The Parliament of the Commonwealth of Australia

Inquiry into Australia's relationship with the countries of Africa

Joint Standing Committee on Foreign Affairs, Defence and Trade

June 2011
Canberra

Contents

Foreword

Africa is a diverse continent of increasing importance to the world. In geopolitical terms, African countries have increasing influence on international organisations; in resources terms, Africa has vast reserves; in trading terms, the African population represents a huge potential market; and in agricultural terms, Africa's underutilised arable lands represent great opportunities to feed the world. Africa also continues to face significant challenges, particularly in health, governance and economic development.

This is the first comprehensive report of Australia's relationship with the countries of Africa by the Joint Standing Committee on Foreign Affairs, Defence and Trade or by any other Parliamentary committee. It is therefore timely as Australia increasingly looks towards Africa for trade and investment opportunities. Australians, however, have for a long time been interested in Africa—the Australian public donates far more to aid organisations than Australia's official development assistance. Academics too have been interested in Africa, although recently expertise has been fragmented across the universities in Australia.

The 53 countries of Africa have different histories, political traditions and allegiances and present significant challenges to African multinational organisations such as the African Union, the Economic Community of West African States, and the Southern African Development Community. These organisations are achieving success in meeting these challenges and in promoting stability, economic progress, and democracy.

Government to Government Links

In Chapter 2, the report considers government links with Africa, including Australia's diplomatic representation, Parliamentary links and government links at ministerial and officials level.

Australia's diplomatic representation on the African continent is significantly less than our major trading partners, United States, China, Japan, UK and the EU. Further, Canada, the Republic of Korea and Malaysia all have substantially more diplomatic posts, whilst Thailand and Vietnam have comparable representation.

Whilst the importance of Africa and African issues internationally have increased over the past 25 years, Australia's diplomatic presence has decreased from 12 posts to 8 in the same period. The Committee notes that our diplomatic presence is now concentrated in southern and eastern Africa and the former British colonies. There is a considerable gap elsewhere, particularly in Francophone Africa.

The Committee welcomes the recent opening of the Australian embassy in Addis Ababa. This city is the location of the headquarters of the African Union and diplomatic representation from many African countries. Opening new diplomatic posts in Africa demonstrates a commitment to the continent and provides a valuable assistance investing in and trading with those countries.

Currently each of our High Commissions/Embassies, except for the recently opened embassy in Addis Ababa, provide Australian representation to between 4 and 11 countries. This is substantially more than occurs in other regions of the world.

This report therefore recommends a comprehensive review of Australia's diplomatic representation in Africa with a view to opening an additional post in Francophone Africa; increasing the number of French speaking Australia-based diplomatic staff in the existing West African High Commissions; and, as a short term measure, increasing the number of Australian honorary consuls in Africa.

The Committee has also reviewed the number of delegations coming from African countries to Australia and outgoing Australian Parliamentary delegations travelling to African countries. As a consequence, the Committee has recommended there should be an increase of Australian Parliamentary delegations to specific African countries, particularly to those with increasing significance to Australia.

Australia's Aid Program

In Chapter 3, the report considers Australia's aid program, including Australia's official development assistance (ODA), assistance provided by NGOs, and individual and private sector initiatives. The chapter also describes several aid projects which the Committee visited when it travelled to Africa.

Australia's ODA to Africa is modest when compared to major donor nations and Australia's Pacific ODA program. Australia has chosen to concentrate its aid program on agriculture and food security; water and sanitation; and maternal and child health. These are areas where Australia has expertise and can therefore generate greatest impact.

The Committee welcomes the increasing level of Australian development aid to Africa in recent years and the areas where Australia is focusing its assistance.

During the inquiry, a Committee Delegation visited Ethiopia, Ghana, South Africa, and Zimbabwe. The visit included inspections of various AusAID supported projects. It became clear that there is some way to go in achieving recognition of Australia's contribution of aid via multilateral partners.

The Committee has not commented on Australia's aid effectiveness because it is currently being reviewed by an independent panel. Nevertheless, the Committee Delegation was impressed by the potential benefit of supporting private sector initiatives, for example by providing funds through the Africa Enterprise Challenge Fund Zimbabwe Window. Provided such projects are carefully selected, there is the advantage of leveraging additional funds from the private sector; affecting large numbers of people through an expanded local economy; and supporting a sustainable enterprise with the potential for growth.

The Committee has received evidence from the private sector and individuals about initiatives which develop capacity in African countries. The Committee believes these programs should be encouraged and has recommended that AusAID should assist such programs and enable the expansion of the Australian Business Volunteers program to cover African countries.

Whilst in Africa, Committee Delegation members were regularly approached by African government ministers, officials, and businessmen advocating Australian involvement in creating regulation frameworks for the mining sector in African countries. As a major minerals exporter, Australia has experience and expertise in this area and could readily assist African countries. Robust regulatory frameworks offer certainty for business and would benefit resource rich African countries.

In addition, members of the Delegation were made aware of the high regard in which State Departments of Mining and Energy were held by large numbers of officials in a range of African countries. Often these departments hold expertise built up over a 100 years. Officials in African countries repeatedly requested access to this knowledge and expertise.

There is thus a major opportunity for the Australian Government, State Governments, and the wider mining industry to use their expertise to assist the development, implementation, and administration of sound mining codes in a range of African countries.

The Committee has recommended that there be established a special unit in the Australian Government tasked with establishing a regulatory framework model for the mining and resources sector which African countries could consider adopting according to their requirements.

Collaboration and cooperation between the private sector, government agencies, and NGOs in delivering aid to Africa can result in synergies. Such synergies could capitalise on NGOs' expertise in development issues in local communities, private sector business acumen, and public funding sources. However, this must not detract from the delivery of aid where it is most needed.

The Committee therefore sees value in DFAT facilitating meetings between NGOs, resource companies and AusAID with a view to cooperating in development initiatives and maximising synergies. Furthermore, the Committee considers that there is strong potential for DFAT to facilitate more connections between NGOs and resource companies active in the same area and it is aware of examples of this type of positive collaboration.

Education Links

In Chapter 4, the report considers Australia's education links with Africa and the suggestion that there be a centre for studying African issues.

The higher education sector is now a significant contributor to Australia's export earnings. The sector has a growing reputation for building links with academic institutions in developing countries particularly in Asia and the Gulf. Therefore it is in Australia's interest to further develop valuable ties and similar relationships in research and higher education in Africa.

The evidence provided to the Committee reveals a picture of Australia as a small partner in specialised cooperative research, and a small but important provider of scholarships and student exchanges with African universities.

In the Committee's view, it is clear that Australia cannot compete in absolute terms with other countries. It makes good sense, however, for the message that Australia, armed with a realistic appraisal of its capabilities and strengths in research and higher education, can create valuable ties in Africa—and, indeed, already has an established record of doing so.

The Committee recognises that there needs to be a balance with respect to the provision of scholarships to Africans. On the one hand Africa will benefit through the transfer of skills if African students return to their country of origin after completion of their studies. Australia also benefits because the African alumni will act as 'ambassadors from Australia'.

On the other hand, the immediate benefit to Australia occurs when African students remain in Australia because their skills alleviate Australia's skills shortage. Such a brain drain is of concern not only to African countries but also to other countries providing talented students to study in Australia.

The Committee has recommended that AusAID's scholarships program should include providing scholarships to African students to undertake tertiary education in Africa. This could involve study at African universities and at Australian universities with links with Africa.

The Committee has reviewed the reasons why Australia should increase its research capacity in relation to Africa and the current levels of research in Australia. Also, responding to a call from many witnesses, the Committee discusses the various proposals for a centre to foster an increased effort in African studies.

There is, within Australia, a substantial body of expertise on African issues. The Committee believes that it is important to promote its coordination and further development. Therefore the Committee has recommended that a Centre for African Studies should be established, preferably, within a university in Australia. A Centre will facilitate a coordinated approach to education and training both at undergraduate and graduate level. Further, it will establish a focal point for coordinating expertise on African issues.

The Committee has not come to a view as to where such as centre should be located. Rather it recommends inviting competitive tenders from Australian universities. Such a process will reveal the level of commitment of universities wishing to become the location of a Centre for African Studies.

Research Links

In Chapter 5, the report considers Australia's research links with Africa, including a discussion of development related research provided by Australia and other organisations.

Australia is a leader in agricultural production and its expertise provides opportunities for expansion of research and the creation of agribusiness joint ventures. The Committee has received evidence of the work of the Australian Centre for International Agricultural Research and CSIRO in Africa. Such research is mutually beneficial for both African countries and Australia, in that it both assists in progress towards Millennium Development Goal 1 and increases the agricultural expertise of Australia. The Committee supports these activities and encourages continuing Australian agricultural research in Africa.

Trade and Investment

In Chapter 6, the report considers trade and investment, including discussion of the potential for growth in trade and impediments to this growth. The substantial and increasing role of Australia's mining sector in Africa is discussed, including corporate social responsibility obligations. The Chapter concludes with consideration of the need for an Australia Africa Council.

The 53 countries of Africa have a total population in excess of one billion; in Sub–Saharan Africa the population is in excess of 870 million. This represents a potential huge market. Australia's trade links with Africa are currently modest, but there are opportunities for joint ventures with businesses in South Africa and in the horticultural and tourism sectors generally.

Australia is increasing its trade and investment links with the continent, yet has only a handful of Austrade personnel in Africa. The Committee believes that the increased importance of trade and investment in Africa combined with a large geographical area and increasing workload warrants an increase in the number of Austrade offices and/or staff. The Committee has therefore recommended that the number of Austrade offices and personnel that are based in Sub-Saharan Africa be increased.

The corporate social responsibility obligations of Australian resource sector companies operating in Africa were raised by a number of witnesses. The Chapter discusses in some detail the activities of several Australian mining companies in Africa including the links with NGOs with an interest in this area.

Also discussed is the Extractive Industry Transparency Initiative (EITI) whereby host governments publish what they receive from mining companies which in turn publish what they pay. This promotes transparency and is aimed to reduce the risk of corruption.

The Committee notes that Norway is the only First World country that is EITI compliant and that no other countries, including Australia, are either EITI candidates or have signalled intent to adopt EITI principles. It would considerably enhance Australia's advocacy of EITI adoption if it was itself engaged in the process of becoming EITI compliant.

The Committee has also recommended that the Government should promote corporate social responsibility and continue to promote the Extractive Industries Transparency Initiative principles and other corporate social responsibility instruments to the Australian mining sector, in particular at the Australia Down Under Conference, and especially to new entrants and small operators.

Further, the Government should facilitate contacts between mining sector companies, NGOs, and the broader private sector who are able to assist them in creating and executing corporate social responsibility policies.

The Committee believes the increasing opportunities for links with Africa, including the potential for increased trade with Africa and the increasing levels of investment already occurring, warrant the establishment of an Australia-Africa Council similar to those currently existing for other countries and regions. An example of such a council is the Council on Australian Latin America Relations—an organisation which had its genesis in a recommendation from this Committee in 2000.

Defence and Security

In Chapter 7 the report considers defence and security. The Committee examines Australia's policy framework, peacekeeping activities, and discusses crime and security. The Committee's observations from its visit to Zimbabwe and Ethiopia are included.

Australia's approach to its Defence and Security engagement with African nations is consistent with its status as an interested middle-power. This approach is characterised by cooperative relationships between Australian government agencies—in particular Defence, AFP, DFAT, and Attorney-General's Department—and with other countries. This gives Australia the best possible chance of delivering value for the resources invested in these activities.

The Committee welcomes the forward-thinking and risk-management-based approaches on terror, crime and defence that are evident in Australia's current approach. This appears to be a prudent line of activity which, again, seeks to prevent rather than respond to crises after they occur.

It would seem, however, that Australia's wish to present a credible face in Africa would be well-served by including a specific reference to the doctrine of responsible sovereignty within Defence policy. Relying solely on 'Australia's interests' arguments could run the risk of being perceived as neo-colonial in intent. A rules-based approach, combined with the very considerable natural resources investments and expertise underlined by principles of corporate social responsibility brought to bear in Africa by Australian companies, would be a good way to present Australia within the continent of Africa, and would distinguish it both from past actions by Western countries and, in some cases, contemporary involvements in the African resource sector.

Africans in Australia

In Chapter 8 the report considers issues facing African migrants and refugees living in Australia and how the African community in Australia can contribute to Australia-Africa relations.

Australia has a growing African community. Over the last two decades, Africans have come to Australia via two routes; both as migrants through Australia's skilled and family reunion programs, and as refugees through Australia's humanitarian program. Census data shows that in 2006 there were 248 699 African-born people living in Australia.

The Committee strongly supports both the official and non-official efforts made towards settling African migrants and humanitarian entrants in Australia. It further notes the contribution the African-born community makes to both Australia and their respective home countries, through their skills, expertise, culture, and remittances.

However, the Committee notes that more should be done to utilise the cultural, linguistic, and practical expertise of Africans already in Australia in terms of making the settlement process even smoother. This would assist in better tailoring the settlement programs to the needs of Africans, and particularly vulnerable communities such as humanitarian entrants from prolonged conflicts such as those in Southern Sudan and the Democratic Republic of the Congo.

The Committee notes the potential for the many African-born Australian residents to make a real contribution to relations between Australia and the countries of Africa. Furthermore, the diverse range of countries and cultures from which they come widens the scope for the development of relations.

Efforts to build on and expand cultural relations and interchange are a real boost for Australia's relationship with Africa, particularly at the grassroots level. Activities that achieve this, as well as providing mutual benefits to both African countries and Australia, should be officially encouraged and expanded.

The Committee has recommended that the proposed Australia-Africa Council should include within its goals, support for activities that encourage and facilitate cultural interchange and exchange, particularly including the Australian African community.

Conclusion

Following a visit to Africa in 2009, the President of the World Bank, Mr Robert Zoellick, called for the 21st century to be 'the century of Africa'. Many other advanced countries are turning their attention towards Africa. It is imperative, therefore, that Australia understands these developments and responds accordingly.

I hope this report will provide a contribution to Australia's increased engagement with Africa.

Senator Michael Forshaw
Chair

Membership of the Committee—42nd Parliament

Chair   Senator M Forshaw

Deputy Chair   Hon. Mr D Hawker MP

Members

Senator M Arbib (from 01/07/08 to 10/03/09)	Senator N Stott Despoja (to 30/06/08)
Senator A Bartlett (to 30/06/08)	Senator R Trood
Senator M Bishop	Senator R S Webber (to 30/06/08)
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Senator M Fifield	Mr M Coulton MP (from 22/02/10)
Senator M Furner (from 16/03/09)	Mr M Danby MP
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Senator the Hon. D Johnston (from 23/09/08)	Hon. Mr J Fitzgibbon MP (from 15/06/09)
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Senator S Ludlam (from 26/11/08)	Ms S Grierson MP
Senator the Hon. J A L (Sandy) Macdonald (to 30/06/08)	Mr D Hale MP
Senator C M Moore	Hon. Mr I Macfarlane MP (to 03/02/10)
Senator K O'Brien (from 01/07/08)	Mrs L Markus MP (from 25/09/08)
Senator M Payne (from 19/03/08)	Ms S Mirabella MP (to 10/03/09)
	Hon. Mr J Murphy MP (from 20/03/09)
	Mr R Oakeshott MP (from 20/03/09 to 19/07/10)

Ms M Parke MP

Ms K Rea MP (to 19/07/10)

Mr B Ripoll MP (to 19/07/10)

Hon. Mr A Robb AO MP (to 25/09/08)

Mr S Robert MP

Hon. Mr P Ruddock MP

Ms J Saffin MP

Hon. Mr B Scott MP

Mr K Thomson MP(from 15/06/09 to 15/06/09)

Hon. Mr W Truss MP (from 03/02/10 to 22/02/10)

Ms M Vamvakinou MP

Membership of the Committee—43rd Parliament

Chair   Senator M Forshaw

Deputy Chair   Mrs J Gash MP

Members

Senator M Bishop

Senator the Hon. J Faulkner (from 30/09/10 to 14/02/11)

Senator the Hon. A Ferguson

Senator M Furner

Senator S Hanson-Young

Senator the Hon. D Johnston

Senator S Ludlam

Senator the Hon. I Macdonald

Senator C Moore

Senator K O'Brien (from 14/02/11)

Senator M Payne

Senator R Trood

Hon. Mr D Adams MP (from 24/03/11)

Hon. Ms J Bishop MP

Ms G Brodtmann MP

Hon. Mr A Byrne MP

Mr N Champion MP

Mr M Danby MP

Mr L Ferguson MP

Hon. Mr J Fitzgibbon MP

Mr S Georganas MP (to 24/03/11)

Mr S W Gibbons MP

Hon. Mr A Griffin MP

Dr D Jensen MP

Mrs S Mirabella MP

Hon. Mr J Murphy MP

Mr K O'Dowd MP (from 25/10/10)

Ms M Parke MP

Mr S Robert MP

Hon. Mr P Ruddock MP

Ms J Saffin MP

Hon. Mr B Scott MP

Hon. Dr S Stone MP (from 25/10/10)

Ms M Vamvakinou MP

Membership of the Africa Sub-Committee

Chair	Senator M Forshaw
Deputy Chair	Hon. Mr D Hawker MP (to 19/07/10)
	Mrs J Gash MP (from 22/11/10)
Members	Senator M Bishop
	Senator the Hon. A Ferguson
	Senator M Furner
	Senator the Hon. I Macdonald (from 22/11/10)
	Senator C Moore
	Senator R Trood
	Ms G Brodtmann MP (from 22/11/10)
	Mr N Champion MP (from 22/11/10)
	Hon. Mr J Fitzgibbon MP
	Hon. Mr A Griffin MP (from 22/11/10)
	Dr D Jensen MP (from 22/11/10)
	Hon. Mr J Murphy MP
	Ms M Parke MP (from 22/11/10)
	Ms S Grierson MP (to 19/07/10)
	Mr R Oakeshott MP (to 19/07/10)
	Ms K Rea MP (to 19/07/10)
	Mr S Robert MP
	Hon. Mr P Ruddock MP
	Hon. Mr B Scott MP (from 22/11/10)
	Ms J Saffin MP (to 19/07/10)
	Hon. Dr S Stone MP (from 22/11/10)
	Ms M Vamvakinou MP (to 19/07/10)

Additional Parliamentary Delegation to Africa —5 to 16 April 2011

Chair	Hon. Mr J Fitzgibbon MP
Deputy Chair	Hon. Mr P Ruddock MP
Members	Senator M Bishop
	Senator C Moore
	Senator R Trood
	Hon. Mr A Griffin MP
	Hon. Dr S Stone MP
Delegation Secretary	Dr J Carter

Committee Secretariat

Secretary	Dr M Kerley (to 10/06/11)
Acting Secretary	Dr J Carter (from 10/06/11)
Inquiry Secretary	Dr J Carter
Research Officer	Mr J Bunce
	Ms P Davies
	Dr B Lloyd
Office Manager	Ms J Butler
	Mrs D Quintus-Bosz
Administrative Officers	Ms G Drew
	Mrs S Gasper

Terms of reference

The Joint Standing Committee on Foreign Affairs, Defence and Trade shall inquire into and report on Australia's relationship with Africa, with special emphasis on:

- Bilateral relations at the parliamentary and government levels;

- economic issues, including trade and investment;

- cultural, scientific and educational relations and exchanges;

- development assistance co-operation and capacity building;

- defence cooperation, regional security and strategic issues; and

- migration and human rights issues.

The Committee will consider both the current situation and opportunities for the future.

List of abbreviations

AABC VC	Australian African Business Council Victoria Chapter
AACES	Australian African Community Engagement Scheme
AAMIG	Australia Africa Mining Industry Group
ACF	Australian Conservation Fund
ACFID	Australian Council for International Development
ACIAR	Australian Centre for International Agriculture Research
ADB	African Development Bank
ADF	Australian Defence Force
AECF ZW	Zimbabwe Window of the African Enterprise Challenge Fund
AEI	Australian Education International
AFP	Australian Federal Police
AFSAAP	African Studies Association of Australasia and the Pacific
ALPA	Australian Leadership Program for Africa
ANBC	Australia Nigeria Business Council
APAC	Australian Partnerships with African Communities
APRM	African Peer Review Mechanism
AQIS	Australian Quarantine and Inspection Service
ARC	Australian Research Council

ARI   African Research Institute

ASNO   Australian Safeguards and Non-Proliferation Office

ATT   Arms Trade Treaty

AU   African Union

AUA   Australian Uranium Association

AusAID   Australian Agency for International Development

AUSTRAC Australian Transaction Analysis Centre

AWSA   Australian Western Saharan Association

CAADP   Comprehensive African Agriculture Development Program

CARTA   Consortium for Advanced Research Training in Africa

CHOGM   Commonwealth Heads of Government Meeting

CMAG   Commonwealth Ministerial Action Group

COMESA   Common Market for Eastern and Southern Africa

CPA   Commonwealth Parliamentary Association

CPPNM   Convention on the Physical Protection of Nuclear Material

CRC   Cooperative research Centre

CRT   Commonwealth Round Table

CSA   comprehensive safeguard agreements

DCP   Defence Cooperation Program

DEEWR   Department of Education, Employment and Workplace Relations

DFAT   Department of Foreign Affairs and Trade

DIAC   Department of Immigration and Citizenship

DIISR   Development of Innovation, Industry, Science and Research

DRET   Department of Resources Energy and Tourism

EAC	East African Community
EBID	ECOWAS Bank for Investment and Development
ECCAS	Economic Community of Central African States
ECOWAS	Economic Union of West African States
EDF	Ethiopian Democratic Forum
EFIC	Export Finance and Insurance Corporation
EITI	Extractive Industries Transparency Initiative
EMAO	Ethiopian Mine Action Office
FLS	Frontline States
IAEA	International Atomic Energy Agency
IARC	International Agriculture Research Centres
ICF	Investment Climate Facility for Africa
IELTS	International English Language Testing System
IGAD	Intergovernmental Authority on Drought and Development
IHL	international humanitarian law
IPU	International Parliamentary Union
JSE	Johannesburg Stock Exchange
JTF-HOA	US Joint Task Force - Horn of Africa
KSA	knowledge, skills and abilities
LIW	Leading Initiatives Worldwide
LSE	London School of Economics
MDG	Millennium Development Goal
MoU	Memorandum of Understanding
MSA	Monash South Africa

MUFESA   Monash University Fund for Education in South Africa

NECSA   Nuclear Energy Cooperation of South Africa

OAU   Organisation of African Unity

ODA   official development assistance

OET   Occupational English Test

Oxfam   Oxfam Australia

SADC   South African Development Community

SADCC   Southern African Development Coordinating Conference

SAR   search and rescue

SIMLESA   Pathways to sustainable intensification of maize-legume based
          farming systems for food security in eastern and southern Africa

SKA   Square Kilometre Array

TOEFL   Test of English as a Foreign Language

VET   Vocational and Education Training

WUE   water use efficiency

List of recommendations

Government to Government Links

Recommendation 1

The Department of Foreign Affairs and Trade should undertake a comprehensive review of Australia's diplomatic representation in Africa with a view to opening an additional post in Francophone Africa.

Recommendation 2

The Department of Foreign Affairs and Trade should, pending the implementation of Recommendation 1, increase the number of Australia-based French speaking diplomatic staff in its West African High Commissions. They should have specific responsibility for covering Australia's interests in Francophone West African countries.

Recommendation 3

As a short to medium term measure, the Department of Foreign Affairs and Trade should increase the number of honorary consuls appointed to represent Australia in African countries.

Recommendation 4

The Government should increase the number of Australian parliamentary delegations to specific African countries particularly to those with increasing significance to Australia.

Australia's Aid Program

Recommendation 5

AusAID should provide funding assistance to capacity building programs such as that conducted by the Australian Leadership Program for Africa and similar organisations.

Recommendation 6

AusAID should increase funding for the Australian Business Volunteers program so that it can expand coverage to African countries.

Recommendation 7

The Department of Foreign Affairs and Trade and the Department of Resources, Energy and Tourism should establish and fund a special unit tasked with establishing a regulatory framework model for the mining and resources sector which African countries could consider adopting according to their requirements.

Recommendation 8

DFAT should coordinate regular meetings between AusAID, NGOs, and Australian resource companies engaged in Africa, with a view to facilitating aid and development delivery cooperation to take advantage of their differing and complementary strengths.

Education Links

Recommendation 9

AusAID's scholarships program should include providing scholarships to African students to undertake tertiary education in Africa. This could involve study at African universities and at Australian universities with links with Africa such as Monash South Africa

Recommendation 10

The Department of Education, Employment and Workplace Relations should:

- establish a Centre for African Studies;

- invite competitive tenders from Australian universities for the establishment of the Centre;

- engage stake-holders and potential partners for the Centre;

- provide sufficient funding so that the Centre can:

  ⇒ undertake research, education and training functions;

  ⇒ engage with industry;

  ⇒ raise the profile of African Studies in Australia; and

  ⇒ provide value to both government and non-government end-users.

Trade and Investment

Recommendation 11

The Government should increase the number of Austrade offices and personnel that are based in Sub-Saharan Africa.

Recommendation 12

The Department of Immigration and Citizenship should expand the issuing of e-visas across Africa, with priority to establishing the service in countries where there is the potential to expand trade, academic, research and other links.

Recommendation 13

The Government should undertake steps for Australia to become an EITI compliant country.

Recommendation 14

The Government should promote corporate social responsibility and continue to promote the Extractive Industries Transparency Initiative principles and other corporate social responsibility instruments to the Australian mining sector, in particular at the Australia Down Under Conference, and especially to new entrants and small operators.

Recommendation 15

The Government should facilitate contacts between mining sector companies, NGOs, and the broader private sector who are able to assist them in creating and executing corporate social responsibility policies.

Recommendation 16

The Department of Foreign Affairs and Trade should establish, and provide adequate funding for an Australia-Africa Council.

Africans in Australia

Recommendation 17

The proposed Australia-Africa Council should include within its goals, support for activities that encourage and facilitate cultural interchange and exchange, particularly including the Australian African community.

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Introduction

Background to the inquiry

1.1 On 7 October 2009, during the 42nd Parliament, the then Minister for Foreign Affairs, the Hon. Stephen Smith MP referred to the Committee, an inquiry into Australia's relationship with the countries of Africa. The terms of reference of the inquiry were to:

> … report on Australia's relationship with Africa, with special emphasis on:
> - bilateral relations at the parliamentary and government levels;
> - economic issues, including trade and investment;
> - cultural, scientific and educational relations and exchanges;
> - development assistance co-operation and capacity building;
> - defence cooperation, regional security and strategic issues; and
> - migration and human rights issues.

1.2 The Minister commented that the Australian Government was committed to broadening and deepening Australia's engagement in Africa. The policy took into account Australia's growing trade, investment, and people-to-people links with Africa, and Africa's growing importance in economic, political and security terms. The Minister further noted that Australia's relations with Africa had advanced significantly in recent times, through increased high-level contact and dialogue, significant increases in Australian development assistance to Africa, a heightened focus on

expanding trade and investment, and cooperation on international security and law enforcement issues.[1]

1.3   Africa's importance to Australia was again reiterated by the Minister in a speech delivered to the South African Institute for International Affairs, Pretoria in January 2010:

> For too long Australia did not give Africa the priority it required and deserved.
>
> This Australian Government, however, is deeply committed to enhanced engagement with the countries and regional institutions of Africa.
>
> The need for Australia to engage much more substantially with Africa is driven by our economic interests and our strategic interests.
>
> Australia is the country of 20 million people: Africa a continent of nearly a billion people.
>
> To survive as a prosperous nation into the future, economically and politically, we cannot ignore a continent of nearly a billion people made up of more than 50 countries. A strengthened partnership with our closest economic partner in Africa, South Africa, is a central part of this endeavour. …
>
> I strongly believe it is in both our long-term national interests to be doing more together, regionally and internationally.[2]

1.4   It has been reported that other advanced countries are turning their attention towards Africa. Following a visit to Africa in 2009 the President of the World Bank, Mr Robert Zoellick, called for the 21st century to be 'the century of Africa'. The report of his visit noted:

> Over the past decade, Africa's economies have grown on average five per cent to six per cent a year.
>
> Meanwhile, its wealth in natural resources and need for infrastructure investment has attracted increased investment from China, whose economy is starting to resume strong growth while industrialised economies are expected to emerge slowly from a deep recession.
>
> With some international investors uneasy about the ability of the United States and Europe to recover quickly from the global crisis,

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1   Hon. Stephen Smith MP, *Correspondence to the Committee*.
2   DFAT, *Submission No. 46*, p. 519.

Zoellick said government controlled sovereign wealth funds and pension funds are now looking more closely at high growth regions like Africa.[3]

1.5   More recently, Mr Kofi Annan, in opening the Tenth Ordinary Session of the African Union in March 2011 said:

The theme for this year's Summit is 'Industrial Development of Africa'. As you all know the achievement of an accelerated and sustainable socio—economic development of Africa is one of the cardinal objectives of the African Union …

In spite of the efforts made so far in this direction, Africa's share of global manufacturing is still regrettably less than one per cent. There is, therefore, the urgent need to resolve the paradox of widespread poverty on the continent in the midst of its rich natural endowments by engaging in an aggressive industrialisation process.[4]

1.6   It is therefore in Australia's interests to take account of these international developments and increase its engagement with the countries of Africa.

Africa—a diverse continent

1.7   Witnesses have emphasised that the 53 countries of Africa are diverse and cannot be considered as a whole; as Ms Margaret Callaghan[5] explained:

… so often "Africa" is taken to be one homogenous mass. It is far from being that, with significant economic, historical and social differences between regions and countries. Factors such as population size, extent of urbanisation, type of resources, human resource capacity, infrastructure, agricultural base, type of climate and geography and disease burden vary considerably.[6]

1.8   Responding to whether there were common themes underlying the crises in various African countries, Professor the Hon. Gareth Evans, former

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3   Reuters, *Africa's century for development: World Bank chief.* <http://af.reuters.com/articlePrint?articleId=AFJOE57D02S20090814> Accessed March 2011.

4   *Kufuor Speech at the opening of the Tenth Ordinary Session of the AU.* <http://www.ghanatoghana.com/Ghanahomepage/kufuor-speech-opening-tenth-ordinar...> Accessed March 2011

5   Ms Callaghan has 20 years experience in international development, having worked for seven years with AusAID and 13 years with the United Nations.

6   Ms Margaret O'Callaghan, *Submission No. 54*, pp. 645–6.

Minister for Foreign Affairs, and former Chief Executive and President of the International Crisis Group, commented:

> … I think it is most unwise to try and impose any kind of cookie cutter analysis, any more than it is wise to impose cookie cutter solutions. Every one of these cases has its own dynamic, its own history, its own personalities, its own economic dimensions and its own ethnicity issues, and combinations of greed, grievance and other kinds of factors …
>
> … you have to drill down into each one of these situations and craft a solution that is appropriate to the dynamics of that situation … Often, in regions as a whole, you have interlocking combinations of problems which, with ethnic issues crossing over state lines … you have to look at in a more holistic way.[7]

1.9   As a consequence of a multitude of factors, Australia's engagement with the countries of Africa must therefore recognise this African diversity.

African multinational organisations

1.10   As noted above, the 53 countries of Africa are diverse in their politics, cultures, resources, and the problems they face. Many of the borders of African countries were arbitrarily constructed by the European powers reflecting historical accident and administrative convenience.[8] This has occasionally led to internal tensions and the potential for fragmentation. As a consequence, there is an important role for African multinational organisations to resolve disputes and internal tensions.

1.11   Prominent African multinational organisations are:

- the African Union (AU);
- Economic Community of West African States (ECOWAS); and
- Southern African Development Community (SADC);

The African Union

1.12   The AU is the largest multinational intergovernmental organisation in Africa. Its membership includes 53 countries — all of the countries of

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7   Professor Gareth Evans, *Transcript 8 December 2010,* p. 63.

8   Naomi Chazan, Robert Mortimer, John Ravenhill, and Donald Rothchild (1988), *Politics and Society in Contemporary Africa*, London: MacMillan, pp. 24 — 7.

Africa except Morocco.[9] Cote d'Ivoire, Madagascar, and Mauritania are currently suspended and Eritrea has withdrawn temporarily in response to AU support for UN sanctions. These sanctions were enacted against Eritrea in response to its alleged support for insurgent groups in neighbouring countries, including Al-Shabaab in Somalia.

1.13   The AU is the successor organisation to the Organisation of African Unity (OAU), which was formed in the 1960s during Africa's decolonisation. During the 1990s, increasing criticism of the OAU as a 'mere talk shop' led Libyan leader Muammar Gaddafi to propose a 'United States of Africa', modelled on the European Union. This in turn led to the formation of the AU in 2002.

1.14   The AU's goals are to support economic and political integration between its members, so as to achieve development, eliminate poverty and corruption, and end conflict in Africa. The AU plans to inaugurate a human rights court, central bank, monetary union, and an African Economic Community by 2023.[10]

1.15   These aspirations were confirmed when the Committee Delegation met with the Deputy Chairperson, AU Commission, HE Erastus Mwencha, during its visit to Addis Ababa in May 2011. Mr Mwencha drew attention to moves towards integration within Africa's regional organisations. There was often the fear, however, that one member of the region would economically dominate the others and it was the AU's role to coordinate progress and bring countries together.

1.16   The current principle organs of the AU are:

- The Assembly. This is the supreme organ of the AU. It is comprised of the heads of state and government of the AU member countries. The Assembly meets once a year to determine AU policy. The AU Chairperson is elected by the Assembly for a one year period, and the current chair is His Excellency Dr Bingu Wa Mutharika, President of Malawi.[11]

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9   African Union Website, < www.africa-union.org/root/AU/MemberStates/map.htm> Accessed January 2011.

10   BBC News, *Profile: African Union*, <http://news.bbc.co.uk/2/hi/country_profiles/3870303.stm> Accessed January 2011.

11   Stephanie Hanson, *The African Union*, Council on Foreign Relations Backgrounder, September 2009, p. 5; African Union Website, <www.africa-union.org/root/au/index/index.htm> Accessed January 2011.

- The Executive Council. This organ is comprised of the foreign ministers of the member states where possible, and meets at least twice a year to advise the Assembly members.[12]

- The Commission. This is the secretariat of the AU, and is the administrative branch. It comprises ten commissioners, and is responsible for the implementation of AU policy and coordination of its activities.[13]

- The Peace and Security Council. This Council was set up in 2004 because the AU believed it was necessary to settle conflicts before prosperity could be achieved. In cases of genocide and crimes against humanity, the Peace and Security Council can deploy military force. So far, three AU peacekeeping forces have been deployed; to Burundi, southern Sudan, and Somalia.[14] An intervention in the Comoros island of Anjouan was also conducted in 2008.[15]

- The Pan-African Parliament. This organ was established in 2004 to bring together parliamentarians from member states to debate issues that affect the African continent, and to advise the AU heads of state and government.[16] It currently possesses no legislative powers, but it is intended that it will 'gravitate in that direction'.[17]

- Other organs include the Economic, Social and Cultural Council, the Court of Justice, and the various financial institutions mentioned in the AU charter. One 'potentially significant' and unique organ of the AU is the Panel of the Wise. The Panel plays a role in conflict prevention and peacemaking by facilitating diplomacy, political dialogue and confidence building measures between warring parties.[18]

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12 BBC News, *Profile: African Union*,
   <http://news.bbc.co.uk/2/hi/country_profiles/3870303.stm> Accessed January 2011.
13 BBC News, *Profile: African Union*,
   <http://news.bbc.co.uk/2/hi/country_profiles/3870303.stm> Accessed January 2011.
14 Rodrigo Tavares (2010), *Regional Security: the capacity of international organisations*, London: Routledge, pp. 22—23.
15 Stephanie Hanson, *The African Union*, Council on Foreign Relations Backgrounder, September 2009, p. 6.
16 Stephanie Hanson, *The African Union*, Council on Foreign Relations Backgrounder, September 2009, p. 6.
17 South African High Commissioner His Excellency Mr Lenin Shope, *Transcript 20 April 2010*, p. 48.
18 Rodrigo Tavares, *Regional Security*, p. 26.

Challenges and Successes

1.17 The AU is the only regional organisation in Africa to explicitly recognise the right to intervene in its member states on humanitarian grounds. This is facilitated by the AU having replaced the OAU's approach to sovereignty (non-interference) with a new approach (non-indifference).[19] As mentioned, it has already undertaken four interventions in member states. These interventions have met with limited success due to limitations in manpower, expertise and funds, coupled with the difficult and complex conflicts extant in the region.[20]

1.18 In the area of conflict prevention, the AU has instituted a Continental Early Warning System. This organ collects and analyses data relating to potential conflicts in Africa, with a view to preventing them from occurring or worsening. Challenges in this area include a lack of continent-wide coordination, and coordination with similar organs in sub-regional institutions.[21]

1.19 The Department of Foreign Affairs and Trade (DFAT) noted that the AU has 'played a leading role in resolving conflicts arising out of disputed election outcomes'.[22]

1.20 The challenge remains, however, in the creation of an African Standby Force under the AU's African Peace and Security Architecture developed in 2005. The force was to be divided into five regional brigades comprising some 5000 troops encompassing military, police, and civilian components. As yet none of the brigades are operational.[23]

1.21 The AU encourages all of its member states to accede to the voluntary African Peer Review Mechanism (APRM). DFAT described the APRM as:

> ... a mutually agreed instrument voluntarily acceded to by the member states of the African Union as a self-monitoring mechanism. Established in 2003, the APRM's mandate is to assist participating member states to ensure that their policies and practices conform to agreed political, economic and

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19 Rodrigo Tavares, *Regional Security*, p. 26.

20 Stephanie Hanson, *The African Union*, Council on Foreign Relations Backgrounder, September 2009, p. 3; High Commissioner Professor Sunday Olu Agbi, *Transcript 20 April 2010*, p. 62.

21 Rodrigo Tavares, *Regional Security*, p. 27.

22 Department of Foreign Affairs and Trade, *Submission No. 46I*, p. 466.

23 Africa Review, *Coming soon: An African standby force*, Wednesday, May 25, 2011. <http://www.africareview.com/Special+Reports/-/979182/1154792/-/10tgx97z/-/index.html> Accessed May 2011.

> corporate governance values, codes and standards, and ...
> mutually agreed objectives in socio-economic development ...[24]

1.22   Thus far, the APRM has 29 member states, of which 14 had been peer reviewed by September 2010.[25]

The Economic Community of West African States

1.23   ECOWAS was founded in 1975, and was originally conceived as a way of moving towards an economic union in West Africa. There are 15 member states.[26] ECOWAS has become the dominant sub-regional organisation in sub-Saharan Africa.[27]

1.24   Since its inception ECOWAS has expanded its focus to include issues of security and justice. Like the AU, it permits intervention in the internal affairs of member states when the security or peace of the community is under threat, or in the case of human rights violations. However, to date no such interventions have occurred without consent. The five interventions that have occurred have taken place in Liberia, Sierra Leone, Guinea Bissau, and Cote d'Ivoire.[28]

1.25   The principle organs of ECOWAS are:

- Authority of Heads of State and Government. This is the supreme organ of ECOWAS, and hence determines policy;

- The Commission. Formerly known as the ECOWAS Secretariat, this organ is seen as the 'soul' of the organisation.[29] It is responsible for implementing policy;

- ECOWAS Parliament. The Parliament gathers representatives from all ECOWAS members to provide a 'forum for dialogue, consultation and consensus ... [and] to promote integration'.[30] As with the AU Parliament, at present the ECOWAS Parliament has no legislative powers, but intends to move in that direction;

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24   DFAT, *Submission No 94*, p. 6 (of submission)

25   NEPAD Website, <www.nepad.org/economicandcorporategovernance/african-peer-review-mechanism/about> Accessed January 2011.

26   ECOWAS member states are Benin, Burkina Faso, Cape Verde, Cote d'Ivoire, Gambia, Ghana, Guinea, Guinea Bissau, Liberia, Mali, Niger, Nigeria, Senegal, Sierra Leone, and Togo.

27   Rodrigo Tavares, *Regional Security*, p. 36.

28   Rodrigo Tavares, *Regional Security*, pp. 36–7.

29   Rodrigo Tavares, *Regional Security*, p. 37.

30   ECOWAS Website, <www.parl.ecowas.int/english/clinus.htm> Accessed January 2011.

- ECOWAS Bank for Investment and Development (EBID). Founded in 1999, EBID is an investment and development finance bank. As such, its focus is on the granting of loans and guarantees for development project, in both the public and private sectors;[31] and

- Other organs include the Community Court of Justice, the Defence and Security Commission, and the Mediation and Security Council.

Challenges and Successes

1.26   ECOWAS has been very active, and has had a relatively high degree of success in achieving regional integration. This is shown by its interventions in conflict-prone member states, and West Africa becoming a free trade area in 2000. As well, it has launched a customs union between member states. A monetary union between five of its members has also been launched, and ECOWAS plans to expand on this in future.[32]

Southern African Development Community

1.27   SADC is the culmination of a number of groups beginning in 1974 when a group called the Frontline States (FLS) was formed. The FLS was an intergovernmental organisation committed to the political liberation of Southern Africa. In 1981, the Southern African Development Coordinating Conference (SADCC) was formed as a 'frank acknowledgement' of the sub-region's dependence on South Africa as a regional trade hub.[33]

1.28   The aims of SADCC were to lessen economic dependence on apartheid-era South Africa, and the integration of the national economies of the sub-region. In 1992, SADCC became SADC through a formal treaty, signed in Windhoek in Namibia. The Windhoek Declaration also committed SADC to a range of activities beyond its original economic focus, including strengthening regional security. When apartheid ended in South Africa in 1994, the FLS was officially dissolved.[34]

1.29   SADC is the most advanced of the African regions in creating a standby force. It has been reported that in October 2010, the SADC Secretariat decided to speed up the creation of a brigade comprising between 5000 510,000 troops.[35]

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31   EBID Website, <www.bidc-ebid.org/en/bidc_en.php> Accessed January 2011.

32   *Exhibit No. 39*, p. 35

33   Rodrigo Tavares, *Regional Security*, p. 56

34   Rodrigo Tavares, *Regional Security*, pp. 56—7.

35   Business Daily (Nairobi), *Kenya: Speed Up the Creation of African Union Standby Force, 19 January* 2011. <http://allafrica.com/stories/201101190317.html> Accessed May 2011.

1.30   SADC currently has 15 member states.[36] The current Chairperson of SADC is President Sam Nujoma of Namibia.

1.31   Its principle organs are:

- Summit of Heads of State and Government. This is the supreme organ of SADC, and usually meets twice a year to determine policy directions. The Summit incorporates a Troika which includes the Chair, incoming Chair, and outgoing Chair. This enables the Summit to fulfil its functions between meetings.

- The Council of Ministers. This organ is made up of the ministers for foreign affairs or economic policy of member states where possible. It oversees the 'functioning and development of SADC', and ensures that policies are properly implemented.[37]

- The Standing Committee of Officials. This is an organ which provides technical advice to the Council of Ministers.[38]

- The Organ on Politics, Defence and Security. This organ began functioning in late 2000. Unlike the security organs of ECOWAS and the AU, the SADC Organ does not allow armed intervention in member states without consent, and takes the form of a defensive alliance between the SADC member states.[39] Like the Summit, the Organ is headed by a troika, which is mutually exclusive with the Summit Troika.

- The Tribunal. This was established in 1992 to oversee and ensure compliance with the Treaty which established SADC.

- The SADC National Committees. Each member state of SADC has its own National Committee. These provide input, advice and assistance with the implementation of SADC policies and programs at the national level. They also provide national input into regional programs.

- The Secretariat. This is the executive arm of SADC. It is responsible for the management and coordination of SADC programs and policies.[40]

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36   SADC member states are Angola, Botswana, Democratic Republic of Congo, Lesotho, Madagascar, Malawi, Mauritius, Mozambique, Namibia, Seychelles, South Africa, Swaziland, Tanzania, Zambia, and Zimbabwe.

37   African Union website, <www.africa-union.org/root/au/recs/sadc.htm> Accessed January 2011.

38   African Union website, <http://www.africa-union.org/recs/sadcprofile.pdf> Accessed January 2011.

39   Rodrigo Tavares, *Regional Security*, pp. 58—61.

40   African Union website, <www.africa-union.org/recs/sadcprofile.pdf> Accessed January 2011.

- The SADC Parliamentary Forum. This is an inter-parliamentary body which includes parliamentarians from all SADC member-state parliaments except Madagascar and Seychelles.

1.32 Just prior to the Committee Delegation's visit to Africa, SADC in a communiqué on 31 March 2011 toughened its stance on the situation in Zimbabwe. This is discussed in Chapter 7 where the Committee reviews the situation in Zimbabwe.

Challenges and Successes

1.33 SADC generally has been beset with serious challenges since its founding. It has experienced periods of serious internal tension (largely between South Africa and Zimbabwe) and political disputes, as well as a lack of resources and 'overall lassitude'. Furthermore, its capacity to achieve its goals is limited by a low number of staff — SADC has around 200 staff supporting its activities.[41]

1.34 Parliamentarians from five southern African countries have praised the SADC Parliamentary Forum for its cooperation with the Southern African Resource Watch group. In particular, the role of these two groups in the advancement of 'parliamentary awareness, oversight and capacity development in the quest for resource justice in Africa' in relation to resource extraction has been 'highly commended'.[42]

1.35 In 2009, SADC launched a free trade area among its 15 members, and plans to negotiate a customs union have been announced.[43]

Other Multinational Intergovernmental Organisations

1.36 There are a number of smaller subregional organisations currently operating in Sub-Saharan Africa:

- East African Community (EAC);

- Intergovernmental Authority on Drought and Development (IGAD);

- Common Market for Eastern and Southern Africa (COMESA); and

- Economic Community of Central African States (ECCAS).

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41 Rodrigo Tavares, *Regional Security*, pp. 59, 65.

42 SADC Parliamentary Forum and Southern African Resource Watch, *Exhibit No.44*, pp. 1–3.

43 *Exhibit 39*, p. 35.

The East African Community

1.37   The EAC was originally established in 1967, but was dissolved in 1977. The idea of an EAC was revived in the late 1990s, and the EAC again began functioning in 2000, the culmination of a process of increasing cooperation and integration between Uganda, Kenya, and Tanzania.

1.38   Its focus is on increasing economic and political integration between member states.[44] The membership of the EAC is currently Kenya, Tanzania, Uganda, Rwanda, and Burundi.

1.39   In 2010, the EAC became a customs union.

Intergovernmental Authority on Development

1.40   IGAD is the successor organisation to the Intergovernmental Authority on Drought and Development (IGADD), itself founded in 1986 in response to famine and natural disaster in the Horn of Africa region.[45] IGADD's mandate was expanded 1996 to include issues of regional development, trade, security, and political and economic integration, at which point it became IGAD.

1.41   IGAD and its activities have been hampered by internal and inter-state conflicts, the ongoing humanitarian situation in Somalia, poverty, natural disasters, and very high levels of illiteracy. [46]

Common Market for Eastern and Southern Africa

1.42   The Common Market for Eastern and Southern Africa was founded in 1994 as an institution focused on increasing economic integration between member states.[47] It has been successful in this endeavour, founding a free trade area in 2000 and launching a customs union in 2009.[48]

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44   EAC website, <www.eac.int/about-eac/eac-history.html> Accessed January 2011.

45   IGAD member states are Djibouti, Eritrea, Ethiopia, Kenya, Somalia, Sudan and Uganda.

46   Rodrigo Tavares, *Regional Security*, pp. 46–7.

47   COMESA member states are Burundi, Comoros, Democratic Republic of Congo, Djibouti, Egypt, Eritrea, Ethiopia, Kenya, Libya, Madagascar, Malawi, Mauritius, Rwanda, Seychelles, Sudan, Swaziland, Uganda, Zambia, and Zimbabwe.

48   COMESA website, <http://about.comesa.int/lang-en/overview> Accessed January 2011.

Economic Community of Central African States

1.43   ECASS, better known by its French acronym CEEAC, was established in
        1983, and began functioning two years later.[49] It has been largely inactive
        since 1992, due largely to non-payment of fees by member states, and the
        conflicts in the Great Lakes area.

The outlook for Africa

1.44   DFAT has provided the Committee with a positive outlook for Africa:

> … Africa is changing for the better. Overall, it is a more stable, free
> and prosperous continent than 10 years ago.
>
> Following economic reforms, many African countries have
> enjoyed strong growth in recent years. Africa is especially rich in
> resources, offering major economic opportunities, but posing a
> challenge to governance. …
>
> Collectively, African countries are becoming more important in
> global economic and political terms. They play an influential role
> in multilateral forums, including in the World Trade Organisation
> and in the United Nations. African countries comprise 27 percent
> of each body.[50]

1.45   This view was supported by Professor Evans who advised that the
        Human Security Report Project[51] had noted a 70 to 80 per cent decline in
        the number of conflicts worldwide since the early 1990s with a similar
        decline in the number of violent deaths—Africa was at the forefront of this
        improvement. The reason, Professor Evans suggested, was the 'very
        intense engagement over the last decade and a half by the UN and by
        regional organisations' such as the AU and ECOWAS.[52]

1.46   It is encouraging to note that countries such as Rwanda and Mozambique
        which have faced major challenges in the past are now characterised by
        improved economic growth and political stability.

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49   ECASS member states are: Angola, Burundi, Cameroon, Central African Republic, Republic of
      Congo, Democratic Republic of Congo, Equatorial Guinea, Gabon, Rwanda, and Sao Tome
      and Principe.

50   DFAT, *Submission No. 46*, p. 460.

51   Produced by the School for International Studies, Simon Fraser University, the British
      Columbia, Canada. <http://www.hsrgroup.org/human-security-
      reports/20092010/overview.aspx> Accessed, January 2011.

52   Professor Gareth Evans, *Transcript 8 December 2010*, p. 53.

1.47   There are still, however, a number of countries in Sub-Saharan Africa
        which are of concern regarding peace and security. These were identified
        by Professor Evans and include Cameroon, Cote d'Ivoire, Guinea, and
        Somalia, as well as areas of Nigeria, Uganda, the Democratic Republic of
        Congo, and the Darfur region of Sudan.[53] Despite this Professor Evans
        remained optimistic.[54]

1.48   Notwithstanding the progress in security, DFAT advised that 'Africa will
        remain the world's poorest continent and gains in governance and
        political stability remain fragile.' It had 33 out of 49 of the world's least
        developed countries and one half of the continent lived in 'absolute
        poverty'.[55]

1.49   Further, AusAID told the Committee that the group of sub-Saharan
        countries remained unlikely to achieve their millennium development
        goals.[56]

1.50   Finally, many countries in Africa do not perform well against the
        standards set by Transparency International's Corruption Perceptions
        Index. In 2009, the worst five performers were Equatorial Guinea, Guinea,
        Chad, Sudan, and Somalia (worst performer); the five best performing
        sub-Saharan countries were Botswana (best performer), Mauritius, Cape
        Verde, Seychelles, and South Africa. Even so, Botswana only achieved a
        score of 5.6 out of 10 on the scale.[57]

Australia's engagement with Africa

1.51   Australia has had a limited engagement with Africa—unlike the
        Europeans it had a minimal role in African history and geographically
        there were 'no supply lines and no communication lines of any great
        significance.' Aside from its role during the apartheid era, Australia has
        been able to exert little diplomatic influence on developments on the
        continent.[58]

1.52   The level of Australian government aid has reflected this lack of
        engagement and influence. In 1997 Australian bilateral aid was confined

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53   Professor Gareth Evans, *Transcript 8 December 2010,* p. 54.
54   Professor Gareth Evans, *Transcript 8 December 2010,* p. 63.
55   DFAT, *Submission No. 46,* p. 460.
56   Ms Catherine Walker, *Transcript 20 April 2010,* p. 29; AusAID, *Submission No. 47*, p. 591.
57   Transparency International, *Corruption Perceptions Index 2009, Regional Highlights.*
58   Professor Gareth Evans, *Transcript 8 December 2010,* p. 55.

to South Africa and Mozambique. As Dr David Lucas noted, a comment in 2001 stated: 'The welfare of Africa and its people is a matter of remote concern for the governments of Australia and New Zealand and probably always will be.'[59]

1.53   The relatively low level of Australian Government engagement in the past, however, has not been reflected by the attention of the Australian public to African issues—Australian NGOs working in Africa have contributed far more than AusAID.[60] For example, in 2008–09 Australia's ODA to Africa amounted to $184 million;[61] this compares to $323 million provided by NGOs.[62]

1.54   The beginning of the resource boom in Africa in 2003 has contributed to a re-awakening of Australian Government attention to Africa.[63] In 2008, the then Foreign Minister, the Hon Stephen Smith MP, announced Australia's commitment to deepen and broaden its engagement with Africa.[64]

1.55   Professor Evans argued there were three broad reasons why Australia should be interested in Africa:

■ Economic and trade interests—exemplified by the increasing activity of Australian natural resource companies in Africa.

