

Australian Himalayan Foundation

Submission to the review of Australia's International Development Policy

This submission contains a series of points and recommendations particular to the perspective, programs and role of the Australian Himalayan Foundation, and small specialist INGOs in general. We support and have also helped shape the submission by ACFID which will cover other fields, particularly broad, high-level sectoral matters and overall IDP purposes.

Overview:

Australian Himalayan Foundation programs and operations showcase the particular, vital role in IDP that small, specialist organisations can play in providing cost-effective and practical IDP assistance, whether it be on a sustained, programmatic basis or after natural disasters, and, therefore, the high level of efficiency and effectiveness provided by such an organisation in the delivery of development assistance.

In view of this we recommend:

- The Australian government consider having a network of “outliers”. i.e. Australian organisations, such as AHF, which have a welcome and respected (with governments and communities) presence in parts of the world where the official Australian diplomatic presence is necessarily limited. This would help maximise the benefits to Australia of our overseas development effort and interconnecting that effort with Australia's foreign policy. (See Page 2)
- DFAT review its IDP strategy and explore ways to extend financial support to the smaller accredited INGO with a proven track record of delivery and achievements. We recommend a review of the procedures and systems for the provision of government support to small, accredited INGOs. (see Page 3)
- DFAT review its policy and systems to ensure smaller accredited INGOs, (who still have to satisfy the same stringent criteria) have a greater share of pool funding, for on-going long-term community development programs and in relation to natural disaster assistance, both currently structured in favour of the larger INGOs. With respect, we feel there is a lesson to be learned from the Nepal earthquake experience, and other natural disaster assistance projects. (See Page 3-4)
- AHF recommends that Australia's IDP strategy engage INGOs who currently implement climate change programs. At present AHF implements a Youth Education Climate Change program in the Solu Khumbu region of Nepal, focussed on the effects of Climate Change on communities. (See Page 5)
- DFAT review its policy that currently favours private organisations including large project consultancy firms, who do not have to satisfy the stringent criteria that DFAT impose on INGOs applying for accreditation.

Context

The Australian Himalayan Foundation is a leading INGO undertaking education, health and environmental programs in the Himalayan region, specifically the countries of Nepal, Bhutan and Union territory of Ladakh in India.

AHF was formed in NSW in 2002 by a group of Australians with long-standing personal and work experience and interest in the Himalaya, to make a difference and “give something back “to the people. It has maintained that close connection, including through strong community ties (and the

raising of revenue through fundraising trips for supporters to the Himalaya). It has funded its programs primarily through donations and fundraising in the Australian community, including through the involvement and support of many prominent Australians keen to assist and recognising the importance of our work and of “flying the Australian flag” in the region. Now one of the leading aid organisations in the Himalaya, AHF was in 2012 granted for the first time Base Accreditation (with then-AusAID) and is intending to soon apply for full accreditation.

Inspired by the humanitarian work of Sir Edmund Hillary, and our passion for the region and its people, AHF has built and implemented a flagship “Teacher Training and Quality Education” (TTQE) Program, assisting over 300 schools and communities, encompassing and reaching around 30,000 children each year. As an example of what AHF has achieved with ANCP funding, we have worked closely since 2005 with our in-country partner in Nepal, REED. Our initial TTQE program focused on the upper district of the Solu Khumbu region of Nepal. This was primarily due to our close working relationship with Sir Edmund Hillary and his work with the Sherpa people. After Hillary’s passing in January 2008, AHF committed its TTQE program to the significantly more disadvantaged Lower Solu Khumbu region.

We also fund and support a girls’ and women’s education assistance and vocational training program in Bhutan; a snow leopard conservation/stock protection program in Ladakh; and other capacity-building, health and sustainability programs in Nepal and Bhutan.

AHF is an outstanding example of how a small INGO can secure major, commendable outcomes on a limited budget, through being a volunteer-based organisation providing “maximum dollar to the recipient country/community” and with minimal administrative costs, but a strong governance regime. i.e. good value (from many angles, including strategically and cost-effectiveness) for the development dollar.

