**NUSATENGGARA ASSOCIATION INC.**

**2016 AGM MINUTES**

Sunday 23 October 2016

Hellenic Club of Woden, ACT

1. **Welcome**

Apologies were received from Chris Curtis of Lane Cove Rotary Club, Genevieve Bond of Dixon Advisory, Ian Scott from Vision East, Anthony Reid, Penny Godwin, Stephen Barry and Ming Cheah.

1. **Approval of 2015 AGM minutes**

The 2015 AGM minutes were approved without amendment.

1. **Guest speaker address**

Associate Professor Andrew McWilliam from the Australian National University presented on rural livelihoods and artisanal (small-scale, manual) manganese mining in West Timor. Professor McWilliam is involved in the project ‘Artisanal mining for development in eastern Indonesia’, which seeks to work with the local Government on how artisanal manganese mining might be reinvigorated. All four provinces in West Timor have significant shallow veins of manganese.

According to Professor McWilliam, artisanal mining is driven by poverty as it is seen by locals as a potential income generator. This is a classic example of seasonality effects in West Timor – manganese mining is an ideal activity to ‘tide people over’ during the drought season. There are clear signs of prosperity among the locals who have participated. It has been a good opportunity for poor locals considering agricultural activity can be so precarious.

Manganese is used as an additive in the steel-making process, therefore the price of manganese in has risen as the price of steel has risen in Australia. In 2008 world manganese prices spiked and the ‘manganese boom’ began. At the height of the price spike of 30c/kg miners were earning $30 a day. Manganese was initially taken from riverbeds (in the early stages of the boom, when it was plentiful and obvious). When it was taken from private land a fee was paid to the landowner.

There are clear health and safety risks posed by this type of mining – including by earth collapses after tunnelling in unstable soil – exacerbated by lack of safety precautions. The activity itself is not clearly legal or illegal but is sometimes associated with criminal activity. In addition, it raises governance problems including associated corruption, and there was a concern that high profits may cause farmers to abandon farming activities. Professor McWilliam doesn’t see this kind of mining as a high risk environmental issue.

Artisanal manganese mining activity is now significantly reduced because of national legislation preventing export of minerals and the Governor of NTT’s moratorium on all new manganese licences. These regulatory issues are preventing locals from benefiting from manganese mining.

Andrew sees lack of Government support as the biggest impediment to local farmers profiting from this kind of mining. He considers the few risks do not outweigh the benefits of mining and that there is ‘no alternative method [of raising incomes] anywhere near as good’.

Paul Nicoll noted the similarities between artisanal mining in West Timor and artisanal gold mining in South Lombok, noting the problems posed by earth collapses and exposure of workers to cyanide. Professor McWilliam suggested that because these kinds of activities are not condoned by the Government, they are therefore not regulated, and the workers and environment are consequently less likely to be protected.

1. **Chair’s Report**

Chair Ron Thompson thanked the Board and Committees, CEO and Founder Colin Barlow and his wife Ria, the NTA’s sole paid staff member in Australia, Phil Domaschenz, and NTA volunteers for their efforts throughout the year. These efforts have ensured the continuing delivery of more than a quarter of a million dollars of direct aid in the NTA’s target areas over the 2015-16.

Ron advised that all NTA’s payments and obligations for the 2015-16 financial year had been met. He noted the need to further increase NTA’s revenue.

Ron the praised NTA’s generous donor community. He acknowledged the cash and in-kind support of the Canberra Southern Cross Club, Inland Trading, various Australian-Indonesia Associations and Rotary Club branches and Oxide Interactive. Ron further acknowledged the contributions of Dixon’s Advisory Services as a significant corporate donor.

The continuing success of the NTA would not be possible without the support of the Department of Foreign Affairs and Trade (DFAT) and the Australian Council for International Development (ACFID) and we are most thankful for their ongoing assistance.

