

Corporate governance

	Page
ACIAR's new governance framework	121
Board of Management	122
Financial accountability and compliance	126
The Director/Chief Executive Officer	129
Policy Advisory Council	130
Chief Finance Officer's review	132



ACIAR outgoing Board of Management 2006–07—Director Mr Peter Core, Dr John Williams, Ms Joanna Hewitt, Chair Dr Meryl Williams, Mr Peter Corish

ACIAR's new governance framework

During 2006–07 the Australian Government assessed the current governance arrangements of the Australian Centre for International Agricultural Research (ACIAR) against the principles and recommendations of the *Review of Corporate Governance of Statutory Authorities and Office Holders* undertaken by Mr John Uhrig, AC, together with a range of other statutory authorities in the Foreign Affairs and Trade portfolio. The review was undertaken to achieve the most effective accountability and governance structures across the whole of Government.

In June 2007 the *Australian Centre for International Agricultural Research Amendment Act 2007* received Royal Assent. With effect from 1 July 2007 the amending legislation provides for a number of changes to the governance arrangements of ACIAR. The amending legislation implements the Government's response to the Uhrig Review. The principal purpose of the amendments is to change the governance arrangements of ACIAR from a Board of Management to an executive management structure involving a Chief Executive Officer (CEO) and a seven-member Commission.

Other key amendments contained in the amending legislation provide for:

- responsibility for the administrative and financial management of ACIAR to be changed from the Board of Management to the CEO reporting

directly to the Minister. This is in line with provisions of the *Financial Management and Accountability Act 1997*

- the revocation of ACIAR's body corporate status
- the establishment of a Commission comprising a Chair and six other Commissioners (including the CEO who may also be the Chair) to provide collective decision-making and expert advice to the Minister in relation to program formulation, priority setting, and funding and other matters as requested under the legislation by the Minister
- the appointment of Commissioners to hold office on a part-time basis for periods of up to 3 years
- the provision of Ministerial directions to the CEO concerning the performance of his/her functions under the legislation, including the strategic direction of ACIAR
- the retention of the current Policy Advisory Council (PAC), which includes key overseas stakeholders, but with no duplication of membership with the Commission.

These changes are consistent with the executive management template recommended by the Uhrig report while also providing a form of collective decision-making and expert policy advice suitable for an agency such as ACIAR. The new provisions do not alter ACIAR's mandate and functions and will have no financial impact

Board of Management

Until the end of June 2007, the Board of Management was responsible for the overall corporate governance of ACIAR under Section 7 of the *Australian Centre for International Agricultural Research Act 1982* (ACIAR Act). Through consultation with the Minister, the Board set the strategic directions of the Centre, with the Director and senior management having responsibility for implementing and managing these directions. The Board was committed to achieving the highest possible standards of corporate governance, emphasising performance-oriented management practices and accountability to Parliament and the Minister. The Board's role was to:

- establish policy and agree on high-level strategic issues
- advise the Minister in relation to the appointment of the Director, and guide and monitor the performance of the Director
- ensure good corporate governance
- promote ACIAR and its key relationships
- approve research projects.

In fulfilling these roles the Board monitored corporate and program performance and provided feedback on program development. Project proposals were presented during the early stages of their development, and the Board approved research projects in the bilateral and multilateral programs (subject to subsequent endorsement by the Minister). The Board monitored and appraised the Director's performance and ensured that operational plans and control processes were in place and working.

Board composition

The Board was comprised of five members:

- the Chair, who was also the President of the Policy Advisory Council (see later section on the Policy Advisory Council)
- the Director (CEO) of ACIAR
- three part-time members of the Policy Advisory Council.

In recognition of the strong linkages between ACIAR and AusAID, the Director General of AusAID was invited to attend Board meetings. Details of Board members as at 30 June 2007 are on page 123.

Board meetings

The Board held six meetings in 2006–07, as follows:

108 th meeting	23–28/7/06	Thailand, Lao PDR, Cambodia
109 th meeting	7/9/06	Canberra
110 th meeting	30/11/06	Canberra
111 th meeting	8/2/07	Canberra
112 th meeting	16/4/07	Canberra
113 th meeting	2/5/07	Canberra



Dr Meryl Williams
Chair

Member of the Aid Advisory Council, former Executive Officer of the Future Harvest Alliance Office, former Chair of the FAO Advisory Committee on Fisheries Research, Director General of WorldFish Center from 1994 to 2004, Fellow of the Australian Academy of Technological Science and Engineering, a world leader in fisheries research and research for development.