Outliers

From the broader perspective of Australia's foreign policy and international relations, we submit that there is value for the Australian government in having a network of “outliers” i.e. Australian organisations which have a welcome and respected presence in parts of the world where the official Australian diplomatic presence is necessarily limited.

Such outliers can come in a variety of forms, one of the most potent being Australian NGOs which have a good standing with the local governments, institutions and people in the region in question. The Himalaya is such a region, and the AHF is such an organisation.

In a country like Bhutan*, where Australia does not have an on-the-ground diplomatic presence, or like Nepal where we do have such a presence but it can be magnified, we can augment the Australian government's reach. Specifically we submit that the AHF can assist Australia in terms of flying the flag; enhancing Australia's local reputation as a friendly, capable and committed friend; developing and maintaining contacts from governmental to village level; and deepening and sustaining Australia's knowledge of the region, available to provide the Australian government with insights which can help in the formulation of policy and in responding to issues and situations which arise.

From our work in the Himalayan region, we respectfully suggest that this concept of outliers is also of wider significance and could be developed as a theme of the current review as one strategy to help maximise the benefits to Australia of our overseas development effort and interconnecting that effort with Australia's foreign policy.

Indeed, we feel such a role would be invaluable to the Australian Government.

*In Bhutan, our program partner is RENEW, and the Patron of the program is Her Majesty the Queen Mother of Bhutan, with whom we meet regularly, along with senior Government officials. This is an invaluable connection. Indeed, we organised and financed a visit (it was not given “official” visit status) to Australia by the Queen Mother five years ago, and through that visit, and meetings between her, us and DFAT, the Australian Government contributed to the girls’ education project.

Procedures and systems for the provision of government support (and allocation of IDP moneys) to small INGOs.

We are very proud to be an accredited Australian aid organisation, providing vital support in Nepal, Bhutan and northern India (Ladakh), and to be providing visibility overseas for Australia – particularly in areas such as the Lower Solu Khumbu in Nepal, where we hold a predominant place as one of the leading development aid agencies, and where we have been able to, with the support of successive Australian Ambassadors to Nepal, provide sustained, practical assistance, particularly in the education field. Indeed, many communities rely heavily on our sustained** assistance particularly in the education field, and, therefore, we have enabled the influence of, and goodwill towards Australia, to be extremely high – i.e. “good value for the dollar”, as mentioned above. And despite continued financial pressures, we have always “kept the faith” with communities, therefore increasing the goodwill, trust and respect towards Australia, and our influence, relative to other countries.

Further, we wish to reiterate how valuable the partnership and relationship (through having accreditation and regular contact, including with relevant overseas posts) with DFAT is for a small organisation such as ours: the assistance we provide to communities and the outcomes of that assistance are continually enhanced by assistance from DFAT. Indeed, in-country partners of ours such as REED Nepal, and our work with them, are also enhanced and assisted through liaison with relevant DFAT posts e.g. The Australian Embassy in Kathmandu.

But our ability to provide assistance and be an Australian presence/representation is being hindered significantly by the amount and nature of administrative work (HR, written material, compliance reporting, etc.) required for us to apply for and receive government assistance, as an accredited small (administratively) organisation (3.8 full-time staff positions, providing more than \$1 million a year in aid assistance) with at least 80% of donation revenue going to programs. We are not suggesting a dilution of governance standards, safeguards and security arrangements (e.g. child protection) but recommend a review of the procedures and systems for the provision of government support to small INGOs.

The system of Australian International Aid assistance following a natural disaster.

Also, the undoubted ability of small, specialist nimble INGOs – such as AHF -to provide efficient (and quick) and cost-effective assistance to a country in which they operate after a natural disaster, is hindered by the current arrangements and system of allocation of international aid following such a disaster. A prime example is the **Nepal earthquake(s) of 2015.**

With our strong local (Nepal) community experience, networks and connections, and working closely with our in-country partner, REED Nepal, able to provide rapid emergency assistance and supplies to many remote communities (immediately sourcing – in Nepal - significant amounts of emergency shelter, food and blankets, and being the first to get personnel on the ground delivering those items and other assistance in remote areas¹).

