

The Australian Council for International Development

*A world where gross inequality and
extreme poverty are eradicated*



Federal Budget Analysis 2011-2012



Photo: Childfund Australia

The Australian Council for international Development (ACFID) is the peak Council for Australian not-for-profit aid and development organisations, working towards a world where gross inequality and extreme poverty are eradicated.

ACFID Member Organisations:

40K Foundation Australia	Australian Marist Solidarity Ltd	Hunger Project Australia, The	Partners in Aid
Act for Peace – NCCA	Australian Medical Aid Foundation	International Centre for Eyecare Education	PLAN International Australia
ActionAid Australia	Australian Red Cross*	International Help Fund Australia	Project Vietnam
ADRA Australia	Australian Reproductive Health Alliance	International Nepal Fellowship (Aust) Ltd	Quaker Service Australia
Afghan Australian Development Organisation	Australian Respiratory Council	International Women's Development Agency	RedR Australia
Anglican Board of Mission - Australia Limited	Australian Volunteers International	Interplast Australia & New Zealand	Refugee Council of Australia*
Anglicord	Baptist World Aid Australia	Lasallian Foundation	RESULTS Australia
Archbishop of Sydney's Overseas Relief and Aid Fund	Burnet Institute	Leprosy Mission Australia, The	Salesian Society Incorporated
Assisi Aid Project	CARE Australia	Live & Learn Environmental Education	Save the Children Australia
Australasian Society for HIV Medicine	Caritas Australia	Mercy Works Inc.	Sexual Health & Family Planning Australia
Australia for UNHCR	CBM Australia	Mission World Aid Inc.	TEAR Australia
Australian Business Volunteers	ChildFund Australia	Motivation Australia	Transparency International Australia
Australian Conservation Foundation	Credit Union Foundation Australia	Muslim Aid Australia	Union Aid Abroad- APHEDA
Australian Doctors International	Foresight (Overseas Aid and Prevention of Blindness)	Nusa Tenggara Association Inc.	UnitingWorld
Australian Federation of AIDS Organisations	Fred Hollows Foundation, The	Opportunity International Australia	WaterAid Australia
Australian Foundation for the Peoples of Asia and the Pacific	Friends of the Earth (Australia)	Oxfam Australia	World Education Australia Limited
Australian Lutheran World Service	Global Development Group	Oz GREEN - Global Rivers Environmental Education Network Australia Inc.	World Vision Australia
	Habitat for Humanity Australia		WWF-Australia
	HealthServe Australia		

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The Australian Council for International Development (ACFID)

ACFID is the peak body for Australian non-government organisations (NGOs) working in the field of international aid and development. ACFID has over 70 members who operate in over 100 developing countries worldwide.

With over 45 years of experience working collaboratively with communities and governments, we bring a critical perspective on international development issues to discussions with the Australian Government. We also enjoy the respect and support of the Australian community. In 2009, 1.08 million Australians were regular donors to Australian development NGOs and community donations totalled over \$800 million. This figure represents about 73% of all funds raised by the sector.

The sector is a partner with the Australian Government in delivering humanitarian aid, operating on-the-ground in developing countries alongside government agencies and working in some countries where there is no other Australian presence.

ACFID administers a rigorous Code of Conduct which represents the active commitment of over 120 Australian overseas aid organisations to strive for best practice in the areas of integrity, transparency and accountability.

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Executive Summary: Features of the 2011-2012 Development Assistance Budget

ACFID made a [pre-budget submission](#) in November 2010, and met with the whole-of-government Development Effectiveness Steering Committee and over 50 Parliamentarians to explain our key recommendations. Our response to the Government’s Aid Budget Paper, [An Effective Aid Plan for Australia: Reducing Poverty, Saving Lives and Advancing Australia’s National Interest](#), is framed around priority areas set out below.¹

The Federal Budget in 2011-12 was ‘tough’ in the words of Treasurer Wayne Swan and contained spending cuts of \$22 billion. The Labor Government was committed to reducing the Budget deficit from \$49.4 billion this year, and \$22.6 billion next year before coming into a projected surplus of \$3.5 billion in 2013. The Australian economy contracted, meaning Gross National Income was smaller.

In this context, the Australian Government commitment to reaching 0.35% of GNI (\$4.836 billion) for Official Development Assistance (ODA) and staying on course to reach the 0.5% goal in 2015-16 is a noteworthy achievement and has occurred due to continued bipartisan support. This represents a real increase of 8.4% from \$4.361 billion last year. In general terms, this Budget stays close to the [ALP election platform](#) promises, and is in line with previous announcements by Minister Rudd at the Millennium Development Review Summit in 2010.

