

AusAID produces a range of publications and visual materials on aid and development issues. These are available from:

Bibliotech

GPO Box 4
Canberra ACT 2601
Telephone (02) 6249 2479
Fax (02) 6257 5088
Email Jenny.Morris@aplemail.anu.edu.au

AusAID'S STATE OFFICES

AusAID's state offices manage the Agency's overseas student program. They can also help with general inquiries. For further information contact the office in your state or territory.

Queensland

5th floor, Anzac House
232 Adelaide Street
Brisbane QLD 4000
Telephone (07) 3864 8263

Victoria

Level 14, Casseldon Place
2 Lonsdale Street
Melbourne VIC 3000
Telephone (03) 9221 5599

New South Wales

2nd floor, Sydney Central
477 Pitt Street
Sydney NSW 2000
Telephone (02) 9379 8888

Western Australia

Level 6, The Griffin Centre
28 The Esplanade
Perth WA 6000
Telephone (08) 9231 4400

South Australia

8th floor,
Commonwealth Centre
55 Currie Street
Adelaide SA 5000
Telephone (08) 8237 6911

PRINT POST APPROVED
PP 255003/00209



Focus



AUSTRALIAN AGENCY FOR INTERNATIONAL DEVELOPMENT

MARCH 1998



- INCORPORATING BUSINESS NEWS
- AFTER THE RAIN IN PAPUA NEW GUINEA
- TIMBER SUCCESS IN TANZANIA
- THE END OF ACPAC

Contents

IN FOCUS	2
NEWSBRIEFS	2
TAKING THE AID PROGRAM TO THE PEOPLE	3
PNG DROUGHT: AFTER THE RAINS	7
REHABILITATING A COMMUNITY	11
CORPORATE CHANGES EMPHASISE QUALITY	13
KWIMBA: a model of community involvement	14
NEW LIFE FOR LAO VILLAGER	18
THE END OF AN INSTITUTION	20
DEVELOPMENT STATISTICS - DAC cries OOF as OGD hits ODA	23
BUSINESS NEWS	26
DEVELOPMENT ISSUES BRIEF - DAC reviews partnerships gains, sets priorities for 1998	31

Focus is published quarterly by AusAID (the Australian Agency for International Development). It aims to make Australia's overseas aid program more widely known and to encourage discussion on development issues. The views expressed are not necessarily those of AusAID or the Australian Government, nor do the boundaries and names shown on maps imply official endorsement by the Government. Articles and photographs may be reproduced with permission from The Director, AusAID Public Affairs, telephone (02) 6206 4960.

Contributions are welcome and should be sent to The Editor, Focus, GPO Box 887, Canberra ACT 2601. Telephone: (02) 6206 4693. Fax: (02) 6206 4695.

Manuscripts should be typewritten and double spaced, using only one side of the paper. Whenever possible, a copy on disk should also be supplied. Your name, address and contact telephone number must be included. Colour transparencies are preferred, and you should retain duplicates of both text and illustrative material, including pictures. AusAID does not accept responsibility for damage to, or loss of, material submitted for publication. Allow several weeks for acceptance or return.

*Coordinated and prepared by AusAID Public Affairs
Consulting Editor: Bill Goff, Communication Partners, Canberra*

OTHER CONTRIBUTORS:

*Andrea McLaughlin
Anthea Webb
Max Fish
Robert Simms
Deborah Cameron*

*Design and art production:
design ONE Solutions
Colour separations and printing:
Paragon Printers
Focus is printed on recycled paper.*

ISSN 0819-9973

Cover photo: Interested onlookers as Australian supplies are unloaded in the PNG highlands.





Welcome to the first Focus for 1998. Last year was a year of review for AusAID. This year will see us implementing the changes detailed in the Minister for Foreign Affairs, the Hon Alexander Downer MP's statement to Parliament, *Better Aid for a Better Future*. Poverty alleviation, as one of the most important economic and social issues facing the planet today, provides the framework for the Minister's direction for Australian aid. The Minister announced one clear objective for the aid program 'to

advance Australia's national interest by assisting developing countries to reduce poverty and to achieve sustainable development'.

To achieve this objective, a priority will be reviewing our country strategies with all our major partners. Equally important will be ensuring a strategic approach with humanitarian programs, multilateral organisations (such as the Development Banks and United Nations organisations) and non-government development organisations.

These, and other, changes will see a more professional Australian aid program to developing countries from the planning and implementation stages through to evaluation.

More immediate challenges include developments in Indonesia brought about by the economic crisis. Ensuring food security is one major issue; Indonesia also has the added long-term challenge of getting its economy back

on track. Australia has been very active in assisting Indonesia – assistance which includes our participation in the IMF package, guarantees we've given for exports to Indonesia, and through the aid program.

With clear priorities, a more targeted practical approach and with the ability to respond quickly to urgent needs and development trends, I believe we are in a strong position to work in partnership with developing countries to reduce poverty and achieve sustainable development.

Another smaller change in AusAID will be the incorporation of the Business News into Focus. My aim in doing this is to place business carried out in the development field within a broader Australian aid perspective.

Trevor Kanaley

NEWS BRIEFS

EMERGENCY DROUGHT AID FOR INDONESIA

The Minister for Foreign Affairs, Alexander Downer, has announced details of the \$4 million worth of emergency relief to be delivered by non-government organisations in eastern Indonesia.

The NGO projects are part of the Australian Government's \$5.5 million relief package for tens of thousands of drought-stricken families in the Indonesian archipelago. Short details are as follows.

- CARE Australia – \$967,483 to distribute food to people in Sikka and Ende Districts on the island of Flores, in return for work on community development projects.
- Plan International Australia – \$333,307 to distribute food in South Sulawesi and Nusa Tenggara Timur, where possible in return for work. Community health posts in these areas and in Nusa Tenggara Barat will receive medicines to control water-borne diseases.
- UNICEF Australia – \$1 million to expand an emergency infant food relief program from Java to the eastern islands. The aim is to provide high-nutrition cereal supplements to more than 90,000 children aged six to twelve months over the next three months.
- World Vision Australia – \$999,461 to open supplementary feeding centres for people suffering from malnutrition in East Sumba. Another 35,000 people will receive food rations in return for work, mainly on irrigation and environmental projects.
- Christian Children's Fund of Australia – \$639,050 to provide food in return for work in eastern Indonesia.

From News Release AA20 dated 17 March 1998.



The Hon. Kathy Sullivan MP with Mr Patilhai Pitil, Education Attaché of the Papua New Guinea Consulate General, at the Brisbane AusAID seminar.

TAKING THE AID PROGRAM ...TO THE PEOPLE

The Parliamentary Secretary for Foreign Affairs, Kathy Sullivan, is taking Australia's revitalised aid program directly to Australians across the country. Mrs Sullivan has a special responsibility to assist the Minister for Foreign Affairs, Alexander Downer, with the overseas aid program.

As part of the Government's commitment to better inform Australians about their aid program, Mrs Sullivan visited six cities in January and early February to host a series of AusAID community outreach seminars.

More than 700 business people, members of non-government aid organisations, representatives of Church, ethnic and women's groups and Federal, State and Territory Members of Parliament attended the seminars. They took place in Brisbane, Townsville, Darwin, Perth, Adelaide and

Hobart. Similar seminars were held in Sydney and Melbourne last year, and plans are under way to hold more in regional centres this year.

Mrs Sullivan is keen to talk face to face with Australians about the aid program and to increase the community's understanding of aid and development.

The outreach seminars allow participants to question and inquire about the direction and focus of the aid program, while meeting people involved in its implementation. They also encourage the exchange of experiences and ideas among people with a shared interest in overseas development co-operation.

Mrs Sullivan told the seminars she had witnessed first hand the negative impact of poverty in developing countries.

"I have also seen examples of development successes, which have convinced me that aid works," she said. "These experiences have given me great pride in being Australian and taking part in Australia's aid program."

ROLE OF BUSINESS, NGOs EMPHASISED

Mrs Sullivan told the seminars the Australian Government highly valued the role of NGOs, particularly their ability to tap community contributions to their work and to encourage the personal involvement of many Australians in delivering aid.

"NGOs make vital contributions where government-to-government assistance is either not possible or not practical," Mrs Sullivan said.

Some seminars have been complemented by "Access AusAID" presentations which explain how AusAID spends its \$1.4 billion annual budget, and identify opportunities for business participation in the Australian aid program.

Recognising that Australia has a high level of expertise to offer developing nations in the region, AusAID is seeking to broaden its contractor base by encouraging the participation of new participants in the aid program. This is in keeping with the Howard Government's

policy on maximising opportunities for small to medium sized enterprises.

AusAID is also facilitating wider business participation by providing information on its tender processes and early warnings of tender opportunities through its Internet site at www.ausaid.gov.au (see also Business News on p.26).

Mrs Sullivan reminded business representatives that the focus of the aid program is to help the poor in developing countries.

"It is a very welcome fact that 75 per cent of the aid program is delivered by Australian companies," she said. "While AusAID is doing what it can to inform companies about its activities, it is also incumbent on companies themselves to seek out the opportunities the program offers."

Representatives from a number of development education centres in Australia also attended the seminars, which complement AusAID's development education program for schools. AusAID funds four Global Education Centres in Australia (see box), each of which delivers professional development for teachers in aid and development issues.

The involvement of local Members of Parliament in the seminars was most welcome. It is hoped that their increased awareness of the aid program will see more information disseminated to interested communities around the nation. With a stronger understanding of the aid program MPs will also be in a better position to recognise the opportunities it can provide for local constituents, and to assist those already involved.

AUSAID-FUNDED GLOBAL EDUCATION CENTRES

One World Centre
1st Floor
99 Hay Street
Subiaco WA 6008
Ph: 08 9388 2508
Fax: 08 9388 2115

Global Education Centre
1st Floor
Torrens Building
220 Victoria Square
Adelaide SA 5000
Ph: 08 8221 6744
Fax: 08 8221 6755

TASDEC Global
Education Centre
4 Battery Square
Hobart Tas. 7004
Ph: 03 6223 1025
Fax: 03 6224 8041

Global Learning Centre
102 McDonald Road
Windsor Qld 4030
Ph: 07 3857
Fax: 07 3857 2173

AusAID's Global Education Website:
<http://globaled.ausaid.gov.au>

NEWS BRIEFS

TECHNICAL HELP FOR INDONESIA IN CRISIS

Australian expert advisers will help the Indonesian National Development Planning Board (BAPPENAS) to develop new employment sector strategies and design a regional development strategy for the province of Irian Jaya.

