

WORLD TRADE ORGANIZATION

G/AG/N/AUS/21
5 November 1998

(98-4380)

Committee on Agriculture

Original: English

NOTIFICATION

The attached notification in the context of 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 for the financial year 1997/98 (**Table NF:1**) was received from the delegation of **Australia** on 2 November 1998.

In accordance with notification requirements within the framework of the Decision on Measures Concerning the Possible Negative Effects of the Reform Programme on Least-Developed and Net Food-Importing Countries (**Table NF:1**), the following provides details of Australia's programmes in respect of the Decision.

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 1997-98 (A\$dollars)

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

Australia was unable to fully meet its Food Aid Convention (FAC) commitment to provide 300,000 tonnes of food aid or wheat equivalent in 1997-98. In the event, Australia provided 293,552 tonnes (wheat equivalent) of food aid, representing 97.9 per cent of Australia's FAC commitment, and also provided transport for the drought emergency in PNG and for similar operations in the Indonesian province of Irian Jaya. Of the total amount provided, 181,318 tonnes (wheat equivalent) representing some sixty two per cent was provided to Least-Developed (LDCs)¹ and Net Food-Importing Developing Countries (NFIDCs)². This amounted to a total of A\$76 million in 1997-98 (see Attachment A).

(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 program 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. ACIAR delivers agricultural research programs in collaboration with Australian institutions and their counterparts in developing countries. A major focus of all projects is poverty alleviation through sustainable agriculture and increased food security.

In the financial year 1997-98, AusAID provided a total of A\$244.9 million for programs within the ambit of the Decision and related to countries developing their food security. A\$161.9 million was provided as multilateral core funding, A\$8.1 million as regional funding, A\$19.5 million in bilateral/developmental food aid, A\$25 million on bilateral humanitarian/emergency assistance and A\$30.4 million in scholarships to relevant LDCs/NFIDCs.

All financial assistance provided through AusAID and ACIAR is in wholly grant form. Details of assistance provided in the financial year ending 30 June 1998 follows.

¹ Based on DAC country classification as of January 1997.

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

(i) Australian Agency for International Development (AusAID)**Multilateral Core Funding**

A proportion of Australia's core contributions to the multilateral development banks and other relevant multilateral organisations is used for food security related development activities in LDCs and NFIDCs. The figures reflected here, however, refer to Australia's *total* contribution to relevant agencies. Clearly, only a part of this funding should be recognised as funding for food security in LDCs and NFIDCs.

International Agency	Expenditure (A\$'000)
	1997-98
Asian Development Fund	2,319
International Development Association	121,460
International Fund for Agricultural Development	1,500
United Nations Environment Program	510
United Nations High Commissioner for Refugees	13,500
United Nations Relief and Works Agency	2,650
United Nations Development Program	6,500
International Environment programs	
Multilateral Fund of the Montreal Protocol/	4,519
Global Environment Facility	8,908
Total	161,866

Regional Funding, including South Pacific and South East Asian LDCs
(see attachment B).

Region	Expenditure (A\$)
	1997-98
South Pacific	4,703,447
South East Asia	2,855,069
Southern Africa	500,000
Total	8,058,516

Bilateral

Most of Australia's aid is delivered in the context of country programs based on country strategies. These strategies reflect recipient government priorities as well as Australia's capacity to assist. Specific projects are developed with partner countries in order to provide technical and financial assistance to: improve agricultural productivity and sustainability, agricultural 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. Bilateral country food aid and emergency expenditures are listed below.

Country	Expenditure (A\$) 1997-98
Afghanistan	3,000,000
Bangladesh	12,766,856
Cambodia	5,000,000
Ethiopia	4,000,000
Kenya	1,000,000
Laos	990,700
Mozambique	6,399,255
Nepal	1,000,000
Sri Lanka	5,731,000
Sudan	2,803,000
Uganda	1,805,000
Total	44,495,811

Scholarships

In LDCs and identified NFIDCs, during 1997-98, Australia funded 737 students (58 per cent males and 42 per cent females) for tertiary level study in Australia valued at A\$30.4 million. Of these awards, 24 per cent were for study in natural sciences and agricultural and related fields.

Humanitarian relief (in addition to food aid)

In 1997-98, Australia undertook a number of projects in relation to humanitarian relief to LDCs and NFIDCs, which impacted directly on agricultural production in a number of countries for a total of A\$7.2 million. Examples of programs include the Burma Agroforestry project in Rakhine State and the Uganda Food Security program in the Kitgum District (see attachment C).

