

Australian Council for International Development

Pre-Budget
Submission
2021-22



AUSTRALIAN
COUNCIL
FOR
INTERNATIONAL
DEVELOPMENT

COVID-19 has placed development at the heart of Australian foreign policy

While COVID-19 has required a rapid pivot of Australia’s development program, in order to help shape a shared Indo-Pacific future Australia will need to pivot once more – from supporting response and recovery to partnering for regional resilience. Effective, long-term development cooperation is a key tool for strengthening our regional relationships and can help Australia navigate a more challenging world. Effective development is *inclusive development* that advances the equal participation of all groups in civic, economic and political life.

COVID-19—and the social, economic and geo-political changes that the pandemic has accelerated—has placed international development at the heart of Australian foreign policy. Major reversals in development gains have accompanied the deepest global recession since the 1930s and extreme poverty has risen for the first time in over 20 years.¹

These impacts have fallen hardest on those who are already marginalised by their gender, disability, sexuality, age or ethnicity. The pandemic and its associated social and economic impacts have reemphasised the critical importance of reducing poverty and inequality in order to ensure a resilient, flourishing region which can withstand and recover from unexpected shocks in the future. In this context, international development must be central to Australia’s foreign policy approach.

Women and young people aged 15–29 working in the informal sector have been hit the hardest. School closures have affected 91 per cent of students worldwide.² Millions of temporary migrants, displaced people, and refugees face heightened insecurity and vulnerability. The scars from this crisis will take decades to heal. Their effects will have direct and enduring consequences for Australia’s interests in a stable, prosperous, and rules-based Indo-Pacific.

In the face of a “poorer, more disorderly and more dangerous world”,³ Australia — a world leader in suppressing the spread of the virus domestically — has stepped up. DFAT and its partners, including Australian and local NGOs, successfully “pivoted” in 2019–2020 to deal with the immediate impacts of the pandemic.

Under its interim ‘Partnerships for Recovery’ strategy (2020–22), the Australian Government has set out clear and immediate priorities for its development response to COVID-19 – health security, economic recovery, and stability. And, in 2020–21, the Government announced approximately \$1.1 billion in new development investments to support these objectives, with a focus on the Pacific and Southeast Asia. As stated by Prime Minister, Scott Morrison, Australia is “using all the elements of statecraft to shape the world that we want to see”.⁴

But even as the promise of a vaccine becomes a reality, we cannot be complacent. Australia’s ongoing support for response and recovery over the next year needs to help close critical development gaps to ensure they do not widen and undermine stability and prosperity. This includes supporting a fair and equitable global rollout and building community trust in vaccines, addressing secondary health impacts through re-investing in health systems and addressing the specific needs of conflict and crisis-affected populations, both in our region and further afield.

1 <https://www.worldbank.org/en/topic/poverty>

2 <https://reliefweb.int/sites/reliefweb.int/files/resources/GHO-2021-Abridged-EN.pdf>

3 <https://www.pm.gov.au/media/address-launch-2020-defence-strategic-update>

4 <https://www.pm.gov.au/media/address-aspen-security-forum-tomorrow-indo-pacific>



And, in order to help shape a shared Indo-Pacific future, Australia will need to pivot once more – from supporting regional response and recovery to partnering for regional resilience. Whilst we may not be able to predict the exact form of future crises, “unprecedented is not a reason to be unprepared”.⁵

The pandemic has demonstrated that traditional distinctions between domestic and international events no longer hold. Against the backdrop of more intense competition for regional influence, state-society dynamics — inequalities in income and access to basic services, questions of governance and social inclusion, gender inequality, and the differential humanitarian and development impacts of climate-induced disasters — will all have an increased bearing on Australia’s interests. Effective, long-term development cooperation is a key tool for strengthening our regional relationships and can help Australia navigate this more challenging world. This is because, at its foundation, effective development is inclusive development that advances the equal participation of all groups in civic, economic, and political life.

Looking ahead, Australia must work more intensively with our regional partners to build long-term resilience to strengthen social protection, enhance climate change mitigation and adaptation, and support inclusive development and open and vibrant civic spaces. This work should start with making permanent and building upon the additional funding measures announced by the Government in 2020–21. And it should be supported by a long-term development policy framework and budget strategy.

5 https://www.themandarin.com.au/143853-collaboration-between-government-agencies-and-across-borders-at-heart-of-bushfire-royal-commission-recommendations/?fbclid=IwAR21ipSbd2RGFx46bjmR5gXiVRufw2ck5OkWttqItGD2loghRNhFi_wJsY

Summary of Recommendations

NEW BUDGET MEASURES

In addition to making the 10% (\$400 million) increase in total Official Development Assistance (ODA) in 2020-21 permanent and recurrent (Rec. 1), ACFID recommends the Australian Government allocate an additional \$3.56 bn in new development funding over four years.

This \$3.56 billion should include:

- an additional \$500 million in 2021-22 to support global purchasing mechanisms for COVID-19 diagnostics, therapeutics and vaccines (Rec. 3);
- an additional \$1 billion over four years to strengthen health systems in the Indo-Pacific (Rec. 6);
- an additional \$1.54 billion over four years to meet Australia's fair share of global humanitarian finance in 2021 and beyond (Rec. 7);
- an additional \$250 million over four years to work with Southeast Asian countries to strengthen social protection systems (Rec. 10);
- an additional \$19 million over four years to restore DFAT's Central Disability Fund to \$14.4 million per annum (Rec. 13); and
- an additional \$250m over four years for existing high impact programs which leverage and support the comparative advantage of NGOs and civil society organisations (Rec.17).

SUMMARY OF ALL RECOMMENDATIONS

RECOMMENDATION 1

The Australian Government makes the 10% (\$400 million) increase in total Official Development Assistance (ODA) in 2020-21 permanent and recurrent.

RECOMMENDATION 2

Ahead of the expiration of the 'Partnerships for Recovery' strategy in mid-2022, the Department of Foreign Affairs and Trade (DFAT) begin consultations to inform a new long-term development policy and budget strategy. As well as the ongoing COVID-19 pandemic and humanitarian response, this policy should address the root causes of conflict, inequality, and barriers to achieving the development aspirations of national and local partners.

RECOMMENDATION 3

Consistent with our G20 commitments and our regional and multilateral interests, the Australian Government increases its contribution to the ACT Accelerator's global purchasing mechanisms by at least \$500 million in the 2021-22 Federal Budget. This increase should be in addition to the existing ODA budget and the new measures announced in 2020-21.

RECOMMENDATION 4

The Australian Government invests at least 10% of Australia's three-year \$500 million Vaccine Access and Health Security Initiative into addressing vaccine hesitancy in Southeast Asia and the Pacific through strengthened partnerships with trusted, community-led organisations that can provide localised, credible and human-centred public health messaging, focusing on the most marginalised people.

RECOMMENDATION 5

DFAT convenes a regular civil society dialogue with Australian NGOs and their local partners to inform implementation of the COVID-19 country response plans and work of the Vaccine Access Taskforce.

RECOMMENDATION 6

The Australian Government invests an additional \$1 billion over the next four years in health systems strengthening in the Indo-Pacific at a country-level and improving population health outcomes through increased access to basic healthcare services, improved diagnostic capacity and training provision to increase medical skills and expertise and ensure cost-effective, preventative measures that contribute to regional health security.

