



An Australian Government Initiative



# Australia-Indonesia Institute Annual Report 2003–2004





An Australian Government Initiative

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24 September 2004

The Honourable Alexander Downer MP  
Minister for Foreign Affairs  
Parliament House  
CANBERRA ACT 2600

Dear Minister

On behalf of the Board of the Australia-Indonesia Institute, I am pleased to submit the Institute's annual report for the period 1 July 2003 to 30 June 2004.

Yours sincerely

Philip Flood AO  
Chairman

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COVER IMAGE

**Henri Dono**, Indonesia b. 1960

*Bis Kota (City Bus)*, 1994, synthetic polymer paint  
and collage on paper, 66 x 77 cm.

Purchased 1995 Queensland Art Gallery Foundation

Collection: Queensland Art Gallery

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## CHAIRMAN'S MESSAGE



Mr Philip Flood AO  
Australia-Indonesia  
Institute Chairman

This has been a positive year for the Institute with further progress in our Muslim Exchange program, a visit to Australia by Professor Dr Syafi Ma'arif, Chairman of Muhammadiyah representing over 30 million Indonesian Muslims, further arts and cultural exchanges, and a successful visit to Indonesia by a high level delegation of senior editors from the Australian media. Also the significance of our work was warmly acknowledged by a joint committee of the Australian Parliament in its report into Australia's relationship with Indonesia.

Indonesia has successfully held parliamentary elections and the transition from the authoritarian Soeharto era to a more effective democracy has been highlighted by the smooth arrangements for the election of Indonesia's first directly elected President. Indonesians voted overwhelmingly in favour of political parties and leaders committed to religious tolerance.

During the year, the Institute took forward its initiative to promote better understanding between our communities through an expanded program of visits to Australia by young Indonesian Islamic leaders under the Muslim Exchange Program. This year also saw the first visit to Indonesia by Australian Muslim leaders under this program.

The Institute was pleased to have a proposal to develop a partnership with the Indonesian Ministry of Religious Affairs (MORA) accepted by the Australian Agency for International Development (AusAID) for funding in its Government Sector Linkages Program. Under this project we are collaborating with MORA to upgrade the qualifications of teachers at Islamic tertiary education institutions through the provision of post-graduate study programs at the Australian National University and the University of Melbourne.

A major activity in the course of the year was the visit in June 2004 of a group of senior Australian media editors representing print, radio and television networks. Coming in between the Indonesian parliamentary elections and the first round of the Presidential election, this visit contributed significantly to improving awareness and understanding in Australia of the important progress towards a stronger democracy in Indonesia.

In March 2004, the Board travelled to North Sumatra to hold one of its meetings in Medan and to Jakarta to undertake a series of high-level meetings with Indonesian leaders. The Board was received by President Megawati Soekarnoputri, and also met with a number of Indonesian Ministers, the Governor of Jakarta and the Governor of North Sumatra, as well as business, religious and NGO representatives and Indonesian alumni of Australian universities.



A number of the Institute's sponsored activities continue to be affected by the international and domestic response to terrorism. Travel to Indonesia remained difficult to support and in some instances again had to be deferred. The Institute, therefore, was again drawn to focus more on activities which brought Indonesians to Australia, or which were able to be implemented in Indonesia by Indonesian organisations.

Serious incidents of terrorism in Indonesia threaten to damage efforts by the Institute, AusAID and many others in Australia to develop friendship and wider linkages between our two countries. Public opinion surveys in Australia reflect clear public concern about the actions of small groups of terrorists purporting to be acting in the name of Islam. At the same time many in Indonesia are mystified that surveys here should convey an attitude of apprehension towards Indonesia when we should be joining with Indonesians in celebrating free and peaceful elections. We hope that Indonesia continues to be successful in tracking down and bringing to justice the perpetrators of terrorist crimes and in addressing the source of these problems which are causing immense international damage to Indonesia. Only a vigorous attack on terrorist groups and a robust willingness to confront this problem publicly will diminish international concern.

I am grateful for the continued support and advice we receive from other Government agencies. We maintain a very productive relationship with AusAID and the Department of Education Science and Training, and continue to value our collaboration with organisations such as Asialink and the Australia Council for the Arts. The Board also appreciated the enthusiastic support and close co-operation provided by Ambassador David Ritchie and the valuable advice and administrative assistance received from the Secretariat and the Cultural Counsellor in Jakarta, Beverly Mercer.

During the year it was a pleasure to welcome Mr Justin Breheny, Ms Susan Mann and Mr Doug Chester as new members of the Board. I am sure that their broad experience and expertise will be valuable additions. I also wish to thank retiring members Dr Christine Fletcher and Mr Peter Varghese for their important contributions to the Board.

Finally, as this will be my last annual report as Chairman of the Board, I wish to take the opportunity to say it has been an honour to have served with such a strong and talented team of people committed to furthering understanding and friendship between Australia and Indonesia.

**Philip Flood AO**  
Chairman

## BOARD MEMBERSHIP

The Order-in-Council establishing the Australia-Indonesia Institute in 1989 provides that the Board of the Institute shall consist of a Chairperson, and not fewer than four and not more than 12 other Members. The Chairperson and members are appointed by the Governor-General on the recommendation of the Minister for Foreign Affairs, serve on a part-time basis and receive sitting fees and travelling allowance in accordance with Remuneration Tribunal Determinations.

Board Members are from different parts of Australia and bring a variety of professional expertise in and experience of Indonesia to the Institute.

### CHAIRMAN

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**Mr Philip Flood AO**  
International Consultant,  
former Secretary, Department of  
Foreign Affairs and Trade and former  
Ambassador to Indonesia  
(1 September 2000 to  
24 November 2004).

