



Land Watch Asia

Issue Brief 6

Land Issues and Australian ODA¹

I. Overview

The Australian Government's overseas aid program, managed by the Australian Agency for International Development (AusAID), aims to assist developing countries to reduce poverty and achieve sustainable development, in line with Australia's national interest.

In September 2005, Australia's Prime Minister John Howard announced that Australia would double its aid budget to about AU\$4 billion by 2010, subject to the demonstrated effectiveness of additional resources, reduced corruption, and improved governance in partner countries.

The 10-year strategic framework for the aid program was launched in 2006 via the White Paper *Australian Aid: Promoting Growth and Stability*. The strategic framework builds on lessons from decades of Australian and international aid delivery, chief of which are: the primacy of growth for poverty reduction; the need for robust institutions for growth; and the importance of basic service delivery—health, education and local infrastructure—for providing opportunities to participate in development.

Australia's national interest precedes international goals of development and, like most other donor countries, is growth-oriented. Australia's aid relies on the effective functioning of states in aid implementation. To achieve this objective, the aid program is organized around the themes of accelerating economic growth, fostering functioning and effective states, and investing in people.

Because the doubling of Australian aid by 2010 is subject to assurances of its effectiveness, the White Paper framework provides strategies to improve aid effectiveness by strengthening the performance orientation of the aid program; combating cor-

ruption; enhancing Australia's engagement with the Asia-Pacific region; and working in partnership with regional governments and other donors.

The White Paper framework is reinforced by promoting greater gender equality in development, and by untying Australian aid to improve efficiency and competitiveness.

A key initiative referred to in the White Paper was the creation of an Office of Development Effectiveness (ODE), which is mandated to improve the effectiveness of aid policies and programs. The ODE's success will depend in part on the involvement of civil society organizations (CSOs) in the review of Australia's aid towards a balanced evaluation of official development assistance (ODA).

Stimulating Broad-based Economic Growth: Core of Australia's Aid

Sustained and broad-based economic growth lies at the heart of strategies to promote prosperity and stability in the region and in Australia. A new Stimulating Growth Initiative, to be implemented through existing programs, is proposed to accelerate new approaches to growth. It focuses on improving market access, increasing participation of the poor in the formal economy, encouraging rural development and agricultural productivity, and improving the investment environment.

Australia aims to work with key international institutions and organizations such as the International Finance Corporation (IFC), Asia-Pacific Economic Conference (APEC), and the Association of Southeast Asian Nations (ASEAN), and place renewed emphasis on helping countries benefit from trade liberalization. It is there-

fore strategic to engage the ASEAN—Australian Dialogue mechanism and explore the possibility of lodging a land-rights agenda.

Aid Budget

For 2007–2008, Australia earmarked AU\$3.155 billion for ODA, of which AU\$2.731 billion was to be managed by AusAID. The ratio of Australia's aid to Gross National Income (GNI) for 2007–08 was estimated at 0.30%, the fifth lowest among the Development Assistance Committee (DAC) countries.²

Its biggest recipients of aid are Indonesia (AU\$ 458.8m) and the Philippines (AU\$100.6m). Other Asian countries at the top of the list of Australia's overseas aid recipients are Cambodia (AU\$ 54.0m); India (AU\$6.3m); Nepal (AU\$8.2 m); and Bangladesh (AU\$47.6m).

Australia's aid is delivered across a range of sectors, including education, governance, health, infrastructure, rural development and humanitarian assistance. Governance and disaster-related sectors top the list, while rural development is at the bottom.

II. Engaging Possible Australian Mechanisms on Land Rights

Pacific Land Program: Focus on Customary Land Rights

About AU\$54 million will be spent over four years (starting in 2006) on the Pacific Land Program, which aims to promote economic development while reducing the potential for conflict over land issues. The program will assist governments dealing with complex issues relating to land policy reform, and will support work on planning, surveying and valuing land.

The program will increase the skills and knowledge of people working in land departments and non-government organizations (NGOs). It will include assistance for dispute resolution and helping customary owners negotiate with investors and developers. Initially, the program will support Papua New Guinea, Vanuatu, Solomon Islands and Timor-Leste. Assistance will be provided at a regional level for education and training and to help countries

respond to problems associated with growing urbanization such as squatter settlements.

