AUSTRALIA-INDONESIA INSTITUTE
Annual Report 2005-2006
21 December 2006

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 2005 to 30 June 2006.

Yours sincerely

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Chairman

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CHAIRMAN’S MESSAGE

This has been a fruitful year for the Institute’s programs, including the Muslim Exchange Program, which has developed strong support in both Indonesia and Australia since its inception in 2002. This year, as part of the Board’s continuing commitment to promoting inter-faith programs, the Muslim Exchange Program brought twelve young emerging Indonesian Muslim leaders, in four groups to Australia as well as one group of Australian Muslim leaders to Indonesia. The visit program for the Indonesian groups introduced participants to a variety of contacts and experiences which helped to reinforce the strong theme of Australia as a modern and vibrant diverse society and exposed them to a variety of Australian Muslim opinions. The Institute also continued to support two important programs being funded by AusAID and run by the Australian National University which assist with the improvement of teaching standards and institutional capability in the Islamic education sector in Indonesia.

The Institute sought to have a full Australia-Indonesia Youth Exchange Program (AIYEP) in 2005-06 but concerns about the security situation and bird flu meant that the Board cancelled the Indonesian leg of the exchange. Several of the Australian participants nonetheless undertook visits to Indonesia in their private capacity. The Board in consultation with the Department of Foreign Affairs and Trade has developed arrangements which it hopes will allow AIYEP to proceed in 2006-07.

The Board decided to mark the occasion of the 25th anniversary of AIYEP in 2007 in Jakarta with an appropriate event to both celebrate the achievements of the program and provide an opportunity for reflection on the future of the program. Initial discussions indicate Indonesian Government support for the idea.

The Institute funded a successful Young Leaders’ Dialogue in July in Bandung, Indonesia. The dialogue was organised and hosted by the Habibie Centre in Indonesia with cooperation from the Asia-Pacific School of Economics and Government of the Australian National University. The dialogue was lively and frank and focussed on a range of topics relevant to the bilateral relationship.

The Saraswati Arts program continued to attract attention from members of the arts community during the year. Amongst a variety of other projects, Saraswati funds were approved to support a collaborative visual arts activity by Ernabella Creative
Collaborations, the Ubud Writers Festival and the Wordstorm Festival in the Northern Territory. Under the general arts and culture program, the Institute supported the restoration of the documentary film Lempad of Bali, the Byron Bay Writers Festival, provided assistance to the Indonesian national cricket team for their tour to Queensland and a broad selection of other interesting artistic and cultural activities.

During the year, the Institute agreed to sponsor Australian films and associated workshops at the Jakarta International Film Festival, as it had done for previous festivals. Funding was approved on the basis that the organisers of the festival would comply with the guidelines and objectives of the AII including to assist in developing relations between Australia and Indonesia and to promote greater mutual understanding between the people of the two countries. The films chosen to be screened however were not appropriate in furthering those objectives and funding was withdrawn.

The Board remains committed to assisting the development of Australian studies in Indonesia and has assisted valuable work by the Australia Centre at the University of Melbourne, however during the year, it decided not to proceed with publication of several textbooks for which it had previously provided funding.

In July 2005, the Board held a meeting in Yogyakarta and met the Sultan Hamengko Buwono X of Yogyakarta. The Board also visited Jakarta for meetings with Indonesian leaders and a variety of other important contacts, including Foreign Minister, Hasan Wirajuda; Minister for Religious Affairs, H Muhammad Basyuni; State Minister for National Planning Dr Sri Mulyani Indrawati; a variety of experts on Islam in Indonesia, representatives of the arts community, Australian Embassy officers and the Muslim Exchange Program participants. The Board was pleased with the level of Indonesian support for its programs and their objectives.

The Institute is grateful for the continued support and advice it receives from other Government agencies, including AusAID, with which it works closely on a range of educational and interfaith programs and activities.

During the year it was a pleasure to welcome Mr Greg Sheridan to the Board, replacing Mr Rowan Callick who had been a member since 2001 and who had made an invaluable contribution, especially in his advice relating to media relations.

Ambassadors Ritchie and Farmer and their staff in Jakarta continued to provide strong support and valuable advice to the Board during the year. The Secretariat continued to provide efficient administrative support and guidance and on behalf of the Board I would like to express my thanks to Bill Richardson and Antoinette Merrillees who both left the Secretariat during the year.

Allan Taylor
Chairman
BOARD MEMBERSHIP

The Order-in-Council establishing the Australia-Indonesia Institute in 1989, as amended, provides that the Board of the Institute shall consist of a Chairperson, the Secretary of the Department of Foreign Affairs and Trade or their representative as an Ex-officio member, and not fewer than four and not more than 12 other Members. The Chairperson is appointed by the Governor-General on the recommendation of the Minister for Foreign Affairs. Members, other than the Chairperson, and the Ex-officio member, are appointed by the Minister for Foreign Affairs. Board members 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

Mr Allan Taylor AM
Retired, former Ambassador to the Republic of Indonesia (16 December 2004 to 15 December 2007)

BOARD MEMBERS 2005–2006

Ms Gillian Bird (Ex-officio)
Deputy Secretary, Department of Foreign Affairs and Trade (from 10 March 2005)

Ms Alison Carroll
Director of Arts Program, The Asialink Centre, University of Melbourne (30 October 2002 to 29 October 2005; 2 November 2005 to 1 November 2007)

Mr Harold Clough AO OBE
MacRae Investments Pty Ltd, Perth (12 November 1999 to 9 November 2006)
BOARD MEMBERS 2005–2006 continued

Ms Elizabeth Hallett
Partner, Deacons, Sydney
(12 November 1999 to 9 November 2006)

Professor Virginia Hooker
Professor of Indonesian and Malay, Faculty of Asian Studies
Australian National University, Canberra
(11 April 2002 to 10 April 2005; 9 May 2005 to 8 May 2007)

Professor Timothy Lindsey
Professor of Asian Law,
Director of the Asian Law Centre,
Deputy Director,
Centre for the Study of Contemporary Islam,
The University of Melbourne

Ms Susan Mann
CEO,
Curriculum Corporation
(10 March 2004 to 9 March 2007)

Mr Ezekiel Solomon
Partner,
Allens Arthur Robinson
(19 June 2005 to 18 June 2008)

Mr Greg Sheridan
Foreign Editor,
The Australian Newspaper
(19 June 2006 to 18 June 2009)

RETIREMENTS BETWEEN 1 JULY 2005 AND 30 JUNE 2006

Mr Rowan Callick
Asia Pacific Editor,
Australian Financial Review
(31 May 2001 to 23 January 2006)
MISSION STATEMENT AND GOALS

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 (the “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 in 2005-06 of $725,000.