■ Geostrategic and political interests—the strategic importance of the Indian Ocean as well as the rising influence of African countries in multinational organisations.

■ Being, and being seen to be, a good international citizen.[65]

1.56   Regarding the third reason, Professor Evans said:

> Terrorism, weapons of mass destruction, proliferation, piracy, organised crime, drug and people trafficking, health pandemics, refugee outflows, the climate … many of these problems do have an African face, and it is important, I think, that Australia be alert to opportunities to contribute to their solution.

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59   Dr David Lucas, *Submission No. 22*, p. 163, quoting Gavin Kitchen, *Why I gave up African Studies*, African Studies Review and Newsletter, 22 (1), pp 21–6.

60   Dr David Lucas, *Submission No. 22*, p. 164.

61   AusAID, *Submission No. 107*, p. 1278.

62   ACFID, *Annual Report 2010*, pp 19–20.

63   *Exhibit No. 14*, Mr Roger Donnelly & Mr Benjamin Ford, *Into Africa: How the Resource Boom is Making Sub-Saharan Africa More Important to Australia*, Lowy Institute for International Policy, 2008.

64   Hon Stephen Smith MP, *Africa Day Speech*, 26 May 2008. <http://www.foreignminister.gov.au/speeches/2008/080526_africa_day.html> Accessed July 2010.

65   Professor Gareth Evans, *Transcript 8 December 2010,* pp. 55–6.

> … You do improve the chances of getting international support for your own interests in these various transnational problem areas if you are seen to be a constructive and creative and helpful player, not just doing things because there is an immediate buck in it or because there is an immediate vote in it.[66]

1.57   Further support for being a good international citizen as a reason for boosting engagement with Africa was provided by Oxfam Australia. Its submission drew attention to the concept of 'responsible sovereignty'. Responsible sovereignty was wider than the recent 2005 World Summit agreement on the Responsibility to Protect civilian populations from genocide, ethnic cleansing, war crimes and crimes against humanity, Oxfam Australia argued:

> Notions of responsible sovereignty are also contributing to current debates around more stringent international arms controls and armed violence survivor assistance. …
>
> … Responsible sovereignty underpins emerging calls for the full recognition of the right to social protection underpinned by the International Covenant on Economic, Social and Political Rights. … Social protection goes beyond safety nets, to encompass a broader goal of **tackling poverty and vulnerability with greater emphasis on protection as a basic right and government responsibility**. [Emphasis added.][67]

1.58   It is fully consistent with the doctrine of responsible sovereignty that governments also assist each other in times of crisis, for example in responding to natural disasters, such as cyclones, floods, earthquakes, and tsunamis.

1.59   Further comment was provided by Professor Craig McGarty, Murdoch University, who told the Committee:

> Africa is a very significant part of the world. It is increasingly significant to the entire world. An increasingly significant proportion of the population that is born in Africa, lives in Africa or moves from Africa. There is significant economic growth and change in Africa. Those dynamics will produce changes which Australians need to understand. Australians need to understand them because Australians are part of that world. It may have been possible to imagine a world where you could draw a line down

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66   Gareth Evans, *Transcript 8 December 2010,* p. 56.

67   Oxfam Australia, *Submission No. 39*, p. 373–4.

the middle as the Pope did and divide it into particular regions that one people can worry about and others do not worry about. We do not live in that world any more. …

It has changed. I suppose the evidence of rapid, dynamic change in political systems in major countries in North Africa is a very telling example of that. Those changes will have consequences for our trade relations. They will have implications for the prices we pay for products such as oil. They will have implications for where our tourists go. They will have implications for where our students come from. How many other major export industries do we need to go through? The activities in Africa would have massive implications for the changes in our environment. The economic choices made by Africans or African governments either on their own or in partnership with major economic forces such as China will have crucial implications for where those major economic partners of those countries—which are major economic partners of Australia—will purchase their minerals, where they will locate their industries and where they will purchase their services.[68]

Conduct of the inquiry

1.60   The Chair of the Committee, Senator Michael Forshaw announced the inquiry via media release on 30 October 2009 and the inquiry was subsequently advertised in *The Australian* on 28 October 2009. Letters inviting submissions were also sent to State Premiers, Ministers, Commonwealth agencies, Ambassadors and High Commissioner from Sub-Saharan African countries based in Canberra, and a wide range of individuals and organisations with an expected interest in Australia's engagement with African countries.

1.61   Following the 2010 Federal election, the Minister for Foreign Affairs in the 43rd Parliament, the Hon. Kevin Rudd MP re-referred the inquiry to the Committee, noting that the policy of enhanced engagement with Africa remained a priority for the Government.

1.62   Following its re-referral, the inquiry was re-advertised in *The Australian* on 1 December 2010. Stakeholders were advised by way of an electronic newsletter.

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68   Professor Craig McGarty, *Transcript 10 March 2011*, p. 11.

1.63   Towards the end of the Inquiry a Delegation of Committee members
        visited four countries in Africa—South Africa, Zimbabwe, Ghana, and
        Ethiopia—over a two week period in early April 2011. The Delegation met
        with a variety of people including ministers, politicians, ambassadors
        from other countries, NGOs, and business representatives, and visited
        several AusAID assisted projects including the Hamlin Fistula Hospital
        and College of Midwives in Addis Ababa. The Delegation also visited the
        Adamus Resources gold mine in Ghana.

1.64   The Committee's comments, findings and descriptions of aid projects
        arising from the visit are included throughout the report where they are
        relevant. An itinerary of the visit is at Appendix D.

1.65   The Committee received 122 submissions (listed at Appendix A), 53
        exhibits (listed at Appendix B) and took evidence from 55 organisations
        and individuals during nine days of public hearings in Canberra,
        Melbourne, Perth, and Sydney (listed at Appendix C).

Structure of the report

1.66   This report focuses on Sub-Sahara Africa which reflects the evidence
        received and the fact that the Committee has previously inquired into
        Australia's trade and investment with the countries of North Africa in
        2006.

1.67   This report comprises eight chapters. The following chapters discuss:

   ■   Chapter 2—government links with Africa, including Australia's
        diplomatic representation, Parliamentary links and government links at
        ministerial and officials level.

   ■   Chapter 3—Australia's aid program, including Australia's official
        development assistance, assistance provided by NGOs and individual
        and private sector initiatives. The chapter also describes several aid
        projects which the Committee visited when it travelled to Africa.

   ■   Chapter 4—education links, including discussion of the suggestion that
        there be a centre for studying African issues.

   ■   Chapter 5—research links, , including a discussion of development
        related research provided by Australia and other organisations.

   ■   Chapter 6—trade and investment, including discussion of the potential
        for growth in trade and impediments to this growth. The role of

Australia's mining sector in Africa is discussed, including corporate social responsibility obligations. This includes a description of the programs provided by several Australian mining companies. The Chapter concludes with consideration of the need for an Australia Africa Council.

■ Chapter 7—defence and security. The Committee examines Australia's policy framework, peacekeeping activities, and a discussion of crime and security. The Committee's observations from its visit to Zimbabwe and Ethiopia are included.

■ Chapter 8—Africans in Australia which includes a discussion of the problems facing African migrants and refugees living in Australia and how the African community in Australia can contribute to Australia-Africa relations.

2

Government to Government Links

Introduction

2.1 This Chapter discusses Australia's links with the countries of Africa at governmental level. It comprises a brief overview of Australia's diplomatic representation on the continent and other government to government links at both bilateral and multilateral levels.

Australia's diplomatic representation

Introduction

2.2 Australia has diplomatic relations with 51 of the 53 African countries—an increase of 10 since 2007.[1] Australia has eight High Commission/Embassy posts on the African continent. These posts are:

- Abuja, Nigeria (High Commission);

- Addis Ababa, Ethiopia (opened in July 2010);[2]

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1 DFAT, *Submission No. 46*, p. 497; Mr Justin Hayhurst, *Transcript 20 April 2010,* p. 11.
2 DFAT, *Submission No. 94*, p. 1191. The embassy is expected to become fully operational by mid-2012.

- Accra, Ghana (High Commission);

- Cairo, Egypt;

- Harare, Zimbabwe;

- Nairobi, Kenya (High Commission);

- Port Louis, Mauritius; and

- Pretoria, South Africa (High Commission).

2.3　Each of the posts (except Addis Ababa) has responsibility for a number of countries from 4 to 11, covering 48 countries. The other five African countries are served from posts in Portugal and France. There are also consulates in Libya and Mozambique. Details of Australia's diplomatic representation in Africa is provided in Appendix E.

2.4　During the course of the inquiry, DFAT advised the Committee that Australia had reopened its embassy in Addis Ababa, Ethiopia which will become fully operational in 2012,[3] and had also established diplomatic relations with Somalia.[4]

2.5　DFAT told the Committee that Australia's representation had been 'stronger and better developed in certain parts of the continent', for example with those countries in southern and eastern Africa with Commonwealth connections. In other areas, such as parts of West Africa and especially the Francophone countries (countries where French is either the first or second language), Australia's representation and relationships had 'been a little thin.'[5] Indeed, Australia has over the years had posts in Algeria (1976–1991), Ethiopia (1985–1987), Tanzania (1962–1987), and Zambia (1980–1991). These posts were closed due to budgetary cuts.[6]

2.6　Australian interests are also served in countries where Australia does not have a diplomatic post through:

- support from Canadian posts in 10 countries, mainly in West Africa;[7] and

- the appointment of honorary consuls—nine countries were covered, but were in various stages of activation:

3　DFAT, *Submission No. 94*, p. 1191.
4　Mr Justin Hayhurst, *Transcript 20 April 2010*, p. 11.
5　Mr Justin Hayhurst, *Transcript 20 April 2010*, p. 5.
6　DFAT, *Submission No. 94*, pp. 1192–3.
7　<http://www.gov.au/missions> Accessed January 2011

⇒ Mozambique—in operation;

⇒ Angola, Nigeria, Uganda—candidates have been identified and the appointments are pending;

⇒ Botswana, Tanzania—candidates have been identified and DFAT is undertaking internal clearance processes before proceeding;

⇒ Cape Town, South Africa—temporarily vacant; and

⇒ Namibia, Cameroon—suitable candidates have yet to be identified.[8]

2.7 To place Australia's representation in Africa into context, the Committee notes the diplomatic representation of our major trading partners and other countries from South East Asia on the African continent:

- Canada—18 Embassies and High Commissions;

- China—41 Embassies;

- European Union—41 Africa-based delegations;

- India—26 Embassies and High Commissions;

- Japan—32 Embassies;

- Malaysia—13 Embassies and High Commissions;

- Republic of Korea—16 Embassies;

- Thailand—8 Embassies;

- United Kingdom—34 Embassies and High Commissions;

- United States of America—47 Embassies; and

- Vietnam—6 Embassies.

Coverage of Australian representation—breadth or depth?

2.8 The Committee has explored with witnesses whether Australian representation in Africa is adequate and, if not, how this might be addressed. The alternatives canvassed were whether there should be additional posts or whether the number of Australia-based staff at diplomatic posts should be increased.

2.9 As noted earlier, several Australian posts in Africa were closed due to budgetary considerations— Ethiopia and Tanzania in 1987; and Algeria and Zambia in 1991.

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8 DFAT, *Submission No. 113*, p. 1343.

Opening new posts

2.10   The value of Australia having a physical diplomatic presence in a country was supported by Coffey International, an Australian company involved in mining and foreign aid:

> We certainly value having interaction with a high commission or an embassy in a country because it helps us get a voice at the table on big issues that can impede our business or strengthen our business. I refer to things like labour laws, visas, trade delegations or even getting involved in some policy dialogue with the host nation's government, which does come up a bit with foreign aid work. …
>
> The Australian missions are a very good source of introduction and public intelligence. We value those resources highly.[9]

2.11   Similar sentiment was expressed by Professor Evans who told the Committee that there was 'something to be said for hanging up the flag in a particular capital'. Even if there were only a small number of Australian-based staff, the relationships and information flows that would arise would be valuable.[10]

2.12   The Committee sought opinions as to where additional posts should be opened. Two areas received strong support. Firstly, reopening the post in Addis Ababa and secondly, opening a post in Francophone Africa.

2.13   Dr David Dorwood, advocating Addis Ababa, told the Committee:

> I think the thought of reopening in Addis is a good one. We had a very short tenure in Addis Ababa. All kinds of organisations are based there. There are more diplomatic embassies in Addis than in any other country—and probably even more than in South Africa.

2.14   Dr Dorward added that many African migrants to Australia came from the Horn of Africa. As well, he considered it almost impossible for a high commissioner in Nairobi keep Australia informed of the situation in the region which was increasing in its strategic importance. It was also important to monitor carefully the activities of the Ethiopian government in Eritrea and Somalia.[11] The Committee notes that the Horn of Africa and Southern Sudan is an area of instability.

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9   Mr Roderick Reeve, *Transcript 28 April 2010,* p. 27.

10   Prof Gareth Evans, *Transcript 8 December 2010,* p. 64.

11   Dr David Dorward, *Transcript 5 May 2010,* p. 3.

2.15   An important consideration was the siting of the headquarters of the
        African Union in Addis Ababa. The Hon. Kerry Sibraa, former President
        of the Senate, High Commissioner to Zimbabwe and six other southern
        African countries, and current Honorary Consul-General in Australia for
        Mozambique, told the Committee that a number of African countries sent
        senior diplomats to the African Union (AU) headquarters:

>   With representatives of every African country being situated in
>   Addis, you get access to African countries that normally it would
>   be impossible to go to, and you get access at a high level.[12]

2.16   Mr Sibraa added that Addis Ababa was a transport hub for Africa
        providing air transport access to numerous African countries.[13]

2.17   Support for reopening the post in Addis Ababa was also provided by
        Professor Helen Ware, former High Commissioner to Zambia, Malawi and
        Namibia, and former Ambassador to Angola, who told the Committee
        that a further advantage was that African Union peacekeeping was
        organised from Addis Ababa and so would be a good place to position an
        Australian military attaché.[14]

2.18   The lack of diplomatic representation in French speaking west Africa was
        raised by the Australia Africa Business Council, ACT Chapter as being a
        'quite serious omission.' This was because of the 'tremendous mineral
        opportunities' which existed in the region.[15] Dr David Lucas, Member,
        Australia Africa Business Council, ACT Chapter, commented that DFAT
        was apparently 'awash with French speakers' so a post in Francophone
        Africa was possible.[16]

2.19   Support for a post in Francophone Africa was provided by Mr Joel Negin
        who co-authored the Lowy Institute report titled, *Shared challenges and
        solution: Australia's unique contribution to the future of African development.*
        Mr Negin told the Committee that the Australian post in Mauritius was
        not a viable diplomatic option to serve Francophone Africa. It was situated
        off the east coast of Africa and he did not consider the country as
        representative of the other French-speaking African countries. Mr Negin
        added:

>   The High Commissioners or ex-High Commissioners I have
>   spoken to from Ghana or Nigeria do not manage to get to the

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12   Hon. Kerry Sibraa, *Transcript 28 April 2010,* p. 3.

13   Hon. Kerry Sibraa, *Transcript 28 April 2010,* p. 8.

14   Professor Helen Ware, *Transcript 28 April 2010,* p. 24.

15   Mr Charles Milward, *Transcript 27 April 2010,* p. 60.

16   Dr David Lucas, *Transcript 27 April 2010,* p. 25.

> French-speaking West African countries particularly often. That is
> certainly a blind spot and a weakness, especially as Australian
> mining and other business groups are involved in French West
> Africa. … Senegal is a country where a lot of high commissions
> and embassies are located. That would also provide an
> opportunity for representation in Sierra Leone and Liberia.[17]

2.20   When asked for its view, the Export Finance and Insurance Corporation suggested there should be a cost benefit analysis of citing a post in Mozambique and Guinea because of the amount of Australian investment in those countries.[18]

2.21   The Committee sought from DFAT the approximate costs of opening and operating an embassy in an African country. DFAT advised that based on the most recent experience and assuming the post would comprise 'four Australian-based and nine locally engaged staff', and that the costs would include setting up an interim embassy and then a permanent embassy, the cost of a typical embassy:

> … could be in the order of $36 million over four years ($12 million
> staff costs, $8 million operating costs, and $60 million capital
> costs).[19]

2.22   A less costly alternative to the opening of diplomatic posts was raised by Mr Sibraa who suggested that Australia should put in place honorary consuls wherever possible. He reported that when honorary consuls were created in Mozambique and Angola they were both 'particularly successful.'[20]

Boosting staff at Australian posts

2.23   Several witnesses suggested that the numbers of Australian-based staff in Australian posts should be increased with French speakers.

2.24   Mr Sibraa told the Committee that Australia could 'beef up existing posts in West Africa with French-speaking diplomats, as has happened in the past.'[21] Professor Ware was more specific—in addition to a new post in Addis Ababa, she suggested two more French speaking diplomats be

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17   Mr Joel Negin, *Transcript 28 April 2010,* p. 59.
18   Mr Roger Donnelly, *Transcript 7 December 2010,* p. 50.
19   DFAT, *Submission No. 113*, p. 1317.
20   Hon. Kerry Sibraa, *Transcript 28 April 2010,* p. 3.
21   Hon. Kerry Sibraa, *Transcript 28 April 2010,* p. 3.

posted to Ghana or Nigeria tasked with dealing with Francophone Africa.[22]

2.25 Professor Hawker agreed with strengthening existing posts, but did not support opening new embassies:

> I actually think, on mature reflection, that before hastening into further, new locations we should really be augmenting and strengthening what we have got, because our coverage has been attenuated. There have been some recent improvements, I admit, but these are small posts in Africa. … They are covering enormous areas. Look at what Kenya is doing.[23] I think it is better to strengthen them than try to open in Ethiopia …[24]

Committee comment

2.26 Australia's diplomatic representation on the African continent is significantly less than our major trading partners, United States, China, Japan, UK and the EU. Further Canada, the Republic of Korea and Malaysia all have substantially more, whilst Thailand and Vietnam have comparable representation.[25]

2.27 Whilst the importance of Africa and African issues internationally have increased over the past 25 years, Australia's diplomatic presence has decreased from 12 posts to 8 in the same period. (See paragraph 2.5).

2.28 Currently each of our High Commissions/Embassies, except for the recently opened embassy in Addis Ababa, represent between 4 and 11 countries. This is substantially more than occurs in other regions of the world.

2.29 The Committee notes that our diplomatic presence is concentrated in southern and eastern Africa and the former British colonies. There is a considerable gap in Francophone and Lusophone Africa.[26]

2.30 Australia relies on Canada to represent our interests in 10 of the Francophone countries. The Committee believes that this may no longer be the best strategy especially given the increasing interest that Australia

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22 Prof. Helen Ware, *Transcript 28 April 2010,* p. 23.
23 Kenya covers eight additional countries—DFAT, *Submission No. 46*, p. 515.
24 Assoc. Prof. Geoffrey Hawker, *Transcript 28 April 2010,* p. 82.
25 Embassy level (not consular) posts in Africa are: US 51; China 48; Japan 33; UK 75; EU 31; Canada 18; Republic of Korea 16; Malaysia 13; Thailand 8; and Vietnam 6.
26 Former Portuguese colonies.

has in such countries (particularly mining) and the relatively high number of DFAT staff with French language skills.

2.31   The Committee agrees with comments that opening new diplomatic posts in Africa demonstrates a commitment to the continent and provides valuable assistance to Australian companies investing in and trading with African countries.

2.32   The Committee is pleased that the Government has re-opened the Australian embassy in Addis Ababa, Ethiopia. Addis Ababa is the location of the headquarters of the AU and diplomatic representation from many other countries both from within Africa and the rest of the world. The Committee notes that there are 88 embassies in Addis Ababa, of which 54 are from countries outside of Africa.

2.33   Opening an additional post in a French speaking west African country would seem to the Committee to be the next step. In this regard, the Committee recognises the fiscal constraints faced by the Government so any new post should only be opened after serious consideration. In coming to this view, the Committee recognises that there are competing demands for increased diplomatic representation in other regions particularly eastern Europe and Latin America.

2.34   The Committee notes the recent review by its Foreign Affairs Sub-Committee of DFAT's *Annual Report 2009–10* and the proposal by the Sub-Committee for a broad–ranging inquiry into Australia's diplomatic representation.

2.35   In the immediate term, the Government should increase the number of French-speaking Australian-based staff at its posts serving Francophone Africa. As well, the Committee believes the creation of honorary consuls to be a cost-effective way to boost Australia's presence and considers the number should be increased from the current seven.

2.36   The Committee Delegation noted during its visit to Africa that embassy staff in South Africa, Zimbabwe, Ghana, and Ethiopia face serious constraints due to inadequate accommodation. Consideration should be given to improving the standard of accommodation at these posts, especially if Australian representation is to be increased.

Recommendation 1

2.37   **The Department of Foreign Affairs and Trade should undertake a comprehensive review of Australia's diplomatic representation in Africa with a view to opening an additional post in Francophone Africa.**

Recommendation 2

2.38   **The Department of Foreign Affairs and Trade should, pending the implementation of Recommendation 1, increase the number of Australia-based French speaking diplomatic staff in its West African High Commissions. They should have specific responsibility for covering Australia's interests in Francophone West African countries.**

Recommendation 3

2.39   **As a short to medium term measure, the Department of Foreign Affairs and Trade should increase the number of honorary consuls appointed to represent Australia in African countries.**

Parliamentary links

2.40   The Commonwealth Parliament facilitates inter-Parliamentary links through supporting delegation visits from overseas parliaments and Australian parliamentary delegations travelling abroad. It also supports the attendance of Australian parliamentarians at the International Parliamentary Union (IPU) and Commonwealth Parliamentary Association (CPA) conferences.

2.41   In the 42nd Parliament there were:

   - 13 incoming delegations from Africa;[27] and

   - 13 outgoing delegations to:

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27   African Union Commission, Ghana, Kenya (2), Morocco, Nigeria, Rwanda, South Africa, Tanzania (2), Uganda, Zambia, Zimbabwe. The total number of incoming delegations was 103.

> ⇒ 7 Commonwealth related meetings;[28]
>
> ⇒ 4 IPU related meetings;[29] and
>
> ⇒ Egypt and Rwanda.

2.42   In the 43rd Parliament, to May 2011 there were:

- 1 incoming delegation from Malawi; and

- 2 outgoing delegations to:

    ⇒ 1 Commonwealth Parliamentary Conference; and

    ⇒ the recent Committee Delegation's visit to South Africa, Zimbabwe, Ghana, and Ethiopia.[30]

2.43   The value of these visits was expressed by the Nigerian High Commissioner who advised the Committee that the visits afforded:

> … Nigeria's Parliamentarians and top government policy makers the opportunity to learn or draw from Australia's best Parliamentary and law-making processes and practices with a view to improving and enriching Nigeria's democratic processes, governance, transparency and public accountability.[31]

2.44   It was suggested by the Kenyan High Commissioner, however, that the Australian Parliament could do more to establish direct links with African parliaments:

> The Kenyan Parliament, for instance, is undergoing reforms and the current focus is to strengthen the capacity of its personnel and modernise its resource base; library, and live coverage of proceedings. In addition, the new draft constitution of Kenya proposes the establishment of a two-tier parliament. This provides an avenue for further cooperation and sharing of experiences with the Australian Parliament.[32]

2.45   A further suggestion from the South African High Commissioner was that Australia could assist the Pan African Parliament. The institution was 'in its infancy and could play an important role in good governance, peace and stability on the African continent in the future.'[33]

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28 Commonwealth Parliamentary Conference (2), CPA (2), CPA Executive (2), Commonwealth Speakers and Presiding Officers Conference.

29 IPU Assembly (3), IPU Executive. The total number of outgoing delegations was 57.

30 <http://www.aph.gov.au/house/info/pro/index.htm> Accessed May 2011.

31 Nigeria High Commission, Canberra, *Submission No. 18*, p. 142.

32 HE Mr Stephen K. Tarus, Kenyon High Commissioner, *Submission No. 25*, p. 185.

33 South African High Commission, *Submission No. 23,* p. 176.

2.46   Australia also has multilateral links with African countries through the
        IPU and CPA, but evidence to the inquiry suggests this link is becoming
        less effective because of the tendency for the organisations to move
        towards non-consensus decision making, and block voting.[34]

2.47   The Australian Parliament has 89 parliamentary friendship groups with
        other countries, 8 of which are in Africa.[35]

2.48   During its visit to Ghana the Committee Delegation met with the Second
        Deputy Speaker of the Ghanaian Parliament, and members of the
        Ghanaian Select Committee on Foreign Affairs, Defence and Trade. The
        Ghanaian Members of Parliament were keen to establish an Australia-
        Ghana Parliamentary Friendship Group.

Committee comment

2.49   It is clear to the Committee that while there is a reasonable number of
        incoming delegations from a broad range of African countries there is a
        dearth of Australian delegations visiting African countries. Apart from
        this Committee Delegation's recent visit, since 2004 there have been just
        two outgoing bilateral delegations to sub-Saharan countries—to Kenya
        and Mozambique in 2004; and to Rwanda and Tanzania in 2009.
        Attendance at CPA and IPU meetings, while facilitating contact with
        African nations, does not permit the in-depth interaction at the various
        levels of government that a bilateral visit to a particular country allows.

2.50   Parliamentary friendship groups are an effective process for establishing
        personal links between parliamentarians. The Committee believes there
        should be a parliamentary friendship group with Ghana.

2.51   The Committee notes that processes are under way within the Parliament
        to establish an Australia-Africa Parliamentary Friendship Group. It is
        hoped this will be the conduit for increased interaction between
        Australian parliamentarians and African parliamentarians, diplomats and
        others with an interest in Africa from across the spectrum of business,
        academia, and civil society, including African migrant communities in
        Australia and NGOs that have significant operations in Africa.

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34   *Transcript 20 April 2010,* p. 73; Dr Hugh Craft, *Transcript 20 April 2010,* p. 74.
35   Egypt, Eritrea, Mauritius, Morocco, Nigeria, South Africa, Uganda, and Zimbabwe.

Recommendation 4

2.52   **The Government should increase the number of Australian parliamentary delegations to specific African countries particularly to those with increasing significance to Australia.**

Government links

2.53   Government to government links can occur at different levels including:

- bilateral treaties and memorandum of understanding (MoU);

- engagement in multilateral forums;

- visits by overseas and Australian government ministers; and

- links at government officials level.

Treaties and memoranda of understanding

2.54   The Australian Government has few treaty level agreements or MoUs with African countries. Those that exist include:

- A treaty-level *Agreement on Scientific and Technological Cooperation between the Government of the Republic of South Africa and the Government of Australia*, signed in 2006. This has led to a *Program of Cooperation*, signed in 2009.[36]

- A Search and Rescue (SAR) Arrangement with South Africa covering maritime and aviation SAR.

- Air services arrangements with five African countries: South Africa, Mauritius, Egypt, Kenya, and Zimbabwe. [37]

- Four MoUs concerning the live animal trade with Egypt (2), Libya, and Sudan.[38]

2.55   In addition, the South African High Commissioner advised the Committee that there was an MoU between the Queensland Government and the South African province of KwaZulu-Natal.[39]

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36   Department of Innovation, Industry, Science and Research, *Submission No. 8*, p. 79.

37   Department of Infrastructure, Transport, Regional Development and Local Government, *Submission No. 9*, p. 87.

38   Department of Agriculture, Fisheries and Forestry, *Submission No. 26*, p. 196.

Engagement in multilateral forums

2.56   The Australian Government engages the countries of Africa through a number of multilateral forums, including the Commonwealth and its bodies such as the Commonwealth Heads of Government Meeting (CHOGM), and Commonwealth Ministerial Action Group (CMAG). Australia also interacts with African countries through membership of the United Nations.

Commonwealth Heads of Government Meeting

2.57   CHOGM meets biennially and comprises a membership of 54 Commonwealth countries, 19 of which are African states. The next CHOGM is in Perth in October 2011.

2.58   The Commonwealth Round Table (CRT) was very supportive of CHOGM, commenting that it had 'almost made the Commonwealth a progenitor in terms of modern international summitry' because there was always an attempt to arrive at a consensus view. There were weaknesses of relying on consensus, but the CRT added there was 'no vote taken, there [were] no block movements'. Such a style of meeting was 'being picked up and followed by the G8 and G20, by APEC'—it was 'one of the preferred modes of modern multilateral summitry for leaders to sit around a table and arrive at a consensus positions and then carry them forward elsewhere.'[40]

2.59   Not only is CHOGM a meeting of governments, the CRT told the Committee, but it is also a catalyst for a host of side meetings:

> In fact, one of the real problems for those associated with organising CHOGMs these days is handling all that happens on the periphery of CHOGMs in addition to the summits themselves.

> As to the African content, … the numbers of African representations to all of those peripheral meetings, which are basically cultural, educational and advocacy around the Commonwealth for civil society groups, are increasing and therefore the issues are becoming more advanced.[41]

2.60   Also occurring at CHOGM will be three parallel forums—business, people, and youth. The business forum will provide the opportunity for meetings between business leaders and African ministers and officials.

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39   HE Mr Lenin Shope, *Transcript 20 April 2010,* p. 40.

40   Dr Hugh Craft, *Transcript 20 April 2010,* p. 74.

41   Dr Hugh Craft, *Transcript 20 April 2010,* p. 75.

Commonwealth Ministerial Action Group

2.61   The Commonwealth Ministerial Action Group (CMAG) was established at the 1995 CHOGM in New Zealand to deal with:

> … 'serious or persistent violations' of the principles contained in the 1991 Harare Declaration. In this Declaration, Heads of Government reaffirmed their commitment to work 'with renewed vigour' to protect and promote 'the fundamental political values of the Commonwealth'.

2.62   CMAG assesses 'the nature of any infringement of the Commonwealth's political values and [can] recommend measures for collective action from member countries.'

2.63   CMAG is convened by the Commonwealth Secretary-General and comprises representatives of the Commonwealth's Chairperson-in-Office, and a rotating group of Foreign Ministers from eight countries.' CMAG is reconstituted at every CHOGM and 'Ministers generally serve two terms.'

2.64   The group is unique among international organisations because it has the authority to suspend a member country.[42]

Representation at the United Nations

2.65   During the inquiry it was suggested to the Committee that Australia's refocusing on Africa was in part motivated by the seeking of African support for Australia's bid for a non-permanent seat on the UN Security Council.

2.66   The South African High Commission commented that, while Australia's re-engagement with Africa was welcome, there was:

> ... a lingering sense among some that the re-engagement with Africa is fuelled primarily by a desire to secure the African vote for its 2013/14 candidature for the non-permanent seat on the Security Council ...[43]

2.67   Mr Negin told the Committee that:

> There has been a lot of criticism in the media ... suggesting that the only or main reason for engagement with Africa is to win Security Council votes. Firstly, I think the tone of that question, to begin with, is not one I am particularly fond of: to suggest

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42   http://www.thecommonwealth.org/Internal/190691/190842/the_commonwealth_minist erial_action_group_s__cmag/ > Accessed March 2011.

43   South African High Commission, *Submission No. 23,* p. 175.

that throwing what is a tiny amount of money to a few African countries will automatically sway their votes, as if there are no critical analytic diplomatic communities in those countries.[44]

2.68   Furthermore, when it came to such an approach being effective, Mr Negin commented:

> ... if we think that providing additional aid to Africa is going to be the swaying factor, I think we are doing quite a bad job of it. Even if we just look at the basic figures, in OECD data on overseas development assistance, in 2008 Australia gave $80 million to Africa in ODA. Our competitors were the immense powers of Luxembourg and Finland. Luxembourg gave $137 million and Finland gave $262 million. So, if we are providing aid to Africa only to win Security Council seats, we have not done our homework and we are not even giving enough to beat Luxembourg.[45]

2.69   The Hon. Kerry Sibraa noted that previous bids for a Security Council seat were not helped by the lack of Australian interest in Africa. He added that Australia's motivation will be clarified after the decision on the bid is handed down in 2012:

> After this current Security Council campaign is over, if we do not continue on, that is exactly how we will be seen. … our commitment has to stay or else we will be perceived as just running for a Security Council seat.[46]

Committee comment

2.70   The Committee is of the firm view that Australia's increased interest in Africa is not motivated by its seeking a seat on the UN Security Council. Rather, it is motivated by a commitment to contribute to the development of the continent including through trade and investment, education and research links, and achieving progress towards the MDGs. As Mr Negin noted, if the aim was to buy a place through the aid dollar, that strategy would be ineffective. The Committee considers Australia has a long-term commitment to the continent.

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44   Mr Joel Negin, *Transcript, 28 April 2010*, p. 62.
45   Mr Joel Negin, *Transcript, 28 April 2010*, p. 62.
46   Hon. Kerry Sibraa, *Transcript, 28 April 2010*, p. 15.

Meetings involving heads of state and government ministers

2.71   DFAT advised that in 2009 the following meetings had occurred at head of state and government minister level:

- January—the Foreign Minister had addressed the AU Summit meeting in Addis Ababa;

- February—the Defence Minister visited the AU Headquarters and met with his Ugandan counterpart, senior AU representatives, and African ambassadors to the AU;

- March/April—the Governor General visited 10 countries in Africa;[47]

- July—the Foreign Minister met with African counterparts at the Summit of the Non-Aligned Movement;

- September—the Foreign Minister met with African counterparts at the UN General Assembly;

- November—the Parliamentary Secretary for International Development Assistance visited Kenya, Malawi, South Africa, and Uganda; and

- November—the Foreign Minister met with African counterparts at the Commonwealth Foreign Ministers' Meeting.[48]

2.72   In addition, in 2009 the Foreign Ministers for Botswana, Kenya, Mozambique, Rwanda, and Tanzania visited Australia.[49]

2.73   In 2010 the meetings were:

- January—the Foreign Minister visited Botswana and South Africa;

- January—the Trade Minister attended the Mining Indaba Conference in South Africa meeting ministers from eight African countries;

- June—the Sports Minister attended the football World Cup in South Africa;

- June—the Environment Minister attended the International Whaling Commission Conference in Morocco; and

- December—the Foreign Minister visited Egypt.

2.74   In 2011 the meetings were:

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47   Botswana, Ethiopia, Kenya, Mauritius, Mozambique, Namibia, Seychelles, South Africa, Tanzania, and Zambia.

48   DFAT, *Submission No. 46*, p. 496.

49   DFAT, *Submission No. 46*, p. 496.

- January — the Foreign Minister visited Ethiopia and also attended the Executive Council meeting of the EU Summit;

- February — the Foreign Minister attended the UN Secretary-General's High Level Panel on Global Sustainability;

- February/March — the Foreign Minister visited Egypt; and

- March — the Foreign Minister visited Tunisia.

Links at officials level

2.75   The Committee has received information from Australian Government agencies on the links they have at officials level with various African nations. These are either bilateral or multilateral due to common membership of multilateral organisations. The links described to the Committee were:

- Department of Agriculture, Fisheries and Forestry:
  ⇒ common membership with African countries on the Indian Ocean Tuna Commission and the Indian Ocean Rim — Association for Regional Cooperation;[50]

- Department of Defence:
  ⇒ provision of training to select African Forces and AU personnel;
  ⇒ training opportunities offered under the Defence Cooperation Program to Botswana, Kenya, South Africa, and Uganda;
  ⇒ appointment of a Defence Attaché to the AU; and
  ⇒ deployment of an officer to the UN Department of Peacekeeping Operations as a maritime counter-piracy planner;[51]

- Department of Education, Employment and Workplace Relations:
  ⇒ meeting a delegation from Ethiopian Ministry of Education in 2008;
  ⇒ meeting a delegation from the Botswana Education Hub in 2009 which was interested in developing Botswana into an education hub in the region;

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50   DAAF, *Submission No. 26*, p. 196.
51   Defence, *Submission No. 30*, pp. 221–2.

⇒ hosting in 2010 a delegation from the South African Department of Education responsible for establishing a National Education Evaluation Unit; and

⇒ common membership with African countries of the International Labour Organisation;[52]

■ Department of Immigration and Citizenship:

⇒ hosting a visit in 2009 by a South African delegation to discuss Australia's Advance Passenger Processing System;

⇒ cooperation with Botswana, Mauritius and North African countries on immigration and visa issues;

⇒ hosting on a rotating basis the thrice yearly Immigration Liaison Kenya meeting involving Ethiopia, Ghana, and Kenya;

⇒ hosting a study tour by a Rwandan Directorate General of Immigration and Emigration senior official with the aim of Rwandan capacity building; and

⇒ liaison with African countries and diplomatic posts in Australia in order to verify the travel documents of Africans visiting Australia;[53]

■ Department of Infrastructure, Transport, Regional Development and Local Government:

⇒ International Civil Aviation Organisation—common membership alongside seven African states on the 36 member permanent Council;

⇒ International Maritime Organisation—occasional technical cooperation with some African countries through the Indian Ocean MoU; and a search and rescue arrangement with South Africa; and

⇒ advice to the South African Bureau of Standards on Australia's vehicle regulation and Road Vehicle Certification System;[54,55]

■ Department of Innovation Industry, Science and Research:

⇒ National Measurement Institute—links with the South African National Metrology Institute;

⇒ Australian Nuclear Science and Technology Organisation—links with the South African Nuclear Energy Corporation; and

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52   DEEWR, *Submission No. 38*, pp. 333–5.

53   DIAC, *Submission No. 42*, pp. 432–3.

54   DITRDG, *Submission No. 9*, pp. 86–7.

55   DITRDG, *Submission No. 67*, pp. 399–400.

⇒ IP Australia—links with the South African Companies and Intellectual Property Registration Office;[56]

■ Department of Resources, Energy and Tourism:

⇒ common membership with African countries of the International Energy Agency, International Renewable Energy Agency, and the Global Carbon Capture and Storage Institute; and

⇒ common membership with African countries of the UN World Tourism Organisation.[57]

■ Australian Centre for International Agricultural Research

⇒ conducts research with bilateral and multilateral partners, such as the International Livestock Research Institute, the World Agroforestry Centre, the International Institute of Tropical Agriculture, the International Crops Research Institute for the Semi-Arid Tropics, and the International Maize and Wheat Improvement Centre.

2.76   In addition, the submission from the Government of Western Australia detailed links between the West Australian Museum and the Natal Museum and South African Institute of Aquatic Biology.[58]

2.77   Finally, Australian officials regularly meet their African counterparts at the Africa Downunder Conference held annually in Perth, and the Mining Indaba conference held annually in South Africa.

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56   DIISR, *Submission No. 8*, pp. 81–2.
57   DRET, *Submission No. 36*, p. 270.
58   Government of Western Australia, *Submission No. 49*, p. 605.

3

Australia's Aid Program

Introduction

3.1   This chapter examines Australia's aid program in Africa. It begins with a discussion of the international agreements and declarations that inform Australia's aid program. The Chapter then discusses Australia's Official Development Assistance (ODA) to Africa, as well as NGO and private sector initiatives. Next, some important criticisms that arose during the inquiry are examined. The Chapter concludes with a discussion of the responses to these criticisms.

3.2   Australia's aid program more generally has been significantly influenced by the following agreements and declarations:

- The Paris Declaration;
- The Accra Agenda for Action; and
- The Millennium Development Goals.

The Paris Declaration

3.3   The Paris Declaration was endorsed by over 100 countries in March 2005. It aims at increasing aid effectiveness, and commits 'countries and organisations to continue to increase efforts in harmonisation, alignment and managing aid' through five principles. These principles are:

- Ownership. 'Developing countries set their own strategies for poverty reduction, improve their institutions and tackle corruption'.

- Alignment. 'Donor countries align behind these objectives and use local systems'.

- Harmonisation. 'Donor countries coordinate, simplify procedures and share information to avoid duplication'.

- Results. 'Developing countries and donors shift focus to development results and results get measured'.

- Mutual accountability. 'Donors and partners are accountable for development results'.[1]

The Accra Agenda for Action

3.4   The Accra Agenda arose in 2008 in order to build on the Paris Declaration, and accelerate progress towards increased aid effectiveness. It added four more elements to the Paris Declaration, which are:

- Predictability. 'Donors will provide 3 — 5 year forward information on their planned aid to partner countries'.

- Country systems. 'Partner country systems will be used to deliver aid as the first option, rather than donor systems'.

- Conditionality. 'Donors will switch from reliance on prescriptive conditions about how and when aid money is spent to conditions based on the developing country's own development objectives'.

- Untying. 'Donors will relax restrictions that prevent developing countries from buying the goods and services they need from whomever and wherever they can get the best quality at the lowest price'.[2]

The Millennium Development Goals

3.5   The Paris Declaration and the Accra Agenda were designed, in part, to support faster progress towards the achievement of the Millennium

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1   Organisation for Economic Cooperation and Development (OECD) website, <http://www.oecd.org/document/18/0,3343,en_2649_3236398_35401554_1_1_1_1,00.html> Accessed January 2011.
2   Organisation for Economic Cooperation and Development (OECD) website, <http://www.oecd.org/document/18/0,3343,en_2649_3236398_35401554_1_1_1_1,00.html> Accessed January 2011.

Development Goals (MGDs) through increased effectiveness of aid. The MDGs were agreed to in September 2000 by the member states of the United Nations, and consist of eight goals. They were formulated along with quantitative measures of their success, with the intention of that they be achieved by 2015.

3.6   The MDGs are:

- (MDG 1) Eradicate extreme hunger and poverty. Firstly, this is to be achieved by halving, between 1990 and 2015, both the proportion of people earning less than $1 a day and the proportion of people suffering from hunger; and secondly through the achievement of 'full and productive employment' for every person.

- (MDG 2) Achieve universal primary education. This goal will be achieved by ensuring that every child in the world will 'be able to complete a full course of primary schooling'.

- (MDG 3) Promote gender equality and empower women. This goal is to be achieved by eliminating the disparity between men and women in primary and secondary education. It was to have been achieved by 2005, or failing that, by 2015.

- (MDG 4) Reduce child mortality. This goal is to be achieved by a two-thirds reduction in the 1990 under-five mortality rate by 2015.

- (MDG 5) Improve maternal health. This goal is to be achieved by a two-thirds reduction in the 1990 maternal mortality ratio by 2015, and achieve universal access to maternal health.

- (MDG 6) Combat HIV/AIDS, malaria and other diseases. This goal is to be achieved by halting and reversing the spread of HIV/AIDS and malaria. Furthermore, there should be access to HIV/AIDS treatment to those affected by 2010.

- (MDG 7) Ensure environmental sustainability. There are several facets to this MDG:
  - ⇒ reverse the loss of environmental resources by ensuring sustainability is integrated into country and donor policies and programs;
  - ⇒ achieve by 2010, a 'significant reduction in the rate of loss' of biodiversity;
  - ⇒ halve the proportion of people without access to safe drinking water by 2015; and

⇒ achieve by 2020, a 'significant improvement in the lives of at least 100 million slum dwellers'.

- ◾ (MDG 8) Develop a global partnership for development. Again, this MDG has several facets:

  ⇒ 'address the special needs of least developed countries, landlocked countries, and small island developing states';

  ⇒ 'develop an open, rule-based, predictable, non-discriminatory trading system';

  ⇒ 'deal comprehensively with developing countries' debt';

  ⇒ ensure access to affordable life-saving medicines in developing countries, by working with pharmaceutical companies; and

  ⇒ make available to benefits of technological developments, particularly information and communications technology, with the cooperation of the private sector.[3]

3.7 Countries and institutions in Africa are committed to the MDGs. In 2007, the African Union (AU) and the United Nations convened the MDG Africa Steering Group to 'bring together the leaders of multilateral development organisations to identify' practical steps that could be taken towards achieving the MDGs.[4]

3.8 The Australian Agency for International Development (AusAID) noted during the inquiry that most of the countries of Sub-Saharan Africa 'are not on track to meet the MDGs by 2015', and that MDGs 1,4,5,6 and 7 are 'particularly off track'.[5]

3.9 AusAID advised the Committee that Australia, recognising 'the importance of partners in delivering' its aid program, was committed to working with multilateral and regional partners such as the UN, AU, the Economic Community of West African States (ECOWAS) and the Southern African Development Community (SADC).[6] This also accords with the Paris Declaration and the Accra Accord. In this regard, AusAID was also working to provide targeted bilateral aid in priority areas and sectors, and was also working to 'develop effective partnerships with other like-minded bilateral donors'.[7]

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3   AusAID website, <http://www.ausaid.gov.au/keyaid/mdg.cfm> Accessed January 2011.

4   MDG Africa Steering Group website, <http://www.mdgafrica.org/> Accessed February 2011.

5   AusAID, *Submission No. 45*, p. 563.

6   AusAID, *Submission No. 45*, p. 569.

7   AusAID, *Submission No. 45*, p. 569.

Committee Comment

3.10   The Committee notes the value of using the MDGs as a guide to the provision of development assistance. Furthermore, the MDGs focus aid in such a way that it will do the most good in terms of alleviating suffering and poverty.

3.11   The Accra Accord, while providing more certainty to developing countries in terms of aid predictability, does potentially carry some drawbacks, particularly in Africa. Decreasing conditionality and utilising country systems has the potential to increase the scope for corruption, especially in countries where corruption is widespread or endemic.

3.12   However, using country systems also helps to target aid where it is most effective, because African countries are better placed to determine where aid should be targeted than outsiders. Furthermore, decreased conditionality and untying of aid allows the flexibility required to use aid money as efficiently and effectively as possible.

Australian Aid to Africa

3.13   The Australian Government and Australian companies and citizens provide three types of aid to Africa:

- official development assistance;

- aid money donated and administered by NGOs; and

- individual and private sector initiatives.

Official Development Assistance

3.14   Australia's ODA to Africa, administered by AusAID, in the past has been modest, but it has been increasing in recent years. Budget papers for 2011–12 show actual AusAID expenditure on Africa in 2009–10 was $103 million; the estimated outcome for 2010–11 was $173 million; and the Budget estimate for 2011–12 was $218 million.[8]

3.15   If the activities of other Australian Government agencies which can be classified as ODA are included, the figures increase. For example, the actual ODA expenditure for 2009–10 rises to $170 million (compared to the

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8   Budget Australia's International Development Assistance Program, Statement by Hon. Kevin Rudd MP, Minister for Foreign Affairs, 10 May 2011, p. 126.

$103 million AusAID component).[9] This constitutes about five percent of Australia's overall aid budget.[10] In comparison, Australian ODA constitutes less than one percent of the total annual ODA provided to Africa.[11]

3.16   In line with this modest contribution, AusAID employs 26 people in Africa, including 10 "aid based and locally engaged staff'.[12]

3.17   In delivering ODA to Africa, given Australia's 'comparatively modest' contribution, AusAID focuses its efforts both geographically and, in terms of the MDGs, on four of the MDGs. The aim is to utilise Australia's comparative advantage in the following three areas:

- agriculture and food security;

- water and sanitation; and

- maternal and child health.[13]

3.18   Australia's ODA is delivered primarily 'through partnerships with organisations that have experience or expertise in the areas of focus'. These organisations include:

- African institutions;

- multilateral and bilateral donors;

- NGOs;

- community based organisations; and

- Australian institutions.[14]

Agriculture and Food Security

3.19   Sub-Saharan Africa has the highest rate of food insecurity in the world. Given Australia's 'expertise and experience in agricultural research', a large part of AusAID's activities in Africa are focused on agriculture and food production in support of MDG 1. This initiative is focused on:

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9   AusAID, *Submission No. 107*, p. 1305.
10   AusAID, *Transcript 20 April 2010*, p. 3.
11   AusAID, *Submission No. 92*, p. 1008.
12   AusAID, *Transcript 20 April 2010*, p. 7.
13   AusAID, *Submission No. 47*, pp. 564–5; see also AusAID, *Looking West: Australia's strategic approach to aid in Africa 2011-2015*, December 2010.
14   AusAID, *Looking West: Australia's strategic approach to aid in Africa 2011-2015*, December 2010, p. 15.

- increasing agricultural productivity;

- improving livelihoods by assisting 'to address market failures' hindering rural development; and

- 'supporting social protection mechanisms such as school feeding programs'.[15]

3.20 Delivery is through a variety of means. AusAID channels some of the assistance through NGOs working in communities to help improve small farmers' incomes. Some of the aid is used to fund projects run by the Australian Centre for International Agricultural Research (ACIAR), which is engaged in several projects in southern Africa.[16]

3.21 AusAID also assists in capacity building in key regional organisations focused on improving agricultural production in nearly all of the regions of Sub-Saharan Africa.[17] Direct food aid is given to Zimbabwe as part of a wider bilateral program. (Zimbabwe is the largest recipient of Australian bilateral assistance on the African continent.)[18]

Water and Sanitation

3.22 Given that as many as 42 per cent of Sub-Saharan Africans live without access to safe drinking water, and 69 per cent live without access to basic sanitation,[19] AusAID focuses on 'infrastructure investments aimed at improving access to clean water and sanitation', particularly outside the larger cities. This targets MDG 7. Again, AusAID delivers this assistance through a variety of means.

3.23 Some of this assistance is channelled bilaterally. Mozambique has been the 'prime focus' due to its having one of the lowest water and sanitation coverage rates in the region — only 47 percent of its population has access to safe water.[20]

3.24 Funds for sanitation and clean water are also used to support regional initiatives, such as the World Bank's Water and Sanitation Program. Finally, some of the funding goes to support the activities of Australian

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15 AusAID, *Submission No. 47*, p. 570.

16 ACIAR, *Submission No. 27*, p. 209.

17 AusAID, *Submission No. 47*, p. 570.

18 AusAID, *Submission No. 47*, p. 583.

19 AusAID, *Submission No. 47*, p. 565.

20 AusAID, *Looking West: Australia's strategic approach to aid in Africa 2011-2015*, December 2010, p. 10.

and international NGOs in Africa focused on the urban poor and 'remote and island areas'.[21]

Maternal and Child Health

3.25   There has been very little progress towards MDGs 4 and 5 in Africa as a whole, and Sub-Saharan Africa and the Horn of Africa regions have 'some of the world's starkest indicators for child and maternal mortality'. Thus AusAID is looking to expand Australia's focus from mothers and children living with HIV/AIDS and obstetric fistula and reproductive health to assistance related to health worker training.[22]

3.26   Since 1984, Australia has been one of the major contributors to the Hamlin Fistula Hospital in Addis Ababa. This hospital focuses on both treatment of obstetric fistula and training midwives, and treats more than 2500 women per year.[23] AusAID plans to continue this support into the future.[24]

3.27   Further information on the Hamlin hospital is provided at paragraph 3.79 where the Committee discusses its Delegation's visit to Africa.

3.28   At the present time, other assistance goes directly to 'select countries', namely Ethiopia, Tanzania and Southern Sudan. It includes bilateral assistance to partner governments and assistance channelled through NGOs. AusAID also works with multilateral partners like the AU to 'support its continent-wide advocacy on maternal and child health'.[25]

Other Areas of Focus

3.29   In addition to these AusAID programs, Australia has provided funding to various NGOs, largely through the Australian Partnerships with African Communities (APAC) program. This program ran from 2004-10, and was used to support six Australian NGOs working in seven African countries.[26]

3.30   AusAID also supports capacity building in African countries. This is largely conducted through the Australia-Africa Partnerships Facility, which helps to 'develop the capacity of African governments and

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21   AusAID, *Submission No. 47*, p. 572.

