Courted by Europe? Advancing Australia's relations with the European Union in the new security environment

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Executive summary

- The election of the Rudd Government on 24 November 2007 signalled a more multilaterally-oriented role for Australia, in particular in the country's relations with the United Nations (UN) and other like-minded organisations.

- This research paper examines Australia's relationship with the European Union (EU) and the growing cooperation between Australia and the EU on security matters.

- The paper discusses the significance of Australia's relationship with the EU and its re-affirmation under the Rudd Government. It also examines Australia's and the EU's responses to, and cooperation on tackling asymmetrical security challenges, such as transnational terrorism, organised crime and the proliferation of weapons of mass destruction following the events of 11 September 2001.

- Within a broader historical perspective, the paper analyses Australia's relationship with the EU as a political and legal entity. It also suggests that after 11 September 2001 Australia's relations with the EU were expanded to include cooperation on security in a broader sense, and in particular, on counter-terrorism and transnational organised crime. A security dimension of the Australia-EU relationship developed under the Howard Government, and has continued under the Rudd Government.

- On 29 October 2008, Australia and the EU signed a new Partnership Framework in Paris, which updates and replaces the previous two bilateral agreements—the 1997 Joint Declaration and the 2003–08 Agenda for Cooperation. Under this political agreement, Australia and the EU pledged to continue expanding cooperation in five broadly defined areas. In particular, the paper examines those sections of the Partnership Framework that relate to cooperation between Australia and the EU on security matters, multilateralism, climate change, democracy promotion, human rights, and their cooperation on overseas development assistance (ODA) in the South Pacific.

Contents

List of key acronyms

CAP	Common Agricultural Policy
CFSP	Common Foreign and Security Policy
ECSC	European Coal and Steel Community
EU	European Union
Euratom	European Atomic Energy Community
ESS	European Security Strategy
UN	United Nations
WMD	Weapons of mass destruction

Map of the European Union member states

Source: Perry-Castaneda Library map collection (2008)

<u>Members:</u>

Italy, France, Germany, Luxembourg, the Netherlands, Belgium (the original 6 members, with East and West Germany merging in 1989), the United Kingdom, Ireland and Denmark (since 1973), Greece (since 1981), Spain and Portugal (since 1986), Austria, Finland and Sweden (since 1995), the Czech Republic, Estonia, Cyprus, Latvia, Lithuania, Hungary, Malta, Poland, Slovakia and Slovenia (since 2004) and Bulgaria and Romania (since 2007).

Introduction

This research paper examines Australia's relationship with the European Union (EU) in a broader historical context.[1] In particular, the paper looks at how Australia-EU relations have evolved in the new security environment, which is, amongst other things, characterised by growing asymmetrical threats to international security. This era began with the terrorist attacks in the United States (US) on 11 September 2001, in which ten Australians lost their lives, along with over 2500 other civilians.[2] Australia's relations with the EU have expanded under successive Australian Governments to include, since 2001, a formal cooperation between respective security agencies, and the signing of several milestone bilateral political agreements.[3]

The paper analyses the most recent of these accords—the Australia-EU Partnership Framework. In particular, the first objective of the agreement, which is related to common foreign policy interests, is granted most attention. The important issue of trade, while recognised as historically significant and probably the most challenging in the pursuit of bilateral relations, is not a focus of this paper, nor is cooperation on education, science and research. The paper also examines Australia and the EU's shared objective—as expressed through the Partnership Framework—to expand the scope of the existing dialogue on multilateralism, human rights in the Asia Pacific region, and climate change.[4]

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1. The term 'European Union' here refers to this entity as it stands today and to its antecedents. Other authors have used the term 'European Community' (EC) when referring, in a historical and pre-1993 context, to the three treaties of European integration. These include the Treaty establishing the European Coal and Steel Community of 1951, the Treaty establishing the European Atomic Energy Community of 1957, and the Treaty establishing the European Economic Community of 1957. D Dinan, *Ever closer union. An introduction to European integration*, MacMillan Press Ltd., London, 1999, p. 2. See also S Bronitt, F Burns and D Kinley, *Principles of European community law*, Law Book Company, Sydney, 1995, p. ix.

2. The word 'terrorism' comes from the Latin word *terrere*—to frighten. The UN Security Council Resolution 1566 of 8 October 2004, defined terrorism as: 'criminal acts, including against civilians, committed with the intent to cause death or serious bodily injury [usually coupled with material damage], or taking of hostages, with the purpose to provoke a state of terror in the general public or in a group of persons or particular persons, intimidate a population or compel a government or an international organization to do or to abstain from doing any act'. UN Security Council, *Resolution 1566 (2004)*, 8 October 2004, p. 2.

3. 'Bilateral' in this paper refers to the conduct of relations between the two international actors: the Australian Government and the EU as a political and legal entity. The paper will generally not cover traditional bilateral relations between Australia and the individual member states, except for Australia's relations with the United Kingdom (UK) in the section on a broader historical context.

4. Australia, Parliamentary Library, *Climate change*, Canberra, 2009, viewed 1 May 2009, http://www.aph.gov.au/library/pubs/ClimateChange/index.htm

The South Pacific is a key region for Australian security, and an area of growing interest to the EU. The paper argues that Australia needs to be included in any European policy deliberation towards the Pacific Island nations. Stability and security in the South Pacific and Timor-Leste is effectively the second objective of Australian defence policy.[5]

What is the EU?

The EU is a multi-faceted, supranational organisation with a global political and economic agenda.[6] It is a 'result of a process of voluntary economic and political integration between the nation-states of Europe'.[7] Today, the EU is composed of twenty-seven member states, which have handed over some of their sovereign powers to common EU institutions.[8] The membership of the EU has grown over successive enlargements, as indicated on page ii.

In political terms, the EU has an active global agenda, which has been strengthened, since 1993, with the development of a Common Foreign and Security Policy (CFSP).[9] The three pillars which form the basic structure of the EU include:

- the Community pillar
- the CFSP pillar, and
- Justice and Home Affairs cooperation, which covers police and judicial cooperation on criminal matters.[10]

In economic terms, the EU is the world's largest common market with a population of about 495 million. The EU provides sixty per cent of the world's overseas development assistance (ODA), with its ODA budget in 2007 totalling €8.5 billion (A$15.3 billion).[11] In multilateral

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5. Department of Defence, White Paper 2009, *Defending Australia in the Asia-Pacific Century: Force 2030*, p. 13, viewed 4 May 2009, http://www.defence.gov.au/whitepaper/docs/defence_white_paper_2009.pdf

6. C Bretherton and J Vogler, *The European Union as a global actor,* Routledge, London, 1999; KE Smith, *European Union Foreign Policy in a changing world,* Polity, Cambridge, 2003.

7. S Hix, *The Political System of the European Union,* The European Union Series, second edition, Palgrave Macmillan, New York, 2005, p. 1.

8. These include, amongst others, the Council of the European Union and the European Commission.

9. The CFSP was introduced with the 1992 Treaty on European Union (also known as the Maastricht Treaty), which was implemented in 1993. For further information, see European Commission, *Common Foreign and Security Policy (CFSP) for the European Union*, viewed 10 May 2009, http://ec.europa.eu/external_relations/cfsp/index_en.htm

10. European Union, *Pillars of the European Union*, viewed 4 May 2009, http://europa.eu/scadplus/glossary/eu_pillars_en.htm

11. European Commission, *Eradicating poverty for sustainable development*, 22 October 2008, viewed 1 May 2009, http://ec.europa.eu/world/what/solidarity/index_en.htm

organisations, such as the United Nations (UN), the EU member states are, collectively, the largest financial contributor to the UN system.[12] Decision-making processes in the EU place a particular emphasis on co-decision among EU members.

The European Commission Delegation to Australia, as well as the country holding the six-monthly rotating Presidency of the EU, plays an important part in promoting the EU's external policy in Australia. Under successive Australian Governments, the EU has featured prominently, at various times, in Australian foreign policy.[13] Australia and the EU are partners on many issues of common concern. However, differences exist with respect to their size and power, as well as foreign policy outlooks. Australia's and the EU's worldviews are based, in part, on their geographical location, as well as different historical circumstances that have influenced the development of their respective strategic interests.

Continued significance of Australia's relations with the EU

Australia's relationship with the EU has traditionally been dominated by trade issues, while security cooperation emerged only in the face of new threats to global security in the post-Cold War period. The ongoing significance of Australia's trade relations with the EU can be measured, amongst other things, by close economic linkages.[14] Furthermore, the global financial crisis has demonstrated the need for a closer consultation on international economic regulatory frameworks between Australia and the EU—both collectively and with individual member states.[15]

The EU is Australia's single largest two-way trading partner, with total bilateral trade in goods and services valued at $79.1 billion in 2007.[16] As a group, the EU is Australia's main

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12. On 1 January 2007, the EU member states provided 38 per cent of the regular UN budget, about forty per cent of the UN peacekeeping budget, and about fifty per cent of all UN member states' contributions to UN funds and programs. European Union @ United Nations, 'Overview', 1 January 2007, viewed 1 May 2009, http://www.europa-eu-un.org/articles/en/article_6273_en.htm

13. Department of Foreign Affairs and Trade, *European Union brief: Australia's relations with the European Union*, Canberra, viewed 1 May 2009, http://www.dfat.gov.au/geo/european_union/eu_brief.html

14. European Commission, *Enlargement: from 6 to 27 members and beyond*, viewed 1 May 2009, http://ec.europa.eu/enlargement/the-policy/from-6-to-27-members/index_en.htm

15. N Sherry (Minister for Superannuation and Corporate Law), *Address to the European Australian business council boardroom*, speech no. 31, Sydney, 10 October 2008, viewed 1 May 2009, http://www.treasurer.gov.au/DisplayDocs.aspx?doc=speeches/2008/031.htm&pageID=005&min=njs&Year=&DocType=1

16. Department of Foreign Affairs and Trade, *Australia's trade with the European Union 2007*, July 2008, p. 1, viewed 1 May 2009, http://www.dfat.gov.au/publications/stats-pubs/downloads/EU_2007.pdf

investor with some 2300 EU companies having a presence in Australia.[17] Furthermore, the EU is the second largest destination for Australian overseas investments after the United States (US), with some areas in Europe (such as in Southeast Europe) still being largely under-explored.[18] As the world's 14th largest economy in 2008, and a country with the 12th largest defence budget and the 13th largest foreign aid budget, Australia offers considerable opportunities for EU business, education services and tourism in the Asia Pacific region.[19]

With regard to other aspects of the relationship, the EU attracts the largest number of Department of Foreign Affairs and Trade's (DFAT) overseas posted staff. However, the Blue Ribbon Panel report by the Lowy Institute for International Policy asserted that Australia's network of overseas missions is overstretched and under-funded for the growing complexity and multiplicity of tasks at hand.[20] Diplomatic posts in London and Brussels remain particularly important for Australia in pursuing its interests in Europe.

According to the 2006 Census, approximately 9.3 per cent of the Australian population in 2006 was born in one of the EU countries, and about 70 per cent of Australians claimed European ancestry.[21] In 2007, some 30 600 EU citizens came to study in Australia, which

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17. European Commission Delegation to Australia, *European Union and Australia. Key facts*, January 2009.

18. European Commission Delegation to Australia, 'EU-Australia Economic Relationship: 2006', *EU insight,* December 2007.

19. World Bank, *Gross Domestic Product 2008*, viewed 1 May 2009, http://siteresources.worldbank.org/DATASTATISTICS/Resources/GDP.pdf. The term 'Asia Pacific' refers to a region of primary strategic interest to Australia, which includes ten members of the Association of Southeast Asian nations (ASEAN), China, Japan and two Korean states, Australia, New Zealand, India, Bangladesh, Burma, Bhutan, and Pacific island countries. In a broader definition, the term could also include the United States, the Russian Federation, Canada and some Latin American states that have 'declared significant identities in the wider region'. See Dr F Frost, *ASEAN's regional cooperation and multilateral relations: recent developments and Australia's interests*, Research paper no. 12, 2008–09, Parliamentary Library, Canberra, 9 October 2008, page 2, footnote 1, viewed 1 May 2009, http://www.aph.gov.au/Library/pubs/rp/2008-09/09rp12.pdf

20. Blue Ribbon Panel Report, *Australia's diplomatic deficit. Reinvesting in our instruments of international policy*, Lowy Institute for International Policy, March 2009, viewed 1 May 2009, http://www.lowyinstitute.org/Publication.asp?pid=996

21. According to the Department of Immigration and Citizenship (DIAC) community profiles, in 2006 there were 1 855 220 EU–born people in Australia. This figure excluded people born in Romania and Bulgaria, as these countries were not EU members at the time of the Census. The total Australian population according to the *Australia 2006 Census* was 19 855 288 people. DIAC, *Community summary,* viewed 1 May 2009, http://www.immi.gov.au/media/publications/statistics/comm-summ/summary.htm

represents 6.7 per cent of the total number of overseas students across all sectors.[22] In 2008–09, over one million Australians are expected to visit Europe.[23] Agreements forged between Australia and the EU, therefore, have an impact on Australia's market and export industries, as well as on Australian society more generally.

In October 2008, the Australian Government and the EU concluded a new blueprint for relations between Australia and the EU—the European Union–Australia Partnership Framework (hereafter the Partnership Framework).[24] This agreement is more comprehensive than Australia's two previous political agreements with the EU. Moreover, Australia's relations with the EU under the Rudd Government could be seen in the context of three pillars of the Labor Government's foreign policy. One pillar calls for working in consultation with like-minded partners to strengthen international institutions and address global challenges.[25] The other two pillars call for a commitment to the alliance with the US and cooperation with countries in the Asia Pacific region.

The EU, on the other hand, has at least a dozen other partnership and cooperation agreements with the so-called 'third', or non–EU member states; for instance, with Canada and India.[26] The Partnership Framework falls, in part, under the second pillar of the European Union—which is devoted to the CFSP and relations with third countries.[27] On 21 December 2006, the Council of the European Union established a financing instrument for cooperation with industrialised and other high-income countries and territories—which includes Australia and

22.   In 2007, seventy-eight per cent came from various Asian countries. Australian Government, *Australian Education International*, 2007, viewed 1 May 2009, http://aei.gov.au/AEI/MIP/Statistics/StudentEnrolmentAndVisaStatistics/2007/TableB_pdf.pdf

23.   C Evans (Minister for Immigration and Citizenship) and M Ferguson (Minister for Tourism), *eVisitor visa to strengthen Australia-EU relations*, media release, 2 October 2008, viewed 1 May 2009, http://www.minister.immi.gov.au/media/media-releases/2008/ce08095.htm

24.   Department of Foreign Affairs and Trade, *Australia-European Union Partnership Framework*, viewed 1 April 2009, http://www.dfat.gov.au/geo/european_union/australia_partnership_framework.html

25.   S Smith (Minister for Foreign Affairs), *Australia-European Union Partnership Framework launched*, media release, 29 October 2008, viewed 1 April 2009, http://www.foreignminister.gov.au/releases/2008/fa-s163_08.htm

26.   Government of Canada, *Canada EU Partnership Agenda*, viewed 1 April 2009, http://www.dfait-maeci.gc.ca/missions/eu-ue/commerce_international/partnership-agenda-progr-partenariat-eng.asp Government of India, *The India–EU strategic partnership: joint action plan*, viewed 1 April 2009, http://commerce.nic.in/India-EU-jap.pdf

27.   *Europa.eu, Pillars of the European Union*, viewed 1 April 2009, http://europa.eu/scadplus/glossary/eu_pillars_en.htm; *Europa.eu, External trade*, viewed 1 May 2009, http://europa.eu/legislation_summaries/external_trade/index_en.htm

sixteen other countries listed in the Annex—to support the Community's interests and strengthen the EU's role and voice in the world.[28]

In 2009, the EU is facing several important developments, which include the European elections for the European Parliament, which took place between 4 and 7 June 2009.[29] The Presidency of the EU, which was held by the Czech Republic in the first half of 2009, was handed over to Sweden on 1 July 2009. The future of the Treaty of Lisbon, which suffered a major setback with Ireland's referendum rejection on 12 June 2008, depends upon its ratification by the Republic of Ireland and the Czech Republic.[30]

If and when it is implemented, the Treaty of Lisbon would strengthen the Common Foreign and Security Policy, abolish the three-pillar structure of the EU, and strengthen EU institutions. It would also combine, into one role, the positions of EU High Representative for Foreign and Security policy and External Affairs Commissioner, currently held by Javier Solana and Benita Ferrero-Waldner, respectively. This new role would become the office of the EU High Commissioner for External and Security policy, which would be supported by an EU External Action Service.[31] Internationally, the Treaty of Lisbon would increase the EU's voice in multilateral forums, as well as strengthen the basis for joint action by the EU member states. Foreign governments may, initially, be concerned as to who the EU interlocutors will be in foreign policy.

Australia-EU relations in a broader historical perspective

This part of the paper provides an overview of Australia's relationship with the EU and its antecedents from the 1950s to the late 1980s, and outlines the development of the relationship

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28. Council of the European Union, 'Council Regulation (EC) No 1934/2006 of 21 December 2006', *Official Journal of the European Union,* L405/41, 30 December 2006.

