Facts and Figures

Pango, Vanuatu: Sammy Kalmer, the owner of Pam Store, named after Cyclone Pam, is pictured during the Oxfam/Sempo/ConsenSys led Unblocked Cash Blockchain pilot. This work is funded by the Australian Government through its Australian Aid Program.

Photo: Keith Parsons/OxfamAUS.
2021-22 FEDERAL BUDGET

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OVERALL DIRECTION: ACFID’S VIEW

“The Australian Government did the right thing by front-loading its immediate regional response to COVID-19. But despite COVID-19 deaths rising alarmingly across the Asia-Pacific, Australian development assistance is now declining... We need to get on the front-foot and counter the unprecedented rise in poverty, inequality and instability which is threatening the region.”

MARC PURCELL
CEO
ACFID
ACFID has expressed concern that against the backdrop of an Asia-Pacific at the epicentre of the pandemic, Australia’s development assistance is declining.

ACFID CEO, Marc Purcell said:

“The situation is fast evolving, but our budget response is not. Beyond the two-year package for India, there are no new, additional investments in this budget for tackling the pandemic.

“DFAT is working around the clock on our response in the region, but we need a greater speed and scale of investment from the Government.

“We need to get on the front-foot and counter the unprecedented rise in poverty, inequality and instability which is threatening the region.

“Development assistance saves lives and builds livelihoods and is a multiplier of peace, security and cooperation. Australia needs strong relationships with our neighbours in an uncertain strategic environment.

“We must leverage our success in managing the pandemic at home, assist our neighbours and deepen our ties through development cooperation. This budget does not give us confidence that the Government has this long-term strategy in mind.”
NOTE: DFAT DEPARTMENTAL RESOURCING
$2.45bn has been allocated to DFAT in total Departmental resourcing to deliver its programs and services in 2021-22. This is a decrease from $2.471bn in 2020-21. This includes $266.8m in ODA eligible Departmental resourcing to manage Australia’s international development assistance. DFAT’s Average Staffing Level will increase from 5,896 in 2020-21 to 5,958 in 2021-22. DFAT will receive an unspecified amount of departmental resources for ‘Enhanced Trade and Strategic’ capability.
Australia’s public spending on Official Development Assistance (ODA) as a proportion of our Gross National Income in 2021-22 is expected to fall to 0.21%, down from an estimated 0.22% in 2020-21.

The OECD Development Assistance Committee (DAC) average for ODA/GNI in 2020 was 0.32%.

According to the Development Policy Centre, Australia was the 14th most generous DAC member in 2015, contributing 0.29% of GNI as development assistance. In 2020, its ranking has dropped to 21st. Australia was the tenth richest country in the OECD in 2018.

Note: Initial estimates recorded the 2020-21 ODA/GNI figure as 0.23%. In subsequent analysis this was amended to 0.22%. This chart was updated on 14 May 2021.
COVID-19 MEASURES

“Last year’s increase to the development budget was a sure-footed response to the crisis of our lifetime and our commitments remain on track. But looking ahead, the Government risks being caught flat-footed. Our response is out of step with the reality we face and our Government has missed the chance to re-build a critical tool of statecraft. Let’s hope there is more vision and announcements to come.

BRIDI RICE
DIRECTOR OF POLICY AND ADVOCACY
ACFID
COVID-19 Commitments On Track

COMMITMENTS MADE: OCT 2020 TO MAY 2021

▪ $523.2m
  Australian Support for Vaccine Access in the Pacific and Southeast Asia (3 years).

▪ $304.7m

▪ $360m
  Enhanced Partnerships in Southeast Asia consisting of a combination of ODA and non-ODA activities under DFAT management (4 years).

2021-22 ALLOCATIONS OF COVID-19 COMMITMENTS

▪ $162.26m
  Australian Support for Vaccine Access in the Pacific and Southeast Asia ($74.8m to Pacific and Timor-Leste and $87.8m to Southeast Asia).

▪ $100m
  COVID-19 Response Package, including a new “Partnerships for Social Protection” program.

