Australian Government

Australian Centre for
International Agricultural Research

ACIAR Corporate Plan 2008–2012

Our 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.

Our mission

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

The Australian Centre for International Agricultural Research (ACIAR) was established in June 1982 by an Act of the Australian Parliament. Its mandate is to help identify agricultural problems in developing countries and to commission collaborative research and development between Australia and developing country researchers in fields where Australia has a special research competence.

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Foreword

We are pleased to present this Corporate Plan covering the period 2008 to 2012. It seeks to provide the broad vision and directions for ACIAR over the next five years. This Plan is consistent with, and integrated into, the rural development strategy and individual country and regional development strategies within the Strategic Framework of Australia's aid program.

The overall context for the Plan has been set by the *World Development Report 2008 – Agriculture for Development* which emphasises the role of agriculture in reducing poverty as well as the need for greater investment in agriculture in developing countries; by key papers on global efforts to address food security and environmental challenges[1]; and by the Millennium Development Goal (MDG) of halving extreme poverty and hunger by 2015.

While extreme poverty is falling fast at this midway point towards achieving the MDGs, there is still regional variation. With help from Australia and other donors, countries like Vietnam and China have made great progress and are reaping the benefits. While elsewhere – in Africa and the Pacific, for example – other countries are lagging. While Asia as a whole is largely on track, there is concern that poverty is becoming concentrated in South Asia. And although most donor countries have increased aid over the last decade, most still fall short of the target of 0.7% of gross national income. For all the success stories to date, achieving the MDGs remains a daunting task – and now the food security agenda has the added challenges of increasing food prices and climate change.

All planning efforts need to recognise that circumstances change, sometimes quickly—particularly in the current global environment. More than ever, ACIAR's programs need to be more focussed, more integrated with overall development efforts, and at the same time sufficiently flexible to respond to the immediate needs of partner countries.

ACIAR will give particular emphasis in our planning and program initiatives to the first of the Strategic Framework's four aid themes of 'accelerating economic growth', given the demonstrated linkage between broad-based economic growth and poverty reduction in the Asia–Pacific region[2].

The detail of current and foreshadowed priority initiatives for cooperation with individual countries and with international centres is set out in our Annual Operational Plans (AOPs) that are released in June each year. Taken together—this Plan as the broad roadmap, with the more detailed mid-term initiatives in the AOP—these documents are intended to provide all stakeholders with a clear sense of our directions and how we plan to get there.

The headline goal for this Plan is the greater focus on the achievement of community impacts. An impact orientation is not new; ACIAR already has an excellent record of achievement that is well documented in the Impact Assessment Series. But there is a compelling case, in a poverty-reduction context, to increase support for initiatives that aim to deliver community impacts more quickly and create better synergies, as well as sharing and learning from the impacts.

No planning document can be complete unless it sets a demanding agenda with clear performance benchmarks. This Plan seeks to do this, with the necessary detail spelt out in our AOP designed to push forward the strategic intent outlined in this Plan.

Finally, while our planning effort has been comprehensive and consultative, we anticipate updating this Plan in mid-2009 to address the outcomes of the next Australian Government budget cycle, meet the demands of a changing world and dynamic aid agenda and allow the next CEO to review the state of play and make a fresh assessment of the strategic direction for ACIAR.

Peter Core

Chief Executive Officer, ACIAR

November 2008

1 IFPRI, 2008. *International Agriculture Research for Food Security, Poverty Reduction and the Environment: What to Expect from Scaling Up CGIAR Investments and "Best Bet" Programs,* Washington DC

2 World Bank 2007, *Global economic prospects 2007*, Washington DC.

Section 1:
The context

Our role

A major objective of Australian foreign policy is to promote growth, stability and peace in our region. In turn, Australia's aid program is focused on assisting developing countries to reduce poverty and achieve sustainable development.

As the largest sector in most developing countries, development of agriculture[3] is an essential element of the aid program. For the land-rich developing countries of our region, food security and then economic growth are based on productivity growth in the rural sector. As regional success stories in China, Malaysia and Vietnam have shown, productivity growth in the agricultural sector leads to savings and excess labour that fuel growth in the industrial and services sectors.

The Crawford Report (1976)[4], which led to the formation of ACIAR, recognised that agricultural research and development has a critical role to play in the development process, stating that "research assistance is one of the most effective ways of helping developing countries to achieve, *by their own efforts*, economic and social progress." More than 20 years later, a study by the International Food Policy Research Institute (IFPRI)[5] confirmed this proposition, concluding that:

> *"Additional government spending on agricultural research and extension has the largest impact on agricultural productivity growth, and it also leads to large benefits for the rural poor."*

And the World Bank concludes in their *World Development Report 2008*[6] that "improving the productivity, profitability, and sustainability of smallholder farming is the main pathway out of poverty in using agriculture for development", with innovation through science and technology being one of the key instruments. Achieving broad reductions in poverty, central to multilateral initiatives such as the Millennium Development Goals, can be facilitated through scientific research partnerships.

Australia, with its large and highly skilled agricultural research and development community, is uniquely placed to develop research partnerships that assist our neighbours address technical issues that have the potential to facilitate rapid increases in agricultural productivity.

ACIAR, within the context of the Australian aid program's strategies and priorities, brings together the skills that enable identification of agricultural issues that are amenable to solution through research and that have the potential to unlock significant improvements in productivity and profitability. ACIAR also matches the detailed knowledge of suitable partners in the Australian agricultural research and development community to partners in developing countries to enable these issues to be addressed. ACIAR's partnership mode of operation facilitates significant additional contributions being made, in kind, by Australian and international collaborators.

Our business

As part of the Australian Government's development cooperation program, ACIAR has a mandate to plan and invest in research and development for the agricultural sectors of developing nations, particularly in the Asia–Pacific region, consistent with their capacity to engage. The majority of ACIAR's investments will target communities that have the capacity and broader regulatory and policy framework to adopt change and engage in markets, so contributing to the growth of their economies.

Experience demonstrates the importance of agricultural research in pathways that create greater prosperity and sustainability in development. This includes income generation through more productive and sustainable agricultural systems; trade based on sound policy and biosecurity protocols; rehabilitation of livelihoods after natural disasters and conflict; environmental protection on the land and in the oceans; more equitable distribution of resources and decision making, particularly for women and children; and better natural resource management.

3 Agriculture is used throughout this document in its broadest context to cover crops, livestock, forestry, fisheries and natural resources used in these pursuits and associated policies.

4 JG Crawford (Chairman), *A proposal to establish an international research assistance foundation in Australia: Report by a Study Committee*, Canberra, January 1976.

5 *Linkages between government spending, growth, and poverty in rural India*, Shenggen Fan, Peter Hazell and Sukhadeo Thorat, International Food Policy Research Institute, Research Report 110, 1999.

6 *World Development Report 2008: Agriculture for Development.* The World Bank, Washington D.C. 2007.

Research supported by ACIAR may use, adapt or build upon current knowledge and, where necessary, generate new knowledge. We will pay particular attention to the adoption of results and their impacts through its support for, and understanding of, the pathways for technology adoption on a country and commodity basis. We will create better synergies and learning with regard to these impacts.

