

focus

A young Indigenous Australian child with curly hair, holding a wooden stick and a string, looking directly at the camera. The child is shirtless and has a serious expression. The background is a blurred outdoor setting with water and vegetation.

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HANDLE WITH CARE
FRAGILE STATES

IT IS IN ALL OF OUR INTERESTS TO WORK TOGETHER
TO HELP THESE FRAGILE STATES OVERCOME THE
CHALLENGES THEY FACE.



FROM THE MINISTER

The Pacific region is geographically, historically and economically linked to Australia. We are bound together so closely that our fortunes will always have a bearing on each other. That is why we want to see the Pacific prosper.

The difficult reality is that several of our nearest neighbours in the Pacific are struggling. Some are showing signs of a breakdown in the delivery of basic services such as health and education and a worrying tendency towards lawlessness.

It is in all of our interests to work together to help these fragile states overcome the challenges they face. Through our aid program Australia is working with regional partners to support the administrative and economic reforms that protect vulnerable nations.

Many of the economic difficulties and law and order problems in fragile states stem from weak governance. Without strong public institutions countries suffer more internal conflict and may see conditions created for criminal activities. These can include money laundering and trafficking in people, drugs and weapons. Such conditions could even be exploited by terrorists.

The Australian Government's overseas aid agency, AusAID, plays a central role in assisting

these fragile states. With our regional partners, we are helping good governance – essentially helping governments to function properly – with a respect for the rule of law. These are crucial first steps to the delivery of basic services which are needed for economic development. Countries must be administratively stable, with a safe and secure environment for communities and investors. Only then can vulnerable nations kick-start long-term sustainable growth. And only when economic activity starts again can these nations begin to lose their 'fragile' status.

Solomon Islands was on the verge of becoming a failed state. Nearly two years after the arrival of the Regional Assistance Mission to Solomon Islands (RAMSI) the country is more peaceful than it has been in the past 10 years. Law and order has been largely restored, thousands of guns have been seized and trials of former militants have commenced. While the country is still considered fragile, the country's finances have been stabilised, revenue is increasing and credible consecutive budgets have been produced.

Papua New Guinea is another example. Australia is helping public institutions in Papua New Guinea to perform more efficiently and skilfully. This is in addition to Australia's

long-standing development assistance program to Papua New Guinea, which includes such areas as health, education and infrastructure.

Australia continues to provide support for East Timor as it evolves as an independent nation. Our assistance is building capacity within the Government of East Timor to plan, manage and deliver credible budgets. We are also working with the East Timorese to raise agricultural production, increase access to clean water and improve health services.

A new five-year development cooperation strategy between Vanuatu and Australia will further improve governance and help make police and legal systems more accountable, encourage public sector reform and improve financial accountability. And, in Nauru, Australian Finance and Treasury officials are helping local officials work through financial management reforms. Australia is also helping to deliver essential services, such as health, education, power and water.

The lengthening shadow of HIV/AIDS across the Pacific places further strain on fragile states. The virus has the potential to devastate lives, communities and economies. Already an estimated 8.2 million people in the Asia-Pacific region have the disease. Australia is supporting leaders and decision-makers

in education about HIV/AIDS prevention, awareness and care.

Australia will continue to offer practical assistance to fragile states in our region. Our focus will remain on improving governance, sound financial management, and law and justice – and by so doing we will reset conditions for economic growth. All too vividly we see around the world the misery of the poor as a direct consequence of countries failing. To avoid a similar fate in our region we must, with our regional partners, meet challenges head on. It's in everyone's interest to work towards a secure, stable and prosperous future.

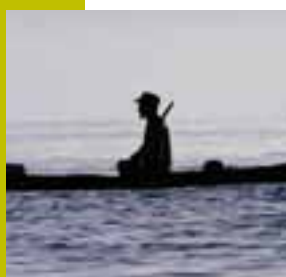
Alexander Downer
Minister for Foreign Affairs

The Minister for Foreign Affairs, Alexander Downer, at the HIV Biennial Forum for Australian HIV stakeholders held at Parliament House earlier this year. The forum was an opportunity to discuss delivery of HIV awareness programs in the Asia-Pacific region. Photo: Irene Dowdy/ID Photographics

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(inside back cover) GLOBAL EDUCATION

COVER: Solomon Islands. A girl prepares to fish in the sea next to her village in Guadalcanal.
Photo: Natalie Behring/Panos Pictures

Government aid in focus The Australian aid program is committed to reducing poverty and achieving sustainable development in the Asia Pacific, Africa and the Middle East. Australian businesses and people play a major role in delivering the aid program. Australian expertise, Australian experience and Australian resources are used to tackle poverty. And by investing in development Australia is investing in its future. In 2005–06 Australia plans to spend almost \$2.491 billion on development assistance. The aid program focuses on promoting regional peace, stability and economic development. Countries with whom Australia is working include Papua New Guinea, Fiji, Solomon Islands, Vanuatu, Samoa, Nauru, Tonga, Kiribati, Tuvalu (the Pacific region); Indonesia, East Timor, Vietnam, Philippines, China, Mongolia, Cambodia, Thailand, Lao PDR, Burma (East Asia); Bangladesh, India, Sri Lanka, Nepal, Pakistan, Maldives, Bhutan (South Asia); and Africa and the Middle East.

IN BRIEF

BRUCE BILLSON VISITS



The Parliamentary Secretary for Foreign Affairs and Trade, Bruce Billson, came away from a recent visit to South Africa with an unexpected bonus – his new Zulu name ‘Jabulani’, meaning ‘happy man’. The name was bestowed on Mr Billson during a ceremony in Greytown in Kwa Zulu-Natal Province.

Mr Billson was helping to launch an HIV/AIDS initiative designed and funded by AusAID and implemented by Oxfam Australia. The project uses soccer as a way of encouraging boys and young men to play their part in the fight against AIDS. The older boys and young men involved in soccer are trained as mentors and peer educators. They provide information about HIV/AIDS and support to other boys.

‘HIV is such a big problem in so many parts of Africa. It has dire consequences for individuals, families, communities and whole countries. I was indeed “happy” to see that by working with local organisations in ways that appeal to local people, we are helping men and women to protect themselves against the disease,’ Mr Billson said.

The Greytown project is part of a \$50 million AusAID program in seven countries in east and southern Africa, focusing on HIV/AIDS, malaria, tuberculosis and other communicable diseases; water and sanitation; and food security.

Mr Billson also visited an alternative punishment program in Ntuzuma, on the outskirts of Durban. Violence against women

is a growing problem in South Africa. Men who are violent towards their partners, instead of going to jail, attend courses in managing their anger and behaviour. The coordinator, Buyi Moreki, says basic attitudes must change.

‘What we are really talking about here is challenging fundamental beliefs of men who see women as “minors” in society. They see them as inferior to men,’ said Ms Moreki. ‘If men saw women as their equals, they would be far less likely to be violent towards them.’

Closer to home, Mr Billson, who is also Australia’s Special Representative for Mine Action, travelled to Sri Lanka to areas affected by landmines. ‘Twenty years of civil conflict has extracted a heavy toll on Sri Lanka. More than 64,000 lives have been lost and thousands of landmines remain planted. Although they continue to take lives and contaminate farmlands and roads, Australian assistance is helping to reduce fatalities and injuries,’ Mr Billson said.

Australia will continue to fight the scourge of landmines. By the end of the year Australia’s contribution to this important work will have passed \$100 million.

Gethwana Makhaye, the coordinator of Targeted AIDS Intervention (TAI), the local partner to Oxfam Australia, with Bruce Billson, Parliamentary Secretary for Foreign Affairs and Trade. Photo: Vincent Sheehy

REDUCING HARM

More than 400 delegates, from throughout the region, attended the National Harm Reduction Conference in Jakarta. It was the first meeting of its kind in Indonesia and the first national-level conference on harm reduction ever to be held in Asia. As Indonesia’s Coordinating Minister for People’s Welfare, Alwi Shihab, stressed in his keynote speech, ‘The HIV/AIDS issue should not only be the concern of a particular group. It is a problem for entire nations, if not the whole of humanity.’

A Joint United Nations Program report on HIV/AIDS showed HIV prevalence among injecting drug users in Indonesia had increased threefold, from 16 per cent in 1999 to 48 per cent in 2003. Of an estimated 124–196,000 injecting drug users nationwide, nearly half were HIV positive, while 80 per cent of new HIV cases in Indonesia in 2004 were injecting drug users.

The country director for the Joint United Nations Program on HIV/AIDS (UNAIDS), Jane Wilson, told the conference that Indonesia was the only country in Southeast Asia to have implemented comprehensive pilot projects for injecting drug users.

The Australian Government, through AusAID, is supporting many of the harm reduction activities being introduced to developing countries in the region and was the main sponsor for the groundbreaking conference.

MAL MENINGA



When rugby league legend Mal Meninga arrived in Papua New Guinea recently he was given a rousing reception by local fans. The former Australian captain was in the country with AusAID to pass on a few tips, not just about football but about HIV/AIDS prevention. Papua New Guinea has the highest rate of HIV infection in the Pacific and unless checked the disease will have a serious impact on the developing country.

Mal has visited Papua New Guinea several times over the

years for various reasons. Despite having retired as a player in 1994, his status in the country has never been higher. And with rugby league a passion in the country, he is a role model for youth.

'The reality is there could be no rugby league players in the future if this terrible disease is not tackled well now. It is striking at the heart of youth here. This is a really important issue that Australia and Papua New Guinea need to fight. I hope that in some small way I can help,' says Mal.

As well as talking to players

and supporters, Mal also took the HIV message to schools, squatter settlements, hospitals, AIDS research units and a women's refuge.

'It's just great to go back and make this sort of contribution. The people of Papua New Guinea have always treated me as one of their own. I love the place.'

Mal Meninga kicks off the Papua New Guinea National Rugby League competition at Lloyd Robson Oval, Port Moresby. Photo: Rocky Roe

MILLENNIUM DEVELOPMENT GOALS

The Millennium Development Goals, or MDGs, will be the focus of debate when world leaders gather in September at the United Nations Summit in New York. The MDGs are derived from the Millennium Declaration, agreed at the Millennium Summit in 2000 by representatives of 189 countries, including Australia.

The MDGs set out eight ambitious goals designed to focus national and international development efforts on major challenges facing developing countries – poverty and hunger, education, gender equality, child and maternal mortality, health and the environment. A target year of 2015 applies to most of the goals.

To achieve the MDGs, developed and developing countries will need to work together and form a partnership, with policies and actions required of both. Australia agrees with this

approach, known as the *Monterrey Consensus*.

Australia is helping developing countries progress towards the MDGs by encouraging broad-based and sustainable economic growth. Australia's aid program is playing its part in the Asia-Pacific region by helping developing countries:

- » strengthen security and stability
- » improve governance
- » undertake economic reform
- » open up trade
- » allow the poor to take part in growth through rural development and increased market access.

The MDGs can't be achieved through increased aid alone. International trade policy, particularly through the World Trade Organization (WTO), is essential for progress. According to World Bank estimates, the Doha Round of trade negotiations

could increase real income in developing countries by US\$350 billion. This would see 140 million people lifted out of poverty by the MDG target year of 2015.