The Institute was able to roll-over previously approved funding from the Australian Agency for International Development (AusAID) of $237,553.13 in support of the second stage of the Partnership in Education and Training in Regional Islamic Institutions (PETRII) which started in 2004-05. This project seeks to upgrade the research and lecturing skills of staff from Islamic tertiary institutions outside Java. In addition, an amount of $240,125 previously approved by AusAID to commence a new one-year program under the Learning Assistance Program for Islamic Schools (LAPIS) was rolled over for use in this financial year. This program is devoted to enhancing the teaching skills of educators from tsunami-affected institutions in Aceh.

The Board considered 80 applications for funding in 2005-2006 and provided funding for 38 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.

In the course of the year, Board members and staff of the Secretariat 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 Institute’s website.

It 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.

**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 Institute’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 Institute’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 Institute 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, Institute support should constitute seeding funds intended to encourage financial support from others, including corporate sponsors. The Institute 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 Institute funding.

h) The applicant should preferably have an established record of achievement.

The Board meets regularly 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 Institute-funded activities follows in respect of each 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, literature and film 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.

CRESCENT MOON – ISLAMIC ART & CULTURE IN SOUTH-EAST ASIA

The Institute initially provided funding in December 2004 to the Art Gallery of South Australia, towards producing a high quality bi-lingual exhibition catalogue to accompany the Crescent Moon Exhibition touring Adelaide (from 10 November 2005 to 29 January 2006) and Canberra (from 23 February to 28 May 2006). Planned in partnership between the National Gallery of Australia and the Art Gallery of South Australia, this exhibition showcased priceless treasures of Islamic art from twenty-five private and public collections from five Southeast Asian countries. The catalogue, featuring 168 works, included essays in English, Malay and Bahasa Indonesia.

Funding was also provided to the National Gallery of Australia, to support the appearance of Indonesian celebrity lecturer, Irwan Tirta, as part of the exhibition’s associated activities in Canberra in May 2005. Irwan Tirta, a well known Indonesian fashion designer specialising in batik, participated in a cultural day of activities, and presented a lecture on “Quo Vadis Traditional Indonesian Textiles”.

INTERNATIONAL LOANS AND CONSERVATION PROFESSIONAL DEVELOPMENT WORKSHOP - ARTLAB AUSTRALIA

The Institute provided funding to Artlab Australia for a three-day professional development workshop in Adelaide in September 2005. The focus of the workshop was the forty museum objects lent from the participating institutions for the Crescent Moon exhibition, and provided a unique opportunity for seven Indonesian museum staff to work with objects from their own collections in an Australian context alongside Artlab staff. The hands-on sessions allowed participants to gain a practical knowledge of the skills required, and an understanding of the issues involved in the loan of collection items for international exhibitions, as well as best museum practice.
GANG ("alleyway") FESTIVAL

In 2004-05, the Institute provided funding to support the Australian-Indonesian artists exchange, the Gang Festival which took place in Indonesia in July and August 2005, and in Sydney in January 2006. Gang, which is the Indonesian word for “alleyway”, was a creative exchange initiated by over 15 artist-run spaces in Indonesia and Australia, and was made up of residencies, exhibitions, performances, screenings and presentations, culminating in a carnival day in the streets of Chippendale, Sydney. Indonesian artists involved in the exchange included Reza Afisina (Ruangrupa), Ariana Darmawan (Video Babes), and Aris Prabawa (Taring Padi).

DIBURU WAKTU (previously “Katakan Padaku”)

The Institute provided funding in 2004-05 for an Indonesian-Australian, bi-cultural, bilingual, new media performance event, Diburu Waktu (Time is a Hunter). The event was held over a 5-night season during the Darwin Festival in August 2005, and featured wayang, video, gamelan music, as well as theatre. The artists involved with Diburu Waktu, including five Indonesian artists, also delivered three Indonesian arts workshops and participated in an Indonesian-Australian arts forum, which took place at Charles Darwin University. There were further outcomes in terms of professional development, community development and ongoing cross-cultural and artistic relationships, and artists involved in the project received significant promotion through media opportunities at both the national and international levels.

Diburu Waktu gamelan performers at the Darwin Festival.
MARK ISAACS – PERFORMING AND TEACHING TOUR

The Institute supported Mark Isaacs, an internationally-renowned Australian pianist/composer in jazz and classical music, to undertake a four-week teaching and performing residency at the Institut Musik Daya in Jakarta from 5 September to 13 October 2005. The Institut Musik Daya is an independent academy of music in Indonesia providing a comprehensive international standard curriculum. As well as undertaking formal teaching classes, Mr. Isaacs presented ten jazz performances, collaborating with local Indonesian jazz artists.

AUSTRALIAN BOYS CHOIR AND VOCAL CONSORT

The Institute was proud to be involved in a major fundraising music and arts program hosted by the Sultan of Yogyakarta for survivors of the Boxing Day 2004 tsunami. With assistance from the Institute, the Australian Boys Choir and the Vocal Consort group performed with the Wollongong (Bluescope Steel) Youth Orchestra and prominent Indonesian singers, musicians and dancers in the grounds of the Sultan’s palace. The highly successful concert contributed directly to the tsunami relief effort as well as highlighting the breadth and warmth of bilateral ties in the arts and culture sector.

