

Tracking performance

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Tracking performance

Vision

ACIAR looks to a world where poverty has been reduced and the livelihoods of many improved through more productive and sustainable agriculture emerging from collaborative international research

Mission

To achieve more productive and sustainable agricultural systems, for the benefit of developing countries and Australia, through international agricultural research partnerships

Outcome

Agriculture in developing countries and Australia is more productive and sustainable as a result of better technologies, practices, policies and systems

Tracking performance against the 2001–06 Corporate Plan

Critical success factors

1. Research outputs (including agricultural policy analyses) that clearly align with improvements to productivity and sustainability of agricultural systems

Key performance indicators

- Evidence of uptake and use of research outputs

Performance 2002–03

- External impact assessments conducted during 2002–03 of benefits from ACIAR-supported research demonstrated:
 - benefits valued at \$238 million on managing herbicide-resistant weeds and zero-tillage in rice-wheat areas of north-western India;
 - significant impact of ACIAR involvement in demonstrating the poverty-reduction benefits of the Mama Lus Frut card scheme on smallholder palm oil plantations in PNG;
 - a 70% return on investment in establishment of diagnostic capacity for Foot and Mouth Disease in Thailand, Laos and China; and
 - continuing benefits to subsistence growers and urban consumers in PNG from application of earlier ACIAR research on biological control of banana skipper.
- Other evidence of uptake and use of ACIAR project research outputs obtained during 2002–03 includes:
 - Chinese Ministry of Agriculture to scale up a conservation tillage initiative targeting 12 million ha of the Loess plateau, as a direct result of an earlier ACIAR project;
 - widespread introduction of genetics from Australian Yorkshire and Duroc pig breed crossed with local breeds through semen distributed to artificial insemination centres in Vietnam to supply small farmers;
 - outcomes from integrated ACIAR economic and technical research led to a decision by the Vietnamese Deputy Prime Minister to allow farmers to diversify into shrimp culture in coastal areas;
 - development of village-level pest control strategies of major economic fruit fly species of threat to PNG;
 - ACIAR's Newcastle disease vaccine used widely in Southeast Asia and several African countries;
 - uptake of ACIAR project research results through a national rodent control program established by the Indonesian rice industry;
 - in East Timor, lines of improved maize, sweet potato and peanut distributed to farmers providing significant yield increases;
 - companies in Philippines manufacturing wood-cement boards developed for construction purposes;
 - improvements to the vessel registration system to increase returns from snapper fisheries to the Indonesian economy;
 - commissioning of a plant in Gujarat, India to manufacture protected nutrients for dairy cattle feed; and
 - establishment of backyard hatcheries for producing high-value grouper fish in Bali, Indonesia.

2. Government recognises and values ACIAR as an integral part of the Australian aid program

• Positive feedback from Australian Government

- In 2002–03, we responded to changing Government priorities by adjusting ACIAR's project portfolio in the following areas:
 - Collaborative agricultural R&D opportunities were assessed in Burma and Tibetan Autonomous Region of China, and the first projects designed
 - Africa project portfolio reduced, but a new training initiative developed as part of a broader portfolio initiative
 - Investments in PNG and Pacific increased, and Indonesia maintained as a major partner
- We contributed to Portfolio/Whole-of-Government initiatives. These include contributions to the Ministerial aid statement, water/aid statement, submissions to parliamentary reviews of Australia's role in PNG/Pacific and Indonesia, submissions to establishment of National Research Priorities (and subsequent agency response), submissions to various state government reviews, participation in Department of Agriculture, Fisheries and Forestry (DAFF) policy development in biosafety and plant genetic resources. ACIAR input was invited into the formulation of new AusAID country strategies in Vietnam, Cambodia, Philippines and PNG. Senior staff held meetings with Australian Heads of Mission from over 10 key partner countries.