The technical assistance is part of a new package for Indonesia announced on 26 January by the Minister for Foreign Affairs, Alexander Downer. Complementing Australia's earlier pledge of \$1 billion to the IMF's Indonesian 'rescue package' the new measures focus particularly on the impact of the country's economic crisis on Indonesia's poor.

Other elements in the package include:

- a further \$2 million to the International Committee of the Red Cross for drought relief in Irian Jaya (following a \$1.3 million contribution in late 1997);
- up to three Australian consultants in the World Bank's Public Expenditure Review for Indonesia; and
- work with Indonesian agencies to set up a longer term Advisory Services Facility, with Australian experts helping BAPPENAS and other agencies with economic and social reform programs, including strengthening key elements of economic governance such as the banking and financial system.

Announcing the new package, Mr Downer said Indonesia was a close friend and neighbour.

"It is a friend in need and this package continues a long Australian record of extending a helping hand when our neighbour experiences hardship," Mr Downer said.

(From News Release AA03B, dated 26 January 1998.)

AUSTRALIAN SUPPORT FOR REFUGEES

This year's general contribution by the Australian Government to the United Nations High Commission for Refugees is \$13.5 million.

The contribution was announced on 4 February, after the Minister for Foreign Affairs, Alexander Downer, met the UN High Commissioner for Refugees, Mrs Ogota.

The Minister also announced Australian Government funding of \$2.7 million to the United Nations Relief and Works Agency for work with Palestinian refugees in the Middle East, and a general grant of \$700,000 to the International Committee of the Red Cross.

From News Release AA04 dated 4 February 1998.

\$12 M. TO IMPROVE MATERNAL HEALTH

Australia will provide \$12 million to help Indonesia improve its maternal health services in areas where they are most needed.

The Parliamentary Secretary to the Minister for Foreign Affairs, Kathy Sullivan, announced the Australian funding during her visit to Indonesia in February.

The money will allow UNICEF's Safer Motherhood Program to expand into remote areas of Indonesia, including West Java, Maluku and Irian Jaya.

"In these areas the problem is more acute, as geographic isolation and poverty makes it hard for women to access health services," Mrs Sullivan said.

Mrs Sullivan cited sombre statistics showing that of the 21,000 Indonesian women who die in childbirth each year, 6,000 die in West Java alone.

The Safer Motherhood Program has operated successfully in other parts of Indonesia since 1995. It aims to reduce maternal morbidity by improving the quality of maternal and neonatal health services, supporting village midwives and traditional birth attendants, and helping identify problems during early pregnancy.

The maternal health initiative is the latest of several AusAID programs designed to help improve the health of women and children in Eastern Indonesia.

(From New Release AA08 dated 16 February 1998.)

EMERGENCY AID FOR EARTHQUAKE VICTIMS

Australia joined several other countries in giving emergency aid for the victims of the devastating earthquake in China's Hebei Province on 10 January.

The earthquake left tens of thousands of homeless villagers trying to survive extreme mid-winter temperatures in basic shelter such as tents.

The Australian contribution of \$75,000 went to the UN Development Programme, which coordinated the emergency relief program. It was used for the most urgent needs such as the purchase of shelter and clothing.

From News Release AA02 dated 16 January 1998

NEWS BRIEFS

HIGHER EDUCATION LINKS BUILT WITH SOUTH AFRICA

The second round of higher education projects under the Australia-South Africa Institutional Links Program has been announced.

AusAID will provide \$1.65 million to fund the projects, all of which will contribute to the social and economic reconstruction goals of the South African Government.

The selected projects promote community development and institutional strengthening in a number of fields, including primary health care, environmental education and research, teaching and learning skills, youth workers and women in management.

As an example, one project will see the University of South Australia and the University of Fort Hare upgrade the skills of teachers and teacher educators to help them cope with large classes in poor conditions. Fort Hare is in Eastern Cape Province, where 40 per cent of primary school teachers are presently unqualified.

From News Release AA77 dated 15 December 1997.

AUSAID RESPONDS TO NEW FOOD EMERGENCY IN EAST AFRICA

The combined effects of drought and floods saw the food security position in East Africa become precarious towards the end of 1997. Australia is responding with a \$7 million contribution to World Food Programme work in three of the worst-hit countries.

In Kenya, the worst flooding in decades has affected an estimated 300,000 people, including many in the North East who had already been hit by a year-long drought before the floods came.

In drought-affected Ethiopia, UN estimates suggest that recent crop failures will mean that more than five million people will need food aid during 1998.

And in Sudan, the WFP is conducting emergency operations to help internally displaced people and those affected by both drought and conflict in the southern part of the country.

The AusAID contribution to the WFP work, announced by the Minister for Foreign Affairs, Alexander Downer, on 22 January, directs \$1 million to Kenya, \$4 million to Ethiopia and \$2 million to Sudan.

From News Release AA03A dated 22 January 1998.

WORKFORCE TRAINING PACKAGE TO REMOVE OBSTACLE TO GROWTH

Australia has committed \$37 million to a five-year Indonesian workforce training initiative, one of the biggest aid programs ever undertaken by Australia in Indonesia.

The Parliamentary Secretary to the Minister for Foreign Affairs, Kathy Sullivan, was at the Australian Embassy in Jakarta on 16 February to witness the signing of a Memorandum of Understanding between the two countries initiating the program.

The Indonesia Australia Partnership for Skills Development Program will help Indonesia train more highly qualified technical staff and the professionals so necessary for Indonesia's development. It will concentrate much of its effort in Eastern Indonesia, including Irian Jaya and East Timor.

Mrs Sullivan said the program would target workers in several sectors including tourism and hospitality, high-value textiles and small-scale ceramics.

"The present lack of adequately skilled workers poses a major development obstacle for Indonesia," Mrs Sullivan said.

There are a number of Indonesian partners in the program, including the Ministries of Education and Culture, Manpower, and Trade, and the National Vocational Education Council.

(From News Release AA09 dated 16 February 1998.)

DISASTER MANAGER HELPS IN SOLOMON ISLANDS DROUGHT

An AusAID-funded disaster management expert flew to Honiara in December to help the Solomon Islands Government deal with the worsening drought in that country.

The Australian response came as the Solomon Islands Government declared the island of Bellona a disaster area, and the effects of the drought became increasingly apparent on other Islands.

The Australian expert, Mr Joe Barr, worked with the Solomon Islands national Disaster Council to prepare for drought assessments in selected parts of the country.

The Australian Government also bought rice, water containers, hand pumps and vegetable seeds for use on Bellona Island. All goods were purchased in the Solomon Islands.

From News Release AA76 dated 12 December 1997.

PNG DROUGHT:



Food was still arriving for the villagers of Erume in January. The village has been relying on AusAID food aid since October last year.

AFTER THE RAINS

BY ANDREA MCLAUGHLIN AND ANTHEA WEBB

Australia is continuing its biggest ever emergency food lift into drought-stricken Papua New Guinea. It is by far the biggest and most complex relief operation ever attempted by the Australian aid program and the first time AusAID has managed such a long-running crisis response.

Rains have now fallen over much of Papua New Guinea, bringing great joy and relief. The worst of the drought is over. Emergency work will continue at least until April, with Australia continuing to deliver food to remaining pockets of severe hunger. However AusAID is now focussing more on helping the country recover from what could well have been a major humanitarian disaster on Australia's doorstep.

THE SCALE OF THE DISASTER

At the height of Papua New Guinea's most severe drought for 100 years, more than a million people faced food and water shortages. By the end of 1997 more than 40 per cent of PNG's rural population were estimated to have little or no food left and were surviving on what they could forage in the forests or on food aid.

In some places, little or no rain had fallen since January 1997. Almost 50,000 people had insufficient drinking water, and much of what they had was already contaminated.

The drought not only threatened this season's food crops. Severe frosts, associated with the El Nino climatic effect which caused the drought, and fires destroyed much

of the planting material needed for next season. Other plants which would ordinarily have been set aside for replanting were eaten in desperation. Only very small amounts of planting material survived

Although few deaths have been attributed directly to the drought, months without sufficient food and drinking water have taken their toll on villagers. People are suffering from diarrhoea as a result of eating bush leaves and drinking contaminated water. Others have severe malaria.

The low death toll is largely due to the resilience and initiative of the people of Papua New Guinea, who have sought other ways to feed their families: foraging in the forest, trading, activating extended family networks. It is also thanks to



AusAID drought relief coordinators Phil Stencbion (left) Allison Sudradjat and Gabriel Tuan explain the latest PNG operations

the relief efforts of the PNG and Australian governments, who worked together to provide food to the people most in need before it was too late.

SWIFT RELIEF SAVES LIVES

In September 1997, the Government of PNG asked Australia to help assess the impact of the drought and prioritise relief needs. Two Australians with long experience in PNG gathered teams to survey the country.

Their report identified the areas worst affected by food shortages, and became the basis of the relief plan drawn up by the PNG National Disaster and Emergency Service (NDES).

Once aware of the scope of the problem, the PNG Government requested Australia's help in feeding the most vulnerable people — those with no food at all left in their gardens, and who were accessible only by air. They represented around ten per cent of all people needing emergency assistance.

In October, AusAID, with the help of the Australian Defence Force, began a massive relief operation. Fixed wing aircraft and helicopters are being used to carry thousands of tonnes of food to drought-stricken and isolated areas. In December alone, Australia provided 596 tonnes of food to villagers in remote areas.

Villagers receive eight kilograms of rice, two kilograms of flour and one litre of oil per person, per month. AusAID closely monitors the distribution, ensuring that food is distributed fairly, showing distribution committees how to keep records, reporting back serious problems with health or water and making sure that the places being reached are those most in need.

The substantial rains that have now fallen across much of PNG have allowed thousands of people to replant their crops. As self-sufficiency is re-established, communities which have enough food to survive, and enough planting material to fully re-establish their gardens, will no longer receive Australian food aid.

Estimates of the number of people Australia needed to feed in March

dropped to 45,000 and it is anticipated that ADF food relief flights will not be necessary after April.

AFTER THE RAINS: FROM RELIEF TO RECOVERY

From the beginning, AusAID has had its eye not only on the immediate need for food relief in PNG, but on ways to enable the people to recover self-sufficiency as soon as possible.

Both the PNG government and AusAID are determined to discourage dependency on aid — the so-called “handout mentality” — so they have looked for ways to get people eating food grown in their own gardens as soon as possible.

Such initiatives are a major part of Australia's \$1 million post-drought rehabilitation program.

AusAID, working with the PNG Department of Agriculture and Livestock and the Fresh Produce Development Company, is providing up to 400 tonnes of plants and seeds of fast-growing food crops to boost local replanting efforts in areas that have had enough rain to plant.