29. European Parliament, *European Elections*, viewed 1 May 2009, http://www.europarl.europa.eu/elections2009/default.htm. See also European Union, *Election results: towards the new Parliament*, viewed 12 June 2009, http://www.elections2009-results.eu/en/index_en.html

30. The Treaty of Lisbon was signed on 13 December 2007 and needs to be approved by all twenty-seven EU member states before it can come into force. European Union, *EUROPA—Treaty of Lisbon—The Treaty at a glance*, viewed 1 May 2009, http://europa.eu/lisbon_treaty/glance/index_en.htm. Only Ireland and the Czech Republic are yet to ratify the treaty. The Czech Republic's Lower House approved the Treaty in March 2009 and the Upper House in May 2009. The Irish Government announced it will hold a second referendum on the Lisbon Treaty before the end of 2009. The ratification of the Lisbon Treaty is considered by some EU states, such as France and Germany, as a precondition for further EU enlargement.

31. European Union, *Treaty of Lisbon: the EU in the world,* viewed 1 May 2009, http://europa.eu/lisbon_treaty/glance/external_relations/index_en.htm

between the Cold War and 11 September 2001.[32] It also provides information about the security environment during the Cold War, and the changed strategic outlook for both the EU and Australia following the disintegration of the Union of Soviet Socialist Republics (USSR), which officially ended the Cold War.

1950s to 1980s

On 9 May 1950 French Foreign Minister Robert Schuman presented the Western European leaders with a plan for a deeper cooperation in what is known today as the Schuman plan or declaration.[33] The Schuman Declaration sought to prevent future military conflict among Western European states, and in particular, the 'age-old opposition of Germany and France'.[34] On 18 April 1951, six countries including West Germany, France, Italy and the Benelux states—Belgium, the Netherlands and Luxembourg—signed an agreement to put their heavy coal and steel industries (which were considered to be instrumental for war efforts) under joint administration.

The European Coal and Steal Community (ECSC)—a predecessor of today's European Union—was founded in 1951 on the principles outlined in the Schuman Declaration.[35] Moreover, the ECSC countries negotiated in 1951 a European Defence Community agreement, which would have established a supranational European military.[36] However, the

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32. For a more comprehensive overview of Australia-EU relations during the Cold War, see the following publications: G Spenceley and C Welch, 'Australia–EU relations and the Common Agricultural Policy since 1970: causes and consequences of policy failure', paper presented at ECSA's Fifth Biennial International Conference, Seattle, 29 May–1 June 1997; A Elijah, P Murray and C O'Brien, *Divergence and Convergence: The Development of European Union–Australia Relations*, CERC Working Papers Series, no. 3, University of Melbourne, 2000; G Evans and B Grant, *Australia's Foreign Relations in the World of the 1990s*, Melbourne University Press, Melbourne, 1995; P Murray, *Australia and the European Superpower. Engaging with the European Union,* Melbourne University Press, 2005; D Goldsworthy, 'Australia, Britain, and the European Union', in J Cotton and J Ravenhill, eds, *Trading on Alliance Security. Australia in World Affairs 2001-2005,* Oxford University Press, Melbourne, 2007, pp. 112–30.

33. In memory of this event, 9 May is celebrated in Europe as 'Europe Day'. European Union, 'Europe Day, 9 May', viewed 1 May 2009, http://europa.eu/abc/symbols/9-may/index_en.htm

34. European Union, *Declaration of 9 May 1950*, viewed 1 April 2009, http://europa.eu/abc/symbols/9-may/decl_en.htm,

35. European Union, *Treaty establishing the European Coal and Steel Community, ESCS Treaty*, viewed 1 May 2009, http://europa.eu/legislation_summaries/institutional_affairs/treaties/treaties_ecsc_en.htm. The ESCS Treaty expired on 23 July 2002. The research fund for coal and steel was annexed to the Treaty of Nice in 2001.

36. S Duke, *The Elusive Quest for European Security: From EDC to CFSP,* Palgrave Macmillan, Basingstoke, 2000, pp. 15–20.

French National Assembly voted against the ratification of this Treaty and the project collapsed, only to consolidate the North Atlantic Treaty Organization's (NATO) position as the primary security institution in Western Europe. The EU integration process then took an economic direction.[37] The Treaty of Rome was signed on 25 March 1957, establishing the European Economic Community (EEC) as well as the European Atomic Energy Community (Euratom). These three treaties are the founding blocks of the Community pillar of the EU.

In the 1950s, Australia's exports to Europe were closely oriented towards the market of the United Kingdom (UK). Since 1931, like other Dominions and UK colonies within the British Commonwealth of Nations, Australia has enjoyed benefits in trading with the UK under the Imperial Preference trading system—which was effectively the UK's trading bloc with the Commonwealth.[38] This system imposed, amongst other things, higher trade barriers against food from outside the Commonwealth. Australia's early relations with the EEC were, therefore, shaped by Australia's experiences and the special relationship with the UK—regarded as one of the most Euro-sceptic countries in Europe.[39]

Australia's people-to-people links with the six members of the EEC increased after the Second World War. Sir Robert Menzies' Government decided to increase the intake of non-British European migrants in response to the need to rebuild the country's infrastructure in the post-war period. For instance, Northern Australia had suffered significant damage to infrastructure in the Japanese bombing raids that began on 19 February 1942.[40] Migrants from Southern Europe and other non-British European countries arrived in Australia in the post-war period in much greater numbers than at any time since Federation in 1901.

In the 1950s and 1960s, Australia's relations with the EEC were marked by differences on agricultural policy and trade, especially with regard to the European Common Agricultural Policy (CAP), which emerged in 1962. Under this policy, the EEC (and individual member states for the first three years) provided export subsidies for the members' agricultural products onto world markets, as well as placing import restrictions on products from outside the entity.[41] Some Articles of the CAP policy specifically excluded agriculture from the

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37. A Cottey, *Security in the New Europe*, Palgrave Macmillan, New York, 2007, p. 80.

38. Kerry Chase observed that with the return to power of the Conservative Party in the UK in 1931, the UK abolished free trade policy in favour of the General Tariff and Imperial Preference trading system; KA Chase, 'Imperial protection and strategic trade policy in the interwar period', *Review of the International Political Economy,* vol. 11, no. 1, February 2004, pp. 177–203 at pp. 191–96.

39. A continued significance of the question about the British commitment to the common EU institutions was addressed by TG Ash in 'Is Britain European?', *International Affairs,* vol. 77, no. 1 (January 2001), pp. 1–13.

40. Australian Government Culture Portal, *The Japanese bombing of Darwin and northern Australia*, viewed 1 April 2009, http://www.cultureandrecreation.gov.au/articles/darwinbombing/

41. Similar export subsidies existed at the time in the United States and Japan.

competition and market liberalisation.[42] Australian exports to Europe in the 1960s were largely directed to the UK, with the Australian Government becoming highly suspicious of the CAP. In 1962, Sir Edwin McCarthy became Australia's first Ambassador to the European Communities, shortly after the US established a diplomatic mission there in 1961.[43]

The migration of Europeans to Australia dominated Australia's immigration intake at various times during the 1950s and 1960s, with thousands of Europeans departing for Australia in search of better opportunities.[44] The Australian Government's assimilation policy expected migrants to assimilate within Australian society as quickly as possible, and migrant services were limited to the provision of migrant hostels and some language tuition.[45] However, from the 1960s onwards, migrant services began to expand, and the assimilation policy was gradually replaced with the policy of integration, and in 1978 with the policy of multiculturalism. The post-war European migrants subsequently established community and language associations throughout Australia and introduced new business practices to Australia—such as cafes with outdoor settings in Australian capital cities.[46]

In the 1970s, the Australia-EU relationship was dominated by trade issues, especially after the UK acceded to the European Community. Philomena Murray from the University of Melbourne observes that there had been little development in relations between Australia and the European Community until the UK's accession—under Prime Minister Sir Edward Heath—on 1 January 1973, along with the Republic of Ireland and Denmark.[47] This event marked a turning point in Australia's external and trade policy, and particularly in the country's relationship with the European Community as a collective institution.

In 1973, there was a genuine concern in Australia that the international oil shocks—which had significantly weakened Western European domestic economies—would have a spill-over

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42. For an overview of CAP, see D Dinan, *Ever closer union. An introduction to European integration*, pp. 333–52.

43. European Commission Delegation to Australia, *Milestones in the EU-Australia relationship 1962-1979*, viewed 1 May 2009,
http://www.delaus.ec.europa.eu/eu_and_australia/Political/milestones_62-79.htm

44. Department of Immigration and Citizenship, *More than 60 Years of Post-war Migration: Post-war developments*, viewed 4 May 2009, http://www.immi.gov.au/media/fact-sheets/04fifty.htm#post

45. H Spinks, *Australia's settlement services for migrants and refugees*, Research paper no. 29, 2008–09, Parliamentary Library, Canberra, 2009, viewed 4 May 2009,
http://www.aph.gov.au/Library/pubs/rp/2008-09/09rp29.htm

46. J Jupp provides the most comprehensive overview to date of the migrant communities and their origins in Australia. See J Jupp, ed, *The Australian People. An Encyclopedia of the Nation, its People, and their Origins,* second edition, Cambridge University Press, Melbourne, 2001.

47. P Murray, Australia and the European Superpower, p. 11.

effect on Australia. This attitude was expressed in a *Sydney Morning Herald* article of 30 November 1973:

> Europe's booming industry in now balanced on a knife-edge of uncertainty as the deepening oil crisis raises the spectre of heavy production cuts, mass unemployment and a further upward twist in the inflationary spiral.
>
> … The threatening cloud which now hangs darkly over Europe could thus cast deep shadows over Australia's export trade.[48]

Ministerial consultations between the Australian officials and the European Community officials began in 1976, covering a range of bilateral and multilateral issues.[49] The first official round of Ministerial Consultations was held in December 1981 in Brussels—the same year the Delegation of the Commission of the European Communities to Australia was established in Canberra.[50] These consultations became annual meetings alternating each year between Canberra and Brussels, during which issues of common concern could be addressed and experiences exchanged.[51]

In 1982, Australia's agreement with the Euratom came into force.[52] Australia's perceptions of and the country's relationship with the 'Club 10' (as some commentators in Australia referred to the ten-member European Community) in the 1980s can be summarised by an excerpt from the editorial in *The Age* of 13 December 1983:

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48. 'Europe's boom balances on a knife-edge', *The Sydney morning herald,* 30 November 1973. In December 1973, inflation rate in some parts of the Common Market was running at twelve per cent. N McInnes, 'Europe muddles its way to a united front on the oil crisis', *The National Times,* 10 December 1973.

49. European Commission Delegation to Australia, *Milestones in the EU-Australia relationship 1962-1979*, viewed 1 May 2009,
http://www.delaus.ec.europa.eu/eu_and_australia/Political/milestones_62-79.htm

50. The Head of the Delegation is the official representative of the European Commission in Australia. European Commission Delegation to Australia, *Milestones in the EU Australia relationship 1980–1989*, viewed 1 May 2009,
http://www.delaus.ec.europa.eu/eu_and_australia/Political/milestones_80-89.htm

51. D Goldsworthy, 'Australia, Britain, and the European Union', p. 124. In present times, these meetings are held in the 'Troika' format—namely, between Australia, the European Union's officials and the country holding the six-monthly rotating Presidency of the EU.

52. European Union, *Treaty establishing the European Atomic Energy Community*, viewed 1 May 2009,
http://europa.eu/legislation_summaries/institutional_affairs/treaties/treaties_euratom_en.htm.
The Euratom was established, like the European Economic Community, by the Treaty of Rome in March 1957 to coordinate member states' research into the peaceful uses of nuclear energy. The Euratom now ensures the security of atomic energy supply to the EU member states within the framework of a centralised monitoring system; viewed 1 May 2009, www.euratom.org

> The [European] Community, simply, is experiencing a deal of trouble and merely holding itself together. There will be some Australians who, given the contentiousness that has characterised the relationship between Canberra and the world's largest trading bloc, may draw satisfaction from the EEC's discomfort. To do so would be myopic. There is more to a relationship than an argument over agricultural exports, even if Australia has a case—which it does.

> That case, over the decade since Britain's entry into Europe, has changed. The quarrel today is not so much over access for Australia's primary produce …as over the dumping of EEC subsidised surpluses in markets where Australia has been obliged to seek diversification.

> … The CAP is ruinously out of date.[53]

In 1984, the Arrangement between Australia and the European Community on Cheese was signed, opening up new opportunities in Europe for Australian exporters. However, Australia continued to view CAP as a policy with trade distorting impacts and market access implications for non-European agricultural exporters. The Cairns Group was established in August 1986 partially in response to the European Community's policies (as well as those of the US and Japan), with Australia becoming the permanent chair of this body.[54] At the same time, the European Community regarded Australia's quarantine arrangements with suspicion, believing them to be a *de facto* trade barrier.

In the late 1980s Australia's public opinion was concerned about the implications of an integrated European market for Australian agricultural exporters:

> … If progress towards an integrated market can be said to be ticking over, the main question mark over Europe in the 1990s is how that single force will shape as a competitor in international trade, and what sort of rapport it will establish with outsiders.

> Any Australian farmer will tell you that the omens are not good. Major European trade partners fear Europe's architects will foster an industrial policy as disfigured and partisan as their common agricultural policy.[55]

Apart from consequences for Australia's agricultural sector, the European integrated market had potential consequences for the finance sector in the Asia Pacific region more broadly. This was seen to be the case, in particular, for the ability of 'Western Pacific countries to

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53.   Editorial, 'Europeans face a troubled year', *The Age,* 13 December 1983.

54.   The Cairns Group website, *Cairns Group milestones*, viewed 1 May 2009, http://www.cairnsgroup.org/milestones.html. For further reading, see D Kenyon and D Lee, *The Struggle for trade liberalisation in agriculture: Australia and the Cairns Group in the Uruguay Round,* Department of Foreign Affairs and Trade, Australia in the World, The Foreign Affairs and Trade Files, No. 4, 2006.

55.   G Haigh, 'The year of Europe's great leap forward', *The Age,* 30 December 1989.

attract finance'.[56] According to the former managing director of Westpac Banking Corp, Stuart Fowler, the single European market had the potential to dramatically change the world flow of finance, creating new financing challenges for the Asia Pacific countries. In his view, a unified Europe in 1992—with a free flow of goods, capital and people—could be a more attractive investment area for global investment funds than other regions.[57]

A survey of the Australian press in the late 1980s demonstrates there was a concern about the future of Europe and the Western alliance with democratic changes sweeping across Eastern Europe with unpredictable outcomes. Some commentators had warned against the return to discontent in the Soviet Union as well as in other Eastern European states. On 11 December 1989, Andrew Clark from the *Australian Financial Review* noted that French President Mitterrand said after the European Community summit in Strasbourg that Europe's post-war order, settled at Yalta in 1945, was over: 'As of today, Yalta belongs to history'.[58] Political events in Europe towards the end of the Cold War dramatically reshaped the concept of security for the European Community and Australia, as discussed in the next section.

Security during the Cold War era

During the Cold War, the world was effectively divided into two spheres of influence, with a third more 'neutral' group—the Non-Aligned Movement—officially emerging in 1961 in response to the bipolar geo-political alignment.[59] A strategic rivalry between the two superpowers, the US and the USSR, dominated the defence and security thinking of both the EEC and Australia until the disintegration of the USSR in 1991. Such a conception of security also had a political dimension which related to the ability of states 'to maintain their freedom, independence and values, such as democracy' in an era of clearly defined external threats to state security.[60] This political dimension of security remains unchanged in the contemporary security environment.[61]

Western European states during the Cold War were concerned with the potential for an outbreak of an all-out war on the European continent and annihilation in the case of nuclear warfare between the two superpowers. From 1949, NATO guaranteed the security of Western

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56. G McKanna, 'Westpac chief warns on EC challenge', *The Australian financial review,* 5 October 1990.

57. G McKanna, 'Westpac chief warns on EC challenge'.

58. A Clark, 'Europe speeds up economic reform', *The Australian financial review,* 11 December 1989.

59. The establishment in 1949 of the Western alliance, NATO, and the Warsaw Pact between the Soviet Union and its satellites in 1955 solidified the two opposing blocs during the Cold War.

60. A Cottey, Security in New Europe, p. 6.

61. GW Bush (US President), *President discusses War on Terror*, National Defense University, March 2005, viewed 1 May 2009,
http://www.whitehouse.gov/news/releases/2005/03/20050308-3.html

European nations vis-à-vis the USSR. NATO also provided a framework for military integration and policy harmonisation among its member states. Since the time of General Charles De Gaulle, France did not participate in NATO's military structures although it took part in NATO's political structures and processes.[62]

Australia's defence and security policy during the Cold War was mainly concerned with containing threats emanating from Australia's north—most notably the perceived threat of Communist expansion.[63] Australia's defence relationship with the US was formalised under the ANZUS agreement, signed in 1951 between Australia, New Zealand and the US. This guarantees US protection for Australia and New Zealand against a conventional attack by a foreign state. The Australian Defence Force (ADF) established relations with NATO in July 1952, when the Royal Australian Air Force took part in NATO exercises.[64] The concept of forward defence generally characterised Australia's defence policy between the early 1950s and 1970s with the country's participation in the Korean War as well as the Vietnam War. The Vietnam War in particular had become increasingly unpopular in both Australia and Europe towards the mid-1970s.

Between the 1960s and 1980s the European Community member states experienced a series of domestic terrorist attacks by anti-Government groups, such as the Baader-Meinhoff Group in Germany and Red Brigades in Italy, and other groups with aspirations for territorial independence in Spain and Northern Ireland. The terrorist attack against the Israeli Olympians at the Munich Olympic Games in 1972 was a prominent act of terrorism undertaken on the soil of an European Community member by an external group (Black September). In response to these events, the European Community member states signed a convention on the Suppression of Terrorism in Strasbourg on 27 January 1977.[65] This was the first comprehensive document addressing terrorism in the European Community.

