Senator the Hon Scott Ryan

President of the Senate

Parliament House

CANBERRA ACT 2600

The Hon Tony Smith MP

Speaker of the House of Representatives

Parliament House

CANBERRA ACT 2600

Dear Mr President and Mr Speaker

***Australia’s Foreign Relations (State and Territory Arrangements) Act 2020***

**Annual Report**

Section 53A of *Australia’s Foreign Relations (State and Territory Arrangements) Act 2020* (the Act) requires that I report annually to both Houses of Parliament on the exercise of my decision-making powers under the Act.

Under the Act, the annual report must include:

1. statistical information about the decisions made under the Act during the year, including the total number of decisions, the total number of decisions in each class of decision, and the outcomes of the decisions;
2. a summary of the details of each of the decisions made by me under the Act during the year; and
3. an outline of the engagement that has occurred during the year with entities covered by the Act to articulate and explain to those entities Australia’s foreign policy and how they should engage with foreign entities in Australia’s national interest.

This annual report covers the period of 22 days from the commencement of the Act on 10 December 2020 to 31 December 2020.

**Statistical Information/Summary of Decisions**

I did not exercise my powers to make decisions under the Act during the reporting period.

Under the Act, state and territory entities are required to notify me of pre-existing arrangements. Core pre-existing foreign arrangements were required to be notified by 10 March 2021, and non-core pre-existing foreign arrangements must be notified to me by 10 June 2021. Obligations in respect of prospective arrangements commenced from 10 March 2021.

No arrangements had been notified to me as at 31 December 2020.

**Engagement with State/Territory Entities**

The Prime Minister and I announced the proposal for *Australia’s Foreign Relations (State and Territory Arrangements) Act 2020* on 27 August 2020.

Between 27 August and 31 December 2020, my office, the Department of Foreign Affairs and Trade, and I engaged with more than 91 stakeholders, 69 of whom were entities with specific obligations under the Act, though 52 meetings and 17 pieces of written correspondence. This included representatives from all eight state and territory governments, 32 individual universities, university peak bodies (representing all of Australia’s public universities), as well as local governments and local government peak bodies. In addition, the Department engaged with stakeholders on several specific foreign policy queries connected to the application of the Act, and on an ad hoc basis.

The Department developed a range of communication tools during the reporting period. It launched a Foreign Arrangements Scheme website ([www.foreignarrangements.gov.au](http://www.foreignarrangements.gov.au)), which includes an IT Portal for notifying foreign arrangements and a Public Register of foreign arrangements. It published Fact Sheets, Frequently Asked Questions, Guidance Notes and an IT User Guide on the website.

The Department, including via its network of seven state and territory offices and more than 100 overseas missions, regularly briefs state, territory and local governments and their overseas representatives on foreign policy matters. Canberra-based geographic divisions also directly engage with states, territories, local governments and universities on foreign policy matters specific to their responsibilities. The Act was raised during a number of these engagements.

I look forward to providing a more comprehensive annual report in 2022, covering the period 1 January 2021 to 31 December 2021.

Yours sincerely

**MARISE PAYNE**