AusAID's country programs and aid strategies in Bangladesh, Cambodia, India, Indonesia, Nepal and the Philippines are discussed in Table 1.

AusAID's Regional Strategies

- **East Asia**

Estimated ODA to Indonesia and East Asia in 2007–2008: AU\$970.4 million (includes \$458.8 million in total ODA to Indonesia. Estimated ODA to the rest of Southeast Asia in 2007–2008 is AU\$511.6 million)

AusAID assistance focuses on improving government service delivery, supporting peace, justice and security, promoting regional and international economic integration, rural development, clean water and sanitation, and addressing trans-boundary threats.

Australia continues to promote regional integration following a growth-oriented framework.

AusAID continues its 30-year partnership with the ASEAN through the ASEAN Australia Development Cooperation Program, which funds research and collaborative programs that contribute to deeper economic integration in ASEAN member economies.

Australia's support for integration in developing Asia is reflected in the East ASEAN initiative, which aims to promote economic cooperation in East ASEAN. Greater integration and access to markets will help create economic growth and promote livelihood opportunities for people living in this area.

Since economic integration is at the heart of Australia's aid to regional integration, the sustainable livelihoods framework for developing livelihoods and enterprises, with access to resources, such as land, as foundation, would still have to be the guiding framework for engaging Australia's aid in the context of land rights and issues.

- **South Asia**

Estimated ODA 2008–2009: AU\$113.5 million

Promoting good governance is an important strategy for Australia's poverty alleviation programs in the region. Australia perceives better governance to be fundamental to sus-

Table 1. AusAID's Country Programs

Country	AID Strategy	Programs
<p>Bangladesh</p> <ul style="list-style-type: none"> Country program estimate 2008–2009: AU\$34.45 million Total Estimated ODA 2008–2009: AU\$52.57 million 	<p>Australia's recent aid to Bangladesh has provided relief to victims of natural calamities, focused on improving the education system and the economic empowerment of rural women.</p>	<ul style="list-style-type: none"> In 2007–2008, Australia provided over AU\$10 million to assist people affected by Cyclone Sidr, which devastated the southern coast of Bangladesh in November 2007. Other achievements of the Australian aid program in 2007–2008 are: <ul style="list-style-type: none"> > Delivery of in-service training to over 16,500 members of School Management Committees and over 120,000 primary school teachers; > Provision of core subject training to over 7,000 teacher trainers and instructors in disciplines such as English, mathematics, science and Bangla language; > Assisting over 40,000 women from the impoverished northwest region to help themselves and their families by providing access to credit and savings services; > Contributing, with other donor countries, to a program working with extremely poor women in Bangladesh aimed at assisting them to build their own livelihoods.
<p>Cambodia</p> <ul style="list-style-type: none"> Country program estimate 2008–2009: AU\$37.157 million Total ODA: AU\$54.96 million 	<ul style="list-style-type: none"> Australia supports Cambodia's role in the ASEAN and its engagement with the World Trade Organization (WTO), so that it can take maximum advantage of regional economic cooperation as well as global opportunities. Over the last decade, Australia's assistance has shifted from emergency assistance to longer-term development. The goal for the current (2003–2006) Cambodia Australia Development Cooperation Program is to advance Australia's national interest through poverty reduction and sustainable development.³ 	<ul style="list-style-type: none"> Australia will build on previous successes in improving productivity and assistance to crop diversification and post-harvest value-adding processing. Meanwhile, to reduce the vulnerability of the poor, Australia will address food insecurity of poor households, improve disaster preparedness, assist poor communities through integrated mine clearing programs, and strengthen the institutional and policy environment for action on mines. Cambodia is one of the world's most heavily mined countries, with an estimated 4–6 million landmines scattered mainly across rural land. Australia will increasingly integrate mine action objectives into broader objectives in the area of rural development. Australia's aid program will continue to support the work of Australian and Cambodian NGOs working at the grassroots level in rural areas of Cambodia. Current activities will improve the provision of public services in health, and community infrastructure. Australia is also supporting a "Good Practice Principals" program for Cambodian NGOs.