22   AusAID, *Submission No. 47*, pp. 571–4.

23   AusAID, *Submission No. 47*, p. 573.

24   AusAID, *Looking West: Australia's strategic approach to aid in Africa 2011-2015*, December 2010, p. 10.

25   AusAID, *Looking West: Australia's strategic approach to aid in Africa 2011-2015*, December 2010, p. 10.

26   AusAID, *Submission No. 47*, p. 575.

institutions' through the provision of technical assistance, inter-agency cooperation, and education programs.[27] The capacity building program focuses on the following sectors:

- minerals and energy resources; and

- 'aid for trade', or improving market access and trade liberalisation to build competitive economies.[28]

3.31 Complementary to this capacity building is a program focused on building the human resource capacity of Africa. This is largely conducted through various education programs. One such program focuses on scholarships for African students. This program is set to expand over the next several years, increasing from 109 students in 2009, to 250 in 2010, and ultimately to over 1000 by 2013.[29] Currently 19 countries benefit from these scholarships, and as the program expands so will the number of countries involved.[30]

3.32 Through the UN, World Bank, and SADC, Australia has contributed aid and assistance to help combat climate change and its effects.[31]

3.33 Australia is also involved in peace building and facilitation efforts on the African continent through its aid program. This is largely conducted through the UN and AU. An example of these efforts can be found in Australia's role in the March 2010 Addis Ababa symposium on peacekeeping challenges, led by the AU.[32]

3.34 As mentioned above, Zimbabwe is the largest single recipient of Australian bilateral and humanitarian aid in Africa. In recognition that the Inclusive Government formed in 2009 is Zimbabwe's best chance for the future, Australia has delivered significant amounts of food aid and assistance with water and sanitation systems. In this regard, in 2009 Australia announced that it would provide $39 million of assistance in these areas.[33]

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27 AusAID, *Submission No. 47*, pp. 575–6.
28 AusAID, *Submission No. 47*, p. 577.
29 AusAID, *Submission No. 47*, p. 578.
30 AusAID, *Looking West: Australia's strategic approach to aid in Africa 2011-2015*, December 2010, p. 12.
31 AusAID, *Submission No. 47*, p. 582.
32 AusAID, *Submission No. 47*, pp. 582—3.
33 AusAID, *Submission No. 47*, pp. 583—4.

Comments from Australian NGOs

3.35   NGOs made a number of criticisms and recommendations in relation to Australia's ODA in Africa.

3.36   The Australian Council for International Development (ACFID) was critical of some aspects of Australia's proposed future aid program in Africa. Comments were based on input from ACFID's Africa Working Group, which has representatives from 30 ACFID-member NGOs active in Africa.[34]

3.37   The specific criticisms relate to:

- the AusAID focus on just four MDGs;

- the efficacy of technical assistance in building capacity;

- the predictability of aid;

- the number of Australian NGOs supported by AusAID; and

- the delivery of aid bilaterally and multilaterally.

Restricted aid focus

3.38   In relation to Australia's focus on four MDGs in delivering ODA to Africa, ACFID told the Committee:

> The four MDGs identified by AusAID as a basis for the Framework are important but the ACFID Africa Working Group believes that these alone are too narrow, as the MDGS are really an important global communication tool (which ACFID strongly supports), but not necessarily a basis for aid programming in complex environments on their own. It is unclear whether it is intended that the MDG targets are the focus, or whether the MDGs are being used as a shorthand description for the broader sector of which the MDG target is one part.[35]

3.39   As such, ACFID recommended that the focus of Australia's aid program be broadened to include 'areas where Australian NGOs have programs and expertise', such as:

> HIV and AIDS, active citizenship and civil society building, gender and rights, security and peace building, climate change [and] youth.[36]

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34   ACFID, *Submission No. 37*, p. 274.

35   ACFID, *Submission No. 37*, pp. 285.

36   ACFID, *Submission No. 37*, p. 285.

3.40   AusAID's response was that these MDGs were used because they reflect 'the critical needs of African countries, Australian expertise and experience and ability to make a difference'.[37]

Technical Assistance

3.41   ACFID raised questions about the efficacy of technical assistance in building capacity in developing countries, particularly in relation to driving positive change at the community level. As such it recommended 'not overly investing in technical assistance programs in Africa'. It also noted that Australian NGOs 'are well placed to deliver quality programs at [the community] level and have a track record of success'.[38]

3.42   AusAID responded by saying that, while technical assistance is not 'a large component of the aid program's investment in Africa', its use:

> Reflects the fact that Australia's aid program is concentrated in fragile and conflict-affected countries where government systems and capacities are weak and relevant expertise is not available locally.[39]

3.43   Furthermore, AusAID contended that technical assistance where it is provided is just 'one element in a suite of activities' designed to achieve the outcomes outlined above.[40]

Aid Predictability

3.44   ACFID recommended that, in line with the Paris Declaration, improvements should be made to the predictability of aid through the provision of:

- full information on annual commitments and actual disbursements so that the countries of Africa are in a position to accurately record all aid flows in the budget estimates and their accounting systems, and
- regular information on their rolling three- to five-year forward expenditure and/or implementation plans, with at least indicative resource allocations.[41]

3.45   AusAID responded that it does publish budget information including 'multi-year budget measures' and 'total estimated budget allocations'. Furthermore, its Annual Report contains information on expenditure. In

37   AusAID, *Submission No. 92*, p. 987.
38   ACFID, *Submission No. 37*, p. 287.
39   AusAID, *Submission No. 92*, p. 1006.
40   AusAID, *Submission No. 92*, p. 1006.
41   ACFID, *Submission No. 37*, p. 283.

the three sectors that AusAID focuses on, large multi-year programs are being developed. Finally, AusAID is a participant in the International Aid Transparency Initiative, which aims to create transparency in development assistance in terms of both donors and recipients.[42]

AusAID Funding to NGOs

3.46   ACFID also criticised the number of Australian NGOs which AusAID supported. While ACFID was supportive of the APAC program and its extension beyond 2010, it was critical of the fact that only five or six Australian NGOs were going to be part of the program, out of a possible 39 Australian NGOs active in Africa. As such, ACFID told the Committee that 'NGOs would like to see the number of organisations supported ... increase significantly from 5–6 to at least around 15–20'.[43]

3.47   AusAID told the Committee that from 2010 APAC had been replaced by the Australia Africa Community Engagement Scheme (AACES). This program:

> Will be implemented through a management model of $5-8$ partnerships between AusAID and Australian NGOs. The final number of selected proposals could go up by one or two depending on the quality and nature of the proposals received. The program is not just a funding mechanism, but is aimed at establishing strategic partnerships with NGOs working in Africa while supporting the key priorities of the Australian Government to scale up our aid program in Africa. A large number of partnerships would not provide the necessary coherence and opportunities for strategic level engagement between AusAID and the NGOs, and within the group of funded NGOs.[44]

Bilateral and Multilateral Channels

3.48   ACFID was critical of how Australian ODA was delivered in Africa, saying that AusAID 'overly' favoured 'channelling taxpayer funds through bilateral arrangements and multilateral institutions'. ACFID told the Committee that instead AusAID should 'prioritise increased engagement with, and support of' Australian NGOs. Furthermore, this would help promote 'the Australian identity of development programs'. [45]

42   AusAID, *Submission No. 92*, p. 984.

43   ACFID, *Submission No. 37*, p. 285.

44   AusAID, *Submission No. 92*, p. 989.

45   ACFID, *Submission No. 37*, p. 287–8.

3.49   The lack of Australian identity for some ODA contributions was brought to the Committee Delegation's attention when it visited Zimbabwe. Both Zimbabwean Government and Parliamentary members were unaware of Australia's contribution to reviewing the Zimbabwe Constitution because it had been delivered through multilateral partners. Also several of the aid projects visited by the Delegation were not 'badged' as having received Australian aid.

3.50   AusAID responded to the criticisms of aid being channelled through multilateral organisations by commenting that, in line with the Paris Declaration,

> Australia recognises that aid can be most effective where efforts are aligned with African institutions, multilateral partners and other donors ... Working through multilateral and regional partners spreads the reach and impact of Australia's aid program and provides Australia with a "seat at the table" in policy dialogue.[46]

3.51   Furthermore,

> Australian Government partnerships with multilateral, regional, or bilateral agencies include agreement to undertake efforts to achieve public recognition of the relevant partnership, and Australia's contribution to any outcomes. [...] This could include through messages/information, case studies and/or logos in: promotional materials, media releases and speeches, websites and other online media, and signage at project sites and events. Heads of Mission are also active in participating in the opening of activities.[47]

Non-Government Organisations

3.52   A large proportion of the money donated by Australians to NGOs goes to Africa. In 2008, nearly 35 percent of these funds were used in NGO programs in Africa. In dollar terms, this amounts to $280 million in 2007—8,[48] and $323 million in 2008—9.[49] This money was used to support programs in 39 African countries.[50]

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46   AusAID, *Submission No. 92*, p. 1008.
47   AusAID, *Submission No. 92*, p. 1009.
48   ACFID, *Submission No. 37*, p. 274.
49   ACFID, *ACFID Annual Report 2010*.
50   ACFID, *Submission No. 37*, p. 274.

3.53   Australian NGOs have generated considerable expertise in a few areas, and given their extensive experience on the ground in Africa are well aware of priority areas for assistance. The programs they are engaged in are varied and diverse, and include such areas as:

- HIV/AIDS and health;

- food security and emergency relief;

- refugees and internally displaced persons;

- literacy and education;

- rural development; and

- child sponsorship and children's issues more generally.[51]

3.54   CARE Australia drew attention to the ways in which Australian NGOs add value to Australia's official aid program:

- ability to build civil society capacity in African countries;

- ability to link communities to broader policy and program efforts;

- orientation towards learning, experimenting and innovation;

- ability to work in places where direct bilateral engagement is not desirable or possible;

- capacity to respond quickly and effectively to major humanitarian emergencies, and to transition to effective post-emergency recovery efforts; and

- high degree of accountability.[52]

Proposals from NGOs

3.55   ACFID made a number of recommendations, some of which are discussed above in the section on ODA. Others include:

- Concentrating on a limited geographical area within Africa, particularly those most in need of additional resources and where Australia's comparative advantage will be the greatest. ACFID proposed that Kenya, Lesotho, Malawi, Mozambique South Africa, Swaziland, Tanzania, Uganda, Zambia and Zimbabwe be prioritised.

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51   ACFID, *Submission No. 37*, Annexure A.

52   CARE Australia, *Submission No. 7*, pp. 69–60.

- Increasing 'the amount of aid channelled through civil society organisations'.

- Increasing the 2015-16 aid commitment from 0.5% to 0.7% of Gross National Income'.

- Focusing the scholarship program on education opportunities based in Africa and inter-African exchanges, and increasing the focus on retaining expertise in Africa.

- Utilising the comparative advantage developed by NGOs in the following areas:
    ⇒ multi-sector approaches at the community level;
    ⇒ sustainable livelihoods;
    ⇒ 'HIV and AIDS prevention, care, mitigation, and support';
    ⇒ the rights of women and children, and the rights of marginalised groups more generally; and
    ⇒ child survival and participation in decisions that affect them.

- Increasing the focus on adaptation to the effects of climate change.

- Strengthening the commitment to protecting 'civilians in high-risk areas', including Sudan.

- In relation to trade issues, ensuring multilateral trade agreements meet the 'human development needs of poor countries', 'reduce or eliminate agricultural subsidies', and 'acknowledge the limitations' African developing countries faced in liberalising their economies and agricultural markets.[53]

3.56   Vision 2020 proposed an increase in funding to increase the focus on preventable blindness in Africa. Building on the success of a similar program in the Asia-Pacific, Vision 2020 commented that Australia was in an ideal position to 'assume a leadership role in efforts to eliminate avoidable blindness in Africa' and 'act as a catalyst for further resource allocation from other stakeholders'.[54]

3.57   According to Vision 2020,

> The more broadly we spread our reach probably the less impact it has and the less effective it is. When we focus on those areas where

53   ACFID, *Submission No. 37*, pp. 275—7.
54   Vision 2020 Australia, *Submission No. 72*, pp. 775 & 774.

> we really are global leaders already, we can simply do more with less.[55]

3.58   To achieve this goal, Vision 2020 told the Committee it would cost around $900 million, of which it recommended that the Australian Government initially supply $30 million over four years.[56]

3.59   World Vision was very supportive of the sectoral focus of Australia's aid program, and recommended that within these sectors, AusAID focus on:

- supporting the training of midwives and health workers to expand both their number and capabilities, through both bilateral funding and scholarships;

- placing emphasis on changes in personal and community behaviour in relation to water and sanitation interventions;

- focusing agricultural interventions on using Australia's expertise in 'drylands agriculture', agricultural research and development, and increasing agricultural productivity;

- offering support for reforestation efforts and techniques;

- supporting 'disaster risk reduction approaches which incorporate civil society and governance';

- in sectoral programs, allocating resources to the protection of civilians;

- increasing the resources going to NGOs active in the Dafur region of Sudan; and

- promoting 'civic education and support to civil society organisations' through the proposed program of capacity building.[57]

3.60   In relation to these recommendations, World Vision made three proposals to the Committee. These were:

- Australian support of health worker training institutions, in particular schools of midwifery in select African countries;

- Australian support of community led health interventions in Africa; and

- Australian Government support for the delivery of the Minimum Initial Service Package[58] for reproductive health in crisis and protracted crisis African countries.[59]

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55   Vision 2020, *Transcript 8 December 2010*, p. 28.

56   Vision 2020, *Transcript 8 December 2010*, p. 27.

57   World Vision, *Submission No. 31*, p. 227.

3.61   Oxfam Australia echoed calls for increased official engagement with
        'NGOs, civil society, community leaders and citizens' in the delivery of
        assistance in Africa, adding that this would 'reinforce Australia's technical
        and capacity building expertise'. Not only would this further improve
        governance, public administration management, and local government
        administration, it would also 'strengthen Australia's engagement with
        Africa'.[60]

Committee's visit to Africa

3.62   In early April 2011, the Committee Delegation travelled to South Africa,
        Zimbabwe, Ghana and Ethiopia and visited and/or received detailed
        briefings on six activities or organisations which had been assisted by
        Australian aid money. These were:

   - the provision of 'lap desks' through a private South African company;

   - assistance to the Bulawayo City Council, Zimbabwe, for repair of the
     city sewerage system;

   - a grant to the Ebenezer Rural Agricultural Training Centre, Zimbabwe,
     to establish an tomato paste export scheme involving 180 local rural
     farmers;

   - support for the rehabilitation of the Hwange Power Station, Zimbabwe;

   - support for a Water Aid project at the Sabon Zongo urban slum in
     Accra, Ghana; and

   - a visit to the Hamlin Fistula Hospital and College of Midwives, Addis
     Ababa, Ethiopia.

3.63   Whilst in Ghana, the Delegation also met with six Australian Youth
        Ambassadors and when in South Africa met with participants in the
        Australian Volunteers Program.

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58   The Minimum Initial Service Package (MISP) is a set of priorities for reproductive health in
     conflict and crisis zones. It is designed to prevent and manage sexual violence, reduce the
     transmission of HIV, minimise maternal and neo-natal mortality, and 'plan for comprehensive
     reproductive health services'. (MISP website,
     <http://misp.rhrc.org/content/view/22/36/lang,english/> Accessed February 2011)

59   World Vision, *Submission No. 63*, p. 698.

60   Oxfam Australia, *Submission No 39*, p. 353.

The Lapdesk Company

3.64   Responding to a significant proportion of school children in South Africa who do not have access to a desk at school, the Lapdesk Company has developed a 63 cm by 43 cm kidney shaped plastic board which can be used as a writing surface. It includes basic educational tools such as a multiplication table, alphabet and maps.

3.65   In the five years since its inception, the company has delivered 600 000 lapdesks to 18 countries in Africa. AusAID funding has enabled some 22 000 desks to be provided to disadvantaged schoolchildren in Mozambique, South Africa, and Zimbabwe.[61]

3.66   The founder and CEO of Lapdesk, Mr Shane Immelman, told the Committee that some lapdesks had a chalkboard surface on their underside. Sponsors providing lapdesks chose the recipient schools and design of the lapdesk after advice from the company. Lapdesk had chosen to be a 'for profit' entity because such companies provided a greater contribution to the South African economy.[62]

Bulawayo Water and Sewage Emergency Response Program

3.67   Over the years, due to lack of resources for maintenance, the 200 km sewerage system serving the 450,000 residents of Bulawayo has become clogged. The sewage pumps have also become dilapidated and there are some 700 leaks in the fresh water supply system.

3.68   In 2009-10, AusAID provided $4.6 million for a two-year World Vision Australia project to:

- clear blocked sewer pipes;

- renovate pumps and solid particle traps;

- repair leaks in the water supply lines; and

- fund a public awareness campaign to promote hygiene behaviour and appropriate use of infrastructure.[63]

3.69   During its inspection tour, the Delegation saw at first hand a number of renovation works being carried out as part of the project, signage promoting improved hygiene and witnessed an AusAID sponsored street theatre for education.

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61   Australian High Commission, South Africa, *Visit program notes*.
62   Briefing by Mr Immelman.
63   Australian Embassy, Zimbabwe, *Visit program notes*.

3.70   The Delegation was also told that citizens were more likely to pay their rates when the sewage and fresh water delivery systems were repaired, which in turn would provide income for ongoing council maintenance.

Ebenezer Rural Agricultural Training Centre

3.71   Whilst in Zimbabwe the Delegation visited the Ebenezer Rural Agricultural Training Centre and was briefed by its principles and met a number of apprentices. The Training Centre provides two years training in sustainable horticulture to up to 200 apprentices aged between 17 and 24. Each apprentice starts with 0.2 ha of land and grows cash crops such as tomatoes, onions, pumpkins, and cabbages on a rotation basis. They are provided with seed funding and share in the profits of their enterprise. As they progress they have access to more land and can increase their share of profits to 100 per cent by repaying the seed funding.

3.72   The Training Centre has recently received a $450 000 grant and $300 000 interest-free loan from the Zimbabwe Window of the Africa Enterprise Challenge Fund (AECF ZW) to establish a tomato processing plant. The goal is to contract at least 200 farmers to produce tomatoes on irrigated land for processing into triple concentrate paste and dried tomato powder for export and the local Bulawayo market. It is expected that some 2000 households will each benefit to the tune of US$1400.[64]

3.73   The AECF ZW is a competition open only to for-profit companies which propose projects which:

> … will support ideas in the fields of agribusiness, rural financial services and value chains which extend from rural Zimbabwe to local and international markets. To qualify for funding [the] business idea should have a positive impact on the rural poor: delivering increased employment, reduced costs and improved productivity.

3.74   The major supporters of the AECF ZW are AusAID, which as a founding donor provided $5 million in December 2009,[65] and the Soros Economic Development Fund. It is managed by KPMG Development Advisory Services, in association with Triple Line Consulting and Acumen Africa Consulting. In 2010, 10 businesses in Zimbabwe were awarded a total of US$ 6 million. This was expected to 'leverage at least four times this

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64   Australian Embassy, Zimbabwe, *Visit program notes*.

65   AusAID, *Submission No. 47*, p. 583.

amount from the 10 companies' contributions to their own projects' and benefit '800 000 rural households' over four years.[66]

Hwange Power Station

3.75   The Hwange Power Station is one of two coal fired electricity power stations in Zimbabwe. It currently operates at about half its capacity of 920 MW which means that Zimbabwe consistently has power shortfalls. The reason for the lack of operating performance is the inability to continuously remove the ash generated by the furnaces. The various pumps and other systems involved in the removal of ash are either inoperative or break down frequently and this results in the shutdown of the generators. Rehabilitation of the ash disposal system will result in an increase in electricity generation and reduction in atmospheric ash pollution.[67]

3.76   Funds for the rehabilitation are being provided by the Zim-Fund—a multi-donor trust fund which is managed by the African Development Bank. Australia has contributed US$9 million to the Zim-Fund which has allocated US$32.6 million to the rehabilitation of the Hwange Power Station and the sub-transmission and distribution facilities in Zimbabwe.[68]

Sabon Zongo urban slum

3.77   AusAID has partnered with ten Australia NGOs 'to implement a range of activities which complement AusAID's programs in food security; water, sanitation and hygiene. One of these partners is WaterAid. Within Ghana, WAA is carrying out an urban project in Greater Accra (Sabon Zongo) in collaboration with a local NGO, local government, and the urban water and sanitation authorities. The aims of the project are to 'assist local communities to negotiate with local government and the government water and sanitation authorities' in order to:

> … improve access to water and sanitation; improve institutional arrangements for urban [water sanitation and hygiene] service delivery; drive urban sector reforms; and address land tenure arrangements and tariff settings in urban areas.[69]

66   <http://www.aecfafrica.org/zimbabwe/index.php?option=com_content&view=article&id=47&Itemid=53> Accessed April 2011.

67   Australian Embassy, Zimbabwe, *Visit program notes*.

68   <http://www.afdb.org/en/topics-and-sectors/initiatives-partnerships/zimbabwe-multi-donor-trust-fund/> Accessed April 2011.

69   AusAID, *Submission No. 114*, pp. 1348–9.

3.78   Specifically the aim is to 'establish a fee-for-service water kiosks, community toilets and hard rubbish collection'. Thus poor people with limited resources are provided access to essential services with an element of cost recovery and sustainability.

3.79   As well, the project aims to deliver:

> … gender and disability friendly [water sanitation and hygiene] facilities to schools in the Sabon Zongo community. Developing such facilities is also aimed at school retention, especially for girls and people with disabilities. [70]

3.80   The Delegation witnessed the ruins of previous toilet facilities and the newly built replacement. As well, the Delegation visited a local school where toilets had been installed for the first time. It was also briefed on the standardisation of street design which provided stormwater drainage and vehicular access—old areas of the slum had no drainage channels and no access for emergency or rubbish collection vehicles.

Hamlin Fistula Hospital and College of Midwives

3.81   The Hamlin Fistula Hospital was established in 1974 by Dr Catherine Hamlin and Dr Reginald Hamlin. The hospital treats obstetric fistulas which are injuries sustained through protracted childbirth. These can result in severe urinary incontinence and lower spinal nerve damage resulting in paralysis.

3.82   The Delegation was told that surgery could cure some 75 per cent of the fistula cases with the remainder requiring extensive physiotherapy aimed to overcome persistent urinary incontinence and paralysis. A significant proportion of these patients are only partially cured and these are provided with long term care in a purpose built village outside Addis Ababa.

3.83   The hospital has recently established the Hamlin College of Midwives to train midwives from rural areas. They will work in a number of rural health centres which are all located within relatively easy reach of Hamlin rural fistula hospitals where emergency caesarean operations can be performed—obstetric fistulas are unknown in the West where caesareans are routinely performed in cases of protracted labour.

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70   AusAID, *Submission No. 114*, p. 1349.

3.84   AusAID has provided $7.3 million since 2000 to the Hamlin organisation, including $2.3 million in 2009-10 for the Hamlin College of Midwives.[71]

Australian Youth Ambassadors for Development Program

3.85   The Australian Youth Ambassadors of the Development Program, a fully funded AusAID program, was created in 1998 to 'strengthen mutual understanding between Australia and the countries of Asia, Pacific and Africa and make a positive contribution to development.' The Program has four main objectives:

- To provide opportunities for young Australians to contribute to Australia's overseas aid program and to gain personal and professional experience in developing countries.
- To build the capacity of individuals, organisations and communities in partner countries through sharing skills and knowledge.
- To foster linkages and partnerships between organisations and communities in Australia and those in developing countries.
- To raise public awareness of development issues and the Australian aid program in the Australian community.

3.86   Each year the Program places 400 Australians aged between 18 and 30 in short-term assignments of up to one year in developing countries in a diverse range of sectors including: education, the environment, gender, governance, health, infrastructure, rural development, and trades.[72]

3.87   In Ghana, the Delegation met six Youth Ambassadors and found them to be articulate and committed. The Delegation considers they are indeed worthy ambassadors for Australia.

Australian Volunteers International

3.88   Australian Volunteers International is supported by AusAID and has been active for over 60 years enabling over 7500 volunteers to work in over 70 developing countries. Most volunteers have at least 10 years of career experience and the volunteer assignments have focused on:

- governance (34%);

- strengthening health and education systems and programs (25%);

- the environment, sustainability and sustainable livelihoods (11%); and

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71   Australian Embassy, Addis Ababa, *Visit program notes.*

72   <http://www.ayad.com.au/what-is-ayad> Accessed May 2011.

- infrastructure and rural development (5%).

3.89   Recent Africa-based projects have been:

- [assisting] in the drafting of Swaziland's first Child Protection and Welfare Bill 2008; and

- [training] the first Hamlin College of Midwifery graduates in Ethiopia.[73]

Australian Volunteers for International Development

3.90   In May 2011, the Foreign Minister, Hon. Kevin Rudd MP, launched the Australian Volunteers for International Development. The initiative is a partnership between the Australian Red Cross, Australian Volunteers International, and Austraining International (the managers of the Australian Youth Ambassadors for Development Program). The aim of the new program is to draw 'all Australian Government overseas volunteering initiatives together under a single banner making it easier for more skilled as Australians to contribute to … overseas aid efforts.'

3.91   In the 2011 Budget, $55 million was committed to the program to enable some 900 volunteers to be 'deployed to 33 countries including expansion to new countries in Africa, Latin America and the Caribbean in the North Pacific.'[74]

Committee Comment

3.92   The Committee welcomes the increasing level of development aid to Africa in recent years. The Committee further notes that the use of the MDGs to focus AusAID's efforts is appropriate. As Australia's aid budget for Africa expands there will be increasing opportunity to involve NGOs in delivery of aid projects in Africa.

3.93   It is clear to the Committee, however, from the meetings of its Delegation in Zimbabwe that there is some way to go in achieving recognition of Australia's contribution of aid via multilateral partners.

3.94   The Committee notes that there is currently an independent review of aid effectiveness,[75] and so has made no comment in this regard. Nevertheless, the Committee Delegation was impressed by the potential benefit of

73   <http://www.ausaid.gov.au/publications/pdf/aust-vol-avi-factsheet.pdf> Accessed June 2011.

74   <http://www.australianvolunteers.com/programs/australian-volunteers-for-international-development.aspx> Accessed June 2011.

75   <http://www.ausaid.gov.au/hottopics/topic.cfm?ID=872_6918_7937_5970_8092&From=HT> Accessed January 2011.

supporting private sector initiatives, for example by providing funds through the AECF ZW. Provided such projects are carefully selected, there is the advantage of leveraging additional funds from the private sector; affecting large numbers of people through an expanded local economy; and supporting a sustainable enterprise with the potential for growth.

Private Initiatives

3.95   This section examines two types of private initiatives related to development aid in Africa. The first part examines private sector and individual involvement in delivering capacity building programs, such as in governance and leadership. The second part looks at development programs run by private enterprise and individuals.

Capacity Building

3.96   A number of submissions identified corruption as a major issue hindering development in Africa. As such, a lack of good governance was 'one of the main reasons much of Africa is in nearly constant political and economic chaos'.[76]

3.97   According to the Australian Leadership Program for Africa (ALPA):

> The record of leadership in much of Africa is lamentable and there are few examples of good governance to point to. However, many well-meaning—often well-educated, and young—African public servants want to change this state of affairs but have not been exposed to successful, democratic, decision-making processes. Consequently, it is hard for them to instigate significant improvements in the way processes work in their countries. Yet, these improvements are absolutely essential if Africa is ever to get out of its current development trap and remove its constant tag of 'basket case'.[77]

3.98   Given the above, several submissions and proposals were received to assist in ameliorating this leadership deficit.

3.99   ALPA proposed an initiative wherein groups of young African leaders, from one country at a time, are:

> … placed in Australian organisations where they would be exposed, first hand, to organisational decision-making processes.

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76   ALPA, *Submission No. 4*, p. 29.
77   ALPA, *Submission No. 4*, p. 29.

> Covering critical economic, environmental, social, and cultural issues in an experiential format, African participants would acquire skills which would be capable of emulation (and modification as needed) in their home countries.[78]

3.100   Unlike some other leadership capacity development programs, ALPA is a not-for-profit organisation, and as such would require some level of government support. ALPA requested that the Committee recommend that DFAT develop a leadership training program in conjunction with ALPA.[79]

3.101   Mr David Wheen proposed that AusAID's Australian Business Volunteers program[80] be extended to include Africa, citing the example of Rwanda.

> To make a notable impact across a range of fields it is desirable for Australian experts to be able to spend time in Rwanda training, advising and generally working with the locals in transferring knowledge and skills.[81]

3.102   Mr Wheen argued that by extending the program to include African countries like Rwanda, recipient countries could achieve considerable gain with a minimal increase in spending on Australia's part. He added that this would make a real contribution in 'enhancing the quality of public administration', and that there were Australians with the skills and willingness to become involved.[82]

3.103   Leading Initiatives Worldwide (LIW) has been running a leadership capacity development program in Africa since 2002. LIW highlighted to the Committee that, as a World Bank preferred supplier for capacity building, it was engaged in building leadership using methods which incorporate 'leading academic research into the value and results gained by distributing leadership across an organisation'.[83]

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78   ALPA, *Submission No. 4*, p. 31.

79   ALPA, *Submission No. 4*, p. 33.

80   Australian Business Volunteers (ABV) is an international development agency funded by AusAID which assists in poverty reduction in the Asia-Pacific through capacity building delivered by Australian volunteers who donate their time, with the ABV covering their other reasonable costs.

81   Mr David Wheen, *Submission No. 10*, p. 90.

82   Mr David Wheen, *Submission No. 10*, pp. 91–2.

83   LIW, *Submission No. 102*, p. 1228.

3.104 LIW has been involved in building leadership capacity primarily in East Africa, and has trained some 2500 'ministers, ambassadors, district commissioners, CEOs and directors in both public and private sectors.' [84]

3.105 The aim of LIW in providing leadership training was to go beyond the academic understanding of good governance and the contractual way of working, to:

> … a behavioural argument. They will nod their heads and understand cognitively what is required in terms of good governance but their behaviour might not be aligned to that. So where we have aimed to make some difference is, one person at a time, being able to get them to understand what their moral compass should be and the impact that that has on people that they lead. … There has to be accountability and a leadership example that is set for the role they carry out. That will enable them to carry out their duties to the highest degree of ethics. [85]

3.106 Regarding corruption, LIW had found there has been a 'yawning gap' between their trainees' perception of corruption for their country and Transparency International's Corruption Perceptions Index:

> When the cold light of day hits, then the next question is: 'Well, are you going to perpetuate this? And if you are not, and you make a conscious choice not to, what are the things we need to do? … there has to be an emotional recognition about their role and the impact—and that poverty will perpetuate, corruption will perpetuate, unless you have change. That is an individual choice and what we have found to work with is with individuals who are in significant leadership positions to have that change. What they report back to us is that they have significantly changed their perception of the way of operating. [86]

3.107 LIW told the Committee that it hoped to expand into West Africa and was tendering for a World Bank project for the Association of African Distance Learning Centres which would cover 13 African countries. [87]

3.108 LIW also expressed an interest in:

> Assisting the Australian government and businesses who operate and/or wish to operate in Africa to develop a 'partner leadership'

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84 Ms Pia Lee, *Transcript 10 March 2011*, p. 61.
85 Ms Pia Lee, *Transcript 10 March 2011*, p. 66.
86 Ms Pia Lee, *Transcript 10 March 2011*, p. 67.
87 Ms Pia Lee, *Transcript 10 March 2011*, pp. 62, 69

model whereby both parties utilise a common organisational leadership language in order to work effectively, efficiently and achieve common objectives.[88]

3.109   One of the flow-on effects of the presence of Australian mining companies in African counties is the development of local skills. According to the Australia Africa Mining Industry Group (AAMIG):

> Mining and mining service companies are routinely offering professional training programmes throughout Africa, providing professional development opportunities to mining companies for national staff. The Australian mining sector has done an excellent job in identifying and training national mining professionals and trades-people, many of whom are now utilising their skills throughout Africa and beyond, with earnings being repatriated to their home countries. Ghana, as a more mature African mining economy, represents a prime example. Not only has Ghana itself prospered as a nation on the back of developing mineral wealth, but is now exporting professional and technical mining personnel globally.[89]

3.110   AAMIG added that an area where it could provide assistance, perhaps in conjunction with the Australian Government, was:

> … in the provision and/or sponsorship of professional development training to facilitate capacity building in areas associated with the mining sector, potentially including areas such as mineral legislation and tenure management, geological and hydrological surveys, environmental monitoring and compliance, workforce health education and occupational safety compliance.[90]

Committee comment

3.111   Capacity building provides long-term benefit to African countries. The Committee believes programs such as that run by ALPA, where cohorts of potential leaders are brought to Australia, are worthy of support.

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88   LIW, *Submission No. 102*, p. 1237.
89   AAMIG, *Submission No. 50*, p. 611.
90   AAMIG, *Submission No. 50*, p. 613.

Recommendation 5

3.112 **AusAID should provide funding assistance to capacity building programs such as that conducted by the Australian Leadership Program for Africa and similar organisations.**

3.113 The Committee also believes there is also value in facilitating the involvement of professionals and organisations in capacity building within Africa. Such engagement can transfer specialist knowledge as well as build up personal relations between Australia and Africa. The Committee agrees with Mr Wheen that a practical and immediate way to facilitate capacity building would be to expand the Australian Business Volunteers program to include African countries.

Recommendation 6

3.114 **AusAID should increase funding for the Australian Business Volunteers program so that it can expand coverage to African countries.**

3.115 Whilst in Africa, Committee Delegation members were regularly approached by African government ministers, officials, and businessmen advocating Australian involvement in creating regulation frameworks for the mining sector in African countries. As a major minerals exporter, Australia has experience and expertise in this area and could readily assist African countries. Robust regulatory frameworks offer certainty for business and would benefit resource rich African countries. The Committee notes evidence from AAMIG, cited in paragraph 3.109, offering assistance in this area.

3.116 In addition, members of the Delegation were made aware of the high regard in which State Departments of Mining and Energy (however titled) were held by large numbers of officials in a range of African countries. Often these departments hold expertise built up over 100 years. Officials in African countries repeatedly requested access to this knowledge and expertise.

3.117   There is a major opportunity for the Australian Government, State
        Governments, and the wider mining industry to leverage off this history
        in a practical way that will assist the development, implementation, and
        administration of sound mining codes in a range of African countries.

Recommendation 7

3.118   **The Department of Foreign Affairs and Trade and the Department of
        Resources, Energy and Tourism should establish and fund a special unit
        tasked with establishing a regulatory framework model for the mining
        and resources sector which African countries could consider adopting
        according to their requirements.**

Development Programs

3.119   Mr Andrew MacLeod argued that it was necessary for Australia to change
        the focus of its aid in Africa. He told the Committee that, in order to make
        Australian assistance to Africa more effective on the ground:

> We need to develop more of a balance between public sector
> and private sector interventions. We need to understand that if
> you want true and genuine development you need to establish
> the macroeconomic and microeconomic variables for business
> to thrive. We need to recognise that our private sector
> companies, particularly our resource companies, are doing a lot
> of good work in their corporate social responsibility in
> community investment programs and we need to give them
> some incentives to continue to do that, or at least give them
> recognition for what they can do.[91]

3.120   AAMIG advised the Committee that Australian mining companies active
        in Africa were also:

> Actively involved in establishing and managing social
> development programmes proximal to their operations and
> actively undertaking or sponsoring training initiatives. These
> programmes are extremely diverse, ranging from the
> establishment of civil infrastructure such as villages, potable water
> supplies, schools, clinics and community centres, along with the

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91   Mr Andrew MacLeod, *Transcript 6 May*, p. 49.

staffing and funding of these, while other activities include commercial agriculture and aquiculture projects, enterprise development programmes, workforce health education, professional training courses, and the sponsoring of tertiary and postgraduate students.[92]

3.121   AAMIG noted that these programs would be further assisted by a 'public-private partnership'. This would assist to:

> Ensure the relatively limited available government aid funding is applied to maximum social, financial, political and strategic advantage. A mining operation or mining development project provides an immediate commercial focus for the delivery and management of social development programmes that could be branded as 'AusAID' or 'Australian' projects. Government agencies and/or their independent consultants could ensure that the programmes are appropriately implemented and managed, and are consistent with UN regional objectives. It is important to stress that companies do not see this concept as an opportunity to abrogate responsibility, but rather a mechanism to increase the scope of these programs, and implement and manage them in a more strategic way.[93]

3.122   AAMIG admitted, however, that the 'only negative element from a Government perspective would appear to be the potential perception of being associated with a private mining project'.[94]

3.123   A Special Report by the Australian Strategic Policy Institute made a similar proposal to AAMIG's. The Special Report commented that 'the distinction between corporate business and development aid is becoming blurred'; it was therefore time 'to enhance collaboration' between the resources sector and AusAID. Furthermore:

> There should be regular exchanges to discuss sustainable development goals and how the achievement of these goals can be accelerated through greater collaboration. Collaborating in workable partnerships could maximise the beneficial outcomes for all parties, and promote the long-term economic self-reliance of developing countries.[95]

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92   AAMIG, *Submission No. 50*, p. 611

93   AAMIG, *Submission No. 50*, p. 613.

94   AAMIG, *Submission No. 50*, p. 613.

95   ASPI, *A Case for Collaboration: Enhancing the development outcomes of Australian resource companies' operations overseas*, Special Report, June 2010, Issue No. 32, p. 13.

3.124   CARE Australia supported such a proposal in principle, but offered two
         caveats to this support:

   ■ firstly, 'aid must be focused on reducing poverty', and initiatives like
      AAMIG's must not 'dilute this focus'; and

   ■ secondly, any initiative should be implemented 'in ways that meet
      international standards and bring benefits to local communities'.[96]

3.125   A submission from Mr Andrew MacLeod cautioned that:

   A badly motivated company could be a great reputational risk, be
   it in the host community or back in Australia. A well motivated
   and well run company on the other hand could give enormous
   benefit. Hence the great risk of the concept is the need to be able to
   assess which companies are worth partnering with and which
   should not.[97]

3.126   In this regard, CARE proposed the following should be considered when
         undertaking a public–private partnership:

   ■ The company's policies and record on ensuring corporate social
      responsibility ...;
   ■ The extent to which such policies are monitored and followed
      through consistently;
   ■ The company's approach to engaging with NGOs and the
      broader community; and
   ■ The extent to which the parent company directly controls the
      business activities of the local subsidiaries.[98]

3.127   CARE also cautioned against allowing funding from the Australian aid
         program to be used as an incentive in negotiations between local
         communities and mining companies.[99]

3.128   Dr Geoffrey Hawker, while supportive of the idea, raised some possible
         difficulties with the proposal. Dr Hawker questioned whether AusAID
         had the resources 'to supervise, let alone undertake, the substance of such
         tasks'. Furthermore, while there are some capable of undertaking
         consultancy work on the issues surrounding the proposal, they are few in
         number. Support for the proposal and its substance also needs to be

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96   CARE Australia, *Submission No. 88*, p. 946.
97   Mr Andrew MacLeod, *Submission No. 89*, p. 957.
98   CARE Australia, *Submission No. 88*, p. 947.
99   CARE Australia, *Submission No. 88*, p. 946.

universal, include medium and small mining companies, and ideally 'miners with bases in other countries' as well.[100]

3.129   Oxfam Australia voiced six 'significant concerns' about the proposal.

- Mining companies lacked the 'skills, experience or mandate to deliver social development assistance even with the Australian Government providing supplementary funding'. Oxfam Australia recommended that mining companies need to focus on ensuring their mining activities did not have a negative impact on communities.

- NGOs might be compromised 'if they were closely associated with a mining company', especially if there existed some tension between local communities and mining companies.

- 'Mining companies frequently obtain a mining licence / concession from a host government with a commitment to deliver social development projects as part of the contract of operation. This proposal suggests the Australian aid budget be accessed to support projects companies have already undertaken to deliver'.

- AusAID focused on communities in greatest need of assistance and with the 'greatest potential for sustainable development ... [while] the location of social development projects supported by mining companies is frequently located close to the mine site. This may not necessarily be a location that meets AusAID objectives, and as such the aid programme could be potentially compromised'.

- 'While mining companies have historically contributed to infrastructure projects such as schools, clinics, roads, water sanitation etc, these projects are not a substitute for good mining governance, transparency, disclosure, and the establishment of meaningful company-community relationships and site-based grievance mechanisms. Further, these infrastructure projects are often not sustained when the company leaves or the site closes'. Thus there is a potential for such legacy issues to 'further compromise the use of Australian aid delivered via an "AusAID branded" public private partnership'.

- Lines of responsibility and accountability could 'at times be blurred' in public private partnerships. This could be 'particularly difficult to manage and monitor in conflict, post-conflict and weak governance zones'.[101]

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100 Dr Geoffrey Hawker, *Submission No. 103*, p. 1242.

101 Oxfam Australia, *Submission No. 85*, pp. 934–5.

3.130 As such, Oxfam Australia 'strongly' advised the Australian Government to not adopt AAMIG's proposal.[102] ACFID supported Oxfam Australia's advice.[103]

3.131 Conversely, Oxfam Australia noted that there exist 'opportunities for NGOs to collaborate with mining companies to enhance development in host countries'. Areas of collaboration proposed included:

- Advice to companies on policy and practice with regard to the social and environmental impact of their operations, including human rights, gender and corporate–community relations
- Advice to companies on the establishment of site-level grievance mechanisms and appropriate community consultation mechanisms
- Advice to companies who wish to support capacity building and service delivery in areas such as HIV/AIDS and health promotion.[104]

3.132 Furthermore, Oxfam Australia told the Committee that:

Opportunities exist for NGOs to work with mining companies to promote responsible business conduct and support for human rights through their operations and processes of engaging with communities. Establishing mutually beneficial corporate community relationships in the extractives sector is recognised as being critical for ensuring an ongoing social licence to operate, conflict management and sustainable development.[105]

3.133 Oxfam Australia noted, however, that such collaboration would not require official Australian aid funding to be delivered via a public-private partnership.[106]

3.134 Dr Richard Parsons, the rapporteur for the ASPI Special Report, acknowledged that the criticisms were valid and necessitated the exercise of 'extreme care' when designing collaboration between the resources sector and AusAID. He suggested that:

… the strongest case for collaboration is on those occasions where there is currently duplication of effort and/or funding in delivering social programmes. Even on such occasions, however,

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102 Oxfam Australia, *Submission No. 85*, p. 935.
103 ACFID, *Submission No. 82*, pp. 892–3.
104 Oxfam Australia, *Submission No. 85*, p. 935.
105 Oxfam Australia, *Submission No. 39*, p. 353.
106 Oxfam Australia, *Submission No. 85*, p. 936.

any collaboration must be carefully thought through to ensure that:

- boundaries of responsibility and accountability are explicitly clear;
- each party (company and AusAID) undertakes only those activities for which it is qualified and experienced, and most specifically that resources companies do not become *de facto* governments;
- the promise of AusAID funding is not used to 'buy' community support for a resources project;
- the government is not effectively subsidising resources companies;
- social development programmes are fully sustainable, well beyond the life of the company;
- the social outcomes of collaboration (quantifiable and non-quantifiable) are greater than the sum of the social outcomes of non-collaboration (i.e., synergy in its literal sense).

3.135   Dr Parsons added that, because the conditions were not always clear-cut, it was:

> … important to have in place appropriate governance systems in which as much ownership and control as possible is in the hands of the communities affected, in order that they are able to make informed judgements regarding whether these conditions are being met, and empowered to determine their own futures.[107]

3.136   DFAT's response to the proposal was firstly to emphasise that it was AusAID's 'view that corporate social responsibility programs are of high importance, however they should remain the primary responsibility of mining corporations'.[108]

3.137   DFAT added, however:

> AusAID considers that there is merit in holding discussions with key stakeholders in the African mining sector that will draw on the experience and expertise of NGOs, industry and Government to explore possible areas of cooperation and help ensure that any future development assistance provided to Africa's extractive industries sector is best targeted.[109]

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107 Dr Richard Parsons, *Submission No. 110*, p. 1302.
108 DFAT, *Submission No. 94,* p. 1161.
109 DFAT, *Submission No. 94,* p. 1161.

3.138   As such, DFAT concluded, while this course of action is certainly 'of
         interest', it 'would require further whole of government consideration'.[110]

Committee Comment

3.139   The Committee recognises the role that corruption plays in hindering
         development, especially in Africa. Furthermore, the Committee notes that
         building governance capacity is very important in terms of overcoming
         the detrimental impact which corruption has on development. The
         Committee strongly supports and encourages the role the private sector
         and individuals undertake in capacity building.

3.140   The Committee notes that collaboration and cooperation between the
         private sector, government agencies, and NGOs in delivering aid to Africa
         can result in synergies. Such synergies could capitalise on NGOs'
         expertise in development issues in local communities, private sector
         business acumen, and public funding sources. However, this must not
         detract from the delivery of aid where it is most needed.

3.141   Such connections do exist already, and the Committee notes that Oxfam
         Australia has been working with both Rio Tinto and BHP in relation to
         their offshore mining operations.[111] The Committee welcomes such
         connections and believes they should be encouraged and expanded
         wherever possible.

3.142   As such, the Committee sees value in DFAT facilitating meetings between
         NGOs, resource companies and AusAID with a view to cooperating in
         development initiatives and maximising synergies.

3.143   Furthermore, the Committee considers that there is strong potential for
         DFAT to facilitate more connections between NGOs and resource
         companies active in the same area. It notes that there are positive
         examples of this type of collaboration between CARE Australia and
         Italian-based petroleum company ENI in Peru, and also between CARE
         and BHP Billiton Community Trust in Indonesia.[112]

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110 DFAT, *Submission No. 94,* p. 1162.
111 *Transcript 5 May 2010*, p. 81.
112 CARE Australia, *Submission No. 88*, p.947.

Recommendation 8

3.144   **DFAT should coordinate regular meetings between AusAID, NGOs, and Australian resource companies engaged in Africa, with a view to facilitating aid and development delivery cooperation to take advantage of their differing and complementary strengths.**

3.145   The role played by remittances as a form of aid to Africa, unrecognised in aid statistics, has not been discussed in this Chapter, but is included in Chapter 8.

4

Education Links

Introduction

4.1   Education services is now Australia's second highest export earner after mining. With this in mind, the Committee considered the contribution of the higher education sector to Australia's ties with Africa. To do this it investigated links between Australian and African universities, and scholarships and student exchanges between the two continents.

4.2   This is followed by an examination of a proposal to establish a new dedicated facility in Australia for research in African studies.

University links

Background

4.3   The Committee considered the nature and scale of links between Australian and African universities, investigating both research cooperation and provisions for staff exchange. Universities Australia told the Committee that there were 45 agreements between Australian and African universities. These were bilateral agreements between 'individual

Australian and African universities', of which 'almost half' were with universities in South Africa.[1]

4.4 The agreements provided for 'collaboration between individual academics, or in some instances faculties or schools, to allow for research collaboration and staff exchange'. They also provided a framework for student exchange and study-abroad programs.[2]

4.5 In addition, Australian universities had formed partnership agreements with African universities and other institutions to underpin collaboration on particular research projects.[3] Of these, Universities Australia told the Committee, the most important was an agreement between Australia and South Africa to collaborate on the Square Kilometre Array (SKA) project and other space-telescope projects.[4]

4.6 DFAT provided details of Australian universities involved in Africa, advising the Committee of initiatives by Monash University; the universities of Sydney and Brisbane; and Griffith and Edith Cowan Universities. These ranged from the on-shore provision of higher education at Monash South Africa and the Australian Studies Institute in Kenya; and memoranda of understanding and agreements with universities in South Africa, Kenya, and Libya.[5]

4.7 As well, the Committee has received information directly from Murdoch University on its activities in Africa.[6]

4.8 The Department of Education, Employment and Workplace Relations (DEEWR) advised the Committee of government-sponsored initiatives on education between Australia and African countries. In the absence of formal government-to-government links, these consisted of visits to

1   Ms Angela Magarry, *Transcript, 27 April 2010*, p. 2.
2   Ms Angela Magarry, *Transcript, 27 April 2010*, p. 2. The agreements included arrangements with: 'the University of Botswana and the University of Zimbabwe … the Lesotho College of Education and with the University of the Western Cape, the University of Pretoria, Rhodes University, Grahamstown, the University of Stellenbosch, the University of Zululand, the Walter Sisulu University for Technology and Science, the University of KwaZulu-Natal, the University of Cape Town, the University of Johannesburg, the University of Pretoria and the University of Witwatersrand, in South Africa … In Tanzania we have an agreement with the University of Dar es Salaam; in Mozambique, with the Eduardo Mondlane University; and in Namibia, with the Polytechnic. There are also agreements with the University of Zambia, the University of Ghana, the University of Mines and Technology in Ghana and the Eduardo Mondlane University in Madagascar'.
3   Ms Angela Magarry, *Transcript 27 April 2010*, pp. 3-4.
4   Ms Angela Magarry, *Transcript 27 April 2010*, p. 4.
5   DFAT, *Submission No. 46*, p. 494.
6   See *Transcript 10 March 2011,* pp. 1–12.

Australia by departmental delegations from African countries, and visits to African countries by area representatives of Australian Education International (AEI), the government-sponsored representative of Australian education service-providers.[7]

4.9   In general, relations between Australian and African universities have been driven by the research interests of individual academics.[8] The Committee has, however, received detailed information of more formal African centred activities of two universities:

- Monash University; and

- University of Sydney.

Monash University

4.10   Universities Australia told the Committee that Monash University had the greatest involvement in Africa of any Australian university.[9] This was supported by a number of other contributions to the inquiry, which gave prominence to its activities in Africa, including those by DEEWR and DFAT.[10] Monash University described its activities in similar terms, describing a range of ties with African universities.[11]

4.11   Monash University is the only Australian university with a campus in Africa. DEEWR advised the Committee that student numbers at the campus had risen from '100 students when it first opened' to 'over 2,200 in 2008'.[12]

4.12   Professor Simon Adams, Pro-Vice-Chancellor, International Engagement, told the Committee that Monash South Africa (MSA) was established in 2001 as 'the first foreign university in South Africa'. This was part of a

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7   DEEWR, *Submission No. 38*, pp. 333–4. The submission notes that visits and delegations with African countries included those with South Africa; Botswana; Ethiopia; Mauritius; Egypt and Libya.

8   Prof. Craig McGarty, *Transcript 10 March 2011*, p. 3; Assoc. Prof. Helen Vella Bonavita, *Transcript 10 March 2011*, p. 22.

9   Ms Angela Magarry, *Transcript 27 April 2010*, p.9.

10 DEEWR, *Submission No. 38*, pp. 333–4; DFAT, *Submission No. 46*, pp. 494.

11 See for example Monash University, *Submission No. 13*, pp. 111–2. In the submission Monash University advised the Committee that it held Memoranda of Understanding (MOUs) and partnership agreements with a variety of African universities, including: the University of Botswana; University of South Africa; University of Johannesburg; Universidade Eduardo Mondlane; Vaal University of Technology; Council for the Development of Social Science Research in Africa; and the South African Medical Research Council.

12 DEEWR, *Submission No. 38*, p. 333.

broader expansion of the University's activities, which has also included establishing facilities in India, Italy, and Malaysia.[13]

4.13 Monash University had established MSA because it saw Africa as 'an area of growing importance to Australia and to the world':

> … the university believes, very strongly that, if we look at the major issues facing our country and the world in the 21st century, the front line of many of these issues is Africa more generally and South Africa specifically. I am talking here about issues of public health, climate change, food security, sustainability and so forth …[14]

4.14 Professor Adams told the Committee that Monash University had never seen MSA as 'being a solely South African concern'. It was a highly-diverse campus with students from '43 African countries', and was a base for 'an Africa-wide view'. Monash University saw MSA 'not as an end in and of itself or as an isolated base' but 'really as a node through which we can connect up with the rest of the African continent', and as 'an essential part of an interaction between the developed world and the developing world around issues of global concern'.[15]

4.15 The Committee Delegation visited the Monash South Africa campus and was impressed by the enthusiasm and commitment of its staff. The Delegation was told that students applying for a place had to meet the same academic standard as pertaining to Monash University in Australia and, if necessary, students attended a foundation year to bring them up to this standard. Some 40 per cent of graduates came through this foundation year program. Significantly international students attending MSA returned to their home country because of their personal commitment to return.

4.16 The Delegation also met with the student organising committee for the MSA volunteer program. The submission from Monash University describes their activities:

> … most activities related to improving the educational facilities and opportunities of the local community. MSA staff and students volunteer their time and expertise towards a variety of projects in local schools. The volunteer program has been active in other ways, running support programs for young children and

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13   Professor Simon Adams, *Transcript 5 May 2010*, p. 21.
14   Professor Simon Adams, *Transcript 5 May 2010*, p. 21.
15   Professor Simon Adams, *Transcript 5 May 2010*, p. 21.

'maintenance days' to improve local community facilities, such as schools.[16]

University of Sydney

4.17   Professor John Hearn, Deputy Vice-Chancellor, International, told the Committee that the University of Sydney also had an extensive commitment to Africa. This included 'over 20 senior academics and researchers with expertise and programs in Africa', and a close relationship with AusAID and the Australia Council for International Agricultural Research (ACIAR) amongst others. There was also a 'university wide Australia Africa Network', through which the university was 'building teams with the private sector, government and NGOs and indeed with other Australian universities'.