MILLENNIUM DEVELOPMENT GOALS

1. Eradicate extreme poverty and hunger
2. Achieve universal primary education
3. Promote gender equality and empower women
4. Reduce child mortality
5. Improve maternal health
6. Combat HIV/AIDS, malaria and other diseases
7. Ensure environmental sustainability
8. Develop a global partnership for development

More information on the Millennium Development Goals can be found at www.un.org



ABOVE: The MDGs aim to eradicate extreme poverty and hunger. They also aim to reduce child mortality and improve maternal health. Photo: EPA/STR





OPPOSITE: Kiribati. A woman performs a traditional dance in Tarawa. Kiribati is a nation of 33 coral atolls scattered about the equator, inhabited by about 77,000 people. Photo: Natalie Behring/Panos Pictures
LEFT: Papua New Guinea. Mount Hagen markets in the Western Highlands. Photo: Rocky Roe

HANDLE WITH CARE

PACIFIC ISLAND STATES HAVE MUCH TO PRIZE IN THEIR PHYSICAL AND CULTURAL DIVERSITY, YET MANY ARE STRUGGLING. NATIONAL ECONOMIES ARE FALTERING AND GOVERNMENTS ARE FINDING IT DIFFICULT TO PROVIDE PUBLIC SAFETY, GOOD GOVERNANCE AND ECONOMIC GROWTH. VITAL BASIC SERVICES, SUCH AS WATER AND POWER, HEALTH CARE AND SCHOOLING, ALREADY INADEQUATE, CONTINUE TO DECLINE.

FRAGILE STATES

In many ways Australia is the 'lucky country'. It has a strong democratic tradition, a respect for law and order, and trust in its public institutions. It also has a wealth of natural resources, a modern thriving economy and a largely educated workforce. Tough accountability standards in government and the private sector ensure corruption levels are low, and there is little internal conflict. Unemployment rates hover around a manageable 5 per cent.

These conditions, which many Australians take for granted, are proving elusive for several countries in the Pacific. Here public administration is often weak, business enterprises face considerable hurdles and precious natural resources are not managed sustainably.

In a few cases, corruption within government is impeding progress. Even where good governance and stability prevail, many small island nations face poor growth prospects because of their size and relative isolation. Their circumstances of geography shut them out of many economic opportunities arising from increased global trade and investment. The tiny islands of Kiribati and Tuvalu

also face daunting environmental challenges that further undermine their viability.

The newly independent nation of East Timor has the will, but not yet the capacity, to ensure its institutions function well. Other countries, such as Vanuatu, show continued political instability, including frequent leadership changes, undermines a long-term commitment to good governance and economic reform.

The administration of some Pacific nations is so frail that governments are unable to deliver basic services to large sections of their populations. For example, water supplies may be erratic, sanitation systems not properly maintained and power supplies unreliable. School teachers make do without resources, doctors and nurses don't have sufficient medicines and there may be no municipal body to repair buildings, sweep the streets or manage the rubbish. Always it's the poorest people who suffer most.

Poverty mixed with weak governance can be a disastrous combination. More often than not, the results are outbursts of civil violence, or worse, long-term conflict, as seen in Bougainville before the peace process. During

Australia is building long-term partnerships with its close neighbours in the Pacific and offering leadership, support and cooperation.

Pulling together to create stability and prosperity in the region is in everyone's interest. It's also the best way to help vulnerable nations overcome the challenges they face.





WHAT ARE FRAGILE STATES?

Fragile states are countries that face particularly grave poverty and development challenges and are at high risk of further decline – or even failure. Government and state structures lack the capacity (or, in some cases, the political will) to provide public safety and security, good governance and economic growth for their citizens.

All fragile states are different and many reasons can cause their fragility but features they share are weak governance, failing public institutions, instability or conflict – all of which contribute to dismal growth prospects. People living in fragile states are more likely to die early or suffer from chronic illnesses, and less likely to receive a basic education or essential health services.

Fragile states are referred to as LICUS (Low Income Countries Under Stress) by the World Bank.



the 1990s, law and order problems increased in some Pacific nations due to a complex mix of factors, including unemployment, increased population pressure, under-development and the breakdown of traditional values. Impoverished conditions can also breed corruption. Where people are poorly paid, and the administration is weak and lacking in adequate checks and balances, opportunities for corruption multiply.

Nations that reach this level of vulnerability are characterised as 'fragile states'. Such nations have little chance of overcoming such serious problems alone. In fact, if left unassisted, they may experience fragility and development stagnation for generations.

TOP: Children in the Pacific deserve a stable and sustainable future.

Photo: AusAID

LEFT: Tarawa, Kiribati. Girls look for shellfish in the lagoon. People in the Pacific depend on natural resources to maintain subsistence lifestyles and as the basis for local industries, such as fishing. It is important that natural resources are protected and managed well. Photo: Natalie Behring/ Panos Pictures

ROLE OF AID

In much of the developing world, aid supports and complements the much larger forces of trade and investment. In other words, aid is only one part to the solution of reducing poverty and stimulating growth. Aid alone can't provide all of the resources required to activate long-term development.

Far greater are the resources from international trade and foreign investment. For example, overseas development assistance globally in 2000 was around \$90 billion. By comparison, foreign direct investment from developed to developing countries was \$360 billion and export earnings of developing countries was close to \$3.6 trillion.

Yet aid, particularly for fragile states, is enormously important precisely because, as a fragile state, competing for international trade or attracting foreign investment is far more difficult. The reasons for this are complex and various but usually include one or more of the following:

- » instability or open conflict
- » weak administrative systems vulnerable to corruption
- » small size and geographical isolation



» under-development
– widespread poverty, lack of infrastructure and a relatively unskilled workforce.

In such circumstances the role and importance of aid inevitably grows.

And while aid can do nothing to change a nation's size and geographic location, well considered long-term aid programs that tackle core weaknesses – like poor governance, private sector growth and infrastructure – can make a massive difference.

NEW TACK

Australia is helping to drive renewed international efforts to bring about reforms in fragile states. It's also taking a new

approach to aid delivery which, in contrast with previous decades, is much broader and comprehensive. Australia's recent initiatives in the Pacific are innovative and widely acknowledged as on the right track.

Australia's new approach favours, for example, strong equal working partnerships with recipient governments and their communities. It calls for sensitivity, flexibility and cultural knowledge – a fine line exists between offering incentive and support, and being overbearing. Yet passive acceptance of help is not enough – full enthusiastic engagement is vital – for, as Australia and other donors have learnt, reforms will only be successful if they are welcomed, trusted and have the recipient

country's full backing.

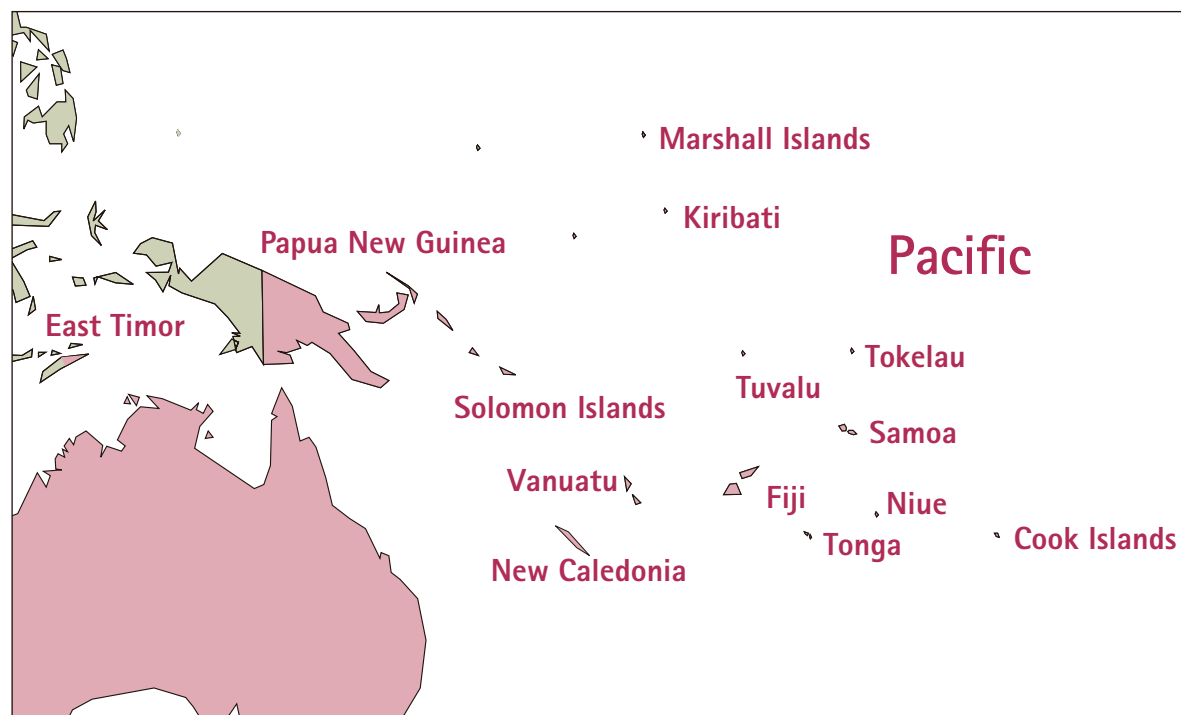
A distinctive aspect of Australia's new tack relies on forging effective links between Australian government departments – taking what's called a 'whole-of-government' approach. International assistance is no longer the exclusive preserve of AusAID. A much more comprehensive approach is being pioneered that combines AusAID's 30 years of development experience with specialised skills available from federal and state governments. In this way Australia's partner countries are able to receive a broader and deeper level of support.

Take Solomon Islands. In 2003 the Government of Solomon Islands called for help when

the country was on the edge of collapse. Already one of the poorest countries in the Pacific, Solomon Islands experienced ethnic tensions and an economic decline from 1998 which led to civil unrest and violence. By 2003, there was negligible economic growth and the Government of Solomon Islands was unable to deliver basic services to its people. The country had the hallmarks of a fragile state.

The intervention by the Australian-led Regional Assistance Mission to Solomon Islands (RAMSI) immediately set about restoring law and order and stabilising public finances. Significant achievements so far owe a great deal to the successful cooperation between Solomon

THE PACIFIC REGION



FAR LEFT: Papua New Guinea. School's out.
Photo: Rocky Roe

Islands and the nine regional partners that make up RAMSI (Australia, New Zealand, Fiji, Papua New Guinea, Tonga, Samoa, Vanuatu, Kiribati and the Cook Islands). Australia's significant contribution to RAMSI has also been strengthened by close agency cooperation between Foreign Affairs and Trade, Australian Federal Police, Treasury, Finance and Administration, Defence and AusAID. This integrated whole-of-government approach has ensured peace and budget stability are established first, not only to avoid state collapse but also to set in place conditions for wider long-lasting reform to begin.

'RAMSI has been able to identify immediate needs and provide assistance based on the situation on the ground while at the same time focusing its support towards long-term needs as well,' says Ethel Sigimanu, Permanent Secretary for Solomon Islands' Department of National Reconciliation and Peace.

Almost two years on from RAMSI, Solomon Islands is a changed place. The restoration

of law and order has laid the foundation for a renewed focus on economic and political governance as well as basic service delivery. With support through RAMSI, the machinery of government is undergoing repair and reform. A new program will extend improvements in public administration to the provinces.

