



Submission No 20

Inquiry into Australia's Relations with the Republic of Korea; and Developments on the Korean Peninsula

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The Catholic Agency for Overseas Aid and
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The Secretary
Foreign Affairs Sub-Committee
Joint Standing Committee on Foreign Affairs, Defence and Trade
Parliament House
CANBERRA ACT 2600

3 June, 2005

Dear Members of the Foreign Affairs Sub-Committee,

I write to you in response to the inquiry into Australia's Relationship with the Republic of Korea; and developments on the Korean peninsula.

Caritas Australia, as part of the Caritas Internationalis confederation, has been engaged in providing humanitarian and development assistance to the Democratic People's Republic of Korea (DPRK) for nearly ten years.

The people of the DPRK have been experiencing persistent food shortages throughout this time. It is not known how many deaths have occurred as a result of the famine, the peak period of which occurred between 1995 and 1997. While the shortages were initially explained to be the result of severe flooding and unfavourable climate conditions in the country, the reality remains that the country has a shortage of arable land to be self sufficient in food production.

Currently, widespread poverty and food insecurity exists among the general population and malnutrition rates remain high.

The harvest in 2004 was the best in ten years but there was still a food shortfall leaving 6.5million people in need of food assistance. In January this year, the DPRK government cut food rations from 300grams to 250 grams per person per day (only 40% of the internationally recognised minimum).

Despite the introduction of economic reforms in 2002, the hardship continues. Wages have been increased by the DPRK government but there has also been an increase in the price of food staples. This has helped create a situation where urban residents are now more vulnerable to malnutrition compared to rural dwellers. Urban families typically spend from 50-80% of income on food and have limited access to kitchen gardens and additional food supplies compared to their rural counterparts.

Over the past ten years, Caritas' assistance program, valued at more than US\$29 million, has focused on food aid, health, agriculture and inputs for vulnerable groups.

Humanitarian assistance is saving lives and is still required as the country makes its way slowly through economic transition.

The principal objectives of the Caritas program for the DPRK are:

- a) to save lives and reduce human suffering
- b) to maintain and improve nutritional status of young children and other vulnerable groups
- c) to strengthen health services at county and village level
- d) to support agricultural production and diversification
- e) to enhance local capacity

The shift from humanitarian assistance to the establishment of development projects has happened gradually as engagement with our local DPRK partners has advanced. Our relationship with the DPRK people and authorities has been established through regular field and monitoring visits. Five to six visits annually have been made by Caritas Hong Kong, the liaison agency for the Caritas confederation program. Other Caritas agency representatives, including Caritas Australia, have been part of these visits.

Monitoring of distributed food and goods has been stringently implemented with the assistance of the United Nations World Food Program (WFP) and Caritas is confident that most of the aid is reaching the right people and no major diversion has been discovered.

This long-term engagement and building of trust has made more long-term development oriented cooperation and projects possible.

New avenues of collaboration have opened up over this time. Access has branched out from nurseries and kindergartens to disabled children in residential schools, for example. Capacity building projects have been established. The DPRK have especially requested assistance with technical projects, however moving forward with such projects will require significant commitment from both parties and continuing improvement in the quality of our interaction.

Caritas remains optimistic about this ongoing, development relationship and now has three priorities for the DPRK program:

- Continuation of humanitarian aid
- Support for long-term interventions
- Peace building and reconciliation initiatives

in order to improve the situation on the Korean peninsula.

Caritas encourages government initiatives for humanitarian and development assistance as a concrete sign of solidarity with the people of the DPRK. Such support is essential because it assists the most vulnerable but it also opens the door of dialogue and inclusion to a people who are marginalised by much of the world. It is

important not to allow political tensions overshadow the possibilities for positive engagement.

Caritas believes that by maintaining an active relationship by means of communicating and cooperating, a positive contribution towards a managed change, transition and ultimately peace and reconciliation on the Korean peninsula can be made.

Yours sincerely,

Margaret McCafferty

A handwritten signature in blue ink, appearing to read 'Margaret McCafferty', with a stylized flourish at the end.

East Asia Program Coordinator
Caritas Australia