An article from *The Australian* on 13 December 1989 suggests that the 1980s in Europe started with terrorism and ended with a long-term vision of the EEC by the French President Francois Mitterrand, who saw it stretching towards the East to include former republics of the Soviet Union and becoming a major world power.[66] Although these twin goals are still far

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62. This decision was reversed in 2009 by the current French President, Nicolas Sarkozy.

63. Some parts of Australia's defence and security establishment have traditionally been concerned with the prospect of invasion of Australia by enemy states, also known as continental defence. For the history of Australia's defence policy during the Cold War, see J Grey, *A Military History of Australia,* third edition, Cambridge University Press, Melbourne, 2008.

64. Royal Australian Air Force, *A concise history of the RAAF: post-war years*, viewed 1 June 2009, http://www.raaf.gov.au/history/postwar.aspx

65. There were two prior conventions specific to the aviation industry. These include the Convention for the Suppression of Unlawful Seizure of Aircraft, signed at The Hague on 16 December 1970 and the Convention for the Suppression of Unlawful Acts against the Safety of Civil Aviation, signed at Montreal on 23 September 1971.

66. 'The continental drift to a nation of countries', *The Australian,* 13 December 1989.

from complete, the statement indicates that there was a desire at the end of the Cold War that the EEC would act as a role model for its Eastern Neighbourhood, in particular for the formerly Communist states of the USSR. In assisting Europe's eastern neighbours towards becoming more democratic, the European Community expanded the scope of its engagement while closely monitoring the security situation in Europe and potential flashpoints, particularly the republics of the former Socialist Federal Republic of Yugoslavia (SFRY).

In the 1970s and 1980s, Australia experienced a series of acts of politically motivated violence in addition to the notorious Hilton bombing in Sydney in 1978. Incidents by radical individuals or groups included:

- a series of bombing attacks against Yugoslav diplomatic missions and community clubs, and Serbian Orthodox Churches throughout Australia

- arson attacks on the Croatian community offices in Melbourne

- letter bombs addressed to the Prime Minister and Queensland Premier in 1975

- kidnapping and wounding of an Indian official and his wife in 1977

- assassination of the Turkish Consul General and his bodyguard in 1980, and

- bombing of the Israeli consulate in 1982, and other incidents.[67]

During the Cold War, NATO guaranteed security in Europe. Australia was involved in military exercises with individual NATO members and in intelligence-sharing arrangements with the UK and other partner countries against what was perceived as a common threat emanating from the Soviet Union.[68] Australia and the European Community had no direct collaboration on security issues during the Cold War. The European Community at this time did not have an external security dimension and it is for this reason that Australia did not engage with it on security.

Relationship in the 1990s

The change of government in Australia in 1983—heralding the period known as the Hawke/Keating Labor Government (1983–1996)—saw greater Australian involvement with the Asia Pacific region, and an increased focus of Australian foreign policy on nuclear non-proliferation issues. Of particular note is Australia's acrimonious relationship with France over nuclear weapons testing in the Pacific Ocean. France—with a permanent presence in the

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67. G Brown, *Terrorism in the nineties: issues and problems*, Research paper, no. 27, 1994–95, Parliamentary Library, Canberra, 1995, viewed 1 May 2009, http://parlinfo.aph.gov.au/parlInfo/search/display/display.w3p;query=Id%3A%22library%2Fprspub%2F66B20%22

68. Royal Australian Air Force, 'A concise history of the RAAF: post-war years'.

Pacific Ocean through its overseas territories and contested sovereignty in New Caledonia—conducted a series of nuclear weapons tests in the Pacific Ocean between the mid-1980s and 1996. This caused deterioration in relations between France and the Australian Labor Government, and led to Australia's increased activism in international forums towards the creation and subsequent adoption of the [Comprehensive Nuclear-Test Ban Treaty](...) (CTBT) in the UN General Assembly.[69]

On 29 February 1996, Australia submitted to the Geneva Conference on Disarmament a 102-page document containing a draft treaty text and calling on negotiators to reach an agreement by June.[70] On 20 August, India vetoed the original document at the Conference, preventing it from going to the UN General Assembly as the Conference Document. Australia assumed a key role in further negotiations by asking the UN General Assembly on 23 August to begin considering a resolution calling for the General Assembly to adopt the draft text and the Secretary-General to open it for signatures. A vote was taken on amended treaty text on 10 September 1996 with a majority of states voting in its favour (158). The treaty was opened for signature from 24 September, and by mid-October 1996, 125 states had signed it.[71] To date, twelve states still need to sign/ratify the treaty before it can enter into force.[72] The EU has since become a major proponent of the Comprehensive Test Ban Treaty (CTBT).[73]

The former Australian Foreign Minister, Gareth Evans, together with Bruce Grant wrote in 1995 that Australian foreign policy towards Europe after the Treaty on European Union had to deal with three interrelated issues:

- the EU as a *single* political and economic entity

- Russia; and individual states in Europe with which Australia has close economic, political and trade relations, and

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69. Prior to this, Australia played an instrumental role in facilitating the creation of a South Pacific Nuclear Free Zone Treaty (Treaty of Rarotonga) between 1983 and 1985. The Treaty came into force on 11 December 1986. Nuclear Threat Initiative, *Treaty of Rarotonga*, viewed 1 April 2009, http://nti.org/e_research/official_docs/inventory/pdfs/spnfz.pdf ; CTBTO Preparatory Commission, viewed 1 May 2009, http://www.ctbto.org/the-treaty/?Fsize=yyeojlifzwieup

70. The White House, *Comprehensive Test Ban Treaty: Chronology during Clinton Administration*, 10 September 1996, viewed 1 May 2009, http://dosfan.lib.uic.edu/acda/factshee/wmd/nuclear/ctbt/ctbtchro.htm

71. J Medalia, *Nuclear Weapons Testing and Negotiation of a Comprehensive Test Ban Treaty*, Congressional Research Service Issue Brief, 14 November 1996, viewed 1 May 2009, http://www.fas.org/spp/starwars/crs/92-099.htm

72. *Ctbto.org*, *Status of signature and ratification*, viewed 1 May 2009, http://www.ctbto.org/the-treaty/status-of-signature-and-ratification/?Fsize=yyeojlifzwieup

73. Action item 8 of the Partnership Framework specifically aims to increase the number of countries in the Asia Pacific region that are party to the CTBT, thereby expressing an alignment of interests between Australia and the EU towards the entry of this treaty into force.

- important immigration and cultural linkages with European countries.[74]

One country that was specifically singled out is the UK, Australia's closest ally in Europe. Australia shares with the UK a common historical bond, strong financial and business ties, a defence relationship, extensive people-to-people links as well as long-standing political and intelligence linkages. The advancement of European integration was seen by the Hawke/Keating Government as presenting both challenges for specific sectors of Australian business as well as new opportunities. Some Australian suspicions, however, remained given the past experience with EU policies in the highly protected mineral and agricultural sectors. A policy alignment with major Nordic countries on chemical and biological weapons control became increasingly important for Australia's collaboration with these countries in multilateral forums.[75]

European countries experienced radical departures and changes in their foreign, defence and security policies during the 1990s. Landmark events such as the unification of West and East Germany after the fall of the Berlin Wall in November 1989 and the subsequent integration of East Germany into common institutions; the creation of a Single Internal Market in 1992 that facilitated the freedom of movement of people, goods, labour and capital; and the Treaty on European Union—formally ratified by all member states by November 1993—led the way for further integration within the EEC.[76] In Australia, Germany's reunification generated significant media attention, coupled with questions about the future of European security in what was perceived at the time as an emerging multi-polar world order—a shift that was accentuated by the emergence of Japan and China.[77]

With the civil wars in the Balkans following the dismemberment of the SFRY in 1991, the EU was concerned with the stabilisation of security in its immediate neighbourhood. In collaboration with individual member states as well as the US, the EU employed a mixed bag of political, diplomatic, economic and military instruments in assisting the warring parties to end active hostilities and sign a formal peace agreement in Paris on 14 December 1995

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74. G Evans and B Grant, *Australia's foreign relations in the world of the 1990s,* second edition, Melbourne University Press, Melbourne, 1995, pp. 298–324.

75. G Evans and B Grant, Australia's foreign relations in the world of the 1990s.

76. P Murray and L Topic, 'Introduction', in *Europe in the 1990s: Australia's Options,* P Murray and L Topic, eds, Contemporary European Studies Association of Australia, 1994, pp. 5–14.

77. For the article about the emerging multi-polar world, see 'Marx goes West', *The Australian financial review,* 9 June 1989. For articles about Germany's unification, see 'There is no time to talk of reunification', *The Age,* 13 November 1989; 'Reunification Prospect likely to cause upheaval in France', *The Age,* 13 November 1989; 'The Reshaping of Germany may result in a reshaped Europe', *The Sydney Morning Herald,* 7 November 1989; 'Facing up to the German Question', *The Bulletin,* 17 October 1989; and 'Germany the key to reshaping Europe', *The Age,* 7 October 1989.

known as the Dayton Peace Agreement.[78] The EU also established the Office of the High Representative for Bosnia-Herzegovina and EU Special Representative, and subsequently appointed seven successive EU Special Representatives (to date) to monitor the implementation of the peace agreement.[79]

Australia was not a major player in this process, but, according to a report by the Joint Standing Committee on Foreign Affairs, Defence and Trade, Australia had an active interest 'in the peace and stability of the states of the former Yugoslavia'.[80] This was supported by the fact that Australia accepted tens of thousands of refugees from the Balkans, many of whom later became Australian citizens. Australia also continued under successive governments to lend support to the International Criminal Tribunal for the former Yugoslavia in The Hague since its establishment in 1993.[81] From a comparative perspective, one of the areas of ongoing cooperation between Australia and the EU under the first objective of the Partnership Agreement of 2008 is to provide the International Criminal Court (ICC) with effective cooperation and assistance to reinforce the Court's credibility and its ability to pursue the judicial function for which it was created.[82]

In 1990, Western European governments were very concerned about a potential mass exodus of people from Eastern Europe to Western Europe, in particular from the Soviet Union. Some commentators were suggesting that up to 50 million people might leave the Soviet Union in the first few years of the 1990s.[83] There were also concerns in Europe about the increasing flow of migrants from North Africa to Western Europe escaping poverty and fear of persecution. The rise in illegal immigration prompted Western European leaders (such as the German Chancellor Helmut Kohl) to call for a joint policy on refugees, as well as 'a common

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78. Office of the High Representative and EU Special Representative, *The General Framework Agreement for Peace in Bosnia and Herzegovina*, viewed 1 May 2009, http://www.ohr.int/dpa/default.asp?content_id=380

79. In 1997, however, the High Representative was given freedom 'to remove from office public officials who violate legal commitments and the Dayton Peace Agreement, and to impose laws as he sees fit if Bosnia and Herzegovina's legislative bodies fail to do so'. Office of High Representative for Bosnia-Herzegovina, *The Mandate of OHR*, viewed 1 May 2009, http://www.ohr.int/ohr-info/gen-info/default.asp?content_id=38612

80. Joint Standing Committee on Foreign Affairs, Defence and Trade, Report 69, 'Bosnia–Australia's response', January 1996, The Parliament of the Commonwealth of Australia, p. xxii, viewed 1 May 2009, http://www.aph.gov.au/house/committee/jfadt/Bosnia/Bos_indx.htm

81. International Criminal Tribunal for the former Yugoslavia, viewed 1 May 2009, http://www.icty.org/sid/3

82. Department of Foreign Affairs and Trade, *Australia-European Union Partnership Framework*, viewed 1 May 2009, http://www.dfat.gov.au/geo/european_union/australia_partnership_framework.html

83. A McCathie, 'Refugee poser comes with European change', *The Australian financial review,* 27 November 1990.

policy on visas and border controls'.[84] The security threats facing the European Community have, therefore, contributed to the need for more internal cohesion within Western Europe and greater coherence in the developing CFSP.[85]

With momentous changes to Europe's political, security and defence landscape in the 1990s, NATO made a policy decision at the 1994 Brussels summit to expand eastward to include some former Eastern European states, as well as form the so-called Partnership for Peace group with the non-NATO states.[86] NATO also directed its operations towards peace-keeping, and for the first time in its history, included out-of-area operations (in the Balkans in 1995 and 1999) and counter-terrorism—as evident from the Alliance's Strategic Concept of 1999.[87] Today, 21 out of 27 EU member states are also NATO members.

Australia and the European Community signed several significant agreements between 1991 and 1994.[88] Apart from their sector-specific agreements in the 1990s, there was no formal security relationship established between their respective institutions during this period.

With respect to other areas of bilateral relations between the EU and Australia in the 1990s, the European Commission's ambassador to Australia, Aneurin Hughes, said in his address to the National Press Club in Canberra on 8 May 1996:

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84. A debate about the potentially large influx of migrants from Africa and the East occurred during the Conference on Security and Cooperation in Europe summit in November 1990. Graham Barrett, 'Refugees "the new threat" to Europe', *The Age,* 22 November 1990.

85. *The Canberra Times* article of 23 April 1996 by Sarah Helm states that 'plans are being finalised in Brussels for a Europe-wide refugee database which will hold the fingerprints of every asylum-seeker who applies for refugee in a European Union country. The data base, to be called Eurodac, [was] viewed by refugee agencies as another sign that Europe is erecting an ever tighter fence against asylum-seekers and immigrants'. For more information about this system, see the European Union, *Eurodac system*, viewed 1 May 2009, http://europa.eu/legislation_summaries/justice_freedom_security/free_movement_of_persons_asylum_immigration/l33081_en.htm

86. KP Klaiber (Assistant Secretary General for Political Affairs NATO), 'The Membership Action Plan: Keeping NATO's door open', Vol. 47, no. 2, Summer 1999, viewed 1 May 2009, http://www.nato.int/docu/review/1999/9902-05.htm

87. The Concept states that 'Alliance security interests can be affected by other risks of a wider nature, including acts of terrorism, sabotage and organised crime, and by the disruption of the flow of vital resources. The uncontrolled movement of large numbers of people, particularly as a consequence of armed conflicts, can also pose problems for security and stability affecting the Alliance'. NATO, *The Alliance's Strategic Concept*, 24 April 1999, viewed 1 May 2009, http://www.nato.int/docu/pr/1999/p99-065e.htm

88. For a full list of agreements, see EC Delegation to Australia, 'EU Agreements with Australia', viewed 1 April 2009, http://www.delaus.ec.europa.eu/EU_and_Australia/agreements/index.htm

> [Australia around 1995 was replete with a] focus on perceived European Union shortcomings, a belittling of developments such as the European Union's internal market and a widespread ignorance of the European Union's purposes and place in the world.[89]

Ambassador Hughes also said that Australia's view of Europe was that the EU was a 'partnership of nations' rather than a 'strong single market of 370 million people'.[90] In response to the Ambassador's speech, Karen Middleton, then a journalist from *The Age,* questioned how much knowledge there was 'in the nations of Europe about the commercial and cultural importance of Australia'.[91] Such comments reflect some of the challenges in the relationship between the EU and Australia under the Keating Government.

A day after the reported speech, *The Canberra Times* reported on 9 May 1996 that 'Mr Hughes praised new Foreign Minister Alexander Downer for expanding the previous government's changing view of Europe'.[92] As Michael Dwyer from the *Australian Financial Review* reported on 9 May, the new 'Federal [Coalition] Government has also called for a renewed focus on Australia's traditional relationship with the US and Europe, although not at the expense of our links with Asia'.[93] Australia's relationship with the EU under the Howard Government, and in the post-11 September 2001 new security environment in particular is discussed in the next section.

One of the challenges facing Australia under the Keating Government was Australia's failure—due to Malaysia's opposition and veto—to attain a seat at the first Asia-Europe meeting (ASEM) in Bangkok, despite having won support from key European and Asian countries (including Britain and Japan, for instance). Furthermore, Australia wanted to participate in these talks on the Asian side.[94] Only in May 2009 Foreign Minister Smith announced that Australia will join the ASEM meeting process in 2010, which will take place in Brussels.

The new security environment after 11 September 2001

The contemporary security environment is characterised by what the UN calls 'the threats that recognise no international boundaries, are connected, and must be addressed at the global and regional as well as national levels'.[95] These include the asymmetrical threats of new

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89. G Henderson, in 'The Europeans are green with envoy', *The Age,* 28 May 1996.

90. Cited by M Dwyer, in 'Focus on Asia seen as disavowal of European ties', *The Australian financial review,* 9 May 1996.

91. G Henderson, 'The Europeans are green with envoy'.

92. 'Diplomat criticises disavowal of European links', *The Canberra times,* 9 May 1996.

93. M Dwyer, 'Focus on Asia seen as disavowal of European ties'.

94. N Aisbett, 'Australia excluded from circle', *The West Australian,* 23 February 1996.

95. United Nations, *A more secure world: our shared responsibility. Report of the High-level Panel on Threats, Challenges and Change*, 2 December 2004, UN General Assembly, A/59/565,

terrorism by groups that subscribe to radical religious ideology and operate across borders using new technologies, transnational organised crime, and the proliferation of weapons of mass destruction (WMD) globally.[96]

In an era of new terrorism Al Qaeda, a borderless non-state group, declared war against the West and its values, as well as the UN. The Bush Administration responded to the threat by launching a War on Terror (WOT) policy, which was supported by Australia and a number of EU members.[97] It is worth noting that this phrase, *War on Terror* is more closely associated with the Bush Administration as there have been indications that the Obama administration prefers to use the phrase 'overseas contingency operations' instead.[98]

This period also witnessed an expansion of Australia's relations with EU agencies in the area of law enforcement cooperation, particularly between the Australian Federal Police (AFP) and the European Union law enforcement organisation (Europol), which handles criminal intelligence. According to Cotton and Ravenhill (2007) Australian foreign policy following the events of 11 September 2001 became 'dominated by responses to terrorism', and counter-proliferation measures.[99]

Responding to the terrorist threat: Australia and the EU

The 11 September 2001 terrorist attacks led to a major rethinking on security by the majority of states in the international system, which resulted in the enacting of counter-terrorism laws

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pp. 12–5. Three other clusters of threats are 'economic and social threats', interstate conflict and internal conflict.