▪ $56m
  Enhanced partnerships in Southeast Asia, including a new program to support regional economic recovery through the Regional Comprehensive Economic Partnership.
COVID-19 TEMPORARY, TARGETED AND SUPPLEMENTARY MEASURES

New Investments

NEW INVESTMENTS ANNOUNCED IN THE 2021-2022 FEDERAL BUDGET

$37.1M

Support for India over FY2020-22

$20.4m in 2020-21
$16.7m in 2021-22
This year’s Budget sees a modest increase to $485.3m for humanitarian assistance but it’s a far cry from Australia’s global fair share and sees Government walk back from its 2017 Foreign Policy White Paper commitment of $500m a year.

Missing in action is a famine prevention package to address the food security crisis triggered by COVID-19. 34 million people are on the brink of famine – we cannot wait until it’s too late to act.

SARAH BURROWS
HEAD OF POLICY AND PARTNERSHIPS
ACFID
The humanitarian budget estimate has risen from $475.7m in 2020-21 to $485.3m in 2021-22.

This increase is due to a partial restoration of funding to DFAT's global humanitarian partners ICRC and WFP, whose funding was reduced in the 2020-21 budget (see following table).

Funding to UNRWA, the UN agency mandated to provide assistance to Palestinian refugees was not restored and remains at $10m/year after being halved in 2020-21.

Last year’s $50m increase to DFAT’s renamed Humanitarian Emergency and COVID-19 Response Fund remains. However, this increase is likely a COVID-19 reserve fund, so may not contribute to an increase in the humanitarian budget.

A $150m package for famine prevention, as called for by ACFID and our members, has not been included in this year’s budget.

It is unclear which protracted crises will receive funding from the 2021-22 budget, and whether multi-year funding packages will be continued.
## Year-on-Year Funding

<table>
<thead>
<tr>
<th>THEMATIC AREA</th>
<th>A. FY18-19 Budget Estimate</th>
<th>B. FY19-20 Budget Estimate</th>
<th>C. FY20-21 Budget Estimate</th>
<th>D. FY21-22 Budget Estimate</th>
<th>F. %YOY (Comparison of C and D)</th>
</tr>
</thead>
<tbody>
<tr>
<td>Disaster risk reduction, preparedness and response</td>
<td>39.0</td>
<td>51</td>
<td>52</td>
<td>52</td>
<td>0</td>
</tr>
<tr>
<td>Protracted crises and strengthening humanitarian action</td>
<td>87.2</td>
<td>115.5</td>
<td>117.7</td>
<td>114.3</td>
<td>-2.89</td>
</tr>
<tr>
<td>Humanitarian &amp; COVID-19 Response Fund</td>
<td>150.0</td>
<td>150.0</td>
<td>200</td>
<td>200</td>
<td>0</td>
</tr>
<tr>
<td>Global Humanitarian Partnerships</td>
<td>133.5</td>
<td>133.5</td>
<td>106</td>
<td>119</td>
<td>12.26</td>
</tr>
<tr>
<td>HUMANITARIAN, REFUGEES AND COVID-19 RESPONSE TOTAL</td>
<td>409.7</td>
<td>450.0</td>
<td>475.7</td>
<td>485.3</td>
<td>2.02</td>
</tr>
</tbody>
</table>

- ICRC
- CERF
- UNHCR
- UNOCHA
- UNRWA
- WFP
Reaching the $500m Commitment?

- The commitment of $500m a year in humanitarian funding as outlined in the 2017 Foreign Policy White Paper will not be met over the forward estimates.
- This means that it will be at least 8 years from the time of the commitment to its potential delivery.
- Last year, the Foreign Affairs and Trade Portfolio Budget Statements indicated that DFAT would meet its $500m commitment by 2022-23.
NGO PROGRAMS AND CIVIL SOCIETY FUNDING

NGOs and civil society have been on the frontline of our locally-led COVID-19 response. They must be the cornerstone of an equitable and inclusive COVID-19 vaccine and recovery program. This year’s Budget shows Australia’s investment is steady but fails to respond to what NGOs and local civil society need in order to rebuild their communities.

