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*Mary Evans*



The Parliament of the Commonwealth of Australia  
JOINT COMMITTEE ON FOREIGN AFFAIRS, DEFENCE AND TRADE



REVIEW OF THE

Australian Centre  
for International  
Agricultural  
Research

**THE PARLIAMENT OF THE  
COMMONWEALTH OF AUSTRALIA**

**JOINT COMMITTEE ON FOREIGN AFFAIRS,  
DEFENCE AND TRADE**

**REVIEW OF THE AUSTRALIAN CENTRE FOR  
INTERNATIONAL AGRICULTURAL RESEARCH**

**April 1992**

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<b>CONTENTS</b>		<b>Page</b>
Terms of Reference		v
Membership of the Committee		vi
Membership of the ACIAR Sub-Committee		vii
List of Abbreviations		ix
List of Tables		xi
Foreword		xiii
Summary of Conclusions and Recommendations		xv
<b>CHAPTER ONE:</b>	<b>INTRODUCTION</b>	<b>1</b>
	The Importance of Agricultural Research	1
	ACIAR's Legislative Basis	2
<b>CHAPTER TWO:</b>	<b>MANAGEMENT AND ORGANISATION OF ACIAR</b>	<b>7</b>
	Governance	7
	Organisation and Staffing of ACIAR	11
<b>CHAPTER THREE:</b>	<b>ACIAR'S RESEARCH PROGRAM</b>	<b>13</b>
	Introduction	13
	Identification of Projects	13
	Geographic Mandate	16
	The Collaborative Model	19
	Australian Experts In-Country	20
	Communication of Research Results	21
	ACIAR as Official Development Assistance	22
	Economic Returns from ACIAR Expenditure for Partner Countries	23
	The Research Program - Areas for Improvement	24
	Project Length	24
	The Role of ACIAR Research Program	
	Co-ordinators	25
	Project Review Process	26
	Submission by Dr C.D. Walker	27

	Page
<b>CHAPTER FOUR: FUNDING</b>	<b>29</b>
Funding Basis	29
Accountability	29
Comments by the Auditor-General	30
Funding Levels	31
Funding of Projects - Australian Institutions	34
Funding of Projects - Overseas Institutions	36
<b>CHAPTER FIVE: RELATIONS WITH OTHER ORGANISATIONS</b>	<b>39</b>
Australian International Development Assistance Bureau	39
Australian Commissioned Organisations	41
Research Institutions in Partner Countries	41
International Agricultural Research Centres	42
<b>CHAPTER SIX: ACIAR IN THE FUTURE</b>	<b>45</b>
Should ACIAR Continue?	45
Statutory Authority Status and Portfolio Location	45
Sunset Clause	46
Extending the Charter	47
Training	48
Utilisation of Research Results	50
Competing for Contracts	52
ACIAR Involvement in Non-agricultural Sectors	53
Public Awareness	54
<b>APPENDICES</b>	
<b>APPENDIX 1</b>	<b>List of Submissions</b>
	55
<b>APPENDIX 2</b>	<b>List of Public Hearings and Witnesses</b>
	75
<b>APPENDIX 3</b>	<b>List of Exhibits</b>
	79
<b>APPENDIX 4</b>	<b>Selected ACIAR Projects</b>
	85

## **TERMS OF REFERENCE**

### **The effectiveness of the Australian Centre for International Agricultural Research**

To examine and report upon:

- a. the effectiveness of ACIAR as an element of Australia's official development assistance program against its charter embodied in the ACIAR Act 1982;
- b. the desirability or otherwise of the continued existence of the Centre as a Statutory Authority after the expiration of twelve years of operations (June 1994), the maximum length of existence specified in the current Act.

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Mr S.C. Dubois, MP	Mr W.L. Taylor, MP
Dr H.R. Edwards, MP	Dr A.C. Theophanous, MP

\*Resigned from Parliament on 23 August 1991

\*Resigned from Parliament on 31 January 1992

Secretary:	Mr P.N. Gibson, MC (to May 91)
Acting Secretary:	Ms J. Middlebrook (from May 91 to Oct 91)
	Mrs J. Towner (from Oct 91 to Feb 92)
	Ms M.J. Vincent (from Feb 92)

## **ACIAR SUB-COMMITTEE**

### **MEMBERSHIP OF THE SUB-COMMITTEE**

#### **36TH PARLIAMENT**

Senator C. Schacht (Chairman)  
Hon. M.J.R. MacKellar, MP (Deputy Chairman)

Senator H.G.P. Chapman  
Mr E.J. Fitzgibbon, MP  
Mr J.V. Langmore, MP  
Rt Hon. I.McC. Sinclair, MP

#### **Sub-Committee Staff:**

Ms J. Middlebrook (to Nov 91)  
Mrs J. Towner (from Nov 91 to Feb 92)  
Ms M.J. Vincent (from Feb 92)  
Ms M. Gibson (to Nov 91)  
Ms M. Brown (from Nov 91)



## ABBREVIATIONS

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ACIAR	Australian Centre for International Agricultural Research
ADB	Asian Development Bank
ADAB	Australian Development Assistance Bureau (former name of AIDAB until 1987)
AIDAB	Australian International Development Assistance Bureau
BoM	Board of Management (ACIAR)
CIMMYT	Centro Internacional de Mejoramiento de Maiz y Trigo (International Maize & Wheat Improvement Centre)
CGIAR	Consultative Group on International Agricultural Research
CSIRO	Commonwealth Scientific and Industrial Research Organisation
DFAT	Department of Foreign Affairs and Trade
FY	Financial Year
IARC	International Agricultural Research Centre
IBSRAM	International Board for Soil Research and Management
IDRC	International Development Research Centre (Canada)
IFRI	International Forestry Research Institute
ODA	Official Development Assistance
PAC	Policy Advisory Council (ACIAR)
QDPI	Queensland Department of Primary Industry
QWRI	Queensland Wheat Research Institute
R&D	Research & Development

**TAC**

**Technical Advisory Committee**

**WANA**

**West Asia/North Africa**

## LIST OF TABLES

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		Page
Table 4.1	ACIAR Funding Compared to Total Official Development Assistance, 1987-88 to 1991-92 (\$m)	32
Table 4.2	Real change (as a percentage) over previous years of contributions to ACIAR 1987-88 to 1991-92 (\$m) at constant 1990-91 prices	32
Table 5.1	Total and AIDAB Core Contributions to the Consultative Group on International Agricultural Research (\$USm)	43

## FOREWORD

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1. The Australian Centre for International Agricultural Research (ACIAR) was established as a statutory authority within the Foreign Affairs and Trade portfolio by the *Australian Centre for International Agricultural Research Act 1982* (ACIAR Act 1982). That legislation provided for scrutiny and review by way of a sunset clause limiting the life of the organisation to 12 years (June 1994), subject to a review at the 10 year stage, i.e. by June 1992.
2. Prior to arranging for the mandatory sunset review, on 18 October 1991 the Minister for Foreign Affairs and Trade, Senator the Hon. Gareth Evans, formally referred the matters of ACIAR's effectiveness against its charter and its statutory authority status to this Committee for review and report. The Minister requested that the review be concluded prior to May 1992. In requesting that the Joint Committee on Foreign Affairs, Defence and Trade conduct this inquiry, the Minister hoped to expose the Centre's operations and performance to public scrutiny and also to help obtain a wider understanding of ACIAR's role.
3. The Joint Committee on Foreign Affairs, Defence and Trade established a Sub-Committee, under the chairmanship of Senator Chris Schacht, to undertake the ACIAR review. Advertisements calling for submissions were placed in the national press in the last week of August and first week of September 1991. Public hearings were held in Canberra on 17 October 1991, 25 November 1991 and 2 March 1992, and hearings and inspections in Brisbane and Sydney from 10-12 February 1992. A total of 165 submissions was received, of which well over half were from overseas. The Committee is grateful to all the individuals and organisations who made submissions to the inquiry or who appeared to give oral evidence. Their evidence is a testament to the work that ACIAR has been involved in since its establishment.
4. The report commences with a brief description of the background to ACIAR's establishment, the legislative basis for the Centre, and its aims and methods. Chapter Two reviews ACIAR's management structure and organisation. Chapter Three examines ACIAR's research program as a basis for assessing how effectively ACIAR has met its charter and provides an assessment of ACIAR as official development assistance. Chapter Four examines ACIAR's funding, its accountability in the disbursement of funds, and the financial relationship between ACIAR and its commissioned organisations. Chapter Five covers ACIAR's relationship with major organisations within and outside Australia. The final chapter examines the future of ACIAR, and various proposals for the extension of ACIAR's mandate.

## SUMMARY OF CONCLUSIONS AND RECOMMENDATIONS

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1. Maximisation of food production is an essential element in ensuring strong economic growth. While Australia has extensive expertise in agricultural research, it was not until the creation of ACIAR in 1982 that that expertise was effectively applied to developing countries' agricultural problems. The Centre was established by the *Australian Centre for International Agricultural Research Act 1982* as a statutory authority within the foreign affairs and trade portfolio. The legislation contained a sunset clause, disbanding the Centre after 12 years unless its continuation was recommended by a new Act.

### Management and Organisation

2. The Centre has two governing bodies, a Policy Advisory Council (PAC) and a Board of Management (BoM). The PAC has a maximum of 19 members, with a 'substantial minority' being non-Australian. The Committee accepts there is scope for a reduction in PAC membership, and that Australian and non-Australian membership should be equal.
3. The Committee also believes there should be some degree of flexibility in Australian International Development Assistance Bureau (AIDAB) representation on both bodies, although it would prefer the representation to remain at the Deputy Director level.

**Recommendation 1:** The Committee recommends that section 8(1)(c) dealing with AIDAB representation on the ACIAR Board of Management be amended as follows:

8.(1)

- (c) the person for the time being occupying, or performing the duties of, the office in the Australian Public Service known as Director-General, Australian International Development Assistance Bureau, or his or her nominee; and

**Recommendation 2:** The Committee recommends that section 19 of the Act, dealing with Membership of the Policy Advisory Council, be amended as follows:

19.(1) The Council shall consist of -

- (a) a President;
- (b) the Director;
- (c) the person for the time being occupying, or performing the duties of, the office in the Australian Public Service known as Director-General, Australian International Development Assistance Bureau, or his or her nominee; and
- (d) 9 other members.

...

- (2)
  - (a) the Minister shall ensure that half the number of Members of the Council are resident of countries other than Australia.

**Recommendation 3:** The Committee further recommends that the quorum requirement for a meeting of the Policy Advisory Council be reduced from 9 to 7 and that the President has a deliberative and casting vote.

- 4. The Centre has a small staff of highly professional officers, well regarded within Australia and overseas. The Centre's management and Board are to be commended for ensuring the Centre's operations remain lean and efficient.

#### **The ACIAR Research Program**

- 5. The Committee examined the ACIAR research program and concluded that, in accordance with ACIAR's mandate, its projects address high priority problems in agriculture for both Australia and the partner country; the projects are collaborative in nature; and the results of the projects are published widely. The Committee supports the wide definition of agriculture used by ACIAR and the consequential spread of projects over 9 major sectors.
- 6. While sympathetic to calls for ACIAR to conduct more projects in regions other than Asia and the Pacific, the Committee supports ACIAR's primary focus in these regions. However, the Committee accepts that Australia has much to offer countries in the Middle East (for example, Iran), Africa and South America in terms of agricultural expertise, and funds permitting, would like to see an increase in activity in those areas.

**Recommendation 4:** The Committee recommends that ACIAR's primary focus remains South East Asia and the South Pacific. However, as funding permits, ACIAR should foster collaborative projects of mutual importance in other parts of the world, including Africa, the Middle East and South America. North Africa and the Middle East, in particular, should be a priority because of Australia's expertise in dryland farming.

7. The collaborative approach to research is central to ACIAR's operations. The Committee endorses this model.
8. The Committee believes it is important for ACIAR and its contracted organisations to have some flexibility in determining the length of stay of Australian scientists in-country.

**Recommendation 5:** The Committee recommends that ACIAR, in conjunction with its commissioned organisations and partner institutions, continue to evaluate the length of stay of Australian scientists in-country on a project by project basis.

9. The ACIAR communications program is highly regarded both within Australia and within partner countries. However, the Committee does not accept that ACIAR should take responsibility for the production of non-English publications, but rather this should remain the responsibility of the partner country.
10. ACIAR projects are a most effective form of official development assistance (ODA), focussing as they do on areas of high priority for the partner countries with great success. The economic benefits expected to flow to the partner countries are undoubtedly large, although the Committee questions some of the methodology used in evaluations to date. The Committee acknowledges that, even with a sizeable error factor built in, the outcome of ACIAR's research to date has proved most efficient, unlike a number of projects undertaken under the general aid program.
11. Although ACIAR activities have been successful, improvement is still possible in several areas. Project length is currently 3 years, but in some cases this has not been sufficient. The Committee believes that there needs to be greater flexibility in determining project length.

**Recommendation 6:** The Committee recommends that ACIAR be more flexible in determining project length, allowing projects to be approved on a case by case basis for periods of between 3 to 5 years.

12. There have been some difficulties in the past in relations between ACIAR research program co-ordinators and Australian scientists in the commissioned organisations. While most problems could be described as personality driven, rather than institutional, the Committee sees merit in ACIAR setting out clear guidelines regarding the duties of each person involved.

**Recommendation 7:** The Committee recommends that ACIAR, in conjunction with its commissioned Australian research institutions, develop a detailed set of guidelines governing the relationship between ACIAR and these bodies, detailing the relevant responsibilities of each position.

13. The project review process is comprehensive but does have some problems, primarily in identifying suitable people to conduct the reviews. It was apparent, however, that these difficulties lay outside ACIAR's control. The Committee concluded that ACIAR's review process was rigorous, however, the way in which program evaluation takes place should be consistently monitored and reassessed.
14. The Committee investigated serious allegations by Dr C.D. Walker against staff involved in ACIAR Project 8366. While unable to declare categorically that Dr Walker's claims were totally unfounded, Dr Walker had erred on a sufficient number of facts so as to cast serious doubt on the claims in his submission.

#### Funding

15. The Committee was satisfied that the financial operations and measures to ensure accountability were sufficiently rigorous to ensure the disposal of its funds were in keeping with the objectives for which they were appropriated. The Committee noted the Auditor-General's concerns over the question of financial delegations, and the related issues of payments into the Trust Fund and the types of financial statements required at present. The Committee supports the passing of amending legislation as a matter of urgency to rectify these technical problems.

**Recommendation 8:** The Committee recommends that the ACIAR Act be amended to permit:

- (a) delegations by the Minister to an appropriate person within the Centre, particularly in relation to financial matters;
- (b) funds provided on trust or subject to condition to be paid into the ACIAR Trust Fund; and
- (c) financial reporting requirements to be satisfied by one set of financial statements only.



16. Funding levels for ACIAR have remained in the range of 1.3 - 1.48 per cent of total ODA for a number of years. Given the success of ACIAR's work, the Committee believes there is room for a significant increase in the budget allocation for ACIAR. Any increase in funding should be additional to any funding variations arising from other changes, for example relations with the Consultative Group on International Agricultural Research (CGIAR).

**Recommendation 9:** The Committee recommends that ACIAR's priority within the aid budget be increased, and that by 1997 approximately 3.5 per cent of the aid budget should be allocated to ACIAR.

17. ACIAR does not meet the full cost of some of its activities for the Australian commissioned organisations. The Committee agrees that there needs to be clear guidelines established, detailing what will and will not be funded by ACIAR.

**Recommendation 10:** The Committee recommends that the ACIAR Board of Management formalise and issue a policy on the matter of overheads and cost recovery for the information and guidance of Australian collaborative institutions.

18. Despite requests for higher funding levels for partner country institutions, the Committee considers ACIAR's current practice of funding only a proportion of the partner country's costs as appropriate, given the collaborative nature of these projects. The Committee, therefore, does not consider it necessary for ACIAR to review its current funding arrangements in this area.

#### **Relations with Other Organisations**

19. The relationship with ACIAR and AIDAB is long standing and extensive, and in general, appears to be of mutual benefit. However, some tensions have arisen because of AIDAB's failure to take up research from various ACIAR projects. Relations between staff in Canberra are effective, but some problems have arisen overseas, largely as a result of personality clashes. The Committee believes that the ACIAR/AIDAB relationship is important in terms of continued effective targeting of research projects to assist developing countries. While the relationship appears sound, the Committee urges both organisations to maintain their efforts to strengthen their working relationship at all levels.
20. Similarly, relations between ACIAR and its commissioned organisations, and their partner institutions are generally productive, although minor points of dispute were noted.
21. Although Australia contributes to the core funding of International Agricultural Research Centres (IARCs), there has been a significant decline in our contributions since 1986 and the current allocation of \$7.4 million is

equivalent to approximately one half of one per cent of the total aid budget. These contributions are administered by AIDAB, but ACIAR has a close working relationship with these Centres. The Committee supports the proposal that responsibility for funding the IARCs be transferred from AIDAB to ACIAR. The Committee also agrees that Australian core funding to the IARCs should be increased over a 5 year period until it is 1.5 per cent of total ODA.

**Recommendation 11:** The Committee recommends that funding for the International Agricultural Research Centres, together with the resources needed to administer these funds, be transferred from AIDAB to ACIAR.

**Recommendation 12:** The Committee further recommends that the funding for the International Agricultural Research Centres is to be additional to the increase in ACIAR core funding recommended earlier (Recommendation 9); and that the level of International Agricultural Research Centre core funding be increased to 1.5 per cent of total official development assistance over 5 years.

#### ACIAR in the Future

22. The Committee was unanimous in its opinion that ACIAR should continue and that it should retain its statutory authority status within the foreign affairs and trade portfolio.

**Recommendation 13:** The Committee recommends that ACIAR continue as a statutory authority, located within the foreign affairs and trade portfolio, reporting to the Minister for Trade and Overseas Development.

23. While sympathetic to ACIAR's wish to have the uncertainties of the sunset clause removed, there was a strongly held view on the Committee that the existence of a sunset clause had distinct advantages. Indeed, the Committee is of the view that greater use should be made of sunset clauses to review the performance of all statutory authorities. The role of sunset clauses for statutory authorities should be the subject of examination by the appropriate Parliamentary Committee.

**Recommendation 14:** The Committee recommends that the appropriate Parliamentary Committee inquire into the role of sunset clauses for statutory authorities.

24. On equity grounds, the Committee does not recommend the imposition of a further sunset clause on ACIAR. However, to ensure the continued strong performance of the organisation, it is essential that there be a regular review of ACIAR.

**Recommendation 15:** The Committee recommends that the new Act to continue ACIAR include a fundamental review, every 5 years, of ACIAR's Terms of Reference including the continued existence of the organisation.

**Recommendation 16:** The Committee recommends that the review of ACIAR be carried out by a Parliamentary Committee because this will assist in achieving greater public awareness of the value of ACIAR's work; and the Joint Committee on Foreign Affairs, Defence and Trade is the appropriate body to conduct such a review.