Treasury, Finance and AusAID officials, plus other experts, are working with Solomon Islanders to implement economic reforms. They're also setting up sound practices for public expenditure management. Australian aid has helped revitalise the courts and rebuild the prison system. It continues to underpin the provision of health services across the country. This complements an international effort. New Zealand and the European Union have made a major investment in education. Signs are mounting of an economic recovery and there's a tangible air of optimism in the streets. While Solomon Islands is still fragile, its outlook is a great deal more promising.

CREATING CONDITIONS FOR GROWTH

Even with failing government systems and services, the fortitude and resilience of local people make some economic activity possible. People find a way to continue through the interconnectedness of their communities, markets and church organisations.

Life goes on, but until governments address the real causes of failing systems, development never gets underway and the circumstances of people's lives don't improve. For these reasons, finding ways to help fragile states perform economically is a top priority for Australia's aid program.

Yet to have any chance of economic viability, fragile nations must first be safe, stable, have a basic level of infrastructure and, most importantly, effective institutions to attract foreign investment and trade. They must

also have sound administrative systems to manage public finances. Consequently, a great many of AusAID's activities are directed at establishing law and order, strengthening political governance and tackling corruption. Good governance and institutional reforms are vital for sustainable development.

'Good governance is the basic building block for development, and is a key way to ensure that any development gains are distributed effectively and not squandered,' says Bruce Davis, Director General of AusAID

And while the full benefits of such fundamental measures will not be felt for some years, they do address the underlying weaknesses of fragile states and offer the possibility of a better future.

In the interim – while reforms take hold – Australia's aid program provides basic health and education services that would otherwise not reach poor rural communities, for example, in Solomon Islands and Papua New Guinea. In this way, Australia is helping to minimise the impact of weak governance on the poor.

Papua New Guinea is at a critical juncture. Although it has fertile land and more natural resources than all of its Pacific neighbours it faces an uncertain future. There is a chronic breakdown in services and the burgeoning HIV/AIDS epidemic is expected to intensify over the next three to five years, with the potential to cause significant economic and social damage. Instability is evident in parts of

AUSTRALIA'S ACTIVITIES IN A FRAGILE REGION

SOLOMON ISLANDS

The aid program is helping Solomon Islands address its most critical challenges. It's laying solid foundations for lasting peace and stability after a period of conflict, and is providing basic services and employment opportunities for a young and geographically dispersed population.

Key RAMSI activities are aimed at strengthening law and justice, improving economic management and rebuilding the essential machinery of government – all critical to promoting a return to stability and broad-based growth. Early involvement of RAMSI's police force, backed by a multi-country military contingent, is creating a safer environment. From an early stage, Australia has provided assistance in strengthening courts to manage cases rapidly and fairly and improving the ability of the prison service to accommodate prisoners humanely and securely.

Through its bilateral program, Australia is also helping to maintain basic services, such as health care, and is improving management of natural resources, including forestry, and land administration. At the same time, it's supporting peace building through community and civil society development.

PAPUA NEW GUINEA

AusAID is working with Papua New Guinea to overcome major constraints to stability and development. Australia is helping to reverse the country's poor record on governance and is releasing funds for essential services, such as health care and education.

Australian aid is strengthening public sector performance and management. Australia's activities are protecting the vulnerable by ensuring the delivery of essential services in rural areas, and improving law and order. AusAID programs are also maintaining key roads for trade and communication. These are making conditions better for rural producers as well as helping with border security.

VANUATU

Despite the significant reforms carried out by the Government of Vanuatu over the past decade, there remain difficult challenges. Poverty mixed with a relatively weak administration and rapid population growth, are potential ingredients for instability.

The economy is vulnerable to external shocks, and services to rural communities are strained. Strong demand for increased expenditure, particularly in education and health services for a young but growing population – approximately 60 per cent of people are younger than 24 years – is placing further pressure on the economy and the government's budget. The demographic change is also placing pressure on traditional structures, which contributes to social instability.

Australia is providing advisers to help strengthen the legal, policing and public administration systems. It's also providing assistance to promote continued public sector reform and to strengthen the administration of government. Australia is supporting capacity building of Vanuatu's legal institutions and police force. Significant

programs are in place to improve management and delivery of health services to ni-Vanuatu. Secondary schools are being upgraded and there are also programs in place for technical and vocational education for young people.

NAURU

Australia is working with the Government of Nauru to develop a sustainable development strategy for long-term viability. It takes in major economic and financial management reforms. Australia also continues to assist in the provision of essential services for Nauruans, including health, education, power and water.

EAST TIMOR

Australia is contributing to the development of a simple, effective and sustainable government administration system. It's also helping to strengthen institutions of civil society and promote human rights to help with reconciliation and peace building. Other activities are supporting the restoration and delivery of basic services, such as education, health and water supply. Australia continues to work with East Timorese agriculturalists to increase crop production.

KIRIBATI

Most efforts are supporting education and training and public sector management. So far Australia has funded the construction of several schools and vocational training at the Tarawa Technical Institute. Australia continues to work with the Government of Kiribati to improve financial management and revenue collection.

the country, such as the Southern Highlands.

With challenges of this magnitude Australia's willingness to assist its closest regional neighbour is as important now as it has ever been.

Consistent with Australia's strategy of engaging with fragile states, the aid program in Papua New Guinea is concentrating on supporting sustainable economic growth in rural areas and building stronger political governance. It's a long-term undertaking, which reflects the degree of importance Australia attaches to stopping the decline of standards in the managing of public finances.

REMEDIES

There is of course no single straightforward answer for fragile states. The problems are deep, vary from state to state, and require persistence. At the same time expectations for recovery need to be realistic. But, along with security, policing, economic and diplomatic efforts, overseas aid can right some of the ills through:

» Strengthening governance and countering corruption.

Australia is working with recipient governments to improve administrative systems in many Pacific nations. The main purposes are to ensure greater accountability and the stable functioning of democratic processes.

Education is central. The aid program supports grassroots civic education programs encouraging the demand for political accountability. AusAID's experience shows improved accountability and clamping down on corrupt activities are more likely to be achieved when there is public belief in reform.



Papua New Guinea. Sister Joanne Okk (left) with Julie Umba and her ill baby son John at Mount Hagen Hospital. Australia helps strengthen Papua New Guinea's health service from within. At the same time, it continues to contribute to basic services such as rural immunisation and outreach programs. Photo: Rocky Roe

IN AUSTRALIA'S INTEREST

Australia is a generous and concerned neighbour, willing to help where it can.

Helping to reduce poverty in the region through aid also serves part of the national interest. Like its neighbours, Australia wants to belong to a stable, prosperous and secure region. Conversely, the consequences of belonging to a porous, under-developed and insecure region is far from Australia's interest.

So, while the cost of assisting fragile states is undeniably high, the cost of ignoring them is higher. Research estimates the long-term costs of a typical fragile state, including economic consequences for neighbouring countries, is \$100 billion a year in lost gross domestic product. The 'non-economic' spill-over effects of violence, crime, the spread of disease, refugees or potentially dire security consequences, make the failure of fragile states unthinkable.

» **Building sustainable government institutions.** Australia is helping to repair the essential machinery of government. By building affordable institutions suited to individual country circumstances good governance can flourish. With other Australian government agencies

giving practical in-country advice, AusAID is fostering deep institutional and personal links between government departments in Australia and the region.

» **Finding opportunities to stimulate economic growth.** The majority of the poor in most Pacific nations live in rural

areas. Australia, through its aid program, is supporting activities to revitalise agriculture, forestry and fisheries, with particular emphasis on sustainable management of natural resources. It's also looking at other ways for people living off the land and water to make a better living – for example



ABOVE: Solomon Islands. A combined patrol of police from Australia and Solomon Islands on duty in Honiara. Photo: Rick Rycroft /AP

ABOVE RIGHT: Papua New Guinea. Anglicare STOPAIDS, which is supported by AusAID, is just one of many non-government organisations staging plays at local markets, schools and other community meeting places to help educate people about HIV/AIDS. A performance at Morata settlement draws a good audience. Photo: Rocky Roe

through diversification and 'value adding', such as drying of copra, and coconut oil extraction using local technologies.

» **Promoting peace and community responsibility.**

More than any other factor, internal conflict undermines development and causes poverty. To date RAMSI has removed almost 4,000 firearms in Solomon Islands through gun amnesties – a good starting



point. There are plans over the next few years to improve the police force and legal and judicial systems to entrench respect for the rule of law. A safe environment where people can move freely and live

without fear opens the way for growth and development.

» **Education.** One of the great challenges for the aid program is educating and training men and women for skilled work. It's a paradox for several fragile

HAROLD KEKE GETS LIFE



Solomon Islands. The steel-bar-enclosed dock at the High Court in Honiara where former militant leader Harold Keke and three associates were on trial for the murder of Cabinet minister Father Augustine Geve. Photo: Lloyd Jones/AAP

The recent guilty verdict in the trial of former militant Harold Keke and his associates is a significant achievement. The prosecution proved Keke, with three others, murdered Cabinet minister Father Augustine Geve on a Weathercoast beach during the conflict in 2002. The high profile trial and verdict demonstrate that the justice system in Solomon Islands is once again fully functioning.

The trial and verdict also show that no person in Solomon Islands is above the law. RAMSI is working hand-in-hand with the Government of Solomon Islands

to provide infrastructure and technical assistance to the courts. The cooperation is achieving an effective, open and fair justice system.

Although much work remains to be done, particularly in managing the backlog of High Court cases, progress is encouraging. 'I am confident that the Solomon Islands justice system will continue to meet the high public aspirations in restoring the rule of law, while Solomon Islanders work towards putting the worst days of the conflict behind them,' says the Minister for Foreign Affairs, Alexander Downer.

states that they have a willing workforce but not the means to use it – partly because of an inability to generate jobs but also because of a serious lack of usable skills among potential workers.

» **Health.** As important as a trained workforce is a healthy one. The Australian aid program throughout the Pacific works closely with ministries of health and local health workers to reduce the high incidence of common but serious health conditions, such as diabetes, high blood pressure and heart disease. Treatment of these conditions places a heavy burden on countries limited health budgets. Australia also contributes to adolescent health programs in the areas of teenage pregnancy, family planning, HIV/AIDS and psychological disorders, such as depression. Ultimately, fragile states making the transition to safe and economically viable states must rely on a successful interplay of several factors – not least of which is a strong commitment from the people who live in them. Fragile states may be unable to overcome the challenges they face on their own, but there is an expectation that, following much needed reforms and a reasonable period of external support, they will also work hard to help themselves. More than anything, the aid program wants to see Australia's neighbours move forward into economically sustainable futures. 'Australia's aid is unambiguously focused on assisting Pacific islands to become self-reliant. And a key to this is improving governance,' says AusAID's Director General Bruce Davis. PG

DEATH OF A NOBODY

PAPUA NEW GUINEA: Although HIV has been around for more than 20 years, it still engenders fear and suspicion. Belinda Williams, who works on a program for people living with HIV/AIDS, knows this well. It's time the barriers were broken down.

