

WORLD TRADE ORGANIZATION

G/AG/N/AUS/57
16 November 2004

(04-4934)

Committee on Agriculture

Original: English

NOTIFICATION

The following submission, dated 10 November 2004, is being circulated at the request of the Delegation of **Australia**. The notification concerns actions taken within the framework of the Decision on Measures Concerning the Possible Negative Effects of the Reform Programme on Least-Developed and Net Food-Importing Developing Countries (**Table NF:1**) for the financial year **2003/2004**.

Table NF:1

**Notification under Article 16:2 of the Agreement:
Monitoring of the Follow-Up to the Decision on
Measures Concerning the Possible Negative Effects of
the Reform Programme on Least Developed and Net
Food-Importing Developing Countries: Australia**

REPORTING PERIOD: Financial Year 2003-2004 (A\$)

(1) Quantity of food aid provided to least developed and net food-importing developing countries:

Australia provided 174,891 tonnes (wheat equivalent) of food aid, including 52,346 tonnes (A\$13.7 million) of emergency food aid (see Attachment A). This amounted to a total of A\$45.1 million in 2003-2004. Of the total food aid provided, some 111,514 tonnes (wheat equivalent) or 64 per cent was provided to Least-Developed (LDCs)¹ and Net Food-Importing Developing Countries (NFIDCs)² (Attachment B).

(2) Indication of the proportions in fully grant form or appropriate concessional terms:

All Australian food aid is provided on fully grant terms.

(3) Technical and financial assistance under paragraph 3 (iii) of the Decision:

The agency primarily responsible for delivering Australia's aid programme is the Australian Agency for International Development (AusAID). AusAID aims to reduce poverty and achieve sustainable development in developing countries not just by improving agriculture and rural development, but also by directing its efforts across a variety of sectors. The Australian Centre for International Agricultural Research (ACIAR) also assists developing countries through both bilateral and multilateral projects focusing on delivering more productive and sustainable agriculture to increase food security and rural incomes. ACIAR delivers agricultural research programmes in collaboration with Australian institutions and their counterparts in developing countries.

In the financial year 2003-04, Australia provided a total of A\$256.4 million for programmes within the ambit of the Decision related to countries developing their food security. Of this over A\$83.7 million was directed to LDCs/NFIDCs. The expenditure was channelled through a number of programming windows including multilateral, regional, and bilateral, humanitarian/emergency assistance, non-government organisations (NGOs), ACIAR, and a small amount through other government departments (OGDs).

¹ Based on least-developed countries as recognised by the Economic and Social Council of the United Nations.

² LDCs plus Barbados, Botswana, Côte d'Ivoire, Cuba, Dominican Republic, Egypt, Honduras, Jamaica, Kenya, Mauritius, Morocco, Namibia, Pakistan, Peru, Saint Lucia, Senegal, Sri Lanka, Trinidad and Tobago, Tunisia and Venezuela.

Direct aid flows for food security, by program, 2003-04 (provisional)

| Program | Sub Program | 2003-04 |
|----------------------------------|------------------------------|--------------------|
| Country & Regional Programs | Bilateral | 111,513,536 |
| | Multilateral | 550,000 |
| Global Programs | Bilateral | 1,000,000 |
| | Humanitarian | 66,907,511 |
| | Multilateral | 26,045,821 |
| | NGO | 3,131,322 |
| Accrual Adjustments | | 25,966,393 |
| Non-AusAID Programs ¹ | ACIAR | 16,915,393 |
| | Other Government Departments | 4,366,971 |
| Other food security ² | | |
| Total | | 256,396,948 |

(1) Non AusAID Programs only includes Jul to Dec 2004 expenditure

(2) Other food security includes multilateral imputed flows to World Bank

Direct aid flows for food security, by program, LDCs and NFIDCs, 2003-04 (provisional)

| Main Program | Sub Program | 2003-04 |
|----------------------------------|------------------------------|-------------------|
| Country & Regional Programs | Country Programs | 41,894,345 |
| | Regional Programs | 1,563,607 |
| Global Programs | Humanitarian | 22,795,233 |
| | Multilateral | 13,819,575 |
| | NGO & Volunteer | 1,809,987 |
| Non-AusAID Programs ¹ | ACIAR | 1,775,303 |
| | Other Government Departments | 71,275 |
| Total | | 83,729,325 |

(1) Non AusAID Programs only includes Jul to Dec 2004 expenditure

All financial assistance provided through AusAID and ACIAR is in fully grant form. Some further information follows.