#### Extending ACIAR's Mandate

25. Training has been excluded from ACIAR's mandate by virtue of comments in the Second Reading Speech by the then Minister for Foreign Affairs. The Committee supports the revision of ACIAR's mandate to include responsibility for training directly related to ACIAR projects. There should, consequently, be a transfer of those funds currently administered by AIDAB in relation to the AIDAB/ACIAR Associated Fellowship Scheme to ACIAR. The cost of any additional training places should be met from within ACIAR's budget, and there should be an upper limit on numbers of training scholarships provided.

**Recommendation 17:** The Committee recommends that the ACIAR Act be revised to allow ACIAR to conduct project-related training (both informal and post-graduate); and that responsibility for the administration of ACIAR's training scheme together with the concomitant resources, should be transferred from AIDAB to ACIAR.

26. Responsibility for extension programs was similarly excluded from ACIAR's mandate, as it was envisaged AIDAB would take up this role. However, it is apparent that AIDAB has not been fulfilling this function and that much frustration has been felt when research results have not been taken further. The Committee was concerned at the possible open ended nature of amending ACIAR's mandate to cover extension activities, as this might in time lead to a diversion of ACIAR's efforts from its primary task of research.
27. The Committee's preferred option was for a closer involvement of AIDAB in taking up successful ACIAR projects. To improve the liaison and co-ordination between the two organisations, the Committee recommends the establishment of a Technical Advisory Committee (TAC) within AIDAB, with representation from ACIAR. This Committee, chaired by the Director, Country Programs, AIDAB, would identify projects that could be developed by AIDAB in sufficient time to allow for them to be incorporated in the country program. However, the Committee believes that the local community should at least be able to take over and benefit from the results of ACIAR's work and this could be achieved through a small pilot program.

**Recommendation 18:** The Committee recommends that AIDAB establish a Technical Advisory Committee with the task of monitoring ACIAR research projects to enable earlier identification of results that could be developed through the AIDAB program. The Technical Advisory Committee should be chaired by the Director, Country Programs, AIDAB and should include representatives from ACIAR as well as AIDAB.

28. However, the Committee was conscious that there will be times when valuable research results will not be taken up by AIDAB in projects. To assist in the development of these findings, the Committee believes that ACIAR's mandate should be extended to allow for a more detailed post-project phase, which might, at the discretion of the Board, involve small pilot programs. The Committee does not believe it is ACIAR's function to take research results to the commercialisation phase.

**Recommendation 19:** The Committee recommends that, when AIDAB has declined to conduct a follow up project utilising ACIAR research results, ACIAR should have the option of extending the post-project phase to include a small pilot program, with Board of Management approval.

29. It was suggested that ACIAR should become involved in competing for research contracts from overseas agencies. The Committee was concerned that such activity would in fact place ACIAR in direct competition with Australian companies already involved in the provision of international agricultural research services, and furthermore would divert ACIAR from its primary task. The Committee does not, therefore, support ACIAR's involvement in this activity.
30. There was also a proposal that ACIAR expand its charter to become involved in extending research and development (R&D) assistance in non-agricultural sectors. The Committee does not support the proposal that ACIAR is the most appropriate body to conduct this. However, ACIAR might be the model for a small separate statutory authority whose purpose was to provide R&D in these areas.

**Recommendation 20:** The Committee recommends that the Australian Government examine the possibility of establishing an organisation along the same lines as ACIAR with the purpose of providing research and development assistance to regional countries in manufacturing systems, human resource development, etc.

#### Public Awareness

31. Outside the field of those involved in agricultural research, the work of ACIAR is almost completely unknown. At a time when all sectors of government spending are under threat, and when there is an increasing call

for the Australian aid budget to be cut and the money redirected into domestic programs, it is important that the benefits of the work of ACIAR be more widely publicised.

**Recommendation 21:** The Committee recommends that ACIAR consult with AIDAB on ways to increase public awareness of the importance and achievements of ACIAR's work in solving major agricultural problems.

## CHAPTER ONE: INTRODUCTION

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### The Importance of Agricultural Research

- 1.1 Maximisation of food production is an essential element in ensuring strong economic growth. This is particularly so in developing countries where a lack of basic food supplies and other agricultural products have a severe effect on the population of these countries. Although provision of food aid is a short term solution it is generally recognised that improving the production of food by the countries themselves offers the best hope for a long term improvement in living standards and economic growth.
- 1.2 Australia has a world wide reputation as a major agricultural producer and for many years Australia's wealth was based significantly in our agricultural exports. Australia's experience in agriculture spans a wide range of climatic and environmental conditions, from tropical agriculture through to dryland farming and our expertise in agricultural research is extensive. However, by the late 1970s, it was apparent that this expertise in agricultural research was not being harnessed efficiently within the development assistance program:

In 1980-81 our [Australia's] spending under the aid program on agricultural research and related activities was estimated to have been about \$12 million. This is quite significant. It was however, based to a considerable extent upon *ad hoc* requests for assistance from aid recipient governments. While the activities supported were each worthwhile in themselves they lacked co-ordination. The reason this was so, ... is that no mechanism presently exists to foster a more systematic approach.<sup>1</sup>

- 1.3 The then Minister for Foreign Affairs listed a number of other factors that inhibited a more effective application of Australian expertise to developing countries' agricultural problems. These included:

. The lack of an effective mechanism within Australia for systematically identifying the agricultural problems of developing countries, including the identification of those areas of research which warrant Australia's support;

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<sup>1</sup> Hon. A.A. Street, MP, Minister for Foreign Affairs, Second Reading Speech. Attachment 3, ACIAR, Submission, p. S261.

The lack of a satisfactory mechanism for marshalling the collective expertise of bodies such as universities, state departments of agriculture, CSIRO and suitably competent private individuals and organisations to assist in solving the identified problems;

The failure of Australian laboratories to provide support for scientists engaged in agricultural research in developing countries;

The reluctance of the Australian research system to give proper credit to research performed in developing countries by Australian scientists, who are therefore disadvantaged compared with scientists who remain in Australia to pursue more recognised lines of research.<sup>2</sup>

It was against this background that the concept of an Australian Centre for International Agricultural Research developed.

#### ACIAR's Legislative Basis

1.4 The *Australian Centre for International Research Act 1982* (ACIAR Act 1982) established as a statutory authority the Australian Centre for International Agricultural Research (ACIAR) within the foreign affairs and trade portfolio. The Act contained a sunset clause (section 43) specifying that 'unless sooner repealed, [the Act] shall cease to be in force at the expiration of 12 years after the date of commencement of this Act'. ACIAR would thus cease to exist in June 1994, unless a new Act to extend its life was passed. The sunset clause was incorporated in the legislation as part of the mechanism to ensure that ACIAR was achieving the objectives for which it was created.<sup>3</sup>

1.5 The ACIAR Act 1982 also contains a requirement for a review of the Centre. The Act states:

44.(1) The Minister shall, at the expiration of the tenth year after the date of commencement of this Act, arrange for a review of the operations of the Centre with a view to determining the desirability or otherwise of the continued existence of the Centre after the expiration of the period of 12 years referred to in section 43 and for the making of a report to the Minister following on that review.

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<sup>2</sup> *ibid.* p. S262.

<sup>3</sup> *ibid.* p. S268.

(2) The Minister shall cause the report referred to in subsection (1) to be laid before each House of Parliament within 15 sitting days of that House after the report is received by him.

1.6 In addition to this legislative requirement for a review of ACIAR, the ACIAR Board of Management commissioned a mid-term review after the Centre had been in existence for 6 years. The report of that review, published in March 1989, made 24 recommendations aimed at improving the operations of ACIAR, the great majority of which were accepted and implemented by the Centre.<sup>4</sup>

1.7 The ACIAR Act 1982 sets out the functions of ACIAR as follows:

5.(1) The functions of the Centre are

(a) to formulate programs and policies with respect to agricultural research for either or both of the following purposes:

(i) identifying agricultural problems of developing countries;

(ii) finding solutions to agricultural problems of developing countries;

(b) to commission agricultural research by persons or institutions in Australia (whether the research is to be conducted in Australia or overseas) in accordance with such programs and policies; and

(c) to communicate to persons and institutions the results of such agricultural research.

(2) In performing its functions with respect to agricultural research, the Centre shall have regard to the need for persons or institutions in developing countries to share in that research.

(3) Nothing in this section authorizes, or permits, the Centre to carry out research on its own behalf.

1.8 In keeping with section 5(2) of the Act, ACIAR has adopted a collaborative approach to its activities. The Minister for Foreign Affairs at the time of ACIAR's creation, noted that 'a key element of the research programs the

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<sup>4</sup> The report of the mid-term review is listed as Exhibit No. 1 to this inquiry.



Centre commissions will be the involvement in them of developing country scientists and institutions. Collaborative arrangements of this kind will be fundamental to the success of the work commissioned by the Centre'.<sup>5</sup>

- 1.9 The mandate of the Centre is closely defined. Additional functions such as training and extension programs, while not specifically precluded by the legislation, were excluded in the Minister for Foreign Affairs' Second Reading Speech.<sup>6</sup>
- 1.10 Based on the legislation and the proscriptions of the Second Reading Speech, the Centre has defined as its corporate mission:

... to improve the well-being of people in developing countries and Australia through collaborative research partnerships aimed at the development of sustainable agricultural systems and the design of appropriate natural resource management strategies.<sup>7</sup>

- 1.11 ACIAR goals, as defined in its corporate plan, are:

- to identify priority problems in agriculture and the natural resources sector in developing countries, capable of solution by research;
- to select, develop, commission, support and evaluate research projects promising mutual benefits to developing country partners and to Australia, in fields in which Australian science has special competence; and
- to improve agricultural and natural resource management and promote sustainable economic growth in developing countries and Australia, through facilitating the solution of common problems and ensuring communication of results.<sup>8</sup>

- 1.12 This Committee's Terms of Reference contain a directive to assess the effectiveness of ACIAR as an element of Australia's official development assistance program against its charter, as set out in the ACIAR Act 1982. The Committee has done this by first examining the management and administration of the Centre, followed by an examination of ACIAR's research program in the light of its mandate as contained in the ACIAR Act 1982. The

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<sup>5</sup> ACIAR, *Submission*, p. S264.

<sup>6</sup> *ibid.* p. S265.

<sup>7</sup> *ACIAR Annual Report 1990-91*, p. viii.

<sup>8</sup> *ibid.*

Committee believes it important that any assessment of ACIAR's performance is made in the context of its benefits to Australia and to the partner country. Issues such as the development and implementation of programs, their geographic spread, and the relationship ACIAR has with other organisations are covered also in the following chapters.

## CHAPTER TWO: MANAGEMENT AND ORGANISATION OF ACIAR

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### Governance

2.1 Under the ACIAR Act 1982, the Centre was established as a Commonwealth statutory authority within the foreign affairs and trade portfolio. It is accountable to Parliament through the Minister for Trade and Overseas Development. The Centre is also subject to the usual government financial accounting policies and procedures under the relevant legislation governing the Commonwealth Public Service.

2.2 Sections 17 - 23 of the ACIAR Act 1982 provide for a Policy Advisory Council (PAC), the main function of which is to provide advice to the Minister on ACIAR's charter under its Act. In effect, the PAC:

... has an overview role. It gives advice on the agricultural problems of developing countries, their research priorities, and Australia's research capacities; it approves criteria for assessing priorities and choosing appropriate projects; and it sets guidelines for evaluating programs. In addition, the Council advises on modes of operation for the Centre and on sources of national and international expertise.<sup>1</sup>

2.3 The PAC has a maximum number of 19 members, including a President, appointed by the Minister, the Director of the Centre, the Director-General of AIDAB, and between 12 to 16 other members appointed by the Minister. In accordance with the Act, 'a substantial minority of the members ... are residents of countries other than Australia'.<sup>2</sup>

2.4 In addition to the PAC, the ACIAR Act 1982 also provides for a Board of Management (BoM) of the Centre. The Board is 'subject to and in accordance with any direction by the Minister under section 16, responsible for the conduct and control of the affairs of the Centre'.<sup>3</sup> Its specific functions are to:

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<sup>1</sup> ACIAR Annual Report 1990-91, p. 44.

<sup>2</sup> ACIAR Act 1982, section 19(3)(b).

<sup>3</sup> ACIAR Act 1982, section 7(2).

- establish policy and planning guidelines and operational strategies to guide the Director in the day-to-day development and management of the Centre's activities and resources;
- determine the annual and long-term focus and balance of ACIAR's collaborative research emphasis in terms of regional, country, commodity and program priorities;
- monitor the Centre's progress towards the achievement of its objectives through systematic reviews and assessment;
- ensure that the Centre meets its statutory obligations under the *ACIAR Act 1982*, including reporting on activities and financial accountability;
- apportion the annual budget in accordance with approved ministerial parameters, and endorse all research proposals.<sup>4</sup>

- 2.5 The degree of involvement of the BoM in the operation of the Centre has varied since the creation of ACIAR:

Initially the Board was very active in examining and reviewing the Centre's operational policies and procedures and in critically evaluating new project proposals. Nowadays, however, the Board concentrates on providing broad policy advice and guidance to the Centre which has the responsibility for the day-to-day management of activities within the broad policy parameters set by the Board.<sup>5</sup>

- 2.6 The Committee had the opportunity to take evidence from the Chairman of the Board of Management and President of the Policy Advisory Council, Professor J.L. Dillon, and a number of members of the PAC. At that time, Professor Dillon argued for a reduction in the number of members of the PAC, and that the requirement that a majority of members be Australian citizens be removed:

We see a degree of better cost-effectiveness if the number were reduced. At the same time, we believe that the necessary liaison can occur through the other network channels that we have established. We believe if the number of Policy Advisory

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<sup>4</sup> ACIAR *Annual Report 1990-91*, p. 43.

<sup>5</sup> ACIAR, *Submission*, p. S210.

Council members were reduced it would give us no reduction in the level of proper and real advice that we can receive. In doing so we would hope to see an increase in the proportion of overseas representatives.<sup>6</sup>

- 2.7 Under the current Act, the PAC can have from 15 to 19 members. The Committee agrees that there is scope for some reduction in numbers, with a consequential adjustment of numbers of Australian and non-Australian members. However, the Committee does not accept that the PAC should be dominated by either group, but rather, in keeping with the collaborative/partnership model adopted by the Centre, representation should be equal. The Committee believes that an optimum number for the Council would be 12, the quorum for meetings should be set at 7 and that the President has a deliberative and casting vote.
- 2.8 The Director-General of AIDAB is a member of both the PAC and the BoM. Because of the close working relationship between the two organisations, it is appropriate that AIDAB representation on the Centre's governing bodies be at a senior level. However, the Director-General of AIDAB strongly argued that it was no longer necessary for the Director-General specifically to be so closely involved in these bodies:

... I think it smacks a little bit of being big brother in the AIDAB-ACIAR relationship ... To some extent it was paternalistic, watching what it was on about through direct involvement at the top of the organisation. That is not necessary ... The other thing is that it is quite an awkward spot for the Director-General, particularly in regard to budgetary matters ... I am not sure that the Director-General's time is best spent in that sort of role.<sup>7</sup>

- 2.9 The Director of ACIAR argued in a public hearing that it was no longer necessary for the Director-General of AIDAB to be on the Board of Management, but that the Director-General or one of the three Deputy Directors of AIDAB should continue to be a member of the Policy Advisory Council.<sup>8</sup> However, given that the BoM has a broad policy role, the Committee believes it appropriate that some AIDAB representation be maintained.
- 2.10 The Committee does not dispute the need for some degree of flexibility in AIDAB representation, but would wish to see AIDAB representation continue at a relatively senior level, preferably that of Deputy Director-General level.

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<sup>6</sup> ACIAR, Evidence, 17 October 1991, p. 32.

<sup>7</sup> AIDAB, Evidence, 25 November 1991, pp. 138-39.

<sup>8</sup> ACIAR, Evidence, 2 March 1992, p. 364.

The Committee, therefore, believes that the Act should be redrafted to allow for the Director-General of AIDAB or his or her nominee to represent AIDAB on the Policy Advisory Council and Board of Management.

**Recommendation 1:** The Committee recommends that section 8(1)(c) dealing with AIDAB representation on the ACIAR Board of Management be amended as follows:

8.(1)

- (c) the person for the time being occupying, or performing the duties of, the office in the Australian Public Service known as Director-General, Australian International Development Assistance Bureau, or his or her nominee; and

**Recommendation 2:** The Committee recommends that section 19 of the Act, dealing with Membership of the Policy Advisory Council, be amended as follows:

19.(1) The Council shall consist of -

- (a) a President;
- (b) the Director;
- (c) the person for the time being occupying, or performing the duties of, the office in the Australian Public Service known as Director-General, Australian International Development Assistance Bureau, or his or her nominee; and
- (d) 9 other members.

...

(2)

- (a) the Minister shall ensure that half the number of Members of the Council are resident of countries other than Australia.

**Recommendation 3:** The Committee further recommends that the quorum requirement for a meeting of the Policy Advisory Council be reduced from 9 to 7 and that the President has a deliberative and casting vote.

## Organisation and Staffing of ACIAR

- 2.11 It was originally envisaged that ACIAR would require 'the capacity to identify needs and priorities for agricultural research in developing countries, prepare briefs and commission contracts for research and to monitor critically progress of the research and the contracts under which it is conducted' this would be done by a staff of about 10.<sup>9</sup> The intention was that all finance and accounting support would be provided by AIDAB's predecessor, the Australian Development Assistance Bureau (ADAB), and the Department of Foreign Affairs. This arrangement proved 'difficult operationally'<sup>10</sup> and since 1987 the Centre has been responsible for all administrative matters including financial and accounting operations, excluding payment of salaries. The Centre currently has 31 staff, in two broad categories - scientific staff and corporate services staff. The Centre also maintains small offices in 5 countries, staffed by locally-engaged personnel.<sup>11</sup>
- 2.12 Although the majority of the Centre's staff are public servants, the Centre has been able to attract and retain high calibre scientific staff, either on secondment or as consultants.
- 2.13 In the financial year (FY) 1990-91, 14.6 per cent of ACIAR's total budget of \$17 million was expended on corporate services (centre administration, expenses of the BoM, PAC and executive), and a further 2.7 per cent on communications (publications, etc). In other words, 82.7 per cent of funds went on research.<sup>12</sup> This percentage has been maintained over a number of years<sup>13</sup> in the face of increased salary and administrative costs, and the Centre is to be commended for this achievement.
- 2.14 A number of submissions commented on the effectiveness of the Centre's administration and the high quality of the staff working there. In the opinion of the partner countries, ACIAR staff are 'highly qualified and competent in their field of specialisation. Their relationship with the National staff and growers has been very open and genuine'.<sup>14</sup> Furthermore, the 'staff and management of ACIAR are held in high regard and esteem by their colleagues and the other professionals in the international agricultural network'.<sup>15</sup> The

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<sup>9</sup> ACIAR, Submission, p. S266.