This week I lost my first AIDS patient. Even though in this line of work you have to expect this to happen, it still comes with great sadness. My project in Goroka is called 'Living with Dignity'. It should be called 'Dying with Dignity' and, despite all my efforts, I feel this still wasn't achieved.

Funerals in Papua New Guinea are about mourning, respect and honour. AIDS is changing this and a new culture is emerging – a culture of shame, embarrassment and silence.

My young friend died Friday morning around 3 a.m. She was like a skeleton and suffered dehumanising uncontrollable diarrhoea. She could no longer talk and could not even muster the energy to move her head to look in another direction. Her father denied that she had AIDS, to the extent that he ripped the page out of her health book where the doctor had written his diagnosis. Her mother felt helpless and could do nothing but wave away the flies that kept landing on her daughter's filthy blanket.

Her father is a 'big man', well-respected in his family and community. He feared that if people heard that his first born child was dying of AIDS it would bring shame on him. When she died there was no reminiscing about her life or reflecting on their loss. Instead, the parents discussed ways her body could be disposed of without drawing attention.

Twenty-four hours after her death, in the middle of the night when the parents were sure all prying eyes were fast asleep, they took their daughter's body from the house to a village far in the bush. There they dug a hole, buried her, drank tea and ate dry biscuits and felt relieved that no one knew what they had done. There were no customary speeches, no feast, no contributions, no extended family.

So, this brave woman who had suffered so much is now gone and forgotten. It's as if she never existed. I fear that despite all the education and awareness people will never break the stigma around AIDS. Yet we must keep trying. We must start to change attitudes so people dying of AIDS may be buried with dignity and not in shame and darkness and isolation.

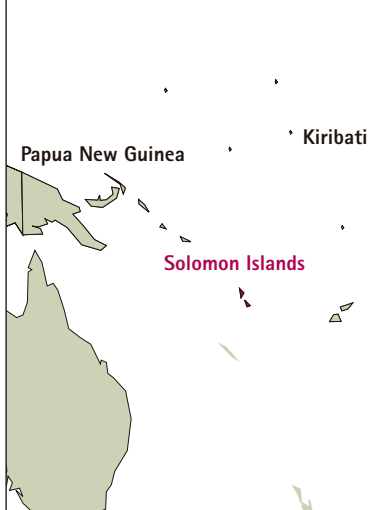


ABOVE: Papua New Guinea. Those aged between 15–34 form the country's most economically productive group – but it's also the group hardest hit by HIV/AIDS. Photo: Torsten Blackwood/AFP

Belinda Williams is an Australian Youth Ambassador for Development working in the Eastern Highlands. For further information about the Australian Youth Ambassadors for Development (AYAD) program contact <www.ausaid.gov.au>

HIV/AIDS IN PAPUA NEW GUINEA

- » Papua New Guinea has the highest rate of HIV infection within the Pacific with over 70,000 people estimated to be living with the virus.
- » The AIDS virus is largely acquired through heterosexual transmission and is increasing at a rate of 40 to 60 per cent annually. The prevalence of sexually transmitted infections, together with other high risk factors such as multiple sexual partners, gender inequality and sexual violence, contribute to the spread of the virus.
- » Australia has committed \$60 million over five years to help the Government of Papua New Guinea carry out its National AIDS Plan.



WINNING

FOREIGN INVESTORS



SOLOMON ISLANDS: A new foreign investment Bill is under consideration. It's set to usher in some significant economic changes.

With safety and stability restored through the efforts of the Australian-led Regional Assistance Mission to Solomon Islands (RAMSI), the country is at last able to look at growth opportunities. There is no time to lose.

The national economy has been devastated by the unrest. In 2000, private investment stalled, many foreign investors fled and export earnings were lost. Many businesses creating employment opportunities and providing goods

and services to Solomon Islanders were also damaged, some beyond repair.

Two export businesses the country could ill afford to lose were Solomon Islands Plantation Limited, which produced 36,000 tonnes of palm oil and kernel oil a year, and the Gold Ridge Goldmine. Both held their own internationally. Yet, in 2000, they too were forced to close their doors – the direct effect of which was a foreign investment decline of one-third. Extensive damage

to government and business infrastructure only made matters worse. In four years, from 1998 to 2002, the economy shrank by 24 per cent.

By embarking on a comprehensive reform agenda the Government of Solomon Islands is turning this situation around. A new foreign investment Bill is set to be the first major reform aimed at attracting foreign investors and improving the business and investment climate. There's no doubt, with less than a quarter

of its 523,000 people engaged in paid work and most living off subsistence farming, the economic revival of Solomon Islands would be greatly assisted by a renewed inflow of foreign capital.

The Investment Division of the Department of Commerce, Industries and Employment is receiving hands-on support from the Foreign Investment Advisory Service (FIAS), a program partly funded by AusAID. Also working closely with the Investment Division is the Economic Reform Unit (ERU) of the Department of

Finance and Treasury, supported by RAMSI advisers. With this level of help, the Minister of Commerce, Industries and Employment in Solomon Islands, Walton Naezon, is confident that the economic outlook is on the up.

As part of RAMSI, Australian public servants from the departments of Finance and Administration and the Treasury are also working as advisers or as in-line managers in the country's public service. Based in the Ministry of Finance, they're helping to reform the country's financial management systems, improve governance, and progress other economic reforms to encourage stability and growth. Major reforms that help government regulate and interact with the private sector, as well as improve infrastructure, services and utilities, are the only ways to bring back overseas investment.

A recent review of the existing Solomon Islands investment regulatory system by Mike Mullins from the Foreign Investment Advisory Service (FIAS), strongly suggests that the existing processes are not working. His review shows time-consuming approval procedures are hindered by inconsistent decision-making

and a lack of a level playing field. Transaction costs, such as the time it takes for applications to be processed, individual discretion in decision-making, and the uncertainty it causes, are huge disincentives to foreign investors.

Realising these obstacles are keeping much needed capital away, the team, consisting of the Investment Division, FIAS, and the ERU, is working with central and provincial members of Solomon Islands governments, public servants, business people and the general public. They're explaining the flaws in the present foreign investment law and drumming up support for more investor-friendly regulations.

So far the meetings are going very well. Most people agree, for example, with the proposal to introduce a simpler and more transparent system of registering businesses. The new system will reduce time and unpredictability, stop opportunities for corruption, and encourage greater levels of competition and investment.

As noted by Derick Aihari, Director of Investment in the Ministry of Commerce, 'Solomon Islands has considerable potential for sustainable growth across a wide range of sectors. While

we have seen a lot of logging and fishing activities, areas like tourism hold considerable promise yet are still in their infancy. It is well recognised that we have some of the best diving in the world, and with nearly 1,000 islands spread over the warm western Pacific, opportunities in tourism and other sectors abound. We are hopeful that our work will result in much more interest from overseas investors.'

Engaging directly with a wide range of individuals across different parts of Solomon Islands and getting their support is challenging. Yet, as Sean Duggan of the Foreign Investment Advisory Service (FIAS) based in Sydney says, 'We saw this as the most effective way of getting the backing of the people for financial reform. The country faces difficulties in creating private sector activity and creating jobs. Foreign investment can complement the local private sector through its ability to access capital, expertise, new technologies and overseas marketing networks.'

Foreign Investment Advisory Service (FIAS) is a joint service of the International Finance Corporation and the World Bank.



ABOVE LEFT: Solomon Islands is looking to bring into line its potentially lucrative forestry industry so it can be managed on sustainable levels. Photo: Natalie Behring/Panos Pictures

ABOVE RIGHT: A moment of reflection for a fisherman in his canoe. Solomon Islands has a wealth of natural beauty and some of the best diving in the world. But opportunities in tourism have yet to take off. Photo: Natalie Behring/Panos Pictures

FIJI MODEL

The process in Solomon Islands of enacting new investment legislation, the effectiveness of which relies on broad-based support in the local community, draws heavily on an earlier model. A Foreign Investment Advisory Service project in Fiji, funded by AusAID, was the forerunner.

In 2002, Fijian authorities approached the World Bank for

advice on reworking the country's Foreign Investment Act. The result was a widely supported new legal and regulatory structure that came into effect in 2004.

Keen to reuse a successful model, AusAID and the ERU (Economic Reform Unit) arranged for two key officials from Fiji to visit Solomon Islands. The Minister of Commerce, Business Development and Investment, the

Honourable Tomasi Vuetilovoni, and his Chief Executive Officer, Isireli Koyamaibole, shared their experiences with the Government of Solomon Islands and private sector representatives.

What's the result? Relevant stakeholders in Solomon Islands are fast learning how to create foreign investment regulation that is simple, transparent and efficient for foreign investment.



A NATION'S

FIRST STEPS

East Timor is one of the poorest countries in the Asia-Pacific region. Its history has left it with many of the characteristics of a fragile state. Over 40 per cent of the population lives below the poverty line. Illiteracy is as high as 57 per cent. Unemployment increased during 2003 and is estimated to be above 20 per cent, and as high as 40 per cent among urban youth.

EAST TIMOR: In 2003, the United Nations Development Programme set up a project, funded in part by AusAID, to help create a vibrant and accountable parliament.

Everything has had to be learned from scratch,' says Endre Vigeland, who is heading the parliament project. 'This is East Timor's first parliament – there's no model for the people to follow. Matters normally taken for granted in other countries, like standing routines, regulating workflows and even punctuality, have to be learned.'

Members of Parliament and their staff are discovering the demands of parliament and how to carry out their new jobs. Many are finding a different set of skills is required to cover new responsibilities and to meet professional standards. But the training is helping.

Most of the training over the past two years has been in understanding the national budget. If a parliament can't monitor public expenditure properly, it runs the risk of leaving its country exposed to financial irregularities.



In the future, East Timor will receive a large revenue from oil. 'It's crucial the country has proper checks and balances,' says Endre. 'Accountability procedures must be in place so the revenue goes towards improving the lives of ordinary East Timorese.'

Endre explains there are 12,000 public servants in the police, army, hospitals, schools and other public services. 'They account for most of the national budget. Parliament needs to make sure the money allocated to these sectors is spent wisely.'

As the idea of having a national parliament is so new to the East Timorese, the project is also arranging for parliamentarians to go out to the districts to meet

constituents. They explain the basics of the democratic system and give people copies of the constitution.

'Before Members of Parliament set out on these visits, local people have the opportunity to write questions they would like them to answer. They then give the answers personally when they arrive in the villages.'

The visits are so useful and popular with everybody the project plans to keep running them.

'It will probably take a few generations before the idea of parliamentary democracy takes hold, and the national parliament is truly accepted as a place of the people,' Endre concludes. EJ



ABOVE: Working inside Parliament.
ABOVE LEFT: The plenary hall of Parliament.
CENTRE: The Speaker of the House, His Excellency Francisco Guterres, 'Lu-Olo', with Endre Vigeland who heads the parliament project. Photos: AusAID

JACOB FERNADES, MP

EAST TIMOR: Jacob Fernades shares his views as a Member of Parliament in the world's newest nation.



‘What’s important about being a parliamentarian is meeting people, taking their experiences and turning them into legislation,’ says Jacob Fernades, Vice President of East Timor’s National Parliament.