Appointed 5 August 2004 for 3 years.

Meetings attended: 7



Mr Peter Corish
Member

National Water Commissioner, former President of the National Farmers' Federation, Chair of the Cairns Group Farm Leaders, and a member of the International Federation of Agricultural Producers Executive.

He has previously held the position of Chairman of Cotton Australia Limited and Chairman of the Australian Cotton Industry Council, and has served on the NFF Executive Committee since 1999.

Appointed 1 December 2003 for 3 years; reappointed 1 December 2006 for 1 year.

Meetings attended: 7



Ms Joanna Hewitt
Member

Secretary, Federal Department of Agriculture, Fisheries and Forestry, and former Deputy Secretary of the Federal Department of Foreign Affairs and Trade.

She was Australia's Ambassador in Brussels from 2000–03 and before that Deputy Secretary of the Federal Department of Foreign Affairs and Trade, and Australia's APEC Ambassador.

Appointed 1 December 2005 for 3 years.

Meetings attended: 5



Dr John Williams
Member

Commissioner for Natural Resources Commission in NSW, and former Chief of CSIRO Land and Water. Dr Williams is one of Australia's leading experts on sustainable agricultural practices, the nature of agriculture as part of the natural ecosystem and its integration into natural resources management.

Appointed 25 July 2002 for 3 years; reappointed 7 July 2005 for 3 years.

Meetings attended: 7



Mr Peter Core
Director

Director of ACIAR since 31 July 2002. Former Managing Director of the Rural Industries Research and Development Corporation and held numerous senior positions in the Australian Public Service.

Appointed 31 July 2002 for 5 years; reappointed 31 July 2007 for 2 years.

Meetings attended: 7

Board performance

During 2006–07 major milestones for the Board included:

- finalisation of a performance agreement with the Director for 2006–07 and monitoring of his performance for that period
- development of the Annual Operational Plan for 2007–08 which seeks to codify program priorities for partner countries and provide enhanced operational transparency
- strategic directions for ACIAR in India
- a survey of overseas stakeholders
- implementation of the review of ACIAR's corporate governance framework and practices following the *Review of Corporate Governance of Statutory Authorities and Office Holders*
- approval of 12 medium and 38 large projects for commencement.

Conflict of interest

Board membership represents stakeholder organisations involved in agriculture, this having the potential to give rise to a conflict of interest in some decisions. Project approval with institutions from which Board members are drawn is the most notable example. Members are required to disclose any interests that may affect their position and, where a conflict exists, the relevant Board member(s) must withdraw from a decision on that particular matter. Potential conflicts are recorded in the Board Minutes which are available for consideration by the Centre's Auditors.

Ministerial delegations, instruments and directions

Section 37 of the ACIAR Act allows the Minister to delegate authority to the Board for the approval of contracts for the carrying out of agricultural research (ACIAR's research projects). The Director has delegated authority from the Minister to approve research projects and variations to projects of up to \$165,000, inclusive of GST, and to enter into all contracts for projects approved by

the Board. The Board reports to the Minister on the exercise of this delegation after every Board meeting. This mechanism enables the Minister to review proposed project-specific decisions to ensure consistency with broader portfolio considerations.

The Deputy Director (Research and Development) and Research Program Managers have delegated authority from the Minister to approve research projects of up to \$165,000 inclusive of GST, and \$50,000 inclusive of GST, respectively.

The Minister may give directions in writing to the Board with respect to the exercise of its powers or the performance of its functions. This includes directions with respect to the commissioning of particular research.

In 2006–07 there were no directions given, though the Minister indicated his desire for ACIAR to:

- take action on some of Tonga's current agricultural research needs in addition to other agricultural, fisheries and forestry matters taken up in context of ACIAR's overall bilateral partnership with Tonga; and
- proceed with a multilateral project at improving food security, nutritional health and livelihood needs of poor farmers and communities in the Central Dry Zone of Burma through enhancing legume production. This activity is consistent with Australia's humanitarian assistance to Burma.