<sup>10</sup> *ibid.* p. S211.

<sup>11</sup> *ibid.* p. S825.

<sup>12</sup> ACIAR *Annual Report 1990-91*, p. 1.

<sup>13</sup> See ACIAR Annual Reports for FYs 1987-88, 1988-89 and 1989-90.

<sup>14</sup> Cook Islands Ministry of Agriculture, Submission, p. S776.

<sup>15</sup> Winrock International, Submission, p. S624.

link between a small organisation staffed with professionally qualified personnel and effective administration was noted by many submissions.<sup>16</sup>

- 2.15 The Committee commends the efforts of Centre management and the Board in keeping the Centre's operations lean and efficient. The Committee endorses the 'collegiate' approach to management followed by the Centre and does not believe there is any requirement at present for a reorganisation of the Centre.

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<sup>16</sup> See, for example, King, Submission, p. S308; Bowen, Submission, p. S41; Tribe, Submission, p. S455; CIMMYT, Submission, p. S657.



## CHAPTER THREE: ACIAR'S RESEARCH PROGRAM

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### Introduction

- 3.1 The Committee was tasked with assessing ACIAR's effectiveness as part of Australia's official development assistance (ODA) program against the charter set out in the ACIAR Act 1982. To do this, the Committee felt it was necessary to determine the characteristics of ACIAR's program, as set out in the Act and its supporting documentation, and compare that with the actual research program being undertaken by ACIAR.
- 3.2 ACIAR's mandate, as set out in the ACIAR Act 1982 and the Second Reading Speech, has been discussed in Chapter One. The basic characteristics of ACIAR activities, arising from the Act, are:
- . projects must address a high priority problem in agriculture, both for Australia and the partner country;
  - . projects must be collaborative in nature; and
  - . the results of projects should be published widely.
- 3.3 In this chapter, the Committee examines ACIAR's research program against these criteria, looking at the mechanisms by which projects are selected, the geographic distribution of projects, the collaborative research system used by ACIAR, and concludes by examining some areas of the project management system and some suggested ways in which this might be improved.

### Identification of Projects

- 3.4 ACIAR conducts research programs in nine areas: animal sciences, crop sciences, economics and farming systems, fisheries, forages, forestry, plant nutrition, post-harvest technology, and soil and water (management and land use).<sup>1</sup> This is in accordance with the broad definition given to agriculture in the Second Reading Speech:

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<sup>1</sup> ACIAR, Submission, p. S203.

... the Government sees no activity that has as its objective the production of a commodity that grows on or depends upon the land, or lives in or depends upon the water, as being excluded from the Centre's possible attention.<sup>2</sup>

- 3.5 While the distribution of expenditure on each of the nine sectors varies from year to year, the Committee does not believe there is a need to review the wide sectorial distribution of the research program as suggested by the Western Australian Department of Agriculture.<sup>3</sup> The Committee endorses the definition of 'agriculture' in use by ACIAR and believes that the allocation of resources per sector reflects Australia's comparative advantage in those areas (for example, 39 per cent of research funding in 1990-91 was allocated to two sectors, crop sciences and animal sciences).<sup>4</sup>
- 3.6 Suggestions for possible projects may originate from a range of sources, including:
- . developing country research institution seeking a solution to an agricultural problem facing the country
  - . Australian research institution currently researching an agricultural problem in Australia the solution to which could be relevant to a similar problem in a developing country
  - . an initiative arising from a field visit, Workshop or Conference
  - . ... country consultation
  - . third party source (IDRC [International Development Research Centre], World Bank, AIDAB, etc), where ACIAR might be asked to become a partner in a research activity which seeks a solution to an agricultural problem.<sup>5</sup>

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<sup>2</sup> *ibid.* p. S264.

<sup>3</sup> Government of Western Australia and WA Department of Agriculture, Submission, p. S672.

<sup>4</sup> *ACIAR Annual Report 1990-91*, p. 12.

<sup>5</sup> ACIAR, Submission, p. S217.

- 3.7 The research project must be given a high priority by the partner country. One of the requirements for ACIAR projects in the partnership is that the partners are already undertaking some of this work.<sup>6</sup> The high priority attached to the projects by the partner countries and their financial contribution to the project ensures a high degree of commitment on their part. Coupled with the high priority and comparative advantage of the Australian partner, the Committee believes the selection of projects is quite discriminating. Should a project not be a high priority agricultural problem for the partner country or an area of Australian scientific competence, the project will not be approved.
- 3.8 The Committee examined a number of projects in several countries to attempt to assess the relevance of the research for the partner country. The Committee was unable to find one project that did not involve an area of national significance for the partner country. For example, in Thailand, work on legumes was 'consistent with the national goals of increased production ...';<sup>7</sup> protection of chickens through the development of a thermostable oral vaccine against Newcastle disease has been a high priority in Malaysia, Thailand, the Philippines and Sri Lanka as the disease is the major cause of mortality of chickens in Asia<sup>8</sup>; biological control of noxious weeds such as *salvinia molesta* was important, for if not for ACIAR's involvement the weed would have 'multiplied ... affecting very much the livelihood of people dependent on fish grown in fish-ponds and in lakes or bodies of water ...';<sup>9</sup> and ACIAR's sponsoring of work in culturing giant clams was a Pacific-wide research project with positive research results leading not only to advances in clams as a food source but also as possible exports for South Pacific countries.<sup>10</sup>
- 3.9 Similarly, in discussions with Australian commissioned institutions or organisations such as the Commonwealth Scientific and Industrial Research Organisation (CSIRO) and the Queensland Department of Primary Industries (QDPI), there were strong assurances given to the Committee regarding the high priority for Australia of projects undertaken by these groups on behalf of ACIAR:

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<sup>6</sup> ACIAR, *Evidence*, 17 October 1991, p. 19.

<sup>7</sup> NSW Department of Agriculture, *Submission*, pp. S412-13.

<sup>8</sup> Spradbrow, *Submission*, p. S558.

<sup>9</sup> Menguito, *Submission*, p. S703.

<sup>10</sup> AIDAB, *Submission*, pp. S68-69.

... there is a whole spectrum of benefits for Australia in scientific and technical terms, as well as the undoubted goodwill that is generated by these projects ...<sup>11</sup>

All ACIAR projects managed by CSIRO have been of benefit to CSIRO in terms of its objectives for Australia.<sup>12</sup>

and

... the benefits are truly mutual ... it has in our opinion been of great advantage in some areas, particularly in the grain storage and pest taxonomy and control areas. Those have been a real direct benefit to us and we probably would not have been able to address them otherwise.<sup>13</sup>

### Geographic Mandate

- 3.10 ACIAR's primary focus for its collaborative research activities is on South East Asia (53.5 per cent of current research expenditure) and the South Pacific and Papua New Guinea (19.1 per cent). The remainder of projects are in China (13.5 per cent), South Asia (8.5 per cent) and Africa (5.4 per cent).<sup>14</sup> This focus on Australia's immediate neighbourhood reflects the emphasis placed on the Asia-Pacific region by the Australian development assistance program and Australia's wider foreign policy interests. As the Director of ACIAR observed:

With our limited budget we have seen it necessary to give our highest priority to the Asia-Pacific area and to limited parts of Africa.

and

... we believe our first requirement is to service the area of more immediate geo-political importance to us.<sup>15</sup>

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<sup>11</sup> CSIRO, Evidence, 25 November 1991, p. 76.

<sup>12</sup> CSIRO, Submission, p. S969.

<sup>13</sup> QDPI, Evidence, 10 February 1992, p. 181.

<sup>14</sup> ACIAR *Annual Report 1990-91*, p. 6.

<sup>15</sup> ACIAR, Evidence, op. cit. pp. 43-44.

- 3.11 In its submission, AIDAB noted that 'ACIAR's program has reflected the geopolitical priorities of the Australian aid program' as did AIDAB's own activities. This emphasis 'reflects stated Government priorities and the recommendations of reviews of the aid program such as that of the Jackson Committee'.<sup>16</sup>
- 3.12 A number of submissions, while supporting Australia's involvement in its immediate geographic area, called for ACIAR to expand its operation to include particularly West Asia and North Africa (WANA). Arguments were also advanced for increased involvement in parts of South America.<sup>17</sup>
- 3.13 The arguments for expanding ACIAR's geographic focus to include WANA were summarised in a submission by the Western Australian Department of Agriculture:
- . many countries in the region, particularly those without oil revenue have large populations of disadvantaged peoples, including minorities and refugees;
  - . many countries in the region are significant trading partners of Australia. ACIAR offers a low cost presence which will be appreciated by recipient countries and likely to have scientific and trade spinoffs for Australia;
  - . the climate and geography of the countries have strong similarities with the Mediterranean, semi-arid and arid areas of Australia;
  - . the region has acute sustainable production problems with *deteriorating farming areas, forests and rangelands*. Australia has many skills to offer in this area;
  - . Australia has well developed and extensive expertise and skills directly applicable to the region which ACIAR is not utilising at present;
  - . the region is the centre of origin of many of Australia's most important economic plants offering many opportunities for joint research.<sup>18</sup>

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<sup>16</sup> AIDAB, Submission, p. S71.

<sup>17</sup> See, for example, Waterhouse, Submission, p. S13 and Humphreys, Submission, pp. S577-81.

<sup>18</sup> Government of Western Australia and WA Department of Agriculture, Submission, pp. S670-71.

- 3.14 The arguments for the current emphasis on the South Pacific/South East Asia area are equally strong:

Even if there were no overriding political reasons (which there are) there are major sociological and biological reasons ... we share many important pests and can benefit from a common approach. Southeast Asia and the Pacific are an invaluable buffer against the passage of new pests to Australia. Often, by establishing projects in these countries we can solve or do much to alleviate problems off our shores ... so as to be able to diminish the crippling losses that would be caused when new pests eventually reach Australia.<sup>19</sup>

- 3.15 None of the submissions called for a halt in work in Asia and the Pacific, but rather for an expansion beyond that area - in other words, a re-adjustment of the balance of project distribution. Given current funding levels, however, by implication this would mean a reduction in funds flowing to agricultural research in the current priority areas.
- 3.16 While acknowledging Australia's agricultural relevance to these other geographic areas, AIDAB argued that:

If ACIAR were to spread further its core program to other regions on the basis of their ecological similarity to parts of Australia this would lead to a diminution of effort in those regions which are the primary focus of the Australian aid program ... AIDAB therefore considers that ACIAR should continue to focus its core program resources on South East Asia and the Pacific.<sup>20</sup>

- 3.17 ACIAR also noted that 'one of the reasons we tend to focus on the Asia-Pacific region and the Pacific Rim is that we are significant donors in that area'. Given the strong African and Latin American focus of European donors and the United States 'We do not have any involvement in Latin or Central America and only a very limited involvement in Africa, in so far as we can see some comparative advantage in being there, for example, in dryland agriculture' [emphasis added].<sup>21</sup>
- 3.18 The Committee supports ACIAR's primary focus on collaborative projects with South East Asian and South Pacific countries. However, it also accepts that Australian agricultural expertise has much to offer countries in the Middle East (for example, Iran), Africa and South America. The issue is really a

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<sup>19</sup> Waterhouse, Submission, p. S13.

<sup>20</sup> AIDAB, Submission, pp. S71-72.

<sup>21</sup> ACIAR, Evidence, op. cit. p. 31.

matter of balance. Should ACIAR's funding be increased (see paragraph 4.21) the Committee supports ACIAR expanding its work more into other regions.

**Recommendation 4:** The Committee recommends that ACIAR's primary focus remains South East Asia and the South Pacific. However, as funding permits, ACIAR should foster collaborative projects of mutual importance in other parts of the world, including Africa, the Middle East and South America. North Africa and the Middle East, in particular, should be a priority because of Australia's expertise in dryland farming.

### The Collaborative Model

- 3.19 A collaborative approach to research is central to ACIAR's philosophy and method of operation. As the Executive Director of Thailand's National Biological Control Research Centre noted:

The strength of ACIAR's research mode is the exchange and sharing of expertise among researchers involved and an impetus to respective research teams in the countries that lead to recognition in the region ... Research capability among research and graduate assistants involved in the projects has been enormous in providing them with appropriate and practical approach to the problems and their solution through research.<sup>22</sup>

- 3.20 However, a collaborative approach to research is not without some faults:

I strongly support the collaborative mode of research ... This is not necessarily the most efficient method of conducting research, but it is very appropriate to research that is part of a development assistance program ... There is a continuing need and place for collaborative research programs ...<sup>23</sup>

- 3.21 All ACIAR projects are collaborative ventures between Australian commissioned organisations and individuals and institutions in the partner country. The benefits of the model have been illustrated over the 10 years of ACIAR's existence. The collaborative approach improves the institutional capabilities of the partner country. In comparison, the 'top-down' approach adopted by many donor means:

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<sup>22</sup> Napompeth, Submission, p. S11.

<sup>23</sup> Lucas, Submission, pp. S505 & 507.

.. the recipients have little sense of involvement in the work. There is a high incidence of failure ... not least because the technologies in the technical assistance packages are invariably untested in the new environments into which they are being introduced. Good collaborative work ensures that the applied and adaptive research work needed for success is done in situ and involves local staff familiar with conditions.<sup>24</sup>

- 3.22 The Committee endorses the continued use of the collaborative model of research by AIDAB.

#### **Australian Experts In-Country**

- 3.23 One issue related to the collaborative research model involves the length of stay of Australian scientists in the partner country. Several submissions from overseas partner institutions and researchers suggested that ACIAR's project management might be improved through longer stays in-country of visiting Australian experts. Visits for one to two weeks were seen as too short and a restriction on the amount of exchange of ideas and information between researchers from both countries.<sup>25</sup> It was also suggested that an Australian scientist could be placed full time with the partner organisation to work side by side with that country's scientists.<sup>26</sup>
- 3.24 A contrary view was also put, that many of the visits by Australian scientists were not necessary and that 'monitoring of the project can be conducted by local scientist. It will be more beneficial for the project if ACIAR balance out the visits by Australians to country project and vice-versa visit [sic].'<sup>27</sup>
- 3.25 The Committee believes it is important for ACIAR and its contracted organisations to have some flexibility in determining the length of stay of Australian scientists, given that the research projects are collaborative, with input from both sides. As well as being a major expense to the project, long term attachments could impinge on the development of the local scientists, relegating them to playing a secondary, supporting role only. For that reason, the Committee believes the system of short term attachments should continue, with flexibility remaining for longer term attachments if agreed necessary by all parties involved.

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<sup>24</sup> ACIAR, Submission, p. S106.

<sup>25</sup> Hadiwigeno, Submission, p. S295.

<sup>26</sup> Dart, Submission, p. S731.

<sup>27</sup> Vangnai, Submission, p. S770.



**Recommendation 5:** The Committee recommends that ACIAR, in conjunction with its commissioned organisations and partner institutions, continue to evaluate the length of stay of Australian scientists in-country on a project by project basis.

### Communication of Research Results

3.26 Under the Act, ACIAR is required to 'communicate to persons and institutions the results of such agricultural research'.<sup>28</sup> This communication is achieved through such activities as:

- . research personnel exchanges
- . publishing of research results
- . conducting workshops, seminars, etc
- . regular dissemination of project reports.<sup>29</sup>

3.27 The quality of ACIAR's publications and the usefulness of its workshops and seminars was commented on favourably by many submissions:

ACIAR's monographs and similar publications are excellently produced, factual and greatly valued in developing countries. I know of no other aid organisation that produces publications of a similar high standard.<sup>30</sup>

The Committee endorses this assessment of ACIAR's publication and information distribution activities.

3.28 It was suggested to the Committee that ACIAR should produce more publications in languages other than English.<sup>31</sup> While the Committee agrees this would assist in the dissemination of such information, it believes the primary responsibility for such non-English publications should remain with the institution and authorities of the partner country.

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<sup>28</sup> ACIAR Act 1982, section 5(1)(c).

<sup>29</sup> ACIAR, Submission, p. S221.

<sup>30</sup> Spradbrow, Submission, p. S560.

<sup>31</sup> Bell, Submission, p. S548.

## ACIAR as Official Development Assistance

- 3.29 On the basis of all the evidence before it, the Committee concluded that ACIAR was fulfilling its mandate successfully in terms of arranging for research projects that are focussed on high priority agricultural problems to Australia and the partner country, that the projects are collaborative in nature, and the results of those projects are widely published. The question now facing the Committee was the effectiveness of these activities as part of the official development assistance program.
- 3.30 The aim of Australia's official development assistance program is 'to promote growth with equity in developing countries, responding to humanitarian concerns. At the same time Australia's foreign policy objectives and commercial interests are furthered or supported by development cooperation'.<sup>32</sup> The program is managed by AIDAB.
- 3.31 In FY 1990-91 Australia allocated some \$1,261 million in overseas development assistance. Of this, \$17 million (or approximately 1.3 per cent of total ODA) was allocated to ACIAR. Australian assistance to the agricultural sector overall during this same period was some 18 per cent of ODA, if direct expenditure on agricultural projects, training, support for International Agricultural Research organisations, and the International Fund for Agricultural Development are included.<sup>33</sup> The funding level of ACIAR is discussed in Chapter Four and its ongoing relationship with AIDAB is dealt with in Chapter Five.
- 3.32 It was the unanimous opinion of all who made submissions to this inquiry that ACIAR was a most effective form of ODA. Comments included:
- . ACIAR has been an unqualified success ... having contributed materially to developing country productivity ...<sup>34</sup>
  - . ... ACIAR's approach is the most effective ODA I have ever experienced.<sup>35</sup>

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<sup>32</sup> DFAT *Annual Report 1990-91*, p. 131.

<sup>33</sup> AIDAB, *Submission*, p. S57.

<sup>34</sup> Bowen, *Submission*, p. S41.

<sup>35</sup> Chittachumonk, *Submission*, p. S36.

- . ... ACIAR has been a very effective element in Australia's development assistance programme. It has added a dimension to the programme which was not previously present and has enhanced international co-operation.<sup>36</sup>
- . ... the policies and activities of ACIAR ... have been outstandingly effective and efficient ... the Centre has had significant success in benefiting a particularly difficult target group - the rural poor ...<sup>37</sup>
- . ... ACIAR has been a very effective part of Australia's official development assistance program.<sup>38</sup>
- . ACIAR ... [is] ... one of the best and effective agencies of the Australian Government to render assistance to developing countries for agricultural technologies ...<sup>39</sup>

3.33 The Committee endorses the above comments in the light of ACIAR's excellent record of meeting its mandate and focussing its energies on areas of high priority and concern to partner countries, with a high degree of success. This is particularly apparent when looking at the projected economic returns for these partner countries.