¹ Recently, two AHF volunteers deployed immediately to the Lower Solu Khumbu after the earthquakes were awarded *Australian Government Humanitarian Overseas Service Medals* – in recognition of their vital

Furthermore, we were then successful in funding and coordinating (with UK and NZ involved) a highly successful schools rebuilding program. We raised \$1.3 million through an Earthquake Appeal and were able to build 87 classrooms in 27 schools – many of them built using new earthquake-resistant design and materials, with us taking the opportunity to train local community members in various building trades – and led an international effort to build such earthquake-resistant schools.

Thus, we provided three legacies – the new earthquake-resistant designs (given to the Nepal Government); the classrooms themselves; and the training of the tradespersons. The building legacy continues, with us building a major new earthquake-resistant community Hall inaugurated by the Australian Ambassador to Nepal Peter Budd, in 2019.

This shows a small INGO such as us can play a particular, vital role through being able to spend some millions of dollars very efficiently and in a nimble, practical cost-effective fashion in an affected country where we have sustainable, long-term programs, through having a pre-existing strong, community network and local partnership(s) and, importantly, long-term sustainable long-term programs.

However, our ability to help in these cost-effective, practical way was somewhat “truncated” by the allocation of the (substantial) Australian Government assistance to Nepal. Approximately half the Australian Government assistance was, as we understood, provided directly to the Government of Nepal, and approximately half to major “international’ NGOs to spend, in various sectors “allocate” to them. The NGOs provided with the “education’ allocation declined to involve AHF , or distribute moneys to us, even though we were undoubtedly in a very good position to efficiently spend the money and, indeed, provide a far greater “return/impact for investment” , being a specialist NGO with very strong in-country partner and a major local network. The large NGOs allocated the money were not in all cases specialists in those sectors, nor, importantly, had direct-on-the-ground pre-existing partners, programs and major community and distribution networks in Nepal – as we had.

With respect, we feel there is a lesson to be learned from the Nepal earthquake experience, and other natural disaster assistance efforts. We recommend a change of system by which, specialist, nimble, on-the-ground organisations such as AHF operating (with long-term in-country partners) in the country affected be given a much greater role in the Australian Government assistance effort following such a natural disaster: we can manage and spend , in these situations (and in long-term programs and partnerships) government aid moneys efficiently and effectively, with rigour and accountability.

The importance of education

While AHF has three pillars of work – education, health and environment/sustainability -, all designed to provide practical development assistance and “give what is needed most to those who need it most”, our most significant contribution is in the field of education which is well proven to directly and indirectly meet a multitude of international development objectives. For example, the Global Partnership for Education’s research shows:

- One additional year of schooling can increase an individual's earnings by up to 10% and can increase a woman's earnings by 10 to 20%.

emergency response work delivering Australian supplies of medical equipment, tents, tarps, blankets, radios, lights, food and water to communities totally cut-off and not reached by any other organisation.

- Each additional year of schooling raises average annual gross domestic product (GDP) growth by 0.37%.
- Women with primary education (partial or complete) earn 14% to 19% more than those with no education at all. Women with secondary education may expect to make almost twice as much, and women with tertiary education almost three times as much as those with no education.
- A dollar invested in an additional year of schooling, particularly for girls, generates earnings and health benefits of US\$10 in low-income countries and nearly US\$4 in lower-middle income countries.
- Each extra year of a mother's schooling reduces the probability of infant mortality by 5% to 10%.

Overall, our TTQE program increases school attendance and retention rates, and importantly has also significantly increased the attendance of girls attending school as a percentage of the school population and increased the percentage of students completing primary education and progressing to a secondary education. We've supported more than 60 Nepali teacher trainers to educate over 1500 teachers in child-centred and effective strategies and techniques, and more than 5000 cost-effective scholarships (about \$250 for a year's schooling supplies) have been provided to enable extremely poor students to attend school