The Australian Boys Choir at Borobudur.
(Photo courtesy: The Australian Boys Choral Institute)

JAKARTA INTERNATIONAL FILM FESTIVAL 2005

In 2004-05, the Institute agreed to provide funding for the Jakarta International Film Festival (as it had done in the past), as well as fund a related workshop on documentary-film making with Chris Masters. In December 2005, when the Institute became aware that the films being shown at the festival did not fit with its 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”, support for the festival was withdrawn.
Saraswati Arts Program

This year the Institute continued to fund the Saraswati Arts Program. The program, set up in 2004-05 in collaboration with the Australia Council for the Arts, assists projects designed to develop existing cultural relationships between Australia and Indonesia. The program aimed to encourage Indonesian organisations to include Australian product in their programs, and for Australians to similarly seek Indonesian partners for longer-term, collaborative projects.

The Institute made a number of grants to a broad range of successful arts ventures. These included:

ERNABELLA ARTS INC. CREATIVE COLLABORATIONS

In September 2005, Ernabella Arts Inc, an indigenous artistic company who have produced their own style of batik cloths since 1971, received support from the Institute to bring three Indonesian practitioners of contemporary batik art from the batik studio and gallery, Brahma Tirta Sari, from Yogyakarta to produce a series of large collaborative cloths. These collaborative cloths included several which had been started by indigenous North American batik artists at the World Batik Conference in the USA. Ernabella artists added to the designs and finally the cloths were taken to Mali in Africa for more work in December 2005. Six more cloths were produced by Ernabella artists only, with a variety of environmentally-related themes. The cloths were exhibited at the 2006 Adelaide Festival of Arts exhibition “Let the Earth Speak” as well as being exhibited at the specialist textile gallery and shop “The Fabric of Life”. The success of the collaboration has been borne out further with the sale of most of the cloths produced to Australian galleries and museums.

Artists working on the batik cloth collaborations:
Brahma Tirta Sari and Ernabella Arts Inc.
SUMATRAN COLLABORATIVE MUSIC/THEATRE, Indija Mahjoeddin

The Institute provided funding to support a two-month creative residency in Australia by Sumatran composer/musician, Admiral Dt Rangkayo, from the end of January to early March 2006. This residency contributed to three discrete collaborative projects around the “Butterfly Seer”, a martial arts-based hybrid ballad opera or music-theatre genre, staged by Indija Mahjoeddin. “Ruang and Bayangan” (a choral work performed at the Boite Music Café), “Sumatralia” (a CD featuring indigenous Sumatran music), and a 4-week tour of South Australian and Victorian primary schools with MusiK KabaU schools program, offering workshops and performances.

BALAWAN AND BATUAN GAMELAN

The Institute supported the visit of Balinese fusion musician I Wayan Balawan and the Batuan gamelan group to Australia to perform at the Manly International Jazz Festival, Sydney, the ANU Arts Centre and the Brisbane Powerhouse, where they presented performances and workshops of their music combining Balinese traditional music and jazz. The group performed and developed new work with local Australian musicians in Canberra, Sydney and Brisbane, including Sandy Evans, Guy Strazzullo and Margaret Bradley.

SNUFF PUPPETS

The Institute supported a collaborative theatre project between Australian giant puppet company, Snuff Puppets, and artists from the Yogyakarta arts community, as part of the Yogyakarta Arts Festival in June 2006. Around 40 people were to be involved in the two-week workshop leading up to the Festival, including performers and theatre makers from leading contemporary theatre companies, Teater Garasi and Teater Gandrik, a group of visual artists revolving around Cemeti House, and musicians Kua Etnika. While preparations for the Festival were underway and the collaborative workshops had commenced in Yogyakarta, unfortunately the area was hit by an earthquake on 27 May and the project had to be abandoned.
WORDSTORM 2006 Northern Territory Writers’ Festival

Given the success of the previous WordStorm, the Institute decided to once again support the participation of three Indonesian writers to take part in the Northern Territory Writers’ Festival, Wordstorm, in May 2006. The three writers, Mukila Amal (novelist), Iswadi Pratama (playwright) and Sitok Srengenge (poet/playwright), took part in panels and readings, seminars, collaborative projects, translations and community events, and were able to showcase their work to audiences, while building networks with other participating writers. The Festival featured around 20 Indigenous Australian writers, 30 non-Indigenous, and 10 Southeast Asian authors, with the Indonesian writers proving popular with participants and audiences alike. They received overwhelmingly positive feedback on their participation in the program. The writers also visited Charles Darwin University, delivering seminars and participating in social activities.

UBUD WRITERS AND READERS FESTIVAL 2005

The Institute provided funding to the Ubud Writers and Readers Festival in October 2005. This festival brought together a total of 100 Australian and Indonesian authors to participate in panels, forum, creative and practical writing workshops, cultural workshops and event, and brought together established and emerging Asian and Australian writers and writers on Asia. It was a successful event which resulted in opportunities for the authors to participate in other Festivals and in new collaborative works and mentorships.

PASSIONS OF JULIA SURYAKUSUMA

Julia Suryakusuma, well-known Indonesian feminist and activist, visited Sydney, Canberra and Melbourne in August 2005 to conduct a speaking tour which focused on gender, religious and political issues in Indonesia, based on her book *Sex, Power and Nation – An Anthology of Works, 1979-2003*. The visit, which was funded by the Institute, included a series of talks, interviews and public discussions at universities, bookshops and festivals, including at The Age Melbourne Writers’ Festival, and exposure through Australian and international media interviews.

RENDRA TOUR

Indonesian master poet, dramatist and cultural statesman, W.S. Rendra, toured Australia during September and October 2005. It was his first visit to Australia since 1992, with much changing between Australia and Indonesia since that time. Rendra was accompanied by his wife and artistic collaborator, Ken Zuraida, who read poems with Rendra, and was assisted by well-known Indonesian musician, Sawung Jabo, who played gamelan percussion to Rendra’s poetry readings. They visited Melbourne, Canberra, Sydney and Brisbane, where they performed readings of poetic works, several seminars and held a one-day drama workshop in Sydney. The visit enabled Rendra to view first hand recent developments in Australian culture and politics, through the media as well as in discussions at public meetings.
Malcolm Smith spent six months in Indonesia immersed in the new media arts scene, working with video artists and artist-run initiatives. His main project, while hosted by Cemeti Arts House/Foundation, Yogyakarta, involved researching and building a DIY (Do-It-Yourself) Video Projector, as a way of investigating new approaches to the presentation of video art. He also presented workshops and talks on a range of topics including Australian video art and arts management issues for artist-run initiatives. Ongoing outcomes include an online discussion group about Indonesian artist-run initiatives and several screenings of Indonesian video art in Australia through events such as ElectroFringe in Newcastle and the Gang Festival in Sydney.