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

In 1997-98, the Australian Centre for Agricultural Research expended A\$39.8 million of which A\$22 million was in support of research relating directly to agricultural productivity of recipient countries.

Multilateral programmes

In 1997-98 ACIAR provided A\$8.9 million to multilateral International Agricultural Research Centres whose mandate is to increase global food security. One of the major criteria on which ACIAR bases its allocation of Australia's funds to the International Agricultural Research Centres (IARCs) is the contribution of a centre's research to economic development, poverty alleviation and sustainability (see Attachment D).

Bilateral programmes

Approximately \$2.1 million, 10 per cent of the research program expenditure, of ACIAR funded research was directly provided to bilateral projects in identified LDCs/NFIDCs. Projects funded under ACIAR's bilateral program comprise research targeting the following food security and poverty alleviation issues:

- *animal sciences*, leading to healthier and more productive livestock for smallholder farming systems through improved animal nutrition, control of parasites, reproduction and animal husbandry;
- *crop sciences*, by developing higher yielding horticultural crops through the use of genetically superior cultivars, the control of diseases, and the development of environmentally safe methods to combat pests and weeds;
- *fisheries*, through conservation and responsible utilisation of wild marine and freshwater fisheries, developing superior breedstock and breeding techniques, sourcing suitable foods and controlling disease to ensure more productive and sustainable aquaculture;
- *forestry*, through identification of suitable fast-growing tree species for use in community forestry to provide, amongst other uses, fuelwood for cooking, and the development of technologies to improve productivity of selected trees.
- *land and water resources*, by enhancing crop production through better methods of improving soil fertility and structure, conservation of soil and water resources, including erosion and water management, ameliorating salinity of soil and water, and conserving agricultural land through better cultivation practices and land management systems;
- *post-harvest technology*, through reduction of food wastage after harvest by ensuring that grain, fruit, vegetables, and fish can be handled, stored, processed and transported safely and economically between harvest and disposal to consumers; and
- *economics*, through economic research to underpin the development of government policy aimed at encouraging efficient and sustainable use and management of agriculture and natural resources, including land, water, fish and forest resources.

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

Changed arrangements for the allocation and distribution of Australian food aid were trialed in 1996-97 in a move aimed at improving the efficiency and effectiveness of the program. Under the new arrangements the total food aid component of Australia's Humanitarian Relief Program was allocated directly to the United Nations World Food Programme (whereas in 1995-96, for example, only 80% was distributed in this way). In 1997-98 a direct cash contribution was provided to WFP for a selected group of protracted and emergency relief operations. These included operations in Cambodia, Sri Lanka, Democratic People's Republic of Korea and Sudan. This new arrangement gives WFP a guaranteed level of support for selected operations. At the same time, urgent and unforeseen requirements for food aid will be considered under the emergency operation.

A number of Australian non-government organisations (NGOs) also undertake assistance programs, which have a direct impact on recipient countries' food security. During 1997-98 World Vision, the Overseas Service Bureau, Community Aid Abroad, CARE Australia, UNICEF and the Australian Red Cross were the major recipients of Australian official aid. In 1997-98 AusAID funded projects related to food security through NGOs, to LDCs and NFIDCs, to the value of approximately A\$3.9 million. Examples of projects undertaken through NGOs include Integrated Rural Development Projects in Bangladesh and Cambodia, and a Livestock Rehabilitation Project in Mozambique (see Attachment E).

In addition, a number of State and Commonwealth government agencies and departments also sponsor official exchanges with a number of countries, including in Australia's immediate region. Outcomes from these programs would have incidental effects on participating countries' agriculture and food security.

Australian diplomatic posts are in a position to provide interested parties with more details on the information and programs contained above.

ATTACHMENT A

(1) **Quantity of food aid provided to least developed and net food-importing countries:**
Breakdown by commodity and recipient countries.