### BOARD MEMBERS 2003–2004

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**Mr Justin Breheny**  
Executive Director,  
PT Panin Bank  
(24 September 2003 to  
23 September 2006)



**Mr Rowan Callick**  
Asia Pacific Editor,  
*Australian Financial Review*  
(31 May 2001 to  
12 June 2006)



**Ms Alison Carroll**  
Director of The Asialink  
Centre's Arts Program  
(30 October 2002 to  
29 October 2005)

**BOARD MEMBERS 2003–2004** continued

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**Mr Robert Champion de Crespigny AC**  
Chancellor, The University of Adelaide (26 June 2002 to 25 June 2005)



**Mr Harold Clough**  
AO OBE Clough Engineering Group, Perth (12 November 1999 to 9 November 2004)



**Mr Doug Chester**  
Deputy Secretary, Department of Foreign Affairs and Trade, Canberra (24 September 2003 to 23 March 2006)



**Ms Elizabeth Hallett**  
Partner, Deacons, Sydney (12 November 1999 to 9 November 2004)



**Professor Virginia Hooker** Professor of Indonesian and Malay at the Faculty of Asian Studies at the Australian National University, Canberra (11 April 2002 to 10 April 2005)



**Associate Professor Timothy Lindsey**  
Director (SEA), Asian Law Centre, University of Melbourne, (17 March 1997 to 12 July 2006)



**Ms Susan Mann**  
Chief Operating Officer, The Learning Federation (10 March 2004 to 9 March 2007)

**RETIREMENTS BETWEEN  
1 JULY 2003 AND 30 JUNE 2004**

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**Dr Christine Fletcher**  
Consultant in Indonesia working with the Ministry for Home Affairs and the World Bank/ UNDP/Asia Development Bank sponsored Partnership for Governance Reform (12 November 1999 to 9 November 2003)



**Mr Peter Varghese**  
Deputy Secretary, Department of Foreign Affairs and Trade, Canberra (6 March 2003 to 3 July 2003)

## **MISSION STATEMENT**

To develop relations between Australia and Indonesia by promoting greater mutual understanding and by contributing to the enlargement over the longer term of the areas of contact and exchange between the people of Australia and Indonesia.

## **GOALS**

- To promote in each country increased exposure to the other through media, educational, cultural, sporting and professional activities.
- To create in Indonesia a nucleus of people with expertise in Australian affairs, especially current and future opinion leaders.
- To create within Australia a wider range of people with knowledge about Indonesia, especially current and future opinion makers.
- To portray Australia as culturally diverse, educationally, scientifically and technologically advanced and economically enterprising.
- To increase understanding of and to improve access for Australians to the cultural diversity of Indonesian society.

## PROGRAMS

The Australia-Indonesia Institute supports and initiates activities consistent with its goals and on the basis of a strategic program set by the Board. The policy of the Institute is to target groups and individuals in Australia and Indonesia who have an interest in a future relationship of substance with the other country, including through the enhancement of institutional links. Wherever possible, the Institute seeks to expand institutional linkages by involving multiple organisations to ensure the carriage of approved activities. This may take the form of seed funding of projects, or collaboration with like-minded organisations and individuals in both countries.

The Institute receives its program funding from the Australian Government in the form of an annual grant-in-trust administered by the Department of Foreign Affairs and Trade. The Institute received new program funding of \$785,103.69 in 2003–2004.

This year the Institute also was successful in attracting additional funding from outside agencies to support particular programs. The Australian Agency for International Development provided \$246,000 for a new project to upgrade the research and lecturing skills of staff from Islamic tertiary institutions outside Java. The Australia Council for the Arts provided \$40,000 for a new arts program to be introduced in 2004–2005.

The Board considered 58 applications for funding in 2003–2004 and provided funding for 41 projects.

The total value of activities which received Institute funding was far greater than the amount of Institute funding, as most of the activities involved substantial joint funding and in-kind support from other organisations and individuals in both countries.

Board members expanded their direct contact with a wide range of Indonesians during their visit to Indonesia for the Board's 49th Meeting, held in Medan in March 2004.

In the course of the year, Board members also consulted with a broad range of other Australian organisations and individuals about political, economic and cultural developments between Australia and Indonesia.

## **FUNDING APPLICATION PROCESS**

The Institute's competitive funding application process is set out on the AII's website.

The Institute particularly welcomes innovative projects that continue to advance the aims and objectives of the Institute beyond the term of Institute funding, and therefore provide significant continuing benefits from what is often a modest initial outlay. All applications are made using standard documents and are assessed by a standard appraisal procedure, helping to ensure consistency and equity in Institute funding decisions.



The Prime Minister of Australia, Mr John Howard MP, opened the new Indonesian Language and Cultural Centre at Burgmann Anglican School in Canberra in September 2003, which received one of the first grants under the Institute's Schools Exchange Small Grants Program.

## **GUIDELINES**

The Board attaches a number of conditions to its funding, including that all applications are assessed against the following guidelines:

- (a) The project should be an initiative of relevance to the All's aim of promoting a growing and deepening relationship between Australia and Indonesia. Such initiatives may promote new areas of contact between Australia and Indonesia or may serve to build on or develop existing contacts. Priority is given to projects involving young people.
- (b) The project should have a clearly defined benefit in terms of the All's goals and objectives.
- (c) Provision should be made in the application for publicity or promotion of the project.
- (d) Projects that involve Indonesian experience of Australia and the relation of that experience to a wide audience in Indonesia are particularly desirable.
- (e) When projects supported by the All involve an organisation in Indonesia, applicants must demonstrate that sufficient matching funds from the Indonesian counterpart organisation are available to allow for the successful completion of the project. Matching funds may include accommodation and other services provided without charge by host institutions.
- (f) Wherever possible, All support should constitute seeding funds intended to encourage financial support from others, including corporate sponsors. The All may decide to award grants conditional on funding being raised from other sources.
- (g) The project should wherever possible establish prospects for independently funded activity as a result of initial All funding.
- (h) The applicant should preferably have an established record of achievement.

The Board generally meets three times each year to consider applications for funding. Applications may be submitted at any time, and will usually be held for consideration at the next Board meeting.

A summary of some of the All-funded activities follows in respect of each Institute funding program.

## **ARTS AND CULTURE PROGRAM**

The Institute aims to cultivate in Indonesia and Australia an appreciation of the quality, diversity and sophistication of the visual and performing arts in the two countries, and to help develop a market in Indonesia for Australian visual and performing arts and Australian expertise. It also aims to encourage relations between Australian and Indonesian sports people and organisations.

