



RESULTS International (Australia)

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RESULTS International Australia

Submission to Australian International Development Policy Review

Introduction

[RESULTS International \(Australia\)](http://www.results.org.au) is a non-partisan and non-profit organisation that has been working in Australia for more than 30 years through a combination of staff-led and grassroots-driven advocacy. We work with federal parliamentarians and through the media to generate public and political will to end poverty. We are part of an international network called the ACTION Global Health Advocacy Partnership which works towards ending diseases of poverty around the world. We focus our advocacy on global health issues such as tuberculosis (TB), HIV, malaria, polio, child health, vaccines and nutrition, as well as education and microfinance.

RESULTS International Australia welcomes the opportunity to provide input to the Government's new international development policy. The development of this policy is timely as:

- Since the last significant statement on development policy in 2014, significant changes in the needs of different countries and regions and sources of development finance have taken place.
- In 2020, the world is 10 years from the target date for reaching many of the Sustainable Development Goals (SDGs), which Australia and most other countries endorsed in 2015. As many countries are falling behind the needed rate of progress towards the SDGs, it is important for Australia and its development partners to restore momentum to working to reach the goals.

Objectives and Focus of Australian Development Assistance

The first task for a comprehensive review of development policy is to consider the purpose and overall priorities for the development assistance program. The current statement of the purpose of the aid program is: "The purpose of the aid program is to promote Australia's national interests by contributing to sustainable economic growth and poverty reduction."

In view of the opportunity to increase the focus on achieving the SDGs, emphasising first the commitment to support sustainable development is an important part of a new objective statement. The statement could be: "The purpose of Australia's development assistance is to contribute to achieving sustainable economic and human development, consistent with Australia's national interest."

RESULTS stresses that international development assistance should go to those most in need and where it will have the most impact, with national interests being secondary to these development goals.

Opinion research has shown consistently that Australians generally see the humanitarian and ethical argument for helping the poor as a stronger argument for providing aid than demonstrating a direct or indirect benefit to Australia from providing aid.

The Australian Council for International Development (ACFID) released in December 2019 an opinion survey, which showed that 59% of respondents agreed that “Australia's international aid to poor countries should primarily serve the poorest people and those most in need.”¹

It is also important to review the regional orientation of Australian assistance. In the last two years, the focus of Australia's development and diplomatic action on the Pacific has increased, and the Government will be treating the Pacific as a high priority in the future.

An increased focus on the Pacific is a welcome development, provided that increased assistance from Australia:

- Addresses the genuine priorities of Pacific countries for human and economic development, which would vary between countries.
- Does not detract from essential assistance to other countries or through multilateral organisations to contribute to global development goals.
- Does not add to the debt burden of countries with existing high debt levels.

The other key issue for objectives and priorities in development assistance is **the allocation of aid among different delivery partners** (partner country governments, domestic or international non-government organisations, multilateral institutions or initiatives, and private sector contractors). The choice of partner obviously depends on their capacity to achieve the objectives of a project or program, and we would not promote one type of partner as being consistently superior. We have however become concerned about the move towards the increased use of private contractors in aid delivery. With roughly one quarter of Australia's ODA spending outsourced to private companies in 2016-17, we have reservations about the level of transparency around spending and outcomes and would suggest assessment and reporting of contractor selection and performance be strengthened.

It is important to recognise the following advantages of contributing to multilateral agencies and initiatives:

- Multilateral agencies have expertise with specific types of programs or development challenges that a national aid agency may not have.
- Multilateral agencies can reach countries or regions in which Australia does not run a substantial bilateral assistance program.
- Multilateral agencies can have more positive influence over policy in partner countries than bilateral donors.

The Case for Increasing Australia's Development Assistance Investment

One of the parameters for the aid review is how to set priorities for the Official Development Assistance (ODA) Program within the planned annual level of aid in the next few years of \$4.0 to \$4.25 billion.

However, in recent years, any new initiatives in the aid program have been at the expense of other important programs and increasing the effectiveness of the aid program is going to require a resumption of growth in overall ODA. To provide planning confidence for partner countries and organisations, it is important that Australia sets a medium-term target (e.g. by 2025) for increasing aid as well as a longer-term target (by 2030). A report in April 2019 by the parliamentary Joint Standing Committee on Foreign Affairs, Defence and Trade called on the Government to set:

- by 2020, a target for increasing aid by 2025 (suggested as 0.5% of GNI) and

¹ ACFID Media release, 'Australians rule out boomerang aid,' 10 December 2019.

