

**Foreign Affairs, Defence and Trade References Committee
Australia's Relationship with PNG and the Island States of the South West Pacific**

July 2002

1. Background

1.1. Australian Volunteers International

- 1.1.1. Australian Volunteers International is Australia's largest international volunteer sending agency. Since 1951 some 6000 assignments have been facilitated in 68 countries throughout Asia, Africa, the Pacific, Latin America, the Middle East and in remote indigenous communities in Australia. Successive Australian Governments have provided support to Australian Volunteers International since 1965 to manage the Australian Volunteer program.
- 1.1.2. Australian Volunteers International recruits, briefs and mobilises volunteers in response to requests from partners. Volunteers are usually paid a salary, equivalent to their local counterpart, and are generally assigned for a period of two years. In the last two decades the organisation has also provided high quality design and implementation of a wide range of personnel-based development cooperation projects funded by bilateral and multilateral sources. In 1971 Australian Volunteers International became the Australian managing agent for the United Nations Volunteer program (UNV).
- 1.1.3. The concept of people centred development is pivotal to the work undertaken by Australian Volunteers International. Australian Volunteers work and live alongside their national colleagues which is integral to building cultural understanding between Australia and its partners in developing countries. This approach is particularly pertinent in the Pacific Region where social relationships influence all aspects of community, business and political life.

1.2. Australian Volunteers International Working in Papua New Guinea and the South Pacific

- 1.2.1. The key strength of the Australian Volunteers International program in the Pacific region has been its commitment to work across all parts of the Pacific including Micronesia. In contrast to many other organisations that work only in Polynesia or Melanesia, this Pacific wide commitment has provided Australian Volunteers International with the unique opportunity to develop insights into the macro and localised issues which affect communities across the region and to develop strong partner relationships on a regional and country specific basis. In the last four decades Australian Volunteers International has assigned close to 2500 Australian Volunteers in the Pacific region, comprising more than 1300 in Pacific Island states and more than 1100 in Papua New Guinea (PNG). Volunteers in PNG and the Pacific have worked across all sectors, in urban and rural settings, providing technical assistance, capacity building and mentoring at all levels of government and in a diverse range of non-government and church based organisations. This has enabled Australian Volunteers International to work with partners at the highest levels of government through to isolated village communities.
- 1.2.2. Historically Australian Volunteers have predominantly worked at the local level in the education, health, rural development and infrastructure development sectors. However in order to remain responsive to partner needs and to changing development priorities in country, the programs of Australian Volunteers International have evolved over time. While the ongoing needs in health, education and rural and community development remain an important focus for Australian Volunteers

International, involvement in governance related positions has grown. In recent years Australian Volunteers International has worked in public sector reform and in support of the concept of 'good governance'. Australian Volunteers have been assigned as economic and social planners, lawyers, accountants, administrators and information technologists. The Australian Volunteer program has also responded to the growing need in the non-government sector and the increasing emphasis on strengthening civil society.

- 1.2.3. The work of Australian Volunteers International is guided by a commitment to tailoring programs to local needs; working collaboratively with key stakeholders; developing programs to a scale that is appropriate and realistic for partners; using participatory processes; and engendering culturally appropriate skills transfer. The Australian Volunteer program delivers a highly visible and practical contribution to development. This ability to sustain effective working relationships at a number of different levels adds substantial value to Australia's support for long term development of PNG and Pacific Island states. The distinguishing feature of the Australian Volunteer program is its capacity to contribute to both complex systemic change and service delivery through the provision of skilled technical assistance at the same time as promoting cross cultural exchange and understanding.
- 1.2.4. Australian Volunteers are in a unique position to become involved in community education and advocacy work on their return to Australia. They are able to speak from first-hand experience about issues of aid and development and their relationship to the everyday lives of the people with whom they have lived and worked. Australian Volunteers International encourages and supports returned volunteers to share their experiences and insights formally and informally within their communities. This helps to enhance community awareness and to inform public opinion concerning international development cooperation and development issues within Australia.

