



Australian Government



## A Charter: Economic Diplomacy and State and Territory Governments

Australia's prosperity is more connected than ever to developments in the global economy. Our trade with the world is equivalent to 42 per cent of our GDP—a number that hasn't dropped below 25 per cent since 1900. The stock of foreign investment in Australia is at record highs—\$2.5 trillion and Australia's investments around the world total \$1.6 trillion. Australia is ranked 5<sup>th</sup> in the world for GDP per capita and has the 12<sup>th</sup> largest economy. To sustain this performance requires strong international engagement. That's why the government is prioritising Australia's economic diplomacy: to support Australia's prosperity, and to help build global prosperity.

### Economic Diplomacy

- › Economic diplomacy uses our international diplomatic assets to advance Australia's prosperity and global prosperity. The Government's economic diplomacy agenda has four key pillars:
  - › promoting **trade**,
  - › encouraging **growth**,
  - › attracting **investment** and
  - › supporting Australian **business**.
- › State and Territory Governments play a critical role in each of these areas.
- › More information at: [www.dfat.gov.au/trade/economic-diplomacy](http://www.dfat.gov.au/trade/economic-diplomacy)
- › The economic diplomacy agenda will enhance cooperation between the Foreign Affairs and Trade portfolio and State and Territory Governments.
- › Australia's economic diplomacy will be most effective when Federal and State and Territory Governments work collaboratively to support Australia's international economic and commercial interests.

### What the portfolio offers

- › The Foreign Affairs and Trade portfolio delivers a range of high-quality services to Australian State and Territory Governments. DFAT manages Australia's overall international engagement through Australia's bilateral, regional and multilateral relationships, including trade and investment negotiations and aid programs. Austrade assists Australian business, matching Australian capability with overseas demand and identifying new commercial opportunities. Austrade leads on investment promotion,

attraction and facilitation. Tourism Australia leads on promotion of Australia as a tourism destination. EFIC supports Australian business through specialist finance solutions, and ACIAR builds Australia's international agricultural research collaboration. **All are committed to enhancing Australia's economic diplomacy, and through it, Australia's prosperity and global prosperity.**

### Complementary networks

- › Australia's State and Territory Governments have a significant international footprint with 52 offices in 27 global cities and, in some markets, state specialists working in Austrade offices and with Tourism Australia.
- › State and Territory Governments manage their own commercial, economic, and community interests and have unique perspectives on political and economic conditions.
- › The cultural diversity of our major cities ensures State and Territory Governments have significant international business and cultural linkages.

**Australia's international representatives are well qualified to assist you. DFAT's 95 heads of mission (Ambassadors, High Commissioners, Consuls General) have 830 years accumulated international service, and speak 23 languages. Austrade's 72 Trade Commissioners combine commercial acumen with deep knowledge of international markets.**

## Building cooperation

- › Effective economic diplomacy requires a ‘Team Australia’ approach to international engagement: inclusive, coordinated, and outcomes-focused.
- › This includes:
  1. Actively drawing on our respective knowledge bases.
  2. Sharing information of mutual interest, including on political and economic developments.
  3. Working together to promote Australia as a tourism destination, a foreign investment destination and to facilitate investment outcomes.
  4. Consulting on relevant policy decisions.
  5. Building pathways for information exchange.
  6. Supporting our respective engagement with foreign governments.
  7. Ensuring close coordination with in-country representatives.
  8. Providing regular updates on developments in trade negotiations and international economic forums.
  9. Cooperating in international trade missions.
  10. Assisting Premiers and Chief Ministers in their overseas travel.

The Portfolio cooperates closely with state and territory counterparts on trade and investment matters. The Minister for Trade and Investment chairs regular Trade and Investment Ministers’ Meetings (TIMM) with State and Territory counterparts. The TIMM enhances coordination on trade and investment activities, including on free trade agreements, investment priorities and the building of a “Team Australia” approach to international events and business missions. The Senior Officials’ Trade and Investment Group, co-convened by Austrade and DFAT, coordinates trade and investment activities across federal, state and territory agencies. The Tourism Ministers’ Meetings oversee the implementation of the Tourism 2020 Strategy and engagement with tourism industry leaders. The Australian Standing Committee on Tourism, chaired by Austrade, develops national tourism policy for consideration by Ministers.

### DFAT

- › DFAT has 95 posts across the world and offices in each state and territory capital (STOs). DFAT builds strong networks in host countries with ministers, government officials, business people, media representatives, think tanks, universities and community groups. Drawing on these networks, DFAT can advise State and Territory Governments on the latest political, economic, commercial, regulatory and strategic developments that matter for Australia’s prosperity.
- › DFAT leads Australia’s international trade and investment negotiations, including FTAs, and regularly consults State and Territory Governments and the business community on current negotiations. DFAT works closely with Austrade on investment opportunities. DFAT manages Australia’s \$5 billion aid program which focuses on economic development across our region.
- › STOs are the key DFAT **contact point** for State and Territory Governments. More information and contact details at [www.dfat.gov.au/dept/australian-offices.html](http://www.dfat.gov.au/dept/australian-offices.html)

### AUSTRADE

- › Austrade, with a network of 82 offices in 48 international markets, is a key player in Australia’s economic diplomacy.
- › Austrade supports Australian exporters by identifying commercial opportunities, including those created through free trade agreements, and promotes Australian industry capability to overseas buyers, particularly in sectors where Australia has a comparative advantage.
- › Austrade promotes Australia as a place to do business, as a high-quality education destination, and as a place to invest, working in partnership with industry associations and State and Territory Governments.
- › More information on Austrade’s services can be found at [www.austrade.gov.au](http://www.austrade.gov.au)

### TOURISM AUSTRALIA

- › Tourism is Australia’s number one services export industry.
- › Tourism Australia leads the promotion of Australian tourism internationally, with activities in 18 markets around the world. Tourism Australia works closely with Australian tourism businesses to identify target markets and develop tourism products.
- › More information on Tourism Australia’s services can be found at [www.tourism.australia.com](http://www.tourism.australia.com)

### EFIC

- › The Export Finance and Insurance Corporation (EFIC) is Australia’s export credit agency. It helps Australian businesses realise opportunities in international markets and export supply chains by facilitating access to finance.
- › More information about EFIC can be found at [www.efic.gov.au](http://www.efic.gov.au)

### ACIAR

- › Agriculture is an important Australian industry, as it is in many developing countries. The Australian Centre for International Agricultural Research (ACIAR) leads Australia’s international collaboration in research and related activities towards more productive and sustainable agriculture.
- › More information about ACIAR can be found at [www.aciar.gov.au](http://www.aciar.gov.au)

### Whole-of-Government

- › Portfolio agencies work across federal government to ensure Australia’s economic diplomacy is well coordinated. Through our overseas posts, and in Australia, the portfolio coordinates closely with the international economic work of the Departments of Agriculture, Education, Industry, Treasury and others.