Board costs

The direct cost of Board operations during 2006–07 was \$50,893, including fees, travel and other meeting expenses. The Director's salary and other management costs are not included. The comparative figure for 2005–06 was \$45,952.

Board remuneration

The Remuneration Tribunal sets fees for the Chair and Members of the Board. The annual fee for the Chair was \$32,750 and daily fees for Members (other than the Director) were \$488 as at 30 June 2007.

The remuneration of the Director is subject to the relevant determinations of the Remuneration Tribunal. These provisions enable the Board to determine the total remuneration, superannuation salary and performance pay components of the remuneration package, within the parameters of Remuneration Tribunal Determination 2005/19.

The Director's remuneration package at 30 June 2007 consisted of:

- base salary of \$178,405
- PSS superannuation with an employer contribution of 15.4% of base salary,
- annual performance bonus of up to a maximum of \$38,511 (for 2006–07 \$24,439 bonus was paid)
- productivity increase of 4.4%
- other negotiable benefits, consisting of car and spouse travel.

Implementation of the Uhrig review

ACIAR, as a statutory authority of the Department of Foreign Affairs and Trade, was reviewed by the Department and the Portfolio Minister, following the *Review of Corporate Governance of Statutory Authorities and Office Holders* Report by Mr John Uhrig.

As a result the *Australian Centre for International Agricultural Research Amendment Act 2007* was promulgated by Royal Assent on 28 June 2007. It provides for changes to the governance arrangements of ACIAR from a Board of Management to an executive management structure involving a Chief Executive Officer (CEO) and a seven-member Commission. The formation of the Commission will take place during 2007–08.



Financial accountability and compliance

As a statutory authority, ACIAR is subject to the policy guide-lines determined by government from time to time regarding accountability, reporting, review and general operations and is accountable through the Minister to the parliament. It is also subject to government financial and accounting policies and procedures. Staff members are employed under the *Public Service Act 1999*. Within these constraints, the centre has the power to do all things it considers appropriate for the performance of statutory functions.

ACIAR derives its financial authority from the ACIAR Act. Under the ACIAR Act the Centre, as a body corporate, may acquire, fold and dispose of real and personal property, and may sue and be sued in its corporate name. Financial powers and duties derive from the *Financial Management and Accountability Act 1997* (FMA Act) and subordinate regulations and Orders.

During 2006–07 the ACIAR Board of Management worked closely with the Department of Foreign Affairs and Trade (DFAT) to address the Government's decision to make changes to the governance arrangements in ACIAR as part of the implementation of the Government's response to the *Review of Corporate Governance of Statutory Authorities and Office Holders* undertaken by Mr John Uhrig. The principal decision was to change the governance arrangements of ACIAR from a Board of Management to an executive management structure involving a Chief Executive Officer (CEO) and a seven-member Commission, with the CEO reporting directly to the Minister. The necessary legislative changes were encompassed in the *Australian Centre for International Agricultural Agriculture Amendment Act 2007* which was assented to in June 2007.

The Centre follows accounting practices in accordance with the FMA Act and other related legislation and recognised accounting standards. ACIAR's Annual Financial Statements, presented in accrual accounting format on pages 136–168 of the report, along with all financial transactions made by the Centre, are subject to examination by the Australian National Audit Office.

Insurances

Comcover, as the manager of the Commonwealth's insurable risks, provides corporate insurance for the Centre. Comcover's coverage includes general and products liability, professional indemnity, Director's and officer's liability, property loss and damage, personal accident and official overseas travel. The cost of insurance for 2006–07 was \$64,473 (excluding GST). The premium paid in 2005–06 was \$89,800.

Liability and professional indemnity insurances were not required to be invoked in 2006–07.