ACIAR deploys its in-house multidisciplinary expertise to facilitate and coordinate collaboration between Australian partners, international agricultural research centres and developing country partners in order to:

- contribute to the broader Australian policy of helping to build regional prosperity, security and cooperation
- foster broad-based economic growth of our developing country partners, and aligning this with environmental and social benefits
- develop the human and institutional capacity of all the partners
- bring additional resources into Australia's aid program via project co-funding agreements
- enable Australian agriculture to share in the benefits of the activities supported by ACIAR.

Our operating environment

ACIAR recognises the need for continuous change to remain relevant and of value to our partners. ACIAR's establishment in 1982 followed the international recognition of the potential power of agricultural research and development to address the needs of developing nations, as modelled by the science-driven 'Green Revolution'. However, circumstances have changed significantly for some of our partner countries over the past 20 years or so. Countries like Malaysia, Thailand and China are being transformed by rapid economic growth and have outgrown, or are outgrowing, the need for 'aid', and diplomatic and commercial relationships between these countries and Australia have increased in importance.

Meanwhile other countries in the Asia–Pacific region remain characterised by persistent and widespread poverty, high population growth, limited economic growth, and an increasing disparity in incomes between the rich and poor. Yet other countries have recently emerged from severe political conflicts. It is these two groups of countries that will continue to be important partners for ACIAR.

ACIAR will work within selected developing countries in the following regions:

- PNG and the Pacific
- South-East Asia
- South Asia
- North Asia
- Southern Africa

(See regional partner countries on page 26 for more details.)

Likewise, ACIAR recognises that ongoing changes in the Australian agricultural research and development environment, such as increasing inter-agency collaboration, privatisation, cost-recovery, intellectual property rights, industry influence on research and development priorities, workforce skills, and higher education restructuring, require an evolution of the partnership modality.

Key development challenges for ACIAR

In the second half of the first decade of the 21st century, food prices have risen dramatically. Since food accounts for a large part of expenditure of the poor in the developing world, in a number of countries, food price rises have the potential to reverse the reductions in poverty since 2000.

Global food insecurity is an on-going threat. By 2050, world population will increase by 50%. Demand for more varied and nutritious diets, leading to higher consumption of animal protein and horticultural products will occur. More than half of the population will live in cities, purchasing rather than growing their food. Pressures on biodiversity, forests, soil, land and particularly water will increase. Climate variability and climate change will adversely affect many farmers. The ability of smallholders to move out of poverty – and at a wider level reduce household and regional food insecurity – depends directly on their ability to increase the productivity of their crop and livestock systems. Rural economic growth will depend on several factors including farm productivity, access to markets, appropriate infrastructure and policies, the application of the results of agricultural research, and the availability of new technologies.

The challenges limiting growth and development in developing countries are complex and deep-rooted. Addressing these challenges requires research and development to interact across sectors from national research institutions to governance and policy, and to linkages at the global level. ACIAR will approach these challenges through focusing its R&D programs around the following:

Increasing staple crop production to meet global food demand

In the last few years, the combined influences of drought in many of the world's major grain-producing countries, and increasing diversion of cereals to animal feed and biofuels, have led to very low world grain reserves and significant increases in prices. Increased staple crop production (mainly cereals) will largely need to come from increases in yield in existing farming areas.

ACIAR will support research and development of new cereal varieties (for example, through development and application of improved biotechnology selection tools in crop-breeding programs) and agronomic practices that increase water and nutrient use efficiency.

Addressing climate change challenges in agriculture

International research collaboration has an important role to play in addressing climate change challenges. Globally, agricultural research has developed a wide range of tools and information that can be grouped as prediction of (e.g. seasonal and long-run climate forecasting, assessing impacts on agriculture), adaptation to (e.g. breeding crops for stress tolerance, improved crop water-use efficiency, better agronomic systems) and mitigation of (e.g. reducing emissions through innovative land management policies and systems, including reforestation) the impacts of climate change.

ACIAR will fund work across the range of prediction, adaptation and mitigation, with particular priority given to adaptation research (e.g. high-yielding, drought-tolerant cereals and water resource management) aimed at development of resilient and robust agricultural systems.

Enhancing incomes and income distribution through institutional and agricultural policy reform

Globalisation offers opportunities for developing countries to increase trade in agricultural commodities. ACIAR will continue to offer assistance in development of capacity and domestic policy to create an environment supportive of trade. Apart from market access policies, this includes research on policy options that affect inputs, agricultural intensification, land tenure, and taxes or subsidies on exports.

ACIAR will support underpinning research to assist in the structural adjustment of domestic agricultural economies and the factors that give rise to successful rural institutions. Making existing extension systems more effective is a key element to institutional reform, and ACIAR's role includes the study of extension systems, and documenting and trialling new methodologies, both at the district and system-wide levels.

Improving market access for high-value agriculture

High-value agriculture—particularly horticulture, intensive livestock and aquaculture products—has seen an explosive growth in demand over the last decade with the increase in the number of middle-income earners and the growth of supermarkets in developing countries. Although international trade of products such as shrimp and high-value finfish is significant, most growth in high-value agriculture has been dominated by domestic markets. Developing these markets is more technology-intensive than for staple crops. Also, the high-value products are distinguished by their perishable nature and greater emphasis on quality by purchasers.

To address these issues, ACIAR will implement research and development solutions to improve market information and value chains, and develop new partnerships, particularly with private industry.

Meeting new biosecurity and quarantine challenges

Quarantine is increasingly important for reasons of national biosecurity and facilitation of trade, as developing countries require market access. With increased movement of people and agricultural products, transboundary issues become more important.

Biosecurity needs to be underpinned by reliable and comprehensive information on pest, disease and weed distribution, development of improved diagnostic systems, and collaborative efforts on disease management. Reinforcing national biosecurity systems and national quarantine policies will assume greater importance. ACIAR will continue to partner AusAID and international agencies in collaborative efforts to manage major biosecurity issues, such as avian influenza.

Fostering profitable agricultural livelihoods in the semi-arid tropics

Many of the world's poor are in semi-arid tropical areas characterised by variable and low rainfall, short cropping seasons and poor soil fertility. The climatic, biophysical and socioeconomic conditions that make up these farming systems present a number of challenges.

ACIAR will develop a better understanding of these conditions and support research on crop diversification and water harvesting, optimising livestock reproduction and nutrition, and will foster the transformation of the poor from livestock keepers to producers who are actively engaged in the market.

Balancing the water needs of cities, industry, agriculture and the environment

The competition for scarce water resources in many developing countries is greater than ever before. Many river basins already do not have enough water to meet competing needs. Agriculture is often the major user of water and far greater efficiency of water use will be needed in the future. Agronomic research (such as improving water-use efficiency in dryland cropping through conservation agriculture, improving irrigation water-use efficiency in arid climates, and water harvesting in infertile rainfed areas) is seen by ACIAR as a critical entry point. This biophysical research is closely integrated with research on economic instruments and institutional reforms for efficient management of surface water and groundwater resources, and balance with urban and environmental requirements.

Assessing and managing declining capture-fishery resources

ACIAR has a particular role in underpinning options for sustainable management of wild-harvest fisheries, through technical and policy research. This includes assessments of stock status and the impacts of fishing, improved utilisation of existing harvests, evaluation of artificial stocking where appropriate, establishment of locally effective policy settings and institutional capacity, and development of management strategies.