The varieties chosen are seed potatoes, maize and assorted vegetables. These crops are already familiar to villagers and grow much faster than the traditional sweet potato and sago crops. They will reduce the length of time people are forced to rely on handouts. Beans, for example, are ready in just 45 days, compared with sweet potato, which takes up to 12 months to mature in highland areas.

Many of the villages getting these materials are still in the grip of hunger despite the rain, and there is a risk that seed potatoes will be eaten instead of planted. (The

potatoes for planting are impregnated with pesticides that ensure their growth, but which may be dangerous if eaten.)

To deal with this problem, officers from the Department of Agriculture and Livestock and the Fresh Produce Development Company accompany each delivery of planting materials to explain to the people its use. They also provide written agricultural extension material where appropriate.

Provincial radio stations are also broadcasting messages explaining the purpose of the planting material, and the best farming methods to ensure their success. The most important message for farmers is not to abandon planting of their traditional crops. These new crops are intended to supplement, not replace, traditional foods.

The crisis has heightened farmers' awareness of their vulnerability to drought, making this a good moment to introduce more sustainable farming methods. Some effective traditional irrigation methods already exist in some parts of PNG, and AusAID is investigating ways to develop more village-level initiatives for crop irrigation.



Seed potatoes arriving in the highlands after the rain.

FROM CRISIS TO DEVELOPMENT: THE LONG-TERM BENEFITS

Much of the assistance Australia is providing will have long-term development benefits, reducing PNG's vulnerability to drought and ensuring it is better prepared to deal with other emergencies.

The experience gained in responding to this large-scale disaster will enable the PNG

authorities to be better prepared for any future crises. The technical advice provided to government departments will, in many cases, help improve their day-to-day efficiency. As well, many of the drought relief and rehabilitation activities complement work AusAID is already doing or planning in PNG.

Water

The impact of the drought has been magnified by rural Papua New Guineans' reliance on rainfall for water. Had other sources been available, such as wells or irrigation, the drought would not have affected so many people, so quickly. In the capital Port Moresby, for instance, people, businesses and government authorities have all experienced daily power cuts due to low water levels in the dam producing hydro-electricity.

On top at last! The people of East Sepik show their pleasure after unloading some airlifted supplies.



AusAID has sponsored two water experts to provide coordination in the water sector. Responsibility for water is divided between a number of agencies and it remains an important task to ensure that the relevant agencies take appropriate actions in their areas of responsibility.

The eventual aim is to muster government and donor resources to identify and implement appropriate water solutions. These projects when completed will provide more secure access to water for many villages in rural PNG. More crops can be grown and health and hygiene will improve. Women, whose traditional role is to fetch water, will especially benefit from water sources closer to home.

Health

AusAID was already looking at a proposal to send a disease control expert to PNG when the Department of Health requested emergency assistance in the drought.

AusAID promptly sent an epidemiologist to help the Department prevent, identify and respond to outbreaks of drought-related disease. Little information was available on the communicable diseases being caused by the lack of food and water, so the first task was to visit a selection of aid posts and provincial health authorities to gather data.

Then, together with the Department of Health, the epidemiologist designed rapid response procedures to ensure speedy and efficient prevention and treatment measures are put into place if an outbreak of disease occurs.

The techniques learned by local medical staff will be helpful in many other situations, including in the aftermath of other disasters. With

several months' experience in the field, the epidemiologist himself will also help define the tasks for a longer-term disease control adviser to the PNG Department of Health.

Disaster relief

Unfortunately, natural disasters are not uncommon in PNG.

Volcanoes, cyclones and other such disasters are a feature of the country's geography and weather.

AusAID has invested a great deal in helping PNG's NDES develop its capacity to respond effectively to emergencies.

AusAID provided expert advice and equipment to help the NDES coordinate the current drought relief efforts. The experience gained in coordinating such a massive relief effort will help PNG to be better prepared to respond to future disasters.

FLYING FOOD TO SOME OF THE MOST REMOTE PLACES ON EARTH



Delivering urgently needed food to some of the most remote locations in Papua New Guinea was a real logistical challenge for the government of PNG and AusAID.

PNG's geography is rugged and inhospitable. High mountains and great rivers separate villages. Its people are diverse and often isolated. More than 10 per cent of the population is accessible only by air.

AusAID, with the Australian and PNG Defence Forces, had to overcome many obstacles to get the relief to these places. Airstrips had to be checked to make sure they were safe for heavy-lift aircraft to land. Helicopters had to fly up steep

No place for the faint-hearted pilot. The airstrip at Ononge is one of the most precarious of PNG's many notoriously challenging mountain-top landing places

valleys to land at villages more than 2,000 metres above sea level.

In the first months, smoke from forest fires limited visibility and made flying extra dangerous. Ironically, so did the rain when it came. Violent thunderstorms and lightning strikes seriously hamper air operations, so while food is still needed it is now even more difficult to deliver. But such challenges have not stopped AusAID and ADF from getting emergency aid through to those most in need.

REHABILITATING A COMMUNITY



BY ANDREA MCCLAUGHLIN

Seven-year-old Susan Hegg lies quietly in the corner of a small mission clinic at Ononge in the highlands of Papua New Guinea, her eyes rolling intermittently back in her head. She is severely anaemic and is waiting for a plane to take her to hospital in Port Moresby for treatment.

Her father Alphonse and mother Anna hover nearby, brushing away flies. They carried their daughter here on their backs from a tiny hamlet on a neighbouring mountain. According to mission

nurse, Pascalín Kort, the child's condition is due to poor hygiene and poor nutrition as a result of the PNG drought.

"People have not had enough to eat and their personal hygiene is bad. This is why they are getting sick," she says.

According to Kort, 23 people, mainly old people and children, died at Ononge in January from a range of diseases endemic throughout PNG, including dysentery, malaria, TB and anaemia. It's not clear how directly

Susan Hegg waits with her father Alphonse to be flown to Port Moresby.

any of these deaths were related to the drought, but according to the nurse, the death rate is not usually so high. "There has been more sickness, since the drought," she says. "Our hospital was full last month. Most die in the villages. Or when they are in the late stages they come here to the clinic."

Ononge sits high on a ridge in the steep mountains of Central Province. It is three days walk to

FOCUS

||



Villager Sevens Hav: pleased to have Australian seed potatoes to plant at Ononge.

the nearest passable road and the main communication link is by small plane. Planes land uphill on the tiny, dog-legged landing strip. The runway has a seven per cent gradient, with sheer hills dropping away hundreds of feet on either side.

Because it has been badly hit by the drought and because it is accessible only by air, Ononge has been receiving plane loads of Australian food aid since last October. Before this, many people were surviving on local nuts (pandanus) and risking dysentery and worse from eating leaves and plants from the bush around them. There is no doubt the food aid has kept many of them alive.

Rain began to fall in Ononge late last year, allowing farmers to begin re-planting their gardens. Some vegetables are now coming up, but staples such as sweet potato (kau kau) and taro will take many more months to mature.

“Before the Australian supplies came we were living on green leaves and pandanus,” says Alphonse Hegg. “Now we have rice and make flour cakes. Once the rains came, we planted. Now we have cucumber, pumpkin tops and beans. Kau kau is in the ground. But it’s not ready yet.”

To alleviate the shortage of carbohydrate and lessen dependence on food aid, Australia is also sending fast growing seed potatoes to Ononge. Once planted, these will be ready to eat in 3 months, providing a bridging food until traditional crops are ready.

The drought is only one in a series of disasters to strike this community. Cyclone Justin swept through in March last year, knocking down crops, houses and the Catholic church.

Today, the church is still not rebuilt and the local priest says mass from the balcony of the community centre while his parishioners sit outside in the hot highlands sun.

Down at the airstrip, the bags of Australian flour and oil awaiting distribution are being watched over by local men. One of them, 45-year-old Sevens Hav, stands



Ononge mission nurse Pascaline Kort checks the progress of crops planted since the rains came.

proudly beside the food supply, a 3-foot gardening machete in his hand. With an incongruous green woollen cardigan buttoned to the neck, he has few teeth left and those that he has are stained with bettlenut.

“I have pumpkin leaves, cucumber, watermelon,” he says when asked about what is ready to eat in his garden. “But my kau kau will take many months to be ready.”

His eyes light up when told that fast growing seed potatoes will soon be arriving. “We need them,” he says. “It is good to plant them here.”

Community representative Epi Koga is one of the people charged with making sure Australian food aid is fairly distributed. His garden lies not far from the airstrip, protected from pigs and other pests by a shaky stick fence. While there is a range of vegetables growing - corn, sugarcane, potatoes, kau kau, and some taro - it looks patchy, limp and dry.

Australian seed potatoes will boost gardens like Epi’s, helping Ononge regain self-sufficiency after one of the worst disasters ever to strike the people of Papua New Guinea

CORPORATE CHANGES EMPHASISE QUALITY

AusAID has completed an internal restructuring which will equip the organisation to meet the imperatives of the Australian Government's new approach to development co-operation.

A highlight of the new organisational structure is its emphasis on aid quality. The achievement of excellence through the whole continuum, from policy to aid delivery and evaluation, will be the major focus of a new AusAID Division to be known as the Program Quality Group (PQG).

In addition, a Program Quality and Audit Committee is one of three new Executive Committees established to provide a sharper focus for change and improvement across the agency and throughout Australia's aid program.

The other Executive Committees in this high level restructuring are a Country Strategies Committee and a Corporate Change and Development Committee.

The Country Strategies Committee will be responsible for the strategic direction of AusAID's country operations and oversee the evolution of the country strategies which form the basis of our partnerships with developing countries. The strategies will consider Australia's aid program in the broader context of countries' own development efforts, and take into account the roles of other aid donors.

The Corporate Change and Development Committee will, as its name implies, concentrate more on internal AusAID matters, with a focus on efficiency and innovation,

ensuring that AusAID has the right skills and systems to manage the aid program with excellence..

The Program Quality and Audit Committee will review project and program monitoring, the operation of the project cycle, contracting matters and project completion reports. It will be responsible for the Agency's evaluation processes and will oversee project development and implementation and program and project interventions.

Importantly, the committee will use these pivotal functions to provide feedback to the whole Agency and to stakeholders on best practice and lessons learnt.

These three committees sit just below the Executive in the Agency's corporate leadership hierarchy. They will have important decision-making roles, and will canvas a broad range of ideas both within and outside AusAID.

The committees, together with the establishment of the PQG and greater use of staff officers in cross-agency teams, will yield improved integration of AusAID's functions, and higher quality information flows.

The PQG, headed by a Deputy Director General, will consist of three elements which AusAID believes will play a major role in the new, more targeted aid strategy. The three elements, and a short summary of their functions, are as follows.