¹ See our pre-Budget submission –
[Fact Sheet 1: Doing our fair share \(PDF\)](#)
[Fact Sheet 2: Improving health outcomes \(PDF\)](#)
[Fact Sheet 3: Reducing violence and empowering women \(PDF\)](#)
[Fact Sheet 4: Supporting rural livelihoods \(PDF\)](#)
[Fact Sheet 5: Responding to conflict \(PDF\)](#)
[Fact Sheet 6: Research and Innovation \(PDF\)](#)

An [Independent Review of Aid Effectiveness](#) was undertaken in 2010-11 and reported to the Minister for Foreign Affairs Kevin Rudd on 29 April. The ACFID submission is available [here](#). A Cabinet response is expected to be delivered in late June. This means that any restructuring or reforms to the aid program accepted as a result of the Review will be reflected in next year's Aid Budget. It also resulted in several AusAID sectoral and thematic policies remaining on hold.

The new money in this year's Budget amounts to \$1.9 billion over the next four years, with most spending back-ended to the later years.

- Water, sanitation and hygiene (WASH , receiving \$433.1m over four years), focused on East Asia, South Asia and Africa. WASH was included in health sector for first time, as opposed to infrastructure, reflecting improved recognition of WASH as a basic health issue.
- Volunteer funding has increased from \$30m to \$34m in 2011-12 to provide up to 1,000 volunteer assignments by 2012-13.
- The AusAID-NGO Cooperation Program will double by 2014-15, with an initial increase from \$70m to \$98m in 2011-12. This will enable ten more Australian NGOs to join the Program by 2014. NGOs have been placed in a new governance sector – 'Civil society, justice and democracy'.
- Increasing access to education (\$124.5m over four years) to improve enrolment and completion rates in the Pacific by training teachers, updating curricula and providing school fee relief. The Pacific program combined with the schools program in Indonesia (part of \$492.8m over four years) will increase the basic education spend to 57%.
- Measures to eliminate violence against women (\$96.4m over four years), primarily through Pacific women's crisis centres and UN Women.
- Avoidable blindness (\$21.3m over four years) initiatives in East Asia (placed under disability).
- Increase in Africa and Middle East programs.
- \$32 million for Australian Civilian Corps, new specialist deployment scheme.

ACFID is disappointed by several aspects of the Budget. There is no commitment to further spending on disability-inclusive development, despite AusAID's excellent strategy and the knowledge that people with disabilities are often the poorest of the poor. AusAID also has an excellent policy on Disaster Risk Reduction, but again there is no funding here to take the ideas forward into programming. In 2011, the 'Year of Disasters', this is an oversight indeed.

The format of the Aid Budget Blue Book this year is a distinct improvement on years past, with new information on:

- 'Other Government Departments' who spend ODA
- Governance spending broken up into economic reform and civil society components
- Better country program information including MDG targets; and
- Clear statements of what results AusAID is intending to achieve in each country or modality.

The Blue Book is structured around AusAID's budget reporting framework, which should enable external monitoring of budget initiatives over time. An impressive new feature is a category of 'Equitable Development' for many countries, which focus on issues such as gender and disability in context. This Blue Book also features a section on 'Effectiveness of the Aid Program' which captures Office of Development Effectiveness reviews (when publicly available), external audits and research.

Tables:

NGO Funding

Program and focus	Budget 2010/11 (million)	Budget 2011/12 (million)	% change after inflation
NGOs, ANCP funding	\$69.0	\$98.1	39.0%
Volunteer programs, includes AYAD	\$42.0	\$55.0	28.1%
Development research programs	\$10.2	\$16.0	53.4%
ACFID	\$0.8	\$0.9	10.0%
NGO policy and development effectiveness	\$1.0	\$1.1	7.6%
Total	\$123.0	\$171.1	36.0%

Country and Regional Breakdown

Region	Estimated ODA in 2010/11 (million)	Estimated ODA in 2011/12 (million)	% change	Share of aid in 2010/11	Share of aid in 2011/12
			after inflation		
PNG and the Pacific	\$1,085.4	\$1,160.9	4.6%	37.9%	34.9%
Indonesia and East Asia	\$1,092.3	\$1,265.7	13.3%	38.1%	38.1%
Africa	\$200.9	\$291.3	41.8%	7.0%	8.8%
South Asia	\$171.3	\$207.2	18.3%	6.0%	6.2%
Central Asia and Middle East (includes Pakistan and Afghanistan)	\$273.8	\$350.5	25.2%	9.6%	10.5%
Latin America and Caribbean (new area)	\$39.8	\$48.0	17.9%	1.4%	1.4%
Total of geographically allocated aid	\$2,863.5	\$3,323.6	13.5%	100.0%	100.0%