Technologies and policies to underpin the transformation of developing country forestry from a native harvest base to a smallholder plantation industry

Many developing countries have implemented bans on native forest harvesting. ACIAR will contribute to sustainable forest management through research on institutional arrangements to reduce emissions from deforestation and degradation (REDD). Transformation of the forest sector will, however, require research to develop integrated forestry and agroforestry systems producing both timber and non-timber forest products, implement appropriate genetic improvement strategies and technologies, and develop more-efficient harvesting and processing technologies for higher value products. It is important to include poor people in opportunities for climate change mitigation and adaptation.

Technologies and institutions in the response to natural disasters and civil conflict

ACIAR complements emergency relief work by supporting collaborative research and development that can address the longer term consequences of post-disaster changes in the farming system—for example, the changes to cropping soils and aquaculture systems after the 2004 tsunami and post-conflict agricultural reconstruction in East Timor, Iraq and Afghanistan. Re-development of research and extension institutions is critical not only after natural disasters, but in post-conflict situations and fragile states.

ACIAR's commitment to the Millennium Development Goals

In 2000 the member states of the United Nations adopted the Millennium Declaration, which includes eight Millennium Development Goals (MDGs). This committed nations to a global partnership to reduce extreme poverty and setting out a series of time-bound targets, with a deadline of 2015, to provide an accountability mechanism for actions taken to enable millions of poor people to improve their livelihoods. The MDGs are as follows:

- Eradicate extreme poverty and hunger
- Achieve universal primary education
- Promote gender equality and empower women
- Reduce child mortality
- Improve maternal health
- Combat HIV/AIDS, malaria, and other diseases
- Ensure environmental sustainability
- Develop a global partnership for development.

In meeting the MDGs by 2015 a more productive and profitable agricultural sector will be needed in ACIAR's partner countries. The final report of the UN Millennium Project "Investing in Development" was released in 2005, and highlighted the importance of science and technology in achieving the MDGs.

During 2008–12 ACIAR's work in addressing key development challenges as described in this Corporate Plan (pp 5–7) will particularly contribute to the following MDGs as follows:

- ACIAR's major contribution will be to **MDG 1** – **eradicating extreme poverty and hunger** – through research that directly supports improvements in agricultural productivity and agriculture-led economic growth. Disproportionate numbers of the extreme poor are farmers and livestock herders. 50% of the global poor are smallholder farmers and 22% are landless rural poor, who derive their income from agricultural activities. The relationship between improved agricultural productivity and decreases in poverty is strong. Technological advances under the "Green Revolution" in the 1960s–early 1970s in India increased the average incomes of poor farmers by 90% and landless workers by 125%. Investment in international agricultural research also has a multiplier effect on agricultural productivity. CGIAR analysis has shown that for every dollar invested in international agricultural research, nine dollars worth of additional food is produced in developing countries.[7]

  A major part of the ACIAR program will focus on increasing staple crop productivity and production through variety development and better agronomic practices, and through improving livestock and aquaculture productivity through better nutrition and integration with cropping systems. Broad-based agricultural growth is the key for decreasing poverty and increasing growth in ACIAR's partner countries. By increasing food availability and enhancing incomes through institutional and agricultural policy reform, more of the poor can break out of the poverty-hunger-malnutrition cycle.

7 David A. Raitzer, 2003. *Benefit-Cost Meta-Analysis of Investment in the International Agricultural Research Centres of the CGIAR*. CGIAR Standing Panel on Impact Assessment, Science Council Secretariat, Washington and Food and Agriculture Organization of the United Nations (FAO), Rome.

- Our program will indirectly support **MDG 2** – **universal primary education** – through research that helps reduce time burdens on women and children for domestic tasks in food production, freeing children to participate in education. ACIAR's programs will contribute directly to **MDG 3** – **gender equality** – through research and extension interventions that empower women farmers and traders. In designing and implementing research programs, ACIAR will address social and economic issues affecting farmer decision making and factors influencing adoption of new technologies by women farmers. Examples of research that can lead to reduced labour burdens on women and children include work to allow wider use of direct seeding for rice and of planted forages for livestock.
- Agricultural research contributes indirectly to the **three health-related MDGs (4, 5 and 6)** by increasing the diversity of food production and diets of higher nutritional quality. ACIAR also tackles the direct impact of agriculture on health through research on food-borne contaminants such as aflatoxin, enhanced food safety practice and policy and links between animal and human health and disease. ACIAR, through several research programs that assist in the development of more productive and profitable fruit, vegetable, livestock and aquaculture systems in developing countries, will contribute to improvements in diet quality in these countries. Some research on improved nutritional composition of staple crops and tubers will also be supported. Through ACIAR pesticide management, postharvest handling, marketing and agribusiness research, improved linkages of high-value agriculture to markets should help provide additional income for smallholder producers and traders that can be devoted to health services.
- Agricultural practices can be both direct causes of and important solutions to **environmental degradation (MDG 7)**. Over the 2008–12 period, ACIAR will significantly increase its investment in research to address challenges of climate change in agriculture, supporting work across the prediction, adaptation, mitigation domains. Related key development challenges that require research include balancing the water of agriculture with increasing demands from other users in ways that do not counter the increases in agricultural productivity that are required, in particular to achieve MDG 1. Research to improve agricultural productivity can also allow the withdrawal of agriculture from marginal, sensitive environments.
- Over the period of this Corporate Plan, ACIAR will increase its efforts to integrate programs that we support with those of other donors, multilateral agencies, partner country governments and the private sector. Developing a **global partnership for development (MDG 8)** will help maintain increases in agricultural trade. ACIAR will increase its involvement in global public goods through International Agricultural Research Centres including those of the CGIAR, and seek more opportunities to link with multilateral organisations, in particular the World Bank, Asian Development Bank and FAO. Through involvement in a greater number of public-private partnerships, participants in ACIAR programs can gain access to advanced scientific knowledge and technologies held by the private sector, mechanisms for developing, processing, marketing, and distributing products to farmers and consumers.

Section 2:
ACIAR's future directions

ACIAR's directions focus the Centre's activities on countries, and areas within countries, where poverty remains, and strategies to deliver research outcomes that alleviate poverty and achieve sustainable development.

Goals	Strategies		How this will be addressed
Greater focus on the achievement of community impacts	*Strategy 1*	*40% of projects are designed to deliver community benefits in the short term (0–5 years), with additional benefits flowing in the medium to long term (5–15 years)*	• Linking with development initiatives: a coordinated approach • Initiating larger projects clustered around common themes • New partners and modalities • Capitalising on previous investments
	Strategy 2	*Give greater weight to delivering project benefits through adoption pathways*	• Fostering development of supportive policy, regulatory and institutional frameworks • Paying due attention to property rights and collective action • Understanding the mechanisms of participation and adoption • Identifying participation and adoption pathways in programs from the outset • Engaging with both research and development partners, including industry and NGOs
	Strategy 3	*Have a demonstrated track record of sustainable impacts*	• Expanding ex post quantitative and qualitative evaluations
Alignment with stakeholder priorities	*Strategy 4*	*Meet partner country/ regional needs*	• Regular partner country consultations • Close liaison with the Policy Advisory Council and the ACIAR Commission
	Strategy 5	*Match Australian priorities and capabilities*	• Australia's Development Cooperation Program • Australian comparative advantage • Australian research priorities
Focus investments to achieve sustainable development	*Strategy 6*	*Focus to make a difference*	• Fewer high-priority focus areas per country • Fewer and larger integrated projects
	Strategy 7	*Investment for sustainable development*	• Linking farmers to markets • Predicting, adapting to and mitigating against the impacts of climate change • Increasing productivity of staple food crops to deliver food security • Meeting the rising demand for animal and fish protein • Crop diversification, particularly fruits and vegetables • Promoting the sustainable management of natural resources • Training, education and communication

OUR FIRST GOAL:
Greater focus on the achievement of community impacts

The challenge for ACIAR is to demonstrate that it makes a difference to poverty reduction. ACIAR will have a greater proportion of its portfolio in activities that will deliver impacts in the short term, will invest mainly in areas that are deemed most likely to deliver community benefits, and will increase efforts to measure impacts.

