



Submission No 11

Inquiry into Australia's Relationship with Timor-Leste

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Joint Standing Committee on Foreign Affairs, Defence and Trade
Foreign Affairs Sub-Committee



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Mr John Carter
Foreign Affairs Sub-committee Secretary
Joint Standing Committee on Foreign Affairs, Defence and Trade
Foreign Affairs Sub-committee
PO Box 6021
Parliament House
Canberra ACT 2600

Dear Mr Carter

Inquiry into Australia's relationship with Timor-Leste

Please find attached the Australian Centre for International Agricultural Research (ACIAR) submission to the *Inquiry into Australia's relationship with Timor-Leste*.

I hope the attached submission is of assistance.

My best wishes for a successful and productive inquiry.

Yours sincerely

Nick Austin
Chief Executive Officer



Australian Government

**Australian Centre for
International Agricultural Research**

SUBMISSION TO THE

**JOINT STANDING COMMITTEE ON FOREIGN
AFFAIRS, DEFENCE AND TRADE**

**INQUIRY INTO AUSTRALIA'S RELATIONSHIP
WITH TIMOR-LESTE**

MARCH 2013

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Joint Standing Committee on Foreign Affairs, Defence and Trade

Inquiry into Australia's Relationship with Timor-Leste

Executive Summary

The Australian Centre for International Agricultural Research (ACIAR) is a statutory authority that operates within the Foreign Affairs and Trade portfolio. The Centre's activities are part of Australia's Aid Program, with the objectives of advancing Australia's national interest through poverty reduction and sustainable development. ACIAR was established in 1982 to assist and encourage agricultural scientists in Australia to use their skills for the benefit of developing countries while at the same time working to solve Australia's own agricultural problems.

ACIAR facilitates the undertaking of agricultural research in developing country partners by working with the countries to identify their needs and priorities. These are matched with Australian research providers who identify the opportunities to extend their work to meet developing country needs in agricultural science and related disciplines. ACIAR also funds R&D to assess and enhance the policy environment affecting the adoption of the results of the research undertakings.

ACIAR commissions research groups and institutions, including universities, CSIRO and State departments of primary industry, private consultants and non-government organisations (NGOs) to carry out agricultural research projects in partnership with their counterparts in developing countries. In this submission the term 'agriculture' includes fisheries and forestry research.

Given its agricultural research funding, regional partnerships and management roles, ACIAR's activities may have a bearing on some aspects of this Joint Standing Committee Inquiry's terms of reference. In particular, ACIAR's activities make a contribution to:

- Aid including support with governance issues
- Cultural, educational and scientific relations and exchanges.

Australia is justifiably regarded as a world leader in a range of arid, semi-arid, temperate and tropical agricultural research and production systems, some of which is directly relevant to conditions in Timor-Leste. Australian researchers and agricultural producers also operate in similar agro-ecological conditions to those prevailing in a number of Asian and African regional countries. In addition to research partnerships ACIAR also provides for both formal and informal capacity building activities through both educational and joint project undertakings. Capacity building in its various formats is considered an important means of enabling developing countries to maintain ongoing research in the future and to improve the prospects of adoption and sustainability of research results including new technologies and agricultural systems.

Against this background ACIAR works to:

- Deliver multidisciplinary agricultural research outcomes to improve sustainable agricultural production and food security in developing countries – this research covers crops, livestock and fisheries, natural resource management, economics and social sciences
- Fund informal and postgraduate training to build developing country research capacity to deliver and implement projects
- Communicate the results and impacts of its research
- Conduct and fund development activities that support research programs
- Administer the Australian Government's multilateral research partnerships including contributions to the research centres of the Consultative Group on International Agricultural Research (CGIAR).

In this submission further detail is provided for the Joint Standing Committee on Foreign Affairs, Defence and Trade covering ACIAR's involvements in Timor-Leste.

Timor-Leste Agricultural Research

Medium Term Strategy

Agriculture provides livelihoods for more than 80% of the Timor-Leste population, and accounts for 30% of GDP. Around 40% of all households rely on subsistence agriculture. A large proportion of these households are food insecure, experiencing a 'hungry season' of up to 4 months each year.

The immediate challenge for the food crops sector is to increase production of the main staples. Crop yields are very low by regional standards. While a range of factors contributes to this low productivity (e.g. limited use of fertiliser, poor crop production practices), the restricted availability of improved varieties with higher yields than local varieties is critical.

Livestock production is almost totally managed by individual households, very few of which are specialist livestock raisers. Traditional management systems and poor market access lead farmers to produce a significant percentage of unproductive animals. There is scope to enhance livestock productivity through research and improved practices based on local conditions and capacity building at farm and institutional levels.

Timor-Leste is well endowed with marine fisheries resources in its 200-nautical-mile exclusive fishing zone, but lacks a coherent policy framework and investment strategy to optimise opportunities and minimise threats. Weaknesses in policy, as well as limited capacity to manage, monitor and protect its fisheries resources, expose the country to illegal fishing by foreign fleets that threaten to deplete fish stocks. There is also considerable scope to better integrate freshwater aquaculture with agriculture to reduce food security risks through more-diversified livelihoods.