An Office of Program Review and Evaluation will enhance AusAID's ability to evaluate the strengths and weaknesses of our activities, and thus improve our

systems and processes as well as aid outcomes. It will centralise key quality assessment functions such as performance information and assessment, audit, statistics and Activity Management Systems.

A **Contract Services Group** will help to achieve quality delivery of the aid program through a sharper focus on contracting, which of course is a core function of the Agency.

Five **Sector Groups** will strengthen our head office resources of sectoral expertise, leading to improved sectoral policy, activity design and appraisal. One group will deal with the new "priority sector" of Governance, while the others will cover the long-standing AusAID priorities of Health, Rural Development, Gender and Education, and Infrastructure and Environment.

The PQG will operate like an external service consultancy to the rest of the organisation, except that its position within the Agency will enable it to maintain closer links with its "clients".

Many other internal reforms, including devolution of functions, greater staff involvement in decision-making and a strong emphasis on staff performance management, are included in the organisational changes.

The creation of the PQG, and other policy factors, have brought about some changes in the names and structure of other divisions within the Agency. For the convenience of readers we have produced as a lift-out in this issue of *Focus* a copy of AusAID's new organisation chart.

KWIMBA:

a model of community involvement

“The Kwimba Reforestation Project arguably represents the largest and most successful NGO community forestry project ever funded by AusAID.”

That is the view of an evaluation team which visited the African Enterprise Village Reforestation Replication Project in the Kwimba District of Tanzania late last year.

The evaluation team, led by Mr Doug Boland, a forestry specialist with CSIRO Forestry and Forest Products, declared the Kwimba Reforestation Project (KRP) a ‘major success story’ which deserved wide publicity nationally and internationally.

In 1990, AusAID through the SANGOP program funded a five-year reforestation project in 20 villages of the Kwimba District. Before that project’s completion, African Enterprise successfully applied for an extension to replicate the project in another 20 villages in the same district for a further five years (1993 to 1998). Phase 1 was



completed in September 1995 and Phase 2 is due to be completed by June 1998.

More than six million multi-purpose trees will have been planted by that time, with survival rates varying from about 75 per cent in drought years to 90 per cent in good years.

Beyond those significant raw figures, the project has made good progress in motivating beneficiary communities to plant and care for trees, to build and use improved fuel stoves, and to establish community and school tree nurseries.

The flat, semi-arid landscape of the Kwimba district was a challenge for reforestation

These long-term benefits have arisen from the full participation of the people themselves, an element deliberately and carefully encouraged by the project staff.

To understand the significance of those benefits it is probably best to start from the beginning, with a brief description of the situation faced by the people of the Kwimba region when African Enterprise first approached AIDAB for support almost ten years ago.



A private planting of eucalypts, maturing rapidly near the Ngudu to Ibindo Road.

members, of whom about 300,000 live in the area covered by the KRP. The tribe maintains strong traditional beliefs and cultural practices, and the socio-economic status of women is still very inferior to that of men.

According to Tanzanian Bureau of Statistics figures, the average farm size is 1.2 hectares, households have an average 6.4 residents, and the population density is more than 250 people per square kilometre. The area is one of the poorest in Tanzania.

THE STARTING POINT

Kwimba is a densely populated rural district extending south from the southern shore of Lake Victoria. Its climate typically produces a two-part wet season, with about two months of “short” rains in November-December followed by “long” rains for three months from February to April.

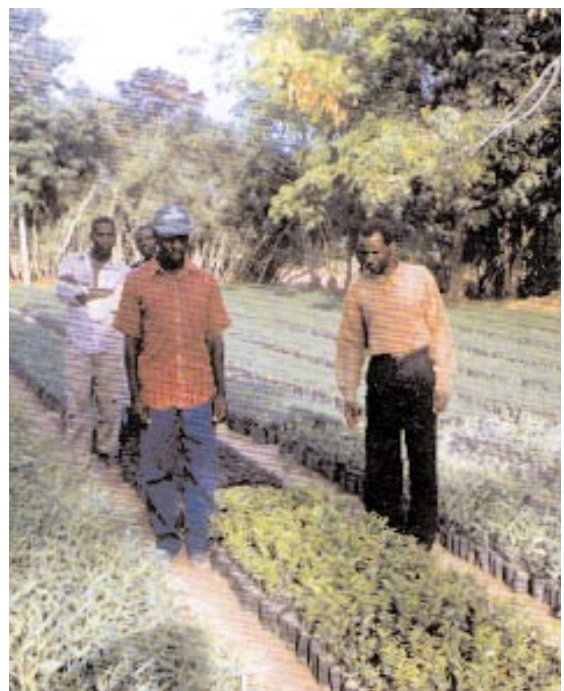
These wet seasons are usually followed by five to six months of virtually no rainfall, and this period is critical to agricultural activity, including tree growth and survival, in the area. The climate is tropical humid, but borders on tropical semi-arid in some seasons. The terrain is generally flat, with heavy clay soil, broken by the occasional granite outcrop with more sandy soil.

The people of the region are the Wasukuma, the largest tribe in Tanzania with some two million

The Wasukuma people, like almost everyone else in Tanzania, rely completely on wood for cooking and heating, and there lies the major initial rationale for the reforestation project.

Before KRP, the vegetation of the area was largely tropical grassland. Much of the original tree and shrub cover had gone, as a result of agriculture, the fuel needs of the people, and a clearing program 40 years ago designed to rid the area of Tsetse fly.

Men were skeptical at first, but most now strongly support the Kwimba project. Here a group of Wasukuma men inspect the flourishing central cluster nursery at Ngula.



The remnant native trees tended to produce low quality wood, with both poor fuel efficiency and limited strength and lifespan as building materials. It was also scattered to an extent that saw many village women walking up to ten kilometres a day to gather wood for fuel.

THE AFRICAN ENTERPRISE APPROACH

The KRP tackled these problems in a well-planned, integrated fashion. The major elements of the project plan were:

- establishment of large (50 hectare) woodlots in each project village (20 villages in each of Phase 1 and Phase 2);
- introduction of fast-growing exotic tree species (including *Eucalyptus camaldulensis* and sub-species of *Melia*, *Azadirachta*, *Albizia* and *Senna*) suitable for the fuel and other needs of the communities;

- a forestry extension service providing education, technical advice and materials to individuals and small institutions such as churches, women's groups, youth groups and schools;
- establishment of seedling nurseries in primary schools, to decentralise seedling production and educate children to the importance of reforestation;
- provision of a lined tube well close to each school to supply water for the nursery projects; and
- encouragement of the building and use of fuel-efficient wood stoves throughout the KRP area.

FUEL AND FUEL EFFICIENCY

One of the outstanding results of the strategy was the way women in all villages took to the “both ends” approach of building up timber stocks while increasing fuel efficiency.

The women themselves set about designing new mud and ceramic stoves. They were up to 50 per cent more efficient than traditional types, as well as being safer and clean-burning.

By 1997 the new stove types were being used in almost 90 per cent of all homes in the KRP area, and usage was spreading



The heart-shaped stove is one local design yielding vastly improved fuel efficiency since the women of the KRP region swung behind the KRP idea early in its life.

beyond the project area as a result of interest from several other villages.

This meant that there was less pressure on fuelwood resources, and more time for women to attend to other important parts of their lives, including children, tree planting and care, and participation in the women's groups that formed around the project's main activities. These women's groups, which appear to be a community spearhead of Tanzania's efforts to introduce a form of gender equity in the country, are now beginning to be involved in other development projects.

Meanwhile, just over two million of the 2.5 million tree seedlings planted in Phase 1 of the KRP (1990-92) had reached the stage where they could be harvested and coppiced.

TOWARDS LOCAL OWNERSHIP

The Wasukuma people quickly recognised that there was a market for the strong eucalypt timber as poles, building material and furniture.

Seedling nurseries had become established in most villages, and the women tending them had acquired the expertise to maintain them. By now there was a market for the seedlings, as both men and women in the area accepted that their trees were growing for their use, and not to be taken away – either to Australia or by the central Tanzanian Government.

This acceptance was nurtured by an interesting innovation in the form of “Tree Ownership Certificates”, which provided separate title to trees from the land they were grown in. (Tanzanian law makes it almost impossible for women to own land, so the certificates helped women gain a proprietary interest. Men also welcomed the certificates. Signed by a local official of the Government of Tanzania, they gave full rights to the trees and their disposal, thus helping to overcome the fear that the resource would somehow be expropriated.)

Many of those (mostly men) who were at first highly critical of the project have become vocal advocates. Villagers have extended a long local tradition by exploring and making use of the medicinal and veterinary qualities of the introduced species. Many households in Kwimba also found that burning eucalypt leaves was an effective way to repel mosquitoes.

As Phase 2 neared its end, the number of private plantings of trees in lots, on boundaries and around households was increasing rapidly. The evaluation team even





Private plantings near homes are becoming more popular, as this family in Nyamikoma village demonstrates.

recommended that the number of seedlings produced in larger central nurseries be reduced to encourage the trend towards private plantings.

In other words, what began as a welfare-oriented program has been transformed into a promising private enterprise project involving many “petty businesses” (as the Tanzanians describe what we would call small businesses).

Tree planting is now undertaken in at least ten villages outside the scheme’s targeted area, with little or no assistance from the Kwimba project management. This multiplier effect has prompted officials from both African Enterprise and the Government of Tanzania to ask AusAID for a further expansion to villages adjoining the KRP area.

Mr Boland’s team has strongly recommended that funding be extended for a further two years so that all the advances made in the project can be thoroughly entrenched. This recommendation is currently being considered within AusAID.

FOOD FOR THOUGHT

Lest it be thought that everything in the Kwimba garden is rosy, the evaluation team did make some critical comments about the KRP, including an observation that progress towards increased fruit tree

growing was considerably less marked than in the multi-purpose tree program.

More surprisingly, the evaluators reported that when they visited – eight years after KRP began – the central office of the Tanzanian Department of Forestry and Beekeeping was simply not aware of this large and successful project.

The failing may be partly explained by the fact that in Tanzania’s multi-tiered structure of governance, many decisions are taken at the regional, district and village levels, and that communications and transport are not Tanzania’s strongest suits. It is also the case that African Enterprise had dealt primarily with another department responsible for foreign development aid projects.

Whatever the reason, this finding may be useful food for thought for others assessing coordination and extension issues in future projects.

WHERE TO NOW?

Over the past eight years there has been a clearly discernible change to the previously denuded landscape in the project areas.

The KRP has helped transform the lives of many of the rural poor, particularly women, who now have readily available cooking fuel and (as an important part of the project) more efficient stoves in which to use that fuel.

Communal tree plantations have been a success, but it is clear that future sustainability and success lies with the individual private planters, who have developed an impressive culture of tree cultivation and a strong sense of ownership.