At the beginning of this year the NTA held a strategic planning session in Canberra with valuable input from external parties. Professor Hal Hill and Glenn Keys both provided assistance to the proceedings, as did Tracey McMartin. The objective was to analyse the vision and responsibilities of the NTA and every aspect of NTA’s activities was thoroughly reviewed. The two significant outcomes were agreement to establish NTA Indonesia as a legal entity (leading to a formalised partnership with NTA Australia), and transition planning for the next CEO. Subsequent progress has been excellent thanks to the efforts of the Transition Planning Group.

Ron thanked NTA’s donors and those who have given in-kind support including Inland Trading, Oxide Interactive and Dixon Advisory.

1. **CEO’s Report**

The CEO Colin Barlow noted the difficulties posed throughout 2015-16 by worse than usual drought and falling commodity prices.

Colin reported that the NTA has delivered positive outcomes for 10,000 individuals in Nusa Tenggara Timur (NTT) who took part in our activities.

Colin thanked NTA’s Project Manager in Indonesia, Pak Don Bosco, as well as NTA Kupang staff Frans Wayan, Ruth Radja and Tina Niat for their efforts.

Colin also thanked the Agricultural Technology Research Institute (BPTP) for its ongoing agricultural advice and secondment of its officers to NTA’s projects.

Colin noted with sadness the passing of Bapat Gersom Rebo, who had worked for the NTA for 17 years, earlier in the year.

Colin reported the formation in April of NTA Indonesia, replacing NTA Kupang (which had been a branch of NTA), which represents a significant devolving of responsibility to Indonesian workers.

Colin also noted the appointment of a new head of the Operations Committee and the forthcoming appointment of a separate Operations Manager (a newly created role). These are also significant achievements in the NTA’s transition to new management.

Colin thanked all NTA volunteers for their efforts over the past year.

***Transition planning update***

The NTA has established a Board Sub-Group on Transition to progress devolution of responsibility for our operations to NTT and other staff and volunteers in Australia to support the retirement of Colin and Ria.

Key achievements as part of transition planning have been the establishment of NTA-Indonesia as a separate legal entity, the changeover of Operations-related roles in Australia, the increase of the Executive Officer’s hours to provide further administrative support, commencement of recruitment of a new Operations Manager, and the development of new Memoranda of Understanding with NTA’s key partners in Indonesia.

Several Transition Committee members travelled to NTT in May 2016 to assess organisational arrangements and the technical and administrative capacity of our staff in-country. Following this visit the NTA modified the format of field visits to equip staff in Indonesia to independently conduct more detailed and independent monitoring of NTA activities.

There has been significant and continuing work on management of risk as part of transitioning to a new management and operational model and to ensure that any new systems are bedded down well before the upcoming DFAT reaccreditation.

1. **Executive Officer’s Report**

The NTA’s Executive Officer Phil noted the increase in the Executive Officer position’s hours to provide increased support for the CEO role.

The Executive Officer described his key activities during the year as:

* liaising with NTA supporters
* monitoring finances
* participating in field visits
* staying up-to-date with the expectations of ACFID and DFAT
* linking the efforts of the three Committees
* providing secretariat support for the Membership and Marketing Committee
* assisting with events, and
* helping to refine marketing material and messages.

Phil noted his ongoing work to improve and refine various NTA systems.

1. **Operations and Operations Committee Report**

In 2015-16 the NTA continued working with communities, its counterparts and Indonesian government agencies, aiming with limited resources to secure outcomes in its Income Generation and Food Security, Water and Sanitation and Education programmes.

An NTA Monitoring Team comprising the CEO, Program Manager, Project Manager, Regional Director and Administrative Officer examined sponsored activities through field visits in November/December 2015 and May/June 2016. The Team also joined community meetings or *musyawarah* where community participants provided feedback and suggestions for the future. The Team was joined by 17 Australian volunteers. Five of the volunteers in May/June 2016 were NTA Board members, including members of the Transition Planning Group.