ACIAR has historically had a project portfolio designed to deliver benefits in the medium to longer term, with an emphasis on building institutional capacity of partner countries. And it has—as indicated by an analysis of earlier ACIAR project impact evaluations[8] showing a conservative economic benefit of $1.25 billion and cost–benefit ratio of 1:6 over the past 20 years or so.

But there is a strong case, in a poverty-reduction context, to ensure that a significant part of the ACIAR portfolio includes projects where the benefits are delivered more quickly. We propose three strategies to achieve this goal.

Strategy 1:

40% of projects are designed to deliver community benefits in the short term (0–5 years), with additional benefits flowing in the medium to long term (5–15 years)

Linking with development initiatives: a coordinated approach

ACIAR will coordinate with, and support investments by, international agencies such as the World Bank, Asian Development Bank, Food and Agriculture Organization (FAO), and bilateral donors, that are formally linked to national partner initiatives or development programs. This approach will simultaneously improve the delivery of benefits, harmonise programs, and reduce fragmentation and transaction costs.

These development programs usually cover the fundamental aspects of development, such as farmer credit, education and training, and marketing, and so provide an ideal platform for the linkage of ACIAR-funded research to enhance production, conserve natural resources or improve marketing. In particular, ACIAR will encourage projects to complement the broader AusAID agenda in countries where AusAID is active in rural development.

Clustering projects around common themes

ACIAR's impacts will be enhanced if there is a set of activities centred on a problem area, each addressing a critical part of the problem. These may either be in the form of a cluster of coordinated projects or a large multi-component project. For instance, one activity might consider the market chain and policy framework, while another might address the production base of a particular commodity.

8 D.A. Raitzer and R. Lindner, *Review of the returns to ACIAR's bilateral R&D investments*, Canberra, 2005.

A challenge for ACIAR and its partners: cross-disciplinary activities

Greater emphasis on the achievement of community impacts is likely to lead to more complex project design. ACIAR will implement mechanisms to foster greater cross-program integration where it is likely to improve the chances of delivering community benefits. This initiative will consider the mix of programs within countries to maximise the potential benefits from the integration of ACIAR investments. It will often be necessary to combine the disciplinary skills and knowledge of ACIAR program managers in project development.

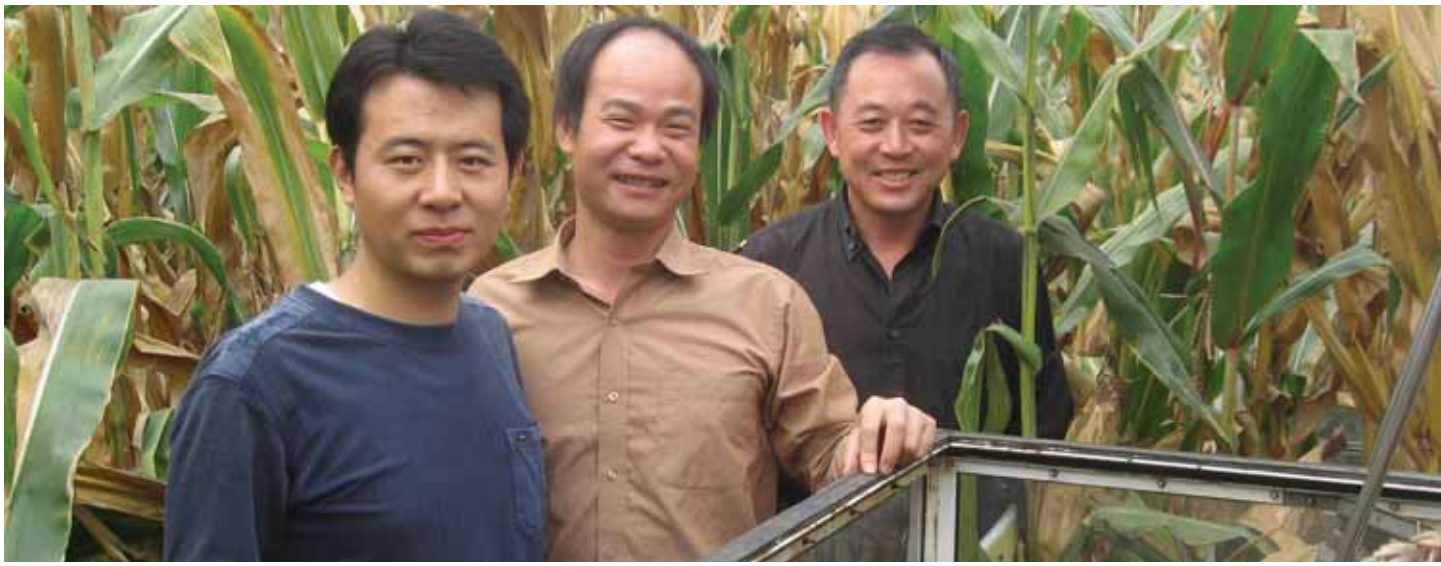
New partners and modalities

We will encourage greater representation of the private business sector, non-government organisations (NGOs), and local/provincial governments in projects, given their close interaction with smallholder farmers, commitment to the adoption of technologies, and market orientation. We will increase involvement of social scientists and economists in projects and adopt a more participatory approach with communities. Farmers, fisherfolk and small business people make important contributions in problem identification, testing the appropriateness of technologies to their situations, adapting those technologies and communicating with their colleagues.

ACIAR will increase its emphasis on better understanding of extension processes and involving farmer and community groups in flexible project designs, such as those adopting a participatory action research approach. This approach fosters the involvement of women in priority setting and provides insights into family decision-making and the distribution of benefits within those family units.

Capitalising on previous investments

ACIAR will give greater consideration to following through past and present projects to the adoption phase. ACIAR will encourage the involvement of alumni from its postgraduate and research management fellowship schemes in its program. Their skills, knowledge, cross-cultural experiences and networks developed during their Australian training will help in problem identification, project development and implementation.



Strategy 2:

Give greater weight to delivering project benefits through adoption pathways

Fostering development of supportive policy, regulatory and institutional frameworks

The potential benefits of biophysical research will only be realised if the policy, regulatory and institutional frameworks are mutually reinforcing. Agricultural technologies developed from research face poor incentives for adoption when the frameworks are weakly aligned. ACIAR can play a role in fostering debate and dialogue about this critical issue, and will increase efforts to work with AusAID and partner governments to promote an enabling policy and institutional environment for rural development, private investment and business development.

ACIAR will integrate policy research with biophysical projects where policy is likely to be a constraining factor to adoption. ACIAR will also place stronger emphasis on social and economic dimensions throughout the whole project portfolio and will undertake scoping studies to define and address these issues.