RECOMMENDATION 7

The Australian Government significantly increases its humanitarian financing in 2021-22 and commit its fair share of at least \$861 million per year. This increase in humanitarian funding must come from an increasing ODA program.

RECOMMENDATION 8

Within Australia's fair share total, the Australian Government should allocate at least \$300 million per year for multi-year funding packages to protracted crises in at least 5 countries or regions.

RECOMMENDATION 9

Within Australia's fair share total, the Australian Government adopts a \$150 million famine prevention package to address rising hunger and child malnutrition in at least three conflict-affected countries outside the Indo-Pacific.

RECOMMENDATION 10

The Australian Government invests an additional \$250 million over four years to work with ASEAN and developing countries in Southeast Asia to design and implement improved social protection systems to help cushion the social and economic impacts of external shocks and crises.

RECOMMENDATION 11

The Australian Government commits to net zero carbon emissions by 2050, including a credible path to achieving this target, ahead of the 2021 Glasgow Conference of the Parties meeting.

RECOMMENDATION 12

The Australian Government ensures that its new five-year, \$1.5 billion climate finance commitment does not come at the cost of other development investments and is designed in partnership with those countries and communities whom it is intended to benefit, including through meaningful consultation with civil society organisations and community representatives. This should include a strong focus on those populations most vulnerable to the effects of climate change.

RECOMMENDATION 13

The Australian Government commit to increased, targeted long-term investments for gender equality and disability inclusion, prioritising core, flexible support for civil society organisations by restoring \$14.4 million for DFAT's Central Disability Fund and the 80% target for direct and indirect gender equality investments.

RECOMMENDATION 14

DFAT increase the proportion of Australian ODA channelled to and through civil society to 20 per cent, for both humanitarian and development funding (this is commensurate with OECD averages but behind leaders such as Sweden at 40 per cent).

RECOMMENDATION 15

DFAT establishes a roadmap for locally led delivery of Australian development and humanitarian programs. The roadmap must articulate proposed investments in local partners, engagement of diverse local actors, shifting of power and progressive removal of barriers to localisation.

RECOMMENDATION 16

DFAT supports and co-funds the Pacific-led development of a Pacific Regional Standard for Civil Society Organisations. This will foster a vibrant civil society sector and expand the diversity of high impact development partners for Australia.

RECOMMENDATION 17

The Australian Government allocates an additional \$250m over four years to existing high impact programs which leverage and support the comparative advantage of NGOs and civil society organisations (as demonstrated during COVID-19), such as the Australian NGO Cooperation Program (ANCP), Australian Humanitarian Partnership and Water for Women.

RECOMMENDATION 18

DFAT's 2021-22 Development Budget Summary include: 1. updated estimates of actual expenditure in 2020-21; 2. cash estimates for total ODA across the forward estimates (including any new and/or temporary budget measures); 3. disaggregated estimates for 2021-22 by global/regional/country programs and sectors (including gender equality, disability and climate change); and 4. a summary of all new, non-ODA development measures, including how they align with agreed regional/country COVID-19 Response Plans.

RECOMMENDATION 19

In addition to the Annual Ministerial Statement, DFAT publish annual performance reporting against the 'Partnerships for Recovery' strategy that includes disaggregated performance of both ODA and non-ODA development investments by regions/countries, sectors (including gender equality, disability and climate change assistance) and delivery partners.

RECOMMENDATION 20

DFAT publishes the annual transparency audit on its website, including clear actions and timeframes for addressing identified gaps.

RECOMMENDATION 21

DFAT ensures that its geographic, policy, performance and humanitarian areas are adequately and predictably resourced to effectively lead, manage and tailor a growing, more prominent and more complex development program.



Prioritising Australia's development cooperation in a contested region and a "poorer, more dangerous world"

Growing poverty and inequality caused by the pandemic is creating a more unstable world and region, undermining Australia's security and economic interests. Well-positioned domestically, Australia can provide increased development and humanitarian investments to assist nations to recover from the pandemic. These investments will create greater human security; help stabilise the region and critically insecure nations; enhance economic recovery and cement stronger regional partnerships for Australia.

GLOBAL OUTLOOK

The COVID-19 pandemic has generated far-reaching impacts on the global economy with International Monetary Fund (IMF) Managing Director Kristalina Georgieva declaring the crisis "the worst economic fallout since the Great Depression."⁶

Global poverty is likely to increase for the first time since 1990 and could represent a reversal of approximately a decade in the world's progress in reducing poverty. In some regions the adverse impacts could result in poverty levels similar to those recorded 30 years ago. Under the most extreme scenario of a 20 per cent income or consumption contraction, the number of people living in poverty could increase by 420–580 million, relative to the latest official recorded figures for 2018.⁷

COVID-19 has also added a layer of adversity to people already in crisis, increasing the number of people who need lifesaving assistance by 40%. In 2021, the UN predicts that 235 million people will need humanitarian assistance and protection. This number has risen to 1 in 33 people worldwide – a significant increase from 1 in 45 at the launch of the Global Humanitarian Overview 2020, which was already the highest figure in decades.⁸

REGIONAL OUTLOOK

The COVID-19 pandemic has delivered a triple shock to the region: the pandemic itself, the economic impact of containment measures, and reverberations from the global recession. East Asia and the Pacific is expected to grow by only 0.9 percent in 2020, the lowest rate since 1967. The COVID-19 shock is not only keeping people in poverty, but also creating a class of "new poor." The employment and earning impacts of the pandemic have been large and widespread. COVID-19 will have a lasting impact on inclusive longer-term growth by hurting investment, human capital, and productivity.⁹ In 2021, economic growth and poverty reduction is likely to be further constrained due to widening gaps in access to vaccines, both within and between countries.

PACIFIC OUTLOOK

Pacific nations face an average decline in per capita growth rates of 5.7% (with declines as high as 20% in Fiji) and "six years of economic output are projected to be lost".¹⁰ Economists have projects that "extreme poverty may increase to over 30% of the population in PNG and Timor-Leste, 27% in Solomon Islands, and 17% in Vanuatu", with severe scenarios indicating that "an additional 1.2 million people in the region" would be pushed into extreme poverty, "an increase of over 40% on pre-COVID-19 levels".¹¹

6 <https://www.bbc.com/news/business-52236936>

7 <https://www.wider.unu.edu/publication/estimates-impact-covid-19-global-poverty>

8 <https://gho.unocha.org/>

9 <https://www.worldbank.org/en/region/eap/publication/east-asia-pacific-economic-update>

10 <https://blogs.worldbank.org/health/economic-impact-covid-19-and-health-financing-pacific-time-action-now>

11 <https://devpolicy.org/poverty-and-teh-pandemic-in-the-pacific-20200615-2/>



The Lowy Institute warns that the Pacific faces a potential ‘lost decade’ owing to the economic devastation caused by the COVID-19 pandemic. They forecast that average income per person in the Pacific will not recover to its 2019 level until 2028. Lowy estimates that the Pacific will need at least \$5 billion over the next few years in additional stimulus spending to fully recover from the economic impact of the pandemic.¹²

Progress on gender equality in the Pacific has potentially been set back decades by the pandemic. While women have been at the frontline of the response (as the majority of the healthcare workforce and as unpaid primary carers), existing income inequalities, disparities in access to decision-making structures, disruptions to maternal, child and sexual and reproductive health services, and the incidence of gender-based violence have all increased. In the case of the latter, Fiji recorded a six-fold increase in the number of calls to its national domestic violence hotline between February and April 2020, with nearly 50% of those calling reporting a correlation between COVID-19 and increased violence.¹³