ACIAR's research agenda supports Timor-Leste's Strategic Development Plan 2011–30 and the Australia–Timor-Leste Country Strategy (2009–14) through the following medium-term research priorities:

- Improving smallholder and community livelihoods through improved varietal selection and distribution of staple crops
- Improving productivity and resilience of livestock, fisheries and horticulture systems
- Improving individual and institutional R&D capacity in the Ministry of Agriculture and Fisheries (MAF)

ACIAR works closely with AusAID in Timor-Leste particularly in the Seeds of Life program (SoL) which has made considerable progress in introducing and disseminating new crop varieties suited to small farm conditions in that country (see below). In the immediate future ACIAR will also work with AusAID, DFAT and Timor-Leste government agencies to identify practical proposals for trilateral cooperation between Australia, Timor-Leste and Indonesia to address problems and opportunities of common interest. As illustrated below a some current ACIAR projects already have trilateral involvement with Indonesia and Timor-Leste which can be built on as required in the future.

2013–14 Research priorities and projects

Improved varieties of staple crops

Under the first phase of the Seeds of Life (SoL) project, which commenced in 2001, improved stocks of staple food crops (sweetpotato, maize, rice, peanut and cassava) were identified through field trials in both lowland and highland environments of Timor-Leste. In 2005 AusAID and ACIAR jointly sponsored a 5 year second phase of Seeds of Life (SoLII), focusing on the introduction and evaluation of improved crop varieties while devoting more resources to seed production; identification of improved crop management techniques; farmer participation in selecting crop varieties; and training of MAF staff and others in seed production, crop research and extension. Five Consultative Group on International Agricultural Research (CGIAR) centres and other institutions continue to supply genetic stocks and expertise to maintain the variety pipeline. Non Government Organisations (NGOs) are increasingly involved in dissemination of selected and released varieties that are locally well adapted, have tolerance or resistance to the commonly encountered pests and diseases, and are highly robust to stresses associated with variation in climate and soil. These adaptive traits are combined with high levels of consumer acceptance.

Seeds of Life III

Seeds of Life I and II made considerable progress in introducing new varieties, but the task is far from complete. In 2011 AusAID, ACIAR and MAF jointly sponsored a 5-year, \$27.3 million third phase of Seeds of Life (SoLIII), which maintains the focus on increasing the yields of staple food crops by selecting and distributing improved varieties of superior genetic quality, but also aims to establish the foundations of a national seed system based on both formal and informal approaches.

Increased productivity and resilience of livestock, fisheries and horticulture systems

MAF's goal for Timor-Leste's livestock sector is 'a productive and well-served sector that is integrated into the nation's agricultural production systems, provides nutritional animal products to satisfy local demand, increases farmers' incomes, and contributes to the nation's export earnings'. ACIAR is assisting MAF to achieve this goal by supporting a medium-term livestock research-for-development program. The program has a 10-year vision and strategy consisting of on-station testing and on-farm adaptation of small-scale livestock production and health management technologies (especially for cattle, goats and pigs) developed in similar biophysical conditions and farming systems in South-East Asia (especially Indonesia).

Timor-Leste has considerable potential to improve food security through sustainable fisheries and increased aquaculture production, but lacks a coherent policy framework and investment strategy to optimise opportunities and minimise threats. A strategic approach to fisheries and aquaculture development is required to best serve the aspirations of Timor-Leste, and to avoid the pitfalls of ad hoc initiatives. ACIAR is currently scoping an aquaculture and coastal fisheries management research proposition with Timor-Leste partners.

Rabies risk assessment in eastern Indonesia, Timor-Leste, Papua New Guinea and northern Australia

Rabies is endemic in Timor-Leste and most of Indonesia, and is threatening provincial areas that are currently free of the disease in eastern Indonesia, as well as Papua New Guinea and northern Australia. This project will assess the risk of further spread of this disease and provide information to help design and implement more effective surveillance strategies to detect the spread of rabies and to improve rabies control in this sub-region.

A regional approach to risk-based control of Classical Swine Fever in West Timor and Timor-Leste

Classical swine fever is endemic in Timor-Leste and most provinces of Indonesia, and is threatening provinces that are currently free of the disease in eastern Indonesia. This project will explore risk factors for the spread of classical swine fever on the island of Timor, where the disease is endemic, and develop collaboration between Indonesia and Timor-Leste for research on and implementation of control programs.

Improved food and nutritional security through sustainable fish production in Timor-Leste

A viable aquaculture policy is a priority for the National Directorate of Fisheries and Aquaculture. This project proposes to develop a National Plan of Action for Aquaculture, map fisheries and aquaculture potential and dependence, and initiate the development of an inshore fisheries strategy to guide investments in fisheries management and production in Timor-Leste.

Enhancing smallholder cattle production in Timor-Leste

As Timor-Leste's economy grows, the demand for livestock products is also growing but the majority of farmers and support agency staff are under-skilled, thus limiting identification and adoption of better cattle management practices. This project is using a whole-of-chain approach to assist households to move from being mostly cattle keepers to becoming producers and breeders with better market access.

Strategies to improve Bali cattle production in Timor-Leste

Both the Indonesian and Timor-Leste governments have requested that Australia assist relationship building between the two countries through trilateral research cooperation. This project mobilises Indonesian researchers to work with ACIAR's project on enhancing smallholder cattle production in East Timor. Simple feeding and management improvements for Bali cattle that have been proven in villages in eastern Indonesia will be adapted to the conditions of Timor-Leste.

Integrated pest management of mealy bug in papaya in Timor-Leste and Indonesia

Papaya is an increasingly important food security crop in Timor-Leste, and has potential for income diversification and export in Indonesia; however, production is currently constrained by infestations of mealy bug, which are rapidly spreading in both countries. This project will develop IPM strategies based on biological control agents that will be tested commercially in Timor-Leste and in Java and Sumatra in Indonesia.