The Institute supported a range of cultural activities designed to extend appreciation of each country's artistic traditions and contemporary directions.

### **CONCERT FOR BALI**

The Institute collaborated in bringing to Australia a performance of the concert *In Memoriam*, a collection of musical pieces written in memory of the victims of the Bali bombing. The concert, performed by the renowned Indonesian pianist Ananda Sukarlan, comprised 14 specially commissioned pieces by composers from Australia, France, New Zealand, Spain, Austria, Scotland, Mexico, Japan, Malaysia and Italy.

### **MUSEUM OF NORTH SUMATRA / WOLLONGONG CITY GALLERY STAFF EXCHANGE**

The Institute assisted the exploration of new ways of cooperating between Australia and Indonesia in the field of arts and arts management through a two-week visit to Australia by the Director and an education staff member of the Museum of North Sumatra. The visit included tours of the major museums and galleries in Sydney and Canberra which allowed the exchange of ideas, expertise and knowledge between Australian and Indonesian arts managers and created a new series of professional and friendship networks.

Through this exchange, staff from the Museum experienced the opportunity for professional development, while the Wollongong City Gallery gained advice and insight into the care and display of Indonesian textiles which it will require to manage a major collection of Indonesian textiles obtained recently through a bequest.

### **CONCERN – CONTEMPORARY ART**

The Institute supported *Concern*, an exhibition of contemporary Australian art which was staged in Yogyakarta in April 2004. The exhibition included work by a range of Australian artists, often working in public, especially in artist groups, to re-invigorate the artist-audience relationship as a model for more vital social relationships. After its successful staging in Indonesia, the exhibition returned to Australia where it opened for a season at the Victorian College of the Arts gallery in Melbourne.





Louise Brand (Curator, Wollongong City Gallery) and Heidi Hillier (Exhibitions and Collections Officer, WCG) enjoy lunch with Bapak Rapelta Ginting and Ibu Santi Tarigan at their wedding in Medan in June 2004. The groom's aunt, Marsiriya Sebayang, a staff member at the State Museum of North Sumatra, visited Australia in December 2003 on an Australia-Indonesia Institute exchange program. The wedding gave Wollongong City Gallery staff, who were on a reciprocal exchange, an excellent opportunity to understand the customary uses of Batak (Karo) textiles. (Photo: Peter O'Neill, Director, WCG)

## **ASIALINK ARTS RESIDENCIES**

The Institute has continued its support for the program of residencies for Australian artists in Indonesia, and Indonesian artists in Australia, organised by Asialink. The success and enduring nature of this program reflects the strong interest held by both Australian and Indonesian art practitioners in the contemporary art culture of each others countries. This year, the All was pleased to support residencies in Indonesia for arts marketing specialist Fiona Carter, writer Bill Lines, composer David Young and musician Rendra Freestone, and the residency in Australia of Indonesian artist Sudjud Dartanto.

**Fiona Carter** spent 3 months based at the Kelola Foundation in Solo, Central Java. During her residency she provided marketing assistance to Kelola's operations, consulted on sponsorship and marketing issues for the Gedung Kesenian (Jakarta Arts Centre), observed regional arts festivals and events in Central Sulawesi, Java, and Flores, and developed contacts and future arts linkages between Indonesia and the Northern Territory.



Artist-in-Residence Rendra Freestone, musician from NSW, conducting percussion workshops, West Sumatra, 2004. This residency was also supported by the Australia Council.

**Bill Lines** divided his time between a 9-week writing and research tour of Java, and a 5-week residency at Petra Christian University in Surabaya. He researched two books: a novel entitled *Loose Stones*, and a work of non-fiction, *Nature Fear*, which explores issues of conservation in Australia and Indonesia. In Surabaya, he conducted writing workshops, participated in English language classes and conducted lectures on Australian studies.

**David Young**, composer and artistic director of Melbourne-based music ensemble Aphids, conducted his 3-month residency under the mentoring of Rendra, Indonesia's foremost poet and playwright. He collaborated with Indonesian musicians and performers in Cipayung, Solo and Ubud (Bali) to develop new ways of creating collaborative performance art. He also used the residency to begin work on Aphids' new opera project, *Vending Machine*, intended for presentation in Australia and Indonesia in 2005.

Indonesian writer, ceramicist and curator **Sudjud Dartanto** spent a two-month residency at two Brisbane organisations, the Institute of Modern Art and Fusions Gallery. During his time in Brisbane Sujud made ceramics with members of the Australian Network of Clay and Class Artists, and met and interviewed local artists as part of his research for his book *Translations*. When published, this work will explore the comparative experiences of Australian and Indonesian artists.

#### **BANGARRA DANCE TRIPLE BILL**

The Institute supported collaboration between Australia's renowned indigenous dance company Bangarra Dance Theatre and Indonesian choreographer and performer Mugiyono Kasido. Mugiyono Kasido is one of Indonesia's most exciting emerging young choreographers with a unique style that combines traditional Indonesian and contemporary dance styles. Kasido worked with Bangarra to incorporate his solo performance, entitled *Kabar Kabar*, into the Bangarra Dance Theatre triple bill performance at the 2004 Adelaide Festival.

## **AUSTRALIAN STUDIES PROGRAM**

The Institute aims to develop a network of Indonesians who can interpret Australian society and policies for the Indonesian people and government.

### **THE AUSTRALIAN STUDIES DEVELOPMENT IN INDONESIA PROGRAM**

The Institute supported the further integration and expansion of Australian Studies programs at Indonesian educational institutions through the Australian Studies Development in Indonesia program being undertaken by The Australian Centre at the University of Melbourne.

The aim of this ongoing project is to forge and enhance relations between specialists in Australian Studies in both countries, to identify programs to extend the potential of existing and new Australian Studies programs, and to identify leaders committed to nurturing teaching and research on Australia as well as fostering a network of scholars and postgraduate students interested in Australian Studies within Indonesia.

### **AUSTRALIA-INDONESIA SYMPOSIUM AND STUDY OF AUSTRALIAN POLITICS, UNIVERSITY OF INDONESIA**

The Institute supported the introduction of a new biannual symposium on Australia-Indonesia relations and a new study program on Australian Politics at the Graduate School of Political Science, University of Indonesia.