Risk Management Plan

In May 2006, ACIAR reviewed and redesigned its Risk Management Plan. The review was designed both to update the plan and to simplify its presentation to improve its usefulness and transparency. The review also recognised that risks are not static and that the plan should be utilised in conjunction with a number of other complementary activity statements including:

- ACIAR's Fraud Control Plan 2005–07
- ACIAR's Security Plan 2006
- ACIAR's Business Continuity Plan 2004

In reviewing this plan a number of changes have been made to the previous versions:

- The plan now includes an identification of key strategic risks and actions
- A business risk framework with 12 risk

categories has been introduced with linkages to the strategic risk profile

- The overall business/operational risk register has been re-examined and re-weighted in the context of the current corporate and governmental environment
- The overall risk register has been simplified and the risks are accompanied by a short risk attribution comment on most risks
- The register again nominates the key officers responsible for each risk control action to ensure staff inclusiveness. It is recognised that risk management is the ongoing responsibility of the executive and all staff in the organisation.

The plan also differs from previous approaches by identifying 12 key 'significant' residual risks and associated action plans for management to address and ameliorate (not eliminate) the nominated risks. In May 2007 an Annual Progress Report was submitted to the ACIAR Board of Management.

Certification of fraud measures

The Centre's Fraud Control Plan 2006–07 and current fraud risk assessment comply with the *Commonwealth Fraud Control Guidelines* issued in May 2002.

The Centre has in place fraud prevention, detection, investigation, reporting and annual fraud data collection procedures and processes that meet the Centre's specific needs and comply with the guidelines.

The Audit Committee oversees implementation of the Fraud Control Plan. The plan is brought to the attention of new staff as part of the Centre's induction process and is available electronically to all staff.

Audit Committee

ACIAR's Audit Committee is established in accordance with Section 46 of the *Financial Management and Accountability Act 1997*. The Committee promotes and facilitates communication between the Centre's auditors (both internal and external) and

management. The Committee has the objectives of:

- providing advice to the Director and Board of Management that ACIAR's control framework is in place and working effectively
- ensuring the objectivity and reliability of externally published financial information
- ensuring the Director and Board of Management that adequate systems are in place to ensure that ACIAR complies with all legislative and other requirements.

In fulfilling its corporate governance responsibilities and overall accountability for the Centre's operations, the Board of Management provides advice on each 3-year audit program, and provides general advice on arrangements for the Audit Committee and on audit matters arising from the Committee's deliberations.

Four Audit Committee meetings were held in 2006–07. Audit Committee membership and attendance during the year were as shown in the following table.

Member		Meetings attended
Mr L Early	Chair	4
Ms L Atkinson	External Member	3
Dr R Trewin	Centre Program Manager (appointed 1 July 2004) (ceased 31 December 2006)	2
Dr S Hearn	Centre Senior Advisor (appointed 28 April 2005)	4
Dr J Davis	Centre Program Manager (appointed 1 January 2006)	4

Internal Audit

ACIAR Management provides an audit report to each Board meeting. The Audit Committee Chair attends two Board meetings to:

- present an updated annual Audit Plan for endorsement
- present audited financial Statements for Board sign-off.

The Chair of the Audit Committee is an external appointee and each Committee meeting is supported by advisers from our external auditors (ANAO), internal auditors (RSM Bird Cameron) and the Centre's Finance Unit, with the Finance Manager and Accountant both ex-officio members and responsible for Secretariat support.

RSM Bird Cameron was contracted to undertake various internal audit reviews to support the Committee. Internal audit reviews conducted in 2006–07 were:

- Travel and Credit Cards
- IT Security Follow
- Records Management.#

Audit fieldwork completed in 2006–07; final report received after 1 July 2007.

In addition, a strategic audit of ACIAR's IARC program was undertaken by RSM Bird Cameron. Fieldwork has been completed and a final report will be received in early 2007–08.

Audit Program 2005–08

The current audit program provides a more strategic focus. The program includes strategic audits of major decisions made by the Board of Management over recent years and has tailored a program to assess the impact these decisions have had. Normal compliance audits will continue, but the timeframe has been extended based on satisfactory results of recent audit work.