Several evaluations of NTA activities were undertaken during the year. Reviews of cocoa and vegetable improvement were carried out by colleagues from the Indonesian government BPTP, and more informal reviews of the NTA’s community relations and education work were conducted by specialists from the NTT community.

Internal auditing of Indonesian accounts, along with training and discussion of accounting through Skype, was performed by Dr Petrus Usmanij, CMA, a lecturer at La Trobe University.

***The Income Generation and Food Security program***

Over 2015-16, the NTA helped raise the output of 285 small farmers on 50 hectares in the main cocoa growing area of the island, basing this effort around 15 demonstration plots (demplots). The NTA and its counterparts estimated that it would raise yields from the previous miserable 400 kg to at least 1.5 tonnes per hectare. This increase promises to treble household incomes from cocoa. The NTA provided selected households with improved seedlings, fertilizers, pesticides, composting materials, and other inputs.

The severe drought in 2015 resulted in a high mortality of newly planted cocoa seedlings, especially at lower altitudes, and it was therefore decided to not continue to plant at low elevations.

Colin reported that the NTA’s vegetable projects in Flores and West Timor were undertaken on land surrounding 16 demplots. One group comprised 35 mainly female farmers who cultivated small gardens watered from adjacent NTA-supplied water tanks, in order to increase household vegetable consumption and diversify local diets. The other group comprised 446 more commercially-oriented male and female farmers with large gardens near water, in order to supply vegetables to local markets. The sale of vegetables from these plots raised average incomes by 20‑30 per cent.

Over 2015-16 the NTA again distributed seeds of composite maize in selected areas of West Timor, although this activity was limited by the drought. Participants replaced previous traditional varieties with composite giving yields two-three times more, enabling some crops to be sold.

Colin noted that these cropping activities were supported by the NTA’s help in erecting 64 one km fences around growing areas, excluding livestock that previously caused widespread damage.

NTA also provided assistance to women’s weaving groups.

***The Water and Sanitation Program***

145 ferro-cement 15,000 litre tanks and 122 household toilets were constructed as part of the water and sanitation program.

***The Education Program***

NTA’s education program supported 57 mainly primary schools. 183 teachers were trained in library management, with follow-up instruction in individual schools. Many of the previously untrained honorary teachers considered this training a major step in their teaching careers.

The program also provided local curriculum training to 72 teachers, 280 scholarships for disadvantaged children, and assistance with water supplies, toilets, furniture and other facilities.

Devolution of project organisation continued during 2015-16, with increasing responsibility being transferred from Australian volunteers to Pak Don and his colleagues, and with Pak Don himself engineering substantial devolution in his arrangement of activities. The NTA also continued to improve the technical and accounting capacity of local staff, and mentor local staff on organisation of field activities, including management of household records.

**The Operations Committee**

The Operations Committee provided critical ongoing advice to the CEO/Operations Manager, Program Manager and Indonesian staff. It analysed reports from the field and scrutinised proposed disbursements within the Board-approved budget. The Committee reviewed the yearly ‘ADPlan’ submitted to DFAT by the Executive Officer, as well as the performance report to DFAT on the previous financial year’s activities.

Members of the Operations Committee also assisted with:

* reviewing NTA-sponsored activities
* conducting auditing exercises
* making maps of NTA’s area of operations
* preparing financial proposals
* formulating strategic plans for operations
* translating Indonesian-language reports
* maintaining the field visit manual for volunteers
* drawing up legal and other documents, and
* checking against the NTA’s child protection and counter terrorism obligations.

Colin noted that since the conclusion of the 2015-16 financial year, Stephen Barry had taken over the role of Chair of the Operations Committee, and wished him well in this new capacity.

1. **Membership and Marketing Committee Report**

Membership and Marketing Committee Chair Peter reminded attendees that NTA operates in an increasingly competitive marketplace for donations. Therefore the NTA’s focus over 2015-16 was on articulating a strong ‘value proposition’ to prospective donors emphasising the benefits to our beneficiaries in NTT of the NTA’s work in improving livelihoods through agricultural and aquacultural development, providing clean water and sanitation and helping schools.