SOUTHEAST ASIA OUTLOOK

As the pandemic persists, Gross Domestic Product (GDP) in developing Asia is projected to contract by 0.7% in 2020—the first regional growth contraction since the early 1960s. Growth is forecast to rebound to 6.8% in 2021, but this will still leave GDP next year substantially below expectations before COVID-19.¹⁴ As in the Pacific, the impacts have been experienced differently by different groups. Southeast Asia’s informal workers – which number in the tens of millions in many ASEAN countries and the majority of whom are women – have been the first to lose their jobs and incomes, pushing millions back into poverty.¹⁵

How well Southeast Asia recovers, and the degree to which this recovery is inclusive and equitable, will have a significant bearing on the region’s longer-term strength, resilience and independence. Southeast Asia sits at the cross-roads the Indo-Pacific’s changing strategic landscape. A weaker, more unequal, and internally focussed Southeast Asia will be more vulnerable to China’s growing power and less able to manage the pressures of sharper US-China competition.¹⁶

THE ROLE OF AUSTRALIA’S INTERNATIONAL DEVELOPMENT ASSISTANCE

The spread of COVID-19 is undermining state stability due to the insecurity faced by their populations.

In the Indo-Pacific, poverty, inequality, and inequity in accessing healthcare is growing, exacerbating socioeconomic tensions and the volatility of state-society relations. Weak and ill-prepared health systems across the region are overstretched by COVID-19, exposing pre-existing gaps and ultimately weakening regional health security.

These factors increase the prospect of the deterioration of the rule of law, conflict, the disruption of trade and supply chains, economic decline, and irregular migration, with direct affects for Australia. Regionally, they will constrain Australia’s recovery and growth, and weaken national security. It threatens to undermine the foundations of international cooperation and further amplify geo-political competition. This lessens Australia’s ability to effectively prosecute its interests.

The strongest tool we can deploy to ward off instability and address its root causes is Australia’s international development program.

12 <https://www.lowyinstitute.org/the-interpreter/avoiding-lost-decade-pacific>

13 <https://www.unwomen.org/en/news/stories/2020/6/feature-pacific-crisis-centres-respond-to-covid-19-amid-natural-disasters>

14 <https://www.adb.org/what-we-do/economic-forecasts/september-2020>

15 <https://thediplomat.com/2021/01/a-crisis-waiting-to-happen-unemployment-and-informality-in-southeast-asia-during-covid/>

16 <https://southeastasiacovid.asiasociety.org/covid-19-and-southeast-asias-long-road-to-economic-recovery/>



Development programs that help foster more equal, open and inclusive societies are a key foreign policy tool for Australia. Not only do they serve to improve human security and Australia's national interest but provides areas for Australia to build deeper partnerships, greater trust and become a partner-of-choice.

Targeted investments in areas such as, vaccine procurement and technical assistance, health system strengthening and humanitarian assistance in already fragile states, offers the means to bolster stability and create a mutually beneficial and accelerated path out of COVID-19.

PRIORITISING OUR DEVELOPMENT ENGAGEMENT

While 'Partnerships for Recovery' is a two-year strategy that focuses on Australia's response to COVID-19 to 2022, the development program still needs to be positioned to engage on the critical development challenges we know the countries in our region face on the other side of this crisis. The development goals of our partner nations are long-term, and best served by consistent support that addresses the root causes of poverty and inequality, including gender equality.

RECOMMENDATION 1:

The Australian Government makes the 10% (\$400 million) increase in total Official Development Assistance (ODA) in 2020-21 permanent and recurrent.

RECOMMENDATION 2:

Ahead of the expiration of the 'Partnerships for Recovery' strategy in mid-2022, the Department of Foreign Affairs and Trade (DFAT) begin consultations to inform a new long-term development policy and budget strategy. As well as the ongoing COVID-19 pandemic and humanitarian response, this policy should address the root causes of conflict, inequality, and barriers to achieving the development aspirations of national and local partners.

Strengthening Australia's international health response to COVID-19

Australia's international response to the COVID-19 crisis has been flexible and responsive. In order to advance our interests and safeguard the global and regional recovery, this response must be expanded to include: increased support for the fair and equitable global rollout of safe and effective vaccines; funding to address urgent and growing global humanitarian needs; and additional regional investments to contain secondary health impacts and strengthen regional health security.

AUSTRALIA'S RESPONSE TO DATE

ACFID has welcomed the Australian Government's international development response to the COVID-19 crisis to date. This has included several assistance packages that are additional to Australia's existing annual international development budget of \$4 billion — a two-year, \$304.7 million COVID19 recovery fund for the Pacific and Timor-Leste; a three-year \$500 million regional vaccine access and health security initiative for the Pacific and Southeast Asia; and a five-year package of new development, economic and security partnerships in Southeast Asia.

Explicating the precise effects of these new measures has, however, proven difficult. This is because for the first time in several decades the 2020-21 Federal Budget did not provide an aggregated estimate for total Official Development Assistance (ODA) that includes these new temporary measures, sectoral breakdowns of spending for 2020-21, nor a cash estimate of ODA expenditure over the forward estimates (to 2023-24).

However, based on the announcements contained in the October Budget, subsequent announcements and the figures contained in the Mid-Year Economic and Fiscal Outlook, the ANU's Development Policy Centre has estimated Australia's total ODA for 2020-21.

ESTIMATED AUSTRALIAN AID EXPENDITURE FOR 2020-21	\$M
1. Core aid budget	4,000.0
2. COVID-19 response package — support to TL and Pac	202.4
3. COVID-19 vaccine access and health security program — support to the Pacific and SE Asian countries	174.6
4. DFAT share of SE Asia 14-November package	39.9
TOTAL	4,416.9

Source: Development Policy Centre

ACCELERATE AND INCREASE ACCESS TO A SAFE AND EFFECTIVE VACCINE AND BUILD COMMUNITY TRUST IN VACCINES

The IMF estimates that an accelerated, universal rollout of safe and effective COVID-19 vaccines would add an additional US\$9 trillion to the global economy through to 2025.¹⁷ However, despite the enormous scientific and financial investments that have gone into the successful development of multiple vaccines in 2020, 2021 is likely to see widening of global disparities in access to tests, treatments, and vaccines.

While many developed countries have already commenced national vaccine rollouts, current forecasts suggest that most low-income countries will not have wide access to a vaccine before 2022-23.

¹⁸ For example, in Australia's region, the Economist Intelligence Unit predicts that Indonesia will not have 60% of its population vaccinated until Q3 2023 and that Papua New Guinea will not reach this target until after 2025.¹⁹

Delays to mass vaccinations globally creates greater opportunity for new variants to develop which are more virulent, more deadly and which render existing vaccines less effective or ineffective. The WHO has described this widening gap as an unfolding "moral catastrophe" and concluded that "advanced economies face output losses of up to \$2.4tn — 3.5 per cent of their annual gross domestic product before the pandemic" — unless they assist developing countries speed up their vaccination programmes.²⁰

Inequitable access to COVID-19 vaccines threatens to prolong the pandemic, eroding stability, prosperity, and resilience in in both developing and developed nations. In the absence of a fair and equitable global vaccine rollout, Australia and its Indo-Pacific neighbours will remain vulnerable to recurring outbreaks.