96. For further reading about the impact of new technologies on national security, see K Michael and MG Michael, eds, *The third workshop on the social implications of national security: Australia and the new technologies in public administration*, 23–24 July 2008, Canberra, Australia, Research Network for a Secure Australia, University of Wollongong, 2008. See also G Waters, D Ball and I Dudgeon, *Australia and cyber-warfare*, Strategic and Defence Studies Centre, Canberra Papers on Strategy and Defence no. 168, Australian National University E Press, Canberra, 2008.

97. US Department of State, *National Strategy for Combating Terrorism*, September 2006, viewed 1 April 2009, http://www.fas.org/irp/threat/nsct2006.pdf. For media articles on the *War on Terror,* see the CNN webpage dedicated to 'War Against Terrorism', viewed 1 May 2009, http://www.cnn.com/SPECIALS/2001/trade.center/

98. O Burkeman, 'Obama administration says goodbye to war on terror', *guardian.co.uk*, 25 March 2009, viewed 1 April 2009, http://www.guardian.co.uk/world/2009/mar/25/obama-war-terror-overseas-contingency-operations

99. J Cotton and J Ravenhill, 'Trading on Alliance Security': Foreign policy in the Post-11 September Era, pp. 3-20, in J Cotton and J Ravenhill, eds, *Trading on Alliance Security. Australia in World Affairs 2001-2005,* Oxford University Press, 2007, p. 3. See also C Ungerer, *A new agenda for national security*, Australian Strategic Policy Institute (ASPI) Special Report, Issue 15, April 2008.

across the globe including by the EU and Australia.[100] Australia's cooperation with the EU member states and regional agencies on security expanded and became issue-specific. Strategic dialogues on counter-terrorism commenced in 2001.

The terrorist attacks in New York and Washington coincided with Prime Minister John Howard's visit to the US for the 50th anniversary of the ANZUS treaty. The attacks prompted the Prime Minister to invoke the ANZUS alliance on 17 September 2001 in the House of Representatives for the first time in the agreement's history.[101] As a direct consequence of these attacks, the Australian Government instituted an Ambassador for Counter-Terrorism, passed a series of anti-terrorism laws and tightened controls with regard to border security, immigration, transportation, and other key areas of national security.

The terrorist attacks in Bali on 12 October 2002 and on 1 October 2005, and the attack on the Australian embassy in Jakarta on 9 September 2004 reinforced the need for a more coordinated regional policy response to tackling terrorism.[102] The Australian press reported allegations from other regional sources that 'Bin Laden 'funded' the Australian embassy bombing'.[103] Counter-terrorism quickly became part of Australian foreign policy, as exemplified in the 2003 DFAT White Paper, *Advancing the National Interest*.[104]

In order to present a whole-of-government approach to tackling terrorism and improving domestic capacities in responding to a terrorist threat at home and abroad, the government issued a White Paper on Terrorism, *Transnational terrorism: a threat to Australia*, launched

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100. For a discussion on the nexus between the protection of human rights and counter-terrorism, see S Bronitt, 'Balancing Liberty and Security: Critical Perspectives on Terrorism Law Reform', in M Gani and P Mathew, eds, *Fresh Perspectives on the 'War on Terror*, Chapter five, 2008, pp. 65–83, viewed 1 May 2009, http://epress.anu.edu.au/war_terror/pdf/ch05.pdf

101. J Howard, 'Motion: United States of America: terrorist attacks', House of Representatives, *Debates*, 17 September 2001, p. 30739.

102. A Bergin from the Australian Strategic Policy Institute observed that the term 'national security' during the Howard Government 'was more often than not used as a synonym for counter-terrorism'. In his view, the Rudd Government in its National Security Statement (NSS) of December 2008 has adopted an 'all-hazards approach to security', which more resembles the European approach. A Bergin, *A safer Australia: meeting the challenges of homeland security*, Australian Strategic Policy Institute (ASPI)*, 30 January 2009, p. 1, viewed 1 May 2009, http://www.aspi.org.au/publications/publication_details.aspx?ContentID=198&pubtype=9

103. 'Bin Laden 'funded' Australian embassy bombing', *Sydney morning herald,* 1 April 2005, viewed 1 May 2009, http://www.smh.com.au/news/world/bin-laden-funded-australian-embassy-bombing/2005/08/01/1122748533388.html

104. Department of Foreign Affairs and Trade, *Advancing the national interest,* Australia's Foreign and Trade Policy White Paper, Canberra, Commonwealth of Australia, viewed 1 April 2009, http://dpl/Books/2005/DFAT_AdvancingNatInterest.pdf

in Canberra on 15 July 2004.[105] Al Qaeda and Jemaah Islamiyah were identified in this document as key terrorist threats to Australia.[106] In 2005, the government proposed further strengthening of anti-terrorism laws in Australia.[107] Regionally, the government signed Memoranda of Understanding (MoU) on Counter-Terrorism with several Asian countries, the purpose of which was to strengthen counter-terrorism capabilities of Australia's regional partners over the long-term.

Australia also supported counter-terrorism work internationally, as well as counter-terrorism activities in 'regional organisations such as APEC, the ASEAN Regional Forum, the Asia-Pacific Group on Money Laundering and the Pacific Islands Forum'.[108] In addition, Australia and Indonesia jointly established an inter-faith dialogue involving leaders from around the region to enhance a mutual understanding of religion and cultures in the fight against terrorism.[109] Under the Partnership Framework, Australia and the EU have committed to the study of the roots of the radicalisation process, which might in part be built upon the work already done between Australia and Indonesia.

As acknowledged by Monar (2008) and Cottey (2007) underground terrorist attacks in EU member states, including the train bombings in Madrid on 11 March 2004 and the London tube and bus attacks in July 2005 were different from previous European experiences with domestic terrorism.[110] These attacks were also designed to inflict mass casualties, attract global attention and provoke a political or policy response.[111] These events also characterised

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105. Department of Foreign Affairs and Trade, *Transnational terrorism: the threat to Australia*, viewed 1 May 2009, http://www.dfat.gov.au/publications/terrorism/transnational_terrorism.pdf

106. Department of Foreign Affairs and Trade, *Information sheets: contents*, viewed 1 May 2009, http://www.dfat.gov.au/publications/terrorism/is_contents.html

107. N Brew and S Harris-Rimmer, 'Proposals to further strengthen Australia's counter-terrorism laws—2005', *E-brief,* (update), Parliamentary Library, Canberra, 2005, viewed 1 May 2009, http://www.aph.gov.au/library/intguide/LAW/TerrorismLaws.htm; J Tomaras, *Aviation Transport Security Amendment (Additional Screening Measures) Bill 2007*, Bills digest, no. 107, 2006–07, Parliamentary Library, Canberra, 2007, viewed 1 May 2009, http://www.aph.gov.au/library/pubs/bd/2006-07/07bd107.pdf

108. Department of Foreign Affairs and Trade, *Information sheet 5: Countering the terrorist threat – Overseas*, viewed 1 May 2009, http://www.dfat.gov.au/publications/terrorism/is5.html

109. Department of Foreign Affairs and Trade, Information sheet 5: Countering the terrorist threat – Overseas.

110. A Cottey, *Security in the New Europe*; J. Monar, 'The European Union as a Collective Actor in the Fight against Post-9/11 Terrorism: Progress and Problems of a Primarily Cooperative Approach', Chapter 11, in M Gani and P Mathew, eds, *Fresh Perspectives on the 'War on Terror*, 2008, viewed 1 April 2009, http://epress.anu.edu.au/war_terror_citation.html

111. Three days after the Madrid train bombings, there was an unexpected change of government in Spain's legislative elections. The incumbent Zapatero Government quickly pulled out the Spanish combat troops from Iraq, ahead of schedule.

the environment in which the EU's most comprehensive strategic and foreign policy document, the European Security Strategy (ESS), was devised in 2003.[112] Since the Madrid bombings, 11 March is known as the European Day for the victims of terrorism.[113]

On 25 March 2004 the European Council established the office of the EU Counter-Terrorism Coordinator, and appointed Gijs de Vries to this position (it is currently held by Gilles de Kerchove).[114] On 3 May 2005, the Convention on the Prevention of Terrorism was issued by the Council of Europe, which demonstrated that the European response to terrorism included close coordination of several EU institutions.[115]

On security matters, Australia and the EU provided support for a regional peace process in Aceh, and assisted counter-radicalisation programs in countries such as Indonesia. The ESS posits that insecure or failed states would run the risk of becoming easy prey for terrorists—like Afghanistan in the 1990s. In addition to the collective efforts of the EU in this regard, individual European countries (including the UK, France, Italy, Sweden, Denmark, the Netherlands and Spain) provided funding for the Jakarta Centre for Law Enforcement Cooperation in the Indonesian province of Semerang—announced by the governments of Australia and Indonesia in February 2004 and opened in July that year.[116] Moreover, Australia and the EU member states, in particular Portugal, worked side-by-side to restore security in East Timor in successive UN operations from 1999.

The global terrorist threat has prompted the EU to become more internally cohesive with regard to law enforcement, security and intelligence capabilities and information sharing among the EU member states.[117] The EU internally responded to the terrorist threat by

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112. S Biscop, 'The European Security Strategy in context. A comprehensive trend', in S Biscop and JJ Andersson, eds, *The EU and the European Security Strategy. Forging a global Europe.* Routledge Advances in European Politics, Routledge, New York, 2008, pp.5–20.

113. European Commission, *11 March 2005—First European Day for the victims of terrorism*, 11 March 2005, viewed 1 April 2009, http://ec.europa.eu/justice_home/news/information_dossiers/terrorism_march_2005/index_en.htm

114. Council of the European Union, *EU Counter-terrorism Coordinator*, viewed 1 May 2009, http://www.consilium.europa.eu/showPage.aspx?id=1344&lang=en

115. For EU's counter-terrorism strategies, see European Commission, *The EU Fights against the Scourge of Terrorism*, viewed 1 May 2009, http://ec.europa.eu/justice_home/fsj/terrorism/fsj_terrorism_intro_en.htm

116. Jakarta Centre for Law Enforcement Cooperation, viewed 1 May 2009, http://www.jclec.com/

117. European Commission, *The EU in the world. The foreign policy of the European Union*, June 2007, in particular pp. 7, 11 and 12, viewed 1 May 2009, http://ec.europa.eu/publications/booklets/move/67/index_en.htm. For an overview of global missions and operations of the EU, see Council of the European Union, 'Overview of the missions and operations of the European Union January 2009', viewed 1 May 2009, http://www.consilium.europa.eu/uedocs/cmsUpload/map-EN_022009.pdf. For Australia, see

improving cross-border intelligence sharing and law enforcement cooperation. The EU institutions were involved in strengthening the legal framework to deal with this threat and its consequences. To this end, the Framework Decision on Combating Terrorism of 13 June 2002, the European Security Strategy in 2003; the EU Counter-Terrorism Strategy on 15–16 December 2005; the Revised EU Action Plan on Terrorism on 9 March 2007, and the European Commission's new package of proposals in the fight against terrorism on 6 November 2007 were adopted. The EU also started addressing the issue of 'home-grown' terrorism, as evident from the adoption of the European Union Strategy for Combating Radicalisation and Recruitment to Terrorism in November 2005.[118] An evolution of the EU's security strategy will be discussed in the next section.

The security strategy of the EU

The Treaty on European Union (the Maastricht Treaty, signed in 1992 and ratified in 1993) was the first treaty to include provision on the EU's responsibilities in terms of security and the future common defence policy. It also laid the first practical principles of intra-regional police cooperation and dialogue on migration (asylum) matters, amongst other things.[119]

The objectives of the Common Foreign and Security Policy are to:

- safeguard the common values, fundamental interests and independence of the Union,
- strengthen the security of the Union and its Member States in all ways,
- preserve peace and strengthen international security, in accordance with the principles of the United Nations Charter as well as the principles of the Helsinki Final Act and the objectives of the Paris Charter
- promote international cooperation, and
- develop and consolidate democracy and the rule of law, and respect for human rights and fundamental freedoms.[120]

At the strategic policy level, the trans-Atlantic relationship is of paramount importance in the EU's strategic thinking. The ESS was devised in the midst of policy divisions in the EU over

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Department of Defence, 'Global Operations', viewed 1 May 2009, http://www.defence.gov.au/opEx/global/index.htm

118. Externally, the EU responded by supporting in principle the US-led war against the Taliban in Afghanistan and by increasing political dialogues with non-EU states, especially in the Middle East.

119. 'Treaty on European Union', *Official Journal C191,* 29 July 1991, viewed 1 April 2009, http://eur-lex.europa.eu/en/treaties/dat/11992M/htm/11992M.html

120. 'Treaty on European Union', Title Five, Article J. 1.

the Iraq War, which to some commentators only highlighted the need for a united policy response of the EU on the international stage.[121]

The ESS states that conflict and threat prevention are strategies that the EU will adopt before a crisis occurs.[122] The stability of the EU's neighbourhood, 'resolution of the Arab/Israeli conflict', and the promotion of good governance and human rights in pursuit of greater stability in the international order are listed as key strategic priorities for Europe. It also states that the trans-Atlantic partnership is irreplaceable. Finally, the ESS states that:

> An active and capable European Union would make an impact on a *global scale*. In doing so, it would contribute to an effective multilateral system leading to a fairer, safer and more united world (emphasis added).[123]

The ESS recognises that threats to the security of the EU and its citizens comprise: terrorism, proliferation of WMD, failed states, transnational organised crime and regional conflict. The strategic objectives under the ESS are to address the threats, build security in the neighbourhood, and develop an international order based on effective multilateralism.[124] A debate is currently underway in the EU academic and policy community on whether the ESS needs to be improved or expanded in order to include post-2003 challenges such as natural disasters, climate change, protection of borders and energy security.[125] In December 2008, the ESS was reinforced under the French Presidency of the EU in a report by the EU High Representative Javier Solana.[126]

The Executive Director of International Security Information Service (ISIS) Europe, Ms Giji Gya, observed that in 2008, new elements to the ESS included:

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121. For a detailed analysis of the ESS, see S Biscop and JJ Andersson, eds, *The EU and the European Security Strategy. Forging a global Europe.* Routledge, USA, 2008.

122. European Union, 'A Secure Europe in a better world. European Security Strategy', p. 7.

123. European Union, 'A Secure Europe in a Better World. European Security Strategy', pp. 14–5.

124. European Union, *European security strategy*, viewed 1 April 2009, http://europa.eu/legislation_summaries/justice_freedom_security/fight_against_terrorism/r00004_en.htm

125. 'The European Security Strategy in 2008: Review or Rehearsal', February 2008, viewed 1 April 2009, http://www.securitycommunity.eu/modules.php?name=News&file=article&sid=31; S Pullinger, 'Revising the European Security Strategy: Building a secure Europe in a better world', *European Security Review,* no. 35 October 2007, viewed 1 April 2009, http://isis-europe.org/pdf/2007_esr_45_esr_35.pdf

126. EU High Representative Javier Solana, 'The implementation of the European Security Strategy: Providing Security in a Changing World–Statement on strengthening international security, Declaration on strengthening capabilities' S407/08, report by the EU High Representative Javier Solana, in association with the European Commission, 11 December 2008.

- the objective to pursue terrorism 'with due regard for human rights, international humanitarian law and the right of asylum', an element that was missing in the ESS

- a call to develop a 'European alert platform' to make recruitment and incitement to terrorism via the internet a criminal offence, which could prove difficult to police

- singling out Iran as a nuclear threat, whereas North Korea had been singled out in the 2003 document, and

- an acknowledgement that both Afghanistan and Pakistan are the EU's key partners in the struggle against terrorism—with Pakistan being the new element.[127]

Although not specifically mentioned in the ESS, the EU's relations with Russia also feature in the EU's strategic policy. During the recent conflict between Russia and Georgia, the French President Nicholas Sarkozy, who was at the time representing France as well as the EU in the Presidency role, played an important role in negotiating an end to the active hostilities between the warring parties.[128]

Australia-EU cooperation on security

In a more complex global and regional security environment following the end of the Cold War, Australia and the EU decided to formally increase their cooperation and advance dialogue on foreign and security policy, and collaboration on justice and home affairs during successive Australian governments. Under the Howard Government, Australia–EU relations were formalised in a document signed in Luxemburg on 26 June 1997, the *Joint Declaration on Relations between Australia and the European Union*.[129]

This document provided the basis for an official dialogue, both bilateral and in relevant international forums, on a range of economic, political and trade issues. It also established arrangements for cooperation on current and emerging threats to world peace and security. These included both traditional security threats, such as the proliferation of weapons of mass

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127. G Gya (Executive Director, ISIS Europe), 'The ESS Scorecard', *European Security Review,* no. 42, December 2008, pp. 2–3, viewed 1 May 2009, http://www.isis-europe.org/pdf/2008_esr_66_esr42-dec08.pdf

128. For further reading about the Russia–Georgia crisis, see N Markovic, *Behind the scenes of the Russia-Georgia conflict*, Background note, 17 September 2008, Parliamentary Library, Canberra, 2008, viewed 1 May 2009, http://www.aph.gov.au/Library/pubs/BN/2008-09/RussiaGeorgiaConflict.htm

129. European Commission Delegation to Australia, *Joint Declaration of Relations between European Union and Australia*, 26 June 1997, viewed 1 April 2009, http://www.delaus.ec.europa.eu/eu_and_australia/jointdeclaration/97JointDeclaration.pdf

destruction, and non-traditional security threats, comprising new forms of terrorism, the fight against organised crime, and the trade in illicit narcotics.[130]

In March 2002, Australia held a strategic security dialogue with the EU through a senior-officials meeting, which was the first for the EU with a non-NATO member.[131] This meeting took place before Australia and the EU signed the *2003–08 Agenda for Cooperation* in April 2002.[132] This agreement led to an intensification of Australia–EU cooperation on counter-terrorism, non-proliferation and export control measures. It also provided a framework for developing closer law enforcement relations between the AFP and Europol. Bilateral discussions on security were expanded to include tackling the root causes of terrorism through targeted assistance and by preventing failed states from falling prey to terrorists.[133]

On 17 July 2002, Australia and the EU held a new senior officials dialogue in Brussels on issues such as immigration and asylum. Areas of potential bilateral cooperation included people smuggling.[134] The then Australian Prime Minister John Howard had previously appealed to the UN to adopt tougher people smuggling laws and provide more assistance to transit countries such as Indonesia and Malaysia in order to more effectively combat this activity.[135]

Australia furthered its security cooperation with NATO on 1 April 2005 with an Exchange of Letters. On 26 September 2007, Australia and NATO signed an agreement on the Security of Information. In March 2009, the Joint Standing Committee on Treaties (JSCT) recommended that binding treaty action be taken with respect to this treaty in order to fulfil NATO requirements that international instruments be binding under international law.[136] The

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130. European Commission Delegation to Australia, 'Joint Declaration of Relations between European Union and Australia'.