The Director / Chief Executive Officer



The office and role of Director as the Chief Executive Officer of the Centre is established under Section 24 of the ACIAR Act. Subject to, and in accordance with, the general directions of the Board, the Director manages the affairs of the Centre and controls staff. Specifically, the Director's functions are to:

- develop strategic and operational plans for presentation to, and approval by, the Board of Management and ensure that these plans and their component parts are implemented
- ensure the Board of Management is provided with relevant and timely decision support information
- ensure the Board of Management is properly informed about evolving key issues and alternatives for dealing with them
- manage the operational functions of the Centre consistent with its strategic and operational plans
- provide Centre staff with strong and empowering leadership to enhance the motivation, focus and satisfaction they derive from their contribution to the Centre
- nurture and enhance research alliances and represent and promote the Centre at forums and workshops
- maximise the adoption of research outputs.

The Director is appointed by the Governor-General for a term of up to 7 years and is subject to the determinations of the Remuneration Tribunal. The Tribunal has determined the Director to be an officer in the Principal Executive Officer (PEO) structure, at PEO Band C. The Board of Management is the

identified Employing Body for remuneration purposes.

The current Director, Mr Peter Core, was appointed to a second term in the position until 30 July 2009. This appointment is in accordance with the new ACIAR governance framework outlined on page 121 of this Annual Report. Under this framework the Board of Management has ceased to exist and the Director has assumed the full duties of a Chief Executive Officer (CEO) and Head of Agency 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 not subject to direction by the new Commission in relation to the performance of functions or exercise of powers under these Acts.

These governance provisions stipulate that the CEO is now 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.

Policy Advisory Council

Council composition

Council membership is limited to 14, comprising a President (the Chair of the Board of Management), ACIAR's Director, the Director General of AusAID or his nominee and not fewer than nine, nor more than 11, other members appointed by the Minister for Foreign Affairs. Members are appointed from stakeholder organisations in Australia and partner countries to bring a range of agricultural and development experience. The Minister is required, under the ACIAR Act, to ensure that a substantial number of the members of the Council are residents of countries other than Australia, and to have regard for the knowledge of appointees concerning the agricultural problems of developing countries or their experience in organising or conducting agricultural research.

The Policy Advisory Council is established under Section 17 of the ACIAR Act. The Council's function is to provide advice to the Minister regarding:

- (a) agricultural problems of developing countries
- (b) 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.

The role of the Council utilises stakeholder knowledge to provide a valuable overview for advising the Minister, the Board of Management and the Centre on matters including:

- national and regional development constraints
- opportunities for research and development collaboration
- national and regional research priorities, particularly those of ACIAR's partner countries;

- the matching of Australian expertise (Australia's competitive advantage) with these priorities
- modes of operation for ACIAR
- sources of national and international expertise.

Council meeting

Council meetings are held annually, in Australia, over several days to discuss areas related to its role and functions. During 2006–07 the Council met in Canberra on 21 May 2007. The program included discussions with the Minister in Canberra, and was followed by field visits and meetings with Australian research providers and stakeholders in Melbourne, Geelong, Werribee, Horsham, Nhill, Birchip and Mildura from 22–25 May.

At its meeting, the Council gave priority consideration to:

- research priorities as set out in a draft of the Centre's 2007–08 Annual Operational Plan
- key findings of a survey of overseas stakeholders on ACIAR's operations
- aspects of ACIAR's program that have a direct bearing on climate change and its alignment with the draft whole-of-government environment strategy for the aid program
- Australia's regulatory framework for managing genetically modified organism
- key issues relating to ACIAR's new governance framework as developed in response to the findings of the Australian Government's Uhrig *Review of Corporate Governance of Statutory Authorities and Office Holders*
- a presentation from AusAID on the increase in aid funding from the Australian Government which was the culmination of the Aid White Paper.

Council costs

During 2006–07, the direct costs of the Policy Advisory Council were \$19,590, compared with a figure \$20,038 for 2005–06. Membership of the Council at the time of its meeting in Canberra on 21 May 2007, and attendance, is set out in the accompanying table. All members attended all meetings.