This will undermine regional stability, economic confidence, and social cohesion. It will also provide an opening for those states who may wish to exploit the pandemic to undermine the rules-based order.

Initiatives such as Access to COVID-19 Tools (ACT) Accelerator and its COVAX Advance Market Commitment Mechanism (AMC) have been established to address financing and equitable access issues. However, there are major funding gaps. The ACT Accelerator faces a US\$23.2 billion funding gap.²¹

In November 2020, Australia, along with other G20 nations, committed to "spare no effort to ensure that all people have affordable and equitable access to safe and effective COVID-19 diagnostics, therapeutics and vaccines".²² However, while Australia has committed US\$68 million for the Accelerator in 2021, fellow "Five Eyes" nations such as Canada and the UK have committed over ten times this amount — US\$688 million and US\$1.08 billion, respectively.²³

An increased investment in these global mechanisms would supplement our generous Vaccine Access and Health Security Initiative for Southeast Asia and the Pacific, enhancing value-for-money through pooled purchasing arrangements. It would also advance our interests in a global multilateral system that is "fit-for-purpose, relevant, contemporary, accountable to member states, free from undue influence, and [has] an appropriately strong focus on the Indo-Pacific."²⁴

17 <https://www.imf.org/en/News/Articles/2021/01/14/tr011321-transcript-imf-md-media-roundtable-washington-post-nikkei-pti-business-day-le-figaro>

18 <https://www.eiu.com/n/rich-countries-will-get-access-to-coronavirus-vaccines-earlier-than-others/>

19 https://twitter.com/TheEIU_China/status/1349901413388697600


20 <https://www.ft.com/content/53c668bc-1066-4d8c-8c8d-5d29ba34a06e>

21 <https://www.who.int/initiatives/act-accelerator>

22 https://www.consilium.europa.eu/media/46883/g20-riyadh-summit-leaders-declaration_en.pdf

23 https://www.who.int/docs/default-source/coronaviruse/20201217---act-a-commitment-tracker_vfinal.xlsx?sfvrsn=b08a1c3e_8&download=true

24 <https://www.foreignminister.gov.au/minister/marise-payne/speech/australia-and-world-time-covid-19>



In addition to finance and supply-chain logistics, a key part of a successful large-scale international vaccine rollout will be addressing “vaccine hesitancy”. This will require effective public health messaging that builds community trust in the rollout and effectively counters medical misinformation. A study recently published in *The Lancet* found that community confidence in the importance, safety, and effectiveness of vaccines has fallen in several key Indo-Pacific countries, all of which are among the worst affected by the COVID-19 pandemic — Indonesia, the Philippines, Pakistan, and Afghanistan.²⁵

As demonstrated by their rapid and effective 2020 “pivot”, DFAT’s civil society partners can help address this challenge. Through their established and extensive in-country networks, these partners are uniquely placed to provide localised, credible and human-centred public health messaging across a wide variety of community settings – sexual and reproductive health clinics, churches, schools, community and enterprise groups — in partnership with local governments, medical experts and international donors.

NGOs have supported vaccination programmes for decades, partnering with communities to combat the spread and impact of diseases, including most recently the Ebola outbreak in West Africa. Engaging NGOs and local leaders in the Ebola vaccine rollout and increasing community awareness was critical to improving take-up rates and ultimately managing the Ebola outbreak in 2016. The importance of engaging local leaders in the COVID-19 vaccine distribution was confirmed by recent World Vision research in Bangladesh in Myanmar, which found that people were much more likely to accept a COVID-19 vaccine if their community leaders and religious leaders had publicly expressed support for the vaccine.²⁶

RECOMMENDATION 3:

Consistent with our G20 commitments and our regional and multilateral interests, the Australian Government increases its contribution to the ACT Accelerator’s global purchasing mechanisms by at least \$500 million in the 2021-22 Federal Budget. This increase should be in addition to the existing ODA budget and the new measures announced in 2020-21.

RECOMMENDATION 4:

The Australian Government invests at least 10% of its three-year, \$500 million Vaccine Access and Health Security Initiative into addressing vaccine hesitancy in Southeast Asia and the Pacific through strengthened partnerships with trusted, community-led organisations that can provide localised, credible and human-centred public health messaging, focusing on the most marginalised people.

RECOMMENDATION 5:

DFAT convenes a regular civil society dialogue with Australian NGOs and their local partners to inform implementation of the COVID-19 country response plans and work of the Vaccine Access Taskforce.

25 [https://www.thelancet.com/journals/lancet/article/PIIS0140-6736\(20\)31558-0/fulltext](https://www.thelancet.com/journals/lancet/article/PIIS0140-6736(20)31558-0/fulltext)

26 <https://www.worldvision.org/about-us/media-center/faith-leaders-must-play-key-role-in-covid-19-vaccine-roll-out>

PREVENT FURTHER SECONDARY HEALTH IMPACTS AND INSURE AGAINST FUTURE RISK THROUGH STRENGTHENED HEALTH SYSTEMS

Even in high income countries where the pandemic has taken hold, COVID-19 is overwhelming health systems and exacerbating the overall burden of disease. In developing countries such as Indonesia and Papua New Guinea, the secondary health impacts will be even more devastating given existing higher rates of maternal, newborn and child mortality and communicable diseases such as tuberculosis (TB), malaria and HIV/AIDS. Previous crises have shown that disruption to routine health services such as maternity and sexual and reproductive healthcare have devastating impacts on health indicators across the board and sometimes result in more deaths than the primary disease.²⁷ During the Ebola crisis, more women died from secondary impacts such as maternal mortality than from Ebola itself.²⁸ Communicable diseases, as well as other ongoing healthcare needs will not wait as we work to eradicate COVID-19 and, if we don't act to preserve precious health gains, will extract a grim toll.

With disruption to routine immunisation services from the COVID-19 pandemic for example, there are now more than 80 million children aged <1 year at increased risk from diseases such as measles, diphtheria, and polio. Bi-monthly Global Fund surveys in more than 100 countries show that due to lockdowns, restrictions on movement, economic fallout, and the redirection of resources, around 75% of lifesaving HIV, TB and malaria prevention and treatment programs have been moderately to seriously disrupted for the majority of 2020. Without intervention, infection rates will rise for the first time in many years, and HIV, TB and malaria deaths are predicted to increase by up to 10%, 20%, and 36% in the next 5 years, respectively, compared with if there was no COVID-19 pandemic.²⁹ To mitigate the impact of COVID-19 on the countries most affected by HIV, TB and malaria, the Global Fund has estimated the requirement of an additional USD \$5bn for the next 12 months.³⁰

In Australia's region, the COVID-19 crisis has exposed the fragility of health security in the Indo-Pacific. Shifting disease patterns, future pandemics and gaps in basic healthcare represent a direct threat to Australia's strategic and commercial interests given our extensive trade, business, and tourism ties with the region. There is a clear need to further insure against shared risk in a manner that involves a more holistic view of health. However, underinvestment in health systems and preventative action remains a significant regional challenge and Australia has reduced its overall total health ODA investment, from over \$800m in 2014-15 to \$562.5m in 2018-19.³¹ This represents a reduction of around \$250 million per annum.

RECOMMENDATION 6:

The Australian Government invests an additional \$1 billion over the next four years in health systems strengthening in the Indo-Pacific at a country-level and improving population health outcomes through increased access to basic healthcare services, improved diagnostic capacity and training provision to increase medical skills and expertise and ensure cost-effective, preventative measures that contribute to regional health security.