Paying due attention to property rights and collective action

Increased emphasis will be given to understanding property rights and the need for collective action where they are considered impediments to development.

ACIAR will continue its policy of only supporting projects that take these important issues into account because the linkages between property rights, collective action and natural resource management have significant implications for technology adoption, economic growth, food security, poverty reduction and environmental sustainability.

Understanding the mechanisms of participation and adoption

Project partners will need to demonstrate a clear understanding of the potential adoption pathways from the earliest stages of project development through intermediate steps and products to adoption and impact. An understanding of the socioeconomic circumstances of target communities will be critical to assess the likelihood of technology adoption by this group.

Greater participation by ACIAR staff in the development of projects to specifically address participation and adoption will support this change and encourage the implementation of this strategy.

Identifying participation and adoption pathways in programs from the outset

Many of the ‘Green Revolution’ gains came from the development and spread of high-yielding varieties of rice, wheat and maize. In fact, many of the studies of the economic rates of return to agricultural R&D highlight the very high returns from plant breeding, as higher yielding varieties get adopted quickly. ACIAR will maintain an emphasis on genetic improvement for specific crop traits, especially through the International Agricultural Research Centres (IARCs) and particularly for the basic staples of the Asia–Pacific region.

Many biological control projects have been shown to be self-sustaining, while reducing the reliance on pesticides and enhancing food security. ACIAR will maintain an emphasis on biological control of significant plant diseases, pests and weeds, in integration with other approaches.

Engaging with both research and development partners, including industry and NGOs

ACIAR will facilitate the development of suitable partnerships to ensure participation by relevant organisations and individuals to ensure adoption and dissemination of information. Engagement with the private sector and NGOs will be encouraged where they are identified as the most appropriate agencies to sustain the adoption effort.

Strategy 3:

Have a demonstrated track record of sustainable impacts

ACIAR needs to provide evidence that the investments we manage for the Government provide value for money and make a difference. This information is made available for public scrutiny as part of our accountability process, while it also assists ACIAR and our partners to apply the lessons learned to improve the design and impacts of future investments. Sharing knowledge and information with the Australian Office of Development Effectiveness (ODE) will augment this strategy. ACIAR will also assist our partner countries who have a growing interest in project evaluation.

Expanding ex post quantitative and qualitative evaluations

We will conduct more assessments of the impacts of clusters of investments in particular themes, countries or discipline areas to guide future investments and will ensure that qualitative methodologies that assess capacity building and broader community livelihood benefits are used. We will ensure that stakeholders have access to information on the impacts of our programs.

Summary of nearly 400 independent studies of the economic rate of return to agricultural research and development

Region	Number of studies	Economic rate of return (median per cent)
Asia	120	~ 55
Latin America	80	~ 40
Africa	44	~ 35
All developing	244	~ 50
OECD	146	~ 45

Source: R E Evenson, *Handbook of agricultural economics*

We will continue a rolling series of adoption studies for large projects that had been completed three years earlier. These studies will be used to focus the quantitative evaluations, and lessons learned from these studies will be applied by ACIAR in future investments and will be communicated to stakeholders.

OUR SECOND GOAL:

Alignment with stakeholder priorities

ACIAR priorities are determined by the Minister for Foreign Affairs, in concert with the ACIAR Commission, taking into account alignment with the overall strategy of the Australian aid program and individual country and regional development strategies. The Policy Advisory Council provides the Minister and ACIAR with advice and feedback on partner country priorities and perspectives. The technical assistance provided by ACIAR plays an important role in building relationships and maintaining dialogue with key partner countries and agencies, in addition to its role in rural development.

Strategy 4:

Meet partner country/ regional needs

In keeping with Australia's commitment to the Paris Declaration on Aid Efficiency, priorities for ACIAR assistance will continue to be jointly agreed and implemented with partner countries. Consultations will be held on a regular basis to ensure that the ACIAR strategy and project portfolio is aligned with country priorities and development objectives, and the broader aims of the Australian aid program.

The agreed priorities will take into account local research and extension capacity, the development of agricultural markets, and the policy framework, in addition to the type of expertise available from Australian institutions. Agreed priorities will be published in the ACIAR Annual Operational Plan, and through the ACIAR website.

ACIAR also recognises the dynamic nature of priority setting in our partner countries, such as the need to respond to political imperatives; the need to meet emergencies that require a research and development input, such as the outbreak of diseases; decentralisation of research and development capacity and responsibility for interaction with farmers, foresters and fisherfolk; a growing need to engage with domestic and global markets; and assistance with agreements on trade and resource use, such as fish stocks and fresh water. ACIAR will continue to be sufficiently flexible to address changing priority sets as well as emergency situations.

ACIAR sets priorities in consultation with partner countries through:

- local consultation meetings
- reference to partner country strategies and plans
- the Policy Advisory Council, which is comprised of partner country representatives.

Strategy 5:

Match Australian priorities and capabilities

Australia's Development Cooperation Program

The objective of the Australian aid program "To assist developing countries to reduce poverty and achieve sustainable development, in line with Australia's national interest" remains central to ACIAR. We will increasingly focus on our nearest neighbours in the Asia–Pacific region given that this area faces considerable challenges for its development, Australia shares with its neighbours an interest in promoting regional stability and prosperity, and because we can capitalise and build on people-to-people and institutional linkages.

To the maximum extent possible, ACIAR programs will integrate with and complement the overall development efforts supported by AusAID through our capacity to provide new technologies, new policy options and new problem diagnostics. ACIAR will continue to provide scientific and technical support for the aid agenda to promote broad-based economic growth, build the capacity of people, foster functioning and effective states, and contribute to regional stability and cooperation. Sustainable development of agriculture is critical to the success of this agenda, not only to provide safe and nutritious food to growing populations, but to allow developing nations to become members of the international trading community; to enable sustainable use of natural resources, some of which are shared between nations; and to work collaboratively on trans-border issues.

The allocation of ACIAR financial resources between regions and between the bilateral and multilateral programs during 2008–2012 will see about 80% of resources allocated to bilateral investments and about 20% to the multilateral program.

About 80% of resources allocated to bilateral investments

Of these funds:

- PNG–Pacific will receive ~25%
- South-East Asia will receive ~50%
- North Asia and South Asia will each receive ~10%
- Southern Africa will receive <5%.

Investment in PNG and Pacific nations will continue to be important, at a pace consistent with their capacity to engage. ACIAR investments, which will be integrated and coordinated with other donor activities, will contribute to sustainable economic development (within the limitations imposed by land tenure and financial systems), and will support efforts to increase domestic food production, quality and marketing. Priority will be given to the sustainable management of land, forestry and fisheries resources, and for internationally traded agricultural commodities for which PNG and the Pacific nations have a comparative advantage. Increased biosecurity efforts will be in the interest of all Pacific nations, including Australia.

Priorities for South-East Asian countries will differ depending on their stage of economic and institutional development. Increasing the market competitiveness of agricultural products and agribusiness development will be emphasised in the more developed economies of Indonesia, Vietnam and the Philippines. Indonesia will remain ACIAR's largest partner, with a continued emphasis on the development of the poorer provinces in the east. In the less developed economies of East Timor, Cambodia, Lao PDR and Burma, agricultural diversification will be supported to improve food security and human nutrition and to explore domestic and regional marketing opportunities. Trans-boundary issues, including management of fisheries and biosecurity, will be addressed within the region.