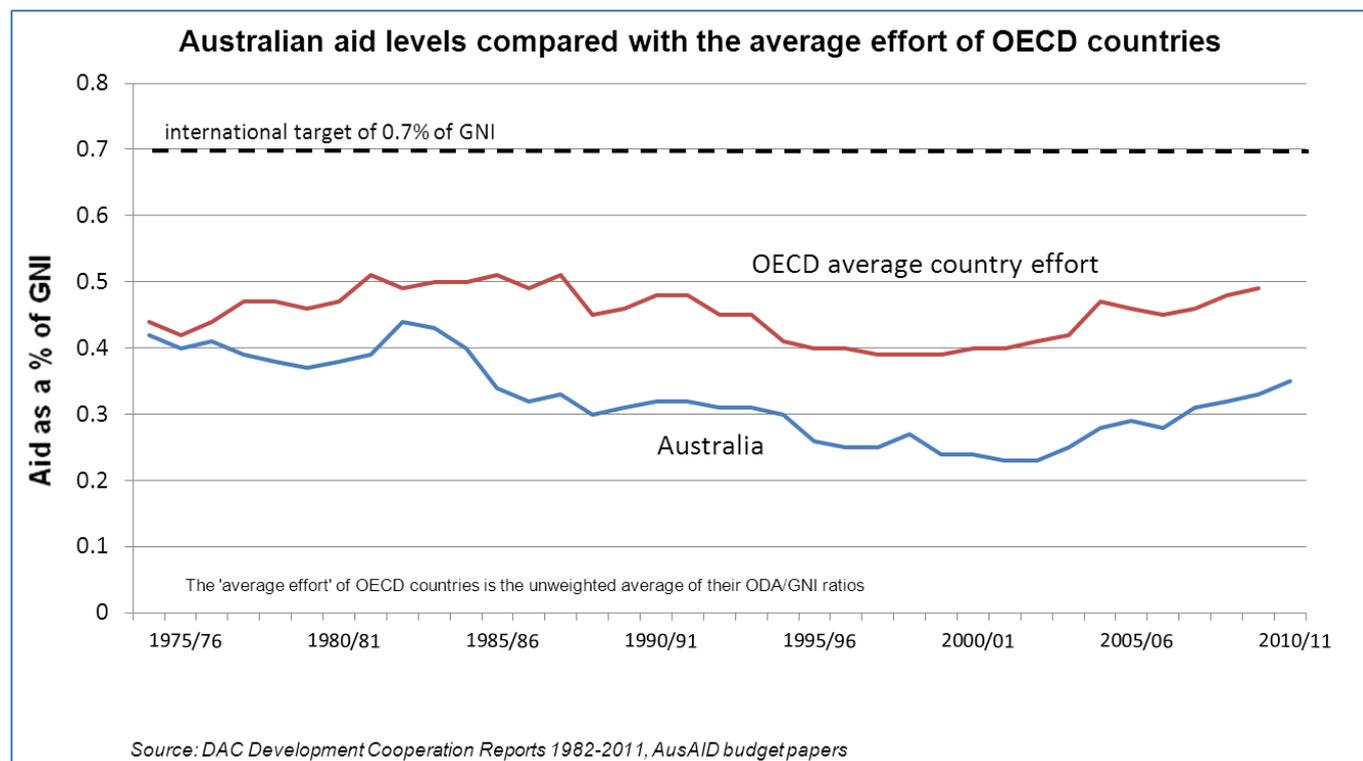
Humanitarian, Emergencies and Refugees—Global Programs

Program and focus	Budget 2010/11	Budget 2011/12 (million)	% change after inflation
Humanitarian and Emergency Response	\$194.0	\$210.0	5.9%
International Committee of the Red Cross	\$18.0	\$20.0	8.7%
UN Humanitarian Agencies (UNOCHA, WFP, UN CERF, UNHCR, UNWRA)	\$89.5	\$95.0	3.8%
Total	\$301.5	\$325.0	5.4%

Sectoral Breakdown

Sector	Estimated ODA in 2010/11 (million)	Estimated ODA in 2011/12 (million)	% change after inflation
Basic and secondary education	\$ 324	\$ 480	45.0%
Other education and scholarships	\$ 362	\$ 362	-2.2%
Health (includes Maternal and Child health and HIV/AIDS)	\$ 634	\$ 642	-1.0%
Water and sanitation	\$ 174	\$ 117	-34.2%
Economic growth	\$ 630	\$ 733	13.8%
Civil Society, Justice and Democracy	\$ 590	\$ 693	14.9%
Economic and Public Sector Reform	\$ 470	\$ 546	13.6%
Climate Change and Environmental Sustainability	\$ 185	\$ 251	32.7%
Humanitarian and Emergency Response	\$ 435	\$ 442	-0.6%
Multisector	\$ 230	\$ 265	12.7%
Total	\$4,033.5	\$4,531.0	9.8%

Maternal and Child Health (estimate)	326	382.00	14.6%
Combatting HIV/AIDS (estimate)	172	193.00	9.7%



Accountability across Whole-of-Government

ACFID made a strong [recommendation](#) to the Independent Aid Review that a whole-of-government approach to ODA is crucial to achieve the goal of transparency about aid spending for beneficiaries and the Australian public, and the goal of development effectiveness and policy coherence.