27 [https://www.thelancet.com/journals/langlo/article/PIIS2214-109X\(20\)30229-1/fulltext](https://www.thelancet.com/journals/langlo/article/PIIS2214-109X(20)30229-1/fulltext)

28 <https://www.sciencedirect.com/science/article/abs/pii/S0033350616303225>

29 [https://doi.org/10.1016/S2214-109X\(20\)30288-6](https://doi.org/10.1016/S2214-109X(20)30288-6)

30 https://www.theglobalfund.org/media/9819/covid19_mitigatingimpact_report_en.pdf

31 https://acfid.asn.au/sites/site.acfid/files/resource_document/ACFID%20Main%20Submission.pdf

Responding to global humanitarian crises compounded by COVID-19

COVID-19 and its secondary impacts have intensified humanitarian needs globally. Four countries are on the brink of being declared famine, and humanitarian need already outstrips supply. Australia must commit its fair share of global humanitarian financing and ensure humanitarian assistance reaches those in greatest need.

AUSTRALIA'S FAIR SHARE

International humanitarian financing has not kept pace with growing global needs. In 2020 UN humanitarian appeals were only 47.1 percent funded, leaving an unprecedented humanitarian financing gap of US\$20.4 billion.³² The UN's 2021 Global Humanitarian Overview (GHO) outlines that in 2021 US\$35 billion is required to meet the immediate needs of 160 million people across 56 countries. UN Emergency Relief Coordinator Mark Lowcock has urged donors to come together to ensure that the 2021 GHO is fully funded, to prevent further devastation in countries and communities dealing with double or triple crises. Oxfam Australia finds that, based on World Bank GNI data, Australia's fair share of the humanitarian funding required to meet the needs outlined in the GHO in 2021 is at least \$861 million.³³

Donors have adopted increased commitments to meet the growing crises. On 26 January 2021, the European Commission increased its contribution to humanitarian financing by 60% for 2021 to €1.4 billion.³⁴ The Australian Government has not yet met its 2017 Foreign Policy White Paper commitment to increase Australia's global humanitarian assistance to \$500 million per year. Four years on, and amid a global pandemic that is increasing the vulnerability of countries and communities to crises, the Australian Government must raise its ambition, and not only meet the White Paper commitment, but to pay its fair share to support those most in need across the globe.

RECOMMENDATION 7:

The Australian Government significantly increases its humanitarian financing in 2021-22 and commit its fair share of at least \$861 million per year. This increase in humanitarian funding must come from an increasing ODA program.

32 <https://fts.unocha.org/>

33 The fair share methodology examines countries' ability to provide humanitarian support based on the level of humanitarian funding required. This methodology includes all high and upper-middle-income countries as potential donors, in recognition that upper-middle-income countries are increasingly assuming responsibility for responding to crises alongside high-income countries. This fair share calculation should be seen as the absolute minimum a wealthy country like Australia should allocate to funding life-saving humanitarian action.

34 https://ec.europa.eu/echo/news/eu-boosts-humanitarian-aid-budget-2021-needs-rise_en



ADDRESSING PROTRACTED CRISES

In July 2020 over one billion people, and more than half of all people living in poverty, were living in countries experiencing protracted crises. Over the last 15 years the number of countries experiencing protracted crises (crises lasting 5 or more years) has more than doubled - from 13 in 2005 to 31 in 2019.³⁵ In 2021 the greatest humanitarian needs remain in countries experiencing protracted crises, including in Yemen, Syria, the Democratic Republic of the Congo and Afghanistan.

In 2016 Australia signed on to 'The Grand Bargain – A Shared Commitment to Better Serve People in Need', committing to enhance engagement between development and humanitarian actors to better address protracted crises, and to plan and finance protracted crisis response on a multi-year basis. Since 2016, the Government has established multi-year packages for protracted crises in Syria, Iraq, and for the Rohingya response in Bangladesh/ Myanmar. These multi-year approaches assist in building community resilience, fostering linkages between relief, recovery, and development, and produce significant efficiency and effectiveness gains.

In 2021 the Australian Government should meet its Grand Bargain commitment and develop or continue to support multi-year packages in at least 5 countries or regions, including in Syria, Iraq, and Bangladesh. The Australian Government should allocate at least \$300 million per year for these multi-year responses. Any move away from the provision of multi-year funding for protracted crises would be a step backwards for Australia in progressing meaningful humanitarian reform and promoting effective humanitarian action.

RECOMMENDATION 8:

Within Australia's fair share total, the Australian Government should allocate at least \$300 million per year for multi-year funding packages to protracted crises in at least 5 countries or regions.

35 Development Initiatives Global Humanitarian Assistance Report 2020 <https://devinit.org/resources/global-humanitarian-assistance-report-2020/people-and-crisis/>

STEP-UP TO PREVENT FAMINE

In 2020 the impacts of the COVID-19 pandemic, climate change, and protracted conflicts drove a sharp rise in hunger across the globe, with over 151 million people facing acute food insecurity at the end of the year.³⁶

In late 2020 UN Emergency Chief Mark Lowcock wrote to the members of the Security Council warning that 'the first famines of the coronavirus era are at the world's doorstep'.³⁷

The World Food Programme has urged donors to take urgent action to prevent famine in Yemen, Nigeria, South Sudan and Burkina Faso, and to relieve emergency levels of food insecurity in crisis-affected countries and regions³⁸, such as in Afghanistan where half of all children under five face acute malnutrition.³⁹

Australia was a leading donor in response to the Horn of Africa food crisis in 2011,⁴⁰ however, it is widely acknowledged that the international community failed to act swiftly before famine was declared in Somalia, and that many lives could have been saved if early action had occurred.

The Australian Government must take early action and immediately adopt a \$150 million famine prevention package to address rising hunger and child malnutrition in at least three conflict-affected countries outside the Indo-Pacific. Funding under this package should be channelled through effective humanitarian partners and mechanisms including the United Nations Central Emergency Response Fund (CERF), the World Food Programme and the Australian Humanitarian Partnership. Countries under consideration should include those most at risk of 'emergency' and 'catastrophe' levels of food insecurity, including Afghanistan, Burkina Faso, the Democratic Republic of the Congo, Ethiopia, Lebanon, Mozambique, Nigeria, Somalia, South Sudan, Syria, and Yemen.

RECOMMENDATION 9:

Within Australia's fair share, the Australian Government adopts a \$150 million famine prevention package to address rising hunger and child malnutrition in at least three conflict-affected countries outside the Indo-Pacific.

36 <https://www.wfp.org/stories/hunger-hotspots-2021-world-food-programme-united-nations-famine-food-aid>
37 <https://interagencystandingcommittee.org/inter-agency-standing-committee/letter-members-security-council-mr-mark-lowcock-warned-first>
38 <https://www.wfp.org/stories/hunger-hotspots-2021-world-food-programme-united-nations-famine-food-aid>
39 https://reliefweb.int/sites/reliefweb.int/files/resources/afghanistan_humanitarian_needs_and_planned_response_2021.pdf
40 <https://www.dfat.gov.au/about-us/publications/aid/evaluation-of-australias-response-to-horn-of-africa-crisis-2011/Pages/3-the-australian-response>

Shaping a shared Indo-Pacific future: from response and recovery to resilience

COVID-19 has sharply exposed the role of poverty and inequality – differential access to health, weak social safety nets, marginalised groups – in prolonging and exacerbating global shocks and crises.