#### **Economic Returns from ACIAR Expenditure for Partner Countries**

3.34 The Committee considered the question of the economic returns to the partner countries from the annual expenditure by ACIAR of \$17-18 million per year.

3.35 ACIAR provided the Committee with documentation that detailed an economic assessment of the costs and returns of 12 research projects.<sup>40</sup> Based on those 12 projects alone ACIAR claims that for a total research cost of \$27.4 million (1990 dollars) the expected benefits over the next 15-20 years would be \$816.7 million (1990 dollars).<sup>41</sup>

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<sup>36</sup> Tisdell, Submission, p. S501.

<sup>37</sup> Griffin, Submission, p. S575.

<sup>38</sup> Bureau of Rural Resources, Submission, p. S695.

<sup>39</sup> Menguito, Submission, p. S704.

<sup>40</sup> ACIAR, Exhibit No. 12. (Appendix 3 to ACIAR submission.)

<sup>41</sup> ACIAR, Submission, pp. S100-101.

- 3.36 The Committee questioned ACIAR at some length on the methodology used to arrive at these figures and the validity of taking a small sample of projects (12 from 186) to examine. ACIAR acknowledged that while there was some uncertainty, the estimates were conservative. ACIAR further argued that the 12 projects, while not a random selection, were chosen as the projects in which the results of the research had actually been developed.<sup>42</sup>
- 3.37 AIDAB confirmed that, while it had undertaken no independent assessment of these claims, 'the sort of return figures ACIAR puts forward in a submission are by no means unexpected. There is a very extensive literature in this area which tends to show that expected average return on investment in agricultural research is of the order of 30 to 40 per cent per annum. Some studies have shown much higher figures than that'.<sup>43</sup>
- 3.38 While having some continuing doubts about some of the assumptions on which the cost-benefit analyses were conducted, the Committee acknowledged that even with a sizeable error factor built in, the outcome of ACIAR's research to date has, at the very least, proved cost efficient, unlike a number of projects undertaken under the general aid program.

#### **The Research Program - Areas for Improvement**

- 3.39 While ACIAR has been conducting research projects successfully, a number of submissions made mention of areas where some improvement was possible. These are dealt with in the remainder of this chapter.
- 3.40 The project management cycle is described in great detail in ACIAR's submission to the Committee, with the emphasis on good management of the project and timely monitoring evaluation of the project, concluding with an external review of the project.<sup>44</sup> Criticism of various aspects of the project management cycle included project length; the role of ACIAR research program co-ordinators; and the project review process.

#### *Project Length*

- 3.41 The typical ACIAR project is of a 3 year duration, with the possibility of an extension for an additional 3 years. Although this extension is possible it is necessary for a detailed approval process to be undergone, equivalent to that involved in the initial project approval stage, before such an extension is approved.

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<sup>42</sup> *ibid.* p. S835.

<sup>43</sup> AIDAB, Evidence, *op. cit.* p. 132.

<sup>44</sup> ACIAR, Submission, pp. S216-25.

- 3.42 There was some concern expressed to the Committee about the 3 year project model:

[It] ... is a very short time to develop substantive results as it may take up to 6 months for the project to really get underway ...<sup>45</sup>

- 3.43 This view was supported by the CSIRO which argued that:

CSIRO scientists often find that the three-year length of ACIAR projects is too short for effective collaborative projects with overseas partners in developing countries ... it may be eighteen months before productive research commences, which leaves only one year before the project is reviewed. A further reason for considering the extension of project duration beyond three years is to allow adequate time for the evaluation of research results, and their publication in appropriate media. The inclusion of a "lead-time" period and a "finish time" period could be considered as normal project components.<sup>46</sup>

- 3.44 The Committee agreed that there needed to be some flexibility in terms of project length, recognising that by its very nature agricultural research required a long term commitment.

**Recommendation 6:** The Committee recommends that ACIAR be more flexible in determining project length, allowing projects to be approved on a case by case basis for periods of between 3 to 5 years.

#### *The Role of ACIAR Research Program Co-ordinators*

- 3.45 In its submission to this inquiry, CSIRO identified some past tensions that existed between ACIAR staff and some Australian scientists, believing that a clear definition of their duties would assist in the relationship.<sup>47</sup> As CSIRO explained 'ACIAR has entered into this arrangement with CSIRO and we have undertaken to deliver on these projects and the research program coordinators in ACIAR have got a responsibility to make sure things are going all right. The person in CSIRO who is in charge of the project has got to make it all go. So if you are going to get differences of opinion, this is where it is. What we are seeking ... is a clearer definition of where the cut-off

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<sup>45</sup> Dart, Submission, p. 729.

<sup>46</sup> CSIRO, Submission, p. S513.

<sup>47</sup> *ibid.* pp. S521-22.

point lies, because there has been a deal of variation in my time as to where different research program coordinators in ACIAR would put the line'.<sup>48</sup>

- 3.46 The Committee accepts CSIRO's view that many of the past problems could be classified as personality driven, rather than institutional.<sup>49</sup> The Committee sees merit in CSIRO's suggestion of clear guidelines setting out the duties of the ACIAR research program co-ordinator as well as the project leader, etc. The Committee believes that ACIAR should work in conjunction with its research partners to produce a detailed document setting out the guidelines governing the interaction between it and the research institutions undertaking ACIAR work.

**Recommendation 7:** The Committee recommends that ACIAR, in conjunction with its commissioned Australian research institutions, develop a detailed set of guidelines governing the relationship between ACIAR and these bodies, detailing the relevant responsibilities of each position.

#### *Project Review Process*

- 3.47 Monitoring, evaluation and review are integral parts of the project management cycle applied by ACIAR to all of its projects. Overall project activity and progress is monitored by the ACIAR research program co-ordinator and there is an annual review by the co-ordinator and project staff. In addition, all projects are subject to an external review, usually in the last year of the project. On the basis of this review a decision is usually made whether to allow the project to continue to completion, whether it should be terminated or if it should be extended for an additional period.<sup>50</sup>
- 3.48 ACIAR generally commissions qualified reviews from the developing country partner(s) and from Australia or another developed country to undertake the final project review. After consideration by a small, in-house review Committee, the project review report is presented to the ACIAR Board of Management.<sup>51</sup>
- 3.49 While acknowledging that the project reviews were necessary and the review process used by ACIAR basically sound, CSIRO commented that 'there are a number of difficulties confronting the Centre in the organisation and conduct

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<sup>48</sup> CSIRO, *Evidence*, op. cit. pp.101-2.

<sup>49</sup> *ibid.* p. 100.

<sup>50</sup> ACIAR, *Submission*, pp. S220-21.

<sup>51</sup> *ibid.* p. S225.

of reviews.<sup>52</sup> The CSIRO submission went on to note that the task of securing reviewers who were up-to-date in the relevant research area was difficult, that there are problems in locating a recipient country reviewer of sufficient scientific calibre, and that the reviewers need to be carefully briefed on the task before them.<sup>53</sup>

- 3.50 When questioned on these concerns by the Committee, it was apparent that these were difficulties faced by the scientific community in general and were not a direct result of any action or lack of attention by ACIAR.<sup>54</sup> The Committee concluded that ACIAR's review process was rigorous, however, the way in which program evaluation takes place should be consistently monitored and reassessed.

#### Submission by Dr C.D. Walker

- 3.51 In concluding this chapter on ACIAR's research program the Committee believes it appropriate to comment on the statements made by Dr C.D. Walker in his submission to this inquiry.<sup>55</sup> Dr Walker's submission made serious accusations against staff involved in ACIAR Project 8366 (Zinc in vertisols of India and Australia), including dishonest conduct (including misappropriation of funds), collusion between ACIAR staff and former associates to relocate the project, and unprofessional shortcuts in the conduct of research work.
- 3.52 The Committee sought comments from those named by Dr Walker<sup>56</sup>, ACIAR<sup>57</sup> and the Committee also discussed Dr Walker's claims with Dr W. Strong, the current project leader at the Queensland Wheat Research Institute (QWRI), at the public hearing in Brisbane on 10 February 1992.<sup>58</sup> The submissions commenting on Dr Walker's submission rebutted his accusations strongly. The Committee is unable to declare categorically Dr Walker's charges to be totally unfounded. However, there is quite a deal of evidence of error on Dr Walker's part (for example, regarding attendance by QWRI staff at a writing course, which Dr Walker claimed involved extra unapproved expenditure, but which was in fact an in-house course involving

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<sup>52</sup> CSIRO, Submission, p. S522.

<sup>53</sup> *ibid.*

<sup>54</sup> CSIRO, Evidence, *op. cit.* pp. 88-91.

<sup>55</sup> Walker, Submission, pp. S385-96.

<sup>56</sup> See Thompson, Submission, pp. S875-83; Strong and Clarke, Submission, pp. S898-908; Seymour, Submission, pp. S909-10; Hunter, Submission, p. S914.

<sup>57</sup> ACIAR, Submission, pp. S984-88.

<sup>58</sup> QDPI, Evidence, *op. cit.* pp. 183-92.

no cost to the project) to cast doubt on the claims contained within the submission.

- 3.53 The Committee considers it extremely unfortunate that what appears to be a conflict of personalities and personal frustrations within a research organisation should develop to such a level that the good names of not only the individual scientists involved but also the institutions for which they work are called into question.



## CHAPTER FOUR: FUNDING

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### Funding Basis

- 4.1 ACIAR core funding is part of the government's annual allocation to the development assistance program. As with any area of government expenditure, ACIAR is subject to the same procedures and requirements imposed by the financial estimates cycle. Estimates of expenditure and supporting information are provided to AIDAB at the appropriate time in the financial cycle, for inclusion in the aid program budget which AIDAB coordinates for the Minister.<sup>1</sup>
- 4.2 The ACIAR Act 1982 established a Trust Fund, into which are paid all monies appropriated by Parliament for the Centre and all other monies received by the Centre, with the exception of monies accepted by the Centre 'on trust or subject to a condition'<sup>2</sup> (see paragraph 4.10).
- 4.3 In addition to core funding, the ACIAR Act 1982 also allows for ACIAR to receive funds from external sources for specific projects or activities.<sup>3</sup> However, the Centre has approval from the Minister to accept external funds for research projects up to \$250,000. Funds received in excess of this amount are subject to Ministerial approval.<sup>4</sup>
- 4.4 The Centre also derives income from various other sources such as the sale of publications.

### Accountability

- 4.5 As required by the ACIAR Act 1982, the Centre prepares a financial statement, as part of its annual report on its operations at the end of each financial year. The financial statement is submitted to the Auditor-General for report and then to the Minister, before tabling in Parliament. The Centre is also subject to external audit by the Auditor-General under the Audit Act. Internal audit services are obtained through use of part time consultancy.

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<sup>1</sup> ACIAR, Submission, p. S213.

<sup>2</sup> ACIAR Act 1982, section 34(2).

<sup>3</sup> ACIAR Act 1982, section 6(2).

<sup>4</sup> ACIAR, Submission, p. S213.

The Centre's budget is also subject to review by the Senate Estimates Committee process, as it forms part of the total aid program.

- 4.6 The Committee was satisfied that the financial operations and measures to ensure accountability were sufficiently rigorous to ensure the dispersal of its funds were in keeping with the objectives for which they were appropriated. It noted, however, that a number of technical matters were raised by the Auditor-General in his audit of the 1990-91 financial statements.

#### Comments by the Auditor-General

- 4.7 The Auditor-General, in examining the financial accounts of the Centre, has raised a number of technical problems associated with the financial administration of the Centre. These involve the areas of delegations, the ACIAR Trust Fund and financial reporting.
- 4.8 Section 41 of the ACIAR Act 1982 provides the Minister with the capacity to delegate his powers under the Act to 'a person', and the Minister had in June 1982 delegated the power to approve requisitions and enter into contracts within specific limits to the Director of ACIAR. The then Australian Audit Office in 1982-83 raised questions about this delegation and since that time the issue has been the subject of considerable correspondence with the Attorney-General's Department. On 5 February 1991, the Centre received written advice which 'in essence denies any financial powers to the Board, the Director or other employees of the Centre. The advice turns on the word "person" which in the context of the ACIAR Act has been taken to mean a person outside the Centre'.<sup>5</sup>
- 4.9 This has meant that ACIAR is either placed in the position of seeking Ministerial approval for all expenditure, or arranging for other government officials outside the Centre to be granted financial powers. The Committee agrees with ACIAR's view that neither option was appropriate for an independent statutory authority, and that legislation amending the Act should be passed as a matter of urgency. Until this is done, the Centre will continue to receive qualified reports on its financial records.
- 4.10 The second area of concern related to the operations of the Trust Fund. As noted earlier, the Centre is 'precluded from paying any funds provided "on trust or subject to a condition" (such as from external contracts) into the ACIAR Trust Fund'.<sup>6</sup> The Centre has overcome this problem to date by operating a separate bank account, but it has meant establishing a duplicate recording and reporting system. The Committee supports the proposal that

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<sup>5</sup> ACIAR, Evidence, 2 March 1992, p. 316.

<sup>6</sup> *ibid.* p. 317.

the Act be amended to allow for such funds to be lodged in the ACIAR Trust Fund.

- 4.11 Due to an anomaly in the Act, ACIAR is required to prepare two sets of financial statements using different guidelines.<sup>7</sup> Both the Department of Finance and the Auditor-General strongly support revision of the Act to remove this anomaly.

**Recommendation 8:** The Committee recommends that the ACIAR Act be amended to permit:

- (a) delegations by the Minister to an appropriate person within the Centre, particularly in relation to financial matters;
- (b) funds provided on trust or subject to condition to be paid into the ACIAR Trust Fund; and
- (c) financial reporting requirements to be satisfied by one set of financial statements only.

#### **Funding Levels**

- 4.12 As part of the normal budgetary process, ACIAR makes a bid for a certain allocation each financial year. The actual amount appropriated results from the imposition of government financial direction.
- 4.13 Table 4.1 shows the funding allocation for ACIAR for the period 1987-88 to 1991-92, compared to the total amount appropriated for ODA.

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<sup>7</sup> *ibid.*

Table 4.1 ACIAR Funding Compared to Total Official Development Assistance, 1987-88 to 1991-92 (\$m)

	<u>Expenditure</u>				<u>Estimate</u>
	1987-88	1988-89	1989-90	1990-91	1991-92
ACIAR	14.8	15.6	17.4	17.0	18.9
Total ODA	1019.6	1194.6	1173.8	1261.0	1313.9
ACIAR allocation as a per cent of ODA	1.45	1.3	1.48	1.35	1.44

(Source: AIDAB, *Australian Official Development Cooperation, Statistical Summary 1990/91*, p. 7.)

Table 4.2 Real change (as a percentage) over previous year of contributions to ACIAR 1987-88 to 1991-92 (\$m) at constant 1990-91 prices

	<u>Expenditure</u>				<u>Estimate</u>
	1987-88	1988-89	1989-90	1990-91	1991-92
ACIAR	17.8	17.2	18.1	17.0	18.2
Real change over previous year (per cent)	(n.a.)	-3.4	+5.2	-6.1	+7.0

(Source: AIDAB, *Australian Official Development Cooperation, Statistical Summary 1990/91*, p. 8.)

- 4.14 It is apparent from these figures that there has been very little real increase in the budget allocation to ACIAR for a number of years. In terms of percentage of total ODA, the allocation to ACIAR has remained in the range of 1.3 to 1.48 per cent. Given the success of ACIAR's work, the Committee believes there is room for a significant increase in the budget allocation for ACIAR.

- 4.15 When this matter was raised with AIDAB, the Director-General acknowledged that ACIAR could effectively use 'substantially more' funds, and thought that it 'would bear another 25 per cent ... perhaps more'.<sup>8</sup> CSIRO also supported the view that ACIAR could utilise effectively additional funds, particularly if its mandate was extended.<sup>9</sup>
- 4.16 Although acknowledging that ACIAR could use more funds, AIDAB highlighted some difficulties in finding additional funds from within the aid budget because of the nature of the aid program itself:

It is extraordinary how the aid program is nailed down. As you buy into that \$1.3 billion, it really is quite difficult to find areas that you can cut, and wherever you look you find very interested constituencies of various kinds ... It is very difficult to absolutely keep ACIAR out of some overall funding restriction, quite difficult just in the nitty-gritty of handling that budget and walking all these balances.<sup>10</sup>

- 4.17 This view of the aid budget was challenged by Professor D. Tribe, Executive Director of the Crawford Fund for International Agricultural Development. In his submission he noted:

... it is said that it is administratively too difficult to vary expenditures on other aid projects in order to increase ACIAR's funds. This argument is unacceptable because in recent years substantial changes have been made to other items in the aid budget ... Clearly changes in priorities are possible in the aid budget and, despite the bureaucratic problems that may be involved, there are compelling reasons why ACIAR ... should now be accorded a higher priority. The real question is how much higher?<sup>11</sup>

- 4.18 The Committee, while acknowledging that all government departments and authorities are subject to financial limitations, agreed with Professor Tribe's view that an increase in expenditure for ACIAR was warranted and could be achieved by reviewing other areas of the aid budget. The question, as noted by Professor Tribe, was how much of an increase was desirable.

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<sup>8</sup> AIDAB, *Evidence*, op. cit. p. 130.

<sup>9</sup> CSIRO, *Evidence*, op. cit. p. 107.

<sup>10</sup> AIDAB, *Evidence*, op. cit. p. 129.

<sup>11</sup> Tribe, *Submission*, p. S460.

- 4.19 ACIAR itself made no detailed submission to the Committee addressing the question of additional funds beyond noting that it felt an increase of 20 per cent over several years would be reasonable.<sup>12</sup> As noted earlier, however, AIDAB suggested that ACIAR could utilise 25 per cent more funds, and CSIRO suggested an increase of some millions. Professor Tribe argued in his submission and later in evidence before the Committee, that 'the amount of the aid budget that is allocated annually to international agricultural research (ACIAR and CGIAR) should be increased to at least \$66 million (approximately 5 per cent of the 1991-92 aid budget)'.<sup>13</sup>
- 4.20 The issue of Australian contributions to CGIAR is dealt with in Chapter Five, and will not be included in this discussion. Leaving the issue of funding to CGIAR to one side, Professor Tribe, in effect, called for ACIAR's core budget to be expanded to \$48.84 million within 3 years, i.e. approximately 3.7 per cent of the 1990-91 total ODA budget.
- 4.21 The Committee fully supports an increase in funds of this magnitude to ACIAR, but believes that such an expansion should occur over a slightly longer time scale, to ensure that the quality control associated with the selection and implementation of ACIAR projects to date is maintained. The Committee, therefore, believes that funding to ACIAR should be increased over the next 5 years to a level equivalent to 3.5 per cent of total ODA (in current budget figures this would mean funding of approximately \$46 million). This increase in funding should be additional to any funds reallocated to ACIAR as a result of funding arrangements for CGIAR (see paragraph 5.18).