1.3. Past Responses – An Overview

- 1.3.1. It is notable that Australian Volunteers International has made several submissions to similar inquiries dating back to the early 1980s. These submissions have highlighted the:
- need to recognise the inherent capabilities of PNG and other Pacific Island states to identify development solutions that suit their conditions and environment and to adopt collaborative approaches which ensure that growth and development is equitable and that it promotes self determination and accountability;
 - strength and consequent implications of Australia's unique past relationship with PNG and its other Pacific neighbours and the diminishing opportunities to engender cultural understanding at an individual level;
 - continuing insistence of much of the media in portraying negative and narrow images of PNG and other countries in the Pacific without providing well founded analysis of the global and regional issues which impact on the development of the region. This limits understanding of the region and Australia's role and responsibilities within it;
 - importance of supporting the work of non-government organisations and their efforts in building capacity at the community level, alongside the push for institutional strengthening and sector wide reform programs. Non-government organisations have a key role in building relationships which exist outside donor funding arrangements and which facilitate outreach into the community;
 - role of human development and the need to ensure that the significant social and cultural costs, which accompany programs, based on economic reform are appropriately addressed. This relies on addressing the underlying causes of poverty and disadvantage rather than responding to the symptoms;

- changing nature of aid delivery and the potential to lose sight of the contribution which can be made through small scale community development; and
- ongoing development challenges which face PNG and other Pacific Island countries in view of diminishing infrastructure, the increasing impact of globalisation and the reduced capacity to service growing debt.

1.3.2. Many of the issues raised since the early 1980s remain just as relevant today. However the impact of globalisation, changing dynamics in the region and the direction of both Australia's aid and foreign policy have further increased the complexity of the region and consequently the nature of Australia's relationship with PNG and Pacific Island nations. This current submission emphasises the importance of people-centred development in sustaining respectful and cooperative social, cultural, economic and political relations within the region.

2. Enhancing Australia's Relationship with PNG and Pacific Island Countries

2.1. Developing Community Knowledge and Awareness

2.1.1. Australian Volunteers International strongly supports the notion of integrating economic, social and cultural development as an underpinning principle of Australia's development cooperation program. The opportunity to develop cultural exchange and understanding is central to the work of Australian Volunteers International within the Pacific region. This has relied on maintaining high quality working partnerships that have focussed both on achieving the outcomes required of a volunteer placement *and* on the development of the 'goodwill', which is generated through respectful and collaborative partner relationships.

2.1.2. It is evident that interpersonal contact at all levels of government and community interaction is an important facet of working in the Pacific region, yet Australian knowledge of Pacific cultures and the social, economic and political issues faced by our closest neighbours is limited. The intense historical ties that once existed between Australia and its Pacific neighbours have diminished with time, resulting in decreased interpersonal connection and understanding. This contemporary lack of understanding underpins a prevalent perception that some Pacific Island states are incompetent and 'under – developed'. This deficit in knowledge and understanding of other countries and cultures within the region has impacts at all levels in Australia's relations with Pacific Island states.

2.1.3. In recent years one of the manifestations of this has been the apparent reluctance of Australia to involve the highest levels of political leadership in regional government forums. This lessens the opportunity to build effective cultural understanding at a government to government level. Indeed, it appears to reinforce the perception that, apart from its interest in maintaining trade relations, Australia is distancing itself from the region rather than identifying as an integral part of the region.

2.2. Recognising Social and Cultural Development

2.2.1. The cultural and social aspect of development is often minimised or neglected in the design and delivery of aid projects and programs. The Australian Volunteer program forms a solid basis on which to build future cooperation through human development. Volunteers can facilitate institutional, organisational and personal links in areas such as education, health, agriculture and community development. This broad base of personal contact and technical exchange is imperative in securing improved social connections, trade and business development.