In the words of DFAT's Secretary, Frances Adamson, the pandemic has demonstrated "the increasingly inextricable nature of domestic and international policy and governance structures".⁴¹ In doing so, it has reinforced the importance of "resilience" – the ability of a country, community or society exposed to crises to resist, absorb, accommodate, adapt to, transform and recover from the effects of crises in a timely and efficient manner — as an organising principle that should guide Australia's strengthened development partnerships at all levels.⁴²

ADDRESSING SOCIAL AND ECONOMIC IMPACTS THROUGH STRENGTHENED SOCIAL PROTECTION SYSTEMS

COVID-19 has exposed serious gaps and inefficiencies in regional social protection systems that can protect those most vulnerable to economic shocks. ACFID has welcomed the Australian Government's investment in social protection in the Pacific as part of the 2020-21 budget measures, and ACFID and its members will continue to engage with DFAT on the design of this new package. However, as the United Nations Economic and Social Commission for Asia and the Pacific and International Labour Organisation has concluded, approximately half of the population of the Asia-Pacific has no social protection coverage and there has been "significant underinvestment" in social protection, despite the pandemic.^{43 44}

According to World Vision's rapid assessments across Asia, up to 85 million households have no or limited food stocks.⁴⁵ A lack of adequate social protection has widened inequalities, created new cohorts of poverty and further exposed migrants, children, and other marginalised populations to risks such as human trafficking, forced labour and child marriage. These trends and risks are

particularly acute in Southeast Asia. However, despite these impacts, the Government's Southeast Asia assistance package, announced in November 2020, does not include a social protection component.

Given its domestic experience through programs such as JobKeeper, Australia is well positioned to work with Indonesia, the Philippines and the Mekong countries to design and implement strengthened social protection mechanisms that can help cushion the impact of the current and future crises for millions in our region.

RECOMMENDATION 10:

The Australian Government invests an additional \$250 million over four years to work with ASEAN and developing countries in Southeast Asia to design and implement improved social protection systems to help cushion the social and economic impacts of external shocks and crises.

41 <https://www.dfat.gov.au/news/speech/anu-national-security-college-10th-anniversary-lecture-series>

42 https://www.preventionweb.net/disaster-risk/concepts/resilience/?utm_source=LinkedIn&utm_campaign=PreventionSavesLives

43 https://www.ilo.org/asia/publications/WCMS_753550/lang--en/index.htm

44 <https://unescap.org/publications/protection-we-want-social-outlook-asia-and-pacific>

45 <https://devpolicy.org/covid-19-new-surveys-show-poverty-crisis-in-asia-20200710/>

CLIMATE CHANGE

Climate change will disrupt and reverse economic and human development and adversely impact the poorest and most marginalised people around the world. According to latest projections from the World Meteorological Organization, the world is on course for a “catastrophic” temperature rise of between 3-5 degrees Celsius this century.⁴⁶ This will wreak chaos and devastation across the Indo-Pacific region over the coming decades if left unchecked.

Australia and its Pacific neighbours have affirmed that climate change represents the “single greatest threat to the livelihoods, security, and wellbeing of the peoples of the Pacific”.⁴⁷ Australia’s key allies and major trading partners – the US, UK, the EU, Japan, South Korea, China – have committed to net zero emissions by 2050 or soon thereafter. Climate change diplomacy will increasingly be site of regional geopolitical competition. It is firmly in Australia’s strategic and economic interests to commit to net zero by 2050 commitment ahead of the Conference of the Parties meeting in Glasgow in late 2021.

ACFID welcomes the commitment by the Australian Government to spend \$1.5 billion over the next five years (to 2025) to prevent and combat the effects climate change in developing countries.⁴⁸ It is essential that this funding is designed in partnership with the countries and communities whom it is intended to benefit. This and all future climate financing commitments should be additional to the existing ODA budget. Beyond the COVID-19 pandemic, Australia must invest in building back better by prioritising initiatives and models that are focused on people and community-oriented resilience and deliver environmental benefit as well as social and economic gains.

RECOMMENDATION 11:

The Australian Government commits to net zero carbon emissions by 2050, including a credible path to achieving this target, ahead of the 2021 Glasgow Conference of the Parties meeting.

RECOMMENDATION 12:

The Australian Government ensures that its new five-year, \$1.5 billion climate finance commitment does not come at the cost of other development investments and is designed in partnership with those countries and communities whom it is intended to benefit, including through meaningful consultation with civil society organisations and community representatives. This should include a strong focus on those populations most vulnerable to the effects of climate change.

46 <https://public.wmo.int/en/media/press-release/wmo-confirms-2019-second-hottest-year-record>

47 <https://www.forumsec.org/2018/09/05/boe-declaration-on-regional-security/>

48 <https://public.wmo.int/en/media/press-release/wmo-confirms-2019-second-hottest-year-record>

INCLUSIVE DEVELOPMENT

Decades of progress on women's equality globally and in our region is likely to be lost given that the social and economic costs of COVID-19 pandemic have disproportionately fallen on women and girls. Recent progress on disability inclusive development is also at risk given the ongoing impact on national budgets and services.

Inclusive development is strongly correlated with positive social and economic outcomes, including higher economic growth. In the case of gender equality, research by the McKinsey Global Institute has found that in a "best-in-region" scenario — in which all countries match the performance of the country in their region that has made the most progress toward gender equality — \$12 trillion a year could be added to GDP in 2025. This would be equivalent in size to the GDP of Japan, Germany, and the United Kingdom combined.⁴⁹ Indeed, far from being separate issues, transforming gender inequality and other forms of marginalisation is critical to ensuring societies are designed to withstand and flourish in a future that may increasingly be marked with these types of pandemics and other disruptions.

Gender equality and disability inclusion have been longstanding, core issues for Australia's development cooperation and we must stand by our previous commitments, both as expressions of our values and our interests. In the Pacific, programs such as Pacific Women have shown success in local ownership, flexibility across cultures, playing to Australia's strengths, reaching those furthest behind, creating strong partnerships and links, using evidence-based decision-making, and coordination across government and society. The decision to cut DFAT's Central Disability Fund in the 2020-21 Federal Budget and to abandon the 80% gender target for DFAT investments that address gender equality represent a backward step and must be reversed.

RECOMMENDATION 13:

The Australian Government commits to increased, targeted long-term investments for gender equality and disability inclusion, prioritising core, flexible support for civil society organisations by restoring \$14.4 million for DFAT's Central Disability Fund and the 80% target for direct and indirect gender equality investments, with a focus on the Pacific.

⁴⁹ <https://www.mckinsey.com/featured-insights/diversity-and-inclusion/ten-things-to-know-about-gender-equality#:~:text=Tackling%20the%20global%20gender%20gap%20will%20boost%20global%20GDP&text=The%20research%20found%20that%20in,added%20to%20GDP%20in%202025>

OPEN AND VIBRANT CIVIC SPACES

Human rights groups have raised concerns that governments are using the cover of COVID-19 to erode civil liberties. Civil society organisations can hold governments to account for the proportionality of their COVID-19 emergency restrictions to ensure that marginalised groups or human rights defenders are not unduly targeted and scrutinise public spending to ensure accountability to taxpayers and protect against corruption. In the recovery phase, the role of civil society will be crucial in ensuring that nations are able to build back better, by providing a link between government and the most marginalised citizens and ensuring a climate just recovery.⁵⁰

Open and vibrant civic spaces are essential to building resilience, driving transformational change, championing rights and effective development centred in local context and communities. This is a cornerstone of regional stability. However, at a time when there is an acute need to generate strong and enduring relationships between Australia and our region, our investments to and through civil society organisations have been in consistent decline.