9.2%—or \$446.6 million of the Australian Aid Budget for 2011-12—will be spent by government departments other than AusAID. This represents an increase from 7.7 % of the Aid Budget in 2010-11.

The ACFID Response:

ACFID commends the government for providing clear information about other government departments' budget estimates and activities counted as ODA. ODA, or aid financing, requires an even higher level of transparency in budgeting and reporting than other government expenditure. This is because the government is accountable not just to Australian taxpayers but also to governments and citizens in partner countries. The Paris Declaration on Aid Effectiveness and the Accra Agenda for Action, for both of which Australia adheres, set out these obligations in more detail.

In the 2011-12 budget, the biggest deliverer of Australian aid, after AusAID, is the Australian Federal Police (AFP). It will spend 4.5 % of Australia's ODA, or \$217.7 million. AFP programs will include police contributions to the Regional Assistance Mission to Solomon Islands; strengthening the capacity of the Afghan National Police; contributing to the UN mission in Timor-Leste and assisting the UN mission in Sudan.

After AusAID and the AFP, the next biggest implementers of ODA are the Australian Centre for International Agricultural Research (ACIAR), the Department of Immigration and Citizenship (DIAC), the Department of Foreign Affairs and Trade (DFAT), the Treasury, the Department of Education, Employment and Workplace Relations (DEEWR) and the Department of Defence. ACIAR, with \$82.5 million or 1.7 % of ODA in 2011-12, will focus on strengthening food security through rural development, mainly in Indonesia and Papua New Guinea. DIAC, with \$65.9 million or 1.4 % of ODA, will use aid funds to strengthen partner government capacity to prevent people smuggling, and fund the International Organization for Migration 'to enhance Indonesian immigration detention and transit facilities and to improve the care and support provided to irregular migrants in Indonesia'.

Defence, with \$18.8 million or 0.4 % of ODA, will spend aid funds on strengthening Defence-related public sector management systems and capacities overseas. Defence ODA also includes Australian Defence Force contributions to the Provincial Reconstruction Team in Afghanistan, delivering stability, governance and development activities in Uruzgan Province.

ACFID congratulates the government on providing a clear statement of whole-of-government planned aid expenditure in 2011-12. It urges the government to build on this good start by establishing whole-of-government reporting on all ODA. To date, public information is unavailable on the impact and effectiveness of aid projects delivered by several government agencies, notably Defence. Furthermore, from the available information, some projects appear to be of more obvious benefit to Australia than to recipient countries.

Improved whole-of-government reporting on aid spending would enable Australian taxpayers and partner governments and citizens to better assess the extent to which the Australian aid program has contributed to its stated aim of reducing poverty in line with the Millennium Development Goals.

Improving Health Outcomes

ACFID Pre-Budget Recommendations:

- **Increase the amount of Development Assistance directed towards Health Initiatives:** 20% of overseas development assistance (ODA) should be directed towards health and HIV/AIDS prevention measures in the 2011-12 Budget, equating to approximately \$968.6 million.
- **Improving Health Outcomes through Water and Sanitation:** A clear, predictable timetable should be announced to increase Australia's ODA to the area of sanitation, water and hygiene. Australia's commitment should reach \$500 million by 2014, with \$300 million being allocated in 2011-12.
- **A Timetable for Additional Funding for Women's and Children's Health:** A clear timetable should be announced for providing \$1.6 billion in ODA for women's and children's health from the 2011-12 to the 2014-15 budgets.²
- **Additional Funding to tackle Avoidable Blindness in Asia and the Pacific:** \$200 million should be allocated over four years, beginning with \$50 million in the 2011-12 Aid Budget, to build upon current efforts to tackle avoidable blindness in Asia and the Pacific.
- **A Focus on Family Planning:** 15% of ODA directed towards health should be specifically targeted towards family planning measures.
- **Combating HIV/AIDS in Asia and the Pacific:** Allocation of \$30 million over 5 years, beginning with \$6 million in 2011-12, in ODA directed towards combating HIV/AIDS among men who have sex with men (MSM) in Asia and the Pacific.

In the 2011-12 Budget:

The Aid Budget statement highlights new and expanded health initiatives for children and mothers and the prevention of blindness. Health funding has increased to 17% of the ODA with the inclusion of water and sanitation. This equates to around 14% of sector allocated aid excluding water and sanitation, the same proportion budgeted last year. AusAID has indicated that they plan to keep health aid at about this share of the Aid Budget up to 2015-16.