- 2.2.2. The Australian Volunteer program projects a strongly identified Australian presence in PNG and Pacific Island countries which also acts as a practical demonstration of Australia's outreach into the region. It is an opportunity to promote the notion of Australia as a responsible neighbour within the region. However, to work effectively and cooperatively with Pacific Island states and to engender a sense of Australia's commitment to development in the region relies as much on making positive social and cultural connections as it does on making appropriate policy and program development decisions. For this reason, it is clear that the appropriate preparation of personnel going to work in a new cultural context is crucial. This is a direction, which Australian Volunteers International believes, should be set as a priority by AusAID when designing and budgeting for future programs and projects within the region.
- 2.2.3. On a practical level Australian Volunteers International has incorporated the concept of cultural development into its 'youth' programs in PNG and Vanuatu. These are carefully planned to ensure that the young Australian participants engage their own community through fundraising and other awareness activities at the same time as ensuring that the local host communities are involved in decision-making about program development. In the pilot PNG program, for example, Koiari communities identified the reconnection between their people and young Australians as a significant step towards better understanding of Australian culture. This is rejuvenating the historical relationships between Australia and PNG dating from World War II. It has also added a practical and human dimension to the ongoing discussion about the future accessibility of the Kokoda Track. The sustainability of this program would be enhanced by the provision of some recurrent funding to enable volunteers to undertake relevant community projects.
- 2.2.4. The strength of the volunteer program is the ability to place people in neighbouring countries who are equipped to both provide high level technical assistance and to live and work harmoniously within the community for extended periods. Australian Volunteers have the opportunity to develop and maintain a practical working knowledge of Pacific Island states and to rejuvenate contact at a personal level. Programs, which integrate opportunities for people to people links, have the potential to continue to build lasting social, cultural, economic and political relationships.

3. Linking 'Good' Governance and Strengthened Civil Society

3.1. Good Governance is a Community Wide Issue

- 3.1.1. Australian Government policy in the region is focussed on the need to achieve good governance through institutional reform as well as recognising the need for development of an effective skill base, transparency, accountability and sustainability. However good governance cannot be considered in isolation from the need to develop civil society and to address issues of equity, community participation, promotion of human rights, inclusiveness and recognition of the existing indigenous governance infrastructure. The strengthening of civil society cannot be achieved only through a government to government interface.
- 3.1.2. The link between good governance and strengthened civil society is increasingly important in light of the complex social, economic and environmental issues which affect the region including:
- continuing urbanisation of what have been largely rural based economies;
 - impact of globalisation on trade and other aspects of their economy;
 - impact of climate change and the challenge of sustainability of the natural resource base; and
 - social, cultural and economic costs of the HIV/AIDS pandemic.
- 3.1.3. Australia's governance building programs have tended to focus on national government, legal and financial institutions. Governance programs, and national government functions, are not always widely understood or supported in the general community. There is a need to broaden the scope of

governance to include work with non-government and church based organisations and village communities. It is vital for the achievement of good governance practice and for development and stability in the region to ensure that communities also have access to basic rights and services such as education.

- 3.1.4. Responding adequately to these issues requires enormous effort and resources at all levels from national government to the community or village base. Increasingly non-government organisations are acting as service providers, which may well limit their capacity to take up an advocacy role or to act as a catalyst for change at the community level. Non-government organisations are expected to run sustainable projects but do not have access to funding for core activities. Equally, aid programs often ignore the role and capacities of church organisations. This has significant consequences in an environment affected by rapid change. Australian Volunteers International supports the need for multiple approaches to facilitate good governance practices and strengthened civil society. The role taken by Australian Volunteers International in this regard is to support the development of social capital and infrastructure at a government and non-government level through the provision of long term technical assistance.

3.2. Structural Reform – Responding to Community Needs

- 3.2.1. Public sector reform is seen as a critical governance issue in PNG and other parts of the Pacific. These reforms have been cited as the cause of considerable unease in the region, particularly evident in the community protests against privatisation in PNG in 2001. Australian Volunteers International acknowledges that this process presents an ongoing dilemma in the context of development and needs to be carefully managed to suit the local conditions. The downsizing of government and the need to achieve efficiency and accountability has to be reconciled with the fact that it creates unemployment in communities where the government is a major employer and where there is no alternative safety net.
- 3.2.2. It is clear that there are simply not the natural resources or potential for economic growth of industry to offer viable alternatives for employment in many countries. This reduces the impact of poverty reduction strategies and potentially feeds the factors, which underpin increasing law and order issues in various countries within the region. The move to strengthen governance may be more sustainable and effective if it recognised and integrated into the traditional structures of authority which govern many Pacific societies. The importance of loyalty to kinship groups and local and community-based structures and the potential to conflict with overarching national government structures and institutions cannot be underestimated.

