tourism

engagement function, including bilateral tourism relations with other governments and international bodies, is led by DFAT.

Tourism Australia is responsible for promoting Australia as a compelling tourism destination for international leisure and business events visitors. Tourism Australia undertakes marketing that targets consumers in key international markets, working in partnership with state and territory tourism organisations, industry and commercial partners to increase the economic benefits of tourism to Australia by building demand and increasing visitation and visitor spending.

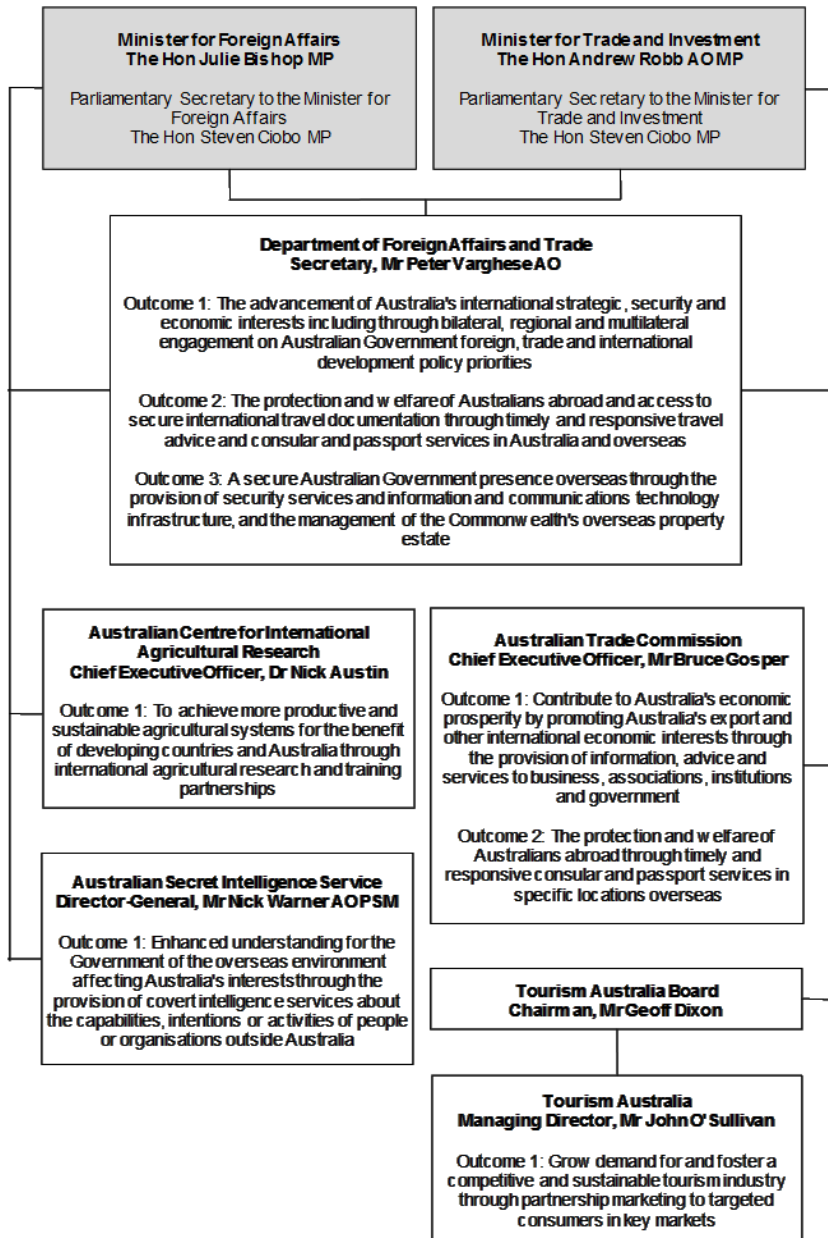
DFAT will continue to strengthen bilateral tourism relationships with major source countries and increase participation in key multilateral tourism forums.

ACIAR works in Australia's national interest by contributing to economic growth and poverty reduction in the Indo-Pacific region. ACIAR will continue to improve the productivity and profitability of agricultural systems, through international agricultural research partnerships. In 2015-16, ACIAR's research partnerships will have a stronger focus on developing market opportunities for smallholder farmers. Projects will tackle gender inequality in their design, delivery and impact. ACIAR will maintain its core mandate of producing excellent research, and will work through others to achieve up-scaling and broader development outcomes. The strong emphasis on impact, and on capacity building, will remain. ACIAR will also continue to administer and manage Australia's investment in multilateral innovation through the CGIAR (formerly 'the Consultative Group on International Agricultural Research').

Through ASIS, the portfolio will continue to enhance government understanding of the overseas environment affecting Australia's vital interests and take appropriate action, consistent with applicable legislation, to protect identified interests.

EFIC helps Australian exporters and companies investing in projects overseas to gain access to finance and insurance services. EFIC provides financial facilities for exporters, including loans, guarantees, medium-term credit insurance, bonds and political risk insurance, with a focus on small and medium enterprises (SMEs) and those seeking to do business in new and emerging markets. EFIC will continue to work closely with DFAT and Austrade in the delivery of these services. It will also manage the National Interest Account on behalf of the Commonwealth.

Figure 1: Foreign Affairs and Trade Portfolio Structure and Outcomes



## PORTFOLIO RESOURCES

Table 1 shows the total new resources provided to the portfolio in the 2015-16 Budget year by entity.

**Table 1: Portfolio resources 2015-16**

	Appropriation Bill No. 1 (\$m)	Appropriation Bill No. 2 (\$m)	Special appropriation (\$m)	Receipts (\$m)	Total (\$m)
<b>Department of Foreign Affairs and Trade</b>					
Administered appropriations	3,579.9	13.5	1.0	-	3,594.4
Departmental appropriations	1,400.0	205.2	-	81.6	1,686.8
<b>Total:</b>					<b>5,281.3</b>
<b>Australian Trade Commission</b>					
Administered appropriations	145.3	-	-	-	145.3
Departmental appropriations	221.2	2.7	-	20.0	243.9
<b>Total:</b>					<b>389.2</b>
<b>Australian Centre for International Agricultural Research</b>					
Administered appropriations	90.0	-	-	-	90.0
Departmental appropriations	9.9	0.2	-	1.9	12.0
<b>Total:</b>					<b>102.0</b>
<b>Australian Secret Intelligence Service</b>					
Administered appropriations	-	-	-	-	-
Departmental appropriations	256.9	11.0	-	54.5	322.4
<b>Total:</b>					<b>322.4</b>
<b>Tourism Australia</b>					
Administered appropriations	-	-	-	-	-
Departmental appropriations	137.3	-	-	-	137.3
<b>Total:</b>					<b>137.3</b>
<b>Portfolio total</b>	<b>5,576.0</b>	<b>222.0</b>	<b>1.0</b>	<b>104.0</b>	<b>6,232.2</b>
<b>Resources available within portfolio:</b>					<b>6,232.2</b>