From this year onwards WASH will be reported under the health sector as opposed to infrastructure. In the 2011-12 budget, 17% of the \$759 health budget (including water and sanitation) is allocated to water and sanitation. A new Water, Sanitation and Hygiene Initiative was announced of \$433.1 million over the next 4 years to improve access to safe water, basic sanitation and hygiene promotion for four million people. Overall, the Government plans to spend up to \$900 million over four years from 2011-12 to improve access to water, sanitation and hygiene.³

The budget statement provides no sectoral analysis of health initiatives for child and maternal health, but includes details of a new maternal health program focus in Africa, announced by Minister Rudd in 2010. It is unclear how the Government will implement its previous commitment to providing \$1.6 billion toward women's and children's health.

The 2011-12 Aid Budget contains a four year \$21.3 million allocation for efforts to eliminate avoidable blindness.

As part of the \$1.6 billion commitment made at the UN MDG Summit in September 2010, the Government will support the new Alliance for Reproductive, Maternal and Newborn Health whose work includes increasing access to family planning methods. There is no other information in the Budget papers.

There was no new money for MSM to prevent HIV/AIDS. The current programs which fight HIV/AIDS are targeted at MSM, drug users and sex workers. It is unclear how much of this program money goes toward MSM.

The ACFID Response:

It is very encouraging to see the strong links being made between health and WASH, which is vital to ensure improved basic health. The initial significant reduction in WASH funding for 2011-12 is disappointing. However it

² Committed by Foreign Minister Kevin Rudd on 22 September 2010, *Australian Statement to the High-Level Plenary Meeting of the United Nations General Assembly (Millennium Development Goals Summit)*, New York.

³ <http://ausaid.gov.au/keyaid/water.cfm>

is encouraging to see longer term and more predictable planning for increased spend for WASH of \$900 million over the next four years. The important challenge will remain for Australia to meet ACFID's target of \$500 million per year.

ACFID welcomed the \$45 million commitment in the 2008 Budget to tackle avoidable blindness. It enabled Australian eye health NGOs to work with AusAID, national governments and other local partners to reduce the prevalence of avoidable blindness and the impact of untreatable vision loss.

In a huge blow to avoidable blindness initiatives in the region, this year's budget allocation of \$21.3 million fell far below expectations. Delivering \$21.3 million for avoidable blindness over four years will treat 8,000 sufferers as well as provide screening for 100,000 people. Yet, this is not enough and is just over 10% of ACFID's recommendation.

The stronger 2008 budget commitment ensured that programs were implemented across Asia and the Pacific which are substantially improving public health systems and indicators, reducing levels of blindness and vision impairment, and ensuring that people with untreatable vision loss have access to rehabilitation services. Ideally, further funding in this year's budget would have built on these gains and furthered them to help ensure that avoidable blindness is eliminated across Asia and the Pacific. This is a lost opportunity.

There was no new allocation for programs combating HIV/AIDS among MSM in the region. Unless current HIV/AIDS allocations for MSM are revised in future budgets, HIV/AIDS in this region will increase. If this funding situation is not turned around, by 2020, MSM populations will account for 50% of all new HIV infections. The Australian Government must commit more funding to stop the spread of this epidemic.

The Education Sector

ACFID Pre-Budget Recommendations:

- ***A Focus on Disability Inclusive Primary Education:*** A clear, incremental timetable should be announced for providing the committed \$5 billion in ODA directed towards education⁴ between the 2011-12 and 2014-15 Aid Budgets. In 2011-12 at least \$855 million should be provided in ODA for education, including at least \$340 million (or approximately 40% of the education spend) targeted towards basic primary education.
- Additionally, ***a pilot disability inclusive education initiative*** should be supported, of approximately \$6 million, targeted towards Pacific Island nations be included in 2011-12.

In the 2011-12 Budget:

The budget included an overall increase of \$96 million for education bringing the total figure to \$840 million. The Government also announced a new initiative of \$124.5 million over four years to improve access to education in the Pacific.

There is a significant increase in the amount of funding directed towards basic education in this year's budget to \$478.8 million. It is important to note that AusAID includes early childhood education, primary education and secondary education under the term 'basic education'. Last year, basic education totalled only 38% of the total education spend. This year spending on basic education has increased to 57% of the total ODA spent on education. Overall spending on education has held steady at 19% of total ODA.

While the budget papers reiterate the Government's commitment to spend \$5 billion on education between now and 2015, no year by year timetable was announced.

The ACFID Response:

ACFID welcomes the 2011-12 increased spending on education. This ensures the Australian Government will continue to play a defining role in the movement to get every child into school. With 72 million worldwide children currently out of school, this is a momentous task and one the Australian Government is stepping up to.