During Joanna Dudley’s residency in Indonesia with the Solo College of Arts, she studied the various singing styles of the wayang kulit, Javanese dance techniques from wayang orang and wayang topeng, as well as instruments of the gamelan. Her residency has generated a wealth of future projects including the creation of The Geisha Big Band with original arrangements of the Indonesian song styles – Kroncong and Langam Jawa, and the performance of the renowned kroncong singer, Waldjinah and her band from Solo, at WOMAD Festival in Adelaide in 2007-2008 and at the House of World Culture in Berlin in 2007.

During his residency at the Lontar Foundation in Jakarta, Andy Fuller worked on editing, compiling and translating works of contemporary Indonesian short fiction for the Lontar Anthology of Indonesian Short Fiction, which aims to provide readers access to modern Indonesian cultural and philosophical thought. Throughout his residency Fuller also wrote extensively - inspired by his surroundings he completed many ‘definition poems’ from observations of Jakarta, which he hopes to work into a collection of larger pieces. Fuller’s translation skills were also further developed by subtitling the film Serambi, and he produced a small collection of his translations entitled Water Exits from Skin.

In Indonesia, Danius Kesminas was based at the Cemeti Foundation, Yogyakarta, and worked collaboratively with artists and students to form the band, Punkasila. Dressed in batik camouflage and playing instruments disguised as AK47s and grenades, Punkasila sang in acronyms, ‘representing the cacophony of conflicting political, military, religious, cultural and bureaucratic organisations, constituting the Indonesian body politic’. Punkasila played in Yogyakarta, Bandung and Semarang, and is currently producing a CD of their music.
Other Arts and Culture Projects Funded in 2005-06:

The Institute also provided funding in this financial year to a number of projects which are ongoing. These projects and others will feature in the Institute’s future annual reports.

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.

AUSTRALIAN STUDIES NETWORK PROJECT, STAGE 2

During 2005-06, the Board took the decision not to continue support for the Australia Centre’s Australian Studies teaching resources project. The Board noted that the project had been useful in developing Australian Studies in Indonesian tertiary institutions, including through the development of ongoing Australian Studies Networks, but that subsequent parts of the project involving the development of textbooks had cost more than expected.

AUSTRALIAN STUDIES LECTURE TOUR – RON WITTON

Dr Ron Witton undertook a short lecture tour to Indonesia in September 2005. The visit included lectures or seminars on aspects of Australian studies at universities in Jakarta, Purwokerto and Yogyakarta. The lectures were well-attended and audiences appreciated the format which permitted questions and discussions of themes raised in the seminars.
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.

3rd AUSTRALIA-INDONESIA YOUNG LEADERS’ DIALOGUE 2005

The Institute once again funded the Young Leaders’ Dialogue, a forum for frank and lively exchange between emerging leaders from government, business and academic circles in Australia and Indonesia.

The Third Dialogue was held in Bandung, Indonesia, from 17 to 19 July 2005 and was organised by The Habibie Centre in cooperation with the Asia Pacific School of Economics and Government of the Australian National University. Taking as its theme “Australia-Indonesia relations post tsunami”, the dialogue reflected the latest developments in the bilateral and global environment which currently faces the two nations. Discussions focussed on a range of topics including the role of the media in the relationship, global challenges such as terrorism, transnational crime and the environment, and areas which should be the focus for the relationship in the future.
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 focused on young people and the development of education links, including:

AUSTRALIA-INDONESIA YOUTH EXCHANGE PROGRAM 2005-06

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.

In October-December 2005, 18 Indonesian university students participated in an eight-week visit to Queensland consisting of home stays with local families and professional work placements in Brisbane and then Roma.

While there were some initial challenges in Brisbane to find homestays and work placements, the Indonesian participants very much enjoyed their experience in the city. Close relationships were formed through homestays and places of work. This led to strong social connections and many and varied extracurricular activities. The participants, in cultural costume, performed to over 1700 people during their stay in Brisbane, with students from five Indonesian language-teaching schools attending cultural concerts, following which there was workshop interaction with the Indonesians. This left the students with a much greater appreciation of the diversity and vibrancy of Indonesian culture.

The group greatly enjoyed their mid-visit break of five days in the popular coastal town of Noosa Heads, two hours' drive north of Brisbane. Staying at a youth hostel, they mixed with other young travellers from around Australia and overseas. Special fun activities included learning to surf and a full-day's outing to the famed Australia Zoo. From Noosa they travelled to Roma for four weeks of home stay, work experience and cultural performances.

Roma excelled with its welcoming spirit and natural outback attractions, and the local coordinator did an excellent job in networking with the community and facilitating social excursions for the Indonesians. The group loved Roma because of the strong sense of community and warmth shown, beginning with the welcome reception hosted by the Mayor, Mr Bruce Garvie, at which the participants were introduced to their work placement supervisors. The Indonesian participants were treated to extracurricular
activities such as camping in the spectacular Carnarvon Gorge. Host families and work places bonded closely with the group. One host parent said “We never thought we could all get so attached to these students in four weeks, and when they left it felt like a member of the family was leaving.”

Although chosen to participate, the Australian group did not travel to Indonesia as part of the AIYEP 2005. Nonetheless, some of the participants decided to travel to Indonesia and informally participated in a program assisted by the Indonesian counterpart Ministry of Youth Affairs and Sport. It is the Board’s wish that the Indonesian component of the AIYEP will resume in 2006-07, subject to local conditions.

Indonesian AIYEP participants, shortly after their arrival in Brisbane.

VISIT TO AUSTRALIA BY OFFICIALS FROM THE INDONESIAN DEPARTMENT OF YOUTH AFFAIRS AND SPORT

In April 2006, a delegation from the Indonesian Ministry of Youth Affairs and Sport (MENPORA) visited Canberra to renegotiate the Australia-Indonesia Youth Exchange Program Memorandum of Understanding, and to start discussions on the forthcoming AIYEP 25th anniversary celebrations in Jakarta in 2007.