ACIAR funding into North and South Asia will trend downwards, but will vary between countries. However, the level of activity is anticipated to be retained through greater co-funding by partner countries and through partnership with other Australian Government departments. In South Asia, cross-sectoral priorities include efficient use of water, improved economic and environmental efficiency of production of staple crops, and participation in international trade of agricultural commodities. In North Asia (China), development of the western provinces lags behind that of most of the eastern region, and is a national priority. The program will sharpen its focus to address sustainable use of water and soils and market-oriented policy initiatives.

The Strategic Framework for Australia's aid program outlines a continuing engagement with Africa based on humanitarian programs and issues of shared interest. In the immediate future, ACIAR will maintain its investments in South Africa, concentrating on improving the market participation of previously disadvantaged African farmers and communities. During 2008–2012, ACIAR will review the nature of its engagement in Africa, taking into account the broader Australian aid program strategies, local capacity, the role of the IARCs, and geo-political circumstances.

These allocations do not take into account periodic fluctuations due to unforeseen events that either require additional investment, such as emergency initiatives, or reduced activity due, for instance, to security concerns. When appropriate, ACIAR may also assume responsibility for managing special-purpose funds from the wider Australian aid program.

About 20% of resources allocated to the multilateral program

The total investment distribution between the International Agricultural Research Centres (IARCs), and the division between restricted (core funding) and unrestricted (project) allocations, are subject to review on a triennial basis. Ongoing support for IARCs will be based on their focus and continued effective performance in the Asia–Pacific region. Broadly speaking, IARC support can cover gaps in Australian expertise and infrastructure, such as for tropical rice research and key global germplasm collections, and to maintain and attract IARC expertise to our region. Greater involvement of Australian institutions in multilateral projects will be encouraged.

Australia's comparative advantage

World class research institutions have evolved in Australia to accommodate difficult agro-climatic and market circumstances, and have underpinned the successful development and globalisation of Australian agriculture, forestry and fisheries. Much of the knowledge and skills developed in Australia is relevant to the resolution of problems in our partner countries, albeit under different social and economic circumstances.

Australian agriculture has developed in a wide range of environments, mostly with low and erratic rainfall, under generally poor soil conditions, and through the adaptation of plants and animals from other countries. The forestry sector has evolved to culture and utilise exotic and native species alike, with many Australian native trees finding favour for timber, fuel and environmental repair in most of our partner countries. Australia also shares many of its capture-fishery stock with neighbouring Pacific and South-East Asian countries and we encounter similar problems in developing a sustainable and profitable aquaculture industry. The shortage of fresh water applies to all the sectors in Australia, and already applies, or is becoming an issue, in many countries in our region.

Because Australia relies on the export of the majority of its agricultural commodities, it has developed a strong market orientation and has significant international trading experience. Australian knowledge in these areas will contribute to sustainable development in partner countries as they strive to enter global markets.

ACIAR projects will capitalise on this expertise ('comparative advantage') for mutual benefit, as there are often Australian benefits that flow from international partnerships. Examples include the development of sustainable harvest arrangements for fish stocks shared between Australia and a partner country; work on potentially invasive exotic plant, animal and aquaculture diseases or pests in partner countries; gaining access to and testing of germplasm of potential importance in Australia; and development of mutually satisfactory trade agreements.

Australian research priorities

Agriculture sector and institution priorities

Consultation with Australian agricultural research and extension providers and rural research funding corporations will be increased. This will assist ACIAR to better match international priorities with those of Australian agencies, and industry sectors to sustain the partnership model through mutual benefit and gain access to additional resources.

ACIAR recognises the changing business models of its Australian partners and, through consultation, will endeavour to accommodate particular needs and to thoroughly explore opportunities for mutual benefit at the agency, industry and individual levels. ACIAR will also increase efforts to evaluate and publicise the direct benefits of investments to the Australian community.

National Research Priorities

The Australian Government's National Research Priorities establish four themes addressing key research challenges facing Australia (www.dest.gov.au/priorities). The priorities are:

- an environmentally sustainable Australia
- promoting and maintaining good health
- frontier technologies for building and transforming Australian industries
- safeguarding Australia

ACIAR will support these priorities and focus support on 'an environmentally sustainable Australia' and 'safeguarding Australia' through our international investments.

OUR THIRD GOAL:
Focus investments to achieve sustainable development

ACIAR will continue to give high priority to research investments that aim to generate sustainable income growth for the poor, with particular attention given to participation by, and empowerment of, women.

Pro-poor sustainable economic growth (and income growth at the individual level) is a necessary prerequisite for social development, sound macroeconomic management and good governance. Given income growth, developing countries can have adequate levels of productivity, better health and education (including better research capacity), more accountable institutions, and societies will have the means to be less vulnerable to adverse shocks.

We will focus our investments in two major ways. First, by working with our partners to identify fewer high-priority issues where more concentrated support from ACIAR has a better chance of making a difference. Second, by investing in areas with a known high probability of success and delivery of sustained economic growth, and which also take into account Australia's comparative advantage in undertaking the work. There is a strong correlation between these priorities and those outlined for the Consultative Group on International Agricultural Research (CGIAR)[9] in 2005 and the IFPRI and CGIAR review of future research opportunities and 'best bets' for research investments in 2008. We anticipate that their achievement will make a positive contribution to the United Nations Millennium Development Goals.

Strategy 6:
Focus to make a difference

While ACIAR is aware of the need for research and development input for the development of many agricultural sectors, we also recognise that progress in any one of these sectors will largely depend on the scale and nature of effort deployed to solve the problems and to get information to those who can apply it.

Fewer high-priority focus areas per country

We intend to work with our partner countries and other stakeholders to bring a sharper focus to ACIAR investments within each country and, where appropriate, within region. Focus areas will take into account factors such as national priorities; comparative advantages of the partner country and Australia; regional matters, particularly where they concern resource sharing and trans-boundary issues; and the likelihood and scale of potential economic and other benefits. For the majority of our partner countries we aim to have only two to four areas of focus, depending on the size of the annual investment.

Fewer and larger integrated projects

Each focus area will attract fewer and larger projects, which may be part of a cluster of activities, usually bringing multidisciplinary skills to address the issues. Coordination of these clusters will be important for the partner country, Australian partners and ACIAR. This will ensure that the effort remains focused, that the most important issues are being addressed in a timely manner, and that there is a good and shared understanding of the local situation, to encourage uptake of project outputs and to achieve the intended impacts.

This should deliver additional benefits, including a greater depth of engagement with (fewer) partner-country agencies and opportunity for enhanced capacity development; more efficient and effective monitoring of project activities; communication of integrated information to targeted audiences; and greater local capacity to attract other donor or in-country funding for extension of outputs.

9 Science Council Secretariat (2005). *CGIAR research priorities 2005–2015.*

Strategy 7:

Investment for sustainable development

Linking farmers to markets

This priority applies at two levels. First, it will ensure that agriculture in partner countries is positioned to participate in the globalisation of agrifood systems and that benefits flow to smallholder farmers, fisherfolk and consumers in these countries. Second, it will ensure that these producers are able to access growing internal markets, to interact fairly with large commercial enterprises and to receive a just price for their produce. Strategies will include:

- developing higher value and market-demanded products, and understanding and improving their supply chain management
- strengthening capabilities to respond to the requirements of the World Trade Organization and Sanitary and Phytosanitary Standards
- strengthening partner country quarantine and biosecurity through technical and policy interventions
- analysis and reform of marketing, institutional and agricultural policy.