⁴ Committed by Foreign Minister Kevin Rudd on 22 September 2010, *Australian Statement to the High-Level Plenary Meeting of the United Nations General Assembly (Millennium Development Goals Summit)*, New York.

ACFID welcomes the proportion of spending on basic education by the Australian Government. Through spending a greater proportion of aid money on basic education, progress in getting every child to school will rapidly speed up. However, AusAID did not separate primary and secondary education in the Budget papers, making it hard to ascertain the increases in primary education.

A lack of adequate timetabling for the commitment of \$5 billion in ODA towards education by 2015 increases the likelihood that such a goal may not be realised. The budget was a missed opportunity to plan their steps to meet that promise.

ACFID sees it as unfortunate that the Australian Government has not committed to a pilot disability inclusive education program in the Pacific. There are 360,000 people in the Pacific Islands under the age of 24 who have a disability—many of whom have no access to education. A pilot program could provide a platform to give education to every person with a disability in the Pacific.

Disaster Risk Reduction and Climate Change

ACFID Pre-Budget Recommendations:

- ***Improving Disaster Risk Reduction (DRR):*** \$100 million should be allocated over the period from 2011-12 to 2013-14 to support and uphold the implementation of the AusAID Disaster Risk Reduction (DRR) Policy.
- ***Tackling Climate Change through Communities:*** \$100 million should be allocated over three years, beginning in 2011-12 with a \$30 million commitment, for a community-based climate change initiative.

In the 2011-12 Budget:

Funding for Disaster Risk Reduction (DRR) was not allocated in the 2011-12 Budget. Rather, the Government continues to maintain a fragmented, country-based funding approach rather than providing designated funds to support AusAID's robust DRR policy.

This budget announces no new climate change initiatives in 2011-12, providing details of components of Australia's previously announced \$599 million commitment for climate financing under the Fast Start package for adaptation and mitigation efforts.

The ACFID Response:

ACFID is discouraged to see that the increase in overall funding for responding to humanitarian emergencies was minimal (an increase of \$9.8 million equalling a total of \$210 million). Moreover, there is no designated focus on reducing the risk of disasters and safeguarding the investment Australia makes to overseas development. Thousands of people could be adversely affected by the aid programs' failure to take responsibility and consistently prepare and manage the major impacts that future disasters will bring. The one-year review of the AusAID DRR policy in June 2010 reinforced the value of disaster preparedness programming and the return on investment this approach can have for long-term development activities. For insights into the devastating impact of disasters and the role of Australian NGOs in responding to disasters, see the latest ACFID report: [The Long Road: Australian humanitarian agency response to the 2010 floods in Pakistan.](#)

Although Australia is meeting its previously announced international commitment to climate change financing under the Fast Start package, the Aid Budget fell short in supporting a reduction of the broader impacts of climate change at the community level. Helping poor communities adapt to the negative effects of climate change and reduce their contribution to global emissions is a vital part of the Government's election commitment to tackle climate change and give priority to the most vulnerable. The Budget's lack of sufficient support for such community-led, locally relevant adaptation and mitigation initiatives is disappointing and does not recognise the vital role that poor communities themselves play in tackling the effects of climate change.

Reaching the Poorest People

ACFID Pre-Budget Recommendations:

- **Announce a Timetable for Providing 0.15% of GNI in ODA to the Least Developed Countries (LDCs) by 2015:** A clear timetable should be announced to increase the proportion of ODA directed to the world's poorest countries to 0.15% of GNI by 2015, as well as the provision of at least 0.09% of GNI to LDCs in 2011-12 (equating to approximately \$1254.3 million).
- **Additional Support for People Living with Disabilities:** \$100 million should be allocated in 2011-12 towards initiatives aimed at supporting people living with disabilities in developing countries.

In the 2011-12 Budget:

While a clear timetable was not announced for increasing ODA to LDCs, there was a substantial \$141.3 million increase from the 2010-11 figures. Added to this was the \$500 million in multilateral programs that will be directed to LDCs, bringing the total figure for funding to LDCs to \$1.48 billion. This means that funding to the poorest countries will amount to 0.1% of Australia's GNI.

No new money was allocated to support people living with disabilities in developing countries. There was also a lack of clarity around disability inclusiveness in new education initiatives. While AusAID retains its *Development for All* strategy, it is unclear where this strategy comes into play in the Budget.

The ACFID Response:

ACFID is pleased that ODA to LDCs reached \$1.48 billion. This is an enormously positive step by the Government and is part of Australia doing its fair share to contribute to the global realisation of the MDGs. It is part of the realisation of a promise made by the Gillard Government to work towards 0.15% of national income given as aid to the poorest countries by 2015. Recognising this, ACFID stresses the need to implement a funding timetable to scale up funding for LDCs. Coupled with the increased spending in the current Budget, a clear timetable will make progress towards achieving MDG 1, Halving Extreme Poverty, far easier.