Table 1. *con't.*

Country	AID Strategy	Programs
<p>Cambodia</p>		<ul style="list-style-type: none"> • Australia will strengthen the rule of law by assisting the development of a strong representative parliamentary system, strengthening the justice system to ensure transparency and equitable access, and increasing the effectiveness and accountability of the civil service.
<p>India</p> <ul style="list-style-type: none"> • Country Program estimate 2008–2009: AU\$2.2 million • Total estimated ODA for 2008–2009: AU\$5.36 million 	<p>Australia's development cooperation program to India has been phased down following the Government of India's decision to reduce its engagement with smaller bilateral donors. The Australian government assists India mainly for the prevention of and education on HIV/AIDS and drugs through partnerships with United Nations (UN) agencies and Development Banks. The Australian Centre for International Agricultural Research (ACIAR) also has a significant program of assistance to India.</p>	<ul style="list-style-type: none"> • HIV/AIDS Program for North East India The project aims to reduce the risk and impact of HIV/AIDS in the states of Nagaland, Mizoram, Meghalaya and Manipur in North East India. It was given AU\$10 million to be implemented from 2006–2011 by the Joint United Nation Programme on HIV/AIDS (UNAIDS). • Integrated Approach Towards Prevention of Mother to Child Transmission of HIV/AIDS This project provides support to safe motherhood initiatives and builds stakeholder capacity to prevent mother to child transmission of HIV/AIDS. MAMTA Health Institute for Mother and Child is implementing the project from 2002–2009 with AU\$445,000. • Empowering Communities for Prevention of Drugs and HIV in India This activity supports Drug and HIV prevention education in the four North Eastern States of Nagaland, Manipur, Mizoram and Meghalaya. From 2005–2008, United Nations Office on Drugs and Crime UNODC implements the project with funding of AU\$823,000.
<p>Indonesia</p> <ul style="list-style-type: none"> • Country program estimate 2008–2009: AU\$182.7 million • AIPRD: AU\$230.9 million • Total ODA: AU\$462 million 	<p>In responding to the challenges facing Indonesia in the medium term, and in seeking to support Australia's national interests, the aid program will:</p> <ul style="list-style-type: none"> • Continue to expand assistance to governance through economic reform, legal and judicial reform, promotion and protection of human rights and on-going support for counter-terrorism initiatives; and 	<ul style="list-style-type: none"> • The Australia Indonesia Partnership Australia's aid in Indonesia focuses on counter-terrorism, basic education, judicial reform, protection of human rights and public accountability, and anti-corruption measures. • An integrated approach to poverty reduction in eastern Indonesia is also being developed, with a focus on Nusa Tenggara Timur province. The geographic focus of the aid program remains eastern Indonesia, which includes some of Indonesia's poorest provinces.

Table 1. *con't.*

Country	AID Strategy	Programs
<p>Indonesia</p>	<ul style="list-style-type: none"> • Increase the impact of poverty-focused programs to improve education, health, water supply and sanitation services to the poor. 	
<p>Nepal</p> <ul style="list-style-type: none"> • Country Program estimate for 2008–2009: AU\$5.69 million • Total estimated ODA for 2008–2009: AU\$8.22 million 	<p>Australia's development assistance here focuses on peace building activities that address the causes of conflict, like issues of governance, poverty and discrimination. Australia has provided support in strategic areas such as community resource management, human resource development and child nutrition. Australia largely delivers aid to Nepal through multilateral mechanisms and partners. AusAID is making major new commitments in Nepal's health and education sectors</p>	<p>In 2007–2008 some important Australian aid achievements in Nepal include:</p> <ul style="list-style-type: none"> • Improved infant health by helping maintain national Vitamin A coverage in Nepal at over 95 percent, in partnership with the Nepal Technical Assistance Group (NTAG), a local NGO; • Improved health and livelihoods in western Nepal through support for provision of potable water to over 200,000 people, significantly improved sanitation practices, and improved government health policies, through delegated responsibility arrangements with Department for International Development (DFID); and • Improved livelihoods for over 1,200 poor and marginalized families in two rural districts of Nepal through entrepreneurship training and support, in partnership with the United Nations Development Programme (UNDP).
<p>Philippines</p> <ul style="list-style-type: none"> • Country program estimate 2008–2009: AU\$97.3 million • Total ODA estimate: AU\$109.3 million 	<p>In 2007, Australia formulated a new, four-year country program strategy. The Australia–Philippines Development Assistance Strategy 2007–2011 aims to assist the Philippines to meet its development goals, especially in reducing poverty, increasing economic growth and maintaining national stability.</p>	<p>Australia's aid program in the Philippines centers on three focus areas:</p> <ol style="list-style-type: none"> 1) economic growth; 2) basic education; and 3) national stability and human security. <p>Australia's aid delivery will include collaboration with multilateral agencies and other bilateral donors to support common policy agendas and embedding anti-corruption measures throughout the program. It will also incorporate conflict-risk management and peace-building principles in Mindanao initiatives. In addition to the current bilateral program, the Philippines will receive around AU\$12 million from 2008 to 2009 for regional projects, volunteer programs, assistance to NGOs and the ACIAR.</p>