Council membership* (as at 30 June 2007)

Member	Term of appointment
Dr Meryl Williams Aid Advisory Council Canberra ACT	President 5 August 2004 – 4 August 2007
Mr Brown Bai Chairman Rural Industries Council Port Moresby PAPUA NEW GUINEA	Appointed member 7 March 2005 – 6 March 2008
Mr Peter Core Director ACIAR Canberra ACT	Ex-officio member 31 July 2002 – 30 July 2007 31 July 2007 – 30 July 2009
Mr Peter Corish Commissioner National Water Commission Canberra ACT	Appointed member 1 December 2003 – 30 November 2006 1 December 2006 – 30 November 2007
Mr Bruce Davis Director General AusAID Canberra ACT	Ex-officio member
Dr Patricio Faylon Executive Director Philippine Council for Agriculture, Forestry and Natural Resources Research and Development Los Baños PHILIPPINES	Appointed member 10 March 2003 – 9 March 2005 10 March 2005 – 9 March 2008
Ms Joanna Hewitt Secretary Department of Agriculture, Fisheries and Forestry Canberra ACT	Appointed member 1 December 2005 – 30 November 2008**

Member	Term of appointment
Mr Jia Jingdun Deputy Director General Ministry of Science and Technology Beijing CHINA	Appointed member 10 March 2003 – 9 March 2006 10 March 2006 – 9 March 2009
Dr Nguyen Van Bo President Vietnamese Academy of Agricultural Sciences Hanoi VIETNAM	Appointed member 1 March 2004 – 28 February 2007 1 May 2007 – 30 April 2010
Dr Mangala Rai Secretary Department of Agricultural Research and Education Director General Indian Council of Agricultural Research New Delhi INDIA	Appointed member 10 March 2003 – 9 March 2006 1 May 2007 – 30 April 2010
Dr Achmad Suryana Director General Indonesian Agency for Agricultural Research and Development Jakarta INDONESIA	Appointed member 1 September 2005 – 31 August 2008
Dr John Williams Commissioner Natural Resources Commission Sydney NSW	Appointed member 16 July 2002 – 30 June 2005 7 July 2005 – 6 July 2008

* There were two vacancies as at 30 June 2007

** Ms Joanna Hewitt resigned from the Council on 30 June 2007



ACIAR Policy Advisory Council, 27th meeting, 21–25 May 2007.

L to R: Mr Peter Core (ACIAR Director/CEO), Dr Achmad Suryana (Indonesia), Mr Brown Bai (PNG), Mr Sam Beever, Dr Mangala Rai (India), Dr John Williams (Australia), Dr Meryl Williams (President), Mr Jia Jingdun (China), Dr Patricio Faylon (Philippines), Minister for Foreign Affairs, the Hon. Alexander Downer, MP, Dr Nguyen Van Bo (Vietnam), Dr John Skerritt (ACIAR Deputy Director/EO), Professor Tim Reeves, Professor Graeme Robertson, Mr Peter Corish (Australia)

Chief Finance Officer's review

Funding and other revenue

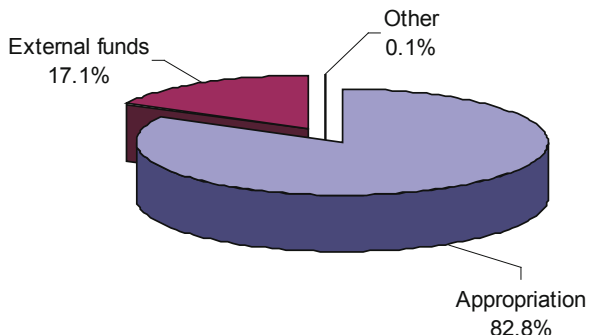
ACIAR's funding is mainly provided through Commonwealth appropriation, as determined in the Federal Budget in May each year. In 2006–07 our appropriation was \$50.362 million. This appropriation is supplemented through:

- co-funding of projects by AusAID and the Australian Greenhouse Office
- a small revenue flow from the sale of ACIAR scientific publications.

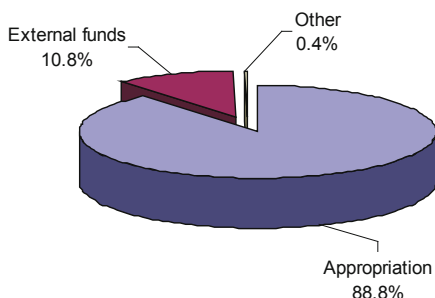
Additional funding from AusAID for both projects and training activities has increased in 2006–07. External funds in 2006–07 totalled \$10.422 million compared to \$6.016 million in 2005–06.

Appropriation has remained constant in real terms during the past 5 financial years. Total income for 2006–07 was \$60.898 million.