• Bilateral research resources disbursed on a regional basis within agreed percentage ranges

- The ACIAR Board has set target ranges for our bilateral program. Actual expenditure for 2001–02 and 2002–03 (including AusAID funds) for each target is as follows

	Board target %	
	2001–02 as %	2002–03 as %
<i>PNG & Pacific</i>	10–20	18
<i>Southeast Asia</i>	50–60	48
<i>North Asia</i>	10–20	16
<i>South Asia</i>	10–20	14
<i>Africa</i>	5–10	5
<i>Other</i>	1	1

• Funding to IARCs reflects their performance and needs and Australia's interests

- Security concerns in Indonesia were a prime reason why outlays in Southeast Asia were below the target range in 2002–03. In January 2003, the Board reduced the target range for Africa from 5–10 per cent to less than 5 per cent, with effect from 2003–04.
- From 2002–03, two significant changes were made to ensure that funding to IARCs better reflected their performance and needs and Australia's interests:
 - unrestricted (core) funding was focused on 13 IARCs, in contrast to 17 in 2001–02. These 13 are of particular strategic significance to the Australian aid program. Five of them are located in the Asia-Pacific region. Six of them have special responsibilities for staple crops in the Asia-Pacific region. Most of them have a significant research capability that is either greater than or complementary to Australia's research capability. All have a track record of successful delivery of benefits within the Asia-Pacific region and enthusiastic collaboration with Australian organisations; and
 - restricted (largely project-specific) funding was increased from 37 per cent of total funding to IARCs in 2001–02 to 43 per cent in 2002–03, enabling more targeting towards high quality projects addressing high priority needs.

3. ACIAR's funding base secured, and flexible and realistic project funding arrangements in place

• ACIAR's appropriation at least maintained in real terms

- Co-investment by ACIAR and its research partners matches mutual priorities and ability of partners to contribute
- Evidence of financial support from other sources for research activities that are development ACIAR

- Appropriation funding to ACIAR in 2002–03 was \$46.278m, compared with \$45.369m in 2001–02. Research partners contributed 54 per cent of project costs in 2002–03, up from 46 per cent in 2001–02. External contributions to ACIAR in 2002–03 were \$1.1m higher than 2001–02 (\$2.7m versus \$1.6m). These external contributions were largely from AusAID. Overall ACIAR revenue in 2002–03 was \$49.202M. The similar figure for 2001–02 was \$47.376m.

- Strong financial support has been obtained from a number of partners, including:
 - NGOs, eg World Vision contributed 29 per cent of direct project costs and over \$1m in indirect costs in 2002–03 to collaborative projects under alliance with ACIAR;
 - industry involvement in ACIAR projects continues to increase - including through commissioning of a plant for production of protein baits for fruit flies in Vietnam (Fosters and Aventis), breeding and selection of new cocoa varieties in Indonesia (Mars), application of enzymes in bioremediation (Orica), better wool processing technologies (Woolmark and several Chinese and Indian companies), production of peanuts, sugar and horticultural produce in PNG (Trukai, Ramu, FPDC), in plantation crops in PNG (through oil palm, cocoa and coconut industry associations) and through livestock vaccine and diagnostics companies in Indonesia and Thailand; and
 - co-investment or parallel investment in ACIAR-developed projects, eg Grains R&D Corporation (Brassica breeding in China and India), Horticulture Australia Limited (control of citrus greening disorder in Indonesia). Other examples include the DAFF New Industries Development Program-supported development of infrastructure for lagoon growout and processing of giant clams in Cocos Islands arising from ACIAR projects, while a World Bank–DANIDA joint project continues research and extension building on initial ACIAR work on shrimp farming in the Mekong Delta.