131. Australia, Parliament, Report of the Australian Parliamentary Delegation to The United States of America and the European Institutions, 1–13 September 2002, pp. 41–2.

132. Department of Foreign Affairs and Trade, *Australia and the European Union: an agenda for cooperation*, 2002, viewed 1 April 2009, http://www.dfat.gov.au/geo/european_union/aust_ec_min_conb.pdf

133. United Nations, *A more secure world: our shared responsibility. Report of the High-level Panel on Threats, Challenges and Change*, p. 49. Apart from the government responses, the threat of transnational terrorism by groups such as Al Qaeda and Jeemah Islamiah was outlined by K Rudd (then Shadow Minister for Foreign Affairs) in *The Three Pillars of Labor's National Security Policy*, National Press Club Telstra address, 2003, p. 9.

134. Australia, Parliament, Report of the Australian Parliamentary Delegation to The United States of America and the European Institutions.

135. M Bowling, *PM appeals to UN for tougher people smuggling laws*, AM, ABC Radio, 3 September 2001, viewed 1 April 2009, http://www.abc.net.au/am/stories/s356749.htm

136. Joint Standing Committee on Treaties (JSCT) also observed that the treaty would bear no additional costs to Australia and that 'the proposed agreement is substantially similar to nine

agencies responsible for implementation include the Defence Security Authority, the Department of Defence and the NATO Office of Security. The Committee expected that the implementing arrangements for the Agreement would be concluded by June 2009.

A stabilisation of the dire security situation in fragile countries such as Afghanistan is a common security agenda both for the EU-27 and Australia.[137] Since 2003, Australian troops have been stationed in southern Afghanistan along with the Dutch. In 2008 at the NATO summit in Bucharest, Prime Minister Kevin Rudd became Australia's first Prime Minister to attend this annual gathering and used this opportunity to call for greater European contributions to the NATO operations in Afghanistan. This position was reiterated most recently during his visit to the US in March 2009, when the Prime Minister lent Australia's support to the Obama Administration's new strategy for Afghanistan:

> … We need to play our part but we must also need to make sure that our friends and partners in Europe are playing their part.[138]

European foreign ministers have also said they are 'ready to increase their civilian action in Afghanistan, to support a new strategy by US President Barack Obama'.[139] The EU's response to the crisis in Afghanistan has generally been more focused on the funding for civilian projects, such as reconstruction, infrastructure and capacity building. However, on issues such as terrorism and in particular, a common European strategy for Afghanistan, Daniel Korski from the European Council on Foreign Relations argues that the EU does not have a coherent strategy with regard to NATO's most important mission in Afghanistan. He claims this is due to a failure by the European heads of state to agree 'on an EU Strategy with clear ideas of what they want to see happen'.[140]

Australia, along with some NATO members and individual EU member states, has been militarily involved in Afghanistan since the deposition of the Taliban by the US in 2001. Australia's desire to increase collaboration with the EU member states and NATO in

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other security of information agreements' Australia has with other countries—US, Sweden, South Africa, Singapore, New Zealand, Germany, France, Canada and Denmark. Parliament of Australia, JSCT, 'Report 98: Treaties tabled on 26 November 2008 and 4 December 2008', Canberra, March 2009, pp. 5–6.

137. An ASPI report states that 'Australia is the largest non-NATO contributor of military forces to the forty member International Stabilisation Assistance Force coalition in Afghanistan, and the eighth largest overall. Since 2001, Australia has spent \$2.3 billion on the Afghanistan intervention'. 'Making it count: Australia's involvement in Afghanistan', *ASPI Strategic Insights,* May 2008, p. 2. See also Department of Defence, *Operation Slipper,* viewed 10 July 2009, http://www.defence.gov.au/opEx/global/opslipper/index.htm

138. P Coorey, 'Rudd backs war plans', *Sun herald*, 29 March 2009, p. 3.

139. AFP, 'EU rallies to Obama call', *Sunday mail Brisbane,* 29 March 2009, p. 42.

140. D Korski, 'Shaping Europe's Afghan Surge', European Council on Foreign Relations, *Policy Brief,* March 2009, p. 3.

Afghanistan is evident from the first objective of the Partnership Framework: 'Australia, the EU and Member States to continue to support the International Security Assistance Force (ISAF) Comprehensive Strategic Political Military Plan to provide security for the people of Afghanistan'.[141] At the annual NATO summit in April 2009, both Australia and the US called for increased military contribution to Afghanistan efforts. Following an official request from the US, Australia agreed to send more troops to support ISAF operations.

Moreover, some similarities in Australia's and EU's outlook on global security have been observed by the director of the Policy Planning and Early Warning Unit, Helga M Schmid. During her visit to the Australian National University on 26 February 2009, Ms Schmid said:

> ... Both Australians and Europeans see our world today in similar terms. We understand that the nature of security is changing. In the Cold War, it was about territorial defence. Now, we face threats that are both more diverse and yet more inter-linked, and changing rapidly too: terrorism; proliferation in weapons of mass destruction; trans-national organised crime; failing states; energy security and, increasingly, the security implications of climate change. In such a world, no individual country can achieve security alone. We need to become more agile and equipped to respond to threats at source, around the world. And we need to collaborate, through a multilateral system which is both effective and has broader legitimacy.[142]

Although the similarities in respective foreign policy outlooks may overlap in certain areas, Australia and the EU are likely to have different security priorities on a variety of issues. Australia's and the EU's responses to the threat of nuclear proliferation and transnational organised crime will be briefly discussed in the next section.

The threats of transnational organised crime and the proliferation of WMD

The UN General Assembly Report of 2004 discussed about transnational organised crime as follows:

> Transnational organised crime is a menace to States and societies, eroding human security and the fundamental obligation of States to provide for law and order. Combating organised crime serves the double purpose of reducing this direct threat to State and human security,

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141. Department of Foreign Affairs and Trade, *Australia-EU Partnership Framework.*

142. HM Schmid, 'Australia and the EU: a common approach to 21st century security', *The Canberra times,* 2 March 2009. See also HM Schmid, 'The European Union's contribution to security in the Twenty-First Century', National Europe Centre, Australian National University, Canberra, 26 February 2009, viewed 1 April 2009, http://www.delaus.ec.europa.eu/News&events/speeches/2009/SchumanLecture2009Schmid.htm

and also constitutes a necessary step in the effort to prevent and resolve internal conflicts, combat the spread of weapons and prevent terrorism.[143]

As an asymmetrical threat to international security, transnational organised crime operates through fluid networks rather than established hierarchical structures, is increasingly flexible and adaptable to the changing demands of modern technology, and is global in its reach. It covers a wide range of criminal activities, from money laundering and people trafficking, to trafficking in nuclear materials. An example of a large covert criminal network directly engaged in nuclear proliferation was the AQ Khan network, which set out to help certain countries enrich their own uranium and make nuclear weapons.[144] In this case the traditional mechanisms of counter-proliferation (including through the International Atomic Energy Agency) have proven to be somewhat inadequate for capturing transnational actors operating globally across thirty countries, many of which had no laws criminalising their activities.

Australia and the EU are partners on nuclear non-proliferation through the Proliferation Security Initiative (PSI), which was established by the Bush Administration in 2003. The PSI is aimed at 'establishing a more coordinated and effective basis through which to impede and stop shipments of WMD, delivery systems, and related materials flowing to and from states and non-state actors of proliferation concern'.[145] The Partnership Framework does not specifically mention the cooperation of Australia and the EU through the PSI. One of the recent EU initiatives on this front includes the Communication from the Commission to the Council and the European Parliament document, 'Communication on nuclear non-proliferation', of 26 March 2009, which highlights the need to strengthen international guarantees of non-proliferation.[146] Australia co-chairs (along with Japan) the International Commission on Nuclear Non-Proliferation and Disarmament, which also includes experts from a number of EU countries.[147]

With regard to the proliferation of WMD, the key challenges for both Australian and EU policy makers include the Iranian uranium enrichment program and proliferation on the Korean peninsula. It is not likely that these issues will be resolved in 2009.

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143. United Nations, A more secure world: our shared responsibility. Report of the high-level panel on threats, challenges and change, p. 18.

144. 'Business of the Bomb. The Modern Nuclear Marketplace', *American Radioworks*¸ viewed 1 April 2009, http://americanradioworks.publicradio.org/features/nukes/index.html

145. US Department of State, *Proliferation Security Initiative*, viewed 1 April 2009, http://www.state.gov/t/isn/c10390.htm

146. Objective One of the Partnership Framework also expresses a joint desire by Australia and the EU to enhance dialogue and understanding within the international community of key issues relating to non-proliferation, including regional questions such as the Iranian and DPRK nuclear issues.

147. International Commission on Nuclear Non-Proliferation and Disarmament, viewed 1 May 2009, http://www.icnnd.org/index.html. See also the Department of Foreign Affairs and Trade website on this topic, viewed 1 May 2009, http://www.dfat.gov.au/security/index.html

Another prevalent form of organised crime that presents a security threat to the EU and Australia is people smuggling. According to the UN Office on Drugs and Crime (UNODC), 'people smuggling' is an illegal activity that 'involves the procurement for financial or other material benefit of illegal entry of a person into a State where that person is not a national or resident'.[148] People smuggling generates income of over US$10 billion a year, with actual figures probably triple that amount.

People smuggling represents one of the most serious contemporary challenges to Australia's national security, and can result in human rights abuses and humanitarian disasters as people smugglers ply their trade with impunity.[149] People smuggling also represents a security threat to the EU as more than 500 000 people per annum enter the EU illegally, and many do so with the assistance of people smugglers. The EU has been involved in enhancing border controls as well as regional capacities to deal with this threat both in the EU level and the EU's immediate neighbourhood. Since 2001, the EU has been more active in addressing this threat internationally.

Australia has been increasingly active in combating people smuggling in the Asia Pacific region. In 2002, Australia helped establish and now co-chairs, together with the Indonesian Government, the Bali Ministerial Process dedicated to this goal.[150] The European Commission has a participant status in the Bali process, which allows it to participate in official meetings and workshops. However, more direct information exchanges between Australia and the European Commission are necessary. The EU's long experience with people smugglers and traffickers from Eastern Europe, including illegal refugee flows during the Cold War from countries under Soviet control to Western Europe, could potentially offer insights for Australia on threat assessment, risk analysis and models which may assist in addressing this complex threat.

In the Asia Pacific region, Australia's cooperation with the EU on law enforcement has been traditionally modest. The European Economic Community was the first dialogue partner of the Association of Southeast Asian Nations (ASEAN), having established informal relations with this key regional inter-governmental organisation in 1972.[151] A dialogue on security

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148. UNODC, *UNODC on human trafficking and migrant smuggling*, viewed 1 April 2009, http://www.unodc.org/unodc/en/human-trafficking/index.html

149. C Millar (Ambassador for People Smuggling Issues), Department of Foreign Affairs and Trade, 'Bali Process–Building Regional Cooperation to Combat People Smuggling and Trafficking in Persons', Speech given to the Institute for the Study of Global Movements, Monash University, 29 July 2004, viewed 1 May 2009, http://www.dfat.gov.au/media/speeches/department/040729_bali_process_millar.html

150. C Millar (Ambassador for People Smuggling Issues), 'Bali Process—Building Regional Cooperation to Combat People Smuggling and Trafficking in Persons'.

151. On 7 May 1975, an ASEAN-EEC Joint Study Group was formed to investigate prospects for collaborative endeavours between the two regions, Association of Southeast Asian Nations,

matters between Australia and the EU in the context of a broader regional engagement included meetings in the ASEAN Regional Forum (ARF) of which both Australia and the European Community were the founding members and since then, active members of the organisation.[152]

Furthermore, Australia and the EU member states have extended their support to the Jakarta Centre for Law Enforcement Cooperation. This organisation, established in 2004, aims to increase regional law enforcement collaboration in Southeast Asia, as well as strengthen the law enforcement capacity in the regional states in dealing with terrorism and other transnational crimes. Furthermore, the EU launched in 2005 its first peacekeeping operation in Asia, the Aceh Monitoring Mission.[153] The EU observers were also dispatched to monitor the provincial elections in Aceh in 2006 and 2009.[154]

An example of a successful relationship between the EU and Australia on policing and law enforcement matters is Australia's relationship with Europol. It has contributed to a new partnership between the law enforcement agencies of Australia and the EU in the new security environment.

Australia–Europol cooperation

As stated earlier, Europol is the principal EU law enforcement body that handles criminal intelligence and aims to prevent and combat international organised crime and terrorism. The Europol Convention was ratified by all EU member states in 1998 and Europol commenced its full activities on 1 July 1999. Under its mandate, Europol supports law enforcement agencies in their efforts against illicit drug trafficking, illicit immigration networks, terrorism, money laundering, and people trafficking. Other priorities for Europol include cybercrime, financial crime and crimes against persons, when two or more member states are affected.[155] Following the events of 11 September 2001, a team of counter-terrorism specialists was set

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Overview of ASEAN-European Union dialogue, viewed 1 April 2009, http://www.aseansec.org/5612.htm

152. ASEAN Regional Forum, *About us*, viewed 1 April 2009, http://www.aseanregionalforum.org/AboutUs/tabid/57/Default.aspx

153. European Union @ United Nations, *EUHR Solana welcomes successful completion of Aceh Monitoring Mission*, 25 December 2009, viewed 1 April 2009, http://www.europa-eu-un.org/articles/en/article_6605_en.htm

154. European Union @ United Nations, *Aceh, Indonesia: EU deploys Election Observation Mission*, 16 November 2006, viewed 1 April 2009, http://www.eu-un.europa.eu/articles/fr/article_6485_fr.htm

155. For more information see European Law Enforcement Cooperation (Europol), 'Fact sheet on Europol', viewed 1 April 2009, http://www.europol.europa.eu/ataglance/Factsheets/Europol_Factsheet-enc.pdf\

up within Europol in order to collect and analyse all intelligence relevant to the current threat.[156]

Europol has signed cooperation agreements with third party states, including Australia, but it does not necessarily need to share the top secret strategic intelligence with non-members. As a third-party member state, Australia has access to Europol's strategic and operational intelligence documents. The benefits of Europol's strategic intelligence lie in the organisation's identification of emerging issues currently impacting on Europe and the third member states. As the Australian Federal Police reported:

> [Europol's] reports are crucial as a catalyst of environmental scanning documents and in identifying emerging trends and issues that may affect Australia. Such documents include the annual EU Organised Crime Threat Assessment and the EU Terrorism Situation and Trend Report.[157]

The AFP signed a cooperation agreement with Europol on 20 February 2007.[158] The Australia–Europol agreement, signed by AFP Commissioner Mick Keelty and Director of Europol Max-Peter Ratzel, came after seven years of negotiations between the AFP and Europol. It came into effect on 27 September 2007, with the information exchange commencing in February 2008. The first AFP liaison officer was posted to Europol in May 2007. This position seeks to strengthen Australia's existing relationships with Europol and major partner countries, including the UK, Canada, Netherlands, Germany and Belgium. This post also provides an avenue for Australia to foster new relationships with smaller countries in the Mediterranean region or in Eastern Europe.

Australia's engagement with Europol member states and third countries complements Australia's regional efforts, such as the Bali process, to help combat people smuggling, trafficking in persons and other transnational crimes. Meetings between Australian and European officers at Europol provide a useful opportunity for the Australians to draw attention to the regional transnational crime problems in the Asia Pacific. The formal cooperation agreement with Europol allows Australia to explore further avenues of cooperation in countering the threat of international terrorism. The next step in closer collaboration between Australia and Europol could include provisions for Australia to obtain

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156. N Moussis, *Guide to European Politics,* 14th revised edition, European Study Service, 2008–09, p. 126.

157. 'Australia and Europol join forces to combat transnational crime', *Platypus Magazine*, edition 98, March 2008, viewed 1 May 2009, http://www.afp.gov.au/__data/assets/pdf_file/71464/10_13_AustraliandEuropol.pdf; Europol can also provide support to criminal investigations linked to any of the EU member states and third-party member states, such as Australia.