ACIAR Revenue 2006–07



ACIAR Revenue 2005–06

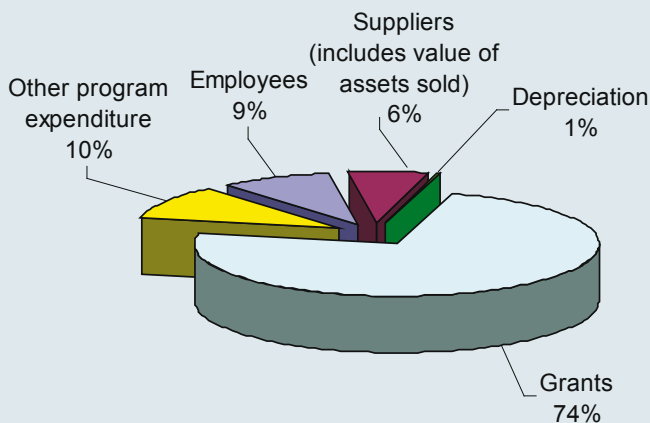


Program and operational costs

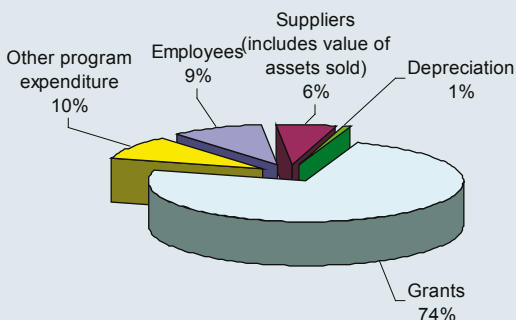
ACIAR's mandate directs the Centre to fund both bilateral and multilateral research and training activities (including educational fellowships), for the benefit of developing countries and Australia. In addition, ACIAR disseminates publications and measures the impacts of its projects.

These activities account for 84% of expenditure, expressed as grants and other program expenditure in the chart below.

ACIAR Expenditure 2006–07



ACIAR Expenditure 2005–06

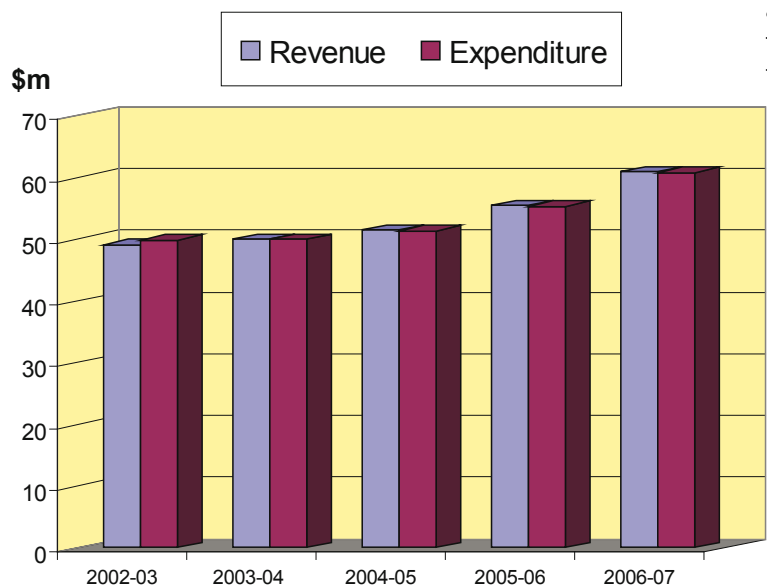


Expenditure

The costs of supporting these operations, in staffing and administration, accounts for the remaining 16% of expenditure. This has remained constant over the past 2 years.

Total expenses in 2006–07 were \$60.843 million.

Revenue and expenditure



Operating result and financial position

ACIAR operates a balanced budget and aims to achieve a small surplus each financial year. In 2006-07 this surplus was \$55,341.

Accounting policies

ACIAR complies with relevant accounting standards, relevant legislation and the Finance Minister's Orders. ACIAR's Executive and Finance Section work closely to deliver a balanced budget, including responding to the emerging needs of the Australian Government in delivering effective aid.