Apart from the agreement to amend the references in the agreement to the Indonesian counterpart Minister and Ministry of Youth Affairs and Sport (replacing the Minister of National Education and the Department of Education and Culture.), there was discussions on the following issues: appropriate actions should a participant be involved in a misdemeanour; improved medical screenings prior to participation, and discussions of appropriate visa types and duration. Both sides agreed to work towards an agreed revision of the arrangement quickly to aim for a new arrangement to be formally signed at an event to mark the 25th anniversary of the program in early 2007.

The two sides also discussed the holding of a suitable event, probably in Indonesia, to appropriately commemorate the 25th anniversary of the AIYEP. The Indonesian side
agreed to establish a committee of alumni and MENPORA representatives to help organise the event which would look at the possibility of a forum on youth exchanges involving both AIYEP and MEP alumni.

CROSS CULTURAL LINKAGES: AUSTRALIA AND INDONESIA 2006

The Institute provided funding to the Asia Education Foundation (AEF) in 2004-05 to implement the Cross Cultural Linkages program, in partnership with Australia Education International (AEI), Jakarta and the Indonesian Ministry of National Education (DPNRI). The AII provided the first grant for this program in 2001 and has proven to be highly successful in developing long-term relationships and interaction between Australian and Indonesian educators and schools.

The program is designed to develop a greater interest and understanding of each other’s contemporary society and culture, and to provide educators with the impetus and confidence to initiate and further develop the study of Australia/Indonesia in their classrooms. Seven key Indonesian educators participated in a twelve-day program in Australia, including a six-day homestay program with Australian educators. Professional learning activities included lectures on Australian history, indigenous issues, immigration and multiculturalism, and contemporary issues through the Australia Centre at the University of Melbourne; briefings on Australian education by the Australian Education Foundation; and opportunities to participate in Australian school activities, professional learning activities and observing and teaching in Australian classes.

Positive outcomes from the program include Indonesian educators being able to include the study of Australia in their programs, particularly the study of contemporary Australian culture and society and contextualizing language learning. Australian educators have been able to include study of Indonesia in their schools, dispelling misconceptions of Islam and of Muslims, and the creation of school links. The Indonesian Ministry of National Education has indicated that there will be greater opportunity in the future for Indonesian teachers to include a study of Australia in the curriculum.

Cross-Cultural Linkages: Australia and Indonesia program briefing at Australia Education International in Jakarta.
ACICIS ISLAMIC BUSINESS STUDY SCHOLARSHIPS

The Australian Consortium for “In-Country” Indonesian Studies (ACICIS) was established in 1994 at Murdoch University to co-ordinate study programs at Indonesian Universities for undergraduates. The Institute has provided funding on a number of occasions in support of associated activities. A previous grant enabled ACICIS to hold a two-day planning workshop to develop a strategic framework for a new Islamic Business Study Option (to be taught in English at Universitas Islam Indonesia (UII) in Yogyakarta), and to develop advertising and promotional materials to attract participants to the program. These workshops were held at the University of New South Wales in May 2005. The Institute has now provided additional funding for two Islamic Business Study Scholarships.

Schools Exchange Small Grants Program

The Schools Exchange Small Grants Program (SESGP) was created by the Institute to encourage broader avenues of contact and exchange between Australian primary and secondary schools and their Indonesian counterparts.

Funds are provided to Australian schools to assist with the costs of bringing Indonesian primary and secondary teachers and/or students to visit their schools and communities, expanding the level of personal contact between staff and students at Australian and Indonesian schools, and contributing to improving teaching skills and the development of curricula at participating schools.

EAST MANJIMUP PRIMARY SCHOOL – COLLABORATIVE PROJECT FOR ECE LANGUAGE AND CULTURAL STUDIES

Funding was provided under the SESGP to East Manjimup Primary School in Manjimup WA, to support a visit to Australia by Indonesian teachers, Erni Hastuti from Sekola Dyatmika and Ayu Astiti from Canggu Community School, in July-August 2006. The teachers worked in five Australian primary schools, in both the government and private sectors, located in Bunbury, Busselton and Manjimup in the South West region of Western Australia. An extended four-week program allowed the visiting teachers to have a much more comprehensive introduction to Australian life and values. Tours and information sessions with the CEO of local government and the head of hospital ancillary services were organised by the host school, and provided an awareness of Australian systems, while a variety of social and sight-seeing events provided further insights into Australian culture and way of life.
INTERFAITH 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 continued its support for the fourth year of an annual program of visits to Australia by leading young Indonesian Muslim community leaders and visits to Indonesia by their Australian counterparts under the Australia-Indonesia Muslim Exchange Program (MEP). 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.

During 2005-06, fourteen young Indonesian Muslims in four separate groups, drawn from a range of professions including journalism, research, business, education, and social support visited Australia and one group of five Australian Muslims visited Indonesia. The specific interests of participants are taken into account in the preparation of itineraries, resulting in meetings with a wide cross section of people in Australia and Indonesia, including politicians, journalists and editors, interfaith groups, government policy makers, and special activities such as multi-cultural policing in Victoria.

Indonesian visitors have often expressed their surprise at the warmth of their welcome in Australia and the friendliness of the people they meet, contrary to stories which have appeared in the Indonesian press about Australian hostility to Indonesia and Islam. Non-Muslim Australians have also appreciated their meetings with Indonesian participants, especially discussions with well-informed Indonesian women which have dispelled the myth that all Indonesian Muslim women wear headscarves, are shy and retiring in public and do not hold leadership positions. Australian participants have also expressed surprise after their visits to Indonesian that in general Indonesian Islam is more “relaxed” than they expected, and that many religious leaders are young. They also observe how mainstream Muslims in Indonesia are responding to the challenges of growing numbers of hard-line Muslims in the country.
PARTNERSHIP IN EDUCATION AND TRAINING OF REGIONAL ISLAMIC INSTITUTIONS (STAGE 2)

In 2005-06, the Institute continued with the Partnership in Education and Training of Regional Islamic Institutions (PETRII) program established with AusAID the previous year. The partnership with the Indonesian Ministry of Religious Affairs (MORA) aims to strengthen the Islamic education sector in Indonesia through the provision of training and professional development to teaching staff, while also establishing and nurturing academic and community links.