**Recommendation 9:** The Committee recommends that ACIAR's priority within the aid budget be increased, and that by 1997 approximately 3.5 per cent of the aid budget should be allocated to ACIAR.

#### Funding of Projects - Australian Institutions

- 4.22 In contrast to the general aid program, ACIAR does not meet the full cost of its projects. Partner countries are expected to make a financial contribution to the project, demonstrating both the priority they attach to the research, and also emphasising the 'partnership' nature of the work. The Australian commissioned organisations also contribute. As explained by the Director of ACIAR:

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<sup>12</sup> ACIAR, Submission, p. S118.

<sup>13</sup> Tribe, Submission, p. S463.

The normal sort of figure that we use is that for every dollar of Australian taxpayers' money invested through ACIAR ... about 75c is provided by both partners. That means the Australian commissioned organisation and the developing country partner.<sup>14</sup>

- 4.23 The fact that ACIAR does not meet the full cost of some of its activities was of concern to some collaborative institutions. CSIRO argued in its submission that:

There is a body of opinion within CSIRO that ACIAR should contribute more funds towards the "real" cost of its projects which includes salary and related on-costs of the Australian principal investigators, the use and maintenance of existing equipment, facilities and buildings etc.<sup>15</sup>

- 4.24 CSIRO also argued that in terms of what ACIAR has been prepared to fund or not to fund, that 'ACIAR ought to try to establish some fairly clear guidelines on both its funding, its budgets and its costing arrangements, which the collaborators ought to agree with and negotiate with before, ... [going] ... to the next round of project negotiation'.<sup>16</sup>
- 4.25 The apparent lack of clear guidelines was also noted by Professor D.G. Edwards of the University of Queensland. He noted in his submission that in regard to 'the payment of "overheads" to various research organisations in Australia who are commissioned to conduct ACIAR research programs [t]here has been, and still is, a lack of consistency in ACIAR's approach to this issue'.<sup>17</sup>
- 4.26 The mid-term review of ACIAR, conducted in 1988, also identified overheads and the need for cost recovery as issues of concern to the collaborative institutions. That review recommended:

... that, in advising potential clients on how to present research budgets, ACIAR strike a fixed, open and reasonable level of overheads on projects.<sup>18</sup>

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<sup>14</sup> ACIAR, Evidence, 17 October 1991, p. 20.

<sup>15</sup> CSIRO, Submission, p. S514.

<sup>16</sup> CSIRO, Evidence, op. cit. p. 106.

<sup>17</sup> Edwards, Submission, p. S610.

<sup>18</sup> ACIAR, Exhibit No. 12. (Section 3, p. 5 of Appendix 3 to ACIAR submission.)

- 4.27 In response, ACIAR advised that 'this has been considered on a number of occasions by the Board who have indicated that the Centre should maintain its policy of negotiating overheads on a case by case basis'.<sup>19</sup>
- 4.28 The Committee raised this matter with ACIAR and sought an explanation of its policy towards overheads and cost recovery. ACIAR restated that it believed the question of cost recovery 'has to be negotiated on a project by project basis ...'.<sup>20</sup> While the Committee supports ACIAR retaining some flexibility in this matter, it also agrees that there should be some guidelines for Australian institutions contemplating involvement in ACIAR projects.

**Recommendation 10:** The Committee recommends that the ACIAR Board of Management formalise and issue a policy on the matter of overheads and cost recovery for the information and guidance of Australian collaborative institutions.

#### Funding of Projects - Overseas Institutions

- 4.29 Several submissions from overseas institutions and individuals involved in ACIAR projects commented on the fact that unlike most traditional aid donors, ACIAR did not fund the complete cost of the project being undertaken. While several argued that ACIAR should increase its funding to the partner country institutions,<sup>21</sup> a view supportive of ACIAR's current policy was also strong:

In development assistance generally there is frequently a desire in the recipient country to maximise the monetary value of in-country funding and to minimise the inputs by expatriate specialists. Such a desire is extremely short sighted. It overlooks the value of technology transfer, the on-going benefits of linkages between personnel and institutions and is little more than a budget support philosophy which creates a dependence on continuation of project funding.<sup>22</sup>

- 4.30 This view was supported in evidence from Dr D.E. Byth:

I have questioned the Thai senior executives of the Department of Agriculture as to why they are interested in having us come with our piddling little projects, when the EC [European

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<sup>19</sup> *ibid.*

<sup>20</sup> ACIAR, *Evidence*, 2 March 1992, p. 359.

<sup>21</sup> See, for example, Vangnai, *Submission*, p. S769; Ansori, *Submission*, p. S886; and Chu, *Submission*, p. S313.

<sup>22</sup> Sheridan, *Submission*, p. S400.



Community] gives them very large amounts of money and carte blanche as to how to spend it. The answer is very simple ... 'Dollars are cheap. Anyone can get dollars in development assistance from the Western world. What we cannot get is people who will come and work with us'.<sup>23</sup>

- 4.31 The Committee considers that ACIAR's current practice of funding only a proportion of the partner country's costs is appropriate given that the projects undertaken are collaborative and are of mutual benefit. The Committee, therefore, does not consider it necessary for ACIAR to review its current funding arrangements in this area.

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<sup>23</sup> Byth, Evidence, 10 February 1992, p. 239.

## CHAPTER FIVE: RELATIONS WITH OTHER ORGANISATIONS

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- 5.1 The issue of ACIAR's relations with other organisations, both within Australia and internationally were raised in a number of submissions. This chapter examines ACIAR's interaction with several of its major partners, and looks at ways in which those relationships might be improved.

### **Australian International Development Assistance Bureau**

- 5.2 The relationship between ACIAR and AIDAB is long-standing and extensive. As noted earlier (paragraph 2.11) it was originally intended that AIDAB would provide administrative support for ACIAR, but from 1987 it has only paid salaries on ACIAR's behalf. Liaison between the two organisations is conducted currently through:

- the Director-General of AIDAB being a member of both ACIAR's Policy Advisory Council and the Board of Management;
- annual meetings of senior managers of both organisations;
- informal contact between staff, to exchange information and co-ordinate activities; and
- contact on the budget process as AIDAB co-ordinates the global aid budget within which ACIAR's expenditure is listed.<sup>1</sup>

- 5.3 A Record of Understanding between AIDAB and ACIAR was signed in 1987 which 'recognised the special relationship existing between the two organisations and covered the commissioning of ACIAR as a managing agent to oversee agricultural research for development'.<sup>2</sup> In January 1990, Guidelines Relating to AIDAB/ACIAR Interaction were agreed and promulgated, largely replacing the earlier Record of Understanding in the following ways:

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<sup>1</sup> ACIAR, *Submission*, p. S228.

<sup>2</sup> *ibid.*

- . Training - AIDAB currently administers the AIDAB/ACIAR Associated Fellowship Scheme.
  - . Consultations with overseas partner countries - ACIAR provides briefing papers and may participate in annual consultations between AIDAB and its overseas client countries; AIDAB is represented at country research consultations that ACIAR conducts with its partners.
  - . Consultancies - use of ACIAR research program coordinators as consultants for AIDAB feasibility and review studies, etc.
  - . AIDAB support for ACIAR project activities.
  - . ACIAR provides technical support, policy advice and monitoring of the International Agricultural Research Centres' performance for AIDAB.<sup>3</sup>
- 5.4 In general, the relationship between ACIAR and AIDAB appears to be successful and of mutual benefit. However, tensions have arisen because of AIDAB's failure to take up research results from various AIDAB projects for further development, and this is discussed in detail in Chapter Six (paragraphs 6.22 - 6.29).
- 5.5 Concern was expressed also by CSIRO that while in Canberra 'linkages between ACIAR and AIDAB are apparently effective ... those at the project level are more variable. AIDAB officers attached to embassies/high commissions generally act for ACIAR project contact in-country. The degree of assistance afforded ACIAR projects by these officers varies considerably - from being first rate to not very helpful. ACIAR's reliance on AIDAB for this service may need careful consideration to make it more effective'.<sup>4</sup> In questioning, however, CSIRO agreed that such difficulties were 'personality driven rather than institutionally drawn'<sup>5</sup> and that 'generally ... the linkages that ACIAR has set up with its overseas liaison officers have been highly successful, where they have got a placement locally of an individual who is dedicated to the ACIAR process, knows very well the Australian researchers' needs, and typically knows very well the local needs'.<sup>6</sup>

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<sup>3</sup> *ibid.* pp. S228-30.

<sup>4</sup> CSIRO, *Submission*, p. S519.

<sup>5</sup> CSIRO, *Evidence*, *op. cit.* p. 100.

<sup>6</sup> *ibid.* p. 99.

- 5.6 This view was also shared by AIDAB, which acknowledged that while there may be some individual problems in certain spots 'we have a straight-out policy position of cooperation with ACIAR and we have set up certain formal mechanisms to make that work'.<sup>7</sup>
- 5.7 The Committee believes that the ACIAR/AIDAB relationship is important in terms of continued effective targeting of research projects to assist developing countries. While the relationship appears to be sound, the Committee urges both organisations to maintain their efforts to strengthen their working relationship at all levels. (A specific recommendation regarding AIDAB undertaking projects arising from ACIAR research results is to be found in Chapter Six.)

#### **Australian Commissioned Organisations**

- 5.8 Because ACIAR does not undertake research itself, it commissions research establishments and institutions within Australia to undertake such research on its behalf, in conjunction with an overseas partner. These commissioned organisations include Australian universities, the CSIRO and State Departments of Agriculture.
- 5.9 CSIRO has been a major contractor for ACIAR projects since the Centre commenced operations. CSIRO has found 'the association with ACIAR ... [to be] ... quite a productive one'.<sup>8</sup> CSIRO receives approximately \$6 million a year from ACIAR, which is about 1 per cent of CSIRO's annual budget, but 3 per cent of the budget generated from external sources.<sup>9</sup>
- 5.10 There appear to be two major areas of disagreement between the commissioned organisations and ACIAR. The question of ACIAR contributions to the overhead costs of research institutions is covered in Chapter Four (paragraphs 4.22 - 4.28); and the question of ACIAR research program co-ordinators is covered in Chapter Three (paragraphs 3.45 - 3.46). Beyond these two issues, the commissioned organisations believe their involvement with ACIAR projects to be 'both desirable and constructive'.<sup>10</sup>

#### **Research Institutions in Partner Countries**

- 5.11 The Committee was extremely pleased at the high number of submissions received from researchers and institutions in partner countries directly involved in ACIAR projects. The relationship between ACIAR and these

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<sup>7</sup> AIDAB, Evidence, op. cit. p. 126.

<sup>8</sup> CSIRO, Evidence, op. cit. p. 72.

<sup>9</sup> *ibid.* p. 79.

<sup>10</sup> QDPI, Submission, p. S529.

organisations appears to be successful and productive. Some submissions referred to administrative difficulties, but these problems appear to result in delays in co-ordinating bodies in these countries rather than with ACIAR.<sup>11</sup> Many submissions referred to ACIAR's flexibility in project implementation, its lack of bureaucratic red-tape, and were highly appreciative of the collaborative mode of operation.<sup>12</sup> Minor complaints such as length of stay in-country of Australian scientists, and the need for more training have been addressed elsewhere in this Report.

### International Agricultural Research Centres

- 5.12 The IARCs are 'a group of international centres with a general mandate to improve sustainable food production in developing countries'. Most of these Centres are members of the Consultative Group on International Agricultural Research (CGIAR) while the remainder have loose, informal links to the CGIAR.<sup>13</sup> Australia was one of the founding members of the CGIAR.
- 5.13 In addition to supporting agricultural research on a bilateral basis through ACIAR, Australia provides multilateral assistance through provision of budget support to the IARCs (\$7.4 million in 1991-92). These contributions are administered by AIDAB, although ACIAR provides 'technical support, policy advice and monitoring of the centres' performance' for AIDAB.<sup>14</sup> Table 5.1 shows Australian core contributions to the CGIAR from 1972-76 to 1991. It is apparent that there has been a significant decline in contributions by Australia since 1986. As AIDAB noted:

... contributions to IARCs have declined over a period in which the general aid budget has been approximately constant in real terms (although declining as a proportion of GDP) ... Given that agriculture is a high priority in the Australian development assistance program we should consider a contribution to the IARCs greater ... [than that made to other international organisations] ... Australia has received benefits from IARCs disproportionately higher than its financial contribution. Australia has been an economic free rider on the IARCs.<sup>15</sup>

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<sup>11</sup> See, for example, Department of Agriculture, Ministry of Agriculture and Cooperatives, Thailand, Submission, pp. S314-22.

<sup>12</sup> See, for example, Fakalata, Submission, p. S819; Síriranith, Submission, p. S382; CIMMYT, Submission, p. S657.

<sup>13</sup> AIDAB, Submission, p. S65.

<sup>14</sup> ACIAR, Submission, p. S230.

<sup>15</sup> AIDAB, Exhibit No. 17, p. 17.

Table 5.1 Total and AIDAB Core Contributions to the  
Consultative Group on International Agricultural Research (\$USm)

Year	(a) Total Contributions (all donors)	(b) Australian Contributions	Per Cent (b)/(a)
1972-76 (Total)	190.85	4.00	2.10
1977-81 (Total)	512.48	13.28	2.59
1982	143.84	3.77	2.62
1983	164.67	4.06	2.47
1984	173.16	4.00	2.31
1985	170.17	4.18	2.46
1986	192.20	4.52	2.35
1987	201.62	2.92	1.45
1988	211.78	3.13	1.48
1989	221.31	3.70	1.67
1990	234.00	4.13	1.76
1991	244.00	3.15	1.29

(Source: AIDAB, Exhibit No. 17, p. 16.)

- 5.14 Although ACIAR does not contribute financially to the IARCs, it does have a close working relationship with the Centres. Two ACIAR staff have been seconded to the CGIAR<sup>16</sup> and the Director of ACIAR is leader of the Australian delegation to the IARC's donors meetings. ACIAR has also been involved in the organisation of joint workshops, conferences and training programs on topics of mutual interest and the production of joint publications.<sup>17</sup>
- 5.15 ACIAR has also played a significant role in establishing new IARCs, for example, the International Board for Soil Resources and Management (IBSRAM) in 1983 and currently a proposed International Forestry Research Institute (IFRI).
- 5.16 In reviewing ACIAR's relationship with the IARCs, AIDAB concluded that 'it is ... appropriate that the responsibility [for funding IARCs] be transferred to ACIAR'.<sup>18</sup> Furthermore, AIDAB envisaged the 'core funding of the international agriculture research centres as being passed over to ACIAR for management, in association with also some administrative costs ...'<sup>19</sup> ACIAR is willing to assume responsibility for Australian support to the multilateral

<sup>16</sup> AIDAB, Submission, p. S65.

<sup>17</sup> ACIAR, Submission, p. S117.

<sup>18</sup> AIDAB, Submission, p. S66.

<sup>19</sup> AIDAB, Evidence, op. cit. pp. 127-28.

IARCs,<sup>20</sup> and the Committee supports this proposal as a more appropriate allocation of responsibility.

- 5.17 One difficulty foreseen by the Committee, however, is in the matter of levels of funding to the IARCs. In Australian dollars, funding for these Centres has varied over the past 5 years, fluctuating from \$5.6 million in 1987-88, up to \$7.1 million in 1989-90 before dropping to \$6.3 million in 1990-91.<sup>21</sup> The current allocation of \$7.4 million, equivalent to approximately one half of 1 per cent of the total aid budget, has been described as 'woefully inadequate'.<sup>22</sup> Should funding responsibility pass to ACIAR, to increase the amount in future years would place ACIAR in the intolerable position of having to satisfy the expanding expectations and demands of both its own activities and those of the CGIAR system from a single and totally inadequate resource. AIDAB ... will justifiably claim that it is no longer responsible for international agricultural research and therefore should not be expected to redeploy its resources for this purpose.<sup>23</sup>
- 5.18 In Chapter Four the Committee recommended an increase in ACIAR's budget to 3.5 per cent of total ODA within 5 years. To ensure a commensurate level of funding for the IARCs the Committee believes that funding to IARCs should be expanded over the same period until it reaches a level of 1.5 per cent of total ODA, and that this amount be administered by ACIAR. In current dollar terms, this would mean an allocation of \$19.7 million in 5 years time.

**Recommendation 11:** The Committee recommends that funding for the International Agricultural Research Centres, together with the resources needed to administer these funds, be transferred from AIDAB to ACIAR.

**Recommendation 12:** The Committee further recommends that the funding for the International Agricultural Research Centres is to be additional to the increase in ACIAR core funding recommended earlier (Recommendation 9); and that the level of International Agricultural Research Centre core funding be increased to 1.5 per cent of total official development assistance over 5 years.

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<sup>20</sup> ACIAR, Submission, p. S117.

<sup>21</sup> AIDAB, *Australian Official Development Cooperation; Statistical Summary 1990/91*, p. 11.

<sup>22</sup> Tribe, Submission, p. S472.

<sup>23</sup> *ibid.*

## CHAPTER SIX: ACIAR IN THE FUTURE

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### Should ACIAR Continue?

- 6.1 The Committee was unanimous in its opinion that ACIAR should continue its work in the field of promoting agricultural research. In accordance with the Terms of Reference, however, the Committee was asked to consider whether ACIAR should continue as a statutory authority; whether it should remain within the foreign affairs and trade portfolio; and whether a further sunset clause should be embodied in the new legislation. Each of these points is dealt with in turn in this chapter. The chapter concludes with an examination of various proposals made for extending ACIAR's mandate.

### Statutory Authority Status and Portfolio Location

- 6.2 The statutory authority status of ACIAR was supported by all who made submissions to this inquiry. The benefits of being a statutory authority were seen to be that it provided 'a combination of independence with accountability'.<sup>1</sup>
- 6.3 ACIAR, in its submission, argued that its 'statutory status ... has given it sufficient autonomy to ensure that its prime function of supporting research is seen as a discrete and important activity, and not one that can be regarded as a discretionary item in the overall overseas development assistance program ...'<sup>2</sup>
- 6.4 AIDAB also supported the continuation of ACIAR as a statutory authority noting that the 'ability to respond quickly and efficiently to overseas research needs is best maintained by allowing ACIAR to have the independence and flexibility of a statutory body'.<sup>3</sup>
- 6.5 There was also no dispute in evidence to the inquiry that the Centre should remain within the foreign affairs and trade portfolio. The Committee supports this location of the Centre as the most logical and efficient arrangement, given that the Centre is funded from the aid budget and its programs are part of Australia's overseas development program. The recent

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<sup>1</sup> ACIAR, Evidence, 17 October 1991, p. 37.

<sup>2</sup> ACIAR, Submission, p. S90.

<sup>3</sup> AIDAB, Submission, p. S62.



extension of the Minister for Trade's responsibilities to include Overseas Development also means that ACIAR's focus on collaborative research to assist developing countries is monitored closely at ministerial level.