In 1998 East Timor was under Indonesian rule. Jacob Fernades was the head of an Indonesian sub-district administration

in the mountainous coffee-growing district of Ermera. As a ‘clandestino’, a member of the clandestine resistance, he openly reported on human rights to the outside world. When the military wanted to capture him because of his political activities, he fled to the jungle. Here he joined Falintil, an armed force of guerrilla fighters.

‘It was difficult living in the jungle. Every day the military were searching for us. All the clandestino organisations in our region were destroyed. It was my job to try to reorganise them.

‘When the peacekeeping forces arrived, I returned to Dili and was

elected chief of the Fretilin faction in the Constituent Assembly. I later became the Vice-President of the Parliament.

‘Being a Member of Parliament – an MP – is the hardest thing I have done, even harder than living in the jungle.

‘In the jungle, life was tough but we had a lot of people to help us. Working as an MP is very different. My colleagues and I find people often expect us to be able to solve their problems, which is not always possible. They sometimes think we can act as a judge, and of course we can’t.

‘People who were in the resistance knew independence was

never going to be easy. But others thought that independence would fix everything.

‘We’ve had help from several donor countries in getting ourselves established in Parliament. For example, in 2001, Australia paid for the National Parliament building to be refurbished. Experts from the United Nations Development Programme are training us to execute the duties of MPs, such as overseeing budgets and looking at human rights. They are also helping us to build meeting rooms and set up the Internet. This sort of support really helps us to do our jobs properly.’

MORE THAN A ROOF

EAST TIMOR: Raça Primary School in Lautem District was one of many schools that fell into disrepair after the 1999 referendum.



Located on the road to Tutuala and Jaco Island, both popular destinations on East Timor’s eastern tip, travellers see a different school. With AusAID’s help Raca Primary School is restored.

Lautem Deputy District Administrator Arlinda Mendes recently spoke about the school’s

history. ‘No-one cared about the school buildings once they fell into ruin. It was not a case of wanting to abandon the school – it was just there were not the local resources to keep it in good condition.’

Later she said, ‘When people from AusAID’s East Timor Community Assistance Scheme came to see the site, it was really messy. Roof tiles had fallen off and ceilings had fallen down. Rainwater had flooded rooms and the toilet blocks were broken and without water.’

The school rooms were originally built in 1986 during the Indonesian period. Arlinda was

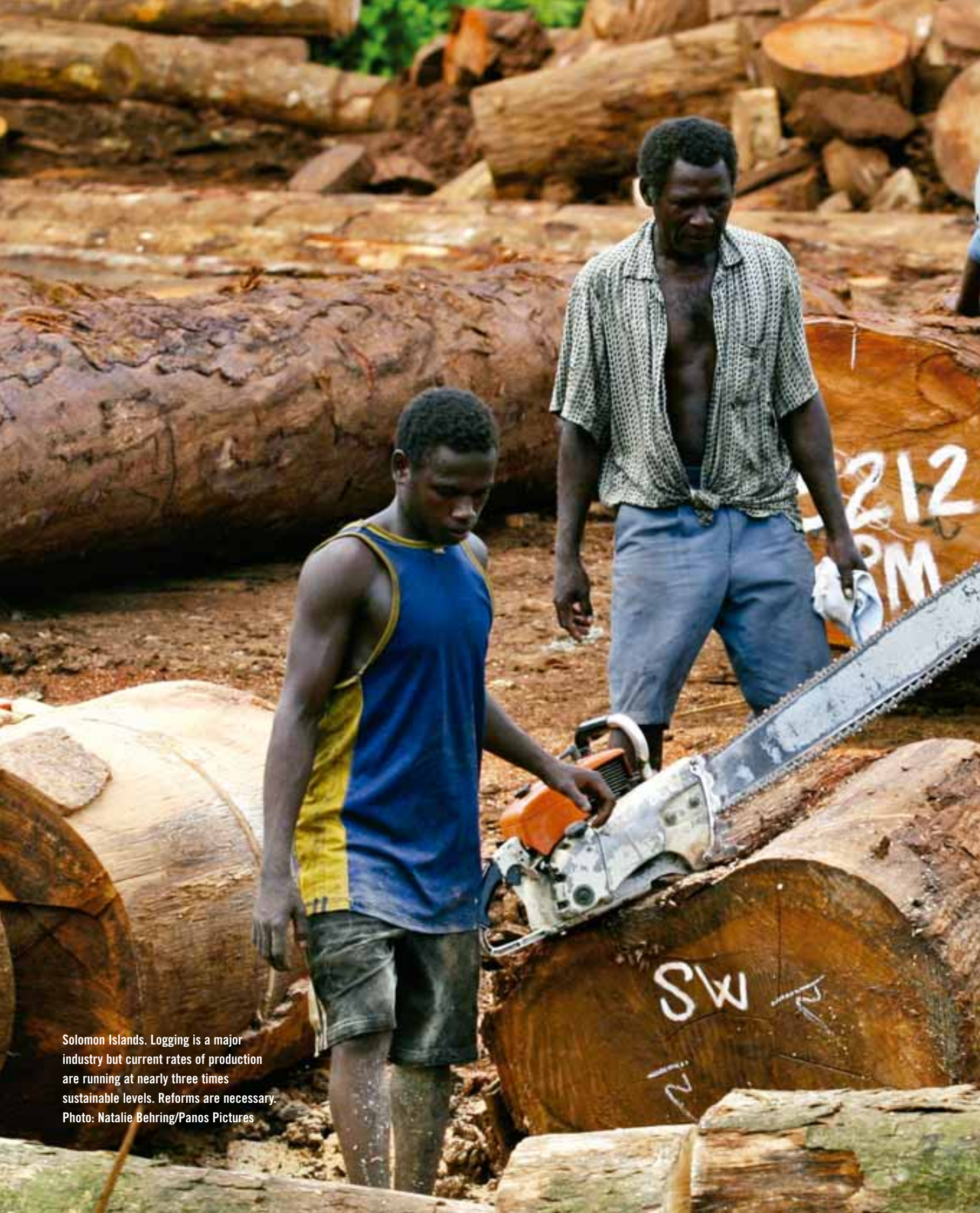
about eight years old and a student at the primary school. At that time the roofing was made from coconut leaves and didn’t offer much protection during the rainy season which, in East Timor, lasts for four months.

Two years later, the local government decided to expand the school with more permanent structures. These lasted for 10 years – until they were destroyed by the Indonesians when they withdrew from East Timor.

The story of the school was explained by Arlinda who, after studying English at the National University in Dili,

returned to Lautem District to serve her people. She’s now the Deputy District Administrator – the second highest government representative in the District of Lautem. As a public servant in a new country Arlinda is aware more than most that resources are limited. Nevertheless, she was keen to see her old school saved. At the recent opening her pleasure was apparent. ‘I am happy to see my *alma mater* restored,’ she said.

Augusto Pereira/AusAID, East Timor



Solomon Islands. Logging is a major industry but current rates of production are running at nearly three times sustainable levels. Reforms are necessary.
Photo: Natalie Behring/Panos Pictures



East Timor. As the world's newest independent nation East Timor is gradually rebuilding economic activity.
Photo: Joel Rubin/AP

GROWING BUSINESSES

A GOOD INVESTMENT CLIMATE PROVIDES OPPORTUNITIES AND INCENTIVES FOR FIRMS — FROM MICROENTERPRISES TO MULTINATIONALS — TO INVEST PRODUCTIVELY, CREATE JOBS AND EXPAND. IT PLAYS A CENTRAL ROLE IN GROWTH AND POVERTY REDUCTION. IMPROVING THE INVESTMENT CLIMATES OF THEIR SOCIETIES IS CRITICAL FOR GOVERNMENTS IN THE DEVELOPING WORLD WHERE 1.2 BILLION PEOPLE SURVIVE ON LESS THAN US\$1 A DAY.

World Development Report 2005



[1] Nepal. Medicine bottles are washed for resale to the pharmaceutical business by a privately owned recycling enterprise. Piers Benatar/Panos Pictures

[2] Philippines. Showing initiative and taking business to the crowds. A Filipino woman peddles noodles and snacks on a busy Manila Bay promenade where many working-class families gather for recreation. Photo: Aaron Favila /AP Photo

[3] Kiribati. Fishing is a common means of making a living. Photo: Natalie Behring/Panos Pictures



[4] Fiji. Textile factory. Photo: Penny Tweedie/Panos Picturs

[5] Papua New Guinea. Jack Fenton (centre) with trainee screenprinters Kingston Waki (left) and Julius Ume (right) at the screenprinting shop. The shop was set up by Jack and his wife last year to train youths. The workshop's traditional designs printed on T-shirts, bags, sarongs, tea towels and other wares are sold locally and to tourists. Photo: Lloyd Jones/AAP

[6] Philippines, Mindanao. From arms to farms. Former Moro National Liberation Front combatants process sugarcane. As members of one of the peace and development communities they've turned away from fighting and are now involved in successful agricultural production. Photo: Rolly Inciong/AusAID

[7] Thailand. Yupa Sangnet holds a frog in front of her wares in Ayuthaya Province. The economy of Yupa's frog-farming village nearly croaked when the price of its plump product slumped on the international market. But the village may take a leap back from financial ruin with its innovative product – frog-in-a-can. Photo: Sakchai Lalit/AP





PAPUA NEW GUINEA: Wau is an old mining town in an isolated, rural area in the south-east of the mainland. A little over a year ago, many people in and around Wau found it very difficult to access financial services.

BAREFOOT BANKING

A person has to brave the winding and treacherous road that connects Wau to the next town, just to do banking. It takes about 45 minutes to drive to the place where the one and only commercial bank operates. What's more, road robbery is rampant. It's no surprise that most locals choose to keep their money in their houses rather than brave the journey – that is, until now.

A new community bank has opened in Wau, thanks to an agreement between AusAID and the Asian Development Bank. It's called 'Wau Microbank'. Like other microbanks, it caters to the banking needs of people at a grassroots level – often the poorest and neediest. By providing savings and short-term credit services the microbank is stimulating the area's economy and creating much needed employment. Its one principle is 'save first, borrow second' – which means villagers are encouraged to build up some savings before they expose themselves to borrowing.

'Barefoot banking' – so-called because most clients are barefoot – is thriving in Wau.

The microbank started out last year with 100 clients, the majority women. It now has more than 1,000 customers, male and



female, some of whom are taking out loans ranging from 200 to 5,000 kina (from \$90 to \$2,400). In fact, such is the success of microbanking that another branch has opened in Lae City to serve the needs of farmers, fishermen and urban-based small income earners.

'Existing commercial banks don't provide the services we do,' says Naiman Daniel, the bank's branch manager. 'Most of our clients are from remote rural areas and don't have savings accounts or the chance to take out loans from commercial banks. Many are quite scared of going into a

regular bank because they can't read or write. Commercial banks also usually want to see a person's passport, or some form of official identification, before they can open an account.'

It's a fact of life in Papua New Guinea that a lot of people, especially those in remote villages, don't have passports and birth certificates, so they simply don't qualify. 'A microbank doesn't compete with commercial banks,' continues Naiman. 'It fills the gap for people who wouldn't otherwise be able to open an account or get a small bank loan. We give loans



for items like school fees and small businesses. For a business loan, you need to have an existing small business but it could be anything from selling ice blocks to growing coffee or small-scale alluvial goldmining. The loans are designed for people who have some business know-how but don't necessarily have the financial backing to expand,' says Naiman.

