

22nd January 2011.

Independent Review of Aid Effectiveness Secretariat,
GPO Box 887,
Canberra, ACT, 2601, Australia.

ATTENTION: Mr Sandy Hollway AO.

Dear Mr Hollway,

Thank you for the opportunity to provide written submissions to your Review. The issue of effectiveness and efficiency is core to the operation of Co-operation in Development Inc (Australia), and I thought it might be useful to provide a brief insight into what I believe is a highly unusual Australian-based foreign aid charity. COID builds and operates secular co-educational primary schools in the ultra-poor delta region of southern Bangladesh. The schools, which include a majority female enrolment, offer totally free education in regions where the Bangaldeshi government school system does not reach including in highly marginal communities vulnerable to climate change. But it is not this aspect of COID that makes it truly exceptional.

COID is a Deductible Gift Recipient, a concession approved by the Australian government in the late 90s for which our organization is truly grateful. While a small but increasing proportion of our annual income derives from overseas donor, the lion's share of our budget is derived from Australian donors benefiting from tax deductibility. In terms of annual budget, CO-ID is small. Our budget last year was \$350,000 (check). However, in terms of scope of operation, I believe it is fair to say COID is a mid-ranked aid operation, running 41 full-time totally primary schools in Bangladesh, with an enrolled student population of around 11,000. In other words, we are able to provide full-time (6 days a week) education, using qualified non-volunteer teachers, delivering the nationally-mandated Bangladeshi curriculum, for an annual cost of around \$31 per child. We have a staff of around 170 full time Bangladeshi staff, all paid at locally competitive rates. One of the unusual aspects of the charity is that much of the donated money, certainly in the early days of our operation, came from school children here in Australia, raising funds through measures such as uniform-free days and annual dinners. The concept of children raising money for their less fortunate fellows I think is one of the attractions of COID.

The secret to COID's efficiency is less magical, and twofold.

Firstly, we have no paid Australian staff. We have a large volunteer committee based in Australia, who are dedicated to the proposition that they are supporting a charity, not vice versa. Many of our volunteers donate not only their time to the charity, but carry many of the incidental costs—some trivial, some not-so-trivial—themselves. In this sense we are lead by example. COID was established in 1989 by a retired mechanic and retailer from Warwick in Queensland, Fred Hyde, who still, at the age 90, works full-time for the charity. Mr Hyde currently is in Bangladesh, and lives in Bangladesh for the majority of the year, personally supervising operations. During the last 21 years (and in fact prior to it), Mr Hyde has paid the vast majority of his own costs in supporting COID, including his accommodation in Bangladesh, airfares, food, and medical expenses. He is a true volunteer, throwing himself and his wealth and wellbeing into the project. In Bangladesh, he lives in primitive conditions, certainly less comfortably than the Bangladeshi 'middle class'. Mr Hyde's insistence on practising efficiency and economy in his daily life undoubtedly leaves a very strong impression on the local population, including the various levels of government in Bangladesh. Mr Hyde's longstanding and steadfast opposition to corruption is respected and understood in the context of his explicitly and implicitly reinforced message that donor's funds are sacred, and must be husbanded carefully.

Secondly, we ask local communities and people in Bangladesh to contribute to our schools. The land on which schools are built are donated to COID, and the local people assist in building the land up above normal flood levels, in the season prior to the commencement of construction of the schools. In the light of Mr Hyde's own obvious commitment to frugality, the support of the community does not stop there. The Bangladeshi government provides COID with free textbooks—our charity only has to provide freight. Government agencies, by and large are supportive. And it is certainly true that local trades people and suppliers are prepared to provide goods to COID at heavily discounted prices. There is no price gouging of the kind that one will commonly observe on the part of suppliers and 'normal' overseas charities. A secondary benefit of the community involvement in our projects is the fact that despite the fact our schools are quite isolated and difficult to secure, we have had no cases of vandalism in all our years of operation.

Apart from Mr Hyde's incredible record of volunteerism in Bangladesh, which has been recognized by a number of parties, including the Australian embassy in Bangladesh, and of course the Australian government (he was awarded the Member of The Order of Australia),

there are no aspects of COID that are inherently unreplicable. The people of Bangladesh are no more remarkable than the people of Australia, and there is no reason why foreign aid charities can't utilize the skills and enthusiasms of the peoples of their recipient nations. Using highly paid foreign staff—or indeed disproportionately well paid local staff—to run local operations is often counterproductive, creating resentment in the local population and missing a key opportunity to build local skills.

COID's weakness is that its philosophical objection to spending donor's money on non-core activities—something that doubtless does enthuse and encourage donors—means that its operations are a relative secret to the average Australian. Mr Hyde is a modest, shy man, which in a sense, does not help the committee in its pursuit of publicity. His main interest is in expanding COID's school system, and indeed we have seen exponential growth in the project during Mr Hyde's years as an octogenarian. It is becoming increasingly difficult, using our pre-existing revenue streams, to support our operations, and while I realize this is not the occasion to plead such a case, I would urge the Australian government to see the value for money inherent in shoe-string charities such as Co-operation in Development.

Mr Hyde's dedication to the cause of education in Bangladesh has rendered Australia itself an incalculable gift: the reputation of Australia in Bangladesh has been immeasurably enhanced by his work and his example, and I think if there were more charities like COID, ordinary Australians would be prepared to give much more willingly to the cause of foreign aid.

Yours sincerely,

Dr Olav Muurlink,
Chairman,
The Management Committee,
Co-operation In Development (Inc) Australia.