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Australia and the World Bank Group

Saving lives, creating opportunity





Cover: With assistance from the Indonesian Government's poverty reduction program, people in Jambi, Sumatra, can now generate electricity from a nearby river. Australia and the World Bank work with the Indonesian Government to deliver this program, which aims to alleviate poverty and reduce unemployment across Indonesia.
Photo: Josh Estey for AusAID

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Published by the Australian Agency for International Development (AusAID),
Canberra, July 2011.

This document is online at:
www.ausaid.gov.au/publications

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Edited and designed by Wilton Hanford Hanover
Printed by Union Offset Printing

This document has been printed on Monza Recycled paper which is Forestry Stewardship Council (FSC) Mixed Source Certified and Elemental Chlorine Free and was manufactured at a mill conforming to ISO 14001 Environmental Certification and Integrated Pollution Prevention Control.

Environmentally friendly vegetable soy based inks were used. The printer holds current ISO 14001 Environmental Certification and is FSC Chain-of-Custody approved.

AusAID would like to thank the World Bank Group for allowing the use of World Bank Group information within this publication. For more information on the World Bank Group, its programs and results, see www.worldbank.org, www.ifc.org or www.miga.org.



These icons symbolise the Millennium Development Goals (MDGs)—eight goals representing an agreement by world leaders to reduce poverty and enhance human development by 2015. More information about the MDGs is available online at www.ausaid.gov.au/keyaid/mdg.cfm



Saving lives, creating opportunity

Below: Australia and the World Bank are working with Indonesia to help local communities in Central Kalimantan improve their livelihoods and adopt practices that better protect the environment.
Photo: Josh Estey for AusAID



The Australia – World Bank Group partnership

The World Bank Group is Australia's largest multilateral development partner. It helps people in developing countries around the world by providing resources, sharing knowledge, building capacity and forging partnerships in the public and private sectors.

The World Bank Group provides low-interest or interest-free loans and grants to developing countries to fund improvements in education, health, public administration, infrastructure, financial and private sector development, agriculture, and environmental and natural resource management. It also supplies technical expertise and is a leading source of research and analysis.

Australia's funding to the World Bank Group has increased fivefold since 2005. In 2009–10 Australia provided \$466 million to the World Bank Group's poverty alleviation and development programs.

What is the World Bank Group?

The World Bank Group is made up of five development institutions:

The **International Bank for Reconstruction and Development (IBRD)** lends to governments of middle-income and creditworthy low-income countries.

The **International Development Association (IDA)** provides grants and interest-free and low-interest loans to governments of the world's 80 poorest countries, which have little or no capacity to borrow on market terms.

The **International Finance Corporation (IFC)**, is focused exclusively on the private sector. It helps developing countries achieve sustainable growth by financing investment, providing advisory services to businesses and governments, and mobilising capital in the international financial markets.

The **Multilateral Investment Guarantee Agency (MIGA)** provides political risk insurance or guarantees to promote foreign direct investment into developing countries.

The **International Centre for Settlement of Investment Disputes (ICSID)** provides facilities for conciliation and arbitration of international investment disputes between foreign investors and host states. It also researches and publishes on international arbitration and foreign investment law.

Why Australia and the World Bank Group work together

Australia is a middle-sized and influential donor, particularly in the Pacific and East Asia, with growing development assistance programs in Africa, the Middle East, and South and West Asia.

However, there are limits to what Australia can achieve acting alone. By working with the World Bank Group, Australia can significantly increase both the geographical reach and the impact of its aid program in a cost-effective and efficient way.

Australia has a significant partnership with the World Bank Group that reflects the Group's global leadership role in development.

- As a global, multilateral development organisation with 187 member countries, the Group can work in countries where bilateral donors may have limited delivery capacity or play a coordinating role in countries where there are now large numbers of donors (such as Afghanistan).
- The Group has substantial resources and can mobilise quickly. During the global financial crisis, the World Bank was able to triple its lending to middle-income countries, from approximately US\$13 billion in 2007–08 to more than US\$35 billion the following year. The IFC was also able to increase new investments to a record US\$18 billion in 2009–10.
- The Group has the ability to bring together donors, governments, multilateral agencies and the private sector from around the globe. It is often the central player in donor conferences to rally global support for countries requiring assistance.
- The World Bank is recognised as one of the world's leading sources of development experience, knowledge, research and analysis, based on experience drawn from work undertaken all around the world. Partnering with the World Bank gives Australia access to this experience.