The new biannual symposium was created to serve as a regular discussion forum focussed on Australia-Indonesia socio-political developments and to build networking among universities, especially those having Australian / Indonesian studies programs. The inaugural symposium was held in February 2004. The project will also see the papers from this symposium published so as to reach a wider audience.

## **CIVIL SOCIETY PROGRAM**

The Institute aims to assist Indonesia to strengthen its civil society by providing non-government groups with training and specialist advice and through support for institution building.

### **BALI EYE ON INDONESIA**

The Institute supported the humanitarian work of the John Fawcett Foundation in Bali, through the publication of *Bali Eye On Indonesia*. This publication showcases the work of Indonesian photographers, graphic designers and artists, and highlights the work of the Foundation in providing treatment to people suffering from blindness and visual impairment. Funds raised from the sale of the book will contribute to the Memorial Community Eye Centre, established as part of the medical assistance package provided to the people of Bali by the Australian Government following the tragic bombings of 12 October 2002.

### **CONSERVATION OF THE BALINESE SLIPPER ORCHID**

The Institute contributed to the rediscovery of the Balinese Slipper Orchid (*Paphiopedilum javanicum*) on the island of Bali and to the establishment of improved laboratory facilities and conservation techniques at the Bali Botanic Gardens.

This species of orchid had been considered to be critically endangered through the effects of uncontrolled wild orchid collection and degradation of local habitat. Under the guidance of the Botanic Gardens and Parks Authority of Western Australia, this project conducted surveys to locate remnant populations and increased the capacity of staff at the Kebun Raya Eka Karya Bali (KREKB) to maintain suitable conservation and propagation programs. Information activities and materials were also developed for use in local schools and the KREKB to educate tourists and locals on conservation and the environment.

### **STUDY OF POPULATION DYNAMICS IN HYBRID GIBBONS OF CENTRAL KALIMANTAN**

The Institute is contributing to the planning and implementation of national conservation strategies for wildlife populations by supporting a study of the population dynamics of a rare hybrid gibbon species in the relatively unlogged lowland dipterocarp forests of Central Kalimantan. The project covers one of only three known population sites in South-East Asia and will provide recommendations to the national government to aid in the management of such hybrid zones throughout Indonesia. The project will also satisfy the expressed need of Indonesian authorities for training of local personnel in wildlife management and field research technique and result in a beneficial interaction of Australian and Indonesian scientists and students.



President of the Republic of Indonesia, H E Megawati Soekarnoputri, receiving the Chairman, Mr Philip Flood AO, during the Board's visit to Jakarta in March 2004.

## **EDUCATION AND YOUTH PROGRAM**

The Institute aims to build groups of young and potentially influential people in both Australia and Indonesia, who have an understanding and knowledge of the two countries.

The Institute supported a range of activities focussed on young people and the development of education links.

### **MATHEMATICS TEACHER EDUCATION IN INDONESIA**

The Institute developed relationships between mathematics educators by funding development visits by four Indonesian teachers to the Department of Science and Mathematics Education at the University of Melbourne. The visits comprised both practical issues such as the structure of pre-service education courses and methods of assessment and broader issues of mathematics education and relevant research.

All of the visitors were given the opportunity to enhance their own teaching skills and knowledge through participation in seminars, pre-service teacher education classes and schools visits, as well as to examine textbooks and teaching aids and to purchase teaching resources not available in Indonesia. Careful selection of the participants ensured the benefits of these visits will not only benefit their own universities, but will influence the direction of teacher education throughout the whole of Indonesia.

### **CRICKET DEVELOPMENT PROJECT: BALI, LOMBOK AND FLORES**

The Institute contributed to the development of school sports programs through the preparation of cricket teaching modules and their delivery for pupils in primary and secondary schools, and their sports teachers in Bali, Lombok and Flores as an integral part of the development of the National Cricket Training Centre at Udayana University in Bali.

The project introduced organised sports programs into 85 schools, reached around 5,000 children in Nusa Tenggara Barat and Nusa Tenggara Timur, and resulted in the establishment of both primary and secondary school leagues in a number of kabupaten. As well as playing a valuable role in introducing cricket in two new provinces of Indonesia, the project produced Indonesia's first cricket training manual.

### **AUSTRALIA-INDONESIA YOUTH EXCHANGE PROGRAM**

The Australia-Indonesia Youth Exchange Program (AIYEP) is based around groups of young Australians and Indonesians living with host families in towns in one another's countries for two months to undertake a program of cultural activities and work placements. Established in 1982, it is the longest running exchange program supported by the Institute. This year, the AIYEP consisted of a two-month visit to Western Australia by a group of 18 young Indonesians. The group was hosted by Australian families in Perth and Geraldton, and undertook a work-experience program in both cities. The group also participated in a rural retreat in the Karri Valley. The group gave highly successful cultural performances at several schools during their visit, and enthralled audiences with their musical ability and enthusiasm.

### **TEACHER EXCHANGE**

The Institute funded the two-week visit to Australia by 11 Indonesian educators from Northern Sulawesi as part of the Australia-Indonesia Teacher Exchange Program managed by the Asia Education Foundation. Their visit itinerary included an orientation program in Canberra, visits to Australian school communities, and participation in classroom teaching situations.

### **GEOGRAFI AUSTRALIA ON-LINE**

The Institute initiated the development and publication of an Australian social geography textbook, *Geografi Australia*, for incorporation into the Indonesia primary school curriculum. A second edition was produced in 2002, and copies have been distributed to schools throughout Indonesia. In order to make this text more widely available to Indonesian students, the Institute has produced an online version, which can now be accessed at [www.dfat.gov.au/aif/publications](http://www.dfat.gov.au/aif/publications).

### **INDONESIAN SWIMMING COACHES PROGRAM**

The Institute supported a program of swimming coaching and swimming clinics in Jakarta in December 2003. The program was conducted by two prominent Australian swimming coaches, Olympic gold medallist Bill Kirby and former member of the Australian swimming team, Leith Weston. The program centred on an intensive training program for 32 swimming coaches from clubs throughout the Jakarta area, which focused on technique development, physical fitness and conditioning, and team morale theory. A series of swimming clinics was also conducted, which exposed young Indonesian participants to the instructional style of Australian professional coaches.