4. Research priorities established in consultation with key stakeholders in partner countries and Australia, and with regional fora

• Project portfolio matches priorities

- Several new ACIAR projects, including those under development, are responses to approaches for cooperation from partner countries on specific issues of high priority. These include projects on market information systems in Vietnam, land use alternatives in Western China, red-banded mango caterpillar in PNG, Philippines extension systems, prawn stock management in PNG, Cambodian crop diversification, Pacific aquaculture technology and wastewater management in China. ACIAR has responded to partner country priorities, for example, in the following ways:
 - in Vietnam, by developing new initiatives which build capacity in agricultural policy and R&D planning and address farm income generation;
 - in China, by ensuring that 75 per cent of new projects have significant Western region components, and investigating opportunities for investment in Tibet AR;
 - in the Philippines, by ensuring that new and current projects address policy reform and lifting farmers' incomes;
 - in India, by developing new projects in animal production, livestock product processing, and farm-scale land and water resource management; and
 - by increasing our investment in culture fisheries and agricultural development policy and expanding our overall program with Cambodia.

5. Streamlined, flexible, transparent and accessible project development and approval processes

• Time from start to finish of project development, and streamlining of implementation

6. Effective communication with key stakeholders

• Key groups within and outside ACIAR well informed and listened to by ACIAR

7. Capacity-building focused on the human resource development needs of collaborators; this includes the effective delivery of project outputs in targeted countries to achieve practical outcomes

• Capacity of partner country and Australian partners to identify and priorities needs and conduct R&D, focus on problem solving, and deliver the results to farmers

• New project reporting guidelines were issued for contracted projects. These new guidelines will ensure that annual and final reports will be presented in a format for web publication. In 2002–03, ACIAR started 42 new bilateral projects and four new multilateral projects. For the seven major partner countries, the average time taken for project development (from first consideration at the in-house review to Director approval) was 13.4 months (15.1 in 2001–02). The average time taken for partner approval (overseas and domestic) was 4.6 months (5.1 in 2001–02). In terms of transparency, ACIAR has a new website (www.aciar.gov.au) with information on current projects, along with priorities and project application documentation.

• New website developed that acts as a one/first stop mechanism for ACIAR partners. New externally focused Annual Operational Plan developed to provide key information on country strategies, priorities, financial allocations. AOP finalised after consultation with Policy Advisory Council and Australian Heads of Mission. Detailed country-specific consultations that focus on longer-term program directions continued as a vital part of partner communication strategies. In 2002–03, formal consultations were held with Indonesia. At the Federal Government level, continuing dialogue with AusAID, DFAT and Minister. Numerous meetings held with Australian and overseas research partners during 2002–03, and with heads and deputy heads of Australian missions.

• Requests by others for involvement of:

- the Director in the World Bank Science and Technology/ Poverty study steering group;
- the Deputy Director (responsible for R&D) in an external review of SPC's Land Resources Division and in an electronic review of CGIAR research activities;
- invited keynote presentations by RPMs and the DDR&D at international meetings on biotechnology and development and on agronomy;
- invited involvement of RPMs in the review and design of AusAID projects; and
- involvement of RPMs on Rural R&D Corporation Boards and Advisory Committees and on interdepartmental committees.

• Development of this capacity is inherent in the collaborative approach to designing ACIAR projects, through involvement of partner country scientists in project reviews, and through the conduct of country consultations (in 8/02 these were conducted with Indonesia). ACIAR has also facilitated workshops to identify research priorities – for example with Indonesian fisheries and livestock sectors, and the Chinese forestry sector. Linking developing country research institutes in selected projects to NGOs and industry was a feature of our 2002–03 program in PNG, Thailand, Laos, Indonesia, Vietnam, China and India.

• Training courses on research management for developing country project scientists have been delivered in Australia, Vietnam, Indonesia and Fiji, and in research project evaluation in Vietnam and the Philippines. Advice on impact assessment and research evaluation has also been delivered to over 40 Australian project leaders.