Australia brings significant assets to the partnership.

- Australia has a substantial presence throughout the world, particularly in the Asia and Pacific regions.
- With more than half of Australia's aid program delivered in small and fragile states, AusAID is recognised globally for its expertise in this area. AusAID works with the World Bank to improve the quality of assistance to these countries.
- Australia has a wealth of technical expertise in key sectors such as water, dryland farming, mining and food security.

As a large organisation, the World Bank Group brings rigour and oversight to its development programs through strong monitoring, evaluation and financial reporting systems. It faces constant scrutiny from recipient countries as well as donors, who encourage continual reform. Together, the World Bank Group and its partners are sharpening their focus on delivering measurable results by improving how projects are designed, how information is made available and how staff are deployed.



Above: Australia is working with the World Bank to help Laos harness the power of water.
Photo: Conor Ashleigh for AusAID

Harnessing Australia's expertise in hydropower and mining in Laos

Wise development of water and mineral resources is critical to the future of Laos. Australia is using its expertise in both the hydropower and mining sectors to provide assistance to the Government of Laos as it grapples with many associated governance and decision-making challenges. Australia is providing A\$3 million over three years (2010–2013), adding to a US\$8 million investment from the World Bank, to implement the Hydropower and Mining Technical Assistance project.

Fragility and conflict

In 2010–11, the Australian aid program delivered 53 per cent of its bilateral and regional aid—more than \$1.56 billion—to fragile and conflict-affected states. Australia and the World Bank Group are working together to better understand and promote aid effectiveness in these states. Key areas of engagement include:

- **The World Development Report:** This report is one of the principal publications produced by the World Bank each year. Australia helped develop the 2011 report, which focused on the development impacts of conflict, violence and state fragility. Australia was heavily engaged in developing a case study on Melanesia.

The 2011 report was well received. Its central message was that strengthening institutions and governance to provide security, justice, and jobs for citizens is crucial to break the cycles of organised violence that characterise fragile and conflict-affected states.

- **State and Peacebuilding Fund:** This program provides funding to countries emerging from conflict. It has recently supported mining and employment projects in Solomon Islands and community strengthening projects in the Philippines. Australia has contributed \$2 million to the fund since 2009.
- **Fragile and Conflict Affected Countries Group:** Australia has seconded a staff member to this Washington-based Group since 2006. This has enabled Australia to work closely with the World Bank on strengthening its approach to fragile and conflict-affected states.



Above: Australia and the World Bank are supporting the Government of East Timor, a post-conflict state, to improve health and education services.
Photo: J. Vas



Above: Australia and the World Bank Group are working together throughout the world to help people develop small business, such as this teahouse in Pakistan.
Photo: Anne Rigby, AusAID

An effective aid program for Australia

In July 2011 Australia launched a new framework for Australia's aid program called *An effective aid program for Australia*. This new framework, based on an independent review of the program, will deliver real results for poor people by maximising aid effectiveness. It comes at a time when Australia has pledged to increase its aid budget to 0.5 per cent of gross national income by 2015–16, making the focus on effectiveness all the more important.

Australia views multilateral organisations as a vital partner in the fight against poverty. Investing aid funds through these organisations means we benefit from their specialist expertise and can extend our reach and impact, particularly in geographic areas where we have no presence on the ground. Following an assessment of our key multilateral partners in 2011, Australia will increase its support for multilateral organisations that are evaluated to be effective and achieving results for the poorest people, in line with Australia's objectives and priorities and value for money. Support to the World Bank Group can be expected to form part of this increased level of support.

Where Australia and the World Bank Group work together

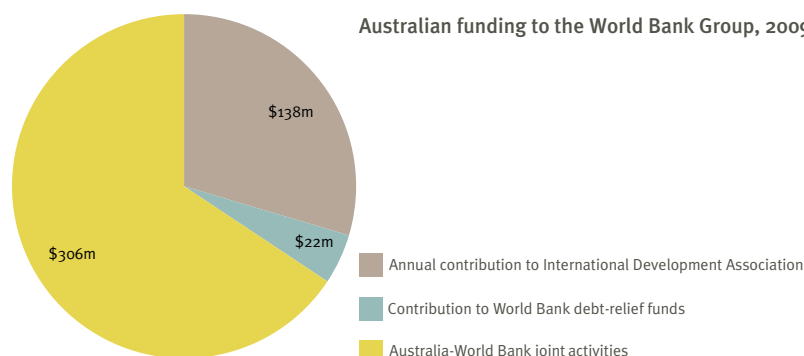
The World Bank Group is delivering concrete results to help developing countries find solutions to poverty and conflict and meet the Millennium Development Goals by 2015.