### **PRINCE AND PRINCESS OF THE ENVIRONMENT AWARD**

The Institute contributed to raising awareness of environmental issues among young people in the Surabaya region through its support for the Prince and Princess of the Environment Award. Through this competition, children between the ages of 10 to 15 years are encouraged to respect the environment and to create their own ongoing environmental projects.

As well as becoming environmental ambassadors within Indonesia, the winners of the 2003 award, Nastiti Puspitosari and Domongo Bayu Baskara represented Indonesian youth at the Millenium Kids Environmental Conference in Perth during October 2003.



Nastiti and Domongo took their environmental message to the highest levels when they were received by President Megawati Sukarnoputeri in November 2003.



Teacher-librarians at Liwubao Primary School in the town of Wolomapa, Sikka District, Flores, stocking shelves with books donated from Australia.

### **SCHOOL LIBRARY PROJECT, EASTERN INDONESIA**

The Institute contributed to the development of school-based libraries in the eastern Indonesian province of Nusa Tenggara Timur by funding the visit of an experienced Australian librarian to 19 schools throughout West Timor and Flores. The project provided advice on the management of small school collections, including how to label books, the implementation of loan schemes and maintenance of catalogue systems and initiated planning by local education authorities for the ongoing training of school librarians. This project also provided the basis for the ongoing donation of Australian teaching resources to schools in this region.

### **SCHOOLS EXCHANGE SMALL GRANTS PROGRAM (SESGP)**

The SESGP was created by the Institute to encourage broader avenues of contact and exchange between Australian primary and secondary schools and their Indonesian counterparts. Three grants were provided this year, to schools in Beechworth Victoria, Canberra ACT and Lismore NSW, to assist them give their students and communities the opportunity to interact directly with teachers from Indonesian schools.

In addition to creating a stimulus for Australian students undertaking studies of Indonesia and the Indonesian language, these exchanges offer the opportunity for the joint development of teaching curricula and for the professional development of the visiting Indonesian teachers.



## **INTER-FAITH PROGRAM**

The Institute aims to promote greater understanding of the roles of religion in each other's country.

### **AUSTRALIA-INDONESIA MUSLIM EXCHANGE PROGRAM**

The Institute supported a series of visits to Australia by leading Indonesian Islamic community leaders under the Muslim Exchange Program. Twelve participants drawn from a broad range of Indonesian educational, political and non-governmental organisations visited Australia in three groups under this program during the year, while four Australian participants visited Indonesia.

In Australia, the six men and six women from Indonesia undertook varied programs including contact with local Australian Islamic organisations and educational institutions. Meetings were also organised with other religious leaders and with leading political figures, including the Governor-General and the Parliamentary Secretary for Foreign Affairs.

The aim of these visits is to develop greater understanding and recognition within Australia of the moderate nature of mainstream Islam in Indonesia and better understanding within Indonesia of Australia's multicultural society.



Three visitors under the Muslim Exchange program – Ala'i Najib, Ienas Tsuruiya and Anisah Mahfudz visiting a rural property at Braidwood, NSW.

**ISLAMIC LEADERS VISITS – PROFESSOR DR SYAFI MA'ARIF**

The Institute continued its cooperation with the Department of Foreign Affairs and Trade (DFAT) to develop Australian contacts with senior Indonesian Islamic leaders. In December 2003, the AII and DFAT co-sponsored the visit to Australia by Professor Dr Syafi Ma'arif, Chairman of Muhammadiyah, Indonesia's second largest Islamic organisation. During his week-long visit, Prof Ma'arif met with a range of academics, journalists, officials and political representatives, including the Prime Minister, Mr John Howard. His visit allowed an exchange of views on the latest developments in Indonesia, including the moderate nature of Islam in Indonesia and the 2004 national elections. Prof Ma'arif was accompanied by Abdurrosyad Sholeh, Vice-Chairman, and Muchlas Abror, a member of Muhammadiyah's executive board.

**SURVEY ON ATTITUDES TO ISLAM**

The Institute commissioned Roy Morgan Research to conduct a survey to ascertain the views of Australians in relation to Islam. The purpose of the survey was firstly to understand what Australians know and think about Islam, and secondly to understand the extent to which Australians appreciate the unique nature of Islam as it is practiced in Indonesia. The Institute commissioned a detailed analysis of the survey results by Dr Kevin Dunn of the University of New South Wales, which will be published.



Acting Chairman Harold Clough was presented with a ceremonial Batak cloth by Kyai KH. Syech Ali Akbar Marbun when the Board visited Pesantren Al-Kautsar Al-Akbar in Medan.

## **MEDIA PROGRAM**

The Institute aims to encourage improved mutual understanding by helping to foster high-quality, insightful media coverage of Indonesia in Australia and of Australia in Indonesia.

The media in Australia and Indonesia play a significant role in informing and shaping both official and public perceptions of the other country. The Institute continued to encourage greater contact by Australian journalists with Indonesia through scholarships and academic programs designed to provide exposure to its language and culture and contact with Indonesian media organisations.

### **SENIOR EDITORS' VISIT**

The Institute developed high-level contact and understanding between influential Australian media representatives and Indonesian political, business and community leaders by taking a group of senior media editors to Jakarta. The group of nine editors, representing major Australian print, television and radio media organisations, was able to gain valuable insights into Indonesia's recent democratic and economic reforms.

The visit occurred just after Indonesia's parliamentary elections and immediately prior to the first ever direct Presidential elections in Indonesia. Meetings were held

with President Megawati, Police Chief Da'i Bachtiar and TNI General Endriartono Sutarto, in addition to sessions with Indonesian media counterparts, economic commentators and Islamic leaders.

This was the sixth visit by Australian or Indonesian senior editors sponsored by the Institute in a program which the Institute believes has produced tangible benefits in enhanced media knowledge of each country by the other. These visits continue to play an important role in better informing the depth, accuracy and insightfulness of reporting within the media of both countries.