SARAH BURROWS
HEAD OF POLICY AND PARTNERSHIPS
ACFID
## NGO Programs and Civil Society Funding

### Volunteer and Community Programs

<table>
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<tbody>
<tr>
<td>Global NGO Programs</td>
<td>132.4</td>
<td>135.6</td>
<td>138.6</td>
<td>138.6</td>
<td>139.1</td>
<td>0.36</td>
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<tr>
<td>Australian Volunteer Programs</td>
<td>42.6</td>
<td>42.6</td>
<td>40</td>
<td>26</td>
<td>26</td>
<td>0</td>
</tr>
<tr>
<td>Community Engagement and International Research</td>
<td>8.4</td>
<td>8.4</td>
<td>13.4</td>
<td>10.5</td>
<td>10.8</td>
<td>2.86</td>
</tr>
<tr>
<td>NGO Volunter and Community Programs Total</td>
<td>183.4</td>
<td>186.6</td>
<td>191.9</td>
<td>175.1</td>
<td>175.8</td>
<td>0.4</td>
</tr>
</tbody>
</table>

- COVID-19 will continue to impact on placement of volunteers.
- Further information on Community Engagement and International Research is still needed.
The Australian NGO Cooperation Program (ANCP) funding has remained at $133.5million in 2021-2022.

The Government has cemented the geographical focus of the development program to the Pacific and Southeast Asia by locking in declines to Africa and the Middle East and using temporary measures to support our near neighbours. Global humanitarian funding is increasing at a glacial pace and additional contributions to global funds for COVID-19 vaccines are conspicuously absent.
INCREASES AND DECREASES

**Geographic**

**THE PACIFIC**
Maintaining $1.44bn in 2021-22 plus $174.8m in temporary and targeted COVID-19 response funding.
- The ‘temporary, targeted and supplementary’ Australian ODA to respond to COVID-19 includes $74.8m for vaccine access and $100m for economic support.
- 23.8% increase to Fiji to $81.2m.

**SOUTHEAST & EAST ASIA**
$1.009bn in 2020-21 to $1.012bn in 2021-22 plus $143.8m in temporary and targeted COVID-19 response funding.
- The ‘temporary, targeted and supplementary’ Australian ODA to respond to COVID-19 for Southeast Asia includes $87.8m Vaccine Access, plus $56m for enhanced partnerships in Southeast Asia (a total $500m - ODA and non-ODA - package over 2020-24).
- Of note is a 4.95% increase to Myanmar to $95.5m and a 38.5% decrease to Mongolia to $7m.

**SOUTH & WEST ASIA**
$193m in 2020-21 to $273m in 2021-22 (41.2% increase) plus $16m in temporary and targeted COVID-19 response funding to India.
- 140% increase to Bangladesh to $133.8m and a 63% increase to South and West Asia Regional to $30.4m.

**SUB-SAHARAN AFRICA**
$61.4m in 2020-21 to $59.3m in 2021-22 (3.4% decrease, in addition to the 48% decrease in last year’s Budget).

**MIDDLE EAST & NORTH AFRICA**
$31.6m in 2020-21 to $31.4m in 2021-22 (0.6% decrease, in addition to the 61% decrease in last year’s Budget).
**Programs**

**GENDER EQUALITY FUND**
$65m in 2020-21 to $65m in 2021-22.

**CENTRAL DISABILITY FUND**
Maintained at $9.6m in 2021-22. The 25% funding cut from last year has not been restored.

**NGOS: ANCP**
Remains at $133.5m in 2021-22.

**HEALTH, WATER AND SANITATION**
$168.2m in 2020-21 to $156.1m in 2021-22.
- Increase in Global Health programs from $91.2m in 2019-20 to $113.5m in 2021-22.

**CLIMATE PARTNERSHIPS**
$20m in 2020-21 to $40m in 2021-22.

**GLOBAL HUMANITARIAN PARTNERSHIPS**
$106m in 2020-21 to $119m in 2021-22
- International Committee of the Red Cross and World Food Programme saw increases to just below 2019-20 levels.
- United Nations Relief and Works Agency for Palestine Refugees in the Near East remains at $10m following a 50% drop last year.

*Note – Sectoral budget breakdowns are not yet released*
COVID-19 is having a disproportionate impact on women and girls, so we are pleased to see the $170m investment in the ‘Pacific Women Lead’ program and DFAT’s overall estimated commitment that $1.3bn of programs support gender equality. But an inclusive development program is an effective program and there is deep disappointment across our sector that the Government has not restored the 25 per cent cut to the Central Disability Fund. How existing programs contribute to gender equality, social inclusion and disability inclusive development is something to watch.