Australia's engagement with the World Bank spans the globe. Australia encourages the World Bank to deepen its engagement in the Pacific, where Australia is the largest donor. However the partnership extends to improving development outcomes further afield—in Africa, the Middle East and the countries of west Asia.

Australia's annual contributions to the World Bank ensure Australia is truly global in its reach – playing a role in helping countries throughout the world that receive World Bank financing and technical assistance.

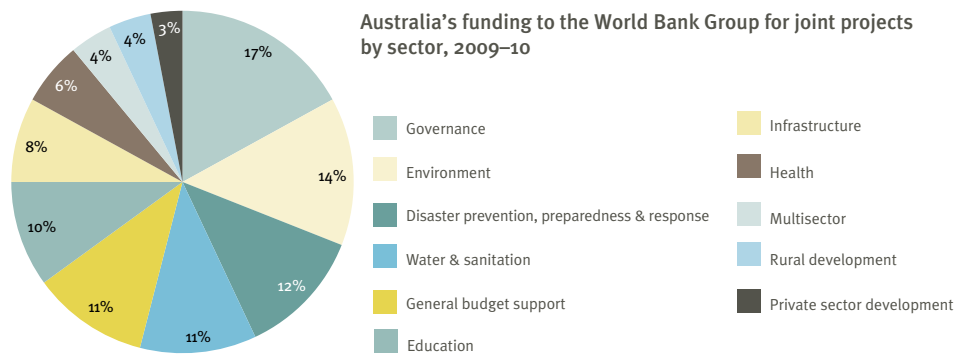
Australia contributes to the World Bank's development programs through funding to the International Development Association (\$138 million in 2009–10), contributions to World Bank debt-relief funds (\$22 million in 2009–10) and joint activities at country, sector and global levels. Joint activities with the World Bank are growing rapidly, with Australia providing \$306 million to more than 80 joint activities in 2009–10 alone. Australia is also the 17th largest shareholder in the International Bank of Reconstruction and Development, with a shareholding of 1.55 per cent of total capital.

Australian funding to the World Bank Group, 2009–10



Partnership results

The partnership between the World Bank and Australia has resulted in some remarkable achievements in a wide variety of sectors. In 2009–10 joint programs covered a broad spectrum, from education and health to infrastructure and gender equality.





Above: Australia and the World Bank support numerous infrastructure activities through the Pacific Region Infrastructure Facility. This multi-donor facility helps Pacific island countries plan and manage infrastructure for improved delivery of services, including the rehabilitation of roads in Solomon Islands. Photo: Rob Maccoll for AusAID

Health

Australia and the World Bank share a commitment to helping countries develop better-quality, cost-effective and community-focused health systems that are sustainable and lead to better health outcomes in the long term.

Investing in health lays the groundwork for skilled and productive populations, and helps the poor to expand their range of choices, improve their productivity and participate more fully in society.

Within Australia's immediate region there are a number of areas—such as women's and children's health, HIV, malaria and the quality of health education—in which progress is often either slow or negative, and the need for action is compelling.

Australia's support to the World Bank since 2000 has helped achieve the following:

- More than 47 million people—equivalent to more than twice the number of people who live in Australia—were provided with access to basic health, nutrition or family planning services.
- Millions of people in rural Afghanistan now have access to primary health care for the first time, as national coverage rates have risen from 9 per cent of the general population in 2003 to 85 per cent in 2008.
- 310 million children have been immunised—equivalent to 74 times the number of children in Australia.
- 23 000 health facilities have been constructed, renovated, and/or equipped, and 1.8 million health personnel trained to improve the quality of health services.
- 33 million mosquito nets have been purchased and/or distributed to prevent malaria. A study of the use of nets in western Kenya reports a 25 per cent reduction in death among children.