158. Europol, *Australia signs cooperation agreement with Europol*, 20 February 2007, viewed 1 May 2009, http://www.europol.europa.eu/index.asp?page=news&news=pr070220.htm

full access to Europol's databases and vital information-sharing on terrorist suspects and other related subjects.

With respect to related areas of engagement, Australia and the EU have also signed a number of agreements over the last two years, as outlined below.

Recent agreements between Australia and the EU

Australia and the EU have signed the following major agreements in the past two years:

- the Australia–European Community Agreement on Trade in Wine, signed on 1 December 2008 and effectively replaced the Australia–EC Wine Agreement of 1994[159]

- Australia–EU Partnership Framework agreement, signed in Paris on 29 October 2008

- Australia-EU agreement on cooperation in the field of civil protection, signed on 19 September 2008[160]

- the European Union–Australia Passenger Name Record (PNR) Agreement, signed in Brussels on 30 June 2008.[161] Under this agreement, information about passengers flying into Australia on airlines using EU-based IT service providers can be disclosed to Australian Customs officials.[162] Once implemented, this agreement will be valid for seven years; and

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159. Department of Agriculture, Fisheries and Forestry, 'Agreement between Australia and the European Community on trade in wine', 1 December 2008, viewed 1 April 2009, http://www.daff.gov.au/agriculture-food/hort-wine/wine-policy

160. European Commission Delegation to Australia, *European Commission and Australia to cooperate on civil protection*, 19 September 2008, viewed 1 April 2009, http://www.delaus.ec.europa.eu/news&events/releases/2008/CivilProtection.htm

161. 'Agreement between Australia and the European Union on the processing and transfer of European Union-sourced Passenger Name Record (PNR) Data by Air Carriers to the Australian Customs Service', Brussels, 30 June 2008, viewed 1 April 2009, http://www.austlii.edu.au/au/other/dfat/treaties/notinforce/2008/11.html

162. S Smith (Minister for Foreign Affairs) and B Debus (Minister for Home Affairs), *Australia and the EU sign passenger name record (PNR) Agreement*, 1 July 2008, viewed 1 April 2009, http://www.foreignminister.gov.au/releases/2008/fa-s080701.html. See also European Union, 'EU-Australia PNR Agreement', viewed 1 April 2009, http://ec.europa.eu/world/agreements/prepareCreateTreatiesWorkspace/treatiesGeneralData.do?step=0&redirect=true&treatyId=7301. National Interest Analysis (2008) ATNIA 23, viewed 1 April 2009, http://www.austlii.edu.au/cgi-bin/sinodisp/au/other/dfat/nia/2008/23.html?&nocontext=1,

- a <u>cooperation agreement</u> signed between the AFP and Europol on 20 February 2007.[163] The Joint Committee on Treaties endorsed this agreement.[164]

In April 2008, the Prime Minister Kevin Rudd <u>visited the European Commission</u>.[165] During the same month, an Australian Parliamentary Delegation visited the European institutions.[166]

On 2 October 2008, the Minister for Immigration and Citizenship, Chris Evans, announced in a joint media release with the Minister for Tourism the launch of a free online *<u>eVisitor</u> <u>service</u>*:

> The EU-wide expansion of the *eVisitor* service is the culmination of Australia's efforts to deliver reciprocal short-term entry arrangements for EU nationals visiting Australia as tourists or for business purposes.[167]

In October 2008, the Joint Standing Committee on Treaties endorsed the *Agreement between Australia and the European Union on the Processing and Transfer of European Union-Sourced Passenger Name Record (PNR) Data by Air Carriers to the Australian Customs Service* with a binding treaty recommendation.[168] Some parties in the European Parliament, however, expressed their concerns about this agreement. The <u>Bulletin of the European Union</u> of October 2008 reports:

> [European] Parliament considers that the procedure followed for the conclusion of the agreement lacks democratic legitimacy, as at no stage was there any meaningful democratic

163. Australian Federal Police, 'Joining Forces with Europol', *Platypus Magazine,* April 2007, viewed 1 April 2009, http://www.afp.gov.au/__data/assets/pdf_file/36812/14_Europol.pdf

164. Joint Standing Committee on Treaties, 'Agreement on Operational and Strategic Cooperation between Australia and the European Police Office (Europol) (The Hague, 20 February 2007)', report 87, chapter 5, viewed 1 April 2009, http://www.aph.gov.au/house/committee/jsct/13june2007/report/chapter5.pdf

165. K Rudd (Prime Minister of Australia), *Joint Press Conference with José Barroso, President of the European Commission*, Brussels, Belgium', 2 April 2008.

166. A list of treaties between Australia and the EU is available at: http://ec.europa.eu/world/agreements/searchByCountryAndContinent.do?countryId=2131&countryName=Australia, viewed 1 April 2009. See also Department of Foreign Affairs and Trade, 'Treaties Database', viewed 1 April 2009, http://www.info.dfat.gov.au/Info/Treaties/Treaties.nsf/WSearch?OpenForm&Seq=1

167. C Evans (Minister for Immigration and Citizenship), *eVisitor visa to strengthen Australia-EU relations,* media release, 2 October 2008, viewed on 24 June 2009, http://www.minister.immi.gov.au/media/media-releases/2008/ce08095.htm

168. Joint Standing Committee on Treaties, 'Agreement between Australia and the European Union on the Processing and Transfer of European Union Sourced Passenger Name Record Data', Report 95, chapter seven, treaty tabled on 4 June 2008, viewed 5 June 2009, http://www.aph.gov.au/house/committee/jsct/4june2008/report1/chapter7.pdf

scrutiny or Parliamentary approval. It called on the Council and the Commission to fully involve Parliament and national parliaments in the adoption of a mandate for negotiations and the conclusion of any future agreements on the transfer of personal data.

... Parliament welcomed the fact that the Australian Privacy Act will apply unabridged to EU citizens, but is concerned about any exceptions and exemptions that may leave EU citizens with incomplete legal protection. It believes that the agreement should be fully compliant not only with Australian data protection laws, but also and primarily with EU laws.[169]

These concerns are a reflection of an internal debate within Europe over the EU's PNR agreements in general. Similar concerns by members of the European Parliament were expressed when the EU signed a PNR agreement with the US in May 2004, and with Canada in 2005. These are an example of ongoing internal debates on the policies of the EU, and reflect the fact that the EU's policy-making is constantly under negotiation and in flux.

The following section will provide an overview of the Australia-EU Partnership Framework, and in particular, of the first objective under the Framework regarding bilateral cooperation on common foreign and security interests.

Overview of the Australia-EU Partnership Framework

The Partnership Framework was signed on 29 October 2008 in Paris during the French Presidency of the EU by the Australian Minister for Foreign Affairs, Stephen Smith, and the French Foreign Minister, Bernard Kouchner. It represents a re-affirmation of the growing cooperation between Australia and the EU and effectively replaces the 1997 Joint Declaration and the 2003–08 Agenda for Cooperation that together guided Australia's external policy towards the EU under the previous government.[170]

The agreement also builds on the previous work done by the Howard Government, during which a police cooperation and security dialogue with the EU was formalised for the first time in the history of Australia–EU bilateral relations.[171] With the change of government in Australia on 24 November 2007 Prime Minister Kevin Rudd signalled a more multilaterally-

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169. Bulletin of the European Union, 'Area of Freedom, Security and Justice', 22 October 2008, pp. 72–3, viewed 1 April 2009, http://europa.eu/bulletin/en/200810/bulletin200810en.pdf

170. European Commission Delegation to Australia, *Joint Declaration on relations between the European Union and Australia*, 26 June 1997, viewed 1 March 2009, http://www.delaus.ec.europa.eu/eu_and_australia/jointdeclaration/97jointdeclarationprint.htm Department of Foreign Affairs and Trade, 'Australia and the European Union: an Agenda for Cooperation', viewed 1 March 2009, http://www.dfat.gov.au/geo/european_union/aust_ec_min_conb.pdf

171. For joint discussions preceding the signing of the Partnership Framework, see '2007 Australia – European Commission Ministerial Consultations: Joint Statement', June 2007, viewed 1 March 2009, http://www.austemb.be/bsls/home_EUAusJS.html

oriented role for Australia on the international stage.[172] In the face of increasingly global challenges to Australia's financial, economic and domestic security, Prime Minister Rudd set out to extend Australia's engagement with the EU and other international institutions, as discussed later in the paper.

The Minister for Foreign Affairs, Stephen Smith, described the Partnership Framework as 'deeply historic' for Australia.[173] Furthermore, Minister Smith stated:

> The first 30 years of the relationship between Australia and Europe were defined by disagreement over the Common Agricultural Policy. This agreement places our relationship … with great optimism for the future.[174]

The EU Commissioner for External Relations and European Neighbourhood policy, Benita Ferrero-Waldner, described the framework agreement as a 'single new, more flexible and modern Partnership Framework' and 'a good platform to build on existing bilateral relations between Australia and the EU'.[175] The Partnership Framework is much more detailed than the two previous agreements, and differs from them in terms of structure and areas of coverage.

Structure

The structure of the Partnership Framework is more comprehensive than Australia's two previous political agreements with the EU. Like the latter, the Partnership Framework provides Australia with a flexible arrangement that can be reviewed or modified by mutual consent. It contains no enforcement mechanisms, making it an agreement based on practicality and flexibility. It is expected that the agreement will undergo regular reviews every twelve to eighteen months, with the findings discussed at the annual EU–Australia Ministerial Troika consultations. The first review of the Partnership Framework is planned for October 2009 during the Swedish Presidency of the EU.

The Preamble acknowledges democratic principles and the commitment of both parties to the agreement. It expresses both parties' common interest in further engaging with and

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172. Australia's renewed focus on multilateralism is described in the 2008–09 Portfolio Budget Statements for the Foreign Affairs and Trade Portfolio, p. 15, viewed 1 March 2009, http://www.dfat.gov.au/dept/budget/2008_2009_pbs/2008-2009_FA+T_PBS_02_DFAT.pdf

173. 'Australia, EU sign partnership agreement', *The Age*, 30 October 2008.

174. S Smith (Minister for Foreign Affairs), *Launch of the Australia-EU Partnership Framework, French Foreign Ministry Paris*, 29 October 2008, viewed 1 March 2009, http://parlinfo.aph.gov.au/parlInfo/download/media/pressrel/OL2S6/upload_binary/ol2s60.pdf;fileType%3Dapplication%2Fpdf

175. *Mediagroup.com, New EU–Australia Partnership Framework to be endorsed during the EU–Australia Troika meeting in Paris*, 28 October 2008, viewed 1 April 2009, http://www.a2mediagroup.com/?c=126&a=1100

strengthening multilateral institutions, such as the UN and the World Trade Organization (WTO). Increased engagement with such institutions reflects one of the election pledges of the Labor Party while in opposition, as outlined in the *Three Pillars of Labor Foreign Policy* document of 2004. 'Effective multilateralism' is also a pillar of the EU's 2003 *European Security Strategy*—'A Secure Europe in a Better World', which was most recently updated in December 2008.[176]

The Preamble is succeeded by an outline of other important bilateral dialogues and consultations between the two parties, which include amongst other things the annual Senior Officials meetings, regular Ministerial-level consultation, Experts Troika meetings on Asia, informal security talks, dialogues on trade policy, agriculture, science and technology, migration and asylum, environment and the Pacific. This section, entitled 'Framework for dialogue and consultations', also acknowledges regular exchanges between the European Parliament and the Australian Parliament. The Members of the European Parliament most recently visited Australia for the 32nd Inter-parliamentary meeting in February 2009.

The Partnership Framework is divided into five broader objectives, which aim to:

- Objective I: strengthen bilateral and multilateral dialogue and cooperation in support of shared foreign policy and security interests

- Objective II: promote and support the multilateral rules-based trading system, and consolidate and expand the bilateral trade and investment relationship

- Objective III: enhance bilateral and regional cooperation and coordination between Australia and the EU in relation to the Asia and Pacific regions

- Objective IV: seek opportunities to cooperate on climate change, environment, energy security, fisheries and forestry, and

- Objective V: strengthen cooperation between the EU and Australia in science, research, technology and innovation, education and culture and to facilitate the movement of people.[177]

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176. S Hintermeier, 'Reconceptualization of External Security in the European Union since 1990', in HG Brauch, *Globalization and Environmental Challenges. Reconceptualizing Security in the 21st Century,* Volume 3: Hexagon Series on Human and Environmental Security and Peace, Springer, pp. 659–76, p. 675; *Consilium.europa.eu*, *A Secure Europe in a Better World. European Security Strategy*, 12 December 2003, viewed 1 April 2009, http://www.consilium.europa.eu/uedocs/cmsUpload/78367.pdf

177. Department of Foreign Affairs and Trade, *Australia-European Union Partnership Framework.*

Areas of coverage

The Partnership Framework outlines the Asia Pacific region as a growing area of interest for further collaboration between Australia and the EU. A practical illustration of this is a trilateral discussion on closer cooperation in aid policies in the South Pacific between Australia, New Zealand and the EU, which took place in 2008. Australia and the EU are the largest and second largest aid donors respectively to the region, and greater policy coherence among various donors in the region could increase the effectiveness of aid as well as jointly promote the principles of good governance among the Pacific Island Forum states.[178] Another issue is that of opening up European aid contracts to tenders from other countries, such as Australia— a process that is currently under negotiation.

The Partnership Framework, however, extends beyond both parties' immediate regions to address international food security, energy security and resource scarcity, as well as other challenges of globalisation that require a collective response, such as the global financial crisis. Issues that are likely to dominate future work on strategic issues between Australia and the EU include:

- conflict prevention and minimisation

- collaboration on emergency management (including a possible regional early warning system)

- exchanges of research-based data, and

- ongoing cooperation on nuclear non-proliferation and disarmament; counter-terrorism and energy security.[179]

The Partnership Framework paves the way for closer Australia–EU engagement (such as in the ASEAN Regional Forum) on non-traditional security issues. The agreement is, however, silent on the second-track dialogues relating to security between Australia and the EU, which is an avenue that should be encouraged.

The Partnership Framework places a priority on the strengthening of Australia's aviation relations with the EU (Action item four, Objective II). To this end, negotiations towards a Comprehensive Air Services Agreement between Australia and the EU that would replace

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178. ABC Radio Australia, 'Australia and Europe launch new Pacific aid partnership', 30 October 2008, viewed 1 April 2009, http://www.radioaustralia.net.au/programguide/stories/200810/s2405505.htm. See also a report by the Organisation for Security Co-operation and Development (OECD) praising Australia's overseas aid, 'Australia: Development Assistance Committee (DAC), Peer review', viewed 1 April 2009, http://www.oecd.org/dataoecd/38/29/42019772.pdf

179. Department of Foreign Affairs and Trade, *Australia-European Union Partnership Framework*, pp. 4–6.

seventeen existing bilateral agreements with individual EU member states, commenced in November 2008. This agreement will allow more airlines to operate between Australia and Europe, thereby benefiting business and tourism travellers, and possibly provide a framework for cooperation on aviation emissions. The negotiations represent a step further in Australia's cooperation with the EU as a single entity, and an evolution of Australia's foreign policy towards this institution.[180] Canada and the EU also commenced negotiations on a comprehensive air services agreement in December 2008—an exercise that might yield lessons for Australia.[181]

Areas with renewed emphasis under the first objective, include collaboration on civilian and crisis management in the case of regional emergencies. The Partnership Framework also envisages an administrative arrangement between emergency management bodies of Australia and the European Union towards developing practical cooperation and information exchange on research, training, early warning systems, adaptation to climate change and disaster response activities where appropriate.[182] The latter might even include crisis management following natural disasters in the region, such as the 2004 Indian Ocean (Boxing Day) tsunami.[183]

The first objective of the Partnership Framework also provides for various activities aimed at increasing security cooperation between Australian and EU agencies, comprising measures to enhance border security and the security of global travel, implementation of the Australia-EU PNR Agreement, strengthening cooperation on transport security agencies and enhancing information exchange. Action Item 10 of the first objective additionally calls for the commencement of negotiations on an agreement regarding the security of classified information, which would possibly be similar to the one currently being implemented between Australia and NATO.

The Partnership Framework also calls for a closer cooperation between Australia and the EU with regard to nuclear proliferation issues associated with North Korea and Iran. These issues were also mentioned by the EU in the 2003 European Security Strategy (North Korea) and in

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180. The 2003 DFAT White Paper places a greater emphasis on Australia's relations with the European countries than the EU as the main inter-governmental organisation in Europe.

181. Europa Press Releases Rapid, *Breakthrough in EU-Canada negotiations on far-reaching aviation agreement*, media release, 9 December 2008, viewed 1 March 2009, http://europa.eu/rapid/pressReleasesAction.do?reference=IP/08/1914&format=HTML&aged=0&language=EN&guiLanguage=en

182. Department of Foreign Affairs and Trade, 'Australia-EU Partnership Framework'.

183. For a discussion on Australia's national security challenges, see C Ungerer and A Bergin, *The devil in the detail: Australia's first National Security Statement*, Australian Strategic Policy Institute, p. 3; K Rudd (Prime Minister), *Inaugural National Security Statement*, media release, 4 December 2008, viewed 1 April 2009,
http://parlinfo.aph.gov.au/parlInfo/download/media/pressrel/INAS6/upload_binary/inas60.pdf;fileType%3Dapplication%2Fpdf

the December 2008 update to the European Security Strategy (Iran), and in Australia, in a speech by the Minister for Defence Science and Personnel, Warren Snowdon, on 17 February 2009.[184] In the event of security deterioration on the Korean Peninsula, Australia would be immediately affected strategically, as well as economically and politically.[185]

The environment in which negotiations for a new agreement between Australia and the EU were conducted under the Rudd Government was characterised by Australia's re-affirmed support for multilateralism and the central role of the UN in the international system. It was also marked by a stated commitment by both the EU and Australia to contribute to the international climate change negotiations. Furthermore, both parties have expressed a renewed commitment regarding collaboration on promoting good governance, human rights, and international legal instruments (such as the Rome Statute) in the Asia Pacific region.