Predicting, adapting to and mitigating against the impacts of climate change

ACIAR will support research in the areas of climatic prediction, adaptation to the effects of climate change, and climate change mitigation. In the first instance, particular priority will be given to adaptation research (e.g. high-yielding, drought-tolerant cereals, and water resource management) to ensure more robust and resilient production systems.

Increasing productivity of staple food crops to deliver food security

Some countries and less favoured regions within countries have regular or ongoing shortages of staple foods. Enhancing the consistency and quality of supply of these commodities for the most disadvantaged farmers and for poor urban consumers in these regions remains an important objective. Strategies will include:

- accelerated release of varieties with enhanced production, higher quality, disease and pest resistance, and drought and salinity-tolerance traits developed from breeding programs
- fast tracking the adoption of better crop management practices and promoting the wise use of the natural resource base
- interaction with the CGIAR centres, drawing on their knowledge, experiences and germplasm, and seeking spin-offs from prior investments (particularly in the collection, development and dissemination of genetic material to national breeding programs).

Meeting the rising demand for animal and fish protein

The demand for animal protein in Asia is projected to double over the next 20 years. This demand for these products presents an opportunity for smallholder farmers and fisherfolk to increase income, but systems that maximise their production advantage and that will not threaten the environment are needed. Strategies will include:

- supporting better resource assessment and management of capture fisheries
- promoting the sustainability of culture fisheries
- improving the profitability of crop–livestock systems
- overcoming nutritional constraints for livestock and fish, through cost reduction, management and alternative feedstuffs
- management of major infectious diseases of livestock and fish and other seafood, with emphasis on diseases exotic to Australia
- developing a better understanding of the interface between agricultural production, animal husbandry and human health.

Crop diversification, particularly fruits and vegetables

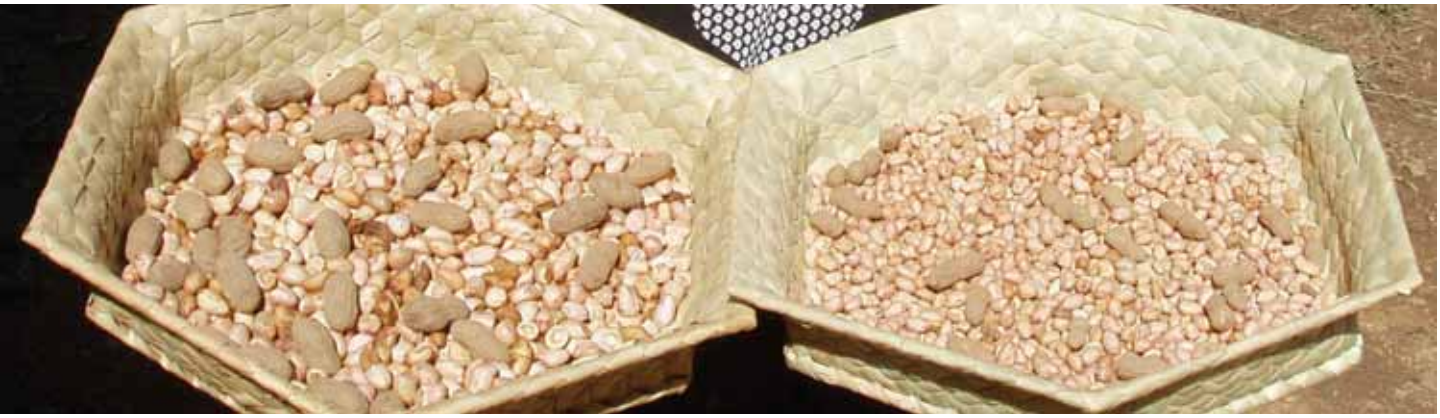
Although critical for individual and national food security, staple cereal, pulse and root crops do not always provide good cash returns for poor farmers in developing countries. Fruit and vegetable crops are a significant income-generating opportunity, particularly for those with limited but fertile land, and diversification of production is a means of spreading risk. There is generally a high proportion of women involved in horticultural production, postharvest management and marketing. ACIAR will continue to shift resources towards horticulture-related projects in recognition of the importance for income generation and as important nutritional sources. Strategies will include:

- research on production, with an emphasis on local needs and preferences
- using integrated crop management as a cost-effective means of crop protection and to reduce trade and health risks associated with the use of pesticides
- applying postharvest management strategies that reduce waste, improve product quality and enable product access to markets
- undertaking market studies to identify opportunities for efficiencies, market intelligence and competitiveness
- ensuring a whole-of-family, inclusive approach to production, postharvest handling and marketing.

Promoting the sustainable management of natural resources

Over-exploitation and inefficient use of natural resources threaten sustainable agricultural development in both favoured and marginal areas. Improved management can increase profitability and sustain the natural resource base simultaneously, with high priority given to water-use efficiency for dryland and irrigated cropping, reduction in the loss of productive agricultural land from degradation, maintenance of soil quality, sustainable and equitable use of capture fisheries, and sustainable use of forests. Strategies will include:

- ensuring that policy, regulatory and social issues are considered when addressing solutions to resource management problems
- promoting improved irrigation water management by more defined water rights and more realistic water pricing
- developing science ('evidence')-based strategies for the management of fishery and forest resources
- using participatory approaches in project design and implementation, as most natural resource problems require collective action by multiple participants
- fostering land-use practices that conserve water and soil fertility, reduce damage to marginal and upland environments, are robust, and accommodate climate variability
- considering third-party and off-site impacts in project design and in the implementation of new technologies
- demonstrating economic benefits from changed practices that provide incentives for improved resource management.



Training, education and communication

Building capacity of individuals and agricultural research institutes in partner countries is a high priority for ACIAR given that well-targeted scholarships are highly effective in empowering people to drive their own national development agendas on an informed understanding of a developed economy. These initiatives also help to establish lifetime international networks for mutual benefit.

Capacity building will remain an important element of all projects, but will be further bolstered by the doubling in the number of ACIAR-managed postgraduate scholarships in the 2008–2012 period compared with the 2001–2006 period. Priority for these initiatives will be afforded to countries where leadership in academic, social and scientific communities and business can greatly assist rural development, including Indonesia, East Timor, Papua New Guinea and the Pacific islands, and the Mekong countries (Vietnam, Lao PDR, Cambodia). Innovative ways to cost-effectively extend training opportunities will be developed, particularly in countries or regions where R&D capacity is a significant constraint to agricultural development. This includes in-country postgraduate diploma and Masters Degree awards in Papua New Guinea and the Pacific islands.

Consistent with our focus on the achievement of impacts, cross-program training will emphasise research management and priority setting; communication for development; economics for agricultural scientists; agricultural extension for researchers, including participatory action research; and research evaluation and monitoring.

ACIAR's communications program will pay particular attention to bridging the gap between research and adoption by providing low-cost access to syntheses of information from individual projects or programs of work. ACIAR will also exploit opportunities to use information and communication technologies to support dissemination of agricultural research information to next users.