Under the partnership, staff from Islamic tertiary colleges in regional Indonesia are provided with financial and academic support to undertake specially designed research training with Indonesian-speaking supervisors in Australia. The research findings incorporate material from English language sources, but are written in Indonesian for publication on return to Indonesia.

Selection of participants and pre-departure preparation is provided by MORA which also oversees publication of the completed research projects. Two cohorts of staff (10 people) from the regional Islamic institutions have now completed their training at The University of Melbourne and The Australian National University on topics such as Islam and social change; career paths for Muslim women; teaching English comprehension to adults; the activities of Islamist groups and the effect of divorce laws on Muslim women.
PARTNERSHIP IN GRADUATE EDUCATION AND TRAINING, ACEH

In the wake of the Boxing Day 2004 tsunami, the Institute developed the Partnership in Graduate Education and Training for Aceh as part of the Learning Assistance Program for Islamic Schools (LAPIS) with assistance from the Australia Indonesia Partnership for Reconstruction and Development (AIPRD). The program supports reconstruction in Aceh by providing postgraduate professional development to junior academic staff, thus replenishing the numbers and skill-levels of teaching staff in tertiary institutions in the devastated province.

In 2006, nine staff from two state universities, the State Islamic Institute and the State Islamic College in Aceh, completed research projects at the Australian National University for publication in Indonesia on their return. The topics included: sharia banking in Aceh; the role of conservative religious teachers in Acehnese society; the Free Aceh Movement (GAM) and power sharing; gender awareness training; and imbalances between sub-district economies in Aceh.

Participants in the AII-PETRII (Yr 2) and the Aceh (AII-LAPIS) programs with their supervisors at the opening of the ANU’s College of Asia and the Pacific, May 2006. Vice-Chancellor, Professor Ian Chubb, presented each participant with a commemorative scarf. (Photo courtesy ANU College of Asia & the Pacific)
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.

Journalist Fellowship Program

The Institute continued to support the successful Journalist Fellowship Program (JFP) in 2005-06. The program aims to provide fellowships to encourage working journalists from Australia and Indonesia to expand their knowledge and to increase their reporting on the other country. In addition to increasing the range of reporting on each country in the other, it is envisaged that journalist visits will expand journalistic linkages and contacts and improve the familiarity and knowledge of current issues in each country.

The Institute was pleased to support Mr Drew Ambrose to travel to Jakarta to arrange a television forum for the SBS Insight program.

Mr Ambrose produced a forum entitled Neighbours from Metro TV in Jakarta for the SBS Insight program. The forum featured a cast of Indonesian politicians, journalists, artists and other public figures. With Jennie Brockie as host, the program covered issues such as terrorism, differences between the countries and their experiences living in Australia. It featured contributions from Yenny Wahid, Wimar Witoelar, Endy Bayuni and other famous Indonesians. The show was a ratings success and was aired just after the second terror attack on Bali.

Mr Ambrose also produced a 5 minute report on the bird flu epidemic sweeping Indonesia. The report was part of a forum on the epidemic, and was played to experts on bird flu and the Health Minister Tony Abbott. The story highlighted the lack of preparedness by health officials and that the chicken farmers had little idea on how to stop bird flu.
Other Media Projects in 2005-06:

**INDONESIA STUDENT ASSOCIATION IN AUSTRALIA (PPIA) SHORT STORY WRITING COMPETITION**

Funding was given to the Indonesia Student Association in Australia (PPIA) (ACT Branch), to organise a national short story writing competition among Indonesian students in Australia, and to produce an Indonesian language publication about the students’ experiences during their study in Australia. The project was established in collaboration with the Indonesian Embassy in Canberra, to strengthen the educational and cultural ties between the two countries, to help raise understanding about the Indonesian language and culture in Australia, and to indirectly promote study in Australia. Twenty stories were selected and the resulting publication (a first for the PPIA) was launched in Indonesia in February 2006, and at the ANU in Canberra in April 2006. The stories were of high quality and provided interesting personal insights into the students’ experiences in Australia. Some of the stories were re-printed in the Indonesian media.

**“AUSTRALIA AND INDONESIA’S STRUGGLE FOR INDEPENDENCE”**

In 2005-06, to mark the 60th anniversary of Indonesian independence, the Australia-Indonesia Institute sponsored the re-print of a bilingual account of the significant contribution of the Australian government and people to Indonesia’s fight for liberation from the Dutch in the 1940s. First published with AII support in 1995, the book “Australia and Indonesia’s Struggle for Independence” by Martin O’Hare and Anthony Reid, provides an important written and pictorial record of the solid and enduring foundations on which the bilateral relationship is built. The book is in an attractive bilingual format that is accessible to people, especially researchers and students, from both countries. The re-print, which contained a new foreword by legendary Indonesian writer Goenawan Muhammad, was launched by the Australian Ambassador and AII Board in Jakarta in July 2005 with an exhibition of historic photographs taken from the book.

**“INDONESIA CALLING”**

To mark the 60th anniversary of Indonesia’s independence, the Institute sponsored the sub-titling into Indonesian of a documentary, “Indonesia Calling”, on the support of the Australian trade union movement for the Indonesian people during their struggle for independence. Produced and directed by Australian film-maker Rob Gowland, the subtitled version of “Indonesia Calling” was broadcast on Indonesian television during August 2005 to great acclaim.
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. The Institute has elected to submit an annual report on its activities over the previous 12 month period to the Minister, which it does as soon as practicable after 30 June each year.

MEMBERSHIP

Article 2(1) of the Order-in-Council establishing the Institute provides for the membership of a Chairperson, the Secretary of the Department of Foreign Affairs and Trade or their representative, and not less than four and not more than 12 other members. On 30 June 2006, the Institute consisted of a Chairperson, eight members and one ex-officio member. The Chairman is appointed by the Governor-General on the recommendation of the Minister for Foreign Affairs. Members other than the Chairman and Ex-officio member are appointed by the Minister for Foreign Affairs.