(i) Australian Agency for International Development (AusAID)

Bilateral and Regional Programmes

The majority of Australia's aid is delivered through bilateral (or country) and regional programmes. Bilateral country strategies reflect recipient government priorities as well as Australia's capacity to assist. Specific activities are developed with partner countries in order to provide technical and financial assistance. Australia also supports several regional programmes which are often the most cost effective response to region-wide development challenges.

In the case of food security, the bilateral and regional technical and financial assistance provided to LDCs and NFIDCs was A\$43.2 million in 2003-04. Assistance focused on agricultural productivity and sustainability, crop storage, forestry and fisheries, environmental management, management of water resources, the provision of infrastructure related to food security and to assist countries adjust to the new trading environment.

Humanitarian and Emergency

In 2003-04, Australia supported a number of projects valued at A\$22.7 million in relation to humanitarian and emergency relief (in addition to food aid) to LDCs and NFIDCs.

Multilateral Core Funding

A proportion of Australia's core contributions to the multilateral development banks and other relevant multilateral organisations are used for food security related development activities. The Australian aid program provisional expenditure to multilateral organisations (including International Development Association, Asian Development Fund, International Fund for Agricultural Development and the World Food Program) relating to food security was A\$26 million in 2003-04 of which A\$13.8 million was provided to LDCs and NFIDCs.

Other

There are a number of other areas where Australia's aid program supports food security. Australia supported scholarships students from LDCs and NFIDCs in the areas of agriculture, forestry and fisheries worth A\$2.1 million in 2003-04. A number of Australian non-government organisations receive aid program funding that has a direct impact on improving food security in developing countries. In 2003-04 the Australian aid program funded A\$3.1 million to NGOs for activities ranging from improving food crop production and processing, to rural development and agricultural extension projects.

(ii) Australian Centre for International Agricultural Research (ACIAR)

In 2003-2004, the Australian Centre for International Agricultural Research expended A\$16.9 million, of which A\$1.7 million was in support of multilateral and bilateral research activities relating directly to agricultural productivity of LDCs and NFIDCs.

Multilateral programmes

In 2003-2004, ACIAR contributed A\$9.2 million to multilateral International Agricultural Research Centres (IARCs) whose mandate is to increase global food security. The major criterion on which ACIAR bases its allocation of Australia's funds to the IARCs is the comparative advantage of a centre to deliver research applicable to Australia's regional priorities and which contributes to sustainable food security, agricultural productivity and income generation. (See Attachment C).

Bilateral programmes

Approximately A\$7.7 million of ACIAR's funding is delivered bilaterally in the form of specific research activities. Projects funded under ACIAR's bilateral programme comprise research targeting the following food security and poverty alleviation issues: agricultural development policy and agricultural systems economics and management; animal sciences; crop sciences; fisheries; forestry; land and water resources; and post harvest technology.

(4) Other relevant information with respect to actions taken within the framework of the Decision

Outside the aid program a number of State and Commonwealth Government agencies sponsor official exchanges between Australia and developing countries on agriculture and food security. The amount of other Government Department support to LDC and NFIDCs in this area was A\$71 thousand in 2003-04.

Attachment A

Humanitarian and emergency relief, by country, 2003-04 (provisional expenses) (A\$)

| COUNTRY | Expenses (A\$) |
|---------------------------------------|-----------------------|
| Bhutan | 724,088 |
| Cambodia | 1,559,333 |
| Democratic People's Republic of Korea | 1,937,754 |
| East Timor | 446,303 |
| Eritrea | 495,417 |
| Ethiopia | 654,591 |
| Sudan | 797,664 |
| Southern Africa | 6,356,534 |
| Total | 13,713,480 |

