

Aide Memoire
2nd Meeting of the Joint Australia China High Level Round Table for the ACEDP
Monday 8th September 2008
Canberra, Australia

The 2nd Meeting of the Joint Australia China High Level Round Table (HLRT) for the ACEDP was held on 8 September 2008 in Canberra. Mr Richard Moore, Deputy Director General of AusAID's ASIA Division opened the meeting. Ms Octavia Borthwick, Assistant Director General of AusAID's Asia Regional Branch and Mr Zhang Kening, Director General of Chinese Ministry of Commerce (MOFCOM) chaired the meeting. Eleven national government agencies from both countries participated in the HLRT.

The HLRT reviewed the Program progress, endorsed the Policy Landscape Review and agreed on the strategic direction of ACEDP and the proposed annual planning process.

Program Progress

The program has made good progress over the past 12 month, establishing a core of eleven IRBM projects that are at different stages of progress towards implementation. Program procedures, management systems and quality control facilities are all established and fully operational. Although production of the Communication & Engagement Framework has experienced some delays, Communication & Engagement activities have commenced with several partner workshops, donor outreach, launch of a bilateral website, the inaugural bilateral newsletter and bilateral information fliers.

The independent Environment Advisory Team is now complete with the recent appointment of the Quality Assurance Advisor, Dr Alan Ferguson from Canada. The program has managed thirteen joint Australian - Chinese experts missions to China and Australia and produced a total of 27 reports, including eleven project design documents. Year I expenditure is on track.

Policy Landscape Review

After an extensive process of stakeholder consultation in both countries, the Policy Landscape Review was completed on schedule and to the satisfaction of program core partners. It identifies four main areas for future cooperation, viz water resource macro policies, water quality and integrated river basin management, water resource management, pollution prevention and control and, cross cutting themes. The review emphasises priority areas for policy reform such as improved inter-agency collaboration, science based decision-making, market-based approaches and, effective public participation and engagement.

Major recommendations include a focus around the current portfolio of eleven activities, the judicious use of other selection mechanisms in addition to public tender, enhanced involvement of Australian core partner agencies in activity selection and implementation, and a more proactive role for the PCO in activity formulation, partnering and relation building.

Strategic Direction

The program will consolidate its efforts around the existing portfolio of eleven projects rather than spread into other environmental priority areas, although a degree of flexibility must be maintained to enable both governments to respond to changing priorities or emerging issues. The impact of climate change on water resource management is one such possible area for future collaboration. The meeting also explored the potential for Australian partners to assist China in planning for the 12th Five Year Development Plan (2011-15).

Six major policy outcomes for the ACEDP were confirmed: (i) vertical and horizontal inter-agency coordination, (ii) science based decision making, (iii) public engagement & participation, (iv) economic

incentives & market based approaches, (v) linkages between Australian and Chinese environmental agencies, and (vi), policy dialogue between Australia and China

Annual Planning Process

Implementation of the recommendations of the Policy Landscape Review is best achieved through a highly targeted approach towards new activities. This includes small and policy/system oriented activities with an ACEDP contribution of not more than A\$200,000 for new activities and A\$100,000 for activities that are designed to complement any of the existing eleven projects.

The central role of the Joint High Level Roundtable as the premier decision-making body for the ACEDP was re-emphasised. The Environment Advisory Team will have an increased role in facilitating higher level policy collaboration and review to ensure the program remains aligned to national policy priorities. Program core partners will continue to set the strategic direction of the program and they should, to the extent possible, become more involved in all aspects of program design and implementation.

Major Challenges

- Ensuring the ACEDP evolves from an activity based towards a program based intervention where the sum of all activities is greater than their individual parts
- Harnessing the capacities, and willingness to assist, of Australian core program partners
- Encouraging and fostering inter-agency collaboration not only among national agencies but also among Chinese and Australian program partners at both program and policy levels
- Assisting the information flow between agencies in both countries, thus contributing to better knowledge of each other capacities, needs and aspirations
- Successful delivery of the eleven core projects
- Transformation of technical project outputs into the policy process

Actions to take

- Production and dissemination of new funding guidelines and commensurate amendment of the Program Operational Manual
- Completion of the Communication & Engagement Framework and production of an action plan
- Mobilisation of projects and establishment of inter project networks and networks with donors
- Workshop to explore Australian assistance to China's 12th Five Year Development Plan
- Involvement of program core partners in project inception activities

Annexes

Annex 1 Agenda

Annex 2 Participants list

Annex 3 Policy Landscape Review Report

Annex 4 Strategic Direction Paper

Annex 5 Annual Planning Process Paper

Annex 6 Detailed Record of the HLRT