Recipient	Commodity Type	Quantity (tonnes)	FAC Wheat Equiv	Total paid (A\$)
Bilateral Development				
Bangladesh	Wheat	50,000	50,000	11,335,856
Mozambique	Wheat	17,700	17,700	6,399,255
Sri Lanka	Wheat	6,000	6,000	1,731,000
Subtotal			73,700	19,466,111
Emergency/Relief				
Afghanistan	Wheat	4,765	4,765	3,000,000
Bangladesh	Rice	2,074	3,525	1,361,864
Bangladesh	Vegetable oil	53	0	69,136
Cambodia	Rice	8,300	14,110	5,000,000
Ethiopia	Cereals	7,860	7,860	4,000,000
Kenya	Maize	1,578	1,578	1,000,000
Laos	Rice	1,690	2,873	990,700
Nepal	Rice	2,178	3,702	1,000,000
Sri Lanka	Rice	7,276	12,369	4,000,000
Sudan	Maize	292	292	680,000
Sudan	Cereals	1,417	1,417	2,000,000
Sudan	Seeds	44	44	123,000
Uganda	Seeds	572	572	520,000
Uganda	Maize meal	1,100	1,100	795,122
Uganda	Pulses	495	990	489,878
Subtotal			55,197	25,029,700
Multilateral Development - World Food Programme				
Bangladesh	Wheat	38,100	38,100	8,803,767
Cape Verde	Rice	300	510	123,600
Gambia	Rice	1,562	2,652	652,644
Haiti	Rice	200	340	82,400
Haiti	Flour	1,609	2,204	544,646
Honduras	Rice	1,866	3,172	809,844
Ivory Coast	Rice	600	1,020	247,200
Sao Tome	Rice	200	340	82,400
Senegal	Rice	1,199	2,038	493,988
Sri Lanka	Rice	1,203	2,045	495,636
Subtotal			52,421	12,336,125
WFP Cash Tranche (*)				18,711,712
Miscellaneous Expenditure				567,343
Total WFP Development				19,279,055
Grand Total			181,318	76,110,991

(*) Payment for transport of food commodities

ATTACHMENT B**(3) Technical and financial assistance under paragraph 3(iii) of the Decision: Disaggregation by program expenditure and total project value**Regional funding (includes South Pacific and South East Asian LDCs)

Region - Project	Expenditure (A\$) 1997-98	Total Project Value (A\$)
<i>South Pacific</i>		
South Pacific Commission		
Plant protection in Micronesia	192,000	970,052
Women's Fisheries Development	83,000	220,000
Paraveterinary training project	25,000	25,000
South Pacific Trade Commission	1,047,000	4,806,945
Forum Fisheries Agency		
Core and extra budgetary	1,806,000	11,043,946
Fisheries Management Advisor	124,781	365,000
Multilateral High Level Conf. Assistance	145,000	215,000
PACIFICLAND Phase 2	681,405	681,405
Pacific Regional Fruit Fly Project Phase 3	384,450	1,218,793
Pacific Islands Forests and Trees Support Progr.	200,000	600,000
UNICEF Regional Family Nutrition Project	14,811	1,660,000
<i>Subtotal</i>	<i>4,703,447</i>	
<i>South East Asia</i>		
Ciat forages for smallholders	861,478	4,300,000
FAO Intercountry Integrated Pest Management in Rice Project	1,152,660	12,500,000
FAO Integrated Pest Management in Vegetables Project	524,406	1,300,000
Agriculture Dev & Support Centre Project	316,525	2,000,000
<i>Subtotal</i>	<i>2,855,069</i>	
<i>Regional Southern Africa</i>		
Africa program to combat desertification	200,000	972,250
CIMMYT - Risk Management of Maize Farming Systems	300,000	900,000
<i>Subtotal</i>	<i>500,000</i>	
<i>GRAND TOTAL</i>	<i>8,058,516</i>	

ATTACHMENT C

Humanitarian Relief (in addition to food aid): Disaggregation of the funds allocated and program type

Country - Project	Expenditure (A\$) 1997-98
Afghanistan	
Gardez City Water & Sanitation Project	575,000
Assistance for victims of earthquake	300,000
Angola	
Environmental health systems for water and sanitation	519,600
Basic health, water and sanitation project	460,000
Burma	
Flood Relief	54,408
Rakhine agroforestry project	169,000
Cambodia	
Reintegration of refugees	500,000
Ethiopia	
Dry land farming project	92,115
Rural water supply development program	960,000
Great Lakes Sub-Region	
Kanzanze water and Sanitation Rehabilitation	362,361
Kibungo water rehabilitation project	945,266
Water rehabilitation and public health	678,815
Nepal	
Bhutanese refugee project	256,684
Solomon Islands	
Drought relief	22,595
Sudan	
Emergency seeds distribution	320,000
Burma/Thailand border	
Burmese refugee relief program	650,000
Uganda	
Food security program	286,700
Vanuatu	
Cyclone damage	13,001
Total	7,165,545