Attachment B**Quantity of food aid provided to Least developed (LDCs) and Net Food-Importing Developing Countries (NFIDCs): Breakdown by commodity and recipient countries**

| Recipient Country | Commodity Type | Quantity (tonnes) | FAC Wheat Equivalent | Total Expenses (A\$) |
|--|-----------------------|--------------------------|-----------------------------|-----------------------------|
| Bilateral Development | | | | |
| Bangladesh | Wheat | 45,000 | 45,000 | 11,700,900 |
| | Subtotal | 45,000 | 45,000 | 11,700,900 |
| Emergency / Relief | | | | |
| Bhutan | Rice | 1,431 | 2,290 | 450,792 |
| Bhutan | Pulses | 219 | 657 | 168,429 |
| Bhutan | Sugar | 215 | 430 | 104,867 |
| Cambodia | Beans | 1,200 | 3,600 | 842,626 |
| Cambodia | Vegetable Oil | 700 | 3,024 | 687,949 |
| Cambodia | Salt | 200 | 200 | 28,758 |
| East Timor | Beans | 199 | 478 | 132,836 |
| East Timor | Rice | 995 | 1,592 | 313,467 |
| Eritrea | Wheat | 1,858 | 1,858 | 495,417 |
| Ethiopia | Vegetable Oil | 648 | 3,240 | 654,591 |
| SAF Lesotho | Maize Meal | 2,100 | 2,100 | 594,510 |
| SAF Lesotho | Cereals | 1,900 | 1,900 | 531,696 |
| SAF Mozambique | Maize | 3,500 | 3,500 | 782,250 |
| SAF Zambia | Maize | 4,257 | 4,257 | 1,191,415 |
| Sudan | CSB | 448 | 448 | 227,635 |
| Sudan | Beans | 359 | 862 | 176,915 |
| Sudan | Vegetable Oil | 400 | 2,000 | 393,114 |
| | Subtotal | 20,629 | 32,435 | 7,777,267 |
| Multilateral Regular Contribution - WFP | | | | |
| Bangladesh | Wheat | 19,271 | 19,271 | 4,698,241 |
| Laos | Rice | 1,270 | 2,032 | 497,843 |
| Lesotho | Pulses | 290 | 725 | 182,604 |
| Malawi | Pulses | 340 | 850 | 214,088 |
| Malawi | CSB | 820 | 820 | 437,683 |
| Myanmar | Rice | 3,301 | 5,282 | 858,104 |
| Myanmar | Pulses | 400 | 1,000 | 224,068 |
| Myanmar | Rice | 1,574 | 2,518 | 409,250 |
| Zambia | CSB | 1,581 | 1,581 | 843,730 |
| | Subtotal | 28,847 | 34,079 | 8,365,611 |
| | TOTAL | 94,476 | 111,514 | 27,843,778 |

Attachment C

Australian Centre for International Agricultural Research (ACIAR): Disaggregation of the funds allocated to the International Agricultural Research Centres (IARCs) in 2003-2004 (Provisional figures)

ACIAR contribution to IARCs, 2002-03 and 2003-04 (provisional)

| International Agricultural Research Centres (IARCs) | 2002-03 | 2003-04 |
|--|------------------|------------------|
| International Institute for Tropical Agriculture | 0 | 187,100 |
| Asian Vegetable Research and Development | 55,000 | 55,000 |
| Center for International Forestry Research | 418,257 | 520,378 |
| Centre for Agriculture and Biosciences | 562,003 | 582,838 |
| International Center for Agricultural Research | 555,250 | 556,906 |
| World Fish Center | 764,521 | 748,111 |
| World Agroforestry Centre | 585,328 | 581,404 |
| International Crops Research Institute | 681,754 | 959,029 |
| International Food Policy Research | 600,000 | 937,541 |
| International Water Management Institute | 741,014 | 652,790 |
| International Livestock Research Institute | 406,150 | 406,151 |
| International Maize and Wheat Improvement Centre | 908,141 | 875,381 |
| International Plant Genetic Resources Institute | 639,195 | 494,000 |
| International Potato Centre | 571,574 | 546,977 |
| International Rice Research Institute | 995,917 | 1,137,817 |
| Total | 8,484,104 | 9,241,423 |

Source: Ausaid statistical datamart, snapshot 14. Compiled by IRSU 9 Nov 2004.