ACFID is disappointed that no new initiatives were undertaken in this budget to scale up support services to people living with disabilities in developing countries. Funding remains at approximately \$8 million per year over four years however support for disability inclusiveness remains inadequately funded.

Without a meaningful spending program for those with a disability, the poorest of the poor will be continually marginalised and excluded. AusAID has a meaningful and world-leading strategy for disability-inclusive development and have made good starts with disability inclusiveness in schools in Indonesia and special education in Papua New Guinea. However, this mandate has unfortunately not been matched with sufficient funds. The everyday reality of social stigma, barriers to accessing education, health services, the right to earn a living and participation in the decisions that affect their lives will continue for people with a disability in the developing world unless funding is increased in future budgets.

Reducing Violence and Empowering Women

ACFID Pre-Budget Recommendations:

- **Fully fund implementation of the recommendations in the Government's Report, Stop Violence: Responding to Violence against Women in Melanesia and Timor Leste:** The provision of \$300 million over 3 years, beginning in the 2011-12 Aid Budget, to implement the recommendations in the Government Response, and support initiatives in Asia.
- **Creation of an Ambassador for Women's Rights:** \$2 – 3 million should be allocated towards the creation of an Ambassador for Women's Rights, located in the Department of Foreign Affairs and Trade (DFAT) and supported by three staff, to champion gender equality and promote the eradication of violence against

⁵ The United Nations Economic and Social Council decides which nations are classified as LDCs. Currently there are 49 LDCs, these nations have the lowest national incomes and populations with the highest malnutrition, child mortality and illiteracy rates in the globe. Fifteen of the world's LDCs are our neighbours in Asia and the Pacific.

⁶ Committed by Foreign Minister Kevin Rudd on 22 September 2010, *Australian Statement to the High-Level Plenary Meeting of the United Nations General Assembly (Millennium Development Goals Summit)*, New York.

women in the region, with a remit to investigate resourcing issues and innovative approaches to eliminating violence.

- **Release and fully resource implementation of the Women, Peace and Security National Action Plan:** the Australian Women, Peace and Security National Action Plan should be released in conjunction with the full resourcing required for its implementation.

In the 2011-12 Budget:

The Budget provides for \$96.4 million in new money to combat violence against women. It covers a suite of measures and modalities, including core multi-year funding for the new gender entity UN Women, a focus on peace-keeping and funding for women's crisis centres in Fiji, Vanuatu and Tonga.

There is no response to the Ambassador for Women's Rights policy idea, and the Women, Peace and Security National Action Plan has not yet been released.

The ACFID Response:

We applaud the long-term commitment and significant investment in addressing violence against women throughout East Asia and the Pacific, which recognises the scale of the problem and its significance for equitable development. Ending violence against women is pivotal to achieving global progress on the Millennium Development Goals. ACFID welcomes the opportunity for civil society to contribute its expertise in scaling up Australia's efforts. In implementing this initiative it will be important to balance services to victims of violence with a strong focus on prevention and on tackling the underlying causes of violence. We still urge for \$200 million more to be allocated to this issue in the next Budget.

ACFID believes a sustained focus is needed on women's leadership in the Pacific – this is missing in the 2011-12 Budget. In this region, only 2% of all elected leaders are women. The Pacific also has some of the worst rates of domestic violence in the world. An Australian Ambassador for Women's Rights would be a strong statement about Australia's commitment to women in our region.

Supporting Rural Livelihoods

ACFID Pre-Budget Recommendations:

- **A Timetable for Additional Funding towards Food Security:** ACFID recommends that the 2011-12 Aid Budget include a clear timetable to provide \$1.8 billion in ODA for food security by 2015.⁷
- **Increased Assistance for Microfinance in Rural and Regional Areas:** An increase in assistance for microfinance from an estimated \$18 million in the 2010-11 budget to \$40 million in 2011-12.

In the 2011-12 Budget:

The Budget announces a total economic growth sectoral spend of \$733 million, including for increased food security through rural development and increased access to financial services for the poor.

The Government aims to improve food security via support for agriculture and rural development, comprising 46% of all economic growth programs in 2011-12 - equating to approximately \$337.2 million. This continues to support Australia's commitment to food security through rural development announced in the 2010-11 budget.

ACIAR, with \$82.5 million or 1.7 % of ODA in 2011-12, will focus on strengthening food security through rural development, mainly in Indonesia and Papua New Guinea.

The Budget does not provide any additional funding to support microfinance and access to financial services. The Government will continue its previous commitment to increase microfinance spending to \$18 million annually by 2012-13 under the *Financial Services for the Poor* strategy.

⁷ Committed by Foreign Minister Kevin Rudd on 22 September 2010, *Australian Statement to the High-Level Plenary Meeting of the United Nations General Assembly (Millennium Development Goals Summit)*, New York.