Right: Australia is providing more than \$15 million to the World Bank Health Sector Strategic Planning Support Program in East Timor. This program is supporting the development of health resources throughout the country.
Photo: Dean Sewell/oculi/Agence Vu for WaterAid

Food assistance for malnourished children in Indonesia

Australia has committed \$215 million to the Indonesian Government's poverty reduction program, the National Program for Community Empowerment, which operates in approximately 70 000 villages across Indonesia. Australia's funding is mostly managed through a World Bank facility. This facility enables the government and the development community to support and facilitate community-based efforts to alleviate poverty in Indonesia.

In the village of Sukasari in West Java, the program works with the community health system to encourage good nutrition. In Indonesia, about 13 million children suffer from malnutrition. In some districts, almost 50 per cent of infants and young children are underweight. The long-term impact of malnutrition on children can be devastating, affecting their health, educational and career prospects. The program also works to promote other healthy practices, such as immunisation and sanitation.

In Sukasari, health workers encourage mothers of young infants to attend monthly meetings where they can weigh and measure their babies. At these meetings, the midwife and health workers identify malnourished children. If children weigh and measure significantly less than they should at their age, health workers provide their care givers with additional food, including milk and vitamin- and protein-enriched sausages. Midwives also encourage mothers to breastfeed infants and to provide young children with nutritious, locally available foods. Many people receiving this assistance are among the poorest in the village, including widows, single parents and people with disability.

Parents are being provided with essential pre- and post-natal health care in Sukasari, West Java. This is helping reduce deaths from pregnancy complications and poor-quality care during and after birth. Indonesia's maternal mortality rate is one of the highest in South-East Asia.
Photo: Josh Estey for AusAID





Countries assisted by the World Bank in 2011

Thirty-five of the countries assisted by the International Bank for Reconstruction and Development are former recipients of International Development Association assistance that have achieved significant development gains. Several of these graduates are now donors themselves, including China, Korea and Turkey.



- The 65 poorest countries in the world assisted by the International Development Association
- The 62 middle-income countries assisted by the International Bank for Reconstruction and Development
- The 15 transition countries assisted by both the International Development Association and the International Bank for Reconstruction and Development

Note: Burma, Somalia, Sudan and Zimbabwe are not currently receiving World Bank loans. South Sudan is in the process of seeking World Bank membership. In June 2011, the World Bank committed US\$75 million to support South Sudan during its transition to membership.

Food security

The compounding effect of higher food and fuel prices, together with the global recession, has had a dramatic impact on the developing world in recent times. The United Nations has estimated that in 2010 one-sixth of the world's population, or more than one billion people in developing countries, had inadequate access to food. This is an increase of almost 150 million people in just four years.

In 2008, when the food crisis hit, the World Bank was able to mobilise its substantial resources quickly and develop a trust fund to help vulnerable countries cope with higher food prices over the medium term, including by encouraging increased agricultural production. Australia quickly committed \$50 million to this fund, known as the World Bank Global Food Crisis Response Program.

Building on the success of the program, Australia has provided \$50 million to another World Bank program to address food security—the Global Agriculture and Food Security Program. This program helps low-income countries to raise their agricultural productivity, link farmers to markets, improve non-farm rural livelihoods, and reduce risks.

To date, the program has allocated grants to Bangladesh, Cambodia, Ethiopia, Haiti, Liberia, Mongolia, Nepal, Niger, Rwanda, Sierra Leone, Tajikistan and Togo to implement their national food security and agriculture strategies. Activities range from increasing agricultural productivity and market access in post-conflict communities to improving nutrition and better management of water and land resources.

Addressing food security remains one of the key priorities of Australia's development assistance programs. Australia and the World Bank are working closely to address the challenges of food insecurity, including through the G20 Development Working Group.



A Philippine farmer inspects the ripening seeds of an experimental rice variety. Programs such as the Global Food Crisis Response Program are helping to deliver this staple food to billions of people throughout Asia.
Photo: Jay Directo/AFP

Making a difference: the Global Food Crisis Response Program

Today, resources from the Global Food Crisis Response Program, amounting to US\$1.5 billion, have reached nearly 40 million vulnerable people in 44 countries. Support for food supply programs is estimated to have so far reached 5.9 million farm households, and support for direct social protection is estimated to have reached 3.9 million people in some of the poorest countries in the world. Some key results are:

- 381 874 people have been employed as part of cash- or food-for-work programs
- 342 886 children have benefited from school feeding programs
- 287 503 pregnant and breastfeeding women have received nutritional supplements and education
- 173 332 households have benefited from cash transfer programs
- 529 873 tons of fertiliser and 3223 tons of seeds have been distributed to farmers in Tajikistan, Togo, Guinea, Ethiopia, Kyrgyzstan, Niger and Benin.