tainable economic growth and a more equitable distribution of the benefits of development. There is a strong correlation between per capita incomes and the quality of governance across countries in the region.

Conflict and political instability in the region continue to affect populations in South Asia. Human trafficking and HIV/AIDS are increasing problems within and beyond South Asia. The impact of HIV/AIDS has the potential to reverse decades of economic progress, posing a major threat to human and national security.

The South Asia Framework for 2003–2007 dedicates aid assistance to promoting good governance, contributing to improved basic service delivery, and responding to humanitarian needs and emerging issues of concern to the Governments of South Asia and Australia. A new Framework for 2008–2013 is being formulated.

Governance is a cross-cutting issue within key sectors. The program's focus on improving basic service delivery covers basic education, health and nutrition, natural resource management, and human resource development.

Humanitarian activities are a feature of the program, particularly in Sri Lanka, where humanitarian funding is used to complement bilateral programming.

Overall strategies for engaging Australia's ODA in the South Asian region would be in the area of natural resource management, emphasizing land as a prime resource that must be made available. Engaging AusAID for South Asia may also be done jointly with the Asian Development Bank (ADB).

III. Issues in Australian ODA related to Land Rights

Perspective on Food Security vis-à-vis Trade Liberalization

AusAID is committed to trade liberalization as key to promoting global food security. CSO perspectives view food security otherwise. The food security of farmers in the South may be compromised in a liberalized trade regime.

In South and Southeast Asia, the plight of land-poor farmers still needs to be addressed. AusAID needs to recognize and support this pressing concern and the work of CSOs toward this if it is to address food security effectively.

Perspective on Livelihood, Sustainable Agriculture, Poverty and Land

ACIAR's projects aim to improve livelihoods through more productive and sustainable agriculture, thereby supporting the aid program's objective of reducing poverty and achieving sustainable development.

An alternative path to growth, taking into consideration Australian ODA's perspective, may be to support farmers in the Asia-Pacific region in the challenging task of pursuing commercial enterprises that are compatible with local land tenure systems—systems that are themselves evolving. Is ACIAR willing to support such initiative in searching for such tenure systems?

Perspectives on Land Based on the Pacific Land Program

1. The middle-ground option for customary tenure support interventions is pointing in the right direction, but its implementation needs to be closely monitored and ensured. The **Pacific 2020 Background Paper: Land** suggests a "middle ground" option for customary tenure support interventions as it states, "*Land tenure reform need not seek to abolish customary tenures, but to build on them and encourage their adaptation to emerging needs and demands.*"
2. Details on the status of land ownership systems need to be specified. To achieve the envisioned socially responsible and economically effective land administration system, what has hitherto been regarded as "un-recordable" (i.e., changes in land tenure status, land encroachment, etc.) must be recorded. Before a tenure system can be "stabilized" it must first be known and understood; there are numerous tenure variants. Extending a suggestion made in the **Pacific 2020 Background Paper: Land**, this difficulty may be addressed by dealing only with tenure systems in areas with significant development potential. AusAID project and program designers will require more information about these. Prepa-

ratory research is required for any project/program design that involves land areas under customary tenure. Land information therefore needs to be public.