MEETINGS

The Board of the Australia-Indonesia Institute met on three occasions during 2005-06:

53rd meeting in Indonesia, 15 July 2005
54th meeting in Sydney, 15 November 2005
55th meeting in Canberra, 9 March 2006

REMUNERATION

Members receive a sitting fee and travel allowances for attending meetings, in line with the rate set by the Remuneration Tribunal Act 1973, in determinations for part time members of non-statutory bodies.
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 South-East Asia (South) and Regional Issues Branch of the Department of Foreign Affairs and Trade.

The principal functions of the 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.

Staff members who served in the secretariat during the reporting period are listed below:

Mr Bill Richardson, Director (June 2002 to September 2005)
Ms Antoinette Merrillees, Director (September 2005 to 30 June 2006)
Ms Wendy Cramond, Project Officer (7 October 2005 to 30 June 2006)

Institute activities in Indonesia receive assistance from the Cultural Office at the Australian Embassy in Jakarta. The Secretariat liaises with the Counsellor/First Secretary position. During the year this position was filled by Ms Beverly Mercer (January 2003 to 6 March 2006) and Ms Fiona Hoggart (24 March 2006 to current).

SPECIAL ACCOUNT

The Institute operates a Special Account under s.62A of the Audit Act 1901. The Special Account allocation for 2005-06 was $725,000.

INDUSTRIAL DEMOCRACY AND WORKPLACE DIVERSITY

Secretariat staff members 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

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RG Casey Building
BARTON ACT 0221

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Telephone No. (02) 6261 3827
Telephone No. (02) 6261 3821
Facsimile No. (02) 6261 1743

Email: ausindonesia.institute@dfat.gov.au

INDONESIA

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

(Postal Address)
Cultural Office
Jakarta Bag
Locked Bag 40
KINGSTON ACT 2604

Telephone No. (62-21) 2550 5265
Facsimile No. (62-21) 522 7104
Appendix A

FINANCIAL STATEMENTS 2005–06
### ARTS AND CULTURE PROGRAM

<table>
<thead>
<tr>
<th>Project Description</th>
<th>Amount</th>
</tr>
</thead>
<tbody>
<tr>
<td>Ernabella Creative Collaborations</td>
<td>$19,524.00</td>
</tr>
<tr>
<td>Balawan and Batuan Gamelan</td>
<td>$17,517.59</td>
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<tr>
<td>Ubud Writers and Readers Festival 2005</td>
<td>$7,000.00</td>
</tr>
<tr>
<td>Snuff Puppets</td>
<td>$12,000.00</td>
</tr>
<tr>
<td>Sumatran collab. music/theatre, Indija Mahjoeddin</td>
<td>$4,150.00</td>
</tr>
<tr>
<td>WordStorm 2006</td>
<td>$5,000.00</td>
</tr>
<tr>
<td>Crescent Moon Exhibition, National Gallery of Australia</td>
<td>$4,179.12</td>
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<tr>
<td>Rendra Tour</td>
<td>$10,000.00</td>
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<tr>
<td>Australian Boys Choir</td>
<td>$9,090.00</td>
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<tr>
<td>Nan Jombang Dance, Brisbane Powerhouse</td>
<td>$6,500.00</td>
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<tr>
<td>Common Ground (Eko Prawoto), Regional Arts Victoria</td>
<td>$11,000.00</td>
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<tr>
<td>Asialink Arts Residencies in Indonesia 2006</td>
<td>$24,000.00</td>
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<tr>
<td>Utan Kayu International Literary Biennale 2005</td>
<td>$7,082.34</td>
</tr>
<tr>
<td>International loans and conservation professional development (Artlab Australia)</td>
<td>$10,278.94</td>
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<tr>
<td>Indonesian Cultural Celebration Week</td>
<td>$10,000.00</td>
</tr>
<tr>
<td>Mark Isaacs performing and teaching tour</td>
<td>$8,800.00</td>
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<tr>
<td>The Passions of Julia Suryakusuma</td>
<td>$2,062.00</td>
</tr>
<tr>
<td>Indonesian cricket team tour of Queensland</td>
<td>$2,000.00</td>
</tr>
<tr>
<td>Artlab Australia - Conservation Project</td>
<td>$10,000.00</td>
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<tr>
<td>Lempad of Bali, John Darling</td>
<td>$6,900.00</td>
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<tr>
<td>Across the Waters, University of Wollongong</td>
<td>$4,884.30</td>
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<tr>
<td>Byron Bay Writers Festival 2006, NT Writers Centre</td>
<td>$2,529.13</td>
</tr>
<tr>
<td>Geoffrey Saba - Piano Masterclasses in Indonesia</td>
<td>$1,708.48</td>
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<tr>
<td>Balinese Community of Queensland, Gamelan performance</td>
<td>$3,000.00</td>
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**Sub-total** $199,205.90
### AUSTRALIAN STUDIES PROGRAM

<table>
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<tr>
<th>Description</th>
<th>Amount</th>
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</thead>
<tbody>
<tr>
<td>Australia Studies lecture tour - Ron Witton</td>
<td>$2,214.50</td>
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<tr>
<td>Sub-total</td>
<td><strong>$2,214.50</strong></td>
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### CIVIL SOCIETY PROGRAM

<table>
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<tr>
<th>Description</th>
<th>Amount</th>
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<tbody>
<tr>
<td>First International Marine Protected Areas Congress (IMPAC1)</td>
<td>$6,579.31</td>
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<tr>
<td>Sub-total</td>
<td><strong>$6,579.31</strong></td>
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### EDUCATION AND YOUTH PROGRAM

<table>
<thead>
<tr>
<th>Description</th>
<th>Amount</th>
</tr>
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<tbody>
<tr>
<td>SESGP – East Manjimup Primary School</td>
<td>$3,000.00</td>
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<tr>
<td>SESGP – Chrysalis School &amp; Casuarina School for Steiner Ed.</td>
<td>$3,000.00</td>
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<tr>
<td>AIYEP 2005-2006</td>
<td>$199,776.14</td>
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<td>AIYEP 2006-2007</td>
<td>$50,000.00</td>
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<tr>
<td>Visit by MORA officials - Renegotiation of AIYEP MOU</td>
<td>$5,474.01</td>
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<tr>
<td>ACICIS Islamic Scholarships</td>
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<td>Sub-total</td>
<td><strong>$265,250.15</strong></td>
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### INTERFAITH

