



### PARTNERSHIP OVERVIEW

Australia is a founding member of IFC. Australia partners with IFC in the delivery of technical and advisory assistance to companies and governments in the developing world aimed at reducing poverty through private sector growth. IFC's main counterpart in this work is the Australian Agency for International Development.



#### FOR MORE INFORMATION:

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Australia's partnership with IFC is particularly strong in the East Asia and Pacific region, where it is a key supporter of the facilities established by IFC to help promote the development of the private sector, and in particular small and medium-sized enterprises. In FY06, Australia partnered with IFC to extend this work to the Philippines and Aceh and Nias by supporting the establishment of dedicated facilities that will seek to drive the development of small and medium enterprises in these countries and regions. In Aceh and Nias, the work will mainly concentrate on supporting the growth of private enterprises in the areas affected by the 2004 tsunami.

Australia also supports IFC's advisory work with the governments of developing countries on how to attract and retain foreign direct investment and thus maximize poverty reduction. In addition, Australia supports IFC's Technical Assistance Trust Fund, which provides funding for short-term, targeted interventions aimed at private sector development.

## RECENT HIGHLIGHTS

### IFC and Australia, Committed to the Reconstruction of Aceh and Nias

Australia and IFC in FY06 partnered to establish a dedicated facility in Aceh and Nias to support private sector development in tsunami, earthquake, and conflict-affected areas. The facility will work closely with and support the objectives of the Rehabilitation and Reconstruction Agency (BRR), established after the 2004 tsunami. The facility's primary emphasis is to support access to finance, improve the business enabling environment, and facilitate links between local agribusiness players and those with larger market reach. With more than 20,000 hectares of fish ponds destroyed or heavily damaged and nearly 10,000 fishing boats lost in the tsunami, restoring the fisheries sector is a priority in Aceh and Nias. The facility responded to BRR's request for assistance by developing a master plan to help the government and stakeholders to strategically rebuild this key sector and restore livelihoods to tens of thousands of people. The fact-finding phase of the project is complete and development of a logical framework for BRR's master plan is underway. The work includes value chain analyses of key sub-sectors, which will also provide opportunity for the facility to determine specific areas of intervention. Institutional strengthening of fishery organizations and shrimp farms are emerging as potential areas of support. In support of its work in the fisheries sector, the facility's fisheries and aquaculture consultant facilitated/chaired working groups at two influential workshops for the sector; the post-rehabilitation fisheries sector strategy workshop organized by the UN's Food and Agriculture Organization and the fishermen's association Panglima Laot and the International Conference on the Tsunami sponsored by INFOFISH International, the Common Fund for Commodities, and the Ministry of Foreign Affairs.

### Benchmarking the Provincial Business Environment in Cambodia

Australia is one of IFC's key partners in the East Asia and Pacific region. In FY06, Australia cooperated with IFC to launch an initiative aimed at improving the business environment at the provincial level in Cambodia. For the next three years, an annual survey of business owners will compare the ease of doing business in Cambodia's ten most economically-active provinces and municipalities. Also partnering in this project are the Cambodian government and the Asia Foundation. In 2006, the scorecard examined key aspects of business environment health that include: ease of registration and licensing; efficiency of basic services (police, waste disposal, and education); transparency of business documentation; and predictability of policy change. Results will be released in FY07, and based on these, IFC and its partners will provide technical assistance to provincial authorities to make reforms and to private enterprise to facilitate advocacy.