3.3. Staffing Assistance Programs– A Positive Response

- 3.3.1. Australian Volunteers International has worked with partners at the highest levels of government through to isolated village communities across the region. Working across this spectrum provides an opportunity to appreciate the interdependence between the different levels which govern Pacific societies. The relevance of national government institutions has been challenged in many Pacific Island countries, as evidenced by the recent upheaval in the Solomon Islands. In situations such as this there is considerable potential for Australian Volunteers International and other non-government organisations to play a dual role in developing support for good governance at the same time as facilitating a strong role for civil society.
- 3.3.2. Appropriate staffing assistance programs can add value to the process of public sector reform by facilitating exchange of technical skills at the same time as building cultural understanding. The approach of Australian Volunteers International differs from commercial firms in that it recruits and mobilises people in response to requests from a host employer. Australian Volunteers often fill in-line positions, which then enables them to exchange both technical skills and social and cultural

experiences. This establishes a different level of engagement to that which might occur if personnel are working as short-term advisers.

- 3.3.3. The capacity to recruit and support personnel with the appropriate cross-cultural and technical skills is integral to the development of strategically focussed technical assistance programs. For example, the Pacific Technical Assistance Facility (PACTAF) delivered by Australian Volunteers International in parts of the Pacific provides an effective model for placement of volunteers that are skilled, experienced, appropriately briefed and who receive a moderate salary. Volunteers are assigned in response to technical assistance needs which are agreed at a government to government level. This program could be replicated in PNG and strengthened across the region. The enhancement of this strategy would contribute to development of effective governance mechanisms which also encapsulate the needs of the Australian Government, the host government, the public sector employer and the general community.

4. Working for Regional Stability and Peaceful Reconstruction

4.1. Reconciling Perceptions and Reality

- 4.1.1. One of the complexities of the Pacific region is that it is presented on the one hand as an idyllic peaceful setting and on the other as a region that is threateningly 'unstable'. This dichotomy often precludes strong analysis of the social, economic and political issues that impact on the region. Irrespective of this prevalent tendency to idealise the Pacific it is clear that the serious civil conflicts, which have emerged in the region in recent years, have had untold impact on the people of the countries involved. The reasons for this are complex and longstanding but the impact within the region is immediate and immeasurable in terms of its social and cultural costs. The political and social instability in parts of the region has not lessened the commitment of Australian Volunteers International to respond to emerging regional needs through the Australian Volunteer program.

4.2. Contributing to the Reconstruction of Bougainville

- 4.2.1. The capacity of Australian Volunteers International to respond to situations arising out of civil disturbance is well illustrated by its work in Bougainville prior to, during and after the civil conflict that besieged the community for over 10 years. Australian Volunteers International has worked with key government and non-government organisations within Bougainville to build cooperative and coordinated working relationships. The quality and continuity of the Australian Volunteer program in Bougainville has been an important indicator of the Australian Government's commitment to the peace process. The placement of Australian Volunteers has contributed to the gradual building of trust between Australia and the people of Bougainville. The Australian Volunteer program has contributed to the delivery of support to the community, irrespective of local allegiances, through provision of health, education, micro-finance and reconstruction initiatives.
- 4.2.2. Bougainville is at a critical juncture in terms of the need to rebuild systems and capacity yet one of the key impediments to further development of the Australian Volunteer program in the Province is the scarcity of resources, such as housing. This is compounded by the limited capacity of the new government administration to provide a volunteer salary. Australian Volunteers International would support the development of a technical assistance program for Bougainville to meet the key technical assistance needs of the Province in a timely and strategic way.

4.3. Responding to Emerging Needs in the Solomon Islands

- 4.3.1. Australian Volunteers International has been working in the Solomon Islands since 1964 and therefore has had the opportunity to develop solid partnerships. This underpins a commitment to continue to undertake long term work in the region and to consolidate collaborative approaches in response to locally identified needs.

- 4.3.2. Australian Volunteers International is responding to the emerging needs within the Solomon Islands through selective volunteer placements with the Solomon Islands Government, non-government organisations and international non-government organisations. As the situation in the Solomon Islands unfolds there will be further key opportunities to support peaceful reconstruction through the strategic placement of Australian Volunteers. However this requires an ongoing dialogue with both the Australian and Solomon Islands Government to ensure that any intervention through the Australian Volunteer program is timely and targeted.
- 4.3.3. It is clear that there is an emphasis on rebuilding governance and institutional capacity and infrastructure in the Solomon Islands. However this should not be done at the expense of small-scale development initiatives. The large youth population of Melanesia lacks opportunities for education and employment and there is a significant drift from villages into towns where it is inevitable that law and order problems will worsen. Although the urgency and gravity of this situation is well understood, there are very few initiatives which address the underlying issues. There is considerable need and scope to support local organisations to develop programs for women, young people and other affected community members of the Solomon Islands. It is important that this work is conducted in both urban and rural centres and through partnerships based on collaboration and trust. Australian Volunteers International is well placed to contribute to the future development of the Solomon Islands.