4.18   In addition, Professor Hearn told the Committee that the university had '100 African students from 17 countries'; ran 'leadership training courses' for African clients; sent 'regular' delegations to East and South Africa; and had recently hosted an 'Africa forum with a number of African speakers'.[17]

4.19   Professor Hearn told the Committee, however, that this was a 'drop in the bucket when the task [was] examined'. He emphasised the need for the University to 'focus' and stated that, as a result, the University was very selective with choosing its partners and in developing funding models.

4.20   The University concentrated on activities in East Africa, 'particularly in Kenya, Tanzania, Uganda, Rwanda and South Africa':

> We focus on contracts and agreements with the universities of Nairobi, Makerere and Cape Town, and we focus around our major expertise relevant to Africa and the Australian government programs in food security, including agricultural biotech; public health, including non-communicable disease; extractive industries; and public sector reform.[18]

4.21   Professor Hearn told the Committee that the University hoped to organise a 'broader Australia-Africa conference', to which would be invited Australian stakeholders, such as 'the universities of Western Australia, Newcastle, Monash, Sydney and others, along with NGOs and government agencies'. He told the Committee that:

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16   Monash University, *Submission No. 13*, p. 113.

17   Prof. John Hearn, *Transcript 20 April 2010*, p. 32.

18   Prof. John Hearn, *Transcript 20 April 2010*, p. 33.

> We feel that if we can do this and come up with some real areas
> where we can make a difference that we would achieve better
> reach, depth and impact, and we do need to define specific
> Australian expertise and advantages.[19]

4.22   This reflected a broader concern with levels of coordination amongst academic researchers into Africa. Professor Hearn added that Australian universities needed 'to invent a network' with 'the leading partners who really have demonstrated commitment and can work in this new re-engagement with Africa'. Part of the work of such a network would be to 'map the assets' of Australian universities working on Africa which, he suggested, were 'often very good at working together offshore while competing like cats onshore'. As a result, Australian universities needed to work to achieve better coordination and divisions of labour. [20]

Scholarships and exchanges

Background

4.23   Scholarships and exchanges form an important part of educational links with Africa and constitute a significant foundation for persistent person-to-person ties, and good will, between Australia and African countries.

4.24   A submission from Universities Australia noted that Australian universities currently have 9,701 higher education African students enrolled, of whom 6,582 were engaged in study in Australia and 3,119 overseas.[21]

4.25   The Department of Immigration and Citizenship (DIAC) advised the Committee that 'in the 2008-2009 program year, 7947 Student visas were granted to people from African nations' and, at 30 June 2009, '13,012 persons from a range of African [countries] were present in Australia on a Student visa', spread across the 'Higher Education and Vocational Education and Training (VET) sectors'.[22]

4.26   The submission from the Department of Education, Employment and Workplace Relations (DEEWR) noted that 'African students comprise less

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19   Prof. John Hearn, *Transcript 20 April 2010*, p. 33.
20   Prof. John Hearn, *Transcript 20 April 2010*, p. 36.
21   Universities Australia, *Submission No. 59*, pp. 670–1.
22   DIAC, *Submission No. 42*, p. 429.

than 2.2 per cent of international student numbers' in Australia. They come from a variety of countries of origin. Many African countries have 20 or less higher education students in Australia. Countries with greater numbers include: 'Malawi (94 students); Ghana (125); Seychelles (126); Tanzania (181); Nigeria (293); Zambia (868); South Africa (872); Kenya (2,044); Zimbabwe (2,205); Mauritius (4,883); Libya (331) and Egypt (2,080)'.[23]

4.27 Universities Australia advised the Committee that the most popular fields of study were 'management and commerce and the broad collection of studies relating to science and culture'.[24]

Scholarships

4.28 Scholarships are provided to African (and other) students by AusAID and by individual Australian universities. AusAID advised the Committee that under current policy, announced early in 2009, there would be 'ten-fold' increase in AusAID scholarships for African students. This would see scholarships rise to '1,000 long- and short-term awards by 2012- 13'. Australia had provided 'more than 3,600' scholarships to African students since 1960.[25]

4.29 AusAID advised the Committee that this 'expansion' was 'well underway, with over 250 scholarships offered in 2010'. This compared to the 2009 intake which was 109. In addition, the topics of the scholarships program was 'shifting to align with the Australian Government's African focus on agriculture, natural resource management and public policy'. This included mining fellowships, of which a total of 24 had been offered in 2010, compared with 14 in 2008.[26]

4.30 The picture is less clear for the overall number of scholarships offered by individual Australian universities. Submissions by Universities Australia and DEEWR did not provide overall figures, and DEEWR advised the Committee that:

> Australian universities are autonomous and make their own decisions regarding the allocation of scholarships. DEEWR does not collect information on these programs and is not in a position

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23 DEEWR, *Submission No. 38*, p. 333.
24 Ms Angela Magarry, *Transcript 27 April 2010*, p. 2.
25 AusAID, *Submission No. 47*, p. 578.
26 AusAID, *Submission No. 47*, p. 578.

to be able to provide information on the proportion provided to Africa.[27]

4.31   Specific information was provided by Monash University, however, which advised the Committee that it had provided 51 scholarships and 38 bursaries at Monash South Africa in 2009.

4.32   Monash University also advised the Committee that the creation of the Monash University Fund for Education in South Africa (MUFESA), which had 'sought and received contributions from business and industry in South Africa and Australia', would lead to an expansion in financial support of this kind for African higher education students.[28]

Exchanges

4.33   Universities Australia advised the Committee that out of the 43 agreements, detailed in its submission, which Australian universities hold with African universities, 19 make provision for student exchange, and 30 for staff exchange.[29] However, with a single exception (staff exchanges between Macquarie and Rhodes universities),[30] Monash was the only Australian university to provide the Committee with information in detail about its student and staff exchange programs.

4.34   With respect to student exchanges, Monash University advised the Committee that due to its South Africa and other overseas campuses, the University had the ability to achieve these exchanges 'internally' within its own organisation. The University provided specific funding assistance to its students so that they can undertake exchange programs in Australia, Malaysia or South Africa, depending on their campus of origin.[31]

4.35   Typically these take the form of 'exchange semesters', where students enrolled at one campus spend a semester at one of the other overseas sites. There are also shorter 'study tours', particularly in the discipline areas of geography and environmental science and 'victimology': the study of genocide.[32]

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27   DEEWR, *Submission No. 73*, p. 782.
28   Monash University, *Submission No. 13*, p. 110.
29   Universities Australia, *Submission No. 59*, pp. 651–2.
30   Prof. Geoffrey Hawker, *Submission No. 35*, p. 258. The submission also referred to planned future student exchanges between the two universities.
31   Monash University, *Submission No. 13*, p. 111.
32   Monash University, *Submission No. 13*, p. 111.

4.36   Generically, these are termed 'mobility programs'. Monash University
         advised the Committee that together they had resulted in 'a small but
         steady flow of Australian and African students between each continent':

> Since 2006, 35 Australian students have studied at MSA on
> exchange or short term study programs, while in the same time
> period, 29 African students from the MSA campus have
> undertaken a semester exchange at one of the University's
> Australian campuses.[33]

4.37   Universities Australia told the Committee, regarding Monash University's
         student exchange program, that while numbers were 'relatively low', it
         has 'been a business development plan for Monash University since 2001,
         with about a 20-year investment', and it was expected 'to grow over
         time'.[34]

4.38   With respect to staff exchanges, Monash University told the Committee
         that these were conducted in two ways. First, through a process in which
         senior academic or administrative staff are seconded from one campus to
         another. Second, through a 'staff mobility' policy, in which:

> … we actually encourage and financially support our staff to move
> within the Monash system, from Australia, Malaysia and Africa
> and in both directions, to have the opportunity to go to and work
> for a little while on one of the other campuses to learn how it
> operates and to hopefully share ideas with their colleagues and
> counterparts.[35]

Getting value

4.39   The Committee considered ways in which Australia could achieve the best
         possible value from scholarships and exchanges.

Offshore or onshore provision?

4.40   In connection with the discussion on scholarships, the Committee
         considered the question of whether there were greater benefits from
         educating African students 'on the ground' in Africa or in Australia.

4.41   Witnesses offered a number of opinions. The Australian Council for
         International Development (ACFID) Africa Working Group told the

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33   Monash University, *Submission No. 13*, p. 111.
34   Ms Angela Magarry, *Transcript 7 April 2010*, p. 3.
35   Professor Simon Adams, *Transcript 5 May 2010*, p. 25.

Committee that under the expanded Australian scholarship program, a proportion of scholarships should be for students to study 'within the region'. In this model, 'the best and brightest' would study on Australian scholarships in 'key universities within the region' — in addition to African scholarship students studying in Australia. This would be a way 'to invest and help build education systems within Africa', helping to 'build sustainability over time'.[36]

4.42   However, other witnesses told the Committee that there was more value in bringing scholarship students to Australia. Professor Ware told the Committee that African students in Australia had access to a training 'that they would not get at the same level at home'. Moreover, they were exposed to a range of Australian institutions and experiences, from 'watching the Australian parliament on the television' to 'seeing how a local council works'.[37]

4.43   In addition, Professor Ware told the Committee, supporting African students in Australia was uniquely something that Australian funding could achieve, that 'African countries, however cash strapped, can sponsor their own students at home', but they 'cannot, unless they are diamond-rich Botswana, afford to sponsor their students to come to Australia'.

4.44   Moreover, Professor Ware told the Committee, 'taking the expertise in that direction' was important, particularly 'for long-term university scholarships at the postgraduate level'. Australia had 'unique things to offer, in terms of training and in terms of the broader social contacts with learning how democracies work' and this was something to which 'we should expose people'.[38]

Benefits for Australia

4.45   This way of delivering education also brought greater benefits for Australia. A number of witnesses told the Committee that when African students study in Australia, rather than offshore, this forges persistent links and ties. Dr Lucas told the Committee that African students studying in university campuses in Africa were unlikely to 'feel any great attachment to Australia'. He also raised concerns about class sizes and quality of teaching in some instances.[39]

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36   Mr Marc Purcell, *Transcript 27 April 2010*, p. 36.
37   Prof. Helen Ware, *Transcript 28 April 2010*, pp. 22-3.
38   Prof. Helen Ware, *Transcript 28 April 2010*, p. 23.
39   Dr David Lucas, *Transcript 27 April 2010*, p. 23.

4.46   In contrast, Dr Lucas told the Committee that where students had studied in Australia, there were persistent ties. These links could be particularly influential where graduates have risen to positions of prominence.[40]

4.47   Dr Lucas also noted that in a recent speech, the Foreign Minister Mr Smith had stated that he wanted African students to become 'ambassadors' for Australia. Dr Lucas told the Committee that he did not 'see how they are going to do that if they are being trained at, for example, Fort Hare University'.[41]

4.48   Other witnesses also attested to the durability of such ties. Dr Brian Keating, Director, Sustainable Agriculture Flagship, CSIRO, told the Committee that the 'human links' that result from this process 'are strong', that '[you] can run into an African student who has spent time in Australia 20 years later in Africa' and they will 'still embrace you and say what a fantastic experience it was'.[42]

Return on completion of study

4.49   Dr Lucas told the Committee that it was important that African students, having completed their studies in Australia, return so that the benefits of their training are retained in Africa. He told the Committee that immigration arrangements had been 'relaxed' since the 1970s when students 'had to go home', resulting in a greater proportion of graduates remaining in Australia.[43] Professor Ware spoke to the Committee in similar terms, suggesting that this might be more readily achieved in the context of 'a really targeted program' where there were firmer arrangements for graduates to return to their country of origin.[44]

4.50   Such views were also supported by the Nigerian High Commissioner who said:

>   We have said to immigration that when they bring Nigerians here on scholarship and they train here for three or four years, it is important that they should go back home. If they want to come back here later, then they could apply and then come in as skilled migrant labour. We are working very hard on that now. …

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40   Dr David Lucas, *Transcript 27 April 2010*, p. 23.
41   Dr David Lucas, *Transcript 27 April 2010*, p. 18.
42   Hon. Kerry Sibraa, *Transcript 28 April 2010*, p. 3; Dr Brian Keating, *Transcript 5 May 2010*, p. 37.
43   Dr David Lucas, *Transcript 27 April 2010*, p. 18.
44   Prof. Helen Ware, *Transcript 28 April 2010*, p. 23.

> When they go back home, they then help to strengthen relations between Australia and Nigeria. …
>
> Some say, 'If they train here and they stay here, the negative effect on Nigeria is not bad,' and I personally do not buy that.[45]

4.51   The Committee notes the earlier discussion of the ALPA program in this context.

Links with alumni

4.52   A third component of value-for-money for scholarships and exchanges related to maintaining relationships with alumni. Professor Ware told the Committee that Australia 'should also do more to maintain links with former students from Africa', and that Australian universities were 'generally poor in maintaining alumni links' compared with U.S. universities. This could, she suggested, be improved with a 'modest investment of time and resources' in African countries where Australia has diplomatic representation.[46]

4.53   Professor Hearn also told the Committee that if Australia could do more to maintain relationships with alumni this would do much to enhance the value generated through periods of study in Australia:

> … some of our alumni, including the director of public health in Kenya, say that the opportunity they had to do a masters or a visit to Australia transformed their life, the way they think and their approach. So I think that … we need to structure our approach to support such leaders and such people and not just have a visit which is over and from which we walk away. [47]

4.54   Dr Asumadu also highlighted the importance of alumni and suggested that organising formal associations of alumni in home countries was likely to lead to further productive relationships, not only in academia and government, but also in business.[48]

Challenges

4.55   Some witnesses to the inquiry indicated to the Committee a number of areas in which there were challenges with educational links.

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45   HE Prof. Sunday Agbi, *Transcript 20 April 2010,* pp. 58–9.

46   Prof. Helen Ware, *Submission No. 45*, p. 449.

47   Prof. Simon Hearn, *Transcript 20 April 2010*, pp. 35-6.

48   Dr Asumadu, *Transcript 6 May 2010*, p. 5.

Financial difficulties

4.56   First, DEEWR and DIAC, in their submissions to the inquiry, both advised the Committee of financial difficulties for some African students in the face of economic problems in their country of origin.

4.57   DEEWR advised the Committee that 6 Australian universities had enrolled 'a significant number' of Zimbabwean students affected by unrest in their own country. These students—amounting to 500-600 in Australia—were in significant 'financial, academic and emotional difficulties'. These were 'escalating rapidly', and it was estimated at the time (2008) that 'potential bad debt from unpaid fees from this group could total close to $2.4 million'.[49]

4.58   DIAC advised the Committee that it had received reports 'that some students from African countries have been unable to pay tuition fees due to the difficulty with [transferring] funds to Australia'. However, the department advised the Committee that educational providers were supportive of these students, and that non-payment did not result in revocation of visas by DIAC: rather they were 'given adequate opportunity to find an alternative education provider or apply for another visa category'.[50]

International English Language Testing System

4.59   A second area of concern lay with the International English Language Testing System (IELTS) English-language tests for prospective students from Africa. The Kenyan High Commission advised the Committee that Kenyan students studying in other Commonwealth countries did not have to pass this language test. Removing this criterion for students wishing to enter Australia, it was suggested, would 'boost the numbers of students seeking admission in Australian institutions' and 'relieve a great burden' from Kenyan students and their parents.[51]

4.60   In discussion with DIAC, the Committee noted that the Kenyan High Commission had been 'quite critical of the way in which the test is applied'.[52] DIAC responded that it employed a flexible approach to English-language testing. Different IELTS levels were required depending on the 'education sector' students apply for and assessment levels determined for the country of origin.

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49   DEEWR, *Submission No. 38*, p. 334.
50   DIAC, *Submission No. 42*, p. 429.
51   Kenya High Commission, *Submission No. 25*, pp. 186–7.
52   *Transcript 21 April 2010*, p. 34.

4.61   DIAC also told the Committee that there were options to use other tests, such as the Occupational English Test (OET) and Test of English as a Foreign Language (TOEFL), 'in some African countries'. In addition, DIAC was considering 'introducing more competition' among test providers to increase confidence and effectiveness in English-language testing.[53]

4.62   In its submission to the inquiry, DIAC advised the Committee that:

> All applicants for a Student visa, regardless of nationality, are required to meet certain objective and transparent criteria to be eligible for grant [that is, of a student visa]. These criteria are used to assess whether an applicant has a genuine intention to study in Australia and will abide by the conditions of their visa.[54]

4.63   Requirements were calibrated according to levels of 'risk' calculated by DIAC for each country of origin, and included tests of financial capability and educational achievement, along with skill-levels derived from English-language tests.[55]

Relative scale of resources

4.64   Some witnesses to the inquiry highlighted the relatively modest scale of what Australia had to offer African countries. Speaking in general terms, Professor Hearn told the Committee that China's level of investment was 'enormous' and that a number of European countries also had 'long-term interests' in Africa.[56] The scale of these interventions, and the fact that some had 'failed', highlighted both the competition and risk entailed in investments.

4.65   In view of this, Professor Hearn told the Committee, Australian universities needed 'a realistic view of where we are and what we can achieve, while being ambitious and optimistic'. They could do this by identifying 'a few people … leaders who are in the political, academic or business fields who are making a difference', and working with them in 'target countries'. Professor Hearn told the Committee that by taking this approach Australian universities could 'make a huge difference' in African countries.[57]

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53   Mr Kukoc, *Transcript 21 April 2010*, p. 34.
54   DIAC, *Submission No. 42*, p. 429.
55   DIAC, *Submission No. 42*, p. 429.
56   Prof. Simon Hearn, *Transcript 20 April 2010*, p. 35.
57   Prof. Simon Hearn, *Transcript 20 April 2010*, p. 35.

4.66 Professor Hearn told the Committee that his own institution, the University of Sydney, had followed this more targeted approach by focusing on selected countries in East and South Africa, in particular, and identifying areas of capacity with distinct relevance to Africa, including 'agricultural biotech; public health, including non-communicable disease; extractive industries; and public sector reform'.[58]

4.67 Mr Sibraa spoke in similar terms, telling the Committee that Australia had recognised strengths in areas relevant to Africa—in particular dry-land farming—and that

> … we should stick to areas like that that we know well. We are never going to be a huge aid donor. I think we could suffer if we try to spread a small amount too widely, because it will just disappear.[59]

Gaps in education links

4.68 The Committee considered gaps in education links with African countries arrangements that were highlighted by witnesses.

4.69 This included some lack of representation in certain parts of Africa. Universities Australia told the Committee that it was not aware of any links between Australian universities and those of West Africa. The Committee noted that Australia had no links with the universities of Nigeria, despite it being the single most populous country in Africa.[60]

4.70 DEEWR also noted gaps, advising the Committee that AEI is entirely without representation in Sub-Saharan Africa.

4.71 Further, there were no government-to-government educational MOUs between Australia and African countries: all existing relationships were between Australian and African universities alone.[61]

Committee comment

4.72 The higher education sector is now a significant contributor to Australia's export earnings. The sector has a growing reputation for building links with academic institutions in developing countries particularly in Asia and the Gulf. Therefore it is in Australia's interest to further develop

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58 Prof. Simon Hearn, *Transcript 20 April 2010,* p. 33.
59 Hon. Kerry Sibraa, *Transcript 28 April 2010,* p. 9.
60 Ms Magarry, *Transcript 27 April 2010,* p. 5.
61 DEEWR, *Submission No. 38,* p. 333.

valuable ties and similar relationships in research and higher education in Africa.

4.73   The evidence provided to the Committee reveals a picture of Australia as a small partner in specialised cooperative research, and a small but important provider of scholarships and student exchanges with African universities.

4.74   In the Committee's view, it is clear that Australia cannot compete in absolute terms with other countries, such as China, which are employing educational links as a way to establish closer ties with Africa. However, it makes good sense for the message that Australia, armed with a realistic appraisal of its capabilities and strengths in research and higher education, can create valuable ties in Africa—and, indeed, already has an established record of doing so.

4.75   It is critical, in the Committee's view, that Australia develops a greater capacity to coordinate its activities in this regard. First, it needs to pursue the accurate targeting of research effort and scholarships. Second, it needs to do the follow-up—with alumni and others engaged by these programs—in order to generate maximum benefit: both for African staff and students, and for Australia and its universities.

4.76   The Committee recognises that there needs to be a balance with respect to the provision of scholarships to Africans. On the one hand Africa will benefit through the transfer of skills if African students return to their country of origin after completion of their studies. (The Committee is mindful of the experience of MSA where international students return to their home country.) Australia also benefits because the African alumni will act as 'ambassadors from Australia'.

4.77   On the other hand, the immediate benefit to Australia occurs when African students remain in Australia because their skills alleviate Australia's skills shortage. Such a brain drain is of concern not only to African countries but also to other countries providing talented students to study in Australia.

Recommendation 9

4.78   **AusAID's scholarships program should include providing scholarships to African students to undertake tertiary education in Africa. This could involve study at African universities and at Australian universities with links with Africa such as Monash South Africa**

A centre to focus on African issues

4.79 The 'gaps' in coverage and representation identified in previous sections point to wider issues of coordination. The difficulty in gauging the number of scholarships offered to African overseas students by Australian universities is an instance where the higher education sector is let down by an absence of mechanisms to collect and collate data. Such information would be useful for strategic planning.

4.80 Many witnesses have called for the creation of a centre for African studies as a means to enhance Australia's engagement with Africa through a focus on teaching and research on Africa.

4.81 Reflecting on this issue, the Committee discusses the reasons why Australia should increase its research capacity in relation to Africa; the current levels of research in Australia; and the various proposals for a centre to foster an increased effort in African studies.

4.82 Many submissions and witnesses proposed that Australia should consider increasing its research capacity. Their reasons centred on Australia's involvement in mining in Africa; interest in working cooperatively with African countries on the world stage; and person-to-person links between Australia and Africa.

Mining

4.83 A number of witnesses drew attention to the significance of Australia's involvement with mining in Africa, and argued that it was critical that, in view of this involvement, Australia develop a basis for expertise and research on Africa.

4.84 Associate Professor Geoffrey Hawker, from Macquarie University but appearing in a private capacity, advised the Committee that 'Australian engagement with Africa is driven by business opportunities now opening up on an unprecedented scale'. In particular he noted rapid expansions in investment and operations in 'extractive industries' as being of special importance.[62]

4.85 Dr David Dorward, a retired Associate Professor from Latrobe University, commented that increasingly close ties between Africa and China, in terms of natural resources, added a sense of urgency to Australia's involvement with mining in Africa. He noted that the 'export economy of Australia, the

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62 Assoc. Prof. Hawker, *Submission No. 35*, p. 259.

strength of the dollar and our capacity to borrow overseas are all linked to the strength of the mining sector'. While currently Australia's 'leading customer is China', there was potential for Africa 'to undermine Australia's economic position as a leading supplier to China', because:

- 'Africa offers a clear alternative source of supply for mainland China's mineral requirements';

- the 'scale and variety of known mineral reserves in Africa far outstrip those of Australia'; and

- 'China is already a major player in the African mining sector'.

4.86 A suitable response was for Australia to 'cultivate a higher profile in Africa [and to] facilitate but also inform its corporate sector'. This would help place Australia in a better competitive position in relation to the African resources sector, thus mitigating negative effects, on Australia, of this alternative source of supply.[63]

Cooperative engagements

4.87 A number of contributors to the inquiry advised the Committee that Australia needed to improve its understanding of Africa if it were to improve its relationships with African countries and pursue foreign policy objectives through bilateral and multilateral engagements.

4.88 The Commonwealth Round Table in Australia advised the Committee that on 'a continental and global level, Australia increasingly views itself as a 'middle power' building consensus on global issues' and that 'African support is crucial to agreement and action on global concerns'.[64]

4.89 Mr Matthew Neuhaus, former Head of Mission to five African countries and current Ambassador to Zimbabwe, suggested that this was important because African nations represented 'one quarter' of the world's nations, in addition to Australia's significant commercial and person to person links with Africa. He advised the Committee that as 'important players in international forums, Africa nations can … help us achieve our global goals'. Conversely, Australia 'will certainly fail to build global coalitions for these goals without engaging them'.[65]

4.90 However Australia's level of awareness of Africa fell short of what it needed to achieve these objectives. Australia needed an increased

63 Dr David Dorward, *Submission No. 6*, p. 47.
64 Commonwealth Round Table in Australia, *Submission No. 11*, p. 98.
65 Mr Matthew Neuhaus, *Submission No. 19*, pp. 149–50.

awareness of Africa, and a policy 'sophisticated enough to engage Africa not just as a continent but on a nation by nation basis'.[66]

Person-to-person links

4.91   A number of contributors to the inquiry suggested that further research capacity is needed to understand the high degree of cultural diversity in Africa. Dr Elizabeth Dimock, Executive Committee Member of the African Studies Association of Australasia and the Pacific (AFSAAP), commented that this diversity was generated by Africa's 'diverse geographies and cultures'; a population 'of more than a billion people'; and a history of 'internal conflicts'. In the absence of an understanding of these conditions, Australia would struggle to deal with African migrants effectively. As a result, she wrote, if 'the current Federal Government is serious about engaging more closely with African countries, consideration should be given to increasing levels of expertise in Australia'.[67]

4.92   The Committee also considered the involvement of Australians in Africa. Mr Neuhaus advised the Committee that 'Australians' had 'a long history with Africa', and that from the 'end of the First World War till well after independence it was Australian missionaries who provided the bulk of the health and education services in this vast region of East Africa'.[68]

4.93   In spite of this, Australia had 'never sought to capitalise on this investment of decades of goodwill or support with official aid the very real assistance provided by Australians'.[69] This again suggested a gap in knowledge and awareness, which unless addressed could inhibit Australia from realising its present-day aspirations in Africa.

Committee comment

4.94   In the Committee's view, the evidence points to a need for further capacity within Australia to provide a higher education, teaching and research focus on Africa. Contributors to the inquiry have consistently highlighted the practical advantages of this approach. The Committee believes that proposals to create further research capacity in this area warrant serious attention.

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66   Mr Matthew Neuhaus, *Submission No. 19*, p. 150.
67   Dr Elizabeth Dimock, *Submission No. 28*, p. 214.
68   Mr Matthew Neuhaus, *Submission No. 19,* p. 149.
69   Mr Matthew Neuhaus, *Submission No. 19*, p. 150.

Current capacity

4.95   To establish the extent of the requirement to expand teaching and research on Africa the Committee sought to establish Australia's contemporary levels of such activity.

4.96   Dr Lucas told the Committee that under current conditions it was difficult to ascertain levels of expertise, or effort currently expended on research into Africa, and that this offered an insight into the present state of African Studies in Australia.

4.97   Dr Lucas commented that Australian universities did not specifically identify scholars engaged with Africa, or highlight courses or projects in this area. Indeed, they appeared to be less than fully aware of such work being done within their own establishments. This was exacerbated by continual restructuring in Australian universities which had, it appeared, affected even fairly recent plans by Monash University to establish a formal centre, in Australia, for African Studies.[70]

4.98   Dr Lucas also told the Committee that an 'inventory' of work being done in the area in Australian universities should be created to make up this shortfall. In the meantime those who wished to identify this work had to rely on searches on the open web and other unstructured approaches, and that this was a less-than-satisfactory state of affairs.[71] This was a contrast with arrangements in Britain, where a central register of doctoral dissertations provided a point of access to materials produced in universities on specific subjects.[72]

4.99   In response, the Committee noted that in Australia there appeared to be 'no central point' for 'people who are interested' in African-Australian relations.[73] This led to discussion of the current scope and role of the AFSAAP, a professional association for "Africanists".

The African Studies Association of Australasia and the Pacific

4.100   In its submission to the inquiry, the AFSAAP advised the Committee of its current functions and aims, including to:

- 'maintain a network of Africanist scholars';

- 'facilitate communication between members';

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70   Dr David Lucas, *Transcript 27 April 2010*, p. 23.
71   Dr David Lucas, *Transcript 27 April 2010*, pp. 16, 21.
72   Dr David Lucas, *Transcript 27 April 2010*, p. 20.
73   *Transcript 27 April 2010*, p. 20.

- publish the *Australasian Review of African Studies*;

- organise an annual conference; and

- 'encourage advocacy and cooperation amongst interested parties'.[74]

4.101 Dr Cherry Gertzel, Adjunct Professor, Curtin University, advised the Committee that scholarly interest in research into Africa in Australia increased in the 'late 1960s', and this persisted through the 1970s and 80s.[75] Dr Dimock noted that this expansion had led to the creation of the AFSAAP as a means of coordinating research in the area.[76,77]

4.102 A paper provided by Dr Dimock and Dr Tanya Lyons, Flinders University, but contributing in a private capacity, gave the reasons for this interest, including:

- interest in liberation struggles and newly-independent African states;

- an emphasis on area studies as a function of Cold War geo-politics;

- 'waves' of 'migrants from Southern Africa … fleeing white racist regimes'; and,

- the collapse of apartheid and interest in nation-building in the new South Africa.[78]

4.103 Interest in Africa began to decrease in the early 1990s.[79] Dr Lucas advised the Committee that, following the mid-1990s, research into Africa in Australia experienced a number of contractions. A reduction in academics working in the area progressed to the point where there were reckoned to be, as of 2003, as little as 10 'teaching topics related to Africa' in the whole of Australia.[80]

4.104 A key factor was a system of institutional incentives for studies in the Asia-Pacific region, consistent with priorities laid-down by Australian

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74 AFSAAP, *Submission No. 60*, pp. 673–4.

75 Prof. Cherry Gertzel, *Submission No. 41*, pp. 419–20; Dr Elizabeth Dimock and Dr Tanya Lyons, *Exhibit No. 10, The State of African Studies in Australia*, in Paul Zeleza (ed.), *The Study of Africa Volume 2: Global and Transnational Engagements*, CODESRIA, 2007), pp. 316-17.

76 Dr Elizabeth Dimock, *Submission No. 28*, p. 213.

77 The foundation meeting of the ASFAAP was in 1978. See <http://www.afsaap.org.au/Conferences/Conferences.htm>, Accessed June 2010.

78 *Exhibit No. 10*, pp. 316-17.

79 Prof. Cherry Gertzel, *Submission No. 41*, pp. 419–20; *Exhibit No. 10*, pp. 316-17.

80 Dr David Lucas, *Submission No. 22*, p. 164, quoting *Exhibit No. 10*.

governments since the mid-nineteen-nineties.[81] Reflecting this down-turn, La Trobe University closed its African Research Institute in 2006.[82]

4.105   Dr Lucas told the Committee that the AFSAAP had been affected by these developments. The association's members now numbered between 100 and 200, and were in decline. Moreover, the AFSAAP had insufficient influence to achieve its objectives because it had not attracted members at Vice-Chancellor or similar levels of seniority.[83]

4.106   Dr Dimock advised the Committee that it had 'always been the case' that Africanists had been 'spread across many disciplines' Australia-wide, and that this had been the reason for creating the AFSAAP and La Trobe University's African Research Institute.[84] However, Dr Dorward advised the Committee, the overall contraction in participation in African Studies in Australia had led to the AFSAAP being unable to perform, effectively, the coordinating function for which it was first intended.[85]

African Studies in Australian universities

4.107   The Committee considered the effect of this trend on scholarship on Africa in Australian universities. A number of witnesses advised the Committee that there had been a significant down-turn in the area.

4.108   Dr Dorward advised the Committee that within Australian academia 'the pool of African expertise had collapsed dramatically in the past decade with retirements and as university administrations shift toward fee-paying courses', and a 'once significant pool of localised expertise on Africa within academia … has all but disappeared'. This correlated with a similar trend in the NGO sector.[86]

4.109   The paper provided to the Committee by Dr Dimock and Dr Lyons supplied further evidence for this trend. It presented survey-based information on the state of research and teaching in African topic-areas in Australian universities as at 2003. At that time the survey showed that of 38 public universities in Australia 'only fourteen Australian … appear to have any African Studies in their teaching programmes'. Of a 'total of 49 topics that … mention Africa … on offer at undergraduate and

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81   Dr David Lucas, *Transcript 27 April 2010*, p. 22.
82   Dr David Lucas, *Submission No. 22*, p. 164.
83   Dr David Lucas, *Transcript 27 April 2010*, p. 21.
84   Dr Elizabeth Dimock, *Submission No. 28*, p. 213.
85   Dr David Dorward, *Submission No. 6*, p. 53.
86   Dr David Dorward, *Submission No. 6*, p. 52.

postgraduate levels in these universities …., only sixteen' were 'specific to Africa, while another 33 included Africa within a comparative context'.[87]

4.110   Dr Lyons advised the Committee that the survey 'demonstrates the lack of an Africa specific focus in topics available to tertiary students', and 'clearly shows that Australian universities are not able to provide [in-depth] opportunities within tertiary education to study Africa'.[88]

4.111   Dr Lyons also advised the Committee that other features of African scholarship in Australia also demonstrated a lack of capacity, in particular:

   ■   an absence of dedicated academic appointments in the area;

   ■   the closure of the only dedicated African Research Institute; and

   ■   an absence of jobs for African experts in Australia, whether in universities or in government. [89]

4.112   When Dr Lyons appeared before the Committee, she was asked if the state of academic study of Africa in Australia reflected similar trends overseas. Dr Lyons responded that this was not the case: there were substantial, long-term commitments to African Studies in the United States of America, Britain, France and Canada. The American African Studies Association, in particular, was 'huge'.[90] In her submission, Dr Lyons also advised the Committee that China had 'addressed this issue by promoting African studies', in line with its other interests in Africa.[91]

4.113   Dr Lyons told the Committee that in Australian universities, by contrast, African scholarship had a low profile. To her knowledge no African languages were taught and, she advised the Committee, she was 'one of the few academics in Australia to teach dedicated topics on African studies to students in international relations'.[92]

4.114   While Dr Lyons advised the Committee that there were 'a significant number of postgraduates conducting research into Africa and African issues' there was 'no research to date that tracks this research or its outcomes'. She observed that, 'anecdotally it would appear that many

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87   *Exhibit No. 10*, p. 319.
88   Dr Tanya Lyons, *Submission No. 29*, pp. 216.
89   Dr Tanya Lyons, *Submission No. 29*, p. 217.
90   Dr Tanya Lyons, *Transcript 28 April 2010*, pp. 48-9.
91   Dr Tanya Lyons, *Submission No. 29*, p. 217.
92   Dr Tanya Lyons, *Transcript 28 April 2010*, p. 44, and *Submission No. 29*, p. 216.

researchers are unaware of each other and [as a result] each continues to reinvent the research wheel'.[93]

Committee comment

4.115   On the basis of evidence to the inquiry, it appears that Australia's capacity to research and teach African studies, and coordinate this work, is declining compared to other nations.

4.116   The Committee also notes with concern the present state of the AFSAAP, in which it appears less able to perform the coordinating role for which it was created. The Committee notes the absence of sufficient coordinating activities in Australia, which reduces Australia's capacity to produce good work in the area.

4.117   The Committee is also concerned over the low prevalence of academic courses and appointments in African Studies; and the reported loss of expertise in other sectors such as NGOs.

4.118   In the Committee's view, it would seem that if Australia wishes to place a priority on Africa, in view of its emergent interests, it should take deliberate steps to expand its expertise and capacity to engage by establishing a centre specialising in African studies. This will provide a point of focus; a coordinating function; and a direct injection of resources into an area that has clearly declined since the mid-19 90s.

Creation of a centre to focus on African studies

4.119   The Committee considered a number of models for a facility to answer the need for Australia to foster greater expertise and a greater research capacity in relation to Africa. These included:

- a new centre under the ARC Centre of Excellence program;[94]

- a new centre under the Government's Cooperative Research Centres program;[95]

- an 'Australia-Africa Research Institute',[96] potentially based on a consortium model,[97] or that of the Lowy Institute;[98] and

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93   Dr Tanya Lyons, *Submission No. 29*, p. 217.
94   *Transcript 27 April 2010*, p. 24; Dr David Lucas, *Submission No. 22*, p. 163.
95   *Transcript 27 April 2010*, p. 24.
96   *Transcript 28 April, 2010*, p. 43.
97   Dr David Lucas, *Transcript 27 April 2010*, p. 19.
98   Dr Tanya Lyons, *Transcript 28 April 2010*, p. 43.

■ direct funding of an academic unit or faculty in an Australian university.[99]

Centre of Excellence

4.120   In Australia, the term 'Centre of Excellence' refers to a centre created under a formal program of the Australian Research Council (ARC) as part of the National Competitive Grants Program.[100]

4.121   The ARC website shows that many of the Centres of Excellence funded under the program deal with relatively specific areas of study often, although not exclusively, within the physical sciences. In the 2005, for example, 11 Centres of Excellence were funded under the program, out of which one could be construed as being outside of the physical sciences. This was the ARC Centre of Excellence for Creative Industries and Innovation.[101]

4.122   However there are other ways of setting a focus for research under the program. It is open to government to set priority areas for research funded by the ARC, which then attract applications in particular areas of study. These are known as 'Special Research Initiatives'.[102]

4.123   An example of this was the priority set on *Policing and Security* in the 2006 ARC grants round, for funding commencing in 2007.[103] This also shows that under this arrangement priorities can be set outside of the physical sciences. Outcomes for this round show, for this Special Research Initiative, that all five of the successful applications were from Humanities and Creative Arts. However, it also shows that such initiatives do not create a physical centre: successful applications were from a range of other units and institutions, which pursued separate projects, only related by the funding arrangement.[104]

4.124   This provides some basis to suggest that this may be an avenue through which government could set a priority on research into African Studies, for which precedents and funding arrangements already exist. Support for this approach came from Murdoch University which suggested that proposals should be assessed against ARC criteria.[105]

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99   Mr Wakholi, *Submission No. 32*, p. 239.
100 <http://www.arc.gov.au/ncgp/ce/ce_default.htm>, Accessed June 2010.
101 <http://www.arc.gov.au/ncgp/ce/2005_coe_funding.htm>, Accessed June 2010.
102 <http://www.arc.gov.au/ncgp/sri/sri_default.htm>, Accessed June 2010.
103 <http://www.arc.gov.au/ncgp/ce/ce_outcomes.htm>, Accessed June 2010.
104 <http://www.arc.gov.au/ncgp/ce/ceps_selectionreport.htm>, Accessed June 2010.
105 Prof. Craig McGarty, *Transcript 10 March 2011*, p. 3.

Committee comment

4.125   The ARC Centres of Excellence program offers one avenue through which
        Australia could increase its research capacity in African Studies. While
        many of the projects which are currently funded lie within the physical
        sciences, the Special Research Initiatives sub-program provides a tool
        through which government could invite and fund applications from
        researchers with proposals pertinent to Africa.

4.126   However, there are two disadvantages in adopting this approach. First, it
        would not create a physical 'centre' for African Studies in Australia,
        because it would fund a suite of separate projects. Second, there are
        questions over the longevity of such an initiative. In the Committee's
        view, a persistent physical centre for African Studies is required if
        Australia is to regenerate its capacity in this area.

Cooperative Research Centre

4.127   A second proposal considered by the Committee was for a Cooperative
        Research Centre for African Studies.

4.128   The Cooperative Research Centres program is administered by the
        Department of Innovation, Industry, Science and Research (DIISR). The
        DIISR web-page for Cooperative Research Centres states that the
        program's objective is to:

> … deliver significant economic, environmental and social benefits
> to Australia by supporting end-user driven research partnerships
> between publicly funded researchers and end-users to address
> clearly articulated, major challenges that require medium to long
> term collaborative efforts.[106]

4.129   The web-page states that to date 'there have been a total of 168 CRCs', and
        there are currently:

> 48 CRCs operating in 6 sectors: environment (10), agriculture and
> rural-based manufacturing (14), information and communication
> technology (5), mining and energy (4), medical science and
> technology (8) and manufacturing technology (7). [107]

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106 <https://www.crc.gov.au/Information/ShowInformation.aspx?Doc=about_programme&
     key=bulletin-board-programme&Heading=The%20Program>, Accessed 2/06/2010.

107 <https://www.crc.gov.au/Information/ShowInformation.aspx?Doc=about_programme&
     key=bulletin-board-programme&Heading=The%20Program>, Accessed June 2010.

4.130   CRCs are funded for 'up to 10 years', but this is contingent, however, upon 'the outcomes of rigorous reviews' made by an 'independent panel of experts' in the fourth and eighth years. [108]

Committee comment

4.131   The Committee notes that, as for the ARC *Centres of Excellence* program, a bias is evident in DIISR's CRCs program in favour of physical sciences and technology.[109]

4.132   Nevertheless, the CRCs provide a number of functions which the Committee has identified as being desirable for regenerating capacity in African Studies in Australia. In particular, the Committee notes the ability of CRCs to combine to increase research capacity in an area, and foster long-term research interests in particular areas.

4.133   On the other hand, CRCs have a tightly focused research interest which does not encompass undergraduate teaching. A CRC needs a source of graduates with a specialist knowledge if it is to develop a research capacity. As well, CRCs have a limited life which could be as short as four years. This is in conflict with the Committee's view that it is necessary to achieve a long-term increase in Australia's expertise in African Studies if Australia is to pursue its interests and good global citizenship effectively.

Africa-Australia Institute

4.134   The Committee considered the role of the former African Research Institute (ARI), which operated at La Trobe University from 1985 to 2006, and whether a successor to the ARI would answer the needs identified for the revival of African Studies in Australia.[110]

4.135   The paper provided to the Committee by Dr Dimock and Dr Lyons noted that the ARI maintained 'ties with the Africa-Australia Business Council, the South Africa Business Council and a broad spectrum of African community and special interest groups'. They also noted linkages with the Australian Government—members of the 'Australian diplomatic corps [had] visited the Institute before departure to postings in Africa and provided briefings upon their return to Australia'.

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108   <https://www.crc.gov.au/HTMLDocuments/Documents/PDF/ CRC%20Program%20Guidelines_Feb%202010.pdf>, Accessed May 2011.

109   <https://www.crc.gov.au/Information/ShowInformation.aspx?Doc=12th_Selection_ rounds&key=bulletin-board-selection-rounds_12&Heading=Selection%20Round#12th SuccessfulCRCs>, Accessed June 2010.

110   Dr Elizabeth Dimock, *Submission No. 28*, p. 213; Dr Lucas, *Transcript 27 April 2010*, p. 15.

4.136   In this sense, the exhibit suggested, the ARI together with the AFSAAP had, before its closure, performed a range of functions that had fostered, and provided a focus and a point of coordination for Australian research on Africa.[111] In view of this, the Committee considered whether such an institute should again be created in Australia, to perform similar functions.

4.137   Witnesses to the inquiry told the Committee of two models which might be considered. Dr Lucas referred to a research centre on Africa that had been created at the London School of Economics (LSE), the 'LSE African Initiative', as a consortium between the LSE and Oxford University, with additional funding from elsewhere.[112]

4.138   Dr Lyons told the Committee that the Lowy Institute for International Policy was a suitable model for a future African research institute. The Lowy Institute is described as an 'independent international policy think tank'. It is a privately-endowed organisation, based in Sydney, which publishes papers on foreign policy; hosts conferences; and provides fellowships for researchers on foreign policy.[113] It currently maintains a staff of 42, of which 23 are either fellows, visiting fellows or non-resident fellows.[114]

Committee comment

4.139   The Committee considers that these are interesting models for an Australian research centre or institute on Africa, and that they hold out the prospect of a flexible and inclusive model for such a centre.

4.140   In this inquiry the Committee is bound to consider, among other things, what may be done by government to foster African Studies in Australia. Neither the LSE African Initiative nor the Lowy Institute were initiated by government—the first created as an initiative between universities, the second by private endowment.[115]

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111   *Exhibit No.10*, p. 329.

112   Dr David Lucas, *Transcript 27 April 2010*, p. 19. See *LSE African Initiative*, <http://www2.lse.ac.uk/supportingLSE/currentProjects/LSEAfricanInitiative.aspx>, Accessed July 2010.

113   <http://www.lowyinstitute.org/AboutUs.asp>, Accessed February 2010.

114   <http://www.lowyinstitute.org/Staff.asp>, Accessed February 2010.

115   <http://www2.lse.ac.uk/supportingLSE/currentProjects/LSEAfricanInitiative.aspx>, Accessed July 2010.

4.141   In addition, an institute, such as that based on the Lowy Institute, for example, would not contain an education element at either student or postgraduate level.

4.142   An alternative would be creating a specialised academic unit or faculty for African Studies within an existing university,[116] partially or fully funded by the Government.

Where to locate a centre

4.143   The Committee has considered a number of alternative models for locating a studies centre.

4.144   Dr Lucas told the Committee that difficulties arose in choosing a university as a site for such a unit or faculty, as the main elements of Australian academic expertise in African Studies were distributed, on the whole, between two universities: Monash University and the University of Sydney.[117] WA's Murdoch University has also argued for a centre, but one based on a hub and spokes model with 'important elements of the network' based on Australia's western coast. Perth was suggested because Western Australia has a higher density of Africans living in the state when compared to the East Coast states.[118] Also it is closer to Africa,[119] and is the location of the head offices of many Australian mining companies with interests in Africa.

4.145   The fact that Monash and Sydney Universities display significant strengths with respect to Africa raises the question of where a research facility should be established.

4.146   Dr Dimock told the Committee that while Monash and Sydney universities both had acknowledged strengths in the area, there were other factors that favoured Monash University. These, she suggested, were linkages on Africa with other universities in Melbourne; existing research projects and African-Australian staff in universities in Melbourne; and networks between universities and the 'very large African communities in Melbourne and in Victoria'.[120] Universities Australia also advised the Committee that, in its view, Monash University was the 'most active' Australian university in Africa.[121]

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116   See Monash University, *Submission No. 70*, p. 2; Mr Wakholi, *Submission No. 32*, p. 2.
117   Dr David Lucas, *Transcript 27 April 2010*, p. 19.
118   Prof. Craig McGarty, *Transcript 10 March 2011,* pp. 3, 4.
119   Prof. Michael Broderick, *Transcript 10 March 2011,* p. 4.
120   Dr Elizabeth Dimock, *Transcript 5 May 2010*, p. 15.
121   Universities Australia, *Submission No. 24*, p. 180.

4.147   The AFSAAP favoured a distributed model, where a centre would be established in a university, but would extend its reach via online facilities. The AFSAAP advised the Committee that the Centre could:

> … consist of a model whereby a central node is located in a university led by a Professor, whilst a number of spokes could be located virtually (or physically) in various parts of Australia. In this way, Africanist scholars resident outside of the major centres could participate as equals in various academic and administrative aspects of the Centre. Many of the newer educational technologies, including podcasts, could be deployed to foster greater inclusion of individuals and greater regional representation in an African Studies Centre.[122]

4.148   Edith Cowan University provided support for a virtual centre:

> … something into which all universities can contribute and which perhaps even moves between universities at a given period of time, rather than placing the onus on anyone University, or organisation for that matter, to keep it alive and functioning.[123]

4.149   The Committee considered a model, in which the two main networks currently in operation—centred on Monash and Sydney universities—would be brought together under one title. Dr Lucas told the Committee that;

> In many ways if AFSAAP could cooperate with Monash, which has its own network, and Sydney, which might have one, and we could all interact, we would save an awful lot of effort and advance the cause of Africa.[124]

4.150   The Committee also considered the model proposed by Dr Dorward where government would provide funding for research materials, open to a competitive process, under the condition that the universities bidding for grants would undertake to establish a Chair of African Studies. Dr Dorward advised the Committee that the Australian Government, in allocating 'resources carefully and with a clear focus', should also 'consider how it can build a long-term foundation for' Australia's relationship with the countries of Africa.[125]

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122   AFSAAP, *Submission No. 60*, p. 675.

123   Prof. Helen Vella Bonavita, *Transcript 10 March 2011*, p. 24.

124   Dr David Lucas, *Transcript 27 April 2010*, p. 21.

125   Dr David Dorward, *Submission No. 6*, p. 53.

Committee comment

4.151   This inquiry has highlighted the existence, within Australia, of a substantial body of expertise on African issues. The Committee believes that it is important to promote its coordination and further development.

4.152   Therefore the Committee proposes that a Centre for African Studies should be established, preferably, within a university in Australia.

4.153   This will facilitate a coordinated approach to education and training both at undergraduate and graduate level. Further, it will establish a focal point for coordinating expertise on African issues.

4.154   The Committee has not come to a view as to where such as centre should be located. Rather it supports aspects of the model proposed by Dr Dorward which would involve a competitive process. Such a process for establishing a centre will reveal the level of commitment of universities wishing to become the location of a Centre for African Studies. Ultimately such a centre could encompass a consortium of universities.

Recommendation 10

4.155   **The Department of Education, Employment and Workplace Relations should:**

- **establish a Centre for African Studies;**

- **invite competitive tenders from Australian universities for the establishment of the Centre;**

- **engage stake-holders and potential partners for the Centre;**

- **provide sufficient funding so that the Centre can:**
    - ⇒ **undertake research, education and training functions;**
    - ⇒ **engage with industry;**
    - ⇒ **raise the profile of African Studies in Australia; and**
    - ⇒ **provide value to both government and non-government end-users.**

5

Research Links

Introduction

5.1   This Chapter examines the research links between Australia and Africa. Its focus is largely on research links that have resulted from Australia's aid program and other government to government links, and as such does not examine research links related to education in great detail. These links have been discussed in Chapter 4.

5.2   This chapter begins with a discussion of the official research links between Australia and the countries of Africa that result from Australia's aid program. It then moves on to look at other research links resulting from academic and research collaboration that is officially funded, and finishes with a discussion of a tertiary education sector connection.

Official Research for Development

5.3   Research for development is an area of significant engagement between Australia and the countries of Africa. A number of research connections have been made through the many partnerships between Australian agencies and African research institutions, government agencies, and individuals.

5.4   AusAID told the Committee that one of the main pillars of Australia's
        official development assistance (ODA) in Africa now and into the future is
        centred in increasing agricultural production with the goal of reducing
        food insecurity.[1] A significant part of the agriculture and food security
        portion of Australian ODA is managed by the Australian Centre for
        International Agricultural Research (ACIAR).[2] AusAID and ACIAR also
        work with CSIRO in boosting Africa's agricultural output via research and
        its application.[3]

Australian Centre for International Agricultural Research

5.5   ACIAR is a statutory authority within the Foreign Affairs and Trade
        portfolio, and is a 'specialist component of the Australian aid program'.[4]
        As such, its activities are part of Australian ODA, and its objectives are to
        advance 'Australia's national interest through poverty reduction and
        sustainable development'. [5]

5.6   ACIAR conducts this work in partnership with counterparts in the
        developing world through several different activities:

    ■ commissioning research into improving sustainable agricultural
      production in developing countries;

    ■ funding project-related training (postgraduate and short
      training courses);

    ■ communicating the results of research;

    ■ conducting and funding development activities related to
      research programs, including capacity building;

    ■ administering the Australian Government's contribution to the
      International Agricultural Research Centres (IARCs).[6]

5.7   As at April 2010, ACIAR had 201 projects operating in 25—30 countries.
        Its total research budget is $80 million per annum.[7] Of this, between $2
        and $5 million is spent on projects in Africa.[8]

5.8   As mentioned earlier in this report, Sub-Saharan Africa has some of the
        worst indicators in relation to the MDGs. In particular this region has
        registered the least progress in reducing food insecurity. Hence, ACIAR

1   This is discussed in greater detail in Chapter 3 of this report.
2   AusAID, *Submission No. 47*, p. 570.
3   CSIRO, *Submission No. 14*, p. 118.
4   Dr Simon Hearn, *Transcript 20 April 2010*, p. 60.
5   ACIAR, *Submission No. 27*, p. 207.
6   ACIAR, *Submission No. 27*, p. 207.
7   Dr Simon Hearn, *Transcript 20 April 2010*, p. 60.
8   ACIAR, *Submission No. 27*, p. 209.

has been involved in projects and has funded research in Africa –
particularly South Africa – since its inception in the early 1980s. In that
time, it has completed over 40 projects, ranging from reducing the impact
of diseases and ticks on livestock to introducing Australian trees and low
impact fertiliser strategies for African crop farmers.[9]

5.9   ACIAR functions as the 'interface' between Australia's ODA program and
        Australian research and innovation in agricultural research. As such, it is
        important to note that it always operates in 'collaboration with research
        agencies in developing countries'.[10]

5.10   ACIAR works with both bilateral partners, as in the case of South Africa,
        and multilateral partners. In common with other components of
        Australian ODA, these partners emphasise Australia's comparative
        advantages in agriculture. Some of the international agricultural research
        centres (IARCs) ACIAR has worked with in Africa include:

        ■ The International Livestock Research Institute;

        ■ The World Agroforestry Centre;

        ■ The International Institute of Tropical Agriculture;

        ■ The International Crops Research Institute for the Semi-Arid Tropics;
          and

        ■ The International Maize and Wheat Improvement Centre.[11]

5.11   ACIAR's current activity in Africa is limited, in line with ACIAR's modest
        funding. It is running a small program in South Africa focused on 'income
        generation in crop and livestock systems for emerging and previously
        disadvantaged farmers'. This program is intended to 'assist farmers to
        develop as commercial operators to capture the benefits of improved
        technology'.[12]

5.12   In 2010, ACIAR launched a new program called 'Pathways to sustainable
        intensification of maize-legume based farming systems for food security in
        eastern and southern Africa (SIMLESA)'. ACIAR noted that this project is
        in alignment with regional research priorities set out by the
        Comprehensive African Agriculture Development Programme (CAADP)
        and SADC.[13]

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9   ACIAR, *Submission No. 27*, p. 207.
10   Dr Simon Hearn, *Transcript 20 April 2010*, p. 60.
11   ACIAR, *Submission No. 27*, p. 208.
12   ACIAR, *Submission No. 27*, p. 208.
13   ACIAR, *Submission No. 27*, p. 208.