MADELEINE FLINT
COMMUNICATIONS AND POLICY ADVISOR
ACFID
The Central Disability Fund remains at $9.6m in 2021-22.

This Fund was reduced from $12.9m annually from 2016-20 to $9.6m in 2020-21.

Disability spending through country and regional programs decreased from $125.8m in 2013-14 to $102.3m in 2019-20.

Source: CBM Australia.
Note: Chart updated on 14 May 2021.
Ahead of COP26 in November, we have begun to see signs of how Government will shape the Prime Minister’s $1.5bn commitment to climate finance. The Australian Climate Finance Partnership has commenced with $140m worth of funding and we see a lift from $20m to $40m for climate partnerships. How climate change will be funded, programmed and reported across the portfolio is worth paying attention to.

MADELEINE FLINT
COMMUNICATIONS AND POLICY ADVISOR
ACFID
What is Missing?

**DISABILITY**
Disability spending through country and regional programs remains unclear.

**GENDER**
There is a lack of clarity on where the estimated $1.3bn is being spent across the portfolio.

**FAMINE**
There is no allocation for famine prevention despite high levels of food insecurity in the Middle East and Africa. WFP’s funding will increase to $38m in 2021-22, however this does not restore its 2019-20 funding allocation of $40m.

**VACCINE ACCESS**
It is not clear what proportion of vaccine access packages will fund health strengthening or community health to work along side vaccinations or how this will be delivered into communities. We understand that it will be a ‘definite majority’ of funds.

**GLOBAL EDUCATION PARTNERSHIPS**
Funding has reduced from $35m in 2020-21 to $3.5m in 2021-22. The $3.5m represents the remaining GPE pledge. There is a replenishment conference in July 2021.
We welcome the Government’s provision of further detail on its COVID-19 support measures in this Budget but overall the information available remains limited.

The Official Development Assistance total and forward estimates have not been provided in the Budget documents. We look forward to seeing further publication of budget figures and more regular public tracking of COVID-19 initiatives – something that is critical in the era of vaccine diplomacy.

DR CAMERON HILL
POLICY AND ADVOCACY ADVISOR
ACFID
TRANSPARENCY AND PERFORMANCE

Yet to be Announced

SECTOR ESTIMATES

- DFAT will be publishing 2021-22 estimates for sectoral flows (health, education, governance, infrastructure etc.) in the coming weeks.

VACCINE NUMBERS

- The Government has not provided an aggregate figure on how many vaccines Australia has delivered in the region through its domestic supplies, the vaccine access initiative, and its contributions to COVAX.

FUTURE COVAX CONTRIBUTION?

- There will be significant pressure on Australia from regional allies such as the US and Japan to increase its contribution to the COVAX Advanced Market Commitment at a summit meeting in June.
TRANSPARENCY AND PERFORMANCE

Things to Watch

FORWARD ESTIMATES

- For the second year in a row, DFAT has not published forward estimates for total ODA spending.
- It is not clear if these will be published in future years.

CLIMATE CHANGE

- The Government has committed to spend $1.5b on climate change assistance to 2025.
- Further allocations of this funding may be announced in the lead up to the Glasgow Climate Summit (COP26) in November.

ANNUAL MINISTERIAL STATEMENT

- ACFID expects that the Minister will deliver the inaugural Annual Statement on the Partnerships for Recovery strategy in mid-2021.

THE POST-COVID AGENDA?

- The Partnerships for Recovery strategy will come to an end in 2022.
- Beginning the work to develop the future strategic direction for Australia’s development program will become increasingly important over the next year.
FURTHER READING AND EVENTS

BUDGET DOCUMENTS

ODA BUDGET SUMMARY 2021-22
Available here

FOREIGN AFFAIRS AND TRADE PORTFOLIO BUDGET STATEMENTS 2021-22
Available here

ACFID 2021-22 PRE-BUDGET SUBMISSION
Available here

AID TRACKERS

COVID-19 PACIFIC AID TRACKER
Available here

AUSTRALIAN AID TRACKER
Available here

BRIEFINGS

DEVELOPMENT POLICY CENTRE BUDGET BREAKFAST 2021 EVENT (12 MAY)
Register here

ACFID BUDGET DE-BRIEF (MEMBERS ONLY) (12 MAY)
Register here