'Barefoot banking' is also playing an educational role. Staff go out into villages to talk to people about managing and investing their money. Advice is given on saving, budgeting and



2005 The United Nations International Year of Microcredit

- The Australian Government supports microcredit, also sometimes referred to as microfinance, as an important tool for reducing poverty.
- AusAID-funded microfinance activities are helping tens of thousands of poor households obtain financial services (including credit and savings) in Bangladesh, China, Indonesia, Papua New Guinea, the Philippines and Vietnam.
- Microfinance meets the financial needs of the poor who often do not have access to banks. In its best form, microfinance allows the poor to make better use of their resources and take more control over their lives.
- In 2003–04, AusAID spent \$14.3 million on microfinance activities.

MICROFINANCE IS AMONG THE BEST TOOLS WE HAVE TODAY TO ALLEVIATE POVERTY BECAUSE THE WORLD'S POOR AND LOW INCOME ENTREPRENEURS DO NOT WANT CHARITY. THEY DO NOT LACK ENERGY, WORK ETHIC, IDEAS OR ENTREPRENEURIAL SPIRIT – WHAT THE WORLD'S POOR LACK IS ACCESS AND CHOICE. AND THAT IS EXACTLY WHAT MICROFINANCE PROVIDES.

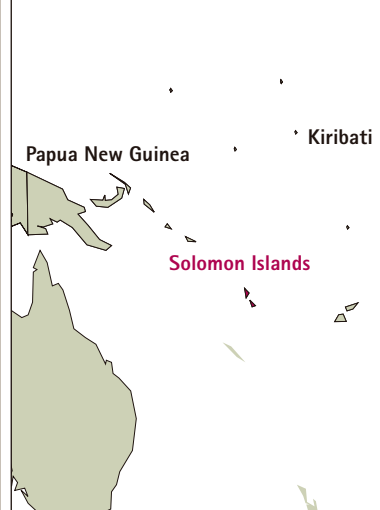
Mark Malloch Brown, United Nations Capital Development Fund

using money wisely. In short, microbanking is helping its clients grow their assets.

And while microbanking is mainly serving the 'micro-entrepreneurs' and small income earners, it's also reassuring for people to know they have a safe place to keep their savings. Robbery is a big problem and there's always the danger of losing money in a fire or other natural disaster. **EJ**

FAR LEFT: Small businesses are an important part of the economy in many developing countries, such as Papua New Guinea. Sometimes these businesses are started by people taking out small loans with microbanks or other microfinance institutions. They can be the first step out of poverty. Photo: Rocky Roe

LEFT: At the opening of the Lae branch of the Wau Microbank. Some of the bank's first customers hold up a savings passbook. Photo: AusAID



TAKAMBORU'S TREES

SOLOMON ISLANDS: In the quiet village of Takamboru, 30 minutes west of Honiara, grows a teak plantation that is changing the lives of its owners. Merino Tadabara and his family represent an exciting future for the timber industry.

In 2003, Merino Tadabara harvested some teak trees that were planted in 1978. He recently sold 27 cubic metres of small teak logs into the rapidly expanding Indian market. In India, teak is highly prized for furniture making.

It was a turning point for Merino who managed to sell his teak logs for about 30–50 times more than the going rate for similar size logs from a natural forest.

The teak sale has given Merino, his family and his community a real economic boost. 'It's changed our community. With the money I've bought a new truck which means we have regular and reliable transport to Honiara to sell our market produce. Also, some of the earnings have gone towards renovating the church and to upgrading our houses,' says Merino.

Traditionally, communities around Takamboru rely on coconut



ABOVE: Merino Tadabara (left) and project officer Wayne Woof at the Takamboru Nursery. There's a new sense of enterprise. The main business is high-value tree planting and tending, but one of the 'spin-off' activities is collecting seeds and growing seedlings for sale. Neighbouring landowners are keen buyers.

TOP: One of Merino's *wantoks* (which means relative or friend) sits with some of the teak logs sold at a very good price. Photos: Dan Raymond



TODAY MORE THAN 4,000 FAMILIES – OR 15 PER CENT OF THE POPULATION – ARE INVOLVED IN HIGH-VALUE TREE PLANTING. IT'S ONE OF THE MOST SUCCESSFUL REFORESTATION PROGRAMS ANYWHERE IN THE WORLD.

and cocoa as their primary source of income. But more and more communities are taking a lead from Merino's success. It's not surprising – the financial rewards from high-value, planned forestry operations are impressive.

Today more than 4,000 families – or 15 per cent of the population – are involved in high-value tree planting. It's one of the most successful reforestation programs anywhere in the world. Through its Forestry Management Project, AusAID is a big part of its success – a fact of which it's justifiably proud. 'The project is encouraging Solomon Islanders to manage their natural resources sustainably and to get the most income from them,' says Dan Raymond, the project's team leader.

Growing high-value and internationally recognised timber species, such as mahogany, teak and cordia, offers communities a profitable and sustainable means of making a living. This is especially important in a country like Solomon Islands where there are few opportunities for rural people to earn above a subsistence level.

With the economic potential clear, the AusAID forestry project is working hard to help establish high-value tree plantations. Not only is timber quality superior in these plantations but also, compared to natural forests, they yield much higher volumes.

Working with the Solomon Islands forestry department, the AusAID project is encouraging local landowners to plant 'high-

value' trees on 1,000 hectares a year. New planting is crucial to ensure a sustainable future supply and to offset the current rate of timber cutting from natural forests, which is not sustainable.

Merino and 14 others are employed by the AusAID forestry project to visit different communities throughout Solomon Islands. They're 'spreading the word' and talking about the benefits of high-value tree planting. The evidence suggests the message is getting through.

'The next chapter of this success story will begin in the next five years,' says Merino, 'when the trees we are currently tending can be harvested.'

Meanwhile, Merino and his community continue to plant and tend their high-value trees to secure a better financial future.

Ross Andrewartha/AusAID Forestry Management Project

ABOVE: Forestry plantation. Photo: Guy Mansfield/Panos Pictures



LEFT: Rescue workers tunnel down through floors. Photo: AJP/Change a Nation <www.changeanation.org>





NIAS EARTHQUAKE

One survivor of the earthquake that shook the Indonesian island of Nias was a man called Hendra. For five days he was trapped under three floors when his home collapsed. His is a story of determination and cooperation among rescuers. Through a chain of events, involving several different organisations, including AusAID, and rescue workers from at least four different countries, he was freed. Amazingly, he suffered only dehydration and superficial wounds. His rescue shows what can be achieved when international agencies and countries work together.

POST TSUNAMI

UPDATE

PROGRESS REPORT



Recovery is underway in areas affected by the Indian Ocean tsunami that struck on 26 December 2004. Australian aid, pledged by the Government and through public donations, is going towards reconstruction. With high public interest in how the money is spent, the Australian Government is keen to document progress. Understandably, everyone wants to know the funds are managed well and directed to areas of greatest need.

‘Given the unprecedented generosity of Australia’s response we want to report regularly on our progress and, above all, show how Australia’s \$1 billion aid package to Indonesia will be disbursed over the next five years,’ says the Minister for Foreign Affairs, Alexander Downer.

The Australian Government initially committed \$60 million

towards immediate humanitarian relief in Indonesia, Sri Lanka, Maldives and Seychelles. These funds were used for emergency food, health services, shelter, water and sanitation. As attention shifted towards reconstruction, the next stage in the recovery, Australia announced its largest ever single aid package – the \$1 billion Australia–Indonesia Partnership for Reconstruction and Development (AIPRD).

Australia’s reconstruction efforts in Aceh are focused on essential areas of health, education and other government services. Renovations to the Banda Aceh hospital are underway. Aceh lost many hospital staff, health workers and teachers in the tsunami. Australia is assisting in the refurbishment of nursing schools, re-establishing pharmacy services, and training health

workers and teachers. Basic supplies are going to schools. Thirty-six schools across five districts have received 80 tonnes of equipment.

At a recent meeting in Canberra, government ministers from both countries agreed for work to begin on a:

- » \$50 million ‘Aceh Rehabilitation Program’
- » \$10 million program to strengthen Indonesia’s disaster and management response systems
- » \$50 million Government Partnerships program over five years to assist Indonesia in economic, financial and public sector management. Australian and Indonesian government agencies will exchange skills and expertise.

Since the tsunami, Indonesia has suffered another natural disaster.

An earthquake measuring 8.7 on the Richter scale shook Nias, off the coast of northern Sumatra. It killed more than 600 people, injured about 25,000 and collapsed almost all buildings higher than one storey. Australia immediately promised \$1 million in humanitarian relief.

LEFT: Sri Lanka. Making way for rebuilding. Women with their bare hands pick up rubble. AusAID has supported cash-for-work clean-up operations post-tsunami on the east coast of Sri Lanka, through the Australian Foundation for the People of Asia and the Pacific (AFAP). Photo: Bronwyn Coles/AusAID

RECONSTRUCTION OF A DIFFERENT KIND

INDONESIA: Interplast Australia is part of the extraordinary post-tsunami aid effort in Banda Aceh. Its doctors and nurses are using their skills to rebuild the city's shattered medical services.

The Indian Ocean tsunami swept away 600 patients, visitors and staff from Banda Aceh's only remaining general hospital. Those who survived the horrifying ordeal – and the many who didn't – were washed across the road. Sewage, human debris and mud flooded the hospital.

About 140 people or around 30 per cent of hospital staff are either dead or missing

Australian Defence Force and Australian civilian medical teams, funded by AusAID, were immediately deployed to Banda Aceh. Further help quickly arrived from Germany, Singapore, Belgium, Japan and several provinces in Indonesia.

Now, several months on, the initial urgency of the crisis is giving way to the rebuilding phase. There is less need for emergency relief but a greater need to restore permanent services.

Interplast Australia and International SOS, a Jakarta-based medical group, are working towards restoration. Together they're fielding medical teams to the seriously damaged general hospital in Banda Aceh. At the height of the tsunami relief effort there were over 680 organisations and military medical teams in Banda Aceh. Interplast-SOS is now one of only five that remain consistently entrenched within the hospital, offering ongoing support, training and clinical treatment.

The two organisations combine Australian and Indonesian expertise. At any one time the team is about 20 people, with most comprising Indonesian doctors, hospital administrators, nurses, a pharmacist and laboratory technicians.

Australian members change every three weeks and include a general surgeon, anaesthetist, clinical microbiologist, scientist and two nurses. Main tasks are reintegrating hospital staff, restoring local medical services and coordinating the contributions from various international donors.

The combined Interplast-SOS team is establishing excellent relationships with senior hospital administrators and other medical personnel. It's a great help having so many Indonesians on the team.

One of the main challenges is coordinating large amounts of donor assistance comprising medical personnel, consumable supplies, equipment and engineering teams restoring water and power to the hospital. To help with this, the Interplast-SOS team is setting up a hospital coordination centre. It has negotiated with the German team to fix a surgical roster to share theatre time with Indonesian and Australian surgeons. The aim is to restore, as quickly as possible, surgical, anaesthetic and microbiology services to pre-tsunami levels.