**Recommendation 13:** The Committee recommends that ACIAR continue as a statutory authority, located within the foreign affairs and trade portfolio, reporting to the Minister for Trade and Overseas Development.

#### Sunset Clause

- 6.6 In its submission, ACIAR did not specifically recommend the removal of the sunset clause. However, in its appearance before the Committee, the merits and disadvantages of such a clause were discussed at some length.
- 6.7 ACIAR argued that they could see 'no reason why we should be treated in a totally different way to any other statutory body that has been created'<sup>4</sup> and that 'the present exercises by which government requires all statutory authorities and elements of government to have evaluation plans and the fact that government and the Parliament are able to terminate any statutory authority anyway by legislative Act would argue against the provision of a further sunset [clause] at a later date'.<sup>5</sup>
- 6.8 A negative consequence of the sunset clause, it was argued, was that it created a considerable period of uncertainty, restricting ACIAR's work program because it was unable to enter into any contracts or research that would proceed beyond 1994. This uncertainty was also noted by AIDAB:

... an organisation faced with that [a sunset clause] has in fact a particular problem during the last three or four years of its existence. Instead of working in a positive way, it finds itself wondering about its program, particularly in something like research, which is very long term. People need confidence.<sup>6</sup>

- 6.9 A counter view was put that the very existence of a sunset clause focussed the organisation's attention on its performance and that the possibility of closure meant a greater degree of effort in ensuring that the results of any external review were favourable.<sup>7</sup> In response, ACIAR's Director suggested that 'one way of doing it is to make the five-yearly review a much more rigorous review ... I see no reason at all why a five-yearly review done in a very rigorous way

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<sup>4</sup> ACIAR, *Evidence*, op. cit. p. 40.

<sup>5</sup> *ibid.* p. 38.

<sup>6</sup> AIDAB, *Evidence*, op. cit. p. 114.

<sup>7</sup> ACIAR, *Evidence*, op. cit. pp. 39-40.

by an appropriate group could not recommend that an organisation be terminated and the Act repealed.<sup>8</sup>

- 6.10 There was a strongly held view on the Committee that the existence of a sunset clause had distinct advantages. It was felt that there was considerable benefit in retaining this clause as it kept the organisation at a high level of performance with the achievement of excellent results. Furthermore, the clause provided the incentive for the organisation to seek a review by this Committee.
- 6.11 The Committee does not lightly recommend that the sunset clause be removed. Indeed, the Committee is of the view that greater use should be made of sunset clauses to review the performance of all statutory authorities. The role of sunset clauses for statutory authorities should be the subject of examination by the appropriate Parliamentary Committee.

**Recommendation 14:** The Committee recommends that the appropriate Parliamentary Committee inquire into the role of sunset clauses for statutory authorities.

- 6.12 On equity grounds, the Committee does not recommend the imposition of a further sunset clause on ACIAR. However, it is essential that there be a provision for review of ACIAR's role, performance and existence.

**Recommendation 15:** The Committee recommends that the new Act to continue ACIAR include a fundamental review, every 5 years, of ACIAR's Terms of Reference including the continued existence of the organisation.

**Recommendation 16:** The Committee recommends that the review of ACIAR be carried out by a Parliamentary Committee because this will assist in achieving greater public awareness of the value of ACIAR's work; and the Joint Committee on Foreign Affairs, Defence and Trade is the appropriate body to conduct such a review.

#### Extending the Charter

- 6.13 As noted in this report, the mandate of the Centre is closely defined, with functions such as training and extension programs precluded (see paragraph 1.9). A number of submissions called for these restrictions to be lifted from ACIAR and for it to move into new areas of endeavour. Each proposal is examined in the remainder of this chapter.

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<sup>8</sup> *ibid.* p. 41.

## *Training*

- 6.14 Although not specifically excluded in the ACIAR Act 1982, it is clear that training was not to be part of ACIAR's functions. The Second Reading Speech of the Minister for Foreign Affairs stated:

There is no reference in the functions of the Centre to a responsibility to arrange training. This is no oversight. Clearly the training of agricultural research scientists from developing countries is of basic importance to the development of their own indigenous research capacity. Provision already exists, however, within the development training programs conducted by the Australian Development Assistance Bureau, for Australia to provide assistance with the formal academic training of scientists from developing countries.<sup>9</sup>

- 6.15 There was, however, some latitude for the Centre:

In communicating the results of its agricultural research programs an element of training may be provided by the Centre. It is important to note that such training would be associated only with an individual's participation in a research project. It would not involve formal, degree-related training ...<sup>10</sup>

- 6.16 To conduct this training, the AIDAB/ACIAR Associated Fellowship Scheme was commenced in 1986. The purpose of the scheme was 'to provide the opportunity for partner scientists involved in ACIAR-supported collaborative research projects in developing countries to undertake higher degree studies ... at Australian tertiary institutions'.<sup>11</sup>
- 6.17 The scheme is fully funded by AIDAB and is additional to the normal training allocations provided each year under the development assistance program. Since its inception, a total of 50 awards have been offered under the Scheme and 40 have been taken up.
- 6.18 Training is also available through the Crawford Fund for International Agricultural Research, a non-government organisation which established a training scheme for students from developing countries in 1989. The Australian Government undertook to contribute \$500,000 for 5 years, commencing in 1989, towards the fund and the contribution is linked to

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<sup>9</sup> ACIAR, Submission, p. S265.

<sup>10</sup> *ibid.* p. S226.

<sup>11</sup> *ibid.*

training awards associated with ACIAR projects.<sup>12</sup> To date some 150 awardees have undertaken training in agricultural development and research projects. Most of this training is for 'short periods of hands-on practical training'.<sup>13</sup>

- 6.19 Despite the fact that some training is possible under current arrangements, ACIAR and AIDAB both argued strongly for ACIAR to be given a mandate and the associated resources to operate its own training scheme. ACIAR also advocated an increase in the number of training fellowships available for distribution, from the current 7 per year, to something approaching 20 per year.<sup>14</sup> ACIAR envisaged that 'the sums currently allocated by AIDAB and set aside for those fellowships ...'<sup>15</sup> would be allocated to ACIAR and that ACIAR's budget would be adjusted accordingly to meet the costs of any additional fellowships.
- 6.20 ACIAR acknowledged that its basic function was to do research and argued that its Board of Management would see training as 'an ancillary activity so far as it had potential good pay-offs relative to the opportunities for training that were provided'.<sup>16</sup>
- 6.21 Given these assurances that training would not detract from ACIAR's primary focus of research, the Committee supports the revision of ACIAR's mandate to include responsibility for training directly related to ACIAR projects. There should, consequently, be a transfer of those funds currently administered by AIDAB in relation to the AIDAB/ACIAR Associated Fellowship Scheme to ACIAR. The cost of any additional training places should be met from within ACIAR's budget, and there should be an upper limit on numbers of training scholarships provided.

**Recommendation 17:** The Committee recommends that the ACIAR Act be revised to allow ACIAR to conduct project-related training (both informal and post-graduate); and that responsibility for the administration of ACIAR's training scheme together with the concomitant resources, should be transferred from AIDAB to ACIAR.

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<sup>12</sup> AIDAB, Submission, p. S70.

<sup>13</sup> Tribe, Submission, p. S466.

<sup>14</sup> ACIAR, Evidence, op. cit. p. 11.

<sup>15</sup> *ibid.*

<sup>16</sup> *ibid.* p. 15.

### *Utilisation of Research Results*

- 6.22 Although extension activities were not specifically mentioned in the ACIAR Act 1982, the Second Reading Speech of the Foreign Minister at that time stated that 'the Centre will have no responsibility for extension programs through which the results of its research could be applied in the field'.<sup>17</sup> The reason for this was explained in the following terms:

Extension activities normally require the commitment of significant resources and often the active involvement of the host government. While the Centre will be able to develop and promote close contacts with and between research institutes, it is not appropriate that it deal directly with foreign governments. The Australian Development Assistance Bureau is an agency which has precisely this mandate on behalf of Australia, and it is that agency which should pursue the matter of extension programs in the context of the aid program for which it is responsible.

The Centre's activities will result in the need for projects to implement research findings in the field. Accordingly, there will need to be closer liaison between the Centre and the Bureau to enable such projects to be developed and funded.<sup>18</sup>

- 6.23 The close working relationship envisaged between the then ADAB and ACIAR was reinforced by the presence of the Director-General of ADAB on both ACIAR's Board of Management and Policy Advisory Council.<sup>19</sup> The relationship between ACIAR and AIDAB is discussed in general terms in Chapter Five. However, in terms of the development of extension programs, the Committee believes it is apparent that the relationship is not functioning as originally intended.
- 6.24 In its submission, ACIAR discussed the respective roles of the two organisations. It was proposed, as noted above, that AIDAB would 'provide support for the implementation of the results of ACIAR projects by fashioning appropriate development projects around them ... [and] ... AIDAB would request ... as appropriate, ACIAR support "front-end" research for its development projects'. Difficulties appear to have arisen, ACIAR believes, because although:

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<sup>17</sup> ACIAR, Submission, p. S265.

<sup>18</sup> *ibid.*

<sup>19</sup> *ibid.* p. S266.

... AIDAB has been involved in developmental support for ACIAR's research, the nature of the Bureau's priorities, its project development procedures, and the long lead times required are such that it has often proven difficult to give effect to the concepts which underlie the agreement.<sup>20</sup>

- 6.25 Because of these difficulties, ACIAR advocated that, although the relationship with AIDAB should continue, ACIAR should be given a mandate and resources to undertake some development activities:

This will enable ACIAR to place technology options arising from the research it sponsors in a position where they can be more readily adopted by national and international R&D agencies and, ultimately, farmers in developing countries.<sup>21</sup>

- 6.26 For its part, AIDAB noted that while in a number of cases it had been able to draw on the results of ACIAR funded research, constraints imposed 'through country programming requirements have led to delays and failures in response' on AIDAB's part. AIDAB therefore supported an extension of 'ACIAR's mandate to allow for the development of research findings as appropriate'.<sup>22</sup>
- 6.27 While sympathetic to the obvious frustrations arising when research results are not taken to their practical implementation phase, the Committee was concerned at the possible open-ended nature of amending ACIAR's mandate to cover extension activities. The range of activities that might be classed as extension activities fall along a spectrum ranging from pilot trials applying the research results through to the development of a commercial application. Although ACIAR gave assurances that it wished to focus more towards that part of the spectrum dealing with the immediate post-project phase, the Committee was concerned that its desire to see its research results implemented might in time lead to ACIAR's attention being diverted away from its primary task of research.
- 6.28 Involvement in development and extension work would also have major implications for ACIAR's budget. As noted in discussions, extension work is costly and the results are not always forthcoming.<sup>23</sup>

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<sup>20</sup> *ibid.* p. S113.

<sup>21</sup> *ibid.* p. S114.

<sup>22</sup> AIDAB, Submission, pp. S66-69.

<sup>23</sup> ACIAR, Evidence, *op. cit.* p. 35.

- 6.29 The Committee came to the conclusion that the preferred option would be a closer involvement of AIDAB in taking up successful ACIAR projects. To this end, the Committee believes that liaison between AIDAB and ACIAR should be improved to allow for the identification of possible projects well ahead of time, thus overcoming the problems associated with the country programing process noted in paragraph 6.24. The Committee endorses the suggestion by Dr P. Dart that a Technical Advisory Committee be established within AIDAB. It would be chaired by the Director of Country Programs and would include representatives from AIDAB as well as ACIAR. The Committee would operate by identifying projects that 'are coming on stream. It starts the process of slotting in the technology, budgeting for this technology transfer phase ...'<sup>24</sup> and would allow sufficient planning time for the project to be incorporated in the budget cycle.

**Recommendation 18:** The Committee recommends that AIDAB establish a Technical Advisory Committee with the task of monitoring ACIAR research projects to enable earlier identification of results that could be developed through the AIDAB program. The Technical Advisory Committee should be chaired by the Director, Country Programs, AIDAB and should include representatives from ACIAR as well as AIDAB.

- 6.30 However, the Committee was also conscious of the fact that there will be occasions when valuable research results will not be taken up by AIDAB in its projects. To assist in the development of such findings, the Committee believes that ACIAR's mandate should be extended to allow for a more detailed post-project phase, which might, at the discretion of the Board of Management, involve small pilot programs. The Committee does not believe it is ACIAR's function to take research results to the commercialisation stage.

**Recommendation 19:** The Committee recommends that, when AIDAB has declined to conduct a follow up project utilising ACIAR research results, ACIAR should have the option of extending the post-project phase to include a small pilot program, with Board of Management approval.

#### *Competing for Contracts*

- 6.31 The suggestion was made that ACIAR should become involved in competing for research contracts from overseas agencies such as the World Bank or the Asian Development Bank. In support of this, AIDAB argued that because of ACIAR's 'strong links to the Australian research community and its knowledge of Australian research capabilities and overseas development priorities, particularly in areas where Australia has a comparative advantage, [ACIAR] is in a strong position to win internationally competitive contracts'.

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<sup>24</sup> Dart, *Evidence*, 10 February 1992, p. 256.

One result from such activity would be to 'lessen [ACIAR's] dependence on Australian Government funding'.<sup>25</sup>

- 6.32 This issue was not raised by ACIAR itself in its original submission, but was discussed briefly during ACIAR's final appearance before the Committee. ACIAR was in favour of co-sponsoring projects of mutual interest with international agencies.<sup>26</sup>
- 6.33 The Committee was concerned that such activity would in fact place ACIAR in direct competition with Australian companies already involved in the provision of international agricultural research services and agreed with the view of Professor D. Tribe that 'ACIAR's important and unique mission would be undesirably perverted if any substantial part of its resources was diverted to earning overseas contracts'.<sup>27</sup> The Committee does not, therefore, support ACIAR's involvement in this activity.

#### *ACIAR Involvement in Non-agricultural Sectors*

- 6.34 A submission by Mr J. Cribb, a member of the Policy Advisory Council, proposed that ACIAR expand its charter 'beyond the strict compass of food and rural environment, and into the processing and value-adding chain'.<sup>28</sup> Mr Cribb proposed that either ACIAR or a parallel institution be established to extend R&D assistance in manufacturing and processing technology, mineral processing technology, human development, for example, education, communications and information technology, and environmental technology.<sup>29</sup>
- 6.35 While sympathetic to Mr Cribb's desire for Australia to export more goods and services than it does at present, the Committee does not support Mr Cribb's view of ACIAR as the most appropriate vehicle to do this. ACIAR has been the success that it has because its work has been carefully targeted and it has worked in collaboration with partner countries on problems of mutual interest and importance. ACIAR would not function as effectively as it has in the past if its goals were to be redefined and its activities spread across such a wide range of sectors. The collaborative nature of the activity would also be endangered as ACIAR moved from being a partner into being the supplier of information in a one-way flow.

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<sup>25</sup> AIDAB, Submission, p. S73.

<sup>26</sup> ACIAR, Evidence, 2 March 1992, p. 359.

<sup>27</sup> Tribe, Submission, p. S462.

<sup>28</sup> Cribb, Submission, p. S335.

<sup>29</sup> *ibid.* p. S336.



- 6.36 However, the Committee does agree that the ACIAR model is one that might well be adapted in creating a separate small authority whose purpose was to provide R&D assistance in the areas suggested by Mr Cribb.

**Recommendation 20:** The Committee recommends that the Australian Government examine the possibility of establishing an organisation along the same lines as ACIAR with the purpose of providing research and development assistance to regional countries in manufacturing systems, human resource development, etc.

#### **Public Awareness**

- 6.37 Outside the field of those involved in agricultural research, the work of ACIAR is almost completely unknown. It has had remarkable success in solving major agricultural problems and has brought much goodwill and benefits for Australia. At a time when all sectors of government spending are under threat, and when there is an increasing call for the Australian aid budget to be cut and the money redirected into domestic programs, it is important that the benefits of the work of ACIAR be more widely publicised. This is not to suggest that ACIAR should devote a large component of its budget to self-promotion. However, there is scope for ACIAR, perhaps in conjunction with AIDAB, to examine ways to improve public awareness of the benefits of its work, not only for overseas countries, but for Australia itself. Appendix 4 provides details of seven of ACIAR's projects.

**Recommendation 21:** The Committee recommends that ACIAR consult with AIDAB on ways to increase public awareness of the importance and achievements of ACIAR's work in solving major agricultural problems.