8. An appropriately skilled, committed and enthusiastic ACIAR workforce focused on tasks that enhance outputs

• Staff skills match the Centre's needs, training reflects priorities for skills enhancement, staff feel valued and performance is recognised

• An improved process for assessing the impact of ACIAR's projects on poverty reduction was introduced and an in-house workshop held to augment the new procedures and increase the understanding of impact assessment. The priorities for skills enhancement (leadership and management, IT, performance management and teamwork) were met, with increased numbers of staff accessing opportunities through training courses, seminars and relevant conferences. Notwithstanding difficult management challenges, ACIAR staff remain fully committed to ACIAR's mission and vision and the pursuit of excellence. More progress is required on developing ACIAR as a unified team and developing a workplace environment where all staff feel valued.

Tracking performance against the 2002–03 Portfolio Budget Statement

Output

1.1 Collaborative research that addresses agricultural and natural resource management problems of developing countries and Australia

Indicator

Quality

- Research partners contribute 45–60 per cent of project costs
- >90 per cent of projects will receive a favourable external review
- The benefit:cost ratio of the investment in ACIAR projects will increase in 2002–03
- Support for multilateral research providers will be concentrated on fewer IARCs with greatest comparative advantage

Performance 2002–03

- In 2002–03, research partners contributed 54 per cent of project costs (up from 46 per cent in 2001–02).
- 24 reviews were conducted in 2002–03. Only one project received a negative review. Of the 24 projects reviewed, 17 were extended.
- The estimated benefit–cost ratio for ACIAR-funded work to date was 3.40, compared with 2.7 in 2001–02.
- 2002–03 was the first year of new funding arrangements for the IARCs. Under these arrangements, we supported 13 IARCs with core funding compared with 17 in 2001–02. These 13 IARCs have a significant involvement in the Asia-Pacific region.

1.2 Trained researchers in development countries and Australia

- ACIAR-supported training

Quantity:

- 180-210 research projects will be delivering outputs during 2002-03
- >15 000 publications of ACIAR-supported research will be disseminated

Quality

- >80 per cent of trainees will indicate satisfaction with training

Quantity:

- Number of trainees in formal, ACIAR-supported training courses

Quality:

- Favourable annual audit report for Crawford Fund

- During 2002-03, ACIAR had 191 active bilateral projects and 30 active multilateral projects.

In 2002-03, ACIAR distributed 9052 copies of publications, issued three corporate newsletters and one Partners magazine. In addition, publications downloaded electronically from the website increased significantly. The distribution list for the Newsletter/Partners is 3700. In 2002-03, ACIAR published the Proceedings of three workshops, two Technical Reports, 15 Monographs and four Impact Assessment Series publications. With the re-development of its website, ACIAR expects requests for hard-copy publications to decline as electronic access accelerates.

- Exit surveys carried out at completion of all short training courses, using a 5-point scale, indicated 100 per cent of trainees were satisfied to highly satisfied.
- In 2002-03, ACIAR had 50 current John Allwright Fellows of which 16 were new Awards. A new scheme, the John Dillon Fellowships, was introduced in 2002-03. Four Fellowships were awarded. Eight cross-program training courses were held in 2002-03, up from 7 in 2001-02.
- The Crawford Fund is part of the Australian Academy of Technological Sciences and Engineering and, as such, their accounts are part of the broader Academy audit. Appropriate audit certification was issued for 2001-02, the latest year available to this Annual Report.