The sale of seedlings and tree-related products is already yielding economic dividends to many households and is producing a ripple effect in non-project areas. A viable community reforestation model now exists which can be replicated in other regions of Tanzania.

There are very positive indications from senior people in the Tanzanian Government that it will support the project, in line with President Mkapa’s commitment (during a tour of the Kwimba region late last year) to raise environmental awareness in local communities.

All key stakeholders, including AusAID, will be discussing details of the future of the KRP at a meeting in the major regional town of Mwanza, scheduled for early May.

NEW LIFE FOR LAO VILLAGER

By Robert Simms *



Na Xiong is a happy woman one week after surgery, recovering at the Cabrini Hospital.

In 1986, the Hmong village of Palaveck in the province of Vientiane, Laos, was struck by a disease, possibly cancrum oris or noma, which caused the skin on the affected parts of the victims' faces to blacken and die.

The disease killed two children and left another, named Na Xiong, with an exposed jaw devoid of skin; she was severely disfigured. There are no hospitals or even health workers in this part of the country who could have helped her. When local villagers have minor problems, they are treated with traditional medicines while major conditions are left to run their course.

As Na Xiong grew, scar tissue formed on her chin and neck, forcing her lower jaw and teeth downward. It seemed she was destined to live with the resulting gross deformity – until last year, when nearing 20 years old, she was

noticed by a United Nations Development Project (UNDP) worker.

This chance encounter started a remarkable sequence of events.

THE VITAL JOURNEY - LAOS TO MELBOURNE

The UNDP worker brought her plight to the attention of a visiting surgical team from Interplast Australia, and before long the Australian Embassy in Laos had arranged to fly Na Xiong to Melbourne.

There, Interplast coordinated her treatment at Cabrini Hospital. A seven hour reconstructive operation involving two surgeons, an anaesthetist, an orthodontist and eight theatre and recovery staff, all giving their time without pay, was needed to re-form her lower jaw into a near-normal shape.

It has transformed Na Xiong from being a social outcast to a normal young woman

"We are pleased with the result," chief surgeon Ian Carlisle said. "After about 6 weeks, once the swelling went down, a chromium-cobalt denture was fitted and Na Xiong was able to go home." Later this year, when the next Interplast team goes to Laos, minor revision surgery may be performed to provide the best possible outcome.

THE INTERPLAST TEAMS

Na Xiong's story sounds unique but in fact she is the thirty-sixth Interplast patient to be flown to Australia for surgery since 1984, even though the majority of surgical work performed by this volunteer organisation is carried out overseas.



Na Xiong before the operation.

Interplast Australia sends more than 15 teams of plastic surgeons to the Pacific and Asia each year. They have been going to Laos since 1995. Teams also visit the Philippines, East Kalimantan, Indonesia, PNG, Micronesia, Solomon Islands, Vanuatu, Tuvalu, Fiji, Western Samoa, Tonga and the Cook Islands. Vietnam has recently been added to this list.

“The medical staff who go on these trips get as much out of them as the patients,” Ian Carlisle said. “They use their skills to help the patients and to educate the local medical staff so they can eventually do without Interplast’s assistance.”

This planned redundancy is the key to the long-term success of their work. It is worthwhile in itself to go to developing countries each year and operate on even a small fraction of the patients needing surgery, but it is so much better if the ability to do many of the operations is passed on to the local surgeons.

JOINT SUPPORT MAKES PROJECT POSSIBLE

The major financial supporters of Interplast are AusAID and Rotary International. The Cabrini Hospital, run by the Missionary Sisters of the Sacred Heart of Jesus, recently committed \$180,000 to further extend Interplast’s work. They will fund six team visits to Vietnam and the Philippines over the next three years.

In addition, at least six patients with conditions as serious as Na Xiong’s, will be brought to the Cabrini Hospital for treatment. This funding is part of the \$600,000 Cabrini spend on international, interstate and local outreach programs each year.

“The Interplast funding fits in well with the “not-for-profit” ethos of the hospital,” said Margaret Maher, Mission Integration director at Cabrini Hospital. “Any surplus funds left after hospital improvements have been carried out, are spent on aid work.” The Cabrini already supports projects in Swaziland, the Philippines and Alice Springs as well as the numerous programs in Melbourne.

The approach used by Interplast is cost-effective as well as humane. All those involved in the overseas surgical teams go as unpaid volunteers with only their travel and accommodation expenses provided by Interplast. They take with them a significant quantity of medical supplies and surgical equipment, much of it donated, for use during their stay. Often, surplus items are left at the local hospital for future use.

The Interplast strategy has been extended to other medical aid projects within the Pacific Islands Program (PIP) funded by AusAID. A \$3 million budget over 3 years has been allocated to provide services in cardiac surgery, ophthalmology, otolaryngology, orthopaedic surgery, dermatology, radiology, paediatric surgery, neurology and general medicine, as well as plastic surgery, to countries in the region.

There is no doubt the demand for surgical skills in developing countries is far in excess of that provided by visiting teams, but for those like Na Xiong who receive treatment, life takes on new meaning. The few weeks donated by surgeons, physicians and nursing staff can make an incalculable difference to these patients.

More than 8000 Interplast patients have undergone operations since their surgical programs began in 1983. The work being carried out by this organisation and other aid groups within the AusAID PIP program is making a significant contribution to the health and welfare of people in the Asia-Pacific region.

** Robert Simms is a Sydney-based freelance journalist specialising in medical and scientific journalism. He also provided the photographs for this article.*



THE END OF A UNIQUE INSTITUTION

By Bill Goff

Fifty years of colourful history ended with the closure late last year of the AusAID Centre for Pacific Development and Training at Middle Head, Sydney.

ACPAC and its various predecessors will be remembered collectively with great respect and affection by those who taught and learned there as well as many others who came into contact with the institution and its unique role.

This article outlines the early years of the institution when, as the Australian School of Pacific Administration, it acquired something of a distinctive charisma as well as its distinctive role.

That role had its genesis in World War II, when a famous mover and shaker of the time, Lieutenant Colonel Alf Conlon, decided the Australian Army needed a research section to tackle major strategic contingencies such as what to do if Japan invaded Australia.

Conlon convinced the Army Commander-in-Chief, General Blamey, and the proposed unit became the Directorate of Research and Civil Affairs, attached to Blamey's own staff.

The unit eventually found a home at Royal Military College Duntroon in early 1945. It had already undergone the first of its name changes, being known now as the Land Headquarters School of Civil Affairs.

MILITARY TO CIVILIAN – JUST!

The end of war in the Pacific actually brought the first of many threats to the School's existence. However the Federal Government ultimately decided, in May 1947, to set up a civil school and move it in to a group of Army huts on Middle Head. It had another new name, this one to last for many years, as the Australian School of Pacific Administration (ASOPA).

Just how close the institution came to being still-born as a civilian school was revealed only months later in a speech prepared by John Kerr, (later Sir John Kerr QC, and Governor-General of Australia) who had taught law at the School during the war and became first Principal of ASOPA. Kerr wrote:

The idea was opposed, and opposed in influential quarters. Attempts were made when the time came to demobilize the Military School to bring the whole academic venture to an end. ... We were determined that what had been created should not be destroyed. In this we succeeded.

Kerr had obviously displayed some early political skills, because not only was ASOPA established, but he also became Organising Secretary of the interim South Pacific Commission, which was conveniently housed in the same group of Army huts as the School.

A MAGNET FOR TOP PEOPLE

The capacity to attract top-notch staff, despite (or perhaps because of) the fact that it was far from a conventional academic institution, was a feature of the centre right through its history.

Just a couple of examples from the very first years will demonstrate the point. Mere tutors included James McAuley, later Professor of English at the University of Tasmania and one of Australia's most celebrated poets, and Peter Ryan, who went on to become head of Oxford University Press.

Senior to these at the time was an impressive list of professorial talent drawn from United Kingdom as well as Australian academic institutions, many of them attracted to the School through the energy and enthusiasm of Alf Conlon.

Another historically interesting appointment soon after ASOPA commenced was the outstanding young linguist Nancy Robson. Much later, of course, Mrs Robson was to become the second wife of John Kerr and join him in residence at Yarralumla.



CHANGING ROLES AND STUDENTS

The original ASOPA offered one year and shorter courses, including refreshers. They were offered exclusively for Australian people who were going to work in the administration of post-war Papua-New Guinea.

A typical ASOPA student was certainly not your average school leaver. Immediately after the war enrolments were taken from military men. When civilian candidates were admitted soon afterwards, preference was given to those with some working experience as well as good academic records. Many turned out to be young men who had lived in PNG and whose parents had careers or businesses there.

In 1954, ASOPA also took on the specialist training of Australian teachers for service in PNG, to help that country develop a base of primary education. At the same time, similar specialised units were offered to teachers recruited for "Special" (Aboriginal) Schools in the Northern Territory of Australia.

The last Director of ACPAC, Andrew Akwast (centre) with AusAID Deputy Director General Bruce Davis (right) and former director and AIDAB Branch Head John Wolfe, at the farewell to ACPAC.

The relevant ASOPA staff certainly battled the tyranny of distance for three years from 1956, when the teacher cadets, as they were known, were placed at faraway Bathurst Teachers' College, but the training course was eventually transferred to Middle Head in 1959.

The next decade saw ASOPA introduce training for secondary teachers as well as other, gradually more specialised courses in the administration field. The 1960s also brought the first non-Australian client groups to the school for some courses.

There was a major change of focus for the institution in 1970. The Australian Government called on ASOPA to help correct a serious lack of trained indigenous administrators capable of running PNG when it became an independent nation.

The school enrolled up to 60 Papuans and New Guineans in ten-month courses at two levels. At the same time, training of Australians to serve in PNG was phased out.

The old Army huts in their tranquil North Head setting, circa 1960.

In later years there was more internationalisation of ASOPA's work. Although students from PNG remained strongly represented, increasing numbers of students from other developing countries in the Pacific and elsewhere were taken on.

The school became formally linked to Australia's official aid agency (then ADAA) in 1973. Its courses soon became more numerous and specialised and its administration and accountability changed radically.

As part of those changes the name of the institution was changed to International Training Institute, thus bringing to an end the 25-year existence of ASOPA.

ASOPA started as a school for Australians going to leadership and/or authority positions as expatriates in our official external territory of Papua New Guinea.

At the end, it was offering courses to Papuans and New Guineans and, increasingly, to people from other developing countries with no colonial or other historical dependency relationship with Australia. It was no longer training Australians for service overseas.