5.13   The research emphasis of SIMLESA will focus on improving the use of technology and the latest, improved strains in maize-legume farming to maximise income without endangering sustainability. It also aims to 'contribute to building agricultural research capacity in partner countries and regional organisations'.[14]

5.14   As mentioned, ACIAR's budget is limited. For example, the SIMLESA project has a total budget of $20 million, to be spent over four years. A further $0.5 million is currently being spent on the projects in South Africa in the 2010−11 financial year.[15]

Commonwealth Scientific and Industrial Research Organisation

5.15   CSIRO is the Australian national government science agency under the Department of Innovation, Industry, Science and Research (DIISR).[16] The international strategy of CSIRO emphasises 'research for development'. As such its efforts in Africa over the last 25 years have focused on 'building partnerships in the African region focused on research that can help support African development'. So far, most of its research activity in Africa has been in land based agriculture, and increasingly aquaculture as well.[17]

5.16   CSIRO told the Committee that:

> CSIRO deploys its research principally through partnerships with Australian and international development agencies and in-country government, non-government and agribusiness organisations. Our key partner in much of the past and current activities is [ACIAR]. Other partners have included AusAID and donor organisations ...[18]

5.17   One example of such collaboration can be found in a program which ran from 1999 to 2009. This program focused on 'improving livestock integration into cropping systems via improved forage and marketing strategies', and built on Australian expertise and experience in this area. It

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14   ACIAR, *Submission No. 27*, p. 209.
15   ACIAR, *Submission No. 27*, p. 209.
16   DIISR and its other research activities in Africa are dealt with in a later section of this Chapter.
17   CSIRO, *Submission No. 14*, p. 118.
18   CSIRO, *Submission No. 14*, p. 118.

was funded by ACIAR, led by CSIRO, and conducted in Zimbabwe and South Africa.[19]

5.18   Other agricultural research projects that CSIRO has been involved with in Africa include:

- 'Fertilizer- augmented soil enrichment strategies', designed to increase the use of fertilizer by smallholders;

- 'Farming systems research to enhance the effectiveness of agricultural change agents in Africa'. For example, one project in this area was partly designed to help NGOs and agribusiness better tailor their services to meet the needs of smallholder producers;

- 'Improved integration of livestock within cropping systems', designed to maximise the performance of both livestock and crops;

- 'Improved crop varieties and their distribution'. Sub-Saharan Africa has a very low rate of adoption of improved crop varieties, and this research was intended to capitalise on Australia's experience and success in 'the process of breeding, releasing and distributing new varieties'.

- 'Lifting water-use efficiency in rain-fed and irrigated agriculture in the semi-arid tropics'. Australia is a world leader in water-use efficiency (WUE) given its climate and geography, and this research was intended to help improve semi-arid Africa's 'disappointingly low' WUE.

- 'Coping with increasing vulnerability due to climatic change'. Given the effect of crop failure on the rural poor in Sub-Saharan Africa, CSIRO has developed partnerships with African researchers to help support smallholders adapt 'their agricultural practices to current' and projected climate variations.

- 'Food security in coastal Africa from aquaculture'. Aquaculture is increasing in coastal African communities, and if developed effectively could become a sustainable source of both food and export income for coastal African countries. CSIRO has developed aquaculture systems with 'ultra low-cost inputs' and 'high value outputs', and these systems are being applied in some East African countries in association with other research agencies.

- 'Delivering improved tree germplasm for African agroforestry systems'. CSIRO has collaborated with a number of research agencies in Africa to assist with the integration of Australian tree species — particularly the

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19   CSIRO, *Submission No. 14*, p. 121.

Australian Silky Oak — into African farming systems. This helps to increase the timber yield of African farmers for use both in farming and building and for commercial timber sales.[20]

5.19   CSIRO emphasised that its activities in Africa were providing a real contribution to Africa, in terms of increasing regional stability through prosperity and economic security, solving regional problems that could then be applied to similar geographic settings, and building technical agricultural capacity.

5.20   These activities also provide benefits for Australia, including its international reputation, opportunities for future collaboration and 'demonstrable returns' for Australian agriculture.[21]

Committee Comment

5.21   Australia is a leader in agricultural production and its expertise provides opportunities for expansion of research and the creation of agribusiness joint ventures.

5.22   The Committee notes that the work of ACIAR and CSIRO in Africa is mutually beneficial for both African countries and Australia, in that it both assists in progress towards MDG 1 and increases the agricultural expertise of Australia.

5.23   The Committee supports these activities and encourages continuing Australian agricultural research in Africa.

Other Official Research Connections

5.24   Research for development between Australia and the countries of Africa aside, other Australian agencies are involved in fostering research connections between Australia and Africa. At the intergovernmental level these links are the responsibility of the Department of Innovation, Industry, Science and Research (DIISR), which manages these relationships and their funding programs so as to:

> Provide the platform for supporting the activities that give substance to the commitments made under various science and technology treaties and MOUs.[22]

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20   CSIRO, *Submission No. 14*, pp. 119-23.
21   CSIRO, *Submission No. 14*, pp. 123-4.

5.25   The criteria under which these links are created are:

- the anticipated benefits (social, economic and scientific) of cooperation with other countries;

- the expected benefits that accrue to Australia as a result of collaboration; and

- 'broader strategic, whole-of-government considerations'.[23]

5.26   Some of the ways in which the DIISR fosters collaboration are:

- Through the ARC and its Discovery Projects, Australian Laureate Fellowships, and ARC Centres of Excellence schemes. In all of these, 'international collaborations is specified as an objective in the funding rules'.

- The Cooperative Research Centre Program Guidelines, which strongly encourage international research collaboration.

- 'The International Science Linkages program managed by the Department ... due to expire in 2011'. This program provided funding not only in support of research collaboration internationally, but also 'to support relationship-building events that lay the essential groundwork for future collaboration'.[24]

5.27   One of the primary criteria on which the anticipated benefits both ways are quantified is by examining the research output of potential partner countries through the number of scientific publications produced.[25]

5.28   As a continent, Africa's research output as measured by the number of publications is very modest. According to the DIISR, Africa accounts for 0.9% of research and development investment, and just 1.5% of scientific publications each year. This is especially marked considering Australia accounts for '1.4% of investment and 3% of publications' annually.[26]

5.29   Given this modest research and scientific capacity, Australia's research collaboration with the countries of Africa has been extremely limited. To the extent it does exist, most of this collaboration takes place with South Africa, which accounts for more than one third of both the investment in and output of scientific research in Africa.

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22   DIISR, *Submission No. 8*, p. 74.
23   DIISR, *Submission No. 8*, p. 74.
24   DIISR, *Submission No. 8*, p. 75.
25   DIISR, *Submission No. 8*, p. 75.
26   DIISR, *Submission No. 8*, p. 76.

5.30   The actual current collaboration between Australia and Africa in science and research is broken down into several organisations and programs and one project. These are:

- Australian Research Council;

- Australian Nuclear Science and Technology Organisation;

- Cooperative Research Centre Program;

- International Postgraduate Research Scholarship Program; and

- The Square Kilometre Array.

Australian Research Council

5.31   DIISR informed the Committee that there were '85 new and ongoing ARC-supported research projects with funding allocations in 2009 that involve collaboration with the countries of Africa'. This included intended collaboration with 25 countries, and South Africa accounted for 58% of intended collaborations.[27]

5.32   ARC told the Committee that these research links and collaborations took two basic forms:

- 'Formal' linkages, wherein the projects involve formal collaboration between research partners in Australia and an African country.

- 'Informal' linkages, wherein intent to collaborate internationally is specified, but no specific participant is identified. The types of collaboration can range from conducting fieldwork in another country to 'the training of PhD or Masters students' from another country.[28]

5.33   The research fields most prominent in these 85 projects were Historical Studies (with ten projects), Ecology and Evolution (eight) and Geology (seven) 2009. The ARC funding commitment for the 85 projects was $67.7 million.[29]

Australian Nuclear Science and Technology Organisation

5.34   ANSTO entered into a formal collaborative agreement with the Nuclear Energy Corporation of South Africa (NECSA) in 2007. This agreement 'seeks to take advantage of the similarities between the research reactors

27   DIISR, *Submission No. 8*, p. 76.
28   DIISR, *Submission No. 66*, p. 747.
29   DIISR, *Submission No. 8*, p. 76.

in each country to increase their safety and reliability'. This is done largely through cooperation and exchanges of personnel and experience.

5.35　ANSTO has also:

> Coordinated the placement of fellows and scientific visitors from a number of countries in Africa, including Sudan, Zambia, South Africa and Madagascar ... at various laboratories, hospitals, universities and institutes around Australia, including ANSTO.[30]

Cooperative Research Centre Program

5.36　The Cooperative Research Centre (CRC) Program links researchers with industry 'to focus efforts in deployment and commercialisation'. As of 2010, there were 47 CRCs operating in six sectors.[31]

5.37　DIISR informed the Committee that:

> Since 1998 there have been 43 education and training, commercialisation or research collaborations between CRCs and African organisations in Kenya, Namibia and South Africa.[32]

5.38　Currently, 11 CRCs are involved in 38 collaborative links with African countries. As is the case with ARC projects, most of the collaborations take place in South Africa. Furthermore, these links take advantage of both Australia and Africa's comparative advantage in research, focusing on areas such as agriculture, rural based manufacturing, mining and energy sectors, environment, and medical science.[33]

International Postgraduate Research Scholarship Program

5.39　In addition to the scholarships offered by AusAID (discussed in Chapters 3 and 4), DIISR also funds and administers the IPRS program. This program allows international students to undertake higher degrees by research at Australian institutions.[34] In 2008, 37 recipients of IPRSs were African, which represents four per cent of the overall scholarships allocated.[35]

30　DIISR, *Submission No. 8*, p. 77.
31　DIISR, *Submission No. 8*, p. 77.
32　DIISR, *Submission No. 8*, p. 77.
33　DIISR, *Submission No. 8*, p. 77.
34　DIISR, *Submission No. 8*, p. 78.
35　DIISR, *Submission No. 66*, p. 753.

The Square Kilometre Array

5.40   The Square Kilometre Array (SKA) radio telescope project is essentially a huge new-generation radio telescope, which has a 'discovery potential 10000 times greater than the best present-day instruments'.[36] It is being built by an international consortium of 15 countries, including Australia and South Africa, with both Australia and Southern Africa being shortlisted as potential sites for the SKA's construction. A final decision on its location is expected in 2012, with construction expected to commence in 2016.[37]

5.41   The SKA, rather than being just an area of scientific and research collaboration, instead sees Australia and New Zealand competing with a group of eight African countries. The African bid for the location is being led by South Africa.[38]

5.42   DIISR informed the Committee that there are 'two broad future opportunities for Australia-Africa collaboration' in relation to the SKA.

> The first opportunity lies with working more closely together at the governmental and senior official levels to build momentum and support for the SKA project around the world. The second, and perhaps more important future opportunity, relates to the scope for developing mutually beneficial programs of science and research collaboration based upon the framework developed for SKA cooperation.[39]

Non-Official Research Connections

5.43   Most of the non-governmental research connections between Australia and Africa have resulted from African students studying in Australia, (this is discussed in Chapter 4), and Australian researchers with an interest in Africa. This section discusses evidence provided on legume research and a university research connection that is focused more on research excellence than education.

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36   Australia and New Zealand Square Kilometre Array website, <http://www.ska.gov.au/about/Pages/default.aspx> Accessed March 2011.

37   Square Kilometre Array website, <http://www.skatelescope.org/pages/page_genpub.htm> Accessed March 2011.

38   DIISR, *Submission No. 8*, p. 80.

39   DIISR, *Submission No. 8*, pp. 80–1.

Legume research in Africa

5.44   Professor John Howieson, Director of the Crops and Plants Research Institute, Murdoch University, described to the Committee his work on the application of legumes to improve soil fertility.

5.45   In 1997 the Institute had assisted the University of Cape Town to develop an African network in the discipline of research into legumes and their associated nitrogen fixing rhizobium bacteria. As well as providing ongoing assistance, the Institute was also engaged in delivering workshops in Ethiopia and South Africa. It also had links to the Eastern Cape Department of Rural Development and Agrarian Reform.[40]

5.46   In working with African communities, Professor Howieson emphasised that it was important to gain a good understanding of the sociology:

> Before we got involved with either of those communities we got the Eastern Cape Department of Agriculture to employ their first sociologist and we got her to engage the communities, to make them understand that what we were doing would be of benefit, as long as a set of rules was abided by. That related to when you grazed and who had ownership of the land for grazing. … Because their language was Xhosa and it did not have a word for legume in it, we had to introduce the legume concept. … If we had gone there and put some legumes into a patch of land, walked away and they had grown, then every animal within three kilometres would have grazed it. But by engaging with the community beforehand and obtaining their agreement to participate in the work—in that agreement there was an undertaking not to overgraze or graze at the wrong time—we had a chance of improving their standard of living.[41]

5.47   Professor Howieson commented that the legume and rhizobium genetic resources of Africa could also assist Australian agriculture to become more resilient to climate change because they grew in similar soils and conditions.[42] In using African genetic resources, Professor Howieson was cognisant of international biodiversity governance:

> We have a memorandum of understanding. We own that material in Australia. If we develop it for Australia, we will give it back to the South Africans for them to develop in Africa, for them to own

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40   Prof. John Howieson, *Transcript 10 March 2011*, pp. 49, 51.
41   Prof. John Howieson, *Transcript 10 March 2011*, p. 53.
42   Prof. John Howieson, *Transcript 10 March 2011*, p. 49.

if they want to use it. If we commercialise the legume I talked about in Australia, we will give a royalty to the … Agricultural Research Council in South Africa, in exchange for us having taken that material out.[43]

Consortium for Advanced Research Training in Africa

5.48   The Consortium for Advanced Research Training in Africa (CARTA) is an 'initiative of nine African universities, four African research institutes, and selected' partners in the developed world.[44] It aims to 'improve the well-being of Africans through policy-relevant research', by training African research academics in Africa itself, and by strengthening the training and research infrastructure of African universities.[45]

5.49   Monash University in Melbourne is one of the partners in the developed world.[46] As such, Monash undertakes many activities to support and strengthen African research capabilities and output. Such activities include:

- sending staff to African CARTA-member institutions;

- training African staff and faculty members; and

- engaging with 'a wide range of specialists to support research and academic capacity strengthening efforts at participating African institutions'.[47]

43   Prof. John Howieson, *Transcript 10 March 2011,* p. 57.

44   CARTA website, <http://www.cartafrica.org/about-us> Accessed March 2011.

45   *Exhibit No. 38,* pp. 2—8.

46   The other developed world partners are the Canadian Coalition for Global Health Research, Swiss Tropical Institute, University of Colorado, University of Warwick, World Health Organisation Special Program for Training and Research in Tropical Diseases, and the Sahlgrenska Academy Gothenburg University. CARTA website, <http://www.cartafrica.org/about-us/member-institutions> Accessed March 2011.

47   *Exhibit No. 38,* p. 26.

Committee Comment

5.50   The Committee recognises the value of the research connections which currently exist between Australia and Africa, and particularly with South Africa.

5.51   Indeed, there is significant value in such initiatives as CARTA. Given the relative paucity of research coming out of Africa at present the Committee recognises CARTA's potential to increase the output of research in Africa.

5.52   Initiatives such as CARTA will be of immense value to Africa in building its research capacity into the future.

6

Trade and Investment

Introduction

6.1   This Chapter commences with a review of the current levels of trade and the potential for growth. (The education sector has been discussed previously in Chapter 4.)

6.2   There follows a discussion of the levels of investment of Australian companies in Africa—the ability to raise capital, insurance, and the effects of sovereign risk. The Chapter then reviews the activities of the Australian resources sector in Africa and concludes with a discussion of the possibility to promote the Australia-Africa relationship through the creation of an Australia Africa Council.

6.3   Consistent with the overall scope of the inquiry, this Chapter does not report on trade and investment with North Africa except for the specific issue of the phosphate trade with Morocco which was raised in a submission to the inquiry. The Committee notes that in 2006 its Trade Sub-Committee issued a report into Australia's trade and investment relations with North Africa.[1]

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1   JSCFADT, *Expanding Australia's trade and investment relations with North Africa*, Canberra 2006.

Trade with Africa

Current levels

6.4   Australia's merchandise trade links with Africa are relatively small, comprising in 2008–09 of just 1.6% of total exports and 0.8% of total imports. Two-way trade, however, has been growing. Trend growth for exports have risen from 6.7% for the decade preceding 1998–09, to 11.0% for the 20 years preceding 2008-09. For imports to Australia, the trend figures for Sub Saharan Africa are higher than to Africa as a whole. As a comparison only trade to north and south Asia grew faster over the last decade.[2]

6.5   Obtaining an accurate break down of trade figures is complicated by the inclusion of a high proportion of 'confidential items' in the listings. DFAT noted that 'some of the larger exports recorded as confidential to Africa include wheat, alumina and chemicals.'[3]

6.6   A table provided by DFAT shows that in calendar year 2010, total Australian merchandise exports to Africa amounted to $3.1 billion. After confidential items (30.2%), the top six commodities comprised:

- coal—12.0%
- wheat—9.9%;
- medicaments—7.9%
- civil engineering equipment and parts—2.8%;
- specialised machinery and parts—2.6%; and
- meat (excluding beef)—2.1%.[4]

6.7   Merchandise imports from Africa in calendar year 2010 amounted to $3.3 billion, the top six categories being:

- crude petroleum—57.0%;
- passenger motor vehicles—12.2%;
- edible products and preparations—2.2%;
- pig-iron—2.0%;

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2   DFAT, *Submission No. 47*, p. 482.

3   DFAT, *Submission No. 46*, p. 482.

4   DFAT, *Submission No. 116*, p. 1359.

- gold—1.3%; and

- vehicle parts and accessories—1.2%.[5]

6.8   DFAT provided services trade figures for 5 calendar years to 2010. Trade
        in services with Africa, excluding Egypt, was growing and in 2010 was
        $2.2 billion, an increase of 4.3% over the previous year. In 2010 service
        exports to Africa, excluding Egypt, amounted to $1.3 billion which was
        2.6% of total services exports. Trade with South Africa made up 40% of
        services trade with Africa.[6]

6.9   DFAT also advised that the global financial crisis, whilst having an
        impact, had been less severe on Africa:

        African countries are less integrated into the global financial
        system and their financial institutions are much less exposed to the
        derivatives market, relying mainly on domestic market resource
        mobilisation rather than on foreign borrowings.[7]

6.10   South Africa is by far the highest ranking African trade partner. It was
        ranked as Australia's 22nd largest trade partner in 2008–09 and Australia's
        18th largest export market. DFAT advised that:

        Latest figures put South Africa on a par with Germany as an
        export market for Australia, and ranking higher than several
        countries with much larger economies, such as France, Italy,
        Canada, Brazil, Russia and Mexico.[8]

6.11   Table 6.1 provides the top 10 ranked African countries in terms of
        Australia's merchandise exports. Also included are Ethiopia and
        Zimbabwe, two of the four countries visited by a delegation from the
        Committee (South Africa and Ghana were also visited).

6.12   The submission from DAFF shows details of 2009–10 agricultural exports
        to Africa, 88.9% of which is with five African countries—in decreasing
        importance: Egypt, Sudan, South Africa, Mauritius, and Tanzania.[9]

6.13   The tourism sector is considered separately at paragraph 6.71.

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5   DFAT, *Submission No. 116*, pp. 1359–60.
6   DFAT, *Submission No. 116*, p. 1360.
7   DFAT, *Submission No. 47*, p. 472.
8   DFAT, *Submission No. 46*, p. 486.
9   DAFF, *Submission No. 116*, p. 1372.

Table 6.1   Rank order of Australia's merchandise exports to Africa for calendar year 2010

Country	$ million	Rank
South Africa	1 803	1
Egypt	498	2
Mozambique	378	3
Sudan	183	4
Ghana	146	5
Tanzania	102	6
Mauritius	97	7
Nigeria	56	8
Kenya	38	9
Morocco	35	10
Ethiopia	3	32
Zimbabwe	2	35

Source   DFAT, Submission No.116, pp. 1363–4.

Potential for growth in trade

Why Africa?

6.14   Following the global financial crisis and the resulting downturn, DFAT advised there were moderate prospects for growth for Africa:

> As Sub-Saharan Africa is a major commodity exporting region, lower commodity prices, declining export volumes, lower tourism revenues and declining remittances have all undermined income and private consumption …

> Africa's growth recovery is expected to be moderate over the medium term. The rebound in economic activity will primarily result from a recovery in private demand, exports and investment, with the largest contribution expected to come from exports. The overall strength of the recovery will depend on growth performance in key export markets and investment partners, particularly the United States, the European Union and China.[10]

6.15   In addition, DFAT advised that the trading environment for Australia-Africa was very good—goods from the 33 lesser developed countries in Africa entered Australia duty free; from the other countries, with the exception of South Africa, goods received a reduction of up to five per cent on most favoured nation tariff rates. DFAT noted, however, that

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10   DFAT, *Submission No. 46*, p. 473.

Australia had very low tariff rates anyway and all tariffs on textiles, clothing and footwear would be reduced to five per cent by 2015.[11]

6.16   Referring to the resources sector, Mr Joel Negin told Committee that to focus solely on that sector was 'a bit short-sighted and limited.' He added:

> Africa has achieved high economic growth over the last seven years, higher than any other part of the world except India and China. I think we forget that. It is certainly higher than parts of Europe or the Middle East or elsewhere. For example, Africa saw a 550 per cent increase in mobile phone subscribers, from 54 million 5 years ago to 350 million today, outperforming all other regions of the world. Kenya, for example, has developed a mobile phone-based banking system which allows people to deposit, withdraw and transfer money without a bank account. That is a leapfrog technology …[12]

6.17   It must be noted, however, that this growth has proceeded from a very low base in Africa, and that this makes direct comparisons with China and India very difficult.

6.18   The submission from Mr Peter Odhiambo drew attention to sectors in which Australian companies could enjoy significant advantages. These included, infrastructure development, agriculture, manufacturing and tourism:

> Australian companies can enhance their profitability by establishing manufacturing bases in Africa. Doing so would position Australian products in close proximity to key markets in Europe and the Middle East. This could result in significant cost savings, both financially and in terms of time taken to transport goods.

> In addition, by investing in manufacturing and agriculture in Africa, Australian companies can benefit from two conditions: First, they can take advantage of the numerous free trade agreements and common markets within Africa, thereby increasing exports. Second, they can exploit preferential trade arrangements for Africa put in place by the major markets in Europe and North America. Asian companies have taken

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11   DFAT, *Submission No. 46*, p. 502.

12   Mr Joel Negin, *Transcript 28 April 2010*, p. 52.

advantage of these preferences and substantially increased their exports to the European Union and the United States.[13]

6.19　Mr Odhiambo's comments about the tourism market are included later in paragraph 6.71.

6.20　The submission from Coffey International suggested there was a link between aid and the health of the private economy:

> … Australia's aid program has the potential to stimulate the private sector through programs such as: strengthening the environment for investment attraction; and addressing good governance (eg improved trade laws and economic governance); building capabilities of local enterprises …[14]

6.21　Mr Negin also highlighted the link between the provision of aid and the development of markets. In Malawi, Malawi Government provision of fertiliser and seed to small holder farmers led to an increase in food production and the development of a fertiliser market and a market for improved seed varieties:

> Malawi went from being a country that had to import in order to feed its people to one that exports to Zimbabwe and elsewhere. This was a program that was not supported by the World Bank and DFID and others are initially, and the Malawi government went forward and did it all the same. [Malawi] has now had a surplus for the last three or four years …[15]

6.22　The development of sound economies within Africa clearly impacts on the necessity for, and level of aid required. DFAT noted:

> The only way that poverty and aid dependency will be permanently reduced in Africa is by African countries achieving sustained economic growth and becoming better integrated into the international trading system.[16]

The role of Austrade

6.23　The role of Austrade is to 'advance Australia's international trade and investment interests by providing information, advice and services.' The specific activities include:

13　Mr Peter Odhiambo, *Submission No. 98*, p. 1231.
14　Coffey International, *Submission No. 12*, p. 100.
15　Mr Joel Negin, *Transcript 28 April 2010*, p. 61.
16　DFAT, *Submission No. 46*, p. 501.

- assist Australian enterprises to capture increased export and overseas investment opportunities. …

- Assist international buyers in locating and identifying the right Australian suppliers.

- Administer the Export Market Development Grants scheme, which provides financial assistance to potential, and existing Australian exporters. …[17]

6.24   Austrade currently has four offices in Africa. For a number of years Austrade had offices in Johannesburg, South Africa and in Tripoli, Libya (managed by the Dubai office). In December 2008, new offices were opened in Accra, Ghana and Nairobi, Kenya:

- Accra — two Business Development Managers with a strong focus on the resources sector, one of whom is focused on Francophone Africa; and

- Nairobi — one Business Development Manager.

6.25   The two officers report to 'Austrade's principal sub-Saharan Africa office, located in Johannesburg, South Africa.[18]

6.26   Austrade told the Committee:

> We primarily assist our commercial interests in an initial market evaluation and selection of representation or partners and support free trade events and other market entry activities. Because of the vast geography and the difficulty in tracking we have to segment those markets for serviceability and prospectivity and we indeed prioritise our resources to a number of key markets.[19]

6.27   Commenting on the service provided by Austrade, Associate Professor Helen Vella Bonavita, Edith Cowan University, told the Committee that in providing linkages Austrade had been 'extremely helpful and useful quite definitely.'[20] On the other hand, Coffey International commented 'Austrade have good information on certain countries but not much on others.'[21]

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17   <http://www.austrade.gov.au/About-Austrade/default.aspx> Accessed May 2011.

18   DFAT, *Submission No. 46*, p. 498.

19   Mr Gregory Hull, *Transcript 20 April 2010*, p. 3.

20   Assoc. Prof. Helen Vella Bonavita, *Transcript 10 March 2011*, p. 23.

21   Mr Roderick Reeve, *Transcript 28 April 2010*, p. 32.

Committee comment

6.28   The 53 countries of Africa have a total population in excess of one billion.[22] The continent is as large as the combined land mass of Europe, United States, India and China. In Sub Saharan Africa the population is in excess of 870 million[23] and represents a potential huge market. Australia is increasing its trade and investment links with the continent, yet has only a handful of Austrade personnel in Africa. The Committee Delegation noted the heavy workload and large area that is serviced from a small number of Austrade offices. The Committee believes that the increased importance of trade and investment in Africa combined with a large geographical area and increasing workload warrants an increase in the number of Austrade offices and/or staff.

Recommendation 11

6.29   **The Government should increase the number of Austrade offices and personnel that are based in Sub-Saharan Africa.**

The role of Australia Africa business councils

6.30   The submission from the Australia Africa Business Council ACT Chapter advised it had established 'a program of interaction between targeted companies and the various [diplomatic] missions.' Initially personnel from a major mining house had been flown to Canberra to 'interact with embassy trade staff and share ideas on business opportunities.' The aim was to expand the program 'to increase awareness of business opportunities in Africa and deepen understanding of the business environment on that continent.'[24]

6.31   The Australian African Business Council Victoria Chapter (AABC VC) told the Committee that it ran business seminars, a trade desk, offered professional services and a brokerage. It was also seeking to build 'business mentoring relationships with relatively recently arrived expatriate Africans within the community.'[25]

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22   Estimated to be 1,013 billion in 2010, <http://www.internetworldstats.com/stats1.htm> Accessed May 2011.

23   Routlege Taylor and Francis Group, Press Release, 11 March 2011, <http://www.tandf.co.uk/journals/pdf/rpst-pr1.pdf> Accessed May 2011.

24   AABC ACT Chapter, *Submission No. 43*, p. 440.

25   AABC VC, *Transcript 6 May April 2010*, p. 2.

6.32   The AABC VC advised prospective Australian African traders that:

> You need to work out which country you're dealing with, what
> the regime is, whether it has a legal framework largely based
> around our system or based on the French-type system, how you
> are going to invest and who you are going to be dealing with. Our
> encouragement is to do the homework first and get it right, make
> sure you are in the right area, dealing with the right people with
> the right agendas and frameworks in place, having done all the
> things you would normally do about your intellectual property
> and managing your business risk before going in and so minimise
> the prospect of things going bad.[26]

6.33   The Australia Nigeria Business Council also advised that extreme care
needed to be exercised in investing in Nigeria—especially in terms of
problems associated with 'governance [and] political stability'. So while
currently stable 'things can happen any time'.[27]

Specific opportunities

6.34   During the inquiry, the Nigerian and South African High Commissioners
commented, inter-alia, on trade and investment opportunities in their
countries. Other information was provided on Ghana.

West Africa

6.35   The submission from the Nigerian High Commission called for trade
between Australia and Nigeria to be strengthened, citing that Nigeria with
a population of 140 million was the largest market in Africa.[28] This view
was supported by the Australia Nigeria Business Council (ANBC) which
added that 'in West Africa, everything that happens in Nigeria has
enormous bearing on the rest of Africa'. The ANBC provided an example
of a South African-based communications company which benefited from
entering the Nigerian market.[29]

6.36   A snapshot of trade between Ghana and Australia and the potential for
growth was provided by Dr Asumadu. He explained to the Committee
that he imported lightweight plywood from Ghana for use in caravan
construction, but he was also seeking to export products to Ghana. He had

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26   AABC VC, *Transcript 6 May April 2010*, p. 10.
27   Mr Ade Kukoyi, *Transcript 8 December April 2010*, p. 69.
28   Nigerian High Commission, *Submission No. 18*, p. 143-4.
29   Mr Ade Kukoyi, *Transcript 8 December April 2010*, p. 69.

identified a market for the export of ready-to-eat foods for sale in Ghanaian supermarkets.[30]

South Africa

6.37   The submission from the South African High Commission drew attention to the geographic similarities of South Africa and Australia—similar soils, the same hemisphere—which meant production of similar vegetables and fruit in the same season. While this tended to create a competitive environment, 'companies had much experience to share in agriculture and animal husbandry, and are therefore well poised to make joint investments in agricultural projects in the sub-region'.[31] Not only would the joint-venture partners benefit, but also the local economies of the countries in sub-region.[32]

6.38   The submission also called for increased investment 'given the immense new opportunities that are opening up with the elimination of conflict in many countries.'[33]

6.39   In South Africa, the Committee Delegation met with a number of government ministers, business representatives, and the Johannesburg Stock Exchange (JSE). Opportunities for investment and joint ventures were highlighted especially in telecommunications, retail, transport infrastructure, and agriculture.

6.40   The Delegation was told there was little trade between African countries. One of the main reasons was the lack of land transport infrastructure. Consequently, there was an opportunity to become involved in the creation of a north-south transport corridor. As well, huge opportunities presented themselves in agriculture because some 60 per cent of arable land in Africa was unused.

6.41   The JSE advised the Delegation of its strong regulatory role and governance arrangements, and the structure of the South African economy. It also drew attention to uncertainty arising from South African Government moves to increase the percentage of company ownership and representation at all levels of business by 'historically disadvantaged' South Africans. As well, there was a government desire for companies to

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30   Dr Kwame Asumadu, *Transcript 6 May April 2010*, p. 31.
31   South African High Commission, *Submission No. 23*, p. 176.
32   High Commissioner Shope, *Transcript 20 April 2010*, p. 45.
33   South African High Commission, *Submission No. 23*, p. 176.

purchase a significant proportion of goods and services from 'black economic empowerment' entities.[34]

Impediments to growth in trade

6.42   The submission from the Government of Western Australia provided a summary of the impediments to trade identified by Western Australian exporters of mining equipment, namely:

- political instability in some regions;
- shipping capacity and schedules from WA are not competitive as the commercial logistics of exporting containerised or modular items on commercial shipping lines to Africa requires trans-shipment to Singapore or similar trans-shipment ports;
- financial capacity, compounded by the negative effect on investment levels following the Global Financial Crisis;
- infrastructure quality and availability;
- equipment for projects may not always be available or reliable, delaying projects;
- congestion particularly at destination ports, transhipment ports and at border crossing within Africa;
- customs procedures and transparency; and
- extreme weather conditions in some areas.[35]

6.43   The Committee Delegation noted an article in the Ethiopian Herald Sunday Edition which identified bureaucracy as historically being 'a constant thorn in the side of investors' on the continent:

> Contract enforcement, customs procedures and efficient payment of taxes, followed by the keys of registering a business and land are very high on the list of priorities for investors.[36]

Some of these impediments are discussed below.

Market access

6.44   The submission from the Nigerian High Commission suggested that exports from Nigeria to Australia should enjoy the same concessions as those granted by the EU and US.[37] The Committee notes, however, the low tariff levels for imports to Australia already identified by DFAT.

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34   JSE PowerPoint presentation.
35   Government of Western Australia, *Submission No. 49*, p. 602.
36   *Africa's business climate set for change,* Ethiopian Herald Sunday Edition, 17 April 2011, p. 5.
37   Nigerian High Commission, *Submission No. 18*, p. 144.

6.45   The submission from the Kenyan High Commission cautioned that the
        Australian Government must ensure that the activities of the Australian
        Quarantine and Inspection Service (AQIS) 'though critical in protecting
        the boundaries of Australia, do not constitute barriers to trade.' There was
        a potential for AQIS to collaborate with approved inspection services in
        Kenya to reduce delays at Australian ports due to quarantine issues.[38]

6.46   DAFF responded to this issue in a supplementary submission stating that
        AQIS 'ensures that import procedures do not constitute an unnecessary
        barrier to trade by developing import conditions based on science and in
        line with Australia's appropriate level of protection.' This approach was
        consistent with WTO agreements. Further, there were '38 Kenyan
        organisations approved by AQIS to undertake pre-shipment treatment
        and inspection for exports of Kenyan cut flowers to Australia.' As well,
        AQIS was working with the Kenyan quarantine service to progress the
        accreditation of additional Kenyan companies.[39]

6.47   With respect to Australian agricultural exports to Africa, DAFF stated that
        there were:

        … numerous tariff and non-tariff barriers in place. For example, in
        the case of key markets for Australia in the region, in Egypt the
        average bound tariff for agricultural imports is 27 per cent, in
        Mauritius it is 8.5 per cent and in South Africa it is 10.1 per cent.
        These average tariffs also disguise tariff peaks faced by Australian
        exporters, for example, in South Africa for wine and sheep meat
        (25 per cent and up to 40 per cent respectively).[40]

6.48   Whilst the Australian Government is working towards removal of trade
        barriers through the WTO Doha Round, DAFF cautioned:

        While in the eventual Doha Round outcome developing countries
        will be given certain advantages in terms of special and
        differential treatment as compared to developed countries, it is
        important that these countries continue to be subject to
        international disciplines and rules under the WTO to encourage
        improved global agricultural markets.[41]

6.49   The submission from DAFF also noted that Africa will need to compete for
        Australian agricultural products with alternative markets. Prospects for

38   Kenyan High Commission, *Submission No. 25*, p. 185.
39   DAFF, *Submission No. 84*, p. 943.
40   DAFF, *Submission No. 26*, p. 193.
41   DAFF, *Submission No. 26*, pp. 193-4.

long-term growth in Australia-Africa agricultural trade depended on factors within Africa and globally:

> … the price obtainable and the complexity of trading arrangements with African nations will dictate the profitability of the trade and hence the growth in exports to the region. African nations will also need to effectively 'compete' for Australian exports with Asian markets where consumers are expected to continue to experience significant growth in incomes, have a high demand for food and be able to pay higher prices for food in the future.[42]

Decreasing African bureaucracy

6.50   The article in the Ethiopian Herald Sunday Edition noted above presented an encouraging view of moves to improve the investment climate in a number of African countries. The Investment Climate Facility for Africa (ICF)—a government-business partnership—started working in 2007 with two countries. By 2011 it was:

> … working directly with 14 countries and indirectly with 29. [It is] working closely with the East African Community to enhance the region as an attractive investment destination [by] making it easier for business in one state to operate in another, harmonising commercial laws and tackling counterfeiting and piracy of goods at a regional level as opposed to country by country.

6.51   The ICF has supported projects in a number of countries, including:

- in Dakar, Senegal, a project to streamline the clearance of goods at the port;

- in Burkina Faso, an investor can now obtain a construction permit in three weeks at a cost of $450 (previously it took several months and cost $2400);

- in Rwanda, a business can now be registered in 24 hours at a cost of $43 (previously it took over 30 days and cost $400);

- also in Rwanda, there are now 'four working commercial courts', the backlog of cases has been cleared, and 'new cases are resolved in a matter of weeks';

- in Zambia, commercial court proceedings have been automated, case management improved, and courtroom staff have been trained.

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42   DAFF, *Submission No. 26*, pp. 198-9.

6.52   The ICF was also 'trying to improve the way taxes are submitted by introducing on-line systems in Senegal, Zambia, Tanzania, Ethiopia and Rwanda.'[43]

Ability to raise finance

6.53   Mr Gordon Noble, Director, Responsible Investment Consulting raised the concern of economic progress being impeded by the under-development of the finance sector in much of Africa and the consequent inability to raise finance. He told the Committee there were only two large stock exchanges—in Johannesburg and Egypt. The challenge the others were facing was that the capital they held was 'literally next to nothing'.[44]

6.54   As well, the other stock exchanges were, in finance terms, illiquid—there was a lack of willing investors to purchase stock:

> The liquidity of some of the stock exchanges in Africa, who are members of the African Stock Exchanges Association, is less than one per cent; some of them are down 20 per cent. This actually is a challenge. It means that they are effectively not invested and, from an institutional perspective, that means that institutional dollars are not going in and investing in those markets.[45]

6.55   There was therefore a need to support finance market institutions in Africa so they 'can actually provide significant benefits to build economic development.'[46] Mr Noble's view was confirmed by the briefing provided by the JSE.

6.56   Mr Noble was also sceptical of the ability of the microfinance sector to progress to the economy beyond a certain point:

> The microfinance community globally is starting to move up the chain and there is now starting to be a debate about private equity. There is only so much that you can do on a $50 loan. If you want to build a more substantial business, you need more substantial capital and you need skills to come with that. Also, for some of our significant global challenges, such as climate change, you need technology. So I think what you will see over the next 10 years is the microfinance community evolving so it creates partnerships with cleantech renewable energy companies.

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43   *Africa's business climate set for change,* Ethiopian Herald Sunday Edition, 17 April 2011, p. 5.

44   Mr Gordon Noble, *Transcript 28 April 2010*, p. 68.

45   Mr Gordon Noble, *Transcript 28 April 2010*, pp. 68-9.

46   Mr Gordon Noble, *Transcript 28 April 2010*, p. 69.

> … we should encourage [the microfinance] industry to become
> more sophisticated and to link, creatively and seamlessly, into a
> finance sector so that someone who does have a great idea is able
> to demonstrate it, build a business and then take it through the
> normal change that we would have. It could be that you could
> eventually take it into the listed markets. That is where it fails at
> the moment.[47]

6.57   At the individual business level, Dr Asumdu told the Committee that he
        had been unable to 'get consultancies through the African Development
        Bank' (ADB), and had been told this was because Australia was not a
        member of the ADB. He suggested Australia should 'consider seriously
        the possibility of membership' of the ADB. If Australia became an
        investing partner, Australian citizens would 'have access to services and
        other financial products that the bank provides.'[48]

6.58   Dr Asumadu's view was supported by Coffey International.[49]

6.59   DFAT responded to this issue advising that the Government was
        increasing engagement with multilateral development banks such as the
        ADB, which could 'play an important role in contributing to the
        sustainable economic development and social progress of African
        countries.' Consideration of membership was ongoing, but was not 'a
        decision to be taken lightly, given the costs associated with membership.
        This would include 'an expectation of ongoing contribution to the ADB's
        concessional lending arm (the African Development Fund).' Australia was
        in the final stages of negotiating an MoU with the ADB 'without raising
        any expectations of shareholder membership at this stage.'[50]

Issuing of visas

6.60   The submission from the Nigerian High Commission drew attention to
        recent changes in Australia's visa issuing arrangements in Nigeria. Under
        the new arrangements service delivery partners had been established
        across Nigeria—these would send details to South Africa where visas
        would be issued.[51] The High Commissioner told the Committee:

> I have been putting a lot of pressure and time into asking the office
> of immigration to change this policy because quite a number of

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47   Mr Gordon Noble, *Transcript 28 April 2010*, p. 72.

48   Dr Kwame Asumadu, *Transcript 6 May April 2010*, p. 26.

49   Coffey International, *Submission No.* , p. 101.

50   DFAT, *Submission No. 94*, p. 1179.

51   Nigerian High Commission, *Submission No. 18*, p. 145.

> Nigerian businessmen would like to come to Australia but find it extremely difficult to send their passports to South Africa, which takes about three or four weeks before they are returned. This may be one of the reasons why it is not very easy for a Nigerian businessman to move into Australia and vice versa.[52]

6.61 A similar frustration was expressed by the AABC VC,[53] and by Professor Howieson who told the Committee that two students from Nigeria and Ghana he had invited to attend an international conference had been unable to attend:

> … because it takes a month to get a visa for Australia. They cannot be without their passports for a month, so they are not coming.[54]

6.62 In response DIAC told the Committee that it had had a visa issuing post in Lagos but that changed when the capital moved to Abuja. DIAC commented:

> We now have an arrangement where there are six centres in Nigeria that are able to receive applications and forward them to Pretoria for processing. … Indeed, the Department has quite publicly recently been talking about a transformation arrangement in the way that we deliver services, which encompasses things like expanding our applications through e-visas, through service delivery partners and through better access to client channels. …

> If we did not have a service delivery partner arrangement, they would resort to having to use the postal service to which ever post we went to. … In fact, it expands an opportunity by providing six more places where people can go.[55]

Committee comment

6.63 The Committee agrees that increasing the number of locations where Nigerians can obtain visas is in theory an improvement. There is only a benefit, however, if the subsequent communication with the visa issuing post in South Africa is efficient. The Committee notes, however, that potential document fraud might require visa application documents to be physically sent to South Africa for verification. Nevertheless, the issuing of e-visas to low risk individuals should improve timeliness of visa processing.

52 Nigerian High Commissioner, *Transcript 20 April 2010,* p. 54.
53 Professor Geoffrey Willmoth, *Transcript 6 May 2010,* p. 12.
54 Prof. John Howieson, *Transcript 10 March 2011,* pp. 57–8.
55 Mr Todd Frew, *Transcript 21 April 2010,* pp. 26–7.

Recommendation 12

6.64   **The Department of Immigration and Citizenship should expand the issuing of e-visas across Africa, with priority to establishing the service in countries where there is the potential to expand trade, academic, research and other links.**

Tourism

6.65   The market for air travel between Australia and South Africa was described by Qantas as 'thin', and as sitting outside the top 20 air routes between Australia and other countries. Qantas advised that competition for air travellers was increasing because of a 'growing presence' of third country carriers such as Singapore Airlines and Emirates, and as well the introduction of services by V Australia and South African Airways.[56]

6.66   In response to this competition, Qantas was boosting its capacity by increasing services to 7 per week by the end of 2010.[57] The Department of Resources Energy and Tourism (DRET) noted that the capacity on the Australia–South Africa air route had increased by 16 per cent in 2009 with a forecast of an increase of 22 per cent in 2010.[58] This increase in capacity has been reflected in an increase in passenger movements from 340,000 in 2008–09 to 493,000 in the year to February 2010.[59]

6.67   Qantas advised 76 per cent of its passenger traffic originated in, or had a destination of, South Africa and 80 per cent was for leisure—holidays or visiting relatives—and 20 per cent was business.[60] DRET advised the Committee that South Africa was in fact the 18th largest inbound market for air travel.[61]

6.68   The Committee sought information about DRET's strategy for marketing Australia as a tourist destination. DRET responded that its strategy concentrated on South Africa and was managed through its London office. The strategy included:

   ■ joint investment in cooperative marketing campaigns;

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56   Ms Jane McKeon, *Transcript 6 May 2010,* pp. 61, 63.
57   Ms Jane McKeon, *Transcript 6 May 2010,* p. 61.
58   DRET, *Submission No. 84*, p. 966.
59   Mr Andrew Wilson, *Transcript 20 April 2010,* p. 82.
60   Ms Jane McKeon, *Transcript 6 May 2010,* p. 62.
61   DRET, *Submission No. 36*, p. 269.

- training and educating travel agents and direct sellers about Australian destinations;

- inviting South African tour operators to Australia's major annual trade forum, the Australian Tourism Exchange; and

- leveraging major sporting events such as the Rugby World Cup.

6.69   In other African markets, industry demand was serviced by the Sydney office through online travel agent training and through Austrade.[62]

6.70   Mr Peter Odhiambo identified tourism as one of a number of sectors in which Australian companies 'could enjoy significant advantages':

> Africa has an abundance of tourism products, but a dearth of tourism infrastructure. It is a popular destination for Europeans, North Americans, and increasingly East Asians. Australia has a flourishing tourism sector. Domestic tourism infrastructure in Australia can be replicated in Africa. The World Tourism Organisation says that Africa is the fastest-growing tourism destination. There are barely any Australian owned tourism facilities in Africa; and Australian airlines (Qantas and V Australia) only fly to South Africa.[63]

Tourism in Zimbabwe

6.71   During its visit to Victoria Falls, Zimbabwe, the Committee Delegation was briefed by representatives of the Zimbabwean tourism industry. Despite international sanctions inhibiting the ability to raise credit and political uncertainty, the tourism industry in Zimbabwe is currently experiencing increased activity. This has flowed through to the population via jobs and has been reflected by improved local services—compared to Harare and Bulawayo (both cities were visited by the Delegation) there is an atmosphere of relative prosperity in Victoria Falls.

6.72   The Zimbabwe Government appears to be responsive to tourism industry needs and the Committee was told that recently there had been a period of 18 months when there was a suspension of import duty for the industry. The indigenisation policy[64] remained an issue, but the Zimbabwe Government appeared to be focusing on the mining sector.

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62   DRET, *Submission No. 84*, p. 966.

63   Mr Peter Odhiambo, *Submission No. 98*, p. 1231.

64   Zimbabwe's indigenisation and empowerment law came into effect in March 2010 and requires foreign owned companies to sell a majority stake to black Zimbabweans.

6.73   There is still significant capacity for expansion which was revealed by the large number of unused cruise vessels which the Delegation saw on the banks of the Zambezi River.

6.74   The economic sanctions are imposed by the US and Europe. Australia has confined its sanctions largely to travel bans and sanctions against a small number of ZANU-PF controlled companies.

Travel advisories

6.75   A potential deterrent to Australians contemplating tourism activities in Africa, identified by the Kenyan High Commission, was the issuing of travel advisories by DFAT:

> However, despite the best efforts by African governments to promote tourism, travel advisories that are issued from time to time by [DFAT] go against this spirit. Despite these advisories being reportedly reviewed and reissued regularly, some of the facts included are either outdated or inaccurate.[65]

6.76   The advice on DFAT's Smartraveller website for Kenya in March 2011 is for the traveller to exercise a 'high degree of caution' overall; 'reconsider your need to travel' to four suburbs of Nairobi; and 'do not travel' to the border regions with Ethiopia, Sudan and Somalia. The advice also contained the following:

> We continue to receive reports that terrorists may be planning attacks against a range of targets in Kenya, including Kenyan or Western interests. Western embassies, UN premises, Kenyan Government buildings, shopping areas frequented by Westerners, hotels, bars and nightclubs, restaurants and cafes, tourist resorts, safari lodges, major infrastructure, churches and other places of worship and other places frequented by foreigners may be particular targets. In planning your activities, you should avoid the kinds of places known to be terrorist targets.[66]

6.77   DFAT told the Committee that:

> The government's position is quite clear that they are based on the best information available to guide Australian travellers. They are advice, not direction. There are some security issues of concern in Africa. … It is a firm policy of the government and we will

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65   Kenyan High Commission, *Submission No. 25*, p. 186.
66   DFAT Smartraveler, <http://www.smartraveller.gov.au/zw-cgi/view/Advice/Kenya> Accessed March 2011.

continue to provide that advice based on the best information we have available.[67]

Phosphate trade with Morocco

6.78   The Committee received submissions from the Australia Western Sahara Association (AWSA) which expressed concern at the importation of phosphate from Western Sahara (a former Spanish colony) to Australian States by Australian companies:

> We regard these imports as unethical and illegal and urge the Australian government to express this view clearly so that the companies may be encouraged to put their imports on hold until the conflict is resolved. …

> However, in terms of international law, the phosphate is not Morocco's to sell. Morocco is the occupying power in this territory, which is still waiting for a vote of self determination since Spain left without accomplishing this act of decolonisation in 1975.[68]

6.79   The Embassy of the Kingdom of Morocco responded that the AWSA's submission was 'based on false information, and use of false information.'[69] It commented that for over 30 years no General Assembly Resolution had conferred the status of occupying power on Morocco and that:

> No recognized international body has ever qualified the exploitation of natural resources by Morocco as acts of plundering detrimental to the inhabitants of the region.

> [Further,] since 2004, the Security Council no longer invokes the organisation of a referendum but promotes seeking a negotiated and mutually acceptable political solution.[70]

6.80   DFAT responded with advice that Western Sahara was classified by the UN as a Non-Self-Governing Territory and that Morocco and Polisario disputed sovereignty over the area. Negotiations were ongoing:

> For many years the UN was focused on the terms of a referendum. The referendum did not take place because of disagreement between the parties as to who should be eligible to vote in a referendum. UN efforts are now focused on negotiations to

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67   Mr Justin Hayhurst, *Transcript 20 April 2010*, p. 24.

68   AWSA, *Submission No. 104*, p. 1273.

69   Embassy of the Kingdom of Morocco, *Submission No. 108*, p. 1311.

70   Embassy of the Kingdom of Morocco, *Submission No. 108*, pp. 1312, 1314.

> discuss these two proposals 'in good faith' and 'without preconditions'. …
>
> Morocco and the Polisario have had held four rounds of formal negotiations under UN auspices, with the most recent held from 16 to 18 March 2008. … [since then there have been] six rounds of informal talks (the latest round was held in early March 2011), with the aim of restarting a fifth round of formal UN-mediated negotiations.[71]

6.81   Regarding the importation of phosphate from Western Sahara, DFAT drew attention to the need for companies to consider:

> … the possible international law considerations involved in importing natural resources sourced from Western Sahara and [it recommended] companies seek independent legal advice before importing such material.[72]

Investment

6.82   For investment to proceed, DFAT stated that it was important for 'countries to put in place the rules and the context that allows investment to succeed both for the company's economic benefit and for the wider development gains to be made.' Issues such as regulatory certainty, security of title of tenure over mining, and lack of conflict were important.[73]

6.83   The submission from the Australia and Nigeria Business Council and Professor Ann Fitzgerald, Faculty of Law, Queensland University of Technology was more specific, citing:

■ the modernising of mining laws;

■ the administration of land title and mining registries;

■ the creation of publicly available databases of mineral exploration information; and

■ the implementation and enforcement of intellectual property systems.[74]

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71   DFAT, *Submission No. 113*, p. 1345.
72   DFAT, *Submission No. 113*, p. 1346.
73   Mr Justin Hayhurst, *Transcript 20 April 2010*, pp. 12-13.
74   Australia Nigeria Business Council, Prof. Anne Fitzgerald, *Submission No. 58*, pp. 677-8.

6.84   Three sectors have been identified where there was either investment
        potential or where investment was occurring—energy; infrastructure; and
        mineral resources.