4.4. Building Social Capital within the Region

- 4.4.1. The technical and personal contribution made by Australian Volunteers is an important investment in building social capital in the region. It is critical for addressing key needs, facilitating community engagement and establishing a solid foundation for long-term recovery and sustainable development.
- 4.4.2. The volunteer program provides Australian Volunteers International with a unique perspective and understanding of the issues facing the region. Australian Volunteers International seeks the support of the Australian Government to provide adequate resources to enable not only the larger scale capacity building and institutional strengthening projects across the region but also for volunteer programs which are effective in working at the community and district level.

5. Australia's Development Cooperation Program

5.1. Guiding Principles

- 5.1.1. Australian Volunteers International has been working in parts of the region for close to four decades. The underpinning principles which guide this work include the:
- recognition that economic development cannot be successfully addressed in isolation from social, cultural and environmental development;
 - importance of 'human development' as an integral aspect of development cooperation and the longstanding partnerships, people to people links and cultural understanding that derive from it; and
 - necessity of engendering community partnership and participation as key facets of sustainable development.

There are several issues relevant to the development program which Australian Volunteers International would like to address in light of these principles.

5.2. Aligning Foreign Policy and Development Cooperation Objectives

- 5.2.1. The principles of collaboration, consultation and cooperation are imperative to the achievement of reasonable development outcomes within the region. Australian Volunteers International welcomed the shift from a donor/recipient model of aid delivery within the region to a development cooperation model. However the residual influence of a donor-recipient model, where there is an implied imbalance in power relations between countries, has re-emerged in the last year. The most notable example is the recent push to implement the so-called 'Pacific Solution', where many Pacific Islanders have seen Australia as exerting coercive influence in the region.
- 5.2.2. This view was clearly articulated in a joint statement on Refugees in the Pacific (26 October 2001) issued by, amongst others, the Pacific Conference of Churches, Pacific Islands Association of Non-Governmental Organisations (PIANGO) and the Foundation of the Peoples of the South Pacific. The signatories to the document stated: *'We appeal to the Pacific Island Governments to carefully consider the long-term impact and consequences of accepting Australian aid deals in connection to the refugees. To welcome and accommodate Australian refugees for the sake of money will add more problems and will have adverse impacts on our communal life as Pacific communities, as well as our sovereignty.'* Such perceptions demonstrate the clear potential for aspects of Australian government foreign policy to undermine the objectives of aid projects targeted to strengthen governance in Pacific societies.
- 5.2.3. One of the consequences of this approach is that Australian involvement in the region is not always perceived as modelling good governance despite the emphasis that it receives in the development cooperation program. As part of the region, Australia must be seen to continue to enhance rather than reduce its outreach and support into the Pacific. This is particularly important in view of the apparent emergence of other key donors such as Japan, China and Taiwan in the region. This shift in dynamics further complicates Australia's relationships within the region.

5.3. Counting the Contribution of the 'Not for Profit' Sector

- 5.3.1. The participation of not for profit organisations in the bilateral program can build links with partner organisations in PNG and the Pacific which cannot be effected through commercial contracts. While non-government organisations are generally committed to delivering high quality, cost effective outcomes their capacity to do more work in the region is increasingly limited by rising expenses. The diversity of cultures and language, the difficulty with communication, the logistics and limited transport infrastructure all add to the cost of undertaking long term work within the region. The commitment to long term development outcomes which non-government organisations can provide depends on the ability to access sufficient resources. The effective involvement of non-government organisations in the bilateral program requires a range of funding mechanisms other than commercial tenders.