### **JOURNALIST FELLOWSHIP PROGRAM**

The Institute established last year a new media program to encourage working journalists from Australia and Indonesia to expand their knowledge and to increase their reporting on the other country. Called the Journalist Fellowship Program (JFP), it provides four fellowships per year to allow Australian and Indonesian journalists to travel to the other country in order to research and write stories. In addition to increasing the range of reporting on each country in the other, it is envisaged that these visits will expand journalistic linkages and contacts and improve the familiarity and knowledge of current issues in each country.

Inaugural fellowships were awarded to the following journalists: Sigit Purnomo from Radio Elshinta, to write articles on the Australian federal election campaign; Endah Sulistianti from *Tempo* newsmagazine, who will research the historical linkages between indigenous peoples of Australia and Indonesia, and write on Islamic education in Australia; Santi Soekanto of Aisya Islamic Women's Magazine, who will prepare articles on Australian Muslims and Islamic media, and Sean Murphy from ABC Television's *Landline*, who will research stories on projects undertaken by the Australian Centre for International Agricultural Research (ACIAR) in Indonesia.

### **MEDIALINK FELLOWSHIPS**

The Institute continued to expand professional linkages between the Australian and Indonesian media by supporting Medialink fellowships for Indonesian journalists to visit Australia. This year, two female journalists were supported.

Purwani Divah Prabandari (Ndari) from the foreign desk of *Tempo* newsmagazine, undertook a ten-week work placement with *The Age* newspaper in Melbourne. Rita Triana Budiarti, a news editor with *Gatra* newsmagazine, was placed with the *Herald Sun* newspaper for five weeks covering her special interest in legal and court reporting, spent two weeks with Tourism Victoria, and completed her stay in Australia with two weeks at *The Sydney Morning Herald* in Sydney. Both participants also were able to visit Canberra to familiarise themselves with major institutions and to undertake research for articles for their home magazines.

# ADMINISTRATIVE OVERVIEW

## ESTABLISHMENT

The Australia-Indonesia Institute (AII) was established on 27 April 1989 under an Order-in-Council. It reports to the Minister for Foreign Affairs.

## ANNUAL REPORT

The Institute reports to the Minister for Foreign Affairs. Although not formally required to do so, the Institute submits an annual report on its activities to the Minister and to the Australian Parliament.

## MEMBERSHIP

Article 2(1) of the Order-in-Council establishing the Institute provides for the membership of a Chairperson, and not less than four and not more than 12 other members. On 30 June 2004, the Institute consisted of a Chairperson and ten other Members. Members are appointed by the Governor-General on the recommendation of the Minister for Foreign Affairs.

## MEETINGS

The Board of the Australia-Indonesia Institute met on three occasions during 2003–2004:

- 47th meeting: Perth, 15 July 2003
- 48th meeting: Canberra, 6 November 2003
- 49th meeting: Medan, 19 March 2004

## REMUNERATION

Members receive a sitting fee in line with the rate set by the Remuneration Tribunal Act 1973, as amended, for the part-time members of non-statutory bodies. Members are also entitled to reimbursement for travel and accommodation expenses incurred while on business as a member of the Institute.

## AUDITOR'S REPORT

The Australian National Audit Office, as part of its examination of the accounts of the Department of Foreign Affairs and Trade, examines the financial affairs of the Institute.

## STAFFING

The Institute's secretariat is located in the Indonesia Section of the Department of Foreign Affairs and Trade.

The principal functions of the Australia-Indonesia Institute secretariat are to make recommendations to the Institute's board on program expenditure and other matters, to implement board decisions and to provide administrative support. This support includes project development, implementation and assessment.

## **ADMINISTRATIVE OVERVIEW** continued

Staff who served with the secretariat during the reporting period:

Mr Bill Richardson, Director (June 2002 – present)

Mr John Read, Project Officer (July 2002 – present)

The secretariat liaises with the Counsellor (Cultural) at the Australian Embassy in Jakarta. During the year this position was filled by Ms Beverly Mercer (January 2003 - present). Institute activities in Indonesia receive assistance from the Australian Embassy in Jakarta.

### **TRUST FUND**

The Institute operates a trust fund under s.62A of the Audit Act 1901. The trust account allocation for 2003-2004 was \$785,103.69.

### **INDUSTRIAL DEMOCRACY AND WORKPLACE DIVERSITY**

Secretariat staff are covered under the industrial democracy and workplace diversity provisions of the Department of Foreign Affairs and Trade as well as the Department's Certified Agreement.

### **FREEDOM OF INFORMATION**

In the reporting period the Institute did not receive any applications under the Freedom of Information Act 1982.

### **CONTACT DETAILS**

#### **AUSTRALIA**

Australia-Indonesia Institute  
5th Floor, S-5-705  
The R.G. Casey Building  
BARTON ACT 0221

(Postal Address)

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KINGSTON ACT 2604

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(02) 6261 3827

Facsimile: (02) 6261 1743

Email: [ausindonesia.institute@dfat.gov.au](mailto:ausindonesia.institute@dfat.gov.au)

Internet: <http://www.dfat.gov.au/aii>

#### **INDONESIA**

The Cultural Office  
Australian Embassy  
Jalan H R Rasuna Said Kav C 15-16  
Jakarta Selatan 12940  
JAKARTA INDONESIA

(Postal Address)

Cultural Office  
Indonesia Bag  
Locked Bag 40  
KINGSTON ACT 2604

Telephone: (62-21) 2550 5265

Facsimile: (62-21) 522 7104

# Appendix A

## **FINANCIAL STATEMENTS 2003–2004**

## **AII TRUST ACCOUNT: FINANCIAL STATEMENT 2003-2004**

### **ARTS AND CULTURE PROGRAM**

Asialink Arts Residencies in Indonesia	28,000.00
One voice, many faces	1,875.00
Gamelan Intercultural Theatre	7,400.00
Utan Kayu International Literary Festival 2003	1,000.00
Fawcett Foundation Eye Hospital Book	10,000.00
Bangarra Dance Theatre Triple Bill	5,000.00
Wollongong City Gallery / Museum of North Sumatra	4,000.00
NSW Art Gallery: Heritage of Beauty	25,000.00
Concert for Bali	4,000.00
Australian Cultural Centre feasibility study	4,939.85
Concerns: An Exhibition of Contemporary Australian Art	15,000.00
Wollongong Art Gallery / Medan Museum stage 2	12,400.00
Indonesian Civil Society Film and Video – Australian Access	2,500.00
<b>Sub-total</b>	<b>121,114.85</b>