6.85   The Nigeria High Commission advised that Nigerian power production
        facilities were 'grossly inadequate' and there was potential for investment
        in 'power generation, solar energy development, transformers, electrical
        meters, and electrical constructions'.[75] The energy sector was also
        identified by the Kenya High Commission which stated that 'the continent
        still falls short of its energy requirements.'[76]

6.86   The potential of the African renewable energy sector has been identified in
        a 2008 Lowy Institute paper, *Policy Brief*.[77] This was supported by
        WorleyParsons:

>   Obviously, Africa is a wonderful location for solar. The difficulty
>   of solar is the expense of it at this stage. The cost of solar is coming
>   down at such a rate that I would think that in the next few years
>   there will be more opportunities for solar, particularly for remote
>   locations in Africa.[78]

6.87   Mr Peter Odhiambo drew attention to infrastructure investments:

>   The development of infrastructure in Africa was traditionally
>   dominated by European and American companies. Over the past
>   decade, there has been a shift to the east; Chinese and Indian
>   companies are making substantial investments in Africa's
>   infrastructure. By contrast, Australia, despite its significant
>   advantages in this area, is marked by its absence from Africa's
>   infrastructure development.[79]

Resources sector

6.88   With about 30 per cent of total mineral resources in the world, Africa
        presents huge opportunities for the resources sector. DRET told the
        Committee that the percentages of global production for various minerals
        were:

        ■ bauxite, 43 per cent;

75   Nigeria High Commission, *Submission No. 18*, p. 144.
76   Kenya High Commission, *Submission No. 25*, p. 186.
77   Mr Joel Negin and Mr Glenn Denning, *Shared Challenges and Solutions: Australia's Unique
     Contribution to the Future of African Development*, Lowy Institute, 2008
78   Mr John Grill, *Transcript 28 April 2010*, p. 90.
79   Mr Peter Odhiambo, *Submission No. 98*, p. 1230.

- copper, 13 per cent;

- diamonds, 27 per cent;

- gold, 21 per cent;

- iron-ore, 17 per cent;

- nickel, 6.5 per cent;

- platinum, 78 per cent; and

- uranium, 38 per cent.

6.89   DRET added:

> … there is a significant amount of production that is occurring in the minerals area in particular. That is an opportunity for Australian companies that we do not intend to miss out on.[80]

6.90   Rio Tinto also commented that Guinea was 'the Saudi Arabia of bauxite.'[81] The AABC ACT Chapter noted that Guinea's bauxite mine was the world's largest, and that Guinea also had the world's largest iron ore deposit.[82]

6.91   These opportunities have not gone unnoticed. As WorleyParsons told the Committee:

> I think the opportunities there are extraordinary. There and Latin America are two areas that we are concentrating on from the growth point of view at the moment. Both of them … have been little affected by the GFC and so are providing great opportunities for us to expand—both in the services we provide and the countries we are in.[83]

6.92   The AABC ACT Chapter agreed with the Committee that, notwithstanding the risk, returns in Africa were 'so much better' than elsewhere:

> You would have to weigh the risk against the reward, but there is no question. This is across the board. It is not only in mining. Typically, your returns on capital in South Africa can be anywhere between 50 and 100 per cent greater than your returns in Australia. … Of course, there is a risk issue here. Australia is a

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80   Ms Tanya Constable, *Transcript 21 April 2010*, p. .
81   Mr Bruce Harvey, *Transcript 6 May April 2010*, p. 22.
82   Mr Charles Milward, *Transcript 27 April 2010*, p. 60.
83   Mr John Grill, *Transcript 28 April 2010*, p. 92.

very stable environment to do business in. So you would expect returns in Africa to be a lot higher—and, indeed, they are. The question is how you manage the risks so you can get the high returns.[84]

6.93   With this incentive, Australian companies are investing in the African resources sector. DFAT advised that a 2008 Lowy Institute report 'estimated that actual and prospective investment by Australian resource companies in Africa could be close to $US 20 billion.'[85] DFAT noted this figure differed from that produced by the Australian Bureau of Statistics, but may have been due to the way companies, particularly multinationals, structured their investments. The amount, however, reflected:

> … the order of magnitude of Australian interest in African mining. It is consistent with the value of current investment in Africa ($US 15 billion) that DFAT obtained in 2007 based on both confidential and published information from a survey of Australian resource companies.

> … the actual figure for current and prospective investment by Australian companies could be even higher, considering that the cost of a relatively small mines can be around $US 100 million, while larger projects are valued in billions of dollars.[86]

6.94   DFAT provided the Committee with an update in April 2011:

> DFAT is aware of 227 Australian resources companies with projects on the ground in Africa, as of early April 2011. Of these, 203 are in the mining sector (includes mining operations/minerals exploration/mining services), 24 in oil or gas production/exploration, and one in geothermal exploration. These companies have interests in over 620 projects across 42 countries and one territory (projects encompass mines operating or under construction; oil and gas production facilities; smelters, exploration licences; and service companies' branch offices).

> The rapid growth in Australian activity in Africa's resources sector has accelerated over the past year. At least 53 companies and 172 new projects commenced operation the first time in Africa since the beginning of 2010. …

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84   Mr Charles Milward, *Transcript 27 April 2010*, p. 55.

85   Lowy Institute Paper 24, *Into Africa: How the Resource Boom Is Making Sub-Saharan Africa More Important to Australia*, p. 57.

86   DFAT, *Submission No. 46*, pp. 488-9.

> The total projected capital investment of projects at the feasibility study stage is more than A\$27 billion, based on publicly released feasibility studies and other estimates released by companies.[87]

6.95   The submission from AAMIG indicated that '150 ASX listed mining and exploration companies, with a collective market capitalisation of over A\$260 billion' were active in 40 African countries. A further 80 mining service companies were estimated as having Africa-based operations or were routinely involved in African assignments.[88]

6.96   Several issues have been raised concerning Australian resource company involvement with Africa. These were:

- the assessment of sovereign risk;

- raising finance;

- corporate social responsibility;

- transparency of operations; and

- safety of uranium mining

Sovereign risk

6.97   DFAT regards corruption as being a significant challenge in Sub Saharan Africa:

> Of the 47 Sub Saharan African countries reviewed in Transparency International's *Corruption Perceptions Index 2009*, corruption was perceived as rampant in 31 (a score of less than three out of 10), and a serious challenge in 13 (a score between three and five of 10). Only three countries—Botswana, Mauritius and Cape Verde—scored more than five out of 10. In Northern Africa, corruption was perceived as 'rampant' in 35 countries, and as a 'serious' challenge in the remaining two countries.

> … In many countries weak institutions mean that enforcement remains inconsistent, despite increasing awareness, reporting of corruption and the strengthening of legal frameworks.[89]

6.98   Coffey International supported the view that there was a direct correlation between the corruption index and the levels of sovereign risk country to country, and that the other factor was instability.[90]

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87   DFAT, *Submission No. 113*, p. 1342.

88   AAMIG, *Submission No. 50*, p. 612.

89   DFAT, *Submission No. 46*, p. 467.

6.99   Regarding corruption, the witness from Paladin Energy told the
        Committee that he was responsible for deciding whether his company
        could operate in particular countries:

> It is a core principle of the company that we will not pay a single
> dollar in bribes. We are opposed to that, for obvious reasons. The
> reality is that that simply means that there are some countries in
> which you cannot operate. …
>
> … there are other countries where clearly there is bribery and
> corruption and there is no question that you will be asked. You
> will be pressed at various levels, whether it is facilitation
> payments or whether it is of a much higher order …
>
> You have to persevere and you have to be firm, but once you have
> declared it and if they see it is in their interests for you to be there
> then at the end of the day, although it may take longer to get there,
> it may take longer to get the process completed, you can do it. …
> do your homework, understand the country you are going into,
> understand its processes and its culture, be wide-eyed but operate
> as you would at home.[91]

Raising finance

6.100   For companies wishing to invest in Africa, options include raising capital
        on stock exchanges and seeking support from the Export Finance and
        Insurance Corporation (EFIC).

Stock exchanges

6.101   The AABC ACT Chapter's submission suggested there was 'a perception'
        that the Australian capital markets had a 'limited appetite for African
        risk'. Consequently, Australian companies seeking finance to establish or
        expand operations in Africa would often seek to list on the Toronto or
        London Stock Exchanges. This was, the submission suggested, because the
        Australian investment community had poor knowledge of the continent:

> Investment analysts are far less likely to have direct experience of
> Africa and may therefore be more conservative in their
> recommendations regarding African prospects. The investment
> community in Toronto on the other hand has developed what can
> probably be described as a financial cluster around African mining
> investment with several analysts focused on this area. This no

90   Mr Roderick Reeve, *Transcript 28 April 2010*, p. 29.
91   Mr Gregory Walker, *Transcript 6 May April 2010*, p. 42.

> doubt contributes to the attraction of that stock market to
> companies operating in Africa.[92]

6.102   This view was supported by Coffey International, a company which
        values deposits and assists in the raising of capital:

> … the researchers and analysts … do not have strong information
> when it comes to decisions around whether to invest in an African
> nation or not. Therefore, their decisions are often guided by other
> sources of information and quickly become quite concerned about
> risks in areas like governance, legal systems, security, transport
> and so on.[93]

6.103   The AABC ACT Chapter told the Committee about an attempt to bridge
        the knowledge gap:

> … a contingent of 20 analysts [were taken] to West Africa last year
> specifically to try and educate them about the opportunities there.
> I think it is a process that will have to develop, and I have no
> doubt that Australian capital will start flowing more strongly as
> the expertise develops.[94]

Export Finance and Insurance Corporation (EFIC)

6.104   The role of EFIC, under its legislation, is to complement the private sector
        in promoting trade and investment, and doing so profitably. EFIC told the
        Committee that it had products to help Australian businesses:

> … win business when they are tendering for business. We have
> products that helps them to finance what they have won or help
> their buyers to finance what they seek to acquire from Australia.
> We have products that help them to protect their investments or to
> protect themselves against payment risk when they are working in
> foreign jurisdictions.

6.105   EFIC advised that it either lent directly or provided bank guarantees
        'within a very tightly defined framework of Australian and international
        law and guidelines, including those related to ethical, environmental and
        social standards of business.' EFIC had provided some $US 353 million
        over the past six years to Australian resource companies active in
        exploration and development, and to engineering and service companies.
        This figure was expected to rise to $US 500 million in the next two or three

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92   AABC ACT Chapter, *Submission No. 43*, p. 440.
93   Mr Roderick Reeve, *Transcript 28 April 2010*, p. 29.
94   AABC ACT Chapter, *Transcript 27 April 2010*, p. 59.

years. Companies supported had interests in Mozambique, Ghana, Zambia and Mali.[95]

6.106   Jubilee Australia has criticised EFIC's transparency. This is discussed at paragraph 6.164.

Corporate social responsibility

6.107   The submission from Oxfam Australia (Oxfam) advocated that mining sector companies investing in Africa should address issues of corporate social responsibility including:

- Business and human rights
- Accountability and grievance mechanisms
- Doing business in conflict zones
- Free prior and informed consent
- The gender impacts of mining[96]

Business and human rights

6.108   Oxfam identified core elements including:

> … having a human rights policy, undertaking human rights impact assessments with community participation integrating human rights throughout a company and tracking as well as reporting performance – both good and bad.

6.109   Failure to respect human rights, Oxfam suggested, 'can result in loss of housing, land and livelihood, environmental degradation, social unrest and poor health outcomes.'[97]

Accountability and grievance mechanisms

6.110   Oxfam suggested mining companies should be accountable to countries where they operated through 'a formal and ongoing mechanism for stakeholder engagement and a grievance mechanism through which complaints can be raised and resolved.' The submission drew attention to several internationally recognized documents which provide guidelines, including:

- the OECD Guidelines for Multinational Enterprise;

- the UN Global Compact;

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95   Mr Angus Amour, *Transcript 7 December April 2010*, pp. 38-9.

96   Oxfam, *Submission No. 39*, p. 361.

97   Oxfam, *Submission No. 39*, p. 362.

- the Equator Principles;

- the UN Principles for Responsible Investment;

- the International Council on Mining and Metals Sustainable Development Framework;

- the Extractive Industry Transparency Initiative; and

- the Kimberley Process Certification Scheme.[98]

Doing business in conflict zones

6.111   Oxfam drew the Committee's attention to the risks of mining companies operating in conflict or post-conflict zones. It was often not a case of simply not operating in such zones, Oxfam acknowledged, because investment by responsible businesses was often needed to repair the country's shattered economy.[99] Oxfam also told the Committee that there was a:

> … large presence of Australian companies operating in countries that are either in conflict, post-conflict or have a weak regulatory environment, and that creates new challenges. … it depends on the level of investment they have in their own due diligence mechanisms and their own investment in developing human rights compatible policies …

Free, prior and informed consent

6.112   Oxfam expressed the view that gaining free, prior and informed consent before undertaking activities on community or indigenous people's land was 'fundamental to a rights-based approach to development and offers practical benefits to all stakeholders including government and industry.'[100]

6.113   The Committee notes after discussions with Adamus Resources, operators of a gold mine in Ghana, that obtaining agreements with local communities may take several years.

Gender impacts of mining

6.114   Oxfam commented that 'women can experience the direct and indirect consequences of mining operations in different, and often more pronounced ways than men.' This included:

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98   Oxfam, *Submission No. 39*, pp. 363-4.
99   Oxfam, *Submission No. 39*, p. 366.
100 Oxfam, *Submission No. 39*, p. 367.

- Failure to include women when negotiating community consent …
- The payment of compensation and royalties goes to men 'on behalf of families' which denies women access to the financial benefits of mining
- Loss of land and displacement can lead to loss of livelihoods and increased work burdens for women
- Displacement and the shift to a cash-based economy can diminish women's traditional status in society
- The effects of environmental degradation can undermine women's capacity to provide food and clean water for their families
- The employment of men in mines results in a withdrawal of labour from traditional subsistence activities and increases the work burden for women
- The influx of a transient male workforce can result in social and health problems …
- Discrimination in the mine workplace[101]

Performance of Australian mining sector companies

6.115   DFAT's submission commented that 'Australian companies have a good record in Africa in the area of corporate social responsibility'. The witness from Oxfam stated:

> Overall, I think Australian companies have some good examples of where they are attempting to give consideration to the challenges that they face through their policy work. What is most critical is: how they go about implementing those policies, particularly if they have a management structure which means that there is not as much communication as there could be between head office in Australia, for example, and site management in a country in Africa.[102]

6.116   Oxfam told the Committee that its mining advocacy strategy included direct engagement 'with mining companies, around assisting them to develop policies and practice to enhance their operations offshore with regard to corporate accountability.' To that end, Oxfam is a member of BHP's external forum enabling it to provide advice and comment on BHP's offshore business conduct. Oxfam had also assisted Rio Tinto in developing its gender assessment tools and guidance. The challenge, Oxfam commented, was:

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101   Oxfam, *Submission No. 39*, p. 368.

102   Ms Serena Lillywhite, *Transcript*, 5 *May 2010*, p. 76.

> … getting access to the small and junior companies that are operating in the countries of Africa. Quite often that is where policies and practice around protection of and respect for human rights may be less well developed than they are in some of the larger mining companies.[103]

6.117   The challenge provided for smaller companies was also highlighted by Responsible Investment Consulting:

> The exploration stage of a mining project has significant challenges, and that is the space that we see when we look at those companies. … That is the space where there is a lack of sustainability focus, and I think that is a risk to our reputation in the long term.[104]

6.118   When it comes to endorsement of principles and reporting, Responsible Investment Consulting indicated that Australian companies in general have some way to go:

> In terms of corporate social responsibility, the international standard that many companies adhere to is the United Nations Global Compact. Around 7000 companies have endorsed these 10 principles, and they cover everything from human rights to labour standards and environmental issues. The challenge we have in the Australian listed market is that only seven companies in terms of the ASX 200 are actually endorsing these global compact principles. …
>
> The international framework … for companies providing sustainability information—and that is their environment, social and governance performance—is the Global Reporting Initiative. … We have found that only 10 per cent of the ASX 200 market actually reports according to the GRI reporting framework. That means that investors do not have enough information in order to judge their investment decisions, and that is certainly a worry.[105]

6.119   The Committee received detailed evidence from mining company witnesses about some of their company's corporate social responsibility activities, and the Committee Delegation visited the Adamus Resources mining site in Ghana. Details of the visit are at paragraph 6.148.

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103   Ms Serena Lillywhite, *Transcript*, 5 *May 2010*, p. 75.
104   Mr Gordon Noble, *Transcript 28 April 2010*, p. 72.
105   Mr Gordon Noble, *Transcript 28 April 2010*, pp. 66-67.

Mining industry associations

6.120   The Committee received evidence from two mining industry organisations—the Australian Uranium Association (AUA); and the Australia-Africa Mining Industry Group (AAMIG).

6.121   The submission from the AUA provided details of its Charter and Industry Code of Practice. The Code was developed in accordance with the International Council on Mining and Metals Sustainable Development Framework and the Minerals Council of Australia's sustainable development statement, *Enduring Value.*[106]

6.122   The CEO of the AUA told the Committee that the Association annually surveyed its members' performance under its code.[107] He acknowledged, however, that the survey was a self-assessment instrument, but the issue of independent audits was one which had been considered.[108] He commented on the outcome of membership of the AUA:

> … the experience of members of the Association is that a commitment to Australian standards of practice in the area in which we work has been of benefit to our members and of reassurance to the host countries and the host communities in which they operate. …
>
> What counts is that we build trust amongst our stakeholders, many of whom are local communities, … Most of all we should never breach trust, because once we breach trust that is very hard to get it back again. So what counts, I think, is our behaviour, and that is why we place is so much emphasis on our operational performance and on our relationship with our stakeholders.[109]

6.123   The submission from AAMIG stated:

> Australian mining companies continue to build an extremely sound reputation for their environmental and social responsibility in an international context, including Africa. The majority of companies prefer to transpose more numerous, but familiar, Australian standards in relation to safety, and environmental and social requirements, rather than adopt the often less onerous

106   AUA, *Submission No. 62*, p. 719.
107   Mr Michael Angwin, *Transcript 8 December 2010*, p. 43.
108   Mr Michael Angwin, *Transcript 8 December 2010*, p. 46.
109   Mr Michael Angwin, *Transcript 8 December 2010*, pp. 46, 48.

> international standards or those of the jurisdictions in which they
> operate.[110]

6.124   The submission also summarised the social development programs
        undertaken by mining companies in Africa.[111] Several of these programs
        were highlighted when representatives from BHP Billiton, Paladin Energy,
        and Rio Tinto appeared before the Committee.

BHP Billiton

6.125   The representative from BHP Billiton, Mr Ian Wood, Vice President,
        Sustainable Development and Community Relations, told the Committee
        that it had 'one global, consistent operating standard within the company'
        and that policies and standards which were applied in Australia were also
        applied in Africa and all other developing countries.[112] These principles
        were based on high level international protocols such as the Universal
        Declaration of Human Rights, the UN Global Compact and the
        International Council on Mining and Metals Sustainable Development
        Framework. As a result, BHP Billiton had found that governments did not
        have issues with its operating principles.[113]

6.126   The company also had:

> … a group of highly skilled internal auditors that audit each one of
> our assets at least every two years to check conformance with
> those standards. If there are gaps identified, they have to
> implement an improvement plan to address those gaps. If the gaps
> are significant, it gets reported all the way up to the group
> management committee and the board. … Every year we produce
> a detailed sustainability report which is audited externally by
> external auditors.[114]

6.127   BHP Billiton stated that it would not proceed with new projects unless its
        project development teams could 'demonstrate that projects [had] broad
        based community support.' Regarding resettlement of communities, BHP
        Billiton commented that its approach was always to avoid resettlement,
        but if it was necessary it was committed to follow the guidelines of the
        International Finance Corporation for community resettlement.[115]

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110 AAMIG, *Submission No. 50*, p. 610.

111 AAMIG, *Submission No. 50*, p. 610.

112 Mr Ian Wood, *Transcript 7 December 2010*, p. 28.

113 Mr Ian Wood, *Transcript 7 December 2010*, p. 31.

114 Mr Ian Wood, *Transcript 7 December 2010*, p. 36-7.

115 Mr Ian Wood, *Transcript 7 December 2010*, p. 29.

6.128 It sought to differentiate itself from:

> … some of the other investment dollars flowing into Africa by
> demonstrating the commitment we make to operating globally
> high standards, the commitment we make to paying fair taxes and
> royalties, the commitment we make to employing local people, the
> commitment to education and training and to community
> programs expenditure.[116]

6.129 BHP Billiton added that its community programs were run with
partners—it did not:

> … hold itself up as an aid agency or a service deliverer at all. We
> work very closely with our program delivery partners to make
> sure we get the right organisation … We never just sign cheques
> and leave them to it; we actively engage and participate.[117]

6.130 BHP Billiton advised the Committee that it has a target of spending one
per cent of its pre-tax profit on community programs which in 2009-10
amounted to $200 million.[118] Commenting on this figure, Mr Andrew
MacLeod, an adviser to Responsible Investment Consulting, stated:

> … BHP Billiton is the third largest development agency in
> Australia. … that puts them after the Australian government and
> World Vision and puts them in front of the Red Cross and the
> plethora of other agencies and organisations that do aid and
> development.[119]

6.131 Mr MacLeod supported such private sector assistance because its delivery
effectiveness was motivated by self-interest and was evaluated on
outcomes because of the need to demonstrate value for money to
shareholders. This was in contrast, Mr MacLeod suggested, to the public
sector where performance was measured in terms of money spent:

> A well constructed corporate social responsibility or community
> investment program tends to work because there is a link with the
> profit motive and because the company has invested in the success
> of the outcome of the program. It is in BHP Billiton's interest to
> have a better educated second generation workforce and it is in
> BHP Billiton's interest to have less absenteeism caused by malaria.

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116 Mr Ian Wood, *Transcript 7 December 2010*, p. 34.
117 Mr Ian Wood, *Transcript 7 December 2010*, p. 32.
118 Mr Ian Wood, *Transcript 7 December 2010*, p. 34.
119 Mr Andrew MacLeod, *Transcript 6 May 2010*, p. 46.

> … because they are answerable to their shareholders, they do need
> to show effect for the money they are spending. [120]

6.132   In Mozal, Mozambique, BHP Billiton has an aluminium smelter. It
        conducted an anti-malaria program in the area which was, 'a partnership
        between the Mozambique government, the South African government and
        the Lesotho government, with private participants like BHP Billiton'.[121] Mr
        MacLeod noted that the program had resulted in the rates of malaria
        declining 'from 74 per cent of the population to 17 per cent.'[122]

6.133   The HIV/AIDS program run by BHP Billiton in its South African
        operations had resulted in infection rates of 14 to 15 per cent, whereas the
        demographic infection rate was 'closer to 25 per cent or higher.' [123]

Paladin Energy

6.134   The representative from Paladin Energy, Mr Gregory Walker, General
        Manager, International Affairs, explained to the Committee that his
        responsibility was oversight of the company's 'social responsibility
        programs in-country and corporate relationship with the host
        governments.' He agreed with Oxfam concerning communication between
        head office and on-site management in Africa:

> I think that this is true generally, but also specifically in the case of
> social responsibility. Paladin recognises this fact and it is part of
> my accountability within the company to ensure that those
> linkages exist and that the cultural values we espouse at head
> office are in fact reflected at the sites.[124]

6.135   In developing its mine site in Malawi, Paladin Energy had:

> …'established and conduct[ed] a formal process of negotiation and
> consultation with local traditional authorities and the community
> as well as the government of Malawi. This is an ongoing regional
> program which is conducted informally almost on a daily basis
> and formally on a quarterly basis.[125]

6.136   The environmental impact assessment process had been undertaken by an
        internationally recognized consulting group and followed requirements in
        Malawi legislation which were comparable to Australian requirements:

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120 Mr Andrew MacLeod, *Transcript 6 May 2010*, p. 46.
121 Mr Ian Wood, *Transcript 7 December 2010*, p. 29.
122 Mr Andrew MacLeod, *Transcript 6 May 2010*, p. 46.
123 Mr Ian Wood, *Transcript 7 December 2010*, p. 29.
124 Mr Gregory Walker, *Transcript 6 May 2010*, p. 35.
125 Mr Gregory Walker, *Transcript 6 May 2010*, p. 37.

> The Kayelekera EIA was subjected to extensive stakeholder review by government agencies, NGOs, the general public and international experts, including the International Atomic Energy Agency. Both the Kayelekera mine and its EIA have been designed to meet not only local regulatory requirements but also international standards and guidelines, such as those stipulated under the Equator Principles.[126]

6.137   Paladin Energy's performance against its commitments was routinely audited by its banking consortium's independent technical consultant. [127]

6.138   Paladin Energy described to the Committee the impact of its operations in Malawi:

> Prior to investment of in excess of some $200 million in Kayelekera, Malawi had no modern mining industry at all, much to their distress, just a handful of small partisan operations mainly focused on coal and gemstones. It has been estimated that Kayelekera, once it is in full production, will add 10 to 15 per cent to Malawi's GDP and account for up to 70 per cent of total foreign earnings. … The project has provided a direct employment for some 2250 Malawians during the construction phase and will, long-term, about 500 local people during the operations phase. … the company has spent more than US$10 million on social development projects, most notably in construction of a new water supply project for the northern regional town of Karonga. It utilises Australian filtration technology and guarantees the 40,000 odd residents of Karonga for the first time in almost living memory a clean, reliable, assured source of water which is designed to meet the town's needs until at least 2025.[128]

6.139   Paladin Energy also advised that it employed four Australian environmental or community development officers who worked in 'agricultural outreach, education support, HIV/AIDS, and health and hygiene campaigns.' The company had also 'built or renovated schools, built new teacher's housing and established health clinics.'[129]

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126   Mr Gregory Walker, *Transcript 6 May 2010*, p. 37.
127   Mr Gregory Walker, *Transcript 6 May 2010*, p. 37.
128   Mr Gregory Walker, *Transcript 6 May 2010*, pp. 36-7.
129   Mr Gregory Walker, *Transcript 6 May 2010*, p. 37.

Rio Tinto

6.140   The representative from Rio Tinto, Mr Bruce Harvey, Global Practice
        Leader, Communities, told the Committee that it had a small corporate
        team, reporting directly to the Rio Tinto board, which 'oversights policy,
        community standards and guidance notes to operating teams on the
        ground and, more importantly, runs a very important assurance function'.
        In addition, the team's performance was subject to independent
        auditing—the auditors reviewed a sample of Rio Tinto's operations on an
        annual basis.[130]

6.141   Mr Harvey added:

>   … we have literally hundreds, if not thousands, of people at sites
>   all around the world who work in direct engagement with host
>   communities and governments. More importantly, every single
>   one of our operating officers has a communities and socio-
>   economic mandate, because as I said we are not running a
>   philanthropic organisation; we're running a business, and the
>   single biggest contribution we make is in the business activities of
>   our operations. So a huge effort is going into local training and
>   employment, the development of local and national procurement
>   programs, regional infrastructure, environmental co-management
>   programs, site and land access security, and human rights
>   protocols.[131]

6.142   Rio Tinto described its contribution to the gross domestic product of
        Namibia where it had been operating for 35 years:

>   Close to 100 per cent of our employees are Namibian. We
>   currently contribute four per cent of Namibia's GDP. In the past it
>   has been much larger. Twelve per cent of the current exports of
>   Namibia are from that operation. … An informal measure of ours
>   is that over time we want to see our GDP contribution reduce
>   because that implies the rest of the economy is growing strongly.
>   That is absolutely demonstrable in Namibia.[132]

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130 Mr Bruce Harvey, *Transcript 6 May 2010*, pp. 15, 18.
131 Mr Bruce Harvey, *Transcript 6 May 2010*, p. 16.
132 Mr Bruce Harvey, *Transcript 6 May 2010*, p. 18.

6.143   Also in Namibia, Rio Tinto has established the Rossing Foundation:

> Over the years it has invested at a national level a substantial amount of money … It has co-partnered with the European Union and a number of other highly credible international donor organisations. In fact, that has happened as a result of the governance conditions … It is one of the strongest governed development organisations. It is essentially a development NGO. Other donors are happy to put funds into the organisation because they know that it will be well governed and the money will be well spent. It is essentially a partnership with the Namibian government. … since 1978, $33 million has been donated from the operation through the Rossing Foundation and more through leverage in with others, specifically to projects directed at empowering women, agricultural development, small and medium enterprise development, education centres — mathematics, science — and many other things.[133]

6.144   In addition, in Limpopo Province, South Africa, the Palabora Foundation provides 'the logistical-administrative support, the clinics and all the anti-retroviral medication and other things' for the HIV-AIDS program in the region.[134] The Foundation was created in 1986 in partnership with the provincial government of Limpopo. Until 2001, it received three per cent of the after-tax profit of Rio Tinto's Palabora copper mine. After 2001 its operating expenses have been met by interest earned from its trust fund.[135]

6.145   Responding to the issue of joint ventures with other countries in developing Africa's resources, Rio Tinto advised that its new iron ore Simfer project in Guinea was a joint-venture with a Chinese company Chinalco. Rio Tinto stated:

> All of those operations comply fully with Rio Tinto's international expectations, which are to an Australian standard. The sovereign and private equity companies are not constrained by similar self-discipline, and that puts us at a distinct disadvantage, but we are certainly not going to reduce our standards of behaviour.[136]

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133   Mr Bruce Harvey, *Transcript 6 May 2010*, p. 19.
134   Mr Bruce Harvey, *Transcript 6 May 2010*, p. 24.
135   <http://www.pafound.co.za/who-are-we.html>
136   Mr Bruce Harvey, *Transcript 6 May 2010*, p. 23.

Adamus Resources

6.146 While in Ghana, the Committee Delegation inspected the Adamus Resources Nzema Gold Project in western Ghana. The Delegation visited the Salman village resettlement project and was provided with the report of Adamus Resources' activities.[137]

6.147 The Salman resettlement was preceded by a two-year consultation period which resulted in a Resettlement Agreement. The resettlement involved 'over 2000 people, 450 structures and 19 public buildings', and was based on:

> … Ghana EPA standards, as well as previous resettlement projects in Ghana. It is a 'like-for-like' resettlement, with additional terms agreed with the community that go beyond statutory minimum requirements. These include the provision of a police station and medical clinic in the village, bathrooms and verandas to all houses, larger room sizes compared to standard practice and a commitment to provide electrical distribution throughout the village.[138]

6.148 In partnership with AusAID, training has been provided at nearby training institutes for 141 local community youths in 'carpentry, welding and fabrication, mechanical, plumbing, masonry, and electrical installation.' The report noted that 'almost 60% of those involved are now self-employed, 24% working within organisations including Adamus and its contractors, and 5% are continuing with further education.'[139]

6.149 In addition, Adamus Resources had:

- built three schools and provided text books, stationery, sporting goods and other suppliers;

- installed mechanised bore holes in local schools, communities and nursing facilities;

- repaired existing bore holes;

- partnered with a mobile Telco to deliver a 3-G network to the plant site and adjoining communities; and

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137 Exhibit No. 52, Adamus Resources, *Nzema Gold Project, Ghana. Increasing value through gold production and exploration.*

138 Exhibit No. 52, pp. 22-3.

139 *Exhibit No. 52*, pp. 24-5.

- conducted a malaria education program during which 160 treated mosquito nets were 'distributed to vulnerable community groups, particularly pregnant women, new mothers and community elders.'[140]

6.150   The report noted Adamus Resources was committed:

> … to the Community Consultative Committee made up of representatives of local government authorities, traditional councils, farmers and Company representatives, [which was] paramount to receiving continued assistance and support from affected communities.[141]

6.151   The company was also undertaking a progressive rehabilitation of the mine site and was conducting ongoing water sampling, dust monitoring and waste management.[142]

The response of African governments

6.152   In September 2010, South Africa's Department of Mineral Resources issued an amendment to The Broad-Based Socio-Economic Empowerment Charter for the South African Mining and Minerals Industry. The provisions included:

- ownership—achievement of a percentage ownership by historically disadvantaged South Africans;

- procurement and enterprise development—procuring a minimum percentage of capital and consumer goods from black economic empowerment entities; and contributing a minimum percentage of annual income towards socio economic development of local communities;

- employment equity—achieving a minimum percentage of historically disadvantaged South African demographic representation at all levels of management;

- human resource development—investing a percentage of annual payroll in essential skills development activities;

- mining community development—investment in community consultative and collaborative processes, and assessment of developmental needs;

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140 *Exhibit No. 52*, pp. 26-8.
141 *Exhibit No. 52*, p. 27.
142 *Exhibit No. 52*, p. 29.

- housing and living conditions — targeted improvement of standards of housing and living conditions for mineworkers; and

- sustainable development and growth of the mining industry — improvement of environmental management and health and safety performance.[143]

6.153   It appears to the Committee that the South African initiative has been reflected in a strengthening of SADC's attitude towards the foreign extractive industries sector. A joint statement issued by SADC's Parliamentary Forum and the Southern Africa Resource Watch in October 2010 contained the following:

> Sub Saharan Africa continues to be resource rich but paradoxically remains unlikely to meet most of the United Nations' Millennium Development Goals, and more especially the goal on Eradicating Extreme Poverty. …

> Our governments are deemed to be lenient towards Foreign Direct Investors whereas it is necessary to uphold stringent standards prevalent in their respective countries of origin …[144]

6.154   The resolutions in the statement included:

- … African countries and urged to prioritise their own development needs and zealously guard national interest and sovereignty. …

- The legislative and institutional environments currently obtained are weak and urgently require strengthening to ensure greater returns from the extraction of natural resources;

- It is imperative that Strategic Environmental and Social Impact Assessments be prepared by reputable experts, who are independent of both government and private sector interests …

- Local communities living adjacent to extraction areas, including those who are moved from their traditional lands, are often neglected and there is a need to ensure that they become ultimate beneficiaries through participation and overall empowerment;

- … Mining companies should be held liable for remediation for the entire operation; …

- The corporate practice of hoarding mining revenues outside the borders of a country where mining is taking place, militates

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143 <http://www.dmr.gov.za/Policie_And_Promotion/Documents/Documents/Amended_of _BBSEE_Charter.pdf> Accessed May 2011.

144 SADC Parliamentary Forum; SARW, *Parliamentary statement, 'Towards enhancing Parliamentary legislative and oversight role in extractive industries sector.'* 30 October 2010.

> against the balance of payments of that country and should
> thus be discouraged; …
>
> ■ There is thus a need for a SADC Parliament … which would
> ensure harmonisation of legislation and lead to greater regional
> oversight of extractive operations;
>
> ■ The role of civil society including media is crucial in providing
> a sound partnership in tracking, raising public awareness on
> critical issues as well as assisting in oversight of function.

6.155   Responding to this statement, BHP Billiton said:

> While we would not necessarily agree with every one of the
> recommendations, the sorts of areas that they have identified as
> being important gaps that need to be addressed, if all countries in
> Africa are to capitalise on their resource endowment, seem to be in
> the right sorts of areas.[145]

Transparency

Extractive Industries Transparency Initiative

6.156   The Extractive Industries Transparency Initiative (EITI) is a coalition 'of
governments, companies, civil society groups, investors and international
organisations' which has developed a 'globally developed standard that
promotes revenue transparency' at the country level. It aims 'to strengthen
governance by improving transparency and accountability in the
extractives sector.' [146]

6.157   DFAT advised that a key objective of EITI was the 'verification and full
publication of company payments and government revenues from oil, gas
and mining.' Since 2007 Australia had provided $1.4 million to the EITI.[147]

6.158   There are several stages in a country becoming an EITI compliant nation:

   ■ a country signals its intent to implement the EITI;

   ■ when the EITI Board considers a country has met four indicators,
   including the development of a work plan, it becomes an **EITI
   Candidate**;

   ■ to achieve **EITI Compliant** status a country must complete an EITI
   validation by an independent validator, meeting all EITI indicators,
   within two years of becoming a candidate;

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145 Mr Ian Wood, *Transcript 7 December 2010*, p. 36.

146 <http://eiti.org/eiti> Accessed May 2011.

147 DFAT, *Submission No. 46*, p. 500.

- thereafter the validation occurs every five years.

6.159   If the EITI validation only shows progress of a candidate nation towards EITI, it retains its candidate status, but if there is no meaningful progress, the EITI Border may revoke candidate status.

6.160   The EITI website indicates that in 2011 there were:

- 11 compliant nations—5 are in Africa;[148]

- 24 candidate countries—15 are in Africa;[149] and

- 4 countries have signalled their intent to implement EITI—3 are in Africa.[150,151]

6.161   In a supplementary submission, DFAT provided further details:

> … 50 of the world's largest mining, gas and petroleum companies are supporting company members of the initiative. Five Australian mining companies have already endorsed EITI including BHP Billiton, Rio Tinto, Santos, Woodside and Newmont.
>
> In addition, 80 of the world's largest investment institutions are supporting investor members of the initiative. The largest manager of Australian sourced funds, Colonial First State Asset Management, has also endorsed EITI.[152]

6.162   Mr Roger Donnelly, Chief Economist, EFIC summarised the initiative as being an urging of host governments to publish what they receive and mining companies to publish what they pay in order to 'shine a bright light of transparency upon what is going on to minimise the risk of corruption'. Mr Donnelly commented that industry saw it as necessary but not sufficient for achieving good governance and transparency. A lot of companies, he suggested, saw value in signing up to the initiative because it enabled them to engage in dialogue with the host country to encourage them to also adopt the initiative.[153]

6.163   BHP Billiton stated that it was a strong supporter of EITI and it had begun to report its taxes and royalties on a country by country basis. If governments were intent on keeping EITI-relevant information secret,

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148 Central African Republic, Ghana, Liberia, Niger, Nigeria.

149 Cameroon, Chad, Cote d'Ivoire, Democratic Republic of Congo, Gabon, Guinea, Madagascar, Mali, Mauritania, Mozambique, Republic of the Congo, Sierra Leone, Tanzania, Togo, Zambia.

150 Equatorial Guinea, Ethiopia, Sao Tome and Principe.

151 <http://eiti.org/implementingcountries> Accessed June 2011.

152 DFAT, *Submission No. 94, p. 1180.*

153 Mr Roger Donnelly, *Transcript 7 December 2010*, p. 46.

BHP Billiton added, 'you have to question their motive, and if that is corruption and misappropriation then maybe that is a government that we are better off not working with.[154]

6.164   Further, the Committee notes that of the First World Countries, Norway is the only country that is EITI compliant and that no other countries are either EITI candidates or have signalled intent to adopt EITI principles.[155] Indeed, Australia has been criticised for encouraging countries to implement EITI, but is not itself taking steps to become an EITI compliant country.[156]

Committee comment

6.165   The Committee is satisfied that the Australian mining sector operating in Africa is committed to fulfilling its corporate social responsibility obligations.

6.166   Unfortunately, no evidence has been received from small exploration companies who do not necessarily have a long-term commitment to a project beyond proving its economic viability. Consequently there is value in government continuing to espouse the need for corporate social responsibility policies and adherence to those policies especially to new entrants and small operators.

6.167   The Committee notes the government's support for the EITI process, but the promotion of this concept needs to be ongoing.

6.168   The Committee considers it would considerably enhance Australia's advocacy of EITI adoption if it was itself engaged in the process of becoming EITI compliant.

Recommendation 13

6.169   **The Government should undertake steps for Australia to become an EITI compliant country.**

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154 Mr Ian Wood, *Transcript 7 December 2010*, pp. 30, 33.

155 <http://eiti.org/implementingcountries> Accessed June 2011.

156 See Oxfam, *Submission No. 39*, p. 364; and *Transcript 7 December 2010,* p. 47.

Recommendation 14

6.170   **The Government should promote corporate social responsibility and
          continue to promote the Extractive Industries Transparency Initiative
          principles and other corporate social responsibility instruments to the
          Australian mining sector, in particular at the Australia Down Under
          Conference, and especially to new entrants and small operators.**

Recommendation 15

6.171   **The Government should facilitate contacts between mining sector
          companies, NGOs, and the broader private sector who are able to assist
          them in creating and executing corporate social responsibility policies.**

Transparency of the Export Finance and Insurance Corporation

6.172   Jubilee Australia has criticised EFIC for its lack of transparency. Its report,
          Risky Business, drew attention to the exemption from the *Freedom of
          Information Act 1982* enjoyed by EFIC for documents relating to its
          Insurance and Financial Service Products and National Interest
          Transactions. The report commented:

> Statutory exclusions like Section 7 of the FOI Act, dual accounts
> (each with a distinct statutory regime), and a low public profile
> combined to make EFIC one of the most scrutinised and least
> accessible statutory corporations in Australia.[157]

6.173   Jubilee Australia told the Committee that there needed to be:

> … increased government scrutiny of EFIC to ensure its support for
> our exporters does not come at the cost of social and economic
> development and environmental protection of the countries of
> Africa.[158]

6.174   Specifically, Jubilee Australia sought increased disclosure to include the
          public release of:

          ■ all project Action Plans and Impact Assessments created by the
            client in compliance with the International Finance Corporation
            (IFC) Performance Standards;

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157 Jubilee Australia, *Risky Business – Shining a Spotlight on Australia's Export Credit Agency*, p. 14.
158 Ms Adele Webb, *Transcript 7 December 2010*, p. 3.

- IFC Performance Standard benchmarking completed by EFIC staff in compliance with the EFIC Environment Policy;
- all documents received by EFIC from clients relating to ongoing compliance with measures agreed in the environmental assessment to mitigate environmental and social harm, and the results of ongoing monitoring programs.[159]

6.175   EFIC responded to these criticisms, and to the *Risky Business* report in a supplementary submission.[160] EFIC stated that in its reporting, it followed ASX guidelines and 'follow every conceivable rule and regulation when it comes to disclosure of significant environmental projects.'[161] EFIC added:

> We have a category A [projects], which is where there is a significant risk or a significant potential for impacts. For those ones, before making a decision to support a project, we disclose whatever environmental and social information we have at the time, which is usually an impact assessment of some kind or sometimes management plans if they are available. … Then, in our annual reports, for that type of project we typically say: 'We looked at this project. The major issues that we were concerned about were these and, typically, this is how we would manage those.' So we actually do what they are asking for. We do not do it in the same format perhaps, but we disclose and publish a lot more than we are obliged to under our international obligations.[162]

6.176   In withholding commercial-in-confidence material, EFIC told the Committee that often small firms gave EFIC their financial statements which would enable the identification of the salary of their CEO. The commercial-in-confidence extension was based on the fact that firms did not want that sort of information in the public arena. EFIC's reason was that from experience, it had found it would get a 'better quality of information from these companies' when they were told it was not going to be released.[163]

6.177   EFIC also advised the Committee that after the public hearing it had met with Jubilee Australia and Oxfam Australia, and others, as part of a review of its environment policy.

6.178   An issue which had been raised by Jubilee Australia — the publication of EFIC board minutes — was discussed and revealed that the underlying

159   Jubilee Australia, *Risky Business*, p. 6.
160   EFIC, *Submission No. 99*, pp. 1237–40.
161   Mr Angus Armour, *Transcript 7 December 2010*, p. 44.
162   Mr Jan Parsons, *Transcript 7 December 2010*, p. 45.
163   Mr Angus Armour, *Transcript 7 December 2010*, pp. 44–5.

concern was the desire to receive timely information 'concerning EFIC's provision of support to exporters.' In response, EFIC had agreed to maintain on its website a table listing all signed transactions. This would be updated several times a year and 'interested persons will be able to receive an automatic alert each time the table is updated.'[164]

Safety of uranium mining

6.179   The Australian Conservation Foundation (ACF) expressed concern about uranium mining in Africa:

> ACF believes that the absence of a robust regulatory regime covering this sector in many African countries could see a situation where Australian companies are engaged in activities that would not be acceptable in this nation, especially given that many of the Australian companies active in the African uranium sector are juniors with limited capacity and little or no operational experience or proven compliance ability.[165]

6.180   As a result, the ACF proposed a series of recommendations designed to create 'a culture of accountability and transparency' including practical mechanisms 'on the ground, particularly through strengthening civil society.' Other recommendations concerned 'not facilitating or financing Australian companies either through rebates or exploration tax write-offs'.[166]

6.181   The ACF witness added that if uranium miners responded that they were in fact operating to Australian standards, his response was:

> I welcome that and I would say, 'Prove that by mandating it, and do not be hostile to it.' That is the way to engender confidence and earn a social license. 'Don't tell us about it. Legislate it, regulate it, monitor it independently and rigorously. If you can prove it then you've stepped up.'[167]

6.182   The ACF also noted that there were many policy documents, but they were inadequate because there was no mechanism for punishment or penalty for non-compliance and there was no independent assessment of how a company performed against those procedures.[168]

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164 EFIC, *Submission No. 99*, p. 1238.
165 ACF, *Submission No. 40*, p. 403.
166 Mr Dave Sweeney, *Transcript 5 May 2010*, p. 84.
167 Mr Dave Sweeney, *Transcript 5 May 2010*, p. 88.
168 Mr Dave Sweeney, *Transcript 5 May 2010*, p. 85.

6.183   In response, the AUA commented that the ACF submission and its
         proposals lacked 'an analytical or evidential basis' and there was 'little to
         connect the ACF recommendations to identified problems or issues'. The
         detailed response included:

         ■ The ACF provides no independent analysis to show that
           African countries lack a robust regulatory regime for uranium

         ■ There is no basis for the assertion that small and mid-tier
           uranium companies necessarily have limited capacity and
           operational experience. Small does not mean incapable. If, as
           the ACF implies, lack of a proven track record of compliance
           should be a criterion for a licence to operate, no new business
           would ever get off the ground. …

         ■ The ACF gives no indication that it has sought or taken into
           account the potential reaction of sovereign African countries to
           its proposal that an Australian regulator make assessments of
           uranium industry performance in those countries. …

         ■ The ACF has not made out any case for Australian uranium
           companies operating in Africa to be excluded from receiving
           support from Australian government programs that are
           generally accessible by Australian companies operating
           overseas.[169]

6.184   The AUA noted that all its members had agreed 'to adopt and apply the
         Association's *Charter* and its *Code of Practice*. The Code contained the
         following sections:

         ■ Continuous improvement to best practice in management

         ■ Safely manage, contain and transport all hazardous material,
           tailings and other wastes

         ■ Provide adequately for mine closure and rehabilitation

         ■ Continuous improvement in best practice in radiation control

         ■ Regulatory obligations
           ⇒ As a minimum, adhere to the applicable international and
              national laws, regulations and codes that govern the
              industry

         ■ Provide information about uranium and its properties to
           stakeholders.[170]

6.185   AUA also stated that its members were fully aware of the obligations to
         operate to high standards, were committed to doing so, and were doing

169   AUA, *Submission No. 62*, p. 718.
170   AUA, *Submission No. 62*, p. 718.

so. Also, the standards to which they worked with those that applied to them in Australia.[171]

6.186   Regarding the risk of proliferation, the AUA commented that uranium mining itself was not a significant proliferation risk which was why the IAEA focused on safeguarding 'the back end of the nuclear fuel cycle.'[172]

Committee comment

6.187   The Committee notes the ACF comments and AUA response. A solution would be to introduce independent auditing of AUA member performance in the interests of providing openness and transparency.

Australia Africa Council

6.188   One proposal considered by the Committee was that an Australia-Africa Council be created by DFAT to foster relations between Australia and African nations.[173] Mr Sibraa told the Committee that such a council could be a significant help to Australia's interests in Africa, especially if focused, in particular, on the areas of trade and resources.[174]

6.189   There are currently nine geographically-specific councils sponsored by DFAT through which it seeks to enhance relationships with other nations, and groups of nations.[175]

6.190   These councils comprise stake-holders with interests spanning Australia and the specified nation or group of nations, including representatives from the business community. Members of the Council on Australia Latin America Relations, for example, include representatives from: mining and other industries; higher education; financial services; the Lowy Institute; and the Australia-Brazil Chamber of Commerce.[176]

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171 Mr Michael Angwin, *Transcript 8 December 2010*, p. 43.

172 Mr Michael Angwin, *Transcript 8 December 2010*, p. 47.

173 *Transcript 28 April 2010*, p. 49.

174 Hon. Kerry Sibraa, *Transcript 28 April 2010*, p. 2.

175 Current councils are the: Australia-China Council; Australia-India Council; Australia-Indonesia Institute; Australia-Japan Foundation; Australia-Korea Foundation; Australia-Malaysia Institute; Australia-Thailand Institute; Council for Australian-Arab Relations; and the Council on Australia Latin America Relations. <http://www.dfat.gov.au/>. Accessed June 2010.

176 <http://www.dfat.gov.au/coalar/members.html> Accessed June 2010.

6.191 A sample of selected councils—the Australia-China Council; Australia-India Council; and Council for Australia Latin America Relations— indicates that their budgets range from approximately $500,000 to $750,000 per annum, of which approximately 10% is spent on administration. The Australia-China and Australia-India Councils spend most of their budget to fund grants allocated through competition rounds. The Council for Australia Latin America Relations devotes much of its discretionary spending to events which promote relations between Australia and Latin American nations.[177]

6.192 Two of these councils were created as a response to recommendations of parliamentary committee inquiries. The Australia-India Council was created in response to a recommendation of the Senate Standing Committee on Foreign Affairs, Defence and Trade, while the Council on Australian Latin America Relations was created in response to a recommendation of the Trade Sub-Committee of this Committee.[178]

Committee comment

6.193 The Committee believes the links between Australian and African nations and the increasing trade and investment and other opportunities warrant the establishment of an Australia-Africa Council along lines similar to those currently existing for other countries and regions.

Recommendation 16

6.194 **The Department of Foreign Affairs and Trade should establish, and provide adequate funding for an Australia-Africa Council.**

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177 <http://www.dfat.gov.au/aic/aic_annual_report/AIC_program_report_2008_09.pdf>
   <http://www.dfat.gov.au/acc/acc_introduction.html>;
   <http://www.dfat.gov.au/coalar/publications/annual_report_2009.pdf> Accessed June 2010.
178 <http://www.dfat.gov.au/aic/aic_intro.html>;
   <http://www.dfat.gov.au/coalar/> Accessed June 2010.

7

Defence and Security

Introduction

7.1   Australia has a small but significant defence and security involvement
       with African countries. In this, the Australian Defence Force (ADF), the
       Australian Federal Police (AFP), DFAT, and AusAID all play significant
       roles.

7.2   The ADF and AFP direct involvement comprises contributions to
       peacekeeping forces; training and professional development to support
       peacekeeping; cooperative training arrangements for other military
       personnel; and various other forms of police cooperation, including
       forensic training and cooperation on international crime and terror
       activities.

7.3   Both the AFP and the ADF have a permanent presence in Africa. The AFP
       has an office in Pretoria, South Africa, as part of its 'international liaison
       officer' network.[1] The ADF is in the process of establishing in Addis
       Ababa, Ethiopia, its first Defence Attaché to the African Union.[2]

7.4   Australia has planned to spend some millions of dollars for security
       activities focused on Africa. Defence told the Committee that its budgeted

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1   Ms Mandy Newton, *Transcript 21 April 2010*, p. 60.
2   Defence, *Submission No. 30*, p. 221.

financial expenditure on Africa for 2009-10 amounted to $1.2 million, administered by its International Policy Division, and $430 000, administered by the Asia Pacific Civil-Military Centre of Excellence.[3] A further $71 000 had been budgeted for 2010–11; and $360 000 for 2011–12.[4]

7.5   The AFP told the Committee that in the 2009-10 budget it had received an appropriation of $4.8 million over four years for a program of forensic support to African countries as part of the wider '$17.5 million dollar Africa—Law & Justice Frameworks—Australian Assistance initiative'.[5,6]

7.6   In Africa, Defence and AFP operations span two areas: 'development assistance or capacity-building operations and regional security or strategic issues'.[7] In many cases, these contributions entail peacekeeping, training, and other functions distinct from 'traditional' military and policing activities.

7.7   Such activities are more prominent due to changes in the international security environment. This has resulted in a closer relationship between 'security' and more traditional defence functions. At the same time, there has been a shift toward the *prevention* of conflict and other threats to national security. This has influenced Australia's security policy on Africa, just as it has in relation to our closer regional neighbours. This reflects changes in the wider strategic environment.

Policy framework

7.8   Traditional forms of military involvement respond to a direct threat, or in other ways prosecute specific applications of force as directed by government. The involvement of the Australian Defence Force (ADF) and the AFP in Africa differs from this in significant ways. It is therefore important to consider the policy frameworks which support and authorise such actions.