ASOPA thus reflected in its own way a great change of mindset (and political geography) that occurred throughout the non-Communist world over approximately the same period. The long colonial period was ending, and the world was coming to grips with a set of challenges newly formulated around the concepts of developed and developing nations.



GREAT BOOK COLLECTION WILL REMAIN INTACT

The precious Hallstrom Pacific Collection of rare books has found a new home after 50 years as the centrepiece of the library at ACPAC and its predecessors on Middle Head.

At a ceremony at the University of New South Wales on 8 October 1997, AusAID formally handed over the collection. It is now officially owned by the National Library and on permanent loan to the University.

The collection originated in 1948 in a bequest of 10,000 pounds by Sir Edward Hallstrom, the Sydney philanthropist best known for the refrigerators he manufactured and as a major benefactor of the Taronga Park Zoo.

Less well known was Sir Edward's love of Papua New Guinea, and it was this that led him to make the bequest to the then newly opened ASOPA (Australian School of Pacific Administration).

The donated library comprises more than 1600 volumes, including many rare and valuable books from Sir Edward's own collection. Among the most notable items are:

- the first edition of John Gould's five-volume "Birds of New Guinea";
- Captain James Cook's account of his explorations in 1777 and 1785;
- Hawkesworth's edition of Cook's explorations dated 1773; and
- "An Essay on the East India Trade" author unknown, dated 1696.

The oldest book in the collection is "An Historical Relation of the Island of Ceylon in the East Indies", by Robert Knox, published in 1681.

Speaking at the 8 October function, AusAID Deputy Director General Ms Deborah Stokes said the collection was significant for its historical and anthropological research value. It included works on colonial administration, exploration history and anthropology in the Pacific and Asia.

"It is very pleasing to note that the collection will be kept intact and conserved by the University of New South Wales and that it will continue to be known as 'The Hallstrom Pacific Collection'," Ms Stokes said.

"I am sure that scholars and the public alike will derive considerable professional and personal benefits from having access to the collection."

DEVELOPMENT

STATISTICS

DAC CRIES OOF AS OGD HITS ODA!

how we figure out who gets what

By Max Fish *

The Government of Fiji is establishing a National Fire Authority. The Country Fire Authority of Victoria is providing technical expertise to help them do this.

That makes sense. There is a lot of expertise in Australia for managing fire fighting resources. It is clearly an aid project of some kind.

Australia's High Commission in Suva says this activity is not part of AusAID's country program to the people of Fiji. The Commission also checked with AusAID in Canberra and found that it is not part of other AusAID programs involving Fiji. Well, if AusAID does not know of it, then it cannot be part of Australia's aid program.

It ain't necessarily so.

It could be ODG ODA. Oops, pardon the initials. It could be 'Official Development Assistance' provided by an 'Other Government Department'. Fine; except that the Government of Victoria is rather more than just a government department. Also, other than what government department?

Back to basics. According to the DAC definition ... Oooops, according to the Development Assistance Committee of the Organisation for Economic Co-operation and Development (OECD) ODA is defined as "a transaction that is occasional in character and conveys a grant element of at least 25 per cent provided to developing countries by the *official sector*".

The official sector is the government sector which provides official flows (OF). Australia, as you will recall, has three levels of government; Commonwealth, State/Territory and local. As far as the DAC is concerned all three are part of the official sector. Therefore, the Country Fire Authority assistance to the Government of Fiji is Official Development Assistance and it is part of Australia's aid program.

So then, Australia's aid program, the Australian Government's aid program and Australia's Official Development Assistance are really all the same thing?

It ain't necessarily so.

IT ALL BECOMES CLEAR...

Australia's aid program is assistance provided by all levels of government to *aid recipient countries*.

The Australian *Government's* aid program is assistance provided by AusAID or any other Commonwealth Government department to *aid recipient countries*.

Australia's Official Development Assistance is assistance provided by all levels of government to *developing countries*.

Aid recipient countries and *developing countries*; is there a difference? Are we playing at semantics here?

It is the DAC (who else?) that decides which countries can be counted as Aid Recipient Countries; that is, countries to which assistance provided is internationally recognised and accepted as being aid.

The DAC has a little list, which is in two parts. Part I lists Developing Countries and Territories. Part II lists Countries and Territories in Transition. Aid can be provided to countries on both lists (aid recipient countries) but Official Development Assistance is only that provided to Part I countries and territories (developing countries). Simple, isn't it.

... BUT WAIT A MOMENT

The Department of Employment, Education, Training and Youth Affairs has an Overseas Postgraduate Research Scholarship Scheme. It supports postgraduate students from overseas countries to study at Australian institutions for higher qualifications while being involved in research programs.

The DEETYA scheme operates in a way similar to AusAID scholarships, with similar outcomes. The cost of supporting students from developing countries (Part I² countries) under the scholarship scheme therefore should be counted as OGD ODA.

That ain't necessarily so.

The DAC defines ODA as “having promotion of economic development and welfare as the *main* objective” (emphasis mine). An activity having development outcomes as a convenient secondary objective does not count as ODA. The stated purpose of the DEETYA scheme is “to attract top quality overseas postgraduate students to areas of research strength in higher education institutions and to support Australia’s research effort”. Economic development and welfare is not the scholarship scheme’s main objective is it? Oh well...

The contributions do count as OOF though. That is, they count

as Other Official Flows – any other assistance or contributions from the official sector to Part I and Part II countries which cannot be counted as ODA.

Therefore, according to DAC: if OGD is not ODA it will be OOF, while ODA plus OOF equals OF (Official Flows).

The tables with this article show the extent of OGD expenditure during 1996/97 by country and by department.

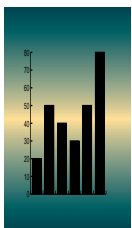
** Max Fish is a member of AusAID’s Statistical Services Section, for whom definitional issues such as these are like water off a DAC’s back.*

Other Government Departments OGD Expenditure by Department (A\$ Current Prices)

By department			In order of 1996/97 expenditure level		
Dept	1995/6	1996/7	Dept	1995/6	1996/7
AGs	630458	374610	DFAT	13612320	13492500
DAS	30000	0	DIST	7409927	13048396
DCA	498275.33	1267129	Treasury	1245646	10387801.9
DEETYA	1974542.9	798559.4	DHFS	6687499.9	6016984.71
Defence	4706000	4164000	Defence	4706000	4164000
DEST	793944	884822	DOF	2553163.5	2621428.2
DFAT	13612320	13492500	DPIE	691877	2602640
DHFS	6687499.9	6016984.7	DCA	498275.33	1267129
DWRSB	388112	-27556	DEST	793944	884822
DIST	7409927	13048396	DEETYA	1974542.9	798559.4
DOF	2553163.5	2621428.2	DVA	1650000	535000
DPIE	691877	2602640	AGs	630458	374610
DT&RD	54000	50000	VIC	177327	289028
DVA	1650000	535000	NSW	22500	75225
NSW	22500	75225	SA	55272	65375.5
NT	74049	60000	NT	74049	60000
SA	55272	65375.5	DT&RD	54000	50000
Treasury	1245646	10387802	DAS	30000	0
VIC	177327	289028	Parliamentary Library	12096.46	0
Parliamentary Library	12096.46	0	QLD	10000	0
QLD	10000	0	TAS	17700	0
TAS	17700	0	WA	363941	0
WA	363941	0	DWRSB	388112	-27556
Sub Total	43658651	56705944	Sub Total	43658651	56705943.6
FBT	-1950851		FBT	-1950851	
TOTAL	41707800	56705944	TOTAL	41707800	56705943.6

Other Government Departments OGD Expenditure by Country (A\$ Current Prices)

By Country			In order of 1996/97 expenditure level		
Country	1995/96	1996/97	Country	1995/96	1996/97
Africa (Other)	3600	0	World Unallocated	3995028.8	20115154.8
Asia Unspecified	698501	316405	Core contribution	21664655	14940562
Bangladesh	10575	0	Egypt	7000000	11963231
Botswana	2675	0	PNG	5022602	3875230
Cambodia	241750	0	Malaysia	642384	2310028
China	215748	450446.5	Indonesia	722863	771978
Cook Is	1800	0	China	215748	450446.5
Core contribution	21664655	14940562	Thailand	775529	425374
Croatia	15048	0	Asia Unspecified	698501	316405
Egypt	7000000	11963231	Solomon Islands	546950	264000
Fiji	192207	114210	Vanuatu	400500	246000
Fed. St. of Micronesia	400	0	Vietnam	530524	231024
India	4800	96750	Oceania Unallocated	52524	134575
Indonesia	722863	771978	Samoa	143372	125000
Iran	1300	0	Kiribati	169300	119000
Kenya	0	35000	Fiji	192207	114210
Kiribati	169300	119000	India	4800	96750
Korea Dem (North)	0	4000	Regional South Pacific	125838	67875.4
Korea Rep (South)	155447	0	South East Asia Regional	0	66000
Laos	52147	495	Kenya	0	35000
Malaysia	642384	2310028	South Africa	17278	15183
Mongolia	11200	0	Philippines	4340	12000
Namibia	2950	0	Sri Lanka	5501	6422
Nauru	1534	0	Korea Dem (North)	0	4000
Nepal	80580	0	Laos	52147	495
Oceania Unallocated	52524	134575	Africa (Other)	3600	0
Philippines	4340	12000	Bangladesh	10575	0
PNG	5022602	3875230	Botswana	2675	0
Regional South Pacific	125838	67875.4	Cambodia	241750	0
Samoa	143372	125000	Cook Is	1800	0
South East Asia Regional	0	66000	Croatia	15048	0
Solomon Islands	546950	264000	Fed. St. of Micronesia+E26+E51	400	0
Sri Lanka	5501	6422	Iran	1300	0
South Africa	17278	15183	Korea Rep (South)	155447	0
Thailand	775529	425374	Mongolia	11200	0
Vanuatu	400500	246000	Namibia	2950	0
Vietnam	530524	231024	Nauru	1534	0
World Unallocated	3995028.8	20115155	Nepal	80580	0
Tonga	99800	0	Tonga	99800	0
Tuvalu	900	0	Tuvalu	900	0
Zimbabwe	46500	0	Zimbabwe	46500	0
Sub Total	43658651	56705944	Sub Total	43658651	56705943.6
FBT	-1950851		FBT	-1950851	
TOTAL	41707800	56705944	TOTAL	41707800	56705943.6



BUSINESS NEWS

Welcome to Business News in its new home as a regular part of Focus.

This change of presentation came about because our research at AusAID revealed that a bare handful of Business News readers were not also on the mailing list for Focus.

For those few people, the broader coverage of aid issues in Focus is a bonus offered with our compliments.