AHF – as an example, a showcase

- AHF has a proven track record. Our flagship “Teacher Training, Quality Education” program (TTQE) in Nepal has received many commendations from the Nepal and the Australian governments, and indeed is a model the Nepal Government wants to implement throughout the country. AHF was one of two INGOs implementing programs in Nepal (The Fred Hollows Foundation was the other), cited in the Federal Government White paper “Australia in the Asian Century” as having outstanding programs – AHF’s work was specifically highlighted for providing great people-to-people /community relationships between Australia and Nepal a vital element in any International Aid program, in the context of building relationships – trade, strategic and goodwill – between countries. AHF’s work was also highlighted in the DFAT book published in 2010 celebrating 50 years of diplomatic relations between Australia and Nepal: indeed 9 out of 10 Australian individuals highlighted in the book for their assistance to Nepal were involved with AHF.
- AHF provides a leading example of an INGO putting Australian Aid on the map, particularly in the very poor Lower Solu Khumbu area of Nepal, where we have established and hold a predominant position as the leading aid organisation in many communities through our long-term teacher training, scholarships and resourcing work in schools while maintaining a major focus on local capacity-building at two levels (through using volunteers to train Nepali teacher trainers, and have them train the teachers) thereby leaving long-term sustainable community benefits and legacies. The AHF TTQE program has been recognised by the Nepal Council for Educational Development (NCED) as an example of best practice, and our local partner is the only Nepalese NGO with a teachers’ professional development program accredited by NCED. In view of this AHF and its in-country partner are currently working on a proposal to extend TTQE to a select number of disadvantaged districts in rural Nepal. The initiative would be on an advisory level with TTQE trainers working closely with the regional education officers, teachers and local schools to improve the quality of their teacher training programs. It’s an ambitious Australian program on par with its acclaimed Australian Forestry program in the 1980’s and more recently the Nepal Eye Program and the Fred Hollows Foundation.

- AHF is committed to securing maximum return on a limited budget. When awarded base accreditation it had the equivalent of just one full time paid member of staff.
- AHF is an Australian organisation - not aligned to, or part (a regional branch or sub-branch) of an international INGO. **AHF was also instrumental in establishing, and Co-Convended, the ACFID Nepal working group in 2013.
- AHF's main program support is aligned with Australia's strategic priorities of monitoring China's interests in SE Asia. Its main program focus is in Nepal a country wedged between India and China with China making a concerted effort in the last two decades to draw Nepal and also Bhutan (where we operate a women's educational -incl. vocational training - program) under its strategic orbit and "sphere of influence" We recommend a strengthening, for these reasons, and on humanitarian needs grounds, of Australian assistance to these two countries.
- Given the global importance of climate change AHF recommends that Australia's IDP strategy engage INGOs who currently implement climate change programs. At present AHF implements a Youth Education Climate Change program in the Solu Khumbu region of Nepal, focussed on the effects of Climate Change on communities. It also supports an innovative grass roots program in Zanskar Ladakh. A *bottom up rather than top down* approach that will suitably impress Indian policy makers. AHF is engaging one of Australia's leading climate change/renewable energy authorities to enhance its climate change strategy.

We thank you for inviting AHF to make a submission, and we would welcome the chance for further consultations with you as part of the review process.

Please don't hesitate to contact me, or the AHF Deputy Chairman, Garry Weare, or the AHF CEO, Angela Ford, if you require or desire further details or discussions on any matters raised above.

Also, we have taken the liberty of expressing a view (in Appendix A on the following page) on a related matter – the system of providing tax deductibility status to NGOs.

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Appendix A

Further, AHF proposes a review of the current system of providing tax deductibility status of INGOs.

At present INGOs submit their application for tax deductibility to ATO. However, ATO applies “welfare” rather than “development” criteria when reviewing applications.

The upshot is that the vast majority of INGOs implementing programs that have no development outcomes. A situation that creates a) further dilution of public donations to non-development programs and b) continues to reinforce the public perception that welfare issues – feeding the poor etc – is a donation well spent.

To implement the change, it is proposed that INGOs initially submit their application to ACFID (who would in turn review the integrity of the INGO’s program portfolio (awarding Associate membership status) before the application is forwarded to ATO.

We are of course happy to provide details on how the changes could be implemented.