7.9   The key elements in Australia's defence and security policy framework are outlined in the National Security Statement (2008) and the Defence White

3   Defence, *Submission No. 71*, p. 786.

4   Asia Pacific Civil-Military Centre of Excellence, *Submission No. 117*, p. 1367.

5   AFP, *Submission No. 69*, p. 777.

6   June 2011 correspondence from AFP indicates these figures had not changed.

7   Ms Mandy Newton, *Transcript 21 April 2010*, p. 60.

Paper (2009).Both identify key priorities for Australia's security forces,[8] and also provide articulations between traditional and non-traditional security functions, resulting in a new set of explicit links between aspects of Australian security policy.

7.10   Importantly, they identify the reasoning under which Australian security services may be considered justified in pursuing objectives outside of Australia, and beyond the confines of traditional military conflict.

The National Security Statement 2008

7.11   The National Security Statement, delivered by the then-Prime Minister, Hon. Kevin Rudd MP, in December 2008, identified a hierarchy of key defence objectives for Australia:

- maintaining Australia's territorial and border integrity.
- promoting Australia's political sovereignty.
- preserving Australia's cohesive and resilient society and the long-term strengths of our economy.
- protecting Australians and Australian interests both at home and abroad.
- promoting an international environment, particularly in the Asia-Pacific region, that is stable, peaceful and prosperous, together with a global rules based order which enhances Australia's national interests.[9]

7.12   The first objective encapsulates a traditional 'Defence of Australia' defence doctrine. The second and third points are also largely consistent with this, and do not furnish a rationale for pre-emptive or preventative security interventions overseas. However items four and five create a basis for acting outside of traditional confines, both of the 'Defence of Australia' and traditional military actions.

7.13   Other aspects of the Statement add to this framework for security operations further afield. First, the Statement re-states Australia's commitment to 'multilateral institutions ... in particular the United Nations, to promote a rules based international order that enhances our security and economy'. Second, it commits Australia to advancing national security 'through the agency of creative middle-power

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8   The Prime Minister, Hon. Kevin Rudd MP, *First National Security Statement*, December 2008; Defence, *Defending Australia in the Asia Pacific Century: Force 2030*.

9   *First National Security Statement*, *2008*, p. 12550.

diplomacy — an active foreign policy capable of identifying opportunities to promote our security'.[10]

7.14   Importantly, in connection with this last point, the Statement refers to the use of diplomacy 'to otherwise prevent, reduce or delay the emergence of national security challenges'.[11] In addition to its adoption of a 'risk based approach' and a series of references to 'shaping' Australia's 'strategic environment',[12] this signals the emergence of a 'pre-emptive' doctrine in Australian security policy, where 'prevention' is established as a legitimate element. However, this is not pre-emptive in the sense of willingness to initiate conflict: rather it lies at the other end of the spectrum, where stabilization, peacekeeping and civil-military undertakings are seen as instruments of national security.

7.15   The Statement also shows a changing stance on security detailing a relationship between different arms of government previously not considered part of formal 'security' concerns. The Statement draws a range of security-related matters under the one main heading of 'National Security' and provides a policy framework for coordinating between these hitherto separate and distinct aspects of Australia's security interests. The security matters include:

- counter-terrorism;

- non-proliferation and disarmament;

- 'transnational law enforcement' against 'trafficking in ... drugs and arms;

- people smuggling and the illegal exploitation of resources';

- climate change;

- protection against pandemic disease; and

- energy security.[13]

7.16   This results in a picture in which different arms and agencies of government are orchestrated to support Australia's security. Under these arrangements, 'creative middle-power diplomacy' is 'reinforced by a robust defence policy'; and 'overseas development assistance efforts' and policing work together with 'an Australian Defence Force that is ready to

10 *First National Security Statement, 2008*, p. 12550.
11 *First National Security Statement, 2008*, p. 12550.
12 *First National Security Statement, 2008*, p. 12551.
13 *First National Security Statement, 2008*, pp. 12553-4.

respond ... in a range of situations from combat operations to disaster relief' to protect Australian interests and to express Australia's commitment, as noted, to a 'rules based international order'.[14]

The Defence White Paper 2009

7.17   While the National Security Statement 2008 provides a policy framework for Australian defence and security actions outside of Australia, it does not specifically refer to Africa. However, the 2009 Defence White Paper does. It states that:

> It will remain in Australia's interests to encourage peace and stability in Africa as part of our contribution to global security, through targeted defence cooperation and capacity building in areas such as peacekeeping. These efforts will contribute to Africa's capacity to manage its security ...[15]

7.18   There are a number of things to be said about this, defining the scope of Australian defence and security actions in Africa. First, the White Paper establishes a limit on what will be considered normal and acceptable security actions in Africa:

> The Government has decided that it is not a principal task for the ADF to be generally prepared to deploy to the Middle East, or regions such as Central and South Asia or Africa, in circumstances where it has to engage in ground operations against heavily armed adversaries located in crowded urban environments. This entails a requirement to engage in high-intensity close combat which brings with it the risk of an unsustainable level of casualties for an army the size of Australia's.[16]

7.19   This indicates that while other kinds of direct involvement may be contemplated, this specific kind of high-risk activity is unlikely to be sanctioned under current defence and security policy.

7.20   Second, the White Paper establishes a rationale for a variety of other actions, of a more 'stabilising' nature. This is proposed on the basis that Australian interests are affected by instability in other states, including those of Africa:

> Regional conflicts, such as in the Middle East and Africa, will likely continue to be a risk in the international system. Clashes

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14   *First National Security Statement*, *2008*, pp. 12551, 12550, 12554.
15   Defence, *Submission No. 30*, p. 221.
16   Defence, *Defending Australia in the Asia Pacific Century: Force 2030*, p. 56.

between and within states in these regions are likely to arise for diverse reasons, such as the breakdown of fragile states; disputes over territory; access to resources, water and energy; population movements, environmental crises or food shortages; conflicts between ethnic or religious communities; or efforts to promote ideological or nationalist goals.[17]

7.21   It is in relation to this last point that Australia's interests begin to be engaged. The White Paper notes that:

Islamist terrorism will likely remain a destabilising component of the global security environment for at least a generation. For the foreseeable future, the most concentrated presence of terrorist groups and activity will likely be in the Middle East, North and East Africa, and South and Central Asia, where weak states and the continued resonance of those groups' ideologies will provide them with a relatively permissive operating environment and a supply of recruits.[18]

7.22   These are things that could affect Australia's security in an international climate characterised by an increase in risk of terrorist activity. There are also other strategic issues which come to the fore. Referring to Africa specifically, the White Paper proposes that while there are 'reasonable prospects for better economic growth, governance and reduced frequency of conflict', Africa is:

also growing in relative importance as a source of the world's energy supplies. At the same time, economic development is likely to be uneven and insecurity and instability are likely to continue in some countries, exacerbated by environmental pressures. This will lead to calls for international assistance in addressing intra- or inter-state conflicts, either directly or through support for African peace-making and peacekeeping. The growth of Islamist extremist groups in North Africa and the Horn of Africa poses a risk to security regionally and beyond.[19]

7.23   In addition, other changes in the broader environment will see a new focus of interest and concerns beyond the Pacific Ocean, to include the Indian Ocean. This again brings Africa into a higher priority in the strategic environment:

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17   Defence, *Defending Australia in the Asia Pacific Century: Force 2030*, pp. 30-1.
18   Defence, *Defending Australia in the Asia Pacific Century: Force 2030*, pp. 37-8.
19   Defence, *Defending Australia in the Asia Pacific Century: Force 2030*, p. 36.

> The Indian Ocean will have greater strategic significance in the
> period to 2030. It will become an increasingly important global
> trading thoroughfare, particularly for energy supplies between
> Asia and the Middle East. There are a number of significant inter-
> state and intra-state conflicts along its periphery that have the
> potential to draw in other powers. Over time, and in response to
> these factors as well as transnational security issues such as piracy,
> the Indian Ocean is likely to host a larger military (particularly
> naval) presence. A number of major naval powers are likely to
> increasingly compete for strategic advantage in this crucial
> maritime region. Over the period to 2030, the Indian Ocean will
> join the Pacific Ocean in terms of its centrality to our maritime
> strategy and defence planning.[20]

Response to Australia's defence policy

7.24   Two contributions to the inquiry have provided a response to the policy
        outlined above. The first provided an account of how the concepts of
        'defence' and 'security' converged to the point where peacekeeping and
        preventing states from failing can be considered legitimate aspects of
        Australia's national security interest. The second provided a critique of
        that concept of 'Australia's interest' and proposed in its place an
        international rules-based agenda (cited as part of the National Security
        Statement) based on emergent concepts of international human rights law.

A military perspective

7.25   Major Matthew Cuttell's paper, provided as an exhibit to the inquiry,
        focuses on AFRICOM, the designated US military area command for the
        African continent. It argues that AFRICOM offers Australia an avenue to
        expand its engagement with Africa. Africa, it suggests, has hitherto 'only
        featured in Australia's foreign and defence policies in response to crisis or
        pending humanitarian disaster', and this ' narrow approach has resulted
        in missed opportunities for understanding and engagement within
        Africa'.[21]

7.26   Although the terrorist attacks in New York and Washington DC on 11
        September 2001 have a part to play in the convergence of defence and
        security, the paper argues that these processes predate this considerably. It

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20   Defence, *Defending Australia in the Asia Pacific Century: Force 2030*, p. 37.

21   *Exhibit No. 13*, Major Matthew Cuttell, 'AFRICOM and Australian Military Engagement in
     Africa', p. 1.

notes that even while Australia was sending troops to combat situations in Korea, Malaya and other places it was also, at the same time, beginning its contribution to United Nations peacekeeping endeavours. These persisted through successive statements of Australian military doctrine, which displayed a consistently increasing role for peace-keeping and other civil-military operations.[22]

7.27 The paper notes that at the same time US military doctrine, particularly in the wake of the September 2001 terrorist attacks, has come increasingly to identify failed states and other forms of critical instability as providing a haven for terror activity: and that this activity bears a direct threat to domestic security in ways hitherto only envisaged from aggressor states. This was reflected in the 2002 U.S. National Security Statement, which stated that 'America is now threatened less by conquering states than we are by failing ones'.[23] In a similar vein, the 2006 U.S. Defence Quadrennial Review recommended that the U.S. should 'decrease the possibility of failed states or ungoverned spaces in which terrorist extremists can more easily operate or take shelter'.[24] As a result, the paper observes, 'AFRICOM's focus is on war-prevention rather than war-fighting'.[25]

7.28 The implications of these developments for Australia, over time, involves two outward movements: one beyond an exclusive focus on the 'defence of Australia' toward greater attention to the stability of other states and the second beyond the 'traditional' role of the military in formal conflict between states toward what are now termed 'civilian-military' operations. The paper notes that an 'analysis of the evolution of Australia's defence policy reveals a transition of the role of the military from national defence (based on geography) to national security (based on interests and values)'.[26]

7.29 The expression of this shift is to be found in the contention that, as for AFRICOM, it is legitimate for security forces to 'place capacity-building in Africa at the center of [their] mandate', and to create 'innovative, integrated civilian-military approaches'.[27] Under this approach it becomes consistent for military commands, such as the US Joint Task Force - Horn of Africa (JTF-HOA) to work across a spectrum of activities from 'military-to-military training, civil military operations, and security training to

22 *Exhibit No. 13*, pp. 9-14.
23 *Exhibit No. 13*, pp. 20-1.
24 *Exhibit No. 13*, pp. 21-2.
25 *Exhibit No. 13*, p. 26.
26 *Exhibit No. 13*, p. 18.
27 *Exhibit No. 13*, p. 27.

build capacity for partner nations to secure themselves'. This extends to humanitarian activities, including 'the provision of clean water and the conduct of medical, dental and veterinarian civil action programs .... [and] the building of numerous schools, clinics and hospitals'.[28]

7.30   The paper comments that 'Australian military forces have also shown an ability to perform humanitarian tasks such as medical support and engineering de-mining ... in Africa and other regions'. In summary, the paper states:

> Australia's concept of security has evolved to include a more global and expansive view with a realization of the expanding role that the military will perform in securing national interests. Australia's defence and foreign policy have witnessed a transition of the role of the military from national defence (based on geography) to national security (based on interests and values). Australia's interests in Africa are framed in terms of physical security (failed states, weapons of mass destruction), human security (humanitarian assistance) and economics (trade). All three areas are experiencing increasing growth and importance due to the recognition of their importance to Australia's security. However, Australia's policy execution regarding Africa is narrowly focused with respect to the various regions and only in the fields of economic trade and humanitarian aid. This presents Australia with an opportunity to expand its involvement in Africa to include the military element of national power.[29]

An alternate view

7.31   The 2008 Australian National Security Statement consistently links its statements back to Australia's interests, whether they be Australia's 'national interests'; its 'security interests'; its 'foreign policy interests'; or its 'global interests'.[30]

7.32   Oxfam Australia was critical of this approach, suggesting that 'developments' in international law, and associated conventions, 'are making it increasingly untenable for foreign policy approaches to be couched only in the national interest'.[31]

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28   *Exhibit No.13*, p. 28.
29   *Exhibit No.13*, p. 49.
30   *First National Security Statement, 2008*, pp. 12549-54.
31   Oxfam, *Submission No. 39*, p. 374.

7.33   The alternative, Oxfam suggested, was to adopt an approach based on concepts of international humanitarian law, in particular, that of 'responsible sovereignty' — a principle arising from Article 1 of the 1949 Geneva Convention and the 1977 Additional Protocol.[32]

7.34   Oxfam Australia argued that Australia's responsible sovereignty obligation implied that it should be obliged to ensure respect for international humanitarian law and uphold the doctrine of *Responsibility to Protect*.[33]

7.35   Professor Evans commented that following recent debates in the UN General Assembly there was:

> … a thoroughly embedded new norm of international behaviour in the sense of the three pillars of the responsibility to protect; namely, a recognition that, firstly, states have a responsibility to protect their own people from mass atrocity crime; secondly, other states have a responsibility to assist those who are willing to be assisted to prevent and avert such catastrophes through all appropriate means; and, thirdly, in the event that a sovereign state is unable or unwilling to protect its own people, the international community has a responsibility to engage in whatever way is necessary to halt or avert mass atrocity crimes.[34]

7.36   Oxfam also advised the Committee that the nature of conflict was changing and there was a:

> … significant blurring of the lines between political and non-political violence, conflict and post-conflict violence, and conflict and criminal gang violence. Interpersonal violence and violence against women is also strongly linked to conflict and post-conflict violence …[35]

7.37   Oxfam therefore stressed the importance of addressing sexual violence, particularly against women in conflict circumstances. Also, it proposed that there be greater emphasis on the implementation of UN Resolution 1325, which provided for gender balance in peacekeeping and similar forces in zones affected by conflict.[36]

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32   Oxfam, *Submission No. 39*, p. 373.
33   Oxfam, *Submission No. 39*, p. 374.
34   Prof. Gareth Evans, *Transcript 8 December 2010,* p. 60.
35   Oxfam, *Submission No. 39*, p. 372.
36   Oxfam, *Submission No. 39*, pp. 371, 380.

Committee comment

7.38   The Committee notes that there are common elements between the
        different approaches to Australia's defence and security involvement in
        Africa. The National Security Statement, Major Cuttell's paper, and
        Oxfam's submission all refer both to Australia's interests and to activities
        pursued on the basis of an international rules-based framework. The
        differences between them stem from the different weight accorded to
        these principles.

7.39   The Committee notes the development of the responsibility to protect
        doctrine and welcomes the Australian Government's continuing support
        for its adoption.

Defence involvement with Africa

7.40   Australia's defence engagement with Africa has several facets:

- the appointment of an African-based Defence Attaché accredited to the
  AU;

- peacekeeping contributions;

- training of African defence forces personnel; and

- contribution to landmine clearing operations.

Appointment of a Defence Attaché

7.41   In February 2009, the then Minister for Defence, Hon. Joel Fitzgibbon MP,
        announced the establishment of a Defence Attaché to the AU, based in
        Addis Ababa, Ethiopia. The role of the Attaché was to assist Australia's
        Ethiopia Head of Mission 'to represent the Australian Government on
        Defence matters'. The position would also support 'defence engagement
        initiatives across Africa and support ADF operations in Africa when
        necessary'. Specific duties of the Defence Attaché included:

- Assisting the development and implementation of co-operative
  Defence activities in Africa …

- Supporting Defence's Africa-based input to Australia's whole-
  of-Government objectives in Africa …

- Identifying and advising Defence on future operations for
  engagement in Africa which are aligned with Australia's
  national interests.

- Advising on possible and current Australian contributions to UN and AU peace operations in Africa … in close consultation with Defence representatives in Australia's UN New York Mission.
- Representing Defence's interests in Australia's broader contribution to enhancing peace and security in Africa. Including by representing Defence at international counter-piracy meetings …
- Liaising, as necessary, with Defence and other foreign representatives accredited to African countries and the AU.[37]

Peacekeeping

7.42   Australia has a long and proud history of involvement in peacekeeping operations on the African continent. This reflects our long record of support for UN peacekeeping operations around the world since 1947.

7.43   Since 1960 Australia has contributed ADF and AFP personnel to 14 separate peacekeeping operations in Africa (not including the Middle East or Persian Gulf operations).

7.44   The Committee notes the report of the Senate Foreign Affairs, Defence and Trade Committee, *Australia's involvement in peacekeeping operations,* tabled in August 2008. Table 7.1 includes information provided in that report.

7.45   The initial contribution in 1960–61 consisted of a small medical team as part of the UN Operation in the Congo. Since then we have participated in some of the most difficult and dangerous operations. For instance, in the period 1992 to 1994 over 1100 Australians were involved in peacekeeping and humanitarian operations in Somalia. In 1994–95, 300 troops and medical personnel were involved in the UN Assistance Mission to Rwanda.

7.46   Australia maintains a small but significant presence in peacekeeping forces in Africa. In its submission, Defence advised the Committee that it had:

> … committed to contributing 15 personnel to the UN Mission in the Sudan and nine personnel to the UN and African Union Mission in Darfur. Defence also currently has four personnel seconded to the UN DPKO, including the lead planner for operations in Africa and an officer supporting maritime counter-piracy planning off the Horn of Africa.[38]

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37   Defence Attaché — African Union, *Duty Statement.*

38   Defence, *Submission No. 30, p. 222.*

Table 7.1   Australian participation in multinational peacekeeping operations in Africa

Name of operation	Theatre	Dates of Australian involvement
UN Operation in the Congo (ONUC)	Congo	1960–1961
Commonwealth Military Training Team—Uganda (CMTTU)	Uganda	1982–1984
UN Transition Assistance Group (UNTAG)	Namibia	1989–1990
United Nations Mission for the Referendum in Western Sahara (MINURSO)	Western Sahara	1991–1994
UN Operation in Somalia (UNOSOM I)	Somalia	1992–1993
Unified Task Force (UNITAF)	Somalia	1992–1993
UN Operation in Somalia II (UNOSOM II)	Somalia	1993–1995
UN Assistance Mission for Rwanda (UNAMIR)	Rwanda	1994–1995
UN Operation in Mozambique (ONUMOZ)	Mozambique	1994–2002
UN Mission in Ethiopia and Eritrea (UNMEE)	Ethiopia/Eritrea	2001–2005
International Military Advisory and Training Team (IMATT)	Sierra Leone	2000–2003
UN Mission in the Sudan	Sudan	2006–present
UN-AU Mission in Darfur	Sudan	2008–present
UN Department of Peacekeeping Operations (UNDPKO)	Horn of Africa	2009–present

Source   Senate Foreign Affairs, Defence and Trade Committee[39] and Defence, Submission Nos 30, 120.

7.47   The *Defence Annual Report* 2008-09 stated that at the time of publication there were two members of the ADF serving as UN Headquarters staff or specialist officers in Operation Hedgerow, the ADF's contribution to the joint African Union/United Nations hybrid Mission in Darfur (Sudan).[40]

7.48   Defence advised the Committee that problems with visa approvals for ADF personnel committed to the Darfur operation had prevented them being deployed. Defence stated that this was an 'ongoing' problem; that the deployment 'is still subject to those problems'; and that other nations

39   Senate Foreign Affairs, Defence and Trade Committee, *Australia's involvement in peacekeeping operations*, Canberra, 2008, pp. 8–10 (Using figures compiled by Dr Peter Londey, *Official History of Australian Peacekeeping, Humanitarian and Post-Cold War Operations.*

40   Defence, *Annual Report 2008-09, Volume 1*, p. 128.

committed to the Darfur peacekeeping operation faced a similar predicament.[41]

7.49   Much of Australia's other involvement in peacekeeping consists in providing technical and training support to peacekeeping operations. Australia is a significant contributor, the twelfth highest, to the UN annual peacekeeping budget. DFAT advised the Committee that 'Australia's assessed share of contributions for UN peacekeeping missions is expected to be approximately US$137 million for 2009-10'.[42] Part of this was the $6 million in funding announced by the Foreign Minister in a speech of 26 January 2010: '$4 million ... over three years to the UN Peacebuilding Fund and $2 million to support peace building initiatives identified by the Peace Building Commission, focusing on Burundi and Sierra Leone'.[43]

7.50   A further aspect lies in the training Australia provides to African security personnel to support their involvement in peacekeeping operations, which forms a significant part of Australia's commitment to Africa.

Training

7.51   Two main types of training are provided by Australia to security personnel from African countries. These consist of training on peacekeeping functions and more technical, more 'traditional', training provided from Australian agencies, such as Defence and AFP, to their counterparts in those countries. Australia offers this training through both bilateral and multilateral relationships. Because Australian security agencies are involved in training for peacekeeping functions, these two strands often overlap.

7.52   In relation to its multilateral relationships, Defence advised the Committee that Australia will:

> … continue to focus on building African peacekeeping capability through the AU and UN, providing capacity building assistance to strengthen African law enforcement agencies and assisting with governance and security issues which could reduce the drivers of terrorism. Given the security and development challenges faced by African countries, many facets of the UN's agenda are of interest and relevance to African countries, including disarmament and international security, climate change, food security, humanitarian

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41   Mr Ben Burdon, *Transcript 21 April 2010*, p. 52.

42   DFAT, *Submission No. 46*, pp. 503–4.

43   DFAT, *Submission No. 46*, p. 522.

assistance and the responsibility to protect. Australia is an active contributor to all of these debates.[44]

7.53   Further multilateral training and professional development efforts were applied through Australia's support of conferences and similar activities. Defence told the Committee that it had hosted a 'drafting workshop' to draft 'guidelines on the protection of civilians for AU [African Union] peacekeeping operations' in Australia at the Asia Pacific Civil-Military Centre of Excellence in 2008. This was the precursor to an 'International Symposium on the Protection of Civilians in Conflict Zones' in Addis Ababa, Ethiopia, in March 2010, which Australia supported and co-hosted with the AU.[45]

7.54   Australia was represented at the Symposium. The Parliamentary Secretary for Defence Support, the Hon. Dr Mike Kelly MP attended, together with an Australian delegation which included representatives of a number of Australian agencies and organisations.[46,47]

7.55   Training offered under bilateral arrangements is largely managed under the Defence Cooperation Program (DCP). Until 2009, the program was focused on the Asia-Pacific region. Defence told the Committee that offers to African countries began to be made under the DCP in 2009 in response to the government's new policy on Africa, with six positions offered in that year, with another 11 offered in 2010 to members of security agencies from Botswana, Ethiopia, Kenya and Uganda. All of these courses were related to peacekeeping, rather than conventional military, operations.[48]

7.56   Defence added that, at the time of its submission, two of those training positions offered had been taken up, and one of the proposed courses for 2010 had run, with '100%' take-up from contingents from Botswana and Ethiopia. Acceptance of offers continued to be an issue for Defence:

> … we do make offers. We hope that they are taken up; sometimes they are not. It is an issue that is pertinent not just to Africa but also across the range of the Defence Cooperation Program. Bear in mind that some of the offers are for courses earlier in the year and

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44   Defence, *Submission No. 30*, p. 223.

45   Mr Ben Burdon, *Transcript 21 April 2010*, p. 54, and see Defence, *Submission No. 71*, pp. 4-5.

46   The Australian Chapter of the International Commission of Jurists; the Institute of Ethics, Governance, Law and Justice; the Asia Pacific Civil-Military Centre of Excellence; the Australian Council for International Development; the Asia Pacific Centre for Military Law; DFAT; Defence; AusAID; the AFP; and the Australian Permanent Mission to the United Nations in New York.

47   Defence, *Submission No. 71*, p. 784; *Defence Annual Report 2008-09*, pp. 162-3.

48   Mr Ben Burdon, *Transcript 21 April 2010*, p. 51.

some are for later courses, so for some of them we do not expect to have a firm indication of take-up until further into the calendar year.[49]

7.57   In specific terms, Defence advised the Committee that:

So far for 2010, with respect to the AU we have one position offered on two separate courses; that is at the offer stage with no indication of acceptance as yet. With Botswana there are three positions offered. One has been taken up and the course attended; two are outstanding and for courses further into the year. With Ethiopia one position has been offered and the course attended; there is one outstanding. With Kenya there are two offers with outstanding responses to courses yet to be delivered. With Uganda there are two offers and both are outstanding so far.[50]

7.58   Defence reported, however, that there had been a good level of 'dialogue and exchange':

The Vice-Chief of the Defence Force visited Ethiopia and Kenya recently - Ethiopia for the protection of civilians seminar, which was referred to in the submission, and Kenya for discussions with the Kenyans. We have had recent visits from the Ugandan defence force as well as the National Defence College of Kenya, late last year, and of course the President of Botswana, a former commander of their armed forces, was here earlier this year.[51]

7.59   The AFP also told the Committee of its training engagement with African countries. This presented some dilemmas for the AFP, in that it is 'not able to actually work within [a] country [where] there is no platform of basic law and order that exists and a credible police force that we are able to support and assist in their development'.[52]

7.60   As a result, the approach the AFP has taken has been to:

… make sure that we touch as many countries in the African group that we can ensuring that we provide a level of support that is appropriate to that particular country at the time in their progression around law and order capability. Some countries are more receptive than others…[53]

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49   Mr Ben Burdon, *Transcript 21 April 2010,* pp. 52–3.
50   Mr Ben Burdon, *Transcript 21 April 2010*, p. 54.
51   Mr Ben Burdon, *Transcript 21 April 2010*, p. 51.
52   Ms Mandy Newton, *Transcript 21 April 2010*, p. 63.
53   Ms Mandy Newton, *Transcript 21 April 2010*, p. 63.

Landmine clearing operations

7.61   AusAID advised the Committee that Australia provided funding toward
        mine clearance in post-conflict countries, to a total of $175 million since
        1997. AusAID commented:

> AusAID's engagement in reducing the threat and impact of
> landmines and other explosive remnants of war is guided by the
> new $100 million Mine Action Strategy for the Australian aid
> program 2010-2014. A component of this may be used to support
> affected countries in Africa.[54]

7.62   While in Ethiopia, the Committee Delegation visited the Ethiopian Mine
        Action Office (EMAO) Training Centre near Addis Ababa.

7.63   Ethiopia is one of the most heavily landmine contaminated countries in
        the world as a result of four wars and internal conflict.[55] An Ethiopian
        landmine impact survey completed in 2004 estimated that landmines and
        unexploded ordnance afflicted more than 1.9 million people in 1492
        communities covering 1916 'suspected hazardous areas'.

7.64   Between 2002 and 2004 there were 1295 victims of landmine accidents
        including 558 fatalities. Two thirds of the victims were engaged in herding
        and farming when the incident occurred.[56]

7.65   Between 2001 and 2011 a total of US$80 million has been spent on the
        landmine clearing program,[57] including $1 million provided by Australia
        in 2010-11 through the UN Development Program.[58]

7.66   The EMAO told the Delegation that it was due to complete landmine
        clearing activities in Ethiopia in 2013, whereupon it would continue to
        provide landmine action training to other countries in Africa and to UN
        peacekeeping missions. As well, it would provide explosive detection dog
        support to the UN Economic Commission for Africa and other African
        countries. Landmine training had been provided to a group from Southern
        Sudan, and groups from the Congo, Northern Sudan and Uganda had
        requested training.[59]

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[54]   AusAID, *Submission No. 47*, p. 583.

[55]   1935-41: the Italian invasion; 1977-8: war with Somalia; 1980: war with Sudan; 1974-91: internal
        conflict; 1998-2000: Ethiopia-Eritrea war.

[56]   EMAO, *PowerPoint presentation to the Committee Delegation.*

[57]   EMAO, *PowerPoint presentation to the Committee Delegation.*

[58]   Australian Ethiopian Embassy, *Visit program notes.*

[59]   EMAO, *PowerPoint presentation to the Committee Delegation.*

7.67   During its visit, the Delegation met with the team from Southern Sudan, and saw landmine detection dogs being trained using a variety of methods, and dogs destined for security work being put through their paces.

Crime and security

Australia's interest in crime prevention in Africa

7.68   As for Defence matters, the Committee considers that it is pertinent to consider the rationale for Australia's involvement in crime and security matters in Africa.

7.69   The AFP told the Committee that, as in other areas, the situation in African countries regarding crime and security is diverse. African law enforcement agencies face a range of challenges, 'from establishing basic rule of law principles in countries such as the Sudan' to 'creating an accountable police force in areas where corruption is an issue and governance needs to be strengthened'. It was noteworthy that these problems were 'exacerbated by organised criminal syndicates which rely on weakened state structures to create havens for illicit activity'. [60]

7.70   The AFP also told the Committee that, from a 'law-enforcement perspective':

> … growing levels of foreign investment, rapid economic expansion, corruption and weak governance are just some of the factors that continue to facilitate a broad range of criminal activity in Africa.[61]

7.71   The AFP told the Committee that crime and security problems in African countries, created or made worse by these developments, were directly significant to Australia:

> Australia is not immune to the transnational criminal activity originating from the African based criminal networks. Drug trafficking, technology based fraud, money laundering, human trafficking and child sex offences are perpetuated in African

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60   Ms Mandy Newton, *Transcript 21 April 2010*, p. 61.
61   Ms Mandy Newton, *Transcript 21 April 2010*, p. 61-2.

countries where Western law-enforcement agencies have very
limited ability to bring the perpetrators to justice.[62]

7.72   In particular, technology-based fraud originating in Africa had
significantly increased 'in recent years', and the AFP were responding to
this from 'a global context' by creating units where intelligence - such as
that on credit-card 'skimming' - can be fused with other data to provide
the basis for a coordinated response to control such activity.[63]

7.73   Domestic security agencies faced important challenges in dealing with
these issues in Africa, where 'African law-enforcement counterparts are
hampered by political issues, limited resources and management capacity
restraints'. As a result, the AFP:

> ... includes African nations in its Management of Serious Crime
> program, Interagency Integrity Investigations program and
> leadership training currently being provided to the Ugandan
> police through the Australian Institute of Police Management. The
> Australian Federal Police is also providing nearly $5 million over
> four years to aid forensic science development within key African
> nations and African law-enforcement agencies with the aim of
> enhancing their capacity to manage transnational crime
> investigations.[64]

7.74   The AFP also noted that it had participated in a conference in South Africa
regarding drug precursors (chemicals that are used to manufacture illegal
drugs). This was consistent with priorities identified by the AFP in
connection with African countries: 'to build capacity across the law-
enforcement spectrum of African nations to tackle issues such as narcotic
trafficking, money laundering, fraud and terrorism'.[65]

Financial contribution

7.75   Australia makes a number of financial and training contributions to the
police aspects of security in African countries. In relation to activities on
crime, DFAT advised the Committee that:

> The Australian Government has allocated $17.5 million over four
> years to help strengthen African law enforcement agencies, with a
> particular focus on combating transnational crime and countering

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62   Ms Mandy Newton, *Transcript 21 April 2010*, p. 61.
63   Ms Mandy Newton, *Transcript 21 April 2010*, p. 65.
64   Ms Mandy Newton, *Transcript 21 April 2010*, p. 61.
65   Ms Mandy Newton, *Transcript 21 April 2010*, p. 61.

terrorism. The program began in 2009-10 and is being implemented by the Attorney-General's Department, AFP and the Australian Transaction Analysis Centre (AUSTRAC).[66]

7.76   DFAT also advised the Committee that:

The Attorney-General's Department received $4.5 million over four years in the 2009-10 Budget to assist African countries develop or strengthen legal frameworks relating to terrorism, transnational crime and international legal cooperation. The Attorney-General's Department will offer training, legislative assistance and advice to African countries to assist with implementing international obligations, developing legislative frameworks and strengthening international legal cooperation frameworks in these areas. Programs of assistance will be developed in partnership with African countries and tailored to meet their specific requirements and priorities.[67]

7.77   In addition, AUSTRAC 'has been granted $8.1 million', to 'provide technical assistance and training in anti-money laundering and to develop financial intelligence unit capacity in up to nine African countries each year'. In particular, 'Botswana, Lesotho, Malawi, Namibia, Swaziland, Tanzania and Zambia [had] been identified as priority countries to receive assistance for the 2009-2010 financial year'.[68]

7.78   Under a further set of arrangements the AFP 'will receive $4.8 million to aid the development of forensic science in Africa', and as 'part of the program, 14 African countries have been invited to participate in laboratory management training to be held in 2010 under the auspices of the Southern African Regional Forensic Science Network'.[69]

Piracy

7.79   The Somali coast is currently the major centre of piracy activity in Africa exacerbated by the increasing lawlessness in that country.

7.80   In April 2009, the Office of the Inspector of Transport Security released a report titled, *International Piracy and Armed Robbery at Sea.* The report commented that since the 1990s the modus operandi of pirates had become 'hijack and ransom'. They had become more audacious in

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66   DFAT, *Submission No. 46*, pp. 504–5.
67   DFAT, *Submission No. 46*, pp. 504–5.
68   DFAT, *Submission No. 46*, pp. 504–5.
69   DFAT, *Submission No. 46*, pp. 504–5.

attacking international shipping and even ventured over 1000 nautical miles offshore. Ransoms amounting to millions of dollars had been sought and paid.[70]

7.81   Naval military responses included the creation of the European Naval Force, the US-led Combined Maritime Force, and the presence of NATO and warships of other nations which protected their own flagged shipping.[71]

7.82   The report commented that the shipping industry had been reluctant to increase its own security because of the low risk of an actual ship being hijacked—estimated to be less than 0.1 per cent, the cost of providing on-board security, and an absence of insurance incentives.[72]

7.83   The land based response arose from a meeting convened by the International Maritime Organisation in January 2009 which led to the Djibouti Agreement.[73] This resulted in a Code of Conduct to which 17 of the 21 eligible states are now signatories.[74] The signatories agreed 'to receive, prosecute and imprison persons convicted of piracy.' The Djibouti Agreement is supported by the United Nations Office on Drugs and Crime Counter-Piracy Programme.[75]

7.84   Defence advised that it:

> … currently cross-tasks a frigate and a portion of our AP-3C maritime patrol aircraft in the Middle East Area of Operations to counter piracy. Defence recently deployed an officer to the UN Department of Peacekeeping Operations as a maritime counter-piracy planner. Defence participates in the UN Contact Group on Piracy off the Coast of Somalia, which aims to address legal issues, coordinate operational commitments and promote regional capability development.[76]

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70   Office of the Inspector of Transport Security, *International Piracy and Armed Robbery at Sea*, April 2009, pp. 9–10.

71   Office of the Inspector of Transport Security, *International Piracy and Armed Robbery at Sea*, April 2009, p. 12.

72   Office of the Inspector of Transport Security, *International Piracy and Armed Robbery at Sea*, April 2009, p. 13.

73   Office of the Inspector of Transport Security, *International Piracy and Armed Robbery at Sea*, April 2009, p. 15.

74   Comoros, Djibouti, Egypt, Eritrea, Ethiopia, Jordan, Kenya, Madagascar, Maldives, Mauritius, Oman, Saudi Arabia, Seychelles, Somalia, Sudan, Tanzania, and Yemen. <http://www.imo.org/OurWork/Security/PIU/Pages/DCoC.aspx> Accessed June 2011.

75   Office of the Inspector of Transport Security, *International Piracy and Armed Robbery at Sea*, April 2009, p. 15.

76   Defence, *Submission No. 30*, p. 222.

Liaison posts

7.85   The AFP advised the Committee that it maintains an international
        network of liaison posts, comprising 'just over 93 liaison officers operating
        around the world at this time, in over 30 countries'. Siting of liaison posts
        was 'very dependent on the criminal activity that we are dealing with in
        relation to those specific countries'. Since 2003, the AFP has maintained a
        sole liaison post for the whole of Africa, situated in Pretoria, South Africa.
        As a result, the AFP relies 'very heavily' on interrelationships with
        components of the police forces of other countries, such as the Serious
        Organised Crime Agency in the United Kingdom.[77]

Nuclear Non-proliferation

7.86   The Committee has already noted links between defence and security
        breaches and failed states, and the opportunities these may provide for the
        growth of terrorism. This in turn can directly threaten Australia's security.

7.87   This is particularly important in view of Africa's emergence as a supplier
        of uranium. DFAT advised the Committee that:

> Uranium mining and exploration activity in Africa has increased
> in recent years, and Africa is likely to become a major uranium
> producer and exporter over the coming decade for the world's
> civil nuclear power industry. It will be important that effective
> nuclear safeguards, physical protection, and export control
> measures are applied to this developing industry.[78]

7.88   In addition, the record of African nations signing international safeguards
        agreements is far from comprehensive:

> Seventeen African countries have not yet concluded a
> comprehensive safeguards agreement (CSA) with the International
> Atomic Energy Agency (IAEA), as is required by the Nuclear Non-
> Proliferation Treaty, 32 have not concluded the IAEA's Additional
> Protocol on strengthened safeguards, and 19 have not concluded
> the Convention on the Physical Protection of Nuclear Material
> (CPPNM).[79]

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77   Ms Mandy Newton, *Transcript 21 April 2010*, p. 64.

78   DFAT, *Submission No. 46*, p. 505.

79   DFAT, *Submission No. 46*, p. 505.

7.89   It is 'likely that for many of these states the reason for not concluding
        these key safeguards agreements is unfamiliarity and/or insufficient
        resources to devote to preparing for implementation'. The 'record on
        safeguards and CPPNM adherence is better, however, for the four states in
        Africa which are currently producing uranium (Malawi, Namibia, Niger
        and South Africa)'.[80]

7.90   Within these mixed conditions, Australia is making efforts toward a more
        consistent regime. DFAT commented:

> DFAT, including the Australian Safeguards and Non-Proliferation
> Office (ASNO), has begun placing more nuclear safeguards and
> security outreach focus on Africa and is exploring ideas for further
> engagement, particularly focusing on current and prospective
> uranium mining states in Africa.[81]

7.91   In addition, Australia has hosted conference 'side events' on this issue at
        international meetings; is seeking further cooperation between the
        relevant Australian and South African agencies; and is planning, through
        ASNO, further means of applying its ASNO's 'outreach and training
        experience', hitherto mostly in Asia, to Africa.[82]

Conclusion

7.92   As for many of Australia's involvements and interventions in Africa, its
        involvement in the security of African nations is characterised by small
        numbers of personnel directly involved, combined with commitments on
        financial assistance and training. This requires careful identification and
        planning to allow these limited interventions to achieve the maximum
        benefit for the resources invested.

7.93   Consistent with this approach, Defence told the Committee that:

> … the Defence white paper provides us with very clear guidance
> as to our engagement with Africa. It is modest and limited. We
> believe that we can make a contribution in the area of international
> peace and security, primarily by providing niche contributions to
> UN peacekeeping operations and also through training support to
> help develop and improve the capacity of African forces, be they

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80   DFAT, *Submission No. 46*, p. 505.
81   DFAT, *Submission No. 46*, p. 505.
82   DFAT, *Submission No. 46*, p. 506.

those of individual countries or the regional forces that are emerging across the continent, to carry out peacekeeping operations themselves.[83]

7.94   Similarly, the AFP told the Committee:

> Our capability is quite small to deal with the African area. There is an alliance of a number of law enforcement agencies in Western countries to try and strengthen where we actually have the greatest level of influence. We will work in conjunction with the United Kingdom, and in fact we are at this point in time in relation to a matter that potentially has foreign bribery implications, and we undertake joint investigations where those countries might be better off identifying and investigating a matter where there is dual interest.[84]

Committee comment

7.95   Australia's approach to its Defence and Security engagement with African nations is consistent with its status as an interested middle-power. As stated in the National Security Statement of 2008, this approach is characterised by cooperative relationships between Australian government agencies—Defence, AFP, DFAT, Attorney-General's Department—and with other countries in Africa and elsewhere. This gives Australia the best possible chance of delivering value for the resources invested in these activities.

7.96   It is clear that there has been a significant change in Australia's security relationship with Africa in recent years. Although the wider stage has been set in the wake of the terrorist attacks of September 2001, Australia's specific interests have been put in train by policy changes of the new government in 2008. This, and the two-year period since the inception of these changes, makes it appropriate, therefore, to now consider Australia's overall approach.

7.97   For defence and security, the small numbers of our standing armed forces, and federal police, in proportion to the scale of the problems and number of African countries, in part determines the nature and scale of Australia's commitment. It appears that within those constraints, Australia has developed an effective doctrine, which combines funding, training,

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83   Mr Ben Burdon, *Transcript 21 April 2010*, p. 51.
84   Ms Mandy Newton, *Transcript 21 April 2010*, p. 63.

technical support and peace-keeping. This is likely to improve its relations with African countries, and help contain risks that could conceivably affect Australia if they were left unattended.

7.98   The Committee welcomes the forward-thinking and risk-management-based approaches on terror, crime and defence that are evident in the current approach. This appears to be a prudent line of activity which, again, seeks to prevent rather than respond to crises after they occur.

7.99   It is in Australia's interests to be and be seen to be a good global citizen. It is possible for Australia's policy to be based on its 'interest' as well as on a commitment to an 'international rules-based order'.

7.100   It would seem, however, that Australia's wish to present a credible face in Africa would be well-served by including a specific reference to the doctrine of responsible sovereignty within Defence policy. Relying solely on 'Australia's interests' arguments could run the risk of being perceived as neo-colonial in intent. A rules-based approach, combined with the very considerable natural resources investments and expertise underlined by principles of corporate social responsibility brought to bear in Africa by Australian companies, would be a good way to present Australia within the continent of Africa, and would distinguish it both from past actions by Western countries and, in some cases, contemporary involvements in the African resource sector.

7.101   Finally, as Australia's engagement with the continent increases, all facets of that engagement such as, aid, trade and investment, defence and security, should be included within an overall strategy.

Security in Zimbabwe

7.102   Zimbabwe has become Australia's largest bilateral aid program in Africa.[85] Of prime concern, therefore, is the political stability and security of that country because it impacts on the long-term effectiveness of aid programs.

7.103   Mr Sibraa, a former High Commissioner to Zimbabwe, described the beginnings of repression by the Zimbabwe African National Union Patriotic Front (ZANU-PF):

> … the nineties were good times. Zimbabwe was a food exporter and tourism was booming—two Qantas flights a week, sometimes

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85   AusAID, *Submission No. 47*, p. 583.

> three … we were selling agricultural equipment. There were trade missions … It was positive. Things started to go bad in 1999. It held a referendum to change its constitution. … To the shock of the ruling party and Mugabe that constitutional vote was defeated. That is when the repression started.
>
> They were particularly unlucky in that Parliamentary elections followed just after in 2000. There is no doubt in my mind that if the referendum had come after the parliamentary elections, the MDC [Movement for Democratic Change]—the opposition— would have won those elections. … as a result of the referendum, the ruling party was able to see how people had voted and in which particular areas and they were earmarked for repression.[86]

7.104   The politically motivated violence led to the imposition of targeted sanctions in 2002 by Australia, the European Union (EU) and the US. Australia's sanctions involve:

- Restrictions on financial transactions involving members or supporters of the Mugabe regime, including senior management officials of state owned companies …
- Restrictions on visas to travel to Australia [by these people]
- Screening of all student visa applications from Zimbabwe to identify [those from] adult children of Zimbabwean individuals subject to Australian travel and financial sanctions …
- Prohibition of defence links
- Restrictions on exports of arms and related materiel …
- Downgrading of government-to-government contacts at multilateral forums
- Downgrading of cultural links[87]

7.105   Similar sanctions are imposed by the EU and US.[88]

7.106   The Zimbabwe economy collapsed. Mr Sibraa continued:

> Negative growth rates over 12 years; inflation of 230 million per cent; farms were being grabbed; Mugabe gave in to ridiculous wage claims by the so-called war veterans; and the economy started to go down the drain.[89]

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86   Hon. Kerry Sibraa, *Transcript 28 April 2010,* p. 5.

87   <http://www.dfat.gov.au/un/unsc_sanctions/zimbabwe.html> Accessed May 2011.

88   See: <http://thejournal.eu/2011/02/eu-renews-sanctions-against-zimbabwe/> and <http://www.state.gov/r/pa/ei/bgn/5479.htm> Accessed May 2011.

89   Hon. Kerry Sibraa, *Transcript 28 April 2010,* p. 5.

7.107   When the Committee Delegation visited Zimbabwe clear signs of a
         collapsed economy were evident—poorly maintained buildings; potholed
         roads; and partially completed residential buildings (building is a start
         stop process, proceeding when enough cash has been saved and ceasing
         when it is used up).

7.108   Following elections in 2008 the opposition MDC and ZANU- PF reached
         an agreement, the Global Political Agreement (GPA), to establish an
         Inclusive Government. The GPA included Articles which provided for a
         re-drafting of the Zimbabwe Constitution, a sharing of power in an
         Inclusive Government, and an agreement whereby the parties to the
         agreement agreed:

         ■ to promote the values and practices of tolerance, respect, non-
           violence and dialogue as means of resolving political
           differences;

         ■ to renounce and desist from the promotion and use of violence,
           under whatever name called, as a means of attaining political
           ends;

         ■ that the Government shall apply the laws of the country fully
           and impartially in bringing all perpetrators of politically
           motivated violence to book;

         ■ that all political parties, other organisations and their leaders
           shall commit themselves to do everything to stop and prevent
           all forms of political violence, including by non-State actors and
           shall consistently appeal to their members to desist from
           violence;

         ■ to take all measures necessary to ensure that the structures and
           institutions they control are not engaged in the perpetration of
           violence.[90]

7.109   The GPA resulted in the Inclusive Government in which President
         Mugabe 'held on to security related ministries—defence, police, the
         judiciary and so forth—with the MDC holding onto social service
         ministries'.[91]

7.110   The Finance Ministry was allocated to the MDC under Mr Tendai Biti who
         stemmed the rampant inflation in Zimbabwe by causing the adoption of
         the US dollar and South African rand as the domestic currency.

7.111   Following the creation of the Inclusive Government, the economic
         situation in Zimbabwe has improved:

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90   *Global Political Agreement* 15 September 2008, Article XVIII Security of Persons and Prevention
     of Violence, Clause 18.5.

91   Mr Tapera Kapuya, *Transcript 7 December 2010,* p. 63.

> Schools have reopened, supermarkets have opened and goods are on the shelves. Foreign currency has taken the place of the Zimbabwean dollar.[92]

7.112 The benefits of this improvement have largely flowed to the MDC:

> So we have ultimately seen some improvements, but then those are largely personality driven, on the character and strength of the personalities involved. But ultimately the public perception is one of confidence in the ministries which the MDC currently holds. … What has been becoming quite evident is that in those particular ministries which have a direct impact on the social well-being of ordinary Zimbabweans there have really been significant changes. We have managed to contain the cholera crisis … to provide textbooks to schools, including rural schools, and to get every child back to school …[93]

7.113 Unfortunately, President Mugabe has failed to adhere to the GPA by making appointments to positions such as Reserve Bank governor, provincial governors, certain ambassadors, and senior civil servants without consulting the MDC. As well, the Indigenisation Act is being implemented again without consultations with the MDC.[94]

7.114 The reform of the Zimbabwe Constitution has also stalled due to lack of funding and has been associated with coercion:

> What was supposed to be just a basic outreach of asking people what they would want to see in the Constitution ended up being the very same sort of war build-up whereby villagers were being rounded up, forced into camps with all through the night singing and being forced to recite ZANU-PF talking points on constitutional reform.[95]

7.115 Politically motivated repression continues, the International Crisis Group recently commenting that:

> … ZANU-PF's ability, in partnership with the unreformed security sector leadership, … to thwart a democratic transfer of power remains intact. The state media is still grotesquely unbalanced,

92 Hon. Kerry Sibraa, *Transcript 28 April 2010,* p. 5.
93 Mr Tapera Kapuya, *Transcript 7 December 2010,* p. 63.
94 Mr Tapera Kapuya, *Transcript 7 December 2010,* p. 60.
95 Mr Tapera Kapuya, *Transcript 7 December 2010,* p. 63.

and the criminal justice system continues to be used as a weapon
against ZANU-PF opponents …[96]

7.116   An analysis of the violence in Zimbabwe concludes that in late 2010 and
early 2011 fierce rivalry between ZANU-PF supporters and those of the
MDC party aligned to Prime Minister Morgan Tsvangirai has been centred
on several Harare townships:

> There has been no single cause of violence. The clashes have
> centred on territorial turf: access to local market infrastructure,
> such as stalls, land for urban agriculture, and location of
> infrastructure such as party offices. Other triggers have included
> wearing of party dress, T-shirts, caps and so on. In most clashes,
> the youth form the major force with their party patrons lurking in
> the background. Increasingly, the violence has spread to rural
> areas.[97]

7.117   As a consequence of ongoing violence, sanctions have remained and
eventually SADC, the guarantor of the GPA, expressed its frustration in a
communiqué issued on 31 March 2011. It included the following:

- there must be an immediate end to violence, intimidation, hate
  speech, harassment, and any other form of action that
  contradicts the letter and spirit of GPA;
- all stakeholders to the GPA should implement all the
  provisions of the GPA and create a conducive environment for
  peace, security, and free political activity;
- the Inclusive Government in Zimbabwe should complete all the
  steps necessary for the holding of the election including the
  finalisation of the constitutional amendment and the
  referendum.

7.118   The communiqué added that SADC should assist Zimbabwe in
formulating guidelines for holding a peaceful free and fair election and
that a team of officials would be created 'to ensure monitoring, evaluation
and implementation of the GPA.'[98]

7.119   Since that time, SADC has been in negotiations with ZANU-PF and the
MDC which resulted in a report of progress by South African Ambassador
Ms Lindiwe Zulu. A 'road map' towards free and fair elections had been

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96   International Crisis Group, *Zimbabwe: The Road to Reform or Another Dead End?* Africa Report
No. 173, 27 April 2011.

97   Assoc. Prof. Lloyd Sachikonye, *When a State Turns on Its Citizens – 60 Years of Institutionalised
Violence in Zimbabwe*, p. 105.

98   SADC Communiqué: *Summit of the Organ Troika on Politics, Defence and Security Cooperation* 31
March, 2011, Clause 17.

produced, but with some outstanding issues remaining. The most difficult issues concerned the mostly pro-ZANU-PF security forces and details in the election laws. Also there was concern about the succession law should President Mugabe die or retire before adoption of a new constitution.[99]

Committee comment

7.120   The lifting of targeted sanctions against Zimbabwe is unlikely to occur until tangible progress has been made. When the Committee Delegation raised this issue with Zimbabwean politicians and NGOs it found there was not a unified view regarding the effect of sanctions or whether or when they should be eased.

7.121   It must be noted that sanctions are a double edged sword. That is, they can be used to encourage reform and highlight international opposition to the actions of a repressive regime. However, they can also be used by such a regime to divert responsibility for problems the country is facing. As such, the Committee believes that sanctions should be subject to ongoing review with respect to Zimbabwe and should take into account changing circumstances on the ground.

7.122   It is encouraging that SADC's increased engagement appears to be having an influence in creating a roadmap for settlement of issues and fulfilment of the GPA. The long-term outlook for change may be positive if only because the ZANU-PF leadership is ageing:

> … the median age of people in leadership in ZANU-PF, for example, is about 70. Mugabe himself is ranging towards 87. That is his recorded age.[100]

7.123   Indeed, there appears to be fracturing within ZANU-PF. The Speaker of Parliament, Lovemore Moyo (MDC) was re-elected in a secret ballot in Parliament with the assistance of votes from a small number of ZANU-PF members.

7.124   A disturbing view, however, has been put by Associate Professor Lloyd Sachikonye, Institute of Development Studies, University of Zimbabwe, in his book, *When a State Turns on Its Citizens – 60 Years of Institutionalised Violence in Zimbabwe*. His thesis is that:

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99   <http://www.voanews.com/english/news/africa/Southern-Africa-Mediators-Report-Progress-in-Zimbabwe-Political-Talks-121510114.html> Accessed May 2011.