For regular readers of Focus only, the Business News section will, we hope, provide an extended perspective on international development issues. For the convenience of both groups, we have decided to make Business News a distinct, easily identifiable section within the magazine.

AusAID would welcome readers' comments on this initiative. Please feel free to use the contact channels to the Editor, given inside the front cover of this issue.

This issue of Business News deals with some of the programs that allow the private sector and institutions outside AusAID to initiate projects that can attract AusAID funding. Other articles outline changes to AusAID's contracting policy, and explain how potential contractors can keep abreast of AusAID contracting practice by helping us with assessments.

OPPORTUNITIES TO INITIATE DEVELOPMENT ACTIVITIES

The majority of AusAID's activities require a carefully managed project cycle including high level consultations with recipient governments, identification of recipient needs and opportunities for Australian assistance, as well as feasibility and design studies. Australian organisations interested in opportunities in the aid program are selected through a tender process which emphasises technical capability and value for money.

However, a number of programs provide opportunities for private sector, government and non-government organisations, universities and tertiary institutions, professional associations and individual consultants to take the initiative.

These programs allow Australian organisations and individuals to initiate development related activities in developing countries in the Asia Pacific region. The programs include the:

- Private Sector Linkages Program;
- International Seminar Support Scheme;
- Professional Associations International Development Scheme; and
- APEC Support Program.

Interested organisations and individuals should note that there is significant competition for the limited funding available, and that proposals should carefully research and articulate the development benefits of the proposed activity.

Short descriptions of two of these programs follow.

PRIVATE SECTOR LINKAGES

The Private Sector Linkages Program (PSLP) is essentially a partnership of AusAID (with an aid perspective) and an Australian business organisation (with a commercial perspective) to jointly fund a developmentally worthwhile commercial linkage in a developing country.

The PSLP promotes sustainable development by harnessing the expertise and capacity of Australian enterprises to work with counterpart organisations in developing countries. This also means that activities must become commercially sustainable and applicants must be able to finance activities initially themselves.

The program was developed in response to the high priority placed on private sector development by many developing countries in the region. These countries recognise the importance of the private sector to sustainable economic and social development.

To date, the PSLP has funded 186 activities valued at \$17.7 million, selected from 572 applications. Average yearly funding is approximately \$2.5-3 million.

A recent review of the PSLP concluded that it has resulted in significant development benefits to developing countries in areas such as employment, technology transfer, training, improved management capacity, health and the environment.

Countries participating in the PSLP in 1997-98 include Fiji (and other South Pacific countries), Indonesia, Papua New Guinea, the Philippines, South Africa and Zimbabwe. Other countries receiving Australian assistance through the bilateral program may be included from time to time dependent upon current priorities and availability of funding.

PSLP activities are short term (up to 12 months) and can involve pre-investment and feasibility studies, demonstration and adaptation of Australian technology, training and exchanges.

One-off funding of between \$25,000 and \$250,000 may be provided on satisfactory completion of the activity on a cost-sharing basis on eligible costs.

Applications are invited up to four times each year (usually March, June, September and December) and assessed by a committee of government and private sector representatives. Applications are assessed against their contribution to sustainable development, cost-effectiveness and other selection criteria given in the program guidelines.

Guidelines and application forms may be downloaded from AusAID's website on <http://www.aid.gov.au/business/pslp/pslp.html>

or by application to:
PSLP Secretariat AusAID
GPO Box 887,
CANBERRA ACT 2601

For further information on the PSLP contact AusAID's PSLP Secretariat (phone 02 6206 4795 or 02 6206 4663 e-mail: pslp@aid.gov.au) or the Business Liaison Officer in your AusAID State Office :

VIC Business Liaison Officer
ph 03-9221 5422
fax 03-9221 5419

WA Business Liaison Officer
ph 08-9231 4408
fax 08-9486 1078

QLD Business Liaison Officer
ph 07-3864 8104
fax 07-3221 5093

NSW Business Liaison Officer
ph 02-9218 5722
fax 02-9218 5701

SA Business Liaison Officer
ph 08-8237 6908
fax 08-8231 0354

STRENGTHENING PROFESSIONAL ASSOCIATIONS

A project undertaken by the Australia New Zealand Intensive Care Society, and assisted by the Professional Associations International Development Scheme (PAIDS), played a major role in significant progress achieved in intensive care in Indonesia between 1994 and 1996.

Indonesian physicians who participated in the program developed a greater understanding of the capabilities of Australian medicine and our health systems.

The Australian participants gained a greater understanding of the restraints on health care and health systems development within Indonesia. A key element was the process of revising and adapting the objectives of training documents used in Australia to the common diseases, cultural expectations and economic reality of health care provision in Indonesia.

The professional links between Australian and Indonesian intensive care physicians were maintained and expanded as a result of the project. There have been exchanges of staff and Indonesian doctors have come to Australia for further training in intensive care. Appreciation of the standards achieved by Australian medicine will also encourage Indonesian physicians to recommend that patients seek advanced medical treatment in Australia rather than elsewhere.

The goal of the PAIDS is to strengthen the capacities of professional associations in target developing countries in the Asia and Pacific regions. In doing so, Australian professional associations can establish important industrial, professional and personal linkages, while promoting technical professionalism and the development of international standards.

Typically, PAIDS funded activities have included:

- advice on and assistance in organising a professional institute or association and building professional networks;
- advice on and assistance in establishing ethical codes and professional standards;
- provision of Australian professional expertise aimed at strengthening an association;
- provision of short-term training courses or attachments in Australia or in-country which will develop organisational, planning and accountability capacities;
- support for clearly targeted task forces for overseas professional associations; and/or,
- short-term secondments and exchanges of professional staff.

There are limitations. Support will not be provided for evangelistic, missionary or political organisations, recurrent costs or cost of journals or newsletters, activities receiving other Australian government support, standing committees or regular international meetings, or some material support categories.

Funding for the PAIDS is restricted to Australian professional associations and is determined annually by the Australian Government. The overall allocation for 1997/98 is \$150,000. Funding for any one project is limited to \$20,000 a year and can include reasonable economy class travel and modest living expenses. Multiple year activity funding for up to three years may be considered but is contingent on acceptable performance.

Interested professional associations should contact the PAIDS Manager at AusAID (Tel: 02 6206 4667, fax: 02 6206 4798) to obtain the detailed guidelines and

application forms. The documents are also available on AusAID's website at <http://www.aid.gov.au/ngo/paid.html>.

CONTRACTORS' GUIDE TO AUSAID

The 1998 update of *Contracting Out: Contracting for Australian Aid* is now available from AusAID offices in Australia.

The booklet gives contractors and consultants an outline of the policies and practices used by AusAID in managing the contracting of aid activities.

As reported elsewhere in this issue of *Focus*, AusAID's corporate restructure has placed a new emphasis on best practice in contract management with the creation of a Contract Services Group as part of a new division of the agency dedicated to maximising program quality.

Organisations or individuals planning to deal with AusAID should obtain a copy of this invaluable booklet. However, since eligibility to provide services is obviously a threshold question, we reprint here the revised Eligibility Criteria as published in the 1998 booklet.

Eligibility Criteria

AusAID's policy on eligibility for work as a services provider is as follows.

The firm must carry on business in Australia or New Zealand, have a headquarters organisation and associated facilities in Australia or New Zealand and be registered with the Australian or New Zealand Securities Commission.

The majority of the team who perform the services must be Australian or New Zealand citizens or permanent residents who have qualifications recognised in Australia or New Zealand. The exceptions to this are:

- project teams can comprise up to two thirds personnel from countries other than Australia or New Zealand provided that the majority of those nominated from third countries come from the developing country or countries in which the project is being implemented;
- where there is a demonstrated lack of technical capacity within Australia or New Zealand, AusAID will determine the level of involvement of third country experts on a case by case basis.

The team leader must be an Australian or New Zealand citizen or permanent resident and have relevant qualifications recognised in Australia or New Zealand.

CONTRACTORS AND INSURANCE

Insurance arrangements are one of the key issues that need to be well settled in contractual dealings between AusAID and service providers. For the information of Focus readers we publish here the full text of the relevant AusAID policy.

AusAID Insurance in Contracts Policy

Inputs contracts

As Inputs Contracts project assets are outside the control of the Commonwealth, the Contractor will be responsible for the security of these assets. In this case, bidders are advised that all security of project assets until handover to the recipient will be the responsibility of the contractor.

Proposals submitted by the bidders will need to include costs for each type of insurance necessary for the project. The costs of insurance will be included in bidders' financial proposals, in order that an overall price comparison can be undertaken following the TAP (Technical Assessment Panel). The contractor is responsible for acquiring the insurance, and payment of the actual cost of this insurance will be included in the Contract Basis of Payment as a reimbursable item.

Outputs contracts

As Outputs Contracts are performance based, i.e. the Contractor is paid on delivery of the output, the cost of any repair/replacement prior to the delivery of the output is the responsibility of the Contractor. In all outputs contracts it is the responsibility of the Contractor to assess the risks to project personnel, project assets and timely achievement of output milestones and take whatever steps are necessary to minimise these risks. These steps may include taking out insurance. Bidders are advised that any and all insurance that is required for the achievement of the outputs is the responsibility of the Contractor.

All insurance associated with program personnel, program activities, program assets, and approved outputs is the responsibility of the Contractor and should be an included factor in financial proposals.

Insurances include but are not limited to:

- medical/evacuation insurances;
- vehicle and driver insurance for any project vehicles;
- freight insurance for project supplies in transit;
- insurance for project supplies in the recipient country, in use and in storage, until handover to the recipient;
- public liability insurance;
- professional indemnity;

- all security costs for project personnel.

Under an outputs contract no additional payments or reimbursements are made for the cost of insurance.

Hybrid contracts

This type of contract includes part of the cost of the project packaged into payments for specific outputs and the remaining items reimbursed at cost. AusAID will reimburse insurance costs for those items for which the cost is reimbursed. The security of items packaged into specific outputs is at the Contractor's risk.

ENSURING FAIR COMPETITION

AusAID has tightened its requirements for competitive integrity among tenderers with a new pro forma Statutory Declaration to be sworn by senior representatives of tendering companies. For the information of Focus readers, we re-produce the substantive clauses of the standard Statutory Declaration.

Collusive Tendering

4. Neither the Tenderer nor any of its servants or agents had knowledge of either the technical proposal or the tender price for the Works of any other tenderer prior to the Tenderer submitting its tender for the Works.

5. Neither the Tenderer nor any of its servants or agents disclosed the technical proposal nor the tender price for the Works submitted by the Tenderer to any other tenderer who submitted a tender for the Works or to any other person or organisation prior to the close of tenders.

