



Foreign Influence Transparency Scheme

Factsheet 2

February 2019

What is the difference between 'foreign influence' and 'foreign interference'?

Foreign influence

Foreign influence is not a bad thing. Governments and other actors from around the world commonly make efforts to influence important issues and policies in Australia in a way which benefits their interests. The Australian Government does the same in other countries – for example, through the Department of Foreign Affairs and Trade.

This type of 'foreign influence', when conducted in an open, lawful and transparent manner, contributes to our vibrant and robust democracy by ensuring that decision makers and the public are exposed to diverse opinions and voices from all sectors of society. The diverse opinions of community members, academics, the media, the business sector, non-government organisations as well as others, are a positive contribution to healthy and robust public debate.

However, when foreign actors seek to exert influence in a way that is hidden or not transparent, this can have serious implications for Australia.

Foreign interference

Foreign *interference* goes beyond the routine diplomatic influence that is commonly practised by governments. 'Foreign interference' includes covert, deceptive and coercive activities intended to affect an Australian political or governmental process that are directed, subsidised or undertaken by (or on behalf of) foreign actors to advance their interests or objectives.

Foreign interference poses a significant risk to Australia's open system of government and national sovereignty. Foreign interference activities directed against Australia could limit or shape government independent judgements and can corrupt the integrity of established systems. Foreign interference into Australia's political system could erode public confidence in its political and government institutions and could also interfere with private-sector decision-making. This can be to the detriment of national security and economic prosperity. For these reasons, foreign interference is a serious criminal offence under the Commonwealth's *Criminal Code*, punishable by up to 20 years' imprisonment.