3. There is need for dialogue on the Land Program, including countries with similar land issues. Australia's aid program should encompass a lengthy process of dialogue across each part of the Pacific region, involving all the interest groups, to talk through the advantages, disadvantages, and values involved in various land tenure arrangements.

IV. Action Points for Exploring Australian ODA in support of a Regional Campaign for Land Rights and Issues

The following are practical areas and steps recommended toward engaging Australia's AID on land rights issues in Asia:

The Pacific Land Program

1. Explore the possibility of opening a Land Rights Program for Asia;
2. Upscale the best practices and models of land reform programs by CSOs in Asia;
3. Seek dialogue and partnership with Australian CSOs involved in the AusAID Pacific Land Program and with AusAID itself to hear their views and recommendations regarding the Program.

AusAID's Rural Development Program

Explore possibilities for promoting the following activities:

1. Agricultural research and development through the ACIAR;
2. Community-driven, small-scale rural infrastructure support at the village level that supports market access and generates employment.

Sub-regional campaign

1. For Southeast Asian Countries (Cambodia, Indonesia, Philippines): A policy dialogue toward examining obstacles in attaining sustainable livelihoods in Southeast Asia's farming sector may be planned, with land rights/ access to land as a basic agenda.
2. For the South Asian countries (Bangladesh, India, Nepal): Overall strategies for engaging Australia's ODA would have to be in the area of natural resource management as shown in the priorities of its ODA in the sub-region.

Endnotes

- ¹ Abridged from the paper prepared by Faina Lucero-Diola entitled "ANGOC Scoping Study on Land Issue and Australian ODA", 2008. ANGOC acknowledges the valuable inputs and feedback of Mr. Paul O'Callaghan, Executive Director of the Australian Council for the International Development or ACFID. Mr. O'Callaghan may be reached at pocallaghan@acfid.asn.au.
- ² Lowest DAC country as regards ODA to GNI ratio was shared by USA and Greece (0.16%); followed by Japan (0.17%); Portugal and Italy (0.19%); New Zealand (0.27%); and Australia (0.13%) *Source*: OECD DAC Countries Report 2007, downloaded at http://www.oecd.org/document/11/0,3343,en_2649_34485_1894347_1_1_1_1,00.html
- ³ Australia's new Country Strategy for 2008 to 2015 was supposed to be released in 2008. However, it has not been made available on their website as of this publication.

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The International Land Coalition is a global alliance of civil society and intergovernmental organizations working together to promote secure and equitable access to and control over land for poor women and men through advocacy, dialogue and capacity building.



As the overseas development agency of the Catholic Church in Germany, MISEREOR works in partnership with all people of goodwill to promote development, fight worldwide poverty, liberate people from injustice, exercise solidarity with the poor and persecuted, and help create "One World".



ActionAid is an international anti-poverty agency whose aim is to fight poverty worldwide. Formed in 1972, it has been helping over 13 million of the world's poorest and most disadvantaged people to fight for their rights to food, shelter, work, education, healthcare and participation in 42 countries worldwide.



Founded in 1979, ANGOC is a regional association of 20 national and regional networks of non-government organizations (NGO) in Asia actively engaged in food security, agrarian reform, sustainable agriculture, participatory governance and rural development. ANGOC member networks and partners work in 14 Asian countries with an effective reach of some 3,000 NGOs and community-based organizations (CBOs). ANGOC actively engages in joint field programs and policy debates with national governments, intergovernmental organizations (IGOs), and international financial institutions (IFIs). ANGOC is a founding member of the International Land Coalition (ILC) and coordinator of the Land Watch Asia (LWA) campaign.

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LandWatch Asia (LWA) is a regional campaign to ensure that access to land, agrarian reform and sustainable development for the rural poor are addressed in national and regional development agenda. The campaign involves civil society organizations in six (6) countries—Bangladesh, Cambodia, India, Indonesia, Nepal, and the Philippines. LWA aims to take stock of significant changes in the policy and legal environments; undertake strategic national and regional advocacy activities on access to land; jointly develop approaches and tools; and encourage the sharing of experiences on coalition-building and actions on land rights issues.