

BACKGROUND

Wollongong City Council currently engages with numerous domestic and international bodies, including Councils, Government agencies and private businesses. These types of activities are also undertaken by other levels of Government and agencies, such as State and Federal Government, private businesses and other non-government agencies from the region, such as the University of Wollongong and the NSW Ports Port Kembla.

There are a range of ways to build international relationships including the more formal Sister City and Friendship City relationships. Currently most of these relationships begin with an approach from international-based parties looking to engage with Wollongong City Council (i.e. 'passive'). Depending on resource availability, there is scope to increase the amount of 'active' seeking of opportunities by Wollongong City Council. This could be done directly or through third parties such as Austrade, Department of Foreign Affairs and Trade, New South Wales Trade and Investment, and other government and industry bodies (e.g. Australian Industry Group, NSW Business Chamber).

International relations projects by Wollongong City Council need to be considered in the context of work being done by other levels of government in Australia. Some projects may be better undertaken by Federal or NSW agencies, with varying levels of Wollongong City Council involvement, rather than by Wollongong City Council alone.

Like all organisations, Wollongong City Council faces budgetary limitations which means that not every opportunity can be pursued. In response to this, many organisations have procedures in place to determine which activities to engage in. These were reviewed as part of the development of this policy, including those used by Austrade and the NSW Government.

This policy is designed to help Wollongong City Council prioritise which international relations and activities it pursues as well as outlining the criteria and procedure for the establishment and maintenance of the more formal Sister City and Friendship City relationships with the City of Wollongong.

Wollongong City Council has formal relationships with three overseas cities and one 'domestic' or Australian based Inter-Council Friendship Agreement.

SISTER CITIES

- 1 Kawasaki in Japan (established in 1987)
- 2 Ohrid in Macedonia (established 1982, lapsed and re-established in 1996).

FRIENDSHIP CITY

- 1 Longyan in the Fujian Province of China (established in 2001)

These relationships are formal links between Wollongong and the above Cities with a view to promoting international exchange and cooperation including economic growth, cultural interests, environmental issues and increased tourism.

Wollongong City Council established an 'Inter-Council Friendship Agreement' with Carrathool Shire Council, NSW, which was signed in September 2008. The purpose of this relationship is to work co-operatively for the good governance of both communities with the sharing of knowledge and resources; and to foster local sporting, education, business and cultural groups and organizations.

OBJECTIVE

This policy has been developed to provide a framework for Wollongong City Council's interaction with domestic and international parties as well as incorporating the objective to ensure that Sister Cities, and Friendship Cities, international relationships and other agreements are relevant and effective, with the aim of bringing economic, social and cultural benefits to each city.

The policy includes a rationale for such civic interactions, a set of decision making criteria to determine the appropriateness of proposed projects and ensures that the evaluation process to assess the outcomes achieved by relationships is transparent.

POLICY STATEMENT

Engaging with international organisations can deliver economic and cultural benefits to Wollongong City Council and the businesses and residents of the LGA. The key focus of economic exchanges is to create employment opportunities within Wollongong - including attracting new businesses to the region and facilitating local jobs expansion of locally-based businesses, via investment and trade opportunities. The key focus of cultural exchanges is to promote greater understanding and respect between people from different cultural backgrounds, which can potentially influence economic and employment outcomes depending on the exchange.

Budget constraints mean that not every international relationship opportunity can be pursued by Wollongong City Council. As such, a set of criteria needs to be developed to ensure that the outcomes of international relationships are maximised.

There are a number of ways in which Council can build relationships with international parties. These can include face to face meetings, as well as contact via relevant embassies / consuls, written correspondence, and electronic communication (including social media, video conferencing, email etc). Council should seek to maximize its limited budget by engaging across a number of these tools as appropriate.

Council's Civic Relations Program should predominantly be directed at economic-based outcomes, particularly local job creation. The Civic Relations Policy should be aligned to Wollongong 2022 Community Strategic Plan, and with Wollongong City Council's Economic Development Strategy once completed. Cultural projects should also be focused on those countries and industries that are being targeted from an economic perspective, to maximise outcomes.

Budget constraints have resulted in most government agencies targeting specific countries and/or industries as part of their international relations approach. The 'targets' that have been identified in the strategies of other agencies (such as Austrade, NSW Trade & Investment, UOW and NSW Ports Port Kembla) have been considered when developing decision criteria for Wollongong City Council's Civic Relations Policy. These targets are listed in Civic Relations Targets Management Policy.

Opportunities to leverage off activities by Austrade, NSW Trade and Investment, non-government agencies and private businesses should be explored to minimise budgetary impacts on Wollongong City Council. For example, if Trade and Investment NSW is already organising a trip to a region then leverage off that rather than organising a Council-only trip. Similarly, businesses and agencies should be encouraged to participate in any Wollongong City Council driven project, where appropriate and at their own expense.

Wollongong City Council supports the use of formal relationships between cities, such as Sister Cities and Friendship Cities, to promote economic, social, and cultural benefits to each city.