Senator Chris Schacht  
Chairman

## APPENDIX 1

### List of Submissions

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Submission No.	From
1.	Mr Nasrat R. Fadda Director-General International Center for Agricultural Research in the Dry Areas SYRIA
2.	Mr Banpot Napompeth Executive Director National Biological Control Research Center Kasetsart University and National Research Council of Thailand THAILAND
3.	Dr D.F. Waterhouse DEAKIN
4.	Dr William D. Dar Director Department of Agriculture THE PHILIPPINES
5.	Associate Professor K.A. Buckle Dr R.H. Driscoll Dr C.M. Yuen Mr R.A. Souness Department of Food Science and Technology University of New South Wales KENSINGTON
6.	Mr Rafael D. Guerrero III Executive Director Department of Science & Technology Philippine Council for Aquatic and Marine Research & Development THE PHILIPPINES

7. Dr Samran Sombatpanit  
Project Leader of ACIAR 8551  
Department of Land Development  
THAILAND
8. Associate Professor B. Rerkasem  
Chairman, Agricultural Systems Program  
Faculty of Agriculture  
Chiang Mai University  
THAILAND
9. Mr E.S. Wallis  
Dr D.E. Byth  
Sugar Research and Development Corp  
BRISBANE
10. Mr Pravit Chittachumonk  
Forestry Technical Official  
Division of Silviculture  
Royal Forest Department  
THAILAND
11. Dr Chaowana Mekgamol  
Director  
Northern Vet. Res. & Diag. Center  
THAILAND
12. Dr Glynn D. Bowen, D Sc  
BEAUMONT
13. Dr Charan Chantalakhana  
Director  
Buffalo and Beef Production  
Research and Development Center  
Kasetsart University  
THAILAND
14. Dr Chanchai Manidool  
Senior Animal Nutrition Specialist  
Division of Animal Nutrition  
Department of Livestock Development  
THAILAND
15. Dr R. Dun  
Director-General  
Australian International Development Assistance Bureau  
CANBERRA

16. Mr Christian Bonte-Friedheim  
Director-General  
International Service for National Agricultural Research  
THE NETHERLANDS
17. Mr Alistair Watson  
KENSINGTON
18. Dr John Kola  
Institute Director  
PNG Cocoa and Coconut Research Institute  
PAPUA NEW GUINEA
19. Professor J.L. Dillon  
Chairman  
Australian Centre for International Agricultural Research  
CANBERRA
20. Professor Ross Garnaut  
Department of Economics  
Australian National University  
CANBERRA
21. Mr Ajva Taulananda  
Deputy Minister of Agriculture and Cooperatives  
Ministry of Agriculture and Cooperatives  
THAILAND
22. Mr Soetatwo Hadiwigeno  
Director-General of AARD  
Ministry of Agriculture  
Agency for Agricultural Research and Development  
INDONESIA
23. Mr Zhang Zhonghe  
Research Institute of Chemical Processing and Utilization  
of Forest Products  
Chinese Academy of Forestry  
THE PEOPLE'S REPUBLIC OF CHINA
24. Associate Professor Huang Jizhang  
Deputy Director  
Foreign Affairs Division  
Chinese Academy of Agricultural Sciences  
THE PEOPLE'S REPUBLIC OF CHINA

25. Mr Qiao-sheng Zhuang  
Research Professor and Wheat Breeder  
Institute of Crop Breeding and Cultivation  
Chinese Academy of Agricultural Sciences  
THE PEOPLE'S REPUBLIC OF CHINA
26. Professor Bao Jianzhong  
Director  
Institute of Biological Control  
Chinese Academy of Agricultural Sciences  
THE PEOPLE'S REPUBLIC OF CHINA
27. Mr Trevor King  
Country Manager for China  
Australian Embassy  
C/- Australian Centre for International Agricultural Research  
CANBERRA
28. Professor Liu Chung Chu  
President of Fujian Academy of Agricultural Sciences  
Director-General of National Azolla Research Center  
THE PEOPLE'S REPUBLIC OF CHINA
29. Dr Ampol Senanarong  
Deputy Director-General  
Dr Samrit Chaiwanakupt  
Mrs Dara Buangsuwan  
Dr Sonthat Nanthachai  
Mr Charoen Khaoparisuthi  
Department of Agriculture  
Ministry of Agriculture and Cooperatives  
THAILAND
30. Professor Harold W. Woolhouse  
Director, Waite Agricultural Research Institute  
Dean, Faculty of Agricultural and Natural Resource Sciences  
University of Adelaide  
GLEN OSMOND
31. Dr G.C. Srivastava  
AGRISEC  
INDIA
32. Professor Wang Lianzheng  
President  
Chinese Academy of Agricultural Sciences  
THE PEOPLE'S REPUBLIC OF CHINA

33. Dr Metha Wanapat  
Professor  
Chairman  
Department of Animal Science  
Faculty of Agriculture  
Khon Kaen University  
THAILAND
34. Mr Julian Cribb  
'The Australian'  
CANBERRA
35. Professor T.K. Mukherjee  
Professor of Genetics & Chairman, Natural Resources  
& Environmental Studies  
Institute for Advanced Studies  
University of Malaya  
MALAYSIA
36. Mr Filologo Pante, Jr  
Asian Development Bank  
THE PHILIPPINES
37. Mr Carlos Carpio  
Philippine Coconut Authority  
THE PHILIPPINES
38. Mr Wanchai Siriranith  
Director-General  
Department of Technical and Economic Cooperation  
THAILAND
39. Dr Soedomo Reksohadiprodjo  
Associate Professor in Animal Nutrition  
Gadjah Mada University  
INDONESIA
40. Dr Colin D. Walker  
YALLINGUP
41. Dr K.P. Sheridan  
Director-General  
NSW Department of Agriculture  
HAYMARKET

42. Professor G.D. Farquhar  
Plant Environmental Biology Group  
Research School of Biological Sciences  
Australian National University  
CANBERRA
43. Dr R.J. Clements  
Division of Tropical Crops and Pastures  
Institute of Plant Production and Processing  
CSIRO  
ST LUCIA
44. Dr Robert Springborg  
Associate Professor of Politics  
Macquarie University  
SYDNEY
45. Dr A.C. Hayward  
Reader in Microbiology  
University of Queensland  
BRISBANE
46. Dr J.R. Freney  
Chief Research Scientist  
CSIRO Division of Plant Industry  
CANBERRA
47. Mr Ronald Kuk  
National Fisheries Project Coordinator  
Department of Fisheries and Marine Resources  
PAPUA NEW GUINEA
48. Mr Narong Chaprakog  
Secretary-General  
Office of Agricultural Economics  
Ministry of Agriculture and Cooperatives  
THAILAND
49. Dr M.N. Salleh  
Director-General  
Forest Research Institute Malaysia  
MALAYSIA
50. Mr James F. Kollmorgen  
Victorian Institute for Dryland Agriculture  
Department of Agriculture  
HORSHAM VIC 3401

51. Emeritus Professor D.E. Tribe  
Executive Director  
The Crawford Fund for International Agricultural Research  
PARKVILLE
52. Dr Marc Latham  
Director  
International Board for Soil Research and Management  
(IBSRAM)  
THAILAND
53. Mr Robert Burke  
ALBANY
54. Profesor Syed Jalaludin Syed Salim  
Deputy Vice-Chancellor  
(Academic Affairs)  
University Pertanian Malaysia  
MALAYSIA
55. Professor Clem Tisdell  
Department of Economics  
University of Queensland  
BRISBANE
56. Dr D.J. Hilton  
Centre for Engineering in Agriculture  
University College of Southern Queensland  
TOOWOOMBA
57. Professor John Lucas  
School of Biological Sciences  
James Cook Univerity of North Queensland  
TOWNSVILLE
58. Dr John Stocker  
Chief Executive  
CSIRO  
DICKSON
59. Mr J.G. Miller  
Director-General  
Department of Primary Industries  
BRISBANE



60. Dr Neil Turner  
Chief Research Scientist  
CSIRO Laboratory for Rural Research  
WEMBLEY
61. Dr Richard W. Bell  
School of Biological and Environmental Sciences  
Murdoch University  
MURDOCH
62. Professor R.M. Golding  
Vice-Chancellor  
James Cook University of North Queensland  
TOWNSVILLE
63. Professor R. Slatyer  
Chief Scientist  
Department of the Prime Minister and Cabinet  
CANBERRA
64. Dr J.A. Odera  
Director  
Kenya Forestry Research  
KENYA
65. Professor P.B. Spradbrow  
Department of Veterinary Pathology  
University of Queensland  
BRISBANE
66. Professor Alan Gilbert  
Vice-Chancellor  
University of Tasmania  
HOBART
67. Dr Nico Marcar  
Senior Research Scientist  
CSIRO Division of Forestry  
CANBERRA
68. Dr Edgardo D. Gomez  
Director  
Marine Science Institute  
University of the Philippines  
THE PHILIPPINES

69. Dr Martin Kyomo  
Director  
Southern African Centre for Cooperation in Agricultural  
Research  
BOTSWANA
70. Professor D.M. Griffin  
A/g Chairman  
Board of the Faculties  
Australian National University  
CANBERRA
71. Professor L.R. Humphreys  
Pro-Vice-Chancellor of Biological Sciences  
University of Queensland  
BRISBANE
72. Dr M.A. Foale  
Principal Experimental Scientist  
CSIRO Division of Tropical Crops and Pastures  
ST LUCIA
73. Professor Cong Meng Liu  
Deputy Director-General  
Department of International Cooperation  
Ministry of Agriculture  
THE PEOPLE'S REPUBLIC OF CHINA
74. Dr John Vercoe  
Dr John Frisch  
CSIRO *Tropical Animal Production*  
ROCKHAMPTON
75. Professor Li Liying  
Guangdong Entomological Institute  
THE PEOPLE'S REPUBLIC OF CHINA
76. Mr Wang Chikui  
Ministry of Forestry  
THE PEOPLE'S REPUBLIC OF CHINA
77. Dr Tom Ryan  
Queensland Forest Service  
BRISBANE

78. Ms Christine Astley-Boden  
Office of the Chief Scientist  
Department of the Prime Minister and Cabinet  
BARTON
79. Professor Brian Wilson  
Vice-Chancellor  
University of Queensland  
BRISBANE
80. Associate Professor D.G. Edwards  
Department of Agriculture  
University of Queensland  
BRISBANE
81. Dr J.M. Scott  
Department of Agronomy and Soil Science  
University of New England  
ARMIDALE
82. Professor R. Bawden  
Faculty of Agriculture and Rural Development  
University of Western Sydney  
RICHMOND
83. Dr J.W. Randles  
Department of Crop Protection  
University of Adelaide  
GLEN OSMOND
84. Dr Tau'ih'i'ili Uili  
Vice-Chancellor  
University of Samoa  
SAMOA
85. Mr Robert Havener  
President  
Winrock International Institute for Agricultural Development  
USA
86. Dr R. Kearney  
Director  
Fisheries Research Institute  
NSW Agriculture & Fisheries  
CRONULLA

87. Dr B. Hardaker  
Dr E. Fleming  
Department of Agricultural Economics and Business  
Management  
University of New England  
ARMIDALE
88. Mr Paul Ryan  
Principal Scientist  
Forest Research Centre  
Queensland Forest Service  
GYMPIE
89. Dr D.J. Greathead  
Director  
International Institute of Biological Control  
UK
90. Dr C.G. Ndiritu  
Director  
Kenya Agricultural Research Institute  
KENYA
91. H.E. Mr David Goss  
Australian High Commissioner  
KENYA
92. Dr R.A. Fischer  
Director, Wheat Program  
International Maize and Wheat Improvement Center  
(CIMMYT, Int)  
MEXICO
93. Professor Sitanala Arsyad  
Rector  
Bogor Agricultural University  
INDONESIA
94. Professor Riaz Qureshi  
Department of Soil Science  
University of Agriculture  
PAKISTAN
95. Dr Djoko Santoso  
Center for Soil and Agroclimate Research  
INDONESIA

96. Professor J.W. Longworth  
Pro-Vice-Chancellor (Social Sciences)  
University of Queensland  
BRISBANE
97. Mr M.D. Carroll  
Director-General of Agriculture  
SOUTH PERTH
98. Mr M.G. Menon  
Deputy Secretary  
Department of Agricultural Research and Education  
Ministry of Agriculture  
Government of India  
INDIA
99. Dr J.R. McWilliam  
RED HILL
100. Ebbe Schioler  
Head of Research Section  
Ministry of Foreign Affairs  
DENMARK
101. Mr R.L. McCown  
Dr R.K. Jones  
CSIRO  
Agricultural Production Systems  
Research Unit  
TOOWOOMBA
102. Ms Meryl Williams  
A/g Executive Director  
Bureau of Rural Resources  
PARKES
103. Mr Arturo A. Gomez  
Director  
Regional Center for Graduate Study and Research in Agriculture  
(SEARCA)  
THE PHILIPPINES
104. Mr Cledualdo B. Perez  
Executive Director  
Philippine Council for Agriculture, Forestry and Natural  
Resources  
Research and Development  
THE PHILIPPINES

105. Mr Melchor P. Menguito, Jnr  
Project Leader  
Department of the Philippines  
Bureau of Plant Industry  
THE PHILIPPINES
106. Mr Loo Kau Fa  
National Paddy & Rice Authority  
(LPN)  
MALAYSIA
107. Mr Keith A. Bezanson  
President  
International Development Research Centre (IDRC)  
CANADA
108. Mr M.R. Villanueva  
President  
Visayas State College of Agriculture  
THE PHILIPPINES
109. Mr D.J. Boland  
Senior Scientist  
International Council for Research in Agroforestry  
KENYA
110. Datuk Dr Omar Bin Abdul Rahman  
Science Adviser  
Prime Minister's Department  
MALAYSIA
111. Dr Peter J. Dart  
Principal Research Fellow  
Department of Agriculture  
University of Queensland  
BRISBANE
112. Mr Russell Rollason  
Executive Director  
Australian Council for Overseas Aid  
CANBERRA
113. Professor Jock R. Anderson  
Principal Economist  
(University of New England)  
USA

114. Mr James G. Ryan  
Director-General  
International Crops Research Institute for the Semi-Arid  
Tropics  
INDIA
115. Mr I.K. Forsyth  
A/g First Assistant Secretary  
Department of Foreign Affairs and Trade  
Economic and Trade Development Division  
CANBERRA
116. Mr Don Mentz  
CAB International  
UK
117. Mr Benjamin C. Fontanilla  
Supervising Agriculturist  
Bureau of Animal Industry  
Department of Agriculture  
THE PHILIPPINES
118. Mr I. Ketut Rika  
Department Pendidikan Dan Kebudayaan  
Universitas Udayana  
INDONESIA
119. Dr N.J. Davidson  
Project Leader  
Western Australian Department of Agriculture  
SOUTH PERTH
120. Mr Hubert G. Zandstra  
Director-General  
International Potato Center (CIP)  
PERU
121. Mr Cyril Pinso  
General Manager (Forestry)  
Innoprise Rakyat Berjaya Sdn Bhd  
MALAYSIA
122. Dr Somsak Vangnai  
Dean  
Faculty of Agriculture  
Kasetsart University  
THAILAND

123. Mr Nakorn Nalampang  
Dean  
Faculty of Agriculture  
Chiang Mai University  
THAILAND
124. Mr D.P. Gwaze  
Acting Manager  
Research and Development  
Forestry Commission  
ZIMBABWE
125. Mr W.J. Hosking  
Secretary  
Ministry of Agriculture  
COOK ISLANDS
126. Mr Francisco A. Moog  
Chief Agriculturist and In-Country Coordinator  
Department of Agriculture  
THE PHILIPPINES
127. Mr Donald L. Winkelmann  
Director-General  
International Maize and Wheat Improvement Center  
(CIMMYT, Int)  
MEXICO
128. Mr Prasert Chitapong, Ph D  
Dean  
Faculty of Natural Resources  
Prince of Songkla University  
THAILAND
129. Dato Dr Mohd Yusof Bin Hashim  
Director-General  
Malaysian Agricultural Research and Development Institute  
(MARDI)  
MALAYSIA
130. Mr 'Ofa K. Fakalata  
Head of Research  
Ministry of Agriculture & Forestry  
KINGDOM OF TONGA



131. Mr Chris D. Thurlow  
Centre Secretary  
Australian Centre for International Agricultural Research  
CANBERRA  
(Supplementary Submission)
132. Dr G.H.L. Rothschild  
Director  
Australian Centre for International Agricultural Research  
CANBERRA  
(Supplementary Submission)
133. Mr Ralph von Kaufmann  
Director  
Donor and Board Secretariat  
International Livestock Centre for Africa.  
ETHIOPIA
134. Mr Ammar Siamwalla  
President.  
Thailand Development Research Institute Foundation  
THAILAND
135. Dr Roosmani Abst  
For the Director of Center for Agricultural Research  
Programming  
Badan Penelitian Dan Pengembangan Pertanian  
INDONESIA
136. Professor Dato' Ahmad Nawawi Hj Ayob  
Deputy Vice-Chancellor  
(Establishment)  
University of Malaya  
MALAYSIA
137. Mr Angel C. Alcalá  
President  
Silliman University  
THE PHILIPPINES
138. Mr Edmond De Langhe  
Director  
International Network for the Improvement of Banana  
and Plantain (INIBAP)  
FRANCE

139. Mrs Ampan Bhromsiri  
Assistant Professor  
Faculty of Agriculture  
Chiang Mai University  
THAILAND
140. Dr Snoh Unakul  
THAILAND
141. Dr J.P. Thompson  
Senior Principal Soil Microbiologist  
Queensland Department of Primary Industries  
Queensland Wheat Research Institute  
TOOWOOMBA
142. Dr Raziuddin Ansari  
Principal Scientific Officer  
Atomic Energy Agricultural Research Centre  
PAKISTAN
143. Mr Benson M. Wafula  
A/g Centre Director  
Kenya Agricultural Research Institute  
KENYA
144. Mr Harsono  
Secretary  
Ministry for Forestry  
INDONESIA
145. Mr Ralph W. Cummings, Jnr  
Coordinator, IARC Staff  
Office of Agriculture  
US Agency for International Development (USAID)  
USA
146. Dr W.M. Strong  
Principal Agronomist  
Dr A L Clarke  
Queensland Department of Primary Industries  
Queensland Wheat Research Institute  
TOOWOOMBA
147. Ms N.P. Seymour  
Soil Microbiologist  
Queensland Department of Primary Industries  
Queensland Wheat Research Institute  
TOOWOOMBA

148. Dr Okky S. Dharmaputra  
Programme Manager  
Southeast Asian Regional Centre for Tropical Biology  
(SEAMEO BIOTROP)  
INDONESIA
149. Mr Manase Felemi  
For the Director of Agriculture & Forestry  
Ministry of Agriculture & Forestry  
KINGDOM OF TONGA
150. Mr M.N. Hunter  
Manager (Agronomy)  
Queensland Department of Primary Industries  
Queensland Wheat Research Institute  
TOOWOOMBA
151. Hon J. Kirner, AM, MP  
Premier of Victoria  
MELBOURNE
152. Professor R.T. Shand  
University of Colombo  
SRI LANKA
153. Mr Silvestre C. Andales  
Executive Director  
National Post Harvest Institute for Research and Extension  
THE PHILIPPINES
154. Mr John S. Eyers  
Alternate Executive Director  
Asian Development Bank  
THE PHILIPPINES
155. Mr Peter Callan  
Office of the Executive Director  
World Bank  
USA
156. Dr Anwar Hassan  
Director of Research  
Veterinary Research Institute  
MALAYSIA

157. Ms Irene L. Villapando  
Project Officer  
ASEAN Food Handling Bureau  
MALAYSIA
158. Mr Tajuddin Ismail  
Project Leader  
Institut Penyelidikan Getah Malaysia  
MALAYSIA
159. Mr Mohamad Bin Zainol Abidin  
For Director-General  
Economic Planning Unit  
Prime Minister's Department  
MALAYSIA
160. Dr Abdul Aziz S.A. Kadir  
Director  
The Rubber Research Institute of Malaysia  
MALAYSIA
161. CSIRO  
International Relations Centre (CIRC)  
DICKSON  
(Supplementary Submission)
162. Mr W.A. Muirhead  
GRIFFITH
163. Dr W.M. Strong  
Principal Agronomist  
Queensland Department of Primary Industries  
Queensland Wheat Research Institute  
TOOWOOMBA  
(Supplementary Submission)
164. Dr G.H.L. Rothschild  
Director  
Australian Centre for International Agricultural Research  
CANBERRA  
(Supplementary Submission)
165. Mr M.J. Hedditch  
Secretary  
Irrigation Research & Extension Committee  
C/- CSIRO Division of Water Resources  
GRIFFITH

## APPENDIX 2

### List of Public Hearings and Witnesses

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#### Canberra - 17 October 1991

#### **ACIAR**

Mr J. Cribb  
Member of the Policy Advisory Council

Professor J. Dillon  
Chairman  
Board of Management and President  
Policy Advisory Council

Dr A. Donald  
Member of Policy Advisory Council and Board of Management

Dr G. Rothschild  
Director

Mr C. Thurlow  
Centre Secretary

#### **Indian Council of Agricultural Research (India)**

Mr Ramesh Chandra Kapila  
Director-General

#### **Ministry of Agriculture (China)**

Mr Cong Meng Liu  
Deputy Director-General  
Department of International Cooperation