### **AUSTRALIAN STUDIES PROGRAM**

University of Indonesia: Australian- Indonesian Symposium	27,250.00
Petra Christian University Outreach Workshop	1,068.00
<b>Sub-total</b>	<b>28,318.00</b>

### **CIVIL SOCIETY PROGRAM**

Balinese Slipper Orchid	12,550.00
5th IRSA International Conference	17,000.00
The Neighbours Program (Australian visits)	4,000.00
Population Dynamics in Hybrid Gibbons	8,800.00
<b>Sub-total</b>	<b>42,350.00</b>

### **EDUCATION AND YOUTH PROGRAM**

Australia Indonesia Youth Exchange Program (AIYEP)	138,153.02
Teacher Exchange Year 3	51,792.00
Web-based Anatomy teaching resource	15,600.00
Prince and Princess of the Environment	10,000.00
School Library Project, Eastern Indonesia	2,455.00
Adult Educator's Exchange	10,231.82
Herb Feith Scholarship	9,000.00
Land of Iron	2,715.00
Schools Exchange Small Grants Program	6,000.00



Indonesian Swimming Coaches Training Program	7,500.00
Supporting mathematics education in Indonesia	10,000.00
Geografi Australia on-line	5,991.00

<b>Sub-total</b>	<b>269,437.84</b>
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**INTER-FAITH**

Muslim Exchange Program Year 2	91,695.65
Visit by Syafi Ma'arif delegation	8,807.89
Visit by Ulil Abshar Abdalla	3,767.90
Visit by Nurcholish Madjid	21.65
Studia Islamika	14,000.00
Survey on attitudes towards Islam and analysis	13,715.23
Islamic Partnership education training project	6,988.88

<b>Sub-total</b>	<b>138,997.20</b>
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**MEDIA PROGRAM**

Senior Editors visit to Indonesia	46,528.82
Medialink Fellowship 2003	5,650.00
Journalist Fellowship Program	16,000.00

<b>Sub-total</b>	<b>68,178.82</b>
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**AII BOARD: ADMINISTRATIVE EXPENSES**

Forty-fourth board meeting, Melbourne	723.60
Forty-sixth board meeting, Denpasar	1,610.34
Forty-seventh board meeting July 2003, Perth	16,703.23
Forty-eighth board meeting, November 2003, Canberra	11,319.65
Forty-ninth board meeting, March 2004, Medan	65,164.87
Fiftieth board meeting, July 2004, Melbourne	2,019.45
Chairman's expenses (other than board meetings)	753.86
Board sitting fees	16,671.35
Publicity, advertising and incidental costs	2,146.49
Annual report	5,144.18

<b>Sub-total</b>	<b>122,257.02</b>
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**CULTURAL OFFICE: JAKARTA**

Program and incidental costs	24,981.29
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<b>Sub-total</b>	<b>24,981.29</b>
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<b>Total Expenditure</b>	<b>815,635.02</b>
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**SUMMARY OF TRUST ACCOUNT  
RECEIPTS AND EXPENDITURE IN 2003–2004**

**RECEIPTS**

2003–2004 trust account allocation	780,000.00
Carryover funds from 2002–03	.31
Supplementary appropriation	5,103.69
Revenue from sponsor agencies*	286,000.00
Receipts and Re-allocated Funds	23,955.69
<b>Total Receipts</b>	<b>1,095,059.69</b>

\* Comprises funding of \$246,000 provided by AusAID under the Government Sector Linkages Program for a new project to strengthen teaching standards at Islamic universities and to be implemented in collaboration with the Indonesian Ministry of Religious Affairs and co-funding of \$40,000 provided by the Australia Council for the Arts for the new Saraswati Arts program.