<table>
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<tr>
<th>Description</th>
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</thead>
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<tr>
<td>Muslim Leaders Exchange Program</td>
<td>$141,190.31</td>
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<tr>
<td>Islamic Partnerships Year 1 (acquittal) - GSLP</td>
<td>$1,835.08</td>
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<tr>
<td>Islamic Partnership Scholarships Yr 2 - PSLP</td>
<td>$237,533.14</td>
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<tr>
<td>Aceh: Islamic Scholarships - LAPIS</td>
<td>$240,125.00</td>
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<tr>
<td>Sub-total</td>
<td><strong>$620,683.53</strong></td>
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### MEDIA PROGRAM

<table>
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<tr>
<th>Description</th>
<th>Amount</th>
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</thead>
<tbody>
<tr>
<td>Journalist Fellowship: Drew Ambrose</td>
<td>$3,000.00</td>
</tr>
<tr>
<td>Indonesian Students Assn (ISAA) short story competition</td>
<td>$4,000.00</td>
</tr>
<tr>
<td>Independence book launch &amp; “Indonesia Calling”</td>
<td>$6,798.26</td>
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<tr>
<td>Sub-total</td>
<td><strong>$13,798.26</strong></td>
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### All Board: Administrative Expenses

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<tr>
<th>Description</th>
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<tbody>
<tr>
<td>Fifty-third board meeting, Yogyakarta (15 July 2005)</td>
<td>$33,242.89</td>
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<tr>
<td>Fifty-fourth board meeting, Sydney (15 November 2005)</td>
<td>$13,874.02</td>
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<tr>
<td>Fifty-fifth board meeting, Canberra (9 March 2006)</td>
<td>$4,389.51</td>
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<tr>
<td>Chairman’s expenses (other than board meetings)</td>
<td>$855.31</td>
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<tr>
<td>Board sitting fees</td>
<td>$19,068.00</td>
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<tr>
<td>Publicity, advertising and incidental costs</td>
<td>$3,024.95</td>
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<tr>
<td>AIYEP advertising</td>
<td>$1,624.98</td>
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<tr>
<td>Annual report</td>
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<td><strong>Sub-total</strong></td>
<td><strong>$79,083.51</strong></td>
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### Cultural Office, Jakarta

<table>
<thead>
<tr>
<th>Description</th>
<th>Amount</th>
</tr>
</thead>
<tbody>
<tr>
<td>Program grants and activities</td>
<td>$9,330.01</td>
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<tr>
<td>Overhead and incidental costs</td>
<td>$12,626.15</td>
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<tr>
<td><strong>Sub-total</strong></td>
<td><strong>$21,956.16</strong></td>
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</table>

**Total Expenditure** $1,208,771.32
SUMMARY OF SPECIAL ACCOUNT

RECEIPTS AND EXPENDITURE IN 2005-2006

RECEIPTS

<table>
<thead>
<tr>
<th>Description</th>
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</thead>
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<tr>
<td>2005-2006 Special Account allocation</td>
<td>$725,000.00</td>
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<tr>
<td>Carryover funds from 2004-05</td>
<td>$4,150.37</td>
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<tr>
<td>Revenue from sponsor agencies (*1)</td>
<td>$477,658.14</td>
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<tr>
<td>Receipts and Re-allocated Funds</td>
<td>$7,489.46</td>
</tr>
<tr>
<td><strong>Total receipts</strong></td>
<td><strong>$1,214,297.97</strong></td>
</tr>
</tbody>
</table>

(*1) Comprises carryover funding from AusAID (PSLP) of $237,533.14 for Stage 2 of the teaching standards at Islamic universities project, and $240,125.00 provided by the Learning Assistance Program for Islamic Schools (AusAID) for a scholarship program for educators from Aceh.

EXPENDITURE:

<table>
<thead>
<tr>
<th>Description</th>
<th>Amount</th>
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</thead>
<tbody>
<tr>
<td>Expenditure on Grants and Projects 2005-2006</td>
<td>$1,107,731.65</td>
</tr>
<tr>
<td>Board and administrative costs 2005-2006</td>
<td>$79,083.51</td>
</tr>
<tr>
<td>Administrative costs, Cultural Office, Jakarta</td>
<td>$21,956.16</td>
</tr>
<tr>
<td><strong>Total expenditure</strong></td>
<td><strong>$1,208,771.32</strong></td>
</tr>
</tbody>
</table>

Balance in Special Account as at 1 July 2006 $5,526.65

- 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 FOR 2005–2006

- Interfaith 52%
- Education and Youth 22%
- Arts and Culture 16%
- Civil Society 1%
- Australian Studies 0%
- Media 1%
- Administration 8%
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 Board comprising
      (i) a Chairperson;
      (ii) the Secretary of the Department of Foreign Affairs and Trade (DFAT) or their representative appointed as an ex-officio member;
      (iii) not less than four and not more than 12 other members; and
   (b) a Secretariat provided and staffed by DFAT.

   (2) The Chairperson shall be appointed by the Governor-General on the nomination of the Minister of State for Foreign Affairs. The Chairperson shall be appointed for a period not exceeding five years, and on a part-time basis.

   (3) A member of the Institute, other than the Chairperson and the ex-officio DFAT member, shall be appointed by the Minister of State for Foreign Affairs. Members shall be appointed for a period not exceeding three years and on a part-time basis.

   (4) A person appointed to be a member of the Institute shall be:
      (a) paid sitting fees, travel and accommodation expenses in accordance with Australian Government Remuneration Tribunal Determinations, and
      (b) entitled to be reimbursed for other expenses approved by the Institute and actually incurred by the member in the performance of their duties as a member of the Institute.

   (5) The Chairperson and other members may be re-appointed.

3. (1) The Chairperson may resign his/her office by writing under his/her hand delivered to the Governor-General.

   (2) A member (other than the Chairperson and the ex-officio DFAT member) may resign his/her office by writing under his/her hand delivered to the Minister of State for Foreign Affairs.
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 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, 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 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

10. As soon as practicable after 30 June in each year, the Institute shall provide to the Minister of State for Foreign Affairs an Annual Report on Institute activities during the period of twelve months ending 30 June.

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