Each of these areas of engagement will be briefly outlined in the sections that follow.

Multilateralism

In the government's first foreign policy statement, delivered by the Prime Minister to the East Asia Forum in Sydney on 26 March 2008, Mr Rudd said:

> ... The challenges Australia faces will require a new period of active, creative Australian middle-power diplomacy. ... Australia has a deep, abiding national interest in the furtherance of a robust, international rules-based order that underpins our long-term security, economic and environmental interests. To maximise those interests, our capacity to act effectively bilaterally, plurilaterally and multilaterally must continue to be enhanced.[186]

For the Prime Minister, creative middle power diplomacy means that 'it is the Government's responsibility to influence international decision-makers' on the global financial crisis and issues such as climate change, 'the continuing challenge of nuclear weapons proliferation' and regional security crises, and to 'work more closely together in the UN with our partners around the world, including Europe'.[187] The centrality of the UN as the backbone of the international system is also central to the EU's foreign policy, which brings the Australian

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184. W Snowdon (Minister for Defence Science and Personnel), *Australia's defence policy*, speech to the Australian defence magazine congress 2009, 17 February 2009, viewed 1 April 2009, http://www.minister.defence.gov.au/SnowdonSpeechtpl.cfm?CurrentId=8765

185. For further reading about the regional implications of a North Korean security emergency, see J Robertson, *Political change in North Korea*, Research paper no. 19, 2007–08, Parliamentary Library, Canberra, 2008, viewed 1 April 2009, http://www.aph.gov.au/library/pubs/rp/2007-08/08rp19.pdf

186. K Rudd (Prime Minister), *Advancing Australia's global and regional economic interests*, Address to the East Asia Forum in conjunction with the Australian National University, 26 March 2008, Sydney.

187. K Rudd (Prime Minister), Advancing Australia's global and regional economic interests.

Government into line with one key objective of the EU. This may include, under the Partnership Framework, initiatives such as support for each other's initiatives in the UN where appropriate; concerted action including to advance reforms of the UN system, support for the ISAF Comprehensive Strategic, Political, Military Plan for Afghanistan, and cooperation in the ASEAN Regional Forum on regional security.[188]

Australia and a number of European countries have previously cooperated on assisting the US-led efforts to end international conflicts under UN resolutions, such as during the first Gulf War, which was waged in order to counter Iraq's invasion of Kuwait in August 1990. An exception to this was the US-led war against Iraq in which Australia and other countries became involved, acting on intelligence that Iraq had a secret WMD development program.[189] This military action, not authorised by the UN, sharply divided European leaders and European public opinion, and caused diplomatic friction between the US and those European countries, which opposed the military action.[190]

A new era in US–EU relations was signalled on 27 February 2009 during a meeting in Washington between the US Secretary of State, Hillary Clinton, and the European Commissioner Ferrero-Waldner.[191] Furthermore, under the Obama Presidency the US has signalled a more inclusive approach towards the UN, in contrast with the Bush Administration. The current US approach towards multilateralism more resembles the EU's approach to effective multilateralism.

The US academic Zbigniew Brzezinski has said that in order for America to regain global legitimacy, the Obama Administration will need to 're-establish a sense of purpose between the US and the EU, as well as in NATO, pointing towards more truly shared decision-making'. He also observed that 'to that end, informal but frequent top-level consultations are

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188. Department of Foreign Affairs and Trade, 'Australia-EU Partnership Framework'. See also European Union @ United Nations, viewed 1 May 2009, http://www.europa-eu-un.org/home/index_en.htm. United Nations, *Reforms*, viewed 1 May 2009, http://www.un.org/reform/

189. Australia's participation in the war against Iraq was also outlined in the 2003 Foreign Policy White Paper, *Advancing the National Interest*. For a discussion, see the Joint Standing Committee on Foreign Affairs, Defence and Trade's inquiry report, 'The (Not Quite) White Paper', December 2003, viewed 1 May 2009, http://www.aph.gov.au/senate/committee/fadt_ctte/completed_inquiries/2002-04/white_paper/report/report.pdf

190. A letter written by eight European leaders in 2003 arguing the case against the war in Iraq demonstrates this point.

191. B Ferrero-Waldner (EU Commissioner for External Relations and European Neighbourhood Policy), *Latest News*, 27 February 2009, viewed 1 April 2009, http://ec.europa.eu/commission_barroso/ferrero-waldner/news/index_en.htm#27_02_2009

badly needed'.[192] For Australia to capitalise on the reinvigorated trans-Atlantic alliance between the US and the EU, greater resources should be devoted to including Australia in second-track dialogues on security in the Asia Pacific region, as well as in other international forums that serve as catalysts behind new ideas in strategic thinking.[193]

Multilateral trading system and trade issues

On trade relations with the EU, Prime Minister Kevin Rudd has acknowledged that 'Australia and Europe have well known differences on agricultural policy', but that both parties 'have very closely aligned interests on pushing to make it easier for services businesses to trade across international boundaries'.[194] Trade liberalisation globally requires both 'US leadership and European cooperation', according to Mr Rudd.[195] With regard to future revisions of the Partnership Agreement, an Australia–EU free trade agreement, if carefully designed, would also potentially open up new trade opportunities for Australian industries, in particular in Central and Southeast Europe.[196] The fifth Australia-EC Trade Policy Dialogue in Brussels could provide a platform for these discussions.[197]

Critical perceptions about the EU's CAP policy are still held in Australia, which is the permanent Chair of the Cairns Group. This is evident from DFAT's brief on the European Union of March 2009:

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192. Z Brzezinski. 'Major foreign policy challenges for the next US President', *International Affairs,* vol. 85, no. 1, 2009, pp. 53–60.

193. For literature on Australia's second-track diplomacy, see B Taylor, A Milner and D Ball, *Track 2 Diplomacy in Asia. Australian and New Zealand Engagement,* Strategic and Defence Studies Centre, Canberra Papers on Strategy and Defence, no. 164, Canberra, 2006.

194. K Rudd (Prime Minister), *Advancing Australia's global and regional economic interests.* Elements of the Australian political and media establishment, as well as members of the Australian-led Cairns Group, are likely to remain critical of what can be seen as CAP's protectionist tendencies to subsidise local industries, unless the reform of the CAP brings about significant changes towards opening up of the EU's agricultural market to a larger foreign competition.

195. K Rudd (Prime Minister), *Advancing Australia's global and regional economic interests.* See also European Commission, Overview of bilateral negotiations involving trade agreements: state of play, 6 November 2008, viewed 1 March 2009, http://trade.ec.europa.eu/doclib/docs/2006/december/tradoc_118238.pdf

196. For more information about the export opportunities in Central and Southeast Europe, see Australia, Parliament, Joint Standing Committee on Foreign Affairs, Defence and Trade, *Expanding Australia's trade and investment relationship with the countries of Central Europe.* Apart from the countries listed in this document, trade and investment opportunities in Southeast Europe should also be considered, capitalising on Australia's human capital and migrant communities from these countries (approximately 215 657 people).

197. The EU is in the process of negotiating an agreement with Canada on closer economic relations, which could generate lessons for Australia.

The EU Common Agricultural Policy (CAP) creates distortions and instability on world agricultural markets; causes internal EU prices to be higher than the international market level for many commodities and limits access to the EU agricultural market. CAP reforms agreed by EU member states in 2003 and 2004 have begun the process of separating farm support from production, thereby reducing incentives to over-produce and making the EU farm sector more market-oriented. But these reforms have not reduced the total level of EU farm support, improved market access or addressed export subsidies.[198]

Despite the obvious differences, collaboration between Australia and the EU in multilateral forums is required for finding common solutions to problems. These include achieving sustainable development globally, progressing on Millennium Development Goals (MDGs), and responding effectively to the global financial crisis. The latter could threaten Australia's and the EU's ODA programs, and hence it necessitates more dialogue between the two on ODA in general, and in the Asia Pacific region in particular.

Climate change

The EU is a leading element in global discussions on environmental matters, including climate change.[199] In April 1998, the European Community signed the Kyoto Protocol, an Optional Protocol under the United Nations Framework Convention on Climate Change (UNFCCC).[200] In June 2000, the EU launched the European Climate Change Program, which is tasked with preparing the development of the EU's climate policy.[201] In January 2005, the EU launched the world's largest market in greenhouse gas emissions trading, the European Union Emissions Trading Scheme (EU ETS).[202] The response by the EU to climate change mitigation is, therefore, to reduce greenhouse gases, while also strengthening the EU's capability to produce clean technologies and improve energy efficiency. The EU is in the

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198. Department of Foreign Affairs and Trade, *European Union brief*.

199. M Harvey and M Longo, *European Union Law: An Australian View,* Lexis Nexis Butterworths, Australia, 2008, pp. 201–3. Some of the EU's policies on environment include the strategy for sustainable development, reduction of pollution and nuisances, and management of environmental resources. N Moussis, *Guide to European Politics,* pp. 261–82.

200. UNFCCC, home page, viewed 1 April 2009, http://unfccc http://ec.europa.eu/justice_home/glossary/glossary_t_en.htm.int/2860.php. The European Community ratified the Kyoto Protocol in 2002, which entered into force in February 2005. The Kyoto Protocol, viewed 1 April 2009, http://unfccc.int/kyoto_protocol/items/2830.php

201. European Commission, *European Climate Change Programme*, viewed 1 May 2009, http://ec.europa.eu/environment/climat/eccp.htm

202. L Nielson, *The European emissions trading system—lessons for Australia,* research paper no. 3, 2007–08, 20 August 2008, viewed 1 July 2009, http://www.aph.gov.au/Library/pubs/rp/2008-09/09rp03.pdf; N Markovic and N Fuller, *Climate change discussions and negotiations: a calendar*, Background note, 2 October 2008, Parliamentary Library, Canberra, 2008, viewed July 2009, http://www.aph.gov.au/library/pubs/BN/2009-10/climatechangecalendar.pdf

process of developing a program of Carbon Capture and Geological Storage, and is encouraging demonstration plants across Europe and in third (non–EU) countries.[203]

Australia, which accounts for 1.5 per cent of the world's greenhouse gas emissions, is the highest emitter per capita in the Organisation for Economic Co–operation and Development (OECD) and among the highest in the world.[204] The Kyoto Protocol caused some friction in diplomatic relations between Australia and the EU on climate policy under the Howard Government.[205] However, the 2003 partnership agreement between Australia and the EU acknowledged that climate change was a priority within a broader cooperation framework.[206]

In December 2007 Australia sent a delegation led by Prime Minister Kevin Rudd to the Bali Conference of the Parties on Climate Change (COP13), which participated in the negotiations on a post-Kyoto framework.[207] At this international meeting (the Rudd Government's first), Australia ratified the Kyoto Protocol on 12 December, which entered into force for Australia on 11 March 2008. The Australian Government has since put forward proposals to design and implement a domestic Emissions Trading Scheme.

With regard to the next round of the UNFCCC-led negotiations on climate change in Copenhagen in December 2009, the European Commission stated that:

> ... the successful conclusion of these negotiations is a key priority for the EU. The EU's objective is to ensure that global average temperature does not increase more than 2°C above pre-industrial levels.[208]

On 28 January 2009, the European Commission issued a set of proposals for a global pact on climate change in Copenhagen.[209] Some of these proposals are likely to have policy

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203. European Commission, *CCS in Europe*, viewed 1 May 2009,
http://ec.europa.eu/environment/climat/ccs/work_en.htm

204. R Garnaut, *The Garnaut Climate Change Review*, 'Chapter 7: Australian Emissions in a Global Context', p. 153, viewed 1 May 2009,
http://www.garnautreview.org.au/pdf/Garnaut_Chapter7.pdf . Also cited in J Styles, *Climate change: the case for action*, Research paper, no. 28, 2008–09, Parliamentary Library, Canberra, 2009, viewed 1 May 2009, http://www.aph.gov.au/Library/pubs/rp/2008-09/09rp28.pdf

205. AFP, 'EU condemns Australia's climate attitude', 2 April 2007, *ABC news*, viewed 1 July 2009, http://www.abc.net.au/news/newsitems/200704/s1887919.htm

206. Department of Climate Change, *Australia–European Union cooperation on climate change*, viewed 1 May 2009, http://www.climatechange.gov.au/international/partnerships/europe.html

207. The Rudd Government created a new Department of Climate Change, led by the Minister for Climate Change and Water, Penny Wong.

208. European Commission, *The EU's contribution to shaping the future global climate change regime*, 13 February 2009, viewed 1 May 2009,
http://ec.europa.eu/environment/climat/future_action.htm

implications—direct or indirect—for Australia. They include the Commission's call on developed countries to:

- cut their collective emissions by 30 per cent of 1990 levels by 2020

- finance low carbon development domestically and in the world's poorest states, such as small island developing states

- reform the Kyoto Protocol's Clean Development Mechanism, and

- build an OECD-wide carbon market by 2015 with a view to building a global carbon market.[210]

In 2008, Australia and the EU collaborated on the Forum on Climate Change and Energy that both countries jointly organised. This forum has provided the basis for information exchanges, in particular on emissions trading. Another forum for discussions on climate change is the International Carbon Action Partnership (ICAP), which was established in October 2007 and includes both Australia and the EC as its members.[211] Australia has also collaborated with the EU on an initiative announced by Prime Minister Rudd in September 2008—the Global Carbon Capture and Storage Institute (GCCSI).[212] In May 2009, Australia and the EU signed a Memorandum of Understanding, which commits the EU to be a founding partner of the Global Carbon Capture and Storage Institute.[213]

A recent policy move in Europe to put a carbon aviation tax on overseas travel, based on the mileage travelled, has been criticised as a protectionist measure by the Australian Minister for Tourism.[214] The UK's carbon aviation tax was introduced unilaterally by the British

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209. European Commission, *Climate change: Commission sets out proposals for global pact on climate change at Copenhagen*, IP/09/141, Brussels, 28 January 2009, viewed 1 May 2009, http://europa.eu/rapid/pressReleasesAction.do?reference=IP/09/141&format=HTML&aged=0 &language=EN&guiLanguage=en

210. European Commission, 'Climate change: Commission sets out proposals for global pact on climate change at Copenhagen'.

211. International Carbon Action Partnership (ICAP), viewed 1 April 2009, http://www.icapcarbonaction.com/. The ICAP is also contributing to the establishment of a global cap-and-trade carbon market.

212. K Rudd (Prime Minister) and M Ferguson (Minister for Resources, Energy and Tourism), *Global Carbon Capture and Storage Initiative*, media release, 19 September 2008.

213. *ihs.com, EU, Australia, join forces to fight climate change*, 20 May 2009, viewed 1 June 2009, http://engineers.ihs.com/news/climate-change/2009/eu-en-australia-climate-change-052009.htm

214. M Ferguson (Minister for Resources and Energy/Minister for Tourism), *Opposition must rule out support for UK tax that slams Australian tourism*, media release, 27 November 2008, viewed 1 April 2009,

Government in 2008 as a vehicle for reducing the country's greenhouse gas emissions. It is likely to affect some Australian travel to Europe as 'most Qantas flights between Australia and Europe go to and from London', and Australia is in the zone with the highest tax bracket.[215] This policy measure is, therefore, viewed by some countries in the Asia Pacific region as a possible disincentive for tourism, and potentially discriminatory towards those nations that are furthest from the European continent.

Climate change has both national and international security implications as it adds further pressures on fragile states and volatile regions, as well as impacting on various ethnic groups in areas where resources are already scarce. As indicated in a report on Climate Change and International Security by the High Representative and the European Commission to the European Council, a preventative security policy is required in order to avoid unprecedented security scenarios and to adapt to them should the need arise.[216]

The Australian Government's Defence White Paper of 2 May 2009 also recognises that climate change raises some new security challenges. The White Paper states that coupled with the tensions over resources and a greater frequency and severity of natural disasters, the security effects of climate change are 'likely to be most pronounced where states have limited capacity to respond to environmental strains'—including in the South Pacific.[217] A second-track security dialogue on implications resulting from climate change and resource scarcity in the developing world should be established between Australia and the EU, and encouraged by the official institutions. This could be linked to the already existing regional second-track dialogues of which Australia and the EU are members, such as the Council for Security Cooperation in the Asia Pacific.[218]

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http://minister.ret.gov.au/TheHonMartinFergusonMP/Pages/OPPOSITIONMUSTRULEOUTSUPPORTFORUKTAXTHATSLAMSAUSTRALIANTOURISM.aspx

215. The UK carbon aviation tax is part of the UK's response to reducing GHG emissions, and it is set to increase each year for passengers travelling to and from Britain; T Colebatch, 'Minister slams UK travel tax of up to $400 for Australians', *The Age,* 26 November 2008; C Levett, 'Australia on D-list for new flight tax', *The Sydney morning herald,* 26 November 2008.