ATTACHMENT D

The Australian Centre for Agricultural Research (ACIAR). Disaggregation of the funds allocated to the International Agricultural Research Centres (IARCs) in 1997-98

Acronym	Full name and country of location	A\$
AVRDC	Asian Vegetable Research and Development Centre, Taiwan	220,071
CABI	Centre for Agriculture and Biosciences International, UK	200,000
CIAT	International Centre for Tropical Agriculture, Colombia	344,858
CIFOR	Center for International Forestry Research, Indonesia	492,038
CIMMYT	International Maize and Wheat Improvement Centre, Mexico	1,076,659
CIP	International Potato Centre, Peru	200,000
IBSRAM	International Board for Soil Research and Management, Thailand	376,600
ICARDA	International Center for Agricultural Research in Dry Areas, Syria	569,503
ICIPE	International Centre for Insect Physiology and Ecology, Kenya	74,000
ICLARM	International Center for Living Aquatic Resources Management, Philippines	527,402
ICRAF	International Centre for Research in Agroforestry, Kenya	265,000
ICRISAT	International Crops Research Institute for the Semi-Arid Tropics, India	1,050,000
IFPRI	International Food Policy Research Institute, USA	445,138
IFS	International Foundation for Science, Sweden	100,000
IIMI	International Irrigation Management Institute, Sri Lanka	215,000
ILRI	International Livestock Research Institute, Kenya	627,762
IPGRI	International Plant Genetic Resources Institute, Italy	626,588
IRRI	International Rice Research Institute, Philippines	1,199,833
ISNAR	International Service for National Agricultural Research, Netherlands	250,000
TOTAL		8,860,452

ATTACHMENT E

- (4) **Other relevant information with respect to actions taken within the framework of the Decision:** Disaggregation by country, project and NGO delivering the program.

Country	Project - NGO	Expenditure (A\$) 97-98
Afghanistan	SERVE Solar energy and forestry program (TEAR Australia)	64,178
Bangladesh	Integrated farming development (Rotary Australia World Community Service)	26,617
	GBC Primary Health Care Project (Australian Baptist World Aid)	58,500
	Paharia Community Development Program (Australian Baptist World Aid)	29,250
	Swoshika Community Development Program (Australian Baptist World Aid)	54,750
	Prottasha Community Development Program (Australian Baptist World Aid)	23,250
	Symbiosis Community Development Program (Australian Baptist World Aid)	111,750
Cambodia	Integrated Rural Development Project (Australian Lutheran World Service)	216,162
Ethiopia	Community Development Program (Community Aid Abroad)	182,430
Guinea Bissau	Access to potable water (PLAN International)	31,282
Kenya	South West Nakur Community based development (TEAR Australia)	63,750
Kenya	East Africa Food Security support (Adventist Development and Relief Agency)	74,250
Mozambique	Rehabilitation and training programs (National Council of Churches in Australia)	37,500
Peru	Agricultural and Forestry Cooperative Program (Educational Development Association)	11,280
Regional	Africa development programs (World Vision)	1,401,694
	Central & South America Indigenous & minority ethnicities (Community Aid Abroad)	21,275
	Cross Regional Pilot Initiatives Program (CARE Australia)	65,739
	South-East Asia Asia-Pacific Regional Community Development (Adventist Development and Relief Agency)	552,159
Solomon Islands	Community Ethnobotanical Manual (Appropriate Technology for Community and Environment)	12,970

Country	Project - NGO	Expenditure (A\$) 97-98
	Maternal and child health (Save the Children Fund)	204,044
	Pacific people and plants (World Wide Fund for Nature)	34,000
Sri Lanka	Community Development Program (Community Aid Abroad)	80,134
Sudan	Community based animal health program (TEAR Australia)	67,500
Tanzania	Agricultural extension project (Salvation Army)	29,887
	Morogoro reafforestation project (TEAR Australia)	17,500
Uganda	Piggery Project for 3 villages (Christian Children's fund of Australian Ltd)	70,170
	Cattle Dispersal in 7 districts (Christian Children's fund of Australian Ltd)	205,740
Zambia	Drought recovery and development program (National Council of Churches in Australia)	37,500
	Kanyama nutrition centre and playschool (Salvation Army)	93,067
	Refugee Environment Protection Program (Australians Care for Refugees)	50,000
		3,928,327