Below: A woman holds up some of the vegetables she has grown in a garden in Africa. The garden helps to increase food security by improving production and generating income for the farmers involved. Photo: Kate Holt/Africa Practice



Climate change

The World Bank has been instrumental in facilitating a range of important climate change and environment funding mechanisms—including the Global Environment Facility, the Climate Investment Funds, and the Forest Carbon Partnership Facility. This has been in response to unprecedented demand from many countries for support in their efforts to address development and climate change challenges. Australia is contributing to these funds to ensure its support is coordinated and effective in addressing climate change issues.

The Forest Carbon Partnership Facility, in particular, will set the stage for a large-scale system of incentives for reducing emissions from deforestation and forest degradation, providing a fresh source of financing for the sustainable use of forest resources and biodiversity conservation, and for the more than 1.2 billion people who depend, to varying degrees, on forests for their livelihoods. In Indonesia, Australia is working closely with the World Bank to establish a major demonstration site in the peatlands of Central Kalimantan.

Engagement with the World Bank is an important part of Australia's environmental and climate change agenda. Based on current projections, in 2010–11 environmental and climate change activities will account for 6 per cent of Australia's total Overseas Development Assistance budget, or approximately \$251 million.

Below: Australia and the World Bank are working in partnership with Indonesia to reduce greenhouse gas emissions, improve livelihoods for forest-dependent communities and to support biodiversity conservation.
Photo: Josh Estey for AusAID



Improving the resilience of Kiribati

Australia has been a major partner in the World Bank-led climate change adaptation program in the low-lying Pacific island nation of Kiribati since 2006. The Kiribati Adaptation Program is helping to improve the resilience of Kiribati to the potential impacts of climate change and has already completed activities in:

- coastal protection—construction of seawalls to protect public infrastructure and mangrove planting to reduce erosion
- water sustainability—rain water harvesting and improvements to the water reticulation system on the main island of Tarawa
- strengthening policy and planning—making scientific information available to policy makers to plan for potential climate change risks.

Australian funding of \$5.1 million for the next five-year phase of the program will help Kiribati respond to the most pressing climate change-related issues by supporting the scale-up of priority adaptation measures.



Above: The President of Kiribati, Anote Tong, planting mangroves as part of the Australia – World Bank Kiribati Adaptation Program. Photo: Carlo Iacovino, World Bank

Left: Australia and the World Bank are helping the Government of Kiribati fight the effects of climate change. Photo: Lorrie Graham for AusAID

Education

Education is one of the best development investments. It is transformational for individuals, families and societies, and is critical to the achievement of all Millennium Development Goals and other development outcomes.

As the largest external education financier for developing countries, the World Bank is a key player in global efforts to reach the Millennium Development Goal of universal primary education by 2015. During the last decade, the World Bank estimates that its efforts have seen 89 million more children enrolled in primary school in Sub-Saharan Africa and South Asia, the regions with the greatest education gaps.

Through its investment in the International Development Association, Australia has contributed to:

- recruiting and/or training more than three million teachers and building or rehabilitating around two million classrooms, benefiting more than 105 million children per year
- helping more girls attend school through projects including stipends for girls to attend secondary school. Such projects have helped Bangladesh to achieve one of its Millennium Development Goals ahead of time—gender equality in education
- purchasing and/or distributing around 300 million textbooks.

Australia is increasing its funding for education. Between now and 2015, Australia expects to invest \$5 billion in education through the aid program, with approximately \$842 million to be spent on education and scholarships in 2011–12 alone. This equates to nearly 20 per cent of Australia's development assistance program over the period.