100 Mr Tapera Kapuya, *Transcript 7 December 2010,* p. 57.

Zimbabwean politics are embedded in a tradition and practice of violence that began more than half a century ago … In Zimbabwean experience, while violence was a decisive instrument in the attainment of independence, it was also a major divisive force afterwards. It has remained a cancer that corrodes the country's political culture and blocks its democratic advance.[101]

7.125   It will take a monumental effort if the cycle of violence in Zimbabwe is to be broken. This will require political good will on all sides.

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101   Assoc. Prof. Lloyd Sachikonye, *When a State Turns on Its Citizens – 60 Years of Institutionalised Violence in Zimbabwe*, pp. xvii, xviii.

8

Africans in Australia

Introduction

8.1   This chapter considers the African diaspora living in Australia. It begins with a review of the number of Africans living in Australia, and their geographic origins. The Chapter then discusses African migrants and refugees living in Australia, and concludes with discussion of the problems facing some African migrants to Australia. This includes proposals made to the Committee which raise issues such as better utilising the African community in Australia to the mutual benefit of both Africa and Australia.

The African Diaspora in Australia

8.2   Australia has a growing African community. Over the last two decades, Africans have come to Australia via two routes; both as migrants through Australia's skilled and family reunion programs, and as refugees through Australia's humanitarian program. These two streams are dealt with in later sections of this Chapter.

Numbers

8.3   As of 2006, Census data showed that there were 248 699 African-born people living in Australia.[1] It is not possible to separate this particular figure into humanitarian arrivals. DIAC, however, provided figures for the number of visas granted in various categories.

8.4   In 2008-09, 3493 Africans were granted humanitarian visas.[2] This included:

- 1756 visas granted under the Refugee category;
- 1737 visas granted under the offshore Special Humanitarian Program category.[3]

8.5   In 2008-09 the number of Africans migrating to Australia outside the humanitarian program were:

- 8025 people from African nations were granted visas under the Skill Stream;
- 2290 people from African nations were granted visas under the Family Stream.[4]

Geographical Origins

8.6   Figures on the geographical origins of all African migrants are not available from Census data. However, citizenship data does provide some indication of geographic origin.

8.7   In 2008-09, 11.3 per cent of those being conferred Australian citizenship were born in Africa—a total of 9841 people. Of these, the largest number were born in South Africa (4128), with Sudan second (1430).[5] These numbers were similar to those in 2009-10, with 5207 South Africans being conferred Australian citizenship—the only African country in the overall top ten that year.[6]

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1   DIAC, *Submission No. 42*, p. 427.

2   DIAC, *Submission No. 42*, pp. 427, 433.

3   DIAC, *Submission No. 42*, p. 427. The Refugee category refers to refugees resettled in Australia after being referred by the United Nations High Commissioner for Refugees, while under the Special Humanitarian Program, applicants are proposed for entry by relatives or community organisations in Australia.

4   DIAC, *Submission No. 42*, p. 427.

5   DIAC, *Submission No. 42*, p. 437.

6   <http://www.citizenship.gov.au/learn/facts-and-stats/#> Accessed April 2011.

Migrants

8.8   As mentioned, Australia has a sizeable community of people born in Africa. Most of the African-born community came to Australia via the non-humanitarian migration program.

8.9   Between 1999–2000 and 2008–9, around 100 000 Africans migrated to Australia through the Skills Stream and the Family Stream. Within these figures, South Africa is the largest source country for migrants.[7]

Skills Stream

8.10   The Skills Stream of Australia's migration program is its largest component. There are several categories within the Skills Stream:

- 'Employer Sponsored Migrants', wherein migrants are recruited and then sponsored by employers;

- 'State Sponsored Migrants', wherein state and territory government identify skill shortages;

- 'General Skilled Migration';

- 'Business Skilled Entry', wherein successful business people migrate to Australia; and

- 'Distinguished Talent visas', which are issued to people with 'special or unique talents of benefit to Australia'.[8]

8.11   The Skills Stream accounts for the majority of African migrants to Australia. Between 1999–2000 and 2008–9, 80 252 Africans migrated to Australia under the Skills Stream. Of these, the vast majority (over 90 per cent) came from Southern and Eastern Africa.[9]

8.12   From all regions of Africa, the largest occupation group within the Skills Stream were 'professionals', which includes occupations such as accountants, medical practitioners, and nurses. Australia has gained significantly from its growing African-born community.

8.13   However, while the result of skilled migration is a net benefit to Australia, this is not always the case for the source countries. Professor Helen Ware told the Committee that skilled migration from Africa was:

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7   DIAC, *Submission No. 42*, p. 428.

8   DEEWR, *Submission No. 38*, p. 336.

9   DIAC, *Submission No. 42*, p. 428.

> Part of the brain drain: in which Australia benefits from the human resource development and training paid for by poor African countries, but put to work in Australia.[10]

8.14   For example, according to figures provided by DEEWR, in 2007 and 2008, on balance Africa as a continent lost 359 doctors and 577 nurses to Australia.[11]

8.15   In relation to this, Professor Ware noted that while:

> An argument could possibly be made for a poor country training more nurses than it needs and then 'exporting' the surplus as a means of securing foreign exchange ... no African country has, or will have in the foreseeable future, anything like a surplus of medical doctors.
>
> [Therefore if] Australia is to accept physicians emigrating from Africa we should think very carefully about our responsibility for contributing to the training of their replacements.[12]

8.16   Professor Ware also raised the benefits to African countries that can flow from skilled migration, such as 'through remittances sent home by professionals working overseas'.[13]

8.17   The Refugee Council of Australia informed the Committee that:

> Remittances can play an important role in economic development through improving living conditions and supporting the establishment of small businesses, particularly in rural areas.[14]

8.18   These remittances, while difficult to quantify accurately, are a large source of foreign exchange for African countries, and in some cases are estimated to represent as much as five percent of the GDP of African countries, with overall transfers perhaps reaching as much as $40 billion annually. The Refugee Council noted that this both exceeds 'official development assistance to the region, and in many countries [exceeds] foreign direct investment as well'.[15]

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10   Professor Helen Ware, *Submission No. 45*, p. 451.
11   DEEWR, *Submission No. 38*, p. 337.
12   Professor Helen Ware, *Submission No. 45*, p. 452.
13   Professor Helen Ware, *Submission No. 45*, p. 452.
14   Refugee Council of Australia, *Submission No. 57*, p. 665.
15   Refugee Council of Australia, *Submission No. 57*, p. 665.

8.19   The activities of African Australians goes further than simply sending
        money to relatives in home countries. Mr Haileluel Gebre-Selassie noted
        that:

> African Australians have also raised and donated hundreds of
> thousands of dollars to their respective original countries through
> different government, welfare and international aid organisations.
> For example, the Australian-Ethiopian community donated over
> $25 000 to the Fistula Foundation of Australia ... Similarly, the
> African Australian communities donated funds through Care
> Australia to address health related issues in the Afar region.[16]

Family Stream

8.20   The Family Stream of Australia's migration program accounts for a far
        lower number of African-born people migrating to Australia than does the
        Skills Stream. According to DIAC, between 1999–2000 and 2008–9, 22 290
        African came to Australia under this stream, with South Africa accounting
        for 40 per cent of these. Other countries which are prominent in this
        stream include Egypt, Ethiopia, and Ghana.[17]

Refugees

8.21   There are two components to Australia's official humanitarian migration
        program: an offshore and an onshore component.[18] Within these
        components, the 13 750 refugees Australia takes annually (as of 2009–10
        program year) are divided as follows:

        ■ resettlement of refugees from offshore accounts for around 6000 places;
          and

        ■ 7750 places are accounted for by both the Special Humanitarian
          Program and the onshore settlement of refugees.[19]

8.22   Most Africans settling in Australia through the humanitarian program do
        so via the offshore component. In 2003–4, Africans accounted for around

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16   Mr Haileluel Gebre-Selassie, *Submission No. 21*, p. 160.

17   DIAC, *Submission No. 42*, p. 428.

18   Under the offshore component, refugees are mostly referred to DIAC by the UNHCR.
     Applicants for a Special Humanitarian Visa are proposed by a relative in Australia, or by an
     Australian NGO or community organisation. Onshore applicants apply for asylum while
     already present in Australia.

19   DIAC, *Submission No. 42*, p. 433.

70 per cent of these places. However, this number has declined in recent years, to around one third in 2007–8 and 2008–9.[20]

8.23   Over the last decade, more than 48 000 Africans have been settled in Australia under the humanitarian program and Africa remains one of the three regions targeted as priorities by DIAC.[21]

8.24   Africans do not feature prominently in the onshore settlement figures (usually less than ten per cent). However, DIAC told the Committee that

> An unusual increase in 2008–9 was due to applications lodged by World Youth Day and the Homeless World Cup attendees, with lodgements subsequently returning to normal levels.[22]

8.25   Furthermore, DIAC notes that, Zimbabwe aside, no particular nationality stands out in these figures so as to be statistically significant.[23]

8.26   The issue of the apparent arbitrariness of the assessment of refugees from Sudan was raised by Professor Ware:

> Currently what causes so much anguish for people who are often already traumatised … is the fact that X's cousin is allowed in from refugee camp KK whilst Y's cousin is not, even though, to both the Africans and the Australian NGOs trying to assist them their circumstances appear identical. The current rumour is that the granting of a visa depends entirely on the day of the month the application form lands on the official's desk.[24]

8.27   DIAC responded in a supplementary submission:

> Australia does not have the capacity to accept every SHP [Special Humanitarian Program] applicant. …
>
> While the SHP enables people to propose family members it is not in essence a family reunion program. The limited number of visas means that only those in greatest need of resettlement can be assisted under the SHP.
>
> Greatest priority is given to those people assessed as refugees by the UNHCR and referred to Australia for resettlement, and applicants who are proposed by an immediate family member in Australia. …

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20   DIAC, *Submission No. 42*, p. 433.
21   DIAC, *Submission No. 42*, pp. 427, 433
22   DIAC, *Submission No. 42*, p. 434.
23   DIAC, *Submission No. 42*, p. 434.
24   Prof. Helen Ware, *Submission No. 45*, p. 452.

All applicants must demonstrate compelling reasons for giving special consideration for the grant of a visa. Assessment against this requirement involves balancing the following factors:

- the degree of persecution or discrimination to which the applicant is subject in their home country;

- the extent of the applicant's connection with Australia;

- whether or not there is a suitable country available, other than Australia …

- the capacity of the Australian community to provide for the permanent settlement of persons such as the applicant …[25]

Issues Faced by the African Community in Australia

8.28   A number of the submissions to the Committee raised issues facing African migrants in Australia.

8.29   One of the major issues of concern is unemployment. DEEWR told the Committee that:

Data consistently show recently arrived migrants have a higher unemployment rate than those who have lived in Australia for some years. Several factors influence the unemployment rates of migrants ... including the period since arrival in Australia, skill level, age, English language proficiency, and recent and relevant work experience.[26]

8.30   DIAC identified the following further issues as of particular concern:

- difficulties in dealing with traumatic histories which may have involved a significant level of violence and loss of family and friends;

- challenges to family gender roles and traditional family structures;

- differing rates of adjustment to Australian society between African youths and their parents;

- lack of understanding about legal rights and responsibilities, including in situations where racism, discrimination or domestic violence occurs;

- shortage of affordable, suitable private rental accommodation and long waiting periods for public housing;

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25   DIAC, *Submission No. 83*, p. 934.
26   DEEWR, *Submission No. 38*, p. 340.

- lack of cultural sensitivity by healthcare providers in treatment options for mental illness, and in providing aged care;
- lack of acknowledgement of professional qualifications by employers;
- lack of affordable childcare;
- negative connotation of the 'refugee' label amongst the general public;
- pressures of having to support families in source countries and sponsor family members attempting to visit or live in Australia; and
- concerns about political situations in home countries.[27]

8.31   In regard to supporting families in home countries, the Refugee Council told the Committee that some refugees:

> May be forced to sacrifice or postpone their education, work in two jobs or forfeit holidays and other social and recreational activities in order to send remittances to relatives.[28]

8.32   The Refugee Council said that as a result of this situation many in the African community are acknowledging:

> The need to transcend remittances as an aid and development strategy and instead develop more sustainable solutions which focus on capacity building. The Australian Government could provide invaluable support in developing these sustainable solutions through supplementing community fundraising efforts and assisting diaspora communities in developing the partnerships and institutional capacity necessary to implement sustainable development projects.[29]

8.33   There are signs that the African Australian community is already moving in such a direction. Mr Haileluel Gebre-Selassie told the Committee that remittances flowing from Australia to Africa not only went to support families, but 'also assisted in opening businesses'.[30]

8.34   In regard to African Australians' concerns about political situations in their home countries, the Committee received submissions from several Australian groups and individuals expressing concerns of this nature. Several of these submissions came from the Ethiopian community in Australia.

27   DIAC, *Submission No. 42*, p. 435.
28   Refugee Council of Australia, *Submission No. 57*, p. 666.
29   Refugee Council of Australia, *Submission No. 57*, p. 666.
30   Mr Haileluel Gebre-Selassie, *Submission No. 21*, p. 160.

8.35   For example, both the Ethiopian Democratic Forum (EDF) and Mr Amare
        Mekonnen called on the Australian Government to, in the words of the
        EDF, 'not support African dictators in general', and to 'support democratic
        movements' in Africa.[31] Mr Mekonnen also called for Australia to support
        the urgent and unconditional release of all political prisoners.[32]

8.36   The Refugee Council told the Committee that refugees from Africa, and
        their first-hand experience:

>   ... of the conditions in their countries of origin, combined with
>   their direct personal connections in these countries, places them in
>   a unique position to raise awareness about human rights issues in
>   African nations. These communities play a particularly important
>   role in drawing attention to the needs of vulnerable groups which
>   may otherwise escape international attention.[33]

8.37   Dr Apollo Nsubuga-Kyobe, La Trobe University, informed the Committee
        that he is:

>   Leading a team undertaking a major project in the Goulburn
>   Valley, Victoria, aimed at minimising wastage in the utilisation of
>   the migrants' Knowledge, Skills and Abilities (KSAs). This
>   research project also aims to suggest how such KSAs could be
>   used as a spring board for new economic and social contribution
>   to the region and the migrants themselves.[34]

8.38   Mr Peter Odhiambo contended that 'African populations in Australia are
        critically under-served', and further that 'there are no clear policies
        designed to integrate Africans into Australia as there were during the
        previous waves of migration'.[35]

8.39   The Government of Western Australia told the Committee that research
        has shown:

>   African humanitarian entrants face a range of barriers to inclusion
>   and integration, particularly in the areas of employment,
>   education and training, social participation and political, civic and
>   community participation. In particular the research noted a need
>   for targeted programs to increase access to further education,
>   issues associated with the high costs and complexity of recognition

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31   EDF, *Submission No. 16*, p. 134.
32   Mr Amare Mekonnen, *Submission No. 17*, p. 139.
33   Refugee Council of Australia, *Submission No. 57*, p. 666.
34   Dr Apollo Nsubuga-Kyobe, *Submission No. 34*, p. 245.
35   Mr Peter Odhiambo, *Submission No. 98*, p. 1232.

of overseas qualifications and the significant adjustment difficulties faced by African humanitarian entrants.[36]

8.40   At the Federal level, DIAC is:

> Working very closely with the Federation of Ethnic Communities Councils of Australia to encourage them to provide exactly that kind of support. That organisation has now created a new subcommittee that is addressing African communities in particular.[37]

8.41   Furthermore, DIAC has asked the Federation of Ethnic Communities Councils 'to pay particular attention to what we are calling "emerging communities", such as the African ones'.[38]

Settlement Services

8.42   There is interaction between DIAC and the African diaspora in Australia at several levels. DIAC told the Committee that their community liaison officers around the country:

> … work with the community to make sure that any of their concerns are addressed and to provide advice back to us that will help inform our policy development or advice about issues to do with those communities.[39]

8.43   Furthermore:

> As an organisation, we have regular meetings with the community stakeholders to look at the various issues and policies that might impact on African communities in Australia. We provide a lot of information sessions for the community to educate them on Australia's governance systems and the way they can access other visa programs such as the Special Humanitarian Program for their family and friends.[40]

8.44   DIAC runs a number of programs designed to help migrants settle into Australian life:

- ■ Humanitarian entrants are introduced to life in Australia before they arrive through the Australian Cultural Orientation Program. This

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36   WA Government, *Submission No. 93,* p. 1162.
37   Mr James Fox, *Transcript 21 April 2010*, p. 41.
38   Mr James Fox, *Transcript 21 April 2010*, p. 41.
39   Mr James Fox, *Transcript 21 April 2010*, pp. 24–5.
40   Mr James Fox, *Transcript 21 April 2010*, p. 25.

program 'helps participants develop realistic expectations for their lives in Australia and enhances their settlement experience by assisting them to learn about Australian laws, values, lifestyle and culture'. 257 of these courses have been delivered in Africa, with 4320 participants.

- Once humanitarian entrants arrive in Australia, the Integrated Humanitarian Settlement Strategy attempts to assist them achieve self-sufficiency through a six-month program of specialised settlement services. This provides reception, information about services and assistance with things like accommodation, counselling and basic household goods.

- The Settlement Grants Program 'provides another level of settlement support by funding organisations to deliver projects targeting refugees and humanitarian entrants from African backgrounds'. These projects attempt to assist in such areas as the 'health, housing, education, employment, legal, and social aspects of settlement in Australia'.

- English language tuition is provided through the Adult Migrant English Program. In addition to this, humanitarian entrants 'with low levels of schooling, or who have had difficult pre-migration experiences such as torture or trauma' can access the Special Preparatory Program.

- For those with very low English language proficiency, DIAC offers the Translating and Interpreting Service, which facilitates communication between individuals and 'approved individuals and organisations, including doctors ... and pharmacies'. This service has provided around 50 000 translation services through 231 interpreters, covering 47 African languages.

- DIAC also provides a DVD called *Australia: A New Home*, providing important information on resettlement in Australia, including information on housing, education, money, work, family, health, and Australian law.

- Humanitarian entrants whose situation requires more support than is offered by the above programs are eligible to access the Complex Case Support program.

- Africans make up 61 percent of the Unaccompanied Humanitarian Minors. These are 'non-citizen children ... who have been granted visas for resettlement or have been found to be refugees in the onshore asylum process and do not have a parent to care for them in Australia'.

> These children become the wards of the Minister for Immigration and Citizenship, and their care is arranged by a DIAC officer.[41]

8.45   It must be noted that none of these programs are directed towards Africans in particular, instead being focused on migrants and humanitarian entrants more generally.

8.46   Professor Ware noted that in light of the lack of special programs directed towards helping African adjust to life in Australia:

8.47   We need to take care that Africans who come to Australia with little or no formal education are able to catch up and do not become an underclass here.[42] Professor Ware went on to note that these needs were particularly pressing for such Africans because:

> ... the variety of information which it is necessary to absorb to understand the details of available state and federal services is challenging to this Australian university professor, let alone a scared and non-literate refugee with minimal English.[43]

Committee Comment

8.48   The Committee strongly supports both the official and non-official efforts made towards settling African migrants and humanitarian entrants in Australia. It further notes the contribution the African-born community makes to both Australia and their respective home countries, through their skills, expertise, culture, and remittances.

8.49   However, the evidence given by Mr Odhiambo to the effect that Africans in Australia are 'critically underserved' is also pertinent. As noted, no settlement services provided by DIAC are directed at the African community specifically, and as Mr Odhiambo notes there are no clear policies aimed at integration as with previous waves of migrants to Australia. Such a trend would act to increase the range of barriers to social inclusion noted by the Government of Western Australia, and according to Professor Ware these barriers are particularly acute in the case of African refugees.

8.50   As such, the Committee notes that more should be done to utilise the cultural, linguistic, and practical expertise of Africans already in Australia

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41   DIAC, *Submission No. 42*, pp. 435–6.
42   Professor Helen Ware, *Submission No. 48*, p. 451.
43   Professor Helen Ware, *Submission No. 48*, p. 451–2.

in terms of making the settlement process even smoother. This would assist in better tailoring the settlement programs to the needs of Africans, and particularly vulnerable communities such as humanitarian entrants from prolonged conflicts such as those in Southern Sudan and the Democratic Republic of the Congo.

Utilising the Australian African Community

8.51   The South African High Commissioner told the Committee that:

> An important part of the work that we do here is to cultivate relations with the South African diaspora. It is a significant diaspora. We think that as a community they are very much in a position to make a positive influence on our relations, a positive influence on the balance of both trade and investment. Being people who know people and processes both on that side as well as on this side, we think they are in a unique position to assist us in that.[44]

8.52   On the African community in Australia more generally, Dr David Dorwood told the Committee that the human resource represented by the African community was 'underutilised', and given the lack of expertise on Africa in Australian universities and in DFAT, should be given a greater role through better recognition of their qualifications.[45]

8.53   Furthermore, Dr Dorwood told the Committee:

> Many African refugees/migrants have tertiary qualifications, as well as significant family and informal contacts in their country of origin. Except for a limited range of institutions – the police, welfare services and the Refugee Review Tribunal, few government organisations or the corporate sector have made an effort to recruit individuals from these communities.[46]

8.54   Mr Haileluel Gebre-Selassie informed the Committee that while current efforts at reengagement with Africa were commendable, 'there is definite potential for greater involvement by African-Australians in the initiatives'.[47]

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44   HE Mr Lenin Shope, *Transcript 20 April 2010*, p. 41.
45   Dr David Dorwood, *Submission No. 6*, pp. 51–2.
46   Dr David Dorwood, *Submission No. 6*, pp. 51–2.
47   Mr Haileluel Gebre-Selassie, *Submission No. 21*, p. 161.

8.55   Furthermore,

> By actively engaging with African-Australians … who have
> valuable links and access to their respective countries, the
> Australia government can do much to foster stronger cultural and
> business ties between Australia and African countries.[48]

8.56   An exhibit provided by Mr Gebre-Selassie draws attention to the recently
created Africa Australia Association—Africalink organisation which has
the following goals:

- Engage in education and training activities
- Conduct annual forums
- Engage African diasporas, NGOs and governments
- Identify and promote business opportunities
- Promote people to people linkages[49]

8.57   An example of a successful attempt at utilising African-Australians to
foster greater cultural ties with Africa was given to the Committee by
Professor Martin Mhando. The project, run by Murdoch University:

> Allows for Africans in Australia to communicate about their
> experiences to Africans on the main continent. We take films of the
> Aboriginal community and show them in two festivals in Rwanda
> and Tanzania.[50]

8.58   Professor Mhando told the Committee that he spent time in 2006 and 2007
teaching Rwandan, Kenyans, Burundians and Tanzanians to make films
that help to spread information and knowledge between villagers about a
cassava disease in a way that is culturally appropriate and easier to
understand because:

> We did not expect that the scientists from America who were
> doing the research would be able to explain that in the same terms
> as a villager would explain it to another villager.[51]

8.59   In doing so, Professor Mhando was building on his experiences in
Aboriginal communities in Australia. He characterised these efforts as
being:

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48   Mr Haileluel Gebre-Selassie, *Submission No. 21*, p. 161.
49   *Exhibit No. 53, Africa Australia Association-Africalink, draft establishment documents.*
50   Prof. Martin Mhando, *Transcript 10 March 2010*, p. 35.
51   Prof. Martin Mhando, *Transcript 10 March 2010*, pp. 35–6.

> The direct link between my being in Australia and the experiences,
> knowledge and skills that I get from Australia, and transferring
> them to the African context.[52]

Committee Comment

8.60   The Committee notes the potential for the many African-born Australian
residents to make a real contribution to relations between Australia and
the countries of Africa. Furthermore, the diverse range of countries and
cultures from which they come widens the scope for the development of
relations.

8.61   Efforts to build on and expand cultural relations and interchange, such as
those undertaken by Murdoch University and Professor Mhando, are a
real boost for Australia's relationship with Africa, particularly at the
grassroots level. Activities that achieve this, as well as providing mutual
benefits to both African countries and Australia, should be officially
encouraged and expanded.

Recommendation 17

8.62   **The proposed Australia-Africa Council should include within its goals,
support for activities that encourage and facilitate cultural interchange
and exchange, particularly including the Australian African community.**
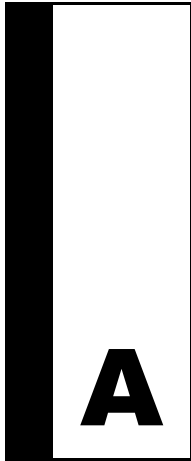
Senator Michael Forshaw

Chair

June 2011

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52   Prof. Martin Mhando, *Transcript 10 March 2010*, p. 36.

A

Appendix A—List of Submissions

1   Mr Jack Sturgess

2   Mr Richard Stone

3   QANTAS

4   Australian Leadership Program for Africa

5   University of Sydney - Africa Australia Network

6   Dr David Dorward

7   CARE Australia

8   Department of Innovation, Industry, Science and Research

9   Department of Infrastructure, Transport, Regional Development and Local Government

10   Mr David Wheen

11   Commonwealth Round Table In Australia

12   Coffey International Development

13   Monash University

14   CSIRO

15   Professor Craig McGarty

16   Ethiopian Democratic Forum

17   Mr Amare Mekonnen

18   High Commission for Nigeria

19   Mr Matthew Neuhaus

20   The Ethiopian-Australian Advocacy Committee

21   Mr Haileluel Gebre-Selassie

22	Dr David Lucas
23	South African High Commission
24	Universities Australia
25	Kenya High Commission
26	Department of Agriculture, Fisheries and Forestry
27	Australian Centre for International Agricultural Research
28	Dr Elizabeth Dimock
29	Dr Tanya Lyons
30	Department of Defence
31	World Vision Australia
32	Mr Peter Wakholi
33	Responsible Investment Consulting Pty Ltd
34	Dr Apollo Nsubuga-Kyobe
35	Associate Professor Geoffrey Hawker
36	The Hon Martin Ferguson, Minister for Resources and Energy, and Minister for Tourism
37	Australian Council for International Development
38	Department of Education, Employment and Workplace Relations
39	OxFam Australia
40	Australian Conservation Foundation
41	Professor Cherry Gertzel, AM
42	Department of Immigration and Citizenship
43	Australia Africa Business Council, ACT Chapter
44	Mr 'Dele Ogunmola
45	Professor Helen Ware
46	Department of Foreign Affairs and Trade
47	Australian Agency for International Aid (AusAID)
48	Darfur Australia Network
49	Government of Western Austraia
50	Australian Africa Mining Industry Group
51	Commonwealth Round Table in Australia (supplementary)
52	Department of Education, Employment and Workplace Relations (supplementary)
53	Department of Education, Employment and Workplace Relations (supplementary)

54 Ms Margaret O'Callaghan

55 Australia Africa Business Council, VIC Chapter

56 World Vision Australia (supplementary)

57 Refugee Council of Australia

58 Mr Ade Kikoyi – Daki Budtcha/Australia-Nigeria Business Council and Professor Anne Fitzgerald (private capacity)

59 Universities Australia (supplementary)

60 African Studies Association of Australasia and the Pacific (supplementary)

61 Dr Julian Prior

62 Australian Uranium Association

63 World Vision Australia (supplementary)

64 Ms Margaret O'Callaghan (supplementary)

65 Australian Conservation Foundation (supplementary)

66 Department of Innovation, Industry, Science and Research (supplementary)

67 Department of Infrastructure, Transport, Regional Development and Local Government (supplementary)

68 Department of Agriculture, Fisheries and Forestry (supplementary)

69 Australian Federal Police

70 Monash University (supplementary)

71 Department of Defence (supplementary)

72 Vision 2020 Australia

73 Department of Education, Employment and Workplace Relations (supplementary)

74 CONFIDENTIAL

75 AusAID (supplementary)

76 World Vision Australia (supplementary)

77 OxFam Australia (supplementary)

78 Austrade

79 Dr David Lucas (supplementary)

80 Department of the Environment, Water, Heritage and the Arts

81 CSIRO (supplementary)

82 Australian Council for International Development (supplementary)

83 Department of Immigration and Citizenship (supplementary)

84	Department of Agriculture, Fisheries and Forestry (supplementary)
85	OxFam Australia (supplementary)
86	The Hon Martin Ferguson, Minister for Resources and Energy, and Minister for Tourism (supplementary)
87	Mr Joel Negin
88	CARE Australia (supplementary)
89	Mr Andrew MacLeod
90	CSIRO (supplementary)
91	Department of Defence (supplementary)
92	AusAID (supplementary)
93	Australian Uranium Association (supplementary)
94	Department of Foreign Affairs and Trade (supplementary)
95	Department of Infrastructure, Transport, Regional Development and Local Government (supplementary)
96	Australian Uranium Association (supplementary)
97	Jubilee Australia
98	Mr Peter Odhiambo
99	Export Finance and Insurance Corporation
100	Jubilee Australia (supplementary)
101	Professor John Howieson
102	Leading Initiatives Worldwide Pty Ltd
103	Associate Professor Geoffrey Hawker (supplementary)
104	Australia Western Sahara Association
105	Australian Uranium Association (supplementary)
106	BHP Billiton
107	AusAID (supplementary)
108	Embassy of the Kingdom of Morocco
109	Edith Cowan University
110	Dr Richard Parsons
111	Ethiopian Democratic Forum (supplementary)
112	Water Aid Australia
113	Department of Foreign Affairs and Trade (supplementary)
114	AusAID
115	Australia Western Sahara Association (supplementary)

116   Department of Foreign Affairs and Trade (supplementary)

117   Department of Defence (supplementary)

118   Department of the Environment, Water, Heritage and the Arts (supplementary)

119   Department of Agriculture, Fisheries and Forestry (supplementary)

120   Department of Defence (supplementary)

121   AusAID (supplementary)

122   Office of the Vice-Chancellor - Australian National University

B

Appendix B—List of Exhibits

1   Mr Joel Negin - *Lowy Institute Policy Brief - Shared Challenges and Solutions: Australia's Unique Contribution to the Future of African Development*

2   Mr Joel Negin - *Lowy Institute Policy Brief - Rebuilding Zimbabwe: Australia's Role in Supporting the Transition*

3   Mr Amare Mekonnen - *Human Rights Watch - Collective Punishment: War Crimes and Crimes against Humanity in the Ogaden area of Ethiopia's Somali Region*

4   Mr Amare Mekonnen - *Human Rights Watch - Ethiopia Country Summary*

5   Mr Amare Mekonnen - *You Tube Clip - Meles's Atrocities*

6   The Ethiopian-Australian Advocacy Committee (EAAC) - Ethiopian Community Association Council in Australia - *Amnesty International Report 2008 - The State of the World's Human Rights - Federal Democratic Republic of Ethiopia*

7   Mr Haileluel Gebre-selassie - *Integration Strategies of Migrants and Refugees*

8   Australian Africa Business Council - *Australia Africa Business Council (Vic) Annual Report and Mission Report*

9   Dr Elizabeth Dimock - *Africans in Australia: A Bibliography*

10   Dr Elizabeth Dimock and Dr Tanya Lyons - *Chapter 15 - The State of African Studies in Australia*

11   Dr Tanya Lyons - *"Australia's Strategic interests in Africa" - Dr Carl Ungerer, Director, National Security Project, ASPI*

12   Dr Tanya Lyons - *Directory of Africanists in Australasia and the Pacific, Sixth Edition compiled by Graeme Counsel and Wayne Pelling*

13   Australian Demographic and Social Research Institute: Dr David Lucas -

AFRICOM and Austraian military Engagement in Africa

14   Export Finance and Insurance Corporation (EFIC): Mr Roger Donnelly - *Into Africa: How the Resource Boom is Making Sub-Saharan Africa More Important to Australia*

15   Export Finance and Insurance Corporation (EFIC): Mr Roger Donnelly - *How are Australian companies in the African resource sector coping with the global downturn*

16   Export Finance and Insurance Corporation (EFIC): Mr Roger Donnelly

Australian resource investment in Africa following the commodity price reversal

17   Mr Haileluel Gebre-selassie - *Integration Strategies of Migrants and Refugees, Report to the Winston Churchill Memorial Trust of Australia*

18 CONFIDENTIAL

19 Department of Immigration and Citizenship - *New Beginnings: Supporting new arrivals on their settlement journey 2006-2007*

20 Department of Immigration and Citizenship - *Australia - A new home*

21 Australian Council for International Development - *Funds donated by the Australian Community 2008/2009*

22 Associate Professor Geoffrey Hawker - *Directory of Africanists in Australasia and the Pacific Sixth Ed*

23 Mr Joel Negin - *Rebirth of Africa opens door to land of opportunity*

24 Dr Elizabeth Dimock - *The Australasian Review of Africa Studies, Vols 29, 30*

25 World Vision Australia - *Turning it Around: Greening Ethiopia's Great Rift Valley*

26 World Vision Australia - *Minimum Agency Standards for Incorporating Protection into Humanitarian Response*

27 World Vision Australia - *Re-greening the Sahel*

28 OxFam Australia - *Women Communities and Mining - The gender impacts of mining and the role of gender impact assessment*

29 OxFam Australia - *Community-Company Grievance Resolution - A guide for the Australian mining industry*

30 QANTAS - *QANTAS Annual Report 2009*

31 Dr Elizabeth Dimock -*African Communities and Settlement Services in Victoria: Towards Better Service Delivery Models*

32 Philip Eliason and Associates - *Yemen: State, Tribes and Terror*

33 Professor Craig McGarty and Dr Mick Broderick - *Letter of support for ongoing Murdoch University projects by Ministry of Sports and Culture, Republic of Rwanda*

34 CONFIDENTIAL

35 Monash University - *Proposal for the Establishment of the Monash Africa Research Initiative (MARI)*

36 The Hon Martin Ferguson, Minister for Resources and Energy, and Minister for Tourism -

   Set of Corporate documents (15 in total)

   Leading Practice Sustainable Development Program for the Mining Industry

37 Daki Budtcha/ Australia-Nigeria Business Council - *Australia - Nigeria Council Background Brochure*

38 African Population and Health Reseach Centre (APHRC) - *CARTA - the Consotrium for Advanced Research Training in Africa*

39 Ms Margaret O'Callaghan - *Lions on the Move: The Progress and Potential of African Economies*

40 Department of Foreign Affairs and Trade - *The Case for Investing in Africa*

41 Ms Margaret O'Callaghan - *Nine Problems That Hinder Partnerships in Africa*

42 Ms Margaret O'Callaghan -

   Economic Development in Africa Report 2010

   South-South Cooperation: Africa and the New Forms of Development Partnership

43 Murdoch University: Associate Professor Michael Broderick - *DVD - Hope for the future*

44 OxFam Australia –

SADC Parliamentary Forum and Southern Africa Resource Watch - Parliamentary Statement: 'Towards enhancing Parliamentary Legislative and oversight role in Extractive Industries Sector'

45 BHP Billiton - *Our Strategy Delivers - sustainability report 2010*

46 Export Finance and Insurance Corporation (EFIC): Mr Roger Donnelly -

   Australian Institute of International Affairs: AHA Policy Commentary

47 Department of Foreign Affairs and Trade - *McKinsey Global Institute Report Lions on the move: The progress and potential of African economies*

48 Department of Foreign Affairs and Trade

   Boston Consulting Group: The African Challengers: Global Competitors Emerge from the Overlooked Continent

49 Daki Budtcha/ Australia-Nigeria Business Council - *Interview: OGTV Nigeria – January 2010*

50 Leading Initiatives Worldwide Pty Ltd (LIW) - *part 1 and 2: 1. LIW profile Africa and 2. Voices from Africa*

51 Dr Cherry Gertzel - *Land grab or development opportunity? Agricultural investment and international land deals in Africa*

52 Adamus Resources Limited: Mr Mark Connelly - *Adamus resources - NZEMA Gold Project, Ghana: Increasing value through gold production and exploration*

53 Mr Haileluel Gebre-selassie - *About Us - Africa Australia Association - Africalink (AAA)*

C

Appendix C—Witnesses appearing at Public Hearings

Canberra, 20 April 2010

AusAID

Mr James Hall, Director, North, East and West Africa, Africa Humanitarian Branch, Africa, West Asia, Middle East and Humanitarian Division
Ms Catherine Walker, Deputy Director General, Africa, West Asia, Middle East and Humanitarian Division

AUSTRADE

Mr Gregory Hull, Senior Trade Commissioner, Sub-Saharan Africa

Australian Centre for International Agricultural Research

Dr John Dixon, Senior Advisor, Cropping Systems and Economics
Dr Simon Hearn, Principal Advisor
Ms Lisa Wright, Director, Corporate

Commonwealth Round Table in Australia

Mr Hugh Craft, Co-Convenor
Mr Tony Eggleton, Member, Steering Committee
Emeritus Professor Anthony Low, Convenor

Department of Foreign Affairs and Trade

Mr Justin Hayhurst, Assistant Secretary, Africa Branch
Mr David Richardson, Director, East, West and Regional Africa Section

Department of Infrastructure, Transport, Regional Development and Local Government

Mr Samuel Lucas, Director, Air Services Negotiations Section
Mr Peter Pearsall, Director, Office of the Inspector of Transport Security
Mr Andrew Wilson, Deputy Secretary

Nigeria High Commission

His Excellency Professor Sunday Agbi, High Commissioner

South African High Commission

His Excellency Mr Lenin Shope, High Commissioner

University of Sydney – Africa Australia Network

Professor John Hearn, Deputy Vice-Chancellor (International) and Professor of Physiology, School of Medical Sciences

Canberra, 21 April 2010

Australian Federal Police

Ms Mandy Newton, Acting Deputy Commissioner, Operations

Australian Nuclear Science and Technology Organsiation

Mr Steven McIntosh, Senior Policy Advisor

Department of Agriculture, Fisheries and Forestry (DAFF)

Dr Jonathan Adams, Principal Veterinary Officer Live Animal Export, Biosecurity Services Group
Dr Kiran Johar, Manager, Middle East and Africa Section, Trade and Market Division
Mr Paul Ross, General Manager, Bilateral Trade, Trade and Market Access Division
Ms Patricia Thornhill, General Manager, Plant Quarantine and Export Operations, Biosecurity Services Group
Ms Louise van Meurs, General Manager, Plant Quarantine and Export Operations, Biosecurity Services Group

Department of Defence

Mr Ben Burdon, Acting First Assistant Secretary, International Policy Division
Ms Elizabeth White, Director, United Nations, Europe, Africa and Peacekeeping Section, International Policy Division

Department of Education, Employment and Workplace Relations

Mr Scott Evans, Branch Manager, North Asia, Americas and Middle East Branch, International Group
Mr Darren Hooper, Branch Manager, Migration Branch, Economic Strategy Group
Ms Jane Press, Director, Migration Policy and Analysis Section, Migration Branch, Economic Strategy Group
Mr David Yardley, Director, International Labour Policy Section, Workplace Relations Policy Group

Department of Immigration and Citizenship

Mr James Fox, First Assistant Secretary, Citizenship, Settlement and Multicultural Affairs
Mr Todd Frew, First Assistant Secretary, Visas and Offshore Services
Mr Kruno Kukoc, First Assistant Secretary, Migration and Visa Policy

Department of Innovation, Industry, Science and Research

Ms Mary Finlay, General Manager, International Science Branch and Education Investment Fund
Ms Anne-Marie Lansdown, Head of Division, Science and Infrastructure Branch

Department of Resources, Energy and Tourism

Mr Jeremy Aldred, Assistant Manager, International Strategy Branch
Mr Nick Birch, Acting Manager, Minerals Branch, Resources Division
Ms Tania Constable, Head, Resources Division
Ms Helen Cox, General Manager, Market Competitiveness, Tourism Division

Canberra, 27 April 2010

Australian-Africa Business Council ACT Chapter

Dr David Lucas, Committee member
Mr Charles Milward, President, ACT Chapter

Australian Council for International Development - Africa Working Group

Ms Avega Bishop, Co-Convenor
Mr Marc Purcell, Executive Director
Ms Robyn Whitney, Co-Convenor

CARE Australia

Mr Peter Leahy, Principal Executive Officer, International Programs
Mr Raymond Mudalige, Coordinator, Africa and Middle East team

Universities Australia

Ms Angela Magarry, Director, Policy and Analysis

Private capacity

Dr David Lucas

Sydney, 28 April 2010

Australian Leadership Program for Africa

The Hon. Sandra Kanck, Chairperson
Dr Enaso Mofe Ogisi, Committee Member
Dr Elsabet Tamrat, Chairperson, The Ethiopian-Australian Advocacy Committee
Ms Niki Vincent, Committee Member

Coffey International Development

Mr Roderick Reeve, Global Manager, Business Development, Service Lines

Private capacity

Associate Professor Geoffrey Hawker

Private capacity

Dr Tanya Lyons

Private capacity

Mr Joel Negin

Private capacity

The Hon. Kerry Sibraa AO, Former High Commissioner to Zimbabwe

Private capacity

Professor Helen Ware

Responsible Investment Consulting Pty Ltd

Mr Gordon Noble, Director

Worley Parsons

Mr John Grill, Chief Executive Officer

Melbourne, 5 May 2010

Australia Conservation Foundation

Mr David Sweeney, Nuclear Free Campaigner

CSIRO

Dr Peter Carberry, Deputy Director, Sustainable Agriculture Flagship,
Agri-Industry and International Partnerships
Dr Brian Keating, Director, Sustainable Agriculture Flagship

Darfur Australia Network

Ms Lucy Cane, Assistant Coordinator, Sydney
Mr Alpha Lisimba, Volunteer
Mr Abdelhadi Matar, Volunteer
Mr Musa Mohamed, Volunteer

Monash University

Professor Simon Adams, Pro Vice Chancellor (International Engagement), Office of the Deputy Vice-Chancellor (International)

Oxfam Australia

Ms Stephanie Cousins, Humanitarian Advocacy Coordinator
Ms Serena Lillywhite, Mining Advocacy Coordinator
Mr Mathew Phillips, Program Officer (South Africa)

Private capacity

Dr Elizabeth Dimock

Private capacity

Dr David Dorward

Private capacity

Mr Haileluel Gebre-Selassie

World Vision Australia

Ms Margy Dowling, Country Program Coordinator, Africa Team
Ms Thurza Sullivan, Country Program Coordinator, Africa Team
Mr Graham Tardif, Head, Humanitarian and Emergency Affairs
Mr Peter Weston, Country Program Coordinator, Africa Team

Melbourne, 6 May 2010

Australia-Africa Business Council

Dr Kwame Asumadu, Secretary, Victorian Chapter
Ms Di Fleming, President, Victorian Chapter
Mr Andrew Hudson, Committee Member, Victorian Chapter
Professor Geoffrey Wilmoth, Committee Member, Victorian Chapter

Asumadu and Associates Pty Ltd

Dr Kwame Asumadu, Director

Paladin Energy Ltd

Mr Gregory Walker, General Manager, International Affairs

Private capacity

Mr Andrew MacLeod, Chief Executive Officer, Responsible Investment Consulting

Qantas Airways Ltd

Ms Jane McKeon, Head of Government and International Relations

Rio Tinto

Mr Bruce Harvey, Global Practice Leader, Communities

Sydney, 7 December 2010

BHP Billiton

Mr Lyall Howard, Senior Manager Government Relations
Mr Ian Wood, Vice President, Sustainable Development and Community Relations

Export Finance and Insurance Corporation (EFIC)

Mr Angus Armour, Managing Director and Chief Executive Officer
Mr Roger Donnelly, Chief Economist
Mr Mathew Hocken, Associate Director, Government and Industry Relations
Mr Jan Parsons, Director, Environmental and Technical Review

Jubilee Australia

Ms Madeleine Penman, Research and Policy Officer, Export Credit and Mining
Ms Adele Webb, National Coordinator

Private Capacity

Mr Tapera Kapuya

Refugee Council of Australia

Mr Paul Power, Chief Executive Officer
Mr Bobby Whitfield, Board Member

Canberra, 8 December 2010

Australian Uranium Association

Mr Michael Angwin, Chief Executive Officer, Director and Company Secretary

Daki Budtcha/Australia-Nigeria Business Council

Mr Ade Kukoyi, President, Australia-Nigeria Business Council and Managing Director, Daki Budtcha

International Centre for Eyecare Education - Africa

Professor Kovin Naidoo, Global Programs Director

Kenya High Commission

His Excellency Mr Stephen K. Tarus, High Commissioner

The Fred Hollows Foundation

Ms Cath Elderton, Coordinator, Africa Program

Private Capacity

The Hon. Professor Gareth Evans

Private Capacity

Professor Anne Fitzgerald

Private Capacity

Mr David Wheen

Vision 2020 Australia

Mr Sam Byfield, Global Advocacy Coordinator

Perth, 10 March 2011

Edith Cowan University

Associate Professor Helen Vella Bonavita, Associate Dean, International, Faculty of Education and Arts; and ECU International

Ethiopian Democratic Forum

Associate Professor Gelaye Tadesse, Chairman

Leading Initiatives Worldwide Pty Ltd

Mr Dan Hammond, Managing Consultant
Ms Pia Lee, Chief Executive Officer

Murdoch University

Associate Professor Michael Broderick, Media Analysis and Research Coordinator, School of Media, Communications and Culture
Professor John Howieson, Director, Crop and Plant Research Institute
Professor Craig McGarty, Institute for Sustainable Societies Education and Politics (Social Research Institute)

Private Capacity

Dr Cherry Gertzel AM

Private Capacity

 Professor Sam Makinda

Private Capacity

Professor Martin Mhando

Private Capacity

Mr Peter Mbago Wakholi

D

Appendix D—Committee Delegation visit to Africa—Itinerary

South Africa

Tuesday, 5 April 2011—Cape Town

- Briefing by High Commissioner and High Commission officials
- Breakfast meeting with Hon. Ms Sue van der Merwe MP, former Deputy Foreign Minister
- Visit to Table Mountain observation point
- Tour of Parliament House
- Lunchtime meeting with Western Cape Business Group

Tuesday, 5 April 2011—Johannesburg

- Attendance at Commonwealth Business Forum Reception

Wednesday, 6 April 2011—Johannesburg

- Tour of Monash South Africa campus
- Meeting with Professor Tyrone Pretorius, Pro Vice-Chancellor, Monash South Africa and staff
- Meeting with Mr Shane Immelman, CEO, Lapdesk, and staff
- Tour of Masakane Primary School, Zandspruit Township

- Lunchtime meeting with Ms Freda Evans, Chief Financial Officer, Johannesburg Stock Exchange and staff

Wednesday, 6 April 2011—Pretoria

- Meeting with Hon. Mr Pravin Gordhan MP, Finance Minister

- Meeting with Hon. Mr Ismael Ebrahim MP, Deputy Foreign Minister

- Roundtable meeting with Australian High Commission officials

- Reception hosted by Australian High Commission with African Heads of Mission and Heads of African think tanks

Zimbabwe

Thursday, 7 April 2011—Harare

- Briefing by Australian Ambassador and Embassy officials

- Meeting with Hon. Senator Ms Edna Madzongwe, President of the Senate

- Meeting with Hon. Mr Simbarashe Mumbengegwi MP, Minister of Foreign Affairs

- Reception hosted by Australian Embassy

Friday, 8 April 2011—Harare

- Meeting with Hon. Mr Patrick Chinamasa, Minister of Justice and Legal Affairs

- Tour of Harare Sports Ground

- Meeting with Mr Peter Chingoka, Chairman; and Mr Ozais Byute, Managing Director, Zimbabwe Cricket

- Lunchtime meeting with various Ambassadors to Zimbabwe and businessmen

- Meeting with Hon. Mr Lovemore Moyo MP, Speaker of the House of Assembly

- Meeting with Hon. Mr Tendai Biti MP, Minister of Finance

- Meeting with women leaders, including Hon. Ms Sekai Holland MP, Minister of State for National Healing and Reconciliation; and Hon. Ms Jesse Majome MP, Deputy Minister of Women's Affairs

Saturday, 9 April 2011—Bulawayo

- Site visit to Bulawayo Water and Sewage Emergency Response Program

- Meeting with Mr Thabo Moyo, Mayor of Bulawayo

- Meeting with Hon. Ms Thokozani Khupe MP, Deputy Prime Minister

- Site visit to Ebenezer Rural Agricultural Training Centre

- Visit to Matopo National Park and grave of Cecil Rhodes

- Dinner with invited guests including Hon. Senator David Coltard, Minister of Education, Sport, Art and Culture

Sunday, 10 April 2011—Bulawayo to Victoria Falls

- Lunchtime break at Hwange and briefing on Hwange Power Station rehabilitation program

- Sunset cruise on Zambezi River, Victoria Falls

Monday, 11 April 2011—Victoria Falls

- Viewing of Victoria Falls

- Roundtable meeting with representatives of the Zimbabwe tourism industry

Ghana

Tuesday, 12 April 2011—Accra

- Briefing by High Commissioner and High Commission officials

- Meeting with Hon. Mr Alhaji Muhammad Mumuni MP, Minister of Foreign Affairs and Regional Integration

- Tour of Parliament House

- Meeting with Hon. Prof. Mike Oquaye, Second Deputy Speaker and with members of Select Committees on Foreign Affairs, Defence and Trade

- Meeting with NGOs (Third World Network, Imani, and WANEP) to discuss mining and conflict prevention issues

- Briefing by Dr Joe Abbey, Executive Director, Centre for Economic Policy Analysis, on Ghana's economic outlook

- Meeting with Dr Alfred Dixon, Governing Board member, West and Central African Council for Agricultural Development , Mr Ernest Assiedu, Staple Crops Program Manager; and Dr Bruce Pengelly, CSIRO project head

- Reception hosted by Australian High Commission with Australian and Ghanaian government and business contacts, and Australian Youth Ambassadors for Development

Wednesday, 13 April 2011—Takoradi, West Ghana

- Tour of New Salman Village Resettlement Site

- Tour of Adamus Resources Nzema Gold Project

- Lunchtime meeting with Mr Mark Connelly, CEO Adamus Resources, local traditional leaders, and trainees from Kikam Technical Institute

Thursday, 14 April 2011—Accra

- Site visit to Water Aid project at Sabon Zongo, Accra

Ethiopia

Friday, 15 April 2011—Addis Ababa

- Briefing by Australian Ambassador, Embassy officials and Defence Attaché

- Meeting with HE Mr Erastus Mwencha MP, Deputy Chairperson, African Union Commission

- Meeting with Hon. Mr Tesfaye Daba MP, Chairperson Standing Committee of Foreign Affairs, Defence and Security Affairs; and Hon. Mr Bruck, Chairperson Standing Committee on Trade

- Meeting with HE Mr Abdoulie Janneh, Executive Secretary, UN Economic Commission for Africa

- Lunch with Ambassador to African Union, senior representatives of Ethiopian Government and African Union

- Meeting with HE Hailemariam Desalegn MP, Deputy Prime Minister and Minister of Foreign Affairs

- Tour of National Museum of Ethiopia

Saturday, 16 April 2011—Addis Ababa

- Tour of Ethiopian Mine Action Office (EMAO) Training Centre

- Briefing by Mr Etsay Gebreselassie, Director General, EMAO

- Tour of Emperor Menelik Palace and Museum

- Tour of Hamlin College of Midwives

- Briefing by Sr Jacqueline Bernhard, Dean; and Sr Annette Bennett, Vice Dean, Hamlin College of Midwives

- Tour of Hamlin Fistula Hospital

- Briefing by Dr Catherine Hamlin, founder; Prof. Gordon Williams, Medical Director; and Mr Mark Bennett, CEO, Hamlin Fistula Hospital

- Reception hosted by Australian Embassy

E

Appendix E—Australian Diplomatic Representation in Africa

Sub–Saharan Africa	Other Responsibilities
Ethiopia, Addis Ababa	-
Ghana, Accra	Guinea, Liberia, Senegal, Sierra Leone, Togo, Burkina Faso, Cote D'Ivoire, Mali
Kenya, Nairobi	Burundi, Djibouti, Eritrea, Rwanda, Somalia, Southern Sudan, Tanzania, Uganda
Mauritius, Port Louis	Reunion, Seychelles, Comoros, Madagascar
Nigeria, Abuja	Benin, The Gambia, Cameroon, Central African Republic, Chad, Republic of the Congo, Equatorial Guinea, Gabon, Mauritania, Niger, Sao Tome and Principe
South Africa, Pretoria	Botswana, Lesotho, Namibia, Swaziland
Zimbabwe, Harare	Democratic Republic of the Congo, Malawi, Zambia

North Africa	Other Responsibilities
Egypt, Cairo	Sudan, Tunisia

Other	Other Responsibilities
France, Paris	Algeria, Mauritania, Morocco
Portugal, Lisbon	Cape Verde, Guinea Bissau

Consulates	Post Responsible To
Libya, Tripoli	-
Mozambique, Maputo	Pretoria