This failure to invest in the future of state-society relations in our region undermines development objectives and regional stability. It is also a missed opportunity to build critical people-to-people linkages between Australia and the region and build public support for our shared development efforts.

RECOMMENDATION 14:

DFAT increases the proportion of Australian ODA channelled to and through civil society to 20 per cent, for both humanitarian and development funding (this is commensurate with OECD averages but behind leaders such as Sweden at 40 per cent).

50

<https://www.aph.gov.au/DocumentStore.ashx?id=83fae149-9a4e-4407-bd76-e338bdc9f157&subId=685524>

SUPPORT LOCAL LEADERSHIP OF DEVELOPMENT AND HUMANITARIAN PROGRAMS

In placing a focus on partnership, the Australian Government must ensure it works towards reinforcing local expertise and leadership, and adequately resourcing local and national development and humanitarian actors.

Australia should listen to and invest in understanding the needs of its local partners as the foundation of good development. Empowering and resourcing locally led solutions is key for ensuring development and humanitarian interventions best meet the needs of communities experiencing poverty, marginalisation, and humanitarian crises.

While major donors and international agencies signed on to the localisation commitments in the Grand Bargain at the 2016 World Humanitarian Summit, little progress has been made. Despite significant engagement with the concept of localisation over the last four years, the rhetoric has not yet been translated into action. Humanitarian funding has moved no closer to the 25 percent funding commitment: in 2019 only 2.1 percent of humanitarian financing went directly to local and national actors.

To move localisation from rhetoric to reality, the Australian Government must develop a roadmap for locally led delivery of Australia's humanitarian assistance, and co-design with local and Australian partners models that allow Australia to meet its localisation commitments.

RECOMMENDATION 15:

DFAT establishes a roadmap for locally led delivery of Australian development and humanitarian programs. The roadmap must articulate proposed investments in local partners, engagement of diverse local actors, shifting of power and progressive removal of barriers to localisation.

To support the localisation agenda, ACFID is also working closely with the Pacific Islands Associations of NGOs and its partners to define a contextualized Pacific model for the Global Standard for CSO accountability. This presents the opportunity to strengthen accountability and transparency of civil society organisations in the Pacific and will help to align national codes of conduct to create shared language and expectations.

A Pacific regional CSO accountability framework is not a retrofit of Pacific organisations into a donor-driven model of risk management or due diligence. It's an invitation to accept and support a Pacific-driven proposition of what effective and transparent civil society looks like. Partnerships are at their most effective when operating from a place of trust and understanding. Aligned standards offers this understanding, showing equivalence and creating a framework for talking about key differences.

RECOMMENDATION 16:

DFAT supports and co-funds the Pacific-led development of a Pacific Regional Standard for Civil Society Organisations. This will foster a vibrant civil society sector and expand the diversity of high impact development partners for Australia.

NGOs and regional resilience: trusted and effective partners

The work of Australian NGOs and their local partners has been vital to Australia's international response to COVID-19. They have helped to reduce the spread of transmission and assisted communities in their recovery. When travel is restricted and lines of communications disrupted, it is localised non-governmental organisations embedded in communities who can respond faster, more nimbly and can best understand and address peoples' needs. Faced with disinformation and lockdowns, it is non-governmental organisations who are known and trusted and can maintain social cohesion and civic space.

PROVIDING ESSENTIAL SERVICES

ACFID's members and their local partners already work with marginalised communities most affected by COVID-19. In Cox's Bazar, in Syria, Jordan and Lebanon, Cambodia and in communities right across the Pacific and Timor-Leste, ACFID's NGO members and their partners are already at work and understand existing local and complex development and humanitarian needs.

In nations badly affected by COVID-19 across Asia, Middle East and Africa, Australian NGOs and their in-country partners have provided essential healthcare, social protection and welfare and psychosocial support to marginalised communities. They are assisting in critical areas of disease prevention such as, the provision of personal protective equipment and access to handwashing through water, sanitation, and hygiene (WASH).

Despite low transmission of COVID-19 across the Pacific, Pacific economies are highly vulnerable to shocks and the pandemic has added a level of pressure to existing health, social and environmental challenges. Australian NGOs and their local partners have created new crisis services following sharp increases to domestic violence; ran training for PPE and infection control protocols in remote areas; and ensured people with a disability have access to handwashing in their homes.⁵¹

During March and April 2020, Australian NGO Cooperation Program (ANCP) partners rapidly pivoted their existing projects to prevent the spread of COVID-19 and respond to the social and economic impacts of the pandemic. These partners:

- Pivoted 254 projects (60% of all ANCP projects)
- Reached 2.9 million people in 41 countries
- Worked with 1,738 local partners to strengthen Australia's international response to the crisis

DEVELOPMENT AND HEALTH KNOWLEDGE CRITICAL TO VACCINATION ROLLOUT

To achieve the Australian Government's goal of supporting full immunisation coverage across the Pacific and Timor-Leste, and a "significant contribution toward meeting the needs of Southeast Asia", will require extensive development and health expertise, driven by the needs of local communities.⁵²

Establishing the readiness of developing nations will be critical in assessing the support required by Australia, such as an in-depth understanding of regulatory actions required for rollout, existing vaccine storage, distribution, and delivery capacity and the type and level of public information campaigns required to reach all parts of the population. As COVID-19 vaccination country plans are developed by DFAT's Vaccine Access Taskforce, it is essential that local civil society and NGOs are engaged throughout.

As set out in guidance provided by UNICEF, WHO and Gavi to help countries prepare and develop national deployment and vaccination plans, it will be critical that civil society organisations are part of vaccine deployment and vaccination coordination and help to build trust and acceptance of the vaccines with communities, particularly amongst marginalised people.⁵³

CREATING AN INCLUSIVE RESPONSE

An inclusive approach to COVID-19 means communication, services and treatments are accessible to all, and practices are implemented to limit the exclusion of groups that are neglected or discriminated against. Women and girls, children, people with a disability, and older people are amongst groups disproportionately affected by COVID-19. NGOs are experienced in delivering strong, inclusive practices which are critical to limiting transmission and building a response to COVID-19 which leaves no-one behind.

TACKLING DISINFORMATION

ACFID's members and their in-country partners are well-placed to respond to disinformation about COVID-19 because they have longstanding relationships and networks of trusted civilians and local responders. They are known and trusted and can reach rural and remote communities.

Inclusive, accessible, and accurate communications from NGOs on the risk of COVID-19, the preventative measures to limit transmission and the safety and effectiveness of diagnostics, therapeutics and vaccination, is essential to tackling misinformation and accelerating the end of the pandemic. In pivoted programs as part of the Australian NGO Cooperation Program with the Australian Government, NGOs estimated that their COVID-19 messaging would reach over 2.5 million people in 2019-20.⁵⁴

MAINTAINING CIVIC SPACE

In delivering essential services to communities, NGOs and wider civil society organisations across South East Asia "engage in and contest government policies and policymaking" and serve as "two-way conduits between communities and government".⁵⁵ This keeps civic space open when restrictions are widely enforced and maintains the "essential glue between citizens and states". When states are using COVID-19 to undermine fundamental rights, NGOs and civil society groups maintain state-civilian relations and preserve social cohesion which is critical to regional stability.