- by 2030, an increase in the aid budget to a suggested level of 0.7% of GNI (an aim that is mentioned in the SDGs).²

If the Government considers that the growth rate to increase ODA from the current level of 0.21% of GNI to 0.5% of GNI in six years is not feasible, it should still set a medium-term target for a substantial increase in the ratio of aid to GNI and accompany the financial target with a performance framework to ensure Australia measures how additional assistance contributes to enabling partner countries to reach the SDGs.

Promoting Quality and Affordable Healthcare

As part of an increase in overall development assistance, it is important to ensure that Australia's health assistance is adequate and effective in addressing regional health challenges.

The Asia-Pacific region, the primary focus of Australia's aid, has made significant progress in reducing extreme poverty and improving health, but it continues to face major challenges requiring assistance:

- The region is still home to nearly 40% of the world's poorest people (over 260 million people).³ Poor health and nutrition is both a cause and outcome of poverty, as low health standards affect workforce participation and productivity, and poverty increases the difficulty of affording and accessing health care.
- At least 58% of the world's hungry and undernourished live in Asia and the Pacific, and undernutrition affects women and children especially.
- Timor-Leste has one of the highest proportions of children with stunting in the world. Stunting means that a child is much smaller than average for their age, a sign of undernutrition which can lead to a heightened risk of illness and disease.

Taking these factors into account, the Australian ODA Program should make increasing access to healthcare and increasing the quality of health systems and the services they provide a higher priority. **In 2019-20, health makes up 14% of total Australian aid, and increasing this share towards 20% of the ODA Program is an important medium-term goal.**

TB and Other Neglected Diseases

As part of achieving the internationally agreed principles of universal health coverage, Australia should increase its contribution to achieving the goal set at the United Nations High-Level Meeting on Tuberculosis (TB) in 2018 of ensuring all people with TB are diagnosed and treated.

- TB is the biggest infectious disease killer, causing 1.45 million deaths in 2018.
- In 2018, 3 million out of the estimated 10 million people contracting TB globally were not diagnosed and treated.
- The number of people dying from TB is falling slowly but additional resources are needed to accelerate this trend, especially as TB is a preventable and treatable disease.

Reducing the avoidable toll of TB requires improved ways of diagnosing TB, a more effective vaccine and improved medications to treat TB. The current treatments require patients to take medication for extended periods and involve severe side effects.

² Joint Standing Committee on Foreign Affairs, Defence and Trade Inquiry into the strategic effectiveness and outcomes of Australia's aid program in the Indo Pacific and its role in supporting our regional interests, First report, April 2019.

³ Max Roser and Esteban Ortiz-Ospina (2020) - "Global Extreme Poverty". *Published online at OurWorldInData.org*. Retrieved from: '<https://ourworldindata.org/extreme-poverty>' [Online Resource].

The actions we recommend Australia take on TB and infectious diseases are:

- Provide continued and increased future support to the Global Fund to Fight AIDS, TB and Malaria.
- Renew and have a stronger focus on TB research and services in the Indo-Pacific Health Security Initiative.
- Increase the proportion of Australian research and development spending concentrating on TB.

Ensuring All Children Have Access to Immunisation

Over the last 30 years, we have seen a significant decrease in the global number of deaths of children under the age of 5 (from 35,000 per day to 14,500 per day at the global level), due in large part to an increase in child vaccination rates.⁴

However, in the last few years, the rate of vaccinations globally has stalled at approximately 85%, leaving children vulnerable to diseases such as measles, which has seen a resurgence in many countries in the last two years.

Australia has a strong record in increasing domestic vaccination rates (the proportion of 5-year-old children fully vaccinated in Australia has increased from 75% to 95% in the last 15 years).⁵ Given this increase in national coverage, Australia should also assist countries in our region to improve child vaccination rates through:

- Continuing and increasing its contribution to Gavi, the Vaccine Alliance, which has supported the vaccination of more than 750 million children since 2001 and is due for funding replenishment in June 2020.
- Assisting countries in Asia and the Pacific that are no longer eligible for Gavi support due to their per capita income. Australia can support countries not eligible for Gavi funding by assisting in purchasing vaccines and training health workers to deliver vaccines effectively.