POLICY REVIEW AND VARIATION

- 1 Council is to have opportunity to review and adopt, at least once during its Term, each Council policy.
- 2 A resolution of Council is required to adopt any variations to this policy, with the exception of minor administrative changes, such as updates to legislative references, which may be endorsed by the Executive Management Committee (EMC). Endorsement of administrative changes made to this policy by EMC does not alter the requirement for it to be reviewed and adopted by each Term of Council.

STATEMENT OF PROCEDURES

DEFINITIONS: SISTER CITY AND FRIENDSHIP CITY

For the purpose of this policy, a Sister City or Friendship City is a formal link between cities to bring economic, social, and cultural benefits to each city.

Sister City and Friendship City relationships allow communities to:

- Promote economic growth
- Build reliable business and other contacts.
- Increase tourism
- Exchange cultural and educational experiences and values
- Exchange ideas;
- Gain valuable international, national, state or local government perspectives and increase the understanding of global, national, state and local government issues; and
- Generate harmony, tolerance and goodwill

Agreements allow both organisations to commit to working co-operatively together. There are opportunities for staff exchanges between Councils, allowing exposure to both the specialist skills and more rounded skills which are required in each different organisation.

SISTER CITY RELATIONSHIPS

Establishment of an International Sister City

Council may establish Sister City relationships with carefully selected cities in accordance with the Statement of Procedures, and explore opportunities for positive links with other cities as they arise. Care must be taken to manage expectations and avoid commitments which can be complicated in a cultural exchange.

Establishment of a formal relationship requires a Council resolution.

The following processes and information will be considered before resolving to seek the establishment of a Sister City Relationship:

Research: Gain as much information as possible about the proposed Sister City, including demographic and industry data, city assets such as ports, infrastructure, universities etc, to determine sphere of interest and common objectives and consideration in terms of the decision template outlined in this document.

- 1 **Local community views:** Establish what benefits can be gained from the relationship e.g. discuss with local companies and cultural agencies whether they see economic or cultural benefits deriving from such a relationship.
- 2 **Types of active engagement:** Determine what types of activities could be conducted under the relationship and what funding is available to support such activities.
- 3 **Council's role:** Council should maintain a facilitation role, facilitating relationships between companies, schools, universities etc. In the case of trade, Council should aim to provide initial contact and then leave it to the businesses to conduct their trade.
- 4 **Clear statement of roles, limitations and intent:** Initially confine the relationship to mutually agreeable areas, being clear that until Council has formally adopted any agreement we are simply exploring the potential for a mutually beneficial relationship.
- 5 **Formal Agreements documented:** A formal relationship agreement will require a report to Council specifying the ongoing benefits or opportunities occurring or available from the relationship, as well as its costs. Any new Sister City Relationship should include an expiry date or specified period that the relationship is for.

Sister City Activities

Activities under a Sister City program include, but are not limited to:

- 1 Programs promoting tourism and economic development

- 2 Cultural and information visits
- 3 Student and sport exchanges
- 4 Exchange of information and salutations via written communication
- 5 Exchange of gifts on occasion of visits
- 6 Holding of Civic Receptions on occasion of visits
- 7 Flag-raising ceremonies

Cost of Sister City Relationships

Costs associated with the operation of Sister City relationships will be determined for each project through mutual agreement with respective cities. All costs to be allocated to Wollongong City Council will be met through budgets for international relations, gifts and civic receptions or as otherwise determined by Council. In principle, the travel expenses and per diem of a delegation shall be paid by the city sending the delegation.

FRIENDSHIP CITY RELATIONSHIP

A Friendship City relationship is less formal than a Sister City relationship and exists primarily through a 'paper link', that is, through written communications.

What is involved in the Operation of "Paper Link"

- exchange of information and salutations via written communication
- exchange of gifts on occasion of visits
- holding of Civic Receptions on occasion of visits
- flag-raising ceremonies

Cost of "Paper Links"

Costs associated with the operation of "paper links" will be met through budgets for international relations, gifts and civic receptions as determined by Council.

In principle, any travel expenses, accommodation and per diem for a visiting delegation to and from a Friendship City shall be paid by the city sending the delegation.

INTER-COUNCIL FRIENDSHIP AGREEMENT

An Inter-Council Friendship Agreement exists primarily to promote greater awareness and understanding between respective regions and cultures within New South Wales, and other Australian States.

Under such Agreements, both Councils facilitate an exchange of information and activities that will benefit both Councils through local sporting; education; business and cultural groups; and organisations and Council staff participating in exchanges that will lead to greater understanding and involvement between each community.

Inter-Council Friendship Agreements can include subsidiary Agreements such as "Professional Services Exchange Agreement" for staff exchange.

How an Inter-Council Friendship Agreement is established

An Inter-Council relationship may be established through a Council initiative or in response to another region's request and requires a Council resolution prior to a relationship being formalised. The same process as used for a Sister City relationship will be used.

CIVIC RELATIONS

Civic relations relates to all Council activities both international and national which involve formal relationship building activities for the benefit of the city be it via economic, cultural or information exchange.