Section 3:
Indicators of success[10]

Output	Success factor	Performance indicators
1. Collaborative research that addresses agricultural and natural resource management problems of developing countries	Partner-country/regional needs are taken into account when setting priorities.	• Formal consultations with key partner countries reach agreement that ACIAR's portfolio is aligned with country development objectives. • Investments focus on 2–4 high-priority themes in most countries. • Senior DFAT officers assess ACIAR projects as addressing priority needs in partner countries. • Research partners contribute >40% of total project costs.
	Regional investment profile is consistent with Australian Government aid priorities.	• ACIAR projects reflect Australian foreign policy and development cooperation priorities, as judged by senior executives in DFAT and AusAID. • ACIAR responds quickly to meet immediate and unforseen needs in the national and international interest.
	Projects are effective.	• More than 90% of concluded projects are assessed by external reviews as having achieved their main objectives.
	Projects deliver economic, social and environmental benefits.	• Independent impact assessment studies completed each year show returns above benefit–cost and internal-rate-of-return benchmarks of 5 and 20%, respectively. • Adoption pathways target and deliver research outcomes for end users, with evidence of social benefits reaching these end users. • Appropriate quantum and quality of information are provided to the Office of Development Effectiveness, as judged by that agency.
	Projects deliver benefits quickly.	• More than 40% of active projects are designed to deliver benefits within 5 years of completion. • An increasing number of impact assessment studies are conducted on project clusters that concluded within the last 3–5 years.
	ACIAR delivers value for taxpayers' money.	• Aggregate of impact assessments over the period indicate poverty reduction benefits that exceed ACIAR expenditures. • ACIAR administrative costs are less than 15% of total expenditures.
	International research institutions deliver benefits aligned to Australia's interests.	• Priority research in the Asia–Pacific region for which Australia does not have comparative advantage is addressed by international institutions. • Benefits to Australian agriculture gained through ACIAR support are judged to be valuable and significant by senior executives of DAFF and industry leaders.
2. Trained researchers in developing countries and Australia.	Capacity of partner country institutions is enhanced.	• Institute directors comment favourably on Australian study and indicate that trainees pass on skills and knowledge to other staff. • More than 90% of participants acknowledge that training was of significant personal and institutional value. • More than 100 people from partner countries take part in formal ACIAR-supported training courses annually.
	Trainees contribute to agricultural development.	• The majority of past trainees remain in their institution and/or within their national/international research and development systems. • Past trainees are involved in or contributing to ACIAR, AusAID and/or national research and development initiatives.

10 Operational performance indicators that contribute to these success factors are included in the Annual Operational Plan.

Annexes

1: ACIAR governance framework

Element	Internal control activities
Strategic leadership	Under the *ACIAR Act 1982*, as amended, the ACIAR Commission advises the Ministers on the strategic directions of ACIAR. The CEO is a member of the Commission. The functions of the Commission are: • to provide advice to the Minister on ACIAR programs • to provide advice to the Minister in relation to the funding of ACIAR programs • to provide advice to the Minister on program and funding priorities • to provide advice to the Minister, on the Minister's request, on any other matter relating to this Act.
Operational leadership	The ACIAR CEO has Head of Agency powers as set out in Part 7 of the *Financial Management and Accountability Act 1997* and Part 9 of the *Public Service Act 1999* respectively. The CEO is directly responsible to the Minister for managing the affairs of ACIAR in a way that provides proper use of the Commonwealth resources for which the CEO is responsible. As Agency Head, he/she is also responsible for managing the agency with direct accountability to the Government, the Parliament and the public.
Planning and reporting	This Corporate Plan outlines broad ACIAR directions. It was developed in consultation with the ACIAR Commission and key stakeholders and was approved by the Minister. Our Annual Operational Plans (AOPs) highlight the annual budget and research priorities that give effect to the Corporate Plan. They are approved by the Minister. The ACIAR Portfolio Budget Statements summarise outcomes, outputs, performance information and financial statements. They are consistent with the Corporate Plan and AOPs, and are tabled in Parliament. ACIAR Annual Reports provide performance information about contributions toward attainment of ACIAR's function as set out in its enabling legislation, the ACIAR Corporate Plan, the Portfolio Budget Statement and AOP. The Annual Reports must be approved by the Minister and tabled in Parliament.
Management environment	The following controlled documents define the management systems and accountabilities within ACIAR: • ACIAR Corporate Plan • ACIAR Annual Operational Plan • ACIAR Operations Manual • ACIAR Chief Executive Instructions
Financial control	ACIAR maintains accounts and records of transactions and affairs in accordance with the Finance Minister's Orders made under the *Financial Management and Accountability Act 1997.*
Risk management	The ACIAR Risk Management System includes processes for project, program and portfolio-level risk management, general compliance and operational risk management, and financial risk management.
Monitoring	The ACIAR Corporate Plan outlines a set of strategies and performance measures that provides a framework for monitoring activities and measuring performance.

2: Our legislative functions

ACIAR's goals and program objectives are derived from the functions of the Centre, as prescribed in the *Australian Centre for International Agricultural Research Act 1982*, as amended:

(a) to formulate programs and policies with respect to agricultural research for either or both of the following purposes:
  (i) identifying agricultural problems of developing countries
  (ii) finding solutions to agricultural problems of developing countries

(b) to commission agricultural research by persons or institutions (whether the research is to be conducted in Australia or overseas) in accordance with such programs and policies;

(c) to communicate to persons and institutions the results of such agricultural research

(d) to establish and fund training schemes related to its research programs

(e) to conduct and fund development activities related to its research programs

(f) to fund international agricultural research centres.

The Centre is not authorised to carry out research on its own behalf.

3: Our purpose

ACIAR'S 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.

ACIAR's mission

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

Corporate outcome

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

4: Our core beliefs

We are committed to partnerships that:

- help reduce poverty by promoting broad-based economic growth that does not cause irreversible environment damage
- respect each other's values, cultures and laws.

In our work we believe in and value:

- the commitment of our people and partners to the mission and work of ACIAR
- integrity, consultation, professionalism, fairness and ethics
- open, honest communication that is personally and culturally sensitive, within and beyond ACIAR
- scientific and professional excellence to guide decision making
- innovation and creativity within the context of the Australian Public Service values.

Regional partner countries

ACIAR works with developing partner countries across the Asia–Pacific region, and in southern Africa. Circumstances within countries can change; broad economic development, post-emergency rebuilding or civil unrest, or changes of government can all inform Australian Government policy on aid interventions. Countries in which ACIAR programs are scheduled to operate over the 2008–2012 period include:

PNG and the Pacific

- Papua New Guinea
- Fiji
- Samoa
- Solomon Islands
- Tonga
- Vanuatu

South-East Asia

- Indonesia
- Vietnam
- Philippines
- East Timor
- Cambodia
- Lao PDR
- Thailand
- Burma

South Asia (and Middle East)

- India
- Pakistan
- Bangladesh
- Bhutan
- Afghanistan
- Iraq

North Asia

- China

Southern Africa

- South Africa

Acronyms

ACIAR
Australian Centre for International Agricultural Research

AOP
Annual Operational Plan

AusAID
Australian Agency for International Development

CGIAR
Consultative Group on International Agricultural Research

DAFF
Department of Agriculture, Fisheries and Forestry

DFAT
Department of Foreign Affairs and Trade

FAO
Food and Agriculture Organization

IARC
International Agricultural Research Centres

IFPRI
International Food Policy Research Institute

OECD
Organisation for Economic Cooperation and Development

R&D
research and development

UN
United Nations

www.aciar.gov.au