5.4. Supporting and Strengthening Community Initiatives

- 5.4.1. Australian Volunteers International supports an approach that ensures that funding initiatives are accessible to small non-government and community-based organisations as well as commercial firms and large organisations. It is clear however that this is not always achieved. There is little opportunity, for example, for many non-government organisations to successfully access the PNG Incentive Fund because they do not have the capacity or infrastructure to absorb the minimum level of funding required of projects.
- 5.4.2. While the intention of the Incentive Fund was to target those organisations with an established track record, including the private sector, it is clear that the level of funding has been seen as an attractive opportunity by organisations at various levels. The promotion of the fund has in part prompted

unrealistic expectations within the community, which largely cannot be met. While the Community Development Scheme is designed to provide an alternative option for community organisations it has been difficult to administer as a national program and has subsequently remained out of reach to many communities.

- 5.4.3. While both these schemes have no doubt delivered some positive results, it is critical to ensure that there is an effective interface between them and that the focus is on enabling communities and organisations to develop at a scale and pace which is appropriate to their needs. The pattern of benefits and impacts that come with an aid program of the size offered by Australia in PNG must be monitored and reviewed rigorously. If the provision of aid is based only on the notion of commercially based contestability it will disadvantage and small organisations which work at the community level. The end result of this approach is that those organisations which have a 'proven track record' continue to grow and those that do not continue to struggle.
- 5.4.4. The need for efficient, effective and accountable development does not always need to equate with high cost. The Australian Volunteer program is an excellent 'training ground' for developing 'a pool' of Australians who have an understanding of development cooperation and who are committed to working in partnership with the people of developing countries. Australian Volunteers International supports the concept of designing volunteer positions which attract mid-range salaries into donor funded projects. In the long term this may assist in addressing the perception that the administration costs of many projects are disproportionate to the resources that actually reach target communities.

5.5. Balancing Institutional and Community Based Change

- 5.5.1. It is evident that strengthening the capacity and leadership at all levels of society is required to facilitate appropriate community participation in change processes. The development cooperation program is at risk of over-emphasising the need to build capacity and leadership at an institutional level, and neglecting the needs that also exist at the community level. PNG has been a notable example of the public opposition, which can arise out of unpopular reform programs, and the immeasurable cost that this can incur.
- 5.5.2. In many parts of the Pacific, traditional culture dictates that the family provides the social infrastructure necessary to support all members. As public employment attrition continues, with few private sector alternatives, it is the most disadvantaged workers and their families who lose economic status first. This is contrary to the desired outcome of alleviating poverty. Given that this change agenda will continue in the region it is essential that it aim for a 'win-win' outcome. As the public sector is reduced, appropriate measures need to be put in place to enable individuals and communities to pursue alternative economic and social development options at a pace and in a direction which suits their needs.

5.6. Adopting an Integrated and Inclusive Approach to Development Cooperation

- 5.6.1. The move away from adhoc project funding to sector wide programs is positive; however, it is imperative that the Australian Government's development cooperation program is inclusive. Programs must complement rather than work against each other and must foster rather than override or duplicate existing local structures and initiatives. There are some projects which have been set up which model an integrated approach, to working at regional, national and community level which offer some pointers for the way development cooperation activities could be undertaken in future. For example, the South Pacific Regional Environment Program (SPREP) Human Resource Development project which works with regional organisations to strengthen core capacity of government departments to ensure that environment protection priorities can be carried out at local levels. These are examples which could be replicated in a number of sectors across the region.

5.6.2. This integrated regional approach is critically important in regard to responding to the HIV/AIDS pandemic, which is growing alarmingly in parts of the Pacific, most notably in PNG. The social and economic costs of HIV/AIDS are incalculable. While this is an area which is actively supported by the Australian Government through its aid program it is clear that there is further scope for support on a regional basis. In addition to sector wide responses it is imperative that small scale localised initiatives are nurtured and strengthened with appropriate funding. Community based approaches have the capacity to respond to local nuances and needs and to develop ownership and engagement. This is central to the sustainability and effectiveness of regional, national and sector wide programs. An integrated approach maximizes the use of resources, enables learning to be effectively shared and benefits a larger constituency in a cost-effective way.

5.7. Maximising Donor Coordination and Cooperation

5.7.1. In addition, the aid program should take into account other donor activities in the same area, which may lead to conflicting imperatives or dilution of outcomes. It is essential that organised donor liaison and planning is considered in all future programming for the Pacific in order to maximise the effectiveness of the Australian and NZ aid programs in the region.