Improving Nutrition

The latest figures from the World Health Organization indicate that 822 million people (more than 10% of the world's population) suffer from consistent undernutrition, including 514 million people in Asia Pacific.

The impacts of poor nutrition are most evident in children: globally, 149 million children have had their growth stunted (they are well below average height for their age) and 49.5 million children suffer from wasting (they are a very low weight for their height, a sign of acute malnutrition).⁶ Children who are malnourished are also likely to have reduced quality of education, employment and health in later life. Despite the huge costs of malnutrition, a small proportion of Australian development assistance (less than 1%) goes to nutrition-specific programs.

Australia should assist countries in our region bring down their high rates of malnutrition by increasing the proportion of Australian aid for nutrition-specific interventions and by urging multilateral agencies to which we contribute (such as the World Bank and Asian Development Bank) to increase the priority for nutrition in their programs.

Achieving Quality Education for All

The number of children and young adolescents out of school worldwide is increasing. Today, there are 64 million children not in primary school and 61 million adolescents not in lower secondary school. A further 250 million children who are in school are graduating without having learnt even basic numeracy and literacy skills.⁷

⁴ UNICEF, Child Mortality data, September 2019, <https://data.unicef.org/topic/child-survival/under-five-mortality/>

⁵ Department of Health, 'Vaccination Coverage rates for all children' December 2019, <https://www.health.gov.au/health-topics/immunisation/childhood-immunisation-coverage/immunisation-coverage-rates-for-all-children>

⁶ WHO, UNICEF and World Bank, Joint Child Malnutrition Estimates, March 2019.

⁷ UNESCO, Global Education Monitoring Report 2019, page 287.

Girls, children with disabilities and those living in rural areas continue to be disadvantaged in basic education. 53% of out-of-school children are girls, and estimates suggest that one-third of out-of-school children have a disability. In Asia and the Pacific, roughly 19 million children do not have access to school. In Papua New Guinea, 43% of girls do not complete lower secondary school.

Despite these shortfalls in education delivery and with demand for education rising steadily, global commitments for education financing are declining. While successive governments have indicated that education is a high priority in Australian aid, education accounts for a relatively low 16% of aid spending in 2019-20. In the medium term, Australia should adopt the following priorities for education:

- Increase education funding to 20% of the total ODA Program.
- Increase the focus of education support towards basic education and promoting quality education for disadvantaged groups.
- Direct more of our education support to the Global Partnership for Education, which provides funding for national education plans for poorer countries.

Support to and Engagement with Middle-Income Countries

Australia does not have a fixed set of criteria for determining which countries are eligible for its bilateral assistance. In general, Australia gives the highest priority to countries in the Indo-Pacific region. Many of these countries experience instability or fragility and, in the Pacific, have a narrow or variable economic base.

For many national and multilateral development agencies, per capita income is the key criterion for determining which countries would receive assistance, with countries becoming ineligible as they “graduate” to middle income. However, a high proportion of the world’s poor and hungry people live in countries classified as middle income. From 1987 to 2015, the proportion of the people in extreme poverty (less than \$US 1.90 per day) living in low-income countries fell from 90% to 40%.⁸ Assisting the poorest countries does not necessarily result in assisting the poorest people.

Multilateral agencies, including the multilateral development banks and specialised agencies such as the Global Fund to Fight AIDS, TB and Malaria and Gavi, the Vaccine Alliance, have eligibility criteria based on country per capita income supplemented by measures such as disease burden or creditworthiness. Some countries classified as lower-middle income face the withdrawal of support from several of these agencies during the same 3 to 5-year period, known as ‘simultaneous transition.’

Australia can assist countries to cope with simultaneous transition through the following actions:

- Using its position on the boards of multilateral institutions, influence these institutions to adopt multiple criteria, including social indicators, equality of access to services and capacity of governments to fund services from domestic resources, to determine country eligibility and adopt longer periods for transition.
- Making a clear statement of Australia’s position on eligibility and transition for its bilateral assistance, emphasising that Australia would also use multiple criteria to determine eligibility for assistance and would work with the country to ensure that it could provide services from domestic funding as Australia reduced assistance.

⁸ V. McIntyre, L. Page, R. Pande, ‘A new home for extreme poverty: middle income countries,’ New York Times, 28 January 2019.