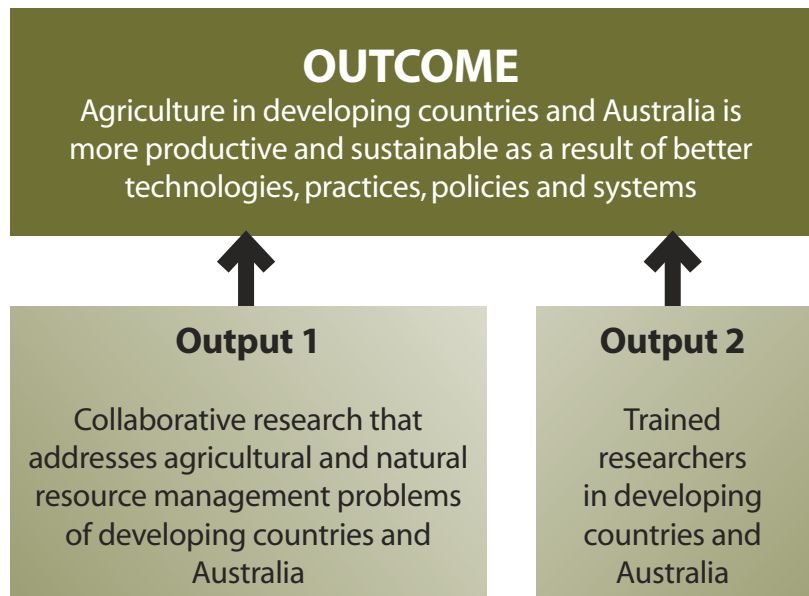
Outcome and outputs framework

ACIAR's outcome, as specified in the Portfolio Budget Statement, describes the Centre's role within the context of Australia's development assistance program.

The achievement of this outcome continues to rely on the contribution of two outputs:

- Output 1 aggregates the activities of bilateral and multilateral research and development (R&D) programs that address the agreed priorities of developing countries; and
- Output 2 focuses on capacity-building activities delivered through formal training of researchers. (In addition to formal training, much training takes place through involvement in R&D projects themselves.)

Outcome and outputs structure



Corporate and operational planning

The Corporate Plan 2001–06 outlines the challenges for ACIAR in regard to its operating environment. The implications of these challenges and the critical success factors in addressing these are spelt out, together with linkages to strategies to meet these challenges. The section 'Tracking performance: against the 2001–06 Corporate Plan' beginning on page 129 reports against these strategies.

In the lead-up to 2003–04, ACIAR has published a formal Annual Operational Plan, to guide external stakeholders through the priority areas for research in partner countries. Key research programs in each country are also identified, creating a two-way management matrix, against which funds are allocated.

Financial performance

The Centre continues to maintain a healthy financial position, having reached an optimal level of cash and equity. During this period ACIAR has further refined its budgeting processes to better manage our suite of projects and constraints to project implementation, such as those arising from uncertainties in security and the SARS outbreak earlier this year.

Price of departmental outcomes

Total resources for Outcome 1

Agriculture in developing countries and Australia is more productive and sustainable as a result of better technologies, practices, policies and systems.

Departmental appropriations

Output 1.1 Collaborative research that addresses agricultural and natural resource management problems of developing countries and Australia

Output 1.2 Trained researchers in developing countries and Australia

Total revenue from government (appropriations)

Contribution to price of departmental outputs

Revenue from other sources

Total revenue from other sources

Total price of departmental outputs

(Total revenue from government and from other sources)

Total estimated resourcing for outcome

(Total price of outputs)

Average staffing level (EFT number)

Actual (\$m) 2002-03	Budget Estimate (\$m) 2003-04
43.680	44.333
2.598	2.499
46.278	46.832
94.1%	95.6%
2.924	2.160
49.202	48.992
49.202	48.992
2002-03	2003-04
48	47

Operational issues and problems

ACIAR has placed great importance on the safety of both its own personnel and project personnel in the uncertain global context. The Centre adheres to the travel advisory updates issued by the Department of Foreign Affairs and Trade.

Some activities in the Democratic People's Republic of Korea have had to be deferred. Concerns related to Zimbabwe continue to constrain project implementation there. Project implementation was slowed in Indonesia following the October 2002 tragedy in Bali; however, considerable progress has been possible in the first half of 2003. The impact of SARS in China also impacted negatively on the progress of several projects. Ongoing security concerns relating to Pakistan and the southern Philippines, especially southern Mindanao, have also slowed progress on some projects.