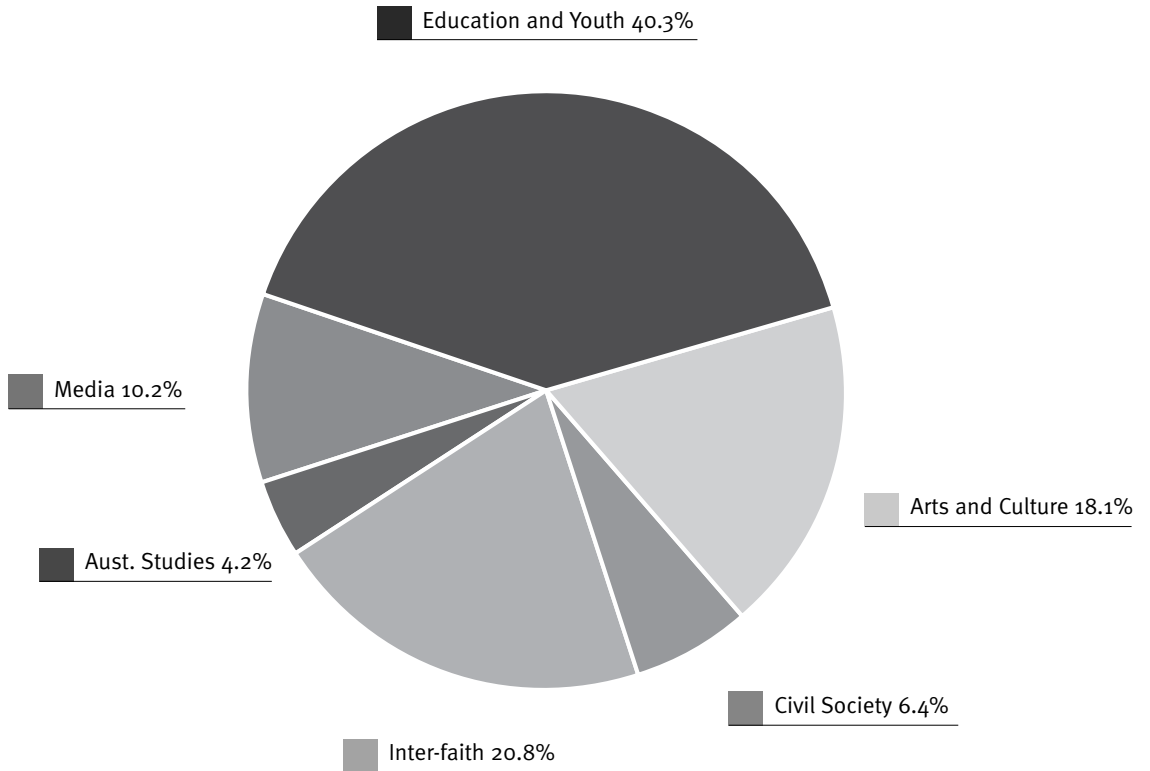
**EXPENDITURE**

Expenditure on Grants and Projects 2003	668,396.71
Board and administrative costs 2003–2004	122,257.02
Discretionary Funds, Cultural Office, Jakarta	24,981.29
<b>Total Expenditure</b>	<b>815,635.02</b>

Balance in Trust Account as at 1 July 2004 279,424.67

- Refunds returned as part of the acquittal process have not been specifically recorded against individual advances.
- Funding from the Institute to individual grant recipients represents consideration for supply and GST applies in most circumstances.

## PROGRAM ALLOCATIONS 2003-2004



# Appendix B

## ORDER-IN-COUNCIL

### ORDER CONSTITUTING THE AUSTRALIA-INDONESIA INSTITUTE

WHEREAS the Australian Government is desirous of further developing relations between Australia and Indonesia.

AND WHEREAS it is desirable that such relations should be developed by the promotion in Australia of a greater understanding of Indonesia, and by the promotion in Indonesia of a greater understanding of Australia and the enlargement over the longer term of the areas of contact and exchange between Australia and Indonesia and their respective people:

AND WHEREAS it is desirable that there be established a body for the purpose of providing a focus for the collection, exchange and dissemination of information, and a source of advice, in relation to the ways in which such relations may be encouraged, strengthened and developed:

NOW THEREFORE: I, William George Hayden, Governor-General of the Commonwealth of Australia, acting with the advice of the Federal Executive Council,

HEREBY ORDER AS FOLLOWS:

1. There is hereby established an institute to be known as the 'Australia-Indonesia Institute'.
2. (1) The Institute shall consist of
  - (a) a Chairperson; and
  - (b) not less than four and not more than 12 other members
- (2) The Chairperson and other members shall be appointed by the Governor-General on the nomination of the Minister of State for Foreign Affairs and Trade. The Chairperson shall be appointed for a period not exceeding five years, and on a part-time basis. A member of the Institute, other than the Chairperson, shall be appointed for a period not exceeding three years and on a part-time basis.
- (3) A person may be appointed to be a member of the Institute subject to the condition that no remuneration, allowances or other payments are to be payable to him/her as a member of the Institute apart from payments of amounts to reimburse him/her for travel and accommodation expenses actually incurred by him/her in the performance of his/her duties as a member of the Institute.
3. A member (including the Chairperson) may resign his/her office by writing under his/her hand delivered to the Governor-General.
4. (1) Subject to subclause (2), meetings of the Institute shall be held at such times and at such places as the Institute determines.
- (2) The Chairperson shall, upon receipt of a written request signed by four other members of the Institute, summon a meeting of the Institute to deal with such matters as are specified in that written request.
5. At a meeting of the Institute, a quorum shall be constituted by any four members or not less than half the members for the time being holding office, whichever is the larger.

6. The procedures for the conduct of meetings of the Institute, including procedures for the appointment by the members from amongst their number of an Acting Chairperson in the event of the absence from any meeting of the Chairperson, shall be as determined from time to time by the Institute.
7. The functions of the Institute are:
  - (a) to make recommendations to the Minister of State for Foreign Affairs and Trade for the broadening of the Australian experience of Indonesia in relation to:
    - (i) the encouragement of the study of the Indonesian language and culture in Australia and the English language and Australian culture in Indonesia;
    - (ii) the enhancement of commercial linkages between Australia and Indonesia;
    - (iii) the identification of possibilities for cooperation in science and technology;
    - (iv) the facilitation of media exchanges;
    - (v) the sponsorship of cultural and sporting exchanges and training;
    - (vi) the support of Australian studies in Indonesia and of Indonesian studies in Australia;
    - (vii) the strengthening of institutional links between universities, museums, libraries, technical colleges, research institutes, professional organisations and appropriate non-government organisations;
    - (viii) the facilitation of the translation of Australian and Indonesian texts;
    - (ix) the organisation of visits and exchanges between prominent people and groups;
  - (b) subject to the direction of the Minister of State for Foreign Affairs and Trade, to provide advice and information to individuals and organisations and to the Australian media in relation to any matters referred to in subparagraphs (a) (i) to (ix) inclusive;
  - (c) for the purposes of formulating recommendations referred to in paragraph (a) or providing advice and information referred to in paragraph (b), to consult individuals, organisations and government departments and agencies associated or concerned with the development of relations between Australia and Indonesia.
8. Moneys required for the purposes of enabling the Institute to discharge its functions and the implementation of the Institute's recommendations shall be obtained from:
  - (a) moneys standing to the credit of any Trust Account established under section 62A of the Audit Act 1901 for those purposes; or
  - (b) any other moneys lawfully available for those purposes.
9. Without limiting the generality of clause 7, the Institute may, in relation to any matter connected with the functions of the Institute, make recommendations to the Minister of State for Foreign Affairs and Trade with respect to:
  - (a) the entering into of contracts;
  - (b) the use and disposition of gifts, devises and bequests;
  - (c) the making of grants and loans;
  - (d) the provision of scholarships and benefits; and
  - (e) the employment under the Public Service Act of 1922 of a Director and other staff to assist the Institute.

Given under the Hand of the  
Governor-General and the  
Great Seal on 27 April 1989