216. European Council, *Climate Change and International Security*, Report from the High Representative and the European Commission to the European Council, 14 March 2008, viewed 1 May 2009,
http://www.consilium.europa.eu/ueDocs/cms_Data/docs/pressData/en/reports/99387.pdf

217. Department of Defence, *Defending Australia in the Asia-Pacific Century: Force 2030,* 'Chapter Four: New Security Concerns: Climate Change and Resource Scarcity', 2 May 2009, pp. 39–40, viewed 4 May 2009,
http://www.defence.gov.au/whitepaper/docs/defence_white_paper_2009.pdf

218. Council for Security Cooperation in the Asia Pacific, viewed 1 May 2009,
http://www.cscap.org/

Promotion of democracy and human rights in the Asia Pacific region

The Treaty on European Union stated that 'development and consolidation of democracy and the rule of law' and 'respect for human rights and fundamental freedoms' are explicit aims of both the Common Foreign and Security Policy and development policy.[219] Good governance and the upholding of human rights are, furthermore, incorporated in most of the EU's agreements with third states.

The promotion of democracy has been a long-standing commitment of the EU, and is currently conducted in the Asia Pacific region under the Financial Instrument for Promotion of Democracy and Human Rights in the world.[220] According to Ferrero-Waldner, the three key principles of the EU's democracy promotion involve encouraging the development of democratic political institutions that match local conditions, a long-term commitment, and encouraging democratic transitions from within the state.[221]

In the European Commission's Regional Programming for Asia Strategy Document 2007–2013 the promotion of democracy, good governance and the rule of law is listed as one of the six objectives of EU-Asia cooperation.[222] The promotion of good governance is one of the EU's three priorities that will guide its relations with the Pacific Islands under the updated Cotonou Agreement.[223] Under the Howard Government, Australia also funded regional efforts to promote good governance and transparent democratic practices in the Asia Pacific region.[224] This has been continued under the Rudd Government.

In his address to the Bali Democracy Forum in December 2008, co-chaired by Australia and Indonesia, Prime Minister Kevin Rudd said:

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219. Treaty on European Union (Maastricht), 1992, Title V, Art. J. i.

220. European Union, *A financial instrument for the promotion of democracy and human rights in the world (2007–13)*, viewed 1 April 2009, http://europa.eu/scadplus/leg/en/lvb/l14172.htm; See also R Youngs, *The European Union and the Promotion of Democracy—Europe's Mediterranean and Asian Policies,* Oxford, Oxford University Press, 2002.

221. European Union @ United Nations, 'The European approach to democracy promotion in post-communist countries: speech by EU Commissioner Ferrero-Waldner', Vienna, 19 January 2006, viewed 1 April 2009, http://www.europa-eu-un.org/articles/en/article_6708_en.htm

222. European Commission, *Regional Programming for Asia Strategy Document 2007-2013*, p. 4, viewed 1 April 2009, http://ec.europa.eu/external_relations/asia/rsp/07_13_en.pdf; For an overview of EU-Asia relations, see P Murray, ed *EU and Asia: Regions in Flux,* Basingstoke, Palgrave, 2008.

223. European Union, *EU-Pacific strategy*, 29 May 2006, viewed 1 April 2009, http://europa.eu/scadplus/leg/en/lvb/r12556.htm

224. See, for example, The Centre for Democratic Institutions, *10 Years Brochure*, viewed 1 April 2009, http://www.cdi.anu.edu.au/about_cdi/D_P/2008_03_CDI_A4_Promo_Flyer.pdf

> ... In the Asia-Pacific, as in a lot of regions, democracy has not always been easy to achieve or readily embraced. Our job is to work to see its reach expanded. And through today's forum we can help to advance democracy.[225]

The Department of Foreign Affairs and Trade also provided a contribution of $1.915 million towards the initial regional Bali Democracy Forum meeting.[226] According to DFAT's annual report for 2007-08:

> Australia continued to support the UN's efforts in this field [of democracy promotion in the region and more broadly], including through the UN Democracy Fund (UNDEF), of which Australia is a member of the advisory board. Moreover, in 2007 an Australian, Mr Roland Rich, [was appointed as the] Executive Director of UNDEF.[227]

The promotion of democracy by the EU and Australia, for instance, through their ODA programs, is likely to continue in the future.

Human rights

The EU views security in a broader sense, and emphasises that the lack of democracy is one of the root causes of regional instability. The EU also sees, like Australia, that transnational threats pose a multi-dimensional security challenge. These comprise transnational terrorism and various forms of organised crime, illegal migration, the proliferation of WMD, failed states and militant ethic nationalism.[228] One EU document on conflict prevention states that 'countries with conflict potential are usually those where the democratic process is the least advanced'.[229] Since the EU considers the lack of respect for human rights and democratic principles to be a main structural cause of insecurity in the world, it has placed human rights at the forefront of its diplomacy.[230]

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225. K Rudd (Prime Minister), 'Address To The Bali Democracy Forum', 20 December 2009, viewed 1 April 2009, http://www.pm.gov.au/media/Speech/2008/speech_0703.cfm

226. Department of Foreign Affairs and Trade, *Portfolio Additional Estimates Statements 2008–09,* Foreign Affairs and Trade Portfolio, p. 3, viewed 1 April 2009, http://www.dfat.gov.au/dept/budget/2008_2009_paes/2008-2009_paes.pdf

227. Department of Foreign Affairs and Trade, 'Annual report 2007–08', Canberra, 2008.

228. European Commission, *Communication from the Commission on Conflict Prevention*, COM(2001) 211 final, 11 April 2001; European Council, *A Secure Europe in a Better World*, European Security Strategy adopted by the European Council, 12 December 2003, p. 13.

229. European Commission, *A Secure Europe in a Better World*; 'European Security Strategy'.

230. Hintermeier has explained this in the following terms: 'The active promotion of liberal values is increasingly seen as a contribution to international peace, and, therefore, to European security'. For further reading, see S Lucarelli and I Manners, *Values and Principles in European Union Foreign Policy,* Routledge, UK, 2007.

Australia and the EU have an established history of cooperation on human rights in multilateral forums, such as the UN Commission on Human Rights and the Third Committee of the UN General Assembly.[231] Under the new Partnership Framework, Action Item 4 under Objective One emphasises Australia's and the EU's commitment to the promotion of human rights in the Asia Pacific region.[232] Furthermore, under Action Item 3 of Objective One, both parties have expressed their intent to collaborate on promoting the Responsibility to Protect (R2P) principle among the wider UN community towards its implementation.[233]

Under the Howard Government, the area of human rights was the source of some discontent between Australia and the EU. Following several UN reports that were critical of Australia, the Howard Government partially withdrew resources for some of Australia's and the UN's human rights bodies, but also worked on reforming the UN human rights system (for example, through the country's Vice-Chairmanship of the UN Commission on Human Rights in 2003).[234] In the region, the Howard Government helped fund an informal Asia Pacific Forum of National Human Rights Institutions, and supported various initiatives aimed at supporting education in good governance and human rights in the Asia Pacific.[235]

Shortly after coming to power on 24 November 2007, the Rudd Government ended the off-shore detention of asylum-seekers in third countries, dubbed the 'Pacific Solution'. On the anniversary of the federal election on 24 November 2008, the Rudd Government ratified the Optional Protocol to the Convention on the Elimination of All Forms of Discrimination against Women (CEDAW).[236] At an annual United Nations Day dinner on 23 October 2008,

231. See, for example, Department of Foreign Affairs and Trade, *Joint Declaration on Relations between the EU and Australia*, p. 2.

232. European Union, *Activities of the European Union: Human Rights*, viewed 1 April 2009, http://europa.eu/pol/rights/index_en.htm. See also European Communities, *EU Annual Report on Human Rights 2008*, 'Asia' (including Pacific), pp. 77–83, viewed 1 April 2009, http://ec.europa.eu/external_relations/human_rights/doc/report08_en.pdf

233. S Smith (Minister for Foreign Affairs), *Australia supports the responsibility to protect,* media release, 21 July 2009, viewed 21 July 2009, http://www.foreignminister.gov.au/releases/2009/fa-s090721b.html

234. S Firth, *Australia in International Politics: An introduction to Australian foreign policy*, second edition, Allen & Unwin, Australia, pp. 252–3.

235. For more information about Australia and the UN human rights system, see A Kent, 'Australia and the International Human Rights Regime', in J Cotton and J Ravenhill, eds, *The National Interest in a Global Era: Australia in World Affairs 1996-2000,* Oxford University Press, Australia, 2001, pp. 256–78.

236. Australian Government, Department of Families, Housing, Community Services and Indigenous Affairs. Office for Women. *CEDAW*, viewed 1 May 2009, http://www.ofw.fahcsia.gov.au/publications/wia_2008/p1_7.htm. The Protocol was operational in Australia in the first week of March 2009. For more information, see Law Council of Australia, *Law Council Welcomes International Scrutiny of Women's Rights in Australia*, media release, 5 March 2009.

the Foreign Minister Stephen Smith announced that the government had extended an invitation to UN human rights experts to visit Australia. The Minister also outlined Australia's further engagement with some other areas of the UN in the human rights arena.[237]

The South East Asia/Pacific region has been singled out as an area where Australia and the EU will work more closely on aid programs, sustainable development, human rights, and regional stability more generally. The Partnership Framework outlines some concrete measures for the regional promotion of human rights, for instance, in Action Items to Objective I.[238] Action Item 4 calls for coordinated regional activities aimed at making more countries in the Pacific becoming parties to the core UN human rights conventions. Action item 5 calls for the promotion of the International Criminal Court (ICC) in the Asia Pacific region, to make more countries party to the Rome Statute. Action Item 8 aims at increasing the number of countries in the Asia Pacific region that are party to the Comprehensive Nuclear Test Ban Treaty (CTBT).

In February 2009, the Australian High Commissioner to Fiji, Mr James Batley, signed a Memorandum of Understanding with the Pacific Conference of Churches (PCC) granting F$177 290 (equivalent to approximately A$112 830) to the PCC to hold human rights training workshops in countries across the region. The funding came from Australia's Human Rights Small Grants Scheme that provides funding to small organisations in developing countries for projects that promote and protect human rights in a 'direct and tangible way'.[239] This grant is an indication of Australia's commitment to promoting human rights in the region. As Australia will host the 40th Pacific Islands Forum between 4 and 7 August 2009 in Cairns, Australia will have an excellent opportunity to promote other practical human rights initiatives in the South Pacific.[240] The Australian Parliament's Joint Standing Committee on Migration is currently conducting an inquiry into 'immigration detention and community-based alternatives in Australia'.[241]

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237. S Smith (Minister for Foreign Affairs), *United Nations Association of Australia*, Annual United Nations Day Dinner, 23 October 2008, viewed 1 May 2009,
http://www.foreignminister.gov.au/speeches/2008/081023_unaa.html

238. A committee of the Australian Parliament is currently conducting an inquiry into Human Rights Mechanisms in the Asia-Pacific region.

239. Australian High Commission to Fiji, *Australia strengthens human rights training in the Pacific*, 26 February 2009, viewed 1 April 2009, http://www.fiji.embassy.gov.au/suva/260209hr.html

240. Fiji, however, will be absent from this meeting, following the PIF's decision to suspend Fiji from the Forum after the abrogation of Fiji's Constitution in April this year.

241. Joint Standing Committee on Migration, *Immigration Update on Detention Reforms*, media release, 17 March 2009. See also Terms of Reference, viewed 1 April 2009, http://www.aph.gov.au/house/committee/mig/detention/tor.htm

Australia's and the EU's relations with the Pacific Island nations

Since 1998, Australia and the EU Troika have had annual meetings on Asia at a senior level.[242] The Partnership Framework indicates that the Asia Pacific region is an area of growing collaboration between Australia and the EU. Both parties have parallel but distinct channels of communication with Asian and Pacific countries. Furthermore, the EU links aid to trade with the Pacific Island nations, while Australia links aid to specific outcomes.[243]

The differences in Australia's and the EU's approach to the region are reflected in the fact that Australia views the Asia Pacific region from within as an insider and a direct participant in regional institutions (such as the East Asia summit, Asia-Pacific Economic Cooperation (APEC) or the Pacific Islands Forum (PIF))—rather than from a distance or as an observer. In the event of a regional crisis between emerging powers in the region, Australian security could be directly jeopardised while the EU would not immediately be affected. Australia might also potentially be required to provide troops and logistical support, while the EU would not be likely to receive the same type of request in the initial stages of any response.

Australia and the EU have established a significant donor presence in the Pacific Island nations, being respectively the largest and second largest ODA provider to the South Pacific.[244] A Pacific Regional Aid Strategy 2004–2009 provides the framework for Australia's long-term development goals in the Pacific. Under the Partnership Framework, Australia and the EU have expressed their desire to improve donor coordination and aid harmonisation in the Asia Pacific region. In line with the Partnership Framework on 24 March 2009 the European Commission formally adopted a decision that grants Australian companies reciprocal access to European Community procurement procedures for a period of three years in eighteen Asian countries.[245] This measure allows Australian companies to access EU development funding in Asia. The EU companies have had access to Australian aid procurement since the untying of Australian aid in 2006.

The EU is the world's largest development assistance provider. Following the Nuku'Alofa Declaration adopted in Tonga in 2007, the EU enhanced its political dialogue with the Pacific

242. The Troika represents the EU in external relations that fall within the scope of the CFSP. European Union, *Europa Glossary*, viewed 1 April 2009, http://europa.eu/scadplus/glossary/troika_en.htm

243. For further information about the EU's aid for trade strategy, see European Commission Staff Working Paper, *Aid for trade monitoring report 2009*, 8 April 2009, viewed 20 April 2009, http://ec.europa.eu/development/icenter/repository/COMM_NATIVE_SEC_2009_0442_4_Aid -for-Trade-monitoring-report-2009_EN.pdf

244. Other significant donors in the region include China, Japan, New Zealand, and the US.

245. Delegation of the European Commission to Australia, *The European Commission unties aid with Australia in most Asian countries*, media release, 21 May 2009, viewed 1 June 2009, https://promo-manager.server- secure.com/em/message/email/view.php?id=109345&u=1002559

Islands Forum, on security and political issues, climate change, fisheries, development and the MDGs. The European Union–Pacific Islands Forum Troika in September 2008 in Brussels was the first ministerial meeting between the two entities. It also led to the signing of an Economic Partnership Agreement with the African, Caribbean and Pacific (ACP) countries.

In December 2007, the European Investment Bank, which provides development loans to African, Caribbean and Pacific Island nations opened its Pacific regional headquarters in Sydney. The presence of the bank's office in Sydney helps to improve donor coordination between Australia, the EU and developing country partners, and enhance overall aid effectiveness in the Pacific region.[246] Australia welcomed the establishment of the bank's Pacific regional office, thereby recognising the EU's role as a significant provider of development assistance in the region.

With regard to the EU's perceptions of Australia as a regional security actor, President of the European Commission, José M Barroso, said in April 2008:

> On security issues, Australia is showing a growing sense of engagement and leadership. This is particularly clear in Australia's neighbourhood, the Pacific region, and in Timor Leste. It's a great example where Australians and Europeans are contributing in a decisive way along with other international partners to consolidate security, the rule of law, and development in this kind of environment.[247]

Since 2001, Australia has assisted Pacific Island states in bilateral ways (financially and politically) and through non-governmental organisations. Australia also provided advisors to the national institutions in the Pacific Island nations and in response to requests from regional governments sent forces to restore law and order, such as in the Solomon Islands.[248] In the Partnership Framework, Australia and the EU have stated their intent to further collaborate on assisting the Pacific Island nations to reach the MDGs, improve institutions and structures of governance, and achieve sustainable development. A more coordinated ODA approach between Australia and the EU in the South Pacific would assist in reducing the costs associated with overlapping donor policies, and include Australia to a larger extent than before in the EU's policy formulation towards this region.

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246. European Commission Delegation to Australia, *2007 Australia–European Commission Ministerial Consultations: Cooperation in the Asia Pacific region*, 31 January 2008. viewed 1 April 2009,
http://www.ecdel.org.au/eu_and_australia/2007_ministerials/CooperationAsiaPacific.htm

247. Radio Australia, *Australia, EU to work together on Pacific aid*, 3 April 2008, viewed 1 April 2009, http://www.radioaustralia.net.au/programguide/stories/200804/s2207376.htm

248. Australia's contribution to the multi-national Regional Assistance Mission to the Solomon Islands (RAMSI), originally deployed in July 2003, has amounted to around $1 billion to date.

Conclusion

A contemporary dynamic relationship between Australia and the EU is evolving and constantly expanding in many areas of common interest, and their collaboration on transnational security matters is likely to continue in the foreseeable future. In order for both parties to take their relationship further and implement initiatives that have been outlined in the Partnership Framework, the federal government and the EU agencies will need to allocate appropriate funding, as well as actively work on increasing the public and policy understanding of the complexity and breadth of Australia-EU relations. This should include funding for second-track political and strategic dialogues on regional and global security, both through existing programs and the creation of new instruments.

Furthermore, Australian expertise on Asia and the South Pacific could be harnessed to a larger extent by the EU policy makers. For its part, Australia should use the full potential of its multi-faceted European linkages, including political, economic, cultural and familial (such as its vibrant migrant community) to expand and diversify relations with all EU member states and candidate countries in the future. In this way, Australia's competitiveness in Europe and the scope of opportunities for Australians would significantly increase.

Faced with a growing complexity of security threats, developmental challenges and environmental degradation in the Asia Pacific region and beyond, Australia and the EU are well-positioned to exchange information, ideas and best practices on these topics. Their cooperation on security in a broader sense is a way forward in overcoming mutual differences and focusing on common goals. In this regard, the inclusion of Australia as a strategic partner of the EU in the Asia Pacific region could only be of benefit to both parties. Australia might also need to adjust in the foreseeable future—diplomatically, strategically and politically—to the EU's growing collective weight and global agenda in the international arena.