The ACFID Response:

Funding for rural development and greater food security is a welcome increase on last year's total amount, however it is concerning that there is no clear indication of how Australia plans to meet its previous long-term commitment to provide \$1.8 billion for food security by 2015.

More support is required to ensure the implementation of the government's *Financial Services for the Poor* strategy and support microfinance and access to financial services for the poor.

Responding to Conflict

ACFID Pre-Budget Recommendations:

- **A Framework for Humanitarian Protection:** \$50 million should be allocated over the 3 year period from 2011-12 to 2013-14 to provide a designated unit in AusAID on humanitarian protection, developing a protection framework and funding guidelines.
- **A Long Term Development Commitment for Afghanistan:** A 10 year funding commitment should be announced, of at least \$100 million per year, in development assistance for Afghanistan, beginning in the 2011-12 Aid Budget.

In the 2011-12 Budget

Humanitarian protection is still not considered a priority for the Australian Government. No funding in the 2011-12 Aid Budget was designated to the development of a framework to address humanitarian protection. There was a slight increase of \$33.9 million in the overall funding for ongoing AusAID activities in fragile states such as Sri Lanka (\$0.5 million), Afghanistan (\$14.9 million), East Timor (\$9.7 million), Pakistan (\$10.2 million) and Solomon Islands (\$3.4 million), however funding for Iraq decreased by \$8.8 million and funding for Burma did not change.

The total funds to Afghanistan for 2011-12 are \$165.1 million, of which \$124.1 million is managed by AusAID. This represents an increase of \$23.9 million (up from \$141.2 million) from last year's commitment. The Australian Government's assistance for the ADF-led Operation Slipper has remained relatively stable at over \$1 billion which is consistent with last year's estimates.

The ACFID Response:

The Australian Government has failed to recognise the critical importance of developing a cohesive approach to humanitarian protection within this year's budget. This is a major setback for the Australian aid program. While individual Government agencies have taken some good initiatives, such as the Asia Pacific Civil-Military Centre of Excellence (APCMCOE), there is an urgent need to address the coordination and communication of protection within Government. Further gaps that require a holistic approach by Government include Australia's role in supporting peacekeeping operations, the role of NGO facilitation, increased civil-military coordination capacity and building an understanding across government of community and humanitarian protection activities.

ACFID welcomes the small increase in funding for Afghanistan. However a predictable consistent funding stream for more than just a multi-year period is essential in order to strengthen the efficiency, equitability and quality delivery of services through local level sources and mechanisms. Although the budget did provide specific funding for education in Afghanistan (\$36 million over four years), the budget has not addressed the urgent need to support mechanisms which promote greater accountability and transparency at the grassroots level. The absence of a comprehensive, long-term commitment comes at a time when a civilian-led approach to addressing under-development and instability in Afghanistan is more important than ever. For an independent critique of Australian aid funding to Afghanistan, see the recent ACFID report: [*In it for the long haul: delivering Australian aid to Afghanistan*](#).

Research and Innovation

ACFID Pre-Budget Recommendations:

- **Increasing the Innovations Fund:** increased funding should be allocated to the AusAID Innovations Fund, reaching \$20 million in 2014-15, with a \$5 million allocation in 2011-12.
- **A Climate Change Action Research Fund:** \$60 million should be allocated over 3 years for a Climate Change Action Research Fund, beginning in 2011-12 with a \$20 million allocation.

In the 2011-12 Budget:

The Government has not supported ACFID's recommendations for greater funding for specific initiatives in research and innovation.

The budget does not contain a line item concerning the Innovations Fund, an important annual NGO funding modality announced in 2009 to ensure Australian NGO innovation in development programming was fostered in support of more effective ODA. This may mean the Fund has been discontinued.

No new climate change research funding has been announced in this budget. The Government has not funded the recommended stand-alone climate change action research fund to support developing countries to research and develop locally relevant and appropriate solutions to climate change.

The ACFID Response:

The possible abolition of the Innovations Fund is very disappointing. ACFID has recently called on the Australian Government to better recognise the importance of greater investment in Australian NGO innovation by increasing the existing annual Innovations Fund allocation to \$5 million per year. The need to strategically invest in NGO innovation is particularly pertinent for the increasing aid program, not only to support new pilot projects but to identify small projects with scale-up potential.

It is also disappointing that ACFID's recommendation that the Australian Government should target part of its 'Fast Start' climate finance to develop expertise in areas of applied action research and learning has been ignored. Significant effort in translating research into implications for policy and practice is urgently required. Investing in climate science research should be with the express purpose of understanding the consequences of climate change and the most effective applied responses to it. ACFID will pursue opportunities to support action research through the continuing International Climate Change Adaptation Initiative.