Cover Bidding

6. Neither the Tenderer nor any of its servants or agents provided information to any other tenderer, person or organisation, to assist another tender for the Works to prepare a tender known in the building and construction industry as a "cover bid", whereby the Tenderer was of the opinion or belief that another tenderer did not intend to genuinely compete for the contract.

7. The Tenderer is genuinely competing for the contract and its Tender is not a "cover bid".

Unsuccessful Tenderers' Fees

8. Prior to the Tenderer submitting its tender for the Works neither the Tenderer nor any of its servants or agents entered into any contract, agreement, arrangement or understanding that the successful tenderer for the Works would pay any money, or would provide any other benefit or other financial advantage, to or for the benefit of any other tenderer who unsuccessfully tendered for the Tender.

LEARNING THE ROPES BY HELPING OUT

AusAID's Technical Assessment Panels and Technical Assessment Groups provide an opportunity for potential bidders to gain an insight into AusAID's contracting requirements and procedures. Each mechanism is explained briefly below.

Technical Assessment Panels

Organisations planning to tender for AusAID projects should consider nominating qualified staff for technical assessment panels or TAPs.

TAPs assess the technical merit of bids and rank them according to the selection criteria (outlined in AusAID's booklet 'Contracting Out'). TAPs may meet only once to select the successful bidder (a 'one-step selection') or they may also meet to short list bidders prior to final selection (a 'two step' process) depending on the nature of the project. The selection process can also involve interviewing bidders' team leaders and specialist advisers.

The identity of TAP members is confidential. TAP members are remunerated for their contributions to the selection process.

The TAP process is a good example of a 'win-win' situation where TAP members gain an insight into AusAID's selection process, while AusAID gains the valuable expertise which TAP members bring to the selection process. AusAID always ensures that there is a balance between those experienced with the TAP process and new TAP members.

Individuals interested in serving on TAPs should advise AusAID directly, since selection is based on AusAID's knowledge of suitable candidates (including from AusAID's Consultants Register database) rather than on more formal processes.

Selection for a TAP can be competitive, since AusAID seeks out the most qualified assessors. Written expressions of interest for TAP membership should be sent to AusAID's Contract Services Group when project opportunities are advertised. To avoid conflict of interest, TAP members must not be involved with any bids for the project under assessment.

Technical Assessment Groups

Individuals or organisations can also contribute directly to the quality of AusAID projects through Technical Assessment Groups or TAGs. TAGs are frequently convened for the more complex technical projects, and usually continue throughout the life of the project, unlike TAPs which are convened for a particular selection exercise.

TAG members are expected to work as a team and to collaborate with the program sections of AusAID. They provide advice on a range of project related issues, and may be required to travel overseas to monitor progress with the implementation of projects.

Opportunities for TAGs are usually advertised. As with TAPs, making your interest known to AusAID can help.

Looking for Opportunities

Organisations and individuals interested in participating in TAPs and TAGs should maintain a watch on project opportunities advertised on the Internet in the procurement pages of Transigo at <http://www.transigo.net.au>. Tenders are also advertised in major newspapers. An Early Notification System flagging projects expected to be put out to tender in the next six to twelve months will be available shortly on AusAID's home page on the Internet at <http://www.ausaid.gov.au>

BUSINESS PARTICIPATION IN AUSAID'S AID PROGRAM.

The latest edition of this annual AusAID publication details contracts current in 1996/97 by state and value. The report provides businesses with information on contractors, projects and recipient countries, and a snapshot of the range, direction and value of AusAID's program.

Copies of *Business Participation in AusAID's Aid Program* can be obtained from Bibliotech, or the Business Liaison Officer in AusAID State Offices, or the Business and East Asia Linkages Section at AusAID (tel. 02 6206 4767, fax 02 6206 4875, e-mail pslp@ausaid.gov.au). The document is also available on our website.

DEVELOPMENT

ISSUES BRIEF

DAC REVIEWS PARTNERSHIPS GAINS, SETS PRIORITIES FOR 1998

AN OVERVIEW OF THE 1997 ANNUAL REPORT OF THE OECD'S DEVELOPMENT ASSISTANCE COMMITTEE.

The 1997 report of the DAC, released in February 1998, takes stock of efforts to turn the DAC's development partnership strategy into a working reality. The review was undertaken in the context of the development targets for the 21st Century set in DAC's 1996 report (see box).

The 1997 Report assesses progress made in three main areas previously identified for improvement: clearer goals; better partnerships and more coherent policies; and adequate resources.

CLEARER GOALS

The 1997 DAC Report highlights the effort that will be required – particularly in the 66 poorest countries – to achieve the goals set by the international community for poverty reduction and social development by the year 2015.

Maintaining current performance would be inadequate. A “high performance scenario” is required in the international economy. In effect, we need to focus increasingly on economic policy and management issues.

The report also documents initial steps to agree on a single set of indicators for tracking progress toward the agreed development goals.

BETTER PARTNERSHIPS AND COHERENT POLICIES

The report sets out an action agenda for a model of co-operation that puts developing countries in the “driver's seat” for their

development. Some new joint donor efforts are presented as evidence of a more integrated approach to donor co-operation. (This approach is formulated against the backdrop of development problems in Africa.)

New DAC Guidelines on Conflict, Peace and Development Co-operation showed ways of responding to the challenges of conflict prevention, action during conflict and post-conflict recovery. DAC work on participatory development and good governance provided points of reference for the international community as the linkages between participation, governance and development progress became more widely recognised.

Specific contributions by donors include measures to help developing countries strengthen their own capacities, manage environmental problems and participate more successfully in the international trading system.

RESOURCES FOR DEVELOPMENT

Financing for development in emerging and developing countries is volatile. The Report maintains its traditional authoritative DAC reporting on aid and other financial flows to developing countries. But it goes further in analysing the wider context – the conditions needed over the longer term (i.e. beyond the current crises in a number of Asian countries) for reducing reliance on aid and financing sustainable development.

Key elements for developing countries, as indeed for all countries, are in economic policy areas: financial systems and their prudential supervision, effective tax systems, financial investment policies, debt, trade, and liberalisation of capital movements.

Most countries do not face any straightforward transition from aid financed to privately financed development. They must work with a diverse mix. A new focus for donors is on how development co-operation can contribute – in ways more significant than the traditional notion of “filling gaps” – to mobilising all sources of financing to support agreed development goals.

The new statistical data (covering 1996) show net resource flows to developing countries from DAC Member countries at \$304 billion, surpassing the previous year's record volume of \$238 billion – an increase of about \$66 billion. ODA declined slightly, but other financial flows increased substantially.

The total of \$304 billion included:

- \$66 billion in official development finance from DAC members and multilateral organisations compared with \$72 billion in 1995. Official development assistance (ODA) was \$55 billion, compared with \$60 billion in 1995;
- \$234 billion in private flows from DAC member countries, compared with \$161 billion in 1995, of which roughly three-fourths was still concentrated in only 12 countries.

Of this total private flow:

- \$60 billion was direct investment, compared with \$55 billion in 1995;
- \$86 billion was bond lending, compared with \$30 billion in 1995; and
- \$70 billion in bank loans, compared with \$60 billion in 1995, most of which represented short term borrowing by Asian countries both 1995 and 1996.

AID TRENDS AND FACTS

Some of the key trends in aid flows documented in this year's Report were as follows.

Loans, not so long ago 25% of bilateral ODA, now account for less than 10% of bilateral net ODA flows.

Aid to social sectors – education, health, water and sanitation – has steadily increased in the 1990's, from about 20% to about 30% of bilateral ODA. Much aid for productive enterprise has been displaced by private finance and, more recently, expenditures for debt relief and emergency aid have subsided.

The share of the aid to the poorest countries has held fairly steady. The special cases of a few countries account for much of the geographic change. For example, Somalia, Democratic Republic of the Congo, Sudan and Kenya accounted for almost all of the reported decline in allocations to Africa.

The aggregate numbers for ODA efforts of DAC members in 1996 show a continued decline in overall ODA disbursements to developing countries and multilateral organisations. The \$55 billion total represents a further decline of almost 4% from 1995 (at constant prices and exchange rates). Ten of 21 DAC member countries

reported increases and 11 reported decreases.

The volatility in Member performance is illustrated by the figures on volume. In 1995, Japan was the largest donor by a wide margin, followed by France, Germany and the United States. For 1996, Japan's lead is much reduced, followed now by the United States, Germany and France.

In terms of combined aid effort, the weighted average ODA/GNP ratio for DAC Member countries was 0.25 in 1996, an all-time low. The Australian average was 0.28.

PRIORITIES FOR 1998

Some key priorities for action in 1998 are outlined in the 1997 report.

- DAC members need to learn from the operation of more partnerships in more countries. The challenges and opportunities are for co-ordinating international support for locally led efforts engaging the donor community, multilateral organisations, local government and civil society.

- Agreement must be reached on a core set of development indicators to be used as universally as possible.
- Development co-operation needs to be brought squarely within a coherent policy environment in relations between industrialised and developing countries.
- The international community needs to devise strategies to secure the investment of sufficient financial resources to support the goals on which a broad consensus has been reached. This will involve far more intensive efforts to increase savings, attract private investment, improve the efficiency of local financial systems, manage and reduce debt, improve financial management, and make the best use of ODA towards these ends.

The DAC report is available in the AusAID library (338.91ORG)

DEVELOPMENT STRATEGIES FOR THE 21ST CENTURY

The 1996 DAC Report set a series of development targets, including the following.

- The proportion of people living in extreme poverty in developing countries should be reduced by at least half by 2015.
- There should be universal primary education in all countries by 2015.
- Any forms of gender disparity in primary and secondary education should be eliminated by 2005.
- The death rate for infants and children under the age of five years should be reduced in each developing country by two-thirds by 2015.
- Access should be available through the primary health-care system to reproductive health services for all individuals of appropriate ages, including safe family planning methods, no later than 2015.
- There should be a current national strategy for sustainable development, in every country by 2005.

Introducing...



The AusAID Global Education Internet site is now available.

Download ready-to-use teaching materials, including the latest figures, case studies, country information and a directory of useful resources.

Join us at <http://globaled.aisaid.gov.au>

GLOBAL EDUCATION BROADENS THE HORIZONS

For enquiries phone 02 6206 4898

Bibliotech has taken over distribution of AusAID's publications.

Publications can be ordered from Bibliotech by:

Phone: 02 6249 2479, Fax: 02 6257 5088

Email: Jenny.Morris@aplemail.anu.edu.au

Mail: GPO Box 4
Canberra ACT 2601



AusAID is live on the Internet!

The home page lists a range of information, from development issues and global education through to publications and media releases.

Focus is also on there, in full colour!

Drop in and have a look at:

<http://www.aisaid.gov.au>