Below: The Education for All Fast Track Initiative is helping a generation of vulnerable children attend school across Africa.
Photo: Kate Holt/AusAID



Below: Kindergarten children in Dili will enjoy greater access to education through an Australia and World Bank-funded education program in East Timor. Photo: David Haigh



Providing Education for All

Australia and the World Bank are active partners in the Education for All Fast Track Initiative, a global partnership between donor and developing countries to improve education outcomes in the world's poorest countries. Australia has provided \$50 million over the last four years.

The initiative has had many good results. In Ethiopia, the rate of enrolment of girls in school was approximately 31 per cent between 1999 and 2004. Once Ethiopia joined the Education for All Fast Track Initiative in 2004, enrolments of girls more than doubled over the next four years.

Improving education in East Timor

Australia and the World Bank have worked together to support the Government of East Timor to develop a functioning education system. Through this support, the Ministry of Education has rehabilitated almost 2100 classrooms in 535 schools, and enrolment has increased from 65 per cent in 2007 to close to 90 per cent in 2010, with a greater rate of increase in rural areas. For every 10 children entering primary school, almost seven now reach grade six, compared with less than four in 2007.



Right: Women in a market in the Philippines now have greater access to electricity thanks to the work of the IFC Advisory Services, supported by Australia. Photo: IFC

Private sector

Australia has a growing partnership with the IFC, the member of the World Bank Group focused on private sector development and emerging markets. The agency fosters sustainable economic growth by financing private sector investment, mobilising capital, and advising businesses and governments on projects that provide lasting benefits to communities and the environment.

Australia's support has helped the IFC scale up its operations in the Asia-Pacific region, including achieving a record investment program in 2009–10 of \$236 million in the Pacific. Papua New Guinea has benefited from this focus—the IFC has committed approximately \$232 million in that country so that local companies can grow and financial institutions can improve access to financial services for small and medium enterprises and for communities in rural and remote areas.

Australian funding helped the IFC and the Government of East Timor establish the first united Chamber of Commerce in East Timor, a process that benefited from expertise from the Victorian Employers' Chamber of Commerce and Industry.

Promoting private enterprise

In 2005, Australia contributed \$12.5 million over five years to IFC Advisory Services, a broad program designed to promote investment in the private sector. The IFC works with government to streamline business registration and licensing processes. It also works with private sector forums and women's business councils to improve the business environment for small and medium enterprises. These businesses are the backbone of the economies in the Pacific. IFC Advisory Services also works to build the management skills of entrepreneurs and help them raise production quality standards, allowing businesses to connect with new buyers and trading partners to expand and create jobs.

Products like the Tonga electronic business registry or hotel e-booking systems in East Timor have provided immediate benefits. In the Philippines, poor power supply is a major roadblock for growth and development of small and medium businesses. Australian support under IFC Advisory Services has improved the operating efficiencies and long-term viability of electric cooperatives. As a result, at least 200 000 people are expected to receive improved electrical services by 2015.

Water and sanitation

Australia and the World Bank both recognise the impact that clean water and sanitation have on the health and livelihoods of people living in poverty. In the world's poorest countries 559 million people remained without access to safe water in 2008 and 1.5 billion people were deprived of basic sanitation. In middle-income countries, about 274 million remained without access to a safe water supply and 1 billion people had no access to improved sanitation.

Australia will spend up to \$900 million over the next four years to improve access to safe water and basic sanitation and improve hygiene practices across the Asia-Pacific region and Africa.

Australia not only contributes to improving water and sanitation through its core contributions to the World Bank, but also through specific programs supporting institutional reforms in the water and sanitation sector in South Asia, Africa, and across East Asia and the Pacific.

Over the last decade, this has led to:

- more than 113 million people having access to an improved water source. In Mozambique, Australia's partnership with the World Bank will result in access to treated water supply for an estimated 84 000 people by 2014
- almost 500 000 improved community water points and more than 1.5 million piped household water connections constructed or rehabilitated
- 5.8 million people provided with access to almost 600 000 improved sanitation facilities. Eleven per cent more girls attend school when sanitation becomes available.

Australia is known for its experience and expertise with water resource management, especially water scarcity. In the case of the World Bank-implemented South Asia Water Initiative, the involvement of an ex-CEO of the Murray Darling Basin Commission is bringing world-class technical and strategic planning skills.