52 <https://www.foreignminister.gov.au/minister/marise-payne/media-release/australian-support-covid-19-vaccine-access-pacific-and-southeast-asia>

53 https://www.who.int/publications/i/item/WHO-2019-nCoV-Vaccine_deployment-2020.1

54 <https://www.adi.org.au/wp-content/uploads/2020/05/COVID-19-ANCP-Projects-Pivot-Imapct-Achievement-Update-14-May-002.pdf>

55 <https://asiafoundation.org/wp-content/uploads/2020/09/GovAsia-1.1-Civil-society-in-Southeast-Asia-during-the-COVID-19-pandemic.pdf>

ANALYSING THE IMPACTS OF COVID-19

Australia's NGOs, in partnership with their local partners, are a key source of knowledge and analysis for donor governments on COVID-19. During a fast-moving and unpredictable pandemic, defining and analysing development and humanitarian challenges, solutions and gaps in funding, services and programmes for COVID-19 is critical to ensuring Australia's development assistance is timely, transparent and leaves no-one behind. ACFID members' on-the-ground research includes Plan International Australia's 'Living Under Lockdown: Girls and COVID-19', World Vision Australia's COVID-19 'Aftershocks Series', and Save the Children Australia's 'Protect a Generation' report. This community-centred research and information is critical in shaping Australia's development assistance program.

PART OF THE FABRIC OF THE AUSTRALIAN COMMUNITY

ACFID's members are supported by over 1.5 million Australians and NGO-Australian Government programs connect the Australian public with the aid program. Instituted in 1974, ANCP has connected the donations of everyday Australians with the Government's aid program through matched funding. There is a distinct opportunity to work in partnership with the Australian community and demonstrate the role of Australia in helping its neighbours, investing in a more secure pathway out of COVID-19 and highlighting our regional leadership to Australia's allies and partners.

AUSTRALIAN SOFT POWER DURING COVID-19

Through decades of community partnerships via NGOs, churches, volunteers and working on development and humanitarian response, Australia has built significant soft power in the Indo-Pacific. Particularly in a time of crisis we have an opportunity to invest in these partnerships and to strengthen our presence and relationships across the region.

Investments such as the Australia Middle East NGO Cooperation Agreement (AMENCA) program and the Australia Afghanistan Community Resilience Scheme are flexible, adaptable mechanisms that help extend Australia's reach in priority areas in challenging operating environments. Over four years, the AMENCA program has assisted 50,501 farmers, including 13,930 women, in the Occupied Palestinian Territories and is helping mitigate COVID-19's impact on farmers' livelihoods, thereby staving off community food insecurity.

RECOMMENDATION 17:

The Australian Government allocates an additional \$250m over four years to existing high impact programs which leverage and support the comparative advantage of NGOs and civil society organisations (as demonstrated during COVID-19), such as the Australian NGO Cooperation Program, the Australian Humanitarian Partnership and Water for Women.

A high performing, transparent and accountable development cooperation program

Australia's ability to deploy development cooperation as an element of statecraft ultimately depends on maintaining the confidence of the Parliament and the Australian people. The Australian Government and its partners must ensure that investments are delivering results, advancing Australia's interests and are being managed effectively. Like other areas of public policy, the international development program has been subject to significant misinformation and disinformation campaigns. Improved transparency and accountability is fundamental to countering these campaigns.

BUDGET DOCUMENTATION

The 2020-21 Aid Budget Summary was widely seen as a backward step in terms of transparency and accountability. The decision to present a complex and growing development program in a four-page pamphlet compares poorly to previous years where the development program was set out in a comprehensive, 112-page aid budget statement (the so-called "Orange Book"). The 2018 OECD Development Assistance Committee's peer review noted Australia's commitment to principles of aid transparency. ACFID and other stakeholders expect that DFAT will seek to restore this record ahead of the next review in 2022.

Moreover, it is important that as Australia increasingly deploys non-ODA development instruments to address the drivers of poverty, instability and conflict in our region, these are incorporated into public materials and are subject to similar accountabilities regarding performance and quality. This includes instruments such as project and budget support loans and private sector investments.

RECOMMENDATION 18:

DFAT's 2021-22 Development Budget Summary include: 1. updated estimates of actual expenditure in 2020-21; 2. cash estimates for total ODA across the forward estimates (including any new and/or temporary budget measures); 3. disaggregated estimates for 2021-22 by global/regional/country programs and sectors (including gender equality, disability and climate change); and 4. a summary of all new, non-ODA development measures, including how they align with agreed regional/country COVID-19 Response Plans.

REPORTING ON THE 'PARTNERSHIPS FOR RECOVERY' STRATEGY

ACFID welcomes the Government's commitment to an annual Ministerial Statement on the implementation of the 'Partnerships for Recovery' strategy. Stories highlighting the impact and effectiveness of Australia's development cooperation should not be outsourced solely to DFAT's delivery partners but also need to be told by the most senior members of the Australian Government – the Prime Minister, Ministers and Departmental Secretaries.

In addition to the annual Ministerial Statement, DFAT should use the strategy's performance framework to generate detailed reporting on the comparative performance of both its ODA and non-ODA development investments. This is critical to ensuring that lessons regarding performance and impact are learned, are available to partners and can inform future strategic and programming discussions and decisions.

RECOMMENDATION 19:

In addition to the Annual Ministerial Statement, DFAT publish annual performance reporting against the 'Partnerships for Recovery' strategy that includes disaggregated performance of both ODA and non-ODA development investments by regions/countries, sectors (including gender equality, disability and climate change assistance) and delivery partners.

ANNUAL TRANSPARENCY AUDIT

ACFID welcomes the commitment by DFAT undertaking an annual Transparency Audit, aligned to the methodology used by the ANU's Development Policy Centre. As well as inclusion in the DFAT Annual Report, this audit should be published in full on DFAT's website and include clear actions and timeframes for addressing identified gaps in transparency.

RECOMMENDATION 20:

DFAT publishes the annual transparency audit on its website, including clear actions and timeframes for addressing identified gaps.

DFAT RESOURCING

In an era of profound strategic change and rapid disruption, development cooperation, alongside diplomacy and defence, is a critical element of Australia's statecraft. As such, its leadership and management should be adequately and predictably resourced. ACFID welcomes the inclusion in the 2020-21 Budget of additional, dedicated Departmental funding to support DFAT's oversight and delivery of the recovery fund for the Pacific and Timor-Leste and the regional vaccine access and health security initiative.

However, the sudden abolition of the office of Development Effectiveness in late 2020, the disbandment of the conflict and fragility section and cuts to other development and humanitarian policy and performance areas are concerning. These cuts will degrade DFAT's ability to lead, manage and tailor effective development as a core foreign policy tool in an increasingly contested and competitive Indo-Pacific.

RECOMMENDATION 21:

DFAT ensures that its geographic, policy, performance and humanitarian areas are adequately and predictably resourced to effectively lead, manage and tailor a growing, more prominent and more complex development program.



AUSTRALIAN
COUNCIL
FOR
INTERNATIONAL
DEVELOPMENT



Cover photo: Mother and daughter wait to receive their cash distribution in Dhaka, Bangladesh. Photo: Plan International.

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