ABOVE: Dr Glenn Guest (left) operates with the Acehnese surgical team.
Photo: Interplast Australia

Recently returned members of the first Interplast team have spoken about their incredible experiences. Scenes were confronting and conditions in the hospital difficult, but none regretted participating. Members had nothing but praise for the Australian Defence Force and for AusAID officers who continue to work under trying circumstances.

Like AusAID, several donors are assessing longer-term support plans for restoring health services to pre-tsunami conditions. Meanwhile, Interplast Australia and International SOS are supplementing much needed hospital expertise.

Prue Watters/Interplast Australia. For more information about the work of Interplast Australia in tsunami affected areas see <www.interplast.com.au>



Agricultural researchers were part of tsunami relief efforts right from the start. Now they're contributing in important ways to the mid and long-term reconstruction.

In Sri Lanka, researchers at the International Water Management Institute, based in Colombo, immediately pressed their four-wheel drive vehicles into service. They wasted no time heading to affected areas to save injured people. Within days, institute experts joined United Nations relief mapping efforts on 24-hour shifts, collecting location data and



THE HUMAN COST

Sofyan's wife was seven months pregnant when the tsunami hit but she managed to survive unscathed. Sofyan on the other hand sustained a leg injury from the debris. When he came into hospital he was terribly septic and nearly died from his infections. His leg couldn't be saved and there was no alternative but to amputate.

After his operation his condition quickly improved and with the help of crutches and a wheelchair he is able

to get around. Sofyan's lack of full mobility however will prevent him from resuming his previous living as a sailor. This is how the tsunami has wrecked lives.

Sofyan and his family are typical of the people that Interplast Australia, with its Indonesian counterpart, International SOS, is helping in Banda Aceh. Most people are poor with few prospects.

When Sofyan was well enough to go home, Interplast Australia organised

a gift of money so he could feed his family. It will help in the short term but finding ways to support him, and many others in the same position, is a challenge for all those involved in the tsunami reconstruction phase.

LEFT: Sofyan, a sailor and father of six children, with his wife leaving hospital in Banda Aceh. Photo: Interplast Australia

FARMING AND FISH

Meryl Williams describes the disastrous impact of the Indian Ocean tsunami on agriculture, and the role agricultural scientists are playing in the massive reconstruction effort.



mapping the extent of deaths and damage.

In Malaysia, staff at the WorldFish Center joined a consortium of United Nations and regional experts in assessing the impacts on fish stocks, fishing communities, aquaculture and coral reefs.

Experts from the International Rice Research Institute in the Philippines visited several coastal sites in Sri Lanka to see firsthand the problems facing rice farmers coping with coastal soils flooded with saltwater. Directly after the disaster, the rice institute received several requests from national governments for seeds for salt-tolerant rice varieties. The International Potato Center in Lima, Peru, began propagating fast growing sweet potatoes, an ideal crop to provide high-energy food following an emergency.

International centres are now focusing on work with

local partners. Researchers have returned to communities they know well and have a good knowledge of local conditions. For example, the International Water Institute is carrying out a needs assessment in the worst hit areas of Hambantota. This is a part of Sri Lanka where the institute has been working for the past 15 years. It's also assessing groundwater salinity in three regions on the east coast of Sri Lanka to find out the status of the aquifer. The team is developing and delivering technical advice to operators on the ground. This will help the water institute determine the effects of the tsunami on groundwater and whether longer-term studies will be needed.

The International Plant Genetic Resources Institute has adopted the Sri Lankan village of Dodanduwa which bore the brunt of the tsunami disaster. It's become part of the institute's

long-term poverty reduction research looking at income-earning activities based on coconut production.

Together the research centres are developing rehabilitation projects that embrace the entire landscape – from sea to upland forests – and look at the bigger picture for sustainable development. Their approach won't just put disaster affected communities, which were already poor, back to where they were. They're addressing the fundamental difficulties confronting poor communities that prevent them from making a productive and sustainable living.

Senior staff from ACIAR (Australian Centre for International Agricultural Research) recently met with Indonesian agricultural and fisheries research leaders in Jakarta. ACIAR and Indonesian research institutes are working

together to help restore salt damaged soil and restock fisheries in northern Sumatra. With AusAID, ACIAR will continue be a vital part of the long-term reconstruction efforts in Indonesia.

Researchers from Australian and international agricultural research institutes are set to bring their collective expertise to the enormous task of rebuilding for some time to come.

Meryl Williams is the Chair of the Board of the Australian Centre for International Agricultural Research <ACIAR www.aciar.gov>

LEFT: Not only must the land be cleared but also the soil has to repair. The tsunami's saltwater has ruined great stretches of arable land. Photo: ACIAR.

LEGACY

OF CONFLICT



Mr Sinarasa with his animals. He was able to buy a cow thanks to a low interest small loan scheme. Photo: Peter Davis

Mr Sinarasa is one of the thousands of innocent victims of conflict.

During the 1990s, at the height of the civil conflict between the Sri Lankan army and the Liberation Tigers of Tamil Eelam – often referred to as the LTTE – both sides laid almost a million landmines across the northern and eastern parts of the country. Through international de-mining programs, thousands of landmines have been defused but still many remain hidden. To

SRI LANKA: ‘The danger is invisible. We know it is there but we can’t see it and that makes us very wary,’ says Mr Sinarasa from Jaffna who lost his left foot when he trod on a concealed landmine while farming. Peter Davis reports.

date, Australia has supported the clearance of more than 227,000 square metres of land in Sri Lanka, the equivalent of 35 soccer fields, and the removal of 6,656 anti-personnel mines.

Headway in mine clearing has been made, but the legacy of conflict continues to cost Sri Lanka dearly.

Apart from the obvious personal trauma of injury to victims like Mr Sinarasa, there’s the serious loss of household income. Many landmine victims – again, like Mr Sinarasa – are ordinary farmers. Robbed of their ability to work at the only job they know, they are left at the mercy of relatives or must rely on assistance from the international community.

The techniques of clearing a minefield vary across groups and countries. Some use heavy crushing machinery that literally scrapes away tonnes of topsoil. Others use specially trained ‘detector’ dogs, but the most common method involves metal detectors and rakes.

To watch the de-miners at work around Jaffna is to observe a group of carefully orchestrated and highly-trained professionals. Teams of de-miners, clad in heavy protective clothing, painstakingly scrutinise every millimetre of soil

with high tech landmine detectors. Once they have located a signal, they switch to low tech tools, such as a small rake, a trowel or even a twig, to gently scrape away the soil. Then, with gloved but steady and dexterous hands, one of the de-miners removes and defuses the landmine.

A coloured marker is inserted in the soil to identify the spot. Tape linking the markers reveals the extent and pattern of a particular minefield. In many parts of northern Sri Lanka, the tape extends for hundreds of metres in several directions, across farmland, towards schools and through villages.

‘When all the correct procedures are followed, the dangers of de-mining can be contained,’ says Marc Farino, a coordinator and trainer with Foundation Suisse de Deminagen (FSD), one of the organisations receiving AusAID support. ‘It takes us 15 days to train a de-miner and we are very strict about our standards.’

The work looks painstaking and slow but significant progress is being made both in landmine clearance and in raising awareness. An important part of all de-mining programs is educating communities about the dangers. Considerable effort

goes into visiting schools, talking to local people and promoting general landmine caution.

Mr Sinarasa believes he is one of the 'luckier' landmine victims. He's managed to secure a low interest loan through an Australian-funded support scheme. With the money he has purchased a cow which has since produced a calf. With the income obtained from the milk, he's purchased some chickens and he now also sells the eggs. His loan will be fully repaid within two months. 'My life is alright now, I can manage, but only when all the landmines have been removed can we really begin to feel safe and get on with our lives,' he says.



A DIFFICULT LIFE

In a village not far from Jaffna, Kumaraseggaram Kankadevi scratches her living by breaking stones into gravel. Three years ago, soon after returning to her property, she accidentally picked up a landmine. She sustained injuries to her hand as well as damage to her ears and to one eye. The following year her husband died. Every week a physiotherapist from the Family Rehabilitation Centre in Jaffna

visits her, massages her hand and shows her techniques to help her regain her balance. She's pleased that enough strength has returned to her hand so she can resume work. 'I'm luckier than many,' she says. 'I didn't lose my leg or my arm.' She is optimistic for the future and for a lasting peace. 'So much has already been done to make our land safe. I don't think anyone wants the fighting to return.'

Photo: Peter Davis



MINE ACTION



FAR LEFT: Children learn the dangers of landmines at school as part of Mine Risk Education activities.

LEFT: De-miner in action.

Photos: Peter Davis

- » As one of the original signatories of the Ottawa Convention Australia is a leading contributor to international mine action, through mine clearance, mine awareness, victim assistance and stockpile destruction activities.
- » In the decade ending December 2005, Australia will have

provided more than \$100 million towards mine action activities.

- » Australia's funding supports the mine action work of Australian and international non-government organisations, National Mine Action Centres and by the United Nations.
- » Countries in the Asia-Pacific region, primarily Cambodia

and Laos, are among the world's most heavily mined. Other significant recipients of Australian aid for mine action include Afghanistan, Burma, Iraq, Mozambique, Sri Lanka and Vietnam.

- » Millions of landmines are still to be cleared. Landmines cause 15–20,000 casualties a year and have a significant impact on development. Large areas of formerly productive land are rendered unusable. This places a long-term burden on local communities that must care for victims and endure the loss of workers.

VOLUNTEERING

BRIGHTENING LIVES

SAMOA: Emma Beare from South Australia is back from Apia where she has been working at the Loto Taumafai Society for the Disabled. Drawing on her experience and skills as an occupational therapist, she's been training rehabilitation field workers. She's also been raising awareness about disabilities. This is her account.



Although Samoa is stable and secure, it's still a developing country and, until I came, it didn't have an early intervention therapy program for children with disabilities. It's in fact very difficult to become an occupational therapist in Samoa. There's no training available in-country or at the nearest university, which is the University of the South Pacific, based in Fiji.

I felt privileged and excited to be involved from the beginning

with the first ever early intervention therapy program in Samoa, and to be passing on my skills to six very competent field workers. I never had any doubt about their dedication or their ability to continue the program when I left.

Their training involved some basic human biology, muscle stretching techniques, hand skills and toy-making. I also taught them how to assess children's capacities and to talk to families

about the children's various conditions. For example, we spent a lot of time discussing beliefs and superstitions because many people in Samoa believe disabilities are a curse or a punishment from God. This is so entrenched that some people, wary of the public gaze, keep their children permanently inside. It was interesting and pleasing to see, once children began therapy and made progress, many families were much more relaxed about taking their children out with them.

The young clients in the early intervention program have a range of disabilities, including cerebral palsy which, in Samoa, is commonly linked to problems during labour or meningitis. Babies are often born at home which means they don't receive medical attention early enough or at all.

Some of the other children in the Loto Taumafai early intervention program have Down Syndrome, muscular dystrophy or intellectual disability. Parents learn about the program from doctors and nurses or by word of mouth.

Because money is not plentiful in Samoa, I had to be inventive with everyday materials. To make toys, for example, we used bamboo or cardboard rolls – a rattle might be a cardboard roll with a few bottle tops inside covered with paper. We also used layers of cardboard and paper mache to make special extra supportive chairs for children who found it hard to sit up – and it worked very well.