**Ministry of Agriculture (Indonesia)**

Dr Soetatwo Hadiwigeno  
Director-General  
Agency for Agricultural Research and Development

**NBC (Papua New Guinea)**

Sir Alkan Tololo  
Chairman

Canberra - 25 November 1991

**AIDAB**

Mr W. Brown  
Assistant Director  
Environment, Agriculture and Specialist Coordination Section

Dr R. Dun  
Director-General

**CSIRO**

Mr A. Blewitt  
Director  
Corporate Services

Mr A. Brown  
Chief  
Division of Forestry

Dr D. Evans  
Senior Principal Research Scientist  
Division of Entomology

Dr E. Henzell  
Director  
Institute of Plant Production and Processing

Dr J. Steel  
Assistant Chief  
Division of Animal Health

Brisbane - 10 February 1992

**CSIRO**

Dr R. Jones  
Program Manager  
Division of Tropical Crops and Pastures

Dr R. Lawn  
Senior Principal Research Scientist  
Project Leader, Grain Legumes  
Division of Tropical Crops and Pastures

**Queensland Department of Primary Industries**

Dr M. Bengston  
Director  
Entomology Branch

Dr J. Leslie  
Executive Director  
Agricultural Production

Mr P. Ryan  
Principal Scientist  
Forest Research Centre

Dr W. Strong  
Project Leader  
ACIAR Project 8366

**Sugar Research and Development Corporation**

Dr D. Byth  
Chairman

Mr E. Wallis  
Executive Director

**University of Queensland**

Associate Professor L. Bell  
Head  
Department of Agriculture

Dr P. Dart  
Principal Research Fellow  
Department of Agriculture

Associate Professor D. Edwards  
Deputy Head  
Department of Agriculture

Professor P. Spradbrow  
Virus Laboratory  
Department of Veterinary Pathology

**Sydney - 12 February 1992**

**Crawford Fund for International Agricultural Research**

Emeritus Professor D. Tribe  
Executive Director

**NSW Department of Agriculture**

Dr R. Roughley  
Principal Research Officer

**Canberra - 2 March 1992**

**ACIAR**

Dr G. Rothschild  
Director



## APPENDIX 3

### List of Exhibits

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Exhibit No.	Description of Exhibit	Provided By
1.	External Review of the Australian Centre for International Agricultural Research Canberra, March 1989	ACIAR
2.	ACIAR Annual Report 1988-89	ACIAR
3.	ACIAR Newsletter No. 17 July-December 1989	ACIAR
4.	ACIAR Annual Report 1989-90	ACIAR
5.	AIDAB publication 'Agricultural Projects Review'	ACIAR
6.	Papers from launch of 'Doing Well by Doing Good' Speech by Hon. Neil Blewett, MP Canberra, 31 July 1991	ACIAR
7.	Opening of ACIAR Policy Advisory Meeting Speech by Senator Chris Schacht Canberra, 29 November 1990	ACIAR
8.	ACIAR Policy Advisory Council Dinner Speech by Senator the Hon. Gareth Evans, 22 November 1990	ACIAR
9.	Australia's Overseas Agricultural Research by Brian Lee	ACIAR
10.	AIDAB publication 'Australia's Development Cooperation with Indonesia in the Agricultural Sector'	AIDAB

11.	International Consulting Division of Animal Health	CSIRO
12.	External Assessments of ACIAR's Performance	ACIAR
13.	Australia's Overseas Aid Program 1991/92, Budget Related Paper No. 4	AIDAB
14.	Agricultural Projects Review, Satish Chandra and Roy Hewson, AIDAB Evaluation Series No. 11, 1991	AIDAB
15.	Learning from Experience; A Synthesis of AIDAB Evaluations, Evaluation Report 1991 No. 5	AIDAB
16a.	Australia's Development Cooperation with Indonesia in the Agricultural Sector, AIDAB Sector Report 1991 No. 2	AIDAB
16b.	Australia's Development Cooperation with Indonesia in the Agricultural Sector, AIDAB Sector Report 1991 No. 2 Volume 2 - Annexes	AIDAB
17.	Review of AIDAB's Role in the International Agricultural Research Centres, AIDAB Sector Report 1991 No. 3	AIDAB
18.	Australian Agricultural Education and Training, Proceedings of a Conference held at the ANU Canberra March 1990, AIDAB and IDP 1990	AIDAB
19.	Review of Integrated Area Development Projects, Roy Hewson, Satish Chandra, Susan Connell, AIDAB Evaluation Series No. 10, 1991	AIDAB
20.	Agricultural Technology Transfer; The relevance of the Australian Experience, Proceedings of the AIAS National Conference Darwin, May 1989, Aust. Inst. Agric. Science	AIDAB

21.	Livestock Sector Review, Satish Chandra, William Costello, Lindsay Falvey, Neil Fogarty, AIDAB Evaluation Series 1989 No. 5	AIDAB
22.	Activity Guidelines for Livestock Projects, AESS Branch, AIDAB 1989	AIDAB
23a.	Review of Queensland's Agricultural Skills for Developing Countries, October 1990 - Report	AIDAB
23b.	Review of Queensland's Agricultural Skills for Developing Countries, October 1990 - Appendices	AIDAB
24.	Multipurpose Australian Trees and Shrubs - lesser-known species for fuelwood and agroforestry 1986, John W. Turnbull	ACIAR
25a.	List of publications - Volume 1	ACIAR
25b.	List of publications - Volume 2	ACIAR
26.	Biological Control - Pacific Prospects (Supplement 1), D.F. Waterhouse & K.R. Norris	ACIAR
27.	Newcastle Disease in Poultry - A new food pellet vaccine, J.W. Copland	ACIAR
28.	Rainfed Rice Production in the Philippines: A Combined Agronomic/Economic Study of Antique Province ACIAR Technical Reports 13	ACIAR
29.	Buffalo and Goats in Asia: Genetic Diversity and Its Application ACIAR Proceedings No. 34	ACIAR
30.	Partners in Research for Development Number 2, March 1989	ACIAR

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|-----|---|------------------------------------|
| 31. | Evaluation for Sustainable Land Management in the Developing World - Towards the Development of an International Framework<br>IBSRAM Proceedings No. 12, Volume I | IBSRAM<br>Headquarters<br>THAILAND |
| 32. | Management of Acid Soils in the Humid Tropics of Asia,<br>E.T. Craswell & E. Pushparajah  | IBSRAM<br>Headquarters<br>THAILAND |
| 33. | Soil Management under Humid Conditions in Asia and Pacific<br>IBSRAM Proceedings No. 5  | IBSRAM<br>Headquarters<br>THAILAND |
| 34. | Management of Acid Tropical Soils for Sustainable Agriculture<br>IBSRAM Proceedings No. 2   | IBSRAM<br>Headquarters<br>THAILAND |
| 35. | Tropical Land Clearing for Sustainable Agriculture<br>IBSRAM Proceedings No. 3  | IBSRAM<br>Headquarters<br>THAILAND |
| 36. | Asialand Workshop on The Establishment of Soil Management Experiments on Sloping Lands<br>IBSRAM Technical Notes No. 3, 1989                                      | IBSRAM<br>Headquarters<br>THAILAND |
| 37. | Report of the External Review of the International Board for Soil Resources and Management (IBSRAM) 3 October 1991  | IBSRAM<br>Headquarters<br>THAILAND |
| 38. | IBSRAM Highlights 1989  | IBSRAM<br>Headquarters<br>THAILAND |
| 39. | IBSRAM Highlights 1990-91   | IBSRAM<br>Headquarters<br>THAILAND |
| 40. | External Funding of Development-Related Research: A Survey of Some Major Donors   | ACIAR                              |
| 41. | Australian Development in the Agricultural and Rural Development Sector, Report 1990-91   | AIDAB                              |

42.	Northern Territory Agricultural Programs for Developing Countries	AIDAB
43.	Annual Audit of the Environment in the Australian International Development Cooperation Program Volume 1	AIDAB
44.	Annual Audit of the Environment in the Australian International Development Cooperation Program Volume 2	AIDAB
45.	Fertilizer from the Air! Nitrogen Fixation Research Department of Agriculture	University of Queensland
46.	Workshop on Management of Mimosa Pigra	CSIRO
47.	Research in Progress - 1990 Department of Agriculture	University of Queensland
48.	Biological Control of Salvinia Molesta in Sri Lanka: An Assessment of Costs and Benefits ACIAR Technical Reports 12	CSIRO
49.	Excerpt from Spirit of Enterprise - Biological Control of the Tropical Water Weed Salvinia by Peter Michael Room	CSIRO
50.	The Wool Industry in China - Some Chinese Perspectives Department of Agriculture	University of Queensland
51.	Reprinted from Trends in Ecology & Evolution - Ecology of a Simple Plant-Herbivore System: Biological Control of Salvinia	CSIRO
52.	ACIAR Review Overheads used when giving evidence in Brisbane on 10.2.92 (pp. 223-242)	Mr E S Wallis Dr D E Byth

- |     |   |                  |
|-----|---|------------------|
| 53. | Highlights - May 1990<br>Crawford Fund for International<br>Agricultural Research                       | Crawford<br>Fund |
| 54. | Highlights - December 1990<br>Crawford Fund for International<br>Agricultural Research                  | Crawford<br>Fund |
| 55. | Highlights - August 1991<br>Crawford Fund for International<br>Agricultural Research                    | Crawford<br>Fund |
| 56. | Highlights - Budget Extra<br>20 August 1991<br>Crawford Fund for International<br>Agricultural Research | Crawford<br>Fund |
| 57. | A form of words, prepared by ACIAR,<br>to augment its functions as<br>described in the Act              | ACIAR            |

## APPENDIX 4

### Selected ACIAR Projects

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#### Study of economically important fruit flies, and development of control methods (1985-91)

##### Aim

To assess which fruit fly populations in Malaysia attack commercial fruits and vegetables, and to develop cost-effective and environmentally safe control methods.

##### The research

This study consisted of two 3-year projects carried out by a joint team led by Dr Dick Drew at the Queensland Department of Primary Industries, Mr Allan Allwood at the Northern Territory Department of Primary Industry and Fisheries, and Mr S. Vijaysegaran at the Malaysian Agricultural Research and Development Institute (MARDI) near Kuala Lumpur, Malaysia. The study revealed that only six of the plethora of fruit fly species occurring in Malaysia were of economic importance, and the collaborators very successfully developed the idea already under investigation in Queensland of using a bait spray to control them. MARDI has marketed a bait spray based on brewery by-products and known as 'Promar'. It is safe, economical, and very effective.

##### Cost

\$A0.8 million

##### Benefits

Superior fruit fly control methods for Malaysian fruit and vegetable industries are now available. Independent assessment indicated an economic benefit to Malaysia of \$A176.3 million over 20 years - a benefit to cost ratio of 221:1. The concept is now being developed for other countries in South East Asia and the Pacific.

### Biological control of salvinia water weed in Sri Lanka (1986-89)

#### **Aim**

To rid Sri Lankan reservoirs and water courses of salvinia water fern, the world's worst water weed, using insects that feed on it.

#### **The research**

This 3-year project led by Dr Peter Room and Dr Wendy Forno of the CSIRO Division of Entomology was carried out in collaboration with the Sri Lankan National Resources, Energy and Science Authority, other government agencies and the University of Kelaniya. It sought to repeat in Sri Lanka the spectacular results Dr Room's CSIRO team had already achieved in Australia and Papua New Guinea. It succeeded. In less than 12 months a beetle destroyed dense mats of salvinia that were completely choking reservoirs.

#### **Cost**

\$A0.8 million

#### **Benefits**

Beneficiaries are rice farmers and fishermen and their families, hydroelectricity authorities, and rural people generally because of reduced spread of disease by mosquitoes. Independent assessment indicated a likely economic benefit to Sri Lanka over 25 years of \$A25 million - a benefit to cost ratio of 32:1. ACIAR is enabling the CSIRO team to release the beetle in Malaysia, Philippines, Fiji, Kenya and Zambia.

### Control of Newcastle disease in village chickens using oral V4 vaccine (1983-90)

#### **Aim**

To control Newcastle disease, the world's most important viral disease of chickens, in village chicken populations in southern Asia using a heat-resistant vaccine.

#### **The research**

Poor rural villagers keep chickens throughout the world to provide much needed protein and cash. Frequent epidemics of Newcastle disease cause heavy losses in village chicken populations, in Asia often at intervals of less than 12 months. Although Australia does not have Newcastle disease, a mild variant of the virus does occur in Australian chicken populations. This V4 strain causes no disease symptoms but does provide immunity against Newcastle disease. Professor Peter Spradbrow at the University of Queensland and Professor Latif Ibrahim at the Universiti Pertanian Malaysia (UPM) developed the idea that a heat-resistant strain of V4



could be developed and used as a vaccine that would not need to be kept in refrigeration. A first project proved this idea, and led to a vaccine coated onto chicken feed that could be conveniently fed to village chickens. A second project involved controlling the disease across a whole State in Malaysia, and proving and adjusting the technology in five other South East Asian countries.

#### **Cost**

\$A3.3 million

#### **Benefits**

*Beneficiaries are the rural poor in most continents. Larger scale commercial operations in developing countries will also benefit from reduced cross infection. Australian poultry growers will also have additional protection from this proven vaccine if an outbreak of Newcastle disease occurs. Independent assessment indicated a likely benefit to the six countries involved of \$A144 million over 20 years - a benefit to cost ratio of 25:1. Benefits will be much higher if the technology is applied in other countries.*

### **Development of tests for quick diagnosis of foot-and-mouth disease (1986-92)**

#### **Aim**

To develop and prove the effectiveness of tests that can rapidly diagnose the presence of foot-and-mouth disease and also the strain of the virus causing the outbreak.

#### **The research**

This research involving teams of veterinarians from the Australian Animal Health Laboratory (AAHL) and the Department of Livestock Development in Thailand developed ELISA (enzyme linked immunosorbent assay) tests originally designed by British and Australian scientists at the Animal Virus Research Institute in the U.K. The disease is endemic to northern Thailand. Studies with the live virus there made it possible to refine the test and prove it in the field with actual outbreaks.

#### **Cost**

\$A3.5 million

#### **Benefits**

Having the test available will allow Thai veterinarians to quickly diagnose foot-and-mouth disease outbreaks and correctly identify the virus strain causing them. Cattle and buffalo can then be vaccinated with the correct vaccine for the specific virus type. Rapid confirmation of false alarms, or of foot-and-mouth disease outbreaks in

Australia may save the Australian livestock industries millions of dollars. The tests enabled AAHL scientists to diagnose a false alarm in only 17 hours during a suspected foot-and-mouth disease outbreak in October 1988. An independent economic assessment of the project has not yet been carried out.

#### Use of biotechnology to provide resistance in wheat to barley yellow dwarf virus (1986-92)

##### **Aim**

To transfer resistance to barley yellow dwarf disease from wild grasses to wheat using biotechnology.

##### **The research**

Barley yellow dwarf is the world's most serious viral disease of cereals. It causes major losses in higher rainfall wheat-growing areas in Australia, and prevents China from achieving self sufficiency in wheat production. No variety of wheat is resistant to the disease. During two 3-year projects Dr Philip Larkin and Dr Phillip Banks of the CSIRO Division of Plant Industry have collaborated with colleagues at the Chinese Academy of Agricultural Sciences to identify genes in wild grasses giving resistance to the virus and to transfer these into wheat using a novel biotechnology approach. For the first time they have produced wheat plants that are resistant to barley yellow dwarf virus. These can be used for breeding resistant commercial wheat varieties using standard methods.

##### **Cost**

\$A1.5 million

##### **Benefits**

All wheat-growing countries stand to gain from this unique research that will for the first time permit control of this universally serious virus. It is too soon for an independent economic assessment to be carried out.

#### Culture of the giant clam (1986-92)

##### **Aim**

To prove the feasibility of culturing giant clams for farming and restocking denuded tropical reefs, and to develop culture methods suitable for use by South Pacific coastal communities.

### **The research**

Giant clams became threatened after heavy poaching of tropical reefs in the 1960s and 1970s. Their meat is much sought after in Taiwan and Japan, and formed part of the traditional diet of many Pacific island peoples. Through two 3-year projects a team led by Professor John Lucas at the James Cook University of North Queensland, and involving colleagues in the Queensland Department of Primary Industries, Philippines, Fiji, Cook Islands, Kiribati, Tonga and Tuvalu, followed through on the discovery made in the 1970s that the clams could be reared artificially. The studies successfully developed low-technology, on-land hatchery techniques for all seven known species of giant clam, and also ocean culture techniques by which the clams can be grown to a commercially valuable size. Nationally operated clam hatcheries are now operating in Australia, Fiji, Tonga, Philippines, and the Cook Islands.

### **Cost**

\$A4 million

### **Benefits**

Beneficiaries are villagers farming giant clams for traditional use and for cash, and commercial operators in the Pacific region and Australia. Denuded reefs can now also be restocked for conservation purposes with locally extinct giant clam species. An independent assessment of the project, which compared the total cost of the project to all collaborators with the likely return to Australia to be gained just from servicing the Australian and New Zealand market for giant clam meat, indicated economic benefits of 1.5 times the total cost. Much larger benefits can be expected when all beneficiaries are included.

### **Introduction and cultivation of Australian tree species in China (1984-91)**

#### **Aim**

To improve the productivity of Australian *Eucalyptus*, *Acacia* and *Casuarina* tree species in southern China.

#### **The research**

The Chinese have been planting Australian tree species since the 1890s, but those planted are not necessarily the most suited to the local climate and soils. In these two 3-year studies, a team of scientists from the CSIRO Division of Forestry, led by Mr Alan Brown, identified many promising species and lines (provenances) of eucalypts, acacias (wattles) and casuarinas in Australia. They and colleagues from several forestry research institutes in China then introduced these into 19 trials in various parts of southern China. Experimental results from the trials indicate that substantial increases in wood production are possible from these new introductions.

The capacity of collaborating Chinese scientists to carry out this type of research has been boosted considerably.

**Cost**

\$A2.1 million

**Benefits**

China plants forests to satisfy its immense internal demand for fuelwood, poles and sawn timber, and it is government policy to increase the amount of wood used for paper pulp. Plantations are also used for environmental protection and rehabilitation of degraded lands. While there will be a 15-25 year time lag to the start of harvesting of plantations of the new species, an independent assessment of the studies indicated a benefit to China of \$A116 million over a period of 40 years - a benefit to cost ratio of 56:1. The project has also allowed assessment of previously unused species and provenances for forestry purposes in Australia.



1. Water shoots from a giant clam as Dr Rick Braley of James Cook University, a researcher in the ACIAR giant clam project, brings it to the surface. Giant clams are now reared routinely in a number of Pacific countries.



2. ACIAR foot-and-mouth disease project leader Dr Harvey Westbury of the Australian Animal Health Laboratory and Thai colleagues collect samples from an infected buffalo during studies in northern Thailand.