5.7.2. It is evident that a combination of security concerns and changing commitment of other donors to the Pacific region will see a contraction of programs funded by some other international volunteer sending agencies. One clear example of the changing dynamics and priorities of volunteer sending agencies in the region is the withdrawal of Peace Corps from PNG in 2001. The projected downscaling of other volunteer programs will provide both an opportunity and a challenge for Australia. Already Australian Volunteers International is beginning to feel the impact of 'meeting the gap'. The development of a comprehensive response cannot be achieved without access to additional resources.

5.7.3. There is an emerging opportunity for AusAID and Australian Volunteers International to work more closely with other donors, in particular NZAID, to place Australian Volunteers in projects and other in-line positions which may previously have been filled by volunteers from other countries. The development of a cooperative approach between donors on funding volunteer placements would have direct benefit for Pacific countries that would otherwise not be able to meet their needs for technical assistance. This provides an opportunity for Australia to strengthen the role of volunteers in PNG and the Pacific and to maximise the dual benefit of building effective community engagement at the same time as providing required technical assistance.

6. Conclusion

For the people of the Pacific Islands and PNG, it is important that Australia responds to regional issues in ways which are designed to do more than foster its national interests. The Australian Volunteer program is one effective way to do this and produces significant reciprocal benefits for Australia and the Australian community. Australian Volunteers International wishes to extend its role within the region and welcomes the development of innovative funding mechanisms to enable this to occur. The ongoing development of interpersonal relations at a range of different levels within the region lays the foundation for enhanced cultural understanding and cooperation. The Australian Volunteers program provides a practical and highly visible opportunity to enhance community and business understanding of the broader social, cultural and economic contexts in which Australia operates. It makes a major contribution to the exchange of technical skills and knowledge which underpin continued economic development and growth in the region and supports the development of peace and stability by promoting trust through ongoing partnerships and friendships.

Recommendations

Australian Volunteers International believes that Australia's relationship with PNG and the Island states of the South West Pacific would be strengthened by an explicit commitment from the Australian Government to principles and practice which support:

- establishment of respectful, collaborative and outcome focussed partnerships;
- enhancement of social and cultural understanding and relations;
- promotion of self determination for partners; and
- integration of 'people to people' links and community participation as an essential part of sustainable economic, social and environmental development.

In particular, Australia's relationship with PNG and the Island states of the South West Pacific would be enhanced by:

1. Provision of additional resources to enable the **strategic expansion of the Australian Volunteer program across the region** to work more effectively at the government, community and district level in response to the identified needs of partner countries;
2. Expansion and replication across the region of **staffing assistance programs through which Australian Volunteers International provides effective and timely interventions** through the placement of appropriately qualified and skilled Australians to work in middle and senior level positions with government departments, UN bodies , non - government organisations and community agencies;
3. Design of **relevant Australian Volunteer positions into bilateral projects which value add to technical assistance outcomes, at the same time as providing an interface between project staff and local communities**. Australian Volunteers International has a strong ability to work with AusAID to identify strategic positions that would benefit from volunteer input and would reinforce and extend project impact. Volunteers could contribute to all phases of the project cycle to support effective project establishment, implementation and sustainability;
4. **Development of a voluntary technical assistance program which enables the emerging needs of Bougainville** to be met in a timely and strategic way including support to assist the Provincial Government to identify and implement culturally appropriate and environmentally sensitive programs, capacity strengthening at provincial and district levels, and provision of funds to support and develop non-government organisations;
5. **Resourcing Australian Volunteers International to participate in an AusAID mission** to assess the requirements for development of local program initiatives which could respond **to the emerging needs of the Solomon Islands** particularly in relation to women and youth in rural communities;
6. Ensuring that **small-scale community based development projects are included and funded** within the broad sectoral program approaches adopted by AusAID within the region;
7. Development of a **mechanism to enable placement of Australian Volunteers in cooperation with other donors**. Increasingly, Australian Volunteers are being seen as filling an important niche in the technical assistance field, which is not being met in other ways. Australian Volunteers International is well positioned to provide a professional and an identifiably Australian contribution to a wide range of programs being implemented by UN agencies, Development Banks and other international agencies; and
8. Resourcing the development of a program, **utilising returned Australian Volunteers**, which is **designed to raise community awareness about PNG and the countries of the South Pacific** and their ongoing relationship with Australia.