Peter noted that the NTA continues to improve its website and other promotional materials and seeks to maintain contact with its donors through newsletters, events and periodic appeal letters.

Peter reported that NTA lifted its income considerably in 2014-15 and has maintained most of that increase in 2015-16, still well above historical levels. The NTA’s supporter base (quantified by the number of newsletter subscribers) now exceeds 500 and is growing steadily.

Peter expressed his gratitude to the NTA’s regular donors. He noted the generosity of Rotary Clubs in Canberra and Sydney, particularly Canberra’s Burley Griffin Club and Chris Curtis and the Lane Cove Rotary Club, which, with other Sydney clubs, has donated $12,000 this year. Peter expressed his appreciation for the continuing support of Australia Indonesia Association branches in the ACT, Melbourne and Sydney. Peter gave a special mention of the support of Marylou Minty in Canberra, who operates a charity stall at the Phillip Farmers Market and donates most of the funds raised to the NTA. Peter noted that the NTA’s Melbourne group of supporters raised a significant sum this year and Vision East continues to support the NTA. The NTA has a number of significant individual donors in Canberra and some beyond. Peter specifically thanked David and Terry Quane for their significant donations.

Peter thanked the following partners:

* Oxide Interactive, an innovative IT company in Canberra, which has continued to host the NTA’s website and to advise on related matters including a marketing communications strategy.
* Inland Trading, a Canberra region wine export company, which has generously donated cases of wine for NTA events.
* Significant new partner Dixon Advisory, an award-winning Self-Managed Superannuation Fund manager, which has made an initial donation of $4,000 and pledged $1,000 for each sign-up of a new client associated with the NTA.

Events throughout the year provided opportunities for NTA supporters to gather and to recruit new supporters. The dinner and trivia night were well-attended. H.E the Ambassador of the Republic of Indonesia, Bapak Nadjib Riphat Kesuma, addressed the annual dinner this year.

Peter concluded by reiterating that the NTA’s value to our partners in NTT is in improved livelihoods. It is best conveyed by stories such as how a villager was helped to grow vegetables in polybags on his small plot. He sold some of the vegetables but also his family consumed some, so family health improved and proceeds of the sales paid school fees. NTA’s Membership and Marketing Committee is working to bring more such stories to the attention of our supporters and potential supporters. Our value to donors is an assurance that their donations help improve those livelihoods in the province.

1. **Finance Committee Report**

Ron submitted the NTA’s Activity Statement Report for 2015-16, and tabled the year’s audited Financial Statements.

Ron reported that in 2015-16, NTA recorded a net deficit of $4,416, compared to a net surplus of $33,690 for 2014-15. The underlying total revenue in 2015-16 was $237,987 (three per cent lower than 2014-15). This was the second highest revenue recorded in the past five years.

Ron noted that the NTA has made considerable progress in broadening its means of income, with Dixon Advisory becoming the organisation’s first corporate partner. This initiative is in line with the NTA’s long-term goal of reducing its dependence on government funding.

In total there was a 16 per cent increase in disbursement for international programs, from $183,743 in 2014-15 to $214,104 in 2015-16. Fundraising, accountability and administrative expenses have remained at a similar level compared to 2014-15.

Ron reported that the NTA ended the year in a sound financial position with more than $50,000 held in bank accounts.

Ron finally thanked Ming Cheah for his contribution on the Finance Committee, for preparing the financial statements and for having the audit completed in a timely manner.

1. **Election of 2016-17 Board**

Ron noted that discussions are currently being held with several candidates for Board positions.

1. **Member comments and feedback**

Peter thanked Ron for his efforts in managing NTA’s budgeting and general finances.

Peter also thanked the three outgoing Board members, Penny Godwin, Ulla Keech-Marx and Janet Hunt, for their significant contributions.