There are a range of ways in which Council can build relationships with international parties. These can include face to face meetings, as well as contact via relevant embassies/consuls, written correspondence, and electronic communication including social media, video conferencing, email etc.

With regard to civic relations other than Sister City and Friendship City relationships, all proposals to host an international group, or for Council staff or Councillors to engage in international visits other than with existing Sister Cities and Friendship Cities, should be considered using the following decision template.

Decision template

The following section outlines a simple decision template that can be used by Wollongong City Council to determine the suitability of specific projects such as a visit by a Councillor/Officers overseas or hosting a visiting delegation in Wollongong.

1. *Authenticity*

Projects that originated from a credible source, such as another government agency, a ‘sister city’ relationship or an institution that other Wollongong agencies have had contact with (e.g. a group that UOW already has a relationship with) will be more likely to meet approval than projects which do not have these links.

2. *Matrix*

The following table will give the project a ‘score’ out of 18. Projects will ideally need to score over 10 in order to be considered appropriate, however exceptions may be made at Council’s discretion. This is a particularly useful tool when comparing multiple projects to decide which ones will go ahead.

CRITERIA	SCORE
<p>Does the project deliver a short-term economic benefit to Wollongong? e.g.</p> <ul style="list-style-type: none"> • bed nights • tourism-related spending <p>Score: 0 = no prospect; 1 = low \$ benefit; 2 = medium \$ benefit; 3 = high \$ benefit</p>	
<p>What tier does the project achieve in the country/industry matrix? (refer to table in Civic Relations Targets Management Policy) 0 = no rating; 1 = tier 3 rating, 2 = tier 2 rating, 3 = tier 1 rating</p>	
<p>Are there other local partners involved in the project? e.g. UOW, AiG, Port, Property Council, IBC 0 = none, 1 = one partner, 2 = two partners, 3 = three or more partners</p>	
<p>Are there other government agencies involved in the project? e.g Austrade, Trade & Investment, DFAT 0 = none, 1 = one partner, 2 = two partners, 3 = three or more partners</p>	
<p>Does the project have the potential to deliver medium-term economic benefit to Wollongong? e.g.</p> <ul style="list-style-type: none"> • opportunities for investment in local businesses • opportunities for employment creation in local businesses • growth and expansion of local business <p>Score: 0 = no prospect; 1 = low \$ benefit; 2 = medium \$ benefit; 3 = high \$ benefit</p>	
<p>Does the project have the potential to improve cultural understanding and/or based on historical links (e.g. sister cities)? 0 = no; 1 = small impact; 2 = medium impact; 3 = high impact</p>	

3. Risk Assessment

The final step in the evaluation process is to undertake a risk assessment for a project, based on the international geo-political climate. A project would be given a low-risk rating if there were no current potential political risks. A project would be given a medium-risk rating if there was some political risk, but the risk could be managed. A project would be given a high-risk rating if there were current political risks that may not be able to be managed.

To assist with this assessment, Department of Foreign Affairs and Trade publishes detailed information on personal, economic and political country risk which is available at <http://www.dfat.gov.au/geo>

Evaluation Process

Each project (either a trip or a hosting) should be evaluated once completed, via a reporting mechanism back to Wollongong City Council. This will help maximise the projects benefits and improve the decision-making process for future similar projects. The level of evaluation required depends on the extent of funding provided for a project.

Small projects, costing less than \$5000, should have basic details recorded in a spreadsheet format. This includes cost of project, delegate numbers and contact points of the delegation that Wollongong City Council is aware of.

Medium projects, costing between \$5000 and \$10,000 should have a more detailed report. This should cover budget, number of delegates involved, a summary of contact points with Wollongong City Council, other government agencies, local industries/businesses and local residents and an estimate of actual outcomes for the criteria featured in the decision-making matrix.

These two types of reports would be collated into an annual report, to be tabled at a Council meeting.

Major projects, costing more than \$10,000 or involving international travel, should be subjected to more rigorous reporting requirements. This report should cover:

1. A general description of the trip (as per medium report detailed above).
2. The report should include a discussion of how the project has assisted in achieving the goals and aims of the Economic Development Strategy 2013-2023. A discussion on possible future gains from the project and further steps that will be taken by Wollongong City Council and/or other stakeholders to maximise the likelihood of achieving these gains.

The report should be provided to Councillors within three months of the completion of the project.

Such a timely, transparent evaluation process will help lift community awareness about the benefits of Wollongong City Council's Civic Relations Policy. An evaluation process will also assist Wollongong City Council when considering future projects within this budget area.

SUMMARY SHEET

Responsible Division	Community Cultural and Economic Development
Date adopted by Council	13 August 2018
Date of previous adoptions	9 September 2013 (previously titled Sister City and Friendship City Relationships; EMC 3 March 2010, Council 12 February 1996, 28 November 2005, 13 August 2018)
Date of next review	9 December 2020
Responsible Manager	Public Relations Manager
Authorised by	Manager Community Cultural and Economic Development