One of our great treats was taking the children to the ocean swimming pools so they could exercise and work on different

movements. It had wonderful benefits and we all loved it but it was a big undertaking. Not many of the parents have cars so we'd have to go around to everyone's home to collect each child.

It was always a bit of a challenge picking up children and making home visits. There are no street names, house numbers or telephone numbers in Samoa – and the roads are of variable quality. Sometimes there is no road at all. But the Samoans are very helpful and we almost always found our clients – in the end!

It was hard to leave the warm generous people of Samoa. When I reflect on my time – which I do often – I realise it was a privilege to be part of their lives. Together we really built something worthwhile. The early intervention program at Loto Taumafai Society continues to give young clients a better quality of life – and also, thanks to our efforts, the community has more understanding of people with disabilities.

Emma Beare went to Samoa as part of the Australian Youth Ambassadors for Development (AYAD) program. For more information contact www.aisaid.gov.au/youtham

Emma Beare with four-year-old Alo Kanu, who has cerebral palsy. The extra support he needs while he's in his wheelchair is fashioned out of cardboard. Photo: AusAID

EDUCATION



Maprik, East Sepik Province. Getting around Papua New Guinea is no easy feat. To travel from most provincial centres to remote schools literally takes days of travel by bus, boat and on foot. Such challenges explain why it's not a simple matter visiting schools to check teacher attendance. Photo: Rocky Roe

TEACHERS PAY

PAPUA NEW GUINEA: There are over 32,000 teachers working across the country, including in remote areas. Keeping track of their changes of circumstance is a daunting task – but it's vital for the payroll system.

Five years ago, the Government of Papua New Guinea was having difficulty paying teachers accurately and on time. Its administrative systems were outmoded and under stress trying to cope with a growing education sector.

The government decided it was time to devise a new payroll system.

Papua New Guinea's Department of Education invited

Australia to help manage the changeover. To date the process is going well. The new system is already making considerable gains in payroll management and is reducing the cost of education.

One of the many advantages of the new system is that it's easier to track teachers as they move from school to school. 'There were all sorts of troubles with the old system,' says AusAID officer Jane Lake. 'We knew

the information wasn't always accurate but under the old system we couldn't fix it.' In one province alone, an AusAID-funded survey found 333 teachers – 20 per cent of the province's teaching force – working in schools as unregistered staff.

Teachers often move and for all sorts of reasons. Some transfer without authorisation – others in remote areas, tired of not having adequate resources, decide to leave teaching altogether. But there's another group of people who enter false names on the payroll register. Their purpose is to collect teaching salaries fraudulently.

'As well as teachers moving and forgetting to tell us, there are also cases where provincial

officials enter false names on teachers' forms,' says Jane. 'These false names on the payroll register are "ghosts" – they're fictitious people!'

Paying 'ghost' teachers has been costing the government millions of kina each year. In just one year – 2004 – the new system, and the improved management it allows, has saved the Government of Papua New Guinea an estimated \$3 million.

The old system was very open to abuse but not so the new one which works on a 'no position no pay' basis. Over the last three years the incidence of incorrect or inappropriate payments has been drastically reduced. 'The new system has much tighter controls and checking mechanisms,' says Jane, 'so it's much easier to keep up with teacher movements and changes of circumstances. It's also much harder to cheat.'

The result is huge savings and a far more streamlined payroll system. Efficient administrative systems are important anywhere but especially in countries like Papua New Guinea which can ill afford to carry heavy and unnecessary cost burdens. **EJ**

GENDER

OUT AND ABOUT

EQUALITY MATTERS

International donors are working with fragile states to improve governance, public financial management and economic opportunities. Where else should they be looking?



What is not so obvious in fragile states – and is an area that receives much less attention – is the effect of gender disparities. Inequality for women has an adverse effect on growth and stability.

Most countries classified as fragile fall into the Medium-Low Human Index ranking in the United Nations Human Development Report. The lower the ranking, the greater the gender disparities – higher rates of illiteracy among adult women, lower female enrolments in primary and secondary school, high maternal mortality and markedly lower incomes for women.

A steady accumulation of evidence shows gender inequalities affect the ability to achieve overall development goals. The World Bank says the message is clear: ignoring gender disparities comes at great cost – to people's well-being and to countries' abilities to grow sustainably and to govern effectively.

A stable and relatively prosperous country that

successfully applies gender equality is Samoa. Among its Pacific neighbours, it's regarded as a leader in economic and public sector reform. It's interesting to observe that several positions of authority are held by women and they play an important role in managing the country. The head of the Treasury Department, the Public Service Commissioner, the Attorney General, the Minister for Education and the head of the Aid Coordinating Committee in the Prime Minister's Department are all women. Samoan women also run businesses.

A state is only as strong as its people. A strong state is one where there is a general feeling of well-being which includes all of its people. If a state ignores 50 per cent of its population, can it ever be anything but fragile? If it ignores the rights and welfare of half its population, it will only ever hobble along on one leg. It is inevitable that, at best, it will become exhausted and, at worst, it will topple over. Gender equality is necessary to achieve economic growth, efficiency and stability.

BO'D
ABOVE LEFT: Secretary of Samoa's Treasury, Ms Hinauri Petana.

ABOVE RIGHT: Head of Samoa's Public Service Commission, Dr Matagialofi Lua'iu'f'i-Moli. Photos: Peter Cotton

TSUNAMI DISPLAY

Australians are learning about the Government's response to the Indian Ocean tsunami through a new interactive display.

Unveiled at the Sydney Royal Easter Show, the display shows footage and images from affected areas. Interactive kiosks give more detailed information about reconstruction efforts just starting and which are set to continue for the next five years.

The AusAID tsunami display goes to the Royal Darwin Show in July 2005. In August it will go to the Royal Brisbane Show (EKKA).

Photos: Sonja Baran/AusAID



INTERNATIONAL ALERT SERIES

With World Vision in South Australia, AusAID is presenting a series of bi-monthly forums. They're on key international development issues involving and affecting the Australian community. The first forum, 'Beyond Tsunami', is on 19 July 2005 at Adelaide Town Hall. It's discussing how aid agencies and the Australian Government are working together to rehabilitate tsunami-affected regions.

POSITIVE.NEGATIVE

AusAID's *positive.negative* travelling photographic exhibition is in the Northern Territory. Compelling images from Papua New Guinea, Vietnam, Indonesia, Thailand and China show how Australia's overseas aid program is helping to fight HIV/AIDS in the Asia-Pacific region.

For more information see
<www.positivenegative.net.au>

POSITIVE.NEGATIVE TOURING PHOTOGRAPHIC EXHIBITION

NT Regional venues

Location	Venue	Date
Alice Springs	Yeperenye Shopping Centre	9–16 June 2005
Tennant Creek	Council Chambers	21–28 June 2005
Katherine	Council Art Gallery	4–11 July 2005
Jabiru	Town Council	13–19 July 2005
Darwin Show	Darwin Showground & Exhibition Centre	21–23 July 2005
Darwin	Library Theatre	28 July–4 August 2005

GLOBAL EDUCATION

www.globaleducation.edna.edu.au

NEW CLASSROOM RESOURCE

A new classroom resource is *The Tsunami Disaster – Australia Responds*. It is a joint AusAID and *The Canberra Times* 16-page colour education supplement.

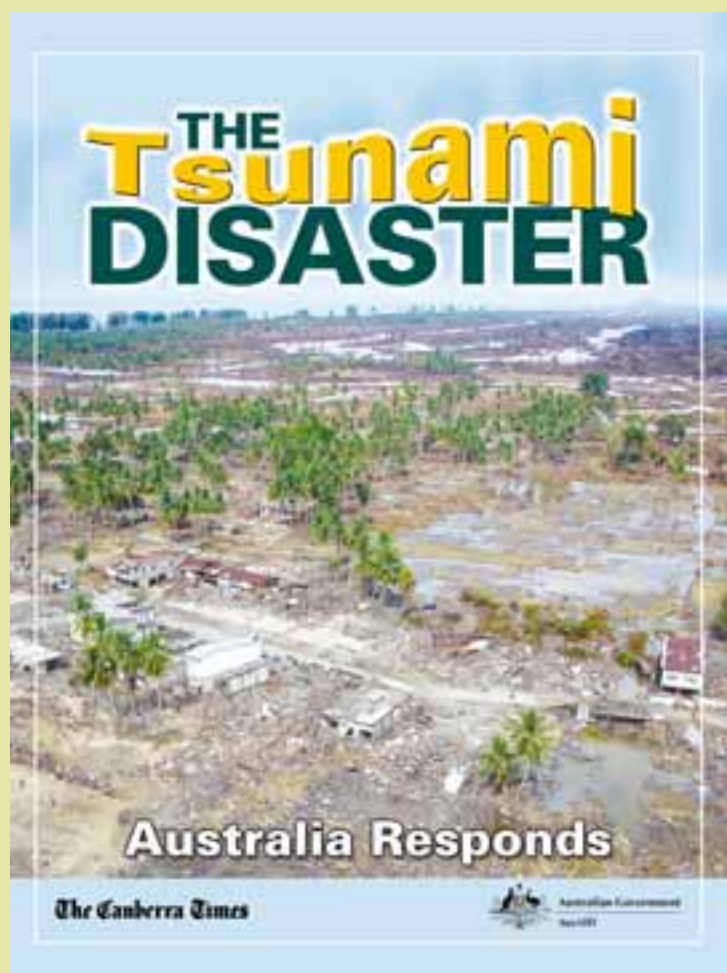
The resource includes a range of classroom activities and details the massive relief efforts to assist devastated communities.

Class sets of this publication may be obtained by emailing AusAID's Global Education Manager, Luigi Soccio, at luigi_soccio@ausaid.gov.au. Please provide a mailing address, and note there are limited copies available.

In addition, AusAID is launching a competition for schools around Australia which can best show how to reconstruct a tsunami-affected village and assist its community.

Below is a summary of the task, with more details on pages 14 and 15 of the education supplement which is available online at: www.globaleducation.edna.edu.au/globaled/page1805.html

For additional background information see www.ausaid.gov.au <www.ausaid.gov.au> <www.globaleducation.edna.edu.au>



HOW YOUR SCHOOL CAN WIN!

You are working for AusAID to help a tsunami-stricken village rebuild and gain hope for the future. There are only 1,200 of the previous 3,000 inhabitants left. The survivors have been given emergency food, packs of clothing, soap and towels and are temporarily housed in tents.

Your AusAID provided budget is A\$750,000.

Your objective: To provide assistance to reconstruct the village and achieve sustainable development for the community.

In groups of five prepare a plan to develop the village by achieving the objective.

Each member of the group will have one of the following roles:

- AusAID project officer
- Tsunami-affected country government official
- Child from the village
- Man from the village
- Woman from the village

Make sure you assist all members of the village and not just one group.

Requirements: Submit a project report. There is no restriction on format – it may be a written report or, for example, a video recording.

Entries will be assessed by a panel of AusAID staff with prizes awarded to two primary and two secondary schools.

Please submit entries to:
Luigi Soccio
Manager
Global Education Program
AusAID
GPO Box 887
Canberra
ACT 2601

Closing date: 26 August 2005



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