Below: Australia and the World Bank are supporting Indonesia to improve access to clean water, which is essential for economic growth and poverty reduction.
Photo: AusAID

Improving water and sanitation in Indonesia

In Indonesia, Australia and the World Bank work in partnership to provide improved water and sanitation services to low-income communities. In the 10 years to 2010, a World Bank project helped Indonesian communities to create the technical capacity to plan, manage and sustain improved water programs, sanitation, and community health services. It improved hygiene, health behaviour and community management of health services related to water-borne diseases, and provided safe options for waste disposal and clean water supply.

Thanks to this project, Indonesia has now improved sanitation services in 2294 villages across 37 districts in eight provinces, reaching more than five million people. The project also provided technical assistance to educate local communities about the importance of managing their own water and sanitation in a sustainable way.





Above: In Port Vila, Vanuatu, women dominate economic activity in the main market. More than 80 per cent of women in the market use mobile phones to pre-arrange transport, contact suppliers, communicate with clients and confirm payments.
Photo: AusAID

Infrastructure

The World Bank has particular strengths in improving infrastructure in developing countries—building roads and bridges, providing electricity and improving telecommunications.

Poor infrastructure is perhaps the most binding constraint to growth throughout the Asia–Pacific region. In Asia, rapid population growth and urbanisation threaten to exacerbate infrastructure bottlenecks. In the Pacific, emphasis is needed on equitable access to social infrastructure in remote, rural environments where 80 per cent of the population live mostly without electricity and roads.

Australia has contributed to many World Bank infrastructure programs around the world over the last decade. Achievements include:

- more than 118 000 kilometres of roads—enough to circle the globe nearly three times—constructed or rehabilitated and more than 134 000 kilometres of roads maintained
- more than 1600 bridges built or rehabilitated
- 26 million people provided with access to an all-season road. In India, World Bank-funded all-weather roads increased household incomes in rural communities by 50 to 100 per cent. In Laos, the travel time for transportation of key commodities along the country's major artery decreased from five hours to less than three, which boosted local economic activity.

Revolutionising telecommunications in the Pacific

Australia and the World Bank have been working together with Pacific island countries to support liberalisation and competition in telecommunications. The IFC has invested more than \$100 million, encouraging new private market operators to open for business in the region.

Reform throughout the Pacific over the past five years has made phones accessible for the first time to the majority of the population. In countries like Tonga and Vanuatu, mobile phone usage rates have increased from 6 to 60 per cent of the population.

Improved connectivity has opened up the world for those previously disconnected, offering scope for people in remote communities to overcome the tyranny of distance and take advantage of economic opportunities. Telephone access has:

- allowed fishermen to know the best price of the day
- enabled mobile banking services
- better connected people to families, schools and health services
- provided entrepreneurs with information on which to base decisions.

Below: Australia and the World Bank have supported work that has revolutionised telecommunications across the Pacific.
Photo: Lorrie Graham





Above: Australia and the World Bank are working together to empower women in developing countries.
Photo: Rob Maccoll

Below: The Foreign Affairs Minister, Kevin Rudd, with schoolgirls in Afghanistan. Investment in the education of girls sees some of the highest development returns.
Photo: Department of Defence

Gender equality

Australia and the World Bank are working together to improve gender equality and to empower women in developing countries. Investments in women's and girls' education and health see some of the highest returns of all development investments, including reduced rates of maternal mortality, better educated and healthier children, and increased household incomes.

Gender equality extends beyond improving female health and education. It means better access for women to economic resources, participation and leadership in decision making, and respect for the human rights of women, including the right to a life free of violence.

Australia is supporting the integration of gender equality into World Bank-funded initiatives in Indonesia, Papua New Guinea, Laos, and across the Pacific. For example, following an Australian suggestion, the World Bank is examining the gender-differentiated impacts of road construction and improved road access in Papua New Guinea. Australia has also financed scoping studies for the World Bank's Adolescent Girls Initiatives in Papua New Guinea and Laos.

Australia values the World Bank's strength in research and analysis when it comes to gender. AusAID and the World Bank have worked together on country gender assessments in Indonesia and Papua New Guinea, and will work together on the 2012 World Development Report on Gender Equality and Development. This will be a high-profile report that analyses the relationship between gender equality and economic development. It will be an invaluable tool for governments and one that gender equality advocates can use to influence policy development. Australia is providing \$500 000 to help develop this report, as well as its companion report on Gender Equality and Development in East Asia and Pacific.



